



Chamber of Commerce HAWAII
The Voice of Business

**Testimony to the House Committee on Human Services and Committee on
Housing
Thursday, February 5, 2015 at 10:00 A.M.
Conference Room 329, State Capitol**

RE: HOUSE BILL 734 RELATING TO HOUSING

Chairs Morikawa and Hashem, Vice Chairs Kobayashi and Jordan, and Members of the Committees:

The Chamber **supports** H.B. 734, which would establish the housing first voucher program within the Department of Human Services, and appropriate general funds to the Housing First Special Fund to implement the program.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the “Voice of Business” in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state’s economic climate and to foster positive action on issues of common concern.

The goal of H.B. 734 appears to provide a revenue source to attract private developers to build units chronically homeless individuals serviced through the Housing First program. Providing a predictable source of funding will attract private developers to provide the additional units for the program.

We appreciate the opportunity to express our support for H.B. 734.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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TO: Representative Dee Morikawa, Chair
Representative Bertrand Kobayashi, Vice Chair
Members, Committee on Human Services

Representative Mark Hashem, Chair
Representative Jo Jordan, Vice Chair
Members, Committee on Housing

FROM: Scott Morishige, Executive Director, PHOCUSED

HEARING: House Committees on Human Services and Housing
Thursday, February 5, 2015 at 10:00 a.m. in Conf. Room 329

Comments relating to HB734, Relating to Housing.

Thank you for the opportunity to provide **written comments** in relation to HB734, which would establish a housing first voucher program within the Department of Human Services. PHOCUSED is a nonprofit membership and advocacy organization that works together with community stakeholders to impact program and policy change for the most vulnerable in our community, including the homeless.

We would like to note that there is currently a 'Housing First' program within the Department of Human Services (DHS), which is established by HRS 346-378. Under this program, DHS contracts a nonprofit to implement the program on the island of Oahu. The current contractor for the State Housing First program is the U.S. Veteran's Initiative ("U.S. Vets"), who implements the program in partnership with two other nonprofits – Kalihi-Palama Health Center and Waikiki Health. U.S. Vets and their partners are currently implementing a voucher-based Housing First program, which provides vouchers to clients to locate rental units in the private market, similar to the Section 8 Housing Choice Voucher program. PHOCUSED is familiar with the work of U.S. Vets and their partners, due to our role in coordinating referrals for housing placement as part of our 'Collective Impact' efforts.

During the first six months of the State's current Housing First contract, a major barrier reported by U.S. Vets and its partners is that private landlords are often hesitant to rent to homeless individuals, even when rent payment can be guaranteed. The contractor runs into this program even when they agree to put the rental agreement in the name of their nonprofit, rather than the name of the tenant – This occurs because many landlords still want to reserve the right to 'screen' out potential tenants placed into a unit.

The current language in the HRS that describes the 'Housing First' program allows DHS the flexibility to implement the program either using a voucher system (currently being used by U.S. Vets), or to implement the program in other ways. An alternative to a voucher system, would be to implement a 'project-based' model that would place clients in a facility with designated units for Housing First.



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In light of the challenges identified by U.S. Vets and its partners in implementing Housing First using a voucher-based system, PHOCUSED recommends that DHS continue to be provided with the flexibility to implement Housing First using either a project-based or a voucher-based model moving forward.

Once again, PHOCUSED appreciates the opportunity to provide comments on this bill. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.

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Testimony to the House Committees on Human Services and Housing

Thursday, February 5, 2015

10:00 a.m.

State Capitol - Conference Room 329

LATE

RE: HOUSE BILL NO. 734 RELATING TO HOUSING

Chairs Morikawa and Hashem, and Vice Chairs Kobayashi and Jordan, and members of the Committees:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII **supports** H.B. 734, which would establish the housing first voucher program within the Department of Human Services, and appropriate general funds to the Housing First Special Fund for implementation of the program.

The goal of H.B. 734 appears to provide a revenue source to attract private developers to build units for chronically homeless individuals serviced through the Housing First program. Providing a predictable source of funding will attract private developers to provide the additional units for the program.

We appreciate the opportunity to express our support for H.B. 734.



HPCCA

HAWAII PRIMARY CARE ASSOCIATION

LATE

House Committee on Human Services

The Hon. Dee Morikawa, Chair

The Hon. Bertrand Kobayashi, Vice-Chair

House Committee on Housing

The Hon. Mark J. Hashem, Chair

The Hon. Jo Jordan, Vice Chair

Testimony in Support of House Bill 734

Relating to Housing

Submitted by Robert Hirokawa, Chief Executive Officer

February 5, 2015, 10:00 am, Room 329

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 734, establishing the housing first voucher program.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

Housing is health. Hawaii's community health centers provided health care and other services to 12,459 unique patients experiencing homelessness in 2013. Housing, the lack of affordable housing, and homelessness are all social determinants of health: they are circumstances that influence the health of individuals and the health of communities, more so than an individual's genetic code.

House Bill 734 speaks to one of these major determinants by seeking to creating viable housing opportunities for homeless individuals here in Hawaii. For that reason, we strongly support this measure and thank you for the opportunity to testify.



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February 5, 2015

COMMITTEE ON HUMAN SERVICES

Rep. Dee Morikawa, Chair
Rep. Bertrand Kobayashi, Vice Chair

COMMITTEE ON HOUSING

Rep. Mark J. Hashem, Chair
Rep Jo Jordan, Vice Chair

HB 734
RELATING TO HOUSING

Committee Chairs and Members:

Hawaii's Thousand Friends, a statewide nonprofit organization dedicated to comprehensive planning and reasonable, responsible and appropriate land use, has the following questions on HB 734 that establishes the housing first voucher program.

Would vouchers apply to Accessory Dwelling Units (ADU), which under the Housing First Program would be allowed on residential lots?

What does the word "obtain" mean In Section 346 (c) line 15 page 1? Does it mean that the Department will "obtain" a list of available units or somehow will have some control over units that it uses in the program?

What types of units would qualify as "appropriate?"

How is a "unit" defined – a house, apartment, shipping container, converted garage?

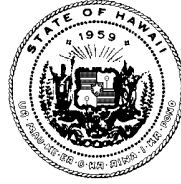
The bill is silent on how the Department of Human Services will coordinate with the county planning departments to ensure that there is adequate infrastructure available to handle the additional population.

What agency or department will enforce the voucher program to ensure that the vouchers are being appropriately used and that units are rented long term to Hawaii residents?

Since this is a statewide program have any of the islands General Plans and Development and Sustainable Communities Plans addressed the issue of increased housing?

Before general funds are provided for this program it is imperative that the above questions are addressed.

DAVID Y. IGE
GOVERNOR



LATE

RACHAEL WONG, DrPH
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 5, 2015

MEMORANDUM

TO: The Honorable Dee Morikawa, Chair
House Committee on Human Services

The Honorable Mark J. Hashem, Chair
House Committee on Housing

FROM: Rachael Wong, DrPH, Director

SUBJECT: **H.B. 734 – RELATING TO HOUSING**

Hearing: Thursday, February 5, 2015; 10:00 a.m.
Conference Room 329; State Capitol

PURPOSE: The purpose of H.B. 734 is to amend Chapter 346, Hawaii Revised Statutes, to create the Housing First voucher program, and to appropriate unspecified funds for said program.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure as it is supportive of our goals and objectives by providing funding to continue the State's Housing First (HF) program. However, the DHS respectfully requests that the Legislature supports the DHS's priorities set forth in the Executive Budget which contains a request for \$2,000,000 for the HF program.

Additionally, the DHS offers the following comments about the proposal to re-establish the HF program as a "voucher" program.

AN EQUAL OPPORTUNITY AGENCY

Recall, that per section 346-378(b), Hawaii Revised Statutes, the legislature set out the principles of the HF program that direct the DHS's focus of providing housing first and support services to the chronically homeless. This special population most often requires supportive services to obtain housing, apply for available public benefits, and to engage in health, mental health and/or substance abuse programs.

1. The Department's current HF program essentially operates as a voucher program through a contracted service provider. This means that the State's contractor is receiving referrals of the chronically homeless through Hale O Malama, the coordinated entry to our homeless resource system. All homeless individuals and families encountered in the community are asked to undergo an initial screening via the Vulnerability Index Service Prioritization and Decision Assistance Tool (VI-SPDAT). If the individual's acuity (needs) reach the level of requiring permanent supportive housing (housing first), that individual is matched with the appropriate level of care. For example, if served through the State's HF program, the client would be moved into a housing unit as quickly as possible, and provided with intensive case management by the contractor to promote compliance with terms of a lease. Leasing of the rental unit may be accomplished via a direct lease between landlord and client, or by the contractor establishing a "master lease" and having the client identified as the unit's occupant. Such arrangements have been effective in optimizing rental units and expediting occupancy.

Treatment for substance abuse and/or mental health issues is not a pre-requisite to housing. It is important to recognize that many homeless individuals are able to establish stability once they are housed, and often choose to participate in treatment at a later point in time. This fact, voluntary engagement in services after housing stability, has been established by evidence based Housing First programs across different implementation sites across the county.

2. The current implementation of the HF program provides the State and our contractor (and ultimately the HF program clients) with the highest degree of flexibility possible in securing housing units for this special population. When implemented with fidelity to the evidence based model, HF programs are optimally scattered site housing. This means that housing units are found across many different communities and settings (e.g. single unit in one location, multiple units in another building, etc). The scattered site model alleviates some of the “not in my backyard” or NIMBY-ism. Although some HF programs do operate with “project based” housing, that is, multiple housing units in the same complex, or one building dedicated to housing many HF clients, this arrangement may not be optimal. The existing program structure provides our changing system with the flexibility needed at this time and into the future.

3. Feedback received from housing placement agencies contracted with the State indicates that landlords have preconceived bias against accepting “vouchers” or similar subsidized rent payments. Some landlords have been very reluctant to work with any form of voucher, including Section 8 Housing Choice vouchers. If the HF program is crafted solely as a “voucher” program, housing inventory may become more limited for our clients.

Thank you for the opportunity to provide testimony on this bill.