

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON HOUSING
ON
SENATE BILL NO. 120, S.D. 2

March 16, 2015
8:30 A.M.

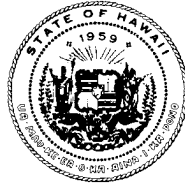
RELATING TO AFFORDABLE HOUSING

Senate Bill No. 120, S.D. 2 authorizes, among other things, the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund for the purposes of financing affordable rental housing development and infrastructure development. The bill also authorizes the issuance of general obligation bonds and the appropriation of the funds for the construction of micro apartment housing units.

The Department has technical comments on this bill. Federal tax law requires, among other things, that tax-exempt general obligation bond proceeds be used to finance projects/programs that serve public purposes. As private entities will derive the benefit from this legislation, tax-exempt general obligation bonds cannot be used for this purpose. The State would need to issue taxable general obligation bonds at a higher cost in order to fund the rental housing trust fund and dwelling unit revolving fund. In addition, should the construction of the micro apartment housing units benefit private entities (i.e., private owners/developers of affordable housing, or private purchasers (individuals/families)), taxable general obligation bonds may need to be issued to fund the construction of the units.

In addition, to the extent that funding for such programs are not in the proposed Executive Budget, should this bill proceed or pass the Legislature, an amount for the corresponding annual debt service will need to be included in the Legislature's version of the budget.

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



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

March 16, 2015 at 8:30 a.m.
State Capitol, Room 329

In consideration of
S.B. 120, S.D. 2
RELATING TO AFFORDABLE HOUSING.

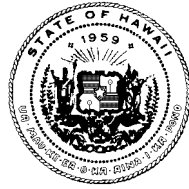
HHFDC supports Parts II, III, and IV of S.B. 120, S.D. 2, provided that its passage does not replace or adversely impact priorities set forth in the Executive Biennium budget. We defer to the Department of Human Services on the remainder of this bill.

Part II of this bill appropriates an unspecified amount of General Obligation Bond funds in Fiscal Year 2015-2016 for deposit into the Rental Housing Trust Fund (RHTF). An additional \$50 million for the RHTF would help to finance the development of approximately 500 permanent affordable workforce rental units and would provide an economic stimulus by creating 133 to 179 direct construction jobs and 335 to 357 indirect jobs, depending on the type of project.

Part III of this bill appropriates an unspecified amount of General Obligation Bond funds in Fiscal Year 2015-2016 for deposit into the Dwelling Unit Revolving Fund. DURF is primarily used for interim loans, and can be used to finance the development of off-site infrastructure for affordable housing projects. Additional funding for DURF would allow HHFDC to increase the amount of DURF loans.

Part IV of this bill appropriates an unspecified amount of General Obligation Bond funds to HHFDC in FY 2015-2016 for the construction of micro apartment housing units. These funds could be used to finance the development of a micro apartment project located in Kakaako at 630 Cooke Street.

Thank you for the opportunity to testify.



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

March 14, 2015

MEMORANDUM

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

FROM: Rachael Wong, DrPH, Director

SUBJECT: **S.B. 120 SD 2 – RELATING TO AFFORDABLE HOUSING**

Hearing: Monday, March 16, 2015; 8:30 a.m.
Conference Room 329; State Capitol

PURPOSE: The purpose of S.B. 120 SD 2 is to appropriate funds for a variety of housing and homeless needs, including appropriation of funds to the Department of Human Services to continue to administer the Housing First program (Part V).

DEPARTMENT'S POSITION: The Department of Human Services (DHS) is appreciative of the intent of this proposed bill as it would provide funding to continue the State's Housing First program (HF). However, the DHS asks the Legislature to support the DHS's priorities set forth in the Executive Budget which contains a request for \$2,000,000 for the continuation of HF.

The State's HF was designed and is being implemented to align with nationally recognized best practices to house and provide robust services to the chronically homeless with the highest acuity (needs), without pre-requisite compliance with treatment services. Together with Hale O Malama, the State's coordinated entry system to homeless services, HF is targeting

service to unsheltered, chronically homeless that typically overuse high cost services such as hospitals, 911 systems, emergency rooms, and jails.

The HF leverages federal grant funding totaling approximately \$2.9 million awarded in 2013 from the Substance Abuse and Mental Health Services Administration (SAMHSA), to the Department of Health (DOH). With the SAMHSA award, DOH implemented the Hawaii Pathways Project (HPP), an evidence based housing first program for individuals with substance abuse and/or co-occurring substance abuse and mental health issues. This important collaboration is part of the State's overall effort to develop a coordinated approach to end homelessness. The SAMHSA grant provides funds for services; it does not provide funding for housing costs. The HF's design and implementation has achieved the best leveraging of the SAMHSA funds.

Since the June 2014 execution of the most recent contract with our vendor, US Vets, the HF has housed 53 chronically homeless people, including two households (families). Another 18 people have been referred and are at various stages in preparation for housing and services. Thus far, the average cost of each housing unit has been \$1,229 per month. Supportive services costs have varied due to the range of needs of each client served.

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

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Mar 16, 2015, 6:59 am

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THE VOICE OF THE CONSTRUCTION INDUSTRY

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P 808.847.4666
F 808.440.1198

E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

Testimony to the House Committee on Housing
Monday, March 16, 2015
8:30 a.m.
State Capitol - Conference Room 329

RE: S.B. NO. 120, S.D. 2 RELATING TO AFFORDABLE HOUSING

Chair Hashem, Vice-Chair Jordan, and members of the Committee:

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 the intent** of S.B. 120, S.D. 2, which proposes to:

1. Authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development.
2. Authorizes the issuance of general obligation bonds and the appropriation of funds for the construction of micro apartment housing units.
3. Appropriates funds to the department of human services to continue to administer housing first programs for chronically homeless.

BIA-Hawaii strongly supports the need to provide government assistance to develop housing units for the 80% AMI and below income group. The economics associated with developing these units require some type of government assistance. Due to the cost of land and development, the private sector is unable meet these price points without government assistance.

BIA-Hawaii also suggests that the Legislature expand its efforts by creating "incentives" for development of more units at all price points above the 80% and below AMI. Incentives could include some of the following:

- Up-zoning or density bonuses for existing urbanized properties;
- Improving the land use entitlement process to encourage development of housing units for certain targeted price points (i.e. 80% to 140% of AMI);
- Invest in regional infrastructure capacity building in areas identified for growth, and allow for small and medium size developers to enter the market to increase competition.

Addressing only one segment of the housing market is not the answer. A healthy housing market allows for people to "step up" into units that better accommodate their families and as their income improves. Without more inventory at all price points, there will be nothing for people to "step up" to. Allowing families to "step up" will also allow other first time home buyers to purchase that entry level unit.

Thank you for the opportunity to express our views on this matter.



March 13, 2015

Hearing: SB 120, SD2
Date: Monday, March 16, 2015
Time: 8:30 A.M.
Room No. 329

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

TESTIMONY IN SUPPORT of SB 120, SD2 RELATING TO FUNDING OF HOUSING PROGRAMS

Chair Hashem, Vice Chair Jordan and members of the committee:

Thank you for this opportunity to submit testimony in SUPPORT of SB 120 SD2. EAH Housing strongly supports the following:

- Part II: \$100 Million funding to the Rental Housing Trust Fund (RHTF)
- Part III: \$20 Million funding to the Dwelling Unit Revolving Fund
- Part IV: \$15 Million for development of micro-unit apartments

I am Kevin Carney, Vice President of EAH Housing. EAH is a 48 year old non-profit public benefit corporation whose mission is to develop, manage and promote affordable rental housing. We are one of the largest non-profit affordable rental housing developers in the western United States. We have developed over 90 properties, we manage over 100 properties and we serve over 20,000 residents in communities in Northern California and Hawaii. The people we serve are primarily those with incomes at or below 60% of the area median income (AMI).

A critical component of the financing for the properties we develop is the State's RHTF. Over the past seven (7) years EAH has utilized \$34,866,411 from the fund in 5 projects that are providing 348 apartment units on Oahu and Maui all serving those at 60% and below of the AMI. The RHTF is critical because it helps to fill the financing gap between the amount of debt necessary to make a property feasible and what the property's restricted rental income can support. The more RHTF support in a property the less hard debt it has to cover and the more viable the project becomes.

In today's market, with all the construction in Kakaako and the work on HART, the price of construction continues to rise increasing the cost of providing low-income housing. EAH most strongly supports the additional infusion of funds into the RHTF and would like to see a more consistent source of funding similar to what was proposed in SB 970. As developers of low-income rental apartments we depend on knowing that there will be funding available 2 – 4 years before we are able to apply for it. This needed consistency helps to lessen the risk and increases our confidence that our efforts in attempting to produce this much needed housing will not be for naught when we reach the critical financing stage. Finally, we are disclosing that EAH is part of a development team that is competing to build the micro-units proposed on Cooke Street in Kakaako.

Sincerely,

Kevin R. Carney, (PB), NAHP-E
Vice President, Hawaii



HPCCA

HAWAII PRIMARY CARE ASSOCIATION

House Committee on Housing
The Hon. Mark J. Hashem, Chair
The Hon. Jo Jordan, Vice Chair

Testimony on Senate Bill 120 SD 2
Relating to Affordable Housing
Submitted by Nani Medeiros, Public Affairs and Policy Director
March 16, 2015, 8:30 a.m., Room 329

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports Senate Bill 120, which authorizes bonds to be used to bolster affordable housing development and infrastructure.

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.

Senate Bill 120 speaks to one of these major determinants by seeking to alleviate the growing affordable housing crisis in Hawaii. For that reason, we strongly support this measure and thank you for the opportunity to testify.



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

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TO: Representative Mark J. Hashem, Chair
Representative Jo Jordan, Vice Chair
Members, House Committee on Housing

FROM: Scott Morishige, MSW
Executive Director, PHOCUSEDi

HEARING: **Monday, March 16, 2015 at 8:30 a.m. in Conf. Rm. 329**

Testimony in Support of SB120 SD2, Relating to Affordable Housing.

Thank you for the opportunity to provide testimony in **strong support** of SB120 SD2, which appropriates funds for a range of housing and homeless programs. 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.

Since March 2014, PHOCUSED has surveyed 2,200+ homeless individuals and families across Oahu to assess their level of need and determine appropriate interventions. Based on our survey data, **over a quarter (26%, or 570 homeless households) indicate a need simply for affordable housing** – meaning that they do not require case management or intensive social services, but would be able to successfully transition to stable housing if affordable rental options were available. HB1354 includes a number of components that will strengthen Hawaii's ability to develop truly affordable housing for the most vulnerable and low-income in our community.

In particular, PHOCUSED supports the following components of this measure:

- **Part II: General Obligation Bonds for the Rental Housing Trust Fund (RHTF)**
The RHTF has a proven record of creating new affordable rental units in Hawaii, and is the only financing mechanism that mandates units for households at 30% of Area Median Income (AMI). PHOCUSED supports the issuance of **\$100 million in general obligation bonds** for the RHTF.
- **Part IV: General Obligation Bonds for the construction of micro-units**
Micro units are a cost-efficient new option for housing development. The estimated construction cost for a micro unit is roughly half that for a traditional unit – an estimated \$150,000 per unit vs. \$300,000 per unit. Micro units could be utilized by a wide range of renters, including very low income singles, seniors, and small families. PHOCUSED supports the appropriation of **\$15 million for the construction of micro-units.**
- **Part V: Appropriation for the Housing First program**
Housing First is a nationally recognized best practice for effectively and efficiently housing the most vulnerable and high-need homeless individuals by (1) Placing them quickly into permanent housing, and (2) Providing wrap-around supportive services to assist them in maintaining housing. The program not only



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

provides immediate assistance to our most vulnerable homeless individuals, but also helps to reduce the public cost of serving these individuals in the long-term. The U.S. Interagency Council on Homelessness has endorsed Housing First as a 'best practice' for governments and service agencies addressing chronic homelessness. PHOCUSED supports the appropriation of **\$3 million for the expansion of the Housing First program.**

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Once again, PHOCUSED strongly urges your support of 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.

jordan3-Kevin

From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 13, 2015 2:03 PM
To: HSGtestimony
Cc: darakawa@lurf.org
Subject: Submitted testimony for SB120 on Mar 16, 2015 08:30AM

SB120

Submitted on: 3/13/2015

Testimony for HSG on Mar 16, 2015 08:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
David Z. Arakawa	Land Use Research Foundation of Hawaii	Support	No

Comments: The Land Use Research Foundation of Hawaii SUPPORTS SB 120, SD2, which authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the Rental Housing Trust Fund and the Dwelling Unit Revolving Fund to finance affordable rental housing development and infrastructure development; authorizes the issuance of general obligation bonds and the appropriation of funds for the construction of micro apartment housing units; and appropriates funds to the Department of Human Services to continue to administer Housing First programs for chronically homeless. Effective 7/1/2050. (SD2)

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting SB 120 Relating to Affordable Housing
House Committee on Housing
Scheduled for Hearing Monday, March 16, 2015, 8:30 AM, Room 329

Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit law firm created to advocate on behalf of low income individuals and families in Hawai'i on issues of statewide importance. Our core mission is to help our clients access to the resources, services, and fair treatment they need to realize their opportunities for self-achievement and economic security.

Thank you for an opportunity to testify in **strong support** of Senate Bill 120, which would appropriate funds for affordable housing. Hawai'i Appleseed supports appropriations of \$60 million toward the Rental Housing Trust Fund to create affordable rental housing; \$15 million for micro-apartments, which can serve a variety of populations in critical need; and \$3 million to fund Housing First programs serving chronically homeless people.

Rental Housing Trust Fund: Hawai'i's affordable housing crisis is painfully apparent, and the private market is not meeting the state's biggest housing need—affordable rentals. The Rental Housing Trust Fund is a major tool to create these units and has resulted in the development of more than 5,000 affordable units that otherwise would not have been financially viable. The RHTF also creates public-private partnerships that function as economic drivers. Moreover, the RHTF helps extremely low-income residents: 5 percent of units in RHTF-subsidized developments must be affordable to households earning less than 30 percent of the area median income. We greatly appreciate the Legislature's decision this past session to increase the percent of the conveyance tax going to the Rental Housing Trust Fund, but we know that we still need far more rental housing inventory than is currently being created.

Micro-apartments: Micro-apartments are a promising opportunity to create more affordable units in a single development and bring down the per-unit cost. They are smaller than traditional apartments but have all the necessities a tenant would need inside the unit. They can be built in smaller buildings with greater density and easily replicable floor plans and construction methods. Out of the state's general population, almost one out of four households are composed of one occupant. Micro-units work for a wide variety of populations: elders, students, youth transitioning out of foster care, young professionals starting their careers, and people experiencing homelessness. Because modern micro-units are an innovative model, subsidies for their development are particularly important to demonstrate their financial viability in Hawai'i.

Housing First: Appleseed strongly supports Housing First programs, which place chronically homeless people into permanent housing without preconditions while providing them with supportive services. The program has been highly successful both in Honolulu and around the country, with studies from other jurisdictions indicating that it results in substantial public cost savings. Housing First is *the* way to end chronic homelessness, and this increased funding will allow it to expand to the neighbor islands.

As a community, we must make a commitment to housing our working families and vulnerable populations. Thank you for your concern about these critical issues. We strongly encourage you to support SB 120's appropriations for affordable housing and Housing First.

March 16, 2015

The Honorable Mark J. Hashem, Chair

House Committee on Housing
State Capitol, Room 329
Honolulu, Hawaii 96813

RE: S.B. 120, S.D.2, Relating to Affordable Housing

HEARING: Monday, March 16, 2015, at 8:30 a.m.

Aloha Chair Hashem, Vice Chair Jordan, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, submitting testimony on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its 8,400 members. HAR **supports** S.B. 120, S.D.2, which authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development, the issuance of general obligation bonds and the appropriation of funds for the construction of micro apartment housing units, and appropriates funds to the Department of Human Services to continue to administer housing first programs for chronically homeless.

HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the Rental Housing Trust Fund (RHTF) Program which can help integrate the use of mixed-income and mixed-use projects, special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credit programs and deferred loan programs to provide rental housing opportunities.

HAR also supported the Dwelling Unit Revolving Funds (DURF) which may be used for the acquisition of real property; development and construction of residential, commercial and industrial properties; interim and permanent loans to developers; and any and all things necessary to carry out the purposes of the Housing Development Program.

Lastly, as these programs help to increase the availability of rental and affordable housing for persons who face obstacles in moving from homelessness to housing and persons with lower incomes who need to find affordable rental housing, HAR believes these efforts should continue to help address the homelessness issue in our State.

Mahalo for the opportunity to submit testimony.



TESTIMONY IN SUPPORT OF SB 120 SD2: Relating To Affordable Housing

TO: Representative Mark J. Hashem, Chair; Representative Jo Jordan, Vice Chair; and Members of the House Committee on Housing

FROM: Jason Espero, Director of Care-A-Van & Sheila Beckham, CEO

Hearing: **Monday, March 16, 2015, 8:30 am, Conference Room 329**

Thank you for the opportunity to provide testimony in **strong support** of SB 120 SD2.

Waikiki Health (WH) is a 501(c) (3) nonprofit organization with a mission to provide quality medical and social services that are affordable and accessible for everyone, regardless of ability to pay. WH was established in 1967, and was recognized as a federally qualified health center in 1992. For nearly 30 years, Care-A-Van program has served homeless individuals and families, including those at risk of being homeless.

Housing is healthcare and a human basic need. Evidence shows that when a homeless person is placed into housing their health improves. A person housed either reduces his/her daily consumption on drug and/or alcohol or in some cases abstains from drugs and alcohol completely. A person housed has a better chance at taking his/her prescription medication, thus improves his/her mental and/or physical health. A person housed can start working on the issues that caused him/her to become homeless versus figuring out where he/she will sleep that night.

Housing First is evidence based, and a best practice model for housing the most vulnerable and chronically homeless individuals in our communities. Cities across our nation have embraced the housing first philosophy, and have successfully moved some of its most chronically homeless individuals into permanent housing. Results of a study funded in part by Substance Abuse and Mental Health Services Administration (SAMHSA) concluded that approximately 80% of its study participants who were housed using the housing first model retained housing after 24 months.

SB 120 SD2 will help increase the inventory of affordable housing units in our State, which gives homeless individuals, low-income singles and couples, elderly, and small families the opportunity to live in an affordable rental, thus improving their quality of life. Also, appropriating funds to the State Housing First program supports a program that is practiced in other cities across our nation as a model to ending homelessness.

Thank you for your time and consideration.

Please contact me at (808) 791-9351 or jespero@waikikihealth.org if you have any questions.

Sincerely,

Jason Espero, MPA, Director of Care-A-Van

Sheila Beckham, RD, MPH, CEO



**Testimony to the House Committee on Housing
Monday, March 16, 2015 at 8:30 A.M.
Conference Room 329, State Capitol**

RE: SENATE BILL 120 SD2 RELATING TO AFFORDABLE HOUSING

Chair Hashem, Vice Chair Jordan, and Members of the Committee:

The Chamber of Commerce Hawaii (“The Chamber”) **supports** the intent of S.B. 120 SD2, which authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development. Also authorizes the issuance of general obligation bonds and the appropriation of funds for the construction of micro apartment housing units. Further appropriates funds to the department of human services to continue to administer housing first programs for chronically homeless.

The Chamber is Hawaii’s leading statewide business advocacy organization, representing about 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 members and the entire business community to improve the state’s economic climate and to foster positive action on issues of common concern.

The Chamber strongly supports the need to provide government assistance to develop housing units for the 80% AMI and below income group. The economics associated with developing units for people in this income group and below require some type of government assistance. The private sector is unable to provide units at these price points without government assistance.

The Chamber also suggests that the Legislature expand its efforts by creating “incentives” for development of more units at all price points above the 80% and below AMI. Incentives could include some of the following:

- Up-zoning or density bonuses for existing urbanized properties;
- Improving the land use entitlement process to encourage development of housing units for certain targeted price points (i.e. 80% to 140% of AMI);
- Invest in regional infrastructure capacity building in areas identified for growth, and allow for small and medium size developers to enter the market to increase competition.

Addressing only one segment of the housing market is not the answer. A healthy housing market allows for people to “Step Up” into other units as their family and economic situation improves. Without increasing the overall supply of housing at all price points, people will be



Chamber *of* Commerce HAWAII

The Voice of Business

unable to “step up” into other housing units. Allowing families to “step up” into other units will also allow other first time home buyers to purchase the sellers entry level unit.

Thank you for the opportunity to express our views on this matter.



PARTNERS IN CARE

Oahu Continuum of Care

Partners in Care is a coalition of Oahu's homeless service providers, government representatives and community stakeholders working together in partnership to end homelessness.

TESTIMONY IN SUPPORT OF SB 120 SD2: RELATING TO AFFORDABLE HOUSING

TO: Representative Mark J. Hashem, Chair, Representative Jo Jordan, Vice Chair, and Members, Committee on Housing
FROM: Betty Lou Larson, Advocacy Committee, Partners in Care
Hearing: **Monday, March 16, 2015; 8:30 AM; Conference Room 329**

Thank you for the opportunity to provide testimony **in strong support** of SB 120, SD2 appropriating funding for a variety of critical programs targeted at addressing the affordable housing crisis and ending homelessness. Partners in Care strongly supports:

- **\$100 million to the Rental Housing Trust Fund** to provide the affordable rentals needed to prevent more people from falling into homelessness. Hawaii has the second highest rate of homelessness in the USA. 78% of extremely low income households living in poverty pay more than half their income for rent. The 2014 Housing Study shows over 27,000 rental units are needed for people at 80% of AMI, a large increase in units from the 2011 study.
- **\$15 million for micro units.** About 25% of Hawaii's households are singles. New creative ideas are needed to solve their housing needs. Micro units are a cost effective way to house people in safety and dignity in a small, well-designed unit. Construction costs are projected at up to half the cost of a regular "affordable" rental unit. This funding would challenge developers to design new models to house very low income singles, seniors, and small families. The fact that 7 developers responded with proposals for the HFDC Cooke Street site shows there is much interest in this concept among developers as well as the community.
- **\$3 million for Housing First,** to continue this evidence based program and to expand it to the Neighbor Islands. Research indicates that Housing First is the way to end chronic homelessness. Programs consistently report high success rates of keeping residents in permanent housing. We respectfully urge you to add this funding to the **base budget of DHS.**

People from across the Hawaiian Islands signed a PIC petition last year to support affordable rental housing. Many spontaneously wrote comments, sending their hopes and concerns to the Legislature. Please listen to their concerns:

- *"I have lived in Hawaii all my life, and I will never be able to even rent a decent housing unit; this makes me sad."*
- *"I work a full-time job at \$10 an hour. My rent is \$1275. If I had to pay my rent by myself I would not be able to afford it along with my utilities. Please help us here in Hawaii."*
- *"My grandchildren had to move to the Mainland because Section 8 closed due to a 5 year waitlist. I am so sad and not sure when I'll ever see them again."*
- *"When I see a person without a home I think: Where's the Aloha Hawaii? Where is the empathy? How can we allow children to live on beaches and on the streets? How can we allow our Veterans to be Homeless? I know some folks need mental health services so let's get them help. I couldn't imagine being forced to live my life out in the public, can you? So I vote Yes! Please do all you can to End homelessness in Hawaii..."*

Please contact me at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.

TESTIMONY IN SUPPORT OF SB 120 SD2: RELATING TO AFFORDABLE HOUSING

TO: Representative Mark J. Hashem, Chair, Representative Jo Jordan, Vice Chair, and Members, Committee on Housing
FROM: Fr. Robert Stark, Catholic Diocese of Honolulu Office for Social Ministry
Hearing: **Monday, March 16, 2015; 8:30 AM; Conference Room 329**

Thank you for the opportunity to provide testimony **in strong support** of SB 120, SD2 appropriating funding for a variety of critical programs targeted at addressing the affordable housing crisis and ending homelessness. The Office for Social Ministry strongly supports:

- **\$100 million to the Rental Housing Trust Fund** to provide the affordable rentals needed to prevent more people from falling into homelessness. Hawaii has the second highest rate of homelessness in the USA. 78% of extremely low income households living in poverty pay more than half their income for rent. The 2014 Housing Study shows over 27,000 rental units are needed for people at 80% of AMI, a large increase in units from the 2011 study.
- **\$15 million for micro units.** About 25% of Hawaii's households are singles. New creative ideas are needed to solve their housing needs. Micro units are a cost effective way to house people in safety and dignity in a small, well-designed unit. Construction costs are projected at at up to half the cost of a regular "affordable" rental unit. This funding would challenge developers to design new models to house very low income singles, seniors, and small families. The fact that 7 developers responded with proposals for the HFDC Cooke Street site shows there is much interest in this concept among developers as well as the community.
- **\$3 million for Housing First,** to continue this evidence based program and to expand it to the Neighbor Islands. Research indicates that Housing First is the way to end chronic homelessness. Programs consistently report high success rates of keeping residents in permanent housing. We respectfully urge you to add this funding to the **base budget of DHS.**

People from across the Hawaiian Islands signed a PIC petition last year to support affordable rental housing. Many spontaneously wrote comments, sending their hopes and concerns to the Legislature. Please listen to their concerns:

- *"I have lived in Hawaii all my life, and I will never be able to even rent a decent housing unit; this makes me sad."*
- *"I work a full-time job at \$10 an hour. My rent is \$1275. If I had to pay my rent by myself I would not be able to afford it along with my utilities. Please help us here in Hawaii."*
- *"My grandchildren had to move to the Mainland because Section 8 closed due to a 5 year waitlist. I am so sad and not sure when I'll ever see them again."*

Please support this very worthwhile effort. Mahalo nui loa.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 120, SD2: Relating to Affordable Housing

TO: Representative Mark J. Hashem, Chair, Representative Jo Jordan, Vice Chair, and Members, Committee on Housing

FROM: Trisha Kajimura, Social Policy Director, Catholic Charities Hawaii

Hearing: **Monday, March 16, 2015; 8:30 AM; Conference Room 329**

Thank you for the opportunity to testify in **strong** support of SB 120 SD2, the Housing Omnibus Bill. Catholic Charities Hawaii's **priorities are:**

- **\$100 Million funding to the Rental Housing Trust Fund,**
- **\$15 Million for micro units, and**
- **\$3 Million to the Department of Human Services (DHS) to continue Housing First and expand this successful program to the Neighbor Islands.**

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency providing social services in Hawaii for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawaii. Catholic Charities Hawaii has a long history of working in the areas of affordable housing and homelessness. We partner with other agencies on the Pathways Project (a Housing First model), to end chronic homelessness. A recent story shows how Housing First services are effective to change lives and end homelessness.

“John” came to the Hawaii Pathways program when he was identified as one of Oahu’s most vulnerable and displaced homeless adults through the Hale O Malama coordinated assessment and intake process. As specified by the Housing First model, we provided intensive clinical and support services as he has struggled with living independently in his own apartment, relapsing periodically into substance abuse. Recently, a crisis occurred when he had his personal affects stolen, including the key to his apartment. He called on the CCH support service team for help, and was able to maintain sobriety despite returning to the streets for a night. The therapeutic relationship developed by our support service team with John has kept him in the fight to stay housed and recover from his many challenges. We can clearly see that this intensive partnership with our clients is an effective intervention to chronic homelessness.

Our housing crisis is NOW. Hawaii has the highest rate of homelessness in the USA. 78% of extremely low income households living in poverty pay more than half their income for rent. We support new creative ways to house Hawaii’s people, such as micro units. The **\$15 million for micro units** would result in new models being costed out and built. These could then be replicated in other areas for small households. **\$100 million to the Rental Housing Trust Fund** is critical to address the growing shortfall in affordable housing units for Hawaii, now surpassing 27,000 units needed by 2020.

Thank you for the opportunity to testify. Please contact me at (808) 527-4810 or trisha.kajimura@catholiccharitieshawaii.org if you have any questions.



CLARENCE T. C. CHING CAMPUS • 1822 Ke‘eaumoku Street, Honolulu, HI 96822
Phone (808) 527-4810 • trisha.kajimura@CatholicCharitiesHawaii.org



jordan3-Kevin

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 14, 2015 4:32 PM
To: HSGtestimony
Cc: jamesjtz@aol.com
Subject: Submitted testimony for SB120 on Mar 16, 2015 08:30AM

SB120

Submitted on: 3/14/2015

Testimony for HSG on Mar 16, 2015 08:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
James Gauer	Individual	Support	No

Comments: SB477 states that the legislature finds the Hawaii Public Housing Authority to be the only agency in the state. What other agencies would the funds be shared with to increase housing health when it is estimated \$654,000,000 in backlog repairs for HPHA? The expenses are from different departments of the State which should be collaborating with HPHA to meet the needs of the community.

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To: The Honorable Suzanne Chun Oakland
Chairwoman
Senate Human Services Committee
Hawaii State Capitol, Room 266
Honolulu, Hawaii 96813

The Honorable Josh Green
Vice-Chair
Senate Human Services Committee
Hawaii State Capitol, Room 266
Honolulu, Hawaii 96813

Subject: RE: SB120-Related to Affordable Housing.

Honorable Chair Suzanne Chun Oakland and Vice-Chair Green:

Good Afternoon: Chair and Vice Chair:

My name is Liz Brown and I am student at the Myron B. Thompson School of Social Work at the University of Hawaii. I also have been working in the field for the last seven years as an outreach worker. I work with women and children who are in transition and on the verge of homelessness. I am in favor of this bill.

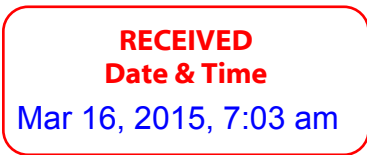
It has been my experience that one of the most difficult barriers that our homeless population face is getting off the streets and getting their own place. A lot of this is due, in part to their substance abuse issues, their mental health status, and the lack of resources out there, particular affordable housing. One of the most challenging issues, I face in my line of work is helping my client's who have children, find affordable housing. There is a limited amount of transitional housing shelters that accept women and children; two places are located on the Leeward Side, with extremely long wait lists, and two places are located in town. In order to qualify for the transitional shelters in town, you have to be working 19 hours a week, which is

extremely difficult to do, when you are homeless, and the primary caregiver of your infant child. As you know once your rent is paid childcare is the second highest bill on the list.

If there were more affordable housing options available to the clients I work with, then there would not be a need for them to move back to their high-risk areas where their abuse first began. They would have a brand new start in life and be able to raise their children in a new environment. Affordable housing for the homeless should be our top priority. We need to pass this bill so mothers who are raising children on their own can have affordable places to live. Enough band aid programs! Oahu's homeless population needs longer-term solutions; Affordable housing is one of those solutions that could work to get people off the streets for good! In closing, I want to thank the committee for allowing me this opportunity to speak.

Sincerely,

Liz Brown
Student/Outreach Worker



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

Monday, March 16, 2015 8:30 a.m. Conference Room 329

Evangeline Chapman
Myron B. Thompson School of Social Work at The University of Hawaii at Manoa
2310A Hanakealoha Pl
Honolulu HI 96816
(808) 635-3338

Support for S.B. No. 120

Aloha committee members. My name is Evangeline Chapman. I am a born and raised Hawaii resident and a student at the Myron B. Thompson School of Social Work at the University of Hawaii. I have come here today to testify in support of Senate Bill 120, which, if passed, will appropriate funds to housing agencies to increase the supply of affordable and public housing in Hawaii, as well as support housing first programs in assisting Hawaii's chronically homeless.

By providing the means of more affordable housing in Hawaii we will be creating a better future for our keiki, and more security for our kupuna.

There is no doubt that downturn in economy and high costs of living have hit Hawaii's families and children hard, many to the point of homelessness. We can see them on the streets only a few blocks away from here. In a study done in 2014 by the State's Department of Human Resources, we've gathered that close to 5,000 Oahu residents are homeless, over 2,000 of them being persons in families (1). Children without homes are more likely to suffer from chronic disease, hunger, and malnutrition (2). Homeless children and youth often have significant psychosocial development issues, and their education is frequently interrupted" (2). By providing affordable housing, families will be better equipped to succeed and our children, our future, will thrive.

We hear talk about the "graying of America". Over the next 20 years over a third of Hawaii's population will be over the age of 60 (3). We already have a need for affordable housing for the elderly today but it will only increase. Our kupuna worked hard to get Hawaii where it is today. By passing SB 120 more of them will be able to afford retirement and enjoy their sunset years.

Committee members, thank you for your time. I hope that SB 120 is passed for the betterment of our keiki, kupuna, and community as a whole.

(1) <http://humanservices.hawaii.gov/bessd/files/2014/06/2014-Statewide-PIT-Report-Rev-CP-5.91.pdf>

(2) Briggs, M. A. (2013). Providing Care for Children and Adolescents Facing Homelessness and Housing Insecurity. *Pediatrics*, 131(6). 1206-1210. doi:10.1542/peds.2013-0645

(3) <http://www.cssp.org/publications/neighborhood-investment/financing-community-change/Affordable-Housing-as-a-Platform-for-Improving-Family-Well-Being-June-2011.docx.pdf>

jordan3-Kevin

From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 13, 2015 11:15 AM
To: HSGtestimony
Cc: dkk@hawaiiantel.net
Subject: Submitted testimony for SB120 on Mar 16, 2015 08:30AM

SB120

Submitted on: 3/13/2015

Testimony for HSG on Mar 16, 2015 08:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Deborah Kimball	Individual	Support	No

Comments: It is crystal clear that there is desperate need for low-income housing! From a Section 8 project tenant who knows that Section 8 units dwindle while demand soars: please pass this bill!

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jordan3-Kevin

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 16, 2015 10:04 AM
To: HSGtestimony
Cc: carl.campagna@kamakagreen.com
Subject: *Submitted testimony for SB120 on Mar 16, 2015 08:30AM*

RECEIVED
Date & Time
Mar 16, 2015, 10:12 am

SB120

Submitted on: 3/16/2015
Testimony for HSG on Mar 16, 2015 08:30AM in Conference Room 329

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Carl Campagna	Individual	Support	No

Comments:

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