



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 16, 2017

TO: The Honorable Representative Tom Brower, Chair
House Committee on Housing

The Honorable Dee Morikawa, Chair
House Committee on Human Services

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: **HB 1196 – RELATING TO HOUSING**

Hearing: Thursday, February 16, 2017, 9:50 a.m.
Conference Room 423, State Capitol

POSITION: The Governor's Coordinator on Homelessness supports this bill to the extent that it is similar to priorities identified in the Governor's Executive Budget, and provided that the measure's passage does not replace or adversely impact priorities identified in the Executive Budget. The Coordinator asks for the Legislature's support of the Governor's Executive Budget request for homeless services, including appropriations for Housing First, Rapid Rehousing, and the State Rent Supplement program.

PURPOSE: The purposes of this measure is to appropriate funds to DHS for the Housing First and Rapid Rehousing programs. The bill also appropriates funds to the Hawaii Public Housing Authority (HPHA) for the State Rent Supplement program.

The State has adopted a comprehensive framework to address homelessness, which includes a focus on three primary leverage points – affordable housing, health and human services, and public safety. All three of these leverage points must be addressed simultaneously to continue forward momentum in addressing the complex issue of homelessness. Accordingly, the Governor's Executive Budget request includes \$20.9 million for homeless services, as well as over \$180 million for the Rental Housing Revolving Fund, Dwelling

Unit Revolving Fund, and HPHA. The Executive Budget specifically increases resources for homeless outreach, mental health, and substance use treatment. Further, it addresses housing costs and homeless mitigation through programs such as Housing First, Rapid Re-Housing, and the State Rent Supplement.

The Coordinator defers to the Department of Budget & Finance, DHS, and HPHA, respectively, with regard to contracting and implementation of provisions such as homeless services. While the Coordinator establishes and coordinates State policy to address homelessness, other Executive Branch agencies are responsible for the direct administration and implementation of homeless and housing programs.

Thank you for the opportunity to testify on this bill.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 1196: RELATING TO HOUSING

TO: Rep. Tom Brower, Chair, Housing; Rep. Dee Morikawa, Chair, Human Services; and Members, Committees on Housing and Human Services
FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer
Hearing: **Thursday, 2/16/17; 9:50 am; CR 423**

Chair Brower, Chair Morikawa and Members, Committees on Housing and Human Services:

Thank you for the opportunity to provide testimony **in strong support** of HB 1196, making appropriations for multiple housing initiatives to rapidly move homeless people into permanent housing. I am Terry Walsh, with Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Ending homelessness is a top priority for 2017.

Honolulu has reduced veteran's homelessness significantly in the past 2 years and is working on systems to reach functional zero and end homelessness for veterans by the end of 2017! How? By providing federal/other rent subsidies along with appropriate services. Rental subsidies work! They rapidly move homeless into permanent housing, as well as reducing the flow into homelessness. With the targeted approach in this bill, we can focus on chronically homeless as well as housing working families, seniors and disabled, many of whom have no needs other than a rental subsidy to fill the gap between their incomes and rental prices in their communities.

Hawaii's homeless situation has reached crisis proportions. We are currently ranked as having the #1 rate of homelessness per capita in the nation. Besides having the highest housing costs in the nation (twice the national average), the cost of living in Hawaii is 60% higher than the national average. 54% of all renter households are cost burdened (paying more than 30% of income on rent), the second highest in the US. These renters may fall into homelessness with any unexpected expenses or loss of a job. This crisis requires a multi-faceted approach to housing Hawaii's residents experiencing homelessness. **Catholic Charities Hawaii supports:**

- **\$3 million for Housing First.** The State's current Housing First program on Oahu has shown tremendous success in housing some of Oahu's most visible, hardest to house, highest utilizers of public services, and long-term homeless individuals and families. Through a combination of on-going rental subsidies and wrap-around support services and case management, the State's program will serve over 230 homeless by the end of 2017. City and State Housing First programs beat the national average of retaining the homeless in housing with a 98.1% retention rate (vs 85% nationwide for Housing First programs). Moreover, Housing First reduces public costs through accumulated healthcare savings. The UH Center on the Family found a 43% reduction in healthcare costs after just 6 months in the State Housing First program. Costs were reduced by approximately \$4,590/person/month. For the



estimate 500 people to be served by State/City Housing First programs, this could result in **nearly \$2.3 million per month is public cost savings.**

- We strongly request that Housing First be part of the base budget of the Department of Human Services, as provided for in their budget request. This is essential to maintain this high risk population in housing.
- **\$2.5 million for rapid re-housing:** Short term rental help is a solution to homelessness. In December 2016, the Star Advertiser reported that court evictions had dropped 25%. Lawyers for both clients and landlords reported that they had seen a quick decrease after April 2016, when AYW partners began distributing funds for short-term rental payments. By December, 3,471 people had been helped to end or avoid homelessness. AYW data also found that by January 2017, AYW plus Continuum of Care (CoC) funds had assisted **4,326 individuals to rapidly find permanent housing** (\$736/individual served). This included 2,129 adults and 1,863 children (47%), in 1,465 households. 64% were at risk for homelessness while 36% were already homeless. Currently, AYW finds that the average cost to prevent eviction is \$2,364 per household. Rapid Rehousing funding is critical to stop the flow into homelessness as well as help move those already homeless into permanent housing.
- **\$9 million for the State Rent Supplement Program for households who are homeless or at imminent risk of homelessness:** Almost 20% of homeless families are working; seniors and disabled often have stable income, yet homeless like these are priced out of the housing market. They are ready to rent (without intensive services). Unlike the “deep” subsidy of the Section 8 program, this funding would provide a shallow subsidy to households that are closer to financial self-sufficiency, but still have an affordability gap to fill. The Rent Supplement program would provide an ongoing subsidy, enabling homeless households or those at imminent risk of homelessness to close the affordability gap, maintain housing and achieve self-sufficiency. Households would pay a minimum of 30% of their income for rent. The rental subsidy would be capped at \$500/month. We support this funding to maintain permanent housing and to cover housing stabilization services as well as administrative/ personnel costs to operate the program.

Once again, we strongly urge you to support this bill to work towards our goal of ending homelessness in Hawaii. Please our Legislative Liaison, Betty Lou Larson, bettylou.larson@catholiccharitieshawaii.org, or at 373-0356, if you have any questions.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 14, 2017 9:59 AM
To: HSGtestimony
Cc: dabitbol@chowproject.org
Subject: *Submitted testimony for HB1196 on Feb 16, 2017 09:50AM*

HB1196

Submitted on: 2/14/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Heather Lusk	CHOW Project	Support	No

Comments:

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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HAWAII YOUTH SERVICES NETWORK

677 Ala Moana Boulevard, Suite 904 Honolulu, Hawaii 96813

Phone: (808) 489-9549

Web site: <http://www.hysn.org> E-mail: info@hysn.org

Rick Collins, President

Judith F. Clark, Executive
Director

Bay Clinic

Big Brothers Big Sisters of
Hawaii

Bobby Benson Center

Central Oahu Youth Services
Association

Child and Family Service

Coalition for a Drug Free Hawaii

Domestic Violence Action Center

EPIC, Inc.

Family Programs Hawaii

Family Support Hawaii

Hale Kipa, Inc.

Hale 'Opio Kauai, Inc.

Hawaii Student Television

Ho`o

Hui Malama Learning Center

Kokua Kalihi Valley

Life Foundation

Marimed Foundation

Maui Youth and Family Services

P.A.R.E.N.T.S., Inc.

Parents and Children Together

(PACT)

Planned Parenthood of the

Great Northwest and

Hawaiian Islands

Salvation Army Family

Intervention Services

Sex Abuse Treatment Center

Susannah Wesley Community

Center

The Catalyst Group

Uhane Pohaku Na Moku

O Hawai'i

Waikiki Health

February 14, 2017

Representative Tom Brower, Chair
And members of the Committee on Housing

Representative Dee Morikawa, Chair
And members of the Committee on Human Services

Testimony in Support of HB 1196 Relating to Housing

Hawaii Youth Services Network, a statewide coalition of youth-serving organizations, supports HB 1196 Relating to Housing.

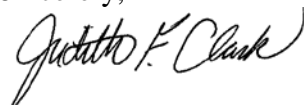
Hawaii's homeless population includes runaway and homeless youth and young adults who are living on the streets without support or guidance from their families. They are the most vulnerable segment of our homeless population because they have not completed their education, lack employment experience, and their brain development is not yet complete.

Young adults, ages 18 - 24, face many housing challenges and could benefit from rapid re-housing and rent supplement programs. Typically, they work at low-wage jobs while trying to complete a GED, attend college, or participate in a vocational training program. This includes young adults who have emancipated from foster care or are participating in the Imua Kakou Program (voluntary care to age 21).

Ensuring that these young adults have stable, safe housing during this critical period can provide the foundation that will enable them to be self-supporting for a lifetime.

Thank you for this opportunity to testify.

Sincerely,



Judith F. Clark, MPH
Executive Director

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 13, 2017 7:04 PM
To: HSGtestimony
Cc: mamaupin@hotmail.com
Subject: *Submitted testimony for HB1196 on Feb 16, 2017 09:50AM*

HB1196

Submitted on: 2/13/2017

Testimony for HSG/HUS on Feb 16, 2017 09:50AM in Conference Room 423

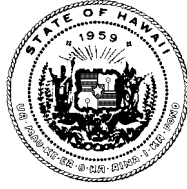
Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Maupin	Individual	Support	No

Comments:

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DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

BRIDGET HOLTHUS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

February 16, 2017

TO: The Honorable Representative Tom Brower, Chair
House Committee on Housing

The Honorable Representative Dee Morikawa, Chair
House Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB1196 – RELATING TO HOUSING**

Hearing: February 16, 2017, 9:50 p.m.
Conference Room 423, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill to provide funding to address the State's homeless crisis that are similar to the Administration's requests identified in the Governor's Executive budget. DHS provides comments and defers to Hawaii Public Housing Authority on section 4 of the measure. DHS asks for the Legislature's support of the Governor's Executive budget request.

PURPOSE: The purpose of the bill is to appropriate funding for Housing First, Rapid Re-Housing, and the State Rent Supplement Program. DHS Homeless Programs Office (HPO) is currently procuring Housing First and Rapid Re-Housing services statewide; the current procurements include expansion of Housing First services to neighbor islands. The response to homelessness requires long term solutions supported through predictable funding, HPO prefers that the Governor's executive budget be the vehicle to fund these worthy and successful programs.

DHS respectfully asks that the Legislature supports the Governor's executive budget to address homelessness.

Thank you for the opportunity to testify on this bill.

AN EQUAL OPPORTUNITY AGENCY



PARTNERS IN CARE
Oahu's Coalition of Homeless Providers

TESTIMONY IN SUPPORT OF HB 1196: RELATING TO HOUSING

TO: Rep. Tom Brower, Chair, Housing; Rep. Dee Morikawa, Chair, Human Services; and Members, Committees on Housing and Human Services
FROM: Greg Payton, Partners In Care, Chair of Advocacy Committee
Hearing: **Thursday, 2/16/17; 9:50 am; CR 423**

Chair Brower, Chair Morikawa and Members, Committees on Housing and Human Services:

Thank you for the opportunity to provide testimony. Partners In Care (PIC) is **in strong support** of HB 1196, which makes appropriations for multiple housing initiatives to rapidly move homeless people into permanent housing. Partners In Care (PIC) is Oahu's continuum of care as defined by HUD, and represents a coalition of more than 35 non-profit, homeless providers.

Rent subsidies have successfully provided permanent housing for homeless adults and families, as well as reducing people falling into homelessness. HB 1196 can focus on chronically homeless as well as housing working families, who need rental subsidy to supplement incomes. Hawaii's homeless situation has ranked #1 rate per capita in the nation, partly due to having housing costs that are twice the national average, with the cost of living in Hawaii is 60% higher than the national average. 54% of all renter households are cost burdened (paying more than 30% of income on rent), the second highest in the US. These renters may fall into homelessness with any unexpected expenses or loss of a job. **Partners In Care supports:**

- **Housing First - \$3 million.** The State's current Housing First program on Oahu has been successful housing Oahu's chronic homeless, who are high utilizers of public services, through a combination of on-going rental subsidies and case management support services. The State's program will serve over 230 homeless by the end of 2017. City and State Housing First programs beat the national average of retaining the homeless in housing with a 98.1% retention rate (vs 85% nationwide for Housing First programs). The UH Center on the Family reports a 43% reduction in healthcare costs after just 6 months in the State Housing First program, reducing costs approximately \$4,590/person/month. For the estimate 500 people to be served by State/City Housing First programs, this could result in **nearly \$2.3 million per month in public cost savings**. PIC strongly request that Housing First be part of the base budget of the Department of Human Services, as provided in budget request.
- **Rapid Re-Housing - \$2.5 million:** Rapid Rehousing funding is vital to stop people falling into homelessness and helping homeless move into permanent housing. About 40% of homeless people need short term rental help. In 2016 when A UW partners began distributing funds for short-term rental payments, 3,471 people had been helped to end or avoid homelessness. A UW plus PIC funds had assisted **4,326 individuals to rapidly find permanent housing** (\$736/individual served), which includes 2,129 adults and 1,863 children (47%), in 1,465 households. 64% were at risk for homelessness while 36% were already homeless. Currently, A UW finds that the average cost to prevent eviction is \$2,364 per household.
- **State Rent Supplement Program - \$9 million for households who are homeless or at imminent risk of homelessness:** Consistent with national homeless data, 20% of Oahu homeless families are working; seniors and disabled often have stable income, but cannot afford the housing market. This group is ready to rent (without intensive services), with a shallow subsidy to households that are closer to financial self-sufficiency, but still have an affordability gap to fill. The Rent Supplement program can provide ongoing subsidy, those at imminent risk of homelessness to close the affordability gap, maintain housing and achieve self-sufficiency. Households would pay a minimum of 30% of their income for rent, and cap the rental subsidy at \$500/month. PIC supports this funding to maintain permanent housing and to cover housing stabilization services as well as administrative/ personnel costs to operate the program.

Partners In Care strongly supports this bill to work towards our goal of ending homelessness in Hawaii. Please contact Greg Payton, PIC Chair of Advocacy Committee, gpayton@mhkhawaii.org or at 808-529-4554, if you have any questions.

House committee on Housing

Rep Tom Bower Chair

Rep Nadine K Nakamura Vice Chair

House committee on Human services

Rep Dee Morikawa Chair

Rep Chris Todd Vice Chair

House committee on Finance

Rep Sylvia Luke Chair

Rep Ty J.K Cullen Vice Chair

Emilygrace H Kaaiakamanu

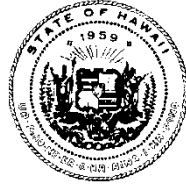
University of Hawai'i at Manoa

Myron B Thompson School of Social Work

Supporting for House Bill 1196, relating to Housing

Aloha, My name is Emilygrace Kaaiakamanu and I am a student at the Myron B Thompson School of Social Work and I am testifying in support for the bill HB 1196. My first point is that homelessness has been an ongoing problem here on Oahu and one of the main causes is due to the cost of living here in Hawai'i. This program can allow more assistance to this issue by giving those in need financial support. The bill mentioned that part of the time many people struggle mostly with paying a first month's rent, security deposit, utilities etc. As a person who has known how hard it is to pay for these things and to know what it is like to work pay check to pay check to make ends meet, I believe in tackling the issue before it becomes one, therefore helping those before they become homeless, are at risk of being homeless or are currently homeless. We need to make every effort to create affordable housing and move people from off the streets and shelters and into homes they can afford on their own. Mahalo for listening and for your time.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

LATE

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

**HOUSE COMMITTEE ON HOUSING
AND
HOUSE COMMITTEE ON HUMAN SERVICES**

**Thursday, February 16, 2017
9:50 AM
Room 423, Hawaii State Capitol**

In consideration of
**HB 1196
RELATING TO HOUSING**

Honorable Chair Brower, Honorable Chair Morikawa, and Members of the House Committee on Housing and House Committee on Human Services, thank you for the opportunity to provide testimony concerning House Bill 1196, relating to housing.

The Hawaii Public Housing Authority (HPHA) appreciates the intent of HB 1196 to appropriate funds to DHS for the housing first and rapid re-housing program to assist chronically homeless individuals; and appropriates funds to HPHA for the state rent supplement program to assist homeless individuals or families and those at imminent risk of homelessness. We respectfully defer to the Director of the Department of Human Services on Section 2 and Section 3 of the bill.

In consultation with the Governor, Department of Human Services, and the Governor's Advisor on Homelessness, and to allow time for capacity building to be able to expend the appropriation in a timely manner, we feel the best way to achieve the objectives of HB1196 (section 4) would be to split the proposed \$7M into \$2M with 7 positions and \$5M respectively, to be incrementally applied over the next two years, with a reduction in funding by \$5M in the first year. However, we would still need the 7.0 FTE positions in this year's appropriation in order to have time to establish the positions, put the positions in recruitment, and hire and train capable staff. Additionally, in order to hire staff to expeditiously implement this much needed housing assistance program, we would respectfully request that the committees

consider flexibilities in the hiring process, such as hiring above the minimum and a temporary exemption from civil service.

The HPHA appreciates the opportunity to provide the House Committees on Housing and Human Services with the HPHA's comments regarding HB 1196. We thank you very much for your dedicated support.



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

LATE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting HB 1196 Relating to Housing
House Committees on Housing and Human Services
Scheduled for Hearing Thursday, February 16, 2017, 9:50 AM, Conference Room 423

Hawai'i Appleseed Center for Law and Economic Justice Hawai'i Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.

Dear Chair Brower, Chair Morikawa, and Members of the Committees on Housing and Human Services:

Thank you for the opportunity to testify in **strong support** of HB 1196, which appropriates funds for three key programs aimed at preventing or ending homelessness: Housing First, Rapid Re-Housing, and the State Rent Supplement Program.

Homelessness is one of the biggest problems facing Hawai'i. Our state has the highest housing costs in the nation and the lowest wages when adjusted for cost of living. Not surprisingly, we also have the highest homelessness rate in the nation, with 7,921 unsheltered homeless at last count. As increases in housing costs have outpaced increases in wages, the problem has gotten worse. Despite a growing focus on homelessness in recent years, the best we have been able to do is slow the rate at which homelessness is increasing. We need programs that work, and these three programs are proven to do so.

Housing First

Housing First has been proven nationally as the most effective model for combating chronic homelessness. The program gets people off the streets immediately, moving them into a more stable environment where they can be rehabilitated and achieve self-sufficiency.

Locally, the program is already proving effective. Recent data shows that Housing First results in tremendous public cost savings in healthcare. Early findings from UH Center on the Family show a 43% reduction in healthcare costs after just 6-months in the Housing First program—approximately \$4,590 per person per month. After deducting the average cost of Housing First rental subsidies (\$1,100/mo) and supportive services (\$1,120/mo), the net savings accrued from Housing First based on healthcare cost savings alone is estimated to be around \$2,370 per person per month. With an estimated 500 people served by City and State Housing First programs, the savings is estimated to amount to \$1.18M per month.

Rapid Re-Housing

Rapid Rehousing can provide short-term rental help to stop people falling into homelessness and helping homeless move into permanent housing. Forty-eight percent of Hawai'i's households are living paycheck to paycheck. Many families are just a paycheck or illness away from homelessness. Once a family becomes homeless, not only does it carry significant and potentially life-long consequences for the family, but also the societal costs and burden on our public resources increase dramatically. Rapid Rehousing can give families the boost they need at a critical point in their lives to prevent these costs.

State Rent Supplement Program

The State Rent Supplement Program that would be supported by HB 1196 is intended to help households who do not need a deep subsidy to secure or maintain housing, but without some financial assistance (capped at \$500 per month) will become or remain homeless. Among homeless families, 50% of them are homeless because they were short money to pay rent and had no other underlying issues. Since the subsidy is shallow, a relatively small appropriation can help a relatively large number of households out of homelessness. The program is designed to get people back on their feet in a relatively short timeframe. Many studies indicate that participants often only required 6 months of subsidies before they were living in permanent, affordable housing. The State Rent Supplement Program is a relatively low-cost intervention that can be a permanent solution to homelessness for many Hawai'i families.

For these reasons, Hawai'i Appleseed strongly supports HB 1196. Thank you for your consideration of this important bill.

REPRESENTATIVE TOM BROWER, CHAIRPERSON

THE COMMITTEE ON HOUSING



HB 1196

RELATING TO HOUSING

THURSDAY, FEBRUARY 16, 2017

9:50 AM

State Capitol, Conference Room 423

Aloha,

I am a resident born and raised in Hawaii. I have worked in mental health for the past four years and have a background in business. I am in my final year of my Masters in Social Work program at UH Manoa. I am submitting this testimony in support of the House Bill for an Act 1196 relating to housing.

I believe that Housing First is a sane and financially savvy solution for a multitude of issues that face many of Hawaii's most vulnerable community members. In my first year as a student I spent days pouring over the legislative and programmatic history of Housing First in Hawaii trying to understand its complexities. There are many pros to Housing First. It deals with the primary issue facing people who are homeless which is a lack of secure housing. The Housing First initiative is also positive because it has drawn so much backing from so many agencies and is being delivered at a time when the nation has prioritized the issue of homelessness. It seems that agencies administering the program can focus on delivering services by collaborating with other agencies thereby preserving the resources of the Housing First fund for housing. Housing First can be used as a springboard for engaging a population that has been historically difficult to maintain contact with. I believe that this policy is going in a good direction for people experiencing chronic homelessness as it helps people experiencing chronic homelessness to move past barriers to care and addresses their basic human need for security first, and

seeks to administer a solution that recognizes the complexity of the issue of chronic homelessness.

It is my opinion that funding a well-managed program will help to address the great housing disparity in our community.

Thank you for the opportunity to testify on this matter.

Sincerely,

Katherine Kraft

kkraft@hawaii.edu