

DAVID Y. IGE  
GOVERNOR OF  
HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA  
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
FINANCE**

**Friday, February 23, 2018  
3:30 PM  
State Capitol, Conference Room 308**

**In consideration of  
HOUSE BILL 2281, HOUSE DRAFT 1  
RELATING TO HOMELESSNESS**

House Bill 2281, House Draft 1 proposes to establish an ‘Ohana Zones program within the Department of Human Services (DHS) and appropriates funding the program and for rapid rehousing, continued outreach services and public housing improvements. **The Department of Land and Natural Resources (Department) supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Governor’s Executive Supplemental Budget request. In addition, the Department offers the following comments.**

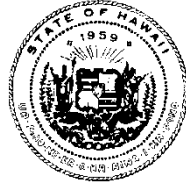
The Department notes that several of the amendments proposed by the Governor’s Coordinator on Homelessness in regard to House Bill 2753 are incorporated into this bill including access to toilets, showers and other hygiene facilities. The Governor’s Coordinator on Homelessness also suggested that language include conditions for basic infrastructure that would differentiate an ‘Ohana Zone from a “Safe Zone.” The Department defers to the Governor’s Coordinator on Homelessness on the infrastructure specifications.

The Department requests that if its lands are identified as the appropriate place on which to locate ‘Ohana Zones, that 1) it be consulted regarding the property, and 2) any properties to be used as ‘Ohana Zones be transferred to an agency whose mission better matches the management of these types of zones.

Lastly, the Department notes its preference of this measure over House Bill 2753 (RELATING TO HOMELESSNESS), because it take a broader approach to homelessness.

Thank you for the opportunity to comment on this measure.

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

Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**HOUSE COMMITTEE ON FINANCE**

**Friday, February 23, 2018**  
**3:30 PM - Room 308, Hawaii State Capitol**

In consideration of  
**HB 2281, HD1**  
**RELATING TO HOMELESSNESS**

Honorable Chair Luke, and Members of the House Committees on Finance, thank you for the opportunity to provide testimony concerning House Bill (HB) 2281, HD1, relating to homelessness.

The Hawaii Public Housing Authority (HPHA) appreciates the intent of SECTION 4 and SECTION 7 of this measure, so long as it does not adversely affect the Governor's supplemental budget, and offers the following comments.

HB 2281, HD1 proposes in SECTION 4 of the measure to appropriate a blank amount of general funds for public housing improvements and renovations, and also proposes in SECTION 7 to appropriate a blank amount of general funds to administer a state rent supplement pilot program to assist 100 currently homeless families with minor children or families with minor children at imminent risk of homelessness due to domestic violence.

During Governor Ige's Emergency Proclamation to provide emergency relief to address the homeless crisis, the HPHA was able to contract with Catholic Charities and assist a total of 87 homeless families. The rental supplement was \$1000 for the first 6 months, and then \$500 a month going forward.

In order to start the rent supplement pilot program right away, the HPHA would like to request the addition of the following amendments:

- "The Hawaii public housing authority shall develop interim rules without regard to chapter 91, Hawaii Revised Statutes, for assisting participants with the state rent supplement pilot program pursuant to section 7 of this Act."
- "The Hawaii public housing authority may procure case management and counseling services without regard to chapter 103D and 103F, Hawaii Revised Statutes, for assisting participants with the state rent supplement pilot program pursuant to section 7 of this Act."

The HPHA appreciates the opportunity to provide the House Committee on Finance with the HPHA's testimony regarding HB 2281, HD1. We thank you very much for your dedicated support.



46-063 Emepela Pl. #U101 Kaneohe, HI 96744 · (808) 679-7454 · Kris Coffield · Co-founder/Executive Director

---

**TESTIMONY FOR HOUSE BILL 2281, HOUSE DRAFT 1, RELATING TO  
HOMELESSNESS**

**House Committee on Finance  
Hon. Sylvia Luke, Chair  
Hon. Ty J.K. Cullen, Vice Chair**

**Friday, February 23, 2018, 3:30 PM  
State Capitol, Conference Room 308**

Honorable Chair Luke and committee members:

I am Kris Coffield, representing IMU Alliance, a nonpartisan political advocacy organization that currently boasts over 400 members. On behalf of our members, we offer this testimony in support of House Bill 2281, HD 1, relating to homelessness.

According to the 2017 statewide *Point In Time Count* (PITC) report, 7,220 houseless persons were counted on a single night in January last year, down 9 percent overall from 2016. Yet, O’ahu experienced a 0.4 percent *increase* from the previous year, with 4,959 people counted, up from 4,940 the year before. Hawai’i island saw the largest decrease in its homeless population, which fell 32 percent, or 441 people. Maui County had a 22 percent drop, or 249 people, while Kaua’i saw a 7 percent drop, or 30 fewer homeless people. Notably, the size of the houseless population on O’ahu is up more than 25 percent from 2009, when 3,638 homeless people were counted. Additionally, Department of Education officials have estimated that between 3,500-4,000 public school students experience homelessness at some point during the school year—last year’s PITC captured just over half of them—and over 91,000 students are economically disadvantaged. We know, then, that our state’s homeless population is consistently larger than the statistics show. It remains the highest per-capita homeless population in the country, according to the U.S. Department of Housing and Urban Development.

Over 30 percent of juvenile arrests in Hawai’i are for running away from home, the highest proportion in the nation. Nationally, one in seven young people between the ages of 10 and 18 will run away. Approximately 75 percent of runaways are female, while 46 percent of runaway and homeless youth report being physically abused, 38 percent report being emotionally abused, and 17 percent report being forced into unwanted sexual activity by a family or household member, according to the National Conference of State Legislatures. Roughly 30 percent of runaway

children will be approached for sexual exploitation within 48 hours of being on the run, with over 80 percent being approached for the commercial sex trade during the course of their time on streets. A federal study found that an estimated 38,600 runaway youth have been sexually assaulted, in the company of someone known to be sexually abusive, or engaged in sexual activity in exchange for money, food, or shelter. Runaways are perceived as easy targets for sex traffickers because they lack stable shelter, a supportive environment, and financial resources, placing them at greater risk of forced prostitution and sexual servitude.

Traffickers exploit our limited number of available shelter beds to lure young people into exploitation. As the homeless childcare provider Covenant House observes, traffickers tell homeless youth that shelters are full and ask, “Where are you going to go? Why don’t you come with me? I’ll take care of you.” Coupled with threats of and actual physical and sexual violence against the victims or their families, these coercive techniques compel runaway youth to remain enslaved. LGBTQ youth, who comprise an estimated 40 percent of the runaway and homeless youth population in the United States, are exponentially more likely to fall prey to human traffickers because of discrimination, family and community trauma, and a longing for comfort and acceptance (an estimated 26 percent of LGBTQ adolescents are rejected by their families and put out of their homes simply for being open and honest about who they are). In providing care for victims of human trafficking, IMUAlliance has heard their stories hundreds of times.

We must find innovative ways to fund homeless services, especially human services, health care, outreach, and rapid rehousing to our state’s unsheltered and at-risk population, many of whom are gainfully employed and contributing our economy. Moreover, we must find a balance between rampant real estate speculation and meeting the needs of our state’s most economically vulnerable residents. Just as our homeless population has soared over the past few years, so, too, has our state’s cost of housing. The median price of condominiums on O’ahu increased 6 percent in the summer of 2017 to a record \$425,000, while the median price for single-family homes increased by 3 percent to \$795,000, according to the Honolulu Board of Realtors, a number that they expect to increase by at least another 5 percent in 2018. Average fair market rent for two-bedroom apartments in *outlying* communities in the City and County of Honolulu now exceeds \$2,000, with the cost of a four-bedroom home in urban Honolulu now exceeding \$1.1 million. At least 43 percent of residences in Hawai’i are owner unoccupied, according to the National Low-Income Housing Coalition, meaning that nearly 50 percent—and by some estimates over half—of Hawai’i’s homes are likely investment properties.

Many of those properties, in turn, are owned by mainland and foreign buyers, whose real estate market speculation is a prime driver of Hawai’i’s highest-in-the-nation cost of housing. According to a study released in May of 2016 by the Hawai’i Department of Business, Economic Development, and Tourism, there are “clear distinctions” between the average price of homes bought by local residents, mainlanders, and foreigners. Analyzing purchases made between 2008 and 2015, DBEDT found: “The average sale price was highest among foreign buyers. The average

sale price of the total of 5,775 homes sold to foreign buyers from 2008 to 2015 was \$786,186, 28.3 percent higher than the average sale price to the mainlanders (\$612,770) and 64.7 percent higher than the average sale price to local buyers (\$477,460).”

Researchers who authored the National Low Income Housing Coalition’s *Out of Reach 2017* report found that a full-time worker would need to earn \$35.20/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, with minimum wage workers needed to log 116 hours per week at their jobs to afford a modest one-bedroom apartment at fair market value and 139 hours per week to afford a two-bedroom—a number that is equivalent to working 20 hours a day with no days off year-round. In the past three years alone, Honolulu rent has increased by more than 25 percent. While 43 percent of Hawai’i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$15.64/hour, scarcely enough to meet their basic needs. One out of every four households in Hawai’i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai’i Appleseed Center for Law and Economic Justice. Additionally, 54 percent of households are cost-burdened, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to 83 percent of extremely low-income households. Put simply, homelessness is directly tied to our state’s exorbitant cost of living and penchant for catering to people who use the islands as their own private Monopoly board. We beseech you to seek innovative ways of making Hawai’i more affordable, while funding services that show aloha for our economically disadvantaged neighbors. The establishment of ohana zones for the homeless is a positive step, which will allow for the coordination of a centralized continuum of care (including social and medical services) and implementation of strategies to assist people in transitioning into more permanent shelter, while respecting homeless communities that have come together to help one another in a manner that is equivalent to the formation of a family. Appropriating additional funds for statewide homeless services will likewise amplify our effort to show aloha to our economically disadvantaged neighbors.

When you fund housing, outreach, and human services for the homeless, you are helping to end slavery in Hawai’i. Mahalo for the opportunity to testify in support of this bill.

Sincerely,  
Kris Coffield  
*Executive Director*  
IMUAlliance



49 South Hotel Street, Room 314 | Honolulu, HI 96813  
www.lwv-hawaii.com | 808.531.7448 | voters@lwv-hawaii.com

## COMMITTEE ON FINANCE

Friday, February 23, 2018, 3:30 PM, room 308  
HB 2281, HD1, Relating to Homelessness

### **TESTIMONY**

Nina Eejima, Legislative Committee, League of Women Voters of Hawaii

Chair Luke, Vice-Chair Cullen, and Committee Members:

**The League of Women Voters of Hawaii supports HB 2281, HD1 that, inter alia, establishes an Ohana Zones program based on principles like Housing First and appropriates unspecified funds to DHS, Department of Health, and the HPHA, for the respective purposes of funding Ohana Zones, the administration of various housing and homeless programs, and public housing improvements and renovations, including a rent supplement pilot program.**

We note that the measure explicitly recognizes the need for robust approaches, including the provision of affordable housing through the renovation of existing public units which now sit unoccupied due to a lack of major repairs. We support this initiative that expressly notes that success of housing first interventions, including tailored outreach as well as the provision of critical services to the homeless population through the funding of such services in an integrated and coordinated approach.

Thank you for the opportunity to submit testimony.

**HB-2281-HD-1**

Submitted on: 2/22/2018 3:17:42 PM

Testimony for FIN on 2/23/2018 3:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:



Aloha United Way  
200 N. Vineyard Blvd., Suite 700  
Honolulu, Hawaii 96817



February 22, 2018

To: Representative Sylvia Luke, Chair, Committee on Finance  
Representative Ty J.K. Cullen, Vice-Chair, Committee on Finance

Re: HB 2281 Relating to Homelessness – **SUPPORT**

Hearing: Date, February 23, 2018; Hearing Time 3:30; Conference Room 308

Honorable Chair, Vice-Chair & Committee Members:

Aloha United Way supports the intent of HB 2281 which appropriates funding to continue several important homeless programs. However, Aloha United Way believes that a comprehensive homeless program must include diversion elements to reduce the pipelines feeding our homeless population.

Recently, Aloha United Way released a report titled ALICE: A STUDY OF FINANCIAL HARDSHIP IN HAWAII. ALICE® (Asset Limited, Income Constrained, Employed) are hardworking folks struggling financially from paycheck to paycheck and unable to accrue the assets to enable them to weather a temporary financial setback. The study identified 165,013 ALICE households in Hawaii – 37% of all households. These individuals and families have difficulty covering basic expenses like childcare, food, housing, healthcare and transportation. For ALICE, it takes just one crisis – loss of employment for a short period, an unexpected health emergency or car repair, an increase in monthly rent – to be at even greater risk of long-term problems like homelessness. Current homeless programs funded by DHS have income means testing which limits access to these programs mostly to households near or at federal poverty level. There is very minimal assistance to the rest of the vulnerable group defined by ALICE.

Forty-two percent of households in Hawaii are renters (fourth highest rate in the country) and 54% of these households pay 50% or more of their monthly income for housing (the second highest rate in the country). Further, 63% of households lack emergency savings to deal with an unexpected \$500 expense. These statistics highlight the need for a program that can help a family with a short-term financial crisis weather the setback without becoming homeless.

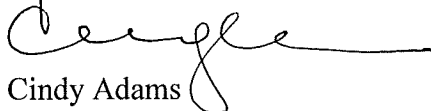
The Coordinated Statewide Homeless Initiative (CSHI) was an example of an effective diversion program. Initially intended to serve both the homeless and divert those at-risk of becoming homeless, 72% of the households served were at-risk as evidenced by an eviction notice. In 18 months of operation, CSHI assisted 1,610 households (4,944 individuals) by providing total rent assistance of \$3.7M. Significantly, on Oahu, CSHI experienced a 97% success rate. Of the 717 diverted households, only 22 (3%) eventually fell into homelessness. Per court records, total evictions on Oahu fell 25% during the CSHI program.



The key learning from the CSHI grant is that for every one homeless person served, there were three individuals in the eviction process. Aloha United Way believes that similar diversion programs must be included in any comprehensive plan to address our homeless issue. Legislation has been introduced to re-establish the diversion portion of CSHI.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2281 and consideration of measures to assist the vulnerable population above federal poverty level by not yet financially self-sufficient,

Sincerely,


A handwritten signature in black ink, appearing to read "Cindy Adams", with a long horizontal flourish extending to the right.

Cindy Adams  
President & CEO



## THE QUEEN'S HEALTH SYSTEMS

---

To: The Honorable Sylvia Luke, Chair  
The Honorable Ty J.K. Cullen Vice Chair  
Members, Committee on Finance  


From: Paula Yoshioka, Vice President, The Queen's Health Systems  
Date: February 22, 2018  
Hrg: House Committee on Finance Hearing; Friday, February 23, 2018 at 3:30 PM in Room 308

Re: Support for HB2281, HD1, Relating to Homelessness

---

My name is Paula Yoshioka and I am a Vice President at The Queen's Health Systems (Queen's). I appreciate the opportunity to provide support for the intent of HB2281, HD1, relating to homelessness. This measure would appropriate funds to support efforts to end homelessness.

The mission of Queen's is to provide quality health care services to improve the well-being of Native Hawaiians and all the people of Hawai'i, which includes our most vulnerable and underserved patient populations like the homeless. Hawaii has the highest per capita rate of homelessness in the nation, with roughly 5,000 homeless individuals heavily distributed on Oahu and concentrated in Honolulu and on the Waianae Coast. Queen's provides the majority of medical care to our homeless population in Hawai'i. In 2015, Queen's had 10,126 homeless encounters, up from 6,958 in 2013. This represents 64% of the state's homeless hospital encounters.

The costs to the entire continuum of care—from hospitals to long-term care facilities to home-based services—of treating the homeless population are large and growing. There are still unmet needs for our homeless patients and while Queen's has been a leader in care coordination, we know that much more needs to be done within the community to close the gaps in services and supports for our homeless population. Thank you for the opportunity to testify on this measure.

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*



**LATE**

**EXECUTIVE CHAMBERS**  
HONOLULU

**DAVID Y. IGE**  
GOVERNOR

February 23, 2017

**TO:** The Honorable Representative Sylvia J. Luke, Chair  
House Committee on Finance

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

**SUBJECT: HB 2281 HD1– RELATING TO HOMELESSNESS**

Hearing: Friday, February 23, 2018, 3:30 p.m.  
Conference Room 308, State Capitol

**POSITION:** The Governor's Coordinator on Homelessness supports sections 4 through 10 of this measure, provided that the measure's passage does not replace or adversely impact priorities indicated in the Executive Budget. The Coordinator asks the Legislature to support the Governor's Executive Budget request of \$15 million for homeless services, which includes appropriations to the Hawaii Public Housing Authority (HPHA) for the state rent supplement program; appropriation to the Department of Human Services (DHS) for Housing First, Rapid Rehousing, homeless outreach services, and the Family Assessment Center; and appropriation to the Department of Health (DOH) for homeless outreach, counseling, and diversion services for unsheltered persons experiencing substance abuse. The Coordinator also asks the Legislature to support \$29 million in the Executive Budget for HPHA to provide public housing improvements and renovations statewide.

The Coordinator appreciates the overall intent of the measure to address homelessness utilizing a Housing First approach, and offers comments on sections 2 and 3 relating to the establishment of, and an appropriation for an Ohana Zones program. The Coordinator defers to DHS in regard to the contracting and monitoring of homeless services.

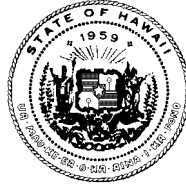
**PURPOSE:** The purpose of the bill is to make appropriations to HPHA, DHS, and DOH for various programs to address homelessness, as well as capital improvements for public housing

facilities. The bill also establishes a state rent supplement pilot program within HPHA, as well as a Homelessness remains one of the most pressing challenges facing Hawaii, and the State has adopted a comprehensive framework to address homelessness that focuses on three primary leverage points – affordable housing, health and human services, and public safety. In particular, the State has worked together with the Legislature and other stakeholders to increase resources for permanent housing programs, such as Housing First and Rapid Rehousing. Between 2015 and 2017, the number of permanent housing beds for homeless individuals statewide increased by 1,986 – an increase of 146%, more than doubling the supply of permanent beds.

The Coordinator appreciates the willingness of the Legislature to support the continued increase of housing programs for the homeless population, but is concerned about potential adverse impacts on priorities identified in the Executive Budget. The Governor’s Executive Budget request includes over \$15 million for homeless services, including \$3 million for Housing First, \$3 million for Rapid Rehousing, and \$1.75 million for homeless outreach services. Collectively, the homeless programs administered by DHS and other State agencies represent an array of financial resources designed to provide one-time crisis assistance, as well as medium term (3-24 months) and longer-term support. This mix of short-, medium-, and long-term assistance is designed not only to transition at-risk and homeless individuals and families into stable housing, but also designed to prevent homelessness by assisting formerly homeless individuals in maintaining housing over time. Accordingly, the Coordinator respectfully asks for the Legislature’s support of the Governor’s Executive Budget request.

With regard to sections 2 and 3 of this measure, the Coordinator notes that construction of housing facilities requires specialized skills and expertise that may be beyond the current capacity of DHS. The construction and installation of necessary infrastructure (e.g. sewer, water, electricity, and road access) may require more than 12 months to complete.

Thank you for the opportunity to testify on this bill.



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

**LATE**

February 23, 2018

TO: The Honorable Representative Sylvia Luke, Chair  
House Committee on Finance

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2281 HD1 – RELATING TO HOMELESSNESS**

Hearing: Friday, February 23, 2018, 3:30 p.m.  
Conference Room 415, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill and offers comments. DHS asks the Legislature to support the Governor's supplemental budget request to address homelessness which includes \$1.5 million to the Hawaii Public Housing Authority (HPHA) for the Rent Supplement program; \$13.4 million to the Department of Human Services (DHS) for Housing First, Rapid Rehousing, homeless outreach services, and the Family Assessment Center; \$800,000 to the Department of Health (DOH) for homeless outreach, counseling and diversion services for unsheltered persons experiencing substance abuse. The Department of Human Services also asks the Legislature to support \$29 million in the Executive Budget for HPHA to provide public housing improvements and renovations statewide.

**PURPOSE:** The purpose of this bill establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to Housing First and appropriates unspecified funds for the program. Appropriates unspecified funds to the Department of Human Services and the Department of Health to continue to administer various housing and homelessness programs.

Appropriates unspecified funds to the Hawaii Public Housing Authority for public housing improvements and renovations statewide and a rent supplement pilot program.

The State's coordinated effort to end homelessness is moving forward with positive results. In 2017, the Point in Time (PIT) count found that the number of homeless people in Hawaii decreased for the first time in eight years. DHS has worked with the Legislature and other stakeholders to increase resources for permanent housing programs, such as Housing First and Rapid Rehousing.

DHS recently expanded its Housing First program services statewide. From May to December 2017, Housing First served a total of 181 unduplicated households and 24 unduplicated individuals: 87 unduplicated households and 125 unduplicated participants on Oahu; 75 unduplicated households and 88 unduplicated participants on Hawaii Island; 6 unduplicated households and 7 unduplicated participants on Kauai; and 13 unduplicated households and 21 unduplicated participants on Maui.

The State's Rapid Rehousing program provides flexibility that supports those who are homeless or those who are imminently at risk of homelessness. The Rapid Rehousing program allows households to maintain their homes or quickly divert them from utilizing existing homeless programs. These programs are accessible to those who are the most vulnerable and have higher service needs.

Rapid Rehousing is not a one-time payment to cover delinquent rent, utility payments, or first month's rent and security deposits as stated in section one. Rather, the Housing Placement Program or State Homeless Emergency Grant are best used to assist with a one-time payment.

In 2017, the Rapid Rehousing program provided financial assistance to 232 households with 588 individuals. The following is a preliminary list of the average amount of potential expenses. This illustrates how families may use Rapid Rehousing assistance to remain in housing and avoid homelessness:

- Rent = \$657.30;
- Security Deposit = \$724.74;
- Utilities Deposit = \$257.88;
- Rent Arrears = \$950.25; and

- Move in Expense = \$600.00

Also, the Family Assessment Center (FAC) in Kaka'ako utilizes 'Housing First' principles to quickly move families with minor children off the streets and into permanent housing. FAC opened in September 2016, served 184 people, and placed 35 out of 38 families entering the facility into housing in the first year of opening its doors. The housing placement rate for the center in its first year was 92% (35 out of 38), and families were housed in an average of 82 days.

In addition to quickly moving families with minor children out of homelessness and into permanent housing in its first year, FAC also increased the income for 59% of families through linkages to public benefits, employment, and other critical resources during their stay at the facility.

With regard to section 1, DHS remains unclear and concerned about; "principles similar to housing first, but with more flexibility that allows for a higher degree of utilization." DHS's current contract enforces low barrier and accessibility into programs. DHS has found during the process of program monitoring that some agencies have challenges with changes to its response after providing services the same way after many years.

The common challenges identified amongst agencies are the limited program fees allowed to be collected by a program, providing services to participants who may have mental illness or substance abuse problems, and providing services for participants who are chronically homeless. Prior to the Housing First model, those identified with a higher acuity were not appropriate for services and often times were terminated from a program because of eligibility criteria or behavior issues; these practices resulted in the individual experiencing further homelessness. Furthermore, DHS is concerned that this may allow agencies to be selective in placements into its services and reduce necessary services for the most vulnerable population.

With regard to section 2, we defer to other state departments and counties, as to parcels of land and transportation. DHS is concerned that areas identified are not in areas that are accessible to participants and will increase cost burdens to other departments. DHS is also concerned that the discharge of medically fragile patients into a setting that may not be



accessible to services will not benefit that population, and specific programming this large requires specific skill sets and qualified expertise.

The best strategy to end homelessness is to find people safe and affordable housing. Housing First is an approach that emphasizes stable, permanent housing as a strategy for ending homeless. Safe zones, encampments, or tent cities created by measures take away that choice, which is the critical component of Housing First. Housing First has been successfully implemented on Oahu and DHS Homeless Programs Office has expanded the Housing First program to the neighbor islands.

Additionally, as noted by the National Alliance to End Homelessness, Housing First is based on the theory that client choice is valuable in housing selection and supportive service participation, and that exercising that choice is likely to make a client more successful in remaining housed and improving their life. The Ohana Zones proposed in this measure takes away that choice which is the critical component of the success of Housing First.

Thank you for the opportunity to testify on this bill.