



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

April 3, 2018

TO: The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Housing

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

SUBJECT: **HB 2281 HD1 SD1– RELATING TO HOMELESSNESS**

Hearing: Tuesday, April 3, 2018, 10:00 a.m.
Conference Room 211, State Capitol

POSITION: The Governor's Coordinator on Homelessness supports sections 4 to 10 of this measure, provided that the measure's passage does not replace or adversely impact priorities indicated in the Governor's Supplemental Budget request, and offers comments in regard to sections 2, 3, 7 and 11.

The Coordinator asks the Legislature to support the Governor's Supplemental Budget request, which includes appropriations to the Hawaii Public Housing Authority (HPHA) for the state rent supplement program; appropriations to the Department of Human Services (DHS) for Housing First, Rapid Rehousing, homeless outreach services, and the Family Assessment Center; and an 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 appropriations in the Supplemental Budget for HPHA to provide public housing improvements and renovations statewide.

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.

With regard to sections 2 and 3 of this measure, the Coordinator appreciates the Legislature's efforts to adopt innovative solutions to the complex challenge of homelessness

and notes that the Administration has been working to identify vacant state land for potential housing projects for the homeless population. However, it has been challenging to identify land that has adequate infrastructure and is zoned to allow residential use.

A preliminary search for vacant state lands by the Act 212 (2017) Safe Zones Working Group identified nine vacant state parcels, which included many that were not suitable for residential use due to zoning, lack of road access and other necessary infrastructure, location on a hillside, and potential ground contamination. The Act 212 (2017) Safe Zones Working Group also received public testimony from legislators and community members expressing concerns that housing projects for the homeless population should not be sited in an area without adequate dialogue with the surrounding community. The vacant state lands identified and the feedback received by the working group warrant closer consideration if this measure proceeds. The full report of the Act 212 (2017) Safe Zones Working Group can be found online at: <https://humanservices.hawaii.gov/wp-content/uploads/2017/12/Act-212-2017-Report-on-Safe-Zones-HCR-148-SD-1-on-Squatting.pdf>.

Due to the issues identified by the Safe Zones working group related to non-residential zoning and inadequate infrastructure, it appears that the timeframe specified in this measure is ambitious given requirements outlined in chapters 171 and 343, Hawaii Revised Statutes, regarding the set aside of public lands and the environmental review process. The Coordinator notes that similar housing projects initiated by the City & County of Honolulu that were exempted from these provisions by the Governor's emergency proclamation to address homelessness took 1.5 years or longer to complete. The Coordinator respectfully defers to DLNR on issues related to land and environmental review, such as potential impacts to historic and cultural sites, streams, reefs and coastal waters, and the potential impact that may result if Ohana Zones are exempted from these processes or if these processes are expedited.

The timeframe for the development of an Ohana Zone appears to be ambitious given the cost specifications and requirements described in the measure as currently drafted. Specifically, the measure requires that an Ohana Zone shall provide, at a minimum, secure dwelling spaces; access to toilets, showers, hygiene facilities, food storage and meal preparation; medical and social support services; onsite childcare; and transportation. Further,

the measure requires that dwelling units in an Ohana Zone shall not exceed \$15,000. The expertise required to develop a facility meeting these minimum requirements appear to be beyond the current capacity of DHS. Accordingly, if this measure proceeds, the Coordinator suggests the designation of a separate executive branch agency with specific expertise in construction and housing development, including addressing issues related to infrastructure and road access.

In the alternative, DHS will require additional time, appropriation, and human resources to obtain the requisite expertise to carry out the endeavor as currently drafted.

With regard to section 7, HB1900 HD1 blanks out the requested appropriation of \$1,551,577 in the Governor's Supplemental Budget for the state rent supplement program, and transfers \$1,069,494 from Program ID HMS 222 (HPHA – Rental Assistance Services) to Program ID HMS 211 (DHS – Benefits, Employment & Support Services Division Cash Support for Families – Self-Sufficiency). DHS does not currently have the adequate staffing, procedures, administrative rules, or eligibility and payment system to administer the state rent supplement program or similar programs, such as the housing homeless children pilot program. For these reasons, the Coordinator prefers the language in this measure, which appropriates funds for the state rent supplement program to HPHA who does have the staffing, procedures, administrative rules and an adequate payment system to administer a state rent supplement pilot program.

With regard to sections 11 and 12, certain health plans have begun to place staff in hospital emergency departments to facilitate better linkages to case management services for individuals with frequent emergency department utilization. In addition, UnitedHealthcare was recently awarded a federal Accountable Health Communities (AHC) grant through the Centers for Medicare and Medicaid Services (CMS) to address gaps between clinical care and community services in the current healthcare delivery system. The AHC grant includes a partnership with Waianae Coast Comprehensive Health Center, Kalihi-Palama Health Center, and Queen's Medical Center and is expected to begin in April 2018. In particular, the AHC grant program will engage high-risk Medicare and Medicaid beneficiaries at these health centers and will refer them to navigators that will provide in-depth assessments and care coordination.

Generally, navigators will conduct an initial follow-up within two weeks after an individual is screened, and will maintain regular contact with the individual on a monthly basis thereafter until the individuals are connected with an appropriate pilot center. An evaluation of the AHC grant programs and its effectiveness may better inform the need for implementation of a pilot program like the one proposed in sections 11 and 12 of this measure.

With regard to section 13, the Coordinator has concerns regarding the June 30, 2019 sunset date for this section, and is uncertain whether this provides for an adequate timeframe to implement a medical respite pilot program that meets the minimum requirements specified in this measure. As currently drafted, the measure requires the medical respite pilot program to provide, at a minimum, meals, case management, medical, nursing, and psychiatric care. The measure also requires DOH to submit a report regarding the pilot program to the Legislature prior to the convening of the regular session of 2019, which allows for less than six months for the department to implement the pilot, evaluate progress and make recommendations for improvement.

The costs to implement the various sections of this measure will be significant, and the Coordinator is concerned about potential adverse impacts on priorities identified in the Governor's Supplemental Budget request. The Governor's Supplemental Budget request includes funding for critical programs, such as for Housing First, Rapid Rehousing, and homeless outreach. 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 Supplemental Budget request.

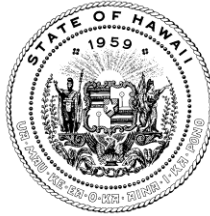
The Coordinator notes that many of the programs outlined in this measure are appropriated funding only for one year, and may be difficult to implement within the specified timeframe. The Coordinator further notes the urgent need to effectively implement various strategies to address homelessness along the full spectrum of care. To ensure timely

implementation of the various sections of this measure, the Legislature may wish to consider amendments that provide DHS and other relevant executive branch agencies with exemptions from chapters 103D and 103F, Hawaii Revised Statutes, for this purpose. In addition, if the development of administrative rules are required for any of the programs described in this measure, the Legislature may wish to consider amendments that enable DHS and other relevant executive branch agencies to develop interim rules without regard to chapter 91, Hawaii Revised Statutes, for the purposes of the program.

Finally, the State approach to homelessness includes a focus on oversight and accountability for public funds used for this purpose. DHS established performance measures for homeless services contracts in response to Act 234, Session Laws of Hawaii 2016. This approach emphasizes reporting and transparency, and ties payment for homeless services to provider performance. In 2017, DHS executed a series of contracts for housing placement, emergency grant, homeless outreach, and shelter that establish specific performance benchmarks and condition payment in part upon meeting these benchmarks, which are related to the end goal of placing homeless individuals into permanent housing. The State's intent is to apply similar benchmarks and conditions to all new contracts for homeless services. The Coordinator defers to appropriate executive branch agencies for specific guidance on benchmarks and conditions for the programs outlined in the various sections of this measure.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR OF
HAWAII



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

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JEFFREY T. PEARSON, P.E.
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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 Senate Committee on
WAYS AND MEANS

Tuesday, April 3, 2018
10:00 AM
State Capitol, Conference Room 211

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

House Bill 2281, House Draft 1, Senate Draft 1 proposes to establish an 'Ohana Zones Program within the Department of Human Services and appropriate funding for the Program and for rapid rehousing, continued outreach services and public housing improvements. **The Department of Land and Natural Resources (Department) offers the following comments and amendment.**

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.

The Department notes many of the properties being identified for 'Ohana Zones do not have adequate infrastructure for intensive residential use. Sewer hook-ups can be very expensive, and in rural areas, sewer service is often not available, so septic systems must be installed, again, very costly. Pump-out costs for temporary facilities are also very expensive. The Department is concerned that without an adequate evaluation of sewer, water, drainage and electrical needs for any 'Ohana Zone, unexpected costs will arise, in particular costs to our fragile environment. Pollution run-off can further damage our reefs and nearshore habitats as well as making the ocean unsafe for swimming. Untreated waste is a hazard to both humans and animals. The Department urges the Legislature to carefully consider the full cost of safe zones, as opposed to transitional housing or permanent low-cost housing for the State's homeless population.

The Department offers the following amendment to SECTION 2 (c) of this measure to address its concerns regarding consultation on the use of its lands and ensuring adequate protection of Hawaii's unique flora and fauna.

(c) The department of human services shall coordinate with public or private entities, as appropriate, to develop and implement the ohana zones program~~[-]~~, including consulting with the department of land and natural resources if its lands are deemed suitable for an ohana zone. The department of human services shall also work with the department of land and natural resources to transfer any lands to be used for ohana zones to an agency whose mission is more suited the the management of ohana zones. Further, the department of human services shall work with the department of land and natural resources and its construction agency to ensure that infrastructure needs are met and there are no undue effects to the environment, including nearshore resources such as corals, reef fish, and seabirds.

Thank you for the opportunity to comment on this measure.

Harry Kim
Mayor



Wil Okabe
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i Office of the Mayor

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(808) 323-4444 • Fax (808) 323-4440

March 29, 2018

Senator Donovan M. Dela Cruz, Chair
Committee on Ways and Means
Hawai'i State Capitol, Room 211
Honolulu, HI 96813

Senator Gilbert S.C. Keith-Agaran, Vice-Chair
Committee on Ways and Means
Hawai'i State Capitol, Room 211
Honolulu, HI 96813

Dear Chair Dela Cruz, Vice-Chair Keith-Agaran, and Committee Members:

**Re: HB 2281, HD 1, SD 1 and HB 2753, HD 1, SD 1 Relating to Homelessness
Hearing Date: 04/03/2018 – 10:00 am; Conference Room 211**

As Mayor of Hawai'i County, I support HB 2281, HD 1, SD 1, and HB 2753, HD 1, SD 1.

For your information, we have already piloted a mini-version of an Ohana Zone on Hawai'i Island called Camp Kikaha in Kailua-Kona, and we are ready to apply the knowledge gained from running that project to a larger, designated site called Village 9 in an area across from our West Hawai'i Civic Center. Village 9 has already earmarked funds for an environmental assessment and master plan process which we expect to be completed by July, 2018. We are also looking at other sites in East Hawai'i for possible replication.

Through Camp Kikaha, we learned:

- The importance of a thorough assessment process (Assessment Center Concept), so that those coming to us are assigned to appropriate services and resources to ensure the greatest possibility of success. The one stop center for services is cost- and outcome-effective. The assessment center can also designate the right combination of people to a village site so as not to create a site heavily populated with people who would reinforce negative addictions, e.g., a site predominantly composed of Crystal Meth users might be counterproductive.

(Hawai'i County would like to be a site for more assessment centers. HB 2281, HD 1, SD 1 is correct when it says: "This proven model (Family Assessment Centers), can be replicated on the neighbor islands as an effective way to move families with children rapidly to permanent housing. For example, on the island

of Hawai'i, a large parcel of land has been set aside to develop housing solutions for homelessness in Kona, where the need for localized services is acute.”)


- The value of permanent supportive housing early on, so that our clientele can develop a sense of Ohana with those with whom they live, and not have those positive relationships disrupted as they move on to higher level shelter opportunities. The supportive element requires people with true compassion for the homeless population that we serve, who provide counseling support and connection to available resources.

If funds are available for an Assessment Center as well as permanent supportive housing, we would start our project utilizing shelter types that could function as emergency as well as permanent structures, are more aesthetic than tarps which have a limited lifespan, afford a level of privacy and comfort of a home-like atmosphere, can be constructed in a relatively short period of time, offer true protection from strong winds and heavy rains, do not present a fire hazard, and yet are affordable/economically feasible, e.g. the Intershelter Domes.

- Ohana Zones provide an opportunity where feasible for self-governance, which facilitates a sense of ownership, pride, honor and dignity (PhD).

Our village site would also encourage self-sufficiency, and be a one stop shop for services, a possible community garden, aquaponics employment training and work opportunities (e.g. to be Uber drivers) playground for children, etc.

Respectfully submitted,



Harry Kim
Mayor, County of Hawai'i



HB2281 HD1 SD1 Homeless Housing, Rent Subsidies, LEAD and Outreach

COMMITTEE ON WAYS AND MEANS

- Senator Donovan Dela Cruz, Chair; Senator Gilbert Keith-Agaran, Vice Chair
- Tuesday, April 3, 2018: 10:00 am.
- Conference Room 211

Hawaii Substance Abuse Coalition (HSAC) Supports HB2281 HD1 SD1:

GOOD MORNING CHAIRS, VICE CHAIRS AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of almost 40 non-profit alcohol and drug treatment and prevention agencies.

HSAC supports low income rental units, Housing First, Rapid Rehousing, Homeless Outreach. HSAC supports Outreach and Counseling for homeless with substance abuse disorders, especially the LEAD pilot project.

LEAD

For years, providers and policy makers have concluded that we can't solve our drug problems unless the community, government, and healthcare providers join together. Here is such a program that brings us together with the hope that this effort will lead to even more collaborations.

- Law Enforcement Assisted Diversion (LEAD) is a new innovative pilot program that was developed in collaboration with the community to divert low-level drug and prostitution offenders into community-based treatment and support services – including housing, healthcare, job training, treatment and mental health support -- instead of processing them through traditional criminal justice system avenues.

Case Management for Substance Abuse

- We recommend professional case management workers who have experience working in a substance use disorder treatment environment to address outreach and counseling services for homeless individuals and families with substance use disorders. Such experts would be better able to motivate people with chronic conditions of addiction.

We appreciate the opportunity to provide testimony and are available for questions.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
Members, ~~Committee on Ways and Means~~
Paula Yoshioka

From: Paula Yoshioka, Vice President, Government Relations and External Affairs, The Queen's Health Systems

Date: March 29, 2018

Hrg: Senate Committee on Ways and Means Decision Making; Tuesday, April 3, 2018 at 10:00 A.M. in Room 211

Re: **Support for H.B. 2281, H.D. 1, S.D. 1, Relating to Homelessness**

My name is Paula Yoshioka, and I am a Vice President at The Queen's Health Systems (Queen's). I would like to express my **support** for H.B. 2281, H.D. 1, S.D. 1, Relating to Homelessness. The bill would provide for a number of programs such as the Emergency Department (ED) homelessness assessment and medical respite pilot programs.

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.^{1,2} An upwards of 64% of all hospital visits by the homeless are at Queen's, where care is delivered at partial or no reimbursement.

There is a high utilization of Emergency Department (ED) resources by homeless individuals for non-emergent needs. Many of our homeless patients are Super Utilizers of the ED and suffer from mental health and substance abuse issues.³ Queen's supports the ED homelessness assessment pilot program because we believe that increasing coordinated care services for our homeless patients and connecting them to community resources such as supportive housing services, social services, behavioral health, etc. will address underlying issues that may stem from their unique circumstances.

Further, Queen's believes that community partnerships between medical and human services providers for the delivery of medical respite is critical in the healing process for our homeless patients, who require additional time to recover in a more appropriate level of care setting. Those who experience homelessness deserve to have access to community resources and the care they need. Queen's believes that establishing a pilot program for medical respite care for the

¹ The Department of Housing and Urban Development, "The 2017 Annual Homeless Assessment Report (AHAR) to Congress", December 2017

² State of Hawaii, Homeless Point-in-Time Count, January 22, 2017

³ HHIC Special Homeless Project, 2016

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.

chronically homeless will leverage community-based resources to deliver care coordination and navigation in a cost-effective manner. Those who experience homelessness deserve to have access to community resources and the care they need in more appropriate settings.

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 your time and attention to this important issue.



Hawai'i

Committee: Senate Committee on Ways and Means
Hearing Date/Time: Tuesday, April 3, 2018, 10 a.m.
Place: Conference Room 211
Re: *Testimony of the ACLU of Hawai'i in Support of H.B. 2281, H.D. 1 S.D. 1, Relating to Homelessness*

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members:

The American Civil Liberties Union of Hawai'i writes in strong support of H.B. 2281, H.D. 1 S.D. 1, which among other things¹ appropriates funds for the Department of Health to continue to administer outreach, counseling, and diversion for unsheltered homeless persons experiencing substance abuse, including administering the law enforcement assisted diversion ("**LEAD**") pilot program.

The LEAD program is a pre-booking harm-reduction program to divert low level offenders into a wide range of support services as opposed to jail. An evaluation of the Seattle LEAD program has shown that the program can reduce rates of re-arrest by 58 percent, encourage people struggling with addiction to enter into treatment, and help formerly homeless individuals into shelter. For these reasons, the ACLU urges the Committees to support and pass H.B. 2281, H.D.1 S.D. 1

Thank you for the opportunity to testify.

Sincerely,

Mateo Caballero
Legal Director
ACLU of Hawai'i

The mission of the ACLU of Hawai'i is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawai'i fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawai'i is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawai'i has been serving Hawai'i for 50 years.

¹ The bill also establishes within the Department of Human Services an ohana zones program to provide housing to homeless individuals and families based on principles similar to the housing first program. Given the lack of specifics about that program, the ACLU of Hawai'i currently does not express an opinion about the ohana zones program.

American Civil Liberties Union of Hawai'i
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Foo W. Lim & Sons, Inc.

1130 Wilder Avenue, Suite 102, Honolulu, Hawaii 96822

Phone (808) 521-5468

Date: April 1, 2018
To: COMMITTEE ON WAYS AND MEANS
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
From: Yal Lim, President, Foo W. Lim & Sons, Inc.
Subject: Testimony in support of an amendment to HB2281

Dear Chair Dela Cruz and members of the WAM Committee:

My name is Yal Lim and I represent Foo W. Lim & Sons, Inc. (FLS). On behalf of FLS and the local composite fabrication and manufacturing industry working in fiberglass and related composite materials, we support HB2014 and urge you to add an amendment to include local labor content for fabrication of shelters. On page 9, Line 8 - Replace text after '\$15,000, and' with the following text:

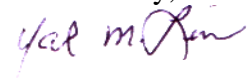
“at least 50 percent of the manufacturing labor costs of each home must be in Hawaii:
(1) Manufacturing labor in Hawaii shall be evidenced by Hawaii wages paid that are subject to Hawaii income tax withholding for each home, relative to all other labor costs for manufacturing of each home.”

Foo W. Lim & Sons, Inc. is a local leader in the fabrication and manufacture of advanced structures in fiberglass and have been supplying the Hawaii market since 1978. As a provider of high-quality high-paying jobs including skilled and unskilled trade labor in Hawaii, FLS has the capabilities to manufacture the home shelters as envisioned. The Housing First initiative is valid and can best be served with home structures manufactured in Hawaii. FLS is a generous supporter of Food Bank of Hawaii, Project Vision (including the recent mobile shower vehicle), and other needy causes.

The amendment is important to allow for Hawaii-made labor content to contribute to this extremely important homeless housing initiative. Our State's people will build the best housing for our State's people whatever their need and circumstance.

Thank you for this opportunity to testify.

Yours Truly,



Yal Lim
President, Foo W. Lim & Sons, Inc.



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

April 3, 2018

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TO: Chair Dela Cruz, Senate Committee on Ways and Means

FROM: Pedro Haro, Advocacy Consultant

SUBJECT: Testimony in Support of HB2281, HD2, SD1 RELATING TO HOMELESSNESS

Hearing: April 3, 2018, 10:00 am
Conference Room 211

Thank you for the opportunity to testify in support of Senate Bill 2281, House Draft 2, Senate Bill 1. I am Pedro Haro, advocacy consultant for PHOCUSED.

PHOCUSED is a nonprofit, nonpartisan organization dedicated to increasing the safety for, visibility of, and investment in the children and adults in Hawaii who are marginalized, impoverished, and under-served. Our organization has been a leading voice in advocating for our homeless populations since our formation, as the membership of PHOCUSED and our Board of Directors represent many of the major providers of human services across our state.

Our organization believes that although many strides have been made, Hawaii's ranking as the nation's leader in per capita homelessness demands major investment, as well as action on the part of all community members. This bill is a crucial piece of the aforementioned investment. What this bill will do is invest in what we know works and will continue to build momentum.

The Rapid Rehousing, Housing First, Law Enforcement Assisted Diversion, Public Housing, Outreach, and the Family Assessment Center are all pillars of what works to change the tide in the race to end homelessness in Hawaii. We strongly support the continued funding of these programs.

PHOCUSED also strongly supports the creation of the shallow, long-term rental assistance pilot project. As you know, more than a quarter of the State's

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.



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

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Debbie Shimizu, Ex Officio
Natalie Okeson, Exec. Dir.

households fall into homelessness simply because they are short of money to pay for their rent but have no other underlying issues. This includes children whose families are simply too poor to retain housing. For these children and their families, small subsidies allow them to more rapidly secure housing and move out of shelters into permanent housing. This gap group will best be served through this pilot project, which will include financial case management by a United States Department of Housing and Urban Development certified financial counseling organization.

We support this bill for the multitude of reasons expressed above. Thank you for the opportunity to submit testimony in support of House Bill 2281, House Draft 2, Senate Draft 1.

PHOCUSED is a membership and advocacy organization for health and human services in Hawaii, which works together with community stakeholders to collectively impact program and policy change for the most vulnerable in our state. Our commitment to the people is reflected in our name – Protecting Hawaii's 'Ohana, Children, Under-Served, Elderly, and Disabled. We are guided by the shared commitment of our members to protect the interests of Hawaii's people and the sector which seeks to provide them with quality programs and services.

COMMUNITY ALLIANCE ON PRISONS

P.O. Box 37158, Honolulu, HI 96837-0158

Phone/E-Mail: (808) 927-1214 / kat.caphi@gmail.com



COMMITTEE ON WAYS AND MEANS

Sen. Donovan Dela Cruz Chair

Sen. Gil Keith-Agaran, Vice Chair

Tuesday, April 3, 2018

10:00 am

Room 211

STRONG SUPPORT FOR HB 2281 HD1 SD1 - PARTICULARLY SECTION IX - LEAD

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai`i for more than two decades. This testimony is respectfully offered on behalf of all the people who have died in our facilities including, JESSICA FORTSON, JOEY O'MALLEY, DAISY KASITATI, ASHLEY GREY. and the approximately 5,500 Hawai`i individuals living behind bars or under the "care and custody" of the Department of Public Safety on any given day. We are always mindful that approximately 1,600 of Hawai`i's imprisoned people are serving their sentences abroad thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons is in strong support of this measure that addresses the needs of some of the most vulnerable people in our community. We especially LOVE Section IV that allocates funds to the Department of Health to continue the LEAD Chinatown pilot program. This community-initiated project with 30 state, county, and community partners who came together as the LEAD Hawai`i Hui has been such a bright light for our community. CAP has been an active member of the Hui since its inception. The goals of LEAD are:

- REORIENT the government's responses to safety, disorder, and health-related problems
- IMPROVE public safety and public health
- REDUCE the number of people entering the criminal justice system for low-level offenses
- UNDO racial disparities in our criminal justice system, particularly among Native Hawaiians
- SUSTAIN funding for alternative interventions
- STRENGTHEN the relationship between law enforcement and the community

The evaluations for Seattle's LEAD program <http://leadkingcounty.org/lead-evaluation/> show that LEAD participants are 58% less likely to be arrested after enrollment; spend significantly fewer days in jail after entering the program; obtained housing if they were experiencing homelessness prior to LEAD; receive mental health and drug treatment, legal assistance, and help obtaining identification.

The support for LEAD is broad and we urge the committees to support these vital services for some of our most vulnerable community members by passing this bill and urging its adequate funding. Mahalo for the opportunity to testify.

Being homeless is like living in a post-apocalyptic world. You're on the outskirts of society.

Frank Dillane



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, SENATE DRAFT 1,
RELATING TO HOMELESSNESS**

**Senate Committee on Ways and Means
Hon. Donovan M. Dela Cruz, Chair
Hon. Gilbert S.C. Keith-Agaran, Vice Chair**

**Tuesday, April 3, 2018, 10:00 AM
State Capitol, Conference Room 211**

Honorable Chair Dela Cruz, Chair Green, 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, SD 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. Establishing 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—especially Housing First, rapid rehousing, and housing homeless children pilot programs—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

HB-2281-SD-1

Submitted on: 4/1/2018 7:56:01 PM

Testimony for WAM on 4/3/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

To the Honorable Donovan M. Dela Cruz, Chair; the Honorable Gilbert S.C. Keith-Agaran, Vice-Chair and Members of the Committee on Ways and Means:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **HB2281 HD1 SD1** regarding Homelessness; Housing; DHS; DOH; HPHA; Outreach; Rapid Rehousing; Housing Homeless Children Pilot Program; Housing First; Ohana Zones; Oahu Family Assessment Center; Law Enforcement Assisted Diversion Program; Emergency Department Homelessness Assessment Pilot Program; Medical Respite Pilot Program; and an appropriation.

The OCC on Legislative Priorities is in favor of **HB2281 HD1 SD1** and supports its passage.

HB2281 HD1 SD1 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to the housing first program 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 housing homeless children pilot program; and establishes and appropriates funds to the department of health for an emergency department homelessness assessment pilot program and medical respite pilot program, effective on 7/1/3000.

Specifically, the DPH Platform provides that we "believe in the concept of "Housing First" to develop affordable, stable housing and support services to break the cycle of homelessness for people with the fewest housing options.

We support dedicated social services and housing opportunities for Hawaii's homeless population to get them off the streets and reintegrated into society, with specific devoted services for disenfranchised groups including but not limited to, the Hawaiian community, aged-out foster kids, youth, returning veterans, the aged, and lesbian, gay, bisexual and transgender homeless." (Platform of the DPH, P. 7, Lines 352-358 (2016)).

Given that **HB2281 HD1 SD1** establishes within the Department of Human Services an Ohana Zones program to provide housing to homeless individuals and families based on principles similar to the housing first program 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 housing homeless children pilot program; and establishes and appropriates funds to the department of health for an emergency department homelessness assessment pilot program and medical respite pilot program, effective on 7/1/3000, it is the position of the OCC on Legislative Priorities to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC on Legislative Priorities

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HB-2281-SD-1

Submitted on: 3/28/2018 8:52:42 PM

Testimony for WAM on 4/3/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott Foster	Testifying for Hawaii Advocates For Consumer Rights AND The Kupuna Caucus of The Democratic Party of Hawaii	Support	No

Comments:

HB-2281-SD-1

Submitted on: 4/2/2018 9:38:28 AM

Testimony for WAM on 4/3/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Peter Gellatly	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and members of the committee,

I am writing to offer strong support for section 9 of this measure, as it is an important key to limiting homelessness and sparking positive, meaningful, productive lives for many individuals trapped in poverty and substance abuse alike. The LEAD program – Law Enforcement Assisted Diversion – has proven to be remarkably successful elsewhere, and its pilot program deserves continued funding here.

Mahalo nui loa.

aloha, Peter Gellatly

HB-2281-SD-1

Submitted on: 4/2/2018 8:34:35 AM

Testimony for WAM on 4/3/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Polk	Individual	Support	No

Comments:

I strongly support HB2281 HD1 SD1 to take a multipronged approach to dealing with homelessness. Some parts of the bill are new and deserve support, while the bill also continues support for existing programs that are showing a positive impact. I strongly encourage support of the entire measure, including sufficient funding to carry out the intended programs.

Homelessness is costing the State and Counties an ever increasing amount of money. It is important to use tax payers' money to continue, increase, and initiate programs to solve it. Considerable funding has gone into simply pushing people from place to place or arresting them. This is very costly, not only in terms of money, but also of the human resources lost by our failure to help people who are homeless achieve the stability to make positive contributions to society.

It is for these reasons that I SUPPORT HB2281 and urge you to pass it.