

STATE OF HAWAII

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

IN REPLY REFER TO:

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

HOUSE COMMITTEE ON HOUSING
HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES

February 7, 2018 at 9:45 a.m.
State Capitol, Room 329

In consideration of
H.B. 2475
RELATING TO HOMELESSNESS.

The HHFDC **supports** H.B. 2475, provided that its passage does not replace or adversely impact priorities indicated in our Executive Supplemental Budget request.

The State's goal to address homelessness is to implement a Housing First system by 2020. This bill supports this initiative by providing \$25,100,000 in General Obligation Bond funds for the **initial phases** of the development of 904 permanent supportive housing units for chronically homeless individuals and families. We believe this measure could be strengthened by addressing the following:

1. Defining "initial phases." Does it mean planning and design?
2. How and when will the balance of the \$325,000,000 to develop and support the first year of operations be funded?
3. As HHFDC does not have expertise or capacity to ensure sufficient support services are provided, could a more appropriate agency be described in the bill?

Thank you for the opportunity to testify.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 2475: RELATING TO HOMELESSNESS

TO: Representative Tom Brower, Chair; Representative John Mizuno, Chair; and Members, Committees on Housing and Health & Human Services
FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer
Hearing: **Wednesday, 2/7/18; 9:45 am; Conference Room 329**

Thank you for the opportunity to provide testimony **in strong support** of HB 1766, which authorizes GO bonds for the development and construction of permanent supportive housing. I am Terry Walsh, with Catholic Charities Hawaii. We are also a member of Partners in Care. This funding provides critical long range solutions to homelessness.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 60 years. Our mission is to provide services and advocacy for the most vulnerable in Hawaii. Ending homelessness is a top priority for 2018.

Hawaii is still tops among the US states for homelessness per capita. We need to invest in new and proven solutions to really make an impact and solve homelessness. **This bill can make the difference between continuing to see chronic homeless line our highways, our sidewalks, our neighborhoods and our beaches.** There are over 1,800 chronically homeless disabled people living on the streets. This innovative bill will end chronic homeless through the construction of rental units specifically targeting this hard to serve group. Housing First programs now must seek private landlords who will accept vouchers to house the chronically homeless. In Hawaii's tight rental market, this can be a real challenge! By constructing these special need rental units, the current Housing First voucher and wrap around services system would be able to transition homeless directly from the streets into an ongoing supportive environment. The current Housing First Programs would continue and need expansion. Creating rental units would provide direct access to housing through the creation of over 900 rental units designed to get the chronic homeless off the streets.

We know it will keep homeless off our streets! Housing First is more successful in Hawaii than nationwide, with a higher percent (over 90%) of participants staying stably housed than in Mainland programs. We know it will be cost effective! Treating long-term homeless disabled people on the streets is very expensive. The Center for Supportive Housing has studied the Hawaii chronically homeless situation. It estimates that our State could realize about **\$90 million in annual cost savings** (healthcare savings are massive) once 1808 chronic homeless are housed in 904 supportive rental units and 904 Housing First landlord units.

The \$25.1 million appropriate by HB 2475 represents the first installment of the State's investment, and would be dedicated solely to the construction and development of the **first portion of the 900 new units** of affordable housing that are needed for this program.

We CAN end chronic homeless with the vision and investment presented in this bill. Please contact our Legislative Liaison, Betty Lou Larson, at 373-0356 or bettylou.larson@catholiccharitieshawaii.org, if you have any questions.



HB-2475

Submitted on: 2/6/2018 2:29:26 AM

Testimony for HSG on 2/7/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

**PRESENTATION OF THE
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES
DEMOCRATIC PARTY OF HAWAII
TO THE COMMITTEE ON HOUSING
AND
THE COMMITTEE ON HEALTH & HUMAN SERVICES
HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2018
Wednesday, February 7, 2018
9:45 a.m.**

Hawaii State Capitol, Conference Room 329

RE: Testimony in Support of HB 2475, RELATING TO HOMELESSNESS

To the Honorable Tom Brower, Chair; the Honorable Nadine K. Nakamura, Vice-Chair, and Members of the Committee on Housing:

To the Honorable John M. Mizuno, Chair; the Honorable Bertrand Kobayashi, Vice-Chair, and Members of the Committee on Health & Human Services:

Good morning. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No.2475 regarding general obligation bonds for permanent supportive housing for the chronic homeless population.

The OCC Legislative Priorities Committee is in favor of House Bill No. 2475 and support its passage.

House Bill No.2475 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it authorizes the issuance of general obligation bonds and appropriate bond proceeds to the Hawaii housing finance and development corporation to begin the development and construction of nine hundred four critically needed permanent supportive housing units to meet the needs of chronically homeless individuals and families in the State,

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 House Bill No, 2475 authorizes general obligation bonds for permanent supportive housing for the chronic homeless population, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ **Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Tel.: (808) 258-8889



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

TESTIMONY FOR HOUSE BILL 2475, RELATING TO HOMELESSNESS

House Committee on Housing
Hon. Tom Brower, Chair
Hon. Nadine K. Nakamura, Vice Chair

House Committee on Health and Human Services
Hon. John M. Mizuno, Chair
Hon. Bertrand Kobayashi, Vice Chair

Wednesday, February 7, 2018, 9:45 AM
State Capitol, Conference Room 329

Honorable Chair Brower, Chair Mizuno, and committee members:

I am Kris Coffield, representing IMUAlliance, 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 2475, 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.

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



PARTNERS IN CARE

Oahu Continuum of Care

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

Testimony in Support of HB 2475 Relating to Homelessness

TO: House Committees on Housing and Health & Human Services
FROM: Partners in Care (PIC)
HEARING: Wednesday, February 7, 2018 at 9:45 am, Conference Room 329

Dear Chairs Brower and Mizuno, and members of the committees on Housing and Health & Human Services:

Thank you for the opportunity to provide testimony on HB 2475. From the perspective of Partners in Care (PIC)—a coalition of more than 35 non-profit, homelessness providers—**this is one of the most important and innovative bills related to homelessness that has been introduced this session**, and for the reasons explained below, we give HB 2475 our strong support.

In brief, this bill is important because:

- **It will help to achieve a concrete, meaningful, and achievable goal—permanently housing 1,800 chronically homeless households.** The bill is based on an analysis completed by the nonprofit Corporation for Supportive Housing (CSH), which determined what it will take to end chronic homelessness for 1800 households—equivalent to the number of chronically homeless households on Oahu—making a meaningful and visible impact on chronic homelessness throughout the state.
- **It provides the initial installment of funding to build 900 critically needed low-income housing units.** One of the main causes of homelessness in Hawai'i is the lack of housing units affordable to low-income households. While housing vouchers are helpful, vouchers sometimes do not work because of a lack of sufficient housing stock where they can be used. This bill creates housing stock that is designated for getting people off the streets.
- **It uses the proven and cost-effective Housing First model.** Once the additional units are built and the program is operating at full capacity—housing 1,800 chronically homeless households—Hawai'i will save an estimated \$90 million per year by providing people with stable housing and treatment rather than relying on much more expensive and inefficient emergency services to treat them while they are living on the streets.

The Importance of Addressing Chronic Homelessness

Chronic homelessness—where a household that includes a person with a disabling condition has either: (1) been continuously homeless for a year or more, or (2) has had at least four episodes of homelessness in the past three years—is a particularly difficult and costly problem for our community. Addressing chronic homelessness across the state would result in significant cost savings for health care and emergency services, and it would create a solid foothold for addressing homelessness in all its forms.

The key to addressing chronic homelessness is, first and foremost, to provide stable housing using the Housing First model. Once stably housed, service providers are better able to provide the case management and intensive social services that enable these individuals to stay off the streets for good, avoiding a costly cycle in and out of emergency shelters, hospitals, and jail. In Hawaii our experience is that when the homeless person is engaged with housing and ongoing case management support, 90% stabilize in community housing do not relapse into homelessness.

HB 2475 Jumpstarts a Program that Will Eliminate Chronic Homelessness

According to an analysis of local data, Oahu alone has around 1,800 chronically homeless households. To bring the equivalent number of chronically homeless households out of homelessness, Hawai'i needs to adopt a long-term plan that includes the following:

- (1) developing and constructing 900 units of low-income affordable housing;
- (2) creating 900 housing vouchers which can be used at existing privately-owned rentals; and
- (3) providing case management and intensive social services to the chronically homeless people who are housed in the units or with these vouchers.

The cost for this program would require an investment of \$325 million, which would cover the development and construction costs of the 900 units, and the first year's costs for: (1) the operations of the units, (2) the provision of the vouchers, and (3) the provision of the case management and services. To increase the financial feasibility of this grand-scale solution, the program can be phased in and the initial investment can be apportioned over the course of ten years. The \$25.1 million appropriate by HB 2475 represents the first installment of this investment, and would be dedicated solely to the construction and development of the first portion of the 900 new units of low-income affordable housing that would be dedicated to this program.

HB 2475 is a Cost-Effective Solution

While the costs of this program would be great, the benefits would be greater. The vast majority of the \$325 million cost of the program — roughly \$251 million—is attributable to the development of the 900 units of low-income units. Once this critically-needed housing is built, it will be available to meet the needs of low-income households for decades to come.

Additionally, once the 1,800 households targeted by this program are housed and receiving services, it will generate an estimated \$134,500,000 in annual health care costs savings, which would more than cover the \$43,500,000 in annual recurring costs of the program after the initial ten-year build out (these recurring costs would include expenses for the operation of the units, the continued provision of vouchers, and the continued provision of services). The estimated \$90 million in annual net cost savings (\$135.5m health care savings minus \$43.5m program costs = \$90m net savings) will quickly exceed the \$325 million initially required to build out the program.

After years of seeing our homelessness rate increase, it finally began to go down in 2017 due to better coordination and increased investment in programs that work, but we still have the highest homelessness rate in the nation. Given the sheer magnitude of the problem, Hawai'i needs to radically increase its investments in interventions that work—precisely what HB 2475 was designed to do. For these reasons, Partners In Care strongly supports HB 2475. Thank you for your consideration of this very important bill.



Community Health Outreach Work

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TESTIMONY in STRONG SUPPORT of HB 2475: RELATING TO RESOURCES FOR HOMELESSNESS

TO: Representative Tom Brower, Chair; Representative John Mizuno, Chair; House Committee on Housing; House Committee on Health and Human Services

FROM: Heather Lusk, Executive Director, CHOW Project

Hearing: Thursday, February 2, 2018 9:45 AM Conference Room 329, State Capitol

Dear Chairs Brower and Mizuno, and Members of the Committees on Housing and Health & Human Services:

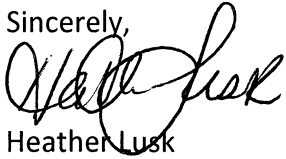
I Thank you for the opportunity to testify in **strong support** of HB 2475. As Vice Chair of Partners In Care (PIC)-- a coalition of over 35 non-profit, homelessness providers, and as Executive Director of The CHOW Project and Life Foundation, organizations that regularly serve members of the community impacted by homelessness, this bill stands out as **one of the most critical and innovative bills related to homelessness that has been introduced this session.**

Most notably, this bill is important because:

- **It will help to achieve a concrete, meaningful, and achievable goal—permanently housing 1,800 chronically homeless individuals.**
- **It provides the initial installment of funding to build 900 critically needed low-income housing units.**
- **It uses the proven and cost-effective Housing First model.**

After years of seeing our homelessness increase it is finally starting to go down in 2017 due to better coordination and increased investment in programs that work. Given the sheer magnitude of the problem, Hawai'i needs to increase its investment in programs that work. I appreciate the opportunity to provide testimony and appreciate your consideration in support of HB 2475 a **cost-effective solution.**

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Lusk". The signature is fluid and cursive, with the first name "Heather" written in a larger, more prominent script than the last name "Lusk".

Heather Lusk

Executive Director

CHOW Project



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COMMITTEE ON HOUSING
COMMITTEE ON HEALTH & HUMAN SERVICES

Wednesday, February 7, 2018, 9:45 AM, room 329

HB 2475, RELATING TO HOMELESSNESS

TESTIMONY

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

Chair Brower, Committee on Housing; Chair Mizuno, Committee on Health & Human Services; and
Committee Members:

The League of Women Voters of Hawaii strongly supports HB 2475 that authorizes the issuance of general obligation bonds in the sum of \$25,100,000 for fiscal year 2018-2019 for the initial phase required for development and construction of 904 permanent supportive housing units to meet the needs of chronically homeless individuals and families.

We strongly agree that chronic homelessness is distinct from other forms of homelessness, and that it places a large burden on the state's health care and emergency service systems. It is imperative that we view solutions to this challenge in an integrated manner and to the extent that permanent supportive housing integrates permanent, affordable rental housing with best practice community-based supportive services to allow individuals and households who have serious and long-term disabilities to have access to stable housing options.

We note that the measure mandates the Hawaii housing finance and development corporation (as the executing entity) to partner with other appropriate government entities to ensure that appropriate services are accounted for in the development of the permanent supportive housing units. Such cooperative mechanisms can ensure that an integrated approach is carried out. However, we also note that government alone can and should not be the only actor in the fight against chronic homelessness. Communities and their private sector stakeholders should also have a voice in meeting this societal challenge. In this regard, we need to seek creative and innovative modalities: we urge consideration of the use of public-private partnerships, particularly with respect to the delivery of permanent supportive housing services and perhaps more sustainably carry out the integrated approach mandated under this bill. While we recognize that public-private partnerships can vary widely and depend upon the nature of the



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partnership objective, we recommend at the very least a study to explore the universe of the advantages and disadvantages of adopting a more unique, and integrated approach than currently presented in this bill.

Thank you for the opportunity to submit testimony.

HB-2475

Submitted on: 2/4/2018 12:28:56 AM

Testimony for HSG on 2/7/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jun Shin		Support	No

Comments:

HB-2475

Submitted on: 2/5/2018 3:49:29 PM

Testimony for HSG on 2/7/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shirley David		Support	No

Comments:

HB-2475

Submitted on: 2/5/2018 11:11:26 PM

Testimony for HSG on 2/7/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Diane S. Martinson		Support	No

Comments:

Thank you for recognizing the need to provide housing and services for those who are the most fragile and vulnerable in our community. I support this bill. It not only makes economic sense, it is the right thing to do. Thank you.

HB-2475

Submitted on: 2/6/2018 3:42:48 AM

Testimony for HSG on 2/7/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
		Support	No

Comments:

Please prioritize and fund solutions to address chronic homelessness in Hawaii - including building additional units and providing comprehensive services. Thank you for your consideration.



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 7, 2018

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

The Honorable Representative John M. Mizuno, Chair
House Committee on Health and Human Services

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

SUBJECT: **HB 2475 – RELATING TO HOMELESSNESS**

Hearing: Wednesday, February 7, 2018, 9:45 a.m.
Conference Room 329, State Capitol

LATE

LATE

POSITION: The Governor's Coordinator on Homelessness supports this bill provided that the measure's passage does not replace or adversely impact priorities indicated in the Supplemental budget. The Coordinator asks the Legislature to support the Governor's Supplemental budget request of \$15 million for homeless services and over \$100 million for affordable housing development and infrastructure costs.

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 rental assistance pilot program to assist families with minor children who are either homeless or at imminent risk of homelessness due to domestic violence.

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 Supplemental budget. The Governor's Supplemental 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 Supplemental budget request.

The Coordinator notes that permanent supportive housing programs, such as the State Housing First program, include a combination of housing support and wraparound case management services. The wraparound service component is critical to assisting chronically homeless individuals to maintain housing over time. The State Housing First program includes both assistance with rent and case management services, and has a nearly 97% housing retention rate that is significantly higher than the national average of 80% for similar programs.

Thank you for the opportunity to testify on this bill.