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GOVERNOR OF  
HAWAII



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LAND  
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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 2753 HOUSE DRAFT 1  
RELATING TO HOMELESSNESS

House Bill 2753, House Draft 1 proposes to establish an 'Ohana Zone pilot program within the Department of Human Services (DHS). **The Department of Land and Natural Resources (Department) acknowledges DHS' testimony in support and offers the following comments.**

SECTION 3 (b) requires consultation with the Department and with people experiencing homelessness to identify and evaluate locations in which an 'ohana zone may be established. The department notes that much of the state vacant land is held by other state departments, in addition to land with vacant buildings that may be relatively easy to refurbish. The Department suggests the following amendments:

(b) The department shall consult with land holding state agencies, as appropriate, including the department of land and natural resources, the department of transportation and the department of accounting and general services, the governor's coordinator on homelessness, and with people experiencing homelessness and their advocates to identify and evaluate locations in which an ohana zone

may be established, beginning with the locations previously identified as potential safe zone sites in the final report submitted by the working group to examine the feasibility of safe zones pursuant to Act 212, Session Laws of Hawaii 2017.

The Department notes that it is not within our mission to manage or run homeless facilities, but the Department has leased property to other agencies or provided other agencies a right-of-entry to use properties for homeless facilities. And because the Department does not run homeless facilities, there is no need for the Department to develop interim administrative rules.

The Department also notes that the City and County of Honolulu (City) has Ohana Zones which allow for additional dwelling units under certain circumstances in single family dwellings. Ohana Zones have been expanded by the City as one way to address homelessness. The Department is concerned that the use of the same term may cause confusion in the general public.

While the Department supports the Ohana Zone concept, the Department prefer House Bill 2281, House Draft 1 over House Bill 2753, House Draft 1 because it is a much broader bill that addresses various causes and components of homelessness, rather than just one aspect. The Department suggests that some of the language from House Bill 2753 House Draft 1 be incorporated into House Bill 2281 House Draft 1 specifically the amendments provided by the Governor's Coordinator on Homelessness in his original testimony on the bill.

Thank you for the opportunity to comment on this measure.



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

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**TESTIMONY FOR HOUSE BILL 2753, 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 2753, 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.

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 2753, 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 2753, HD1 that establishes the Ohana Zone Pilot program with the goal of improving the health and well-being of individuals experiencing homelessness and providing individuals experiencing homelessness with needed services.**

We note that the bill requires DHS to consult with the Department of Land and Natural Resources (DLNR) and with people experiencing homelessness to identify and evaluate locations in which an Ohana Zone may be established, even including locations that are on private property. There is also a requirement that DHS – in consultation with people experiencing homelessness - establish criteria, a monthly timetable of milestones, performance measures, evaluation criteria, and monitoring and oversight controls for the Ohana Zone Pilot Program by December 31, 2018. We strongly support these innovative and multi-faceted approaches that continue our collective efforts to develop and fund sustainable solutions to homelessness.

Thank you for the opportunity to submit testimony.

**HB-2753-HD-1**

Submitted on: 2/22/2018 2:58:06 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:



## THE QUEEN'S HEALTH SYSTEMS

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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 HB2753, HD1, Relating to Homelessness

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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 HB2753, HD1, relating to homelessness. This bill would establish a pilot program for the creation of ohana zones, with the goal of improving the health and well-being of individuals experiencing homelessness and providing individuals experiencing homelessness with the needed services.

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 those experiencing homelessness. Hawaii has the highest per capita rate of homelessness in the nation and Queen's provides the majority of medical care to our homeless population. Nearly 65% of all state homeless hospital encounters are at The Queen's Medical Center and in 2015, Queen's experienced a net loss of \$10.6 million for treating individuals experiencing homelessness.

As the major trauma center for the state of Hawaii and the Pacific Basin, Queen's provides comprehensive trauma services, is the only Comprehensive Stroke Center, and was recently designated by the American College of Surgeons as a Level One Trauma Center. Over the years, ED visits have steadily been on the rise and our average daily census has increased to 180 patient visits. Over utilization of the ED for non-emergent services for homeless patients continues to place a strain on our health care system and too often leads to ED crowding and excessive ED ambulance diversion.

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.*





EXECUTIVE CHAMBERS  
HONOLULU

**LATE**

**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 2753 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 this measure to the extent that this appropriation does not replace or adversely impact priorities indicated in the Executive Budget.

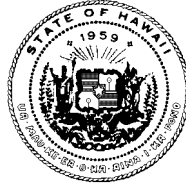
**PURPOSE:** The purpose of the bill is to establish a three-year Ohana Zone Pilot Program within the Department of Human Services (DHS), and provides an appropriation of an unspecified level of funding for fiscal year 2018-2019. The bill requires DHS to consult with the Department of Land and Natural Resources (DLNR) and with people experiencing homelessness to identify and evaluate locations in which an Ohana Zone may be established, including locations that are on private property. In addition, the bill requires DHS – in consultation with people experiencing homelessness - to establish criteria, a monthly timetable of milestones, performance measures, evaluation criteria, and monitoring and oversight controls for the Ohana Zone Pilot Program by December 31, 2018, and requires the establishment of an Ohana Zone no later than June 30, 2019. DHS will also be required to submit reports to the Legislature prior to the 2019, 2020, and 2021 regular sessions in regard to the pilot program.

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 Legislature’s efforts to adopt innovative solutions to the complex challenge of homelessness, 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.

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



February 23, 2018

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 2753 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. DHS supports this bill provided that the measure's passage does not replace or adversely impact priorities indicated in the supplemental budget. DHS appreciates the clarification on Ohana Zones and the amendments to include exemption from Chapters 103D and 103F and adoption of Chapter 91 of interim rules.

**PURPOSE:** The purpose of this bill establishes the Ohana Zone Pilot Program. Defines the intent of the pilot program, and sets preliminary milestones that shall be met by the Department of Human Services Office Homeless Programs Office in establishing the pilot program. Appropriates funds.

DHS asks the Legislature to support the Governor's Executive 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.

Thank you for the opportunity to testify on this bill.

**LATE**

**HB-2753-HD-1**

Submitted on: 2/23/2018 2:51:39 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>
Lance Niimi	County of Hawaii Mayor's Office	Support	No

Comments:

Sylvia Luke, House Finance Committee:

Dear Representative Luke,

As Mayor Harry Kim's asignee to address homelessness in Hawaii County, I support HB2753 for the following reasons:

1. We have already piloted a mini-version of a Ohana Zone on Hawaii Island called Camp Kikaha in Kailua, Kona and are ready to extend the knowledge gained from running this project to a larger, designated site.
2. We have County land in Kailua Kona know as Village 9 already earmarked/funded for an environmental assessmet and master plan process which we expect to be completed by July, 2018.
3. Based on the above, we would like to be considered as one of the pilot projects for an Ohana Zone, described in HB2753.

Mahalo for this oppotunity to submit testimony supporting HB2753.

Sincerely,

Lance Niimi, Executive Assistant to Mayor Kim, County of Hawaii