



LATE

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 16, 2018

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

The Honorable Representative Tom Brower, Chair
House Committee on Housing

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

SUBJECT: SB 2501 SD2 – RELATING TO HOMELESSNESS

Hearing: Wednesday, February 28, 2018, 11:00 a.m.
Conference Room 211, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this measure, and offers comments. In particular, the Coordinator has concerns regarding the potential adverse impact on priorities included in the Governor's supplemental budget request.

PURPOSE: The purpose of the bill is to require the Department of Human Services (DHS) to establish safe zones where homeless persons may reside, and appropriates funds for fiscal year 2018-2019. The bill requires that each safe zone shall be furnished with appropriate hygiene facilities, security, and social services as deemed necessary, and requires that DHS shall maintain and operate safe zones until the Legislature determines that homelessness is no longer a crisis in the State.

The Coordinator notes that the purpose of this bill is similar to that of HB2753 HD1, which establishes the Ohana Zone Pilot Program that will be administered by DHS. The Coordinator prefers the language in HB2753 HD1, as it requires DHS to consult with the Hawaii Interagency Council on Homelessness (HICH) and people directly experiencing homelessness regarding the development of Ohana Zones. In addition, HB2753 HD1 clarifies that DHS shall consider locations on private property and shall be authorized to inquire with private property

landowners regarding the availability of the private property as a possible location of an Ohana Zone.

The Coordinator appreciates the Legislature's efforts to adopt innovative solutions to the complex challenge of homelessness, and that the measure recognizes the need for the incorporation of hygiene facilities, security, and social services. However, the Coordinator notes that recent efforts to address homeless through the State's framework plan are working, and in 2017 the statewide Point in Time (PIT) count found that the number of homeless people in Hawaii *decreased* for the first time in eight years – a *decrease* of 701 people between 2016 and 2017. It is critical that the State continue to invest in programs that have contributed to this decrease – such as Housing First, Rapid Rehousing, homeless outreach, and the Family Assessment Center – and should this measure proceed, the Coordinator respectfully requests that it does not adversely impact funding for existing homeless services and related priorities in the Governor's Supplemental Budget request.

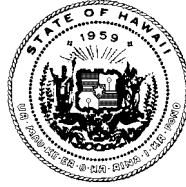
The Coordinator further notes that the Administration is actively working to identify vacant state land for potential housing projects for the homeless population, however it has been challenging to identify land that has adequate infrastructure and is zoned to allow residential use. A preliminary search 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>.

The Coordinator recognizes the urgent need to implement programs to address homelessness. If this measure proceeds, the Coordinator suggests the measure be amended to

include specific exemptions from chapters 103D and 103F, Hawaii Revised Statutes, which would enable DHS to comply with the deadlines specified in this measure. In addition, the Coordinator recommends the measure be amended to 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 safe zones program.

Finally, the Coordinator notes that the measure has a sunset date of June 30, 2028, but language on page 1, lines 14-16 requires that DHS “shall maintain and operate safe zones until the Legislature determines that homelessness is no longer a crisis in the State.” As currently drafted, the measure’s sunset date and the language on page 1, lines 14-26 appear to be in conflict, and it is unclear what criteria the Legislature would use to determine that homelessness is no longer a crisis. If this measure moves forward, the Coordinator suggests deleting the language on page 1, lines 14-16.

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

March 16, 2018

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

The Honorable Representative Tom Brower, Chair
Representative Committee on Housing

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 2501 SD2 – RELATING TO HOMELESSNESS**

Hearing: Friday, March 16, 2018, 9:45 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill to address the State's homeless crisis. However, DHS respectfully opposes this measure. DHS has concerns that the measure may create unforeseen consequences and may adversely affect the Executive budget request for homeless services. Furthermore, DHS is concerned that this measure will create informal homeless safe zones on State land. The better strategy is to place individuals and families into housing.

PURPOSE: The purpose of this bill requires the Department of Human Services to establish safe zones where homeless persons may reside. Appropriates funds. Repeals on 6/30/2028. Effective 7/1/2050. (SD2)

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

implemented on Oahu and DHS Homeless Programs Office has expanded the Housing First program to the neighbor islands.

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

Many experts on the issue of homelessness agree that these types of safe zones encourage more safe zones. It is important for government to build affordable low income housing to increase the inventory of permanent housing instead of temporary camps. Barbara Poppe, former Executive Director of the United States Interagency Council on Homelessness (USICH), stated that tent cities are not part, or should not be part of the government's response to homelessness.

There are no guarantees that safe zones would be fully utilized. Individuals and families who refuse shelter may also refuse safe zone. There were 7,220 people counted during the 2017 Point In Time (PIT) Count. There are 7,597 shelter beds. Based on these numbers, the state currently has more beds available to homeless individuals than homeless individuals.

DHS has implemented new contracts for services using a Housing First approach, which establishes a plan to move toward permanent housing at the outset. DHS needs time to teach, guide, and coach providers to fully implement the new strategy utilizing a Housing First approach.

DHS prefers to expand programs such as the Family Assessment Center and the City's Hale Mauliola programs with data driven results. The Family Assessment Center's average days to permanent housing is currently 77 days. Using this model, the homeless system will be able to create a flow and speed of placements into permanent housing, further addressing homelessness in Hawaii.

With regard to section 1, we defer to more experienced and knowledgeable departments and agencies as to the feasibility of different aspects of the proposal including the

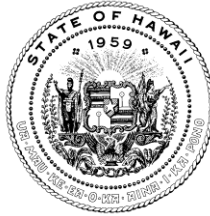
identification of properties, length of construction, financing security, and other provisions necessary to develop a housing project as proposed.

Although the Housing First approach is identified in this bill, the proposal is not aligned with the Housing First's fundamental principle of low barriers to permanent housing.

DHS is concerned that the number of safe zones the legislature intends are not identified in this bill. DHS further asks for careful consideration as safe zones may attract or divert individuals and families from entering the shelter system and more importantly permanent homes.

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

ROBERT K. MASUDA
FIRST DEPUTY

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 House Committees on
HEALTH & HUMAN SERVICES
and
HOUSING**

**Friday, March 16, 2018
9:45 AM
State Capitol, Conference Room 329**

**In consideration of
SENATE BILL 2501, SENATE DRAFT 2
RELATING TO HOMELESSNESS**

Senate Bill 2501, Senate Draft 2 proposes to direct the Department of Human Services to establish safe zones where homeless persons may reside in the State. **The Department of Land and Natural Resources (Department) offers the following comments.**

If Department lands are identified as the appropriate place on which to locate safe zones, the Department requests that: 1) It be consulted regarding the property; and 2) Any properties to be used as safe zones be transferred to an agency whose mission better matches the management of safe zones.

The Department notes that most of the properties being identified for safe zones do not have adequate infrastructure to house twenty people or more. In rural areas, sewer hook-ups can be very expensive, and the 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 safe 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.

Thank you for the opportunity to comment on this measure.

LATE

**TESTIMONY OF NAHELANI WEBSTER ON BEHALF OF THE HAWAII
ASSOCIATION FOR JUSTICE (HAJ) REGARDING S.B. 2501, SD2**

Date: Friday, March 16, 2018

Time: 9:45 a.m.

Room: 329

To: Chair John M. Mizuno and Members of the House Committee on Health and Human Services and Chair Tom Brower and Members of the House Committee on Housing

My name is Nahelani Webster and I am presenting this testimony on behalf of the Hawaii Association for Justice (HAJ) regarding S.B. 2501, SD2, Relating to Homelessness as currently drafted.

We agree with the intent of the bill but respectfully ask that section (j) on page 3 be stricken. The provision absolving the State from all liability “for any loss, damage, injury, or death arising from or occurring in a safe zone” is simply too broad and would be against public policy because it would remove the safeguards in place that currently protect homeless individuals.

Although the measure is well-intentioned to encourage the Department of Human Services to establish safe zones, this can still be achieved without removing the safeguards in place to protect individuals from harm. The State has a responsibility to create a safe environment for all citizens whether they are homeless individuals or not. Therefore, we recommend that the State not be removed from their responsibility to maintain the safe zones in a reasonable and safe condition for all occupants.

Thank you for the opportunity to testify. Please feel free to contact us should you have any questions or need additional information.



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

**TESTIMONY FOR SENATE BILL 2501, SENATE DRAFT 2, RELATING TO
HOMELESSNESS**

House Committee on Health and Human Services

Hon. John M. Mizuno, Chair

Hon. Bertrand Kobayashi, Vice Chair

House Committee on Housing

Hon. Tom Brower, Chair

Hon. Nadine K. Nakamura, Vice Chair

Friday, March 16, 2018, 9:45 AM

State Capitol, Conference Room 329

Honorable Chair Mizuno, Chair Brower, 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 Senate Bill 2501, SD 2, 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, according to the National Center for Missing and Exploited Children, 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 safe 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.

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

TO: The Honorable Representative John M. Mizuno, Chair House Committee on Health and Human Services
The Honorable Representative Tom Brower, Chair House Committee on Housing

FROM: Saini Su'e

SUBJECT: SB 2501 SD2– RELATING TO HOMELESSNESS

Hearing: Friday, March 16, 2018, 9:5 a.m. Conference Room 329, State Capitol

Hello, my name is Saini Su'e and I am Social Work student at the University of Manoa. I am writing this testimony to support SB 2501 SD2, Relating to Homelessness. As we know, per capita Hawaii has the highest homelessness population and evident by the numerous homeless camps throughout the islands. In addition, every year Hawaii's homeless crisis is on the rise due to high cost of living, lack of affordable housing and low paying wages. Furthermore, the traditional methods of providing housing for our homeless population are not only failing, but also straining the budget. Therefore, we need to act now and approved the establishments of safe zones because it is a simple and cost effective alternate method of providing both short term and long term shelter for our homelessness population.

I agree with the intent of the bill but respectfully ask that it should also include resources either from the State of Hawaii government or nonprofit organizations. For example, substance abuse treatment, mental health services, child and family services, job training workshops and HPD random checks to name a few. These onsite resources could help homeless people move towards self-sufficiency. All in all, I believe safe zones will be a successful method of providing shelter for our homeless population and will accomplish our common vision of alleviating homelessness in Hawaii.

Mahalo, Saini Su'e

UH Manoa Social Work Student

TESTIMONY OF ANTHONY PETERSON REGARDING S.B. 2501, SD 2
RELATING TO HOMELESSNESS

Date: Friday, March 16, 2018

Time: 9:45 a.m.

Room: 329

To: The Honorable Chair John M. Mizuno, Chair House Committee on Health and Human Services. The Honorable Representative Tom Brower, Chair House Committee on Housing

My name is Anthony Peterson and I am presenting this testimony to support bill # SB 2501, SD 2, relating to Homelessness.

I agree with the intent of the bill but respectfully ask that section (d) on page 1 be reconsidered. The peaceful consumption of alcoholic beverages by persons twenty one years of age or older shall not be permitted in safe zones. As we all learned from experience, alcohol in any environment is not safe for its residents.

Although the objective of this measure is well intent to urge the Department of Human Services to create safe zones, this particular provision can and will lead to other undesirable results. Any potential benefits of consuming alcohol are outweighed by greater risks including injuries, health problems and alcohol use disorders. Besides these physical and mental health risks, drinking also is connected to personal problems such getting a DUI or relationship issues. Therefore, I strongly urge that the State will remove this stipulation for the safety of the individual and the persons around them. It is the responsibility of the State to provide a safe environment for all its citizens including those who are homeless.

Thank you for allowing me the opportunity to testify. If you have any questions or need additional information please contact me at 808-861-9609.

SB-2501-SD-2

Submitted on: 3/15/2018 7:36:24 AM

Testimony for HHS on 3/16/2018 9:45:00 AM

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

Comments:

LATE

SB-2501-SD-2

Submitted on: 3/16/2018 9:29:07 AM

Testimony for HHS on 3/16/2018 9:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott Garris	Individual	Support	No

Comments: