



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 12, 2019

TO: The Honorable Senator Stanley Chang, Chair
Senate Committee on Housing

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

SUBJECT: HB 476 HD1 – RELATING TO HOUSING

Hearing: Tuesday, March 12, 2019, 1:30 p.m.
Conference Room 225, State Capitol

POSITION: The Governor's Coordinator on Homelessness supports this measure, and respectfully offers comments.

The Coordinator notes that the Governor's Executive Budget request includes \$100,000,000 in both FY 20 and FY 21 for a cash infusion into the Rental Housing Revolving Fund (RHRF), and requests that the appropriations in this bill do not supplant or adversely impact these fiscal priorities.

PURPOSE: The purpose of the bill is to authorize the issuance of general obligation bonds and the deposit of proceeds into the Rental Housing Revolving Fund for construction of low-income housing. The bill also appropriates funds for the construction of permanent supportive housing units.

Homelessness remains one of the most pressing challenges facing Hawaii. In particular, the lack of available and affordable rental inventory is a barrier to homeless individuals and families. This barrier cannot be addressed solely by an increased investment in services, such as Housing First or Rapid Re-Housing, and requires a similar level of investment in building new inventory to meet statewide demand.

At its December 2018 meeting, the Hawaii Interagency Council on Homelessness (HICH) voted to support increased investment in the Rental Housing Revolving Fund as one of its key

priorities. The scaling of permanent supportive housing is also a priority for HICH. Over the past two years, HICH has worked with the Corporation for Supportive Housing (CSH)¹ to estimate the overall need for permanent supportive housing on Oahu, as well as the capital and operating costs necessary to address the need.

To provide estimates for the HICH, CSH examined local data and conducted a series of interviews with local housing developers and permanent supportive housing service providers. Based on its research, CSH projected that 1,808 new permanent supportive housing units or vouchers would be needed on Oahu within the next ten years, assuming that 10% of units would be set aside for chronically homeless families and the remainder for individuals. CSH estimated the capital cost per unit at \$234,115 for a one bedroom unit and \$284,456 for a two to three bedroom unit.

The Coordinator notes that the bill addresses only funding for construction, and does not reflect funding for ongoing operating and services costs. The CSH estimated that annual operating and services costs were \$16,712 for a one bedroom unit and \$19,524 for a two to three bedroom unit.

While the costs for permanent supportive housing are significant, such programs contribute to significant cost savings in other areas. For example, an analysis by the University of Hawaii Center on the Family, based upon reports of 107 Housing First clients participating in the Hawaii Pathways Project, found an estimated healthcare cost savings of \$6,197 per client per month for clients that were housed.² Permanent supportive housing programs may also realize cost savings related to reduced incarceration costs for participants that have frequent interaction with the criminal justice system.

Thank you for the opportunity to testify on this bill.

¹ Corporation for Supportive Housing: <https://www.csh.org>

² See Hawaii Pathways Project Final Report, 2018, University of Hawaii Center on the Family: http://uhfamily.hawaii.edu/publications/brochures/bb9f9_Hawaii_Pathways_Final_Report.pdf



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

SENATE COMMITTEE ON HOUSING

March 12, 2019 at 1:30 p.m.
State Capitol, Room 225

In consideration of
H.B. 476, H.D. 1
RELATING TO HOUSING.

The HHFDC supports H.B. 476, H.D. 1, provided that it does not replace priorities set forth in the Executive Biennium Budget.

H.B. 476, H.D. 1 appropriates an unspecified amount of General Obligation Bond funds in Fiscal Year 2020 for deposit into the Rental Housing Revolving Fund. HHFDC's budget request is for \$100,000,000 in FY 2020 and \$100,000,000 in FY 2021. On the application deadline of February 15, 2019, HHFDC received consolidated applications for 14 rental housing projects totaling approximately 1,500 affordable units. Review of the applications for threshold and other requirements is underway.

This measure also appropriates an unspecified amount of General Funds to HHFDC for development and construction of permanent supportive housing using low-cost modular construction or other methods that are lower cost than traditional construction methods. If funded, HHFDC would be willing to administer this appropriation, if it is a part of a comprehensive program including rental assistance and supportive services to be provided by the appropriate department or agency.

Thank you for the opportunity to testify.

HB-476-HD-1

Submitted on: 3/10/2019 1:50:00 PM

Testimony for HOU on 3/12/2019 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Goodman	Testifying for Hawaii Kai Homeless Task Force	Support	Yes

Comments:

TO: The Committee on Housing

FROM: Mike Goodman, Hawaii Kai Homeless Task Force & Member Partners in Care

HEARING: Tuesday March 12, 1:30 PM in Rm 225

RE HB476

Dear Senator Chang, Chair, Senator Kanuha, Vice Chair, and all Members of the Committee.

I'm Mike Goodman, Director of the Hawaii Kai Homeless Task Force, and a Member of Partners in Care. Thank you very much for the opportunity to testify in strong support of HB476.

This bill is mostly duplicative of HB1312, also being heard by this Committee. The two should probably be combined.

This bill will target \$75 million of the \$200 million appropriated for affordable housing to build Permanent Supportive housing for the chronic homeless. Permanent Supportive Housing ("PSH") will provide "wrap-around" supportive services under a "Housing First" paradigm. The evidence shows Housing First programs have a spectacular 96.7% success rate, with severely impaired, chronically homeless individuals.

PROVIDING HOUSING FIRST FOR THE CHRONIC HOMELESS WILL SAVE THE STATE MONEY.

A recent study by the U.H. Center on the family, reported that Housing First provides A NET SAVINGS of \$74,364 dollars per person, per year, just on healthcare costs. THAT MEANS IF WE SUCCESSFULLY HOUSE ALL THE CHRONIC HOMELESS UNDER A HOUSING FIRST PARADIGM, THE STATE WOULD REALIZE A NET SAVINGS OF ALMOST ONE-HUNDRED FORTY-NINE MILLION DOLLARS A YEAR ON HEALTHCARE ALONE.

Despite our support for this bill, we would like to note that SB-1, introduced by the Honorable Senator Chang, is an exponentially better vehicle for creating affordable housing for low income working people. The amount of affordable housing contemplated under this bill is not large enough to have an impact on overall housing costs. Conversely, SB-1 will impact the market significantly, lowering housing prices at virtually no cost to the State. Therefore, it may be better to allocate the entire \$200 million in this bill to Permanent Supportive Housing for the homeless, and let SB-1 take care of affordable housing.

Several developers met with representatives from the Advocacy Committee of Partners in care (an organization comprised of fifty homeless service providers and other non-profits on Oahu). The discussion pertained to PSH for the homeless, but the same issues can apply to affordable housing for the middle class.

The developers explained they can't finance projects that don't have sufficient rental subsidies in place to guarantee reimbursement of construction, financing and operational costs. On the other hand, subsidies are often not in place for projects that haven't been approved, creating a classic "chicken or egg" problem. Appropriating the entire \$200 million to PSH will provide enough subsidies for developers.

EVEN BETTER, LOW-COST MODULAR CONSTRUCTION MODELS (which this bill already provides for) Could solve the Developers' chicken or egg problem, and COMPLETELY solve the problem of unsheltered homelessness once and for all.

As many of you have heard me say before, unless we get away from the notion that the only way to end homelessness is to give every homeless person a brick and mortar apartment, we will never end the homeless crisis in Hawaii.

Traditionally constructed high-rise apartments cost roughly \$450,000 per unit to build for high rise buildings, and \$300,000 per unit for mid-rise buildings and take about five to ten years from inception to completion.. Existing market-rate units rent for around \$1000 to \$1500 a month for a studio. It will take billions to house all the homeless in brick and mortar

The money allocated for Permanent Supportive Housing in this bill, is only enough to house less than a tenth of the chronic homeless in brick and mortar. It could also take at least five years before the first beneficiaries could move into their apartments.

Instead we must avail ourselves of modular mid-rise designs, AND single-story modular homes, such as the InterShelter domes used by First Assembly of God Church for their Shelter program in Kaneohe. Along with InterShelter, there are many other products on the market which cost less than \$25,000 thousand dollars per unit and can be built in weeks, not years. Some are manufactured by local companies.

\$200 million dollars could be enough to pay for thousands of single-story modular units along with the money to maintain them. There would be no need for developers to seek financing from outside sources. Thousands of modular units could be built on the land designated for Ohana Zones. We could then end unsheltered homelessness using only the money allocated in this bill, while saving taxpayers millions for emergency medical care, law enforcement and repairing property damage.

Thank you for the opportunity to testify.



PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

Testimony in Support of HB 476 HD1: Relating to Housing

TO: Committee on Housing

FROM: Partners in Care (PIC)

HEARING: Tuesday, March 12, 2019; 1:30 pm; conference room 225

Dear Chair Chang, Vice Chair Kanuha, and members of the Senate Committee on Housing:

Thank you for the opportunity to provide testimony on HB 476 HD1, which makes appropriations for the construction of affordable rentals. Partners in Care (PIC), a coalition of more than 50 non-profit homelessness providers, supports this bill.

The strength and health of Hawai'i's people and communities depend on all of us coming together to turn around a housing and homelessness problem that's been growing for decades. In 1970, the state of Hawai'i issued a report declaring a "housing crisis" in Hawai'i. Year after year it's gotten worse as increases in housing costs have outpaced increases in wages. In Honolulu, for example, in 1968, 23 percent of renters were cost-burdened, meaning they were paying more than 30 percent of their income for rent. By 2016, the percentage of cost-burdened renters had *more than doubled* to 54 percent. More and more families are unable to afford housing and still have enough left for food and basic necessities.

Turning around a housing and homelessness crisis that's been growing for 50 years will be difficult, but not impossible. It will require coming together around a shared vision, taking bold action, and using data-driven approaches to efficiently use resources. It will take persistence, commitment, and time.

Last year, legislators made a bold and unprecedented commitment of \$200 million for the Rental Housing Revolving Fund—eight times the amount committed from the year before. To turn around a problem that's been growing for 50 years, this level of investment needs to become the new normal.

As recognized by HB476, we can get the most out of the investment in housing subsidies by targeting a significant portion of the investment at addressing chronic homelessness—i.e., people who have been living on the streets for a year or more, or suffering repeated bouts of homelessness due to some underlying condition. It is well established that it is more expensive to leave people experiencing chronic homelessness on the streets—straining the emergency medical services system—than it is to provide them with housing and the wrap-around services necessary to help them remain stably housed. By committing an estimated \$75 million a year for ten years, we can eliminate chronic homelessness in Hawai'i, saving an estimated \$2 billion-plus in emergency medical costs and other costs over the course of ten years.

Investing a total of \$200 million into the Rental Housing Revolving Fund is a heavy lift, but it is a necessary one if we finally want to start gaining ground on Hawai'i's housing crisis. We urge you to pass HB 476 HD1 to continue the work that the legislature began last year to come to grips with this problem. Thank you for your consideration of this very important bill.

PARTNERS IN CARE, OAHU'S CONTINUUM OF CARE

200 North Vineyard • Suite 210 • Honolulu, Hawaii 96817 • www.PartnersinCareOahu.org

HB-476-HD-1

Submitted on: 3/11/2019 9:49:40 AM

Testimony for HOU on 3/12/2019 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jen Lee	Testifying for Hawaiian Community Assets	Support	No

Comments:

I fully support HB476 HD1. Thanks.



Evelyn Hao
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Rev. Won-Seok Yuh
Vice President-
Clergy

William Bekemeier
Vice President-
Laity

Jon Davidann
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Christy MacPherson
Executive
Director

Soo San Schake
Organizing
Assistant

Testimony for the Senate Committee on Housing
Supporting HB 476, HD1, Appropriating \$200 Million Annually to
The Rental Housing Revolving Fund, with \$75 Million Going Toward Permanent
Supportive Housing
March 12, 2019

Chair Chang, Vice Chair Kanuha and Committee Members:

Faith Action for Community Equity (formerly FACE) is a 23-year-old grassroots, interfaith organization that includes 18 congregations and temples, a union, housing association, health center and 3 advocacy organizations on Oahu. Faith Action is driven by a deep spiritual commitment to improve the quality of life for our members and all people of Hawaii. We strive to address issues of social justice at all levels of government.

As you know, Hawaii faces a critical affordable housing crisis. The state estimates we need 65,000 units by 2025 to meet minimal housing needs. Of that total, 44,000 units is for residents, including the homeless, making 80% or less of area median income. We will have to spend taxpayer money to deal with this crisis.

The governor's proposed budget includes \$100 million a year for affordable rental housing. Faith Action supports appropriating \$200 million a year for housing that helps those most in need. Our organization also supports \$75 million being designated to the creation of Permanent Supportive Housing which will serve our chronic homeless constituents. This IS the *only* answer to reducing homelessness.

By continuing for the next two years the \$200 million last year's legislature placed into the Rental Housing Revolving Fund, we can double the governor's \$100-million-a-year. Sen. Keith-Agaran said recently, "I think there is. . . interest in the Senate to go . . . further[, j]just as we went. . . further with homeless programs and housing last year." Let's continue last year's legislative effort by appropriating \$200 million a year to house those most in need, and keep Hawaii's people here.

Respectfully submitted,

Evelyn Aczon Hao
President
Faith Action for Community Equity



Inspiring Hope, Changing Lives

Visit us on the web: www.hopeserviceshawaii.org

Connect via email: info@hopeserviceshawaii.org

HOPE Help Line: 808-935-3050

Hearing: **HB 476 in support**
Date: March 11, 2019
Location: State Capitol, Room 016

Aloha Committee Chair, Vice-Chair, and Committee Members:

I am submitting testimony on behalf of HOPE Services Hawai'i, a nonprofit homelessness service provider, in support of HB 476.

Rising rents and a lack of affordable housing have left an unprecedented number of Hawai'i families and individuals teetering on the edge of homelessness. This bill would consistently provide \$125 million to the rental housing revolving fund for construction of low income housing and \$75 million for the construction of permanent supportive housing units each year, desperately needed resources in a state where rents continue to skyrocket.

In Hawai'i County, a person earning minimum wage needs to work **101 hours per week in order to afford a 2-bedroom apartment**. A former client from Kona shared their family's struggle: "I had 2 part time jobs and a full time job. I was always working. I ended up keeping my full time job. I then later struggled with my rent payments. Me and my family were close from being evicted from our home. I called multiple places that would help me. HOPE services helped me with my rent, because of them me and my family still have a roof over our heads."

If we want to continue our work to reduce homelessness in our state, funding for affordable housing and Permanent Supportive Housing are critical. **If we can count on these essential resources, we will be able to plan for the long term, likely saving money and increasing our effectiveness in the fight to end homelessness.**

Let's each do whatever is within our power to keep a roof over the heads of families like this one. I urge you to help our neighbors avoid homelessness by supporting HB 476.

Mahalo nui for your consideration.

Sincerely,

Brandee Menino,
Chief Executive Officer

JOIN OUR COMMUNITY



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CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 476, HD1: RELATING TO HOUSING

TO: Senator Stanley Chang, Chair, Senator Dru Mamo Kanuha, Vice Chair; and
Members, Committee on Housing
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii
Hearing: **Tuesday, March 12, 2019; 1:30 PM; CR 225**

Chair Chang, Vice Chair Kanuha, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in strong support** of HB 476, HD1, making appropriations for the construction of affordable rentals and permanent supportive housing. I am Betty Lou Larson, with Catholic Charities Hawaii. We are also a member of Partners in Care. Catholic Charities Hawaii has prioritized this bill among our top priorities for 2019.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 70 years. Our mission is to provide services and advocacy for the most vulnerable in Hawaii. Catholic Charities Hawaii has a long history of working in the areas of affordable housing and homelessness.

Amendment suggested: In Section 7: CCH urges that the funding be changed from “general revenues” to “general obligation bonds”, since this funding will be utilized for construction of rental units. Since its inception, the Rental Housing Revolving Fund has created 7,291 units of affordable rental housing. This has been a godsend for Hawaii families with children and kupuna, etc. Turning around Hawaii’s housing crisis requires consistent and significant investments. **CCH supports \$200 million to the Rental Housing Revolving Fund per year. We urge that a portion of this funding be targeted to Permanent supportive housing units.**

To end homelessness, the state must begin to construct units specifically for the homeless. Permanent Supportive Housing (PSH) is a proven model to house people who are disabled and chronically homeless. Providers in Hawaii are interested in acquisition/rehab of small apartment buildings as well as working with non-profit developers on other models for PSH. Housing 300 homeless people in PSH would **save the state over \$22 million** each year in medical costs. Our Housing First participants compete with other low-income households for low-cost units that are in short supply. We must build PSH units to address this critical need and benefit from its significant cost savings. If we are ever to end Hawaii’s homelessness crisis, we must build units to house this vulnerable population. **CCH supports \$75 million allocation for Permanent Supportive Housing rental units.**

The state’s allocation of \$200 million in 2018 for affordable housing was a bold and unprecedented commitment to our collective fight to end homelessness. Hawaii’s people, communities, and especially our most vulnerable, depend on all of us to end this crisis.

We urge your support for HB 476 to make appropriations for the construction of affordable rentals and permanent supportive housing. Please contact me at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.



TESTIMONY IN SUPPORT OF HB 476, HD 1

TO: Senate Committee on Housing

FROM: Nikos Leverenz
Grants, Development & Policy Manager

DATE: March 12, 2019 (1:30 PM)

Chair Chang, Vice-Chair Kanuha, and Members of the Committee:

Hawai'i Health & Harm Reduction Center (HHRC) **strongly supports** HB 476, HD 1, which authorizes general obligation bonds for the Rental Housing Revolving Fund (RHRF). Widely available affordable housing is one of the most important social determinants of health for individuals, families, and the larger community. We are a proud member of Partners in Care (PIC)—a coalition of more than 50 organizations working to address homelessness. Homelessness is a complex problem.

Last year, the Legislature made a bold commitment of \$200 million for the RHRF. Making this level of funding the “new normal” would be a long-term solution to help counties and their partners address this state’s long-term—and growing—housing crisis. In 1968, just under one-quarter of renters were paying more than 30% of their income in rent. Recent data indicate that 54% of Hawai'i renters now pay more than 30% of their income in rent. As noted in this bill’s findings, “Seventy-four per cent of housing demand is for Hawaii households making under \$75,000 per year. Funding the rental housing revolving fund to build housing at these affordability levels is critically important.”

We also support the dedication of \$75 million per year over the next decade to those who experience chronic homelessness, those who have been living on the streets for a year or more or who have suffered repeated periods of homelessness due to an underlying behavioral health concern. Providing stable housing and comprehensive wrap-around services to facilitate long-term stable housing is a straightforward and effective method of combatting those who face repeated or protracted periods of homelessness. Our allies at the Hawai'i Appleseed Center for Law and Economic Justice estimate that this level of investment will save over \$2 billion in emergency medical costs and other expenditures over ten years.

HHRC works with many individuals who are impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those relating to substance use and underlying mental health conditions. As such, we support a comprehensive “Housing First” approach for those struggling with housing instability.

[As noted by the Corporation for Supportive Housing](#), “Access to safe, quality, affordable housing – and the supports necessary to maintain that housing – constitute one of the most basic and powerful social determinants of health. **[For] individuals and families trapped in a cycle of crisis and housing instability due to extreme poverty, trauma, violence, mental illness, addiction or other chronic health conditions, housing can entirely dictate their health and health trajectory. For these populations, housing is a necessary precursor of health.**” (emphasis added)

Housing First is harm reduction-based policy response to housing instability that has proven to work in those jurisdictions where it has been implemented:

There is a large and growing evidence base demonstrating that Housing First is an effective solution to homelessness. Consumers in a Housing First model access housing faster and are more likely to remain stably housed. This is true for both PSH [Permanent Supportive Housing] and rapid re-housing programs. PSH has a long-term housing retention rate of up to 98 percent. Studies have shown that rapid re-housing helps people exit homelessness quickly—in one study, an average of two months—and remain housed. A variety of studies have shown that between 75 percent and 91 percent of households remain housed a year after being rapidly re-housed.

More extensive studies have been completed on PSH finding that clients report an increase in perceived levels of autonomy, choice, and control in Housing First programs. A majority of clients are found to participate in the optional supportive services provided, often resulting in greater housing stability. Clients using supportive services are more likely to participate in job training programs, attend school, discontinue substance use, have fewer instances of domestic violence, and spend fewer days hospitalized than those not participating.

Finally, permanent supportive housing has been found to be cost efficient. Providing access to housing generally results in cost savings for communities because housed people are less likely to use emergency services, including hospitals, jails, and emergency shelter, than those who are homeless. (National Alliance to End Homelessness, [Fact Sheet: Housing First](#). April 2016.)

Thank you for the opportunity to testify on this measure.

LATE

HB-476-HD-1

Submitted on: 3/11/2019 9:53:20 PM

Testimony for HOU on 3/12/2019 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
"Phil" Augustus Acosta	Testifying for ALEA Bridge	Support	No

Comments:

LATE

HB-476-HD-1

Submitted on: 3/12/2019 6:53:00 AM

Testimony for HOU on 3/12/2019 1:30:00 PM

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

Comments:

LATE

HB-476-HD-1

Submitted on: 3/12/2019 7:59:04 AM

Testimony for HOU on 3/12/2019 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Seikai Darcy	Testifying for Share Your Mana	Support	No

Comments:

Testimony in Support of HB 476 HD1: Relating to Housing Tuesday, March 12, 2019; 1:30 pm;

Thank you for the opportunity to provide testimony on HB 476 HD1, which makes appropriations for the construction of affordable rentals. Share your Mana, a Maui non-profit assisting those living unsheltered supports this bill. The strength and health of Hawai'i's people and communities depend on all of us coming together to turn around a housing and homelessness problem that's been growing for decades. In 1970, the state of Hawai'i issued a report declaring a "housing crisis" in Hawai'i. Year after year it's gotten worse as increases in housing costs have outpaced increases in wages. In Honolulu, for example, in 1968, 23 percent of renters were cost-burdened, meaning they were paying more than 30 percent of their income for rent. By 2016, the percentage of cost-burdened renters had more than doubled to 54 percent. More and more families are unable to afford housing and still have enough left for food and basic necessities.

Investing a total of \$ 200 million into the Rental Housing Revolving Fund is a heavy lift, but it is a necessary one if we finally want to start gaining ground on Hawai'i's housing crisis. We urge you to pass HB 476 HD1 to continue the work that the legislature began last year to come to grips with this problem. Thank you for your consideration of this very important bill.

With appreciation,

Lisa Seikai Darcy, Founder

lisa@shareyourmana.org

HB-476-HD-1

Submitted on: 3/11/2019 10:13:13 AM

Testimony for HOU on 3/12/2019 1:30:00 PM

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

Comments:

I support this bill which continues the momentum toward the development of low-income housing and prioritizing permanent supporting housing through the issuance of general obligation bonds and funds to finance construction of housing units. A comprehensive, long-term legislative commitment is needed again this year and into the future to effectively address the homelessness crisis in this state. Thank you for your efforts and commitment toward this end.

HB-476-HD-1

Submitted on: 3/11/2019 12:05:54 PM

Testimony for HOU on 3/12/2019 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John A. H. Tomoso	Individual	Support	No

Comments:

03-11-19

Aloha,

RE: HB476HD1

I support the authorization of the issuance of general obligation bonds and the deposit of the proceeds into to the Rental Housing Revolving Fund for construction of low-income housing. As a Social Worker and Priest, I believe such appropriation of funds for the construction of Permanent Supportive Housing units is a good use of public funds as such housing does contribute to the "common good" and the quality of life we all share.

Mahalo

John A. H. Tomoso+, MSW, LACSW, LSW

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808-280-1749

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LATE

HB-476-HD-1

Submitted on: 3/11/2019 6:17:49 PM

Testimony for HOU on 3/12/2019 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Annie AuHoon	Individual	Support	No

Comments:

Thank you for the opportunity to provide testimony on HB 476 HD1, which makes appropriations for the construction of affordable rentals. Partners in Care (PIC), a coalition of more than 50 non-profit homelessness providers, supports this bill. The strength and health of Hawai'i's people and communities depend on all of us coming together to turn around a housing and homelessness problem that's been growing for decades. In 1970, the state of Hawai'i issued a report declaring a "housing crisis" in Hawai'i. Year after year it's gotten worse as increases in housing costs have outpaced increases in wages. In Honolulu, for example, in 1968, 23 percent of renters were cost-burdened, meaning they were paying more than 30 percent of their income for rent. By 2016, the percentage of cost-burdened renters had more than doubled to 54 percent. More and more families are unable to afford housing and still have enough left for food and basic necessities. Turning around a housing and homelessness crisis that's been growing for 50 years will be difficult, but not impossible. It will require coming together around a shared vision, taking bold action, and using data-driven approaches to efficiently use resources. It will take persistence, commitment, and time. Last year, legislators made a bold and unprecedented commitment of \$200 million for the Rental Housing Revolving Fund—eight times the amount committed from the year before. To turn around a problem that's been growing for 50 years, this level of investment needs to become the new normal. As recognized by HB476, we can get the most out of the investment in housing subsidies by targeting a significant portion of the investment at addressing chronic homelessness—i.e., people who have been living on the streets for a year or more, or suffering repeated bouts of homelessness due to some underlying condition. It is well established that it is more expensive to leave people experiencing chronic homelessness on the streets—straining the emergency medical services system—than it is to provide them with housing and the wrap-around services necessary to help them remain stably housed. By committing an estimated \$75 million a year for ten years, we can eliminate chronic homelessness in Hawai'i, saving an estimated \$2 billion-plus in emergency medical costs and other costs over the course of ten years. Investing a total of \$200 million into the Rental Housing Revolving Fund is a heavy lift, but it is a necessary one if we finally want to start gaining ground on Hawai'i's housing crisis. We urge you to pass HB 476 HD1 to continue the work that the legislature began last year to come to grips with this problem. Thank you for your consideration of this very important bill.