

DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**HOUSE COMMITTEE ON HOUSING**

**Tuesday, March 12, 2019**  
**9:30 AM - Room 423, Hawaii State Capitol**

In consideration of  
**SB 891, SD1**  
**RELATING TO HOUSING DEVELOPMENT**

Honorable Chair Brower, and Members of the House Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 891, SD1, relating to housing development.

The Hawaii Public Housing Authority (HPHA) supports, with amendments, the enactment of SB 891, SD1, which exempts affordable housing units, additions to existing dwelling units, accessory dwelling units, ohana dwelling units, and affordable housing projects developed by the Hawaii Public Housing Authority from school impact fee requirements.

The HPHA's mission is to promote adequate and affordable housing in perpetuity, economic opportunity and a suitable living environment free from discrimination through its public housing and rental assistance programs. The HPHA serves the State's most vulnerable populations, including those earning less than thirty percent of the Area Median Income (AMI), the disabled, and the elderly.

With over 8,800 of the most vulnerable people of our State on our wait list, the only way to be able to help is to increase our current inventory through P3 ventures. As such the HPHA identified 14 projects along the rail line totaling over 10,000 units thereby increasing our unit count by over 9,000 units. The HPHA is currently in the middle of executing this plan with 3,300 units under an MDA or PDA. As an example, for two out of three of these redevelopments that are already in the works, the school impact fees would be approximately \$26.3M. As all HPHA's redevelopments include affordable projects, they do create a gap and the school impact fees will exacerbate this gap. The funding of this gap will be requested from the Legislature, and

therefore, would be reallocating State funds between two State entities. In addition, these impact fees will increase the total cost of the redevelopment which in turn increases the Developer Fee.

The HPHA humbly requests an amendment to replace the contents located on page 4, lines 1-3 to be:

(9) Any housing project or property developed by the  
Hawaii public housing authority.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony regarding SB 891, SD1. We thank you very much for your dedicated support.

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Statement of  
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Before the

**HOUSE COMMITTEE ON HOUSING**

**Tuesday, March 12, 2019**  
**9:30 AM - Room 423, Hawaii State Capitol**

In consideration of  
**SB 17, SD2**

**MAKING AN APPROPRIATION TO THE HAWAII PUBLIC HOUSING AUTHORITY**

Honorable Chair Brower and Members of the House Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 17, SD2, relating to making an appropriation to the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority (HPHA) **strongly supports, with amendments,** the enactment of SB 17, SD2, which appropriates funds for operating expenses of various Hawaii Public Housing Authority programs.

The HPHA's mission is to promote adequate and affordable housing in perpetuity, economic opportunity and a suitable living environment free from discrimination through its public housing and rental assistance programs. The HPHA serves the State's most disadvantaged populations, including the homeless and those at risk of homelessness, those earning less than thirty percent of the Area Median Income (AMI), the disabled and the elderly. The HPHA respectfully requests the support of the Legislature as we continue to provide stable housing for approximately 37,000 people statewide.

**Increase Fringe Benefits.**

For Program IDs HMS220 and HMS222, the HPHA is requesting federal fund ceiling increases for FY20 and FY21 of \$745,126 and \$841,944, and \$257,731 and \$264,510 respectively. The requested ceiling increases are needed to match the federal fringe assessment rate of 60% for FY20 and FY21 per Executive Memorandum 18-16.

## **HMS220**

This Program ID contains the operating budget for the HPHA's Federal and State public housing programs. These programs provide decent, safe rental housing for eligible low-income families, the elderly, and persons with disabilities. Some positions included in HMS220 are Public Housing Supervisors, Building Maintenance, General Laborers, Electricians, Plumbers, Carpenters, and Multi-Skilled Workers. All these positions are needed as the funding mechanism from U.S. Department of Housing and Urban Development (HUD) is based on occupied units. All positions, except for two (2), are Federal or Revolving funded.

### **Position Request**

- 1 W funded General Labor II to support Maui – (contaminated soil)
  - New position needed to monitor contaminated soils, provide maintenance of ground cover, provide landscaping maintenance, assist with vacant unit turnover, and address curb appeal in preparation for any upcoming REAC and health and safety inspections.
  
- 1 W funded General Labor II to support Kauai
  - New position is needed to provide landscaping maintenance, assist with vacant unit turnover, and address curb appeal in preparation for any upcoming REAC and health and safety inspections.

## **HMS222**

This Program ID contains the operating budget for the HPHA's Housing Choice Voucher Program (Section 8) and State Rent Supplement Program. The Section 8 program is a 100% federally funded HUD program established to provide rental subsidies for units that are chosen by the tenant in the private market with assistance provided through tenant-based vouchers. It is the largest of the HPHA's rental subsidy programs and is administered on Oahu only. The HPHA also administers Non-elderly Disabled vouchers, Veteran's Affairs Supportive Housing vouchers, Performance Based Contract Administration (project based) vouchers, tenant protection vouchers, and Section 8 project-based vouchers. The State of Hawai'i provides the HPHA with funding for a Rent Supplement Program (RSP) that is administered similar to the federal program providing shallow rent subsidies for units statewide. Some positions included in HMS222 are Public Housing Specialists and Inspectors. All positions, excepts for 2.25, are Federal funded.

### **Position Request**

- 1 N funded Landlord Liaison positions for Section 8
  - New position is needed for the Housing Choice Voucher Program to actively recruit and build relationships with area landlords or property managers to expand housing options; conducts Fair Market Rent analysis, Rent Reasonableness analysis, and other duties to assist Section 8 Branch operations. As the funding mechanism is based on previous year's utilization, adding the Landlord Liaison position will not only assist the existing 2,347 families, but also assist the over 200 families currently searching for a unit to rent.

**Add general funds to maintain current Rent Supplement subsidies  
HMS222**

Currently, the HPHA’s State Rent Supplement Program serves 390 families at a total cost of \$2,095,124 per year. The HPHA is therefore requesting an additional \$1,097,707.31 for FY20, and \$952,742.78 for FY21 for the State Rent Supplement Program (RSP). The requested funding will enable the HPHA to fund 100% of the RSP participants at the current authorized rate. In response to the demand for housing assistance for homeless individuals and families, in addition to the high rents in Hawaii, the HPHA increased both the number of families served and the total amount of assistance provided. The current base appropriation cannot support the current program participants and the HPHA may have to suspend assistance to participating families. The RSP is one of the most cost-effective rental assistance programs the HPHA has, and participants served under the RSP include formerly homeless and at-risk homeless families, the elderly, the disabled, and very low-income households.

Prog ID/Org	Description	MOF	FY 20			FY 21		
			FTE (P)	FTE (T)	\$ Amount	FTE (P)	FTE (T)	\$ Amount
220/RH	Federal Fringe Benefit increase	N			745,126			841,944
220/RH	Add 1.00 General Labor II Position and Revolving "W" Funds for Housing Support on Maui	W	1.00		33,818	1.00		66,086
220/RH	Add 1.00 General Labor II Position and Revolving "W" Funds for Housing Support on Kauai	W	1.00		33,818	1.00		66,086
222/RA	Federal Fringe Benefit increase	N			257,731			264,510
222/RA	Add 1.00 Federal "N" Landlord Liaison Position to Improve Relations and Increase Landlord Participation with the Section 8 Program.	N	1.00		45,465	1.00		84,730
222/RA	Add General funds for the State Rent Supplement Program	A			1,097,707			952,743

The HPHA would like to humbly request that the following Program ID totals be the only Program IDs in the measure, since all of the requested fringe increases, position requests, and RSP funding are included.

HMS – HUMAN SERVICES

1. HMS220 - RENTAL HOUSING SERVICES

			2.00*	2.00*
OPERATING	HMS		4,486,122A	4,487,455A
			183.00*	183.00*
			4.50#	4.50#
	HMS		80,622,805N	80,719,623N
			15.00*	15.00*
	HMS		4,665,263W	4,666,602W

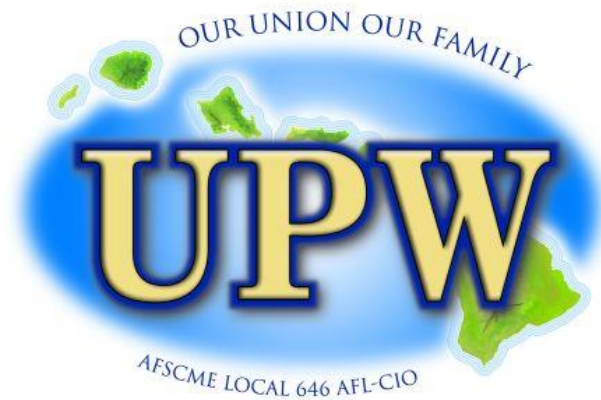
2. HMS222 - RENTAL ASSISTANCE SERVICES

			2.25*	2.25*
OPERATING	HMS		2,187,576A	2,042,612A
			23.75*	23.75*
			1.00#	1.00#
	HMS		26,351,106N	26,397,150N

3. HMS229 - HAWAII PUBLIC HOUSING AUTHORITY ADMINISTRATION

			76.00*	76.00*
			41.00#	41.00#
OPERATING	HMS		40,373,761N	40,373,761N
			51.00*	51.00*
			20.00#	20.00#
	HMS		6,391,209W	6,391,209W

The HPHA appreciates the opportunity to provide the Committee with the HPHA’s testimony regarding SB 17, SD2. We thank you very much for your dedicated support.



THE HAWAII STATE HOUSE OF REPRESENTATIVES

The Thirtieth Legislature  
Regular Session of 2019

Committee on Housing

Representative Tom Brower, Chair  
Representative Scot Z. Matayoshi, Vice Chair

Date of Hearing: Tuesday, March 12, 2019  
Time of Hearing: 9:30 a.m.  
Place of Hearing: Conference Room 423

TESTIMONY ON SENATE BILL 17, SD2 MAKING AN APPROPRIATION TO THE  
HAWAII PUBLIC HOUSING AUTHORITY

By DAYTON M. NAKANELUA,  
State Director of the United Public Workers,  
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive bargaining representative for approximately 14,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and four counties. The UPW also represents about 1,500 members in the private sector.

SB17, SD2 appropriates funds for operating expenses of various Hawaii Public Housing Authority programs including staff positions. The UPW **supports** this measure.

Thank you for the opportunity to provide these comments.