

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
INTERIM EXECUTIVE DIRECTOR

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
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

**HOUSE COMMITTEE ON HOUSING
HOUSE COMMITTEE ON HUMAN SERVICES & HOMELESSNESS**

February 4, 2020 at 9:05 a.m.
State Capitol, Room 423

In consideration of
H.B. 1816
RELATING TO HOUSING.

HHFDC *supports the intent* of Part I of H.B. 1816, provided that it does not adversely impact priorities set forth in the Executive Supplemental Budget. Part I of H.B. 1816 makes amendments to the HHFDC's Homebuyers' Club Program to add financial assistance to participants to be used for down payments as a new feature of the program.

Since the time the Homebuyers' Club Program was created, a number of HUD-approved housing counseling agencies have been providing homeownership education to first-time homebuyers throughout the State. HHFDC believes these non-profit counseling agencies have been doing a good job and we would likely secure the services or one or more of them to carry out the new program. HHFDC would require one full-time position for administrative purposes.

Thank you for the opportunity to testify.



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
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February 4, 2020

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

The Honorable Representative Joy A. San Buenaventura, Chair
House Committee on Human Services & Homelessness

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

SUBJECT: HB1816 – RELATING TO HOUSING

Hearing: Tuesday, February 4, 2020, 9:05 a.m.
Conference Room 423, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this measure and offers comments regarding Part II.

The Coordinator is concerned about potential adverse impact on priorities identified in the executive budget and asks for the Legislature's support of the Governor's executive budget requests.

PURPOSE: The purpose of the bill is to include in the Hawaii Housing Finance and Development Corporation (HHFDC) homebuyers' club program a requirement to provide financial aid to participants. In addition, Part II of the measure requires the Department of Human Services (DHS) to offer long-term case management to individuals and families that accept financial aid. The bill also appropriates \$2,500,000 for Fiscal Year 2021 to provide long-term case management services as required by Part II.

As currently drafted, Part II requires long-term case management services to be offered to "low-income individuals and families and individuals and families that are formerly homeless or currently at-risk for homelessness and accept financial aid offered by the department, including rental assistance, for the payment of rent." The current language is broad, and could

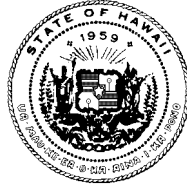
include individuals receiving public benefit payments, such as SNAP, TANF/TAONF, and general assistance, as well as any individual participated in a public housing or homeless program. If this measure proceeds, the Coordinator suggests that the word “shall” on page 5, line 19 be changed to “may.” The suggested amendment would provide DHS with the ability to tailor the availability of long-term case management services based on the availability of funds.

The Coordinator notes that DHS has requested funding in the executive budget for Homeless Shelter After-Care Services for homeless families with minor children who exit shelter and are placed into permanent housing. The proposed After-Care Services would provide between six to nine months of supportive services following a family’s placement in housing. According to data from the Homeless Management Information System (HMIS), about one-third of families (31.15%, 114 out of 366 families) exiting from shelter returned to homelessness within six months after housing placement during the contract period from August 1, 2018 to June 30, 2019. Short-term case management is currently provided to homeless families placed in housing through the Housing Placement Program (HPP), Coordinated Statewide Homelessness Initiative (CSHI), and State Homeless Emergency Grant (SHEG), but these services are shallow and typically do not exceed three months following housing placement. The Coordinator is supportive of DHS’ budget request for After-Care Services, as the proposed services would provide additional support for homeless families, including housing-related financial assistance and case management.

The State Housing First program provides longer-term case management and housing subsidies for chronically homeless individuals. The average housing retention rate for State Housing First after five years is 86%, which is higher than the national average of 80% for similar programs. The higher retention for clients housed through Housing First compared to programs serving families exiting from shelter may be related to the higher intensity and duration of services provided through Housing First. In Housing First, case management is provided on an ongoing basis for the duration of a client’s enrollment in the program.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 5, 2020

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

The Honorable Representative Joy A. San Buenaventura, Chair
House Committee on Human Services & Homelessness

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1816 – RELATING TO HOUSING**

Hearing: Tuesday, February 4, 2020, 9:05 a.m.
Conference Room 423, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill, and offers comments. DHS requests that appropriations not supplant budget priorities identified in the Executive Budget; instead, DHS requests the Legislature's support of the department's budget request for an appropriation for homeless shelter after-care services.

PURPOSE: The purpose of HB 1816 is to include in HHFDC's homebuyers' club program a requirement to provide financial aid to participants. Requires DHS to offer long-term case management for low-income individuals and families and individuals and families that are formerly homeless or currently at-risk for homelessness and accept financial aid for rent. Appropriates funds.

Regarding section 5. (a), DHS is concerned that the terms used in this measure, "formerly homeless" or "currently at-risk for homelessness" is very broad given Hawaii's high cost of living and corresponding high debt loads carried by Hawaii residents. The proposal will likely expand services to individuals or families who will otherwise not be eligible for homeless services contracted by the Homeless Programs Office (HPO).

DHS HPO's current contracts include a follow up service component of one visit per month for the first three months of exiting a shelter to permanent housing. A final follow up occurs at six months. Follow up services are delivered based on each individual or household's needs. Exited participants commonly receive a phone call with a case manager to confirm housing stability. If the individual or family is experiencing instability, the case manager will offer support services, appropriate referrals, and linkages to longer term community resources.

Long term case management as proposed in this measure will need additional resources. Instead, DHS asks for support of the homeless shelter after-care services requested in in the Executive Budget. The funding request anticipates that a general funds investment of \$570,000 will allow the State to access \$1,330,000 in available federal TANF funds match. The requested funds will cover after-care extended shelter services for families with children. The proposed after-care services include weekly home visits for nine months to build social capital to increase stability and reduce the risk of a return to homelessness. After-care will initially be attached to homeless shelters serving families. DHS will assess the impact of after-care services, and look for opportunities to attach after-care services to shelters who serve individuals and other subpopulations.

Thank you for the opportunity to provide testimony on this bill.

TESTIMONY IN SUPPORT OF HB 1816

TO: House Committee on Human Services & Homelessness

FROM: Nikos Leverenz
Grants, Development & Policy Manager

DATE: February 4, 2020 (9:05 AM)

Chair San Buenaventura, Vice-Chair Nakamura, and Members of the Committee:

[Hawai'i Health & Harm Reduction Center](#) (HHRC) **strongly supports** HB 1816, which provides critical funding for long-term case management services for those individuals and families who received homeless and homeless prevention services. HHRC is a proud member of [Partners in Care](#), a planning, coordinating, and advocacy alliance that develops recommendations for programs and services to fill needs within O'ahu's Continuum of Care for homeless persons.

We urge your support for at least \$2.5 million in funding so that those individuals and families who have become homeless or are at-risk for becoming homeless have sustained professional engagement by a case management worker. [One succinct definition of case management](#) terms it "a comprehensive and strategic form of service provision whereby a case worker assesses the needs of the client (and potentially their family) and, where appropriate, arranges, coordinates and advocates for delivery and access to a range of programs and services designed to meet the individual's needs."

HHRC provides medical case management services for many persons living with HIV on the island of O'ahu, social case management services for those currently eligible for Law Enforcement Assisted Diversion (LEAD) and in for those who are homeless or at risk of homelessness. In the context of housing instability, case management workers can assist with navigation of the housing and utility markets, rental assistance, and other government services (including nutritional assistance and medical care), and overall financial literacy skills to better establish and maintain housing wellness.

In short, **long-term case management is a key component of homelessness prevention.**

Thank you for the opportunity to testify on this measure.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 1816: RELATING TO HOUSING

TO: Representative Tom Brower, Chair, Representative Joy San Buenaventura, Chair, and Members, Committees on Housing & Human Services and Homelessness
FROM: Rob Van Tassel, President and CEO, Catholic Charities Hawai'i
Hearing: **Tuesday, 2/4/20; 9:05 am; CR 423**

Chair Brower, Chair San Buenaventura, and Members, Committee on Housing, and Committee on Human Services and Homelessness:

Thank you for the opportunity to provide testimony **in strong support** of HB 1816, **Part II**, providing funding for long term case management to prevent formerly homeless or at risk families and individuals from falling back into homelessness. I am Rob Van Tassel, with Catholic Charities Hawai'i. We are also a member of Partners in Care.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

Hawaii's network of evidence based programs has begun to turn the tide of homelessness. The State's goal is to build a housing-focused system and emphasize permanent housing as the end goal. This transformation of the homeless service system is having dramatic results. Between 2016 and 2019, there was a **73% increase** in exits to permanent housing. Programs like Rapid Rehousing provide a shallow rent subsidy that enable families to obtain a permanent unit. The families still struggle however, and case management is usually limited to 6 months.

We urge your support for \$2.5 million in HB 1816 to prevent repeated homelessness.

Amendment: Section 5, Chapter 346, line 5, we suggest to delete "currently" for clarity; i.e., "families that are formerly homeless or at-risk for homelessness and accept financial aid..." Catholic Charities Hawai'i is now seeing some families fall back into homelessness after 1 to 2 years. We must close the tap of families flowing into homelessness. Prevention is key for the long-term solution to homelessness. Long-term case management support can make a big difference. This has been proven in the Housing First model which provides this service to the chronically homeless. Amazingly, 84% of this hard to house population has retained housing after 4 years (C&C Honolulu). Families housed with rental assistance from state homeless programs need the availability of long term case management including counseling and financial education to help prevent a second fall into homelessness. Single individuals who have accepted financial assistance for rent also may need this help to prevent recidivism. We support this type of case management in the governor's budget for DHS (\$1.9 Million for "After-Care"), which targets families, due to the use of TANF funds. We urge that additional general revenues be allocated to also serve homeless people without children.

For questions, contact our Legislative Liaison, Betty Lou Larson, at (808) 373-0356.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
Phone (808) 373-0356 • bettylou.larson@CatholicCharitiesHawaii.org





PARTNERS IN CARE

Oahu Continuum of Care

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

Testimony in Support of HB 1816: Relating to Housing

TO: Housing Committee and Human Services and Homelessness Committee
FROM: Partners in Care (PIC)
HEARING: February 4, 2020 at 9:05am, Conference Room 423

Dear Chair Brower and Chair San Buenaventura, and Members of the Housing Committee and the Human Services and Homelessness Committee:

Thank you for the opportunity to provide testimony on HB 1816 Part II which provides funding for much needed long-term case management services for individuals and families who received homeless and homeless prevention services to maintain their housing wellness. Partners in Care (PIC), a coalition of more than 60 organizations working to address homelessness, **strongly supports this bill.**

Part II of this bill is incredibly important as providers are seeing an alarming increase of repeat households (formerly homeless and at-risk for homelessness households) back at their doorsteps requesting assistance and services. They have either fallen back into homelessness or at-risk for homelessness (in arrears with rent and/or utility payments). These same households have been through a program and received up to six (6) months of case management and follow up services. However, one or two years after securing their housing, they may face another crisis or fall prey to former negative behaviors. With long-term case management, a program can continue to educate re: financial literacy, and engage and motivate clients to maintain housing wellness.

To decrease homelessness, we have to focus on preventing it. **One program that provides this long-term case management achieved a 94% housing wellness retention rate.** They followed clients for up to two years after placement into permanent housing. **We exit over 7,000 families to permanent housing each year, but many new and repeating families plummet into homelessness at the same time.** Long-term case management for those who have received rental assistance and services previously, is an integral part of a larger system to prevent homelessness. Without this service and other prevention focused services, we will continue to see very slow progress in decreasing homelessness.

Amendment: Section 5, Chapter 346, line 5, we suggest to delete “currently” for clarity; i.e, “families that are formerly homeless or at-risk for homelessness and accept financial aid...”

We urge your support for \$2.5 million for HB 1816, Part II. Thank you for focusing on prevention of homelessness. If you have questions, please contact our Advocacy Chair, Gavin Thornton, at (808)366-7875.

HB-1816

Submitted on: 1/30/2020 7:49:05 PM

Testimony for HSG on 2/4/2020 9:05:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Goodman	Partners In Care & Hawaii Kai Homeless Task Force	Support	No

Comments:

Aloha, and thank you for the opportunity to testify in support of HB1816. Housing is the one and only thing that will end homelessness. Increasing the supply of housing will also lower the cost for everyone else.

HB-1816

Submitted on: 1/30/2020 4:47:51 PM

Testimony for HSG on 2/4/2020 9:05:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Ferreira	Individual	Support	No

Comments:

Michael Ferreira

92-7049 Elele St.

Kaploei, HI 96707

808-861-7115

Dear Committee and Chair,

I support this bill because the very purpose of this organization is to help low to moderate income people with the opportunity to gain housing. This bill will help in achieving this. Thank you.

Michael Ferreira

HB-1816

Submitted on: 2/3/2020 3:04:53 AM

Testimony for HSG on 2/4/2020 9:05:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Azuma Chrupalyk	Individual	Support	No

Comments: