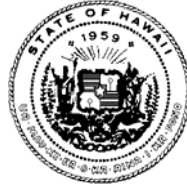


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 16, 2023

TO: The Honorable Representative Troy N. Hashimoto, Chair
House Committee on Housing

FROM: Cathy Betts, Director

SUBJECT: [SB 1442 SD2](#) – RELATING TO OHANA ZONES.

Hearing: March 17, 2023, 9:30 a.m.
Conference Room 312 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure and defers to the Office of the Governor and the Governor's Coordinator on Homelessness. DHS notes an executive budget request for \$15 million for FY24 and FY25 to the Statewide Office on Homelessness and Housing Solutions (SOHHS) (HMS 777) to continue the 'Ohana Zones pilot program. Further, HB 300 HD1 included \$15 million for FY24 only to HMS 777.

DHS also clarifies comments in STAND. COM. REP. NO. 767 provided by the Committee on Ways and Means, DHS submitted testimony in support of this measure and provided comments.

PURPOSE: The bill's purpose is to appropriate funds for the ohana zones pilot program, including expenses relating to operations, upkeep of facilities, provision of services, and administrative costs. Authorizes the issuance of general obligation bonds for the construction of facilities for the ohana zones pilot program. Establishes one position within the Office of the Governor that is responsible for the deployment of the capital improvement funds

appropriated by this Act. Specifies certain exemptions shall apply to the ohana zone construction. Effective 7/1/2050. (SD2)

DHS appreciates the SD1 amendments:

- (1) Establishing a position within the Office of the Governor to deploy the capital improvement funds appropriated in this measure;
- (2) Inserting expending language and related provisions for the issuance of general obligation bonds;
- (3) Inserting language exempting the construction of facilities for the Ohana Zones Pilot Program from certain statutory requirements; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

To clarify, the SD1 amendments incorporated exemptions identified in section 3, Act 235, Session Laws of Hawaii 2022, which provides:

"(a) Contracts entered into by the agencies designated by the governor pursuant to the ohana zones pilot program shall be exempt from the requirements of chapters 6E, excluding section 6E-43.6; 46, excluding sections 46-1.5(5)(D), 46-1.5(14)(A)(iii), 46-88(c)(5), and 46-88(j); 103D [and]; 103F[-]; and 343, Hawaii Revised Statutes[-]; provided that no contract entered into pursuant to the ohana zones pilot program or structures constructed thereunder shall be exempt from county, state, or federal floodplain management development standards, or statutes, codes, ordinances, rules, or regulations with which compliance is required under the National Flood Insurance Program."

The SD2 further amended the measure by:

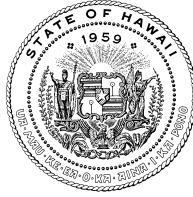
- (1) Changing the appropriation and general obligation bond issuance amounts from \$15,000,000 to unspecified amounts;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

DHS anticipates that a growing number of households will experience housing instability and face eviction due to the continuing impacts of the COVID-19 pandemic, resulting in inflation, and a potential recession. Following the economic recession in 2009, the statewide point-in-time count of homeless individuals increased from 5,782 to a high of 7,921 in 2016 – an increase of 2,139 people (36.9%).

Notably, this measure will provide capital funding to maintain existing homeless projects and to construct new facilities to address potential increases in homelessness. Act 209, SLH 2018, established the 'Ohana Zones pilot program as a three-year pilot project with an initial sunset date of June 30, 2021. Act 128, SLH 2019, extended the pilot program to June 30, 2023. Act 235, SLH 2022, extended the pilot program to June 30, 2026.

Given the projected increases in demand for homeless services, sustaining and expanding the 'Ohana Zones pilot program is necessary to provide effective services and expand the available statewide bed inventory.

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



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

Testimony of **James Koshiba**
Governor's Coordinator on Homelessness
Before the
House Committee on Housing
March 16, 2023
9:30 a.m., Conference Room 312

In consideration of
Senate Bill 1442 SD 2
RELATING TO OHANA ZONES

Aloha Chair Hashimoto, Vice Chair Aiu, and Committee Members,

I am writing in support of SB1442 SD2 and to offer comments.

Ohana Zones are closely aligned with the Governor's priorities on homelessness, which include an emphasis on kauhale and other innovative approaches to quickly house our unhoused neighbors.

In creating the Ohana Zones pilot program in 2018, the legislature found that: "[W]hile significant strides have been made, current attempts to address homelessness in Hawaii remain insufficient. The city and county of Honolulu, which has the highest number of individuals experiencing homelessness of any county in Hawaii, has seen the number of unsheltered individuals experiencing homelessness rise...and the number of people in shelters decline... despite increased investment in shelters and enforcement. Therefore, the legislature finds that addressing homelessness **requires the courage to try something new.**" (SLH 2018 Act 209, emphasis added)

The original intent of the Ohana Zones pilot was to fund new physical spaces that would offer, "a welcoming, safe haven where individuals experiencing homelessness and those who serve them treat each other as an extended family." The legislature hoped that these zones would, "have the potential to serve individuals experiencing homelessness in a way that existing programs are currently unable." (SLH 2018 Act 209)

Ohana Zones funds were first deployed in 2019 and since then have been used to support a wide range of programs, including temporary shelter, diversion services, transitional housing, and long-term housing.

Should the legislature provide renewed funding for the Ohana Zones program, I intend to refocus the program on innovative approaches and long-term solutions, which I believe are aligned with the original intent of the program. For example:

March 16, 2023

Page Two of Two

- Kauhale and other innovative housing models that may not qualify for existing sources of funding. Note that kauhale and “village style” housing with shared bathrooms do qualify for funding from the U.S. Department of Housing & Urban Development (HUD).
- Gap funding for permanent supportive housing and wrap around services that help people secure and sustain their housing placement.
- Filling gaps in housing and services for those that may not meet current criteria for prioritization. For instance, homeless individuals are disqualified as “chronically homeless” if they enter a hospital or treatment program for 90 days, even if they are discharged back to the street.
- Encourage the building of community and ohana with people being served by any Ohana Zone-funded program, as this is an often under-appreciated factor in whether people can sustain their housing.
- Evaluate the Ohana Zones program based on its ability to provide sustained housing placements for people experiencing homelessness.

With regard to Section 3, I support the inclusion of funds for Ohana Zone construction and capital improvements, but defer to the Department of Budget & Finance on the use of general obligation bonds to generate these funds.

With regard to Section 1, I appreciate and support the inclusion of a position to administer Ohana Zone capital improvement funds. Historically my office has not been staffed to engage in construction-related procurement and oversight, yet this capacity is needed in order to create kauhale and permanent housing for those experiencing homelessness. Because other sections of the bill provide the Governor with the ability to transfer appropriation and expenditure authority to designated executive branch departments or agencies, I would recommend similar ability to transfer the position. This might be accomplished by adding the following language to the end of Section 1: The Governor may transfer the position to a designated executive branch department or agency for the purpose of implementing the use of the capital improvement funds.

Mahalo for your consideration.

James Koshiba
Governor’s Coordinator on Homelessness

JOSH B. GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA
MOKU'ĀINA 'O HAWAI'I



RICHARD RIES, Psy.D., M.Ed.
COUNCIL CHAIRPERSON
LUNA HO'OMALU O KA PAPA

STATE OF HAWAI'I
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
STATE COUNCIL ON MENTAL HEALTH
P.O. Box 3378, Room 256
HONOLULU, HAWAII 96801-3378

WRITTEN
TESTIMONY
ONLY

STATE COUNCIL ON MENTAL HEALTH
Testimony to the House Committee on Housing
in SUPPORT of S.B. 1442 S.D. 2
RELATING TO OHANA ZONES

LATE

Friday, March 17, 2023 at 9:30 a.m.

CHAIRPERSON

Richard I. Ries PsyD, MSEd

1st VICE CHAIRPERSON

Katherine Aumer, PhD

2nd VICE CHAIRPERSON

Kathleen Merriam, LCSW CSAC

SECRETARY

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Kau'i Seguancia

Lea Dias, MEd

Jean Okudara, CSAC

Ray Rice, MEd

Mary Pat Waterhouse

Kristin Will, MACL, CSAC

EX-OFFICIO:

Marian Tsuji, Deputy Director
Behavioral Health Administration

WEBSITE:

scmh.hawaii.gov

EMAIL ADDRESS:

doh.scmhchairperson@
doh.hawaii.gov

WRITTEN TESTIMONY ONLY

Chair Hashimoto, Vice-Chair Aiu, and Members of the Committee:

Hawaii law, HRS §334-10, establishes the State Council on Mental Health (SCMH) as a 21-member body to advise on the allocation of resources, statewide needs, and programs affecting more than one county as well as to advocate for adults with serious mental illness, children with serious emotional disturbances, individuals with mental illness or emotional problems, including those with co-occurring substance abuse disorders. Members are residents from diverse backgrounds representing mental health service providers and recipients, students and youth, parents, and family members. Members include representatives of state agencies on mental health, criminal justice, housing, Medicaid, social services, vocational rehabilitation, and education. Members include representatives from the Hawaii advisory commission on drug abuse and controlled substances and county service area boards on mental health and substance abuse.

The SCMH supports the intent of this measure to reduce homelessness which persists in threatening the mental health and well-being of many island residents. The effort seeks to fill a gap in the continuum of housing and support services where the need is acute and urgent.

Thank you for the opportunity to testify. Should you have any questions, please contact us at DOH.SCMHChairperson@doh.hawaii.gov.

VISION: A Hawaii where people of all ages with mental health challenges can enjoy recovery in the community of their choice.

MISSION: To advocate for a Hawaii where all persons affected by mental illness can access necessary treatment and support to live full lives in the community of their choice.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830
1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

**The State Legislature
House Committee on Housing
Friday, March 17, 2023
Conference Room 329, 9:30 a.m.**

TO: The Honorable Troy Hashimoto, Chair
RE: Support for S.B. 1442, SD2 Relating to Ohana Zones

Aloha Chair Hashimoto and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports S.B. 1442 SD2 which appropriates funds for the ohana zones pilot program contract and authorizes the issuance of general obligations bonds for the constructions of facilities for the ohana zone program.

Hawaii's high cost of housing is making it unaffordable for many, but especially for those at low or fixed income. These residents are more vulnerable of becoming dependent on other family members for shelter, or face homelessness. According to AARP/Statista analysis of close to 1000 older adults (age 55+) are expected to be evicted in 2023 and more than 1500 older (55+) are expected to experience homelessness in 2023 in Hawaii. It is essential to assist older adults and others from facing housing crisis. Funding the Ohana zone pilot program allows the continuation of these innovative solutions that address the housing and homelessness issues.

Thank you very much for the opportunity to support S.B. 1442, SD2.

Sincerely,

A handwritten signature in black ink that reads "Keali'i Lopez".

Keali'i Lopez, State Director

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 SB1442 SD2, RELATING TO OHANA ZONES

TO: House Committee on Housing

FROM: Partners In Care (PIC)

HEARING: **Friday, March 17th, 2023 9:30 am, Conference Room 312/videoconference**

Chair Hashimoto and Members of the House Committee on Housing:

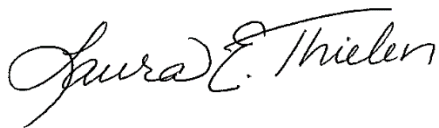
Thank you for the opportunity to provide testimony in **SUPPORT of SB1442 SD2 RELATING TO OHANA ZONES.**

Partners In Care (PIC), a coalition of more than 60 non-profit homelessness providers and concerned organizations, works on Oahu to end homelessness. The creation of the Ohana Zones has enabled new programs to be created within the Statewide Office on Homelessness and Housing. Many of the programs piloted through the Ohana Zones have proven to be beneficial to the community in addressing homelessness. We would like to see these programs funded through this program to continue with an appropriation of \$15million. Once programs have been established and reviewed for their effectiveness, we would like to see them move into the general budget and be added to the core services for homelessness and housing. Until that time, securing an appropriation is paramount.

The additional \$15 million appropriated to Ohana Zones for the purpose of constructing facilities for the ohana zone programs, will ensure that new resources including shelter for individuals will be available.

Thank you for the opportunity to testify today in SUPPORT OF SENATE BILL 1442 SD2.

Sincerely,



Laura E. Thielen
Executive Director
Partners In Care



Testimony to the House Committee on Housing
Friday, March 17, 2023, 9:30 am
Via Videoconference, Conference Room 312

SB 1442, SD2, Relating to Ohana Zones

Dear Chair Hashimoto, Vice Chair Aiu, and members of the Committee on Housing,

We are in **support** of SB 1442, SD2, which appropriates funds for the Ohana Zones pilot program, authorizes the issuance of general obligation bonds for the construction of facilities for the Ohana Zones pilot program, establishes a position responsible for deploying the funds appropriated by this Act, and specifies that certain exemptions apply to construction of Ohana Zones.

Family Promise of Hawai'i is a nonprofit working to prevent and end homelessness for families with children. As a frontline service provider, we see that there is an urgent need to increase our community's capacity to serve **families with children experiencing homelessness**. Several emergency shelter sites for families have closed in recent years, and non-congregate emergency shelter spaces for families continue to be scarce¹. Continued funding for Ohana Zones will allow for more innovative solutions that set up individuals and families for long-term success and housing stability.

The need in the community is great: An estimated **1 in 30 young children in Hawai'i experience homelessness** annually, according to the latest federal estimate². Children under age 1 in the US are more likely to experience homelessness than people of any other age³. In just the state's public schools alone, the Hawai'i Department of Education counted **3,254 students** who experienced homelessness in the 2021-22 school year⁴.

Homelessness has long-term effects on children's mental and physical well-being and is linked to "delays in children's language, literacy, and social-emotional development, potentially setting a course for cascading negative consequences"⁵. Additional funding for Ohana Zones, particularly those that would help children and families "find and transition into permanent housing"⁶ through innovative programs and services, would have a lasting impact for our community. Thank you for the opportunity to submit this written testimony.

Mahalo,

A handwritten signature in blue ink that reads "Ryan Catalani".

Ryan Catalani
Executive Director

¹ Housing Inventory Count: <https://www.partnersincareoahu.org/system-reports>

² Early Childhood Homelessness State Profiles: <https://www2.ed.gov/rschstat/eval/disadv/homeless/early-childhood-homelessness-state-profiles-2021.pdf>

³ Research on Early Childhood Homelessness: <https://aspe.hhs.gov/reports/research-early-childhood-homelessness>

⁴ Statewide Office on Homelessness and Housing Solutions: <https://homelessness.hawaii.gov/data/>

⁵ Policy Statement on Meeting the Needs of Families with Young Children Experiencing and At Risk of Homelessness: <https://www.acf.hhs.gov/sites/default/files/documents/ece/ecehomelessnesspolicystatement.pdf>

⁶ Act 209, Session Laws of Hawai'i 2018: https://www.capitol.hawaii.gov/slh/Years/SLH2018/SLH2018_Act209.pdf

Opportunity Youth Action Hawai'i

March 17, 2023

House Committee on Housing

Hearing Time: 09:30 a.m.

Location: State Capitol

Re: SB 1442, SD2 Relating to 'Ohana Zones

Aloha e Chair Hashimoto, Vice Chair Aiu, and members of the Committee:

We are writing in **strong support** of SB 1442, SD2 Relating to 'Ohana Zones.

This bill will appropriate funds for the 'ohana zones pilot program, including expenses relating to operations, upkeep of facilities, provision of services, and administrative costs; authorize the issuance of general obligation bonds for the construction of facilities for the 'ohana zones pilot program; establish one position within the Office of the Governor that is responsible for the deployment of the capital improvement funds appropriated by this Act; and specify certain exemptions that shall apply to the 'ohana zone construction.

We are in support of the continuation of the 'ohana zones program and believe that it is serving its intended purpose to provide critical services to the State's homeless population. Opportunity Youth Action Hawai'i is especially concerned about homelessness among youth, with research showing that youth aged 12–17 are at higher risk than adults of becoming homeless. According to a recent report, transition-aged youth between 18 and 24 years are one of the fastest growing homeless populations. Homeless youth often do not receive adequate services. They may not meet shelter admission policies, and, at times, there is a lack of bed space for youth. Although homeless young adults can use shelter services, these services may not always be a good fit for the needs of the transitioning population. This bill is an important step among many that need to be taken to address homelessness in our community. We ask that you support this measure.

Opportunity Youth Action Hawai'i is a collaboration of organizations and individuals committed to reducing the harmful effects of a punitive incarceration system for youth; promoting equity in the justice system; and improving and increasing resources to address adolescent and young adult mental health needs. We seek to improve the continuity of programs and services for youth and young adults transitioning from minor to adult status; eliminate youth houselessness and housing market discrimination against young adults; and promote and fund more holistic and culturally-informed approaches among public/private agencies serving youth.

Please support SB 1442, SD2.

HOUSE COMMITTEE ON HOUSING

Rep. Troy N. Hashimoto, Chair

Rep. Micah P.K. Aiu, Vice Chair

DATE: Friday, March 17, 2023, 9:30AM

Re: SB 1442, SD2 - RELATING TO OHANA ZONES.

Aloha Chair Hashimoto and Committee Members. My name is Linda Dorset, a senior resident of Wailuku, Maui. I thank you for the opportunity to submit written testimony regarding the above referenced legislation. I strongly support SB1442 which appropriates funds for the ohana zones pilot program contract and authorizes the issuance of general obligations bonds for the constructions of facilities for the ohana zone program.

Hawaii's housing is unaffordable for many, but especially for those at low or fixed income like Social Security, who are vulnerable to becoming dependent on other family members for shelter, or face homelessness. According to AARP/Statista analysis about 1000 older adults (age 55+) are expected to be evicted in 2023 and more than 1500 older (55+) are expected to experience homelessness in 2023 in Hawaii. Please assist us older adults from facing housing crisis. Funding the Ohana zone pilot program promoting innovative solutions will increase the possibility of solutions to the housing and homelessness issues.

Thank you very much for the opportunity to testify.

**Linda Dorset
Wailuku Citizen**

SB-1442-SD-2

Submitted on: 3/15/2023 11:05:11 AM

Testimony for HSG on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark A. Koppel	Individual	Support	Written Testimony Only

Comments:

Aloha

My name is Mark Koppel, 31-392 Lepoloa Rd., Ninole HI 96773

I am testing in strong support of SB1442, to provide more ohana housing. Our state has a crisis in housing. Many places have used "accesory" housing to help. We call it Ohana housing in Hawaii.

It is an obvious way to bring new housing to people and new, needed money to their landlords.

win-win

Mahalo

SB-1442-SD-2

Submitted on: 3/15/2023 10:39:43 PM

Testimony for HSG on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Ohana Zones are an important tool that can be used to triage the houselessness crisis in Hawai'i. Projects that receive Ohana Zone funds must have a connection to state and county land, and must provide services to assist homeless individuals and families to access permanent housing.

Ohana Zones have the goal of improving the health and well-being of individuals experiencing houselessness and providing access to needed services. Ohana Zones are meant to provide a welcoming, safe haven where individuals experiencing houselessness and those who serve them treat each other as an extended family.

The only way to completely end houselessness is to provide enough permanent, truly affordable housing to meet the community's housing demand. That will require consistent investments of state money to subsidize housing development and rent subsidies—revenue that should come from enhanced taxes on the sale of multi-million dollar homes, as in SB362.

Ending houselessness once and for all will take years. In the mean time, we need effective stop-gap solutions for people experiencing houselessness now. The 'Ohana Zones model is tailor made to serve as rapid response to the current crisis. Please support SB1442 SD2.

Kevin L. Johnson, Ko Olina, Hawai'i

**Hawai'i Legislature
House Committee on Housing
Friday March 17, 2023, Conference Room 312, 9:30 a.m.**

TO: The Honorable Troy N. Hashimoto, Chair
RE: Support for SB 1442, SD 2, Relating to Ohana Zones

My **Support for SB 1442, SD 2** is tied to a belief that a comprehensive approach to the houseless problem in Hawai'i is paramount.

The establishment of Ohana Zones promises to be an effective way forward in bringing relief to the houseless people of our State. Simply "sweeping" or closing beaches during certain hours, without suitable alternatives, is a quick fix without lasting benefit. It is also cruel and unusual punishment for individuals, who, by the way, are NOT CRIMINALS. Ohana Zones as part of a long term, multifaceted approach offers a real solution to this challenge.

Your **support of SB 1442, SD 2**, demonstrates your compassion for our fellow citizens and a desire for meaningful, long term solutions.

Sincerely,

Kevin L. Johnson

SB-1442-SD-2

Submitted on: 3/16/2023 3:29:32 PM

Testimony for HSG on 3/17/2023 9:30:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Andrew Kagemoto	Individual	Support	Written Testimony Only

Comments:

Thank you Chair Hashimoto for the opportunity to testify in strong support!