

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

February 8, 2023

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

The Honorable Representative Della Au Belatti, Chair
House Committee on Health and Homelessness

FROM: Cathy Betts, Director

SUBJECT: **HB 671 – RELATING TO OHANA ZONES.**

Hearing: Friday, February 10, 2023, 11:15 a.m.
Conference Room 329 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure and defers to the Governor's Coordinator on Homelessness. DHS notes there is an executive budget request to appropriate \$15 million for FY24 and FY25 to the Statewide Office on Homelessness and Housing Solutions (SOHHS) for the continuation of the 'Ohana Zones pilot program. DHS respectfully requests that any appropriation in this measure not replace or adversely impact priorities identified in the executive budget.

PURPOSE: The purpose of the bill is to appropriate funds for the 'Ohana Zones pilot program, including expenses relating to operations, upkeep of facilities, provision of services, and administrative costs. The bill also authorizes the issuance of general obligation bonds for the construction of facilities for the 'Ohana Zones pilot program.

The Department anticipates that a growing number of households will experience housing instability and face eviction due to the continuing impacts of the COVID-19 pandemic

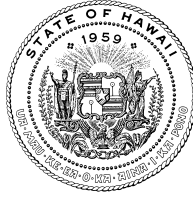
and resulting inflation. Following the economic recession in 2009, the statewide point-in-time count of homeless individuals increased from 5,782 to a high of 7,921 in 2016 – an increase of 2,139 people (36.9% increase).

Additionally, the pandemic has further exposed the need for the State and counties to develop safer shelter options for unaccompanied youth and youth whose families are experiencing homelessness or living in crowded spaces. When families are experiencing housing instability, frequently, older youth double up with family members or friends; these older youth may stay at multiple homes to not overburden the families where they are staying. The housing instability impacts their health, well-being, and ability to attend school. More resources are needed to provide stable housing options for unaccompanied youth or youth experiencing services.

As a result, there is a critical need to continue and further build upon the innovative community-based shelter and housing support programs initiated through the 'Ohana Zones pilot program led by the SOHHS. Notably, this measure will provide capital funding to maintain existing homeless facilities and to construct new facilities. 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, there is a need to continue and expand the 'Ohana Zones pilot program to sustain effective services and expand statewide bed inventory. The continuation and expansion of the 'Ohana Zones pilot program will sustain effective homeless services and add new bed inventory to meet increased demand following the COVID-19 pandemic.

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 Committees on Housing and Health & Homelessness
February 10, 2023
11:15 a.m., Conference Room 329

In consideration of
House Bill 671
RELATING TO OHANA ZONES

Aloha Chair Hashimoto, Chair Belatti, and Committee Members,

I am writing in support of HB671 and to offer comments.

This bill is aligned with the Governor's priorities on homelessness, which includes an emphasis on non-traditional housing, such as kauhale, to quickly house people experiencing unsheltered homelessness.

The Ohana Zones program provides an essential source of funding for innovative approaches to serve and house people experiencing homelessness, and to fill gaps in homeless housing and services that do not fit with other sources of funding. For example, we know that communal, "village style" housing with shared facilities can be effective at addressing homelessness in Hawaii, given our unique history and culture. However, federal Department of Housing & Urban Development (HUD) funds for homelessness cannot be used for housing with shared bathroom facilities. Additional Ohana Zones funds will be essential to fill such gaps, and to support efforts like kauhale and other homegrown approaches to ending homelessness.

Past Ohana Zones appropriations via Act 235, SLH 2022, are already being contracted through the Counties, and support innovative transition services and supportive housing projects on Oahu; supportive housing on Maui; supportive housing on Kauai; and a multi-service project to end homelessness in Hawaii County. Additional Ohana Zones funding would support the development of new projects statewide, including kauhale.

With regard to Section 2 of the bill and the issuance of general obligation bonds to fund construction related to ohana zones, I offer two comments:

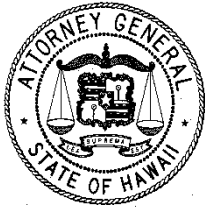
(1) I would suggest that a position be added to whichever office is ultimately made responsible for deploying these capital improvement funds.

February 9, 2023
Page Two of Two

(2) If the intent is for the funds to be used to quickly house people experiencing homelessness, I would note that the exemptions enumerated in Section 3 of Act 235, Session Laws of Hawaii 2022, should also apply to Ohana Zone construction.

Mahalo for your consideration.

James Koshiba
Governor's Coordinator on Homelessness



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2023**

ON THE FOLLOWING MEASURE:
H.B. NO. 671, RELATING TO OHANA ZONES.

BEFORE THE:
HOUSE COMMITTEES ON HOUSING AND ON HEALTH AND HOMELESSNESS

DATE: Friday, February 10, 2023 **TIME:** 11:15 a.m.

LOCATION: State Capitol, Room 329

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Melissa L. Lewis, Deputy Attorney General

Chairs Hashimoto and Belatti and Members of the Committees:

The Department of the Attorney General provides the following comments.

The purposes of this bill are: (1) to appropriate an undetermined sum for the Ohana Zones Pilot Program for costs related to operations, facility upkeep, provision of services, and administration; and (2) to authorize the Director of Finance to issue general obligation bonds in an undetermined sum for the construction of facilities for the Ohana Zones Pilot Program.

Section 2 of the bill on page 2, line 14, to page 3, line 8, would authorize the issuance of general obligation bonds in an undetermined sum and make an appropriation of the funds, but the bill does not include an expenditure clause that would allow the funds to be expended. If the intent is to have the Office of the Governor expend the funds, then the same wording in section 1, on page 1, lines 11-15, and page 2, lines 5-13, should be added to the end of section 2 of the measure as follows:

The sums appropriated shall be expended by the office of the governor for the purposes of this Act; provided that the governor shall transfer the expenditure authority to designated executive branch departments or agencies within a reasonable time.

Notwithstanding any other law to the contrary, the governor may transfer all or a portion of the appropriation in this section to the governor's designated executive branch agencies for expenditures incurred in implementing the ohana zones pilot program.

The governor's designated executive branch agencies may expend any appropriation transferred pursuant to this section for the performance of its duties under the ohana zones pilot program.

Alternatively, if the intent is for a designated department or agency to expend the funds, then wording that identifies the designated department or agency should be added to the end of section 2 of the bill as follows:

The sum appropriated shall be expended by the [designated department or agency] for purposes of constructing facilities for the Ohana Zones Pilot Program.

Thank you for the opportunity to testify on this bill.

COUNTY COUNCIL

Mel Rapozo, Chair
KipuKai Kualii, Vice Chair
Addison Bulosan
Bernard P. Carvalho, Jr.
Felicia Cowden
Bill DeCosta
Luke A. Evslin



OFFICE OF THE COUNTY CLERK

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Council Services Division
4396 Rice Street, Suite 209
Lihu'e, Kaua'i, Hawai'i 96766



February 9, 2023

TESTIMONY OF KIPUKAI KUALII
COUNCIL VICE CHAIR, KAUAI COUNTY COUNCIL
ON

HB 671, Relating to 'Ohana Zones
House Committees on Housing
and

Health and Homelessness

Friday, February 10, 2023

11:15 a.m.

Conference Room 329

Dear Chairs Hashimoto and Belatti, and Members of the Committee:

Thank you for this opportunity to provide testimony in strong SUPPORT of HB 671, Relating to 'Ohana Zones. My testimony is submitted in my individual capacity as a Council Vice Chair of the County of Kaua'i and Committee Chair of the Housing & Intergovernmental Relations Committee.

HB 671 appropriates funds for the 'Ohana Zones pilot program, including expenses relating to operations, upkeep of facilities, provision of services, and administrative costs, and authorizes the issuance of general obligation bonds for the construction of facilities. The funding will ensure that the 'Ohana Zones pilot program can continue providing housing and critical services to the State's homeless population.

Thank you again for this opportunity to provide testimony in strong support of HB 671. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely

KIPUKAI KUALII
Council Vice Chair, Kaua'i County Council

LY: jy



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**The State Legislature
House Committee on Housing
House Committee on Health and Homelessness
Friday, February 10, 2023
Conference Room 329, 11:15 a.m.**

TO: The Honorable Troy Hashimoto, Chair
The Honorable Della Au Belattii, Chair
RE: Support for H.B. 671 Relating to Ohana Zones

Aloha Co-Chairs Hashimoto, Belatti and Members of the Committees:

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 H.B. 671 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 H.B.671.

Sincerely,

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

Keali'i Lopez, State Director



LATE

Testimony to the House Committee on Housing and Committee on Health & Homelessness
Friday, February 10, 2023, 11:15 AM
Via Videoconference, Conference Room 329

HB 671, Relating to Ohana Zones

Dear Chair Hashimoto, Chair Belatti, Vice Chair Aiu, Vice Chair Takenouchi, and members of the Committee on Housing and Committee on Health & Homelessness,

We are in **support** of HB 671, which appropriates funds for the Ohana Zones pilot program and authorizes the issuance of general obligation bonds for the construction of facilities for the Ohana Zones pilot program.

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, particularly through emergency shelter and wraparound services. Several emergency shelter sites for families have closed in recent years, and non-congregate emergency shelter spaces for families continue to be scarce¹.

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 emergency shelter and wraparound 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/ecd/echomelessnesspolicystatement.pdf>

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

LATE

HB-671

Submitted on: 2/9/2023 3:25:48 PM

Testimony for HSG on 2/10/2023 11:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Nikos Leverenz	Hawaii Health & Harm Reduction Center	Support	Written Testimony Only

Comments:

Hawai'i Health & Harm Reduction Center (HHHRC) supports HB 671, which appropriates funds for the ohana zones pilot program, including expenses relating to operations, upkeep of facilities, provision of services, and administrative costs. The measure also authorizes the issuance of general obligation bonds for the construction of facilities for the ohana zones pilot program.

HHHRC Executive Director Heather Lusk currently serves as Board Chair of Partners in Care O'ahu, 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.

HHHRC provides homeless outreach and housing placement navigation services in urban Honolulu and the Upper Windward Coast, including North Shore.

HHHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work 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, and have been deeply impacted by trauma that often includes histories of physical, sexual, and psychological abuse.

Mahalo for the opportunity to provide testimony.

HB-671

Submitted on: 2/8/2023 10:12:21 AM

Testimony for HSG on 2/10/2023 11:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Lindsay Ann Pacheco	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs and Committees:

My name is Lindsay Ann Pacheco and I am in support of HB671. Thank you.

LATE

HB-671

Submitted on: 2/9/2023 1:39:00 PM

Testimony for HSG on 2/10/2023 11:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan-Nicholas: Luther	Individual	Oppose	In Person

Comments:

Opposing due to the Ohana Zone Program no longer being a pilot, whereas the program became a program in 2018 and is now requesting extension into the year 2026; thus the question is what timeline defines a "pilot program" in the State of Hawai'i terminology.

I humbly request the Chair and Committee members request HB671 include the evaluation of what percentage of displaced local residence are included in the Ohana Zone Program, and that a census be performed prior to approval on the out-of-state citizens that relocate to the State of Hawai'i, as many individuals migrate and chose Hawai'i for homelessness due to the year round climate.

Furthermore, in HB671 on Section-2; Line-18, the statement is made "for the purpose of constructing facilities for Ohana Zones": therefore indicating the program is now building multiple sites for permanent usage and increasing in size, wherefore the funds for these now permanent facilities will be required by the taxpayers of Hawai'i.

Please request for HB671 to determine when the Ohana Zone Program will be discontinued and the growth of the facility sites will no longer be required.

Mahalo nui loa for your time in reading my testimony.