



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

February 12, 2025

The Honorable Representative Luke A. Evslin, Chair
House Committee on Housing
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Evslin, and Committee Members:

SUBJECT: HB431 HD1 Relating to Housing

The Hawaii State Council on Developmental Disabilities **STRONGLY SUPPORTS HB431 HD1**, which appropriates funds for the Kauhale Initiative. Establishes and appropriates funds into and out of the Supportive Housing Special Fund.

This bill represents a critical step forward in meeting the housing needs of Hawai'i's most vulnerable populations, including individuals with intellectual and developmental disabilities (I/DD). Hawai'i's I/DD population often faces significant barriers to accessing safe, stable, and affordable housing. Individuals with I/DD are more likely to experience unemployment, limited income, and social isolation, making it exceedingly difficult to secure independent housing. HB431 provides a pathway to addressing these systemic challenges by ensuring that housing is affordable and integrated with services necessary for residents to thrive.

Supportive services funded under this bill, such as case management, life skills training, and assistance with daily living activities, are vital for individuals with I/DD to live independently and participate fully in their communities. The promotion of mixed-income rental housing developments, as outlined in HB431, fosters inclusive environments where individuals with I/DD can live alongside diverse populations. This approach reduces stigma and encourages greater community understanding and acceptance of individuals with disabilities.

By addressing housing insecurity and ensuring access to integrated support services, HB431 will enable individuals with I/DD to live more independently and with dignity, reduce

HB431HD1 Relating to Housing

February 12, 2025

Page 2 of 2

reliance on costly institutional care or emergency services, and improve overall health, social inclusion, and quality of life for individuals with I/DD.

The DD Council believes that the passage of HB431 will have transformative impacts on Hawai'i's I/DD community, providing them with the stability and support they need to lead fulfilling and independent lives. We urge you to pass this bill to ensure that the needs of individuals with I/DD and other vulnerable populations are prioritized in Hawai'i's housing solutions. Thank you for the opportunity to submit testimony in **strong support of HB431 HD1**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
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

Statement of DEAN MINAKAMI

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 12, 2025 at 9:00 a.m.
State Capitol, Room 430

In consideration of
H.B. 431 HD1
RELATING TO HOUSING.

Chair Evslin, Vice Chair Miyake, and members of the Committee.

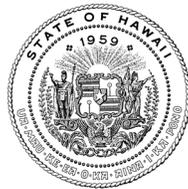
HHFDC **supports** HB 431 HD1, which appropriates funds for the Kauhale Initiative. It also establishes and appropriates funds into and out of the Supportive Housing Special Fund. HHFDC supports the measure so long as it does not adversely impact priorities identified in the Executive Budget Request for FY 2026.

HHFDC agrees that supportive housing is an innovative solution to house special needs populations, including the chronically homeless, individuals with disabilities, individuals transitioning from incarceration, youth aging out of foster care, domestic violence survivors, veterans, those suffering from substance abuse, and the frail elderly.

The Supportive Housing Special Fund is a new financing tool that will help HHFDC to facilitate the development of supportive housing units in standalone projects or integrated in mixed-income rental housing projects.

HHFDC supports the establishment of one full-time equivalent (1.0 FTE) housing finance specialist I position to help with the administration of the supportive housing special fund.

Thank you for the opportunity to testify on this bill.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HOUSING
ON
HOUSE BILL NO. 431, H.D. 1

February 12, 2025
9:00 a.m.
Room 430 and Videoconference

RELATING TO HOUSING

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 431, H.D. 1, appropriates an unspecified amount of general funds in both FY 26 and FY 27 to the Office of the Governor (GOV) for the continued operation of the Kauhale Initiative and provides that the appropriations may be transferred to designated departments or agencies for expenditure; establishes the Supportive Housing Special Fund (SHSF) to be administered by the Hawai'i Housing Finance and Development Corporation to facilitate the development of mixed-income rental housing projects with supportive housing provisions for individuals and families with special needs; appropriates an unspecified amount of general funds in both FY 26 and FY 27 for deposit into the SHSF and appropriates an unspecified amount of special fund ceiling for the SHSF in both FY 26 and FY 27; and appropriates an unspecified amount of general funds in both FY 26 and FY 27 to GOV to assist the Statewide Office of Homelessness and Housing Solutions in implementing the Kauhale Initiative.

As a matter of general policy, B&F does not support the creation of any special fund, which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 431, H.D. 1, it is difficult to determine whether the proposed SHSF would be self-sustaining.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
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

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

February 10, 2025

TO: The Honorable Representative Lisa Marten, Chair
House Committee on Human Services & Homelessness

FROM: Ryan I. Yamane, Director

SUBJECT: **HB 431 – RELATING TO HOUSING.**

Hearing: January 28, 2025, 9:00 a.m.
Conference Room 239 & Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this measure that invests in the Kauhale initiative and permanent supportive housing as strategies to reduce homelessness. DHS defers to the Hawaii Housing Finance and Development Corporation (HHFDC), the Department of Budget & Finance (B&F), the State Office on Homelessness & Housing Solutions (SOHHS), and the Counties. DHS respectfully requests that any appropriation not reduce or replace budget priorities identified in the executive budget.

PURPOSE: Appropriates funds for the Kauhale Initiative. Establishes and appropriates funds into and out of the Supportive Housing Special Fund. Effective 6/29/3000. (HD1)

The House Committee on Human Services & Homelessness amended the measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Deleting language that attempted to prevent the proper lapse of a general fund appropriation at the end of the fiscal biennium for which the appropriation was made;
- (3) Deleting language that would have established the Kauhale Initiative Special Fund;

February 10, 2025

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- (4) Inserting language that appropriates an unspecified amount to assist the Statewide Office on Homelessness and Housing Solutions in implementing the Kauhale Initiative;
- (5) Changing the effective dates to June 29, 3000, and July 1, 3000, respectively, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

JOHN MIZUNO
DIRECTOR
STATEWIDE OFFICE ON HOMELESSNESS & HOUSING SOLUTIONS

Testimony of **John M. Mizuno**
Governor's Coordinator on Homelessness
Before the
HOUSE COMMITTEE ON HOUSING
Wednesday, February 12, 2025
9:00 a.m.
Conference Room 430, State Capitol

In consideration of
House Bill No. 431 HD1
RELATING TO HOUSING

Aloha Chair Evslin, Vice Chair Miyake, and Committee Members,

My name is John Mizuno. I am the Governor's Coordinator on Homelessness and the Director of the Statewide Office on Homelessness and Housing Solutions (SOHHS).

First, on behalf of my office and Governor Green, I want to thank the House of Representatives and the Majority Caucus for introducing HB431 HD1.

I am writing in strong support of **House Bill 431 HD1**, which appropriates funds to the Statewide Office on Homelessness and Housing Solutions (SOHHS) for the continued implementation of Governor Green's Kauhale Initiative.

House Bill 431 HD1 also establishes a Supportive Housing Special Fund to be administered by the Hawaii Housing Finance and Development Corporation (HHFDC), appropriates funds to support the development, operation, and maintenance of supportive housing and the provision of supportive services, and establishes within the HHFDC, a one full-time housing finance specialist I position to help with the administration of the supportive housing special fund.

Homelessness in Hawaii is not just a statistic; it's a pressing issue that demands our immediate attention. For over a decade, our state has consistently ranked among the top five in rates of per capita homelessness. The most recent Point in Time Count (PIT Count) in January 2024 revealed that 6,389 people in our state were experiencing homelessness, with the majority on Oahu. These numbers are not just figures. They represent individuals and families in desperate need of our help. We cannot afford to delay in addressing this crisis.

John M. Mizuno Testimony on HB431 HD1

House Committee on Housing

Wednesday, February 12, 2025

Page 2

While the issue of homelessness remains, Hawaii has made significant strides. In 2024, SOHHS set new priorities, including the ambitious goal of halving unsheltered homelessness during Governor Green's Administration's first term (by November 2026). This would mean transitioning approximately 2,200 people from the streets or remote areas to a home. Several of SOHHS's priorities focus on expanding the deeply affordable housing inventory for houseless individuals, including kauhale or communal housing. We are making progress, and with the Legislature's support, we can continue to move forward, seeking to become the first State in the union to cut chronic homelessness in half. This progress should give us all hope for a brighter future.

The Kauhale initiative is not just another housing project. It is a unique and innovative approach that strives to demonstrate new, cost-effective models of housing and healing. It is built on the foundation of community and responsibility among residents. Kauhale includes many housing types and is sometimes envisioned as tiny homes with shared bathrooms, dining, and cooking facilities. However, they could also be created in repurposed hotels, offices, buildings, dormitories, or apartment buildings. If deep affordability extends from communal responsibility (kuleana) and ownership is built into the design and program plan, any space could be adapted as a kauhale. This is what makes Hawaii and our kauhale initiative different and unique.

In 2024, SOHHS established seventeen Kauhale projects, and we recently added the Kulia I Ka Nuu Kauhale in Waianae in 2025, bringing the total to 18. Our goal is to build at least thirty Kauhale by November 2026, with at least three on each Neighbor Island. This ambitious plan is not just a government initiative but a collaborative effort that involves the Governor, the counties, private businesses, faith-based organizations, nonprofit organizations, service providers, and the community. Your support of HB431 HD1 will ensure the continued success of the Kauhale Initiative and its collaborative approach.

Supportive Housing is affordable housing with wraparound support services for vulnerable individuals and families, including homeless individuals, domestic violence victims, kupuna, disabled, youth, veterans, and other sub-populations with acute needs. One example is the Fernhurst YWCA women's re-entry housing program on Oahu. Funded by SOHHS, the program provides housing, meals, education, and employment training for women recently released from a correctional facility, allowing them to transition to supportive housing with wraparound services and potential rental subsidies.

Thank you, Chair Evslin, Vice Chair Miyake, and Committee Members, for the opportunity to testify in strong support of **House Bill 431 HD1**. I am grateful for your consideration of this critical measure and your continued support in our efforts to develop solutions to end homelessness in our State.

Mahalo!



HB431 HD1
RELATING TO HOUSING
HOUSE COMMITTEE ON HOUSING

February 12th, 2025

9:00 a.m.

Conference room 430

Dear Chair Evslin, Vice Chair Miyake, members of the House Committee on Housing:

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB431 HD1**, which supports the Kauhale initiative in reducing homelessness, creating affordable housing, and fostering community. We recognize that physical solutions by themselves will not solve social and economic problems, but neither can economic vitality, community stability, and mental & physical health be sustained without supportive physical framework of having stable housing options.

This bill is crucial as it marks a significant step towards addressing the housing crisis across the state of Hawai'i. We acknowledge housing is the highest cost item for Hawai'i families. Housing affordability has become increasingly challenging, particularly for Native Hawaiian families who seek to reside in Hawai'i. The growing affordable housing problem is one of the most critical issues faced by our communities, especially our Native Hawaiian communities. Many kama'aina families struggle to find adequate housing and to make ends meet. A significant portion of the homeless population identifies as Native Hawaiian¹.

The Supportive Housing Special Fund would support the efforts of stable housing and supportive services to vulnerable populations of Hawai'i. This finance mechanism will assist Hawai'i Housing Finance and Development Corporation (HHFDC) to facilitate, coordinate, and maintain Kauhale facilities and services. This will address chronically unsheltered individuals, and others with special housing needs: including persons with addictions, youth aging out of foster care, domestic violence survivors, kupuna, people with mental illness, chronic health conditions, histories of trauma and other barriers.

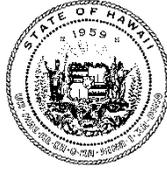
¹ Homeless point-in-time count. (n.d.).

https://www.btghawaii.org/media/uploads/2024_btg_pit_count_report_final.pdf

Stable housing and adequate resources of treatment allow for the person to move towards permanent housing, inclusion of community, and better health overall. The center for budget and policy priorities found that people offered supportive housing spent 23 % fewer days in hospitals, had 33 % fewer emergency room visits, and spent 42 % fewer days in nursing homes over a year. Furthermore, supportive housing reduces recidivism. A study by Hawaii based organization Partners in Care revealed that the recidivism rate for individuals who received housing support was 12.8% versus 50% without housing support. This indicates that stable housing and intervention services offered through initiatives such as Kauhale have great impact on justice involved individuals.

This initiative is in line with OHA's mission to improve the conditions of Native Hawaiians and ensure their equitable access to quality housing, education, healthcare, and economic opportunities. It reflects our commitment to advancing the well-being of our beneficiaries and the broader community. Addressing homelessness and affordable housing issues is a multi-prong approach.

Accordingly, **OHA supports HB43 HD1**, which aims to meet the urgent need for affordable housing and address homelessness. Mahalo for your attention and commitment to enhancing the well-being of our community.



STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
STATE PROCUREMENT OFFICE

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state_procurement_office@hawaii.gov
<http://spo.hawaii.gov>

TESTIMONY
OF
BONNIE KAHAKUI, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
HOUSING
FEBRUARY 12, 2025, 9:00 AM

HOUSE BILL 431, HD1
RELATING TO HOUSING

Chair Evslin, Vice Chair Miyake, and members of the committee, thank you for the opportunity to submit testimony on House Bill 431, HD1. The State Procurement Office (SPO) appreciates the intent of this bill and recommends that the procurement exemption language noted below be removed

Section 4, Page 9, lines 7 to 11:

~~§201H- Supportive housing special fund. (f) "...supportive housing and services. The corporation shall be exempt from chapter 103D in selecting a qualified private or nonprofit organization to assist with the development and maintenance of supportive housing and provision of rental assistance and supportive services. The corporation may...."~~

Exemptions to the Hawaii Procurement Code have always been a concern of the SPO. As stated in the National Association of State Procurement Officials (NASPO) white paper on "Ethics and Accountability," "Maintaining the integrity of public procurement is one of the most important pillars of government."

Chapter 103D, HRS, is the State's single source of public procurement policy to be applied equally and uniformly, while providing fairness, open competition, a level playing field, government disclosure, and transparency in the procurement and contracting process vital to good government. Public procurement's primary objective is to provide everyone equal opportunity to compete for government contracts, to prevent favoritism, collusion, or fraud in

awarding of contracts. To legislate that any one entity should be exempt from compliance with both Chapters 103D and 103F, HRS, conveys a sense of disproportionate equality in the law's application.

Exemptions to the Code mean that all procurements made with taxpayer monies will not have the same oversight, accountability and transparency requirements mandated by those procurements processes provided in the code. It means that there is no requirement for due diligence, proper planning, or consideration of protections for the state in contract terms and conditions, nor are there any set requirements to conduct cost and price analysis and market research or post-award contract management. As such, Agencies can choose whether to compete any procurement or go directly to one contractor. It also means Agencies are not required to adhere to the code's procurement integrity laws.

The National Association of State Procurement Officials states that "Businesses suffer when there is inconsistency in procurement laws and regulations. Complex, arcane procurement rules of numerous jurisdictions discourage competition by raising the costs to businesses to understand and comply with these different rules. Higher costs are recovered through the prices offered by a smaller pool of competitors, resulting in unnecessarily inflated costs to state and local governments."

Thank you.

OFFICE OF HOUSING
KE KE'ENA HO'OLĀLĀ KŪKULA HALE
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 306 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4675 • FAX: (808) 768-4242 • WEBSITE: www.honolulu.gov/housing

RICK BLANGIARDI
MAYOR
MEIA



KEVIN AUGER
EXECUTIVE DIRECTOR
PO'O HO'OKO

February 7, 2025

2025-HOU-020

The Honorable Luke A. Evslin, Chair
The Honorable Tyson K. Miyake, Vice Chair
and Members of the House Committee on Housing
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Evslin, Vice Chair Miyake, and Committee Members:

SUBJECT: Testimony in Support of HB431, HD1 – Relating to Housing
Hearing: Wed., Feb. 12, 2025, 9 a.m. at the State Capitol, Rm. 430

The Office of Housing **supports** HB431, HD1, which would establish and appropriate funding for a Supportive Housing Special Fund under the Hawai'i Housing Finance and Development Corporation (HHFDC) to support the development and operations of supportive housing, and would also ensure the continuation of the kauhale initiative. We recognize the necessity of facilitating housing across all incomes to address the full spectrum of need for our residents. This bill would support community members who are most at-risk of homelessness or may already be experiencing homelessness, and would facilitate the creation of units that can be very challenging to make financially feasible.

Supportive housing is a type of housing specifically for higher-needs persons that combines housing units with rent subsidization and supportive services. This type of housing serves households that may not otherwise be able to remain stably housed and assists a wide variety of populations, including individuals transitioning from incarceration, youth aging out of foster care, those experiencing homelessness, community members challenged by mental illnesses, and persons with intellectual, developmental, or physical disabilities. Supportive housing is a highly effective housing intervention that helps not only those housed by these programs, but also lowers cost burdens on our public systems, including our healthcare and incarceration systems.

We appreciate the introduction of this important measure that would increase supportive housing options for the most vulnerable members of our community.

The Honorable Luke A. Evslin, Chair
The Honorable Tyson K. Miyake, Vice Chair
and Members of the House Committee on Housing
February 7, 2025
Page 2

Thank you for the opportunity to testify.

Very truly yours,



Kevin D. Auger
Executive Director

APPROVED:

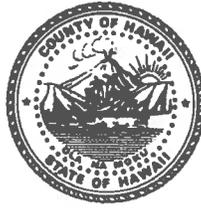


Michael D. Formby, Managing Director Designate
Office of the Managing Director

C. Kimo Alameda, Ph.D.
Mayor

William V. Brilhante Jr.
Managing Director

Merrick Nishimoto
Deputy Managing Director



Kehaulani M. Costa
Housing Administrator

Keiko M. Mercado
Assistant Housing Administrator

County of Hawai'i
Office of Housing and Community Development

1990 Kino'ole Street, Suite 102 • Hilo, Hawai'i 96720 • (808) 961-8379 • Fax (808) 961-8685
Existing Housing: (808) 959-4642 • Fax (808) 959-9308
Kona: (808) 323-4300 • Fax (808) 323-4301

February 10, 2025

TESTIMONY IN SUPPORT OF HOUSE BILL 431, HD1
A BILL FOR AN ACT RELATING TO HOUSING
COMMITTEE ON HOUSING
Rep. Luke A. Evslin, Chair
Rep. Tyson K. Miyake, Vice Chair
Hearing Date: Wednesday, February 12, 2025, at 9:00 AM
Place of Hearing: Conference Room 430 & Videoconference

Aloha Honorable Chairs Evslin and Miyake, and members of the Committee on Housing,

On behalf of the County of Hawai'i Office of Housing and Community Development (OHCD), I am pleased to provide testimony in **strong support of House Bill 431, HD1**, which will provide essential funding for the continued implementation of Governor Green's Kauhale Initiative by the Statewide Office on Homelessness and Housing Solutions.

In addition, HB 431 will establish the Supportive Housing Special Fund, which will assist the Hawai'i Housing Finance and Development Corporation (HHFDC) in facilitating the development of mixed-income rental housing projects. These projects will include units specifically designated for individuals or families with special needs who require supportive services.

This measure is a crucial step forward in addressing the housing needs of Hawai'i's most vulnerable populations. By securing additional funding for the Kauhale Initiative and enabling HHFDC to partner with developers to create more supportive housing units, HB 431 will directly improve the availability of safe, stable, and supportive housing options for those in need.

Not only will this measure help fund the development of critically needed kauhale on Hawai'i Island, it will also support the OHCD's ongoing efforts to increase permanent housing opportunities across Hawai'i Island.



In West Hawai'i, the Supportive Housing Special Fund is being considered as a funding source for the second phase of Kukuiola Village, which will include the construction of 50 permanent supportive housing units.

In East Hawai'i, the OHCD envisions that this fund could assist with the renovation and upgrades of the former Hilo Memorial Hospital. This facility currently houses a supportive housing program, and expanded funding could allow it to serve additional members of the community who need support.

Thank you for the opportunity to provide testimony in strong support of HB 431, HD1. Passage of this measure will significantly improve the lives of vulnerable individuals in our community who are currently facing homelessness and housing instability.

Mahalo,



Kehaulani M. Costa
Housing Administrator



HB431 HD1 Kauhale

COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair

Rep. Tyson K. Miyake, Vice Chair

Wednesday, Feb 12, 2025: 9:00: Room 430 Videoconference

Hawaii Substance Abuse Coalition Supports HB431 HD1:

ALOHA CHAIR, VICE CHAIR, AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder treatment and prevention agencies and recovery-oriented services.

HSAC notes that formal treatment, such as residential and outpatient will be critically needed for Kauhale residents to achieve functionality and recovery.

Studies show that once housed, feeling safe and stable, many homeless voluntarily seek substance abuse treatment because they want improved functionality.

Residential and Outpatient Substance Use Disorder funding has been reduced at a time when studies indicate that housed homeless will need these critical services.

- **For example, 50-60% of individuals in Housing First programs engaged in substance use disorders treatment** when supportive services were offered. Programs offering integrated care (housing, food, medical care, and counseling) report higher engagement in substance abuse treatment, with rates often exceeding 50% in some cases.
- **After safe housing, homeless still are at elevated risk for experiencing substance use disorders (SUDs), mental disorders, trauma,** medical conditions, employment challenges, and incarceration. Both treatment and housing needs must be concurrently addressed.¹

¹ Substance Abuse and Mental Health Services Administration. (2021). Behavioral Health Services for People Who Are Homeless. Advisory. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://library.samhsa.gov/sites/default/files/pep20-06-04-003.pdf

- Substance use, mental health, medical care, and social supports services are critical for mitigating risks of SUDs and mental disorders and improving health outcomes.
- Programs using the “Housing First” model prioritize stable housing without requiring sobriety or participation in substance abuse treatment as a condition for housing. Once stabilized, motivational interviewing and harm-reduction strategies can encourage more people to pursue treatment.
- Many homeless individuals with substance use disorders also struggle with mental health conditions. Addressing these conditions alongside addiction increases the likelihood of seeking and remaining in treatment.

Residential and intensive outpatient treatment is vital for individuals who need intensive, round-the-clock care, particularly when addiction is severe or compounded by complex personal, social, or psychological challenges. It provides the stability and resources needed to build a strong foundation for lasting recovery.

Providing stable housing and basic necessities significantly increases the likelihood that individuals will consider and engage in substance abuse treatment. **Hawaii needs to be prepared for large numbers of Kauhale residents asking for treatment just at the time when capacity is insufficient to meet this need.**

We appreciate the opportunity to provide testimony and are available for questions.



To: Committee on Housing

Hearing Date/Time: Wednesday February 12, 9:00 AM

Re: Testimony in Support of HB 431 HD1

Dear Chair Takayama, Vice Chair Loy and Members of the Committee

The Hawaii Health & Harm Reduction Center (HHRC) **supports HB 431 HD 1** which appropriates funds for the Kauhale Initiative. HHRC currently operates a Kauhale and has found that this intentional community building model is very successful in creating sustainable housing and supporting residents in meeting their needs and goals.

HHRC's mission is to *reduce harm, promote health, create wellness and fight stigma in Hawaii and the Pacific*. We focus our efforts on those disproportionately affected by social determinants of health, including but not limited to: people living with and/or affected by HIV, hepatitis, substance use, and the transgender, LGBTQ and the Native Hawaiian communities.

We know that in order to end homelessness, we will need more than 4000 units to meet the needs of the current community of unsheltered individuals and families. The Kauhale Initiative is able to meet the diverse needs of housing (long-term, temporary, supportive programs included, population-focused, etc). Funding this initiative will move us in this direction and is much needed.

Thank you for the opportunity to testify.

Heather Lusk, Executive Director, Hawaii Health and Harm Reduction Center



TESTIMONY IN SUPPORT OF HB431 HD1, RELATING TO HOUSING

HOUSE COMMITTEE ON HOUSING

February 12, 2025

Aloha Chair Evslin, Vice Chair Miyake, and Members of the Housing committee:

The Democratic Party of Hawai'i **SUPPORTS** HB431 HD1, RELATING TO HOUSING. Pursuant to the Platform of the Democratic Party of Hawai'i, the Party supports policies that re-houses families and individuals experiencing houselessness as quickly and efficiently as possible, while also providing wrap-around services in the process.

This measure would support efforts to improve the living standards of members of our community who are struggling with houselessness and housing instability by providing further funds towards the Kauhale Initiative, while supporting the work that the Statewide Office of Homelessness & Housing Solutions is doing to implement the initiative. This measure would also create the Supportive Housing Special Fund, dedicating resources towards keeping more of Hawai'i's people housed. Long term housing will bring stability, community, and the ability for more people to access the support that they need.

Mahalo nui loa for the opportunity to testify in support of HB431 HD1, RELATING TO HOUSING. Should you have any questions or require further information, please contact the Democratic Party of Hawai'i at legislation@hawaiidemocrats.org.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 431 HD1: RELATING TO HOUSING

TO: House Committee on Housing
FROM: Tina Andrade, President and CEO, Catholic Charities Hawai'i
Hearing: **Wednesday, 2/12/25; 9:00 AM; CR 430 & Videoconference**

Chair Evslin, Vice Chair Miyake, and Members, Committee on Housing:

Catholic Charities Hawai'i strongly supports HB 431 HD1, which appropriates funds for the Kauhale Initiative, and funds into and out of the Supportive Housing Special Fund.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 75 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai'i. We assist over 40,000 people annually across the state and have a long history of addressing affordable housing and homelessness.

These initiatives are crucial steps towards addressing the homelessness crisis in Hawai'i. On Oahu, 62% of homeless persons are unsheltered. The **Kauhale Initiative** provides an opportunity for more rapid development of diverse options to help people move off the streets into transitional and bridge units that are much needed. Along with these options, a strong and ongoing focus on deeply affordable permanent housing is KEY to ending homelessness.

The proposed Supportive Housing Special Fund is particularly vital. It provides a structured financial mechanism to integrate development, operations, and supportive services—ensuring that vulnerable populations receive not just shelter, but the assistance needed to maintain housing stability. By centralizing funding and coordination under the Hawai'i Housing Finance and Development Corporation (HHFDC), the system would become more transparent and efficient, benefiting developers, service providers, and, most importantly, individuals in need.

Addressing chronically homeless individuals and those with special housing needs—such as veterans, persons with addictions, aging-out foster youth, domestic violence survivors, and frail elders—is a moral and financial imperative. Without supportive housing, many of these individuals may face institutionalization, costly emergency interventions, or even premature death, as tragically exemplified by the recent case of a medically fragile kupuna. *CCH was assisting a kupuna living on the streets who died a week before we obtained an emergency voucher to provide housing. This bill could have saved her life.*

Catholic Charities Hawai'i urges your support for this bill. Both the Kauhale and the Supportive Housing Initiatives are needed to address this huge issue. Please approve significant funding that will bring hope to persons who need ongoing supportive services to remain in our communities.

If you have any questions, please contact our Legislative Liaison, Betty Lou Larson, at (808) 527-4813.



THE KŪPUNA CAUCUS



Date: February 10, 2025

COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair
Rep. Tyson K. Miyake, Vice Chair

NOTICE OF HEARING

Date: Wednesday, February 12, 2025

TIME: 9:00 AM

Position: SUPPORT HB431

Aloha Chair Luke Evslin, Vice Chair Rep. Tyson Miyake and committee members:

The DPH Kupuna Caucus supports bill HB431 regarding the Kauhale Initiative to house the houseless. It is shameful that Hawaii has the highest per capita incidence of homelessness. This type of housing is what we have been seeking on our Island of Kauai for many years.

The Kūpuna Caucus of the Democratic Party of Hawai'i has more than 2,000 enrolled members who are politically active and greatly interested in all issues affecting seniors in the State of Hawai'i and nationally.

We have many houseless kupuna and working families needing safe and affordable housing. This is not a lifestyle that they want or choose. There may be some that may prefer to live outdoors but conditions are harsh and not suited for elderly or sick individuals. I have supported Josh Green for Governor based on his promise of Kauhale Villages on ALL Islands.

Please give this bill your utmost attention and SUPPORT. It is vital for the overall wellbeing of our community.

Thank you very much for the opportunity to testify on this bill.

Barbara Penn
on behalf of the
Kūpuna Caucus of the Democratic Party of Hawai'i
bpenn200@outlook.com 808-652-9478



The Institute for Human Services, Inc.
Ending the Cycle of Homelessness

TO: Honorable Rep. Luke A. Evslin
Chair, House Committee on Housing

Honorable Rep. Tyson K. Miyake
Vice Chair, House Committee on Housing

FROM: Angie Knight, Community Relations Manager
IHS, Institute for Human Services, Inc.

RE: HB 431 HD1 - Relating to Housing

DATE: February 10, 2025

POSITION: IHS supports the passing of HB 431 HD1

IHS, The Institute for Human Services, supports the passing of HB431. Since it began in 2016, the Kauhale Initiative has been able to establish temporary housing and shelter for a wide range of individuals experiencing homelessness. The flexibility of the initiative means that as a continuum of providers, we can hone in on specific populations and address specialized needs, helping more individuals get into shelter and off the streets and further on their path to permanent housing, such as formerly homeless families, those in substance use recovery, reentry following incarceration, and more.

Expanding the budget for the Kauhale Initiative allows current providers' operating sites to have stability for programs to help individuals within their care and more in the coming years. Moreover, it allows the creation of new sites with different focus populations. Moreover, creating a special fund to promote the development of permanent supportive housing addresses one of our community's current bottlenecks: individuals ready for permanent housing but with few options for the supportive services they need at their often fixed income rate.

Mahalo, thank you for the opportunity to testify and support the passing of this critical legislation to fund part of our homeless service's continuum of care.



Senate Committee on Housing

Hearing: Wednesday, February 12th, 2025

TESTIMONY IN SUPPORT OF HB431: RELATING TO HOUSING.

The Hawaii State Youth Commission (HiYC) was established to “advise the governor and legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the state.” We are writing in support of HB431.

The youth of today are faced with the issue of affordable housing. It has been known for a while that the state of Hawai'i has one of the highest costs of living in the country. As this problem only grows in size, so does our worry for the fates of our youths in the state, as we are the upcoming generation that will be entering the workforce and will soon be looking for homes of our own.

This is why it is concerning to us, as youth, that our state does not have enough legislation and social programs in place to help the people who are already, or at risk of being, houseless in the state. Social programs like the Kauhale project are meant to act as a safety net for our people in times of great need, acting as a community that gathers together to build better foundations.

We believe that the housing crisis is a generational matter. Therefore, if nothing is done about this quickly, it will disproportionately impact the upcoming generation of youths, who will need all the support we can get. It is the government's responsibility to protect and serve the people of Hawai'i, especially our youth. For this reason, we urge the Committee to pass this bill, and we believe that this can be a great benefit to the at-risk youth of the state.

Thank you for your consideration of our testimony in support of this important bill,

The Hawai'i State Youth Commission.

hawaiistateyc@gmail.com



HAWAI'I COMMUNITY FOUNDATION

TO: House Committee on Housing
Representative Luke A. Evslin, Chair
Representative Tyson K. Miyake, Vice Chair; and
Members of the Committee

FROM: Micah Kāne, Chief Executive Officer & President

RE: Testimony in Support for HB 431 HD 1 Relating to Housing

Date: Wednesday, February 12, 2025 at 9:00am

Place: Hearing Room 430

The Hawai'i Community Foundation (HCF) supports HB 431 HD 1, which continues to fund and support the Kauhale Initiative to provide creative solutions to combat homelessness. In addition, the bill bolsters the state's efforts to create safe supportive housing options for the community.

HCF's CHANGE Framework identifies six essential sectors for commitment to create a better Hawai'i. The goals of HB 431 HD 1 fit within both the "C" sector for Community-Centered Economy and "H" sector for Health and Wellness.

Hawai'i faces one of the highest homelessness levels of any state, currently experiencing a rate of more than 40 houseless residents per 10,000 individuals. The high cost of living, relative low wages, and limited housing supply create a challenging environment that push many individuals and families to make difficult choices about how to spend their limited resources. Just one financial setback can be the difference between skipping a meal, forgoing desperately needed medicine, or missing a rental payment. For anyone that loses the security of their own home, it is imperative to find a new, stable shelter as quickly as possible.

The Kauhale Initiative is just the type of solution that Hawai'i needs. It promotes cost-effective shared spaces, that allow residents to take ownership and responsibility for the physical place and each other. By expanding this program, the state can provide a greater safety net for the most vulnerable population. Furthermore, the supportive housing programs facilitate care and treatment opportunities for individuals with disabilities, those dealing with mental health illnesses, others battling substance abuse, and more. These services are critical to facilitate healing and stability.

HCF supports the Kauhale Initiative because it has already demonstrated success. By appropriating additional funds, the state can continue its efforts to reduce homelessness and demonstrate the care and compassion that is appropriate when assisting people that are facing these tremendous challenges.

Thank you for considering HCF's testimony in support of HB 431 HD 1. Homelessness is a critical issue for all of Hawai'i and the potential benefits of these sensible programs will be felt far and wide.



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice

Support for HB431 HD1 - Relating to Housing

House Committee on Housing

Wednesday, February 12, 2025 at 9:00AM Conf. Rm. 430 and via Videoconference

Mahalo for the opportunity to testify in **strong support of HB431 HD1**, which would establish and appropriate funds into the Supportive Housing Special Fund and appropriate funds for the state's Kahaule initiative. This bill represents a critical step toward reducing chronic homelessness, promoting public health, and enhancing social stability

Hawai'i has **one of the highest per capita homelessness rates** in the nation, with the **2024 Point-in-Time Count** reporting **6,389 individuals experiencing homelessness** statewide. There is an urgent need to support our unsheltered community.

HB431 HD1 recognizes that housing is the solution to houselessness. The Kahaule Initiative facilitates the rapid development of transitional and bridge housing options to help people move off the streets into stable shelter. By appropriating funds for this initiative, HB431 HD1 enables the state to continue providing flexible, community-driven housing models that address short-term housing needs.

While these temporary solutions are essential, *permanent* deeply affordable housing remains key to ending homelessness. The state will be able to provide such units through the establishment and appropriations of the Supportive Housing Special Fund under HHFDC to fund three critical components:

1. Cost of development of supportive housing units.
2. Cost of operations and maintenance, including rental assistance.
3. Cost of provision of supportive services.

The SHSP will improve coordination between housing development, rental assistance, and support services to create an effective and transparent system for service providers, developers, and vulnerable populations. These target populations include homeless individuals, domestic violence victims, kupuna, disabled persons, youth, veterans, and other groups with acute needs.

The SHSF will facilitate the development of mixed-income rental housing projects with dedicated units for supportive housing. By integrating supportive units into broader housing developments, HHFDC will be able to ensure fiscal viability. Mixed-income rental housing also allows these individuals to live alongside diverse populations, which is critical to supporting long-term stability. With the addition of funds being able to be used for rental assistance, the SHSF enables deep affordability for individuals who would otherwise not be able to afford shelter.



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
Support for HB431 HD1 - Relating to Housing
House Committee on Housing
Wednesday, February 12, 2025 at 9:00AM Conf. Rm. 430 and via Videoconference

Supportive housing programs have placed hundreds of homeless families and those at risk into safe housing. The supportive, wraparound services include essential services such as case management, counseling, and employment support to help tenants overcome barriers to permanent housing and independence.

Studies consistently show that when individuals gain access to stable housing, they are more likely to voluntarily engage in substance use disorder treatment, mental health services, and other economic mobility opportunities. Housing First programs nationwide report that 50-60% of residents participate in substance abuse treatment when services are provided, demonstrating the critical role of supportive housing in promoting self-sufficiency and well-being.

Stable housing leads to better health outcomes and reduces reliance on emergency services, while fostering community well-being and public safety. Continued state investment in housing-first solutions is essential for building a resilient, inclusive, and healthy Hawai'i. We urge the committee to pass HB431 HD1.

Mahalo for the opportunity to testify.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 430
Friday, February 7, 2025 AT 9:00 A.M.

To The Honorable Representative Luke A. Evslin, Chair
The Honorable Representative Tyson K. Miyake, Vice Chair
Members of the Committee on Housing

SUPPORT HB431 HD1 RELATING TO HOUSING

The Maui Chamber of Commerce **SUPPORTS HB431 HD1** which appropriates funds for the Kauhale Initiative; and establishes and appropriates funds into and out of the Supportive Housing Special Fund.

The Chamber recognizes that Hawaii has the highest homelessness rate per capita in the nation. The 2024 Point In Time Count reported a total of 6,389 individuals experiencing homelessness in the State. The majority are on Oahu, with 4,494, followed by Hawaii (718), Maui (654), and Kauai (523).

As we have stated previously, housing remains a critical need across the state, and particularly in Maui County. We are excited about the Kauhale Initiative and are encouraged to see a number of these communities beginning to take shape throughout the state.

Addressing the housing crisis and rising rents requires a combination of solutions, and we are hopeful that more Kauhale will be developed on Maui.

For these reasons, the Maui Chamber of Commerce fully **supports HB431 HD1** and respectfully urges its passage.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



PACIFIC HOUSING
ASSISTANCE CORPORATION

888 Iwilei Road, Suite 200
Honolulu, Hawaii 96817

In Support of HB431 HD1

Hawaii Rep. Luke A. Evslin, Housing Committee Chair
Hawaii Rep. Tyson K. Miyake, Housing Vice Chair
Members of the Housing Committee

Pacific Housing Assistance Corporation, a Hawaii-based nonprofit, develops and manages affordable housing for very low—to moderate-income families, seniors, and individuals with special needs. Over the past 44 years, we've collaborated with nonprofit service providers to construct, acquire, or renovate 31 projects, offering 338 permanent supportive housing units for very low-income individuals with physical, intellectual, developmental, and severe mental disabilities and other special needs populations.

We strongly support HB431 HD1, which seeks to continue implementing the Kauhale initiative, establish the supportive housing special fund, and allocate critical funding to address the increasing needs of Hawaii's homeless and special needs population.

There is a critical need for affordable rental housing that combines supportive services and rental assistance to promote stability, health, and independence for veterans, formerly incarcerated individuals, domestic violence survivors, people with disabilities, youth aging out of foster care, and others.

This legislation enhances Hawaii Housing Finance and Development Corporation's ability to collaborate with developers to create supportive housing units for stand-alone or mixed-income rental projects. The flexible funding provided through HB431 HD1 will play a key role in supporting development, operational costs, and delivering essential supportive services across the state.

The bill's emphasis on partnerships among government agencies, non-profit organizations, and private sector stakeholders aligns with PHAC's mission to promote sustainable housing solutions. Supportive housing is more than just a response to housing challenges. It is a foundation for building strong, inclusive communities where individuals can thrive.

Thank you for the opportunity to submit testimony in support of HB431 HD1. We appreciate your commitment to ensure Hawaii continues to build on the progress made through the Kauhale initiative and to address the critical housing needs of our most vulnerable residents.

Sincerely,

Audrey E. Awaya
Executive Director

TO: Rep Luke A. Evslin, Chair, Rep. Tyson K. Miyake, Vice Chair

FROM: Donna Miller

SUBJECT: HB431 Relating to Housing

I want to voice support for HB431 with comments.

HB431 appropriates funds for the Kauhale Initiative. Establishes and appropriates funds into and out of the Supportive Housing Special Fund. Establishes the Kauhale Initiative Special Fund.

My sister is 53 years old, diagnosed with intellectually disability and autism. She is a waiver participant. I have been working with her case manager to find housing (domiciliary homes, adult foster homes, etc.) with the proper level of care for her. It has been a challenge to find the right home for her. There is a shortage of available homes for many reasons:

Caregivers are advancing in age and retiring.

Caregivers are not getting needed supportive assistance (PAB Workers)

The raise in minimum wage makes it more challenging to hire workers.

There are not enough homes available to support the adult IDD population.

Due to the shortage of homes, our I/DD population is getting stuck in hospitals and the one crisis shelter on Oahu for an extended amount of time causing strain on these resources. This is causing extending hardship on this vulnerable population that need placement to function at their optimal level. Our I/DD population already has hardships and not having a suitable living arrangement makes their challenges even more difficult.

I urge you to pass this bill to ensure that the needs of individuals with I/DD are prioritized first in Hawai'i's housing solutions. Thank you for the opportunity to submit testimony in support of HB431.

Donna Miller
Kailua Resident

HB-431-HD-1

Submitted on: 2/9/2025 9:30:47 AM

Testimony for HSG on 2/12/2025 9:00:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| David Ball | Individual | Support | Written Testimony Only |

Comments:

To the members of the Committee,

I write in strong support of this measure to strengthen our provision of needed shelter and services to our houseless population. Our society and government are only as strong as our support for our most vulnerable citizens. Thank you for your time and consideration.

Sincerely yours,

David Ball, Waialae-Kahala

HB-431-HD-1

Submitted on: 2/10/2025 8:40:42 AM

Testimony for HSG on 2/12/2025 9:00:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|----------------------|
| Kaili Swan | Individual | Support | Remotely Via Zoom |

Comments:

I am strong support of the measure beacuse people with disabilities need affordable housing to live independently on their own or with their parents or caregivers without living on street in the communities please pass this bill thank you.

Wednesday, February 12, 2025

State Rep. Luke Evslin, Chair, House Committee on Housing

Members of the House Committee on Housing

Testimony in support of H.B. 431, H.D. 1, Relating to Supported Housing

Thank you for this opportunity to provide written testimony on H.B. 431, H.D. 1. My name is Sandra Oshiro, and I coordinate the Hawaii Young Adults in Transition, a support group for individuals on the autism spectrum and their families.

H.B. 431 seeks to serve populations in the state who are homeless or in danger of homelessness. Among them are those with intellectual or developmental disabilities, including individuals with autism spectrum disorder (ASD) such as my daughter. ASD is a growing health issue and a lifelong disability. The U.S. Centers for Disease Control and Prevention estimates that it now affects 1 in 36 people.

Many adults on the autism spectrum have difficulty finding employment and housing because of intellectual, communication, and mental health challenges. Without the support of family members, including aging parents who will soon be unable to care for them, individuals with ASD can find themselves living on the streets.

By funding supportive housing, this bill helps ensure individuals with disabilities receive not just shelter, but also essential wraparound services such as case management, job training, and healthcare access. Current affordable housing programs, while important, often lack accommodations that serve the needs of people with IDD. The bill would ensure funding is available to create and sustain housing with built-in supports. Given stable, supported housing, individuals with IDD can contribute to their communities through employment, volunteerism, and civic engagement.

The bill's flexibility in funding mixed-income rental projects helps ensure that IDD individuals are integrated into the community rather than segregated in siloed housing. The proposal aligns with federal priorities such as the Olmstead decision, which mandates community-based living for individuals with disabilities whenever appropriate.

States that have invested in supportive housing for IDD populations have seen long-term success in reducing homelessness and improving individuals' quality of life. We urge you to support H.B. 431 as a necessary step toward ensuring stable, inclusive, and sustainable housing for people who are among the most vulnerable in our communities.

Thank you,

Sandra Oshiro

ssoshiro@gmail.com