

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

January 22, 2025

TO: The Honorable Senator Stanley Chang, Chair
Senate Committee on Housing

FROM: Ryan I. Yamane, Director

SUBJECT: **SB 65 – RELATING TO HOUSING.**

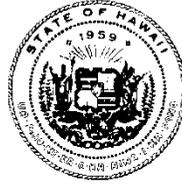
Hearing: January 23, 2025, 1:30 p.m.
Conference Room 225, State Capitol & Videoconference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the measure's intent and defers to the Hawaii Public Housing Authority (HPHA) for the general fund appropriation amount. As a source of low-income and affordable housing in Hawaii, maintaining and upgrading the existing public housing inventory is important to maintain housing stability for eligible low-income residents. DHS supports HPHA's executive budget requests that include additional items and means of financing, including appropriations for two capital improvement requests of \$68,000,000 in bond funds (C) for the Ka Lei Momi Project. DHS respectfully requests that any appropriation included in this measure does not reduce a budget request in the executive biennium budget.

PURPOSE: Appropriates moneys to the Hawaii Public Housing Authority for the rehabilitation, remodeling, renovation, and repair of housing units.

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

JOSH GREEN, M.D.
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

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

IN REPLY, PLEASE REFER TO:

Statement of
Hakim Ouansafi, Executive Director
Hawaii Public Housing Authority

Before the
SENATE COMMITTEE ON HOUSING

Thursday, January 23, 2025
1:30 PM – Room 225, Hawaii State Capitol

In consideration of
SB 65
RELATING TO HOUSING

Honorable Chair Chang and members of the Senate Committee on Housing, thank you for the opportunity to provide testimony on Senate Bill (SB) 65, which appropriates funds to the Hawaii Public Housing Authority for the rehabilitation, remodeling, renovation, and repair of housing units. The HPHA **strongly supports** the passage of this measure and is grateful to the Legislature for its steadfast commitment to addressing Hawaii's housing needs.

The HPHA is dedicated to providing Hawaii's residents with safe, affordable housing and fostering equitable living environments free from discrimination. Through our public housing and rental assistance programs, we serve some of the state's most vulnerable populations, including families earning less than 30% of the Area Median Income (AMI), individuals with disabilities, and the elderly residents.

The age of Hawaii's public housing inventory presents significant challenges. Many properties were constructed over 50 years ago and require extensive updates to remain safe and habitable, and the HPHA faces a capital needs backlog of approximately \$720 million. Additional funding is urgently needed to address this backlog and to ensure public housing units remain safe, decent and sanitary and available to those who need them most. As the HPHA relies on federal funding for approximately 90% of its operations, and as this funding is tied to

unit occupancy, the rehabilitation of vacant units is critical to maximizing federal support. The U.S. Department of Housing and Urban Development (HUD) does not subsidize vacant units, and HPHA's administrative fees to pay staff are also tied to occupancy, compounding the urgency of this work.

The Legislature's support over the past two years, combined with Governor Green's prioritization of affordable housing, has led to remarkable progress in reducing the number of vacant public housing units. In the past year alone, 214 units were rehabilitated and made available to our most disadvantaged families. This funding would build on that momentum by addressing critical rehabilitation needs such as lead abatement, electrical and plumbing upgrades, roof replacements, spall repairs, painting, unit modernization, and compliance with the Americans with Disabilities Act (ADA). While ADA compliance remains a significant expense, the average cost of renovating a unit, excluding ADA-related improvements, is approximately \$73,000.

The HPHA remains deeply appreciative of the Legislature's dedication to advancing affordable housing and addressing the needs of Hawaii's most vulnerable residents. With your continued support, the passage of SB 65 would allow us to further our mission of providing safe, decent, and affordable housing for those in need.

Thank you again for your thoughtful consideration of this measure and for your unwavering commitment to supporting public housing in Hawaii. We look forward to continuing our partnership to improve the quality of life for all residents.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 65: RELATING TO HOUSING

TO: Senate Committee on Housing

FROM: Tina Andrade, President and CEO, Catholic Charities Hawaii

Hearing: **Thursday, 1/23/25; 1:30 pm; Room 225 & Videoconference**

Chair Chang, Vice Chair Hashimoto, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in Support of SB 65**, which appropriates funds to the Hawai'i Public Housing Authority (HPHA) for the rehabilitation, remodeling, renovation, and repair of housing units. I am Tina Andrade with Catholic Charities Hawaii

Catholic Charities Hawaii (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. Creating affordable housing and ending homelessness are our top priorities.

We support this funding since this will expedite opening up affordable rental units which can assist to house homeless persons and many elders who face homelessness. The HPHA offers the most affordable housing available to the community. Tenants pay only 30% of their incomes for rent. This makes these units affordable even to homeless persons, seniors struggling with limited income, and very low-income families. However, many units cannot be occupied due to health and safety issues in the units. These units must be brought into shape ASAP to house our state's residents with extremely limited incomes.

These units are "low hanging fruit" that should be immediately repaired to add them to our inventory of safe and decent housing. These units do not need to wait years for permits or construction. Legislative funding could make them available very fast compared with funding for new construction.

Catholic Charities Hawaii urges your support for this bill. Please approve significant funding that will bring hope to so many local families and kupuna.

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

