



**EXECUTIVE CHAMBERS**  
HONOLULU

**DAVID Y. IGE**  
GOVERNOR

February 20, 2020

**TO:** The Honorable Senator Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means

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

**SUBJECT: SB2952 SD1 – RELATING TO HOUSING**

Hearing: Thursday, February 20, 2020, 10:35 a.m.  
Conference Room 211, State Capitol

**POSITION:** The Governor's Coordinator on Homelessness supports this bill provided that its passage does not replace or adversely impact budget priorities.

**PURPOSE:** The purpose of the bill is to appropriate funds to the Hawaii Public Housing Authority (HPHA) for the state rent supplement program.

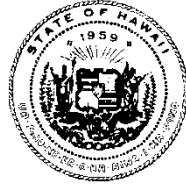
The Hawaii Interagency Council on Homelessness (HICH), a 27-member advisory council chaired by the Coordinator, recently voted to prioritize sustained funding commitments for affordable rental housing as a part of its 2020 legislative priorities to address homelessness. The Coordinator notes that the state rent supplement program is an effective tool in addressing the affordability of housing and reducing and preventing homelessness.

The state rent supplement program provides a shallow rent subsidy for households that are low-income and would not otherwise be able to cover the full cost of rent on their own. Because the level of funding for the state rent supplement program is capped at a maximum of \$500 per month per household, the program can address a large number of households and is one of the more cost-effective programs to address homelessness. In addition to directly assisting homeless individuals and families to access housing, the state rent supplement program prevents homelessness for households that – but for the additional funding provided by the program – find themselves at imminent risk of homelessness.

Homelessness remains one of the most pressing challenges facing Hawaii. The lack of available and affordable rental inventory is a barrier to homeless individuals and families. This barrier cannot be addressed solely by an increased investment in services, such as Housing First or Rapid Re-Housing, and requires a similar level of investment in building new inventory to meet statewide demand.

Thank you for the opportunity to testify on this bill.

DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

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**STATE OF HAWAII**  
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Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**SENATE COMMITTEE ON WAYS AND MEANS**

**Thursday, February 20, 2020**  
**10:35 AM - Room 211, Hawaii State Capitol**

In consideration of  
**SB 2952, SD1**  
**RELATING TO HOUSING**

Honorable Chair Dela Cruz and Members of the Senate Committee on Ways and Means, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2952, SD1, relating to housing.

The Hawaii Public Housing Authority (HPHA) **strongly supports** the enactment of SB 2952, SD1, which appropriates funds for the state rent supplement program (RSP).

The RSP is a State funded program that was originally set up to assist middle-income families, who were not threatened by poverty, but were not economically sound to afford the high cost of living in Hawaii. The program was originally designed to assist teachers, policemen, and firemen. The program was later extended to include the general-public and has a maximum rental subsidy of \$500. This program is the most impactful and cost-effective program in homelessness prevention as it keeps its participants housed and employed and is currently keeping out of homelessness 77% of the participants who are age 50 and over and 58% who are elderly families.

The RSP program is facing a deficit of approximately \$750,000 for the upcoming fiscal year. The HPHA hopes that the Legislature can provide the funding needed to continue assisting the current families who are using this financial support to avoid homelessness. Please note that the HPHA has finalized its Administrative Rules and have a mechanism in place to terminate existing families from the program should there be a funding shortfall due to competing priorities. Similarly, if the Legislature wishes for the HPHA to open its waitlist to assist additional new families, please know that with this appropriation, approximately 1,000 of the most vulnerable families will be able to keep their rental housing for a year. The HPHA would also humbly request an additional position to administer the program.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony regarding SB 2952, SD1. We thank you very much for your dedicated support.





# PARTNERS IN CARE

## Oahu Continuum of Care

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

### Testimony in Support of SB 2952 SD1: Relating to Housing

TO: Committee on Ways and Means  
FROM: Partners in Care (PIC)  
HEARING: **Thursday, February 20, 2020 at 10:35 pm**, Conference Room 211

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Ways and Means Committee,

Thank you for the opportunity to provide testimony in **strong support of SB 2952 SD1**, which provides funding to expand the Hawaii Public Housing Authority (HPHA) Rent Supplement Program (RSP). **We urge that any additional funding be added to the base budget of the HPHA.** Partners in Care (PIC), a coalition of more than 60 organizations working to address homelessness, **strongly supports this bill.**

The HPHA Rent Supplement Program (RSP) is an effective homeless prevention program that provides ongoing monthly shallow rental subsidies for various households. These subsidies range up to \$500/month, with about \$410 being the average subsidy. In 2017, Aloha United Way released the Asset Limited Income Constrained, Employed (ALICE), report. It showed that 48% of households in Hawaii were either living pay check to pay check or are under the Federal Poverty line. RSP is vital! It can prevent homelessness and keep people in their homes, such as ALICE households.

RSP is a cost efficient long term program that needs to be expanded. It is often closed to new applicants due to funding constraints. When RSP opened their waitlist in 2016, 1,578 applications were submitted during a three day period. Only 232 of those applications were funded. There is an extremely low turnover rate with less than five households per month being closed.

This is a proven, effective program that can easily be scaled up. The expansion of the RSP can help to stop the flow of new homeless households entering the system. Providers have seen some months where fifty households will exit homelessness but fifty new households enter the system. A strong multi-pronged prevention program is needed and RSP is one aspect.

**Suggest amendment:** In order to efficiently and effectively manage an increase in funding, this program will need additional staff. Hawaii has one of the highest rates of chronically unsheltered homeless per capita, thus, more clients will be seeking this assistance. We urge your Committees to add wording to provide adequate staffing to enable more people to benefit from this program.

**We urge your support for \$5.0 million to expand the Rent Supplement Program and to add all funding into the base budget of the Hawaii Public Housing Authority.**

Thank you for listening to our concerns. If you have questions, please contact our Advocacy Chair, Gavin Thornton, (808) 366-7875

**PARTNERS IN CARE, c/o Aloha United Way**  
**200 North Vineyard • Suite 700 • Honolulu, Hawaii 96817 • [www.PartnersinCareOahu.org](http://www.PartnersinCareOahu.org)**



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF SB 2952 SD1: RELATING TO HOUSING

TO: Senator Donovan M. Dela Cruz, Chair, Senator Gilbert S. C. Keith-Agaran, Vice Chair; and Members, Committee on Ways & Means  
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
Hearing: **Thursday, 2/20/20; 10:35 AM; Room 211**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members, Committee on Ways & Means:

Thank you for the opportunity to provide testimony **in strong support** of SB 2952 SD1, which provides funding to the State Rent Supplement Program at the Hawaii Public Housing Authority. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are a member of Partners in Care.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. *Our Housing Assistance Program for elders finds that many of our clients who are homeless or at the point of homelessness could rapidly be housed with the type of ongoing rental subsidy proposed in this bill.*

**Suggested Amendment:** A large expansion of this program will require additional staffing. We urge you to add language to increase staffing so that more struggling residents can benefit from these ongoing rental subsidies.

Skyrocketing housing costs are a serious threat to Hawai'i's kupuna living on fixed incomes. One elderly veteran came to CCH after being homeless for 14 years. He was unable to afford a unit even though he was willing to share with a friend, also a homeless elder. Their salvation was an ongoing rental subsidy which got them a unit where they no longer had to spend much of their budget on buying ice daily and eating out due to no place to cook. These kupuna were overwhelmed with gratitude that they would not have to weather gusty winds and could take a hot shower. Struggling families who are one pay check away from homelessness would also greatly benefit from an expansion of the Rent Supplement Program.

More elders are experiencing homelessness. Some estimates predict that the number of homeless elders **will triple over the next 10 years!** We need to take action now to prevent this crisis.

Catholic Charities Hawaii supports a **\$5 million** appropriation. A minimum of \$750,000 is needed just to continue subsidies to current recipients who may be frail elders, formerly homeless and struggling families. We urge that **any increase in funding be put into the base budget of the Hawaii Public Housing Authority for the State Rent Supplement Program.** This is critical. A one year allocation would put the recipients at great risk of homelessness if their subsidy ends after one year for lack of funds.

We urge your support to prevent homelessness. Please contact our Legislative Liaison, Betty Lou Larson, at 373-0356 or [bettylou.larson@catholiccharitieshawaii.org](mailto:bettylou.larson@catholiccharitieshawaii.org) with any questions.

