

EXECUTIVE CHAMBERS HONOLULU

February 8, 2022

TO: The Honorable Representative Nadine K. Nakamura, Chair

House Committee on Housing

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

SUBJECT: HB 1826 – RELATING TO HOMELESSNESS.

Hearing: Tuesday, February 8, 2022, 9:30 a.m.

VIA VIDEO CONFERENCE

<u>POSITION</u>: The Governor's Coordinator on Homelessness supports the intent of this measure and respectfully offers comments. The Coordinator defers to the Hawaii Public Housing Authority (HPHA).

If this measure proceeds, the Coordinator requests that its passage not replace or adversely impact priorities indicated in the executive budget request.

<u>PURPOSE</u>: The purpose of the bill is to establish the long-term rental assistance pilot program to be administered by HPHA for individuals over sixty-two years old who are homeless, or at imminent risk of becoming homeless. The bill also appropriates funds for fiscal year 2022-2023 for the program, including two full-time public housing specialist positions.

This measure will address a key barrier to housing for seniors over age 62, including those experiencing homelessness or at risk of homelessness, by providing ongoing subsidies for rental housing. The Coordinator notes nearly one-third (27%) of renter households in Hawaii are severely housing cost-burdened, meaning that over half of their monthly income goes to rent and utilities. The housing cost burden is especially acute for seniors on a fixed income, such as Social Security or disability benefits, with limited family support.

As currently drafted, it is unclear whether the long-term rental assistance pilot program will provide shallow or deep rental subsidies for the population served. A <u>recent U.S.</u>

Department of Housing and Urban Development (HUD) policy brief¹ describes shallow subsidies as providing a lower level of assistance than deeper subsidies provided by the Section 8 Housing Choice Voucher program or permanent supportive housing. According to the HUD brief, shallow subsidies are often based on a set monthly amount. For example, HPHA currently administers shallows subsidies through the State Rent Supplement program that provides up to \$500 per month of rental assistance per household. If this measure proceeds, the Coordinator suggests the Legislature clarify what level of subsidy will be provided. A shallow subsidy will likely result in a greater number of households served.

Page 4, lines 6-9 state that HPHA "shall require the long-term rental assistance program participants to participate in the Continuum of Care's Coordinated Entry System for homeless services." The Coordinator notes that there is not currently a mechanism for individuals at risk of homelessness that are unstably housed to access the Coordinated Entry System (CES), as the system is currently designed for individuals experiencing literal homelessness as defined by HUD. If this measure proceeds, the Coordinator suggests changing the word "shall" on page 4, line 6 to "may" to encourage participation in the CES, rather than require it.

Thank you for the opportunity to testify on this measure.

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¹ Policy brief available at: https://files.hudexchange.info/resources/documents/COVID-19-Homeless-System-Response-Shallow-Rental-Subsidies.pdf. 3



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

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON HOUSING

Tuesday, February 8, 2022 9:30 AM – Room 423, Hawaii State Capitol

In consideration of
HB 1826
RELATING TO HOMELESSNESS

Honorable Chair Nakamura, and Members of the House Committee on Housing, thank you for the opportunity to provide testimony concerning House Bill (HB) 1826, relating to homelessness.

The Hawaii Public Housing Authority (HPHA) **supports** the enactment of HB 1826, which establishes the long-term rental assistance pilot program to be administered by the HPHA for individuals over sixty-two years old who are homeless, or at imminent risk of becoming homeless, so long as it does not adversely affect the Governor's Supplemental Budget.

The HPHA would truly appreciate the opportunity to administer the long-term rental assistance pilot program and has the expertise and track record to collaborate with the non-profit community to develop and manage this program to assist our most disadvantaged kupuna. The HPHA stands ready to assist the Legislature in this endeavor and looks at this measure as an opportunity to be part of the overall solution needed to address all housing and homeless related issues in Hawaii.

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

DAVID Y. IGE GOVERNOR OF HAWAII

ELIZABETH A. CHAR, M.D. DIRECTOR OF HEALTH



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STATE OF HAWAII EXECUTIVE OFFICE ON AGING

NO. 1 CAPITOL DISTRICT 250 SOUTH HOTEL STREET, SUITE 406 HONOLULU, HAWAII 96813-2831

Testimony COMMENTING on HB1826 Relating to Homelessness

COMMITTEE ON HOUSING REPRESENTATIVE NADINE K. NAKAMURA, CHAIR REPRESENTATIVE TROY N. HASHIMOTO, VICE CHAIR

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: February 8, 2022 Room Number: 423 yia Videoconference

- EOA's Position: The Executive Office on Aging (EOA), an attached agency to the Department
- of Health, provides comments on HB 1826, Relating to Homelessness.
- 3 **Fiscal Implications:** This measure appropriates an unspecified amount of funds from the
- 4 general revenues of the State for fiscal year 2022-2023 to the Hawaii Public Housing Authority
- 5 for a long-term rental assistance pilot program for older adults who are over sixty-two years of
- 6 age and are homeless or at eminent risk of becoming homeless. The measure also includes two
- 7 full-time equivalent (2.0 FTE) public housing specialist positions within the Hawaii public
- 8 housing authority to support the rental assistance pilot program.
- 9 **Purpose and Justification:** The purpose of this bill is to establish the long-term rental assistance
- pilot program for kupuna. Many of Hawaii's kupuna are on fixed incomes and with the high cost
- of housing in Hawaii, many kupuna are forced to cut back on essential expenses, such as food,
- transportation, and medical care to just afford their housing needs. Any setback in our Kupuna's

- income can put them at risk for becoming homeless. Creative, long-term, affordable housing
- 2 options and creative, alternative housing strategies are direly needed to prevent our financially
- 3 struggling kupuna to prevent homelessness.
- 4 **Recommendation**: The EOA supports the intent of this measure for the Hawaii Public Housing
- 5 Authority to develop a long term rental assistance pilot program that will prevent Hawaii's low
- 6 income Kupuna from becoming homeless.
- 7 Thank you for the opportunity to testify.

EMPLOYEES' RETIREMENT SYSTEM
HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER



STATE OF HAWAI'I
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150 HONOLULU. HAWAI'I 96810-0150 CRAIG K. HIRAI

GLORIA CHANG DEPUTY DIRECTOR

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

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HOUSING
ON
HOUSE BILL NO. 1826

February 8, 2022 9:30 a.m. Room 423 and Videoconference

RELATING TO HOMELESSNESS

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

House Bill No. 1826: 1) establishes the Long-Term Rental Assistance Pilot Program (LTRAPP) in the Hawai'i Public Housing Authority (HPHA) for a period of three years; 2) sets requirements for program eligibility, participation, and services provided; 3) sets a cap on the amount of rent a participant will pay to no more than 50% of net income; 4) provides HPHA procurement and rule-making exemptions; 5) sets reporting requirements for HPHA; and 6) appropriates an unspecified amount of general funds to HPHA in FY 23 to hire 2.00 public housing specialist positions and administer the LTRAPP.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

TESTIMONY IN SUPPORT HB 1826 RELATING TO HOMELESSNESS

TO: House of Representatives, Committee on Housing,

FROM: Partners In Care (PIC)

Hearing: Tuesday, February 8th, 2022, 9:30 am via videoconference

Position: SUPPORT

Chair Nakamura and Members of the House Committee on Housing:

Partner In Care, Oahu's Continuum of Care, stands in <u>support</u> of **HB 1826 RELATING TO HOMELESSNESS.**

Kupuna have a deep and honored position in our Hawaii community. Our Kupuna should be honored and respected and should be seen as living treasures, but that is not the case for so many of our senior community members. Due to the high cost of living in Hawaii, we are pricing our Kupuna out of housing and much of their support system is moving away from the islands.

Partners In Care has assisted many seniors with housing assistance and this is one of the most difficult populations to find housing for due to their fixed income and complex health needs. This measure proposes housing assistance that will allow seniors 62 years of age and older that does not exceed 50%. We should continue to work to get more affordable senior housing in our community. Hawaii has a large aging population and we need to recognize this and support our Kupuna.

Our Kupuna deserve better, our elders deserve affordable housing so that they can be a resource and a teacher for our generation and beyond.

Thank you for the opportunity to testifying on this measure. Please do not hesitate to contact us if you have any questions.

Aloha



CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF HB 1826: RELATING TO HOMELESSNESS

TO: House Committees on Housing

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i **Hearing:** Tuesday, February 8, 2022; 9:30 am; via videoconference

Chair Nakamura, Chair Hashimoto, and Members, Committee Housing:

Thank you for the opportunity to provide testimony in Strong HB 1826, which would establish a long-term rental assistance pilot program, administered by the Hawaii Public Housing Authority, for individuals over sixty-two years old who are homeless, or at imminent risk of becoming homeless. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners In Care (PIC). This bill is a critical step forward in enabling our elders to obtain safe and affordable housing.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for 75 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. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

We respectfully suggest <u>amending the age criteria in this bill to</u>: "individuals who are 62 years of age or older". This would match the age criteria (62 or older) for many senior affordable rental projects. It would give seniors struggling to pay rent the opportunity to apply for these projects at age 62. We strongly support the housing counseling and landlord assistance provided for in this bill. This bill targets the most vulnerable elders who often need this support to access housing. We also strongly support funding for two full-time public housing specialist positions within the Hawaii Public Housing Authority.

Catholic Charities Hawai`i has a Housing Assistance Program that counsels and assists elders to obtain affordable housing. Our biggest challenge is the lack of rentals that our clients can afford on their low incomes. This Program currently has 53 seniors who are over 62 on our urgent waitlist (homeless or at imminent risk of homelessness). The average age is 75 years old! They are often long term renters who have been displaced. D. is homeless and living in a car since 2018, since he could not stay where he had been living. DW's lease ended and could not could not afford a new rental due to low income, so is living in a van. C's brother died and the heirs want her out in a few months. These sad stories go on and on.

The high cost of living and rising rents are pushing elders out of housing. The economic stress of homelessness and the anxiety of facing no place to go when a lease ends or rent is increased, can have a huge impact on elders' health. Our elders deserve a decent place to live and a rent they can afford. This bill will help to accomplish this. We urge your support.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.









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The State Legislature
The House Committee on Housing
Tuesday, February 8, 2022
9:30 a.m.



TO: The Honorable Nadine Nakamura, Chair

RE: Support for H.B 1826, Relating to Homelessness

Aloha Chair Nakamura and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with over 140,000 members in Hawai'i. **AARP supports H.B. 1826** which establishes the pilot long-term rental housing assistance program for individuals over sixty-two years old who are homeless or at imminent risk of becoming homeless.

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. Until recently, the federal relief funds have assisted many residents with their housing expenses during this COVID-19 pandemic. However, those funds are diminishing or have stopped which now put many at risk in losing their place of residence. According to 2021 Statista/AARP analysis of census data available by United States Census Bureau (USCB), there were 310 evictions and 2,150 homeless among Hawaii residents 55 years and older. The 2022 forecast is grimmer. It shows that the number of evictions for older residents will jump from 310 to 1,050, and homeless kūpuna will rise to 2,980. It is essential to assist older adults from facing housing crisis and therefore, the proposed H.B. 1826 will help many vulnerable kūpuna from being displaced from their residence.

AARP supports this measure and recommends an amendment in Section 2 (a) (2), which states "individuals participating in the program should not pay more than 50% of their income on rent." This typically refers to the extremely low-income residents being eligible for the subsidy. Since this program is also intended to assist "low-income" kupuna who are rent burdened, we respectfully recommend changing the percentage <u>from 50%</u> to "30%" so that more low-income individuals can qualify for this rental assistance. Thank you very much for the opportunity to **support H.B. 1826.**

Sincerely,

Keali`i S. López State Director **HB-1826**

Submitted on: 2/7/2022 11:04:28 AM

Testimony for HSG on 2/8/2022 9:30:00 AM



Submitted By	Organization	Testifier Position	Requested
Colleen Rost-Banik	Individual	Support	No

Comments:

Aloha, my name is Colleen Rost-Banik and I'm a resident of Honolulu. I urge you to support HB1826 which would create a rental assistance pilot program for our kupuna who are experiencing houselessness or are at risk of becoming houseless. We need to care for the most vulnerable in society. Please establish this fund to assist with rents, which have unfortunately increased exponentially.

Respectfully, Colleen Rost-Banik