

PATRICIA McMANAMAN DIRECTOR

BARBARA A. YAMASHITA

### STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

P. O. Box 339 Honolulu, Hawaii 96809-0339

January 30, 2014

#### **MEMORANDUM**

TO: The Honorable Mele Carroll, Chair

House Committee on Human Services

The Honorable Della Au Belatti, Chair

House Committee on Health

FROM: Patricia McManaman, Director

SUBJECT: H.B. 1842 – RELATING TO HOUSING

Hearing: Thursday, January 30, 2014; 10:30 a.m.

Conference Room 329; State Capitol

PURPOSE: H.B. 1842 appropriates unspecified funds to the Department of Health and the Department of Human Services for homelessness service programs, mandates the establishment of the return to home program, and transfers the homeless assistance working group from Department of Human Services to the Legislature, and requires the chairpersons of the Committees on Human Services of the Senate and the House of Representatives to convene the homeless assistance working group.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this measure to provide funding for a variety of programs that impact our State's ability to address homelessness.

Regarding Part I of this bill, the DHS defers to the Department of Health.

Regarding Part II, Section 4, the Department appreciates the Legislature's consideration for funding for staffing and administrative expenses for the implementation of this program.

Regarding Part III, Sections 6 and 7, the Department asks that the Legislature support the Department's priorities as requested in the Executive Supplemental Budget submitted by Governor Abercrombie which contains a request for \$1,500,000 for continuation of the Housing First Program. The second year of the State's Housing First program will be favorably impacted by the Department of Health's recent award from the Substance Abuse and Mental Health Services Administration (SAMHSA) grant for intensive support services for unsheltered homeless who have severe psychiatric disabilities and/or co-occurring substance abuse disorders. Legislative support of the Governor's budget request will allow the Housing First program to be operated for a third fiscal year with substantial opportunity for leveraging of funding with the DOH's program.

Part IV of the proposed bill would provide unspecified funding for a homelessness prevention and rapid rehousing program. The Department has yet to implement the Homelessness Prevention and Rapid Re-Housing program funded by the 2013 Legislature due to the lack of staffing resources. We note that the Homeless Programs Office (HPO) already administers HUD funded HPRP funds (totaling approximately \$162,000) on behalf of the Neighbor Islands. The City and County of Honolulu administers the HUD funded HPRP funds (totaling approximately \$560,000) on Oahu. Once a mechanism is established to expend the FY2014 appropriated monies, the DHS will have a vehicle to contract for the implementation of these services.

Regarding Part V, Section 11: HUD requires Continuum of Care permanent supportive housing programs to provide a 25% match (either cash or in-kind) against the total amount of their grant. State matching funds for these programs are utilized by the agencies to meet match requirements and to pay for part of what are essentially very substantial administrative demands. For example, every month providers must not only work with clients placed in housing and ensure support services are provided, but they must also pay landlords for every single person who is housed. Matching funds will assist each provider in achieving their matching requirements, thus enabling the State's providers to continue leveraging HUD funds. The Department notes that the HEARTH Act of 2009 created the Continuum of Care (CoC) program by combining what was formerly the Shelter Plus Care and Permanent Supportive Housing programs. Since the CoC programs all require a 25% match, and because Shelter Plus Care has been subsumed into the CoC programs, it is appropriate for the language in this section to be amended to reflect CoC permanent housing programs versus only Shelter Plus Care. After the Legislature appropriated \$400,000 for the Shelter Plus Care State Match in 2013, the DHS entered into an agreement with the City and County to administer the matching funds for Oahu programs. While DHS does not collect an administrative fee for administering HUD funded programs on behalf of the neighbor islands, the City has indicated that an administrative fee is needed, and should also be authorized.

Regarding Part VI, which mandates the Department to implement a voluntary return to home pilot program to provide eligible homeless individuals with assistance in being reunited with family and relatives in the individual's home state, the Department has substantial reservations including the prescriptive language of the services to be

provided, liability related to the requirements and related costs, the requirement to obtain sufficient identification to enable travel, the cost associated with the acquisition of identification which can, in some cases, be a burdensome procedure requiring the assistance of legal counsel, and the need to verify the individual's arrest, parole, or probation status, and ensure proper clearance to leave the State as this may require extensive interaction with a variety of law enforcement agencies, public defenders, prosecuting attorneys, and others. Finally, the DHS takes exception to the suggestion that homeless persons are in need of "sufficient personal hygiene", as an unnecessary and inappropriate stereotype.

Providing transportation for a homeless individual back to their home state will not guarantee that the individual will not return to Hawaii and again become a consumer of homeless services in our state. The provisions of this bill may also be seen by those who might exploit it, as an invitation to come to Hawaii and partake of homeless services here, with an expectation that they will receive a free trip home.

Regarding Part VII, the Department notes that the Homeless Assistance Working Group (HAWG) as established in Act 222, Session Laws of Hawaii 2013, was successful in engaging different components of the community to address homelessness and its solutions. We would note that the Hawaii Interagency Council on Homelessness (HICH) is tasked with much of the same work as HAWG, and the HICH has successfully embarked on an ambitious agenda to end homelessness. The HICH statewide plan as well as systemic changes to the provision of homeless services (aligned with national initiatives and evidence based practices such as Housing First) are being implemented. The HAWG is duplicative of the intent of the HICH. The

consolidation of the efforts of the HAWG into the HICH would be a more effective use of resources.

The DHS respectfully requests that the Legislature provide additional staffing and resources sufficient to support any additional programs and services it wishes the HPO to implement and administer. The HPO struggles to keep pace with its current workload and as noted in the 2013 DHS Single Audit report, the current HPO staff of the Program Administrator, two clerical staff, and three program specialists, were insufficient to properly oversee and administer its myriad of contracts. The HPO gratefully acknowledges the Legislature's authorization of an additional program specialist position last session, and the HPO is aggressively working to establish that position. Any new additions of programs and services will, however, necessitate additional staffing.

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

NEIL ABERCROMBIE

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GARY L. GILL ACTING DIRECTOR OF HEALTH

In reply, please refer to:

## House Committees on Human Services and Health H.B. 1842, Housing

#### Testimony of Gary L. Gill Acting Director of Health January 30, 2014

- 1 **Department's Position:** The Department of Health (DOH) appreciates the intent of this measure
- 2 provided that its enactment does not reduce or replace priorities within our Executive Supplemental
- 3 Budget Request for Fiscal Year 2014-2015.
- 4 **Fiscal Implications:** Sections 2 and 3 appropriate unspecified sums for substance abuse treatment and
- 5 mental health support services for individuals who are homeless or at risk of becoming homeless, and
- 6 clean and sober housing support services, respectively.
- 7 **Purpose and Justification:** Sections 2 and 3 of the measure appropriate unspecified sums, to be
- 8 expended in Fiscal Year 2014-2015 by DOH for substance abuse treatment and mental health support
- 9 services and clean and sober housing support services.
  - Persons affected by substance use and mental health are at higher risk for homelessness, chronic health conditions, involvement in the criminal justice system, social isolation and often become high users of health care services. Programs that provide dual treatment focus both on the substance and on mental health stabilization. Treatment episodes are generally longer in duration and more comprehensive; typically, providing more positive client outcomes and a higher rate of long term

recovery. Long term recovery is also strongly tied to stable housing that is drug and alcohol free.

Stable housing is a critical component in the continuum of substance abuse treatment and 1 recovery. Approximately 17 percent of clients served by ADAD contracted providers did not have 2 stable housing at admission. At discharge and follow-up, unstable housing status was reduced to 3 14 percent and 7 percent, respectively. 4 As a member of the Governor's Hawaii Interagency Council on Homelessness which is 5 comprised of community leaders, state department directors, and federal agency representatives, DOH is 6 involved with the development of a unified plan on addressing homelessness by increasing transitional 7 8 and permanent housing options and acquiring increased federal funding.

We are aware of the need for clean and sober housing support services for those who are homeless or at risk of becoming homeless. Within DOH, efforts to address homeless clients with mental health, substance use and co-occurring mental illness and substance use disorders are coordinated between the Alcohol and Drug Abuse and Adult Mental Health Divisions to ensure that clients receive appropriate care. It should be noted, however, that as needs are identified and priorities are assigned to address the issue of homelessness, the proposed services in this measure must also be viewed within the context of the Department's Supplemental Budget Request.

Thank you for the opportunity to testify on this measure.

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#### PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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Alan Shinn Laura Smith TO: Rep. Mele Carroll, Chair, Committee on Human Services

Rep. Bertrand Kobayashi, Vice Chair, Committee on Human Services

Rep. Della Au Belatti, Chair, Committee on Health Rep. Dee Morikawa, Vice Chair, Committee on Health

Members, Committees on Human Services & Health

FROM: Scott Morishige, Executive Director, PHOCUSED

HEARING: House Committees on Human Services & Health

Thursday, January 30, 2014 at 10:30 a.m. in Conf. Rm. 329

Testimony in Support of HB1842, Relating to Housing

Thank you for the opportunity to provide testimony in regards to HB1842, which appropriates funds for a range of critical programs aimed at addressing and ending homelessness in Hawaii. PHOCUSED is a statewide coalition of health, housing, and human services organizations committed to strengthening policies and programs that benefit the marginalized and underserved in Hawaii. PHOCUSED **strongly supports** the sections of this bill that provide appropriations to continue the State's existing Housing First and Shallow Subsidy rental assistance programs, and provide match funding for the shelter plus care program.

As a community, it is critical that we support a comprehensive array of programs and services that aid Hawaii's homeless individuals and families in their efforts to obtain and maintain permanent, stable housing.

The programs described in HB1842, such as Housing First not only assist in providing housing stability for homeless individuals and families, but also results in public cost savings by reducing public expenditures relating to hospitalization, emergency services, and incarceration of homeless individuals. Research has shown that the Housing First approach in particular has reduced public costs in other major metropolitan areas (i.e. Denver, Los Angeles, and Seattle) by as much as 75% for individuals, resulting in millions of dollars saved for those communities.

Once again, PHOCUSED strongly urges your support of this bill and your support of a comprehensive approach to addressing the critical issue of homelessness in Hawaii.

Thank you for the opportunity to testify. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.



#### CATHOLIC CHARITIES HAWAI'I

#### TESTIMONY IN SUPPORT OF HB 1842: RELATING TO HOUSING

TO: Representative Mele Carroll, Chair, Representative Della Au Belatti, Chair,

Health; and Members of the Committees on Human Services and Health

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

Thursday, January 30, 2014, 10:30 am; CR 329. Hearing:

Chair Carroll, Chair Belatti, and Committee members:

Thank you for the opportunity to provide testimony in support of HB 1842, appropriating funding for a variety of critical programs targeted at addressing and ending homelessness. I am Betty Lou Larson, Legislative Liaison at Catholic Charities Hawaii. Catholic Charities Hawaii supports this bill, but prefers the language in HB 1934 due to it more accurately describes the Match funding which would go to permanent supportive housing. We support:

Part II: \$1,000,000 for the Shallow Rent Subsidy program to create another pathway out of homelessness for working homeless. Working people have income to pay rent but not a full market rent. In transitional shelters, they have worked hard to change their lives, learn good budgeting skills, get a job and are ready to pay rent—but they still cannot afford market rents. For many homeless people, waiting for public housing seems to be the only option. A shallow rental subsidy of no more than \$300/month, after the family pays 40% of their income for rent, would enable these working people and their families to move into permanent housing.

Part III: \$1,500,000 for ongoing funding for Housing First. We urge that this funding be in the base budget for the department. Housing First is an evidence based initiative for moving chronically homeless people into permanent housing with wrap around services. Housing First is cost-effective. The City of Seattle found that housing 95 homeless persons with alcoholism saved the city \$4 million in the first year of operation. It cost \$13,440 per person (including housing costs) to administer their Housing First program, compared with a cost of \$86,062 per person annually before Housing First. Our homeless providers are collaborating with the state, counties, landlords, and other private entities, on Housing First. There is great energy to move forward and make a significant impact on ending homelessness.

Part V: \$500,000 for matching funds to HUD funded Continuum of Care permanent supportive housing programs (no longer called Shelter Plus Care by HUD). Statewide, these program bring in about \$8 million in federal monies to house homeless persons but they need to match these funds and provide the critical wrap-around services to stabilize them in affordable housing. The federal housing subsidies are the key to ending homelessness for these recipients, who pay 30% of their income on rent with this federal subsidy. The State can greatly leverage its funds with these federal funds to enable over 600 disabled homeless to be re-integrated into our communities and maintain housing.

We urge your support for these important pathways out of homelessness.









HB1842 Homeless: Treatment, Housing, Rental Assistance, Housing First:

- COMMITTEE ON HUMAN SERVICES: Representative Carroll, Chair; Representative Kobayashi, Vice Chair
- COMMITTEE ON HEALTH: Representative Belatti, Chair; Representative Morikawa, Vice Chair
- Thursday, Jan.30, 2014; 10:30 a.m.
- Conference Room 329

#### HAWAII SUBSTANCE ABUSE COALITION Supports HB1842

Good Morning Chair Carroll, Chair Belatti, Vice Chair Kobayashi, Vice Chair Morikawa and Distinguished Committee Members. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide hui of more than twenty non-profit treatment and prevention agencies.

When housing is coordinated with comprehensive treatment, poor health is improved and extensive costs are avoided.

- It is critical that appropriate treatment is provided to this homeless population. As typical with chronic homeless, issues often include substance use disorders coupled with mental illness, and adverse medical conditions. Treatment addresses:
  - Complex brain functions and behavior.
  - o Individual problems and needs.
  - Mental illness
  - o Integrates medical, psychological, social, vocational and culture.
  - o Therapies for motivation, coping skills, social skills, and relationships.
  - o Medication needs that reduce cravings.
  - o Changing needs over time as stressors and challenges change.
- Clean and Sober housing that provides support systems and a stable environment significantly reduces the risk for relapse.
- After investing significant funding for homeless treatment, a Rental Assistance, "shallow subsidy," is essential to for starting with permanent housing.
- Housing First approaches for the chronic homeless is growing in popularity across the nation because it has demonstrated positive outcomes.

Because they can be "frequent flyers" for costly emergent care and re-occurring "pass through" in our Judiciary systems, the chronic homeless are generally included in the 20% who account for 80% of our health costs.



Treatment with Housing and Rental Assistance can avoid exorbitant health costs and have positive outcomes.

Since this population is so expensive to society, a reasonable investment in treatment for medically necessary conditions coupled with clean and sober housing as well as Rental Assistance and Housing First projects would help Hawai'i avoid substantial costs.

We very much appreciate the opportunity to provide testimony.



## TESTIMONY IN SUPPORT OF HB 1842: RELATING TO HOUSING WRITTEN TESTIMONY ONLY

TO: Representative Mele Carroll, Chair, Human Services;

Representative Della Au Belatti, Chair, Health; and

Members of the Committees on Human Services and Health

FROM: Jan Harada, CEO, Helping Hands Hawaii

Hearing: Thursday, January 30, 2014, 10:30 am; CR 329.

Chair Carroll, Chair Belatti, and Committee members:

Thank you for the opportunity to provide testimony **in support** of HB 1842, appropriating funding for a variety of critical programs targeted at addressing and ending homelessness. Helping Hands Hawaii supports this bill, **but prefers the language in HB 1934** due to it more accurately describing the Match funding which would go to permanent supportive housing. We support:

Part II: \$1,000,000 for the Shallow Rent Subsidy program to create another pathway out of homelessness for working homeless. Working people have income to pay rent but not a full market rent. In transitional shelters, they have worked hard to change their lives, learn good budgeting skills, get a job and are ready to pay rent—but they still cannot afford market rents. For many homeless people, waiting for public housing seems to be the only option, the wait list for which, is currently very long. A shallow rental subsidy of no more than \$300/month, after the family pays 40% of their income for rent, would enable these working people and their families to move into permanent housing.

Part III: \$1,500,000 for ongoing funding for Housing First. We urge that this funding be in the base budget for the department. Housing First is an evidence based initiative for moving chronically homeless people into permanent housing with wrap around services. Housing First is cost-effective. The City of Seattle found that housing 95 homeless persons with alcoholism saved the city \$4 million in the first year of operation. It cost \$13,440 per person (including housing costs) to administer their Housing First program, compared with a cost of \$86,062 per person annually before Housing First. Our homeless providers are collaborating with the state, counties, landlords, and other private entities, on Housing First. There is great energy and momentum to move forward and make a significant impact on ending homelessness in an integrated team-based approach with all providers and funders working together in a coordinated manner.

**Part V:** \$500,000 for matching funds to HUD funded Continuum of Care permanent supportive housing programs (no longer called Shelter Plus Care by HUD). Statewide, these programs bring in about \$8 million in federal monies to house homeless persons but they need to match these funds and provide the critical wrap-around services to stabilize them in affordable

housing. The federal housing subsidies are the key to ending homelessness for these recipients, who pay 30% of their income on rent with this federal subsidy. The State can greatly leverage its funds with these federal funds to enable over 600 disabled homeless to be re-integrated into our communities and maintain housing.

We urge your support for these important pathways out of homelessness.



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Victor Geminiani, Esq.

Testimony of Hawai'i Appleseed Center for Law and Economic Justice Supporting HB 1842 Relating to Homelessness House Committee on Human Services and Committee on Health Scheduled for Hearing Thursday, January 30, 2014, 10:30 AM, Room 329

Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit, 501(c)(3) law firm created to advocate on behalf of low income individuals and families in Hawai'i on civil legal issues of statewide importance. Our core mission is to help our clients gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security.

Thank you for an opportunity to testify in **strong support** of House Bill 1842, which would fund critical programs to address homelessness, including Housing First, Continuum of Care permanent supportive housing, a shallow subsidy rental assistance program, and other programs.

Housing First is an innovative and highly successful approach to housing the most challenging populations of individuals experiencing homelessness. A person who has been chronically homeless needs, first and foremost, stable permanent housing. Once placed in housing, the individual can receive the services and supports necessary to address the underlying issues that lead to homelessness in the first place, such as mental illness or substance use disorders. Housing First has worked around the country, in both urban and rural areas, and kept the most vulnerable individuals housed and improved their quality of life. The U.S. Interagency Council on Homelessness has long endorsed it as a best practice. Research has also demonstrated the cost-efficacy of this approach: it often costs less to house a chronically homeless person and provide comprehensive supportive services than to leave them unsheltered, due to the high costs of emergency interventions such as ER visits or incarceration that leave individuals homeless.

The shallow subsidy program is targeted to help homeless households who are ready to rent to leave transitional housing and move into a permanent, market rate unit. Many families in transitional housing are ready to rent, but even if they are working full time, their income may be too low to afford market rents. This is no surprise, given that Hawai'i has the highest cost of shelter in the country and a severe shortfall of affordable rentals. Almost three out of four extremely low-income households are paying more than half of their income on rent. For those living in poverty, the severe housing cost burden is even greater. The options for public housing or other subsidies are extremely limited and have long waitlists. As a result of this lack of affordable rentals, families who are ready to rebuild their lives in stable housing are instead stuck in transitional housing.

With the shallow subsidy rental assistance program, a household would pay 40 percent of their income in rent and receive a maximum rental assistance payment of \$300 per month. This would help meet the gap for working homeless families who have income but cannot pay a full market rent. Permanent supportive housing services are another critical tool to helping homeless individuals with a high level of need. By funding Continuum of Care programs, the state will be able to leverage a significant amount of federal funds in housing subsidies.

Again, thank you for the opportunity to testify in support of HB 1842 to fund these critical homeless intervention programs.



#### **House Committee on Human Services**

The Hon. Mele Carroll, Chair The Hon. Betrand Kobayashi, Vice Chair

#### **House Committee on Health**

The Hon. Della Au Belatti, Chair The Hon. Dee Morikawa, Vice Chair

# Testimony on House Bill 1842 <u>Relating to Housing</u> Submitted by Robert Hirokawa, Chief Executive Officer 01/30/2014, 10:30 a.m., Room 329

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 1842.

Housing is health. Hawaii's community health centers provided health care and other services to 12,459 unique patients experiencing homelessness in 2012. Housing, the lack of affordable housing, and homelessness are all social determinants of health: they are circumstances that influence the health of individuals and the health of communities, more so than an individual's genetic code.

House Bill 1842 provides a comprehensive approach to assisting individuals and families experiencing homelessness through a variety of services including medical assistance, shallow-subsidy rental assistance, investment in the Housing First model for chronically homeless individuals, funding to prevent homelessness and provide rapid re-housing, shelter plus care, return to home program, and funding for the construction and demonstration of innovative temporary housing solutions as they relate to the working group's findings and recommendations. In addition this measure makes changes to the current homeless assistance working group of which the HPCA has been a participant. Although helping individuals and families out of homelessness and into permanent, stable housing takes a combination of efforts around housing, health care, employment opportunities, child care, and other issues, House Bill 1842 provides an array of housing options and investment in substance abuse and mental health needs that is a good start to helping some of our most vulnerable neighbors.

For these reasons, the HPCA supports this measure. Thank you for the opportunity to testify.

#### kobayashi1-Joni

From: mailinglist@capitol.hawaii.gov

Sent: Tuesday, January 28, 2014 2:03 PM

**To:** HUStestimony

Cc: sherrianwitt@aol.com

**Subject:** Submitted testimony for HB1842 on Jan 30, 2014 10:30AM

#### **HB1842**

Submitted on: 1/28/2014

Testimony for HUS/HLT on Jan 30, 2014 10:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
sherrian witt	Individual	Support	No

Comments: I support this measure. Recommendations for amendments would be the following: 1. That 30% of the gross income be used for housing. 2. That beyond substance abuse that mental health services and housing be created for those who are unable to care for themselves either chronically or temporarily.. I support this measure, that the money be appropriated with the intention that another winter on the street will not happen for individuals and families.

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#### kobayashi1-Joni

From: mailinglist@capitol.hawaii.gov

Sent: Thursday, January 30, 2014 5:59 AM

To: HUStestimony

Cc: robertscottwall@yahoo.com

**Subject:** Submitted testimony for HB1842 on Jan 30, 2014 10:30AM

#### **HB1842**

Submitted on: 1/30/2014

Testimony for HUS/HLT on Jan 30, 2014 10:30AM in Conference Room 329

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Scott Wall	Community Alliance for Mental Health	Support	No

Comments: to: House Health & Human Services Aloha Chairs Carroll, Belatti, and the members of their committees, On behalf of the Community Alliance for Mental Health along with United Self Help we would like to give our strongest support for HB1752. We believe that the "Youth Safe Place," program is not only brilliant but that it will save lives. Scott Wall VP/Legislative Advocate Community Alliance for Mental Health

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## PARTNERS IN CARE Oahu's Coalition of Homeless Providers

#### **TESTIMONY IN SUPPORT OF HB 1842: RELATING TO HOUSING**

TO: Rep. Mele Carroll, Chair; Rep. Della Au Belatti, Chair; Rep. Bert Kobayashi, Vice Chair; Rep.

Dee Morikawa, Vice Chair; and members of the Committees on Housing and Health

FROM: Peter K. Mattoon, Advocacy Committee Co-Chair, Partners In Care

Hearing: Thursday, January 30, 2014, 10:30 AM, Room 329

Dear Chair Carroll, Vice Chair Kobayashi, Chair Belatti, Vice Chair Morikawa, and committee members:

Thank you for the opportunity to provide testimony **in strong support** of House Bill 1842, appropriating funding for a variety of critical programs targeted at addressing and ending homelessness. I am Peter K. Mattoon, and I am an Advocacy Committee Co-Chair for Partners In Care (PIC), a coalition of care providers focusing on the needs of homeless persons and strategies to end homelessness. Partners In Care supports this bill as a means to provide multiple pathways out of homelessness. However, we prefer the language in HB 1934, which has similar provisions but uses the term "Continuum of Care" to describe the programs in Part V of the bill instead of "Shelter Plus Care," which is no longer used by the U.S. Dept. of Housing and Urban Development. Partners In Care supports:

#### Part II: Shallow Subsidy Program funding of \$1 million:

Many homeless families work to attain self-sufficiency, and even once they find employment, they still struggle to find affordable housing. For many, public housing or deeply subsidized housing is all they can afford, yet the long wait for units or other housing subsidies means that these households languish in transitional housing. Under this program, families will pay 40 percent of their income toward rent which will then be augmented by a maximum subsidy of \$300 to cover the gap between what they can pay and market rent. This program will provide another route to stable housing for families who are ready to rent.

#### Part III: Housing First Programs funding of \$1.5 million:

Housing First is a best practice that places chronically homeless individuals in permanent housing with intensive support services. Individuals are stabilized as a result of permanent housing and comprehensive support services. As a result, costs such as hospitalization, emergency services, and incarceration are dramatically reduced. Communities around the country have seen large decreases in their chronically homeless population and costs associated with homelessness as a result of Housing First, including reductions in public costs by around 75% for each individual housed, resulting in millions of dollars saved. The research indicates that Housing First is the way to end chronic homelessness. Programs consistently report high success rates of keeping residents in permanent housing.

Part V: Permanent supportive housing funding of \$500,000 to provide matching funds for HUD-funded permanent supportive housing programs: These programs draw down about \$8 million in federal housing subsidies for homeless individuals with disabilities. Currently, 600 homeless individuals with disabilities are able to maintain housing in our communities as a result of these programs. However, service providers must match these federal funds and provide the wraparound services needed to keep these individuals housed. By funding these programs, the state will be helping homeless individuals stabilize their lives and remain housed while also leveraging a large amount of federal funding.

Again, thank you for providing Partners In Care the opportunity to testify in strong support of HB 1886 providing funds for Housing First, Continuum of Care, and Shallow Subsidy programs.

Partners In Care, c/o Aloha United Way, 200 N. Vineyard Blvd. Suite 700 Honolulu, Hawaii 96817