

CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF SB 91, SD2: RELATING TO HOUSING

- TO: Representative Rida T. R. Cabanilla, Chair, Committee on Housing Representative Mele Carroll, Chair, Committee on Human Services And Members, Committees on Housing and Human Services
- FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

Hearing: Monday, 3/11/13; 9:00 am; CR 329

Chair Cabanilla, Chair Carroll, Members, Committees on Housing and Human Services:

Thank you for the opportunity to **strongly support** SB 91, SD2, which appropriates funds for a state rent supplement program, for homeless working families or individuals who are ready to rent permanent housing in order to obtain and maintain permanent housing. I am Betty Lou Larson, Legislative Liaison for Catholic Charities Hawaii.

Hawaii has the <u>3rd highest rate of homelessness among the States</u>. Half of homeless <u>families have at least one wage-earner, but they still cannot afford market rent housing</u>. This bill is important in order to create new pathways out of homelessness, for working people. Working families and individuals have income to pay rent but they are often "stuck" waiting for public housing, since it seems this is the only housing they can afford. However, with their work income and with a little help from a shallow subsidy, working families may be able to more quickly move out of homelessness.

In transitional shelters, homeless families and individuals work hard to change their lives, practice good budgeting, get a job and are ready to pay rent—but they still cannot afford market rents. They participate in job preparation and training at their shelter and/or in community workforce development programs. These programs boost their ability to hold a job and pay rent. A shallow rental subsidy of no more than \$300, after the family pays 40% of their income for rent, would enable these working people to more rapidly move into permanent housing. This shallow subsidy would **enable about 400 working homeless families or individuals to move onto permanent housing**.

Administration and oversight is needed to establish the program. We support the language in this bill that provides funding for adequate staffing to administer the program and contract out the implementation of this new program to rapidly house working people.

One Amendment Suggested: Delete lines 15-16 which state the allocation is to be expended by the Hawaii Public Housing Authority. Later in this bill, it states that the Department of Human Services (DHS) will administer and monitor the program. DHS is more appropriate since they administer homeless programs.

We urge your support for this bill to enhance multiple strategies to end homelessness in our State. Thank you for hearing this bill and working to end homelessness.







Board of Directors David Derauf, M.D. Naomi C. Fujimoto, Esq. Patrick Gardner, Esq. John H. Johnson David J. Reber, Esq.

Executive Director Victor Geminiani, Esq.

Testimony of Hawai'i Appleseed Center for Law and Economic Justice Supporting and Commenting on SB 91 Relating to Housing House Committee on Housing and Committee on Human Services Scheduled for Hearing on Monday, March 11, 2013 at 9:00 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 the opportunity to testify in strong **support** of Senate Bill 91, which would appropriate funds for a state rent supplement program for households experiencing homelessness. A shallow rent subsidy would help those who are ready-to-rent meet the gap between their income and housing costs.

Hawai'i has the <u>third highest rate of homelessness</u> among the states. However, many of those lacking shelter are fully capable of being good tenants and are working toward financial self-sufficiency. Almost thirty percent of individuals receiving shelter services are employed full or part-time, according to the 2012 Homeless Service Utilization Report. Over 50 percent of homeless families have at least one adult member working.

But for these families, the cost of housing remains an astronomical burden, and few affordable options exist.

- Hawai'i has the <u>highest housing costs</u> in the country. According to the Low Income Housing Coalition, the fair market rent for a two-bedroom apartment in our state is \$1,647. For this rent to be affordable, a full-time worker would need to earn an hourly wage of \$31.68. Yet the state minimum wage is just \$7.25.
- More than seventy-five percent of people living in poverty are severely overburdened by housing costs, meaning they are paying more than half of their income in rent.
- Only 38 affordable units are available for every 100 households in Hawai'i earning 30 percent or less of the area median income, according to the Low Income Housing Coalition.
- Public housing was created to serve these extremely low-income families, but demand far exceeds supply: there are over 11,000 applicants on the waitlist for public housing, meaning that families can languish for years before securing a unit.

Recipients of the rent supplement will be educated in financial literacy and other life skills, or participate in job training programs that would assure they could successfully pay a minimum of 40 percent of their income for rent.

Right now, many families who are ready to rent languish in emergency shelters or transitional housing. A shallow rent subsidy will address the gap between rent and income for these working and ready-to-rent households so that they can quickly move out of shelters and in to permanent, stable housing.

HAWAII YOUTH SERVICES NETWORK

677 Ala Moana Boulevard, Suite 702 Honolulu, Hawaii 96813 Phone: (808) 531-2198 Fax: (808) 534-1199 Web site: <u>http://www.hysn.org</u> E-mail: <u>info@hysn.org</u>

Daryl Selman, President	
Judith F. Clark, Executive Director	
Aloha House	
American Civil Liberties Union of Hawaii	Ma
Bay Clinic, Inc.	
Big Brothers Big Sisters of Honolulu	
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Bobby Benson Center	
Catholic Charities Hawaii	
Child and Family Service	
Coalition for a Drug Free Hawaii	
Domestic Violence Action Center	Ha
EPIC, Inc.	ser
Family Support Hawaii	
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March 8, 2013

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o: Representative Mele Carroll, Chair And members of the Committee on Human Services

Testimony in Support of SB 91 SD2 Relating to Housing

Hawaii Youth Services Network (HYSN), a statewide coalition of youthserving organizations, supports SB 91 SD2 Relating to Housing.

Hawaii has some of the highest costs in the nation for rental housing, and many low income, working individuals and families become homeless due to inability to find affordable housing.

Young adults ages 18-24, particularly those who have aged out of foster care, are at high risk of homelessness. Thirty percent (30%) of youth who age out of care at 18 become homeless before they are 21. When homeless, they are at very high risk of exploitation and abuse.

HYSN recommends and requests that these young adults have top priority for rent supplement assistance. If we can help former foster youth to acquire stable housing during those critical years when they are first dealing with all of the issues of adult independent living, their chances of becoming healthy, safe, self-sufficient adults is much higher. Stable housing will help them to complete educational and vocational programs that lead to better jobs; prevent involvement with criminal justice systems; and reduce the likelihood that they will need public assistance benefits.

Thank you for this opportunity to testify.

Sincerely,

Justito F. Clark

Judith F. Clark, MPH Executive Director



HYSN page 2

TESTIMONY IN SUPPORT OF SB 91, SD2: RELATING TO HOUSING

- TO: Representative Rida T. R. Cabanilla, Chair, Committee on Housing Representative Mele Carroll, Chair, Committee on Human Services And Members, Committees on Housing and Human Services
- FROM: Connie Mitchell, Executive Director

Hearing: Monday, 3/11/13; 9:00 am; CR 329

Chair Cabanilla, Chair Carroll, Members, Committees on Housing and Human Services:

The Institute for Human Services (IHS) **strongly supports** SB 91, SD2, which appropriates funds for a state rent supplement program, for homeless working families or individuals who are ready to rent permanent housing

Hawaii ranks among the_highest rates of homelessness among States. Many fulltime workers remain unable to afford decent housing and remain in emergency and transitional shelters much longer than they need to be because of the shortage of affordable rental housing.

While the state tried to increase inventory of such rental housing, many individuals and families remain homeless. The cost of developing new housing is expensive and must be done over time. Shallow subsidies can help more working people NOW to access affordable rentals immediately with a reasonable subsidy that reinforces continued employment.

Homeless services providers motivate and support families and individuals to recover from many traumatic experiences in life, illness and substance abuse. But recovery requires a safe place to live and flourish. When engaged, most of them are wiling to do what is necessary to progress. But they are often stymied when workforce housing is inaccessible. A shallow rental subsidy of no more than \$300, after the household pays 40% of their income for rent, would enable these working people to more rapidly move into permanent housing. This shallow subsidy would **enable about 400 working homeless families or individuals to move onto permanent housing.**

Administration and oversight is necessary for the program's success. <u>We support the language</u> in this bill that provides funding for adequate staffing to administer the program and contract out the implementation of this new program.

One Amendment Suggested: Delete lines 15-16 which state the allocation is to be expended by the Hawaii Public Housing Authority. Later in this bill, it states that the Department of Human Services (DHS) will administer and monitor the program. DHS is more appropriate since they administer homeless programs.

Thank you for the opportunity to provide testimony.



PARTNERS IN CARE Oahu's Coalition of Homeless Providers

TESTIMONY IN SUPPORT OF SB 91, SD2: RELATING TO HOUSING

- TO: Representative Rida T. R. Cabanilla, Chair, Committee on Housing Representative Mele Carroll, Chair, Committee on Human Services And Members, Committees on Housing and Human Services
- FROM: Gladys Peraro, Advocacy Committee Co-Chair, Partners In Care (PIC)

Hearing: Monday, 3/11/13; 9:00 am; CR 329

Chair Cabanilla, Chair Carroll, Members, Committees on Housing and Human Services:

Thank you for the opportunity to **testify in strong support** SB 91, SD2, Relating To Housing. I am Gladys Peraro, 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 in Hawaii. PIC respectfully urges your support in appropriating funds for a state rent supplement program, to benefit homeless working families or individuals who are ready to rent permanent housing in order to obtain and maintain permanent housing.

Data shows that Hawaii has the 3rd highest rate of homelessness among the States, in which half of homeless families having at least one wage-earner still <u>cannot afford market rent housing</u>. SB 91, SD2 is critical in creating new avenues out of homelessness for working individuals and families, who though employed and have the ability to pay some rent, often times are "underemployed" and unable to pay market rental prices. These hard-working individuals are often "stuck" waiting for public housing, which appears the only housing options they can truly afford. However, by providing a shallow subsidy, low income workers may be able to more quickly move out of homelessness into stable living situations.

Working individuals and families residing in transitional housing work hard to change their lives by learning and practicing financial literacy and budgeting skills toward rental readiness, but they still cannot afford full market rental prices. These same households also participate in employment readiness and training programs at their shelters and in the community in programs such as Oahu Work Links in preparation of seeking employment or to increase the employment they currently have, but still they cannot afford full market rent. A shallow rental subsidy of no more than \$300, after the family pays 40% of their income for rent, would enable these working people to more rapidly move out of transitional shelter setting and into permanent housing. SB 91, SD2 will **enable approximately 400 working homeless families or individuals to move onto permanent housing.**

Partners In Care suggests one amendment: Delete lines 15-16 which state the allocation is to be expended by the Hawaii Public Housing Authority (HPHA). Further down this bill it states that the **Department of Human Services (DHS)** will administer and monitor the program, which is appropriate as they already administer the homeless programs under the Homeless Programs Office (HPO). Additionally, <u>Partners In Care provider agencies support the language in this bill that provides funding for adequate staffing to administer the program and contract out the implementation of this new program to rapidly house working people.</u>

Partners In Care strongly urges your support for this SB 91, SD2, as a means to augment multiple strategies to end homelessness in our State. Thank you for hearing this bill and working to end homelessness.

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

Partners in Care is a membership organization of homeless service providers, other service professionals, units of local and state government, homeless consumers, and other community representatives located in Hawai'i on O'ahu. It is a planning, coordinating, and advocacy body that develops recommendations for programs and services to fill gaps in the Continuum of Care on O'ahu.



BARBARA A. YAMASHITA DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES P. O. Box 339 Honolulu, Hawaii 96809-0339

March 11, 2013

MEMORANDUM

TO:	The Honorable Rita T.R. Cabanilla, Chair House Committee on Housing		
	The Honorable Mele Carroll, Chair House Committee on Human Services		
FROM:	Patricia McManaman, Director		
SUBJECT:	S.B. 91, S.D.2 – RELATING TO HOUSING		
	Hearing:	Monday, March 11, 2013; 9:00 a.m. Conference Room 329; State Capitol	

PURPOSE: S.B. 91, S.D.2, appropriates funds for the state rent supplement program, for homeless working individuals or families who are ready to rent permanent housing in order to obtain and maintain permanent housing.

DEPARTMENT'S POSITION: The Department of Human Services supports the intent of this measure as it creates a vehicle for working homeless individuals and families to secure and maintain permanent housing, subject to the priorities contained in the Executive Biennium Budget.

The proposed rent supplement program could be accessed by individuals and families who are currently living in homeless transitional shelters. Many of these people are employed but do not make enough money to afford market level rentals. Currently, public housing may seem like the only alternative these individuals and families have to meet their need for permanent, affordable housing. But with a public housing wait list that spans many years, this target population needs another avenue to secure affordable, permanent housing. A modest rent supplement of up to \$300 per month as proposed in this bill would help these individuals and families secure and maintain themselves in permanent housing.

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

NEIL ABERCROMBIE GOVERNOR



HAKIM OUANSAFI EXECUTIVE DIRECTOR

STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET Honolulu, Hawaii 96817

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

Statement of Hakim Ouansafi Hawaii Public Housing Authority Before the

HOUSE COMMITTEE ON HOUSING

AND

HOUSE COMMITTEE ON HUMAN SERVICES

March 11, 2013 9:00 A.M. Room 329, Hawaii State Capitol

In consideration of

Senate Bill 91, Senate Draft 2 Relating to Housing

Honorable Chairs Cabanilla and Carroll, and Members of the House Committees on Housing and Human Services, thank you for the opportunity to provide you with comments regarding Senate Bill (S.B.) 91, Senate Draft (SD) 2 relating to housing.

This measure appropriates an unspecified sum for each fiscal year of fiscal biennium 2013-2015 for a state rent supplement program to assist homeless working individuals or families who are ready to rent permanent housing in order to obtain and maintain permanent housing. The Hawaii Public Housing Authority (HPHA) supports this bill with amendments.

The HPHA's existing rent supplement program extends not only of homeless families, but also working families who are currently housed but at risk of becoming homeless due to the high rental costs typical of our state. The HPHA believes that the Department of Human Services should implement the sums appropriated in this measure. Therefore, the HPHA requests that the Committee amend this measure as follows:

 By amending SECTION 1, lines 15 and 16 to read: <u>"The sums appropriated shall be expended by the Department of Human</u> <u>Services for the purposes of this Act.</u> Hawaii Public Housing Authority March 11, 2013 Page 2

The HPHA appreciates the opportunity to provide the House Committees on Housing and Human Services with the agency's position regarding S.B. 91, SD2. We respectfully request the Committees to pass this measure favorably with the above amendments, and we thank you very much for your dedicated support.