DAVID Y. IGE GOVERNOR



SARAH ALLEN ADMINISTRATOR

STATE OF HAWAII STATE PROCUREMENT OFFICE

P.O. Box 119 Honolulu, Hawaii 96810-0119 Telephone: (808) 587-4700 e-mail: state.procurement.office@hawaii.gov http://spo.hawaii.gov

TESTIMONY OF SARAH ALLEN, ADMINISTRATOR STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE ON HUMAN SERVICES AND THE HOUSE COMMITTEE ON HOUSING FEBRUARY 5, 2015, 10:00 A.M.

> HB 596 RELATING TO HOUSING

Chair Morikawa, Chair Hashem, Vice-Chair Kobayashi, Vice-Chair Jordan, and members of the committees, thank you for the opportunity to submit testimony on HB 596. The State Procurement Office's (SPO) comments are limited to Part II of this bill which proposes that the appropriation be expended for staff within the homeless programs office and for program and administrative costs be contracted pursuant to chapter 103F, Hawaii Revised Statutes.

The term "staff within the homeless programs office" is unclear and ambiguous because it implies an employer-employee relationship. If that is the intent, then the services would be handled through the department's personnel office and not contracted pursuant to HRS Chapter103F. If the appropriation is to contract with a provider to manage the shallow subsidy program within the homeless programs office, it is recommended that the paragraph read as follows:

"The sum appropriated for staff within the homeless programs office and for program and administrative costs associated with establishing and operating the shallow subsidy program shall be expended by the department of human services through a contract issued pursuant to chapter 103F, Hawaii Revised Statutes."

Thank you.



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 HB 596: RELATING TO HOUSING

- TO: Rep. Dee Morikawa, Chair, Human Services; and Rep. Mark J. Hashem, Chair, Housing; and Members Committees on Human Services and Housing
- FROM: Betty Lou Larson, Advocacy Committee, Partners in Care

Hearing: Thursday, 2/5/15; 10:00 am; CR 329

Dear Chair Morikawa, Chair Hashem, and members of the committees:

Thank you for the opportunity to provide written testimony **in support** of HB 596, which funds various homelessness service programs. I am Betty Lou Larson from the Advocacy Committee of Partners in Care.

Partners in Care strongly supports Part III: Housing First. We support **\$3 million** to continue this successful program and to expand it to the Neighbor Islands. We respectfully urge you to add this funding to the **base budget of DHS**. Because funding is not in the base budget, the sustainability of housing for individuals in the current program (40 households as of 1/28/15) is at risk. Real people could be impacted without sustained funding, people like "Wanda" and her daughter. Success stories like Wanda demonstrate that Housing First can change lives and can successfully transition the chronically homeless into permanent housing.

Wanda is a 41 year old single mother with a 15 year old daughter. This family had been homeless for 6 years, living unsheltered on the streets. Wanda has a serious mental illness, and was self-medicating with drugs and alcohol. Her daughter was not attending school and was helping to care for her mother. Wanda and her daughter are now stably housed. The daughter is attending classes again, and the case manager is working with Wanda to take medication more regularly. Housing First has enabled the daughter to again be a teenager and get her life back on track as well as helping Wanda to stabilize and be successful in permanent housing.

People in every community in Hawaii are concerned about homelessness. Last year PIC circulated a petition about affordable housing and received many comments about the need to solve homelessness. Two poignant comments show what people in the community feel about homelessness and how we must solve this crisis:

"When I see a person without a home I think: Where's the Aloha Hawaii? Where is the empathy? How can we allow children to live on beaches and on the streets? How can we allow our Veterans to be Homeless? I know some folks need mental health services so let's get them help. I couldn't imagine being forced to live my life out in the public, can you? So I vote Yes! Please do all you can to End homelessness in Hawaii and hopefully every state will follow us." And,

"Malama our Island Ohana! Support the cause, and put a roof over homelessness."

The People of Hawaii are speaking to you today. Thank you for hearing their testimony. Please contact me at (808) 373-0356 or <u>bettylou.larson@catholiccharitieshawaii.org</u> if you have any questions.

DAVID Y. IGE GOVERNOR OF HAWAII



STATE OF HAWAII DEPARTMENT OF HEALTH P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

TESTIMONY COMMENTING on H.B. 596 RELATING TO HOUSING

REPRESENTATIVE BELATTI AND REPRESENTATIVE HASHEM, CHAIRS HOUSE COMMITTEES ON HUMAN SERVICES AND HOUSING Hearing Date: February 05, 2015 Room Number: 329

LATE

VIRGINIA PRESSLER, M.D. DIRECTOR OF HEALTH

1	Fiscal Implications: Sections 2 and 3 appropriate unspecified sums for substance abuse treatment and
2	mental health support services and clean and sober housing support services, respectively.
3	Department Testimony: Sections 2 and 3 of the measure appropriate unspecified sums, to be expended
4	in Fiscal Year 2014-2015 by DOH for substance abuse treatment and mental health support services for
5	individuals who are homeless or at risk of becoming homeless, and clean and sober housing support
6	services.
7	Persons affected by substance use and mental health are at higher risk for homelessness,
8	chronic health conditions, involvement in the criminal justice system, social isolation and often become
9	high users of health care services. Programs that provide dual treatment focus both on the substance
10	and on mental health stabilization. Treatment episodes are generally longer in duration and more
11	comprehensive; typically, providing more positive client outcomes and a higher rate of long term
12	recovery. Long term recovery is also strongly tied to stable housing that is drug and alcohol free.
13	Stable housing is a critical component in the continuum of substance abuse treatment and
14	recovery. Approximately 18.6 percent of clients served by ADAD contracted providers did not have

15 stable housing at admission. At follow-up, unstable housing status was reduced to 6.0 percent.

1	As a member of the Governor's Hawaii Interagency Council on Homelessness which is
2	comprised of community leaders, state department directors, and federal agency representatives, DOH
3	is involved with the development of a unified plan on addressing homelessness by increasing
4	transitional and permanent housing options and acquiring increased federal funding.
5	We are aware of the need for clean and sober housing support services for those who are
6	homeless or at risk of becoming homeless. Within DOH, efforts to address homeless clients with
7	mental health, substance use and co-occurring mental illness and substance use disorders are
8	coordinated between the Alcohol and Drug Abuse and Adult Mental Health Divisions to ensure that
9	clients receive appropriate care. It should be noted, however, that as needs are identified and
10	priorities are assigned to address the issue of homelessness, the proposed services in this measure
11	must also be viewed within the context of the Department's Executive Biennium Budget Request.
12	Thank you for the opportunity to testify on this measure.
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House Committee on Human Services The Hon. Dee Morikawa, Chair The Hon. Bertrand Kobayashi, Vice-Chair

House Committee on Housing The Hon. Mark J. Hashem, Chair The Hon. Jo Jordan, Vice Chair

Testimony in Support of House Bill 596 <u>Relating to Housing</u> Submitted by Robert Hirokawa, Chief Executive Officer February 5, 2015, 10:00 am, Room 329

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 596, which funds various homelessness service programs.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

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 596 speaks to one of these major determinants by seeking to creating viable housing opportunities for homeless individuals here in Hawaii. For that reason, we strongly support this measure and thank you for the opportunity to testify.

ADD 735 BISHOP STREET, SUITE 230 HONOLULU, HI 96813 TEL 808.536.8442 FAX 808.524.0347 WEB WWW.HAWAIIPCA.NET





TESTIMONY IN SUPPORT OF HB 596: RELATING TO HOUSING

TO: Rep. Dee Morikawa, Chair, Human Services; and Rep. Mark J. Hashem, Chair, Housing; and Members Committees on Human Services and Housing

FROM: Trisha Kajimura, Social Policy Director, Catholic Charities Hawai'i

Hearing: Thursday, 2/5/15; 10:00 am; CR 329

Dear Chair Morikawa, Chair Hashem, and members of the committees:

Thank you for the opportunity to provide testimony **in support** of HB 596, which funds various homelessness service programs.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai`i. Catholic Charities Hawai'i has a long history of working on housing issues and solutions to homelessness. We strive to help people live in dignified circumstances and reach their full potential.

Catholic Charities Hawai'i strongly supports Part III: Housing First. We support **\$3** million to continue this successful program and to expand it to the Neighbor Islands. We respectfully urge you to add this funding to the base budget of DHS. Because funding is not in the base budget, the sustainability of housing for individuals in the current program (40 households as of 1/28/15) is at risk. Catholic Charities Hawai'i is partnering with other agencies on the Pathways Project (a Housing First model), to end chronic homelessness. The Pathways Project draws from a different funding source but it follows the Housing First evidence-based model and we are seeing the difference it makes in alleviating homelessness on Oahu. It is critical to success in the fight against homelessness that we continue funding for the Housing First Program.

"John" came to the Hawaii Pathways program when he was identified as one of Oahu's most vulnerable and displaced homeless adults through the Hale O Malama coordinated assessment and intake process. As specified by the Housing First model, we provided intensive clinical and support services as he has struggled with living independently in his own apartment, relapsing periodically into substance abuse. Recently, a crisis occurred when he had his personal affects stolen, including the key to his apartment. He called on the CCH support service team for help, and was able to maintain sobriety despite returning to the streets for a night. The therapeutic relationship developed by our support service team with John has kept him in the fight to stay housed and recover from his many challenges. We can clearly see that this intensive partnership with our clients is an effective intervention to chronic homelessness.

Thank you for the opportunity to testify. Please contact me at (808) 527-4810 or trisha.kajimura@catholiccharitieshawaii.org if you have any questions.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822 Phone (808)527-4810 • trisha.kajimura@CatholicCharitiesHawaii.org



RACHAEL WONG, DrPH DIRECTOR

> PANKAJ BHANOT DEPUTY DIRECTOR

LATE



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

February 4, 2015

MEMORANDUM

The Honorable Representative Dee Morikawa, Chair House Committee on Human Services
The Honorable Mark J. Hashem, Chair House Committee on Housing
Rachael Wong, DrPH, Director
H.B. 596 – RELATING TO HOUSING

Hearing: Thursday, February 5, 2015; 10:00 a.m. Conference Room 329; State Capitol

PURPOSE: The purpose of H.B. 596 is to appropriate unspecified funding for various homeless and housing programs, including Sections 2 and 3: substance abuse treatment and mental health support services, and clean and sober support services to be expended by the Department of Health. The proposed bill also would appropriate unspecified funds for a variety of programs through the Department of Human Services. These include: Rental Assistance Program for working homeless (Section 4), the Housing First Program (Sections 6 and 7), a Homeless Prevention and Rapid Rehousing Program (Section 9), and State matching funds for the Shelter Plus Care program (Section 11) to be expended by the Department of Human Services. The bill also mandates the establishment of the Return to Home program (Part VI) and creates the Homeless Assistance Working Group (HAWG) as a function of the Legislature (Part

VIII) and establishes that the Department of Human Services be authorized to expend funds for the purposes of the HAWG (Part VII).

DEPARTMENT'S POSITION: The Department is appreciative of the intent of this bill as it proposes to provide funding to address key aspects of our work to ending homelessness. However, the DHS support of this measure is limited to the extent that passage of the bill does not replace or adversely impact DHS' current mandated priorities and the DHS' priorities indicated in the Executive Budget.

DHS defers to the Department of Health regarding Part I, Sections 2 and 3, of this proposed bill relating to substance abuse treatment, mental health support services and clean and sober support services.

Part II, Section 3 of the proposed bill would appropriate unspecified funds for a rental assistance program (shallow subsidy program) for homeless working individuals and families who are ready to rent permanent housing, with certain additional provisions. The DHS notes that the establishment of a new program will require the development and adoption of administrative rules, as well as procurement for services and subsequent contracting and monitoring. Given the current staffing capacity of the Homeless Programs Office (HPO), it is reasonable to expect this process to take 6-9 months to accomplish.

Regarding Part III, Section 5, funding for the Housing First (HF) program, the DHS asks the Legislature to support the DHS's priorities in the Executive Budget which contains a request for \$2,000,000 for the continuation of the HF Program.

Regarding Part IV, Section 8, which appropriates unspecified funds to provide a Homeless Prevention and Rapid Re-housing Program (HPRP). The HPO currently administers federally funded HPRP (approximately \$234,000) that benefits neighbor island communities. The City and County of Honolulu administers federally funded HPRP (approximately \$560,000) for the island of Oahu. Statewide scaling of a State-funded homeless prevention and rapid re-

housing programs would again require existing staff to draft administrative rules, procure services, establish contracts, and monitor the program and funding. Depending upon the priority established for this program, it may take the existing HPO professional staff approximately 6-9 months to develop and implement this new program.

Regarding Part V, Section 10, of this bill for the Continuum of Care program (formerly "Shelter Plus Care" program), the DHS appreciates the intent to provide matching funds for the U.S. Housing & Urban Development (HUD) funded Continuum of Care (CoC) permanent supportive housing programs across the State, and provides the following comments. The state matching funds have been used by agencies state-wide to leverage approximately \$12 million of HUD federal funds to house more than 800 eligible disabled homeless individuals and families. HUD requires a 25% cash or in-kind match for the amount of funds it pays for housing costs to help ensure that appropriate support services are paired with housing to promote stability for eligible clients. Many of the CoC funded agencies utilize matching funds to pay a portion of the substantial administrative demands of the program. For example, every month providers must work with clients in housing and ensure support services are provided, and providers must also pay landlords for every individual or family that is housed. The Department suggests that the language of this proposed bill be amended to properly identify the HUD program as the "Continuum of Care Program" instead of "shelter plus care", and that consideration be given to allow the City and County of Honolulu (which would administer the funds for Oahu providers via a Memorandum of Agreement) to request administrative fees.

Regarding Part VI, Section 13, which mandates the DHS to implement a three year return-to-home program for eligible homeless individuals, the DHS has substantial reservations. Concerns include the prescriptive language of services to be provided, potential liability related to the requirements and related costs, the requirement to obtain sufficient identification to enable travel, the cost associated with the acquisition of valid identification which can, in some cases,

be a burdensome procedure requiring the assistance of legal counsel, 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. Further, the DHS does not have the current workforce capacity or expertise to carry out these provisions.

Providing transportation costs for homeless individuals to return to their home state does not guarantee that the individual will not return to Hawaii and again become a consumer of homeless or other 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, partake of homeless services here, with an expectation that they will receive a "free" return trip. Return-to-home programs are already in existence and are being operated by social service agencies, churches, and even concerned communities. These entities do not advertise their willingness to help the homeless be reunited with family members out of the state of Hawaii; instead these providers work with individuals who want to leave Hawaii, whose families are willing to accept some of the responsibility for the cost of travel, and are willing to help the individual become stable in their home environment once reunited. The Department appreciates and encourages the private sector to continue to provide this service.

Regarding Part VII, Section 15, the Department also has significant reservations with the proposed provisions. DHS experienced significant challenges in expending funds as appropriated by Act 222, Session Laws of Hawaii 2013, for the project identified by the HAWG largely because the HPO did not have the expertise to administer funds for planning and construction of the project identified by the working group. Without proper background in construction, engineering, or architecture, crafting technical "specs" and other technical, project development and contractual requirements, the identified project was beyond HPO's technical

expertise and workforce capacity to implement, and made the potential of project oversight even more challenging.

Part VIII proposes to amends Act 222, Session Laws of Hawaii 2013, by removing the HAWG from the DHS. The DHS supports removing HAWG as a DHS responsibility. Membership on the HAWG may include many of the same representatives currently serving on the Hawaii Interagency Council on Homelessness (HICH), and the DHS is concerned about duplicative efforts especially at a time when personnel, funding and other resources are scarce.

Thank you for the opportunity to comment on this proposed bill.



Aloha kakou,

First and foremost, welcome back to everyone. We at IHS look forward to a great year of implementation and impact on our homeless. We also look forward to a year of dialogue and sharing our manao so that together, we can make an impact and difference on our homeless crisis here in Hawaii.

For those legislatures who do not know us, IHS, The Institute for Human Services is Hawaii's oldest, largest and most comprehensive homeless service provider that is working to end and prevent homelessness on Oahu. Each year, we serve approximately 5,000 homeless individuals through various programs, including: meals, shelter, homeless outreach, case management, employment, healthcare and most importantly housing services. Since our Executive Director, Connie Mitchell, took charge of the agency 7 years ago, IHS has since stabilized over 10,000 homeless clients through various housing programs, few of which are outlined in this bill.

There are various types of homeless sub-populations all requiring different types of housing subsidies. These include: homeless youth, working homeless, homeless seniors, transient homeless from out of state, those who are at risk of being homeless, mentally ill and chronic homeless individuals and families. Each benefit from a different type of housing subsidy, and at different amounts, and for different periods of time (both short-term and long-term).

IHS acknowledges and commends the Hawaii State Legislature for considering funding sources of all different types of homeless subpopulations this year. Mahalo!

For today, I would like to call out our strong support to one specific program mentioned in this bill – The Return to Home Program for homeless individuals looking to be reconnected in their home, out of state.

BACKGROUND:

There are two types of transient homeless clients looking to be relocated out of state:

- 1. Those who became homeless (not by choice) and who were affected by Hawaii's high cost of living and lifestyle causing homelessness;
- 2. Those who made a choice to become homeless in Hawaii by withdrawing their state benefits to pay for a one-way ticket to Hawaii.

Last November, 2014 – IHS launched our Waikiki Homeless Outreach program. Homeless Outreach Workers develop relationships with these unsheltered homeless individuals to enhance motivation and get them to agree to get into a home. Through our work in just 3 months, IHS has already sent 6 homeless individuals from Waikiki home to the U.S. Mainland. IHS already has an additional 22 individuals in process of being assessed and assisted with an airline ticket home, out of state.

OPERATIONS:

Our airline relocation assistance program is not to be mistaken as a handout, one-way ticket home. IHS ensures 3-main criteria are met:

- The homeless individual conducts an intake like any other client in order to assess their homeless situation and gather background information that allows Case Managers to develop a housing navigation plan;
- 2. The homeless individual interested in the airline relocation assistance program must agree to pay for at minimum half their airline ticket home. Oftentimes, this initial message discourages homeless individuals looking to take advantage of a free one way ticket out of state; and
- 3. The homeless individual must work with IHS Case Managers to develop and verify a safety net plan ensuring they will not become homeless in their receiving state after leaving Hawaii.

This is a responsible and effective business approach to developing a program for individuals who absolutely need this assistance. Additionally, IHS Case Managers will follow up with each individual to ensure they are safe and secure in their homes up to 6-months after departing Hawaii. This follow up ensures no homeless individual is at risk of returning to Hawaii to become homeless once again.

GOALS:

The Waikiki Homeless Outreach Program funded by the private sector aims to return home 120 homeless individuals this year, 2015, out of state and ensuring they have a safety net in place after leaving Hawaii.

The program, however, is targeted for Waikiki only. Since the launch of this program in November 2014, IHS has received a flurry of calls and inquiries (10-15 per month) from homeless individuals throughout Oahu as well as the Neighbor Islands looking to relocate home, out of state. Majority of these individuals mention they will even abide by IHS policies to have "skin in the game" and work with IHS staff to developing a safety net that ensures they are no longer homeless.

POSITION:

Although IHS has established an airline relocation assistance program, this is not the first time our organization is working to assist homeless individual to relocate home out of state. Traditionally, IHS clients will continue to withdrawal Hawaii state benefits until they save enough to purchase a full, one-way ticket to their destination. Within the last year, 34 homeless clients stayed at IHS for an average of one-year working to save enough income to purchase a one-way ticket out of state or to the Neighbor Islands. None have returned to Hawaii.

By funding at minimum half a one-way ticket, homeless service providers are better able to assist more homeless individual in a quicker timeframe. For shelters, this opens more bed-space to accommodate others in crisis and needing shelter. It saves the State of Hawaii a lot of money. It is a housing option that must be considered and appropriated for this upcoming fiscal year.

RACHAEL WONG, DrPH DIRECTOR

> PANKAJ BHANOT DEPUTY DIRECTOR

LATE



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

February 4, 2015

MEMORANDUM

TO:	The Honorable Representative Dee Morikawa, Chair House Committee on Human Services
	The Honorable Mark J. Hashem, Chair House Committee on Housing
FROM:	Rachael Wong, DrPH, Director
SUBJECT:	H.B. 596 – RELATING TO HOUSING

Hearing: Thursday, February 5, 2015; 10:00 a.m. Conference Room 329; State Capitol

PURPOSE: The purpose of H.B. 596 is to appropriate unspecified funding for various homeless and housing programs, including Sections 2 and 3: substance abuse treatment and mental health support services, and clean and sober support services to be expended by the Department of Health. The proposed bill also would appropriate unspecified funds for a variety of programs through the Department of Human Services. These include: Rental Assistance Program for working homeless (Section 4), the Housing First Program (Sections 6 and 7), a Homeless Prevention and Rapid Rehousing Program (Section 9), and State matching funds for the Shelter Plus Care program (Section 11) to be expended by the Department of Human Services. The bill also mandates the establishment of the Return to Home program (Part VI) and creates the Homeless Assistance Working Group (HAWG) as a function of the Legislature (Part

VIII) and establishes that the Department of Human Services be authorized to expend funds for the purposes of the HAWG (Part VII).

DEPARTMENT'S POSITION: The Department is appreciative of the intent of this bill as it proposes to provide funding to address key aspects of our work to ending homelessness. However, the DHS support of this measure is limited to the extent that passage of the bill does not replace or adversely impact DHS' current mandated priorities and the DHS' priorities indicated in the Executive Budget.

DHS defers to the Department of Health regarding Part I, Sections 2 and 3, of this proposed bill relating to substance abuse treatment, mental health support services and clean and sober support services.

Part II, Section 3 of the proposed bill would appropriate unspecified funds for a rental assistance program (shallow subsidy program) for homeless working individuals and families who are ready to rent permanent housing, with certain additional provisions. The DHS notes that the establishment of a new program will require the development and adoption of administrative rules, as well as procurement for services and subsequent contracting and monitoring. Given the current staffing capacity of the Homeless Programs Office (HPO), it is reasonable to expect this process to take 6-9 months to accomplish.

Regarding Part III, Section 5, funding for the Housing First (HF) program, the DHS asks the Legislature to support the DHS's priorities in the Executive Budget which contains a request for \$2,000,000 for the continuation of the HF Program.

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housing programs would again require existing staff to draft administrative rules, procure services, establish contracts, and monitor the program and funding. Depending upon the priority established for this program, it may take the existing HPO professional staff approximately 6-9 months to develop and implement this new program.

Regarding Part V, Section 10, of this bill for the Continuum of Care program (formerly "Shelter Plus Care" program), the DHS appreciates the intent to provide matching funds for the U.S. Housing & Urban Development (HUD) funded Continuum of Care (CoC) permanent supportive housing programs across the State, and provides the following comments. The state matching funds have been used by agencies state-wide to leverage approximately \$12 million of HUD federal funds to house more than 800 eligible disabled homeless individuals and families. HUD requires a 25% cash or in-kind match for the amount of funds it pays for housing costs to help ensure that appropriate support services are paired with housing to promote stability for eligible clients. Many of the CoC funded agencies utilize matching funds to pay a portion of the substantial administrative demands of the program. For example, every month providers must work with clients in housing and ensure support services are provided, and providers must also pay landlords for every individual or family that is housed. The Department suggests that the language of this proposed bill be amended to properly identify the HUD program as the "Continuum of Care Program" instead of "shelter plus care", and that consideration be given to allow the City and County of Honolulu (which would administer the funds for Oahu providers via a Memorandum of Agreement) to request administrative fees.

Regarding Part VI, Section 13, which mandates the DHS to implement a three year return-to-home program for eligible homeless individuals, the DHS has substantial reservations. Concerns include the prescriptive language of services to be provided, potential liability related to the requirements and related costs, the requirement to obtain sufficient identification to enable travel, the cost associated with the acquisition of valid identification which can, in some cases,

be a burdensome procedure requiring the assistance of legal counsel, 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. Further, the DHS does not have the current workforce capacity or expertise to carry out these provisions.

Providing transportation costs for homeless individuals to return to their home state does not guarantee that the individual will not return to Hawaii and again become a consumer of homeless or other 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, partake of homeless services here, with an expectation that they will receive a "free" return trip. Return-to-home programs are already in existence and are being operated by social service agencies, churches, and even concerned communities. These entities do not advertise their willingness to help the homeless be reunited with family members out of the state of Hawaii; instead these providers work with individuals who want to leave Hawaii, whose families are willing to accept some of the responsibility for the cost of travel, and are willing to help the individual become stable in their home environment once reunited. The Department appreciates and encourages the private sector to continue to provide this service.

Regarding Part VII, Section 15, the Department also has significant reservations with the proposed provisions. DHS experienced significant challenges in expending funds as appropriated by Act 222, Session Laws of Hawaii 2013, for the project identified by the HAWG largely because the HPO did not have the expertise to administer funds for planning and construction of the project identified by the working group. Without proper background in construction, engineering, or architecture, crafting technical "specs" and other technical, project development and contractual requirements, the identified project was beyond HPO's technical

expertise and workforce capacity to implement, and made the potential of project oversight even more challenging.

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Thank you for the opportunity to comment on this proposed bill.





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

Board of Directors

TO:

2. 8

Howard Garval, Chair Joanne Lundstrom, Vice Chair Jerry Rauckhorst, Treasurer Liz Chun, Secretary Susan Chandler Victor Geminiani Marya Grambs Kim Harman Katherine Keir Jeeyun Lee John McComas Robert Naniole Darcie Scharfenstein Alan Shinn

- Representative Dee Morikawa, Chair Representative Bertrand Kobayashi, Vice Chair Members, Committee on Human Services
 - Representative Mark Hashem, Chair Representative Jo Jordan, Vice Chair Members, Committee on Housing

FROM: Scott Morishige, Executive Director, PHOCUSED

HEARING: House Committees on Human Services and Housing Thursday, February 5, 2015 at 10:00 a.m. in Conf. Room 329

Testimony in Support of HB596, Relating to Housing

Thank you for the opportunity to provide testimony in **support for Part III only** of **HB596** which would make an appropriation for the State's Housing First program. PHOCUSED is a nonprofit membership and advocacy organization that works together with community stakeholders to impact program and policy change for the most vulnerable in our community, including the homeless. Once again, we clarify that our testimony is limited to support for Part III of this bill only. We have also submitted testimony for HB765, which contains similar language regarding Housing First and would increase the appropriation for the program to \$3 million.

Housing First: A 'Best Practice' Approach to Ending Homelessness

Housing First is a nationally recognized best practice for effectively and efficiently housing the most vulnerable and high-need homeless individuals by (1) Placing them quickly into permanent housing, and (2) Providing wrap-around supportive services to assist them in maintaining housing. The program not only provides immediate assistance to our most vulnerable homeless individuals, but also helps to reduce the public cost of serving these individuals in the long-term. The U.S. Interagency Council on Homelessness has endorsed Housing First as a 'best practice' for governments and service agencies addressing chronic homelessness.

A Smart Investment: Housing First Reduces Long-Term Public Costs

The individuals targeted for Housing First are often the highest utilizers of public services, including police and emergency responders, emergency room services, and mental health crisis services. Nationally, research has demonstrated that Housing First programs result in large public cost savings by stabilizing homeless individuals and reducing their use of these ongoing public services. For example, a study found that in Los Angeles, placing just four chronically homeless individuals into permanent supportive housing saved more than \$80,000 per year.

Housing Fist Locally

Since March 2014, PHOCUSED has surveyed over 2,200 homeless individuals and families on the island of Oahu. Through this standardized assessment, we have been able to identify 590 homeless households that appear eligible for Housing First based



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

upon their level of need. Through the work of the State's Housing First program and other local Housing First efforts, we have been able to connect 46% (270) of these households to a Housing First provider for intake and housing search. This is a tremendous achievement, but we will not be able to continue these efforts without a further, long-term investment from the State. An increased appropriation of \$3 million for Housing First will not only sustain efforts on Oahu, but also enable expansion to our neighbor island communities (i.e. Maui, Kauai, Hawaii Island, etc.).

Housing First in the Base Budget

Currently the State Housing First Program has permanently housed 43 individuals and Without continued funding for this program both the supportive case families management and rental support would cease and these individuals and families will be at great risk of falling back into homelessness. To prevent the disruption of months of progress PHOCUSED strongly advocates for the inclusion of the State Housing First program into the base budget.

Once again, PHOCUSED supports Part III of this bill, which would make an appropriation for Housing First. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.

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