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STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

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

February 29, 2016

TO: The Honorable Senator Jill N. Tokuda, Chair Senate Committee on Ways and Means

FROM: Rachael Wong, DrPH, Director

SUBJECT: SB 2570 SD1 – RELATING TO THE RAPID RE-HOUSING ASSISTANCE PROGRAM

Hearing: Monday, February 29, 2016, 9:15 a.m. Conference Room 211, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure and the Legislature's support of Rapid Re-Housing as an evidence-based best practice to end homelessness. We note that the Governor's Executive Budget contains a \$2 million request for a Rapid Re-Housing Program (RRH), and ask for the Legislature's support of the Executive budget request.

PURPOSE: The measure requires DHS to establish a rapid re-housing assistance program to move homeless families and individuals into permanent housing as quickly as possible and achieve stability in that housing; requires the program to be designed and operated to qualify for federal emergency shelter grants; and appropriates general funds for fiscal year 2016-17.

As mentioned above, the Governor requested \$2 million for Rapid Re-Housing Program. If funding is appropriated, DHS intends to implement a Rapid Re-Housing (RRH) program specifically geared to operate in close coordination with homeless shelters to identify individuals and families who are capable of maintaining stable, permanent housing; work assertively with them to mitigate concerns (e.g. budgeting, debt management, employment, etc.); and efficiently move them into housing that is sustainable. Case management and housing placement services will be key factors in the RRH program.

AN EQUAL OPPORTUNITY AGENCY

By creating the program as part of the existing shelter program, the Department intends to support the overall systemic goals of reducing the length of stay in shelters and housing the homeless more efficiently. This approach will also create a "flow" into the shelter system so that the unsheltered homeless individuals and families who need and want shelter are never turned away due to a lack of space. This strategy will make more efficient use of existing shelter inventory and achieve long term positive outcomes in housing placement and stability.

The Department's Homeless Programs Office (HPO) is the collaborative applicant on behalf of the neighbor islands' Continuum of Care (CoC) known as Bridging the Gap (BTG). As such, DHS administers the HUD-funded Emergency Solutions Grant (ESG) for BTG. The City and County of Honolulu administers ESG for the island of Oahu and on behalf of Partners in Care, the Oahu CoC. Absent a change in the CoC's designation, DHS is not eligible to apply for or administer ESG funds for Oahu. Therefore it is highly unlikely that DHS will be able to use ESG funds to offset the cost of this program. Moreover, current ESG regulations set income limits for recipients at 30% of Area Median Income (AMI). At that level, it is challenging to prove an individual/family's sustainability. DHS expects our RRH program will create eligibility standards at or around 31-60% of AMI. In this way, those who qualify for ESG can be served through federal assistance, and those who make slightly more income but still need help can also receive case management and short to medium term rental assistance through the State RRH program.

The Department believes that this program design addresses the greater needs of the community.

Thank you for the opportunity to testify on this bill.



EXECUTIVE CHAMBERS HONOLULU

DAVID Y. IGE GOVERNOR

February 29, 2016

TO:	The Honorable Senator Jill N. Tokuda, Chair Senate Committee on Ways and Means		
FROM:	Scott Morishige, MSW, Governor's Coordinator on Homelessness		
SUBJECT:	SB 2570 SD1 – RELATING TO THE RAPID RE-HOUSING ASSISTANCE PROGRAM		
	Hearing:	Monday, February 29, 2016, 9:15 a.m. Conference Room 211, State Capitol	

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this measure, as well as the Legislature's support of Rapid Re-Housing as an evidencebased best practice to end homelessness. The Coordinator notes that the Governor's Executive Budget includes \$2 million for Rapid Re-Housing, and asks for the Legislature's support of the Executive Budget Request. The Coordinator also defers to the Department of Human Services (DHS) in regard to specific issues relating to implementation of the proposed program. While the Coordinator establishes and coordinates State policy to address homelessness, the DHS Homeless Programs Office is responsible for the administration and implementation of homeless programs.

PURPOSE: The purpose of the bill is to establish a Rapid Re-Housing program to move homeless families and individuals into permanent housing as quickly as possible and achieve stability in that housing. The bill also requires the program to be designed and operated to qualify for federal emergency shelter grants, and appropriates general funds for fiscal year 2016-2017. In addition, this bill will expand the definition of "homeless" as applied to DHS' homeless programs to include an individual or family who currently resides in permanent housing as participants in the rapid re-housing assistance program, but who were formerly homeless. Rapid Re-Housing is an intervention designed to assist homeless individuals and families to quickly transition to permanent housing by providing a short-term housing subsidy. The Rapid Re-Housing program described in the Executive Budget differs from the one proposed by this bill in that the administration's Rapid Re-Housing program will be specifically targeted at homeless individuals and families residing in shelter, and will be designed to accelerate the transition to permanent housing and reduce the length of stay in shelter. By more rapidly transitioning these households, the administration's Rapid Re-Housing program would enable more vacancies to become available within the shelter system, thereby maximizing the use of existing shelter inventory to better meet the increased number of unsheltered households throughout the state. The \$2 million requested in the Executive Budget is estimated to serve up to 750 households statewide.

The Coordinator notes that the United States Department of Housing and Urban Development (HUD) funds a similar program labeled Rapid Re-Housing through the Emergency Solutions Grant (ESG). However, the federal program establishes income limits at 30% of the Area Median Income (AMI) for eligible households. The administration's Rapid Re-Housing program would be designed to target households earning between 31-60% of the AMI in order to complement the existing federal program.

Finally, this measure aligns with Goal 2, Objective 4, Strategy 1 of the Hawaii Interagency Council on Homelessness Strategic Plan to End Homelessness, which is to "support additional rental housing subsidies through federal, state, local and private resources."

Thank you for the opportunity to testify on this bill.

DEPARTMENT OF COMMUNITY SERVICES CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL MAYOR



GARY K. NAKATA DIRECTOR

BARBARA YAMASHITA DEPUTY DIRECTOR

TESTIMONY OF GARY K. NAKATA, DIRECTOR DEPARTMENT OF COMMUNITY SERVICES BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS MONDAY, FEBRUARY 29, 2016 – 9:15 A.M. Conference Room 211

SENATE BIII 2570, RELATING TO THE RAPID REHOUSING ASSISTANCE PROGRAM Position: Support

TO: The Honorable Jill N. Tokuda, Chair The Honorable Donovan M. Dela Cruz, Vice Chair and Members of the Committee on Ways and Means

Senate Bill No. 2570 requires the Department of Human Services to establish a rapid rehousing assistance program to move families or individuals experiencing homelessness into permanent housing as quickly as possible. The Department of Community Services supports this effort to adopt a nationally recognized best practice that places people experiencing homelessness directly into permanent housing.

Thank you for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact me at 768-7760.



CATHOLIC CHARITIES HAWAI'I

TESTIMONY in SUPPORT of SB 2570 SD1: RELATING TO THE RAPID RE-HOUSING ASSISTANCE PROGRAM

- TO: Senator Jill N. Tokuda, Chair, Senator Donovan M Dela Cruz, Vice Chair, and Members, Committee on Ways and Means
- FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

Hearing: Monday, 2/29/16; 9:15 AM; CR 211

Chair Tokuda, Vice Chair Dela Cruz, and Members, Committee on Ways and Means::

Thank you for the opportunity to provide written testimony **in support of SB 2570**, **SD1**, which would require DHS to establish a rapid re-housing program to move homeless families or individuals into permanent housing as soon as possible and achieve stability in that housing. I am Betty Lou Larson representing Catholic Charities Hawaii. We are also a member of Partners in Care.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai`i. This bill fits into our priority to address affordable housing and homelessness.

Catholic Charities Hawaii supports the intent of this bill since it would put added focus on how to move families into permanent housing as soon as possible. DHS currently has short term rapid rehousing programs, such as the Housing Placement Program operated by Catholic Charities Hawai'i. The missing piece is medium term rental assistance, such as requested in the Governor's budget (\$2 million for rapid-rehousing) as well as in bills on this issue now being considered by the House and Senate.

Among homeless families, 50% of them are homeless because they were short of money to pay rent and had no other underlying issues. The shallow subsidies being proposed for rapid rehousing can help a large number of households get out of homelessness. These families are often stuck in transitional or emergency housing since their work income is not enough for a market unit. DHS plans to target families in high performing shelters since these shelters already have the bookkeeping and case management capacity to rapidly implement this new program without having to create a new bureaucracy. With a small rental subsidy, these working people will become permanently housed, opening up space in shelters for more families. This would better utilize shelter space. Financial stabilization/case management services are also a critical piece of a program to ensure a family's long term stability in housing.

We urge your support for this bill to create a comprehensive rapid re-housing program at DHS to move homeless families and individuals rapidly into permanent housing.





<u>SB2570</u>

Submitted on: 2/27/2016 Testimony for WAM on Feb 29, 2016 09:15AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ricky Cassiday	Individual	Support	No

Comments: Again, per the study I did last year for the state and the four counties on affordable rental housing, entitled: Affordable Rental Housing Study Update, 2014, one in five households statewide needs housing assistance (20% of our families make 60% or under of the Area Median Income). It is thanks to a chronic undersupply of housing over 30+ years that our community suffers from the stress of finding adequate shelter.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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