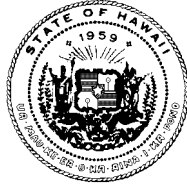


# SB2733

Measure Title:	RELATING TO HOUSING.
Report Title:	Housing; Homeless; Shallow Rent Subsidy Program; Housing First; Appropriation (\$)
Description:	Appropriates funds for the shallow rent subsidy program for homeless working individuals or families who are ready to rent permanent housing in order to obtain and maintain permanent housing. Appropriates funds to the department of human services. Also appropriates funds to the department of human services to continue to administer housing first programs for chronically homeless individuals.
Companion:	<a href="#"><u>HB1773</u></a>
Package:	None
Current Referral:	HOU/HMS, WAM
Introducer(s):	CHUN OAKLAND, IHARA, SHIMABUKURO, Kidani, Kim, Riviere, Slom



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

February 9, 2016

TO: The Honorable Senator Suzanne Chun Oakland, Chair  
Senate Committee on Human Services

The Honorable Senator Breene Harimoto, Chair  
Senate Committee on Housing

FROM: Rachael Wong, DrPH, Director

SUBJECT: **SB 2733 – RELATING TO HOUSING**

Hearing: Tuesday, February 9, 2016; 1:20 p.m.  
Conference Room 016, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports the intent of this proposed bill, especially as it relates to funding for the continued operation of the State's Housing First Program which currently provides rental subsidies and serves 106 chronically homeless individuals and families. We note that the Governor's Executive Budget includes a request of \$3 million for the Housing First program and request the Legislature fund the Housing Program through the Executive Budget.

DHS supports the intent of Section 4 regarding a shallow rent subsidy program provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget, and offers comments.

**PURPOSE:** The purpose of the bill is to appropriate funds to the Department of Human Services (DHS), including \$3 million for the continuation of the state's Housing First program and \$2 million for the establishment of a shallow rent subsidy program.

The State's Housing First program continues to serve 106 persons (70 individuals, and 10 families). These individuals and families were referred to the Housing First program via Hale O

Malama, or the coordinated entry System (CES). This means that the VI-SPDAT (Vulnerability Index Service Prioritization and Decision Assistance Tool), our community's agreed upon screening instrument was administered and the client's needs deemed eligible for the highest level of services available which is Housing First. The commitment of DHS to Hale O Malama is clearly demonstrated as DHS understands the need for improved coordination of services and allocating appropriate resources to meet client needs.

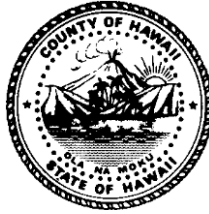
As many as 20 of the Housing First clients being provided housing subsidies are receiving intensive Assertive community Treatment (ACT) level of care through the Hawaii Pathways Program (HPP). HPP is the implementation of the Pathways Model of Housing First that is funded by a federal grant from the Substance Abuse and Mental Health Services Administration (SAMHSA) to the Department of Health. The State's Housing First program with the HPP leveraged together approaches fidelity to the evidence based models to the extent possible. Housing First and HPP build capacity to provide the supportive services necessary to successfully maintain this high-need population in stable housing. Preliminary data analysis conducted via the Pathways Project suggests that providing housing and services to the target population has resulted in an estimated 43% reduction in health care cost. These results are very promising and suggest that Housing First and Hawaii Pathways Program is already resulting in cost savings to our community in addition to making life-altering changes for individual clients.

Regarding Section 4 that appropriates \$2 million to DHS for a shallow rent subsidy program, the Department notes that in discussion with the Hawaii Public Housing Authority (HPHA), HPHA currently operates the state-wide rental subsidy program funded at approximately \$1 million. The HPHA program is currently operated with 1.25 FTE positions, however, at one time the program was staffed at 5.0 FTE. The DHS is not certain whether the proposed rent subsidy program is intended to supplement the HPHA program or to supplant it. The DHS prefers the rental subsidy program, which is available to individuals who are obviously not homeless, remain with HPHA and be made more robust, and allow DHS Homeless Programs Office to focus on services for homeless individuals and families. Further, we express caution about transferring the existing program staffed by civil servants and offering it via a contract in accordance with Chapter 103F, Hawaii Revised Statutes. There are a number of measures this session that propose a similar rent subsidy program. The DHS further notes that the Executive Budget includes a request for \$2 million for Rapid Re-housing. These funds are projected to be used to help homeless families

transition more quickly, efficiently, and successfully into permanent housing from emergency and transitional shelters.

Thank you for the opportunity to testify on this bill.

**Karen Eoff**  
Council Member  
Council District 8 - North Kona



Phone: (808) 323-4280  
Fax: (808) 329-4786  
Email: karen.eoff@hawaiicounty.gov

## HAWAI'I COUNTY COUNCIL

County of Hawai'i  
West Hawai'i Civic Center, Bldg. A  
74-5044 Ane Keohokalole Hwy.  
Kailua-Kona, Hawai'i 96740

February 8, 2016

Senate Committee on Human Services  
Senator Suzanne Chun Oakland, Chair  
Senator Gil Riviere, Vice Chair

Senate Committee on Housing  
Senator Breene Harimoto, Chair  
Senator Brickwood Galuteria, Vice Chair

Re: Testimony In Support of SB2733; Relating to Housing  
Hearing Date: February 9, 2016 at 1:20 p.m., Conference Room 016

Dear House Committee on Agriculture:

On behalf of myself and constituents of Council District 8, North Kona, our support for the above referenced bill is expressed, with brief testimony provided as follows:

I fully support this measure that would appropriate funds to the department of human services to continue to administer housing first programs for chronically homeless individuals and to assist homeless working individuals and families to obtain or maintain permanent housing.

I strongly encourage the passing of this bill.

Sincerely,

A handwritten signature in cursive script that reads "Karen Eoff".

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KAREN EOFF, Vice Chair,  
Council District 8, North Kona

KE.wpb



AMERICANS FOR DEMOCRATIC ACTION

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Karin Gill, Secretary	Fritz Fritschel	Stephen O'Harrow		

Feb. 4, 2016

TO: Honorable Chairs Harimoto and Chun Oakland and Members of the Committees

RE: SB 2733 Relating to Housing  
Support

Americans for Democratic Action is a national organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We support SB 2733 as it would appropriate funds to the Department of Human Services to continue to administer housing first programs for chronically homeless individuals and funds for the rent subsidy program for homeless working individuals or families. As the bill itself states, we have over 7,000 homeless/houseless individuals in our state. To quote the bill: "Addressing homelessness requires a multi-faceted approach using interventions targeted to the particular characteristics of the population being served. Two programs critically necessary to address homelessness in Hawaii are the housing first and shallow rent subsidy programs." The bill speaks for itself. If we want to diminish homelessness in a serious way, we should listen.

Thank you for your consideration.

Sincerely,

John Bickel  
President



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF SB 2733: RELATING TO HOUSING

TO: Senator Suzanne Chun Oakland, Chair, Human Services; Senator Breene Harimoto, Chair, Housing; and Members, Committees on Human Services and Housing.  
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii  
Hearing: Tuesday, 2/9/16; 1:20 pm; CR 016

Chair Chun Oakland, Chair Harimoto, and Members, Committees on Human Services and Housing:

Thank you for the opportunity to provide testimony **in strong support** of SB 2733, making appropriations for a shallow rent subsidy program and to continue housing first programs. I am Betty Lou Larson, with Catholic Charities Hawai'i. We are also a member of Partners in Care. Catholic Charities Hawai'i has prioritized these two programs among our top priorities for 2016.

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. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

The causes of homelessness are diverse and a comprehensive plan such as provided in this bill is essential. Different solutions must be implemented using interventions targeted to the particular characteristics of the population being served. Two programs critically necessary to address homelessness in Hawaii are the housing first and shallow rent subsidy programs.

We support **\$3 million** to continue the Housing First program which houses chronically homeless individuals and families, 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 (80 households as of 1/11/16) is at risk. **Housing First saves the state money:** *A preliminary Hawaii study of healthcare savings found that after deducting the cost of rental subsidies (\$1,100/mo) and supportive services (\$1,120/mo), the net savings was estimated at \$2,370 per client/month. Total savings per year for each stably housed client would be about \$28,440 per client.*

We support **\$2 million** for a shallow rent subsidy program. This promotes the rapid rehousing of families who are working. Often they are stuck in transitional or emergency housing since their work income is not enough for a market unit. By providing a small rental subsidy, these working people will become permanently housed, opening up space in shelters for more families. This not only addresses family homelessness, it better utilizes shelter space.

Thank you for addressing these multiple paths out of homelessness. Please contact me at (808) 373-0356 or [bettylou.larson@catholiccharitieshawaii.org](mailto:bettylou.larson@catholiccharitieshawaii.org) if you have any questions.



Catholic  
Charities  
USA



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eumoku Street, Honolulu, HI 96822  
Phone (808) 373-0356 • [bettylou.larson@CatholicCharitiesHawaii.org](mailto:bettylou.larson@CatholicCharitiesHawaii.org)



Aloha United Way



**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [HOU Testimony](#)  
**Cc:** [leilani.maxera@gmail.com](mailto:leilani.maxera@gmail.com)  
**Subject:** \*Submitted testimony for SB2733 on Feb 9, 2016 13:20PM\*  
**Date:** Friday, February 05, 2016 10:01:28 AM

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**SB2733**

Submitted on: 2/5/2016

Testimony for HOU/HMS on Feb 9, 2016 13:20PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Leilani Maxera	The CHOW Project	Support	No

**Comments:**

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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)



# HAWAII APPLESEED

## CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice  
Supporting SB 2733 Relating to Housing  
Senate Committee on Housing  
Scheduled for Hearing Tuesday, February 9, 2016, 1:20 PM, Room 016

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*Hawai'i Appleseed Center for Law and Economic Justice Hawai'i Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.*

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Dear Chair Harimoto, Vice Chair Galuteria and Members, Committee on Housing:

Thank you for the opportunity to testify in support of SB 2733, which makes appropriations for two housing programs that will combat homelessness—Housing First and Shallow Rent Subsidies.

Hawaii's housing needs are well documented: The 2014 Housing Study finds that 27,224 rental units are needed by 2020 for people under 80% of the Area Median income (AMI). The need for housing for those at 60% or less of the AMI rose dramatically between 2011 and the 2014 study. 50% more units are needed for these households than in 2011 (over 20,000 units vs 13,000 in the 2011 study). Furthermore, Hawaii has the highest homelessness rate in the nation, and the problem continues to worsen. We need to adopt proven, cost-effective solutions to address homelessness.

We support the continuance of the Housing First program on Oahu and its expansion to neighbor islands. The program gets people off the streets immediately, moving them into a more stable environment where they can be rehabilitated and achieve self-sufficiency. Housing First has been proven nationally as the most effective model for combating chronic homelessness.

The Shallow Rent Subsidy program proposed by SB 2733 is intended to help working households who do not need a deep subsidy to secure or maintain housing, but without some financial assistance (capped at \$500 per month) will become or remain homeless. Among homeless families, 50% of them are homeless because they were short money to pay rent and had no other underlying issues. Since the subsidy is shallow, a relatively small appropriation can help a relatively large number of households out of homelessness. Shallow rent subsidies are designed to be short term. Many studies indicate that participants often only required 6 months of subsidies before they were living in permanent, affordable housing. Shallow subsidies are a relatively low-cost, short-term intervention that can be a permanent solution to homelessness for many Hawai'i families—Hawai'i needs such a program.

Thank you very much for hearing and considering this important bill to help end homelessness.

TO WHOM IT SHOULD CONCERN

On behalf of the hundreds of homeless and working poor that I serve in the district of Mo`ili`ili, I urge you to pass **SB2733**.

When the average hourly wage of a worker in Hawaii is \$14.49 and the cost of renting an apartment is \$31.54, affordable, subsidized housing is ESSENTIAL!

Sincerely

**Fr. Gregory Johnson+**

Senior Priest

St. Mary of Mo`ili`ili

2062 S. King Street, Honolulu, HI 96826

808-949-4655