

EXECUTIVE CHAMBERS HONOLULU

February 1, 2022

TO: The Honorable Senator Joy A. San Buenaventura, Chair

Senate Committee on Human Services

The Honorable Senator Stanley Chang, Chair

Senate Committee on Housing

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: SB 3168- RELATING TO HOMELESSNESS.

Hearing: Tuesday, February 1, 2022, 1:00 p.m.

VIA VIDEO CONFERENCE

<u>POSITION</u>: The Governor's Coordinator on Homelessness supports this measure and appreciates the extension of the sunset date for the Ohana Zones pilot program until June 30, 2028. The Coordinator also supports two similar administrative bills - <u>SB3108</u> and <u>HB2140</u> – that provide an appropriation of \$15,000,000 and extend the existing program until June 30, 2026.

If this measure proceeds, the Coordinator defers to the Department of Budget and Finance (B&F) and the Department of Human Services (DHS) regarding section 4 of this bill, which provides that any funds unused by June 30, 2028 shall be transferred to DHS for purposes of establishing a permanent Ohana Zones program.

<u>PURPOSE</u>: The purpose of the bill is to extend the Ohana Zones pilot program to June 30, 2028. The bill also appropriates funds for the continuation and stabilization of the program and establishes a permanent Ohana Zones program within DHS upon expiration of the pilot program.

In December 2021, the Hawaii Interagency Council on Homelessness (HICH) – a 27-member advisory council chaired by the Coordinator – adopted policy priorities for the 2022

legislative session, including a specific focus on promoting affordable housing for people transitioning from homelessness through an extension of the Ohana Zones program. Since its establishment in 2018, the Ohana Zones pilot program supported 20 projects statewide. As of November 2021, the Ohana Zones pilot program aided 5,510 homeless individuals statewide, including 1,368 placed into permanent housing.

The Ohana Zones pilot program provided flexible funding for the State and counties to develop innovate programs reflecting the local needs of specific communities, including rural areas of Hawaii island and Oahu. Based on regional needs, Ohana Zones funding supported expansion of emergency shelter and navigation programs, as well as permanent housing projects for individuals and families transitioning out of homelessness. Examples of Ohana Zones include the Homeless Outreach and Navigation for Unsheltered (HONU) program on Oahu, as well as permanent housing projects such as Kamaoku Kauhale, Huliau, Kealaula at Pua Loke, Kumuwai, and Hale Maluhia. The flexibility of Ohana Zones also enabled the State and counties to rapidly adjust and expand shelter capacity during the COVID-19 pandemic, as demonstrated by the Ka Lamaku and Hale Hanakahi projects. The HICH annual legislative report¹ provides a detailed overview and evaluation of the Ohana Zones pilot program.

A key strength of the Ohana Zones pilot program are the contracts executed directly between the Coordinator's office and the four counties instead of with individual service providers. The direct contracts with the counties enable the counties to leverage county-level funding, land, and facilities to supplement Ohana Zones funding. For example, the Kumuwai and Hale Maluhia projects on Oahu leverage facilities owned by the City & County of Honolulu and purchased with City funds. Similarly, the Keolahou Assessment Center on Hawaii island leveraged land and facilities under the jurisdiction of Hawaii County. In addition, the HONU program leverages City park facilities to provide space for the program. The close partnership between State and counties to implement Ohana Zones acknowledges that addressing homelessness is a shared responsibility.

¹ Report available at: https://homelessness.hawaii.gov/wp-content/uploads/2021/12/HICH-Report-to-2022-Legislature-FINAL.pdf

An extension of the Ohana Zones pilot program will provide additional resources to address increasing levels of homelessness and housing instability statewide. In January 2021, the Economic Roundtable released <u>a report</u> that projected the pandemic recession would increase chronic homelessness nationwide by 49% over the next four years.² Similarly, historical data for the statewide homeless Point in Time (PIT) count also indicates demand for homeless services is likely to increase in the wake of the current economic recession. Following the last significant downturn in 2009, the statewide PIT count increased 37% between 2009 and 2016. On a more hopeful note, statewide PIT count data also reflected stark decreases in homelessness between 2016 and 2020, indicating it is possible to reverse upward trends in homelessness with a concentrated focus and investment in housing-focused strategies, such as Ohana Zones.

The HICH acknowledges Ohana Zones are just one piece of a more comprehensive effort to address homelessness, which includes reducing upfront barriers to accessing rental housing and expanding programs that assist key homeless sub-populations (e.g., unsheltered youth, adults with severe mental illness, etc.). For more information about the 2022 HICH policy priorities, visit: https://homelessness.hawaii.gov/advocacy.

Thank you for the opportunity to testify on this bill.

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² Report available at: https://economicrt.org/publication/locked-out/

DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

> Testimony of SUZANNE CASE Chairperson

Before the Senate Committees on HUMAN SERVICES and HOUSING

Tuesday, February 1, 2022 1:00 PM Conference Room 225 & Via Videoconference

SENATE BILL 3168 RELATING TO HOMELESSNESS

Senate Bill 3168 proposes to extend the pilot Ohana Zone Program another five years, provide funding to the Ohana Zones Program, and establish a permanent Ohana Zones Program within the Department of Human Services upon the expiration of the pilot program. The Department of Land and Natural Resources (Department) supports this measure and offers the following comments.

The Ohana Zone Program has been very successful in part because a variety of housing solutions have been created under its umbrella. The Department offers that in planning for the future success of this program, the same type of flexibility in finding solutions where none are apparent will be needed. For example, the Department is often called on to provide land for these projects, however, there are fewer and fewer suitable parcels as more Ohana Zone and low-income projects are developed. The existing program looked at creative re-use of existing buildings.

The Department notes that it may be more difficult to repeat the successes of the initial program, and therefore, the metrics of success may need to change over time. For example, are Ohana Zones starter housing for the homeless, and do they move out over time, as measured in years rather than months, or do they become generational low low-income housing? Robust and thoughtful data collection can help the state address the issues our lowest income residents in informed and thoughtful ways, provided the program is flexible enough to face the challenges of an ever-changing population.

Thank you for this opportunity to comment on this measure.

SUZANNE D. CASE

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA FIRST DEPUTY

M. KALEO MANUEL

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

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

January 31, 2022

TO: The Honorable Joy A. San Buenaventura, Chair

Committee on Human Services

The Honorable Senator Stanley Chang, Chair

Senate Committee on Housing

FROM: Cathy Betts, Director

SUBJECT: SB 3168 – RELATING TO HOMELESSNESS.

February 1, 2022, 1:00 pm

Via Videoconference, State Capitol

<u>DEPARTMENT'S POSITION</u>: The Department of Human Services (DHS) supports this proposal which is similar to the administration proposal SB3108/HB2140 that extends the Ohana Zone pilot program. The administration proposal extends the pilot program for three years, not five, and requests an appropriation of \$15,000,000.

<u>PURPOSE</u>: The purpose of this measure is to extend the ohana zones pilot program to 06/30/2028. Appropriates funds for the continuation and stabilization of the program. Establishes a permanent ohana zones program within the Department of Human Services upon expiration of the pilot program.

The Ohana Zone pilot program has successfully supported innovative programs that address services gaps, especially for services where no federal programs or funds exist. The Governor's Coordinator on Homelessness worked closely with Counties to maximize available use of both State and County resources to address emerging needs in response to COVID-19. Extending the pilot program and additional funds will continue the current pilot program

projects and will allow the current projects to gather more data and information about what works. Additional funds will also support the community's efforts to address youth and young adults' shelter and housing needs.

As to transitioning the pilot program to a permanent program within DHS, the Legislature will need to add administrative resources and general fund appropriations to the DHS base budget in the session before the end of the pilot program.

Lastly, DHS respectfully requests that any appropriation not supplant or reduce existing budget priorities identified in the executive budget.

Thank you for the opportunity to provide testimony on this measure.

EMPLOYEES' RETIREMENT SYSTEM
HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

OFFICE OF THE PUBLIC DEFENDER

OF No.

STATE OF HAWAI'I
DEPARTMENT OF BUDGET AND FINANCE

P.O. BOX 150 HONOLULU. HAWAI'I 96810-0150 CRAIG K. HIRAI

GLORIA CHANG DEPUTY DIRECTOR

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON HUMAN SERVICES
AND HOUSING
ON
SENATE BILL NO. 3168

February 1, 2022 1:00 p.m. Room 225 and Videoconference

RELATING TO HOMELESSNESS

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 3168: 1) amends Act 209, SLH 2018, as amended by Act 128, SLH 2019, to extend the 'Ohana Zones Pilot Program's (OZPP) sunset date from June 30, 2023 to June 30, 2028, and extend the annual reporting requirements of the pilot program to the 2028 Legislative Session; 2) establishes a permanent 'Ohana Zones Program (OZP) within the Department of Human Services (DHS) after the sunset of OZPP; 3) appropriates an unspecified amount of general funds in FY 23 to the Office of the Governor (GOV) to fund the extended operations of OZPP through FY 28; 4) authorizes GOV to transfer OZPP funding to other expending agencies, as necessary, to implement OZPP; and 5) requires the transfer of any unspent amounts of the unspecified appropriation at the end of FY 28 to DHS to establish the permanent OZP.

B&F notes that the provision requiring unspent funds that are appropriated by this bill in FY 23 to be transferred to DHS at the end of FY 28 and expended by DHS

after FY 28 is in direct conflict with Section 11 of Article VII of the Constitution of the State of Hawai'i, which states that general fund appropriations shall be for specified periods; that no appropriation shall be made for a period exceeding three years; and that unencumbered appropriations or portions thereof shall lapse at the close of the fiscal period for which the appropriations were made.

B&F also notes that the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF SB 3168: RELATING TO HOMELESSNESS

TO: Senate Committees on Human Services and Housing

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i

Hearing: Tuesday, February 1, 2022; 1:00 pm; via videoconference

Chair San Buenaventura, Chair Chang, and Members, Committees on Human Services and Housing:

Thank you for the opportunity to provide testimony **in Support** of SB 3168, which extends and provides funding for the Ohana Zone pilot project, and establishes a permanent Ohana Zone program within the Department of Human Services at the expiration of the pilot program. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners In Care (PIC).

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for 75 years. CCH has programs serving elders, children, families, 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.

Catholic Charities Hawai`i supports extending the Ohana Zone pilot program and providing additional funding, as well as making it permanent, as long as it does not impact funding for other ongoing proven homeless services. During the past 3 years, some Ohana Zone projects only needed one time funding to create housing. Others that provide ongoing services will need continued funding. Twenty projects were created that other federal funding could not address. These projects built on the strengths of the local communities that know their needs. The funding provided an opportunity to respond to these needs in new and creative ways. Working with the counties was an important part of this funding and should be continued.

The initial pilot program demonstrated that addressing the issue of homelessness on the local level through Ohan Zone funding was effective. Hundreds of beds were added to the homeless service network, including creative initiatives like tiny homes.

We urge your support to continue and expand the Ohana Zone program and the resources needed to fund them for the next 5 years.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.







PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

TESTIMONY IN SUPPORT OF SB 3168 RELATING TO HOMELESSNESS

TO: Senate Committee on Human Services and the

Senate Committee on Housing,

FROM: Partners In Care (PIC)

Hearing: Tuesday, February 1st, 2022, 1:00pm via videoconference

Position: SUPPORT

Chair San Buenaventura, Chair Chang and Members of the Senate Committee on Human Services and Members of the Senate Committee on Housing:

Partner In Care, Oahu's Continuum of Care, stands in <u>support</u> of **SB 3168 RELATING TO HOMELESSNESS.** This measure will provide additional funding, extend the lifetime of the pilot project and establish a permanent ohana zones program.

Over the last 3 years, there have been several innovative programs created within the ohana zones throughout the islands. 20 programs were created that other federal funding is not able to address. These programs have added hundreds of beds to the homeless service system including emergency shelter, tiny homes and more, which is essential in addressing the issue of homelessness. We support the continuation of this program and the resources needed to fund them for the next 5 years.

Thank you for the opportunity to testifying on this measure. Please do not hesitate to contact us if you have any questions.

Aloha



1 February 2022

Senate Committees on Human Services and Housing

Hearing Time: 1:00 p.m.

Location: Virtual

Re: SB 3168, Relating to Homelessness

Aloha mai e Chairs San Buenaventura and Chang, Vice-Chairs Ihara and Kanuha, and members of the Committees:

We are writing in **support** of SB 3168, relating to homelessness. This bill extends the ohana zones pilot program to 06/30/2028. It appropriates funds for the continuation and stabilization of the program and establishes a permanent ohana zones program within the Department of Human Services upon expiration of the pilot program.

We are in support of the continuation of the ohana zones program and believe that it is serving its intended purpose to provide critical services to the State's homeless population. The Opportunity Youth Action Hui is especially concerned about homelessness among youth, with research showing that youth aged 12–17 are at higher risk than adults of becoming homeless. According to a recent report, transition-aged youth between 18 and 24 years are one of the fastest growing homeless populations. Homeless youth often do not receive adequate services. They may not meet shelter admission policies, and, at times, there is a lack of bed space for youth. Although homeless young adults can use shelter services, services may not always be a good fit for the needs of the transitioning population. This bill is an important step among many that need to be taken to address homelessness in our community. We ask that you support it.

The Opportunity Youth Action Hui is a collaboration of organizations and individual committed to reducing the harmful effects of a punitive incarceration system for youth, promoting equity in the justice system, and improving and increasing resources to address adolescent and young adult mental health needs.

We seek to improve the continuity of programs and services for youth and young adults transitioning from minor to adult status; eliminate youth houselessness and housing market discrimination against young adults; and promote and fund more holistic and culturally-informed approaches among public/private agencies serving youth.

Please support SB 3168.



TESTIMONY IN SUPPORT OF SB 3168

TO: Chair San Buenaventura, Vice-Chair Ihara, & Human Services Committee Members

Chair Chang, Vice Chair Kanuha, & Housing Committee Members

FROM: Nikos Leverenz

Grants & Advancement Manager

DATE: February 1, 2022 (1:00 PM)

Hawai'i Health & Harm Reduction Center (HHHRC) <u>supports</u> SB 3168, which (1) extends the ohana zones pilot program to 06/30/2028; (2) appropriates funds for the continuation and stabilization of the program; and (3) stablishes a permanent ohana zones program within the Department of Human Services upon expiration of the pilot program.

Ohana zones have been useful mechanism to address unsheltered homelessness in recent years. HHHRC Executive Director Heather Lusk currently serves as Board Chair of <u>Partners in Care O'ahu</u>, a planning, coordinating, and advocacy alliance that develops recommendations for programs and services to fill needs within O'ahu's continuum of care for homeless persons.

HHHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawaii and the Pacific. We work with many individuals impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those related to substance use and mental health conditions. Many of our program clients and participants have also been deeply impacted by trauma, including histories of physical, sexual, and psychological abuse.

Thank you for the opportunity to testify on this measure.



Testimony of the Hawai'i Appleseed Center for Law and Economic Justice Supporting SB3168—RELATING TO HOMELESSNESS, 'OHANA ZONES

Joint Committee on Human Services and Committee on Housing Tues. Feb 1st, 2022 at 1PM

Aloha Chair San Buenaventura, Chair Chang, and fellow committee members,

Appleseed is submitting testimony in support of SB3168 as well as offering comments. We are in support of increasing and stabilizing 'Ohana Zones Funding as the stated objective to "provide critical services to the state's homeless population".

The lack of permanent shelter or housing for our houseless population makes them more vulnerable to the effects of COVID-19; unable to isolate, seek consistent treatment, and furthermore have been criminalized and displaced by "sweeps" conducted by counties across the state. A 2021 Civil Beat article cites that as of 2020 there were 7,000 unsheltered individuals and as of September of last year Ohana Zone funding has served over 5,000 since the establishment of the pilot program, including transitioning 1,100 to permanent housing¹.

However, we also **offer amendments** to strengthen the 'Ohana zone program and ensure that funds are used in ways that support the dignity and respect of our unsheltered population. We propose the following additions:

- Incorporate the exemptions to county and state regulations as proposed in SB3018 and HB1796. This will ensure that all of the exemptions currently included in governor's emergency proclamations can continue regardless of COVID-19 measures.
- 2) The establishment of a **community advisory committee** to advise and assist the program which includes people with lived experience of homelessness.

This will help ensure that program funds are directed towards projects that are strongly supported by the houseless community instead of more authoritarian approaches which do not emphasize personal agency or a sense of shared community. An example of this is Honolulu's HONU program, which is led by law enforcement instead of service providers and has a maximum 90 day stay, which does not aid in creating community or accessing more permanent housing solutions.

Use of Ohana Zone funding for police departments for "diversion programs" takes away money that could be spent directly on more supportive services at the hands of professional providers and housing solutions. Although the mission of HONU is stated as providing a "critical tool for law enforcement officers to divert homeless individuals from

https://www.civilbeat.org/2021/11/should-a-pilot-program-to-expand-homeless-services-in-hawaii-be-extended/



Testimony of the Hawai'i Appleseed Center for Law and Economic Justice Supporting SB3168—RELATING TO HOMELESSNESS, 'OHANA ZONES Joint Committee on Human Services and Committee on Housing Tues. Feb 1st, 2022 at 1PM

citation and arrest"² about 25% of HPD's (the lead of HONU) citations in 2020 were targeted at unsheltered people, some receiving over 20 violations and one man receiving almost 100–two in a span of 19 minutes³, further criminalizing and interrupting the lives of the unsheltered. Diversion programs should be spearheaded by service providers and professionals who are trained in social work and outreach care.

3) Any other amendments which can ensure that the voice of our houseless community has meaningful participation in determining how Ohana zone funds are spent.

Mahalo for the opportunity to testify.

² https://homelessness.hawaii.gov/homeless-outreach-and-navigation-for-unsheltered-persons-honu/

³ https://www.civilbeat.org/2020/11/easy-targets-some-oahu-homeless-have-been-ticketed-dozens-of-times-during-the-pandemic/

Hearing Date: Tuesday, Feb 1, 2022 at 1PM Joint Committee on Human Services & Committee on Housing Submitted by Planning for Community LLC



SB3168 - Relating to Homelessness, 'Ohana Zones

To: Chair San Buenaventura, Chair Chang, and fellow committee members,

Planning for Community is submitting testimony in support of SB3168 and providing comments. The lack of permanent shelter or housing for our houseless population makes them more vulnerable to the effects of COVID-19; unable to isolate, seek consistent treatment, and furthermore have been criminalized and displaced by "sweeps" conducted by counties across the state. A 2021 Civil Beat article cites that as of 2020 there were 7,000 unsheltered individuals and as of September of last year 'Ohana Zone funding has served over 5,000 since the establishment of the pilot program.

However, we will also **offer input** to strengthen the 'Ohana Zone program and ensure that funds are used in ways that support the dignity and respect of our unsheltered population. We propose the following amendments:

- 1) Incorporate the exemptions to county and state regulations as proposed in **SB3018 and HB1796**. This will ensure that all the exemptions currently included in governor's emergency proclamations can continue regardless of COVID-19 measures.
- 2) The establishment of a **community advisory committee** to advise and assist the program which includes people with lived experience of homelessness.

This will help ensure that program funds are directed towards projects that are strongly supported by the houseless community instead of more authoritarian approaches. An example of this is Honolulu's HONU program, which is led by law enforcement instead of service providers and only has a maximum 90 day stay.

Use of 'Ohana Zone funding for police departments for "diversion programs" takes away money that could be spent directly on support services and housing solutions. Although the mission of HONU is stated as providing a "critical tool for law enforcement officers to divert homeless individuals from citation and arrest" about 25% of HPD's (the lead of HONU) citations in 2020 were targeted at unsheltered people, some receiving over 20 violations, further criminalizing and interrupting the lives of the unsheltered. Diversion programs should be spearheaded by service providers and professionals who are trained in social work and outreach.

3) Any other amendments which can ensure that the **voice of our houseless community has meaningful participation** in determining how 'Ohana Zone funds are spent.

Mahalo for the opportunity to testify.

Abbey Seitz Planning for Community Owner and Manager

<u>SB-3168</u> Submitted on: 1/29/2022 1:08:16 PM Testimony for HMS on 2/1/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Dara Carlin, M.A.	Individual	Support	No

Comments:

Stand in support.



SB-3168

Submitted on: 2/1/2022 9:35:25 AM

Testimony for HMS on 2/1/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Arjuna	Individual	Support	No

Comments:

Ohana Zone funding has been key in creating housing first units and supportive services for our unhoused folks, at last PIT there were abou 7,000 unhoused people in Hawaii and according to an evaluation conducted of the Ohana Zone pilot program they have been able to directly house over 1,000. These services should be strenghtened and state should make Ohana Zone funding permenent and continue to serve our unhoused community and provide direct services from social service providers.