JOSH GREEN, M.D.



HAKIM OUANSAFI EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO

IN REPLY, PLEASE REFER TO:

STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET POST OFFICE BOX 17907 HONOLULU, HAWAII 96817

Statement of

Hakim Ouansafi, Executive Director

Hawaii Public Housing Authority

Before the SENATE COMMITTEE ON WAYS AND MEANS

Tuesday, February 18, 2025 10:01 AM – Room 211, Hawaii State Capitol

In consideration of SB 65, SD1
RELATING TO HOUSING

Honorable Chair Dela Cruz, Vice Chair Moriwaki and members of the Senate Committee on Ways and Means, thank you for the opportunity to provide testimony on Senate Bill (SB) 65, SD1, which appropriates funds to the Hawaii Public Housing Authority for the rehabilitation, remodeling, renovation, and repair of housing units. The HPHA **strongly supports** the passage of this measure and is grateful to the Legislature for its steadfast commitment to addressing Hawaii's housing needs.

The HPHA is dedicated to providing Hawaii's residents with safe, affordable housing and fostering equitable living environments free from discrimination. Through our public housing and rental assistance programs, we serve some of the state's most vulnerable populations, including families earning less than 30% of the Area Median Income (AMI), individuals with disabilities, and elderly residents.

The age of Hawaii's public housing inventory presents significant challenges. Many properties were constructed over 50 years ago and require extensive updates to remain safe and habitable, and the HPHA faces a capital needs backlog of approximately \$720 million. Additional funding is urgently needed to address this backlog and to ensure public housing units remain safe, decent and sanitary and available to those who need them most. As the HPHA

Senate Committee on Ways and Means February 18, 2025 Page 2

relies on federal funding for approximately 90% of its operations, and as this funding is tied to unit occupancy, the rehabilitation of vacant units is critical to maximizing federal support. The U.S. Department of Housing and Urban Development (HUD) does not subsidize vacant units, and HPHA's administrative fees to pay staff are also tied to occupancy, compounding the urgency of this work.

The Legislature's support over the past two years, combined with Governor Green's prioritization of affordable housing, has led to remarkable progress in reducing the number of vacant public housing units. In the past year alone, 214 units were rehabilitated and made available to our most disadvantaged families. This funding would build on that momentum by addressing critical rehabilitation needs such as lead abatement, electrical and plumbing upgrades, roof replacements, spall repairs, painting, unit modernization, and compliance with the Americans with Disabilities Act (ADA). While ADA compliance remains a significant expense, the average cost of renovating a unit, excluding ADA-related improvements, is approximately \$73,000.

The HPHA remains deeply appreciative of the Legislature's dedication to advancing affordable housing and addressing the needs of Hawaii's most vulnerable residents. With your continued support, the passage of SB 65, SD1 would allow us to further our mission of providing safe, decent, and affordable housing for those in need.

Thank you again for your thoughtful consideration of this measure and for your unwavering commitment to supporting public housing in Hawaii. We look forward to continuing our partnership to improve the quality of life for all residents.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



STATE OF HAWAII KA MOKU'ĀINA O HAWAI'I

DEPARTMENT OF HUMAN SERVICES

KA 'OIHANA MĀLAMA LAWELAWE KANAKA
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February 16, 2025

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TO: The Honorable Donovan Dela Cruz, Chair

Senate Committee on Ways and Means

FROM: Ryan I. Yamane, Director

SUBJECT: SB 65 SD1 – RELATING TO HOUSING.

Hearing: February 18, 2025, 10:01 a.m.

Conference Room 211, State Capitol & Videoconference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the measure's intent and defers to the Hawaii Public Housing Authority (HPHA) for the general fund appropriation amount. As a source of low-income and affordable housing in Hawaii, maintaining and upgrading the existing public housing inventory is essential to maintain housing stability for eligible low-income residents. DHS supports HPHA's executive budget requests that include additional items and means of financing, including appropriations for two capital improvement requests of \$68,000,000 in bond funds (C) for the Ka Lei Momi Project. DHS respectfully requests that any appropriation included in this measure does not reduce or replace a budget request in the executive biennium budget.

<u>PURPOSE</u>: Appropriates funds to the Hawai'i Public Housing Authority for the rehabilitation, remodeling, renovation, and repair of housing units. (SD1)

Your Committee on Housing has amended this measure by inserting an appropriation amount of \$10,147,000.

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



TESTIMONY IN SUPPORT OF SB 65 SD1: RELATING TO HOUSING

TO: Senate Committee on Ways and Means

FROM: Tina Andrade, President and CEO, Catholic Charities Hawai'i

Hearing: Tuesday, 2/18/25, 10:01 AM; Room 211 & Videoconference

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

Catholic Charities Hawai`i **supports SB 65 SD1**, which appropriates funds to the Hawai`i Public Housing Authority (HPHA) to rehabilitate, remodel, renovate, and repair housing units.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 77 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai`i. We serve over 40,000 people each year throughout the state. Creating affordable housing and ending homelessness are our top priorities.

We support this funding since this will expedite opening up affordable rental units which can assist to house homeless persons and many elders who face homelessness. The HPHA offers the most affordable housing available to the community. Tenants pay only 30% of their incomes for rent. This makes these units affordable even to homeless persons, seniors struggling with limited income, and very low-income families. However, many units cannot be occupied due to health and safety issues in the units. These units must be brought into shape ASAP to house our state's residents with extremely limited incomes.

These units are "low hanging fruit" that should be immediately repaired to add them to our inventory of safe and decent housing. These units do not need to wait years for permits or construction. Legislative funding would make them available very fast compared with funding for new construction.

Catholic Charities Hawai'i <u>urges your support for \$10 million</u> in this bill. This will bring hope to so many local families and kupuna.

If you have any questions, please contact our Legislative Liaison, Betty Lou Larson, at (808) 527-4813.







<u>SB-65-SD-1</u> Submitted on: 2/17/2025 12:59:22 PM

Testimony for WAM on 2/18/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
Tasman Kekai Mattox	Individual	Support	Written Testimony Only

Comments:

Please continue to support public housing.