March 25, 2016

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

FROM: Rachael Wong, DrPH, Director

SUBJECT: HB 1773 HD1 SD1 – RELATING TO HOUSING

Hearing: Tuesday, March 29, 2016; 9:35 a.m.
Conference Room 211, State Capitol

DEPARTMENT’S POSITION: The Department of Human Services (DHS) supports this measure especially as it relates to funding both the continued operation of the State’s Housing First Program, and funding Rapid Re-housing. Both of these programs were part of the Governor’s Executive Budget that included a request of $3 million for the Housing First program, and $2 million for the Rapid Re-housing program. Neither program was funded in the HB1700 HD1.

PURPOSE: The purpose of the bill is to appropriate funds to DHS to continue to administer Housing First Programs for chronically homeless individuals, for the Rapid Re-housing Program for homeless working individuals or families who are ready to obtain, rent and maintain permanent housing, and for additional staffing to manage the rent supplement program.

The State’s Housing First program continues to serve 106 persons (70 individuals and 10 families). These individuals and families were all referred to the HF program via Hale O Malama, the Coordinated Entry System (CES). Entry through Hale O Malama means that the VI-SPDAT (Vulnerability Index Service Prioritization and Decision Assistance Tool), our community’s agreed upon screening instrument, was administered, and based upon the client’s needs, the client was deemed eligible for the highest level of service we have available, which is Housing First. The Department is committed to coordinated entry through Hale O Malama and supports improved
coordination of services and allocation of appropriate resources to meet client’s identified needs. Hale O Malama and a more robust Homeless Management Information System (HMIS) have resulted in improved prioritization of service to the most needy, and will mitigate any potential duplication of services, especially as additional service systems (such as adult mental health, hospitals, and public safety institutions) are integrated into the platform.

Also included in the Executive Budget, but not funded in HB1700 HD1, was the request for $250,000 for improvements of the HMIS. Investing in the data collection system used by the CoC will improve the ability to evaluate performance and better measure impacts of our communities’ efforts to address homelessness. While the Department prefers the item be included in the Executive Budget, we asked that appropriation be included in the legislature’s overall strategy to address and fund homeless efforts.

As many as 20 of the Housing First clients being provided housing subsidies are also 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) through the Department of Health. The State’s HF program was designed to achieve fidelity with the HPP to the extent possible to build capacity to provide the supportive services necessary to maintain this high-need population in stable housing.

As mentioned above, the Governor requested $2 million for a Rapid Re-Housing Program. If appropriated, DHS intends to implement a Rapid Re-Housing (RRH) program. The RRH will be 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.

By creating the program as part of the existing shelter program, the Department supports the overall systemic goals of reducing the length of stay in shelters and more efficiently housing the homeless. Moving families that with some assistance can maintain housing, will create a "flow" into the shelter system of the unsheltered homeless individuals and families who need and want shelter. The strategy will avoid the situation when families are turned away due to a lack of shelter space,
will make more efficient use of existing shelter inventory and achieve long term positive outcomes in housing placement and stability.

The Department notes that Section 4 of the proposed bill limits maximum rent supplements to $500/month. If the Department is to implement Rapid Rehousing (which includes the rent subsidy and supportive services to achieve stability in permanent housing), we are aware that short and medium term rental assistance will be necessary. Flexibility in determining the amount of rent subsidy would allow for the most positive outcome, especially when considering the higher rent amounts when families are involved. In most cases, the provider will evaluate the amount of subsidy needed over a period of time and will promote self-sufficiency by slowly decreasing subsidies over the period. Limiting rent subsidies to $500/month will immediately disqualify families that may need a larger subsidy for a month or two in order to remain stably housed.

Thank you for the opportunity to testify on this bill.
March 29, 2016

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

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

SUBJECT: HB 1773 HD1 SD1 – RELATING TO HOUSING.

Hearing: Tuesday, March 29, 2016, 9:35 a.m.
          Conference Room 211, State Capitol

POSITION: The Governor’s Coordinator on Homelessness supports this measure, as it relates to funding both the continued operation of the State's Housing First program and a new Rapid Re-Housing program. Both of these programs were part of the Governor’s Executive Budget that included a request of $3 million for the Housing First program and $2 million for the Rapid Re-Housing program. Neither program was funded in HB1700 HD1.

PURPOSE: The purpose of the bill is to appropriate funds to the Department of Human Services (DHS) to continue to administer the Housing First program for chronically homeless individuals, for the Rapid Re-Housing program, and for additional staffing to manage the rent supplement program. These appropriations align with Goal 2, Objectives 4 and 5 of the Hawaii Interagency Council on Homelessness’ Strategic Plan to End Homelessness, which are to “Create and preserve affordable housing for people at 50% and below of median income,” and “Create and preserve permanent supportive housing options for people who are homeless and have special needs, e.g. mentally ill, medically frail, physically disabled, elderly, released offenders, and substance affected.”

Housing First is an essential program to address the needs of chronically homeless households and connect them quickly to permanent supportive housing. The State’s Housing First program has permanently housed 108 chronically homeless persons since July 2014,
including many individuals with serious and persistent mental illness and chronic health conditions.

The State's Housing First program has provided housing subsidies for these individuals, stabilized their health conditions, and significantly reduced healthcare costs. A preliminary analysis by the University of Hawaii Center on the Family of a subset of State Housing First clients found that estimated healthcare costs for clients dropped an average of 43% in the six months following housing placement – from an average of $10,570 per client per month to $5,980 per client per month. While the program is currently limited to Oahu, there is a need for Housing First statewide. This measure would enable statewide expansion of the program.

Another critical tool to address homelessness is Rapid Re-Housing. The proposed Rapid Re-Housing program included in the Governor’s Executive Budget would target homeless individuals and families in shelter that are ready and able to sustain permanent housing with temporary supports. This would improve the efficiency of the State’s shelter inventory by creating a flow of families ready to maintain permanent housing to exit the shelter system, and allow individuals and families living in unsheltered conditions to enter the shelter system.

The Coordinator notes that HB1773 HD1 SD1 limits the maximum payment for rent supplement for Rapid Re-Housing to $500 per month. The Coordinator defers to DHS in regard to specific issues related to implementation of the program, but expresses concern that such a limitation may disqualify households, in particular families, that require a larger rental subsidy due to Hawaii’s high housing costs.

The Coordinator notes that, in addition to funding the Housing First and Rapid Re-Housing programs, a key component of the State’s approach to addressing homelessness is investing in data collection to evaluate program performance. The administration included a request for $250,000 in the Executive Budget for improvements of the Homeless Management Information System (HMIS), but this item was not funded in HB1700 HD1. While the Coordinator would prefer this item to be included in the Executive Budget, the Coordinator respectfully request that an appropriation for the HMIS be included in the legislature’s overall strategy to address and fund homeless efforts.
In regard to Section 5 of this measure, which provides additional funding and staffing for the Rent Supplement program, the Coordinator defers to the Hawaii Public Housing Authority.

Thank you for the opportunity to testify on this bill.
Testimony of Hawai‘i Appleseed Center for Law and Economic Justice
Supporting HB 1773 Relating to Housing
Senate Committee on Ways and Means
Scheduled for Hearing Tuesday, March 26, 2016, 9:35 AM, Conference Room 221

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.

Dear Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means,

Thank you for the opportunity to testify in support of HB 1773, which makes appropriations for two housing programs that will combat chronic homelessness.

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 Rapid Rehousing program proposed by HB 1773 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. Rapid rehousing is designed to get people back on their feet in a relatively short timeframe—two years or less. Many studies indicate that participants often only required 6 months of subsidies before they were living in permanent, affordable housing. Rapid rehousing is 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.
TESTIMONY IN SUPPORT OF HB 1773, HD1 SD1: RELATING TO HOUSING

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 Hawai‘i

Hearing: Tuesday, 3/29/16; 9:35 AM; Conference Room 211

Thank you for the opportunity to provide written testimony in strong support of HB 1773 HD1, SD1 making appropriations for a rapid re-housing 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 rapid rehousing 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 that this funding be added 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: The Pathways preliminary 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 Housing First client would be about $28,440 per client.

We support $2 million for a rapid rehousing program. Providing shallow rent subsidies can quickly enable working families to obtain a permanent rental unit. Families are often 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 and may reduce the need to build and staff more family shelters. SD1 also authorizes these funds to cover housing stabilization services and administrative costs to operate the program. Case management and financial literacy for housing stabilization is critical to the success of these families as they move onto permanent housing.

Thank you for addressing these multiple paths out of homelessness. Please contact me at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.
TESTIMONY IN SUPPORT OF HB 1773 HD1 SD1: RELATING TO HOUSING

TO: Senator Jill Tokuda, Chair, Senator Donovan Dela Cruz, Vice Chair, and Members, Committee on Ways and Means

FROM: Greg Payton, Advocacy Committee Chair, Partners in Care

HEARING:

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

Thank you for the opportunity to provide testimony in strong support of HB 1773 HD1 SD1, which appropriates funds to the department of human services for the rapid rehousing (shallow rent subsidy program) of homeless working individuals or families who are ready to rent permanent housing. It also appropriates funds to continue the housing first programs for chronically homeless individuals.

Hawaii’s homeless situation has reached crisis proportions. We are currently ranked as having the #1 rate of homelessness per capita. It requires a multi-faceted approach to housing Hawaii’s individuals and families experiencing homelessness. The funding allocations of $3 million dollars to the State’s Housing First program and $2 million dollars to a Shallow Rent Subsidy program do exactly that; provide for both individuals and families according to the needs. Data gathered by Oahu providers shows that there are over 1,000 households currently that could benefit from programs such as the State’s Housing First Program and nearly 500 families struggling to find affordable housing. Increasing the State’s Housing First program and providing funds for Shallow Rent subsidies would immediately and directly move these households into permanent housing with the appropriate wrap around services they need.

The State’s current Housing First program on Oahu has shown tremendous success in housing some of Oahu’s hardest to house, highest utilizers of public services, and long-term homeless individuals and families. Through a combination of on-going rental subsidies and wrap-around support services and case management, the State’s program have permanently housed over 80 households, including families, with a 97% retention rate. Not only is this program effective to keep chronically homeless households in permanent housing but it efficiently reduces public costs through accumulated healthcare savings. A preliminary report on the State’s Housing First program shows an estimated savings of $2,370 per month in reduced healthcare expenditures. Reducing a household’s ER utilization by just one visit a month results in savings that equal to the average monthly rent to permanently house them.

We also recognize that there are many families in Hawaii struggling with homelessness for the simple lack of affordable housing. Despite having regular income from employment, hundreds of Hawaii’s families are unable to leave shelters because the price of housing simply exceeds their current income. The rapid rehousing program would provide a small rental subsidy allowing working families to exit shelters and enter permanent housing immediately. This frees up existing shelter space for families currently on the street preventing the need for expanding shelter services and focusing on the true means of ending homelessness; moving families into permanent housing.

Once again, we strongly urge your support of HB 1773 HD1 SD1 to work towards our goal of ending homelessness in Hawaii.
HB1773
Submitted on: 3/28/2016
Testimony for WAM on Mar 29, 2016 09:35AM in Conference Room 211

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Comments:

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TO: Senator Jill Tokuda, Chair of Ways and Means
Senator Donovan Dela-Cruz, Vice-Chair of Ways and Means
Members, Senate Committees on Ways and Means

FROM: Scott Fuji, Executive Director PHOCUSED

HEARING: Tuesday, March 29th, 2016 at 9:35am in Conf. Rm. 016

Testimony in Support of HB 1773 HD1 SD1 RELATING TO HOUSING

Thank you for the opportunity to provide testimony in strong support of HB 1773 which 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. HB 1773 HD1 also appropriates funds to the department of human services to expand and continue to administer housing first programs for chronically homeless individuals. PHOCUSED strongly favors the original appropriation language of HB1773 which allocates $3 million dollars to the State’s Housing First program and $2 million dollars to the Shallow Rent Subsidy, or rapid re-housing, program.

Since March 2014, PHOCUSED has worked together with 30+ homeless service providers throughout Oahu for better coordination of housing placements for the homeless. Based on this experience, we have a deeper understanding of the many challenges facing homeless households who are trying to transition off of the streets and into a stable residence.

Hawaii’s homeless situation has reached crisis proportions as we are currently ranked as having the #1 rate of homelessness per capita and as such requires a multi-faceted approach to housing Hawaii’s individuals and families experiencing homelessness. The funding allocations of $3 million dollars to the State’s Housing First program and $2 million dollars to the Shallow Rent Subsidy program within HB1773 do exactly that; provide for both individuals and families according to the needs. Data gathered by Oahu providers shows that there are over 1,000 households currently that could benefit from programs such as the State’s Housing First Program and nearly 500 families struggling to find affordable housing. Increasing the State’s Housing First program and providing funds for Shallow Rent subsidies would immediately and directly move these households into permanent housing with the appropriate wrap around services they need.

The State’s current Housing First program on Oahu has shown tremendous success in housing some of Oahu’s hardest to house, highest utilizers of public services, and long-term homeless individuals and families. Through a combination of on-going rental subsidies and wrap-around support services and case management, the State’s program have permanently housed over 80 households, including families, with a 97% retention rate. Not only does this program effectively work to place and keep chronically homeless households in permanent housing but it has been shown to effectively and efficiently reduce public costs through accumulated healthcare savings. A preliminary report on the State’s Housing First program shows an estimated savings of $2,370 per month in
reduced healthcare expenditures. Reducing a household’s ER utilization by just one visit a month results in savings that equal to the average monthly rent to permanently house them.

We also recognize that there are many families in Hawaii struggling with homelessness for the simple lack of affordable housing. Despite having regular income from employment hundreds of Hawaii’s families are unable to leave shelters because the price of housing simply exceeds their current income. The rapid-rehousing program would provide a small rental subsidy allowing working families to exit shelters and enter permanent housing immediately. This frees up existing shelter space for families currently on the street preventing the need for expanding shelter services and focusing on the true means of ending homelessness; moving families into permanent housing.

Once again, PHOCUSED strongly urges your support of this bill. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.
From: mailinglist@capitol.hawaii.gov  
To: WAM Testimony  
Cc: rezentesc@aol.com  
Subject: Submitted testimony for HB1773 on Mar 29, 2016 09:35AM  
Date: Friday, March 25, 2016 10:31:48 AM

**HB1773**  
Submitted on: 3/25/2016  
Testimony for WAM on Mar 29, 2016 09:35AM in Conference Room 211

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Comments: Dear members of the Senate Ways and Means Committee: I encourage you to strongly support this measure for continuation of the Housing First program and the Rapid Rehousing program. Both of these programs make a difference in people who are struggling to move from an un-sheltered or hear un-sheltered condition into living within a structure that allows them to recover their lives and, hopefully, become productive citizens without being a continuing burden on society. These programs work. Especially in today’s very expensive housing market in Hawaii, Rapid Rehousing can help many people who are not un-sheltered but "doubling or tripling" up with family or friends in very stressful situations. I urge you to support this bill so that we may continue to help more people be able to continue to manage their own lives in the long term. Mahalo, Cynthia

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Testimony in Support of HB 1773, HD1, SD1

TO: Senator Jill Tokuda, Chair, and Members of the Ways and Means Committee

FROM: Kathy Jaycox

Date: March 28, 2016

Dear Senator Tokuda and Members of the Committee --

Thank you for providing an opportunity for members of the public to submit testimony in support of HB 1773, HD1, SD1.

I know you are already aware of the seriousness of housing challenges here in our state, where we have the highest per capita rate of homelessness in the nation.

This bill addresses homelessness both through rent subsidies for working individuals and families and through support for the Housing First Program.

Through my involvement with FACE (Faith Action for Community Equity), I have gained greater awareness of the extent of the challenges and of the potential to address these challenges with the funds identified in this bill. I strongly urge you to pass this bill and to fund it fully.

Thank you again for the opportunity to express my support.
TO:    Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee on Ways and Means
FROM:  Marya Grambs
RE:    HB 1773

Thank you for the opportunity to testify in support of HB 1773, which makes appropriations for two housing programs that will combat chronic homelessness. I am writing as a concerned member of the community and as a member of PHOCUSED Board of Directors (Protecting Hawaii’s Ohana, Children, UnderServed, Elderly and Disabled).

The continuance of the Housing First program on Oahu and its expansion to neighbor islands are critically important. 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 Rapid Rehousing program proposed by HB 1773 will help homeless families get back on their feet and families on the verge of homelessness. Without some financial assistance (capped at $500 per month) these families 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.

Many studies indicate that participants often only required 6 months of subsidies before they were living in permanent, affordable housing.

Thank you very much for hearing and considering this important bill to help end homelessness.
Comments: Chair Tokuda, Vice-Chair Dela Cruz and Committee members: I am president of a nonprofit that has developed more than 500 units of affordable housing at Hale Mohalu--former home for Hansen's disease patients in Pearl City. This would have been impossible without the Rental Housing Revolving Fund and other government programs. Please pass out this bill--along with HB 2244--which will fund RHRF and other programs for low-income housing. Please restore higher levels of recommended funding that have been cut in prior versions of these bills. Thank you for your efforts to make housing more affordable during this time of housing crisis.

Wally Inglis Palolo Valley

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