

Date: January 11, 2021

To: Esa Pablo, Secretary for The Board of Directors
Hawaii Housing Finance and Development Corporation

From: Eduardo Hernandez
Resident and Voter in Hawaii House District 26 and Senate District 12

Re: **Public Testimony pursuant to HHFDC Agenda of January 14, 2021**
This document is for public distribution to board members, all elected officials, the public and media immediately, pursuant to standard rules for open public meeting materials.

My testimony specifically addresses an item indicated on the Agenda for HHFDC on 01/14/2021:

- [Executive Director Report](#) – MISLEADING

Executive Director Report: As regards the Rent Relief Program, the Executive Director has consistently mis-lead the public, and this Board through omission, false allegations and unsubstantiated comments. The record is clear. Madam Executive Director told this Board on **August 13th** that HHFDC would lead a \$100M effort to provide rent relief and related services. When asked if she would hire additional staff, the answer was “no.” When asked what the penalty would be for failure to spend the money, the answer was: “...**the community does not get served and Hawaii loses that resource.**”

One has to wonder, why HHFDC was even tasked with the administration of the Rent Relief program? In a [recent radio broadcast](#), Madam Executive Director led the public to believe that perhaps HHFDC is not up to the challenge of managing rental relief, acknowledging this [agency has no experience in this regard](#). Moreover, the public is left to wonder if this program was deliberately designed to fail so that funds could be siphoned to the Unemployment Trust Fund on December 28th.

On the eve of a renewal of a program for rent relief and mortgage assistance, I plead with you to involve the public more. Why is it so difficult for the public to engage with this Board? Why do you present so many barriers to honest dialogue and oral testimony? Today is nearly 7 months since the Governor asked you to make a good faith effort to allow oral testimony, and you come to this step, begrudgingly and after implementing so many roadblocks.

At the December Board Meeting, no one on the staff or Board thanked the public for their testimony, nor recognized the heartbreaking stories they wrote about their real experience. Would it be so hard to thank the public? Is it so beneath you? Do you so wish to disempower those who are struggling and grasping for a lifeline, that you can't even take one minute during your meeting to acknowledge the power your agency holds over thousands of Hawaii residents? I am appalled that you so belittle the role of the public to inform how you manage a state corporation valued at more than \$1B.

The public deserves more recognition and you, Madam Executive Director, owe the public and your Board an apology for being so afraid to learn from your failures, that you perpetuate them further.

It's ok to fail. But the most important part of failure, is to learn! Show us you've learned by giving applicants and landlords the tools, training and resources to benefit from a federal infusion of hundreds of millions of dollars to prevent homelessness. Give the public a voice and role in shaping a new program of rent relief and mortgage assistance. Do not create more barriers for public input.

I received benefit from this program during 2020 that saved my life. But I speak for so many neighbors and friends who have felt shut out by a process that barely worked, and resulted in nearly ½ of funds apportioned to another broken agency of the State of Hawaii – DLIR, which cannot prevent homelessness the way this program can.

Conclusion – Despite, having the highest costs for housing in the nation, and leading the nation in homelessness and risk of homelessness, the rent relief program was launched with poor training to nonprofit partners, poor guidance to applicants, and insufficient guidance, tools or resources to landlords. Notwithstanding, Madam Executive Director in her public comments about rent relief has chosen to blame applicants, landlords and the nonprofit partners for being non-responsive, submitting incomplete applications or other applications for CARES housing resources. If it were the vast minority of applications that were slipping through the cracks, that might be a reasonable explanation. But if just over half of funds have not been spent to date, it is clear we're looking at systemic failure.

There is nothing inherently wrong with failure, if there is a demonstrated effort to learn from it and improve. Not learning from failure is the real problem. Not taking responsibility and instead shuffling blame off to others is the real problem. Not listening to the people in need is the real problem. How will you demonstrate your fiduciary responsibility to get the resources deployed as they are intended in 2021?

I respectfully request that this testimony be included with the agency's final report to the Legislature due by January 20, 2021.

Thank you for this opportunity to provide written testimony.

