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JUNE 2022

From the governor: More housing for Hawai'i's people

When he took office, Governor Ige asked the same question as everyone else: **What will it take to build more affordable housing in Hawai'i?** Acting on the advice of industry leaders, his administration streamlined the system and provided the financing tools to make projects feasible — and still affordable for the average person. Now, with the **prospect of landmark legislative funding for housing, homelessness and the Department of Hawaiian Home Lands**, Capitol Connection takes a look at the progress made — and the foundation laid — to help local residents. With COVID-19 numbers climbing, it's time to celebrate our wins where we can and move forward with caution and hope.

Q. What concerns you most about the latest rise in COVID-19 cases?

A. The steady increase in cases tells us there's a lot of virus circulating in the community. We're not going to mandate anything for now, but we encourage people to wear their masks, both indoors and outdoors, if they're going into situations with many people. The federal government is providing more free tests, so the sooner you can test — even for mild symptoms — the sooner you can get treatment. And, of course, people should get vaccinated and boosted.

Q. A year ago, could you have imagined the state would have such a dramatic economic rebound? What accounts for that?

A. We've exceeded all the economic forecasts from a year ago and earlier when we were planning for furloughs and layoffs. Hawai'i is still very high on the lists of both North American and international travelers. We were able to preserve our reputation for aloha through the Safe Travels program and working closely with our visitor industry partners. I know some people felt we were being too strict with masking and other requirements, but that all helped to bring back travelers to the islands to help our economy.

Q. Where do you see the major legislative appropriations doing the most good?

A. I'm excited about the funding for the **Hawaiian Homes program and for affordable housing in general**. The \$600 million for the Department of Hawaiian Home Lands is even more meaningful because of the increased options we've made available to beneficiaries in recent years, such as rentals and subsistence agriculture leases. I did ask the state attorney general to redouble efforts to settle the Kalima lawsuit for past DHHL claims because of the positive financial condition of the state.

Q. Why has it been so important to you to address the housing demand for local residents? What will the \$300 million funding for the Rental Housing Revolving Fund (RHRF) do?

A. That kind of funding allows us to continue the momentum and the strategy we've followed over the past eight years to accelerate building affordable rentals where 100% of the occupants are local residents, not foreign buyers. When I took office, the state hadn't been producing enough housing to keep up with local demand. I have three kids, and we've talked about whether they could ever afford to live here. Our housing team has made changes in policies and financing tools to incentivize production for more affordables in every county. **It's resulted in adding nearly 11,000 housing units statewide by 2020 and, by the end of this year, we'll have added 3,000 more units, either completed or in the pipeline.**

Q. What is your reaction to the leak of the U.S. Supreme Court's draft to overturn Roe v. Wade?

A. The landmark Roe v. Wade decision in 1973 was the right one. Any action to overturn the ruling is wrong. No matter what the Supreme Court decides, I will fight to protect a woman's right to make her own healthcare decisions. We were the first state in the nation to ensure a woman's right to choose. It's sad that a woman's right to control her own body has become a focus of political polarization.



AT HALE KALELE: Gov. and Mrs. Ige, Chief Justice Recktenwald and Kobayashi Group.



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION - DEPARTMENT OF HAWAIIAN HOME LANDS

DOH urges caution as COVID-19 cases rise statewide

The signs are all around us as COVID-19 case counts climb and the state Department of Health is keeping a close eye on hospitalizations. **Health director Dr. Libby Char** told the Star-Advertiser's "Spotlight Hawai'i" last month that there's "an awful lot of COVID in the community" and "We're seeing the numbers take off again." Part of the challenge is that the true number of daily new infections could be five to six times higher because home test kit results aren't included in the official counts.



Vaxing and boosting are more important than ever.

What's Dr. Char's advice, especially during graduation season and heading into summer travel? "Avoid large gatherings,, wear your mask, get vaxed and boosted, stay home when you're sick and call your health care provider for treatment, especially within five days of a positive test," Dr. Char said. **"Be smart in making decisions about your activities.** As a community, we've been pretty solid from the get-go, but we'll be watching the trends in the coming weeks." DOH is adopting federal guidance in recommending **boosters for children ages 5 through 11**, five months after their initial Pfizer-BioNTech vaccination. It's also recommending a second booster for people 50 and older and those 12 and older who are immunocompromised. For updated information, including the latest treatment options and coronavirus prevalence by county, go to <https://hawaii-covid19.com/>. The public can order up to three rounds of free COVID-19 home tests at covid.gov/tests.

A pipeline of affordable units over the past 8 years

The right housing can change lives. Just ask some of the thousands of local folks who have been able to find housing they can afford in Hawai'i during the past eight years. More affordable housing projects have been coming online every month for local residents — from seniors and working families to young, career-focused singles and couples. Many of HHFDC's rental projects target those in the 30% to 60% Area Median Income (AMI) range. **Local industry leader Stanford Carr** is part of the group that has been advising the governor on how to build housing that can be rented or sold at affordable prices. "We're from this community, and we want to help local residents: the teachers, the state and county workers, the single parents, and the young professionals just getting started," he said. **Here's a sampling of projects statewide that opened before the pandemic and others that are in the pipeline for the future:**

O'AHU

- **Keahumoa Place** is a 320-unit affordable rental project in East Kapolei/Ewa that was developed in four phases and is considered a mixed-income project because it includes units that targeted folks in different income categories, up to 100% AMI. Phase 1 was completed in 2019 and the other three phases in 2020.
- **Kapolei - Hale Moena Kupuna and Hale Moena 'Ohana** – 154 affordable rentals for seniors and 143 units for families at 60% AMI or less.
- **Kaka'ako - Ola ka 'Ilima Artspace Lofts** – 84 units in Hawai'i's first live/work artist complex at 30 to 60% AMI.
- **Kaka'ako - Keauhou Lane** (209 units) **and Hale Kewalo** (128 units) – 30% to 60% AMI.
- **Downtown Honolulu - Kokua Senior Living** – 201 units, 30 to 60% AMI; Aug. 2023 completion
- **Hale Makana o Mō'ili'ili** – 105 senior rental units, 30 to 60% AMI; 2023 completion

AFFORDABLE FOR-SALE PROJECTS—O'AHU

- **Kaka'ako - The Block at 803 Waimanu** – 153 studio and one-bedroom units with the most affordable listed at \$298,300.
- **Ala Moana - The Central** – 512 units (60% of units affordable/ 40% market rate); completed in fall 2021.
- **Ililani tower** - 328 one and two-bedroom units for families earning up to 140% AMI - 2024 completion.

MAUI

- **Hale Mahaolu Ewalu** is a 61-unit affordable senior rental housing complex in Pukalani, Maui that was developed in two phases. Phase 1 was completed in 2019 and Phase 2 in 2020.
- **Kaiāulu O Kupuohi** is an 89-unit, all-affordable rental project in Lahaina that had its lottery scheduled for May 27 with units available in September. Households must earn 60% or less AMI in order to live there.

KAUA'I

- **Koa'e Makana Workforce Housing** is a 134-unit multi-family rental complex in Kōloa, Kaua'i aimed at those who work in the nearby Poipu resort region. It was completed in 2021 and won the Building Industry Association of Hawai'i's 2020 Grand Award for best Affordable Multi-Family Development in Hawai'i.

HAWAI'I ISLAND

- **Mohouli Heights Senior Neighborhood Phase 3** consists of 93 affordable senior rental units in upper Hilo. It welcomed tenants in May 2020. All three phases total 182 units.



Affordable housing statewide.

Affordable housing: Transforming spaces, changing lives

The housing outlook for local residents is looking a lot brighter than it did eight years ago — and not only because of this year’s significant appropriations from the state legislature. The transformation started in 2015 when Governor Ige brought together a working group of builders, nonprofits and housing advocates to address the state’s housing crunch. “The governor’s goal was to accelerate production so people can truly call Hawai’i home,” said **Denise Iseri-Matsubara**, executive director of the Hawai’i Housing and Finance Development Corporation. **“What made things work is the governor’s balanced approach to addressing the issues.** He really listened to what needed to be done, then empowered his people to make it happen. That kind of collaboration laid a good foundation for the future: developers, housing advocates and elected officials working together to solve these problems.”

The result is a growing list of affordable rental and for-sale units, adding thousands of housing choices for kama’āina so they can stay in Hawai’i. It reflects a major change in streamlined policies, increased funding, and improved financing tools that make sense for both the builders of housing units and the people who need them. **“Our main goal is to keep the pipeline of affordable housing projects flowing for our working families, kūpuna and individuals building their careers,”** said Iseri-Matsubara. It was the governor’s working group that came up with the goal of building 10,000 housing units by 2020 — a goal that we surpassed. By the time the governor leaves office, the state will have added 3,000 more housing units completed or in the pipeline.

Kevin Carney, EAH Housing vice president, praised the new approaches, based on his company’s 25 years of working with four governors’ administrations. “Governor Ige’s leadership opened the lines of communication between housing developers and various state agencies,” he said. “It had a positive impact on the legislature, which has allocated an unprecedented amount of funds for the state’s Rental Housing Revolving Fund since the governor has been in office.” **Michael Costa, president and CEO of Highridge Costa, agreed.** “In the 30 years that Highridge Costa has created affordable housing, we have never had stronger support from a state governor’s office.”

A recent example is **Hale Kālele**, an all-affordable rental complex at a prime location for families earning no more than 60% of area median income (AMI) a year. For a two-person household that translates to a maximum of \$58,020 a year; for a family of four, it’s \$72,480. Rents initially are running from \$664 to \$1,480 a month for a two-bedroom unit, \$570 to \$1,250 for a one bedroom and \$542 to \$1,177 for a studio. Some of the lowest prices are available to those at 30% AMI. **Hale Kālele marks the first-ever partnership between HHFDC, the Hawai’i Judiciary and local developer Kobayashi Group.** In addition to the affordable rentals, a separate part of the complex is home to a juvenile services center and shelter. “This project is significant because it took an aging building on under-utilized state land and transformed it into new affordable rentals and a new center and shelter for our at-risk youth,” said Iseri-Matsubara. **“Today we celebrate a win for our hard-working kama’aina residents and their families,”** said the governor.

Home, sweet home at Hale Kālele



Chelsie Onaga in her very own kitchen.

Don Collier, paralegal – “Having this unit means a lot to me. I’ve lived in ‘Aiea all my life and commute to work downtown on the bus. It takes about an hour each way. I’ve been renting a studio, but there are no windows and it’s really hot. The house where I’ve been living in is kind of old and has tons of roaches — big ones! This is so much better. It’s something brand new!”



Don Collier checks out his scenic ocean view.

Chelsie Onaga, communications coordinator – MA’O Organic Farms – “This is incredible. I’ve been in Waipio Gentry with my parents, so this is the first time I’m moving to my own place. I’m really excited to have my own kitchen. The cost of living is so high, even for someone like me with a bachelor’s degree. An affordable unit like this one is the only way I could live on my own. I work at the farm in Wai’anae half the time, but the rest of the time I can work remotely. I’d like to see more affordable housing, so the next generation can live in Hawai’i too.”



Donna and Paul check out closet space.

Paul and Donna Dennett – “We were high school sweethearts and just celebrated our 53rd wedding anniversary. Hawai’i has been home for us since 1993,” said Paul, a former broadcaster. The couple will be moving into a two-bedroom unit, so they can each have their space and their two granddaughters can visit. “I was so excited I couldn’t sleep,” said Donna. “Right now we’re in Pearl City, but here we’ll be near family. This is perfect for us as two retirees.”



BEFORE AND AFTER: An under-utilized piece of land has been transformed into a new affordable rental, Hale Kālele, and youth center.

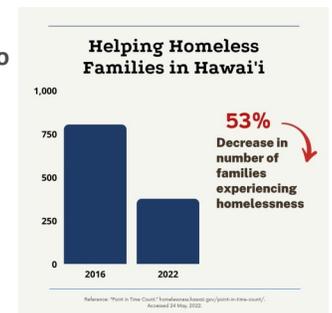
It takes a village: Breaking the cycle of homelessness

Partnerships. Resources. Persistence. That’s what service providers and homeless coordinators say it takes to get people off the streets and into safer, stable housing. Even though clusters of homeless folks still appear in some neighborhoods, a small army of dedicated workers has made a measurable difference in the past eight years for homeless families and individuals. **“We’ve been able to make positive changes in people’s lives, especially for families with young children, to break the cycle of homelessness,”** said **Scott Morishige, the governor’s homelessness coordinator.** He recounts stories of people who have been homeless for years — such as the woman who lived under the viaduct on Nimitz Highway for over 20 years or the fellow who lived at Ala Wai Small Boat Harbor for 23 years who were able to be housed in an ‘Ohana Zone complex.



Gov. Ige with coordinator Scott Morishige.

“It was the Institute for Human Services and one of the city outreach teams that helped **Clarence, the Ala Wai gentleman,**” Morishige recalled. “It was a huge thing for him. He started crying because he never thought he would get into a house. They found a spot for him at **Kumuwai, a facility with studio apartments for homeless seniors, created with ‘Ohana Zone funds.**” Morishige and other outreach workers have documented stories over the past several years of homeless residents on all the islands who have more stable lives, thanks to the expanded outreach and housing initiatives. **A bill, (HB2512) passed this session and awaiting the governor’s signature, would extend the ‘Ohana Zones pilot project until June 2026 and add \$15 million in new funding for the program.**



Finding real solutions, even in a pandemic —“People have a hard time understanding how anyone could choose to live on the street rather than accept help,” said Morishige. “But if folks have been through so much trauma in their lives, you get into a cycle that’s familiar. You know how to cope from day to day, and it’s hard to think beyond that. I know one couple who used to be my client 21 years ago when I first started out in social services. They were homeless then and are still homeless now. I don’t think either of them was ever in a stable home and grew up homeless themselves. That’s the cycle we need to break.”



A sense of community is part of the tiny homes village.

Morishige is quick to point out the complex scope and the collaboration it takes at the state and county levels to respond to people’s needs in different ways. The **‘Ohana Zones initiative** was originally intended to support only six projects, but **partnerships with the four counties and state agencies produced 20 projects statewide.** As of November 2021, the program had served 5,510 individuals, including 1,368 placed into permanent housing. The projects range from supportive housing for families with children to housing for seniors and domestic violence survivors to **Kama'oku Kalaeloa, a village of 36 tiny homes,** as a partnership with the Office of the Lt. Governor, the Hawai'i Public Housing Authority, the City & County of Honolulu, and HomeAid Hawaii. The program is operated by U.S. Vets with ‘Ohana Zone funds for rent subsidy and support services.

Morishige said the statewide reductions in the number of homeless individuals between 2016 and 2022 — including an over 53% decline in family homelessness — shows it is possible to mitigate and reverse future increases in homelessness. Looking back, he said he appreciated that Governor Ige didn’t hesitate to take on the issues in a way that looked at the underlying systemic things that needed changing. **“Focusing on those system issues isn’t always the most visible or flashiest, but they can make a real difference,”** Morishige said. “I know the governor gets heat about being deliberative in making decisions, but actually that’s one of his strengths. He’s a collaborative leader who listens to other views. I’ve seen people really pressure him and get mad at him. But he stays level-headed and analyzes the issues before deciding what makes the most sense for the state. He doesn’t get mad or throw anyone under the bus. **He just stays focused on moving forward.”**



With ‘Ohana Zones, the state has reached more than 5,000 people across 20 sites through outreach, transitional shelters and permanent housing. Clarence and Shoni have moved into more stable homes in places like Kumuwai for seniors and Kama’oku Kalaeloa, the tiny homes village.



DHHL: Moving from waitlists to a place to call home

When is a homestead more than just land? If you're a beneficiary of the Hawaiian Homes Commission Act who has been waiting decades for a homestead, it's everything. It's the future of an 'ohana. It's promises dating back to Prince Kūhiō and statehood. It's a measure of respect for your culture and people. And, if you've ever been in the room when it happens — as Department of Hawaiian Home Lands Director William J. Ailā, Jr. and Governor David Ige have been — beneficiaries receiving their lot award is a moment to remember.

As House Bill 2511 awaits the Governor's approval, DHHL is preparing for the record \$600 million appropriation that will enable the Department to develop roughly 2,900 homestead lots in the state's four counties and provide down payment and rental assistance for another 1,100 beneficiaries for properties off of preexisting homestead lands.

"When I meet people in the community, it's a heavy burden when they ask, 'how soon?' and the truthful answer is as soon as we get the resources," said Director Ailā who outlined personal struggles he's faced as head of the agency. "With this legislation, we're going to make that dream come true sooner rather than later for thousands of families, and that will be a huge push forward for the implementation of the act."



DHHL Director William J. Ailā, Jr. describes site improvements.



Happy families and DHHL staff at Anahola, Kaua'i lot selection.

The Governor's recent suggestion that a percentage of the Tourist Accommodation Tax should come to the Department as a consistent revenue stream was an encouraging proposition for the sustainability of progress at DHHL. "I think this proposal is a testament to his understanding of the Hawaiian Homes Commission's mission and the relationship between the state and native Hawaiians," said Ailā. "It acknowledges the need for consistent and long-term funding to move the needle in a meaningful way."

Director Ailā says he does not doubt that Governor Ige understands the impact of receiving a lot — both on an official and individual level. "He's been with us and seen people jump up and down, screaming and crying, at these offer ceremonies," the department director and chairman of the Hawaiian Homes Commission noted. "It's not just the individual at that moment; it's generational." During the Ige administration, even with increased levels of funding support for DHHL, the department was challenged in its attempts to reduce the waiting list of some 28,000 applicants. HB 2511 recognizes those hurdles, including the availability of preferred land, cost of infrastructure, and beneficiaries being able to afford mortgage financing. To meet these challenges, DHHL has been deploying new strategies to help more people and will continue to grow its offerings with the \$600 million appropriation.

In recent years, the Department has expanded its product offerings in a way that best suits a variety of beneficiaries' needs and preferences: Turnkey projects for beneficiaries who can afford them; rental housing in urban areas; vacant lots with roads and utility infrastructure to self-build a home suitable to budget and family needs; subsistence agriculture lots; kuleana lots that are larger and less developed; as well as expanded partnerships with the Office of Hawaiian Affairs, nonprofit entities such as Habitat for Humanity, University of Hawai'i community colleges and other state agencies.

Director Ailā, whose wife is 50 percent native Hawaiian and was awarded land as a beneficiary decades ago, said he feels privileged to be the department's director at this moment in DHHL history. "I recognize the privilege of being director and of being native Hawaiian as someone who is living on the land. It's that feeling of connection to 'āina that I want for all of our beneficiaries," said Ailā. "I'd like to acknowledge the legislature and the leaders in our community who have supported this bill and recognized the past, present, and future needs of the department. I would also be remiss if I didn't give credit to our staff at the department, who put in long hours to work towards the fulfillment of Prince Jonah Kūhiō Kalaniana'ole's vision for this program. We are ready to push forward and ultimately return our native Hawaiian beneficiaries to the land as intended."



Fulfilling Prince Jonah Kūhiō's vision.

State to settle historic Kalima case for \$328 million



The state is prepared to settle a landmark class-action lawsuit filed more than 20 years ago by native Hawaiians waiting for homestead land leases. Under the settlement for Kalima v. State of Hawaii involving some 2,700 plaintiffs, the state will pay \$328 million in exchange for a full, global release of all claims. The \$328 million payment will also cover claims, administration costs and the cost to retain a court-appointed Special Master to oversee and account for the funds. "This necessary resolution fairly compensates the Hawaiian Home Lands beneficiaries and brings this litigation to a close, but it is not the end of the story. I remain committed to developing and delivering homes for the Hawaiian Home Lands beneficiaries," said Governor Ige. The plaintiffs' attorneys have established an informational telephone hotline. Class members with questions regarding the details of the settlement should call (808) 650-5551 and 1-833-639-1308 or email info@kalima-lawsuit.com.

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Nourishing Hawai'i's students, now and for the future

“When children are hungry, they can't learn.” That simple yet fundamental statement is at the heart of First Lady Dawn Amano-Ige's dedication to projects she's spearheaded in Hawai'i, such as Kau Kau 4 Keiki, Grab and Go meals, and Jumpstart Breakfast. It's also part of why she's been invited to join the leadership council of **Share Our Strength**, the organization committed to ending childhood hunger across the country.



“We're providing the summer **Kaukau 4 Keiki meals** again, but at on-site locations to ensure every keiki has access to a healthy meal,” Mrs. Ige said. “This year we're working with non-profit organizations so children will have meals, even if they're not in school during the summer.” As a former educator, she's been focused on the effect of childhood hunger on student success. “On the No Kid Hungry council, we're looking at sharing some of the best practices in Hawai'i so we can help other communities,” she explained. “We know there is a high percentage of children in food insecure situations. That shouldn't happen here or anywhere.” More details on the project will be available soon at <https://www.kaukau4keiki.org/>. HMSA is a sponsor this year, providing funds, volunteers and educational materials.

The First Lady also was honored recently by **Kristi Yamaguchi's Always Dream** organization for spearheading the **'Ohana Readers program** — both of which promote keiki literacy. “We're really excited about our 'Ohana Readers' numbers,” said Mrs. Ige. “Right now we have had **8,500 books distributed over the past three years among 550 households**. The program partners with the Dolly Parton Imagination Library to provide free books to children under age five.

In addition, Mrs. Ige has been visiting as many projects as she can that have received funds from the **Governor's Emergency Education Relief (GEER) grants**. The programs have included **Ka'u High School** students who earned college credits as part of their **Global Learning Lab, Camp Mokule'ia's Mixed Plate, Assets School, and the Center for Tomorrow's Leaders** involving students from several high schools statewide. “It does take a village to educate a child,” said Mrs. Ige. “These innovative partnerships between schools and community groups give us the best of both worlds in resources and expertise. They're helping students connect to their communities and making up for time lost during the pandemic.”



Way to go, 'Bows! Back-to-back NCAA champs celebrated



Gov. and Mrs. Ige with the winning UH Rainbow Warriors and coaching staff.

It was déjà vu all over again as the UH men's volleyball team basked in the adulation of their fans — including Governor and Mrs. Ige — at Washington Place. “It's my honor to recognize **May 17, 2022 as Rainbow Warriors Day**,” said the governor. He praised the team for their Big West honors, including head coach **Charlie Wade being named Big West Coach of the Year**. “Your hard work, dedication and determination are truly an inspiration to the people of Hawai'i,” said the governor.

Coach Wade paid his own tribute to his players, saying, “We're so proud to bring the championship home to Hawai'i. You

stuck together and believed in each other.” He also noted they were one of the best academic teams in the country. The highest recognition for student-athletes at the tournament went to **UH outside hitter Kāna'i Akana**, who received the **Elite 90 award** for having the highest cumulative grade point average of all the players in the finals. Akana, a finance major with a 3.95 GPA, addressed the crowd at the ceremony in Hawaiian and described the way the team of international players and “local boys” came together as a family. He concluded by giving credit to the team's loyal fans who have cheered them on at every game. **“This national championship is for and because of the people of Hawai'i,”** he said.



UH player Makua Marumoto shows off a championship ring and autographed ball.

Contact Us: Executive Chambers, State Capitol
Honolulu, Hawai'i 96813
Phone: (808) 586-0034 Fax: (808) 586-0006
Hilo Office (808) 974-6262 | Kona Office (808) 323-4542
Maui Office (808) 243-5798 | Kaua'i Office (808) 274-3100

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