



From the governor: Working together on the road to home

Since taking office two years ago, Governor Ige and his administration have taken action on multiple fronts to increase affordable housing and reduce homelessness. This issue of Capitol Connection looks at progress across the state and how groups are working together to make a difference on these long-standing issues.

Q. What do you want people to know about progress on housing and homelessness?

A. We know the challenge of homelessness is directly related to the lack of affordable housing. I'm focused on working with the private sector to make building affordable units — especially rentals — more feasible. That includes providing tax credits, helping with infrastructure costs, and making state land available. It's important for the state to be an active participant. Because if government doesn't help, costs go up. We're determined to make changes and restructure the financial tools we have.

Q. Why is there such a pent-up demand for housing and can the state do more to help?

A. There was about a 10-year period — from 1992 to 2002 — when home prices were constant, at about \$310,000. All the developers had approved parcels in central O'ahu and were competing against each other. Once they finished those communities, no one else was producing. Two of the biggest projects — Ho'opili and Koa Ridge — were delayed. Housing development is complicated when you're trying to keep prices within reach of the average person. That's why we're working with the Legislature to support production and challenge developers to build projects priced for local residents. We also need to focus on the neighbor islands to provide housing people can afford.

Q. What does the state's plan for affordable housing include?

A. The state is looking at a range of housing, from the 30 to 60 percent of AMI (area median income) to workforce housing up to 140 percent AMI. That could apply to a teacher and a firefighter who have solid jobs. The Hawai'i Housing Finance and Development Corporation has rental projects in the pipeline for people who are at the low end of the salary range. The Hawai'i Community Development Authority is working on a formula in Kaka'ako that makes sense for both the builders of affordable units and the people who need them. We're also making advances in public housing and the Department of Hawaiian Home Lands.

Q. Are you encouraged by the state's efforts to reduce homelessness?

A. Yes, compared to two years ago, there's been tremendous progress. We've improved the system to move people from homelessness into permanent housing. It's about increasing results. For the same taxpayer investment as last year, we're doubling the number of people getting housed. **We're finding better solutions, getting better efficiency, and creating better cooperation.** We have a compassionate yet data-driven approach that has helped us offer support to thousands of people across our state. (See story on Page 2 and a summary of progress at <http://governor.hawaii.gov/top-priorities/the-road-to-home/>)



HOUSING PARTNERS: At Kaniko'o on Kaua'i, the governor joins Kevin Carney of EAH Housing, Makani Maeva of Ahe Group, county housing director Kanani Fu, Mayor Bernard Carvalho, and Mel Rapozo, county council chair.



HELPING HANDS: A team of service providers lends support to homeless client Jodi Jennette Inks (fourth from left).

"By working together, we've made a difference in people's lives and our community well-being."

— Gov. David Ige

Making progress: Breaking the cycle of homelessness

For the Governor's Coordinator on Homelessness Scott Morishige and his small four-person team, homelessness is much more than numbers and a "Point-in-Time" count. Homelessness has a face and a name.

It's Sims Santa Anna, who used to live on the banks of Kapalama Canal. Or Jodi Jennette Inks, whose home was on the slopes of Diamond Head. Or the veterans on several islands who finally learned that the government can help them. And it's the moms and children who have found their way to the Family Assessment Center in Kaka'ako – resulting in permanent housing.

"There are successes every day," said Morishige, recently named Hawai'i's "Social Work Practitioner of the Year." "Just this week, we were able to move 30 people off the streets from downtown Honolulu into housing. It's what city, state, county, service providers, and the community can accomplish together."



Governor Ige presents award to Scott Morishige.



Client Jodi Inks finds help, hope.

Morishige's award from the National Association of Social Workers' (NASW) local chapter recognized his dedication to helping some of the community's most vulnerable citizens. "He has a really hard job," said Debbie Shimizu, the chapter's former executive director who nominated him. "I know there's been progress. I think Governor Ige has been able to devote more resources, and people are more aware of the issue."

As Hawai'i pivots from a state of emergency on homelessness to a long-term strategy, the governor's homelessness team is pressing three "levers of change" to move people off the street and to help them maintain housing. The three levers are affordable housing, health and human services, and public safety.

- **5,000 people found or maintained housing** – Statewide, this was the number of people who transitioned off the streets and/or maintained their housing — a more than 50 percent increase over last year.

- **The speed of housing placements has doubled** – In just the first month of the new state-funded shelter contracts, twice as many people are moving from emergency shelters into permanent housing to provide them with a more stable living environment.

- **The Kaka'ako homeless population has shrunk** – More than 290 people from the previous Kaka'ako encampment have transitioned into permanent housing. A new Family Assessment Center, focused on homeless families with children, is connecting folks to housing and/or services in an average of 73 days.

- **2,900 evictions have been prevented** – The team has reduced the eviction rate of at-risk people by 25 percent through a public-private partnership between the Department of Human Services, Aloha United Way, and members of the legal community.

- **Taxpayer dollars are being conserved** – The "Housing First" approach, expanded to the neighbor islands in April, gets the most chronically homeless individuals off the streets and into stable housing. The data show that Housing First saves an estimated \$55,080 per person per year in health care costs alone. This equates to more than \$6.4 million saved each year. Housing First also breaks the cycle of homelessness by re-engaging people with the community, reconnecting them with family and job training.

- **1,000 landlords . . . and growing** - Working with the Hawai'i Association of Realtors, the team has helped coordinate landlord summits on every island to increase the inventory of low-income housing. Under the Ige administration, the Section 8 housing waiting list opened for the first time in more than a decade.

- **Outreach paired with enforcement** – When law enforcement must clear public lands, the governor's team and outreach workers visit those populations to build trust and offer services. For example, the recent Diamond Head enforcement resulted in 38 out of 40 individuals getting services, including two veterans who had been homeless for 14 years and didn't know they could use VA benefits. Through the state's Hawai'i Public Housing Authority, some 700 veterans have been housed since 2014.



2016



2017

KAKA'AKO PROGRESS: The same area one year later.

"The Road to Home" on KHVH-AM 830 from 7 to 8 a.m. Wednesdays.

Want to learn more about the latest efforts to reduce homelessness? Then tune in during morning drive time to Rick Hamada's radio show and a new segment, "The Road to Home," on KHVH -AM 830 from 7 to 8 a.m. Wednesdays.



IT TAKES A VILLAGE: Scott Morishige, Erin Rutherford and Jay Parasco in the studio.

Bridging the housing gap with partnerships, better tools

Whether it's a studio rental or a home for a growing family, what can be done to provide more affordable housing across the state? Governor Ige wants folks to know he hears them and is taking action through public-private partnerships and improved financial tools to increase production.

From O'ahu and Maui county to Kaua'i and Hawai'i island, more than 20 rental and affordable for-sale projects have opened in the last two years or are in the pipeline for the future. Many of the projects target residents whose incomes are at or below 60 percent of the area median income (AMI). On O'ahu, that would mean a family of four making about \$60,000 a year; however, median income levels vary by county.

Examples of moderate-income rental housing include The Flats at Pu'unui in Kaka'ako, which offers apartments starting at \$1,375 a month, and Keauhou Lane, currently under construction. **For-sale developments** at the 80 to 140 percent AMI (up to \$140,700 income) include Kapiolani Residence near the future Ala Moana rail station, Hale Ohana in McCully and 803 Waimanu in Kaka'ako — all projected for completion in 2018.

The 60 percent AMI and below rental category includes Kaniko'o Rice Camp for seniors on Kaua'i, which offers a one-bedroom unit for \$851 monthly or a two-bedroom for \$1,022. At Ko'oloa'ula in Kapolei, a one-bedroom apartment rents for \$885 a month; a two-bedroom is \$1,020. Other projects, such as Hale Kewalo, are in the pipeline.

"This governor has put the emphasis on **affordable housing for working families**," said Craig Hirai, executive director of the Hawai'i Housing Finance and Development Corporation (HHFDC). "In the past, it was either at the very low or very high end. Now we're working hard to ramp up as many low- and moderate-income units as possible."

Stanford Carr, a developer who is doing both market-rate and affordable housing, is part of a group that has been advising the Ige administration on future projects. "We want to help local residents," he said. "The governor has listened, responded and taken action to provide more tools and means of financing to create more housing."

Ige administration affordable housing strategies include:

- Improving policies, maximizing financing tools, and leveraging state funds to make it feasible for developers to build affordables through HHFDC and the Rental Housing Revolving Fund.
- Working with the Hawai'i Community Development Authority (HCDA) to produce more affordable units at lower income levels in areas such as Kaka'ako.
- In public housing, using special work teams to expedite the repair backlog for very low-income families to make more units available faster.
- Taking advantage of state lands along public transit lines to develop mixed-income housing units.

Getting results — now and for the future

- 1,050 affordable units produced over the past two years, more than 92 percent of which are rentals — the area of greatest need.
- 4,000 more units in the pipeline, 76 percent of which will be rentals.
- \$180 million set aside in private activity bonds to develop these affordable rental units, more than double what was invested in the past.
- In FY 2016, the state's HHFDC helped 814 families with Mortgage Credit Certificates, tax credits for first-time homebuyers — and 4,669 families over the life of the program.



The governor joined Kamehameha Schools officials for the Keauhou Lane groundbreaking, a 209-unit rental project.



The Flats at Pu'unui — Kaka'ako, O'ahu



Kaniko'o Rice Camp — Lihue, Kaua'i



Kamakana Villages — Kailua-Kona, Hawai'i Island



Ko'oloa'ula rentals — East Kapolei, O'ahu



Ainahau Vista II groundbreaking — Waikiki senior rentals.

New homeowners celebrate successful DHHL project

A rent with the option to purchase pilot project has resulted in 61 new homeowners on Department of Hawaiian Home Lands and taken them off the waiting list. DHHL joined with Mark Development, Inc. to work directly with Hawaiian families who earned 60 percent or less of the area median income.

Participants in the **Kapolei Ho'olimalima Project** had the opportunity to save and learn through homeownership counseling and a renter savings program. "Most affordable rentals are small one-or two-bedroom apartments, not single family homes with a chance for homeownership," said Sonniejay Kalamau, one of the project's first homeowners. "DHHL and Mark Development gave us the chance to get ahead." The home prices ranged from \$62,871 to \$76,842.

"The path to homeownership for these families was not easy, but their perseverance now means their families have a home for generations to come," said Jobie Masagatani, Hawaiian Homes Commission Chair and DHHL director.



NEW HOMEOWNERS:
Melvin and LeeAnn Kalekini, Doris Woolsey with her family and Ho'olimalima neighbors.

The department is planning for a similar project in Kona on Hawai'i island and hopes to open up more of its lands for residential owner-builder homes, self-help homes, developer-built turnkey homes and agricultural lots that support a subsistence lifestyle. Masagatani said, "Our goal is to provide families with as many options as possible to get onto the homelands." DHHL is also looking at affordable rentals, particularly for the kupuna on the waiting list who may not want home ownership.



KAUA'I CONNECTION: Gov. Ige fields questions April 6 from hundreds of residents.

Connecting on the Garden Isle

It was standing room only at the Kaua'i Community Connection last month as Governor Ige and state department heads answered questions on everything from traffic and the environment to education and housing. "I'm here to listen to you," the governor told the more than 300 residents. "We want to continue to work with the county on projects that are important to you."

Asked what he considered the top three issues facing the state, he named housing and homelessness, education and managing taxpayer dollars smarter and more efficiently. "We want to provide maximum value to you. Our state's bond rating is the best it's ever been," he said. Savings from reduced interest payments result in more funds for schools, roads and other local projects.

Precautions for rat lungworm

The state Department of Health is advising the community to carefully wash fresh vegetables and fruits to guard against rat lungworm disease — a few cases of which have been reported most recently on Maui. Rodent and slug/snail control in areas such as home gardens is also important, said DOH officials.

"From 2007, Hawai'i has reported between one and nine cases each year," said DOH communications director Janice Okubo. "Though these numbers are small compared to other areas of the world, we know the health effects can be very serious and disabling for those few who become infected."

Rat lungworm disease is transmitted by parasitic worms that can cause pain and neurological problems, although the severity of symptoms varies widely. According to the DOH, the parasites cannot mature or reproduce in humans and will eventually die. More information is available at health.hawaii.gov.

Honors for a beloved coach

It was "Dave Shoji Day" April 13 at the state Capitol to honor the iconic UH Rainbow Wahine volleyball coach who retired this year after 42 winning seasons. Governor Ige praised Shoji for "inspiring generations of young girls" and earning the respect and admiration of the people of Hawai'i.



KUDOS: Governor Ige congratulates coach Dave Shoji.

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