



From the governor: Creating lasting change for Hawai'i

From real progress on affordable housing to airport modernization, a new state hospital facility, a long-awaited Hawai'i island highway, and new projects such as free public Wi-Fi hotspots across the islands, the Ige administration is committed to creating change for the better. The governor says, "These changes prove we can move forward as a community when we all work together."

Q. Are you encouraged by what you've seen lately in affordable housing momentum?

A. Certainly, it's exciting for me to see so many of these projects finally moving forward. In a span of less than two weeks, we've had groundbreakings and blessings for projects that represented almost 500 affordable housing units with more to come. From the start, we've made increasing housing a top priority. The housing task force we formed when I first took office helped us see the gaps in existing state programs and get things moving. They helped us craft legislation that improved the Rental Housing Revolving Fund and the Dwelling Unit Revolving Fund to make those tools more useful. We got home builders and state agency leaders in the same room to find where the bottlenecks were so we could increase production.

Q. Why are the Mayor Wright and School Street redevelopment projects so important in the bigger affordable housing picture?

A. Those two projects are about getting more efficiency and housing production from state lands. They also take advantage of public-private partnerships where the private sector can bring more capital investment to the project. It's clear as a state we haven't been producing enough housing to meet demand, so we have to look at innovative ways to make use of the lands we have. The School Street project will provide affordable rental housing for seniors. The Mayor Wright redevelopment is about creating a broader community of rental units for all incomes, with a park, stores, services and gathering places for families (See story on Page 2).



Q. Several other major state projects marked milestones in the past month. What is most significant about those?

A. For projects like the **Daniel K. Inouye International Airport modernization** and the **Queen Ka'ahumanu Highway on Hawai'i island**, it's been about getting projects moving after years of being stuck. The airport's mauka terminal for expanding interisland service, the central and ewa concourse improvements, even redoing the bathrooms — we know people have said we've needed these improvements for a long time. Queen Ka'ahumanu Highway was stalled for five or six years until our administration made it a priority to work with the community on important cultural sites and environmental concerns to come up with plans to protect them. I'm also proud we could finally break ground for a new forensic psychiatric facility at the **Hawai'i State Hospital** for those sent there by the court system. Thanks to the efforts of many people, including area legislators and the state Department of Health leadership, we'll have a modern facility for patients and employees and a higher level of security for community safety (See stories on Pages 2, 4).

Q. What other recent modernization projects do you want people to know about?

A. The Department of Commerce and Consumer Affairs has announced the first wave of free public Wi-Fi hotspots with one hour of free service per device each day at various locations on Kaua'i, Maui, Moloka'i and O'ahu. Also we're very pleased with the successful roll-out of the state's payroll modernization effort for thousands of employees. It's part of our commitment to upgrade the core operations of government to serve people better because so many of our systems are old and antiquated.

Transforming Hawai'i's airports for a better experience

From free unlimited Wi-Fi to more retail and restaurant space and renovated restrooms, the Daniel K. Inouye International Airport is in the midst of a transformation as the state's busiest airline hub. Wi-Fi upgrades and other major improvements are also underway for airports on the neighbor islands.

The Wi-Fi is available through Boingo Wireless, which operates wireless networks in major airports, stadiums, campuses, military bases and commercial properties throughout the world. The state is also partnering with DFS and HMSHost on more than \$69 million worth of improvements themed around *Ho'okipa*, the Hawaiian value of hospitality, to offer travelers the best of the islands' food and gift items.

"The public-private partnership is a win for both sides because the State of Hawai'i and taxpayers didn't pay for the improvements," said Governor Ige. DFS opened new duty-free specialty boutiques while HMSHost now offers The Local and Makai Plantation, marketplace with locally sourced dishes such as ahi poke and furikake crusted ahi salad.

The Airports Division of the Hawai'i Department of Transportation has been recognized for its management strength in upgraded bond ratings, resulting in \$27 million in savings for the state through refinancing. The improvements include adding up to 11 gates and more terminal space at the Honolulu airport, a new rental car facility at Kahului Airport, opening Kona's Ellison Onizuka International Airport as the state's second international port of entry, and accommodating larger aircraft and Southwest Airlines.



Gov. Ige with Rick Jauert and Andy Ocetnik at the new Makai Plantation, along with a Hawaii with Love store.

Housing progress: On the threshold of change at HPHA

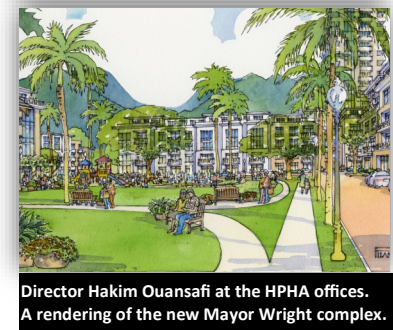
Big changes — and better affordable housing options — are coming to Kalihi. That's the vision of Hakim Ouansafi, the executive director of the Hawai'i Public Housing Authority. His vision changes what he calls a "failed formula" of putting poor people together in one run-down building. Instead, Ouansafi, his staff and consultants have developed plans for two major redevelopment projects on O'ahu, with others on the neighbor islands to follow in the future.

One is the Mayor Wright Homes complex near the rail transit line, which will transform the current 20-acre site into a mixed-income, mixed-use village of about 2,500 rental units. Two-thirds of the units will consist of public housing and affordable units. Public housing units include families with incomes ranging from zero to 30 percent area median income (AMI). Affordable, or "workforce" housing units, will have families with incomes of 120 percent AMI or below. The remaining third would be for market-rate tenants. The HPHA team is working with Hunt Development Co. on the details of the design.

Current conceptual plans include a park, rooftop recreation decks and a vibrant community mix of stores and other services. "It's going to be beautiful," said Ouansafi. "We anticipate starting construction at the end of 2019 with about 600 units in Phase I. Our mandate as a housing authority is that the affordable units would remain affordable for life." Scott Jepsen, a national housing consultant, praised the agreement HPHA has been able to negotiate with its developer partners. "I commend HPHA for its extraordinary ability to obtain terms that will positively impact the overall affordable housing challenge in Hawai'i," he said.

Another major project to create more units will be a 100 percent affordable rental housing project for seniors age 62 and older at the current HPHA site on North School Street. Based on community input, the project was scaled back to 800 units with a focus on the elderly. "This project represents a huge opportunity to address the tremendous need for affordable senior rentals," said Governor Ige. "By repurposing state land, we're able to lower the cost of development and deliver more homes to those desperately in need of a place to live."

Ouansafi said that he, the HPHA Board of Directors, and the governor have been committed to 100 percent transparency and to involving the community in planning for better housing. Shortly after he became HPHA director, Ouansafi lived for four months in Mayor Wright Homes to learn firsthand what needed to be changed. "I came from a comfortable life with a career in resort development," he said. "I looked at hundreds of reports from consultants done between 9 a.m. and 5 p.m. I wanted to live in a Mayor Wright unit, hear from other tenants about the issues and feel what it was like for children living there." Ouansafi went on to say, "For our tenants, it's about how we can achieve safety and security. For taxpayers, it's how we can manage taxpayers' money better and, for future tenants, how we can help some of the thousands of families who are on our wait list."



Director Hakim Ouansafi at the HPHA offices. A rendering of the new Mayor Wright complex.

Beyond a field of dreams: Making affordables real

So what does it take to build more affordable housing for Hawai'i? By several accounts, it's taken a governor sitting down with developers, affordable housing advocates and state housing agency leaders — all in one room — and acting on their advice to produce more units faster. From the start of his administration, Governor Ige has asked the same questions: Why aren't we building more affordable units? What changes can we make to the system to make the process easier and better?

"This governor has done so much he's not taking credit for," said Hakim Ouansafi, executive director of the Hawai'i Public Housing Authority. "He's made sure departments worked together to save time and money to produce units faster. Before the whole process was frustrating. When the governor got everyone together, he and his staff listened to and acted on suggestions for how to make the process better. With legislators there at the table, they knew the suggestions weren't political. The ideas were coming from people who can actually develop housing."

Kevin Carney, EAH vice president and a pioneer in affordable housing, agreed in recent remarks at a Nohona Hale groundbreaking event.

"Thanks to the governor and his leadership, we were able to speak directly to state agency staff — with all the islands' major developers together in one room — to suggest ways to increase production." The result is an improved system that is producing results, including a streamlined review process and increased funding to help finance more affordable rentals and provide help with infrastructure costs.



Changes produce results: More affordable rental options

The good news for local residents is there are signs of real progress with more new projects coming online and increased state funding to make it economically feasible for developers to build more affordable units. The Ige administration's goal is 10,000 housing units completed by 2020, with the majority of affordable rentals at 60 percent area median income (AMI) and below. On O'ahu, that translates to a family of four earning \$69,960; \$55,980 for a couple; or \$49,020 for a single person. "Low-income" translates to 30 percent and below area median income, which equates to \$24,510 in Honolulu for a single person or \$27,990 for a couple. "Yes, it will take all of us working together to produce the number of affordable units Hawai'i needs," said the governor. "But we're committed to maintaining the momentum, and we're already seeing results."

Recent public-private rental partnerships were praised for innovative approaches that show the variety of possibilities in the 30 to 60 percent AMI range. They include:

- **Nohona Hale** – The state's first micro-units in Kaka'ako through a partnership between Bronx Pro Group, Swinerton Builders and non-profit EAH Housing. The 300-square-foot studios are on the rail transit line with 70-square-foot lanais and floor-to-ceiling windows to provide a sense of openness. Completion date: January 2020.
- **Keahumoa Place** – An affordable Kapolei rental community by the Michaels Organization of 320 one-, two-, and three-bedroom units aimed at families earning 80 percent or less AMI. The two-story garden-style buildings will include a community center, picnic area, tot lot and pet park. Completion date: First phase – late 2019.
- **Waipahu Tower** – An older rental complex of 62 affordable units renovated by the Ahe Group, preserved to remain affordable for local residents. The refurbishing included new floor, appliances, and PV panels to save about \$100,000 in electricity costs.

The path to 22,500 affordable rentals

A special action team has produced a road map for building 22,500 affordable rentals needed statewide by 2026. The report includes an inventory of sites and the units needed by island and household income levels. One of the major recommendations is to contribute \$100 million annually for the next 10 years to the state's Rental Housing Revolving Fund to help developers finance affordable construction.

The Hawai'i Housing Finance and Development Corp. has provided close to \$100 million in rental housing funds in each of the last two years, and developers have already applied for \$182 million of the \$200 million appropriated by the legislature this year, according to HHFDC director Craig Hirai. "This momentum needs to continue," he said. "You have to sustain the effort over a period of years."

According to a Honolulu Star-Advertiser analysis, statistics show the governor has secured record amounts for the state's Rental Housing Revolving Fund since taking office. "During his first three years in office . . . he secured nearly as much funding for the program as has been allocated during its two-decade history," The same article said, "The pace at which affordable housing projects have been awarded funds has also increased under Ige. Over the past 3 ½ years, 21 projects were awarded funds. This compares with 21 projects awarded during the seven years prior to Ige taking office."

Breaking ground for mental health

Governor Ige, Department of Health (DOH) officials and area legislators broke ground last month for a long-awaited 144-bed psychiatric facility at Hawai'i State Hospital for forensic patients sent there by the court system. In 2016, the Legislature supported the governor's urgent request to build a modern facility that addressed the over-crowded patient conditions.

"We're well aware of the challenges the State Hospital faces," said the governor. "Together, we took action and are doing something about it." The \$140 million contract calls for a team led by Hensel Phelps to design and build the new facility. The building is expected to be ready for use in 2021.

State health officials said the new facility will incorporate clinical best practices and create a modern therapeutic environment — all within a secured area. "Mental health is as important as our physical well-being," said Dr. Bruce Anderson, DOH director. "The new building represents our state's commitment to improving mental health care in our community."



Gov. Ige, legislators and state officials at the new psychiatric facility site.

Long-awaited Queen Ka'ahumanu Highway celebrated



State, county and Goodfellow Bros. officials were all smiles at the highway dedication.

Hawai'i island residents and thousands of visitors to the Kona coast have reason to celebrate with the dedication of the newly widened stretch of Queen Ka'ahumanu Highway — a project years in the making. The now four-lane scenic highway runs between Kealakehe Parkway and Keahole Airport Road.

"The widening of the Queen Ka'ahumanu Highway has been a top priority ever since we broke ground three years ago," said Governor Ige. "The highway is the lifeline to some of the best Hawai'i has to offer. I am grateful to the project team for overcoming the challenges and to Kona residents and business owners for their patience and support."

The Phase 2 design-build project by Goodfellow Bros. resulted in six new signalized intersections, drainage systems, utility relocations and safety features such as guardrails and medians with a'a lava rock for low maintenance and to discourage motorists from trying to cut across the road. Total project cost is about \$121 million. Goodfellow vice president Ed Brown said more than 210,000 hours of labor went into the project and noted that all workers, including construction crews, came from Hawai'i island.

New Wi-Fi hotspots available

New Wi-Fi hotspots — from Moloka'i's remote Kalaupapa area to bus stops and community gathering places — are now available on Kaua'i, Maui, Moloka'i and O'ahu, with Hawai'i island locations planned for implementation.

The Department of Commerce and Consumer Affairs (DCCA) has announced the first wave of free public Wi-Fi hotspots will offer one hour of free service per device per day. The project is part of a DCCA requirement of Spectrum/Oceanic Time Warner Cable to provide 100 new public Wi-Fi hotspots throughout the state in parks, community centers and other public open areas. For the hotspot locations, go to <http://cca.hawaii.gov/broadband/dcca-designated-wifi-hotspots/>.

Washington Place Movie Night

A rare opportunity to spend an evening at Washington Place and learn more about Queen Lili'uokalani will be the focus of two Sunday fundraising events, Sept. 30 and Oct. 28 from 5:30 to 9 p.m. The events are sponsored by the Washington Place Foundation, with proceeds going to support its work.

The evening will include a light dinner with wine on the lanai and viewing of the documentary, "Lili'uokalani: Reflections of our Queen," produced by Edgy Lee and Marc Cohen. A musical presentation of the queen's songs Sept. 30 will feature the Hawai'i Youth Opera Chorus, directed by Nola Nahulu. Tickets are \$100 per person and may be purchased only at eventbrite.com. There will be no ticket sales at the door.

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