



CAPITOL CONNECTION Special Edition

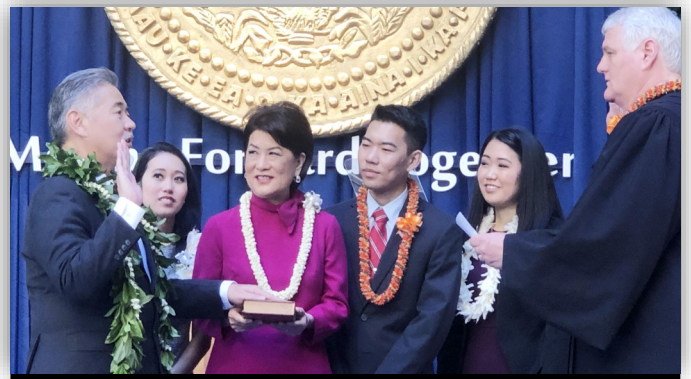
January 2019

Courtesy Tyler Kruse

A Report to the People of Hawai'i from Governor David Y. Ige

➤ Moving Forward Together: 'Oni Like Kākou ➤

2018 was a year of progress and challenge — from pushing ahead on the Ige administration's top priorities to responding to natural disasters on multiple islands. At his Dec. 3 inauguration, **Governor David Ige** called for unity and common purpose as he embarked on his second term. He praised Hawai'i as both a leader in sustainable growth and an example for the nation and the world that our differences are our greatest strength. "There are some who talk about making America great again but who do not understand the source of its greatness: its broad and diverse peoples," he said. "We are a nation of immigrants, and Hawai'i is one of its brightest examples of what is possible when we work together — when we celebrate our differences and our common heritage."



As his family looks on, Governor Ige is sworn in by Chief Justice Mark Recktenwald.

In the last four years, the Ige administration has shown **positive change is not only possible, it's happening all around us** — to empower schools, build more affordable housing and protect the 'aina — and the governor wants the public to know state departments are working hard on their behalf. This issue of Capitol Connection describes some of the ways Hawai'i is moving forward and, in many cases, leading the way to a better future.

1 RAPID RESPONSES TO HURRICANES, FLOODS and a VOLCANIC ERUPTION

- **State praised for coordinated response to 2018 natural disasters** — Governor Ige and a multitude of state, county and federal agencies and volunteers mobilized to provide support as thousands of residents rebuild their lives after Hurricane Lane, devastating floods and the Kīlauea eruption. From Hawai'i Department of Defense emergency evacuations, temporary shelters and FEMA relief centers to farm loans and state and federal aid of all types — the message to disaster survivors on several islands is "You're not alone."



Helping disaster victims became a top priority.

2 REDUCED HOMELESSNESS WITH BETTER SOLUTIONS

- **Homeless count down for second year in a row** — Hawai'i's homeless count decreased almost 10 percent statewide — from 7,220 in 2017 to 6,530 in 2018. "This validates our Housing First approach, which directs resources to programs we know work," said Governor Ige. He also has initiated plans to use \$30 million in funds appropriated by the Legislature to establish at least three 'Ohana Zone sites on O'ahu and one each on Maui, Hawai'i island and Kaua'i.

- **Family Assessment Center (FAC) and Kahauiki Village continue work** — The FAC in Kaka'ako continues to help families connect to permanent housing, jobs and an array of services in less than 90 days. The center is expected to serve more than 400 people in the next two years through a multi-generational, "'Ohana Nui" approach. **Kahauiki Village**, a public-private partnership launched by businessman Duane Kurisu on state land, provides affordable rentals for working families who need housing.

BRIDGING THE GAP & PARTNERS IN CARE

SECOND CONSECUTIVE DECREASE IN STATEWIDE HOMELESS COUNT

9.6% DECREASE STATEWIDE

O'ahu: ↓ 9.4%

Kaua'i: ↓ 28.9%

Hawai'i County: ↓ 8.8%

Maui County: ↓ 2.6%

GOVERNOR.HAWAII.GOV
Progress statewide on homelessness.

3 More housing for Hawai'i families

• **Affordable projects underway statewide** – The Pacific Business News reported 16 of the 23 local housing projects underway statewide in 2018 were affordable rentals and for-sale units built with state-assisted financing. The Ige administration is on track to reach its goal of 10,000 housing units completed by 2020, with the majority of affordable rentals at 60 percent area median income (AMI) and below.

• **Record amounts for the state's Rental Housing Revolving Fund (RHRF)** – Hawai'i's RHRF fund has been called "the best in the country" for the gap financing it provides so housing can be more affordable. **The pace of affordable projects has increased under Governor Ige** with new public-private partnership projects coming online and a streamlined Hawai'i Housing Finance and Development Corporation process.

• **"Smart Communities" on state land near transit hubs** – The state has identified land for transit-oriented development (TOD) along the 20-mile O'ahu rail corridor and Transit-Ready Development (TRD) on the neighbor islands and in rural areas. "TOD remains one of our biggest game changers and allows us to build affordable homes, direct growth and reinvigorate older neighborhoods," said the governor. Among these is **Mayor Wright Homes in Kalihi**, which will be transformed into a mixed-use village of about 2,500 rentals — two-thirds of which will be public housing and affordable units.

• **More homestead lots for Native Hawaiian families** – The Department of Hawaiian Home Lands prepared 414 lots available for awards on O'ahu, Kaua'i and Maui, with 51 percent of them awarded to beneficiaries as turnkey and vacant lots. More than 1,400 applicants also have attended homebuyer workshops.



HOUSING PROGRESS (from top): A groundbreaking in Kapolei, Kaiwahine Village on Maui and a DHHL family.

4 TAKING ACTION FOR SUSTAINABILITY AND BIOSECURITY

"As the only island state in the nation, we know climate change is real," said Governor Ige. "Through the U.S. Climate Alliance of governors, states like Hawai'i are stepping up to reduce global warming since our nation's withdrawal from the Paris Accord. We're showing the nation and the world that ambitious climate action is achievable. Our **Sustainable Hawai'i initiative** tackles the issues facing our forests and reefs, biosecurity, local food production and renewable energy. Hawai'i is committed to 100 percent renewable electricity. We're establishing a carbon offset program to invest in our native forest watersheds. And this year, I signed legislation committing to carbon neutrality by 2045 for a clean, renewable future."



Climate Commission report shows sea level rise impact.

• **Hawai'i Climate Commission issues statewide call to action** – A first-ever statewide threat assessment with inundation maps and sea level rise mitigation for every island was prepared by the Department of Land and Natural Resources's (DLNR) Office of Coastal and Conservation Lands. The Climate Commission is planning a major summit on climate change for early 2019.



Fighting against rapid 'ōhi'a death.

• **Expanded biosecurity strategies** – The Ige administration has produced the state's first **Interagency Biosecurity Plan** to take an aggressive approach to fighting invasive species such as rapid 'ōhi'a death and little red fire ants. **Governor Ige has made biosecurity his top issue as the chair of the Western Governors' Association** to develop strategies with other states. The state has also created an online permitting system to facilitate review and inspection by the Plant Quarantine Branch.

• **Protection for critical watersheds and recreation lands** – In October, DLNR and numerous government and non-profit partners announced the acquisition of 2,882 acres of Central O'ahu forest and fallow lands from Dole Food Company. Called the **Helemano Wilderness Recreation Area**, the area will protect vital water resources and native species protection and offer opportunities for outdoor activities and conservation management. The **State Commission on Water Resource Management** is focusing on better water management for whole ecosystems. Its decision on interim instream flow standards for East Maui watersheds protects ecosystems, taro farming, Native Hawaiian practices as well as other agricultural and domestic uses. DLNR's first-ever **Law Enforcement Training Academy** for new conservation officers honored four graduates. Their broad training covers protection of natural and cultural resources and enforcement of all related laws and rules.



Field technicians protecting vital watershed forests.

5 Advancing local food production and green energy

- **Growing local, buying local** – The state’s Department of Agriculture (HDOA) is moving on several fronts to **double local production by 2020**. This includes doubling the state’s agricultural inventory to over 2,500 acres of former pineapple and sugar plantation land, working with farmers to increase production and food safety and guarding against invasive species. The department secured a \$1.9 million grant to help farmers meet the **Food Safety Modernization Act**. It also has launched a study to test for pesticide residues in the state’s surface waters. HDOA is developing public-private partnerships to increase capital investments for large projects and expand use of “smart technology” to increase productivity.



Expanded 'Aina Pono Farm to School program – The Department of Education is working with local farmers and ranchers to provide local produce and grass-fed beef for school lunches on several islands. 'Ele'ele Elementary on Kaua'i became the first school to serve kalo on its menu. Students in the Kohala and Mililani school districts are also enjoying fresh island food.

- **Launched a green energy future statewide** – Hawai'i continues its leadership as the first state to set a target of **generating 100 percent of electricity sales from renewable resources by 2045**. In 2018, NRG Energy broke ground for three solar farms on O'ahu in partnership with Hawaiian Electric Co. and others to produce enough electricity for 32,000 homes. The Kaua'i Island Utility Cooperative has initiated a new community solar project to expand access to renewable energy for apartment residents, small business owners and community groups. In transportation, airports are becoming more energy-efficient by installing solar panels and transitioning to electric trams or hybrids to move passengers. Also the Department of Accounting and General Services has finalized an agreement to use water chilled by the ocean to cool several state facilities.

6 TRANSFORMING EDUCATION FOR THE 21ST CENTURY

How do we prepare our children for the future? “We need more than a one-size-fits-all model,” said the governor. “That’s why we are implementing a new blueprint for public education, empowering schools and investing in educational leaders who can transform the way they teach their students.” The governor authorized \$500,000 for the DOE to implement a **K-12 computer science curriculum** by 2021 and to offer at least one computer science course at all public high schools at least once every school year. He has also joined the Governors’ Partnership for K-12 Computer Science to expand access and increase equity in programs.



- **Empowering schools and their communities** – Professional development opportunities for Hawai'i's teachers are increasing with Governor Ige's support and his backing of **School Design and Computer Science Innovation Grants**. Teachers, administrators, and community members are bringing more decision-making power to the school level. Also, student voice is helping to reshape course content, use of technology and other activities to make learning a more fun and dynamic experience.



- **Early College and Hawai'i Promise programs expand statewide** – With Ige administration support, **Early College** is helping students earn college credits tuition-free. At last count, 38 public high schools and charter schools on six islands have offered Early College courses. Also, 12 Waipahu High Early College “Olympians” became the first to graduate with their associate in arts college degrees — *before* they received their high school diplomas. **Hawai'i Promise** has provided 1,500 UH community college students an estimated \$2.2 million in “last dollar” scholarships. The grants eliminate the gap between what qualified students and their families can afford and the unmet direct costs of higher education, such as tuition, fees, books, supplies and local transportation.



(from top) Proud UH grads, outstanding DOE teachers and Early College Olympians.

- **College enrollment, graduation rates and healthcare workforce grow** – In fall 2018, UH Mānoa welcomed its **largest freshman class in the university's 111-year history**. The overall four-year graduation rate at UH Mānoa is now at an all-time high with Native Hawaiian and Filipino students graduating on time at record rates. A new \$32 million state-of-the-art Allied Health/Administration building at UH West O'ahu will train professionals to assist Hawai'i's aging population. Also the UH John A. Burns School of Medicine has increased its medical school class size to 72 students each year and is providing full 4-year scholarships to a third of 2018 entering med students to minimize their educational debt.

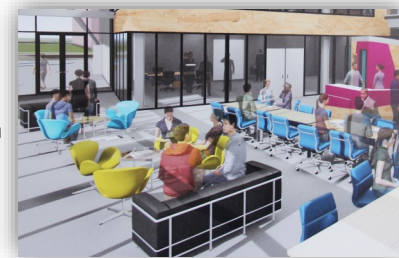
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Growing an innovation economy with global reach

“The next great economic transition for Hawai‘i will be driven by innovations enabled by technology. Our geographic isolation is no longer a deal breaker.” — Governor David Ige

- **HTDC breaks ground for Entrepreneurs’ Sandbox in Kaka‘ako** – The Hawai‘i Technology Development Corporation’s (HTDC) Sandbox, to open in July 2019, is an innovation center where people can learn to build products and develop creative media. Its goal is to provide a new generation of entrepreneurs the tools and environment to grow their own businesses.

- **Tokyo International Gift Shows and sister-state relationships promote Hawai‘i** – The gift show’s Hawai‘i Pavilion, organized by the Department of Business, Economic Development and Tourism (DBEDT), attracts up to 80 Hawai‘i companies each year. Some \$40 million in export sales have been realized by local firms involved in this event. In addition, DBEDT led support for a bill, which Governor Ige signed into law, to upgrade **next-generation wireless broadband infrastructure statewide.**



Kaka'ako's Entrepreneurs' Sandbox to open in 2019.

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MODERNIZING AIRPORTS, HIGHWAYS AND HARBORS

- **Progress on Kahului CONRAC, Diamond Head Concourse and Southwest Airlines** – The Kahului Airport Consolidated Rental Car (CONRAC) facility is on track to open next year. Electric trams will transport arriving passengers to their vehicles, not fossil fuel buses. Long-awaited, \$1.1 billion improvements are proceeding at the Daniel K. Inouye’s Diamond Head Concourse. Also, new service is expected from Southwest Airlines, and overseas passengers have increased by more than 40 percent.

- **HDOT focusing on safety and preservation of roads and bridges** – HDOT has improved its system for repairing roads in the poorest condition, based on data and other factors. Because of its successful completion of projects, including phases of the Lahaina Bypass and Queen Ka‘ahumanu Highway, the federal government awarded HDOT an additional \$41 million in 2017, another \$20 million in 2018 as well as \$90 million in emergency funding for flooding and Kilauea volcano events.

- **Harbor modernization supports resiliency** – In March 2018, the U.S. Maritime Administration approved designating waterways between and around the Hawaiian islands as the Sen. Daniel Akaka Marine Highway. This helps the state’s commercial harbor system compete for federal funds to make needed improvements and build its emergency operating capacity.

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IMPROVING HEALTH, HUMAN SERVICES, PUBLIC SAFETY and CONSUMER PROTECTION

- **Started construction of a new Hawai‘i State Hospital facility** – In August 2018, Governor Ige, legislators and state officials broke ground for a new 144-bed secure forensic psychiatric facility to improve mental health care in our community.

- **Prevention of opioid misuse** – A Hawai‘i Medication Drop Box program has been launched at police stations statewide for safe disposal of unused prescription medications.

- **OCCC and other jail improvements planned** – The Ige administration’s plan includes moving the O‘ahu Community Correctional Center to Halawa Valley and expanding the Women’s Community Correctional Center in Kailua. A final environmental impact statement was completed to relocate OCCC and improve conditions in a new facility.

- **Successful legal action protects consumers** – Settlements by the Department of Commerce and Consumer Affairs, working with the state Attorney General, have benefited Hawai‘i residents and deterred other businesses from illegal, deceptive conduct.

- **DCCA designates free WiFi in underserved areas** – New WiFi hotspots are available on several islands as part of a DCCA requirement of Spectrum/Oceanic Time Warner Cable to provide 100 new public spots with one hour of free service per device per day.



Breaking ground for a secure State Hospital facility.

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MANAGING BETTER, SMARTER: Saving dollars, improving services

- **Tax System Modernization yields taxpayer, state benefits** – In November 2018, the state’s Department of Taxation rolled out its largest phase of modernization, which improves taxpayer service and fraud prevention and helps ensure everyone pays their fair share of taxes. It’s anticipated that the result will be **substantial additional tax collections** in FY 2019 and beyond.

- **Payroll modernization improves services** – The project, implemented by the Department of Accounting and General Services (DAGS) and the Office of Enterprise Technology (ETS), has transformed the state’s massive payroll system into a new computer-based “best practice” operation. Some 65,000 employees have been enrolled to provide better services.

- **Hawai‘i Department Dashboard increases transparency** – The award-winning Dashboard tracks more than \$450 million in spending for some 600 projects from 16 state departments and is accessible to the public online. It provides a strategic, visual roadmap for accountability and IT project planning. **Overall, Hawai‘i has been ranked first in the nation for emerging tech use.**

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