

Charter Commission

CITY AND COUNTY OF HONOLULU

Honolulu Hale • 530 South King Street • Honolulu, Hawaii 96813



WEDNESDAY, JULY 30, 2015
3:00 P.M.
COMMITTEE MEETING ROOM
HONOLULU HALE

MINUTES

Charter Commission Members Present:

Jesse K. Souki, Chair
Judge Michael F. Broderick
Reginald V. Castanares, Jr.
Guy K. Fujimura
Donna Ikeda
Kevin Mulligan
Paul T. Oshiro
Edlyn S. Taniguchi
John D. Waihee III, Governor

Charter Commission Members Absent/Excused:

David W. Rae, Vice Chair
Nathan T. Okubo
Cheryl D. Soon
R. Brian Tsujimura

Others Present:

Dana Viola, Deputy Corporation Counsel, Department of the Corporation Counsel
Linda Luli Nakasone Oamilda, Executive Administrator, Honolulu Charter Commission
Mary James, Researcher, Honolulu Charter Commission

I. CALL TO ORDER

Roll Call

With a quorum present, Chair Jesse Souki called the meeting to order at 3:09 p.m.

II. BRIEFING ON CUSTOMER SERVICE FUNCTIONS BY THE EXECUTIVE BRANCH

Chair Souki stated that under section 15-105, of the Revised Charter of the City and County of Honolulu 1973, as amended ("Charter"), the Charter Commission is required "to study and review the operation of the government of the city under [the current] charter" every ten years. The Commission has invited departments, agencies, and offices of the City to a series of public meetings to present how they operate under the Charter and to discuss potential Charter amendments or revisions that may improve City government operations. Today's guests are from the Department of Customer Services, the Department of Enterprise Services, the Department of Community Services, the Department of Parks and Recreation, the Neighborhood Commission Office, the Royal Hawaiian Band, the Mayor's Office of Culture and the Arts, the Office of Economic Development, and the Office of Housing. Chair Souki welcomed the Director of Customer Services.

Department of Customer Services (CSD)

Director Sheri Kajiwarra provided an overview of CSD. CSD consists of three divisions: Motor Vehicle Licensing and Permits, Satellite City Halls, and Public Communications. In addition to administering all of Oahu's motor vehicle registration and titling programs, CSD also issues business licenses, provides printing services, manages and archives city records, helps coordinate various city events, and facilitates public communication through its information and complaints branches. In addition, CSD administers the city's animal care and control contracts, including animal pound services, and the affordable spay and neuter certificate program.

CSD's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the Director.

Commissioner Oshiro asked about the separation between the drivers' licensing and motor vehicle transaction and whether it was a federal or other requirement. The Director said the separation is not federally mandated but these functions have been separated for around forty years. CSD is looking into that and would like to see motor vehicle services offered where drivers' licenses are given.

Commissioner Broderick thanked the Director for the succinct and clear presentation. He asked if the Director planned on submitting any proposed changes to the Charter Commission. The Director answered that they were looking at some minor issues to better align the program with the Charter. CSD is working with the Administration on this,

Commissioner Ikeda asked the Director how much of the funding for the CSD-run state identification program is being provided by the State. The Director didn't have the exact figures but said that the State funds about 9-12 positions and also reimburses the county for the cost of the program. This covers the costs to the county for the State services since the facilities used are the ones already used for drivers licensing.

Chair Souki asked about the Municipal Reference Center (MRC) and plans to increase online access to their materials. Chair Souki commented that in Seattle, everything seems to be online, yet in Hawaii it's not often the case, except the Senate seems to be good at that. The Director affirmed that one of their goals is to provide more materials online, which would include amending the applicable ordinances to change the recordation requirement from microfilming to an electronic format. Chair Souki pointed to the challenges of putting things online, including the cost. He asked if it would help to put a requirement in the Charter to put the MRC's materials online. The Director explained that she wasn't aware of all of the barriers to putting material online so couldn't say if putting such a statement in the Charter would help. However, as the "keeper of records" that is the goal and they'll be working with the Department of Information Technology (DIT) toward that goal.

Chair Souki asked about DIT providing work for other counties and the state without compensation and if there's a lack of resources for working with MRC to get records online. The Director didn't think so, explaining that they are making gains on how the State can reimburse the City on tasks that CSD does for the State such as motor registration and licensing and State ID. Legislation dictates how this is done and needs to be updated. Chair Souki stated that his basic interest was getting more material online and available for the community.

Commissioner Ikeda asked how Honolulu 311 works. The Director explained that Honolulu 311 is an app, another portal through which people can report a problem to the City. DIT developed the app and CSD gets the issues and handles them. Commissioner Ikeda understood that it's not something to be dialed on a phone but that an app has to be downloaded onto a smart phone. The Director affirmed this.

The Director thanked the Commission for this opportunity.

Department of Enterprise Services (DES)

Director Guy Kaulukukui provided an overview of DES. The mission of DES is to manage and market a diversity of community-oriented facilities and services for the use and benefit of the public, supporting cultural, recreational, and educational opportunities and events on a self-supporting basis. DES includes concessions management, the Blaisdell Center and Waikiki Shell, a Customer Services Division for reservations and sales productions and box office requirements; a Building Services Division in charge of

the Neal Blaisdell Campus, the Waikiki Shell, six golf courses, the Honolulu Zoo and various concessions; and a Golf Division including the Ala Wai, Pali, Makalena, Ewa Villages, West Loch, and Kahuku golf courses.

DES's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the Director.

Commissioner Oshiro asked if DES was special funded. The Director answered that the Department budgets its expenses so they're roughly balanced off by expected revenues. Surplus over expenses goes into the general fund. Chair Souki asked if the City has special funds as the State does. The Director answered that there are similar funds but was unsure if they were the same. For example, they have a Special Events Fund but there's no degree of protection like a special fund would have. DES has no fund that would be similar to a State special fund.

Commissioner Mulligan asked for clarification, summarizing that the DES cannot keep any excess revenue. The Director affirmed that they have no retained earnings.

Commissioner Broderick asked if the Director had any recommendations for the Commission. The Director said DES is working with the Administration and Corporation Counsel to identify some structural changes that might allow DES to better achieve its mission of being self-supporting and self-sustaining.

Commissioner Fujimura asked if the self-funding requirement is in the ordinance and not in the Charter. The Director explained that it is not in the Charter and is uncertain if it's in the ordinances. He explained it was part of their mission that they accept it as their mandate. Commissioner Fujimura asked if there's a statement about what they have to self-fund for and what they can draw on general funds for, since capital improvement project (CIP) funding is not part of the self-funding mission. The Director answered that CIP requests are similar to what other departments do for a six-year CIP budget, projection and timeline. Commissioner Fujimura pointed out that when there's a collective bargaining salary raise, it might not be covered by their self-funding resources. The impact of CBA on strict salary affects them as an operating expense. They try to operate as an enterprise within the constraints of government. Commissioner Fujimura asked if they could move income between operations or are each separate. The Director explained that they can move funds among some but not all of their divisions. For example, in the Special Events Fund, they have a \$200,000 leeway without Council approval, but the Golf Fund money can't be moved into the Special Events Fund. Commissioner Fujimura asked if DES' function was to manage the facilities. The Director said it was more than that. For example, they are in the early stages of conceptual planning to redevelop the Blaisdell Campus. Commissioner Fujimura asked about adding a golf course, who would decide if they wanted to move in that direction:

the Council, the Mayor, or DES. The Director said he could bring the idea forward but it would be a significant purchase that would involve the Council.

Governor Waihee noted that some of the revenue streams look like user fees. He assumes that those fees are specific for those activities, such as golf. He asked if those fees go to the general fund or remain user based. The Director said both. The fees have to cover DES expenses but excess revenues will go the general fund. Governor Waihee noted that they are therefore entrepreneurial fees, not user fees; not like State Airports. The Director agreed and explained that all fees are set by ordinance so DES can't set its own fees.

Commissioner Mulligan asked if it would help if they could keep some of the revenues that exceed expenses. The Director responded that it would be helpful to take advantage of the profit motive, allowing for some immediate reinvestment but these revenues wouldn't be sufficient to replace CIP needs or non-salary personnel expenditures. However, these revenues could allow more risk-taking in identifying additional lines of business and would change the method that DES budgets a little bit.

Commissioner Ikeda asked if they are allowed to have a reserve fund in case of emergencies. The Director stated that they don't have a blanket contingency fund but have been able, with the help of the Administration and Council, to augment their funds when they've needed to but there's no built-in contingency fund. The Commissioner pointed out that it's hard to predict when an emergency might arise when handling animals. Without notice, it'll be more expensive. The Director explained that for smaller expenditures, they have the option to work with the Honolulu Zoological Society whose sole mission is to generate funds to support the Zoo. The Honolulu Zoological Society had on occasion been able to provide immediate funds.

Chair Souki asked about flexibility for planning. Since the golf courses are being used less, he inquired about the possibility of using these resources for parks to open them up for more of the community. The Director said they haven't had that conversation yet but have asked the golf administrator to suggest possible reallocation of their resources, especially within their 6 golf courses.

Chair Souki commented that the Charter provision for DES is about the shortest and wondered if there should be a planning component included. He then asked the Director about parking which appears to be one of the best deals across the country. He suggested that perhaps parking rates could be set and raised through rulemaking. The Director said that the more flexibility they have to adjust prices to market demand, the better. Chair Souki explained that parking fees should be between excessively inexpensive and the market price which would be very high due to the high demand. The Director explained that they operate between providing a service and providing it affordably. For example, if DES didn't provide the Blaisdell auditorium, there probably wouldn't be an auditorium. The private sector probably couldn't afford to deliver such a resource. Chair

Souki asked if it would help DES to set rates through rulemaking rather than through the Council. The Director said it might help but might not. The rulemaking process could be faster or slower. State rulemaking can be cumbersome but the Director was uncertain if it would be faster in the county system.

Commissioner Broderick asked about the turnover of the Zoo Director. The Director explained that the Director of Enterprise Services hires the Zoo Director. Commissioner Broderick asked if that was best for the Department. The Director replied in the affirmative.

Chair Souki discussed setting up a permitted interactive group (PIG) to investigate boards and commissions. The EA contacted Commissioner Rae who initially raised the issue and said he will be at the August 4, 2015, meeting to talk to the Commission about this. In addition, because the Friday, July 31, 2015, agenda is very long, it was suggested that both HART and BWS briefings be moved to Tuesday, August 4, 2015.

Department of Community Services (DCS)

Director Gary Nakata provided an overview of DCS. DCS was established to develop and administer projects, programs and plans of action:

- For human resources and human services programs; and
- Designed to achieve sound community development that conforms to and implements the general plan and development plans.

DCS's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the Director.

Governor Waihee asked what percentage of the DCS budget is federally funded. The Director estimated it to be about 90% but will get back to them if that's incorrect. Governor Waihee observed that the different sections track different federal sources of funds. The Director affirmed that, explaining that the Work Hawaii Division works with the Department of Labor, Community Development Block Grants (CDBG) works with the Department of Housing and Urban Development (HUD) as well as Section 8 rental subsidies which come through HUD. Governor Waihee noted that these areas change with time and asked if there was enough flexibility in the Charter to allow them to keep up with these changes. The Director said they work closely with their regulating agencies and know a couple of years ahead of time which programs will be changed or cut. They adjust accordingly. He said that DCS has enough flexibility to do this.

Commissioner Mulligan asked if DCS has any proposals to amend the Charter. The Director said they are still looking into that and will get back to the Commission if they have any suggestions.

Governor Waihee asked about duplication of DCS programs on the State level because of the source of funding. The Director noted that there might be some overlap but the beneficiaries are the important factors. The State and City work together to ensure there are few to no overlaps. Some of the descriptions may seem duplicative but when the actual activity is reviewed, it is obvious there is no duplication. Governor Waihee was concerned with abdication of responsibility such as in the area of housing. He questioned who is responsible for homelessness – at what level. He asked, if there are areas of duplication, do some abdicate their responsibilities. The Director assured him there weren't. He emphasized that State and City agencies serve the homeless, working well together. There is excellent collaboration and good allocation between the two – especially as to beneficiaries. They work hard to make sure tax money is well-spent.

Commissioner Fujimura noted that under the Hannemann Administration, the City decided to get out of the housing process, selling the projects, and leaving it up to the State to provide affordable housing. He asked the Director if that was left up to the State. He asked if there was coordination between the State and City on this. The Director was unable to discuss what happened in that earlier Administration. Commissioner Fujimura continued to ask about the institutional memory, the history of the decision and the cooperation and coordination between the City and State. He noted that there seemed to be a shift in how the affordable housing was to be done on Oahu. The Director said he could check with others in DCS who would have an institutional memory and get back to the Commission. He noted that historically, there wasn't an industry of affordable housing developers. Over time, there were many housing development organizations that developed expertise in affordable housing. He surmised that perhaps the city took on the responsibility but later decided to leave it up to those who specialize in affordable housing, though he was unsure of this and will check into it.

Commissioner Fujimura noted that two of the media outlets have decided to be responsible for pushing the decision makers to address the issues. "They are trying to set the agenda but it's such a large ongoing issue, with the private, the public sectors, the two major entities being the State and the City, that cooperation doesn't just seem to be needed in terms of ongoing running program basis but also seems to be a coordination of resources to address such a major problem in Hawaii which is affordable housing and homelessness with very limited resources." He noted the two major entities running programs and building facilities, which is necessary, but maybe "when a program is so big with all hands on deck, nothing hurts. But I think in terms of what the Governor said, that if there is sufficient resources just in terms of the scope of the problem that any duplication is not helping." Commissioner Fujimura concluded that the Mayor and Governor were each trying to address the situation in Kakaako but it would seem that ongoing coordination and perhaps planning oversight should be considered.

Governor Waihee wanted to know if the Charter was sufficient to deal with the complexity of what Commissioner Fujimura is describing. He noted that historically, the

general public decided the State would be in charge of education, social services and the like, unlike most of the mainland cities. They decided that the City would have a different focus of government. But as a result, because federal funding mandated that moneys go to municipal areas, there was a series of responsibilities that the City took over that were part of the State's framework. This caused some of problems that Commissioner Fujimura was describing. It is imperative that the City has the flexibility to deal with that kind of flux structurally. Governor Waihee thought that politically the City does, that anybody elected can take care of a problem but from time to time one hears policy makers say that something is not their responsibility. It is important that the City have the ability to respond to trends not necessarily set by the City in the context of a governmental structure which was not originally designated to handle those types of responsibilities.

The Director said that Governor Waihee brought up a very current issue. He noted that the City is at the crossroads of a very challenging situation as Commissioner Fujimura brought up. The Director said he thinks it will take cross-coordination between the City, State, and federal agencies and private organizations. He thought that Commissioner Fujimura's quote of "all hands on deck" is what the City is facing and the public also needs to be "all hands on deck." He assured the Commissioners that DCS is studying the situation and is looking at solutions. He realizes that this might not be a satisfying answer today but he emphasized that DCS is actively looking for solutions to implement and so that it can move forward.

Commissioner Ikeda asked if the Director said 90% of DCS funding is from the federal government. The Director said he thinks it's about that much. He said federal funding is definitely more than state funding. Commissioner Ikeda, noted that on page 48 of the City Auditor's 2014 Service Efforts & Accomplishments Report, the table showing CDBG grants and funds showed that DCS received none in FY2013 & FY2014 and asked the Director to explain why. The Director said he would like to see the document. He stated that DCS might not have received any new CDBG grants and instead rolled over program income. He didn't think there was a time when DCS did not receive an allotment from the federal government with respect to the CDBG program. Commissioner Ikeda said that the chart showed operating expenditures of \$12.9 million and shelter plus care assistance slots of 538 but CDBG grants and funds showed zero. The Director said he'll get back to the Commission to clarify it. Commissioner Ikeda explained that if the funds aren't used within a certain time, the allocation for the coming year is then reduced by that amount and if none of the allocation is used then it's a major problem. The Director agreed with the timeliness issue for each year and that the allotment can be lost but was not aware of that ever occurring. Commissioner Ikeda stressed that losing any grant is a major problem and if it becomes a trend, it could be the end of the program. The Director shared her concerns and thanked her for her work.

Chair Souki asked if the Director was familiar with and had any thoughts about Resolution 15-43 being considered by the Council which would take housing out of the

Charter for DCS and get rid of the Housing Office. The Director said DCS is talking to the Administration about it and analyzing the situation and he will get back to the Charter Commission on that. Chair Souki asked if having a Department of Housing would help to look at gap income housing and homeless issues. He asked if the Office of Housing currently has staff. The Director said it has one staff person currently including the executive director. Its main resource is its Executive Director in the policy advocacy room. The Office of Housing primarily works more on policy and advocacy. In DCS, federally aided programs and the community block development division empower affordable housing developers to allow the construction of affordable housing rentals. For example, this past year, they closed two affordable housing projects producing approximately 160 units into the affordable housing inventory. There are about another 4 projects now in various stages of construction, development, or planning that will eventually add 340 or so units back into affordable housing inventory. DCS functions as a funder and overseer of these affordable housing developers, using DCS expertise. Chair Souki asked if the CDBG moneys going out to developers of affordable housing ranges lower than 80% of median income. The Director said there is a range but didn't think it as high as 80%. Chair Souki asked if DCS works specifically on homeless issues. The director said they do. They oversee, fund, and develop homelessness programs. This past year the Council budgeted three positions so it could form its Homelessness Initiatives Unit. The Housing First program the Mayor initiated this year houses the CDBG division and so is Housing and the Department of Community Services. Therefore, DCS works with homeless service providers. It was a natural extension because the continuum of care program has been within the auspices of DCS probably since its inception.

Chair Souki asked why the Office of Housing was created in 2011 by Resolution, noting that it seems like there's some duplication or maybe it could have been put under DCS since it seems related to what DCS does. He continued that the Commission is looking at creating a Department of Housing but it seems like there's already a Department of Housing split into DCS and the Housing Office. He asked what the Director thought about combining the two. The Director said he couldn't speak for the Executive Director or for the people who created this through legislation but he said that the Executive Director of the Office of Housing is focused solely on housing issues – homelessness, affordable housing, and seniors. It is called the "Mayor's Office of Housing." The Executive Director is the point person for the Mayor on housing issues. He continued saying he thought there could be many reasons to combine them but this Administration thrives on teamwork across different entities and departments and units. The Director said he worked very closely with the Executive Director over the course of the last year, and whether he's in DCS or whether he's a colleague, as long as there is commonality as to the need to serve the homeless, they will work together. The Director felt it was a definite advantage that the people DCS is trying to serve had a champion in close proximity to the Mayor and Managing Director who was not tied down with the rest of the other issues a department could have. He stated that DCS is looking at the issue from a number of angles based on Resolution 15-43. Chair Souki agreed that he and the

Executive Director of the Office of Housing work very hard. He assured the Director that the Commission is agreeable to whichever way works best – as is, or a combined Housing Department. The Director said that when the Resolution came out, he and the Director of the Office of Housing discussed various ideas for solutions. He hopes to develop a position and a plan for the Charter Commission.

Chair Souki asked about DPP's draft housing policy that talked about an affordable housing position in the Mayor's Office. He asked the Director how that would differ from the current Office of Housing in the Mayor's Office. The Director deferred to the Department of Planning and Permitting.

Governor Waihee remembered an office of social resources in the City, established to accomplish many of the programs which have now been broken up. The purpose of it was to have one central agency to handle all federal-funded programs. He asked the Director if there was a reason why all the areas were split up instead of grouping all social services, all human services in terms of housing, health, etc., together. He asked the Director what the policy was behind separating them. The Director was unaware of the policy or that there was a split up. Many of those issues come through DCS. He thought the Governor might be thinking of the Office or Department of Human Resources which was combined into DCS along with the housing components. But over the course of time, there's been a synergy and an evolution where those components have combined to produce better results.

Commissioner Ikeda asked the Director if he or DCS has the authority to go into existing rental housing projects that were funded and built by the City for low-income residents to see if the people living in them still qualify as low-income families and so can remain in the units. The Director isn't sure but knows that if they were funded by federal funds, then they have to be looked at periodically and if DCS provided the funding for the projects then it's incumbent on them to ask for the reports. If they aren't getting these reports, he suspects DCS can go in and check on those situations. Commissioner Ikeda asked who would be writing those reports. The Director answered that he would think it would be the people managing the buildings and managing the programs. Commissioner Ikeda asked how often DCS requests the reports. The Director is unaware of how often but can find out. Commissioner Ikeda said that it's a well-known fact that some people have been in these projects in excess of twenty years, and there are many luxury high-end cars parked in there, Jaguars and the like, and she noted that if they can afford those, they are not low-income. She continued that nothing is done to weed out the ineligible. Instead, she noted, we look to building more low-income housing but perhaps it would be better to use enforcement to clean house. The Director commented that was an interesting point and he'll add that to the discussions among his staff. Commissioner Ikeda told the Director to let the Commission know if that authority should be written into the Charter.

Chair Souki thanked the Director. The Director thanked the Commission for its hard work.

Chair Souki stressed that these are public meetings. He recently read an article that said the public doesn't want to attend such meetings because they are set up as inquisitions or depositions. Under the Sunshine law, the Commission has to have everything on the record. But this volunteer Commission is just trying to figure out how things are working and how to make things work better. The Commission is not out to rake presenters over the coals, it is just looking at how to make things work better.

Department of Parks and Recreation (DPR)

Director Michele Nekota provided an overview of DPR. The mandate for the Director of DPR is to:

- Advise the Director of Design and Construction on the planning and design of the City parks and recreation facilities and maintain and operate all of these facilities;
- Develop and implement programs for cultural, recreational and other leisure-time activities;
- Beautify City parks, facilities and streets; and
- Process permit applications to use city parks and recreational facilities for free or affordable child day care programs for consideration by the City Council.

DPR's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the Director.

Commissioner Broderick thanked the Director for coming and asked about the planning and design of parks and recreation facilities being removed from DPS in the 1990's reorganization. He asked her if this could be addressed in the Charter. The Director affirmed that it could and would be providing the Commission a proposal to return the planning and design component to DPR.

Commissioner Mulligan asked about her background in Salt Lake City and how that city's parks compare to Honolulu's parks. The Director responded that she was the Parks and Recreation Director in Salt Lake City for 30 years. She returned to Hawaii recently. The organizational structure of the DPR is similar to other national agencies and the one in Salt Lake City. She noted that most parks departments have their own Planning and Design and Project Managers Division.

Chair Souki commented that he couldn't understand the wisdom of taking planning away from the department responsible for managing parks. He asked if the Director knew why that was done. The Director said that they probably wanted to centralize all of the

planners, engineers, etc., together but DPR wants to make it more efficient. With so many CIP projects and so much deferred maintenance, it's important to be more proactive in their planning efforts.

Chair Souki explained that he worked a couple of years at Corporation Counsel and never saw the benefit of separating the planning function from the other departments. He asked the Director if there is any benefit to this from the point of view of DPR. The Director responded that she'd have to think about it.

Commissioner Fujimura asked how the process works. The Director responded that DPR works well with the Department of Design and Construction. But they lack the daily contacts that they'd have if they had their own planning division.

Commissioner Oshiro asked about the Advisory Board for Parks and Recreation. The Director explained that there is an active 9-member Parks and Recreation Advisory Board. There's a monthly meeting at which DPR and the Board discuss various issues and the Board provides input from various communities and particular interests and often DPR accepts their input and often uses their advice.

Chair Souki followed up on the Advisory Board which he finds helpful. He noted that on the State level, advisory boards report to the Director but in the Charter the Advisory Board also advises the Mayor and the Council and asked what the reason is for the difference. He asked if it wouldn't be better for an advisory board to advise the department and then the department to make recommendations. The Director explained that Parks are community-based including park closure hours. If a community wants to change park hours, they approach the Neighborhood Board (NB) and the vote of the NB goes to the Park Advisory Board to make a final review of the situation. The vote of the Park Advisory Board then goes to the Director for acceptance and then the City Council is notified. Chair Souki asked if the Advisory Board should be advisory to DPR and not the Council and Mayor. The Director said that basically the Advisory Board advises DPR. Chair Souki pointed out that the Charter gives the Advisory Board the authority to go directly to the Council without letting DPR know. The Director assured him they don't do that and that the Board is very supportive of DPR.

Chair Souki asked if the community gardens is DPR's responsibility. The Director affirmed this. Chair Souki spoke of the importance of parks, especially as the City moves toward developments and building upwards. That will make access to open space, green and outdoor activities even more important because a condo can't provide all of that. So, if people are to be convinced to live in these vertical structures, it is important that parks are clean, safe, and working right. The Community Recreational Gardening Program is not enough. He asked the Director if that should be a priority and mentioned in the Charter. The Director said that they realize the importance of community gardens especially for those who live in urban Honolulu where there's little yard or open space. These areas are popular nationwide.

Chair Souki asked about open space for children to run in. He said that now park areas have people sleeping in them, drunken people, etc., specifying the Smith-Beretania park. He asked if something could be put into the Charter to strengthen the response to these issues. The Director answered that the community needs to have more buy-in, pride in ownership of their parks. DPR is trying to get groups associated with specific parks to take pride in ownership of the parks. DPR finds that this results in less graffiti and vandalism, etc. These are daily concerns in some parks and cleaning them doesn't seem to solve the problems. It's only a few individuals that harm the parks.

Chair Souki thanked the Director who thanked the Commission.

Neighborhood Commission Office (NCO)

Acting Executive Secretary Bryan Mick provided an overview of NCO and the Neighborhood Boards (NBs). The Neighborhood Board system was created in 1973 by the City Charter to assure and increase community participation in the decision-making process of government. There are 33 NBs and 437 seats. Elections are held every two years. The Neighborhood Commission consists of nine members – three with board service. They serve staggered 5-year terms. The Neighborhood Commission Office can have up to sixteen full-time employees. The Neighborhood Commission develops a neighborhood plan, effective upon filing with the City Clerk; reviews, evaluates, and reports on the effectiveness of the neighborhood plan and NBs; and assists areas of the city in the formation and operation of their neighborhoods and NBs. NBs are advisory, identifying and relaying community concerns to the appropriate government officials and agencies; reviewing capital improvement projects and making recommendations based on community consensus; conveying community concerns regarding general plan amendments, developmental plan amendments, zoning changes, variances, and conditional use permits; and monitoring and evaluating government's delivery of service to residents.

NCO's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the Acting Executive Secretary.

Commissioner Broderick asked about amending the Charter to limit the NBs to advising only the City government and not the State and federal government. The Acting Executive Secretary thought that at the beginning, it was limited to City government but after a while it became evident that because the issues concerned the State and federal governments as well, it would be beneficial to include them in the process as well.

Chair Souki asked about the required process to go before a NB to get an advisory opinion citing zoning as an example. He noted that the NB can provide an advisory

opinion to anyone. The Acting Executive Secretary agreed it is very broad and they've been trying to get the NBs to focus on the larger policy issues before the City or overall services rather than delivery of specific services such as individual potholes. They've thought that NBs can be separated into two different categories – one includes the areas that are older and more established that don't have some of the developmental issues in front of them – they tend to be a lot calmer and the meetings tend to be a lot shorter - and the other boards on the west side and the north shore have numerous issues that routinely come before them. But then there's an area like Ala Moana/Kakaako that was pretty benign until recently. In the last year and a half, it has the most well-attended meetings of any of the boards because of the issues in the area.

Chair Souki asked if it would be viable to get rid of the NBs. The Acting Executive Director thought it wouldn't be viable but improvements are always possible. The NBs provide valuable feedback to the City and the State. It saves hiring consultants to go around the City to investigate the array of City services and programs, which would be financially prohibitive. All of the NB members are volunteers, only the Commission Office staff is paid.

Commissioner Mulligan commented that he was on a NB about 15 years ago and hopes his experience was the exception and not the rule. He found it to be very frustrating because of one member who was dysfunctional and disruptive and wondered if that was typical or an exception. There didn't seem to be any way of controlling that member's behavior. The Acting Executive Secretary noted that there is supposed to be a review and revision of the Neighborhood Plan every ten years but it seems to be done much more often than that. They tried to strengthen the complaints section to speed it up because the old plan had a very lengthy, difficult process. The backlog grew to 80 complaints which have since been cleared. A complaint about a board member can now be addressed much more quickly and the NBO can step in to address the problem even to remove a board member.

Commissioner Ikeda asked if they've ever done a comparison of the percentage of votes in NB elections compared to regular elections. The Acting Executive Secretary affirmed this. Before electronic elections there was about a 22% response rate. They tried the electronic method because of this low rate. There was a significant drop in the first year of electronic voting with about an 11% rate. Electronic is cheaper and their budget was cut by the City Council so they've been doing electronic voting ever since.

Commissioner Ikeda asked if they factor in the cost of the various representatives from City departments such as HPD who attend the NB meetings. The Acting Executive Secretary clarified that these costs are borne by the departments. The Commissioner was interested in how much each board meeting costs. The Acting Executive Secretary explained that his understanding is that the HPD and HFD representatives are not on overtime but work that shift and the NBs try to put the HPD's and HFD's presentations up first so they can return to work quickly.

Chair Souki thanked the Acting Executive Secretary who thanked the Commission.

Royal Hawaiian Band (RHB)

Representing the Royal Hawaiian Band Bandmaster, Clarke Bright, was Dennis Nagamine, a member of the Royal Hawaiian Band (RHB), who provided an overview of RHB. Founded in 1836 by King Kamehameha III, RHB is the only band in the United States with a royal legacy. It is the official band of the City and County of Honolulu. Its mission is to promote and foster music, preserve the Hawaiian musical culture, inspire young musicians, and enrich the lives of the people of Hawaii. It performs at parades, has weekly concerts at Iolani Palace and Kapiolani Bandstand, and many other venues such as hospitals, care facilities, nursing homes, and at various governmental functions. It performed 357 concerts in fiscal year 2014 and 372 concerts in fiscal year 2015.

RHB's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the RHB member. There were none.

Chair Souki thanked the RHB member who thanked the Commission.

Mayor's Office of Culture and the Arts (MOCA)

Registrar Tory Laitila provided an overview of MOCA, on behalf of the Director, Misty Kela'i. The mission of MOCA is to promote the value of arts and culture throughout communities in the City and County of Honolulu. MOCA's objectives are to attain pre-eminence in culture and the arts; to perpetuate the artistic and cultural heritages of its entire people; to promote a community environment, which provides equal and abundant opportunity for exposure to culture and the arts in all its forms; and to encourage and provide equal opportunity for the development of culture and the artistic talents of the people of Honolulu. Guided by the belief and affirmation of cultural self-determination, MOCA works as a partner and catalyst for increasing opportunities, awareness and involvement in cultural activities for the benefit of all. In this capacity, MOCA administers the Art in City Buildings Program, Culture and Arts Programs, and a Collaborative Arts Program. Over the past 40 years, the Commission on Culture and the Arts has assisted the City in acquiring more than 900 items that share and perpetuate the cultural heritage of Honolulu.

Following the presentation, Chair Souki asked if any of the Commissioners had questions for the Registrar.

Commissioner Ikeda asked about the difference between the State Foundation on Culture and the Arts and MOCA. The Registrar replied that they serve similar functions. They

both have an art collection and have similar grant programs, though the funding for acquisition of art is slightly different.

Governor Waihee asked how the funding for the acquisition of art differs between the two agencies. The Registrar answered that, for the City, it's 1% or more for new construction while the State is 1% of all construction. The States funds go into a foundation for selection of the artwork while the City's is specifically set for structures and so they attempt to make sure that funds for certain buildings go to that project.

Governor Waihee asked if it's necessary to have two separate organizations – one for the Royal Hawaiian Band (RHB) and one for MOCA. The Registrar explained that RHB existed prior to MOCA. The City passed the ordinance at the same time the State passed the statute for the art programs, so MOCA's function is to manage the collection as well as promote art to the community. In addition, the RHB Bandmaster is an ex officio member of the Commission on Culture and the Arts.

Seeing no other questions, Chair Souki thanked the MOCA Registrar.

Office of Economic Development (OED)

The Executive Director Nicole Velasco provided an overview of OED. OED was established to:

- Cultivate tourism and hospitality, agriculture, film and other industries;
- Advance and enhance the local climate for small businesses;
- Strengthen relationships with state, military, federal, and international partners; and
- Coordinate cultural and community festivals and special events.

OED's written presentation can be found online at honoluluchartercommission.org.

Following the presentation, Chair Souki asked if any Commissioner had questions for the Director.

Commissioner Broderick thanked the Executive Director. He brought up the Honolulu Film Office through which every film on the island goes. He asked how the Honolulu Film Office relates to the State Film Office and why we need two. The Executive Director answered that they are both going in the same direction but there may be competing interests as far as who gets the credit. Many films that come in need to have a street closed, need to use a park, or want to park a vehicle for a long time without getting tickets and these are city functions. State level provides the overarching policy such as the tax credit. On the State level, there are certain places where people don't want commercial activity so those go through the City. The State Film Office functions in a different capacity. At the City level they take care of minor details such as picking up the

scouts, taking them around, getting parks to be unlocked so that crews can get in early. It is very hands-on, keeping Hawaii competitive in the film industry.

Governor Waihee asked what percentage of OED's budget is federally funded. The Executive Director said that none of it is federally funded, but she's looking at various ideas to leverage certain types of federal dollars such as funding to mitigate the impact of the army reduction. The agency doesn't currently have the staff or the expertise. She continues to look for funds that haven't been leveraged appropriately. She's looking at how to strategize, build, and mitigate to get federal dollars.

Governor Waihee asked the Executive Director what provision of the Charter applies to OED. The Executive Director answered that they are not in the Charter so have no specific proposals to amend the Charter. They are within the Managing Director's Office and were created by ordinance.

Commissioner Ikeda asked what OED's yearly operating budget is. The Executive Director said that because they are part of the Managing Director's Office their funding is part of the funding for the Managing Director's Office. The total amount allotted to OED seems to be about \$465,000 but that doesn't mean that all of that is for their sole use and purpose. Commissioner Ikeda asked what portion of the OED budget goes toward grants. The Executive Director said she thought it was around \$230,000. Their budget was cut so they have to cut some areas. Commissioner Ikeda asked if the funds they receive from HTA are not kept separate. The Executive Director said those funds are kept separate – they do not fall within their budget but go 100% to grants, plus whatever it would require to facilitate the grant process.

Chair Souki asked if the agriculture component of OED manages agricultural leases as Maui's OED does. The Executive Director was not sure. It's new to have the leases within OED. She felt the Mayor added that to the office because of its importance. She will ask the Mayor and get back to the Commission with the answer. Chair Souki noted his concern is that when such offices are in the Mayor's office, are not agencies, and work on such things as leases, as on Maui, the process can get all messed up over time. He wondered if that was a problem. The Executive Director said she will confirm the process, keeping the example of Maui in mind, and get back to the Commission.

Chair Souki explained that having such issues in the Mayor's office puts them at a disadvantage that when the Mayor leaves along with all the staff all that institutional knowledge is lost.

Chair Souki thanked the Executive Director.

Chair Souki asked if there was anyone from the public wishing to testify. Seeing none, he moved into the Discussion Section of the meeting.

III. DISCUSSION

There was no discussion

IV. ANNOUNCEMENTS

The next meeting will be on Friday July 31, 2015, at 3 p.m.

V. ADJOURNMENT

The meeting was adjourned at 5:40 p.m.