

MINUTES

HOUSING AND HUMAN SERVICES COMMITTEE

November 16, 2006

Council Chamber, 8th floor

CONVENE: 9:10 a.m.

PRESENT: Councilmember Danny A. Mateo, Chair
Councilmember Joseph Pontanilla, Vice Chair
Councilmember G. Riki Hokama, Member
Councilmember Jo Anne Johnson, Member

EXCUSED: Councilmember Charmaine Tavares, Member

STAFF: Gayle Revels, Legislative Analysts
Yvette Bantilan, Committee Secretary

ADMIN.: Alice Lee, Director, Department of Housing and Human Concerns
Edward Kushi, Jr., Deputy Corporation Counsel, Department of Corporation
Counsel

OTHERS: HHS-17: Art Vento, Vice President and General Manager, Maui Arts and
Cultural Center (MACC)
Masaru Yokouchi, Chairman of the Board, MACC
Karen Fischer, President and Chief Executive Officer, MACC
HHS-18 Judd Cunningham, Chief Executive Officer, Aloha House, Inc.\
Stephen Kealoha, Director and Board member, Aloha House, Inc.

PRESS: Akaku: Maui Community Television, Inc.
Ilima Loomis, *The Maui News*

CHAIR MATEO: (gavel) Members, good morning. The Housing and Human Services Committee meeting for November 16th, 2006, is now called to order. For the record the Members present with us this morning have the Committee Vice-Chair Member Joe Pontanilla, also with us this morning Council Chair Hokama, and Committee Member Jo Anne Johnson. Excused this morning is Councilmember Tavares. Also with us this morning representing . . . from the Department of Housing and Human Concerns Director Alice Lee, and from the Corporation Counsel Ed Kushi, Jr. The Staff members present with us this morning we have Ms. Revels our Committee Analyst, and our Committee Secretary Yvette Bantilan.

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Members, this is . . . we have just two items on our agenda this morning. Before going into those items, do we have anyone signed up to testify this morning? Okay, thank you very much. There is . . . there's no one who has signed up this morning. Members, we do not expect a long meeting this morning. We expect a very short meeting this morning just to follow the process. At this time if there is no . . . or no objections by the Committee Members the Chair would like to close public testimony at this time.

COUNCIL MEMBERS: No objections.

CHAIR MATEO: Thank you.

HHS-17 LEASE TO MAUI ARTS & CULTURAL CENTER (KAHULUI)
(C.C. No. 06-264)

CHAIR MATEO: Members, the first item on our agenda is HHS-17, the lease to Maui Arts and Cultural Center. The purpose of the resolution before us Members is to grant an amendment to the terms of a 55-year lease dated December 10, 1990, to include an additional 10.5 acres owned by the County with a fair market value of \$156 per annum and the property that is subject to the lease is also located in Kahului. The . . . present with us this morning we have the representatives for the Maui Arts and Cultural Center. The Chair would like to ask the . . . Art Vento? If you could come on down and provide general information, a brief overview to us, and also with Mr. Vento is Karen Fischer, and also representing the MACC as well is Mr. Pundy Yokouchi.

MR. YOKOUCHI: Thank you, Mr. Chairman. My name is Pundy Yokouchi. I'm the Chairman of the Board of the Maui Arts & Cultural Center. I wanna thank the Committee for considering the resolution granting an expansion of the lease for the center, and I also like to thank those here. The Council has always supported the center and we hope that we have fulfilled some of the requirements and the responsibilities to our community. With me is our President Karen Fischer, and our Managing Director Art Vento. So with your permission I'd like to turn the statement . . . testimony over to them. Thank you.

MS. FISCHER: Thank you, Pundy. Aloha, I'm Karen Fischer. President and CEO of the Maui Arts and Cultural Center, and with me is my colleague Art Vento who's the General Manager and Executive Vice President. I wanna thank you, Mr. Chairman and Council Members for considering our proposal today. As we've discussed previously we are looking at expanding . . . or adding to our lease the mauka side and makai side boundaries of the Maui Arts and Cultural Center. At the time that the center was planned Keopuolani Park was still in process, and what we're requesting is that now that the park exists and that there's natural boundaries in the park defined by the roadways that we

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take another look at the boundaries of the Maui Arts and Cultural Center in ways that make . . . that build the relationship between the center and the park. And also given the fact that we have over 250,000 people coming through our gates these days per year, that we make some improvements to access to the center, egress out of the parking lot, and other kinds of services that we can offer. Art Vento has been the prime mover on this on our staff so I'd like to turn the details and the explanations over to him, but mahalo again for all of your support and we truly appreciate everything you've done to make the Maui Arts and Cultural Center the part of the community that it is. Thank you.

MR. VENTO: Mr. Chairman, Members of the Committee, thank you again for hearing our testimony. Between Pundy and Karen you've, you've got the overall . . . a large picture and over to my right is a . . . is a graphic to go ahead and illustrate the words that, that have been spoken so far, but in essence you'll see that yellow line that surrounds the blue, the blue central area. The blue is our current property line, the yellow is those natural boundaries or those manmade boundaries by the park and roads that have become the natural extensions. As you can see from the photographs of the perimeter land where . . . the area currently is not in, is not in use and could be classified very much as remnant, remnant lands around the perimeter and would . . . we would appreciate the opportunity to go ahead and figure out a way that now that . . . now that the park and the center are two great neighbors to each other how is that these sort of leftover pieces of land integrate into our master plan and integrate into the park as a whole, and these are the graphics that display that. It's been a pleasure working with all of you, and I think that this is a . . . this is one of those next steps that help us continue to do those things at the Arts and Cultural Center that . . . in the short 12, 13 years which feel like dog years in the process, but the half century if you take the, take the toll on all the staff and whatnot, but it's been a great period of time, and this kind of forward thinking hopefully allows us to make sure we continue to do that good work. Thanks.

CHAIR MATEO: Thank you, Mr. Vento. Members, any questions for the Maui Arts and Cultural Center representatives? Ms. Johnson.

COUNCILMEMBER JOHNSON: I just wanted to put on the record for Mr. Vento if you could reiterate that there is at this point in time there's no development plan it's . . . so that you would be able to beautify and enhance the area and make it perhaps a more welcoming entry to both that area as well as the roadway.

MR. VENTO: Absolutely. We'd take our caretaker role very seriously in terms of what there is. There is no development plans for the, the concept of what we have for each piece of the land is on the . . . the mauka side . . . is to explore a second means of egress out of the, out of the existing parking lot to ease that after show wait that happens in any facility around the country, but we wanna try and find a way to mitigate that even further. The Waiehu side define a way to take that 60 foot swath of land that's there and develop that and integrate it into the existing parking that's in the park and make . . . create an overlap

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for additional parking at the Arts and Cultural Center, and then on the makai side to create a cultural park with indigenous plants, and go ahead make a way in which all three sides of the Arts and Cultural Center then integrate back into their existing surroundings.

COUNCILMEMBER JOHNSON: Okay, and one final component. It's my understanding that the Parks Department is supportive of this and that they would be very welcome or they would certainly welcome you in enhancing the area because of their limited staffing and that you would be taking care of that area and enhancing it at no expense to the County of Maui.

MR. VENTO: Absolutely. We welcome the challenge. And as we all drive in from Kahului Beach Road, that area to the right hand side has just become it is what it is and we can see that from a day-to-day basis, and we look forward to the opportunity to where you drive into the . . . down that road and there's actually a noticeable difference and it's very welcoming scenario for both the park and the Arts and Cultural Center together.

COUNCILMEMBER JOHNSON: I just wanna thank you very much for taking on this project because I think it really is very much indicative of how you have treated the community and that you really are a very good steward not only of the Maui Arts and Cultural Center, but you are a very good steward of the land that surrounds it and it really does look very nice, and I look forward to the projects that you'll have in the area.

MR. VENTO: Mahalo for your confidence.

COUNCILMEMBER JOHNSON: Thank you.

CHAIR MATEO: Thank you, Ms. Johnson. Members, additional questions? Thank you very much. The Chair would like to ask the Department, Ms. Lee if you would also provide comment on Maui Arts and Cultural Center.

MS. LEE: Thank you, Mr. Chair. Good morning, Committee. We don't really have much to add to what the testifiers have given you. We are in strong support of this resolution which will consolidate and resubdivide the current property and add to the current property.

CHAIR MATEO: Thank you. Thank you, Ms. Lee. Members, any additional comments or questions? Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I would have no objection at all if . . . to allow you and the Staff to do any stylistic adjustments if necessary to the resolution prior to Council consideration.

CHAIR MATEO: Thank you very much.

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COUNCILMEMBER HOKAMA: Thank you.

CHAIR MATEO: Thank you very much. Members, also just for your information purposes, in your binder you will note that on November 9th, 2006, the Chair of this Committee did forward to Mr. Moto for the sake of clarification some specifics on the resolution itself. These were primary for . . . you know I'll just review the first two.

The first revision would be in the second and third "WHEREAS" clauses replace "shaded in yellow" with "shaded with hatch marks". It's real . . . the word is manini and it doesn't really change . . . provide any substantive changes. So just for your information the Chair did request Corp. Counsel to do the revision and on November 14th, also in your binders, we did receive the revisions of the resolution back from Corporation Counsel. So the request was submitted, it had been revised, and you have it available to you. The Chair would like to ask Corporation Counsel however at this point, because of the long-term lease, in another matter the, the issue of concession law came up with another long-term lease. In anyway would that have any bearing on this particular lease?

MR. KUSHI: Mr. Chair, no. This, this lease . . . what you're doing here is amending a lease that was entered into in 1990.

CHAIR MATEO: Correct.

MR. KUSHI: So this is something that's been there for awhile--

CHAIR MATEO: Okay.

MR. KUSHI: --but the new situation just recently came up.

CHAIR MATEO: Okay, thank you very much, yeah. Members additional questions. Seeing none. The Chair is ready for his recommendation if there's no objections, Members.

COUNCIL MEMBERS: No objections.

CHAIR MATEO: Thank you. The Chair would recommend the adoption of the revised resolution entitled "AUTHORIZING A GRANT FOR AN AMENDMENT TO . . . OF LEASE TO THE . . . OF REAL COUNTY REAL PROPERTY" and also the filing of this communication.

VICE-CHAIR PONTANILLA: So move.

COUNCILMEMBER JOHNSON: Second.

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CHAIR MATEO: It's been moved by Member Pontanilla, second by Member Johnson. Discussion? Mr. Pontanilla.

VICE-CHAIR PONTANILLA: No discussion.

CHAIR MATEO: Thank you. Ms. Johnson.

COUNCILMEMBER JOHNSON: I just wanna thank the Maui Arts and Cultural Center for being willing to really enhance the area because I think it is right on the roadway a portion of this property and also next to Keopuolani Park and I just think that they've done a very good job with handling the other property that they already have. And if they can provide some additional ingress/egress for the larger events I think it would also help many of the patrons. Thank you.

CHAIR MATEO: Thank you, Ms. Johnson. Members, hearing no other comments, all those in favor say aye.

COUNCIL MEMBERS: Aye.

CHAIR MATEO: Opposed? Thank you very much. Motion is carried.

VOTE: ***AYES:*** ***Councilmember Hokama, Johnson, and Vice-Chair Pontanilla, and Chair Mateo.***
 NOES: ***None.***
 ABSTAIN: ***None.***
 ABSENT: ***None.***
 EXC.: ***Councilmember Tavares.***

MOTION CARRIED.

ACTION: ***ADOPTION of revised proposed resolution; and FILING of communication.***

HHS-18 LICENSE TO ALOHA HOUSE, INC. (MAKAWAO) (C.C. No. 06-274)

CHAIR MATEO: Members we're going to move onto our second and final item on our agenda, HHS-18, License to Aloha House, Inc. Members, we're in receipt of a proposed resolution to grant a 20-year license to Aloha House, Inc., to occupy approximately 1.272 acres and related improvements located at 200 Ike Drive, Makawao, Maui, with a fair market value of \$38,556 per annum, at a nominal rental of \$1 per annum, for residential substance abuse treatment services. We have with us this morning from Aloha House we

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have Mr. Cunningham who will be providing us a general overview and with Mr. Cunningham is Mr. Kealoha. Mr. Cunningham you're gonna do the overview? Yep, thank you very much. If you can please come on down. Good morning.

MR. CUNNINGHAM: Good morning, Chairman Mateo and Members of the Committee on Housing and Human Services. I'm Judd Cunningham, and as Chief Executive Officer I am speaking on behalf of the organization I work for Aloha House. The resolution on your agenda for consideration today relates to renewal of an agreement, as Chairman Mateo indicated, between Maui County and Aloha House will permit us to continue use of approximately 1.272 acres of land located as what is often referred to as the old Maunaolu College campus located on Ike Drive off Baldwin Avenue between Paia and Makawao. That's the way we tell . . . help people how to get there. Our current use agreement actually expired last year, and while the Grants Review Committee recommended approval of our continued use of the property for the purpose of providing substance abuse and related behavioral health treatment for an additional 20 years, in the spring of 2004 we have been working diligently with the County Administration to finalize the terms and form of the agreement, and that process has culminated in the resolution, grant agreement, and license of a County real property . . . grant agreement for a license of County real property and a license with a 20-year term that is before you.

I guess I don't need to tell you that drug and alcohol abuse, especially ice or crystal meth, continue to be identified as one of the most serious issues affecting the citizens and families of Maui County, and therefore should be a high priority for use of public funds and property.

Aloha House is licensed by the State Department of Health as a 32-bed special treatment facility, and our programs are accredited at both state and nationally. On the state side by the Hawaii Alcohol and Drug Abuse Division of the Department of Health, and nationally by the Commission on Accreditation of Rehabilitation Facilities. On a daily basis the facility has a residential census of 28 to 32 adult men and women served in either detox, substance abuse residential, co-occurring mental and substance abuse disorder treatment.

With the improvements we are planning to begin and finish within the next few months we will add 24 beds, 12 of those would be replacement beds, and 10 would be new beds so that's the expansion part, for use as residential and therapeutic living programming for a total much needed capacity of 56 beds over our present 32.

There's a high demand for these services, and we have extensive contractual agreements arrangements with the State Department of Health, Human Services, Public Safety, as well as the judiciary, Maui County, private and third party payers to cover the operating costs.

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Aloha House was first granted use of this property sometime in the 1980s and the most current agreement providing for a use term of 15 years was approved in 1992. However, was backdated in its final form so that the expiration date was in 2005 so actually in a way operating on a month-to-month basis for sometime now.

We humbly request your approval of this agreement at the present time as it is presented especially is there's some urgency to our request. Expansion and improvement of the facilities, which is demolition and construction to two dilapidated buildings since you've heard me talk about ad nauseum, is currently stalled due to the lack of site control for which this license agreement would be a remedy. Release of CDBG funds already approved by the County Council and dedicated this purpose are on hold until the site control issue is resolved. Funding approved in the '07 County budget, the \$188,500 that you all approved to be applied towards the cost of construction of one of the new buildings is also on hold until the site control issue is resolved. And the Weinberg Foundation which has approved an initial letter of inquiry and formally encouraged Aloha House to apply for the remainder of the funds needed to complete the project, this is approximately \$289,000, also needs evidence of site control prior to consideration of funding. For nearly three decades and through my own experience as CEO during the last 11 years, Aloha House has demonstrated its ability to care for this property, and to effectively utilize it for the purpose for which the original use was granted by Maui County. We very much appreciate your continued support of these efforts by your approval of the proposed resolution. As a side note if possible we would like the license agreement and the 20-year term of the license to begin with the date the Council grants final approval to this resolution if in fact they do hopefully at the next scheduled meeting on December 1st, 2006. Thank you.

CHAIR MATEO: Thank you. Members, questions for Mr. Cunningham? Seeing none. Mr. Cunningham thank you very much. The Chair would like to ask Ms. Lee from the department to provide comment.

MS. LEE: Thank you, Mr. Chair. We have nothing really to add except that we are in support of Aloha House's request. Aloha House is a valuable partner with the County in its fight against substance abuse and alcoholism.

CHAIR MATEO: Okay. Thank you very much. Members, additional comments? Hearing none. Members, the Chair is ready for a recommendation if there's no additional discussion?

COUNCIL MEMBERS: No objections.

CHAIR MATEO: Thank you. Members, the Chair would recommend the adoption of the resolution entitled "AUTHORIZING A GRANT OF A LICENSE OF COUNTY REAL PROPERTY TO ALOHA HOUSE, INC." and the filing of this communication.

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VICE-CHAIR PONTANILLA: So moved.

COUNCILMEMBER JOHNSON: Second.

CHAIR MATEO: It's been moved by Member Pontanilla, seconded by Member Johnson. Any discussion? Ms. Johnson.

COUNCILMEMBER JOHNSON: I just wanted to ask Mr. Kushi because I believe this situation is similar to the last situation with regard to concession laws because they have been operating for this period of time if you could address that, Mr. Kushi.

MR. KUSHI: Mr. Chairman. Member Johnson, again, our office would take that position that it's not a concession. It's really a grant of real property via license.

COUNCILMEMBER JOHNSON: Okay, thank you very much.

CHAIR MATEO: Thank you, Ms. Johnson. Mr. Pontanilla.

VICE-CHAIR PONTANILLA: Thank you, Chair. I just wanna thank the Executive Director Judd Cunningham for a terrific job in rehabilitating the patients up at Aloha House and also show my appreciation to the Board Member Steve Kealoha who's here this morning. I know Steve works very hard in trying to support this organization. Thank you, Chair.

CHAIR MATEO: Thank you very much, Mr. Pontanilla. Members, all those in favor signify by saying aye.

COUNCIL MEMBERS: Aye.

CHAIR MATEO: Opposed? Thank you very much. The item's carried.

VOTE: **AYES:** *Councilmember Hokama, Johnson, and Vice-Chair Pontanilla, and Chair Mateo.*

NOES: *None.*

ABSTAIN: *None.*

ABSENT: *None.*

EXC.: *Councilmember Tavares.*

MOTION CARRIED.

ACTION: **ADOPTION of proposed resolution; and FILING of communication.**

CHAIR MATEO: Members, any announcements at this time? Ms. Johnson go ahead.

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COUNCILMEMBER JOHNSON: I just wanted to remind everybody that today is the Great American Smokeout, but it's also the beginning of our smoke-free law here in the State of Hawaii and in Maui County. So I know there's a few smokers in the building so just a gentle reminder that the laws have changed and that your . . . hopefully there'll be a smooth transition and people won't be too inconvenienced.

CHAIR MATEO: Thank you, Ms. Johnson. The Chair would like to make two very short announcements. One is the Chair would like to wish my Executive Assistant Tina Thompson a Happy Birthday, and the Chair would be remiss not to also extend a Happy Birthday wish, belated, to our own Committee Secretary *[sic]* Gayle Revels who celebrated her birthday several days ago. So with no other announcements the meeting of the Housing and Human Services Committee for November 16th, 2006, is adjourned.
(gavel)

ADJOURNED: 9:33 a.m.

APPROVED:



DANNY A. MATEO, Chair
Housing and Human Services Committee

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Transcribed by: Yvette Bantilan