

STATE OF HAWAI'I DEPARTMENT OF EDUCATION P.O. BOX 2360 HONOLULU, HAWAI'I 96804

OFFICE OF THE SUPERINTENDENT

September 19, 2019

- TO: The Honorable Kenneth Uemura Chairperson, Finance and Infrastructure Committee
- FROM: Dr. Christina M. Kishimoto Superintendent

SUBJECT: Presentation on Department of Education Plans to Vacate Young Street Property

Summary Statement

The Department of Education (DOE) is planning to vacate the Young Street Property at 1042 Young Street, Honolulu, HI 96814 as part of discussions with the Honolulu Fire Department (HFD) who intends on using the land for a new fire station.

With the current and expected population growth in the Kakaako area, this parcel of land is ideally suited for a new fire station. Turning over the property to the City and County of Honolulu and HFD would be a significant community benefit.

Purpose of Report/Agenda Item

The purpose of this agenda item is to inform and engage in discussion on the DOE's plans to vacate the property. No action by the Board of Education is being requested.

Background and History

Attachment 1 provides background and history regarding the Young Street Property, including:

- General property and building information;
- DOE occupancy information;
- Historical timeline of utilization; and
- Relevant law(s) related to the authority to occupy.

Attachment 2 provides a map and satellite view of the location for informational purposes.

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Impacts

- Branch Relocations: Vacating the Young Street Property will require relocation of two branches within the Office of Facilities and Operations (OFO) – Auxiliary Services and Student Transportation Services. Plans are already being made to relocate Auxiliary Services to the OFO offices in Kaimuki. In addition, OFO has already begun engaging with the Department of Accounting and General Services to determine if state office space is available for Student Transportation Services. However, if state office space is not available, OFO will explore opportunities to lease space for the branch.
- 2. Authority to Relinquish Property: OFO is currently seeking comments and guidance from the state Attorney General's Office to determine if there are any processes and/or engagements necessary between the DOE, City and County of Honolulu, and the State of Hawaii as part of vacating the Young Street property.

Recommendation

The DOE is seeking the Board of Education's input on the Superintendent's proposed action to vacate the Young Street property.

CMK:cas Attachments

c: Office of Facilities and Operations Facilities Development Branch

Property Information

Area: 29,194 square feet Zoning: BMX-3

Building Information

The property includes two buildings: a small office building recently constructed nearest to Young Street and currently used by Student Transportation Services Branch (STSB), and an older building fronting Beretania Street currently being used by Auxiliary Services Branch (ASB).

STSB

Floor area: approximately 1,210 square feet Age: 18 years, constructed in 2001 Condition: Good

ASB

Floor area: – approximately 3,800 square feet Age: 69 years, constructed in 1950 Condition: Fair

Years we have occupied:

The Hawaii Department of Education (HIDOE) has been at TMK 2-4-002:019 for the past 96 years. The property was purchased by the City and County of Honolulu (CCH) for an addition to Lincoln Elementary in 1923.

Written agreement?

HIDOE's occupation of the property is not documented in any lease or other formal agreement with the CCH. Its authority to occupy is authorized by Act 97, Session Laws of Hawaii 1965 and Act 203, Session Laws of Hawaii 1967. See Attachment A.

Number of staff in the building

- 9 Auxiliary Services Branch
- 13 Student Transportations Services Branch

22 TOTAL NUMBER OF STAFF

The terms of agreement under which we took possession for educational purposes

Acts 97 (SLH1965) and 203 (SLH1967) transferred the responsibility for public schools to the State of Hawaii (State) along with related personal property. Real property ownership remained with the CCH.

When we should have vacated and what transpired

Based on HIDOE's operational understanding, occupancy at Young Street would be continuous and indefinite as long as there was an educational use. However, HIDOE has since learned Act 203 (SLH1967) stipulates the State was allowed temporary use of the facilities "...provided that such occupancy shall not continue beyond one year after

the effective date of this Act. The State department to which the function has been transferred shall effect the physical transfer and relocation of all personnel and property at the earliest possible date."

Rationale for turning over the property

The State does not own the Young Street property. A legislative measure to transfer the Young Street property from CCH to the State failed in this past legislative session. Title to all other CCH owned properties on which a public school is located is instead to be transferred to HIDOE via Act 210, Session Laws of Hawaii 2018.

The property is ill-suited for our current administrative needs without extensive renovation or reconstruction. The STSB building was constructed as an office, however, was designed to accommodate seven staff. The ASB building is a former kindergarten building that has since been renovated into office space. Furthermore, the small parcel size limits the potential for new construction.

The CCH and Honolulu Fire Department (HFD) have a justifiable need for a new fire station in the Kakaako area. Given the scarcity of land, this remaining CCH owned parcel of land is ideally suited to meet that need.

It is in HIDOE's interest to maintain working relationships with the CCH and HFD. The Capital Improvement Program routinely interacts with the CCH and HFD and benefits from a non-adversarial relationship.

Do we have any documentation about previously agreeing to vacate the building? No prior documentation exist for HIDOE agreement to vacate building and parcel.

History of Utilization by Hawaii Department of Education at Linekona Location.

- 1831 Oahu Charity School
- 1908 Linekona site was built and jointly served as McKinley High School.
- 1923 The City and County of Honolulu purchased current Auxiliary Services site for purposes of Lincoln Elementary School. Lincoln Elementary was designated as one of seven "English Standard" schools.
- 1923 McKinley High School built on current King Street location and moved from Linekona.
- 1956 Lincoln Elementary School was relocated to its present site on the slopes of Punchbowl.
- 1957 Former Ala Moana School was renamed Linekona then served as a center for the education of students with learning disabilities.
- 1973 Special education became decentralized the site has served as the home of the McKinley Community School Annex for adult education.
- 1973 Young Street property occupied by Auxiliary Services Branch (formerly, Operations and Maintenance Section of the Office of Business Services).

ACT 97

A Bill for an Act Relating to County Governments and Making an Appropriation for the Assignment of Certain of Their Responsibilities.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of the Act is to fix responsibility for certain functions, which are of statewide concern, in the state government. These functions which are hereby declared to be state functions are as follows: (1) the planning, construction, improvement and maintenance of public school facilities and grounds and the transportation of school children; (2) the burial of indigents; (3) the planning, construction, improvement, maintenance and operation of public hospitals and other public health and medical facilities; (4) the rendering of medical treatment and hospitalization services to state and county pensioners; and (5) the administration and operation of district courts.

PART I

SECTION 2. The Governor is authorized to assign the foregoing functions, except the administration and operation of district courts, to such respective department or departments as can most appropriately and effectively perform such functions. The Governor shall submit a report to the Third State Legislature, twenty days before the Budget Session of 1966 convenes, which report shall state to which departments functions have been assigned and the reasons therefor.

SECTION 3. Notwithstanding any provision in this Part or any other law to the contrary, the Governor, in order to provide an uninterrupted continuation of services in the functional areas set forth in Section 1, shall enter into contracts with the several counties. The contracts shall clearly specify, but shall not be limited to, the nature and extent of the services to be provided by the counties in behalf of the State for the fiscal period beginning July 1, 1965 and ending June 30, 1966; an effective date for such contracts of July 1, 1965; the powers, duties and responsibilities of the contracting parties, the total amount of the payments to be made by the State for such services; and any other matter necessary to carry out effectively and efficiently the purpose and intent of this Part, provided, however, that all revenues formerly derived by the counties for services in the functional areas set forth in Section 1 shall be deposited to the credit of the general fund of the State or be applied to the payments to be made by the State as provided hereunder.

SECTION 4. The state department to which functions have been assigned by the Governor shall succeed to all the rights and powers exercised, and all of the duties and obligations incurred by the counties in the exercise of the functions transferred, whether such powers, duties and obligations are mentioned in or granted by any law, contract, or other document; provided, however, that the counties shall not be relieved of their obligation of paying the interest and principal

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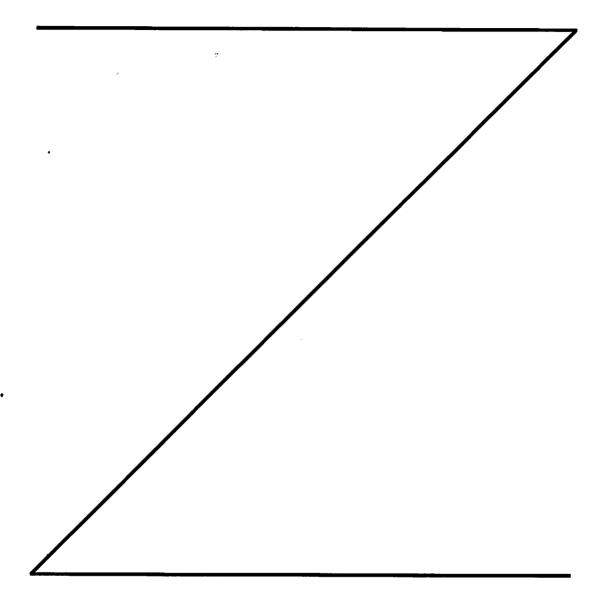
on bonds which have been issued for improvements related to the functions set forth above. Except as provided herein, all references to a county, in any law, contract or document in connection with the functions assigned to the state by this Part shall apply to the state government or respective state department as the case may be as if it were specifically named in such law, contract or document in place of the county or any agency thereof.

SECTION 5. The status, rights, benefits and privileges of county employees shall not be affected by this Part.

SECTION 6. No offense committed and no penalty or forfeiture incurred under the laws of the state or any county ordinance or rule or regulation shall be affected by the assignment of functions to the state by this Part; provided that whenever any punishment, penalty, or forfeiture is mitigated by any provision of this Part, such provision may be extended and applied to any judgment pronounced after the passage of this Act. No suit or prosecution, pending at the time this Part takes effect, shall be affected by this Part. The right of any administrative officer of the county to institute proceedings for prosecution for an offense or any action to recover a penalty or forfeiture shall henceforth be vested in the head of the state department to which the function has been assigned by the Governor or some person designated by such head of the department or the Governor or as may be otherwise directed by law.

The right of appeal from administrative actions or determinations as provided by law shall not be impaired by this Part.

Whenever a right of appeal from administrative actions or determinations is provided by law to any county for functions which are assigned to the state, such right of appeal shall lie to or from the state department to which such assignment of function has been made. Such right of appeal shall exist to the same extent and in accordance with the procedure as immediately prior to the effective date of this Part. ACT 203



ACT 203

H. B. 705.

A Bill for an Act Relating to State-County Relations and Making an Appropriation for the Assignment of Certain Governmental Functions and Responsibilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Purpose. Act 97, Session Laws of Hawaii 1965, declared certain governmental functions to be of state-wide concern and fixed responsibility therefor in the State government. The purpose of this Act is to prowide means by which the State government shall meet its fiscal and administrative responsibilities with respect to these functions.

PART I

SECTION 2. Planning, construction and improvements of public school facilities and grounds; custodial and janitorial services for public schools; transportation of school children. The following functions and services, heretofore performed by the several counties under contractual arrangements with the State, shall hereafter be directly administered and performed by the department or departments, or divisions of government designated by the governor:

(1) planning, construction and improvements of public school facilities and grounds;

(2) repair, maintenance, custodial and janitorial services for public school facilities; and

(3) transportation of school children.

SECTION 3. Transfer of personnel. Within sixty days of the effective date of this Act, the department shall effect the transfer to the State of all employees of the several counties, the major portion of whose duties are in the functional areas covered under section 2 of this Part; provided that the governor may postpone such transfer, or any portion thereof, if he determines that such postponement is advisable to avoid interruption of services. All questions as to whether a major portion of an employee's duties are related to the functions transferred to the State shall be determined by the department to which the function has been assigned.

No employee transferred under this Act shall suffer any loss of salary, seniority, prior service credit, vacation, sick leave or other employee benefits or privileges as a consequence of this Act.

The counties shall not be required to transfer funds to cover the vacation credits earned or accumulated by employees transferred under this Act.

SECTION 4. Transfer of personal property. Within sixty days of the effective date of this Act all records, equipment, machinery, motor vehicles, files, supplies, contracts, books, papers, documents, maps, and other personal property of every kind and description of the several counties in the functional areas covered by this Part shall be transferred to the appropriate department without cost to the State or reimbursement to such county, and without compliance with disposal procedures or requirements, any law to the contrary notwithstanding. The county shall prepare inventory lists and receipts to account properly for such transfer.

During said sixty-day period, none of said personal property shall be removed, substituted or transferred from the premises without the prior written approval of the appropriate department.

Any dispute as to whether particular personal property should be transferred to the State under this Act shall be determined by the director of the appropriate department.

If the department determines that any of the personal property so transferred or to be transferred is not needed by it, such property shall be returned to, or retained by, the county.

ACT 203

SECTION 5. Transfer of real property. No real property or improvements thereon belonging to the several counties and used in the performance of the functions and services covered in this Part shall be required to be conveyed to the State; provided that any real property and improvements related and necessary to the performance of the duties covered in section 2 of this Part shall be reported to the next succeeding legislature by the appropriate department who shall include in the report thereof recommendations for the disposition of such real property and improvements.

SECTION 6. Temporary use of county facilities. If any room, building, structure or other place which is owned or under the control of a county, is temporarily occupied or used by personnel or property which are related to the performance of duties in any of the functional areas covered by this Act, and it is impractical or disruptive to the efficient and orderly transition under this Act to relocate or move such personnel or property, then such room, building, structure or place shall continue to be so occupied and used without the payment of any rental or other charges; provided, that such occupancy shall not continue beyond one year after the effective date of this Act. The State department to which the function has been transferred shall effect the physical transfer and relocation of all personnel and property at the earliest possible date.

PART II

SECTION 7. Operation and maintenance of county hospitals and related public health and medical facilities. All matters pertaining to the operation and maintenance of county hospitals and related public health and medical facilities are state responsibilities, provided that each county shall, on behalf of the State, operate and maintain public hospitals and other public health and medical facilities therein, provided that the cost of operating and maintaining such hospitals and facilities shall be borne by the State and paid to the several counties by quarterly allotments, and provided further, that each county shall prepare and submit budget estimates as provided by chapter 35.

SECTION 8. County hospital advisory councils. There shall be for each county an advisory council to be known as the County Hospital Advisory Council of said county. Each advisory council shall be under the general supervision of and organized by the director of health, and shall consist of ten members, as follows: four members one of whom shall be the district health officer, to be appointed by the governor in accordance with section 14A-3, Revised Laws of Hawaii 1955, as amended, but who need not be confirmed by the Senate; three members to be appointed by the chairman of the board of supervisors or city council; the president of the county medical society or his authorized representative; the president of the county dental society or his authorized representative; and one member of the board of supervisors or the city council designated by the chairman thereof. Each advisory council shall select its own chairman and vice chairman. Each advisory council shall meet at least once every three months.

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Each County Hospital Advisory Council shall sit in an advisory capacity to the director of health on matters concerning the planning, construction, improvement, maintenance and operation of public hospitals and other public health and medical facilities within their respective jurisdictions; but nothing herein shall be construed as precluding or preventing the councils from coordinating their efforts and activities with the hospital administrators within their counties.

The members of the County Hospital Advisory Councils shall serve without compensation, but shall be reimbursed for travelling expenses incurred in the performance of their duties. The Department of Health shall provide for the necessary expenses of the councils; provided that no expenses may be incurred without prior authorization by the director of health.

PART III

SECTION 9. Junior police officer training programs. The State may appropriate funds to facilitate the training programs of the several junior police organizations, and may make adequate provision, either by procuring insurance therefor or by assuming liability on the part of the State therefor, for children who may be injured and for the defrayment of funeral expenses of children dying from injuries received, while performing duty as junior police officers and in all other activities certified as proper junior police functions by the police departments of the several counties, so that the cost of medical care and hospitalization of any such child so injured will be met in a sum not to exceed \$20,000 and the funeral expenses of any such child dying from injuries received while performing such duty will be met in a sum not to exceed \$1,500. The right of any such child or of any other person lawfully claiming damages by reason of injuries to, or death to such child, shall in nowise be affected by the provision of this section.

PART IV

SECTION 10. Maintenance of state highways. Notwithstanding any law to the contrary, the governor may enter into contracts with the several counties for their services in the repair and maintenance of State highways, which may include roadway maintenance, structures maintenance, street lights, street sweeping, landscaping and cantoneering. In addition thereto, the governor may transfer functions covered herein, or any portion thereof, to the several counties; provided that any transfer of functions made under this authorization shall be temporary and shall be subject to the express approval of the next succeeding legislature.

SECTION 11. Maintenance of state parks. Notwithstanding any law to the contrary, the governor may enter into contracts with the several counties for their services in the repair, maintenance, and operation of the buildings and grounds of State parks and historical sites. In addition thereto, the governor may transfer functions covered herein, or any portion thereof, to the several counties; provided, that any transfer of functions made under this authorization shall be temporary and shall be subject to the express approval of the next succeeding legislature.

