



Avelino J. Halagao, Jr., Chair
Vincent L. Baldemor, Vice Chair
Grant Kagimoto, Commissioner
Kaipo Kukahiko, Commissioner
Kimberly W. Yoshimoto, Commissioner

Grants in Aid Advisory Commission

CITY AND COUNTY OF HONOLULU
925 Dillingham Boulevard, Suite 200 • Honolulu, Hawaii 96817

MEETING MINUTES

Tuesday, February 21, 2023

1:30 p.m.

Kapalama Hale, Conference Room 277
925 Dillingham Boulevard, Honolulu, Hawaii
Via Zoom

1. CALL TO ORDER

The meeting of the Grants in Aid (GIA) Advisory Commission (Commission) was called to order by Chair Avelino J. Halagao, Jr. (Chair) at 1:35 p.m.

Chair read from the Meeting Notice/Agenda on the Public Participation, Viewing the Meeting, Oral Testimony and Written Testimony framework for this meeting.

ATTENDANCE

Commissioners present: Avelino J. Halagao, Jr., Vincent L. Baldemor, Grant Kagimoto, Kaipo Kukahiko, and Kimberly W. Yoshimoto.

Commissioners excused: None

Staff Resources Personnel present:

Anton Krucky, Director, Department of Community Services (DCS)

Aedward Los Banos, Deputy Director, DCS

Shane Akagi, Administrator, DCS, Office of Grants Management (OGM)

Blessing Quon, DCS/OGM

Lauren Jagla, DCS/OGM

Rebecca Espinoza, DCS/OGM

Spenser Kunishige, DCS/OGM

Tammy Ngo, DCS/OGM

Lynn Wakatsuki, Deputy Corporation Counsel, assigned to the Commission

2. APPROVAL OF MINUTES: February 14, 2023 Meeting

Chair asked for a motion to approve the minutes of the February 14, 2023 meeting. Vice Chair Baldemor made the motion, Commissioner Kagimoto seconded the motion, and hearing no objections or abstentions from the Commissioners present, the minutes were approved unanimously.

3. ORAL TESTIMONIES AND WRITTEN TESTIMONIES FROM THE PUBLIC

No oral (in person or online) testimony or written testimony was received by the Commission at this meeting.

4. TESTIMONY/COMMENTS FROM DEPARTMENTS/ AGENCIES

a. Presentation from the Department of Community Services for Fiscal Year (FY) 2024

Director Krucky and Deputy Director Los Banos were introduced to the Commission. Both of them expressed appreciation and commended the Commissioners for their hard work and commitment to the GIA Program and thanked Chair Halagao for his ten (10) years of service and leadership as Chair of the Commission. Mr. Akagi mentioned that Chair Halagao was recognized in the "20 for the Next 20" article in the Hawaii Business Magazine and that this meeting will be Chair Halagao's last meeting, unless a Commission meeting is held before July 2023. Chair Halagao expressed compliments to the team at the DCS for their efforts and support.

Mr. Akagi reported on the most recent update on GIA funds for FY24 from the Department of Budget and Fiscal Services (BFS). The estimated funds for the FY24 GIA Program are \$10,832,902. Based on this figure, DCS made adjustments to the report which was distributed to the Commissioners shortly before the meeting.

b. Presentation and Submission of Variance Changes and Adjustments

There were no score variances.

c. Presentation of Proposal Scores

The proposal scores were adopted at the February 14, 2023 meeting.

d. Presentation of Final Proposal Scores and Proposed Grants in Aid Advisory Commission Report and Resolution

Mr. Akagi presented a draft Grants in Aid Advisory Commission Report and Resolution to the Commission for their review, which included a series of Appendixes listing the proposal scores organized into several formats:

- Appendix 1: Schedule of Grant Proposals Recommended by the Grants in Aid Advisory Commission to the Honolulu City Council Sorted Alphabetically by Organization Name
- Appendix 2: Schedule of Grant Proposals Recommended by the Grants in Aid Advisory Commission to the Honolulu City Council Sorted by Score
- Appendix 3: Schedule of Grant Proposals Recommended by the Grants in Aid Advisory Commission to the Honolulu City Council Grouped by City Council District
- Appendix 4: Full List of Applicants Sorted Alphabetically by Organization Name
- Appendix 5: Full List of Applicants Sorted by Score

Based on the BFS estimate, Mr. Akagi reported that the total number of proposals funded this year will be sixty-nine (69) grant proposals.

- For the Tier I grant proposals, nine (9) will be funded for about \$89,000 which is below the \$200,000 limit that the Commission set for the Tier II grants.
- For the Tier II grant proposals, there is a tied score at the end of the fund balance: Family Hui Hawaii and Young Men's Christian Association (YMCA) of Honolulu. Mr. Akagi noted that Malama Maunalua will be funded at the full amount because they are specific and exclusive to District 4. The remaining fund balance had to be split between Family Hui Hawaii and YMCA of Honolulu due to the tied score.
- In the Commission's letter to the Council, language is included to recommend that, should there be additional funding available, the two (2) partially-funded organizations be fully-funded up to their recommended amount.

Commissioners discussed how to provide funding for more non-profit organizations and the possible reduction of the grant ceiling on the amounts of funding. From past Commission experience, Chair Halagao shared that the challenge to changing the ceiling for the present FY2024 GIA proposals is that the GIA Request for Grant Proposals (RGP) was issued with the present ceiling amount of \$200,000. Unfortunately the Commission may not wish to recommend lowering the ceiling at this time because DCS would need to review each grant proposal to determine how much funding to lower and how lowering the amount will affect the grant proposals' deliverables. These non-profit proposers would have to spend a lot of time and effort to cooperate with DCS to amend their GIA proposals. The ramifications of changing the ceiling at this time may cause more harm than good for the non-profit organization.

Chair Halagao suggested that the Commission instead consider asking the City Council (Council) to lower, from \$200,000 to \$150,000 or a lower amount, the ceiling amount for the next GIA cycle. The Commission could make the recommendation in its letter to Council containing language that Council consider adjusting the ceiling by passing a new Council resolution to reduce the ceiling. This proposal will not affect this round, but it may increase the number of non-profits awarded GIA funds in the future in a clear process.

Historically, Chair Halagao reminded the Commissioners that the Commission asked Council to increase the ceiling amount from \$125,000 to the current amount years ago before the COVID-19 pandemic. None of the Commissioners could have anticipated a two to three year pandemic that impacted the economy and a lot of non-profits entities. This is the reason the Commission is exploring ways to lower the amount ceiling so that more non-profits entities may be able to receive a GIA award. However, reducing the ceiling at this time is problematic.

Commissioner Kagimoto agreed that providing funding to more non-profit organizations will be better overall and going from a ceiling of \$200,000 to \$150,000 is reasonable. Commissioner Kukahiko stated that he preferred to have the ceiling higher and let the non-profit entities have the choice of reducing the request, but he is fine with the Commission's decision. He added that some of the programs, especially the bigger ones, see the difference between \$200,000 and \$150,000 is huge and helpful. Commissioner Yoshimoto added that she concurred with what Commissioner Kagimoto expressed and appreciates Commissioner Kukahiko's perspective.

Mr. Akagi stated that in the adoption of the GIA Commission Report and Resolution to Council, the Commission may decide to add to the Council letter the Commission's recommendation of reducing the ceiling to \$150,000. Mr. Akagi also informed the Commission of the removal of words that were inadvertently left in Appendix 1 and Appendix 2.

5. FOR DISCUSSION AND ACTION: FY2024 Grants in Aid Proposals – Adoption of Grants in Aid Advisory Commission Report and Resolution

Chair Halagao declared that the Commissioners resolve the matter regarding the letter to Council that is part of the Grants in Aid (GIA) Commission Report before voting. Chair Halagao proposed that the Commission adds language to the Council letter to include recommending to Council to lower the grant ceiling. Ms. Wakatsuki advised that the Commission will need to specify that the Commission is recommending that the Council pass a City Council Resolution lowering the ceiling or making an amendment to the existing Resolution.

Vice Chair Baldemor asked Mr. Akagi for the year that the Commission changed the ceiling from \$125,000 to \$200,000 and if he has the number of grants issued over

those years. Mr. Akagi advised that the ceiling adjustment was approved in 2020 and that the total numbers of grants issued had decreased since the ceiling had been raised – averaging close to eighty (80) awards at the \$125,000 ceiling and now the average is around sixty (60) awards. Vice Chair Baldemor suggested that the Commission include the number of grants issued as background information because it is important to find what the right number is but to also be aware that less non-profits are receiving funding. Ms. Wakatsuki advised that the COVID-19 pandemic is one of the reasons why this was very crucial for non-profits to have the ability to get some funding and should also be added in the letter. Chair Halagao agreed and stated that he believed the discussion regarding the ceiling happened in 2019. Chair Halagao proposed for adoption that the Commission would like to add language and cite the COVID-19 pandemic and the reduction in the number of grants that have been awarded since then.

Chair Halagao asked for a motion to adopt the GIA Advisory Commission Report and Resolution with a letter requesting the Council to reduce the ceiling amount to \$150,000 either through a Council resolution or through other means based on the following reasons:

- 1) The raising of the grant ceiling to \$200,000 was done before the COVID-19 pandemic.
- 2) Since this action took place, the amount of non-profit entities receiving GIA grants has decreased.
- 3) The COVID-19 pandemic has severely affected most non-profit entities and lowering the grant ceiling amount to \$150,000 will increase the number of non-profit entities receiving GIA grants which will assist these non-profit entities.

Commissioner Yoshimoto made a motion to approve the adoption of the Grants in Aid Advisory Commission Report and Resolution with the Council Letter that Chair Halagao proposed, and Vice Chair Baldemor seconded.

Discussion: None

Hearing no objections and no abstentions, the motion for adoption of the GIA Advisory Commission Report and Resolution with the proposed Council letter passed unanimously.

6. FOR DISCUSSION: FY2024 Grants in Aid Proposals – General

Commissioner Kagimoto asked the Commission and DCS staff for their general feelings as we are coming out of the COVID-19 pandemic. He was surprised by the number of applications received last year and this year, he thought it would either go up or down drastically but it stayed around the same.

Mr. Akagi shared that DCS had requested a study from Aloha United Way for the non-profit relief program; it was surprising to see that a majority of organizations say

that they were still making money during the pandemic and roughly 40% of the organizations had difficulties where their funding went down or they were unable to recover. There was also a few people who came in after the deadline this year, thus missing the submittal deadlines. Overall, Mr. Akagi thinks there are still a lot of non-profit organizations. One of the challenges to getting a contract with the City is the Certificate of Vendor Compliance (COVC), which is obtained through the State of Hawaii (State), and what it does is it checks tax clearance and compliance with the Department of Labor and Industrial Relations (DLIR) and Department of Commerce and Consumer Affairs (DCCA). So if a non-profit does not have that in order they cannot contract with the City. In going through the non-profit relief program, DCS is seeing that a lot of organizations have either not registered with the Department of the Attorney General Charities Registry or their filings with the DCCA has expired. There could have been a multitude of factors but for FY24 it could also possibly be that the non-profits were waiting for the American Rescue Plan Act (ARPA) non-profit relief program.

Deputy Director Los Banos added that when DCS did the non-profit relief program the threshold was net loss. In reviewing the submitted applications, DCS is finding that a lot of non-profits had a net income, they were not incurring costs because they did not have an operation due to COVID-19 restrictions or they were able to scale appropriately. Through the DCS staff's workload, DCS saw a deferral because events did not happen, but DCS is now seeing that backlog finally push through. Another big shock was that the State came out with a robust GIA program last year, but the State has not released a lot of those funds. So one of the concerns when DCS issued the GIA RGP is that DCS is hoping that nobody will be double-dipping and double-counting results as well, and hopefully with the State funding the non-profits are able to service more individuals. There are a lot of dynamics out there and as the dust settles DCS will see the results in the next year or so.

Commissioner Kagimoto asked if the current Commissioners have to vote at this time for a new Chair since Chair Halagao will be leaving the Commission. Ms. Wakatsuki advised that at this point we do not know when the next meeting will be; if there is a meeting before July then Chair Halagao will still be the Chair. Otherwise, if the next meeting is at the end of the year then Vice Chair Baldemor will be the acting Chair and then an election can be held at that time.

Commissioner Kagimoto asked if we are also looking for other Commissioners, Mr. Akagi responded that the Managing Director's office is actively looking to fill the three (3) vacancies that the Commission will be having, which includes Chair Halagao as well as the current two (2) vacancies. Commissioner Yoshimoto mentioned earlier that they are looking to fill more women in the different Commissions as well. Deputy Director Los Banos added that if anybody has any recommendations they can submit it to DCS, then DCS will route it to the Managing Director's Office. Chair Halagao encouraged the Commissioners to get some leaders to serve on the GIA Advisory Commission and will be passing off some names to DCS.

7. Next meeting: **To Be Determined**

Chair Halagao announced that the next meeting scheduled for Friday, February 24, 2023 is cancelled. There might be a chance that the Commission will meet again before July 2023.

The next meeting will be determined at a later date.

Chair Halagao thanked the Commissioners and City staff for their efforts; it was an honor for him to serve on the Commission for ten (10) years, it has been a wonderful experience, and he enjoyed working with everyone. One of the other amazing things was learning about the good work that is being done in the community.

8. Adjournment

Chair asked for a motion to adjourn the meeting, as there was no additional business on the agenda. Commissioner Kagimoto made a motion and Vice Chair Baldemor seconded. Hearing no objections and no abstentions, the motion carried unanimously and Chair adjourned the meeting at 2:18 p.m.

Respectfully Submitted,

Shane Akagi, OGM Administrator

APPROVED:

Chair Avelino J. Halagao, Jr.

Date

The minutes of the Commission Meeting on February 21, 2023 were approved at the (TBD), 2023 Commission Meeting

	<u>Aye</u>	<u>No</u>	<u>Comment</u>
Vincent L. Baldemor	<input type="checkbox"/>	<input type="checkbox"/>	
Avelino J. Halagao, Jr.	<input type="checkbox"/>	<input type="checkbox"/>	
Grant Kagimoto	<input type="checkbox"/>	<input type="checkbox"/>	
Kaipo Kukahiko	<input type="checkbox"/>	<input type="checkbox"/>	
Kimberly W. Yoshimoto	<input type="checkbox"/>	<input type="checkbox"/>	

Schedule of Grants in Aid Advisory Commission Meeting Dates and Locations

Tuesday, February 13, 2024

1:30 pm to 3:30 pm
Zoom Meeting ID: 899 9209 6102
Kapalama Hale
925 Dillingham Boulevard Suite 277
Honolulu, Hawaii 96817

Friday, February 16, 2024

1:30 pm to 3:30 pm
Zoom Meeting ID: 857 3768 8511
Kapalama Hale
925 Dillingham Boulevard Suite 277
Honolulu, Hawaii 96817

Tuesday, February 20, 2024

1:30 pm to 3:30 pm
Zoom Meeting ID: 865 4143 5187
Kapalama Hale
925 Dillingham Boulevard Suite 277
Honolulu, Hawaii 96817

Friday, February 23, 2024

1:30 pm to 3:30 pm
Zoom Meeting ID: 833 6817 0874
Kapalama Hale
925 Dillingham Boulevard Suite 153
Honolulu, Hawaii 96817

NOTE: All meetings will be conducted as a remote meeting by interactive conference technology via the Zoom internet platform, with an in-person location at Kapalama Hale.

The meeting will be viewable: (1) by internet live streaming through the Zoom internet platform; and (2) in-person at Kapalama Hale.

Remote Testimony

To participate, please visit www.Zoom.com, click on “Join A Meeting” enter the meeting number of the meeting you wish to attend and complete the registration process. Registrants will receive an email that contains links and information on joining the meeting by either phone or video conference. Zoom testifiers are strongly encouraged to register at least 24 hours before the start of the meeting.

In-Person Testimony at Kapalama Hale

Persons wishing to testify are requested to register by the meeting’s scheduled time by filling out the registration form near the doorway to the meeting room. Persons who have not registered will be given an opportunity to speak following the oral testimonies of the registered speakers.