RES22-207 Testimony

MISC. COMM. 392

HOUSING AND THE ECONOMY

HOUSING AND THE ECONOMY Meeting

Meeting Date: Sep 20, 2022 @ 10:30 AM Support: 4 Oppose: 0 I wish to comment: 1

Name:	Email:	Zip:
Chu Lan Shubert-Kwock	clskwock@gmail.com	96817
Representing:	Position:	Submitted:
Chinatown Business & Community	Support	Sep 18, 2022 @ 06:18 PM
Association		

Testimony:

We support the intent of Reso 22-207 and hopefully this will spark discussion reforming the Honolulu Liquor Commission with better oversight by the Liquor Commissioners.

The Covid19 Mandates did cause some discontent and actions by certain inspectors and the perceived muted response of the HLC Administration also needed to be addressed.

The perceived conflict of interest in the HLC which is both a licensing agency and an adjudication agency depending on licensing fees and fines to run its day to day function must be addressed in the over all concerns of the public and community as to the welfare and well being of its community around licensees not healthy to substance abused individuals living in vulnerable situations.

The hiring practices of HLC and its record of not addressing community welfare must be viewed in light of not hiring good qualified inspectors or investigators which negatively impacted our community.

We hope to have a concerned HLC proactively addressing the negative impact of liquor sales to

an already homeless and substance abused community of vulnerable individuals.

The aiding and abetting of liquor establishments in these blighted neighborhoods must stop by not renewing or granted liquor licenses to help restore a healthier and safer community to its residents and businesses.

Chu Lan Shubert- Kwock

President

CBCA

Name:	Email:	Zip:		
Robbie Baldwin	robbie@scarlethonolulu.com	96813		
Representing:	Position:	Submitted:		
Self	Support	Sep 18, 2022 @ 06:50 PM		
Name:	Email:	Zip:		
Robert Sobier	rsobier@gmail.com	96813		
Representing:	Position:	Submitted:		
Self	Support	Sep 18, 2022 @ 08:52 PM		
Name:	Email:	Zip:		
Walter Enriquez	walter@gayislandguide.com	96792		
Representing:	Position:	Submitted:		
Gay Island Guide	Support	Sep 19, 2022 @ 12:18 PM		

Testimony:

Aloha,

Today, I am writing on behalf of Gay Island Guide in SUPPORT of the resolution introduced by Council Chair Tommy Waters and Member Esther Kiaaina relating to the Honolulu Liquor Commission, the corruption, decades of scandals, abuse of authority and discrimination and retaliation.

Prior to starting Gay Island Guide, I was also the Assistant General Manager of Centerplate at the Neal Blaisdell Center (a City property) and the Vice President of Big City Diner Restaurants and am very familiar with with Liquor Commission and the Liquor Laws and Rules. In all, I have had nearly 20 years of experience of dealing with and familiarization with the LIquor Commission.

For decades, it has been no public secret about the corruption and abuse of power that has been and continues within the

Honolulu Liquor Commission. The emergency powers granted to them by former Mayor Kirk Caldwell made their abuse of power and discrimination even more evident.

For many years, the residents and citizens of the City & County of Honolulu has been funding settlements and defending against lawsuits against the Liquor Commission and NOTHING has been done to hold them and their employees accountable. At the same time, the Honolulu Liquor Commission is self-funded and could be held accountable by making them use their own funds.

Additionally, the Administration of the Honolulu Liquor Commission has been using loopholes to hire and retain employees such as investigators who are NOT going through the same hiring process as other city employees. It has recently been brought to light that many of these employees and investigators have LARGE wrap sheets and criminal history that includes major allegations and felonies. The criminal history exist even with an Investigator Supervisor. These same individuals were also the ones who were given authority to shut businesses down without due process which affects Hawaii's economy and the jobs of hundreds of law abiding citizens.

Until today, the Liquor Commission constantly appears in negative news stories in Hawaii and around the nation, which is such an embarrassment. As a community, we are already being faced with the embarrassment from the corruption and scandals of the Honolulu Police Department and the City's Prosecutors Office. Now, the Honolulu City Council has the opportunity to take action and correct the course of the Honolulu Liquor Commission.

I urge you to support this resolution and help take steps to stopping the corruption of the Honolulu Liquor Commission, the discrimination, the retaliation and abuse of power.

The State of Hawaii has delegated by law the oversight and creation of the Liquor Commission to the City and County of Honolulu and I encourage the Council and City Administration to take immediate action now.

Very Yours Truly,

Walter Enriquez, Jr.

Name:	Email:	Zip:
Zhizi XIONG	Alohadivinedesign@gmail.com	96817
Representing:	Position:	Submitted:
Kapalama nsw neighborhood security	I wish to comment	Sep 20, 2022 @ 10:20 AM
watch		

Testimony:

Dear chair, vice chair and members of the council,

I'm testifying in on behalf of Kapalama NSW, we advocate for safety to provide comments.

Bars, clubs, karaoke venues, places that serve alcohol should be held to the highest standard of the law. Bars & clubs are economically valuable to the city but they are high risk & high liability venues & businesses. They should not be targeted for inspections, but it is within reason to scrutinize bars & clubs that have repeated violations for underage drinking, noise complaints, overcapacity violations, and other miscellaneous violations. By not punishing those violations, then there is an enabling of delinquent behavior. These delinquent behaviors lead to drunk drivers who cause car crashes, drugs trafficking, sexual assault, domestic violence etc

The liquor commission will need a set of strong ethics & values outlined in the resolution to balance public trust and the enforcing of the law. I could advise that it should be considered for there to be a fair hearing procedure implemented in the administrative procedures for bars and clubs that feel like they've been discriminated upon by the commission, the issue with Scarlet was that it just got shut down without a chance for them to present their findings of facts.

Thank you for the opportunity to testify.

Scarlet Honolulu Robbie Baldwin, Shareholder 80 S. Pauahi Street Honolulu, HI 96813

September 19, 2022

Honolulu City Council,

In November 2021, after months of filing complaints and asking for internal investigations, my business, Scarlet Honolulu, filed a federal civil rights complaint for abuse of power, and other related charges against the Honolulu Liquor Commission. This was not an easy decision or an inexpensive endeavor, but at that point, the Honolulu Liquor Commission's best effort in addressing my concerns was having a contract investigator whose contract was ending in a month call me and downplay major charges, "are you sure, that's a serious accusation?" and continued to ignore all details in my complaint of Commission's field investigator's homophobic actions with my company. I can state with surety, the Liquor Commission had zero internal willingness to objectively find out what happened with my business and the Commission's investigators. Litigation was our only path left.

The media coverage of the July 2021 incident at my nightclub was largely focused on the impact of the pandemic on licensees and the Liquor Commissions 24-hour shutdowns. However, the July incident was just the tipping point in what had been constant harassment based on my business being a safe space to LGBT patrons that started within months of our opening in 2015. In the years since our opening, I've heard an investigator repeatedly call my transgender employee "it" and tell her to cover up because "children might see it" at 1am in Chinatown. We were ticketed for male dancers being too skimpily clad for the male investigator's taste. We were forced closed by one of the Commission's daytime, office-based licensing investigators with a history of homophobic behavior though he had no authority to do so. I have been asked if we have "cockfights" by a giggling investigator. We have been audited three times in five years, more than all but one licensee. My business partner was physically assaulted by an investigator for attempting to follow our Governor's orders during the pandemic. Since our opening, we are the 20th most ticketed licensee out of 1500 and 10th most ticketed non-hostess licensee though we have never had a noise violation or a ticket for serving minors.

Despite the Commission's framing of the Scarlet conflict as a disgruntled licensee upset because of COVID 24-hour shutdowns, my business never received a closure order. We made every attempt to follow the rules. Ultimately, we made the decision to close for what turned out to be a year after the club was visited by investigators six times in seven days in July of 2020. Our fear was that the Commission's investigators were going to use COVID restrictions as a tool to revoke our license, something they had been working toward since months of our opening.

In the months following our filing of our lawsuit, other licensees have begun sharing their own stories of abuse and overreach by the Commission's field investigator team. The city council also started to engage

in discussions of reform driven by the leadership of Council Members Waters, Kiaʻāina and Tupola. I am grateful for these actions and for the proposal today, but I see it as only a first step, a triage of sorts. Unfortunately, as with medical triage, certain patients cannot be saved. The field team as it stands today is made up of a crew with a history of arrests, domestic abuse, lying on reports, bankruptcies, being defendants in credible abuse of power lawsuits and a supervisor who self-proclaimed that she was emotionally disturbed and under psychiatric care when she was hired. If this widespread departmental rot was not enough, we have now discovered that the investigator who wrote the most COVID restriction tickets and 24-hour shutdown orders (70) as well as the most tickets (377) since his hiring in 2017 has a history of wearing Nazi inspired emblems and outfits as well as joking about Hitler and the Nazis.

In 2015 social media posts, while still employed as a University of Hawaii Public Safety Officer, the investigator joked about his outfit which included a replica World War II Nazi field cap as well as joked leaderships'

"Nein the Hitler jungen wore brown shirts but those are for casual Friday"

And in response to a question of how he was doing,

"I'm doing yelling at college kinder who think they know everything is always fun."

Though unbelievable, the pictures below speak for themselves, and we all should agree that under no circumstance should a person trusted with a badge of authority be going down this path. It is important to note that this same investigator was deeply involved in the July 2021 incident at my club, the October 2021 incident at a LGBT Pride event at a Waikiki hotel, years of harassment of a Kailua brewery and pizzeria, and lying in an adjudication hearing about what he saw a dancer do at a hostess bar. The investigator's actions make it clear that he is more than starting down the hate group glorification path, he has been living it for years.

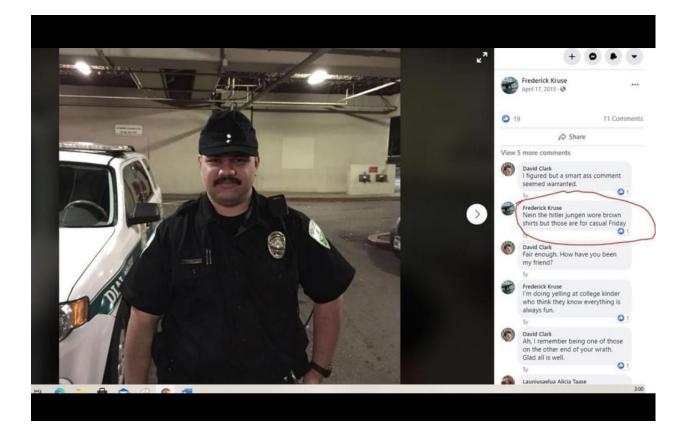
In a small organization of six to ten inspectors, we find it hard to believe that this inspector's history and social media were unknown and undiscussed in his five years as an investigator. Looking at the investigator team In this new context, the violence, the prejudice, and the overreach of authority endemic in the field team makes frightening sense. The Liquor Commission's recent history of working around the city's Human Resources department at hiring also makes more sense. In the eyes of the Commission that values using force and bullying licensees, the investigators attitudes, and beliefs were clearly viewed as a feature not a disqualifier. We have known that the current Liquor Commission leadership team has shown an unlimited propensity to look the other way at corruption, bullying of whistleblowers, breaking administrative rules on the use of contract employees, and hiring employees with violent and criminal histories. We now know that the Commission's leadership's propensity to tolerate or even facilitate corruption, now includes operationalizing hate ideology.

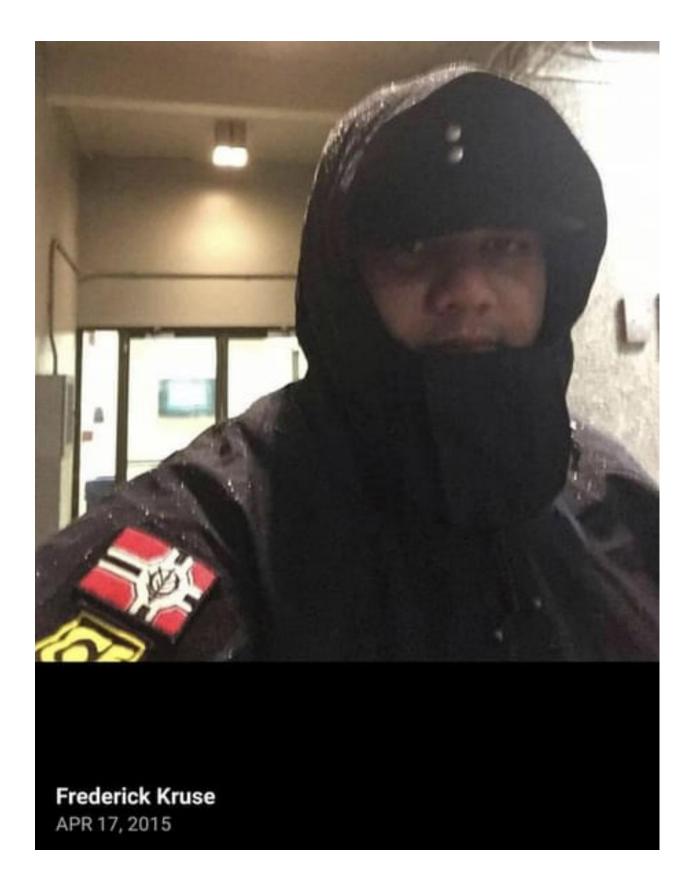
The Liquor Commission's leadership's management approach created a vacuum that filled the investigator ranks with flawed, unqualified, and violent employees. An ombudsman and a formal internal affairs department, while critical in the long term, is not the solution needed today. Today, immediately, the current leadership of Administrator Hirai and Chief Investigator Nakagawa's employment need to be terminated and the current field investigator team pulled from interacting with our licensee community until they can be subjected to thorough background checks and re-trained with a focus of de-escalation, civil rights, and professionalism.

We call upon the Honolulu City Council members present today to not only pass the proposed actions today to the complete council, but to commit to hiring a third-party legal audit group to be contracted for a comprehensive review of the Liquor Commission to methodically extract the rot. We also request the council to be done with Administrative Hirai's two decades of denials and deflections and Chief Investigator Nakagawa's heavy-handed approach with the license community and demand their resignation, and finally, to take actions to take the badges of the investigators with problematic backgrounds immediately. The 1500+ licensees who drive two billion dollars of annual revenue on Oahu need and deserve professional and proper governance.

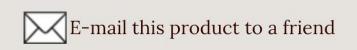
Respectfully,

Robbie Baldwin









German WWII M43 Black Tankers Field Cap Panzer Reproduction

The reproduction German WWII M43 Black Tankers or Panzer Field Cap is a wool cap with lining. Used by armored troops and can be worn by all ranks. Features fold-down ear flaps with cloth loops and pebble finished buttons. Marked in German Army sizes and corresponding US hat sizes. Sizes: 56 (US size 7), 57 (US size 7-1/8), 58 (US size 7-1/4), 59 (US size 7-3/8), 60 (US size 7-1/2), 61 (US size 7-5/8), 62 "You have to hire A players. If you hire B players, they will hire C players. C players will hire D players, and pretty soon you have a bunch of idiots running the company,' A well-known leader of a global technology firm on the danger in making compromised hiring decisions

Re: Public Statement on Honolulu Liquor Commission reform | Resolution 22-207

Honolulu City Council,

In 2018, our state legislature approved HB 2017, a law that aims for law enforcement standards uniformity and a defined system to certify these standards. The law addresses the immense powers granted to law enforcement, such as the authority to search, arrest, and use deadly force. The law states:

The purpose of this Act is to establish a law enforcement standards board for the certification of county police officers, state public safety officers, and employees of the department of transportation, land and natural resources, attorney general and taxation with police powers.

Currently, the Honolulu Liquor Commission investigators operate under the stance that they have powers of a police officer as noted in one line of the Commission's state charter. The Commission uses their claims of powers of a police officer to justify their use of force to enter licensee unannounced using force if they deem necessary, a cause of conflict with the licensees.

Since the bills 2018 signing, there has been a legal and logical conflict with the Honolulu Liquor Commission's badge carrying investigator acting as they have powers of a police officer while not being identified as law enforcement by the legislature and with that not having their police powers defined and regulated by the Standards Board. Their powers have been whatever Chief Nakagawa says they are. Just as the Liquor Commission was created as a state-chartered agency operated by the county allowing itself to exist in a governance no man's land (made worse by the Commissioner's refusal to create a separate independent adjudication board), the Commission's investigators now are operating as a law enforcement agency with no regulation or oversight.

In July of this year, Scarlet filed a second legal complaint in Hawaii district court asking a judge to address whether the Liquor Commission investigators possess the powers of a police officers in performance of their duties given the signing of HB 2017. To date, no action has been taken on this lawsuit per the docket system, but the eventual answer to this question will define how the Commission's investigators do their job; How recruitment, background and other disqualifier pre-employment checks and hiring of investigators is structured; And how the standards are maintained across the active investigator corp.

Currently, the hiring criteria for a Honolulu liquor investigator is that a candidate must have a high school diploma or equivalent and be able to demonstrate having experience in doing investigations (e.g.,

prison guard, campus police, and retail surveillance guards). Honolulu Police Department's entry level candidates have a much more stringent criteria and list of disqualifiers including psychological screening, polygraph testing, and civil rights background checks. This gap in the quality of candidates and with that the quality of employees must be addressed.

If the judge affirms the Liquor Commissions possessing powers of a police officer when performing their duties, the citizens of Oahu and the Honolulu Commission must demand the adoptions of all standards defined by the state standards board and hiring processes and standards at a minimum equal to those of the Honolulu Police Department. The current investigator team should meet these standards or be placed in roles that their backgrounds are better fit. If the judge declares given HB 2017, the Liquor Commission investigators are not "law enforcement officers" and with that do not possess powers of a police officer, the Commission must adjust its laws, rules, and standard operating procedures.

Contingency plans need to be prepared by the Liquor Commission. In addition to the deliverables defined by the council's proposal being discussed today, the council should demand these be created so the next generation commission gets built around thought through planning and a clear alignment of the law to standard operating procedures.

Thank you for your efforts,

Rob Sobier

Honolulu Citizen and Registered Voter

James D. DiPasquale, 11033 DIPASQUALE & SUMMERS, LLP 841 Bishop Street, Suite 1260 Honolulu, HI 96813 Telephone: (808) 240-4771 Facsimile: (808) 240-4775 Email: james@ds-lawoffices.com

Attorneys for Plaintiff SCARLET HONOLULU, INC.

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

SCARLET HONOLULU, INC.,

Plaintiff,

-against-

HONOLULU LIQUOR COMMISSION, Defendant. Civil No.: (Declaratory Judgment)

COMPLAINT FOR DECLARATORY JUDGMENT; SUMMONS

Judge: Not Assigned Trial Date: None

COMPLAINT FOR DECLARATORY JUDGMENT

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SCARTLET HONOLULU, INC. ("<u>Plaintiff</u>") by and through its attorneys DiPasquale & Summers, LLP, complaining of the Honolulu Liquor Commission ("<u>HLC</u>"), alleges upon information and belief as follows.

NATURE OF ACTION

This is a lawsuit seeking declaratory judgment on the issue of whether Liquor Investigators employed by the HLC possess the powers of a police officer in performance of their duties.