



## RESOLUTION

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INITIATING AMENDMENTS TO THE REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973, (2017 EDITION), PURSUANT TO THE MAYOR'S EXECUTIVE REORGANIZATION AUTHORITY, RELATING TO THE OFFICE OF ECONOMIC REVITALIZATION.

WHEREAS, on March 4, 2020, the Governor of the State of Hawaii issued a Proclamation declaring a State of Emergency relating to the spread of the Coronavirus Disease ("COVID-19"); and

WHEREAS, on March 13, 2020, the President of the United States issued a Proclamation declaring a National Emergency concerning the COVID-19 outbreak; and

WHEREAS, on March 31, 2020, the Governor issued and ordered all persons in the State to stay at home or in their place of residency and closed all non-essential businesses and facilities; and

WHEREAS, many other states, cities, counties and municipalities have also issued similar stay at home orders and closed all non-essential business and facilities; and

WHEREAS, as a result of the stay at home orders and the closing of all non-essential business and facilities there has been a reported 17 million claims filed for unemployment throughout the nation since the declaration of emergency; and

WHEREAS, the State of Hawaii has received more than 302,000 unemployment insurance filings; and

WHEREAS, the COVID-19 outbreak has revealed long-standing issues of economic inequity and stratification in our economy, and over-reliance on tourism that leaves the City and County of Honolulu ("City") vulnerable to economic disruptions; and

WHEREAS, the current Office of Economic Development was established without utilizing the Mayor's reorganization authority and approval by the Council of the City and County of Honolulu ("Council"), and has historically not had as clear a defined and robust role in guiding economic development activity in the City as in other municipalities; and

WHEREAS, the creation of an Office of Economic Revitalization ("OER") to coordinate the City's near-term COVID-19 economic response and recovery efforts is necessary and prudent; and



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WHEREAS, the creation of an OER to coordinate immediate COVID-19 economic assistance and guide long-term strategy and economic development, diversification, and investments that reduce the City's over-reliance on the current travel and tourism industry model is prudent; and

WHEREAS, the creation of an OER to accelerate economic expansion in the areas of sustainable agriculture, regenerative tourism, renewable energy, transportation, innovation, technology, resilient infrastructure, and entertainment would address critical City goals to diversify the economy and is prudent; and

WHEREAS, the creation of an OER to clearly and openly communicate to the community regarding economic strategy, key projects and programs, and build trust with communities to facilitate adoption of new economic models is essential and prudent; and

WHEREAS, the creation of an OER can assist in more expeditiously and efficiently identifying, applying for, administering, disbursing, and managing federal, state, or other sources of funding that can be utilized to support innovation, community well-being, and economic development through grants and low-cost loans; and

WHEREAS, a policy-making office in the Office of the Mayor that provides coordination and direction for the COVID-19 economic recovery and development of the City's economic strategy and investments to leverage state and federal funding is prudent; and

WHEREAS, the Mayor retains broad and flexible powers to effectuate an executive reorganization under Section 4-202 of the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) ("Charter"), which reorganization shall become effective upon approval by the Council or unless rejected by a two-thirds vote of the Council's entire membership in accordance with the terms of said provision; and

WHEREAS, in the exercise of the Mayor's broad executive reorganization authority the Mayor proposes to centralize many of the duties and responsibilities needed to revitalize the City's economy, plan for a more diverse economy and revitalization by the establishment of a professional line-agency with increased capacity in the Mayor's office by creating the OER as an agency directly under the Managing Director, to function as a policy-making and coordinating agency for the City with respect to immediate economic recovery and developing a more sustainable and resilient long-term economy; and



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WHEREAS, to implement and achieve these broad goals in the exercise of the Mayor's executive reorganization authority, the Mayor proposes the specific amendments to the Charter set forth in SECTIONS 1 and 2 of the first BE IT RESOLVED clause hereinafter set forth; and

WHEREAS, the Council is in accord with the Mayor's proposal; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the Council hereby approves the Mayor's proposal to amend the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) as follows:

1. That Article VI, Chapter 1 of the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) ("Managing Director"), be amended by adding a new section to be appropriately designated by the Revisor of the Charter and to read as follows:

**"Section 6- . Office of Economic Revitalization**

There shall be an office of economic revitalization headed by an executive for economic revitalization who shall be appointed and may be removed by the mayor. The executive for economic revitalization shall have had a minimum of three years' experience in the administration of business, public policy, economic development, or community development programs. The executive for economic revitalization, with necessary staff, shall:

- (a) Oversee, coordinate and direct the city's economic response and recovery from economic disruptions and align with state and federal agencies during these events to capture funding, leverage efforts, and execute response programs.
- (b) Oversee, coordinate and direct the development, preparation and implementation of plans and programs relating to economic development, and investment and stimulus of new and innovative industries and services, for the equitable benefit of the people of the city.
- (c) Oversee, coordinate and direct communications and coordination with federal, state and other entities for the purpose of identifying, applying for, administering, and managing funds for the purpose of economic revitalization.



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- (d) Oversee, coordinate and direct the activities and functions of the city relating to small business development.
- (e) Oversee, coordinate and direct the city's goals and policies relating to economic improvement projects to implement the general plan and development plans.
- (f) Oversee, coordinate and direct a resource hub for local and off-shore businesses doing business or desiring to do business within the city.
- (g) Oversee, coordinate and direct economic support for areas including but not limited to:
  - (1) Healthcare;
  - (2) Sustainable agriculture;
  - (3) Regenerative tourism;
  - (4) Green energy and transportation;
  - (5) Innovation and technology;
  - (6) Housing and re-development;
  - (7) Resilient infrastructure; and,
  - (8) Film and entertainment.
- (h) There shall be an economic revitalization commission consisting of nine members with expertise in small business, finance, sustainable economics, and community development. The economic revitalization commission shall be governed by the provisions of Section 13-103 and shall:
  - (1) Prepare a five-year strategic plan that will include recommended strategies for the city to encourage equitable and sustainable economic advancement, development of new businesses and industries, and reinvestment.



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- (2) Update the five-year strategic plan every five years and which will guide the city's economic investment strategy.
- (3) Meet quarterly, unless deemed unnecessary by a majority of the commission members."

2. That Section 6-1103 of the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) be amended to read as follows:

**"Section 6-1103. Civil Service and Executive Branch Exemptions --**

The provisions of this chapter of the charter shall apply to all positions in the service of the executive branch. This section shall apply to semi-autonomous agencies as though they are departments of the executive branch. The following positions shall be exempt from the provisions of this chapter of the charter:

- (a) Positions of officers elected by public vote; positions of heads of departments; the position of the band director of the Royal Hawaiian Band; the position of the executive for housing; the position of the manager and chief engineer of the board of water supply[;]; the executive for climate change, and sustainability and resiliency[;]; the executive for economic revitalization; and the manager of any semi-autonomous agency created by ordinance.
- (b) Positions in the office of the mayor, but such positions shall be included in the position classification plan. Employees of the civil defense agency and Royal Hawaiian Band, other than the band director shall not be exempted from civil service.
- (c) Positions of deputies of the corporation counsel, deputies and administrative or executive assistants of the prosecuting attorney and law clerks.
- (d) Positions of members of any board, commission or equivalent body.
- (e) Positions of a temporary nature filled by students.
- (f) Personal services obtained by contract where the director has certified that the service is special or unique, is essential to the



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public interest and that, because of circumstances surrounding its fulfillment, personnel to perform such service cannot be obtained through normal civil service recruitment procedures. Any such contract may be for any period not exceeding one year.

- (g) Personal services of a temporary nature needed in the public interest where the need for the same does not exceed one year, but before any person may be employed to render such temporary service, the director of human resources shall certify that the service is of a temporary nature and that recruitment through normal civil service recruitment procedures is not practicable.
- (h) Personal services performed on a fee, contract or piecework basis by persons who may lawfully perform their duties concurrently with their private business or profession or other private employment, if any, and whose duties require only a portion of their time, where it is impracticable to ascertain or anticipate the portion of time devoted to the service of the city and when such fact is certified to by the director of human resources.
- (i) Positions of one first deputy; and for the Honolulu Police Department one additional deputy; private secretaries to heads of departments and their deputies and to the executive for housing; and the position of managing director, one first deputy and private secretaries to each; but private secretarial positions shall be included in the position classification plan. The first deputy in the department of human resources, however, shall not be exempt from civil service.
- (j) Positions or personal services in demonstration programs and joint participation and special projects which serve the community; provided that such exemptions are required by federal law or rules and regulations and then in accordance with procedures established by ordinance.
- (k) The following positions of the public transit authority:
  - (1) The executive director, deputy director(s), private secretaries to the executive director and deputy director(s); and



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- (2) Positions certified by the director of human resources that require specialized knowledge and experience in fixed guideway system planning, development, operations, maintenance, and management, or transit-oriented development; provided that, except for private secretarial positions, such positions shall not be included in the position classification plan and salaries for such positions shall be set by the public transit authority.
- (l) Positions in the liquor commission of the liquor administrator and the deputy liquor administrator, but such positions shall be included in the position classification plan.

The director of human resources shall determine the applicability of this section of the charter to specific employment or services in the executive branch."

BE IT FURTHER RESOLVED by the Council of the City and County of Honolulu:

1. That the Revisor of the Charter is directed to prepare a supplement of the Charter containing this reorganization language;
2. That Charter material to be repealed is bracketed and stricken and new Charter material is underscored. When revising, compiling, or printing these Charter provisions for inclusion in the Revised Charter of the City and County of Honolulu 1973, (2017 Edition), the Revisor of the Charter need not include the brackets, the bracketed and stricken material, or the underscoring. If these Charter provisions are amended by any other Charter amendment, the Revisor of the Charter, in revising, compiling, or printing the Charter: (1) may designate or redesignate articles, chapters, sections, or parts of sections and rearrange references thereto and (2) shall, except as otherwise expressly provided in this resolution or in the other resolution(s) amending these Charter provisions, give effect, to the extent possible, to all of the amendments approved. The Revisor of the Charter may also change capitalization or the form of numbers and monetary sums for the sake of uniformity.



**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

No. 20-197, FD1

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BE IT FINALLY RESOLVED that a copies of this resolution be transmitted to the Mayor, the Managing Director, and the Corporation Counsel.

INTRODUCED BY:

Ikaika Anderson (br)

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DATE OF INTRODUCTION:

August 13, 2020  
Honolulu, Hawaii

Councilmembers



CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
CERTIFICATE

RESOLUTION 20-197, FD1

Introduced: 08/13/20 By: IKAIKA ANDERSON – BY REQUEST Committee: EXECUTIVE MATTERS  
AND LEGAL AFFAIRS

Title: RESOLUTION INITIATING AMENDMENTS TO THE REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973, (2017 EDITION), PURSUANT TO THE MAYOR'S EXECUTIVE REORGANIZATION AUTHORITY, RELATING TO THE OFFICE OF ECONOMIC REVITALIZATION.

Voting Legend: \* = Aye w/Reservations

08/25/20	EXECUTIVE MATTERS AND LEGAL AFFAIRS	RESOLUTION POSTPONED IN COMMITTEE. 8 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, PINE, TSUNEYOSHI, WATERS. 1 EXCUSED: MANAHAN.
09/15/20	EXECUTIVE MATTERS AND LEGAL AFFAIRS	CR-218 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION. 7 AYES: ANDERSON, ELEFANTE, FUKUNAGA*, KOBAYASHI, MENOR, TSUNEYOSHI*, WATERS. 2 EXCUSED: MANAHAN, PINE.  NOTE: EFFECTIVE SEPTEMBER 23, 2020, COUNCILMEMBER IKAIKA ANDERSON, REPRESENTING COUNCIL DISTRICT III, RESIGNED FROM OFFICE. [Refer to Communication <u>CC-256(20)</u> ]  NOTE: THE APPOINTMENT OF ALAN KEKOA TEXEIRA TO FILL A VACANCY IN THE OFFICE OF COUNCILMEMBER FOR COUNCIL DISTRICT III WAS APPROVED ON WEDNESDAY, SEPTEMBER 23, 2020. (refer to <u>RES20-236, FD1</u> ) <u>CC-269(20)</u> KOBAYASHI - COUNCIL STANDING COMMITTEE ASSIGNMENTS.
10/07/20	COUNCIL	AMENDED TO HAND-CARRIED FD1 (OCS2020-0998/10/6/2020 5:12 PM). 9 AYES: ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TEXEIRA, TSUNEYOSHI, WATERS. CR-218 AND RESOLUTION 20-197, FD1 WERE ADOPTED. 9 AYES: ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TEXEIRA, TSUNEYOSHI, WATERS.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
GLEN I. TAKAHASHI, CITY CLERK

  
ANN KOBAYASHI, CHAIR AND PRESIDING OFFICER