

SCHOOL FACILITIES AUTHORITY BOARD
MEETING MINUTES

Date: November 16, 2023

Time: 2:00 p.m.

Teleconference via Zoom

Members Present:

Alan Oshima, Chairperson

Edmund Aczon

Harold Edwards

Jan Iwase

Bettina Mehnert

Staff Present:

Chad Keone Farias, Executive Director

Alison Kunishige, Deputy Executive Director

Cindy Watarida, Business Manager

Kenyon Tam, Policy and Program Officer

Wilmurf de Vera, Project Manager

Jiaping Fouse, Project Manager

Greg Zabinski, Project Manager

AGENDA

I. Call to Order

Chairperson Alan Oshima called the meeting to order at 2:00 p.m.

**II. Appreciation for L. Candy Suiso and Welcome New Board Members
Edmund Aczon and Jan Iwase**

Chairperson Oshima thanked L. Candy Suiso for her service to the School Facilities Authority. He welcomed new Board members Jan Iwase and Edmund Aczon.

III. Roll Call and Determination of a Quorum

Chairperson Oshima and Members Aczon, Harold Edwards, Jan Iwase, and Bettina Mehnert were present at roll call. Quorum was established.

IV. Approval of Meeting Minutes of October 3, 2023

Motion: Move to approve the October 10, 2023 meeting minutes (Edwards/Mehnert). 3 Ayes (Oshima, Edwards, Mehnert), 0 Nos, 2 Abstentions (Aczon, Iwase). Motion carries; minutes are approved.

V. Public Testimony

There was no public testimony.

VI. Report of the School Facilities Authority Executive Director

A. Update on Expanding Pre-Kindergarten Access, New Schools, and Education Workforce Housing

1. Expanding Pre-Kindergarten Access. Executive Director (ED) Chad Farias reported that the School Facilities Authority (SFA) continues to work with Lieutenant Governor Sylvia Luke, the Department of Education (DOE), Executive Office on Early Learning (EOEL) and State Public Charter School Commission (SPCSC).

- a) He reported that SFA will open two renovated pre-kindergarten classrooms on the Nanakuli Elementary School campus in the next couple of weeks.
- b) ED Farias reported that SFA has identified 39 classrooms for renovation and that it is on track to meet its goal of 44 renovated classrooms by August 2024.
- c) ED Farias reported that SFA continues to hold bi-weekly check-ins with DOE and EOEL.
- d) ED Farias reported that SFA continues to make progress on work with the University of Hawaii Imiloa Astronomy Center for the expansion of public pre-kindergarten in the Hawaiian immersion setting under the charter of Ke Kula 'o Nāwahīokalani'ōpu'u Lab Public Charter School (Nawahi). He stated that this project will include three classrooms and a transitional learning laboratory.
- e) Chairperson Oshima asked whether SFA is including the Nawahi classrooms in the 44 classrooms that will be completed by August 2024. ED Farias explained that EOEL and SPCSC are both working on pre-kindergarten creating additional pre-kindergarten classrooms.

2. New Schools.

- a) ED Farias reported that SFA continues to monitor the West Maui situation, which is currently being handled by DOE and that the West Maui schools opened in October. He stated that the long-term focus is on a permanent school and that decision-makers will determine whether SFA develops a permanent school.

3. Education Workforce Housing.

- a) ED Farias stated that the housing workgroup has continued to meet. He stated that the housing workgroup has focused on Maui and Oahu because these islands have the largest gap between teacher pay and housing costs. ED Farias stated that the plan is to release a Request for Qualifications for Maui County first and a Request for Proposals for a site on Oahu.
- b) ED Farias stated that he met with Mililani High School principal Fred Murphy on possible housing locations on the Mililani High School campus. He stated that he was impressed with Principal Murphy's global perspective and how he envisioned the location in Mililani serving teachers from surrounding communities beyond Mililani.
- c) Chairperson Oshima asked ED Farias to explain how current funding allocations would affect SFA's efforts to develop education workforce housing. ED Farias recalled that when the senate initially proposed legislation, it allocated \$185 million to the project, that there was \$170 million allocated to the project at the end of the legislative session, and that Governor Josh Green approved the allocation of \$50 million. He stated that as of last Tuesday, the Department of Budget and Finance (B&F) reduced the \$50 million to \$5 million. ED Farias reported that B&F assured SFA that the plan is to allow SFA to access the \$45 million, but as general obligation bonds, not cash. He reported that general obligation bonds make it more complicated to access the funds, but that this funding source will not lapse as quickly as cash.

- d) Chairperson Oshima asked ED Farias to explain which of the identified education workforce housing sites are owned by the State. ED Farias stated that SFA does not hold title to any of the sites and that the Mililani High School campus appears to have the clearest title. He stated that, preliminarily, it looks like DOE owns the land under the Mililani High School campus, but he is working with SFA's consultants to confirm this. Chairperson Oshima noted that because of the high need and level of interest in education workforce housing, SFA needs to identify a site and make significant progress.

- e) ED Farias stated that there has been legislation to transfer ownership of land under roughly 80 schools from the counties to the Department of Education. Chairperson Oshima asked whether ownership has actually been transferred from the counties; ED Farias confirmed that it has not. ED Farias said that the legislature allocated SFA positions, which include a planner and land agent, which would assist with these efforts and that SFA is working on developing and recruiting for these positions.

B. Update on Administrative Activities

1. ED Farias reported that SFA has hired more employees and that all SFA staff members are attending the meeting in person. He introduced each of the staff members.

2. Supplemental Budget Request. ED Farias reported that SFA submitted a supplemental budget request for \$15 million for education workforce housing. He explained that the legislature had allocated \$15 million for education workforce housing on Maui before SFA was created. ED Farias stated that the \$15 million lapsed, but that there were efforts to ensure that SFA could use these funds to develop education workforce housing on Maui.

3. Office Space. ED Farias reported that SFA continues to work with the Department of Accounting and General Services (DAGS) on an office space at 600 Kapiolani Boulevard. He stated that the initial deal fell through, that SFA found a different space in the building that did not need a great deal of

construction, and that DAGS is waiting for a counterproposal from the building's broker.

4. Personnel. ED Farias reported that SFA plans to fill all of the positions allocated by the legislature and provided a listing of filled and vacant positions.

- a) Filled:

Chad Keone Farias, Executive Director
Alison Kunishige, Deputy Executive Director
Cindy Watarida, Business Manager
Kenyon Tam, Policy and Program Officer
Wilmurf de Vera, Project Manager
Jiaping Fouse, Project Manager
Greg Zabinski, Project Manager

- b) Vacant:

Land Agent
Planner
Purchasing Specialist
Office Assistant
IT/Data Specialist

5. Strategic Planning. ED Farias reported that the Hawaii Institute for Public Affairs (HIPA) facilitated the work on SFA's first strategic planning document and that he would present on this later in the meeting.
6. Administrative Rules. ED Farias reported that SFA is currently working on its rules of practice and procedure and noted that it will need to develop other rules, including impact fees, teacher housing, and public-private partnerships. He stated that upon further review, SFA staff determined that the last set of draft rules of practice and procedure needed additional revisions and that staff is also concurrently working on a draft of bylaws. ED Farias reported that SFA staff plans to bring the draft practice and procedure administrative rules and bylaws to the Board in January. Chairperson Oshima clarified that the draft administrative rules will come to the Board in January for approval to go to public hearing, so the rules would be in place in March at the earliest. ED Farias confirmed Chairperson

Oshima's understanding of the timeline. Chairperson Oshima noted that SFA needs to have administrative rules in place to work in high priority areas.

7. Kaimuki Planning Study. ED Farias reported that in June 2023, SFA entered into a memorandum of agreement with the University of Hawaii Community Design Center (UHCDC) to create a preliminary concept study of the Kaimuki area. He stated that this report was later expanded to include both the Kalani and Kaimuki High school complexes. ED Farias reported that SFA staff will review the preliminary report and in January provide recommendations to the Board regarding the parcels that hold the greatest promise. He stated that the Board will then use the report and recommendations to create a short list of sites that UHCDC will research further.

8. Professional Development. ED Farias reported that he and Project Manager Greg Zabinski attended the 2023 A4LE LearningSCAPES Conference, which focused on the art and science of driving the transformation of learning environments. He also reported that he attended the National Council on School Facilities (NCSF) conference with Chairperson Oshima and Deputy Executive Director Alison Kunishige.
 - a) Chairperson Oshima noted that the NCSF conference is an annual meeting of an organization that is an off-shoot of 21st Century Schools and that 26 states are members. He stated that the value of this conference is that federal agencies like the U.S. Department of Education and Environmental Protection Agency presented on their priorities affecting school facilities. Chairperson Oshima noted that there are federal funds available for infrastructure, but that the current lines of authority in Hawaii and its single State Education Agency/Local Education Agency structure make it difficult for entities like SFA to apply for these funds.

VII. Public Testimony

There was no public testimony.

VIII. Action Items

A. Board Action on the School Facilities Authority's Mission, Vision, Key Strategies, Areas of Focus, 3-Year Goals, and 5-Year Goals

1. ED Farias presented the SFA 2024-2028 Areas of Focus and Goals. He explained that the proposed SFA strategic document is not a strategic plan, but is designed to be flexible and goal oriented because SFA is still in a start-up phase where its authority is still being established. ED Farias noted that the timeline of 2024-2028 was selected along with 3-year and 5-year goals because it will help SFA inform its legislative efforts and budget requests. He reviewed the proposed vision and mission and the reasons for its structure. ED Farias reviewed the key strategies that SFA will use while working towards its goals. He then reviewed the areas of focus, which are modeled on the framework that Board members have been using to organize SFA's work, expanding inspiring learning spaces, spearheading housing solutions, and laying an operational foundation. ED Farias reviewed the 3-year goals for all three areas and then the 5-year goals for expanding inspiring learning spaces and spearheading housing solutions.
2. Chairperson Oshima stated that a concept that may need to be highlighted in Goal 3e, Sustainable Financing and Public-Private Partnership Model, is maximizing the value of underutilized lands by reducing costs and promoting efficiency without negatively impacting educational purposes.

Motion: Move to approve the School Facilities Authority 2024-2028 Areas of Focus and Goals, November 2023 Report as attached as Exhibit B to Executive Director Chad K. Farias's memorandum dated November 16, 2023 with the amendment proposed by Chairperson Alan Oshima (Edwards/Iwase). 5 Ayes (Oshima, Aczon, Edwards, Iwase, Mehnert), 0 Nos, 0 Abstentions. Motion carries; report is approved.

IX. Adjournment

Motion to adjourn the meeting (Aczon/Iwase). 5 Ayes (Oshima, Aczon, Edwards, Iwase, Mehnert), 0 Nos, 0 Abstentions. Motion carries; meeting adjourned at 2:51 p.m.