

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

April 26, 2024

Online Only via Teams

CONVENE: 9:12 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tasha Kama, Vice-Chair (out 9:40 p.m.)
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member (out 11:16 p.m.)
Councilmember Alice L. Lee, Member
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Shane M. Sinenci, Member
Councilmember Nohelani U'u-Hodgins, Member (in 9:38 a.m.)

STAFF: James Krueger, Senior Committee Analyst
Kasie Apo Takayama, Senior Committee Analyst (back up)
Jarret Pascual, Legislative Analyst
Clarissa MacDonald, Legislative Analyst
Carla Nakata, Legislative Attorney
Megan Moniz, Legislative Attorney
Yvette Bouthillier, Senior Committee Secretary
Lenora Dinneen, Council Services Assistant Clerk

Additional staff

Executive Assistants for Councilmember Tom Cook:

Jared Agtunong
Stacy Takahashi

Executive Assistants for Councilmember Gabe Johnson:

Kate Griffiths
Axel Beers

Executive Assistants for Councilmember Tasha Kama:

Davideane Kama-Sickels
Nayleen Kamai
Evan Dust

Executive Assistant for Councilmember Alice L. Lee:

Michele McLean

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Executive Assistants for Councilmember Tamara Paltin:

Angela Lucero
Christi Keliikoa
Christian Balagso, West Maui Council Aide

Executive Assistants for Councilmember Keani N.W. Rawlins-Fernandez:

Sarah Sexton
Haunani Madela

Executive Assistants for Councilmember Shane M. Sinenci:

Dawn Lono
Gina Young

Executive Assistants for Councilmember Yuki Lei K. Sugimura:

Michele Yoshimura
Jordan Helle
Jennifer Matsumoto

Executive Assistants for Councilmember Nohelani U'u-Hodgins:

Laura McDowell
Susan Clements

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office
Roxanne Morita, Council Aide, Lānaʻi Residency Area Office
Zhantell Lindo, Council Aide, Molokai Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office
Jade Rojas-Letisi, Council Aide, Makawao-Haʻikū-Pāʻia Residency Area Office

ADMIN.: Lesley Milner, Acting Budget Director, Office of the Mayor
Josiah Nishita, Managing Director
Kauanoë Batangan, Deputy Director, Department of Transportation
Kristina Toshikiyo, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Keolamau Tengan, Executive Director, Kaʻehu
Kutira Decosterd
Paele Kiʻakona
Josiah Nishita, Managing Director
Lesley Milner, Acting Budget Director, Office of the Mayor
Sue Sadecki, Executive Director, Ka Hale A Ke Ola Homeless Resource Centers

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Katie Austin
Sanoë Kaaihue
Mark Deakos
Valerie Janikowski
Jasee Law
Others (35)

Resource Personnel
Douglas Bigley, President, Ikaika Ohana
Tom Fischer

PRESS: Akaku: Maui Community Television, Inc.

ITEM 1: PROPOSED FISCAL YEAR 2025 BUDGET FOR THE COUNTY OF MAUI ((BILL 60 (2024), BILL 61 (2024), BILL 62 (2024), BILL 63 (2024), BILL 64 (2024), BILL 65 (2024), BILL 70 (2024), BILL 73 (2024), BILL 74 (2024), BILL 75 (2024), BILL 76 (2024), BILL 77 (2024), BILL 78 (2024), RESOLUTION 24-66, RESOLUTION 24-67, RESOLUTION 24-68, and RESOLUTION 24-77)

CHAIR SUGIMURA: . . .(*gavel*). . . Good morning. Welcome to the Budget, Finance, Economic Development Committee. Today is April the 26th. Whoa, we're almost done with this month. So fast. It is now 9:12 a.m., and I want to welcome everybody. And this meeting is being conducted in accordance with the Sunshine Law. As a reminder for the Councilmembers, when your name is called, if you have anyone in the meeting...in the room with you, please identify them by name...anyone in your vehicle, workspace, whoever is with you, and minors do not need to be identified. Chair Lee, let's start with you. Good morning.

COUNCILMEMBER LEE: Good morning. . . .(*inaudible*). . .

CHAIR SUGIMURA: Good morning. Yeah. Member Paltin.

COUNCILMEMBER PALTIN: La orana.

CHAIR SUGIMURA: La orana. Okay.

COUNCILMEMBER PALTIN: And aloha kakahiaka kākou.

CHAIR SUGIMURA: All right. And next we have...Member Johnson is online. Okay. Member Johnson.

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COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, community members. I'm alone in my workspace. There's no testifiers at the Lāna'i District Office, and I'm here and ready to work. And aloha Friday. Boy, it's a long week.

CHAIR SUGIMURA: Yeah. Everybody's been working so hard. Thank you. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, mai Molokai Nui Ahina. I'm at the Molokai District Office, alone on my side of the office. Happy Friday, or as we call it here happy Zhan day...because if a Zhan was a day, Zhan would be Friday. We have no testifiers here currently. Mahalo.

CHAIR SUGIMURA: . . .*(laughing)*. . . That's a good one. I think she would be every day, right?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: Did you mean Friyay?

COUNCILMEMBER RAWLINS-FERNANDEZ: Especially Friday because Friday...Friyay is a happy day, and that's Zhan.

CHAIR SUGIMURA: Okay. That is her though. Okay. Member Cook.

COUNCILMEMBER COOK: Aloha kakahiaka, and Aloha Friday all.

CHAIR SUGIMURA: Okay. And Member U'u-Hodgins has not logged in yet, but she is doing the meeting online, right? Okay. And Member Sinenci.

COUNCILMEMBER SINENCI: Hey, aloha kakahiaka kākou from my home office. I'm here by myself, there's no testifiers in Hāna. And Chair, I might have to jump off to attend the WIR meeting this morning.

CHAIR SUGIMURA: Oh.

COUNCILMEMBER SINENCI: Thank you.

CHAIR SUGIMURA: Oh, okay. Very good. We support you, and let us know when we're planning this conference. Thank you very much, Member Sinenci.

COUNCILMEMBER SINENCI: Thank you.

CHAIR SUGIMURA: From the Office of the Mayor, joining us will be Lesley Milner, Acting Budget Director. Department of Corporation Counsel is Ms. Kristina Toshikiyo. And our Staff, thank you very, very much for working so hard to get

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us here. Yvette Bouthillier, good morning, and congratulations to your daughter soon graduating. James Krueger, Kasie Apo Takayama, Senior Legislative Analysts. Thank you for working late last night, very late last night. Jarret Pascual, as well as Clarissa MacDonald, they are our Legislative Analysts. And...oh, I'm sorry. Tasha is online. Carla Nakata and Megan Moniz, Legislative Attorney. Thank you very much. And Lei Dinneen, who's our Council Services Assistant Clerk. Member Kama, I'm sorry. I didn't see you.

VICE-CHAIR KAMA: Good morning, Chair.

CHAIR SUGIMURA: Good morning.

VICE-CHAIR KAMA: I know, I'm in the Chambers, you can't see me, I'm . . . *(inaudible)*. . . you can't see me. But good morning, and good morning to everyone. And yes, I do like your cap, Keani. And so, the word of the day for all of us is, may God richly bless each and every one of us, and keep us safe.

CHAIR SUGIMURA: Yeah.

VICE-CHAIR KAMA: So, that's the word for today.

CHAIR SUGIMURA: Thank you.

VICE-CHAIR KAMA: Good morning, Chair.

CHAIR SUGIMURA: Always sending us your best of prayers. Okay. So, see the last page of agenda for information on meeting connectivity. Thank you, Members, for attending today's BFED meeting. We have one item on the agenda, which is BFED-1, "PROPOSED FISCAL YEAR 2025 BUDGET FOR THE COUNTY OF MAUI." And Member, we'll con...Members, we'll continue on deliberations for the Fiscal Year '25 Budget. And we'll be revisiting Councilmember Johnson, there you are, your...your proposed...additional proposed legislation. And we'll do additional proposed legislation. Today, we're also going...will be receiving a proposal from the Administration. Afterwards, we can proceed to discuss Weight Tax, Fuel Tax, Real Property Tax, and then take up the Countywide costs. We'll end the meeting by taking action on the Budget Bills 60, 61, 62, 63, 64, 24-66. In order to keep on track with our proposed schedule, we will continue using the following timeline; 1 minute for your proposed amendment, and 30 seconds for each Councilmembers to ask your questions. Before we start our discussion, we will begin by taking public testimony. Thank you very much. I see people in...in our...in the Chambers. Testifiers wanting to provide testimony should sign up at the lobby, and...and join...or can join online via Teams link, or call in and use the phone number noted on today's agenda. Written testimony is encouraged, and can be submitted via the eComment link at mauicounty.us/agendas as well. Under the Sunshine Law, the Chair will

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receive oral testimony for agenda items on the agenda, which I called out, which is one item only, and members from the public can testify on anything that's in our budget. For individuals wishing to testify on Teams, please "raise your hand" by clicking on the "raise your hand" button. If calling in, please follow the prompts via phone; star-five to raise your hand and lower your hand, star-six and...mute and unmute. Staff will add names to the testifiers' list in the order testifiers sign up or raise their hands. For those on Teams, Staff will lower your hand once your name is added. Staff will then call the name you're logged in under the last four digits of your phone number when it is your time to testify. At this time, Staff will also enable your microphones and video. If you wish to testify anonymously, please notify us. Otherwise, please state your name for the...for the record at the beginning of the testimony. Oral testimony is limited to 3 minutes per item, and I'll give you another 30 seconds to complete your testimony. Once you are done testifying, or you do not wish to testify, you can also view the meeting on *Akakū* Channel 53, Facebook Live, or mauicounty.us/agendas. We will do our best to take each person up in an orderly fashion. We'll now call up our testifiers. Thank you.

MS. MACDONALD: Chair, the first testifier signed up is Keolamau Tengan, to be followed by Kutira Decosterd.

CHAIR SUGIMURA: Good morning, Mr. Tengan.

. . .BEGIN PUBLIC TESTIMONY. . .

MR. TENGAN: Aloha, Councilmembers. Thank you for allowing me this opportunity to testify on behalf of the nonprofit organization, Ka'ehu. I'm a son of Waiehu, and so I grew up at the shorelines of Ka'ehu Bay. When I was growing up, it was a very different place. All that was green now was brown then. The areas of open space was covered with vehicles that were abandoned. The shoreline, instead of being open with driftwood, was covered with syringes and needles. So, when I first heard of what was happening at Ka'ehu in 2018, I didn't think that it was real. I called BS on it. And I remember crossing through the front gates and seeing children in the lo'i kalo. The area was green and open and spacious. And in a place that I had known to be kind of the sketchy part of Paukukalo was somehow revitalized. So, flashing forward now to now taking on my third month in this position, I look at the areas and I look at what is possible, and I also look at what could happen. Anything and everything green can turn brown, and for the first time last summer, the waters that run through this 'āina went dry. And so, I come in today...I know that we're not a part of the budget, yet I come in, and just as a reminder in terms of who we are and the great work that we're doing, and I humbly ask for support in terms of access to open funds...or Open Space Funds of \$250,000 that will really allow us to do at least the initial part of mitigating some of the liabilities that may come through

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further drought, and opening up more safety for all those from keiki to kūpuna who come to this 'āina. Mahalo.

CHAIR SUGIMURA: Wow. Okay. Thank you very much for being here. Any questions for Mr. Tengan? Member Paltin.

COUNCILMEMBER PALTIN: Is this your first request here? Like I mean the...did you...you...so, you didn't get in on the Mayor's Budget?

MR. TENGAN: Well, so historically, Ka'ehu has not been part of the County budget. I'm three months into this position, and so, when I was reviewing all the financials, it didn't quite make sense. And so, I know it was pretty late in the game for Fiscal Year '25, yet I want to...I don't know, frontload the process, and just say hi, and remind everyone that Ka'ehu is here, and look forward to sharing more. But no, Ka'ehu is not a part of the...the budget, and so, I'll be looking at rectifying that from here on out.

COUNCILMEMBER PALTIN: Okay. Last year somebody different testified --

MR. TENGAN: Yes.

COUNCILMEMBER PALTIN: -- for Ka'ehu.

MR. TENGAN: There was a changeover in leadership towards the end, I think it was around September of last year, and then there was an interim director, and then I came in in February 1st. I worked with Ka'ehu though from 2018 to '21 in different capacities.

COUNCILMEMBER PALTIN: Okay. Prior to 2018, it was Duke Sevilla and Venus Rosete?

MR. TENGAN: Yeah. So, the...so, from 2000, I think, '16, Kuulei Maunupau came in as the executive director. The organization started in 2014 with Duke Sevilla.

COUNCILMEMBER PALTIN: Okay.

MR. TENGAN: Yeah.

COUNCILMEMBER PALTIN: Yeah, he used to do our junior lifeguards challenge course at the...the . . .(inaudible). . . --

MR. TENGAN: Oh.

COUNCILMEMBER PALTIN: -- course over there.

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MR. TENGAN: Yeah. Yeah, yeah. I...I...one of my first priorities was making contact with Duke, so we had a conversation last week, and so going to continue the conversation from here on out.

COUNCILMEMBER PALTIN: Okay. Got it. Thanks.

MR. TENGAN: Yeah.

CHAIR SUGIMURA: Okay. Thank you very much. So --

MR. TENGAN: Mahalo.

CHAIR SUGIMURA: -- what you're requesting for is 250,000 --

MR. TENGAN: Yes.

CHAIR SUGIMURA: -- for Ka'ehu, that's the name of your nonprofit.

MR. TENGAN: Correct.

CHAIR SUGIMURA: And...and it is for...I mean how would you describe it?

MR. TENGAN: Yeah. So, the...the first area is being able to focus on making sure that the 'āina is safe, and the biggest concern is the Hau trees. And so, you know, the 64 acres, probably about 40 percent of it is covered in Hau.

CHAIR SUGIMURA: Okay.

MR. TENGAN: And so, I want to make sure that...because there were instances of fires that were set last summer on...on property, and last summer again was the driest that Ka'ehu has seen. So, that's the first part of it. But if you guys are feeling, you know, really generous, 750,000 would be awesome for other things. Yet, my...my first area of concern or focus is making sure that it's safe, and that's the biggest liability.

CHAIR SUGIMURA: Thank you very much. No other questions? Okay.

MR. TENGAN: Okay. Mahalo. Thank you.

CHAIR SUGIMURA: Okay. Thank you very much for being here. Next testifier.

MS. MACDONALD: Chair, the next testifier is Kutira Decosterd, to be followed by Paele Ki'akona.

MS. DECOSTERD: Good morning, Council.

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CHAIR SUGIMURA: Good morning.

MS. DECOSTERD: I'm testifying about commercialized resident tax. I'm a locally-owned and permitted bed and breakfast operator on the North Shore of Maui. I do agree with the Mayor about looking how taxes can be raised, but I would like you to really understand, I do not belong into the shark tank of condo and STRs associations. I find myself as a small goldfish surviving with a small tribe of only 146 permitted bed and breakfast owners. I am the vision of Tasha Kama. Once she said we need new industries that benefit the locals. Small bed and breakfasts are local, and provide for many more local families. I have been the caretaker of my land since 1988, and a resident for almost 40 years here in Hawai'i. My family has lived on this transformed piece of jungle for over 35 years. When I got it, no water, no...no roads, no electricity. I'm up to this point live totally sustainable, nothing provided by the County. Our agroforestry garden supports 27 chickens, and provides food for our family and also for our community and our guests and neighbors. We support gardens, staff, handymens, and roofers, and solar...so many people who come and work on my land, all local people, which I provide for. As you can imagine, the repairs on an ongoing part of this island are pretty tense, living on the North Shore out in Huelo. The money we make filters directly into our local community. Even the gourd carver (*phonetic*) in the neighborhood gets provided down the road with her beautiful artistry. And we also right now hosting a woman who is a drama therapist in Lahaina and Kahului, who stays at our land so she can take care of the children. We do that to help out. Since recent times, we have been facing financial challenges [sic], as we have not recouped from the midst of the entire Island of Maui is burned down. Right now, it is time to give the right message to the big economic part we need and depend on to transform our tourism into regenerative tourism. I'm a really big...Hawai'i's regenerative tourism isn't just about reducing environmental impact, it is a proactive effort . . .(*timer sounds*). . . to enhance nature --

CHAIR SUGIMURA: 30 seconds.

MS. DECOSTERD: -- communities, and the wellbeing of our visitors. By focusing on giving more than we take, we foster a tourist model built on robust partnerships and cooperative efforts. The carnerstorm...cornerstone of this sustainable approach rests on the three pillars; revitalizing neutral landscapes, uplifting local communities, and promoting the health and happiness of our visitors through genius (*phonetic*) experiences. Even small rise in taxes is . . .(*timer sounds*). . . huge for us if you do the math. And I don't get the \$300,000 tax break like anybody else. I'm taxed Commercial on agriculture land, and I'm really paying on top of that the TAT, GET. Just in a shell, we bed and breakfast owners do not belong into the picture of STR or other big hotels. We are part of the local net, where people can come and contribute --

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CHAIR SUGIMURA: Okay.

MS. DECOSTERD: -- straight into the local...

CHAIR SUGIMURA: Can you finish off your...your testimony please.

MS. DECOSTERD: Yes. So, I ask you to really make a decision...a distinction between bed and breakfast tax and all the rest of the tax, which I agree, but we are a different species. We are the goldfish in the shark tank. Thank you so much for hearing.

CHAIR SUGIMURA: Thank you. Any questions for the testifier? Seeing none. Thank you very much for being here.

MS. DECOSTERD: Okay. Thank you so much --

CHAIR SUGIMURA: Have a good day.

MS. DECOSTERD: -- for all the work you do.

CHAIR SUGIMURA: Yeah. Thank you. Next testifier please.

MS. MACDONALD: Chair, the next testifier is Paele Ki'akona, to be followed by Josiah Nishita.

MR. KI'AKONA: Aloha. Good morning --

CHAIR SUGIMURA: Good morning.

MR. KI'AKONA: -- Council. Mahalo for the opportunity to speak. My name is Paele Ki'akona, here on behalf of Lahaina Strong. And I am here to seek the Council's support in allocating funding for affordable housing in West Maui. We have currently two shovel-ready projects that are both Kaiāulu o Kupuohi and Pulelehua. And it is important that we do get allocated funding for this to help expedite the process of moving our people into long-term, dignified housing. Still at this point, the vast majority of our people are residing in the hotels after such a detrimental and heartbreaking event. And so far, it's only seemed like the fires have been used for allocating funding for Central Maui affordable housing, and that felt like a slap in the face for us in Lahaina...not only like a physical slap, but psychological too. When you see people's pain and suffering, and then you see housing being built far away, that was a slap in the face. And our people need to be taken care of at this point. Like when...when you...when you get to a point and you...you get injured, you supposed to nurture this person back to health, but it's like we've been given a cast on our broken ankle,

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and expected to sprint in this marathon. And the way that we've been treated on the West Side, it's like we've been isolated. So, if we're going to be isolated, and knowing the huge economic engine that West Maui is, generating 15 to 20 percent of the State's revenue--not just the County, but the State--it is as if we should be our own county at this point. And I know that's not the...that's not the solution. We're all one big 'ohana, and we should be taking care of one another. I know it's a kākou thing. So, please include us as part of the kākou. Mahalo.

CHAIR SUGIMURA: Thank you. I saw you on TV last night. Yeah?

MR. KI'AKONA: Again.

CHAIR SUGIMURA: Wasn't he...weren't you on TV last night talking about the Lahaina Strong?

MR. KI'AKONA: I don't...I don't...maybe, I don't know.

CHAIR SUGIMURA: Yeah. I think so.

MR. KI'AKONA: Again, maybe.

CHAIR SUGIMURA: Anyway, about the legislative bill.

MR. KI'AKONA: Oh, yeah. Yeah.

CHAIR SUGIMURA: Yeah. Anyway, any questions for Mr. Ki'akona?

COUNCILMEMBER RAWLINS-FERNANDEZ: Question.

UNIDENTIFIED SPEAKER: Oh.

CHAIR SUGIMURA: Member Rawlins-Fernandez?

COUNCILMEMBER PALTIN: . . .*(inaudible)*. . . Keani.

CHAIR SUGIMURA: Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Aloha, Mr. Ki'akona. Mahalo for your testimony this morning, and mahalo to Lahaina Strong for all your guys' work at the Legislature and in the community and just, you know, keeping everyone informed and...and feeling, you know, as encouraged as possible. My question is regarding the survey you folks did because I know, you know, you're here today, but when you folks did the...the survey to ask about where housing should be located, would be most beneficial, would you be

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able to share some of the results? And if you remember, like approximately how many people participated in that survey? And then that way, you know, we have a better understanding of the representation that you come with today.

MR. KI'AKONA: Yeah. So, our initial...I don't remember the numbers off the top of my head, but it was...it was a large amount of people in that survey...I believe close to 1,000, if I'm not mistaken. But I know the...across the board, all fund...or all requests for housing should have...should be north of Launiupoko. That's ideally where it would make the most sense. We have water that can be allocated towards the...for the...for the project themselves because we know that Launiupoko does not...we've already surpassed the sustainable yield in that area. But, you know, it...it came with not just the housing, but we looked at the...the scope of everything as well, as far as the environmental ability to supply this area with the...the resources it needed. But definitely, we were looking at north of Launiupoko, someplace north of Launiupoko, especially north of the burn zone because that just makes sense.

CHAIR SUGIMURA: Okay.

MR. KI'AKONA: I hope that answered your question.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your response.

MR. KI'AKONA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: And mahalo again for...for all your work. We're so grateful.

MR. KI'AKONA: Mahalo.

CHAIR SUGIMURA: Okay. Thank you. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Mr. Ki'akona, for your testimony. I'm not sure we'll have enough money for both projects, but the two that are shovel-ready, I just wanted to clarify that your support is Kupuohi and Pulelehua?

MR. KI'AKONA: Yes.

COUNCILMEMBER PALTIN: Okay.

MR. KI'AKONA: Yes.

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COUNCILMEMBER PALTIN: Thank you. We definitely have enough for one, or half-and-half, or we can try and find some more money, but I did put a condition that all the Affordable Housing Funds would be for West Maui, and they supported it so far. So, we just got to keep it that way.

MR. KI'AKONA: Okay. Well, ke 'olu'olu. Please. Yeah. Our people need some hope right now. They need some hope.

CHAIR SUGIMURA: Thank you. On the Pulelehua project, we've been hearing that they don't have water, and that is a challenge. So, I know that everybody says they're shovel-ready, they're ready to go, whatever, they're asking us for more money, and there's...there's no water. They have water issues they need to resolve, is what we've learned. So --

MR. KI'AKONA: Okay.

CHAIR SUGIMURA: -- thank you.

MR. KI'AKONA: Yeah. Mahalo. Mahalo for your time.

CHAIR SUGIMURA: Thank you very much. Thanks for being here. Next testifier please.

MS. MACDONALD: Chair, the next testifier is Josiah Nishita, to be followed by Lesley Milner.

CHAIR SUGIMURA: Okay. Thank you very much, Mr. Nishita. Do we want him to present to us? Because I would like you to talk longer than three minutes.

MR. NISHITA: Yeah...no. Thank you, Chair. I am planning to be with you here today.

CHAIR SUGIMURA: Okay.

MR. NISHITA: I think the...the request I'm just going to make is one of the items we're going to bring up today is regarding the Kupuohi project.

CHAIR SUGIMURA: Okay.

MR. NISHITA: And Tom Fischer and Doug Bigley may not...they may or may not be on the line right now, but what I wanted to make sure is that we designate them as a resource people --

CHAIR SUGIMURA: Okay.

MR. NISHITA: -- person --

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CHAIR SUGIMURA: Okay.

MR. NISHITA: -- if Council doesn't mind doing that. As well as during the discussion over the items we'll talk about today, there might be departmental personnel that may be needed. So, my request right now is just if Council could designate those as resource people for the discussion. Thank you.

CHAIR SUGIMURA: Okay. So, question to you is, yes to everything, as I'm sure you're going to be giving us the big picture from the Administration follow up from yesterday, yourself and the Mayor. I'm going to ask Staff then to coordinate so that we can, you know, get our...everything, our presentations all in line with what you're planning on doing. James? Okay? Okay. Thank you. Oh...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER JOHNSON: Chair?

CHAIR SUGIMURA: Oh, I'm sorry. Gabe has his hand up. I didn't see. Go ahead.

COUNCILMEMBER JOHNSON: I'm sorry. Do we need to make Managing Director Nishita a resource as well?

CHAIR SUGIMURA: No, he's not going to talk.

COUNCILMEMBER JOHNSON: Or is he available?

CHAIR SUGIMURA: He's not going to be now.

COUNCILMEMBER JOHNSON: Okay.

CHAIR SUGIMURA: He'll come back, right, is what he's saying. Yeah. So, we will. It sounds like he wants us to designate Mr. Fischer, as well as Mr. Bigley, at the right time, as well as other departments when they talk about whatever their proposed plan is going forward. So, that...that was his...what he's asking, so we will. Any other questions? Seeing none. Okay. Did you have a question? As you were walking in, you had your hand up.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh. You can put your...you can put your mic on. You're fine? Okay. All right.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

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CHAIR SUGIMURA: Okay. Next testifier.

MS. MACDONALD: Chair, the next testifier is Lesley Milner, to be followed by Sue Sadecki.

CHAIR SUGIMURA: Ms. Milner?

MS. MILNER: Aloha, Chair. Aloha, Councilmembers. I'm here today with some additional information provided to me by the Office of Economic Development, so I just wanted to pass that along to you for your consideration. First, I'd like to address the resiliency hubs. They have encumbered \$1,050,000 from their FY '24 funds to support standing-up resilience hubs in Hāna, Molokai, and Lahaina. They have 15 containers that have been donated from Matson at the Public Works baseyard in Waikapu that will be used for this purpose. I realize that during the DRIP meeting, the MEMA administrator did tell you he had not spoken to OED. Since that time, he has spoken to them. They are working together on this process. They've been coordinating over the last few weeks over this project. And they're working with both MEMA and local nonprofits and community groups, and they're working with Johnson Controls and American Microgrid Solutions to facilitate a PV batteries and deployment of the resilience hubs. So, they would request your consideration of the restoration of that funding in order to continue with what they feel is very important work. For the second part, on the moving of the grant funds, they did just want to mention that they are already working with their grantees. They start the process the fiscal year before. So, moving the grants at this time would most likely necessitate all of those grantees to reapply to the EP&S system. I will say just personally, this isn't from OED, I am having conversations within the County about how we can maybe centralized our grant application process, and I will be reaching out to all of you to discuss that in the future, but that is a ways down the road. So, as an example, the Green Building and Resiliency Fund, they've been working with potential grantees that need an injection of capital to get started. They've already read through pre-proposals, and have communicated extensively with them. So, they just have concerns about changing the process midstream. So, perhaps if this is something that Council wants to do, an amendment partway through the year, you know, let EP&S get their new Staff up and running, an amendment partway through the year prior to the start of the next grant cycle may be a way to accomplish that. But again, it's the Council's discretion, I just wanted to give you these details for your information. Thank you, Chair. Thank you, Councilmembers.

CHAIR SUGIMURA: Thank you. So, before I ask you questions, I wanted to welcome Member U'u-Hodgins. Good morning.

COUNCILMEMBER U'U-HODGINS: Aloha, Chair.

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CHAIR SUGIMURA: Aloha. Okay. And before I call on Member Rawlins-Fernandez, so Ms. Milner, can you then submit to us whatever you just said in writing so we can see what you want?

MS. MILNER: Yes, Chair. I'll type something up and send it to the BFED Committee shortly.

CHAIR SUGIMURA: Okay. Great.

MS. MILNER: Sorry. OCS Staff, would you prefer that by email or eComment?

CHAIR SUGIMURA: Email, they're saying.

MS. MILNER: Okay. Mahalo, Chair.

CHAIR SUGIMURA: And...and just in summary then, you're asking the body not to move all the...all these environmental grants to EP&S until a later date because they're working...OED is working with these on the...on the grants already for the grantees?

MS. MILNER: Thank you, Chair. Yes, due to the grant cycle, they've already begun working with the grantees --

CHAIR SUGIMURA: Okay.

MS. MILNER: -- so that the funding can be awarded as soon as possible in the next fiscal year. But it is at your discretion.

CHAIR SUGIMURA: Could you do this...could you ask OED to send us a list of who they are working with already? Because I did hear from two of...two organizations that submitted grants that OED has not, and I think other Members heard also, so that's why this is...this action has...has come forward. Any...okay. Ms. Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. I can wait for the information that Acting Budget Director will send. That will answer my questions. Mahalo.

CHAIR SUGIMURA: Okay. Any other questions? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Ms. Milner. My question is, who have they been working on with the Lahaina resiliency hub, and where is it to be located?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Paltin. I will find out and include that in the written response.

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COUNCILMEMBER PALTIN: Okay. And is it...if it's more than one group, if they could name...need names.

CHAIR SUGIMURA: Okay.

MS. MILNER: Understood.

CHAIR SUGIMURA: All right.

COUNCILMEMBER PALTIN: Thank you.

CHAIR SUGIMURA: Members, anybody else have questions --

COUNCILMEMBER PALTIN: Oh.

CHAIR SUGIMURA: -- regarding this?

COUNCILMEMBER PALTIN: And also, I...I received your email from the other day too.

CHAIR SUGIMURA: Okay. So, this is regarding OED and MEMA, the...the two for reconsideration, and that's it, right?

COUNCILMEMBER PALTIN: Not...not MEMA because we didn't cut anything from MEMA.

CHAIR SUGIMURA: No, the resiliency hubs are...who is it with?

COUNCILMEMBER PALTIN: OED.

CHAIR SUGIMURA: Oh, it's all OED? Sorry about that. Okay. Mister...Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. For Ms. Milner, does that mean that all of the grants that we were going to move to EP&S will not be moved now?

CHAIR SUGIMURA: Yeah.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Sinenci. That's up to the body. The body has voted to move them, so they have been moved. If you choose to leave them there, that's at your discretion. I just wanted to provide you with this information.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER SINENCI: Okay. Thank you, Ms. Milner.

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CHAIR SUGIMURA: Thank you. Okay. So, as comprehensively as you can, send us information--who it is, how much it was for, whatever--that they are working on from OED then, and we can see what the impact is...if the body can make a decision whether to move or not. Thank you. That's it.

MS. MILNER: Mahalo, Chair.

CHAIR SUGIMURA: Thank you. Next testifier.

MS. MACDONALD: Chair, the next testifier is Sue Sadecki, to be followed by Katie Austin. Sue, your camera and mic have been enabled. Oh, I think I see your mic's on now.

MS. SADECKI: All right. Hello. Aloha, Chair. Aloha, Councilmembers. Thank you for allowing me to have this testimony opportunity. I am the Executive Director of Ka Hale A Ke Ola Homeless Resource Centers, and I'm here today to talk a little bit about our program and the request for additional funding. As you know, with our Lahaina situation, we have lost the ability for 20...we have affordable housing and shelter, and that...that opportunity in Lahaina also helped support us with about \$320,000 of revenue that helped sustain our program overall. We don't have that luxury right now, and I wanted to talk a little bit about the impact that...that that will...that will take this year, and in...and probably the next few years. It...we've always had an issue with positions, keeping people in...in jobs at the rate of pay that is a living wage. Right now, I'm about seven positions down. The ones that are most critical are security and operations positions. Our average salary in that area is about \$19 an hour, and we can't compete with our hotel operations and the hotel industry. I know that utilities this last year cost us an additional 250 to \$280,000 just on our Wailuku shelter side, and we can't use State funding for...for those fees. And in addition, when we transitioned to housing first model, we were not able to collect what I would call program fees from our participants. That was about \$400,000 a year. This last year we did collect 80,000 of that. Just wanted to give kind of an overall picture of where Ka Hale A Ke Ola sits with regards to the opportunity coming up in the future. We have seen an additional increase of need with regards to homelessness, and we're here to serve the community in that capacity. So, I just want to thank you for your time.

CHAIR SUGIMURA: Thank you. So, you're the new executive director?

MS. SADECKI: Yes. I've been here six months this week.

CHAIR SUGIMURA: So, when did you start?

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MS. SADECKI: October, late...the last week in October.

CHAIR SUGIMURA: Okay. And you're in the budget right now...do you know how much?

MS. SADECKI: No.

CHAIR SUGIMURA: Oh, you don't know how much you're in the budget for? Have you talked to the Department?

MS. SADECKI: No.

COUNCILMEMBER PALTIN: It's --

MS. SADECKI: Not about the budget.

COUNCILMEMBER PALTIN: -- \$1,279,900...or no, sorry, 671,000. They asked for that, so it's 608,900 short of what they asked for.

CHAIR SUGIMURA: Yeah. I only see 671,000.

COUNCILMEMBER PALTIN: Yeah, that's what they're in the budget for. Their request was 1,279,900.

CHAIR SUGIMURA: I wonder if it's because...do you know...this is for Central, so of course, we...we sadly know what happened to Lahaina. So, I wonder if there's a bigger picture that we don't...we...we're not privy to by just looking at the budget. You must have talked to the Department about that.

MS. SADECKI: Well, it's the Lahaina facility is number one. We had an opportunity for affordable housing, which raised an additional 320,000 for our program, which we're not going to have the luxury of this last...this next year also.

CHAIR SUGIMURA: Okay. So, it takes up to a million. Okay.

MS. SADECKI: Yeah. One of the opportunities that we have as Ka Hale A Ke Ola is we are 70 to 80 percent grant funded by Government. We're funded in that way.

CHAIR SUGIMURA: Wow. Okay. Member Paltin.

COUNCILMEMBER PALTIN: I think Member Rawlins had her hand up first.

CHAIR SUGIMURA: Okay. Member Rawlins-Fernandez.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Aloha, Ms. Sadecki. And mahalo, Member Johnson, for the spreadsheet yesterday, made it easy to have the numbers right in front of us. So, what was short from your request to the Mayor, which was included in his proposed budget was \$608,900. Would you be able to speak to what that request was?

MS. SADECKI: It was for positions, and to bring people up to what I would call a livable wage. I know that's a difficult ask. For example, that's why I mentioned our security position. We're about seven positions down in the last two months because people are leaving for 2 to \$3 more an hour. Right now our security officers, what we call operations, are making about on average \$19 an hour.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, how many positions is that for 608,000?

MS. SADECKI: Oh, it's not for all of the positions.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh.

MS. SADECKI: That was an example. You asked me to give an example of what that would be used for, and it's really to fill positions that we currently have open, and to be able to allow for a pay increase for those who are still on staff.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, I...I figured you would give me what was the majority of the 608,000.

MS. SADECKI: Okay. I can provide that later, if you would like. I can send it also in an email.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Thank you.

CHAIR SUGIMURA: Thank you. If you can send information to the body, that would be very helpful. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Ms. Sadecki, for your testimony this morning. I was just curious, have you submitted your grant already?

MS. SADECKI: I believe we have, yes. We do have to have modifications because of staff.

COUNCILMEMBER SINENCI: Okay. All right. Thank you.

MS. SADECKI: We'll be...we'll be making that within the next few weeks. I've already talked to our...to the County Grant Administrator about that.

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CHAIR SUGIMURA: Member...

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR SUGIMURA: Thank you, Member Sinenci. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. So, good morning, Ms. Sadecki. Thank you for joining us today. So, I just want to clarify your...some of the points you made, that...you said that you were receiving revenue from the affordable housing that you had in Lahaina that would help pay for your budget, but because the fire burned...burned down that revenue source, you're short on that. You're also short on people leaving, and you're also short that you're seeing new people come to...to Ka Hale A Ke Ola because of the cost of living and the shortage of rentals?

MS. SADECKI: Correct. Correct on every single point.

COUNCILMEMBER JOHNSON: Okay. Thanks for the clarification, Ms. Sadecki. Thank you, Chair.

CHAIR SUGIMURA: Okay. Members, any other questions? Seeing none. Thank you very much. Oh, Member Paltin?

COUNCILMEMBER PALTIN: Do you know if any of that 608,900 was for any kind of capital improvements as it...like do you have a plan to build back in Lahaina? And was that affordable housing program that you were talking about the Anchor Square location?

MS. SADECKI: So, thank you for that question. The Anchor Square location, which you all know also was...perished in the fire, was something that we were working with the County on, and...that was never purchased. So, thank you for that. The...the affordable housing side is just for our shelter that was in...located in the West Side. And yes, we are working with FEMA currently. We've currently been in that process, and we're looking at what could we do with that same footprint instead of just building it. And the technical term for FEMA is as-built as it was. We want to modify that, and add additional affordable housing to that footprint. So, yes, we are currently working on that.

COUNCILMEMBER PALTIN: And so, if you go...if FEMA does assist you, would...would you need to front the money for reimbursement, or would they front you the money as public assistance, or how would that work for your case?

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MS. SADECKI: My understanding is the first process is insurance payment, the second process will be FEMA, and it's considered as-built. So, that means it would be exactly that footprint that's right behind me, that was our Lahaina facility. And what we're trying to do is do a modification of that. The modification would require additional funding. And yes, we have had some opportunity for capital funding here on the Central location, and we're currently working through CBDG [sic] funding to improve some of our units here on campus.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Okay. I saw Member Kama's hand up.

CHAIR SUGIMURA: Member Kama. Member...oh.

VICE-CHAIR KAMA: Okay. Thank you. Thank you, Chair. Thank you, Ms. Paltin, too. So, thank you for being here, Ms. Sadecki. So, I'm trying to understand, you know. So, FEMA is...is...so, is FEMA...to do the...to rebuild the as-is, but you would want to modify right here, and I'm talking about the Lahaina center. That's what I'm talking about. So, is FEMA expecting you all to front the money to be able to...to build it as-is, and then work out the modifications however, or are they going to be able to pay for the as-is, and then you just have to pay for the modifications yourself?

MS. SADECKI: It would be part B, in answer to your question. So, what we do is we put the insurance money that we've gotten from our own insurance on that property, then FEMA meets us to build it back. Their...their technical term is as-built, meaning the same exact footprint as the one that's right behind me. And if we wanted to make modifications, meaning adding additional supports, whether it be affordable housing, then that would be something in addition that we would be required to...to front money for.

VICE-CHAIR KAMA: So...

MS. SADECKI: I hope that answered the question.

VICE-CHAIR KAMA: Well, so the as-built, so you don't have to put any money up, the insurance company's going to take some of that, and then FEMA is going to cover the rest of that.

MS. SADECKI: Correct.

VICE-CHAIR KAMA: But anything more in addition to that, you have to put up yourself; is that right?

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MS. SADECKI: Uh-huh.

VICE-CHAIR KAMA: Okay. And when do you expect all of this to take place, to...to actually have that rebuilt and so on?

MS. SADECKI: We would like it to be next week, but we also know that they haven't even done the debris removal yet, and we are told that that could take one to two years. And so, in addition to that, then we are looking at the opportunity to...we'll be meeting with architects, and hopefully City Council to kind of guide us, and even the County with regards to the Department of Housing to see what other opportunities we could use that property for. So, I...my guess is only a guess at this point, and heartfelt at best, I'm guessing three to five-plus years...unfortunately.

VICE-CHAIR KAMA: Okay. Okay. Thank you. Thank you, Chair.

COUNCILMEMBER PALTIN: Chair?

MS. SADECKI: Mahalo to all of you.

COUNCILMEMBER PALTIN: I...I got one last question.

CHAIR SUGIMURA: Okay. Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Ms. Sadecki. Did...do you guys have an approved right-of-entry already?

MS. SADECKI: An approved right-of-entry...

COUNCILMEMBER PALTIN: For Army Corps cleanup?

MS. SADECKI: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: Have you . . .*(inaudible)*. . .

MS. SADECKI: No, not yet. We haven't...we haven't done our site visit with FEMA yet.

COUNCILMEMBER PALTIN: Oh.

MS. SADECKI: We've done site...site inspections with our insurance companies, but we've not done the site...the official site inspection with FEMA.

COUNCILMEMBER PALTIN: I don't know that you need a site inspection to sign off on a right-of-entry for the Army Corps of Engineers to remove the debris. You haven't done that?

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MS. SADECKI: Oh, I think we've already done that. Yes.

COUNCILMEMBER PALTIN: And it's...it's --

MS. SADECKI: We've already done that.

COUNCILMEMBER PALTIN: -- approved and signed off?

CHAIR SUGIMURA: Okay.

MS. SADECKI: I believe so. I'll have to double check with that.

COUNCILMEMBER PALTIN: Yes, please do. Thank you.

CHAIR SUGIMURA: Yeah. Okay. Sounds like we need to meet you and hear all that you're doing. There's so much going on with your organization. So, welcome, first of all, from October, and thank you for stepping in to --

MS. SADECKI: Thank you.

CHAIR SUGIMURA: -- this important organization. Any more questions, Members?

MS. SADECKI: I appreciate that.

CHAIR SUGIMURA: Seeing none.

MS. SADECKI: Mahalo everyone. Thank you very much for your time.

CHAIR SUGIMURA: Okay. Please be in touch with us also, and the Department. Thank you.

MS. SADECKI: Thank you.

CHAIR SUGIMURA: Next testifier.

MS. MACDONALD: Chair, the next testifier is Katie Austin, to be followed by Sanoe Kaaihue. Apologies if I mispronounced your name.

MS. AUSTIN: Aloha, Chair. Aloha, Councilmembers. My name's Katie Austin. Thank you for giving me this opportunity. I do wanted [sic] to just speak on the fact that I do believe that we need to prioritize affordable housing in West Maui absolutely, especially Kaiāulu and Pulelehua. We need to get stable housing in West Maui as soon as possible. And the fact that we do have, especially Pulelehua, shovel-ready, and Kaiāulu has plans already done, it could be an

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expedited project as soon as the cleanup is done. I just think that it's imperative that, you know, we've seen, since the fire, Central Maui projects have gone through, and the funding has been there for them, but we need to keep our people in West Maui. People are leaving every day, not only from the island, but from West Maui, and I think when you guys are determining the budget--and I know that a lot of it goes into taxes and income and everything--but when it comes down to people needing to work in these hotels and our economy on the West Side, at the heart of all of that needs to be stable housing on West Maui, right. People are going to start leaving jobs they already have at the hotels and everything if they don't have that stable housing in West Maui, and we've already seen it. And I just want to urge you, especially for our West Side, like the stability of our economic recovery is going to come down to dignified stable housing. And we really urge you guys for West Maui to make a priority. Mahalo.

CHAIR SUGIMURA: Thank you. Any questions for the testifier? Seeing none. Thank you very much. Next testifier please.

MS. MACDONALD: Chair, the --

COUNCILMEMBER JOHNSON: Chair?

MS. MACDONALD: -- next testifier...oh.

COUNCILMEMBER JOHNSON: Sorry. Real quick, can we get Val Janikowski on the list? I don't think she did the raise-hand button. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you. Next testifier.

MS. MACDONALD: Chair, the next testifier is Sanoë Kaaihue, to be followed by Mark Deakos.

MS. KAAIHUE: Good morning, Councilmembers. And you didn't butcher my name, so, fantastic. Thank you, Chair. Thank you, Councilmembers. I've been diligently watching you folks make decisions for the last couple of weeks, and I don't exactly envy you folks for...for doing these cuts and, you know, stating your claims on certain things. However, today I just wanted to share a little bit about sort of my support and sort of my advocacy in the front of supporting our Prosecuting Attorneys. They...they partner with us so well, and they...Andy Martin and the rest of his team have been doing a phenomenal job. Not sure if you're aware that this week was actually Crime Victims' Week, and so we had sort of a candlelight vigil, as well as, you know, some other speakers and things happening in recognition of...of these violent crimes that we're experiencing not just recently, but for many, many years. And so, I kind of urge you folks to maybe think...rethink about pushing some funding back towards the

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Prosecutor's Office. And again, we've been doing many, many trainings with them. Andy is a huge supporter. He always supports the...the victims that we...that we have that come through our agency. But...and again, I know you guys got to make some really difficult cuts, and...and I...I appreciate you. The...the folks that I have spoken to, your Councilmembers, the Councilmembers that I've spoken to privately, you guys have been phenomenal. And so, I think that's it. I just wanted to advocate for our Prosecutors. And if you haven't spoken to them, if you don't know them well enough, please, please, please, have conversations with them. We have some big things in the works for the future in the terms of perhaps more awareness and education for the community. So, thank you folks.

CHAIR SUGIMURA: Thank you very much for being here. Any questions? Seeing none. Thank you very much. Next testifier.

MS. MACDONALD: Chair, the next testifier is Mark Deakos, to be followed by Valerie Janikowski.

MR. DEAKOS: Good morning, Chair Sugimura, Councilmembers. Mark Deakos, West Maui resident. Couple days ago you guys were discussing the OED Green Building Fund and my proposed project, and I'm a little confused where everything is at. I know there were some questions, and I just wanted to clarify some information about our project. For starters, the project is building an affordable home for a Lahaina survivor that meets the living building challenge standard, which is pretty much LEED Platinum on steroids. Nobody thinks it's possible, hence why we're going to demonstrate that it is possible...six months for the design, six months to build, one year for the performance monitoring while occupied to show that it meets the net positive energy requirements, the net positive water, and the health and wellbeing air quality requirements. So, to repeat, it's an affordable home for a Lahaina survivor meeting the 80 percent AMI, remaining affordable in perpetuity. That in itself is a winner, but it's also going to have no utility bill, restore habitat, grow food, and infiltrate all water back into the aquifer. And we're working with UH Maui College to develop educational programs for these design frameworks, and we will make these designs--plans and materials list--available for others who want to build their affordable home. So, yes, it will disrupt, but in a good way. So, we're waiting to hear back from Hawai'i Community Foundation for the bulk of the funding. Still talking with Maui United Way, Lahaina Rotary, and others for funding support. We did apply for the Green Building Grant Fund FY '24 just recently, but do not know if they will fund the project yet. So, I would like to ask that the 56K that Chair Lee wanted to earmark for this project be kept in the Fiscal Year '25 in case the other funding doesn't come through. And that can always be repurposed later if...if we no longer need the funds. Thank you.

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CHAIR SUGIMURA: I'm going to ask you a question, and then maybe the Members have questions also. So, you're saying you applied for a grant, right?

MR. DEAKOS: So, yeah...well, we applied for several grants. We're asking the County to supplement a portion of that. We did learn about the Green Building Fund, that I guess there was money in it, and it had no applicants, the deadline was the end of this month. So, we did apply for that. We don't know if we'll receive that or not. And I think Chair Lee was offering to earmark 56K in the Fiscal Year '25 for this project. So, there was question, well, if we're already getting funded for the Fiscal Year '24, do we really need to earmark it? At this point, we don't know where the funding is...has been allocated or will be allocated.

CHAIR SUGIMURA: Okay. I have one more question, then I'll take questions from the Members. So, how much did you apply for in Office of Economic Development?

MR. DEAKOS: We've applied for 99,000 for the...the Green Building Fund.

CHAIR SUGIMURA: Okay. And you still haven't heard back yet because you just applied?

MR. DEAKOS: Yeah, we just applied. I...I mean I...I don't know. We generally hear back...well, this was Fiscal Year '24. So, yeah, I don't know what their timelines are.

CHAIR SUGIMURA: Okay. Thank you very much for your...all...all that you do for us. Any other questions for Mr. Deakos? Thank you very much. Next testifier.

COUNCILMEMBER PALTIN: Oh, I have a question.

CHAIR SUGIMURA: Oh, I didn't see your hand. And I don't see you on my screen. Okay. Member Paltin.

COUNCILMEMBER PALTIN: So, were you going to go through the process to get the plans design registered?

MR. DEAKOS: Yeah. Are you talking about the pre-approved...the 60-plus pre-approved plans that might go through the County?

COUNCILMEMBER PALTIN: Yeah. So, that like, you know, anyone can just pull them off the shelf and...and utilize them without having to do all the things?

MR. DEAKOS: Yeah. I...I don't know the status of that. I've heard mixed messages, whether that's actually going through or not, but absolutely, we'd want this to be part of the catalogue so that folks can choose, you know, if they want to...a

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net positive regenerative building, affordable home. That could pick that from one of the...one of the plan options.

COUNCILMEMBER PALTIN: And then the other question I had was, we heard from the Budget Director this morning that the Office of OED is already working through and taking applications for Fiscal Year '25. Have you submitted anything for Fiscal Year '25 to the Office of OED?

MR. DEAKOS: I just heard that as well this morning, so I'm not familiar with...with that. I'll have to inquire.

COUNCILMEMBER PALTIN: Do you have any feedback for us on your experience in dealing with these grants with OED?

MR. DEAKOS: I...I...we...I did get a grant when it was Office of Sustainability, the one they...they switched over to Office of Innovation. So, I...I don't...that was the only other grant I've gotten through...I believe that was OED as well. But other than that, I haven't had a lot of experience with the application process.

COUNCILMEMBER PALTIN: Were there any hiccups in the process for that other grant?

MR. DEAKOS: The one hiccup for me I was delayed, the deliverable was delayed. So, I don't...you know, that was probably...that was on my fault. We did...we did get the...the final deliverables, and that was the report I think I sent to all you guys, the 120-page report, for the...how to incentivize living building challenge. So, that was on my part. I think we've sorted out those issues. But yeah, other than that, I don't have.

COUNCILMEMBER PALTIN: So, the...the report was delayed. I think there's a proposal if your report is late, that you don't get funding in the future. Would that be a detriment to you?

MR. DEAKOS: So, we are working through that. There...there...we're working through a process to get a...we asked for an extension in December, but it wasn't within the 30 days. We were late on the extension. So, we're asking to have a--what do you call it?--a backdated approval of the grant extension. So, everything has been completed and done that, it's just to make it compliant, we would have...the Mayor has to sign the letter. So, I don't know what the status is there, but I think we're in...in good standing, or we should be soon.

COUNCILMEMBER PALTIN: Okay. All right. Thank you.

CHAIR SUGIMURA: Thank you very much. Any more questions for Mr. Deakos? Seeing none. All right. Next testifier.

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MS. MACDONALD: Chair, the next and currently last testifier signed up is Valerie Janikowski.

MS. JANIKOWSKI: Hi. Good morning. Can you hear me?

CHAIR SUGIMURA: Yes.

MS. JANIKOWSKI: Oh. Thank you for having me, and thank you, particularly Member Johnson, for supporting us and...and getting my attention this morning. We have...I...I want to testify on behalf of Lānaʻi Kinaʻole. We had written a grant in 2000...August of 2023 we submitted this for the Fiscal Year '25, and it is...we requested \$250,000, and we were awarded 175,000. We...I do realize that there's many things that need to be considered, and many things that need to be funded, but I...I would ask that if there's any chance to increase the award that we...that we were notified of, that would be much appreciated. The money is put to good use. We're providing services for not all of our community, mostly elderly on Lānaʻi, and we're the only licensed home health agency. So, the adult daycare program that we're...we did put in another grant for, which I believe Member Johnson earmarked funds for this past year, is separate and would not include the work that this grant covers.

CHAIR SUGIMURA: Okay. Any more questions, Members? Here's Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Good morning, Ms. Janikowski. Good to see you. Just to clarify, you said that you're...you...can you get specific on what you're doing with the extra money to do home visits for kūpuna on Lānaʻi? Is that...you're doing wound care? What are you doing with the folks that you're visiting?

MS. JANIKOWSKI: So, there's...it's...it varies patient to patient, client to client, but we do an extensive and very specific wound care for a lot of patients. And sometimes that's twice a day for weeks. Currently, we have IV antibiotics that are administered to patients so that they don't have to travel off-island to get that medication, or to stay in the hospital. Additionally, we have other patients that we give immunoglobulin, which is going to help them maintain their immune status for...and it probably would be a treatment that the client will need for a lifetime, but we do that every two weeks, a nurse goes in. And that's a four-hour treatment twice a week, for...two times every two weeks. So, I...I just say those are just some examples of the high-level skilled nursing that's provided. The majority of the work is providing personal care, running errands, doing welfare checks on kūpuna, helping with bathing. I mean there's...we don't...we frequently do not have enough staff to provide enough...the services that people want. And the money is to help us also to...with workforce development, to be able to create more people to work in these jobs.

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COUNCILMEMBER JOHNSON: Great. Thank you so much for your service. So, just to clarify, if those kūpuna don't get those...the services, they would have to travel off-island to do that, you mentioned?

MS. JANIKOWSKI: For the special nursing...nursing skill, either they have to travel off-island, or they have extended stays in the hospital, or they have to utilize the emergency room for something that really is nonemergent.

COUNCILMEMBER JOHNSON: That's...that's very expensive, and...and what a burden because sometimes the ferry gets cancelled or Mokulele...I'll just leave it at that. So, thank you so much for your service, and thank you for your clarification. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. Any more questions for Ms. Janikowski? Seeing none. Okay. Oh, Member Paltin has a question for you.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Janikowski, for your testimony. I was wondering, do you guys...are you able to take Medicare or Medicaid or insurance?

MS. JANIKOWSKI: So...so that's a great question. Medicare, no...and there's many reasons why we have not pursued that. Our intention was to pursue that at the beginning, but we don't have the bandwidth to meet the requirements of even documentation that is required for certification. It wouldn't be worth our time is what we have been advised. The other thing, it...we do have some individual contracts with Medicaid already, and we are providing some services, so there is limited reimbursement we do receive for those.

COUNCILMEMBER PALTIN: And so, if they're not a Medicaid reimbursement, does...does the patient pay at all?

MS. JANIKOWSKI: The patient pays on...

COUNCILMEMBER PALTIN: Is there a copay?

MS. JANIKOWSKI: Yeah, there...there can be copays, it depends on their financial status. We do provide a very, very reasonable fee for...for individuals that don't have insurance coverage. And...and as you may be aware, Medicare really does not pay for in-home care services like this. So, you know, where their national nursing visit might be \$200, we have our base rate at \$75 an hour, but...for a nurse...but we do not even charge that. If somebody can't afford it, it's down to like \$5 an hour or \$10 an hour for a nurse, \$5 for a CNA. So, it...it's based on a sliding scale, and...and nowhere else in the world could you maybe be...be able to get the care for that cost. And we do invoice the clients, but we don't go

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and send them to collections, where...where other places do. But these are our neighbors, and we are trying to take care of our community.

COUNCILMEMBER PALTIN: Does your big neighbor contribute at all, Mr. Ellison?

MS. JANIKOWSKI: Well, thank you for that question. In some ways. We have...we have a...a fair rent expense that we...the lease that we have currently, and they have approached us to support the build of the adult daycare, which has nothing to do with this one, but it is like applaudable for the future. It really means a lot. So, they will be.

COUNCILMEMBER PALTIN: And so, when you said initially your intent was to go for Medicaid reimbursement and like that, that was the reason why at that time you said this was going to be a four-year request, and then you'd come back every year, or no?

MS. JANIKOWSKI: So...so, we've done...we have...we do come back...yes, we do...and because we feel like that this is a service that is valuable and should be considered as valuable for the County to support. It's not just because we're not getting reimbursements. We would not be able to...we're never going to be profitable doing this work, never...hence, the nonprofit status. And honestly, agencies across the nation are closing because they can't get reimbursed adequately for the amount of work that they need to do. And...because there's just a lot of need.

COUNCILMEMBER PALTIN: And like when you said it would be a significant cost to go to a hotel for what is not a hotel expense, have you applied for any State funding or like grant-in-aid or anything for offsetting that?

MS. JANIKOWSKI: We...we do, and...well, we're not...we're not...for our work we have a GIA currently. So, we have some funding. We're not asking for...that...that 250,000 nowhere clears...covers our budget. It's just a portion.

COUNCILMEMBER PALTIN: How much --

MS. JANIKOWSKI: We have other grants.

COUNCILMEMBER PALTIN: -- GIA --

MS. JANIKOWSKI: I'm sorry.

COUNCILMEMBER PALTIN: -- did you get? How much GIA did you get?

MS. JANIKOWSKI: 300,000.

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COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR SUGIMURA: Thank you very much.

MS. JANIKOWSKI: Thank you.

CHAIR SUGIMURA: Thank you very much. Very talented family. Any more testifiers?

MS. JANIKOWSKI: Thank you.

MS. MACDONALD: Chair, there's currently no one signed up. Would you like me to do a last call?

CHAIR SUGIMURA: Yeah, we have someone walking to the podium.

MR. LAW: Hey, James. How are you doing this morning? Chair --

CHAIR SUGIMURA: Is the mic on? Oh, okay. The mic is on.

MR. LAW: -- Kashiwa Sugimura, ohayo. Jasee Law from Waiakoa ahupua'a. Aloha kakahiaka. Aloha kākou. Aloha, *Akakū*. After I arrived on the elevator to a warm embrace from the Maui Police Department this morning, it felt like a slap in the face from the Director of Ka Hale A Ke Ola. I suggest a proviso that \$1 be subtracted from KHAKO's grant every time they use the H word to describe the poor people of Maui. If I knew where the coconut rhinoceros beetle or the red fire ants were coming from, you guys would want to know, right? Well, this is where the H word is coming from. And on the neighborhood church watch up in our community, Chair Yuki Lei, the...there was people praying at both churches this morning. So, that's a good thing. No questions please. Last time I got yelled at for answering questions.

CHAIR SUGIMURA: Any questions, Members? Okay. Seeing none. Thank you. Was that last testifier?

MS. MACDONALD: Chair...

CHAIR SUGIMURA: Oh, go ahead.

MS. MACDONALD: Yes, Chair. There's currently no one else who is signed up to testify. Would you like me to do a last call?

CHAIR SUGIMURA: Yes, please.

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MS. MACDONALD: If somebody would like to testify in the Chamber, please let Staff know, or on Microsoft Teams, please raise your hand. This is final call...three, two, one. Chair, it appears that nobody wishes to testify.

CHAIR SUGIMURA: Thank you very much. Members, with your permission, I'd like to close public testimony and receive written.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR SUGIMURA: Thank you. It is 10:21. We have Managing Director Nishita here waiting to speak to us. I wanted to know if it'd be okay if we take a...like a recess to 10:30, and then have Managing Director come and talk to us. Yeah. It's okay?

COUNCILMEMBER PALTIN: Chair, cannot. We had a big discussion about this the other day.

CHAIR SUGIMURA: Oh. Okay. We'll just leave testimony until we come back then, Members. Okay. So, we can take a break on that. Okay. So, we'll take a break until 10:30, and then we'll start with Managing Director Nishita, as well as we'll get Mr. Bigley and Mr. Fischer on the line. So, this meeting is now in recess until 10:30. . . .*(gavel)*. . .

RECESS: 10:22 a.m.
RECONVENE: 10:59 a.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back to the Budget, Finance, Economic Development Committee. It is now 10:59. And so, are there any testifiers? Thank you.

MS. MACDONALD: Chair, there's currently no one who has signed up to testify. I can do a final call if you'd like.

CHAIR SUGIMURA: Yes, please.

MS. MACDONALD: If somebody would like to testify in the Chamber, please let Staff know, or on Microsoft Teams, please raise your hand. This will be a final call...three, two, one. Chair, it appears that nobody wishes to testify.

CHAIR SUGIMURA: Okay. Members, thank you very much for allowing me to have a little longer recess to get ready for this next section. So, we have Managing Director Josiah Nishita here with us. As you know, yesterday we had both Managing Director and the Mayor...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

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CHAIR SUGIMURA: Oh, we got to close testimony. Okay. Please allow me to close public testimony. No objections?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR SUGIMURA: Okay. Thank you. And so, I'm going to close public testimony, and we'll receive written testimony if needed...oh, always rather.

. . .CLOSE PUBLIC TESTIMONY. . .

CHAIR SUGIMURA: So, Members, continuing. Yesterday we heard from the Mayor and the Managing Director, and today we have a continuation of...of that meeting so that we can hear plans as it would affect the budget in terms of housing, affordable housing and wildfire. So, I really appreciate this fast work that the Mayor and the Managing Director and...and the departments have done to get us to this point today. So, at this time then, I wanted to introduce-- and if you'll allow me to designate as resource for this next portion because I'm going to talk about affordable housing--which is Tom Fischer and Mr. Bigley. Are they online? I don't see them. They are online? Okay. Mr. Fischer and Mr. Bigley, are you there?

MR. FISCHER: Yes, Chair. Tom Fischer is here.

CHAIR SUGIMURA: All right. Thank you very much.

MR. BIGLEY: Yes, Doug Bigley's here.

CHAIR SUGIMURA: Okay. So, you're both here. So now, Mr. Nishita, can you please talk to us about Affordable Housing Fund.

MR. NISHITA: Thank you. Thank you, Chair. Yeah. So, I guess taking one bite of the apple here, we had been having a lot of discussions with the State Legislature, as well as the Members themselves have been having discussions, regarding potential funding for Kaiāulu o Kupuohi. My understanding of what has been passed out by the State did not include any funding for Kaiāulu o Kupuohi. As many of you are aware, we have been working pretty extensively with Ikaika Ohana on the debris removal portion, as well as expediting their permits to get the project rebuilt. I think you...you all are well aware of kind of some of the funding shortfall that's in place right now, and appreciate Doug and Tom being available today if there's any questions. But ultimately, what we've been able to settle on them, and I guess our recommendation would be here today for you folks, is out of the Affordable Housing Fund, a \$36 million loan to Ikaika Ohana that would be subject to basically the same terms as the Rental Housing

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Revolving Fund loan. And it would also include \$3.1 million for acquisition of the land. We would then in turn be the owners of the...of the property. We would execute a lease to Ikaika Ohana for a dollar a year for the term of affordability, which is approximately 65 years. The lease would be nontransferable, and any potential sale of the property at any point in the future would be subject to approval by the Maui County Council. In our residential workforce housing agreement, I believe we already have provisions for a right of first refusal for any potential sale of the property. And my understanding is they're okay with that provision as well. Madam Chair, I think just to try to be cognizant of the Members' times...the time that you have here today, I think that would be my brief remarks on it. Happy to answer any questions. And I guess if I could just get a verbal concurrence for the Members' benefit from either Mr. Bigley or...or Mr. Fischer on what was stated. Thanks.

CHAIR SUGIMURA: Okay. Great. Mr. Fischer or Mr. Bigley?

MR. BIGLEY: We...we...yes, that...that was a summation there. Thanks, Josiah.

CHAIR SUGIMURA: Do you have...

MR. FISCHER: Yes, we agree.

CHAIR SUGIMURA: Can you turn your video on? Is it possible?

MR. FISCHER: I'm...I'm trying.

CHAIR SUGIMURA: Okay. Oh, there. There's Mr. Bigley. And there's...

MR. FISCHER: You have me now?

CHAIR SUGIMURA: Yeah, I can see you. We can see you now.

MR. FISCHER: Okay.

CHAIR SUGIMURA: So --

MR. FISCHER: Perfect.

CHAIR SUGIMURA: -- did you hear...did you hear what Managing Director said regarding your project?

MR. BIGLEY: Yes.

MR. FISCHER: Right. Yeah.

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CHAIR SUGIMURA: And are you in concurrence, and you have any comments?

MR. FISCHER: We concur.

CHAIR SUGIMURA: Okay. Any Members have any questions? Member U‘u-Hodgins?

COUNCILMEMBER U‘U-HODGINS: Thank you, Chair. Can you...can anybody--I'm happy whoever can answer--tell me the status of access to utilities? So, is there water, sewer, electric, any...any of those things? I was trying to get a mental picture of when you guys can start construction.

MR. FISCHER: Sure. Doug, you want me to take that?

MR. BIGLEY: Yeah, Tom. I'll...I'll just backfill . . .*(inaudible)*. . . you're obviously . . .*(inaudible)*. . .

MR. FISCHER: Okay. Yeah, so, we have completed all of our wildfire debris removal. We have received engineering reports that our columns are secure, and...and our deck...we're actually going to be pouring our deck in the next couple of weeks.

COUNCILMEMBER U‘U-HODGINS: Good.

MR. FISCHER: We have access to water, electric, and sewer at the site.

COUNCILMEMBER U‘U-HODGINS: Okay.

MR. FISCHER: We have our building permits that were issued back in December, and we are ready to go vertical as soon as we receive the funding confirmation.

MR. BIGLEY: I...I think it's . . .*(inaudible)*. . . We're actually build...we're actually onsite right now, so we're...we're fully mobilized. So, we're waiting...we're not even waiting, we're...we're pushing forward as far as we can go, which...it's a funding issue right now. But we're still actively on the site for the next couple of weeks, and hope to be able to wrap something up here, and then County can...it would be a continuation. We hope . . .*(inaudible)*. . . I'm sorry.

MR. FISCHER: Our...our...our goal is to try...our timing schedule, if you will, was to try to bring those 89 units back to Lahaina, June of 2025. And as...as it stands today, to Doug's point, we've continued beyond just fire removal or remediation work. We've...we've conducted demo. We've said we have engineers onsite to make sure that our...our structure that survived the fire...the part of the structure...the infrastructure was there. So, yeah, literally, if we can get started, we'll bring those 89 permanent homes back to Lahaina next summer.

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COUNCILMEMBER U‘U-HODGINS: Okay. Thank you very much. Thank you guys for being with us this morning, I appreciate it. Thank you, Madam Chair.

MR. FISCHER: Thank you.

CHAIR SUGIMURA: Thank you. So, Members, I’m going to go in order. Member Cook, followed by Member Rawlins-Fernandez, Member Johnson, Member Paltin, Chair Lee, Member Kama, Member Sinenci.

COUNCILMEMBER COOK: Okay.

COUNCILMEMBER PALTIN: Chair, I don’t have any questions. I’m supportive.

CHAIR SUGIMURA: Okay. Great.

COUNCILMEMBER COOK: Thank you...

CHAIR SUGIMURA: Member Cook?

COUNCILMEMBER COOK: Thank you, Chair. My question for Mr. Bigley, we...a couple of weeks ago when we discussed the budget and went down, and there was like a hard-cost contingency of like 6.8 million, and I questioned that, and you...you clarified that it was basically in case. So, my question is, any chance the County will benefit from any cost savings through the construction process if some of the...some of your conservative projections turn to be overly conservative?

MR. BIGLEY: Yeah. And I...I think that the way to...to handle that would be to document that. We could document that in the . . .*(inaudible)*. . . documents, right, that savings would . . .*(inaudible)*. . . to the...to the County. We’re fine with that. I mean we don’t want a dollar more than we need either.

MR. FISCHER: Right.

COUNCILMEMBER COOK: Okay. No, thanks. So, very supportive --

MR. BIGLEY: Yeah.

COUNCILMEMBER COOK: -- of the project, and also, I think you’ve realized through this process just how tight funding is. And so --

MR. BIGLEY: Oh, yes. Oh, yeah.

COUNCILMEMBER COOK: -- any...anything to get back will not only benefit the community, but will also make you guys look good.

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MR. BIGLEY: Yeah, I know. But...but...but to be honest with you, sometime down the road we could be beneficiaries of the savings too because we do plan to...we're not leaving West Maui. So --

CHAIR SUGIMURA: Okay.

MR. FISCHER: We're staying.

MR. BIGLEY: -- we're...we're going to hang around.

COUNCILMEMBER COOK: Thank you, Chair.

CHAIR SUGIMURA: Thank you, Member Cook. Next, we have Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So, I just wanted to confirm that I got the numbers correct. And mahalo, Managing Director, for the update, and Mr. Bigley and Mr. Fischer for being with us and for your continued work on this. So, 36 million loan for the construction, 31 [sic] million for the land acquisition, and a dollar a year to lease to Ikaika Ohana to manage?

CHAIR SUGIMURA: 3.1.

MR. FISCHER: It's actually 3...3.1, I think, for the land.

COUNCILMEMBER RAWLINS-FERNANDEZ: 3.1.

MR. FISCHER: 3.1. Yeah, so, 36 million loan, 3.1 for the land.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. FISCHER: And then a lease back for the 65 year for a dollar a year.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. Staff is letting me know that it was emailed. I didn't see it, sorry.

MR. FISCHER: Oh, okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. That's all.

CHAIR SUGIMURA: That's it? Okay. Next, Member Johnson.

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COUNCILMEMBER JOHNSON: Thank you, Chair. Members, as you know, this was one of my priorities, and I've been trying to work with Ikaika Ohana as much as I can to make...just sort it out. I...two days after the fire, I sent Doug Bigley and his team pictures of...of the fire, of...of his property, and I called him. And this is what needs to happen. And I know the...I know money is tight, but also the timeline for this project is super tight. So, I just want to thank everybody involved. And I don't have any further questions. Full support. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Paltin, you have no questions and you support, right? Okay. Chair Lee?

COUNCILMEMBER LEE: Okay. Mr. Fischer, what's the total cost of the project?

MR. FISCHER: I...I didn't have that with me. I think it's 84 million, Doug? You're on mute I think, Doug.

MR. BIGLEY: I'm sorry. Let me take...should I take that one, Tom?

MR. FISCHER: Yeah, yeah.

MR. BIGLEY: The original project was 64, this is 80.

COUNCILMEMBER LEE: Okay. Now it's 80. It is...it was 64 million, but now it's 84 million. Okay. And then...

MR. BIGLEY: 80. 80 million.

MR. FISCHER: Sorry. Yeah.

COUNCILMEMBER LEE: 80 million. 80 million.

MR. BIGLEY: It's from...

COUNCILMEMBER LEE: And your estimated annual income?

MR. BIGLEY: Oh, I'll...I'll...I'll get that...I'll have to get that for you. Let me...let me pull that up before you. Go get my computer, please. It's on my desk. I'll have that for you before the end of this call.

COUNCILMEMBER LEE: And the \$36 million loan, is...is it due in 60 years?

MR. BIGLEY: I think it's...it's...it might be shorter than the...it might be shorter than the lease term because I think the...it's under the same HHFDC documents. I think that might be 55 or a 60-year loan, something like that.

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COUNCILMEMBER LEE: 55- to 60-year loan?

MR. BIGLEY: Yeah. I think the affordable period goes a little longer.

COUNCILMEMBER LEE: Okay. And then...so your only cost to the County would be a dollar a year for 60 years?

MR. BIGLEY: Correct. And the...and the cash flow...whatever cash flow portion they get during that period.

COUNCILMEMBER LEE: Oh, what cash?

MR. BIGLEY: What happens...well, because you're...you know, and you'll participate in the cash flow at some...to some degree. And then when your permanent loan falls off, then that loan will now . . .*(inaudible)*. . . to the soft lenders. You have the State and the County.

COUNCILMEMBER LEE: Okay.

MR. BIGLEY: Makes sense?

COUNCILMEMBER LEE: So...no, but anyway...the --

MR. BIGLEY: Okay.

COUNCILMEMBER LEE: -- the...we are going to participate in receiving revenue from your annual income from the rentals?

MR. BIGLEY: Uh-huh.

COUNCILMEMBER LEE: Okay.

MR. BIGLEY: Correct.

COUNCILMEMBER LEE: What percentage will that be?

MR. BIGLEY: Well, that's what we're...I...I suspect that the State will maintain its first priority, that you will...that they, I believe, get 50 percent of the cash flow; you guys would receive 25 percent of the cash flow; and then we get 25 percent of the cash flow. And then when the State is repaid, you will get, you know, the 75 percent of the cash flow, and then...then we maintain our interest. And then at the end of the term, whatever we do...you know, you sell or not sell or keep, it's up...it's up to this...at that point, your interest is in the land. Like I was

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saying earlier, the land today is probably worth in the neighborhood of 20-some odd...about 20 . . .*(timer sounds)*. . . mil today.

COUNCILMEMBER LEE: Okay. This is...sounds very complex because it...the land is worth --

MR. BIGLEY: It is.

COUNCILMEMBER LEE: -- 20 million, but we're paying 3.1 million.

MR. BIGLEY: Correct. Because the State...the State has 17 into the land.

COUNCILMEMBER LEE: Oh, I see. I see.

MR. BIGLEY: And the 3 . . .*(inaudible)*. . . the land. And so, that's the total of the land.

MR. FISCHER: Yes. Really it's land and improvements, right, that we have the...

MR. BIGLEY: It's land and improvements we have.

MR. FISCHER: Yeah.

COUNCILMEMBER LEE: Okay. So, the State...this is a three-way agreement with the State, the County, and you?

MR. BIGLEY: Correct.

COUNCILMEMBER LEE: Okay.

MR. BIGLEY: Right.

COUNCILMEMBER LEE: All right.

MR. BIGLEY: It's a three-way agreement.

COUNCILMEMBER LEE: Yeah. And I still be interested in knowing your annual income, okay, when you have time.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER LEE: Thank you.

CHAIR SUGIMURA: Thank you. Next, we have Member Kama, followed by Member Sinenci.

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VICE-CHAIR KAMA: Thank you, Chair. I just have a real simple question. Is the 36-year loan, is it an interest-free loan?

MR. BIGLEY: It is a...interest-free during the construction period, and then I believe it's a .25 percent rate...you know, the quarter based...a quarter...25 basis points...

MR. FISCHER: A quarter percent, yeah.

MR. BIGLEY: Sorry.

VICE-CHAIR KAMA: Until the end of the loan?

MR. BIGLEY: Uh-huh.

VICE-CHAIR KAMA: Okay. Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Okay. Member Sinenci?

COUNCILMEMBER SINENCI: Mahalo, Chair. And aloha, Mr. Bigley and Mr. Fischer. So, just clarification. The State's involvement with the project is the 17 million for the acquisition of the property?

MR. BIGLEY: I'm going to restate that, but I believe the way we're doing it is the State still has their loan in play, and that the acquisition of the property will be the County's property.

COUNCILMEMBER SINENCI: Oh, okay. All right. Thank you for that.

MR. BIGLEY: Because they're not putting . . . *(inaudible)*. . . funds in, you are. We . . . *(inaudible)*. . .

COUNCILMEMBER SINENCI: And then the...the percentages from your revenues would...would be equally between the...the County and the State?

MR. BIGLEY: The State would be 50, the...excuse me. Yeah. The State, I believe...I'm going to...the State would be...I want to get this all to Josiah because . . . *(inaudible)*. . . that the State used originally, but I believe they took 50 percent of the cash flow, the State. So, we're saying we'll split our --

MR. FISCHER: Half.

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MR. BIGLEY: -- remaining with the County, 50/50, so that's 25 to 25, and then once the State is satisfied, then the...the County would pick up the 75. Does...does that...you know what I'm saying? It is complicated like...

COUNCILMEMBER SINENCI: Yeah.

MR. BIGLEY: But we're going to split --

COUNCILMEMBER SINENCI: Okay.

MR. BIGLEY: -- our revenue with the County. The State still gets their 50, so we'll split half of what we're getting, 25/25, and then when they burn off...when they're done and we've repaid them, then you would...you would receive . . .*(inaudible)*. . . And then you would have the land. The land would be owned by the County. They would have that piece.

COUNCILMEMBER SINENCI: Okay. And then for Mr. Nishita, would the 3.1 million for acquisition also come out of the Affordable Housing Fund, making it a total of 39.1?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Sinenci, for the question. Yes, that's our recommendation at this point. Thanks.

COUNCILMEMBER SINENCI: Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. Boy, things happen fast, huh, Mr. Nishita. Thank you very much for bringing this forward. I know it's on everybody's mind as we've been going through budget. And we have heard from Mr. Bigley and Mr. Fischer, so thank you for spending days with us as we, you know, talked about...other days with us as we talked about this. So, you will then move this project forward as you described, where you're already doing construction here and now...I think when you spoke to us earlier, you were talking about your lenders or other banks that you needed to point to something to say that you got the funding done. So, where are you with all of the other cash and your partners on this project?

MR. BIGLEY: We have...the cash is sitting...you know, the...we've been spending some of the cash for the...the cleanup, you know, to get through the cleanup, but we have additional funds in the...in the...in the bank. You know, we had...we collected the 40...about \$40 million that's sitting in the bank and insurance waiting to be deployed. If I can get some comfort from the County, you know, where I...something I can point, I think that they would release a bit more of the money to us so that we can keep building while we're waiting to paper this deal. That's my goal, is to keep pushing forward as we're papering it. So, I just really would like somebody to be able to put it someplace where I can just kind of

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point to it and say see, these guys really do mean business, they're going to back us. If you guys would just let me keep building --

CHAIR SUGIMURA: Okay.

MR. BIGLEY: -- I would love that. That would be my . . . *(inaudible)* . . .

CHAIR SUGIMURA: I...and I guess --

MR. BIGLEY: Thank you.

CHAIR SUGIMURA: -- you're going to...Managing Director will work out what that document is. We...sound like we need to have something legal for Mr. Fischer and Mr. Bigley?

MR. NISHITA: Thank you, Chair. I mean if...if the Committee, I guess, decides to include it today, then we can talk about maybe some type of correspondence. But I think --

CHAIR SUGIMURA: Okay.

MR. NISHITA: -- ultimately, the...I...I believe probably what the investors or whatnot are looking for is like your actual bills getting posted for like first reading, and then passage on that for second reading, and whatnot. I think that would provide more certainty, but we can certainly help to provide whatever correspondence in the meantime as the facts remain.

CHAIR SUGIMURA: Okay. All right. And...yes.

MR. BIGLEY: Just to add to that one second. I think if some...if there's a resolution or something you could . . . *(inaudible)* . . . to be available to the . . . *(inaudible)* . . . I do know that the...that the investors have a...there's a high level of County credibility with our current investors, especially, you know, we use Bank of Hawai'i. So, I think anything that comes out of the County and . . . *(inaudible)* . . . they will take seriously.

CHAIR SUGIMURA: Okay.

MR. BIGLEY: So...

CHAIR SUGIMURA: So, Mr. Nishita, you'll work on that with the...Mr. Bigley and Mr. Fischer. We could assist in any way.

MR. NISHITA: Yeah, thank you, Chair. If the Committee does decide to...to put this in, then we will work with them. Thank you.

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CHAIR SUGIMURA: Okay. Very good. Members, you have any other questions regarding this? Ms. Paltin?

COUNCILMEMBER PALTIN: So moved.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Oh, what did you say? So move? Oh . . .*(laughing)*. . . okay.

MS. APO TAKAYAMA: Chair, can Staff just clarify? I don't know if all the Members had a chance to take a look at the last couple of pages of Managing Director's transmittal, and it is number 211 on Granicus. But the...in order to ensure that we have the funds for these proposals, we are also proposing that the estimated balance of 6/30/2024, as discussed previously by the Budget Director, is revised, which then also amends the total for FY 2025. So, can we just...is it possible to add that to the motion as well?

COUNCILMEMBER PALTIN: So moved.

MS. APO TAKAYAMA: Thank you.

COUNCILMEMBER PALTIN: Friendly amendment.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay. Motion made by Member Paltin, second by Chair Lee. So, this is...just so we get this correct, can you please repeat this, James? It's so important.

MS. APO TAKAYAMA: Yeah. So, this would be amending the estimated balance as of June 30th, 2024, for the Affordable Housing Fund to...from 29,946,178 to 767,090, which then brings the total for FY 2025 to 47,649,157. And then the proposal is to condition up to 36 million, must be for a loan to Ikaika Ohana for the Kaiāulu o Kupuohi project, consisting of 89 units located at 258 Kupuohi Street in Lahaina, Maui, Hawai'i; and up to 30.1 [*sic*] million must be for the acquisition of 258 Kupuohi Street in Lahaina, Maui, Hawai'i, subject to a lease agreement with Ikaika Ohana, and we'll correct that spelling.

COUNCILMEMBER PALTIN: That's what I said.

CHAIR SUGIMURA: And that's nontransferable, right?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

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UNIDENTIFIED SPEAKER: Yeah.

MR. NISHITA: Madam Chair, I mean if --

CHAIR SUGIMURA: Yes.

MR. NISHITA: -- the Council wants to...you know, of course you can put whatever language you want in the proviso, but our intention in...in the lease agreement to Ikaika Ohana as concurred to by them is to put that language --

CHAIR SUGIMURA: Okay.

MR. NISHITA: -- in at that time.

CHAIR SUGIMURA: Okay. So, that's not important to...to be with us. Any more discussion, Members? Chair Lee?

COUNCILMEMBER LEE: So, the exact amount that we are looking at, at this point, is \$39.1 million? Okay.

CHAIR SUGIMURA: Yeah, 39.1.

COUNCILMEMBER LEE: And all of that is coming from the Affordable Housing Fund?

CHAIR SUGIMURA: Yeah. So, the balance is 40,79...40...\$40,079,157.

COUNCILMEMBER LEE: After the...taking out the 39?

MS. APO TAKAYAMA: After you take out the 39, you would be left with 979,157.

COUNCILMEMBER LEE: A little less than a million dollars.

CHAIR SUGIMURA: Yeah. Okay.

COUNCILMEMBER LEE: Just wondering if...if the money for the land has to be paid right away? I can see the construction money...has to be paid right away?

CHAIR SUGIMURA: Yes, Managing Director?

MR. FISCHER: Can I ask...can I ask a question about the numbers, just real briefly?

CHAIR SUGIMURA: Sure.

MR. FISCHER: I thought I heard that the balance was going to be 47 million, and we're taking off 39.1. I'm not quite sure --

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COUNCILMEMBER PALTIN: We already --

MR. FISCHER: -- how...

COUNCILMEMBER PALTIN: -- conditioned --

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: -- a couple other things for West Maui.

MR. FISCHER: Oh, sorry. Okay. All right. Okay. Sorry.

CHAIR SUGIMURA: Okay. Let's continue --

MR. FISCHER: Thank you.

CHAIR SUGIMURA: -- that discussion. Mister...Managing Director?

MR. NISHITA: Thank you, Chair. I mean I guess that's really up for the Council's consideration. I...I am pretty sure--and maybe Doug and Tom can concur--but I'm pretty sure that they would also accept the loan without the sale of the property. But that's up to you folks to decide. Our recommendation is to include the 3.1 for acquisition, and the 36 for a loan.

CHAIR SUGIMURA: Okay.

MR. NISHITA: Thank you.

COUNCILMEMBER LEE: Thank you.

CHAIR SUGIMURA: Okay. Members, any more discussion? You heard the motion. Yes, Mr. Nishita?

MR. NISHITA: Thank you, Chair. I just wanted to make one just disclosure for Council. Just for your awareness, it doesn't relate specifically to this deal, but since some of you are already aware, since I have had the opportunity to talk to some of you, and I believe Ikaika Ohana may have as well, but the Administration is currently working with them to submit a proposal to Council on development of our Lānaʻi parcel, as well as the Nāpili parcel that we own. So, I just wanted to disclose that...for the record, that we are working with them on some other transactions, just so you know that in regards to the funding that you're providing, you...you know the full scope of what's out there. Of course, those agreements will come to Council for your review and approval,

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and of course, you are able to up or down that at that time. But just for full disclosure purposes, wanted to let the Council know. Thank you.

CHAIR SUGIMURA: So, Mr. Nishita, just curious then. Were you planning on sending that to us for this upcoming fiscal year, that we only have not even less...less than a million dollars?

MR. NISHITA: Thank you, Chair. I think this has been brought up in previous meetings. The...we did apply for Federal funding for the Lānaʻi project, and we did work with Tom and his team a bit to get some numbers for the...the Federal funding application. And we'll...we'll come to Council later for further consideration if funding is needed, but specifically what I'm talking about is essentially a developer agreement to develop the property that we own. That's what I was referencing. Thank you, Chair.

CHAIR SUGIMURA: Okay. So, more news ahead. Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. Yeah, you know, I totally support this. Once again, this was one of my priorities. The other priority, that's not on any paper or anything, we want to prioritize the folks who were living in there beforehand, and I know the State pushed a little bit against that idea, and I'd like to hear from Mr. Bigley or Mr. Fischer if...can we get some of those folks who were living in those units before the fire, get them to have some form of priority? The...the idea that they just got in, they just got the keys, and then the whole thing burned down. It just...it's like a double...a double tap, a double whammy. We don't want to traumatize folks any more than they have been. So, I totally support this project 100 percent, but is there any way we can get the folks in there that were in there before?

MR. FISCHER: So, I will tell you that I've worked with the State, and also with Saumalu at the County. We...we did...because you know, Gabe, that you came to at least one of those meetings that we had, and our...our people are hurting. You know, they...through a tragedy in Lahaina for certain, but they all would like to be able to just go over and move into Kukuia. We would totally support that. I know a lot of you on this call probably totally support as well. The State has now informed us that really, they're okay if we wanted to do that with having a priority for Kukuia...from Kupuohi residents to move to Kukuia.

COUNCILMEMBER JOHNSON: That is such great news, Mr. Fischer. You know...

MR. FISCHER: Well, I'm not done.

COUNCILMEMBER JOHNSON: Oh, okay. Okay.

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MR. FISCHER: Let me finish. I was there too. But apparently, when Saumalu checked with the Corp. Counsel for the County of Maui, the response came back that the...they did not feel comfortable having a preference for the Kupuohi residents. Rather, they would suggest a preference for any of the wildfire victims as a first priority for a...for a lottery, and then the second priority would be basically any other applicant. So, we didn't end up with...

MR. BIGLEY: Tom? Tom . . .*(inaudible)*. . . I'm just going to say this.

CHAIR SUGIMURA: You broke up, Mr. Bigley.

MR. BIGLEY: That...

MR. FISCHER: You're breaking up, Doug. Your mic...

MR. BIGLEY: . . .*(inaudible)*. . . If you can hear me with...what affects today is, if we can get Kupuohi...you know, when this Kupuohi gets approved, our stress is going to go down a bit. Because all I'm trying to tell you, Tom, is if we get Kupuohi, we're going to have 200 units across the street that are going to be for the fire victims, and we'll have a lottery. But if anybody that lived in Kupuohi doesn't make it, if we have --

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

MR. BIGLEY: -- Kupuohi open up, they're going to have a home, and I can tell --

MR. FISCHER: Yeah.

MR. BIGLEY: -- them that --

CHAIR SUGIMURA: Okay.

MR. BIGLEY: -- once this money gets approved. So, I think we're okay after today, I think --

MR. FISCHER: Okay.

MR. BIGLEY: -- if this goes forward. . . .*(timer sounds)*. . . Okay.

COUNCILMEMBER JOHNSON: I'll take it. My time's up. We want to give hope to our...our folks. Thank you, Chair.

MR. FISCHER: Yeah.

CHAIR SUGIMURA: Member Paltin, then Member Kama.

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COUNCILMEMBER PALTIN: I just wanted to clarify with Mr. Nishita, that's the 50 acres in Nāpili that I wanted you guys to start grubbing and grading like right after the fire?

CHAIR SUGIMURA: Mister...Managing Director?

MR. NISHITA: Thank you, Chair. Yes, that's the property we're talking about. We have been working with them for some time now, and they have a, I guess, proposed site plan and whatnot. There are some timing constraints with the HHFDC funding, LIHTC funding availability and whatnot, that we'll talk with further...further with Council about at that time. But...but yes, it is that 50-acre parcel. Thanks.

COUNCILMEMBER PALTIN: Awesome.

CHAIR SUGIMURA: Hallelujah.

COUNCILMEMBER PALTIN: And...and it could...it could include park, like a walking loop, and maybe some like ag park areas for community garden...and so, you get the whole package. You get the park and the housing.

MR. NISHITA: Thank you, Chair. I believe, and --

MR. FISCHER: Correct.

MR. NISHITA: -- and of course, it's a proposed site plan. Essentially what we asked them to do was to kind of replicate the Kukuia multifamily housing project since there was already plans developed and whatnot to do it as quickly as possible. Maybe Tom could correct me if I'm wrong, but I believe there's a...maybe about 300 units or so could be accommodated on the property, and it would still include about a nine-acre part of that for a park, I believe, in the...in the proposed plans.

MR. FISCHER: Yeah. Josiah, that's exactly right. It's like 360 units. We'll have community centers...two...two community centers, laundry room...laundry buildings, and a...I think, it's a little over nine-acre park.

CHAIR SUGIMURA: All right. Okay. We want to go to the vote? Oh, I do...I see Chair Lee.

COUNCILMEMBER LEE: Just a quick question --

VICE-CHAIR KAMA: Wait.

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COUNCILMEMBER LEE: -- on this...

CHAIR SUGIMURA: Oh, I'm sorry.

COUNCILMEMBER LEE: Okay. Sorry.

CHAIR SUGIMURA: Member Kama? Member Kama?

COUNCILMEMBER LEE: We have a Councilmember, wait.

CHAIR SUGIMURA: Sorry, Member Kama.

VICE-CHAIR KAMA: Thank you.

CHAIR SUGIMURA: Member Kama?

VICE-CHAIR KAMA: Thank you, Chair. So...so, actually, Chair, I guess this is for you. I'm...I don't understand why the people who were living there, there was a fire, they had to move out somewhere, and that they just can't come right back. You know, I...I'm not clear about that. So, I'm not sure, but I think we should address that at some point in time. And I know that that is not on our agenda, but I'd like to be able to talk about that at some point in time.

COUNCILMEMBER PALTIN: Member Kama, they --

VICE-CHAIR KAMA: Because it doesn't make sense.

COUNCILMEMBER PALTIN: -- can go...they can go --

VICE-CHAIR KAMA: Thank you.

COUNCILMEMBER PALTIN: -- back. What I think Member Johnson and Mr. Fischer were talking about is because the one across the street would be finished earlier. But they can go back to the...the Kukuia. There's no problem--I mean Kupuohi--there's no problem with that. What they were talking about was giving them priority on the one across the street because that --

VICE-CHAIR KAMA: I see. Okay. Okay.

COUNCILMEMBER PALTIN: -- would be done a little bit before.

VICE-CHAIR KAMA: Sooner than...yeah.

MR. FISCHER: Yeah.

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VICE-CHAIR KAMA: Okay. Okay. Thank you, Chair. Thank you for clearing that up, Member Paltin.

CHAIR SUGIMURA: Okay. Very good. Chair Lee?

COUNCILMEMBER LEE: Clarification on a comment made by Managing Director Nishita. So, you talked about Nāpili, and that sounds like a fantastic project, but how far out would that be? I mean, you know, ground hasn't been broken, land use hasn't...land use approvals need to be achieved. So, if you're looking at the completion of that project, how far out into the future we're looking at?

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: Thank you, Chair. I mean ultimately, I'd defer to Tom on a lot of those specifics, but I believe the plan is to go in for LIHTC funding in February of this coming year. But Tom, maybe you can elaborate a little bit on the question.

MR. FISCHER: Sure. That's exactly right. We are in the midst of having the property surveyed for land use. We have to submit for land use approval. We will then go February 2025 and submit the property for, you know, LIHTC credits. And, you know, the...the State's sort of timeline has kind of traditionally been apply in February, they allocate sometime in July or August. It'll be a bond transaction due to the size, and we'll probably...we would hope to break ground on that, you know, the end of 2025 --

CHAIR SUGIMURA: Wow.

MR. FISCHER: -- to maybe January/February 2026. That's...that's what the timeline for...for breaking ground would be. I think that project will take us probably around 22 months to complete.

COUNCILMEMBER LEE: So, occupancy around 2028?

MR. FISCHER: Yes, early 2028.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR SUGIMURA: Wow. All this exciting news, and we're going to take a vote, Members.

VICE-CHAIR KAMA: Yeah.

MR. FISCHER: We didn't even talk about Lahaina...or Lānaʻi.

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CHAIR SUGIMURA: We got kind of sidetracked. So, let's stick to it, and we got to get Member Paltin in her seat to vote. All right. Members, any more questions regarding the Lahaina project? Nāpili/Lānaʻi is good discussion. All in favor, Members, raise your hand and say "aye."

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Aye.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

CHAIR SUGIMURA: Okay. Nine "ayes." Motion carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE

MR. FISCHER: Mahalo, everyone.

CHAIR SUGIMURA: Mister...

MR. BIGLEY: . . . *(inaudible)*. . . and I know this...you probably heard this, but you made a lot of families very happy today . . . *(inaudible)*. . .

CHAIR SUGIMURA: Mr. Bigley, Mr. Fischer, so, first reading for us is May 21st on this...on this item, our first reading. All right. And we'll work with you, Mr. Nishita, to see us through this, and thank you very much for being here. Next. I wonder if you would like to then talk about this letter that you just passed out to all the Members. It is on Granicus. It must be the last item on Granicus? 211 on Granicus. And this is regarding the negotiations or

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the...what the State and the County have been in discussions with--and Mr. Nishita--for wildfire relief, for CIP.

MR. NISHITA: Thank you, Chair. Yeah. So, Conference Committee passed some things out yesterday...yesterday afternoon. It included the...what the Senate and House conferees are proposing for funding to Maui County. They included 60...roughly \$63 million in general obligation reimbursable bonds to the County, and the County would be required to pay the interest payments on the bonds, as well as reimburse the State for the proceeds of those bonds. We had a brief discussion yesterday morning about it while Mayor was here to explain...explain to you folks why, you know, the revised request was submitted to take into account some of the considerations, as well as indicating a request to remove the interest payment provisions. As we noted yesterday, the State's bond rating right now is lower than the County of Maui's bond rating, which does translate to a higher interest rate on payments. What we had relayed to the Ways and Means Committee very early on was that the County would be open to a reimbursable structure, such that any payments received from FEMA for these public assistance projects could be reimbursed to the State, but any reimbursements not received would be borne by the State. So, the...the structure that has been set up that is likely to pass the House and Senate is essentially borrowing...issuing a bond on behalf of Maui County, that's essentially what it is, with a higher interest rate than we currently experience. So, our recommendation at this time is...and...and we have relayed to multiple legislators that previously to the...to the vote that we wouldn't be able to...it wouldn't be financially prudent to take more expensive money than what the...the County, you know, is already obligated to. So, we did come up with a proposed plan based on an assumption that there's no assistance provided by the State. We do plan to reach out to the Governor's Office because a few legislators had relayed to us that they believed that there was sufficient funding in the Major Disaster Fund to fund Maui County's recovery efforts. And so, we will make that request. Previously--of course, this was a while back--but previously, when we did have some conversations about that, our understanding was all the funding that was requested was already itemized for other budgetary priorities. So, our anticipation is that there isn't additional funding available, but we will make that request to the Governor. For...for your folks' budgetary purposes, there are a lot of ways...and I apologize, I didn't realize the history that you guys had the day before I made the comment, but there's a lot of different ways to do things. So, I got educated as to what transpired the day before, but there's a lot of different ways to do things. So, this is...this is a proposal for your folks' consideration on how we can get this done. And maybe, Chair, I'll start with...before I kind of get into it, I'll let the Members know as a part of this overall proposal, we are freeing up about \$7-1/2 million of cash to fund what you folks have already prioritized as additional adds to the Mayor's Budget. So, we'll get into that as we go along,

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but before everybody starts having a whole bunch of questions and everything, just to throw that out there that that is wrapped into the overall request.

COUNCILMEMBER PALTIN: Can I clarify something he just already said before? You know, when you said that you're going to make the request to the Governor, you're going to do that in writing as well as orally, right? Okay. Just saying...

MR. NISHITA: Yeah, Chair, for the record, yes. Thanks.

CHAIR SUGIMURA: Okay. So, you know, before Mr. Nishita describes this, do you all want to read his letter?

COUNCILMEMBER PALTIN: Oh, we did...or I did.

CHAIR SUGIMURA: You all did? Okay. Okay. Very good. Please proceed.

VICE-CHAIR KAMA: I read it.

CHAIR SUGIMURA: Very good.

MR. NISHITA: Thank you, Chair. Okay. So, unfortunately, it's a little complicated because we're moving all different kinds of money around, and there's funds going to different pockets. So, I...I will try to be as methodical on this as...as I can, but please feel free to stop me along the way. As you folks know, in our original, you know, allocation in the budget, there was a--that we're going to have to reallocate--there was 130.95 million that was slated in State funds or grant funds, and 14.55 million in cash, and this is on the...on the CIP side. So, what we're going to do is essentially redirect those monies to other areas. The first item that you can see on the letter regarding an increase to the Maui Emergency Management Agency operating and equipment category of 14 million, previously we had budgeted \$20 million for security that's in Maui Emergency Management Agency's budget, and it was to be paid for by State grant funds. So, we had made that request to the State. Obviously that request didn't come through. Since we submitted the budget, a...a new RFP was issued, and bids have come back already, and my understanding is that there's a possible bid protest at play that we're dealing with. But the \$14 million is a reflection of both what we anticipate the actual cost to be now that we have bids in, as well as a revised time frame, given USACE's progress and our infrastructure folks' progress on debris removal. So, our anticipation is that security would not be needed, you know, once debris removal activities are complete and the streets have been restored and whatnot to the public. So, that's how we come up with the 14 instead of the 20. And to essentially fund that \$14 million, instead of grant funds, we're taking the 14 million from cash, from the CIP projects that was allocated earlier.

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COUNCILMEMBER PALTIN: Chair?

CHAIR SUGIMURA: Member Paltin?

COUNCILMEMBER PALTIN: So, basically the RFP went out, and some bids came in, but you haven't selected a vendor yet?

MR. NISHITA: Thank you, Chair. My understanding is that a vendor was selected, and at transition a different vendor was selected than the one who was previously doing it. My understanding is there's a transition period happening right now, but that there was at least one bid protest on it. So, we'll have to see how that kind of plays out. But yeah, my understanding is a vendor was already selected.

COUNCILMEMBER PALTIN: And I'm not sure if you were at all the community meetings, but one of the concerns that had popped up at the neighborhood meeting that we had was when the Habitat folks were building their houses, frequently their supplies were getting ripped off, like windows, lumber, and stuff like that. So, people were concerned like, you know, once the debris cleanup portion is finished, and they start putting the supplies to rebuild their...their homes, they were a little bit concerned about the security if...if people start to rip off their stuff. So, you're saying there won't be any security beyond when debris removal is finished?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Paltin, for the question. Right now, how the security operates is basically limiting entry and exit from the impact area. Obviously when properties have been cleared and then returned to property owners, the legal authority to keep closing off roads and public access diminishes.

COUNCILMEMBER PALTIN: Ends. Yeah.

MR. NISHITA: And so, right now, the security that we're paying for is on that access control. So, there hasn't...and I'm not aware that it's in the RFP to do like private security amongst individual properties for private --

COUNCILMEMBER PALTIN: Yeah.

MR. NISHITA: -- property owners.

COUNCILMEMBER PALTIN: Because some people went back to their houses and found homeless...or houseless people living in their house, despite the perimeter security.

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MR. NISHITA: Yeah. So, Chair, I mean I guess if there's a desire from Council to extend the security provisions, I mean we'd need to talk with MEMA about the contractual...what's possible contractually given the RFP that was issued. But you would need to add roughly about \$1.6 million a month if...for the existing contract if you would like to extend that. The current budget we have out there is for about seven months with some contingency, assuming that USACE completes by the end of January.

COUNCILMEMBER PALTIN: So, by the end of January, that's their new timeline?

MR. NISHITA: Yeah. And...and actually, they're even ahead of schedule. So, we anticipate it will be before then, but the deadline we're working with right now is by end of January.

COUNCILMEMBER PALTIN: How many ROEs...how many properties without ROEs are there?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember, for the question. The last I heard it was about 63 parcels, which everyone should be very proud of because we've smashed national records in terms of participation by our residents. So, it's been a lot of effort. Of course, Fire Departments, community groups, Councilmembers, everybody to really help educate people and understand. And I believe that number is consistently going down...*(timer sounds)*... so I'm...I am hopeful that we...we probably can't get 100 percent participation, but I...I believe we'll...we'll be able to whittle that down some more.

COUNCILMEMBER PALTIN: I...I don't think we can fund the private security, but maybe we can get together with the Police and the residents and...and...for a robust neighborhood watch program once people start to rebuild. If...if there are people living on their lots, maybe we can address it in another way because as we all know, money is tight, and the community is stronger.

CHAIR SUGIMURA: So, Managing Director, if I could. So, I just want to say that Kula is 100 percent debris removal from Army Corps of Engineers, and they were very pleased with that result. So, I just wanted to thank you for helping us on that. It was all done by December of last year. Please continue.

MR. NISHITA: Okay. Thanks, Chair. Just given it's going to...it'll get a lot complicated as we're going along. If there's no further questions on what we're doing with MEMA's one, I'll move on to the...the next one. It involves a decrease in our overall program. Of course, we have already talked to you folks about the bridge loan funding, to remove that. The \$500,000 in costs that were transferred to Office of the Mayor, that's the one-year anniversary event, and I believe you folks have already taken action on that, so, shouldn't have further

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discussion. And then what we are proposing is about \$700,000 in costs to be transferred to a CDBG program within the Office of the Mayor. And I...I talked to you folks right at the beginning about the \$7 million that we'll get into further along, but let me just talk for a second about CDBG. We had...had a lot of discussions with HUD, as well as our Federal delegation, and others. Our CDBG Program Manager right now has been meeting with a lot of different communities and trying to get set up as to the overall disaster relief program through HUD.

COUNCILMEMBER PALTIN: That's Ms. Kahula.

MR. NISHITA: Yeah, Patience Kahula. The...right...as of right now, we are not a direct recipient for CDBG-DR funding, but our anticipation is that Maui County will be named as an eligible recipient. It could happen as early as this summer, possibly as late as this fall or winter, depending on how things shape up at Congress. We may ask for some support from you folks as we go forward in terms of lobbying efforts. So, just keep...you know, keep us in mind regarding that. But one of the recommendations we did receive--because right now our CDBG Staff is essentially just operating and surviving off of the Federal allocation that they get, the small allocation--DR recipients do need to staff up, and have significant amount of more operations to receive a large amount of money from HUD. And so, what we're doing here is to show the County of Maui's commitment in moving towards that planning effort, and that we're ready and prepared to receive a large amount of money from HUD for recovery efforts. And be happy to talk through a little bit more about that if needed, but essentially it's for a couple of personnel to help start with policies, research, analysis, community engagement, things like that in the preparation of the plan, as well as some operational money. And Chair, I'll take any questions on that if...if there are.

CHAIR SUGIMURA: If I could first. So, the clarification on that, to prepare CDBG for DR funds, is 700,000? Is that the...

MR. NISHITA: Thank you, Chair. Yeah, that's the recommendation we're making at this time.

CHAIR SUGIMURA: Okay, 700,000. And removal of 7 million in costs to free up general funds.

MR. NISHITA: Thank you, Chair. I...I mentioned that in our...in kind of my opening comments. After we're all said and done, I'll kind of wrap up how that applies to what we're talking about.

CHAIR SUGIMURA: Okay. You can do that. Any questions? Did I see your hand up, Chair Lee?

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COUNCILMEMBER LEE: I did, but I would have asked the same question about the 7 million. Okay. I can wait.

CHAIR SUGIMURA: Okay. Anybody else have any questions for Managing Director? Not yet. Okay. Proceed. Oh, Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I just wanted to ensure that we're in good standing with the Feds. We're compliant with all reporting and whatnot?

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Paltin, for the question. I did have recent discussions, both with CDBG, Finance, and some other entity...other agencies, and my understanding at this time is that we're compliant with all Federal requirements. But I asked all of them to double and triple check on that to make sure we have all the documentation in place. Thank you.

COUNCILMEMBER PALTIN: Thank you so much.

CHAIR SUGIMURA: Okay. Good question. Anybody else? Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. Just for Mr. Nishita's opening comments about possibly not accepting the State's offer. The...the...part of the State's offer, I don't know if it was the other bill that had funding for congregate housing as well as the Ohana Fund, those things the County will accept?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Sinenci, for the question. The only item that was...the...Maui County would be a direct recipient was the \$63 million in general obligation reimbursable bonds that we talked about. All the other monies identified in there would go to either like State agencies, private organizations, or others. So, it...we're...we're not...and I just want to be clear, like we're not refusing money, it's just that based on, at least, how we feel our fiduciary duty to spend the public's money as wisely as possible, is that it would cost us more to use that money. So, it's less a matter of refusing it then that just financially, it...it doesn't --

COUNCILMEMBER SINENCI: Yeah.

MR. NISHITA: -- pencil out. So, yeah, any of those other programs, we're...we're happy that the State is allocating money towards, and...but like I said, it's going to other agencies other than the County of Maui. Thank you.

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COUNCILMEMBER SINENCI: And...and those funds came out of the Governor's Office, yeah? Or well, from the Governor's request?

MR. NISHITA: Thank you, Chair. I mean in part some of it was departmental requests and in part the Legislature, you know, put some of their own priorities --

COUNCILMEMBER SINENCI: Okay.

MR. NISHITA: -- and/or funding in, and some may come from external agencies as well. So, I mean it's a mixture, but it's all State funds that they're appropriating.

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR SUGIMURA: Okay. Thank you. Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. So, can I ask about the CBDG-R [sic] program? So, Maui County would be a direct recipient of these Federal dollars, or how is that going to work?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember U'u-Hodgins, for the question. So, I guess to keep it as simply as possible, at some point back in the day, I believe it was during Lingle's Administration as Governor, the...the State had declined to be a CDBG essentially recipient. Some states act as a passthrough entity to other counties --

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: -- where the counties implement actual the CDBG program. So, in the State of Hawai'i, as well as some other states, CDBG comes directly to the counties and we administer it directly. DR funding would flow the same way. I...I think...there are, I think, some efforts on the...the State side to potentially receive some DR funding. Our stance is that we are the CDBG recipient, and we work directly with HUD on the CDBG program, as well as our programs and efforts will be directly to the wildfire survivors. So, our request is to be the sole recipient, and we'll work with State agencies or whatnot on potential, you know, programs that may be eligible, and also make sense in terms of what the community is asking for.

COUNCILMEMBER U'U-HODGINS: Okay. And then you didn't give us a dollar amount for the amount of funds that might be coming our way. Do you know at this time?

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MR. NISHITA: Thank you, Chair. The...the way that they do it is somewhat formula-driven, so, it's based on what they determine to be the unmet need in the community. So, the...the greater the unmet need, the more allocation of DR funds that a community will receive. Our initial request...of course, as more information comes in and more data is gathered, this changes, but our initial request to HUD was for \$1.2 billion to meet the unmet need. And as, of course, more information is coming in, unmet need is, you know, greater and whatnot. But it will be up to HUD and Congress to determine the allocation directly to the County of Maui. But our...our initial request was for \$1.2 billion.

COUNCILMEMBER U'U-HODGINS: And then that \$1.2 billion is given us...given to us in the span of how many years, or is it one full-time, here you go?

MR. NISHITA: Thank you, Chair. Thank you for the question. The alloca...so, it kind of depends on the amount of funding that Congress allocates to this...the DR program. So, there are recipients that have had disasters from years past that are still receiving DR funding to this day. . . .(timer sounds). . . The...it's possible that the...the, I guess, total pie that they allocate may not be enough for all the disasters that have occurred in a given year. You may have heard about like disasters in Florida and Texas and Washington and all these other areas.

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: They all pull from the same pie. So, it's possible that hypothetically, they could say we'll grant you a billion, 2 billion, whatever amount of dollars, and you'll receive 40 percent of the allocation this year, you'll receive 20 percent next year and, you know, the remainder the following year.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. NISHITA: It's...it's...depends a lot on Congressional action and the amount of funding available.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. NISHITA: But as soon as we get listed as an eligible recipient, which I said could occur as soon as this summer to possibly the ending of this year, as a part of the program, Maui County would have to have 18 months to finalize an action plan for use of the funding, which could be used in three categories--essentially economic development, housing, and infrastructure. So, we would develop an action plan with the community to allocate that funding, and then we, of course, have to, you know, get approval from HUD and whatnot, and then we would be a direct recipient of that. And part of...I think Councilmember Paltin mentioned like the neighborhood meetings that are happening, and some of the

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other community engagement pieces that are occurring, all that will help feed into the information that our DR program specialist will be using to help develop the action plan. And they'll have their own engagement activities as well.

COUNCILMEMBER U'U-HODGINS: Can I ask one more quick question? Sorry. Thank you. What do we have to do to be an eligible recipient...because we're not now?

MR. NISHITA: Thank you, Chair. It's...it's really Congressional action. Senator Schatz and our...our...the rest of our Congressional delegation has been tremendously helpful. But as you know...and he's been advocating recently for supplemental funding since Congress didn't pass the appropriations bill that was needed for the DR funding. But given some of...like the bridge collapse and some other things that have been happening in the U.S. mainland, they have been pushing for supplemental funding that they hope will be bipartisan, given that disasters don't differentiate by what political party you belong to.

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: And so, he is making strong pushes at that level, and has been a...has been a really good partner in that. As I mentioned earlier, we may need you...your folks' assistance in...in lobbying efforts when it comes time and we'll...we'll let you know, but it's really to keep Maui County as the...the eligible recipient. Thank you.

COUNCILMEMBER U'U-HODGINS: Sounds good. Thank you very much. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. I think I see Member Johnson's hand up? Okay. Member Johnson?

COUNCILMEMBER JOHNSON: Yes. Thank you, Chair. I know it's 12:00, and I want to kind of break for lunch soon, Chair. I know we got a busy schedule, but I do have a very important question for Managing Director Josiah. It's my understanding that FEMA's here now, and as time goes along, they pull away, and the CDBG-DR funds start kicking in. But all of the calendar and the scheduling that you're speaking of, it...we don't really know the exact time when the DR funds come, and my fear is, is then there'll be a point that our community is...FEMA is gone, and the CDBG-DR funds are not here yet. Do you envision that? Do...are we prepared for that? Is that...am I understanding correct?

CHAIR SUGIMURA: Mr. Nishita?

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MR. NISHITA: Thank you, Chair. So, obviously there's a lot of things that are dependent because it...it's relying upon Congressional action to a certain extent. You are correct that FEMA comes in...they're basically like the guys who help out temporarily, and HUD comes in with the more permanent help. So, that's...that's kind of...if you just easily differentiate it, FEMA's the short-term guys and HUD is the long-term guys. So, that's why it's important for the County of Maui to be listed as a recipient. And to bridge any gap that may become available, you know, we have been working with Hawai'i Community Foundation and other partners, as well as...I stress that, you know, it's...it's why we also ask for State support because of, you know, the need that may become available over time especially. But we will --

COUNCILMEMBER JOHNSON: Okay.

MR. NISHITA: -- do our best to secure funding as quickly as possible. Thanks.

COUNCILMEMBER JOHNSON: Thank you so much for that clarification. Thank you, Chair.

CHAIR SUGIMURA: Okay. Hey, I...I hear Member Johnson wants to take a lunch break. It's noon. I'm sorry, I didn't realize it's already noon. What is...we still haven't finished the Administration presentation. Mr. Nishita, what is your time availability?

MR. NISHITA: I...I can be available. I mean it really depends on how much discussion Members want to have on...on each of these items. Just in summary though, I mean essentially we're going to be moving eligible projects to GET, essentially maxing out that fund, and then we'll have a small proportion to GO bonds. And then I can talk about the...the cash provisions in which we'll be moving some money around.

CHAIR SUGIMURA: Okay. Members, what is your desire?

COUNCILMEMBER PALTIN: Chair, I feel like this is super important.

CHAIR SUGIMURA: I...I agree, but I...I want to make sure that all of you are fine. I didn't really even know it was 12:00 already.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER JOHNSON: I agree, Chair. It's just I want to try to maybe pick up our pace a bit because we do have a full agenda today, Chair.

CHAIR SUGIMURA: Oh, is that what you're saying? So, you didn't want to go to lunch break. Members, so we're going to continue, and can we...I want to hear

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Mr. Nishita, so as long as you can, and then we'll take a lunch break. Please proceed. I guess...I guess there's a question about that 7 million in cost to free up General Fund...removal of 7 mil in cost to free up General Fund. And then you can talk about that, that was Chair Lee's question, my question, and then we can go to page 2.

MR. NISHITA: Thank you, Chair. It's probably a little bit easier to talk about that at the end --

CHAIR SUGIMURA: Oh, okay.

MR. NISHITA: -- the 7 million, just so you can understand where we're going with this.

CHAIR SUGIMURA: Okay.

MR. NISHITA: Moving on. Okay. So, the first item on page 2 we...we talked about, that's the CDBG movement. The second bullet point is just saying that we're, you know, removing that portion, just because of the changes in...in State funding. The third bullet point, so, this is moving some items to Bond Fund under Department of Management. It would include essentially moving projects that we had previously slated for State funding to GO bond. That will include pump station temporary repairs, road and sidewalk repairs, roadway connectivity for evacuations which would include the work and land acquisition, storm drainage flood control and water quality improvements, and fire flow improvements to the water system. I'd be happy to talk about any of these individually if needed. I would just note that all the roadway projects essentially are not eligible for GET funding, so that's why they're in the bond funding. And if there's any questions, I...I did check with our bond counsel regarding the bond [sic] station temporary repairs...the pump station temporary repairs, whether temporary repairs could be bond funded, and I do have a response for [sic] them on that, that essentially the answer is yes, but if you want more clarification or discussion on that, happy to. Thank you.

CHAIR SUGIMURA: Okay. Very good. So, you're basically saying that all of these are going to be moved from bond fund...to bond funding, correct?

MR. NISHITA: Yeah, moving from essentially a State grant funded to GO bond funded, and the amounts are listed there, and then reflected in the marked-up bill.

CHAIR SUGIMURA: Okay. And it's also some department CIPs; is that correct?

MR. NISHITA: Thank you, Chair. These items were listed under the Department of Management CIP for Office of Recovery. And so, previously they were State funded, and we're just asking to --

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CHAIR SUGIMURA: Oh, I see.

MR. NISHITA: -- move it to GO bond.

CHAIR SUGIMURA: So, these were not listed in both. Chair Lee?

COUNCILMEMBER LEE: Okay. Clarification. You mentioned the temporary repairs for the pump station would be under the bond, but bonds are usually for anything that has an economic life of five years.

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: Thank you, Chair. I'll just...I'm not a bond counsel expert, so I'll read to you their exact response. With regard to the pump station temporary repairs, even if the repairs are a temporary measure and not a permanent measure, they should be treated as capital expenditures because they constitute a restoration of property damaged in the wildfire, provided that the useful life of the repairs to the pumps exceeds one year --

COUNCILMEMBER LEE: Oh, just...

MR. NISHITA: -- which they...which they will exceed one year. So, in short, the answer is yes, we can use it.

COUNCILMEMBER LEE: Oh.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Well, I guess so. You know --

CHAIR SUGIMURA: That's great.

COUNCILMEMBER LEE: -- never used to be that way, but if that's what the interpretation is now, that's fine.

CHAIR SUGIMURA: Thank you. Any other --

COUNCILMEMBER SINENCI: Chair?

CHAIR SUGIMURA: -- questions regarding that? Mr. Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Mr. Nishita, just real quick clarification. So, some of these things that you're going through were included

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in the list as part of our ask from the State, so now we're just switching them up?

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: That's correct, Chair. So, instead of these --

COUNCILMEMBER SINENCI: Okay.

MR. NISHITA: -- projects being funded by State grants, we're now asking that they be funded by general obligation bonds issued by the County. Thanks.

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR SUGIMURA: Thank you. Okay. Proceed...seeing no other hands.

MR. NISHITA: Okay. Thank you. Thank you, Chair. The next bullet point just is detailing that we're removing the State funds from Appendix A, Part I. I think that's pretty self-explanatory. The next bullet point, which I believe our Acting Budget Director talked about previously, that we'd be comfortable increasing anticipated revenues for the General Excise Tax funds to \$60 million for FY '25, and that's what would be reflected in that. And that's based on the initial assessments we received from, I believe it was the Department of Taxation, regarding the kind of first quarter collections...or anticipated collections. If there's no questions on that, the next bullet point is there's conditional language that was already included for three different projects in the GET Fund. So, they include funding for Wastewater Pump Stations 5 and 6, and funding for the Kamole Treatment Plant up in Upcountry. What we're asking for is--and this is in consultation with our Department of Environmental Management--for removal of the conditional language for Pump Stations 5 and 6 since we'll be funding the temporary repairs so that they can do their design and further work for the...those pump stations. And we'll come back in in FY '26 for the permanent repairs for that. If there's no questions on that, the next bullet point is addition of the following conditional language under the GET Fund, and then this is basically moving a lot of the other projects to GET to encompass the full amount of GET that's available once you remove the portion for DHHL. It would include 33.4 million for construction, permitting, operations, and maintenance of the wildfire permanent disposal site. If...that is made up of approximately \$16 million for construction, permitting, and construction quality assurance. And 17.4 million, which would be the residential ratio equivalent for operations and maintenance costs. So, you know, we did talk with Corporation Counsel about allowable uses under the GET Fund, and the first year expense to be able to clear the proprieties so that housing can be reconstructed under this would be eligible. And we identified, via the GIS data we have about the breakdown of residential and commercial

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properties that were impacted, and it's approximately 87 percent residential and about 13 percent commercial. So, we applied the total amount of operations and maintenance money needed, and used the residential portion as asking for that funding under GET. So, that's the breakdown for that one. \$2 million for wildfire debris removal. This is for properties essentially that did not comply with the debris removal programs, other the...other...either the alternative debris removal program or the USACE's program. And we'll likely have to seek fines and/or fees from property owners to reimburse for some of that effort. 16.668 million for water infrastructure repairs and replacement, and it includes wastewater infrastructure repairs and replacement as well. And then \$2 million for the design and permitting for the Kahului Wastewater Treatment Plant fourth aeration basin. And I know that there was some discussion on this previously. We made a request to Council for...I mean I'm sorry, for...to FEMA for them to construct 1,000 units in the County of Maui, and with the understanding that individuals' preferences are in West Maui. They did identify multiple sites in West Maui, one that they've already started on, the Kilohana. And then my understanding is that we should be close to approval for the Kā'anapali 2020 is my hope, although we've been going back and forth on that for that project. Other sites that they have looked at include like Pulelehua and some other areas. So, there's still, you know, a lot of analysis being done on that, and depending on what FEMA will be willing to do. But a portion of what they looked at as feasible properties included the properties at Waikapu, and knowing that there are some people that have transitioned out of Lahaina and are currently residing in South Maui or Central Maui or Upcountry, all over the place, that there is a potential for individuals willing to accept a small proportion of housing in Central Maui. One of the big things that we've received from FEMA regarding our request is that, you know, the...the challenges that exist to build that housing. So, we've been allocating funding and resources to overcome those challenges so that there's nothing from the County's standpoint or in the County's control that could be used to deny the housing request. So, in Central Maui, the bottleneck that we have for this is wastewater treatment. And so, the development of the temporary aeration basin would eliminate that hurdle for FEMA, and...and remove that possibility of an obstacle standing in their way to fulfill the request for a development of housing. So, that's specifically why this is in relation to our overall recovery request. And if there's any questions on any of those for the GET Fund, that would essentially max out what is available, including the Kamole Treatment Plant upgrades, what is available for allocation in the General Excise Tax Fund.

CHAIR SUGIMURA: Okay. Anybody have any questions on GET before we move on?
Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Mr. Nishita, I was just curious, has the State implied anything about restrictions to the GET Fund?

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MR. NISHITA: Thank you, Chair. My understanding is that a bill was passed amending what is...I...I guess, what is currently in law for the General Excise Tax Fund. We haven't been able to get the...the language of that yet. My understanding is that it was possibly just minor revisions. So, at this time anyway, I'm not anticipating it restricting our ability to do what we're proposing here today. But we were working with them previously on trying to advocate against some of the, I guess, proposed language that...that was being included. But my...my understanding is it's minor revisions that got passed, and...and we should be able to move forward with this. Thanks.

COUNCILMEMBER SINENCI: Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Member Paltin.

COUNCILMEMBER PALTIN: Thank you. Are we still able to move forward with the permanent disposal site? I've been hearing different things from different folks.

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: Thank you, Chair. I mean the County's moving forward. Of course, we're already doing design and whatnot and other efforts. We're moving forward with the...of course, we're open to talking with the landowner if have a change of heart or whatnot, but we are pursuing, you know, the eminent domain proceedings to be able to move forward with that. We're under very tight time frames to meet the USACE deadlines, so we're plugging full steam ahead.

COUNCILMEMBER PALTIN: And the injunction isn't holding anything up?

MR. NISHITA: Thank you, Chair. I don't know if Kristina knows offhand. I...I would defer to Corporation Counsel on...on...on that. Thanks.

CHAIR SUGIMURA: Ms. Toshikiyo?

MS. TOSHIKIYO: Thank you, Chair. Thank you for the question. I actually don't have any updates because that's being handled by our Litigation Division, but I can check to...in with the deputy that is handling this.

COUNCILMEMBER PALTIN: So, if we don't meet USACE deadlines, we will be responsible for the transportation of the debris, and no tipping fees?

CHAIR SUGIMURA: Mr. Nishita?

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MR. NISHITA: Thank you, Chair. Well, I mean there's a lot of scenarios here, but my understanding is kind of the first trigger is just that the cost-sharing ratio will change over time. It gets...it will get less as more time goes on. So, that's kind of the first thing that, of course, is going to be of concern. And then we'll get into more operational stuff about whether USACE has to demobilize, in which case my understanding is that there's still some cost-sharing provisions, it's just there's going to be obviously a lot of like operational load and management and everything that...that would occur under like a worst-case scenario.

COUNCILMEMBER PALTIN: And then I know that one of the initial reasons for not selecting the Central Maui landfill site, beyond that we would have to eminent domain it, was the safety of our residents in the transportation of the debris material. Yesterday, a semi went through the guardrail on the mauka side...my understanding is the tire blew. Is there any entity...you know, with the daily traffic of these heavy machinery, any entity that's doing like spot checks on machinery safety? We had another individual die earlier the year when...when the brakes gave out on a heavy machinery, and it flew into the highway below the airport in West Maui. And so, you know, that's incidences that luckily, at this point, only affected the machinery and the individual...I mean a life was lost there. Is there any entity that's overseeing safety standards for the rest of us on the road?

MR. NISHITA: Thank you, Chair.

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: Yeah. So, I mean one of the benefits of utilizing the USACE program is they manage the contractors and contract, which includes their prime and all the subs. So, I mean they...they have that . . .*(timer sounds)*. . . responsibility for the quality assurance of equipment and whatnot. And the...

COUNCILMEMBER PALTIN: So, take it up with Colonel Swenson...Lieutenant Colonel Swenson?

MR. NISHITA: The...and I know that they have it top of mind too. I mean, you know, they're concerned. Obviously, as you related earlier, the distance traveled just opens up to more possibilities of accidents, or...or things of that nature, or things going wrong. And so, it's things that we just have to develop plans for and be ready to implement in case something happens. And of course, quality assurance prior. Thanks.

CHAIR SUGIMURA: Okay. Very good. Chair Lee?

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COUNCILMEMBER LEE: Clarification. The \$60 million that will be now paid...in projects that will now be paid by GET revenues, does that free up \$60 million in cash in the current budget...proposed budget?

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. No, it wouldn't because those projects were previously State grant funded. So, without the State grants, we have to shift that to another financial tool.

COUNCILMEMBER LEE: And are there any reductions at all to the overall current budget?

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. I mean we've already talked about the reduction in the bridge loan, which would be \$54 million. And we'll talk about some of the other changes in a little bit that will bring down, I guess, the overall cash requirement, which can be applied to the increases that Council has already made. Thanks.

COUNCILMEMBER LEE: So, how much will the total bond be now...total?

MR. NISHITA: Acting Budget Director, I don't know if you want to answer that, but it basically will be the...whatever you guys approve in the existing CIP program plus the additions laid out here, which is 9...maybe about \$38 million.

COUNCILMEMBER LEE: Plus 38 million? Okay.

MR. NISHITA: In GO bond, yeah.

COUNCILMEMBER LEE: In GO bonds. Okay. So, you're going to go over more projects?

MR. NISHITA: Thank you, Chair. Just...after we wrap up here, I'll just identify a couple different areas on our cash side. Thank you.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR SUGIMURA: Thank you. Okay. Continue. . . *(silence)*. . . Oh, you have any more? I'm sorry.

MR. NISHITA: Yeah. Sorry, Chair. I was just...if there was any questions, or you wanted me to proceed.

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CHAIR SUGIMURA: Oh, okay. Let's go through a round of questions then. Members, let's start with Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay. Member Cook?

COUNCILMEMBER COOK: So, Director, the GET, that's the 20...that's what we've collected for 2024, or that's what projected for 20...for the entire?

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. The total amount that we're allocating out when I say like you're...we're using everything is the balance available from FY '24 and the estimated revenues we're going to be providing for FY '25. So, it'll be everything from FY '24 and FY '25 that's available. Thanks.

CHAIR SUGIMURA: Wow. Good question. Okay. Are you done, Member Cook? Done? Okay.

COUNCILMEMBER COOK: I'm not excited with the answer, but that's the answer.

CHAIR SUGIMURA: . . .*(laughing)*. . . We're lucky that we have it. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: No questions. Mahalo.

CHAIR SUGIMURA: Member Johnson?

COUNCILMEMBER JOHNSON: No questions, Chair.

CHAIR SUGIMURA: Okay. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Nishita. So, I just wanted to clarify that since you moved up...freed up \$7 million, you'd like us to stop adding to your guys' budget? Because --

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: -- the only other way would be to raise taxes?

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. So, as I said before, there's a lot of different ways to do this. We can obviously...if the Council wants to raise taxes to meet your

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7-plus million that you're at right now, you can obviously...we can obviously shift some of the GO bond projects to cash in that 7 million to...and then you'd just raise property taxes or, you know, whatever fees or whatnot you want to meet that. We're just providing an option for you that you can meet what you've done already without having to spend a lot of time trying to figure out changes to the real property tax rates.

COUNCILMEMBER PALTIN: Got it. Thank you.

CHAIR SUGIMURA: Fabulous. Chair Lee?

COUNCILMEMBER LEE: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay. Member Kama went to a meeting. Member Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair. And mahalo, Mr. Nishita, for that extra funding. I...I did want to say, some of it was just some of the departments adding more back into the budget, so it's...so, mahalo for that. My question was, will the Administration support supplying additional water sources for North Lahaina housing projects?

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. I guess I'm not quite sure what you mean by the question, but our Department of Water Supply has been working extensively, as well as others, with CWRM on, you know, trying to get through the...the review of the existing use permits, and then reviewing possibly approval of any new use permits. They are in a variety of different stages, looking at like alternative technologies for, you know, water use or reuse, as well as possible well development in some other areas. So, there's...there's a lot of different efforts underway for that, but if...if there's a particular area you have a question on, feel free to let me know. Thanks.

COUNCILMEMBER SINENCI: Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Okay. Very good. Now you're going to tell us about the \$7 million.

MR. NISHITA: Yes. Thank you, Chair. So, I don't believe we're going to be reflecting all these changes in the budget bill, per se, but I just want to be transparent to you folks about what kind of the intention is to do here. So, this is specific to the grant subsidy under the Office of Recovery, which was previously \$75 million, 54 of which we're unable to do on the bridge loan program. So, it's a remainder of \$21 million cash. We have been working with Hawai'i Community Foundation on possible funding and/or matching funds to a

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program that we would like to continue to support through CNHA's program. So, given that what we're trying to hit was about \$18 million for CNHA, for the Kako'o Maui Housing Program, as well as included in that is their ADU loan forgiveness program. The...a couple of different areas that the grant subsidy will remain the same, reflected in the budget essentially, but we're going to be allocating it a little bit differently, is getting down to about \$9 million cash that we'll...we'll try to work with HCF on doing a matching program with for CNHA to get up to that \$18 million. A couple different areas in which we'll be reworking this money is, we talked about the CDBG program already, so that money would come from there. The...we have a...and I...sorry, I didn't distribute this to Staff, I don't know if Kauanoe is still on, but we have a program that our Health and Social Services Recovery Support function has been working on for some time now. Oh, I see Kauanoe on. So, Kauanoe, maybe if you can give just a brief highlight of the business plan for the Kealahou program, and we'll have Staff distribute hard copies to the Members. Thanks.

MR. BATANGAN: Aloha, Chair, Councilmembers. Kauanoe Batangan, one of the two co-leads for the Health and Social Services RSF. We're asking for \$1.4 million in funding to set up a Kealahou facility, think like a Cameron Center out west, but focusing on resiliency and mental health. The anchor tenant would be the Department of Health, and we'd look to provide programmatic space for other nonprofits providing similar types of services. The location is at 253 Keka'a Drive in Lahaina. It's kind of near where Sacred Hearts is setting up their new campus, and they're looking to basically provide immediate and long-term community needs through professional services that promote health, resilience, substance abuse, et cetera. There is a project management team. It's created...it's operated through a governance board, and there is a fiscal intermediary that's been identified. The Native Hawaiian Education Association, led by Dr. Lui Hokoana, would be our fiscal sponsor. So, they're doing a lot of the heavy lifting. We would be partnering with them by providing some funding, as well as some coordination in the form of a project manager that would help with overseeing construction and facility management afterwards. They have already pledged about \$300,000 themselves. This funding would be able to help get them off the ground and funded through the end of next fiscal year. I'm happy to answer any questions if the Members have any.

CHAIR SUGIMURA: Oh, good news. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Mr. Batangan. I just wanted to clarify, so you're going to rent near where Sacred Hearts is, or you're building?

MR. BATANGAN: We would be renting and renovating existing commercial space.

COUNCILMEMBER PALTIN: Oh, okay. Got it.

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MR. BATANGAN: So, Sacred Hearts...yeah, so Sacred Hearts is using three of the buildings on that property. We would be looking to utilize the last remaining one, as well as some of the outdoor space.

COUNCILMEMBER PALTIN: And I know where that is, but it's a little off...out of the way in Kā'anapali area. So, I'm not sure that everybody in West Maui would be able to find it by just the address. Is there like some sort of plan to get the word out about where it's at? I mean, maybe the Sacred Hearts' parents would know where it's at, but not everyone goes to private school, you know?

MR. BATANGAN: Yeah. So, we would utilize some of the County's communication tools, as well as some of our partners who would be sharing the facility with us. And then parking would need to be relocated off...or would be located off site. So, we'd have to arrange for people to be transported in. So, there's a lot of opportunity for people to be made aware of these services.

COUNCILMEMBER PALTIN: Just the other thing is people continually try to make left-hand turns about...outside of that fairway area, and it's super dangerous. I don't know if there's any way to ensure that there would be no left-hand turns going north onto Highway 30, but that would be a concern. You would have to go down Kā'anapali Parkway and come out at the street light to go north. But even before the increased use of that area, that's a big concern about people turning north out of there onto Highway 30. I know people that worked at the coffee shop there say they see near misses all day long when people choose to break the traffic laws.

MR. BATANGAN: Thank you, Member Paltin. And we would have to circle back with the governance board to see if there's any plans for traffic mitigation there.

CHAIR SUGIMURA: Okay. Any other questions for Mr. Batangan or Mr. Nishita?

MR. NISHITA: Chair, just...just to reiterate that we're not asking on this for changes in the budget, like per se, like moving money around, but just letting you know that that grant subsidy will include this project, and that's our intention.

CHAIR SUGIMURA: Okay.

MR. NISHITA: Thank you.

CHAIR SUGIMURA: Thank you.

MR. NISHITA: Chair, the grant subsidy would be the \$21 million remaining in the Office of Recovery.

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CHAIR SUGIMURA: That we didn't use for the bridge loan. So, Member Sinenci, I saw your hand up.

COUNCILMEMBER SINENCI: Yeah. Thank you. Real quick for Mr. Nishita. What are the...the added interest costs for the...the bond...the bonded projects?

MR. NISHITA: Thank you, Chair. I mean, it depends on when we go to issuance, and then, of course, you know, what the market will bear at that time and whatnot. But in general, we're probably looking at about 4 percent or so.

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR SUGIMURA: Okay. Any other questions for Mr. Nishita? Okay. Member Kama is not...right? Just somebody's listening in for her. Okay. Members...yes, Mr. Nishita?

MR. NISHITA: Do you want me to move on to the next?

CHAIR SUGIMURA: Yeah. Continue.

MR. NISHITA: Okay. Okay. Thanks, Chair. Thank you, Kauanoe. Okay. So, then in addition to that, we covered the CDBG, and out of this \$21.2 million, just...and for transparency, unless there's objections from the Members, I do plan to fund out of this \$200,000 to Hale Makua for a replacement of their fire doors at the Kahului facility. So, this was a CDBG project previously that they were going to be seeking funding for, but, of course, we know we had to pull back CDBG funding. Their current facility has 36 fire doors that all of them are from the original construction of the various wings from 1996, which would be 28 years old, through 2005. They have a significant termite damage in them right now, and they were notified that the doors are noncompliant with current fire door requirements. And it's really to ensure that it stops smoke and fire spread, as well as in the event of a fire, that the fire doors can provide a safe path for occupants to exit the building. So, as a part of this, there's no changes I'm asking for Council, but I just want to be transparent that it's different than what we relayed to you earlier, that I do intend to do a \$200,000 grant to them from that. And if there's any objections from the Members, just please let me know.

CHAIR SUGIMURA: No objections.

MR. NISHITA: Okay. And then...then the final thing from this piece is, on the permanent disposal site, I talked about this earlier, the operations and maintenance for the commercial structure. So, you know, we differentiated the 87 percent residential, 13 percent commercial. GET cannot be used for the operations and maintenance for the commercial, the ratio of the commercial

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portion. So, I'm pulling about \$2.6 million from that to fund the permanent disposal site operations and maintenance. And if there's any questions on this...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

MR. NISHITA: \$2.6 million.

CHAIR SUGIMURA: 2.6.

MR. NISHITA: So, Chair, if there's no questions on that, cutting about \$7 million from the overall grant subsidy, including the about half a million that we took from the CIP projects previously, would leave you roughly about \$7-1/2 million to fund what Council has already increased the budget by.

CHAIR SUGIMURA: Okay.

MR. NISHITA: The remainder left would be approximately \$9 million, which could be our match for the \$18 million to CNHA. So, that's...that's essentially our proposal. And after we finish all the recovery stuff, I do have another item to talk about. Thank you.

CHAIR SUGIMURA: Any more questions? Member Paltin.

COUNCILMEMBER PALTIN: Is the CNHA match that you were talking about the Maui Lani project that they're working on for us?

MR. NISHITA: Thank you...

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. CNHA was funded by Hawai'i Community Foundation for \$5 million for that project. The...the match that we're asking for is for their Kako'o Maui Housing Program, which includes a variety of different programs, primarily which would be the ADU Loan Forgiveness Program. So, it would allow individuals displaced by the fire to put an ADU on the...it's very similarly modeled after the Ohana Assistance Program that was proposed earlier.

COUNCILMEMBER PALTIN: And some of it also to run the Kako'o Resource Center because that's been super helpful to the folks that got moved out of Lahaina, and don't have immediate access to what was the DRC, but I guess it's ending on the 27th.

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MR. NISHITA: Thank you, Chair. This funding is not specific to that. They've been funding that out of, you know, their own operations or other sources that have been contributing. This would be actually like programmatic money for the programs that they're administering. Thank you.

COUNCILMEMBER PALTIN: Okay. And even the one where people stay at their house and then they give them some money?

MR. NISHITA: Thank you, Chair. That's...that's the Host Family Program, and that's a part of the Kako'o Maui Housing Program. Yeah.

COUNCILMEMBER PALTIN: Okay. And then...sorry, the project that Mr. Batangan spoke about, is...is also the State DCMP workers going to be over there?

MR. NISHITA: Thank you, Chair. My understanding is that the Department of Human Services is a partner in this overall effort. I think Kauano'e might have signed off already, but I can follow up that in writing if that's desired, but I don't know that offhand. I apologize.

COUNCILMEMBER PALTIN: I can...I can follow up on that. That was...his program was called Keolahou? Okay. I'll...I'll follow up on my own. Thank you.

CHAIR SUGIMURA: Okay. Anybody else have any questions for Mr. Nishita, Managing Director? Seeing none. Okay. Proceed, Mr. Nishita, Managing Director.

MR. NISHITA: Okay. Chair, I don't want to conflate issues, so that's really the recovery piece to move from the grant funding to how we're going to fund a variety of these programs. So, if there's no overall questions, then that's what our ask is.

CHAIR SUGIMURA: Okay.

MR. NISHITA: Thank you.

CHAIR SUGIMURA: Thank you very much. Okay. Next. Do you have any more?

MR. NISHITA: I have nonrecovery-related stuff, so if...if we're ready to move on to that, I'd be happy to.

CHAIR SUGIMURA: Okay. One last...yes. Oh, okay.

COUNCILMEMBER PALTIN: So moved.

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CHAIR SUGIMURA: Okay. Members, it's moved to accept what Mr. Nishita just...Managing Director Nishita just presented in this letter. I need a second.

COUNCILMEMBER U'U-HODGINS: I'll second.

CHAIR SUGIMURA: Okay. Second. So, Member Paltin, seconded by Member U'u-Hodgins. Any...any discussion?

MS. APO TAKAYAMA: Chair, I do have one correction. My apologies. So, under the Bond Fund Pump Station Temporary Repairs, that should say \$5 million instead of \$4 million. So, if we can just make that change. And then under CDBG, we'd also like to add the language about disbursement and premium pay not being restricted to Section 5.

COUNCILMEMBER PALTIN: Is there a reason that the temporary repairs, you know that it's \$5 million?

MR. NISHITA: Yeah. Chair, that was our mistake in...yeah. So, we...she's correct in that we'd be asking for that. Thank you.

COUNCILMEMBER PALTIN: Okay. I'll friendly amend myself to change Pump Station Temporary Repairs from \$4 million to \$5 million and to not limit it to Section 5 stuff.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: . . .*(inaudible)*. . .

CHAIR SUGIMURA: That's what we wanted. Okay. Any other discussion --

COUNCILMEMBER PALTIN: And my seconder agrees.

CHAIR SUGIMURA: -- Members? Okay. Okay. I don't see any other questions. And it's been...that's a friendly amendment, right? That's what you both just did.

COUNCILMEMBER PALTIN: To myself. Yeah.

CHAIR SUGIMURA: Okay. All in favor, raise your hand and say "aye." Aye. Okay. So, that is eight "ayes," one excused is Member Pal...sorry, Member Kama.

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in 2020, Council approved renaming the Wailuku Police Station. And we had worked with MPD for some time, they...to put up signage as requested by the family. They did lose their CIP guy, I think it was around the wildfire time. And so, now that we have an individual hired on, we're planning on taking on that project to finish it for the family members. I may need to come back to you in FY '25 to shift some funding around or to allocate it to CIP if it's going to get classified as a CIP project, but just wanted to be transparent that that's our intention for that. And then the last item that I do need your folks' assistance on at...for the Committee is, we are planning on...I'm asking for your approval to transfer position P-28838 to our Department in the Department of Management. And that is an Engineering Program Manager from Department of Water Supply to the Department of Management in the Managing Director's Office. There will be a subsequent transfer that my understanding is not needed Council approval on, but just for full disclosure, that's what will be occurring that's what we're proposing.

COUNCILMEMBER PALTIN: So moved.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay. So, were you expecting a motion or you were just telling us, right?

MR. NISHITA: Yes, Chair. Because we're going need to move it in the budget. And --

CHAIR SUGIMURA: Oh, that . . .*(inaudible)*. . .

MR. NISHITA: -- I don't know if Staff would ask for...because there will be some savings in the Water Fund that they may need to shift some funding around. So, if that can just be included in the approval as well. Thank you.

COUNCILMEMBER PALTIN: Friendly amended myself.

COUNCILMEMBER LEE: Second again.

CHAIR SUGIMURA: Okay. Member Paltin, and Chair Lee for second. Can you repeat the motion?

MR. NISHITA: Chair, it's essentially to move P-28838 from Department of Water Supply to the Department of Management.

CHAIR SUGIMURA: Okay. Okay. Just that portion.

COUNCILMEMBER PALTIN: That's what I said.

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CHAIR SUGIMURA: Okay. Is there any questions on that? If not, all...is this a roll call?

COUNCILMEMBER LEE: No.

CHAIR SUGIMURA: Okay. All in favor, say "aye."

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Yeah. Okay. Eight "ayes" and one excused, which is Member Kama.

**VOTE: AYES: Chair Sugimura, and Councilmembers
Cook, Johnson, Lee, Paltin,
Rawlins-Fernandez, Sinenci, and
U'u-Hodgins.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Kama.

MOTION CARRIED.

ACTION: APPROVE

MR. NISHITA: Thank you very much, Chair. That's all...that's I had for you today unless there's any questions or you need anything from me. Thank you.

CHAIR SUGIMURA: Thank you so much. You work fast. Thank you very much. Thank you for getting the housing project put together, as well as Nāpili and Lāna'i as talked about also. And also, thank you very much for sharing to us what kind of Fiscal Year '25 Budget changes are because of wildfire. Okay. So, very good. Thank you very much. So Members, at this time, no other questions for Mr. Nishita? Okay. I'm going to break for lunch. It's 12...12:46. You want to break until 1:46? It was 1:45. Okay. We're in recess. . . .(gavel). . .

RECESS: 12:46 p.m.
RECONVENE: 2:12 p.m.

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CHAIR SUGIMURA: . . .*(gavel)*. . . Thank you, Members. Welcome back to the Budget, Finance, Economic Development Committee. It's been quite a productive morning. We are waiting for Managing Director Josiah Nishita to join us again. But while we're waiting, I wanted to take up the Department of Housing Members' priorities on the Affordable Housing Fund. So, in the matrix that...that was your priorities is pages 11, 41, 43, 44. So Member Kama, would you like to go first?

MEMBERS' PRIORITY
Department of Housing

VICE-CHAIR KAMA: Yeah, I do. Thank you. So, Chair, you know, in lieu...in line of what we've been talking about for the past few days --

CHAIR SUGIMURA: Yes.

VICE-CHAIR KAMA: -- about having a line as a priority, and trying to make as many cuts as we can, and trying not to add to the budget, and...and trying to move things as...as Josiah has talked about this morning. But I want to be able to withdraw my --

CHAIR SUGIMURA: Okay.

VICE-CHAIR KAMA: -- my priority --

CHAIR SUGIMURA: Okay.

VICE-CHAIR KAMA: -- the \$18 million for Ho'onani Village.

CHAIR SUGIMURA: Okay. Very good. So, you're withdrawing that?

VICE-CHAIR KAMA: Yes. Thank you.

CHAIR SUGIMURA: Thank you very much. We appreciate that as we try not to add expenses. Member Paltin, you have a question?

COUNCILMEMBER PALTIN: No, no. Just a big mahalo from all us folks out in West Maui. We really appreciate it. And thank you.

CHAIR SUGIMURA: Okay. So, next in line is Member Paltin.

COUNCILMEMBER U'U-HODGINS: I'm sorry, what page is it?

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CHAIR SUGIMURA: Oh, Member...page 43. Thank you. Okay. Member Paltin, page 43. And it is your residency for number 2. So, top of the page.

COUNCILMEMBER PALTIN: Okay. I did reach out to Lahaina Community Land Trust, and they said that they are working on a program very similar to this for their lots that they acquire that they would be putting new families on. And so, this would go hand in hand in like trying to keep existing families on their lots for those making 140 percent and below, willing to keep it affordable for 60 years. And...and working on a preference for...for those in Lahaina, not only 140 percent and below, but based on the length of residency in Lahaina to the extent permitted by law.

CHAIR SUGIMURA: Okay. So, you're...you're adding actually also, right?

COUNCILMEMBER PALTIN: I'm not adding. The original request was for 6 million, and I decreased it to 3 . . . *(timer sounds)* . . million as...as a pilot project for this year. As Member U'u-Hodgins said, you know, we can try and work out the kinks this year. Up to 300,000 per...per gap funding financing between the insurance and the rebuild to their original square footage.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: And that's about it. I reduced it, and I'm not adding. I'm...I thought this had already passed, but yeah.

CHAIR SUGIMURA: It was revisit affordable housing.

COUNCILMEMBER PALTIN: Oh, it was revisit.

CHAIR SUGIMURA: Yeah. And we wanted to know if you found somebody who would administer it.

COUNCILMEMBER PALTIN: Yeah. I did speak to Lahaina Community Land Trust, and this is in alignment of another program that they're trying to do for lands they acquire that they'll put existing Lahaina families onto it. This one won't be that kind of thing, it'll be a program that tries to keep the original owner-occupant on their land and finance the gap. The main qualifications would be less than 140 percent because that's what...income, because that's what the Affordable Housing Fund requires. And then a second priority would be length of residency in Lahaina to the extent required by...allowed by law.

VICE-CHAIR KAMA: Second.

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CHAIR SUGIMURA: All right. Motion made by Member Paltin, second by Member Kama. Any more discussion? You...you've said it all, right? Member Paltin, did you say it all? There was \$500,000 --

COUNCILMEMBER PALTIN: I...

CHAIR SUGIMURA: -- for...

COUNCILMEMBER PALTIN: I did. Kasie just informed me. I thought we had voted on this and reserved the money, but we didn't. So, I guess I'm not going to be able to do this.

CHAIR SUGIMURA: Oh, why?

COUNCILMEMBER U'U-HODGINS: Chair? I'm sorry. I'm wondering if Member Kama would be okay to maybe reduce her 6 million for the PARUS and go with 3 so we can do this gap funding, and maybe they can use \$3 million for...for the PARUS strategy. Because we did vote on that, and that is in the money, but gap funding would help individual homeowners retain affordable housing status, and would allow people to --

COUNCILMEMBER PALTIN: Stay on their lot.

COUNCILMEMBER U'U-HODGINS: -- stay on their own land for 60 years. And this is homeownership, and this is a rental program. And if we could divide that, and both could get equal funding, I think...I mean that's what I would like to see, but...

UNIDENTIFIED SPEAKER: There's more.

CHAIR SUGIMURA: Staff, so did we...what is...what is status?

MS. APO TAKAYAMA: Yeah, Chair. So, we did pass the \$6 million condition for PARUS the last time. And just to clarify on this motion, we have it down for \$3.5 million because 300 million...sorry...3 million would be for the projects, and 500,000 would be for the administrative cost.

CHAIR SUGIMURA: Right.

MS. APO TAKAYAMA: So, if that is a motion that you want to make...I mean, I think we should handle this one first and then go back to the other one, but yeah, currently what you have available in the Affordable Housing Fund to allocate is 979,157.

CHAIR SUGIMURA: Oh. So, we don't have enough money. I see Ms. Milner.

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MS. MILNER: Thank you, Chair. As part of the discussion, and I know the Council is not trying to increase the budget, but I just did want to point out that you do always have the option of increasing the supplemental transfer to the Affordable Housing Fund to increase the amount of funding that's available for these projects. So, that remains as an option to you as well, if you need to go over what's already in there. So, I just wanted to point that out for the Committee's consideration. Mahalo, Chair.

CHAIR SUGIMURA: So, because we don't have enough money, Ms. Apo Takayama, we would need to basically deal with possibly talking to Member Kama to see if she would decrease her 6 million to 3, and then we can handle this?

COUNCILMEMBER LEE: No.

MS. APO TAKAYAMA: Yeah. Yeah. So, you could...that will only leave you with 479 afterwards, but you could...you could do that.

CHAIR SUGIMURA: Okay. You got it, Member Paltin? Okay. Member Johnson, you had a question? Okay. So, Member Kama...so, what is happening --

VICE-CHAIR KAMA: Yes.

CHAIR SUGIMURA: -- was --

VICE-CHAIR KAMA: Yes.

CHAIR SUGIMURA: -- yesterday we voted on your 6 million approved, right?

VICE-CHAIR KAMA: Yeah.

CHAIR SUGIMURA: And so, now --

VICE-CHAIR KAMA: I heard that.

CHAIR SUGIMURA: -- Member Kama...oh, I'm sorry. Member Paltin.

VICE-CHAIR KAMA: Member Paltin...U'u-Hodgins.

CHAIR SUGIMURA: Because of everything --

VICE-CHAIR KAMA: Yeah.

CHAIR SUGIMURA: -- that we've done with Kupuohi, right?

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VICE-CHAIR KAMA: Yes.

CHAIR SUGIMURA: And we only --

VICE-CHAIR KAMA: Yeah.

CHAIR SUGIMURA: -- have like a little less --

VICE-CHAIR KAMA: Yes.

CHAIR SUGIMURA: -- than a million dollars. Now we want to know if you would --

VICE-CHAIR KAMA: Yeah.

CHAIR SUGIMURA: -- change yours to...instead of 6 million to...

VICE-CHAIR KAMA: I...I...I don't have a problem if that means we get to help our Lahaina people a lot more, and allow them to get back onto their properties sooner than later and --

CHAIR SUGIMURA: Okay.

VICE-CHAIR KAMA: -- and helps them to at least decrease their stress levels, and it brings a little bit more joy into their lives. I don't have a problem with that, Chair.

CHAIR SUGIMURA: Okay. So, you're good with that, so we need to revisit. Member Rawlins-Fernandez, you have a question before we take action?

COUNCILMEMBER RAWLINS-FERNANDEZ: I do. Mahalo. So, I...I...Member...Member Kama, we just heard from Acting Budget Director Milner that it's not a false dichotomy here. It's not either you reduce this or you get this or...we could increase it. So, that's a third option that Acting Budget Director reminded us that we have. So, there isn't just two options, there's a third.

VICE-CHAIR KAMA: I...I...

COUNCILMEMBER RAWLINS-FERNANDEZ: . . .*(inaudible)*. . . you know, increase it. And then that way that one can have 6, that one can have the 3, and then we just work it out when we get to RPT. . . .*(timer sounds)*. . .

VICE-CHAIR KAMA: That...Chair? I...I heard that option, and thank you so much, Member Rawlins-Fernandez. I so do appreciate that. I'm just thinking about what are the other revisits that we're going to be talking about along the way. I

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didn't have a chance to take a look at that, but I'm sure there are others that are going to come behind me. And, you know, I'm always in favor, a half a loaf of bread as opposed to a whole loaf, and if that means that we all get a slice, then we all should get a slice. That's just my thought. But thank you so much, Member Rawlins-Fernandez. I do appreciate that. And I love you for it.

CHAIR SUGIMURA: How sweet.

COUNCILMEMBER RAWLINS-FERNANDEZ: Love you too.

COUNCILMEMBER PALTIN: Thank you --

CHAIR SUGIMURA: Okay. So...

COUNCILMEMBER PALTIN: -- so much, Members. I feel the love.

CHAIR SUGIMURA: So, you want to make a motion to...for your revisit to go to 3 million instead of 6?

MS. APO TAKAYAMA: Chair, we have a motion on the floor. If we could dispose of --

CHAIR SUGIMURA: Oh, we got to dispose of yours --

MS. APO TAKAYAMA: -- Member Paltin's proposal first.

CHAIR SUGIMURA: -- so that we can...sorry about that.

COUNCILMEMBER PALTIN: Should I withdraw it right now?

CHAIR SUGIMURA: Yeah, can you withdraw yours?

COUNCILMEMBER PALTIN: Okay. I withdraw.

CHAIR SUGIMURA: I think it was Member U'u-Hodgins who seconded it; is that right? Okay. Who...who did? Chair Lee?

VICE-CHAIR KAMA: I did.

CHAIR SUGIMURA: Order doesn't matter. Okay. Okay. So, you're going to withdraw, then we'll take care of Member Kama. Okay. Member Kama?

VICE-CHAIR KAMA: Yeah. So, Chair, thank you so much. So, I move to reduce my priority from \$6 million to \$3 million, and holding onto the conditions that go...that went with that that we agreed to couple of days ago.

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CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Second.

CHAIR SUGIMURA: Very good. So, motion made by Member Kama, second by Member Paltin. Do all of you...you heard the discussion, right? Okay. All in favor say "aye."

COUNCILMEMBER RAWLINS-FERNANDEZ: Roll call.

CHAIR SUGIMURA: Roll call. Okay. Roll call. Is it...

MS. MONIZ: All right. Proceeding with...are you ready, Chair, for the roll call vote?

CHAIR SUGIMURA: Yes. Yes.

MS. MONIZ: Chair, proceeding with the roll call vote. Council Chair Alice Lee.

COUNCILMEMBER LEE: Aye.

MS. MONIZ: Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aye.

MS. MONIZ: Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aye.

MS. MONIZ: Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: No.

MS. MONIZ: Councilmember Tom Cook.

COUNCILMEMBER COOK: Aye.

MS. MONIZ: Councilmember Nohelani U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Aye.

MS. MONIZ: Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Aye.

MS. MONIZ: Committee Vice-Chair Tasha Kama.

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CHAIR SUGIMURA: Oh, you have a point of discussion. Please.

COUNCILMEMBER U‘U-HODGINS: Thank you. I love this idea. When we were talking about it the other day to...after when we were talking about how this would work, I would like to just, for the record, say if you were going to apply for this fund, you get 50 percent off building permit fees because I know that that’s a big cost. So, when they come to apply, I want them to know that 50 percent off if they can qualify for financing from the Affordable Housing Fund.

CHAIR SUGIMURA: That’s huge. Okay. Any more discussion? Seeing none. All in favor, say “aye.” This is...

COUNCILMEMBER PALTIN: Aye.

CHAIR SUGIMURA: Nine “ayes.” Motion carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Wonderful. Thank you very much, Member Kama, Member Paltin. Okay. Next, Chair Lee. Affordable Housing Fund (clears throat)...excuse me. Yours is on page 43. How much is left? It’s like 500,000?

MS. APO TAKAYAMA: So, we have 479,157 left.

COUNCILMEMBER PALTIN: I...I can assist Chair Lee on her...her proposal, if you need...

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COUNCILMEMBER LEE: Oh, yeah, thank you. I...I could use assistance.

CHAIR SUGIMURA: Okay. . . .*(laughing)*. . .

COUNCILMEMBER PALTIN: Okay. I'll make Chair Lee's one for her. Members, we should have all received Pulelehua BFED deliberations questionnaire and answer in our emails. They are willing to rework the 18 million. They're asking for an additional 13 million. Chair Lee wanted to add a 2 million contingency because it...in the email, it says narrowly work to develop. So, her proposal is, she seen on the agenda the desire to pause the Managed Retreat Fund and put that into housing. And so, she'd like to have that \$12 million allocation from the Managed Retreat Fund, as well as see if we can have the \$2 million in the 'Ōiwi Resources Fund for the additional 1 million and contingency, as well as the \$479,175 [sic] . . . *timer sounds*. . . and maybe add on to make it be a full 15 million to the Affordable Housing Fund is her proposal. And for answers to the questions that were asked previously, hopefully they're addressed in this transmittal. Is that what you wanted?

COUNCILMEMBER LEE: Yes, thank you. Second.

COUNCILMEMBER PALTIN: Oh, okay. Oh, and it looks like we have a resource that would like to contribute.

COUNCILMEMBER LEE: Who? . . . *(silence)*. . .

MR. NISHITA: Chair, sorry, I don't mean to interrupt the proceedings. I just wanted to make sure the Council was aware. We're still obviously working with the community and whatnot in terms of the recovery and rebuilding efforts and whatnot. How we kind of viewed using the Managed Retreat Revolving...just for your information, for the Managed Retreat Revolving Fund is a lot of community members have expressed desire for protection of the shoreline and other areas. And so, no final decisions have been made yet, but there are Federal resources that are available to initiate those protection efforts, and they do include County match portions. So, for the Managed Retreat Revolving Fund, what we anticipated for the...in response to the wildfire was to be able to use that funding for the County match that would be required, assuming that the community does want to move forward with that. So, I just wanted to provide that information to the Committee, and we're happy to support whatever you folks decide, but wanted to make sure you had all the information available. Thank you.

CHAIR SUGIMURA: So...oh, Chair Lee, but I also have questions for that. Chair Lee, go ahead.

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COUNCILMEMBER LEE: Yeah, and I'm pretty sure what they have in mind is not shovel-ready, or even close to it. This is the first we're hearing about managed retreats...retreat projects. We had, as a group, agreed to make West Maui our priority, and part of that priority is to provide and encourage and urge permanent housing because there...there's a huge gap when it comes to permanent housing. And so, this needs all hands on deck, and we're not feeling the all hands on deck. And I'm hoping that the encouragement from the Council is...is enough to get the Administration moving in this direction in a much quicker manner. Now, the people of Lahaina have told us over and over and over again, they don't want to live in other places other than West Maui. And Pulelehua, as you know, is one of the biggest projects in West Maui. So, we're hoping that, in cooperation, as you can see, we're trying to all . . .(timer sounds). . . figure out ways to make this happen by not...you know, the Affordable Housing Fund is now exhausted as a result of another project. So, we're looking for more, you know, other creative ways to fund this Pulelehua project, which is extremely needed in West Maui.

CHAIR SUGIMURA: Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Mr. Nishita, were you thinking that we could expend 24 million this year?

CHAIR SUGIMURA: Go ahead.

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Paltin, for the question. And apologies, I'm not advocating for or against any particular project. I'm just making sure the Council knows what the intention was. But in regards to that, that's really going to be dependent upon, of course, participation, as well as the valuations of those properties. So, like we do have a couple of property owners already voluntarily along the shoreline wanting to move mauka. . . .(timer sounds). . . And of course, you know, shoreline, beachfront property is going to be pretty expensive, and so, the County share may be fairly high. So, I can't...I can't tell you right now that I know for sure we would use all that money, or even that the community ultimately would decide that those managed retreat efforts along Lahaina Town is desired, but the sentiment we've heard thus far is that that's likely the case. And there have been willing property owners already. So, I would anticipate we're going to use some. Whether or not all, I...I really can't tell you, yeah.

COUNCILMEMBER PALTIN: Okay. I just would advocate for the existing 12 million. And then we can...I'm...I'm all open to the SMA fund as well.

MR. NISHITA: Thank you, Chair. Yeah, I don't have any other comments.

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COUNCILMEMBER PALTIN: And then...and then next year's 12 million, I'm all in for buying back the shoreline...or buy back the beaches, is that what they call it?

CHAIR SUGIMURA: Okay. Member Johnson, did you have your hand up?

COUNCILMEMBER JOHNSON: Thank you, Chair. What's the Administration's feeling on raising property taxes to put in the Affordable Housing Fund, and then using that funds and leaving the Managed Retreat Funds alone?

MR. NISHITA: Thank you, Chair. I think...I mean Mayor's proposal already came down and did include some property tax rate increases, as well as overall, kind of across the board, there was assessed value increases as well. So, I think Mayor's proposal kind of stands on its own. And I guess that would be what the . . .(timer sounds). . . Administration's recommendation was. In terms of use of the Managed Retreat Fund for other purposes, I mean, that's certainly the prerogative of the Council to make that determination.

COUNCILMEMBER JOHNSON: Right. And that's what we're at here right now is two choices, right? So, would...would the Administration support us raising the taxes to put in the Affordable Housing Fund and...and go that route? Or we could go this route. So, that's why I kind of want to hear what your...what your stance is.

MR. NISHITA: Thank you, Chair. I think...what I think I can accurately say on behalf of Mayor is that he's supportive of projects that are ready to move forward. I think it's been brought up before that there is significant concerns over water availability.

COUNCILMEMBER JOHNSON: Okay. Let me jump in for that water question. You're also advocating for more density in Lahaina Town as we rebuild. So, there must be water for that. Is there...and all of a sudden, there's no water at that section? Is it...is it because of the two water systems, one's more northerly and one's more southerly?

CHAIR SUGIMURA: Managing Director.

MR. NISHITA: Thank you, Chair. Well, so, right now, I'm not sure exactly what you mean by increasing density in Lahaina Town because those plans haven't been developed and/or approved by the community and/or, you know, the Council and State agencies and whatnot. There's certainly the opportunity to reevaluate on how land is used within Lahaina, and there may be opportunities to either...even...it could be increased density, and it also could be maybe the community wants open space, there could be decreased density. So, you know, I don't think it's...it's accurate to say that we're allocating more water usage to the existing Lahaina Town because in addition to what...what you have to

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realize is a lot of those homes and businesses were very old in some cases. And with newer technologies, you know, low-flow systems, you know, all that kind of stuff, there is water saving measures that will be put in place by just meeting current buildings --

COUNCILMEMBER JOHNSON: Right.

MR. NISHITA: -- you know, code, so... And to, I guess, the second part of your question about the...the two systems, Pulelehua would be served by the northern portion of the system --

COUNCILMEMBER JOHNSON: Are they connecting?

MR. NISHITA: -- and Lahaina Town is kind of served by our southern portion. Right now, in terms of like engineering, we can't pump from south to north. It's not to say that's impossible, and our Department of Water Supply is working on that and looking at different measures that that potentially could happen. But right now, they're not able to pump from Lahaina Town to where Pulelehua is served. So, practically speaking, that's just what it is right now.

COUNCILMEMBER JOHNSON: Thank you. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Anybody else have...Chair Lee?

COUNCILMEMBER LEE: I appreciate this discussion, Mister...Mr. Nishita. However, didn't the Administration offer to buy Pulelehua?

MR. NISHITA: Thank you, Chair. Thank you, Chair Lee, for the question. We did inquire with Pulelehua about if...if Paul would be open to acquisition of his affordable component of his project, and I can't remember if it's Phase I or whatever it's called, the affordable portion . . .*(timer sounds)*. . . of that project. And some review has been done regarding that, as well as looking into a variety of other areas. I think initially when we spoke, I can certainly say that I think the...the proposed terms at which Mr. Chang thought that might be acceptable to him for the affordable component was beyond what the County thought was feasible and/or was...

COUNCILMEMBER LEE: Well, I guess my point is, you wouldn't have made an offer if you didn't think you could get water. That's one. Secondly, I believe that the other component you are interested in was the commercial area. And this is where I feel businesses can be moved as far as managed retreat because we need commercial areas for our businesses. So, this is the reason why I think this is a good fit for managed retreat funding to assist with the Pulelehua project.

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MR. NISHITA: Thank you...thank you, Chair. Just in regards to the...the water piece, I mean, we view that project...like if...if the County were to acquire Phase I--or I'm sorry if I'm calling it wrong--but the affordable component of the project, that that would be a multi-year development. And what we've asked CWRM to do, even through the Governor's Office, is to expedite their review of the existing uses so that new use permits can be issued, which we anticipate will probably take about two years or so. And so, the development of that property will be multi-year before units would be constructed and before water service would be needed. So, our hope would be, if...if the acquisition did occur, that we would be able to fall in line with that timeline where CWRM would approve additional use by the time we're ready to go vertical.

COUNCILMEMBER LEE: My understanding is that CWRM is deferring to the Department of Water Supply. I just spoke with the Director last week, and it's up to him whether he wants to allow for the 75,000 gallons from the Kahana wells, which will be ready next year, and which would allow for this project to move forward. So, there seems to be a tremendous amount of confusion over the water issue and some of the other major issues. But what's not confusing is that this potentially will be probably one of the biggest solutions for the people of West Maui, yeah.

MR. NISHITA: Oh, I think Chair says she didn't have any questions.

CHAIR SUGIMURA: Fine. Anybody else have questions on this? Oh, you do. Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Thank you, Managing Director. So, I read the letter that Pulelehua sent over to Water requesting water for the next five years. So, can you explain how the timeline would work? We would have to ask CWRM for a new use permit. We don't know how long that would take, or do we have an understanding on how long that would take?

MR. NISHITA: Thank you, Chair. So, I guess this question is somewhat in line with, I guess, the statement Chair Lee made earlier just regarding about that the Department of Water Supply has control of . . .*(timer sounds)*. . . I forget the exact terminology she used. But what CWRM has determined is that County of Maui has already been allocated essentially a certain amount for existing use. That use was in Lahaina Town.

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: The...the allocation is for those property owners. So --

COUNCILMEMBER U'U-HODGINS: Right.

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MR. NISHITA: -- the concern is that individuals...and we're speeding along repopulation efforts. Our hope is that we're going repopulate as quickly as possible. The...the concern is that that water won't be available for those individuals when they build their home and are ready to rehabilitate.

COUNCILMEMBER U'U-HODGINS: Because they're new use, and there's existing use.

MR. NISHITA: Well, that's in terms of the borrowing aspect. So, I think what Chair Lee was indicating is that the County already has a certain allocation that's not being used because, you know, the properties were destroyed, and whether we'd give that allocation to another entity, such as Pulelehua. So, the concern is that that use, now, that water that we're allocated, is no longer available for the properties that were destroyed. And if people are repopulating quickly, which is what our infrastructure plans are to do --

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: -- then individuals would be stopped from building their home because the allocation would be gone.

COUNCILMEMBER U'U-HODGINS: Got it.

MR. NISHITA: The...the other point on how long it would take is on...I think we were initially told by CWRM, I believe it was about two to three years they anticipated to review all the existing use permits before they get through to new use permits. And so, there has been a request to kind of try to expedite that time frame so that we can get on to identifying whether there's additional source available that we can then allocate to other projects.

COUNCILMEMBER U'U-HODGINS: Okay. So, if we were to reallocate the water usage to go to any other project, whether it's Pulelehua or not, we would then potentially be taking away from the existing use of the people in Lahaina Town?

MR. NISHITA: Thank you, Chair.

COUNCILMEMBER U'U-HODGINS: When they rebuild.

MR. NISHITA: So...so there's...and I forget the numbers, there's so many "x" millions of gallons a day that --

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: -- that we have for Lahaina Town --

COUNCILMEMBER U'U-HODGINS: Yeah.

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MR. NISHITA: -- that most of it's not being used because there's people not there. So, that allocation, what CWRM is saying is basically...and this gets back to Councilmember Johnson's question too about the connection.

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. NISHITA: So, CWRM is looking at it as you have your whole system, your northern and southern system, and you have "x" amount of millions of gallons a day that you can use, and you can share between the systems.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. NISHITA: So, practically speaking, one system can't pump to the other system.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. NISHITA: They're just looking at it in...in terms of the whole numbers. If...if we have, let's say, 3 million gallons a day or whatever in Lahaina Town, and we have to give a million gallons a day to some projects on the northern side, and then 3 million gallons a day of projects come available in Lahaina, then we're only going to be able to approve 2 million gallons a day of projects.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. NISHITA: Yeah.

COUNCILMEMBER U'U-HODGINS: Got it. Little bit confusing, but I think I got it. Okay. Thank you, Chair.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER U'U-HODGINS: Oh, no, wait. Their zoning conditions, if anybody has read it, requires them to provide their own water. So, I think we need to remember that. That's no different than everybody Upcountry needing to pay for their own water meter installation, by the way. And as I understand, their two existing wells are salty, which is why they cannot connect to their own wells, which, if we were to allow them connection for, let's say, five years, what do you think is the possibility of them having other wells, or making their current wells less salty for potable use?

MR. NISHITA: Thank you, Chair. I guess, ultimately, I'd defer to the Department or Department of...I mean I'm sorry, the...the...

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COUNCILMEMBER U'U-HODGINS: Because if we allow them to connect, and we have...which is five years after the first people move in for the CO, which is what the letter says to the water, how would we...if they don't provide their own water, we're never going to...we're not going to be able to just disconnect those people's waters.

MR. NISHITA: Yeah. I mean, I guess, practically speaking, it would be very hard for the County, with people living in an existing unit, to then say all of a sudden, like, we're taking your water away. So, I mean, just practically speaking, I think that would not be favorable, you know, to...to do something like that to individuals already residing on property. Regarding the...the wells at Pulelehua, I mean, ultimately, I defer to the experts at the project or Department of Water Supply, but my understanding is they probably need to do some type of like R-0 and/or desal configuration to remove the brine from...to, you know, create potable water from the wells.

COUNCILMEMBER U'U-HODGINS: Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Member Paltin has a question for you.

COUNCILMEMBER PALTIN: Chair Lee and I had a...a meeting with Dave Taylor and a representative of the developer, and he...the developer is planning to do a desal to bring down the salinity, and then cut that water with the R-1 water that he will be 100 percent returning to his property and use that for landscaping. There's concern if you were to use injection wells for the brine. I think Deputy Director Mata'afa said something about uranium or something like that. When you...the brine, ocean, I don't know. . . .(timer sounds). . . So, they consulted with some environmentalists, and Dave Taylor said, yeah, that's proven technology, I guess. When something is proven technology, then it's a go, maybe, I don't know. I hear that a lot, like, you know, from people. Oh, that's proven technology. Even like when we went to Lāna'i, and I was saying about the waste-to-energy thing, Dr. Dancil was like, we're okay with any proven technology, and I'm all like, oh, well, we heard that you wanted specific proven technology, but I guess you just say proven technology, and you're a go. And so, that's the plan.

CHAIR SUGIMURA: Mr. Nishita.

MR. NISHITA: Thank you, Chair. I guess...

COUNCILMEMBER PALTIN: When CWRM gives them permission to use their own wells that they drilled, that is a little bit salty.

MR. NISHITA: Thank you, Chair. I know we're getting into this whole...I...honestly, my whole purpose was just to tell you what we're planning to do with --

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CHAIR SUGIMURA: . . .*(laughing)* . . .

MR. NISHITA: -- the Managed Retreat Fund. But anyway, regarding the...the wells, and I'll defer to the project developer and/or, you know, other experts on this who understand these things better, but my understanding is what you're saying is correct, that the like desalination and/or R-0 technology is...is very proven, and it's already been well-established. I think the concern, when you bring up regarding uranium, is that it's the concentration of it, I guess, that's developed after you create the brine mixture, and the proposal, I guess, was to do a deep well injection of the brine solution. And so, when you concentrate, you know, different types of either chemicals or heavy metals or whatnot, then it becomes a different hazardous condition. So, I think it's just working through that process to be able to get to the point where Department of Health and others can feel comfortable in signing off on that.

COUNCILMEMBER PALTIN: Yeah, I think that's why they had originally went for the NPDES for the injection well, and then when they learned about this other proven technology, they're like well, that's better because the environmentalists support it. And somebody was telling me that those wells that we are drilling for the County are new wells, and it's supposed to be backup reliable capacity or something, so it's not necessarily...I mean, it's backup, so it's not necessarily taking. But I think in their proposal, it was to change...if we're going to repurpose the 18 million that we had already given them to buy down the for-sale prices, and we're going to use it to do Phase I instead, that they would push off the for-sale units to something else, so these...this first phase would then instead be 100 percent rentals. And then, you know, if there are other housing opportunities coming up in Lahaina, that's a possibility too, to move them to the new rental housing in Lahaina because it wouldn't be like owner-occupied, this is my condo or something. And it...it is a very big concern, at least that we have 450 units ready to go in five years because First Deputy Campos and myself reputation is on the line with Leiali'i that those 450 modular units are out in five years. We don't want nobody staying there because it then belongs to DHHL, and everybody in the Civic said they were going to hold us to it...and I'd like to live in Maui for the foreseeable future and not get runned [*sic*] off the island, you know what I mean? So, that's why it's a concern that...that we're working on permanent affordable housing because that'll bring us up to almost 450, but the 89 units with Kupuohi are already spoken for, the 200 across the street, they're going to fill up, so this would be 240 more, and we got to...we got to make sure that the permanent housing is in the pipe so that we can move those 450 modulars out because that belongs to Hawaiian Home Lands afterwards. So, that's kind of the concern, that we need to start working on things like that.

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MR. NISHITA: Thank you, Chair. No, I mean, definitely agree. It's one of the reasons why for FEMA's builds, we...I don't know if we required them, but we asked them very politely, and they agreed to...basically there's a path to permanency for the unit so, you know, either like it's HUD-certified or Maui County Code-compliant units. So, the ones that they'd be pursuing at Kilohana or at Kā'anapali 2020 or these other ones, there'd be opportunities to extend beyond should the need still be there. Thank you.

CHAIR SUGIMURA: That's great. So, FEMA is sort of committing then, huh?

COUNCILMEMBER PALTIN: The only other solution I could think of is part of the infrastructure that they'd like to build with this money that they're getting is for sewer and water through DHHL lands that would benefit DHHL. I spoke to Mr. Nishita, I'm not sure if he had any success in inquiring about that 9...12 million there.

MR. NISHITA: Thank you, Chair. We have an upcoming meeting with DHHL. Unfortunately, a couple key people, I think, kind of retired or...or left that we were working with significantly in...in some of the development and stuff. So, anyway, we have a kind of catch-up, and let's, you know, get things back on track meeting coming up here shortly.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: I love those kind of meetings.

CHAIR SUGIMURA: Okay. Thank you. Don't leave. . . .*(laughing)*. . . Just in case. Okay. So Members, discussion, right? We've heard all of this. Oh, Member Paltin, sorry, I didn't...

COUNCILMEMBER COOK: Could you recount where we are?

CHAIR SUGIMURA: Yeah. So, the motion on the floor, can you say the motion said by Member Paltin?

MR. KRUEGER: If it's okay, Chair, could we ask Councilmember Paltin to recite the motion instead?

CHAIR SUGIMURA: Oh, you had the letter.

COUNCILMEMBER PALTIN: Certainly.

CHAIR SUGIMURA: Did we all get that same letter?

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COUNCILMEMBER PALTIN: So, the motion was to grant \$15 million to Pulelehua for the construction of 240 affordable rentals in Phase I. 12 million of that would be from the Managed Retreat Fund, 2 million from the 'Ōiwi Resource Lahaina Community Land Trust Fund, and the remainder of the Affordable Housing Fund, 479,175, as well as a new transfer of \$520,825, for the Pulelehua project, 240 affordable rentals permanent.

CHAIR SUGIMURA: So --

COUNCILMEMBER PALTIN: Unless...

CHAIR SUGIMURA: -- what does the total come out to, 15 million?

COUNCILMEMBER PALTIN: 15 million, 2 million of that would be contingency, that if they don't use, they wouldn't get.

CHAIR SUGIMURA: Okay. That's the new motion, right? So, Members, this is...

COUNCILMEMBER PALTIN: Oh, Ms. Toshikiyo has her hand up.

CHAIR SUGIMURA: Oh, I don't see her. Ms. Toshikiyo? Oh, I see you in the corner. Okay. Ms. Toshikiyo?

COUNCILMEMBER PALTIN: We can't hear you, but if it was about the Managed Retreat 5 mil, I'll do a reconsideration after.

CHAIR SUGIMURA: Ms. Toshikiyo?

MS. TOSHIKIYO: Oh, well, actually, no. My question was just kind of on the process because if...it can't be a direct transfer from the Managed Retreat Fund. So, is the intention that Bill 78 would pass, which would then free up the \$12 million revenues, which would then revert --

COUNCILMEMBER PALTIN: Yeah, that is the assumption.

MS. TOSHIKIYO: -- to General Fund --

COUNCILMEMBER PALTIN: Yeah.

MS. TOSHIKIYO: -- and then that goes to Affordable Housing Fund. Okay. Thank you.

COUNCILMEMBER PALTIN: That's...that's...that's what this motion is based on, that assumption.

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CHAIR SUGIMURA: So, we're out of order.

COUNCILMEMBER PALTIN: As well as a reconsideration on the \$5 million that Chair Lee previously put to --

CHAIR SUGIMURA: Lahaina.

COUNCILMEMBER PALTIN: -- Lahaina Community Land Trust.

MS. TOSHIKIYO: Okay. Thank you.

MR. KRUEGER: Chair?

COUNCILMEMBER PALTIN: Any time.

CHAIR SUGIMURA: I...I saw Ms. Milner pop up also. Ms. Milner, did you pop up for a reason?

MS. MILNER: Thank you, Chair. It was just sort of a technical discussion about how it would move around in the budget bill, but I can just talk to the OCS Staff offline. Thank you, Chair.

CHAIR SUGIMURA: Thank you. James?

MR. KRUEGER: Chair, admittedly, that's what we were about to request clarification on. So, is the intent then for the...the condition to be up to \$15 million to be reflected in the Affordable Housing Fund, with an understanding that we would actually be taking the \$2 million that's currently under the Department of 'O'iwi Resources for the grant to the Lahaina Community Land Trust, and instead adding that to the supplemental...or adding that to the transfer to the Affordable Housing Fund so that's also in the Affordable Housing Fund?

COUNCILMEMBER PALTIN: Yes, I was going to do two reconsiderations if this passes, for the \$2 million and the \$5 million.

MR. KRUEGER: So, Chair...so...

CHAIR SUGIMURA: Okay. Go ahead, Kasie...or...

MR. KRUEGER: So...so, Chair, perhaps at this time then, our understanding is that...so, the motion on the floor is to just condition the Affordable Housing Fund for \$15 million, and then if the body needs to reconsider those other items, they'll do that afterwards?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

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MR. KRUEGER: Oh, I see. Oh. So, Chair, is...as part of the motion, also to increase the transfer to the Affordable Housing Fund by that same 14 million and whatever is necessary to bring it to 15 million?

COUNCILMEMBER PALTIN: \$14,520,825. Yes, that would be part of the motion.

MR. KRUEGER: Thank you, Chair.

COUNCILMEMBER PALTIN: Once we do the revisits, or what...reconsiderations of the other \$7 million with that. Maybe we're a little bit out of order, but if this doesn't pass, then we wouldn't need to do the other reconsiderations --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- so that's --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- how it would work.

CHAIR SUGIMURA: Yeah. And then we would revisit the Affordable House...I mean the Managed Retreat Fund? Would we need to do something with Managed Retreat Fund, or is it the bill?

COUNCILMEMBER PALTIN: We would reconsider 5 million from the Managed Retreat Fund to Lahaina Community Land Trust, as well as 2 million for Lahaina Community Land Trust.

CHAIR SUGIMURA: From 'Ōiwi?

COUNCILMEMBER PALTIN: Yeah.

CHAIR SUGIMURA: So, it would be deleted from those two, right?

COUNCILMEMBER PALTIN: It would be --

CHAIR SUGIMURA: Towards Pulelehua.

COUNCILMEMBER PALTIN: -- transferred over to the Affordable Housing Fund.

CHAIR SUGIMURA: Okay. Okay. I see Ms. Milner. Hello.

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MS. MILNER: Thank you, Chair. We would also need, I believe, a motion to decrease the transfer to the Managed Retreat Fund by \$12 million, so that that anticipated increase could be zeroed out as well. Thank you, Chair.

CHAIR SUGIMURA: Okay. James and Kasie, so we haven't taken up that bill.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay. Okay. So, we can do that. Okay. It's pending.

COUNCILMEMBER PALTIN: We'll do that when we take up the bill.

UNIDENTIFIED SPEAKER: Yeah.

CHAIR SUGIMURA: So, Members, we will take the vote. I just want you to know that I am not supporting this because I think we need projects that...this project has come before us so many different ways. I remember I was here for the 18 million, we still haven't seen all of that. Then we heard a 50 million reso. Then we heard a, now, 31 million, and now we're down to 18. So, it just makes me wonder, you know, where are we, and can this really get...you know, can we really build, right? We've been waiting since Victorino Administration, is my perspective, and even with this urgency and this, you know, roundabout changes, it makes me wonder. So, are you ready to take a vote? Yeah? Oh, Chair Lee.

COUNCILMEMBER LEE: I think any large project is going to tend to be complicated. And as the former Housing Director, I've seen so many projects not be able to move forward because of all the restrictions placed on...upon the project by the Council, by the departments, by everybody. And unfortunately, along the way, the developer agreed to many of these conditions, not realizing how difficult they would be, and how expensive they would be. And I'll give you an example, like the Atherton project. Yeah, that's a big one. It's taken 16 years. It's changed, it's morphed from one type of project to another type of project. And in the end, the State is now paying for the Waikapu Bypass and...and the sewer treatment plant and all these other things that the developer thought he could handle in the project. So, this is no different from...this is a big project, over 200-plus, with much more potential in the future. And unlike the Bigley project, it's not 89 units, \$36 million, which we just approved...\$36 million plus the 3 to buy is \$39 million for 89 units. This is over 240 in the first phase, not to mention many more...several more phases to come, including commercial. So, this project has a tremendous amount of potential. And also, the people from Lahaina have asked for it. They have lobbied for it. So, I am...I'm very clear in my mind that this...this project is a good one for Lahaina. And I want to do...like all of you, want to do everything we can to help them feel some sense of hope and security for their future. Thank you.

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CHAIR SUGIMURA: Okay. Member Paltin?

COUNCILMEMBER PALTIN: Thank you. So, for my discussion, I would just say, you know, I've experienced this same type of changes with...with many developers. You know, the Kihunes came back for 850,000 for the condition we put on them for that extra second exit...all for it. They came back because costs went up just for 20 houses...all for it because they needed that last little bump to get over and get those houses out there. Carnicelli, same thing, you know, he came back, oh, it's for sale, it's affordable, it's rental, it's for sale again. And so, I mean I...I do see this kind of change often as well in my short amount of time in dealing with developers. And...and so, you know, I don't know much about development, disclaimer, but I do see people come back for money often. And we don't often look at the scale, which maybe we should, but you know, sometimes it's just that little last 5 million, or 850,000, or 15 million here. Like I think it was 5 million for 28 houses for the Kihune one in Kilohana. So, it's not unusual. We...we've been doing this, Atherton, Carnicelli, Kihunes. We were going to just consider 18 million to give water to the Kihunes, you know? So, I mean just that the need in West Maui is...is really there. We have interim housing kind of under wraps. Permanent housing is not quite as clear.

CHAIR SUGIMURA: Okay. Any other discussion? Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. I see problems with the...with this project, and also I see that the need in Lahaina, the desire for it in Lahaina. My perspective on it is to...this is kind of what I'd like to see, basically a commitment for prevailing wages. And it's not simply...to me, it's not bending the rules and accepting what the agreement was. And I don't need to go backwards for their interpretation, but that's one aspect of it. The other...and...and it's a level playing field because using government money, everybody has to do it. So, it's not making his more expensive. 89 units...I thought the 89 units this morning is very expensive...very expensive. But I also...I was supportive of it because it's 89 units in the pocket. Like, there's a time frame...the 220 units possibility. So, my support is twofold. The prevailing wage, and then I'd like there to be a milestone schedule to track the reality of the homes to be move-in ready. And what I mean by that is the...the developer, you know, he has a commitment. I don't know how the time...a time test on it, but to be able to put the construction schedule together and basically show, we get water, we get this, we get this, we get this, we're going to be able to provide it on this date, and we understand there's going to be changes, and it may slide. But something that's mappable because the \$18 million that was given previously, and not...not spent, but it's been encumbered. So, I want to avoid that. Giving the money to the project and getting the houses built, I have no problem. I just don't want to tie up the funds, and then it interfere and impact other projects. So, I don't know exactly how to condition that, but mine

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is one, underlying the prevailing wage agreement that he already has, and the other thing is the...some type of a time frame of performance that it's based on. It's like use it or lose it, don't sit on it. So, anyway, I don't know how the...the...if that's an acceptable friendly amendment.

CHAIR SUGIMURA: So, are you asking to condition this, the 18 million?

COUNCILMEMBER COOK: Additional 15 million.

CHAIR SUGIMURA: Additional 15 to the 18? Just the total 15?

COUNCILMEMBER COOK: No, I'm just...I'm supportive of the project, and hoping that we can have a friendly amendment to hash out somehow to have a condition that the prevailing wages isn't in question, and that the timeline, some type of a timeline so that it doesn't...we aren't led to believe it's going to happen. Chair Lee is absolutely correct. Things happen, it is really difficult to build. We, as a Council...we, as the Administration...we, as the local government, it's really our kuleana to assist and facilitate the project to get built. And if we continually put up hurdles, we can't blame them. But if we have it spelled out--here's the money, this is what you need to do--and as long as they're doing it, fine. But when they're not doing it, it needs to expire somehow so other people can use the money.

CHAIR SUGIMURA: So, are you asking for the developer to provide us that information?

COUNCILMEMBER PALTIN: I'm okay with a friendly amendment that he's saying, 30 months after permits and water approval. And it would have to be less than five years because Lahaina's going to need the water back in five years.

COUNCILMEMBER LEE: And prevailing wages.

COUNCILMEMBER PALTIN: And prevailing wages.

COUNCILMEMBER COOK: So, 30...

COUNCILMEMBER PALTIN: I mean, that's the law.

COUNCILMEMBER COOK: 30 months being...having COs being like starting to be occupied?

COUNCILMEMBER PALTIN: 30 months after permits and water approvals have been...Certification of Occupancy?

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COUNCILMEMBER COOK: Yeah. And I would think...I mean to cut a little slack, if it's going and you had like 70 percent occupancy. Because there again, the government is...

COUNCILMEMBER PALTIN: Yeah, I believe they're...

COUNCILMEMBER COOK: 70 percent occupancy and work in progress is flowing so people can be starting to move in.

COUNCILMEMBER PALTIN: Yeah. I believe their intent is to be finished with the units 30 month...30 months after permits and water approval, have a Certificate of Occupancies. And so, time frame, prevailing wage, and what was the other one?

COUNCILMEMBER COOK: That's it.

COUNCILMEMBER PALTIN: Oh, I'm okay with that friendly amendment.

CHAIR SUGIMURA: And he also said that if he...if they don't use the money by a certain time, it lapses, right?

COUNCILMEMBER COOK: Well, yeah. I mean just basically, that's...

COUNCILMEMBER PALTIN: That's what it is, 30 months after.

COUNCILMEMBER COOK: Yeah.

COUNCILMEMBER PALTIN: If they don't...I mean, after they get their building improvements and water approval, they're going to start drawing down the money because they're going to be construction...in construction. I mean, it's a reimbursement basis. It's not a fronting, right? So, it's...

COUNCILMEMBER COOK: So if they haven't done anything in that time frame --

COUNCILMEMBER PALTIN: Yeah, they haven't --

COUNCILMEMBER COOK: -- it goes back into the Housing Fund.

COUNCILMEMBER PALTIN: -- done anything in that time frame then it goes back into the Affordable Housing Fund.

CHAIR SUGIMURA: Member U'u-Hodgins?

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COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Can I ask real quick...so, in Chair Lee's original proposal for the 31 million, it was a grant. Is this still a grant, or is this now a loan? Oh, wait, hold on. I'll wait, I'll wait.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: It's a grant.

COUNCILMEMBER U'U-HODGINS: Okay, grant. Okay. So we're not going to get paid back? Okay.

CHAIR SUGIMURA: He said he would do a loan the last time he came before us. Maybe we should.

COUNCILMEMBER U'U-HODGINS: I would prefer it to be a loan.

COUNCILMEMBER LEE: Well...

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: At...at this point, it has to be a grant because we're...we're...I mean...

CHAIR SUGIMURA: He has 18 million of which he only used 400. And then you're saying that he wants now an additional --

COUNCILMEMBER U'U-HODGINS: 13.

CHAIR SUGIMURA: -- 13.

COUNCILMEMBER U'U-HODGINS: But it's condition 15, two contingency million dollars. But...so, this is a grant, to clarify.

COUNCILMEMBER PALTIN: Grant.

COUNCILMEMBER U'U-HODGINS: Grant.

COUNCILMEMBER PALTIN: Yes, and the...the original 18 is folding into this. Since that 18 was to buy down the prices of the affordable for sale, he's going...he's amenable to modify that grant agreement, and use it instead as part of the 31 plus 2 mil contingency to get this first phase, which would be 100 percent affordable rentals. And when he gets to his 60 for-sale, will...he'll...he'll have to amend his workforce housing agreement with DHHC to amend that contract. But then when we get to the 60...

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COUNCILMEMBER U‘U-HODGINS: Real quick, what is that sound? I’ve been hearing it all day, that ringing. Sorry.

UNIDENTIFIED SPEAKER: Somebody’s phone --

COUNCILMEMBER U‘U-HODGINS: Sorry.

UNIDENTIFIED SPEAKER: -- or something...

COUNCILMEMBER PALTIN: Sorry, somebody’s been texting me nonstop.

COUNCILMEMBER U‘U-HODGINS: Okay. Thank you. . . .*(laughing)* . . .

COUNCILMEMBER PALTIN: Yeah.

COUNCILMEMBER U‘U-HODGINS: Okay. Sorry.

CHAIR SUGIMURA: It’s those...

COUNCILMEMBER U‘U-HODGINS: I thought I was kind of going crazy.

COUNCILMEMBER PALTIN: I’m popular. . . .*(laughing)* . . .

CHAIR SUGIMURA: Whenever you say something, somebody’s giving the feedback what the answers are.

COUNCILMEMBER PALTIN: . . .*(laughing)* . . . Not all of it. Some are like my dog.

COUNCILMEMBER U‘U-HODGINS: Oh, no, I thought it was kind of like being gaslit in my head, like am I...am I hearing stuff?

COUNCILMEMBER PALTIN: No, we’re all hearing it.

COUNCILMEMBER U‘U-HODGINS: Okay. Okay.

COUNCILMEMBER PALTIN: So, we’re good then. So, he’d have to amend his workforce housing agreement with DHHC to amend that original 18 million. He’d no longer buy down the price of the for-sale, he’ll build the for-sale later, and if we want it to be truly affordable, at that time, we’ll cross that bridge. And so, this is 31 million...compared to the 36 million for 89, it’ll be 31 million for 240 affordable rentals. For-sale will still need to be done per the LUC agreement, but there’s more phases to come. So, it can still be done, and at that time, we can cross the bridge if we want it to be truly affordable or not.

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COUNCILMEMBER U'U-HODGINS: Okay. One more question before I like kind of start my discussion. Is this project for-sale? Because I know that he's met with some people...he's met with some people to hopefully sell this project. Is that still the case?

COUNCILMEMBER PALTIN: Oh, the...you mean Pulelehua as the project?

COUNCILMEMBER U'U-HODGINS: Yeah.

COUNCILMEMBER PALTIN: That I don't know. I think Josiah said they wanted to buy it, and he said the terms were not amenable to what he wanted.

COUNCILMEMBER U'U-HODGINS: Yeah. I wasn't talking about the County of Maui being a potential purchaser.

COUNCILMEMBER PALTIN: So, I turned off the sound on my ringer, but it's not for-sale.

COUNCILMEMBER U'U-HODGINS: Okay. Because I know that he did meet with somebody not too long ago to potentially sell it. So, that's good because I would hope he wouldn't be using a grant from the County to leverage the sale price of this project. So, that's good, considering that this would be a grant. Nonetheless, thank you, Member Paltin, for answering my questions. I really appreciate it. I won't be able to support this project at the time. I read over their...the stuff that they sent us, as well as the letter that Ms. Nishiki sent to me. I understand their position regarding prevailing wage, that they spent down \$400,000 of the 18 used for professional services for surveying and engineering to help their subdivision process. However, I disagree with their opinion that that doesn't trigger prevailing wages. According to the State law, anything over \$2,000 triggers prevailing wages for all work, and I support prevailing wages, every day, all day, all the time. So, I disagree with their opinion. I appreciate it, but I still disagree. I would like more certainty in the situation with water. I understand there's a lot of confusion. I would like them to spend down their \$18 million, so I appreciate them being flexible. I understand that all projects are going to have to be flexible in our market and in our economy right now. As probably the only person who sits on this side of the desk who's actually done workforce and affordable housing projects with our County's laws, I can tell you it's hard and it's confusing. So, I do appreciate everybody's willingness to flex...not just Pulelehua's, but everybody's willingness to flex to County's laws, State laws, regulations. I really wish it wasn't so difficult, especially in Lahaina, considering all the things we now have to do. CWRM adds an extra wrench that a few years ago, we didn't have to accommodate for. When I was also reading the letter to the Water Department, I understand their...their position, that it is our County's duty to provide water to our people. If you read the exceptions though, it says if you're outside of the

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service, this doesn't apply, which is exactly why--and this is unfortunate--Upcountry, we have been losing our demographics, population, Upcountry for so long. Like, honestly, not too many people who I went to high school with still live on Maui, this...and because of our lack of water Upcountry, our lack of access to water Upcountry. Unfortunately, this is what they're going through. I would rather see confirmation on how they're going to handle water, how we are going to handle the water to help them along, and how they are going to handle water before I give them--before we all hopefully--give them another \$13 million on top of the \$18 million, making it a \$31 million grant. I support affordable housing in West Maui, which is why I supported the project this morning, which is why I supported the rest of the funds to go to Lahaina, which is still a condition that's in there. So, if Pulelehua in the next year figures out their water and spends their \$18 million, or can reapply and get this \$13 million, all the money that we have in Affordable Housing Fund is allocated already to Lahaina. And I know that we're moving the Managed Retreat and moving 'Owi Resources money into the Affordable Housing Fund for this reason--which I support moving it, that's fine--but I would hate to earmark money for a project that really isn't as shovel-ready as maybe we all hope it to be, and this would disallow for other projects to be built in that area. I really hope, again, that we can figure out the water because I would hate to reallocate it to someplace, and we don't figure it out, and it has to go through all kinds of problems. Again, this is how this works. It takes a long time. If they have to desal those wells, it's going to take a long time. Upcountry has wells that has been sitting there that we can't use for so long. I would love for them to figure this out in five years. I hope they do. But the probability that they'll figure it out in the next year is probably slim to none. I hope that's not the case, but that's probably what's going to happen. They already have \$18 million. All the money in the Affordable Housing Fund is slated to go to all the...any shovel-actual-ready [sic] project in Lahaina. So, if they're ready, great. But right now, I'm not going to earmark any more money for a project that already has a bunch. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you, Member U'u-Hodgins. Member Cook.

COUNCILMEMBER COOK: Thank you. One more friendly amendment to something that they can't...they can't sell it. I mean...you know what I mean? Some...it's kind of...kind of hard to do. So, anyway, I want to...if I can weigh in...my last comment, Chair. Part of the reason my being supportive this morning for it being so expensive was it was a loan. This one is a grant. It's not going to be paid back. If the houses get...when the houses get built and people are living in it, I think it's a good investment, and I'm willing to do that. And I'm just saying, that's the difference in my mind between this morning's project and this project. It is...our County makes it so difficult to build homes that the grant kind of levels the playing field a little bit. It's distasteful to me, but I think necessary at times. Anyway, that's my two cents.

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CHAIR SUGIMURA: Okay. Thank you. Anybody else have any comments?
Member...oh, Member Rawlins-Fernandez, did you...

COUNCILMEMBER PALTIN: Oh, on his --

CHAIR SUGIMURA: Member Johnson?

COUNCILMEMBER PALTIN: -- Friendly amendment...oh, I was going to say that maybe if the money is only reimbursed to Paul and not a future owner, would that be allowed as part of the friendly amendment? Like this agreement is only with this...not legal?

COUNCILMEMBER RAWLINS-FERNANDEZ: Nontransferable.

COUNCILMEMBER PALTIN: Nontransferable.

CHAIR SUGIMURA: Your mic, your mic.

COUNCILMEMBER PALTIN: I'm okay with that friendly amendment of that this grant is nontransferable, if that's legal.

CHAIR SUGIMURA: Ms. Toshikiyo?

MS. TOSHIKIYO: Hi, Chair. Thank you. I'm sorry, Member Paltin, for interrupting you. But there are within the Affordable Housing Fund grant or loan requirements that they have to agree to within the grant agreement. So, for instance, a grant or loan agreement for distribution of funds must contain the following conditions and restrictions unless otherwise approved by the Council by resolution. So, for instance, title to any real property must be held in perpetuity by the grantee or borrower convey...unless conveyed to the County or to a qualified nonprofit or community land trust. Project must not be sold, exchanged, divested, or converted to other uses that are inconsistent with the purposes set forth in this chapter without the prior approval of Council by resolution. So, I mean, there's a list of four or five...

COUNCILMEMBER PALTIN: So, it's covered basically.

MS. TOSHIKIYO: Yeah.

COUNCILMEMBER PALTIN: Okay.

MS. TOSHIKIYO: Subsection 5 . . .*(inaudible)*. . . a grantee or borrower must not distribute or redistribute grant --

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COUNCILMEMBER PALTIN: Okay.

MS. TOSHIKIYO: -- or loan funds to other organizations.

COUNCILMEMBER PALTIN: So, it's already...it's basically already in there.

MS. TOSHIKIYO: It's in there, and any change would require the Council's approval by reso.

COUNCILMEMBER PALTIN: Okay. So, it's already friendly amended.

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. Anybody else?

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR SUGIMURA: Oh, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yep, thanks. Okay. So, I...I wanted to touch on the loan thing. We started doing this about three years ago. Before that, there was never a request to have affordable housing funds to developers be a loan. It was always a grant. I believe it was with Ikaika Ohana. They were the first ones, and it was because of their financing and how that worked with the LIHTC. And so, it was because of the capital stack that they asked us to...to call it a loan. It's not really a loan. It's a forgivable loan, which means it's a grant. So, it's not really...we're...we're not really collecting back on the money, and the interest is nominal, and we're not really going to get the millions of dollars back. It's...it's basically a grant. We're just calling it a loan. So, I...I wanted to clear that up because it seems to be an issue that folks are having. And again, this only started about three years ago. It's very new. Next, I wanted to touch on, you know, Kupuohi. So, that was 36 million for 89 units, plus the 3.1 for the acquisition of the land...or at least, you know, partial ownership of that. So, that's 439,000 subsidy per unit. And then here, 31 million for 240 units is 129. So, that's 439,000 per unit versus 129,000 per unit. That's like \$310,000 less per unit for...for that subsidy. So, there's several wells that are coming online. There's the Kahana Well, which will be open starting January 25th...January 2025, so, next January. The County, if it really wanted to--and I...and I...I hope it does--want to get people in permanent homes, not the temporary homes that we've been talking about, this is one way to do it immediately. And we can work through, and we have with the County, know how to be creative. We just have to want to. And then we'll work out how the water will be provided as people return to Lahaina Town, as the Kahana wells come online. The R...the wells...the two Pulelehua wells will be done R-0. And working with environmental groups, they're looking at mixing it with other waters to make it brackish and then for irrigation. So, it won't...they're foregoing that idea of injection well so, that...that's not going to be moving

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forward in that way. You know, and then to your comment, you know, Member Sugimura, yes, this has gone through a lot of variation. And as Chair Lee said, with the Atherton project, I appreciate developers that are willing to work with us when they recognize the community's need. And they, you know, rise to the occasion, and try to figure out how we can all work together as good neighbors, as partners, to provide for our people, especially right now. And so, yes, there's been a lot of different ideas that's been floated, but a lot of it has been in response to what our community needs. And so, I...I appreciate that. Anyway, so those are my thoughts. I'm extremely supportive of this idea. And I hope the Administration will be a bit more willing to work together to make this happen for our...our, you know, Lahaina community that needs it so desperately. Mahalo.

CHAIR SUGIMURA: Member Kama?

VICE-CHAIR KAMA: Thank you, Chair. I just have one question, and I'd like to ask this of Member Paltin to help refresh my memory. So...so, I'm looking--well, my notes are scribbled all over this page and I ran out of space, but...so, we're looking at...we're looking at 30 months after they receive their water permit and their building permit, did you say? Was that the two permits they needed? And then they needed to...once they got those two, then they had 30 minute...30 months to be able to start building, or to be finished building? To start?

COUNCILMEMBER PALTIN: To...no, not to start, to get Certificates of Occupancy and people moving in. It was water approval from the County and building permits. Then within 30 months of that, they should be having...going in for Certificates of Occupancy, which is, I believe, the final step before people can move in. Once...once they get a Certificate of Occupancy --

VICE-CHAIR KAMA: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: -- then people can move in.

VICE-CHAIR KAMA: So...so, if we...if we put a...the...if we measure the timeline, it's beginning with 2020...what is this? Let's say we're beginning with 2024, what would that timeline look like? Would it be 2031?

COUNCILMEMBER PALTIN: Well, it would have to be...

VICE-CHAIR KAMA: That they should have that. I mean, because we get to five years, right?

COUNCILMEMBER PALTIN: Yeah.

VICE-CHAIR KAMA: Because we're borrowing water --

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COUNCILMEMBER PALTIN: Yeah.

VICE-CHAIR KAMA: -- that we got to give back, right?

COUNCILMEMBER PALTIN: Yeah. So, five years is --

VICE-CHAIR KAMA: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: -- a hard deadline on the water, I believe...I mean, as it is for many things.

VICE-CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: And then the building permit and water approvals depend on us, the County. And --

VICE-CHAIR KAMA: Right. . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: -- my understanding is the...they're going to go for a Certificate of Occupancy as each building gets built. So as one building gets finished, they'll go for the Certificate of Occupancy while continuing on to the next building. I...I believe kind of like how Kaulana Mahina is going, like they have people moving in --

VICE-CHAIR KAMA: Yeah, phases.

COUNCILMEMBER PALTIN: -- and they're...they're still building, right...or finishing up. And that their plans are already in to the County for review at this moment.

VICE-CHAIR KAMA: So, are we looking at maybe having the first occupants...I mean, the Certificate of Occupancy in 2027, or sooner than that?

COUNCILMEMBER PALTIN: That would be ideal.

VICE-CHAIR KAMA: Or later than that?

COUNCILMEMBER PALTIN: 2027 would be ideal. It kind of...so, the plans are in the County's hands, like how Chair Lee and Miss...Member Cook like to say, permits, permits, permits . . .*(laughing)*. . . you know?

VICE-CHAIR KAMA: Yeah, yeah.

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COUNCILMEMBER PALTIN: It's all about the permits. And so...and I don't know, back in the day, they used to attach like a little fluorescent pink Post-It, I think, to say this is an affordable and move it forward. But now they have MAPPS, so I don't think there's a fluorescent pink Post-It involved anymore, but hopefully there's still some sort of way to say this is an affordable project in West Maui, please expedite it. I don't know if it's...can go through the 4LEAF expedited project, because it's not in the burn zone, but it is to kind of...I do know that he intends to extend...provided by law, allow for wildfire survivors to be first. His intentions, because his plans...full plans are already in County hands for review, is 36 months from now. So, this is 2024, so finished in 2027 --

VICE-CHAIR KAMA: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: -- with the first phase, depending on permits, permits, permits.

VICE-CHAIR KAMA: Permits. Okay. Thank you.

COUNCILMEMBER PALTIN: Which hasn't been my thing, but I'll jump on that train for sure.

VICE-CHAIR KAMA: Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you. I see Ms. Toshikiyo popped up.

MS. TOSHIKIYO: Yes. Thank you, Chair. I'm just kind of trying to follow along with the discussion because when we enter into grant agreements with the developers, we do have a time of performance that they have to meet. So, if you were going to be setting a specific time of performance, it would be preferable if we could have the end date. And we also usually have language that says that...so, for instance, I think I'm looking at the correct grant agreement, the one for the 18 million states that they would complete their project on or before June 30, 2025, subject to such extensions as we agreed to in writing. So, just if you were going to be setting an end date, prefer...preferable if we had a date certain, rather than 30 months after receiving a permit, just so that, you know, it's a condition that we can include within the grant agreement.

COUNCILMEMBER PALTIN: I guess part of that is permits, permits, permits. It's...the permits are...or the application is in, but the developer has no control over when the County approves them or asks for modification or...but if there was a date --

MS. TOSHIKIYO: Yeah.

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COUNCILMEMBER PALTIN: -- certain from the County, like we'll get these permits approved, barring...you know, I think for the expedited permit process, they say we'll give you a response within 15 days, but it depends on both sides, right? If somebody turns in an incomplete application, then they have to respond within 15 days. You need A, B, C, and D, then they have to like try and turn that in again. But if they only turn in A and B and not C and D, then they'll respond in 15 days, hey, you didn't turn in C and D. So, I mean, I'll...I'll let Member Cook explain about the permits because I think he's a lot more frustrated than I am about permits. But...or...or Member U'u-Hodgins, whomever.

CHAIR SUGIMURA: Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Yeah, you know, thank you, Member Paltin. I ran into Director Molina the other day when this came up in our Committee, and I was asking him the status of permit review. This is not a 100 affordable project, right? So...

UNIDENTIFIED SPEAKER: Overall.

COUNCILMEMBER U'U-HODGINS: Overall. So, I was asking him the status of the building permits. I know that they filed for building permits, but I don't think they paid their building permit review fee, so the review hasn't started. I think they have to probably...if it's 2.96, provide 50 percent of the building permit fees, and then the...the process can begin. So, they're going to have to pay for that, and then I believe the process can begin. And until water is going to be figured out, it's probably going to languish...

COUNCILMEMBER PALTIN: So, just to clarify what you said, because they would be using Affordable Housing Funds, they have to pay 50 percent of the cost.

COUNCILMEMBER U'U-HODGINS: Oh, no, no, no.

COUNCILMEMBER PALTIN: Oh.

COUNCILMEMBER U'U-HODGINS: Sorry. For I think it's 2.96, the provision is they pay 50 percent or more, or 50 percent building permit fees. I have to...so I did 100 percent projects, so we didn't pay building permit fees, but I believe if it's not 100 percent, then you pay building permit fees, but half of it. No different than this affordable housing stuff, so I think that also applies, but I think it's more specifically in 2.96, but I could totally be wrong. But I know that if they're not 100 percent, then they would have to pay some sort of fee, and then that could begin the review process. So, that's what Director Molina told me the other day, that's why.

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COUNCILMEMBER PALTIN: Okay. Yeah, this phase is 100 percent affordable, but the project as a whole is not 100 percent affordable.

CHAIR SUGIMURA: Okay. Chair Lee has her hand up.

COUNCILMEMBER LEE: I can solve this problem by just saying 30 months upon execution of the grant agreement.

CHAIR SUGIMURA: Wow. Execution of the grant agreement with Housing and Human Concerns.

COUNCILMEMBER LEE: With the County.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: We don't know where Housing is going to be or what...you know, it's just with the County.

CHAIR SUGIMURA: It's called Housing. Okay. Member Johnson, you had your hand up. And I want to take a vote so that we can move on when you guys are ready.

COUNCILMEMBER JOHNSON: That was what I was going to say. I was seeing Josiah in the back trying to hang on to our discussion, and I think we're about ready to move on. I...the discussion has been deep, robust, and people have made their points. I'll just add this is prioritizing Lahaina survivors as allowable by law, and that's exactly what we need to be focusing on, Members, and that's enough. So, I'm ready to move on this. I'm ready to vote. Thank you, Chair.

COUNCILMEMBER SINENCI: Chair?

UNIDENTIFIED SPEAKER: Go ahead, Member Sinenci.

COUNCILMEMBER SINENCI: . . . *(laughing)*. . . I just, too, wanted to add, we did hear testimony this morning from Mr. Ki'akona, and he expressed, you know, the Lahaina residents and their disappointment in...in not prioritizing Lahaina after...after the fire. And we're...just too, as a reminder, we're only here discussing this because...because we supported other projects that weren't in Lahaina. So, I think our...this time around, we wanted to go ahead and support the rebuilding of Lahaina. Ms. Martins shared how much of our RPT taxes from...from the devastation, so we kind of wanted to...if we can rebuild fast and...and generate more RPT for new homes and solidify our base again, I'm all for it. Thank you.

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CHAIR SUGIMURA: So, Chair Lee wants to do an amendment, and basically you want to have this built...or building to start 30 minute...30 months after the Housing Department does their grant.

COUNCILMEMBER PALTIN: No, 30 months after the permits and water approval. Because if 10 months go by and they don't get the permits, then how's that going to work? They need 30 months to build it once they get their permits. I think if we vote to have this through, then they'll be calling Director Molina every day to see what they need.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: I'll go with that, yeah.

CHAIR SUGIMURA: Okay. Okay. You're fine? Okay. All right.

VICE-CHAIR KAMA: Chair?

CHAIR SUGIMURA: Oh, yes, Member Kama.

VICE-CHAIR KAMA: So, I wanted to get back to...to Ms. Toshikiyo's response to my question regarding a date certain.

CHAIR SUGIMURA: Um-hum.

VICE-CHAIR KAMA: So, I wanted to ask her that even...even for the date certain at the end, and the developer gets maybe a year or two away from the date and realizes that he hasn't gotten all of his ducks in a row, can he apply for an extension?

MS. TOSHIKIYO: Yes. Typically, the process is when the developers apply for use of the fund, you know, they include when their anticipated project completion --

VICE-CHAIR KAMA: Yeah.

MS. TOSHIKIYO: -- date is, and that's what we include. And Chair Lee is correct that we can also do, you know, "x" amount of, you know, months, days, years, after the execution of the grant. But at least then we would have a termination date, an end date.

VICE-CHAIR KAMA: Yeah.

MS. TOSHIKIYO: What makes it difficult, if it's a contingent upon an action by the grantee, it would be difficult for us to be able to track and, you know, determine, you know, what is the actual term of the...the...the time of

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performance on the grant. So, I'm just trying to think off the top of my head what would be, you know, language that at least we would know, you know...you know, tracking when the permits, you know, do they have to provide documentation of their efforts that they're, you know, getting permits, you know, kind of check-in dates. Just trying to be creative on how we can make sure that they have the flexibility to move, especially with all of, you know, the kind of difficulties we see getting permits, but also giving the...the Department, you know, the time frame in which all of these...the funding would have to be used in the time and, you know, what happens if they don't meet certain dates. So, I'm just trying to kind of think off the top of my head. And if you have any suggested language, I'm open to it, and we can kind of talk through it as well. But it would be difficult to track if it was, you know, a certain time of...a certain time after an event is supposed to happen.

VICE-CHAIR KAMA: So, if we put an end date of like 2029, would that be sufficient?

MS. TOSHIKIYO: It could be...yeah, 2029, whatever their project completion date is, or...

VICE-CHAIR KAMA: I'm going to ask Member Paltin if she's okay with that. And then in the event that it's not going to happen, they can always come back and...and get an extension.

MS. TOSHIKIYO: Yes, or you can also --

VICE-CHAIR KAMA: I want to be able to...

MS. TOSHIKIYO: -- you know, 30 months after the grant executed, but if the...you know, the developer is unable to obtain their permits, then maybe you give them six-month extensions, you know, automatically built in, so that it would give them more time.

VICE-CHAIR KAMA: Okay. I can see...I get that. Okay.

COUNCILMEMBER PALTIN: So, something like 30 months after the grant execution, provided that permits are in-hand...or they...they are granted their permits, and if they aren't, they get a six-month extension. It needs to be completed by 2028 to let people live there at least one year.

COUNCILMEMBER COOK: Chair? My friendly amendment would be 30 months from the date of the awarding the grant, with the understand...and with the understanding that we would be willing to issue extensions based upon the County. If it's...if the delays are because of the County, it gets extensions. If the delays are because of him, or the developer, then they wouldn't. Of course,

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we would give them an extension if they couldn't get a building permit, but they were doing everything they could.

CHAIR SUGIMURA: U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Yeah, I'm just trying to do some, like, mental math, and nobody should ever ask me to do math all by myself. . . *(laughing)* . . .

UNIDENTIFIED SPEAKER: . . . *(laughing)* . . .

COUNCILMEMBER U'U-HODGINS: So, 30 months from today is October 20...hold on, I just asked my phone to tell me. One second.

VICE-CHAIR KAMA: Six.

COUNCILMEMBER U'U-HODGINS: Yeah, 2026. But if we give him a year on that to figure out his water, or a year and a half to figure out his water, I think what Ms. Toshikiyo is asking for is a solid date, not anything that can be hyper-subjective, like permits. So probably...and if 29 is in 5 years when we need water back, so we probably want to do it before 29 if he requires an extension so we can plan for that, but planning for water is going to take a long time. So, I don't know if 28 would be sufficient enough time if we're giving him 6 months...or I'm sorry, not giving him, that's not...that's the appropriate term, them or the entity, 6 months of extension, because that would be 2 months, so we might want to consider 28, 27?

UNIDENTIFIED SPEAKER: Oh, gee...

COUNCILMEMBER U'U-HODGINS: Well, currently it's at...currently, in...when you guys gave Pulelehua \$18 million, it's June '25, so he has a year and some odd months now to expend that money. So, he's probably going to come back to us and ask for an extension, or ask for an extension. We can probably ask him for an update at that time, but maybe we might want to condition it for June '27, and we can have some time to flex and plan for the next year and a half or something. But I'm...I'm cool with whatever.

CHAIR SUGIMURA: For the 18 million?

COUNCILMEMBER LEE: Yeah, that's pau.

CHAIR SUGIMURA: But he can come back, right? Well, he didn't meet that deadline.

COUNCILMEMBER LEE: Excuse me, let's...we're...we're trying to figure out the solution to this one. So, I'm...

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CHAIR SUGIMURA: Well, it's part of the whole formula, right? 18-plus now, we're 15 to 31 million. Go ahead, Chair Lee.

COUNCILMEMBER LEE: But...but that agreement has been executed. So, on this one, we could do this, that...what did I mention before? Upon the execution of the grant agreement, and June...up until when, June?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER LEE: June 2027, with an automatic one-year extension.

CHAIR SUGIMURA: If...

COUNCILMEMBER LEE: If needed, yeah, if needed. Okay.

CHAIR SUGIMURA: Okay. So, that's the amendment, which is upon the execution of the Housing, Human...oh, Human...Housing Departments.

COUNCILMEMBER LEE: The execution of...of the agreement with the County.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: And...and the amendment of the previous workforce housing agreement.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Because we're repurposing what we're going to use that original \$18 million for, right? We're not going to use it to buy down affordable housing prices, we're going to use it for infrastructure for rentals.

COUNCILMEMBER LEE: I think that has to be handled separately. That has been executed already.

COUNCILMEMBER PALTIN: Yeah, but we got to amend it.

COUNCILMEMBER LEE: Well, not today.

COUNCILMEMBER PALTIN: Yeah.

COUNCILMEMBER LEE: Not today.

COUNCILMEMBER PALTIN: Oh, sorry.

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CHAIR SUGIMURA: James and Kasie, you got that? We need to clarify. Are you amending your original motion for the...

COUNCILMEMBER LEE: No, I'm not amending it. My neighbor is...my neighbor is the one that made the motion, I was just giving a suggestion.

CHAIR SUGIMURA: Okay. The 18 million plus 13 million.

COUNCILMEMBER PALTIN: In order to access that 18 million, they need to amend their workforce housing agreement because the...the original 18 million was to buy down the price of for-sale affordable housing to make it truly affordable. And we need to get people into these houses sooner than later. So, he needs assistance with the infrastructure. And so, we'll build the for-sale houses later, and cross the bridge on whether or not they're truly affordable later. We're just...you know, I think 80 percent of Lahaina was renters. We're not sure if all the rental places are going to be able to build back in five years. So, then where will these people live? A lot of homeowners are motivated to rebuild their house. But as we see the problem with large rental projects, I know HHFDC is going to try and rebuild Front Street Apartments, maybe Lahaina Surf, but it's all very difficult. That's SMA, that's Historic District. So, I mean, that's its own set of new hurdles, which they're not even issuing permits for the SMA. I don't think the Planning Commission can even meet. We don't issue SMA permits. I don't know if they have quorum. I know they don't have a South Maui member. But I don't know if that affects this, but... . . .(laughing). . .

COUNCILMEMBER LEE: Okay. We need to vote.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: Okay.

CHAIR SUGIMURA: We should vote.

COUNCILMEMBER LEE: So, why don't we ask Staff, what is the motion so far?

CHAIR SUGIMURA: Okay. James or Kasie?

MR. KRUEGER: Chair, our current understanding of the motion on the floor is a motion by Councilmember Paltin, seconded by Council Chair Lee, to increase the transfer to the Affordable Housing Fund by \$14,520,843, and to add the following condition to the Affordable Housing Fund: Up to 15 million must be for a grant to the Pulelehua Project at TMKs (2)4-3-001:082 and 083 located on Akahahele Street in Lahaina, Maui, Hawai'i. The project must obtain Certificates of Occupancy within 30 months after the execution of the grant agreement with the County. The Certificates must be issued by June 2027. A one-year

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extension must be issued, if necessary. The project developer must pay prevailing wages.

CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: Chair?

CHAIR SUGIMURA: Got it. That's the motion.

MS. TOSHIKIYO: Chair?

CHAIR SUGIMURA: Yes, Ms. Toshikiyo.

MS. TOSHIKIYO: Yes. Thank you, Chair. If we could state the name of the entity rather than the project...or we could have the project, but since it's a grant, the last one was for Maui Oceanview LP. I don't know if the information is...is...is still current. I suppose it is, but just to make it clear that it's a grant to motion...ocean...Maui Oceanview LP for the Pulelehua Project.

CHAIR SUGIMURA: Is that the name of the project?

COUNCILMEMBER PALTIN: Yes.

CHAIR SUGIMURA: Okay. Did you get that? Motion...Maui Oceanview LP...LLP...LLC? What is it?

COUNCILMEMBER PALTIN: I'll go with what Ms. Toshikiyo said.

MS. TOSHIKIYO: I have LP, but --

CHAIR SUGIMURA: Oh, LP.

MS. TOSHIKIYO: -- I could be wrong. Yes, I'm pulling up the old appropriation. It's not loading.

COUNCILMEMBER PALTIN: I guess...

MS. TOSHIKIYO: Maui Oceanview LP for the Pulelehua Affordable Housing Project.

COUNCILMEMBER PALTIN: USA Infrastructure Investments LP? Is that different?

MS. TOSHIKIYO: The previous appropriation for the grant was to...no, it's to Maui Oceanview LP. So, whatever the entity's name is that we will be executing a grant agreement with and will be receiving the funds --

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CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: -- would make it more clear.

COUNCILMEMBER PALTIN: Okay. So, the one that we want is USA Infrastructure Investments LP and/or assigns.

CHAIR SUGIMURA: USA...

COUNCILMEMBER PALTIN: Infrastructure Investments LP and/or assigns.

CHAIR SUGIMURA: And/or assigns. What does that mean? Ms. Toshikiyo, is that and/or assigns, is that the...is that the name of the company, or are you saying they can assign it? What does that mean, and/or assigns.

COUNCILMEMBER PALTIN: That's just what she was asking for, I guess.

MS. TOSHIKIYO: It would be the legal name of the entity that we'd be entering into the agreement with. And if we don't have it correct now, I...I guess we can always correct it by first reading and second reading.

CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: Just that we have the legal entity in place and the appropriation --

CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: -- by the time we pass the budget.

COUNCILMEMBER PALTIN: I guess it's in case they create a subsidiary just to do this deal.

CHAIR SUGIMURA: Okay. Okay. Ready to vote, everybody, right? Roll call vote.

MS. MONIZ: Chair, proceeding with the roll call vote. Council Chair Alice Lee.

COUNCILMEMBER LEE: Aye.

MS. MONIZ: Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aye.

MS. MONIZ: Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aye.

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MS. MONIZ: Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

MS. MONIZ: Councilmember Tom Cook.

COUNCILMEMBER COOK: Aye.

MS. MONIZ: Councilmember Nohelani U‘u-Hodgins.

COUNCILMEMBER U‘U-HODGINS: No.

MS. MONIZ: Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Aye.

MS. MONIZ: Committee Vice-Chair Tasha Kama.

VICE-CHAIR KAMA: No.

MS. MONIZ: Committee Chair Yuki Lei Sugimura.

CHAIR SUGIMURA: No.

MS. MONIZ: Chair, that’s six “ayes,” three “noes.” Motion passes.

VOTE: AYES: Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and Sinenci.

NOES: Chair Sugimura, Vice-Chair Kama, and Councilmember U‘u-Hodgins.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE

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CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Thank you, Members. I move to reconsider the \$2 million in Department of 'Ōiwi Resources scheduled for the Lahaina Community Land Trust to move it to the Affordable Housing Fund to satisfy the Pulelehua vote that just passed.

COUNCILMEMBER COOK: Second.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR SUGIMURA: Motion made by Member Paltin, seconded by Member Cook. And any discussion?

COUNCILMEMBER PALTIN: I was kind of waiting to see if that other vote would pass. Then since it does, we appropriated that money. So, this is just following through on the passing of the other vote.

CHAIR SUGIMURA: Okay. All right. Oh, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: I have my hand up. Yeah. So, that...the 2 million to 'Ōiwi Resources for Lahaina Community Land Trust was my priority proposal that we unanimously supported. And, you know, it's just in line with dedicating this to the recovery of Lahaina and, you know, fire survivors. So, I am supportive of the direction, and in letting Lahaina lead. Mahalo. . . .(timer sounds). . .

CHAIR SUGIMURA: Thank you. Okay. Any other discussion? All in favor...is this a roll call vote? Okay. No need? Okay. All in favor --

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: -- say "aye." Okay. That...that looks like nine "ayes." Motion carries.

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VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Next, Member Paltin.

MS. APO TAKAYAMA: Chair, so you reconsidered, now you need to take the vote to vote it down.

CHAIR SUGIMURA: Oh, okay. Wait, say again?

MS. APO TAKAYAMA: You reconsidered. So, you either need to take the vote now to vote the priority down, or the movant can withdraw it.

CHAIR SUGIMURA: Oh, because it was...

COUNCILMEMBER RAWLINS-FERNANDEZ: Who was the movant? Was it me?

MS. APO TAKAYAMA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: I withdraw my motion. Who was the second?

MS. APO TAKAYAMA: Councilmember Johnson.

COUNCILMEMBER RAWLINS-FERNANDEZ: Member Johnson.

COUNCILMEMBER JOHNSON: I will remove my second.

CHAIR SUGIMURA: Okay.

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COUNCILMEMBER RAWLINS-FERNANDEZ: All right. Now we can move forward. Mahalo.

CHAIR SUGIMURA: Okay. So, that's withdrawn, and it's been now transferred and moved to...

COUNCILMEMBER PALTIN: Do I need to formally transfer 2 million too...or no, it's all good? Okay. Just explaining what was explained to me. The 5 million that Chair Lee conditioned of the Managed Retreat Fund was for last year's 12 million, and that could work with Director Nishita's acquisition of shoreline properties because I don't know that the County wants to own and maintain any shoreline properties that is acquired. And Lahaina Community Land Trust is open to owning and maintaining and taking care of...of these properties, so I don't know that that needs to be amended --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- unless Mr. Nishita thinks that it does.

CHAIR SUGIMURA: Mr. Nishita?

MR. NISHITA: Believe it or not, I came for a different item.

CHAIR SUGIMURA: . . .*(laughing)*. . .

MR. NISHITA: But... . . .*(laughing)*. . . but in any case, I guess when we had discussions with Lahaina Community Land Trust, we put in the budget what they had submitted to us. So, I haven't had the chance to talk with them further about, you know, extending to shoreline properties and other things. I think it would depend on how the community kind of decides to roll this out, so, obviously there might be desires for additional recreational areas, or it might be that we want preservation or, you know, natural habitat restoration, or whatever the case is. So, I could definitely see opportunities where we would want to work with another entity to help manage and preserve areas and whatnot. . . .*(timer sounds)*. . . And I can see areas in which it might be a...like a County park space or something like that. So, I can't...can't really give you a clear answer right now, but I would expect that we are going to be working with organizations should we proceed forward. Thank you.

CHAIR SUGIMURA: Okay. Thank you, Mr. Nishita, for hanging out with us. Okay.

COUNCILMEMBER PALTIN: So, that would leave 5 mil in the Managed Retreat Fund for Lahaina Community Land Trust, 7 mil for the County to do swaps that they would own and manage the land in the shoreline area, and 1.679 about in the SMA Revolving Fund that the County has access to as well. So, about

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8.5 million on the County side if any of the land should be retained by government for public purposes, 5 mil . . . *timer sounds*. . . if we want a nonprofit like Lahaina Community Land Trust. I think even if Lahaina Community Land Trust owns and maintains it, they'll...they'll do what the public...and the best use, best and highest use of the community.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: So, I'll...I'll just leave it that way for now. If there needs to be a budget amendment from the Administration later, we can address it at that time.

CHAIR SUGIMURA: Okay. So, the motion is for...this is Chair Lee's priority, right?

COUNCILMEMBER PALTIN: Oh, there's no motion because she already did it.

CHAIR SUGIMURA: And the 5 million.

COUNCILMEMBER PALTIN: And we were...I just was explaining.

CHAIR SUGIMURA: Yeah. Okay, wait. That was part of the 31 million, right? And this...her second priority that she has is up to 5 million must be for Lahaina Community Land Trust.

COUNCILMEMBER PALTIN: Yeah, we already did that --

CHAIR SUGIMURA: We already did that one.

COUNCILMEMBER PALTIN: -- we're good.

CHAIR SUGIMURA: Okay. We did that one, okay, earlier. Okay. Done. Okay. Well, we're going to see finally, I hope, Pulelehua. Now, do we have any more? Sorry.

COUNCILMEMBER PALTIN: Chair, do you want to find out what Director Nishita actually came down to talk to us about?

CHAIR SUGIMURA: Wait, now.

COUNCILMEMBER PALTIN: Because he's kind of a busy guy.

CHAIR SUGIMURA: He should, so he can go back to work. Okay. Go ahead. So actually, the last one for this...you can come down because it was Member Johnson's priority for Bigley project. So, that's done already, right? So, affordable housing.

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COUNCILMEMBER JOHNSON: That's correct.

CHAIR SUGIMURA: So, we don't need to say anything more on that. And...okay. Member...Managing Director Nishita?

MR. NISHITA: Thank you, Chair. No, thank you for allowing me to come down here and talk to you. And I think this is in relation to one of Councilmember Cook's priorities, but just in relation to, I think, an earlier determination that we had on the General Excise Tax Fund was that because the collection in the second...second quarter of 20...Fiscal Year 2024 wouldn't occur until July, I think our understanding was that that collection and, I guess, recognition of revenue had to occur in the...the fiscal year it was received. We have had a recent determination that we can reflect it in the year that, I guess, it was encumbered, or whatever the terminology is. And so, we're comfortable in terms of increasing the FY '24 projected revenue being received for GET Fund in FY '24. And I...I think the average we're looking at, it appears like to be around--at least for between, I think, February and March--was roughly about 5 to \$6 million...so, maybe around the \$15 million range if you're looking at the last three months of FY '24. I'll defer to Acting Budget Director if...if she has any comments on that, but it would be recognizing an additional \$15 million of revenue in FY '24. And I did have a chance to talk with our Department of Water Supply regarding Councilmember Cook's priority in relation to potential acquisitions of water systems, including due diligence and...and other sorts, and they are in support of that. And so, the Administration is supportive of...of the requests. I'll be happy to answer any questions, and I think Acting Budget Director is on the line as well. Thanks.

CHAIR SUGIMURA: Okay. Ms. Milner?

MS. MILNER: Thank you, Chair. Yes, I also had an opportunity to speak with Acting Finance Director, and we are in support of this. But just as a reminder, due to the language in the Code, the 15 million increase would reflect 12 million in the GET Fund and 3 million in the GET DHHL Fund. Thank you, Chair.

CHAIR SUGIMURA: Okay. All right. So, we're talking about Fiscal Year '24 funds, Members, and using that...and we're trying to preserve Fiscal Year '25 money as much as possible for what the Administration mentioned to us this morning. So, this is now...any more questions for Mr. Nishita? Maybe you could hang around, just in case.

COUNCILMEMBER COOK: So, I'm going to make a motion, and he can be around to --

CHAIR SUGIMURA: Okay.

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COUNCILMEMBER COOK: -- answer questions.

CHAIR SUGIMURA: It's on matrix page 42, Members.

COUNCILMEMBER COOK: Okay. Chair, I move to revise the total GET revenue for FY 2024 to 36 million, and transfer the following amounts. Transfer \$28,800,000 to GET Fund. Transfer \$7,200,000 to the GET Hawai'i Homes [sic] Fund. Condition 10 million for my project, see matrix page 42. I'm requesting to decrease my proposal from 20 million to 10 million. I'm revising my request based on the funds needed for the wildfire projects.

COUNCILMEMBER PALTIN: Second.

CHAIR SUGIMURA: Okay. Okay. Members, understand? Any questions? So, we're basically using '24 funds to pay for this priority, and...in efforts of saving the '25 GET funds for the CIP projects that Managing Director Nishita mentioned.

COUNCILMEMBER COOK: Correct.

CHAIR SUGIMURA: So, yours is...you're going to decrease your proposal from 20 to 10 million, that's one thing, which is different than here. And you're requesting for wildfire. Okay.

MS. APO TAKAYAMA: Chair, can we clarify whether that's in the estimated...estimated balance for as of 6/30/24?

CHAIR SUGIMURA: Yes.

MS. APO TAKAYAMA: And not in anticipated revenues?

COUNCILMEMBER COOK: After mine or before?

CHAIR SUGIMURA: You're...you're deducting...

MS. APO TAKAYAMA: The 12 million and the 3 million.

CHAIR SUGIMURA: 12 million and 3, 12 for the fund and 3 for Hawaiian Home Lands.

COUNCILMEMBER COOK: I believe the balance after my 10 million is \$7,712,000.

MS. APO TAKAYAMA: Sorry. Yeah, just whether you're putting the 12 million and 3 million in anticipated rev...sorry, estimated balance as of 6/30/24, or if you're putting it in anticipated revenues, I believe it should go in est...

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CHAIR SUGIMURA: Estimated...the balance for '24, right, Member...Kasie, right? He's putting it in, because it's '24 funds, right, so we're looking back, but it's the 12 and 3 regular, and then Hawaiian Home Lands is the 3, the 20 percent. Okay. So, can you repeat where we are?

COUNCILMEMBER U'U-HODGINS: I believe it's the estimated as of 6/30/2024.

MS. APO TAKAYAMA: Yeah. So, what we previously did was we amended the anticipated revenue to 48 and 12. And so, now we're adding 12 and 3 to estimated balance.

COUNCILMEMBER U'U-HODGINS: Yes.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER U'U-HODGINS: Thank you, Kasie. Thank you, Chair.

CHAIR SUGIMURA: Okay. Chair Lee?

COUNCILMEMBER LEE: Mister...Member Cook, what are the \$10 million projects? What are the projects?

COUNCILMEMBER COOK: It must be used for the funding of acquisition of private water systems and wells to align the Department of Water Supply's vision to integrate public and private water systems and develop a municipal water system.

COUNCILMEMBER LEE: Okay. So, it's not for a specific acquisition or development of a well?

COUNCILMEMBER COOK: No. That's basically up to the Department of Water Supply. It's funding them so that they have . . . *(timer sounds)* . . . the ability.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR SUGIMURA: Okay. And then you're...you're changing from 20, as is listed here, to 10...10 million. Okay. And did Director...Managing Director Nishita say that the Department's agreeable, right?

MR. NISHITA: Thank you, Chair. We'll come back in for the Council for more money if that's...you know, if the acquisition costs are going to be higher or whatnot. I know a lot of the, I guess, recent discussions are in potential wells and water sources in West Maui, but of course, it's broad enough to include other areas. But our Department is doing a lot of due diligence on...on various areas, and we can come back to Council for more if needed.

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CHAIR SUGIMURA: Okay.

MR. NISHITA: Thank you.

CHAIR SUGIMURA: Very good. Okay. Members, any other questions? Okay. All in favor say "aye." Take the vote. Okay. Aye. So, anybody missing? This is nine "ayes." Motion carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Oh, look at...my camera's off. Okay. That can carry, motion carries. Okay. Motion carries.

COUNCILMEMBER COOK: Thank you, Members.

CHAIR SUGIMURA: All right. And I also have something here, and this is to help the Department of Environmental Management. And as you know, they are building the Central Maui Wastewater Reclamation Facility, and I was going to put in...it says 25 million, of which I'm changing it to 6 because they...the Department said that where they are on this project is in design, and they need 12 million...6 is coming from the State for that pot of money with House Bill--I think it was 1300 from last year--and that this matching would then now be for...for 6 million, so that DEM can go after the State funds. But this will then put money in our side to...to take care of that. Okay. So, any questions?

COUNCILMEMBER COOK: Yeah. Can you repeat --

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CHAIR SUGIMURA: And...and it's going to...

COUNCILMEMBER COOK: -- that so we can hear you?

CHAIR SUGIMURA: And we're not...we're not...yeah, we're not going to go into, we're not using General Excise Tax funds, and we're using the...request 6 million, and my matrix is page 44, so, a decrease from 25 to 6 million. And the Department will use the funds to match...the...the...to match funds released from the State for the Central Maui Wastewater Reclamation Facility for design, planning, permitting, and other related costs. And...okay.

COUNCILMEMBER PALTIN: Oh, Chair, Josiah just left. Did...was...was...is there money in the GET?

CHAIR SUGIMURA: Oh, it's not...we're not...I'm not taking it from GET.

COUNCILMEMBER PALTIN: Oh.

CHAIR SUGIMURA: What is the new pot we're taking it from? We're not using GET. Huh?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: I think he wanted us to save the GET, right?

COUNCILMEMBER COOK: Chair?

CHAIR SUGIMURA: For CIP projects. Yes.

COUNCILMEMBER COOK: May I?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER COOK: Working with the Managing Director, the understanding is that there would be \$7,712,000 remaining in the GET after we revised the GET for FY '24 to 36 million, transferred 28,000,800 *(phonetic)* to GET Fund, 7,000,200 *(phonetic)* to GET Hawaiian Homes Fund. After we reduced mine from 20 to 10 million, it remained...it leaves 7,712,000.

CHAIR SUGIMURA: Okay. . . .*(timer sounds)*. . .

COUNCILMEMBER COOK: So, if you use 6 million --

CHAIR SUGIMURA: So, I can take it. I can...

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COUNCILMEMBER COOK: -- there's 1,712,000 left --

CHAIR SUGIMURA: Okay. So, we're...we're going to deplete the GET funds, but...so, this can come from GET, and the remaining balance will be \$1,712,000. Chair Lee?

COUNCILMEMBER LEE: Yes. So, I saw you asking Staff which fund you were actually going to take it from?

CHAIR SUGIMURA: Yeah, I thought maybe we'd use another fund and...and preserve GET.

COUNCILMEMBER LEE: Yeah, which one? Which one?

CHAIR SUGIMURA: No, we're going to use the GET. We're using the GET.

COUNCILMEMBER LEE: No, but which was the other fund that you were going to use that still has \$6 million in it?

CHAIR SUGIMURA: It is a...one of the revolving funds. Sorry. Okay. Recess? Okay. So, come back at 8...4:15.

RECESS: 4:08 p.m.
RECONVENE: 4:25 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . It is now 4:25, and thanks for the recess. So, just for clarification, when we looked at the GET funds, if I tried to take this 6 million for the Central Maui Wastewater Reclamation Facility from GET, there's only 2 million left, so we did the math. So, we are...I'm now proposing to add condition under Revolving Fund, look under O, which is Countywide Sewer Capital Improvement Fund, which is page 47 of the bill, and the motion is that up to 6 million for the Central Maui Wastewater Reclamation Facility.

COUNCILMEMBER COOK: So move.

CHAIR SUGIMURA: Second, Member Cook. Oh. Okay. I need somebody to move my motion.

COUNCILMEMBER U'U-HODGINS: So moved.

CHAIR SUGIMURA: Thank you. Member --

COUNCILMEMBER LEE: Second.

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CHAIR SUGIMURA: -- U‘u-Hodgins, thank you...and Member Cook for the second, thank you. So, Members, just as an explanation, I think I said this earlier, but clarification, House Bill 1300, which was last year, the Legislature put in \$23 million into the budget, and it is a match from the County. So, this is the match, the first match that we’re doing. DEM said that they need, for design and planning and permitting, 12 million, so we’re doing 6, the State will do the other 6. The Department will request the funds from Budget and Finance for the State and...and move that money down. Okay. Any other questions? All in favor, say “aye.”

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Aye. Okay. Who’s missing? Shane went off. And...oh, Tasha’s there. So, is that eight? Is that eight “ayes”? I still can’t see Member Paltin, but...but not on the screen. Eight “ayes,” one excused.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Yeah, eight “ayes,” one excused. Thank you. Motion carries, and this is for Housing.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Okay. Next. Is that it, that we need to do? Before we go into the bills. Oh, Nohe has something? Okay.

COUNCILMEMBER U‘U-HODGINS: I’m trying to confirm this language right now, but I’ll say it for the record, but I’m...we’re going to confirm this. I think we can do

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this, and we can ask Corp. Counsel. So, on Budget Details, page 14-24, I move to delete the expansion for expedited permitting in the amount of \$6 million, and condition Revolving Fund D Plans...Plan Review, Permit Processing...Permit Processing and Inspection Revolving Fund, add paragraph 4, and condition that fund for \$6 million for the expedited permitting contract.

COUNCILMEMBER PALTIN: Second.

COUNCILMEMBER U‘U-HODGINS: This is for...oh, I need a second --

COUNCILMEMBER PALTIN: Second.

COUNCILMEMBER U‘U-HODGINS: -- and then I can explain. Thank you.

CHAIR SUGIMURA: Okay. Motion made by Member U‘u-Hodgins, second by Member Paltin.

COUNCILMEMBER U‘U-HODGINS: So, I looked at this fund. The fund was established--and I’ll read it aloud so Corp. Counsel can confirm--Fees collected pursuant to this subsection are hereby deemed appropriated upon receipt and may be extended...expended for salaries, training, contracts--which is what this is--rent payments, fixtures, materials, supplies, and equipment that facilitate plan review, overtime for plan checking, permit processing, and inspections. So, the contract with 4LEAF for the expedited building permit review process for the affected burn areas could come out of this Revolving Fund, and we would save \$6 million in cash.

CHAIR SUGIMURA: Okay. Any questions? All right. Member...Chair Lee?

COUNCILMEMBER LEE: I’m sorry, can you repeat the name of the Revolving Fund again, please?

CHAIR SUGIMURA: It is D as in Delta.

COUNCILMEMBER U‘U-HODGINS: Absolutely, it’s D, Plan Review, Permit Processing, Inspection Revolving Fund, Section 16.2...26B.108.2.1, Maui County Code, on page 43 of the Revolving Funds.

CHAIR SUGIMURA: Revolving Funds.

COUNCILMEMBER LEE: That’s not the one that pays for all the inspectors though?

COUNCILMEMBER U‘U-HODGINS: No. So, currently...currently, in 2024, there’s a balance of \$6.9 million. Anticipated revenue for 2025 is \$1.4 million, making ...*(timer sounds)*... 2025 total revenue at 8 point...basically \$4 million.

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There's salaries at 1.3...for 19 personnel at \$1.3 million. Operations and services limited to 5,327...\$537,000. Sorry if I messed that up.

COUNCILMEMBER LEE: That's for the inspectors, yeah.

COUNCILMEMBER U'U-HODGINS: Yeah, those monies are already accounted for.

UNIDENTIFIED SPEAKER: Okay.

COUNCILMEMBER U'U-HODGINS: There's...and distribution for equipment, \$124,000. But like I said, there's \$8 million in that pot.

COUNCILMEMBER LEE: Okay. And you checked with Jordan?

COUNCILMEMBER U'U-HODGINS: Nope.

COUNCILMEMBER PALTIN: . . .*(laughing)*. . .

COUNCILMEMBER LEE: I think you should.

CHAIR SUGIMURA: So, Ms. Milner? Ms. Milner...oh, there, okay. Did you hear the motion?

MS. MILNER: Thank you, Chair. Yes, I heard the motion. I think I can reach out to Director of Public Works, but one thing I would say is, that would mostly zero out the fund, and we do use this to cover those 19 E/P along with operations, services, and equipment. It looks like this year we're using 1.994 for those costs, which means we would need probably over 2 million for next year, considering collective bargaining agreement increases, and we get about 1.4 into the fund. So, I'd just...I'd like to check with Director before you move forward, just to make sure we have sufficient funds in there because we do want to make sure that those employees are continued to be covered.

COUNCILMEMBER U'U-HODGINS: Okay. I could make whatever work, but if we could free up some cash and use some of the Revolving Fund that we have sitting in the bucket, that might be best, considering what our future looks like without the State's help.

CHAIR SUGIMURA: Okay. So, you want to withdraw that until we hear more from Ms. Milner? Okay.

COUNCILMEMBER PALTIN: Table it.

CHAIR SUGIMURA: Okay. So, we will do that. And...

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MS. APO TAKAYAMA: Chair? Can --

CHAIR SUGIMURA: Yes.

MS. APO TAKAYAMA: -- you withdraw the motion for the moment?

COUNCILMEMBER U'U-HODGINS: Withdraw.

CHAIR SUGIMURA: Withdraw.

COUNCILMEMBER PALTIN: Withdraw.

CHAIR SUGIMURA: Okay. Withdraw. Okay. Cleaner, yeah. Okay. Okay. Next. Any others before we move on? Okay. So, one of the things that...I wanted to end at 5:00 and take a dinner break, and I explained why, but revisit is Department of Human Concerns, which is Member Johnson.

REVISITS
DEPARTMENT OF HUMAN CONCERNS

COUNCILMEMBER JOHNSON: Okay, Chair. Revisit for the idea of one of my priorities for Human Services. As you recall, all the discussion yesterday was about how much they got cut, and they...and my first suggestion...proposal was 2 point...\$2,320,774. I'm willing to reduce that by 500,000, to have the proposed ask to be \$1,820,774. Members, we heard this morning from several of the nonprofits who service our community. I reached out, you know, I did my homework, I called as many people as I could. As you know, our time is not really on...we're so busy that very few could get back to me in time. Project Vision, all of the things they do, their...their ask was really for a wound care and helping out with nurses. Let me just read this one that came up here. . . .(timer sounds). . . From Makana from Project Vision. They...what they do with their funds is...with more funding, we would increase the positions to full coverage for nursing outreach, especially wound care. A medical assistant for that nurse would be incredible. Providing workforce development opportunities for our folks who live experience is a priority, so we'd love extra funding to provide job opportunities and certified peer specialists to serve alongside our staff. They keep people out of the ER and jail. So, if that's...and that's, we know, is a very expensive cost. Well, ER is one of the most expensive healthcare ways to go about your life, and then, of course, prison gets \$200 a day was the last time I checked to keep someone in jail. I just want...you...you guys heard from all the nonprofits this morning, and that's the ask. I'm willing to go down to 100...or \$1,820,774. And Members, that's my proposal.

CHAIR SUGIMURA: Okay. Yesterday, Member Johnson passed out that list.

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COUNCILMEMBER JOHNSON: Yes.

CHAIR SUGIMURA: Right? And...and all of you have had a chance to look at it. What was the amount again? You reduced it to \$1 million...

COUNCILMEMBER JOHNSON: I reduced 500,000 off of it, to become a total of \$1,820,774.

CHAIR SUGIMURA: Okay. Okay. That's the motion. Is there a second? Okay. No second. All right.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR SUGIMURA: Oh, okay. Motion made by Member Johnson, second by Member Rawlins-Fernandez. This...that was your discussion, right?

COUNCILMEMBER JOHNSON: Yes, ma'am.

CHAIR SUGIMURA: Okay. Chair Lee?

COUNCILMEMBER LEE: Okay. The reason why I'm a little reluctant about this one is not because I don't want to support the nonprofits. I don't think any of us want to not do that. But my feeling is that as...as the time progresses, and we have a better feel and handle on our fiscal situation in the coming months, we can restore, you know, a lot of funding that we deferred. . . .(timer sounds). . . That's all I'm thinking of this as a deferral because we...we know that the Administration is going to come down multiple times with amendments, more so than they did last year. And so, I'm feeling that at that time, then we can start replenishing some of the funding that we deferred in the...in the coming months. Because nobody really needs all their money at one time. It's over 12 months. So, that's my thinking. Thank you.

CHAIR SUGIMURA: Okay. Any other discussion on this? Member Kama?

VICE-CHAIR KAMA: Thank you, Chair. So, you know, I remember when Director came before us, and she told us about the report card, right? And we all should have got the report card that tells us how the nonprofits are doing, what their performance is, and...and how they are all rated. So, you know, when I look at this, I think a whole team of volunteers got together, looked at all of the nonprofits, evaluated them, and came out with the score, right? Perfect score was 30. Anything less than that was okay. But anything under . . .(timer sounds). . . 15, to me, was not passing. So, just bearing in mind that a lot of our nonprofits have already gotten what they need. And as far as I was...I was concerned, that if the Department said that as far as they were concerned

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with the report card that was given, that this is what they should get. And that's why, Mr. Johnson, as much as I love your heart--because you always want to take care of everybody, even the coconut rhinoceros beetles--but at some point in time, you know, we have to say, can we just give them what they already have? And then later on, as Chair Lee says, if they need some more, they can always come back. We've always said that, you know. So, that is my comments. Thank you, Chair.

COUNCILMEMBER JOHNSON: Can I respond to both of those comments, Chair?

CHAIR SUGIMURA: Thank you. Sure, Member Johnson.

COUNCILMEMBER JOHNSON: Thank you. I know other Members want to speak to this. First off...

CHAIR SUGIMURA: Your mic, right? Is it on? It is, okay.

COUNCILMEMBER JOHNSON: First off, these...many of our nonprofits do this job out of passion, right? They don't do it because they're skilled at the bureaucratic requirements that this County has. You can ask any nonprofit, they ain't going to say it's easy getting County money. The other thing is, as far as what Chair Lee was mentioning about waiting for amendment...waiting for budget amendments, the cost of waiting for wound care, I can't even imagine. The cost of waiting...the kūpuna on Lāna'i who have...who have to . . . *timer sounds* . . . travel if...if it's on the ferry, if...if Ms. Janikowski can't reach them though--I know that like in an ideal world, yeah, you spend it down, and as time goes on, you can go and ask for amendments. But remember, we're in a time of crisis as far as the fire. The fire has added new problems to the folks who are servicing our community. Higher amounts of people they need to service, less money they're making. So, in an ideal world, in a normal year, yeah, we can wait down...you know, we can wait and let them spend down their money. But in this time, at this year of 2024, we need to be increasing the funds rather than slowing it down. So, that's my...that's my points, Chair.

CHAIR SUGIMURA: Okay. Member Paltin, are you...did you want to say something?

COUNCILMEMBER PALTIN: Oh, no. I just was wondering how he arrived at that number from his previous number. And as we incr...if...if the proposal goes through, are we leaving it to whoever is the Director of Human Concerns to disburse as they see fit based on report cards, or what have you?

CHAIR SUGIMURA: Member Johnson?

COUNCILMEMBER JOHNSON: Thank you...thank you, Chair. And I appreciate that question. The minus 500,000 is, I'm trying to find the appetite. I'm trying to

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read the room. I...I saw the eyes (*phonetic*) on the . . .(*timer sounds*). . . screen for 2.3 million, and I'm trying to be malleable here. The second part of that is we have a new Department of Human Concerns, and I would leave that to their discretion. And remember, their...those folks are going to come before us, so we can ask them, what will you do with this 1.8 million? Where will it go? What are your priorities? We get to have another say on that when it comes...when they come before us. If they're going to say...and they're going to use it and that we don't approve of, then we can have a say on if we vote that person in or not. Thank you, Chair.

CHAIR SUGIMURA: Okay. Anymore? Yes, Member Paltin.

COUNCILMEMBER PALTIN: Considering he's...consider...he's guessing at our appetite, I move to amend the motion to 1.2 mil.

CHAIR SUGIMURA: Okay. Is there a second? Member Cook, second. Okay. Okay. No second. Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR SUGIMURA: Okay. Second for discussion, Member U'u-Hodgins. And Member Paltin, go ahead.

COUNCILMEMBER PALTIN: That...that's about my appetite.

CHAIR SUGIMURA: Okay. Discussion. Member Cook, you were going to say something?

COUNCILMEMBER COOK: Thank you. I feel the compassion. I can be supportive, but not as a blanket. If there was like A, B, C, D, E to fund them, I could...it would be easier for me as far as...I think it's too bureaucratic, and I don't have enough confidence that a new department and new people are going to be able to get these funds to the recipients that we are striving to help. . . (*timer sounds*). . . I think it would be more effective and efficient to be...identify which one of these were underfunded, which one of these that we felt we wanted to fund. I can...I...I hear the wound care. Lāna'i, Molokai, and Hāna have very special healthcare challenges. And so, identifying those and being supportive of those...so, anyway, that's...that's my friendly amendment. It's a little vague, but it's telling you my temperature.

CHAIR SUGIMURA: So you're amending the 1.2 to say...I didn't get it. You...

COUNCILMEMBER COOK: I'm amending that instead of a number amount, I'd like to basically see, like...and we can do it quickly, these...these nonprofits adding this amount of money, adding up to this, that's who it's going to. Instead of --

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CHAIR SUGIMURA: Oh, you want it specific.

COUNCILMEMBER COOK: -- generically adding money to an account.

CHAIR SUGIMURA: Okay. Chair Lee, discussion.

COUNCILMEMBER LEE: I agree with that point of view. You know, I think we should prioritize mental health, you know, physical health...

COUNCILMEMBER PALTIN: Substance abuse.

COUNCILMEMBER LEE: Yeah, substance abuse, you know, those kinds of things, child abuse, kūpuna abuse. Those kinds of...those kinds of causes are...are very important, but more so now, even like suicides and, you know, things like that. So, you know, if somebody had the time to...to do that, that would be great.

COUNCILMEMBER JOHNSON: Chair, may I respond?

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER JOHNSON: Oh, Ms. Toshikiyo's on.

CHAIR SUGIMURA: Member Johnson? Oh, Member Johnson? Oh, yeah.

COUNCILMEMBER JOHNSON: I would...I saw Ms. Toshikiyo on. I could respond if you like.

CHAIR SUGIMURA: Okay. Ms. Toshikiyo?

MS. TOSHIKIYO: Hi, Chair, thank you. I just wanted to point out kind of what the process would be, the legal process, if it was adding the amount to the program in general without, you know, specifying which organization was going to receive it. Under Chapter 3.36, if it's an appropriation that doesn't have like a recipient identified to it, then the Department is required to post and solicit applications for the funding. If the Department were to then increase an appropriation on...you know, on their own, like you were thinking for a specific organization, they would be required to come in for a budget amendment. So, I think that's kind of what you were talking about. So, that would be the process. You know, if it's an open pot, they have to solicit for applications. They can, you know, increase the funding for certain organizations, but then it would require a budget amendment.

CHAIR SUGIMURA: Wow, sounds cumbersome.

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COUNCILMEMBER JOHNSON: Okay. Chair?

CHAIR SUGIMURA: Member Johnson?

COUNCILMEMBER JOHNSON: So, it's 4.45 p.m., and I understand the body's will to want to be done with this at 5:00. Yesterday, once again, I was asked to propose this at 4:30. Are we...are our...are our nonprofits always last? I mean, I feel like I'm back up against the corner here. We're trying to sort out these funds for these people, and I don't have the time to get...to do...I mean, I can try, but I know we want to break at 5:00. If you...so it's...

CHAIR SUGIMURA: So. Members, you want to take this up after dinner and wait on it? Oh, you can't crunch the numbers if we don't have your number. We...we're trying to...what we're trying to do is get all of these amendments, the numbers in the budget, and when all of you are having dinner, the budget geniuses are going to put this together so that we can do the real property tax after dinner, and other things.

COUNCILMEMBER JOHNSON: So, you're asking I...I can...if I can do this over dinner with these numbers?

CHAIR SUGIMURA: No. We're trying to finish before.

COUNCILMEMBER JOHNSON: Okay.

CHAIR SUGIMURA: You want to take a little break? Yes, Chair Lee?

COUNCILMEMBER LEE: Under Human Concerns, there are certain pots of money, and I'm not saying this would be the one, but there's such a thing called self-sufficiency. So it may be the Staff could look through the various funds and categories, actually, and then we could put all of the money in there, and then list the types of services that could qualify for the funds. So, the Staff could work on that?

COUNCILMEMBER JOHNSON: Is...so...

CHAIR SUGIMURA: Go ahead, Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. How about for specific categories? 250,000 for early childhood, 250,000 for kūpuna, 250,000 for mental health, 250,000 for youth programs, and 250,000 for food security. That would add up to 1.25 million.

COUNCILMEMBER PALTIN: Was substance abuse in there?

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COUNCILMEMBER JOHNSON: Okay. And \$250,000 for substance abuse, that would be \$1.5 million.

COUNCILMEMBER LEE: I...I would suggest that it be in a big pot, like called additional social services or something like that. Because you don't want somebody to apply for kūpuna services and leave \$10.25. I mean, you know, you want to use the whole...the whole bucket.

COUNCILMEMBER PALTIN: I thought Member Sinenci already increased food, safety, shelter grants by 200-something thousand. So, is...was that one of the ones you said?

COUNCILMEMBER JOHNSON: I said...okay. 250 for a house...or which ones were you asking?

COUNCILMEMBER PALTIN: I thought Member Sinenci already increased that one --

COUNCILMEMBER JOHNSON: Houseless?

COUNCILMEMBER PALTIN: -- \$200-something thousand, yeah. So, if we can switch out that one with the substance abuse.

COUNCILMEMBER JOHNSON: Substance abuse and houseless, okay.

COUNCILMEMBER PALTIN: Because I thought Member Sinenci, that was one of his priorities, was that, so...

COUNCILMEMBER JOHNSON: Okay.

CHAIR SUGIMURA: Oh, Chair Lee, what are you pointing at? Oh, I'm sorry, Member Rawlins-Fernandez? Sorry, I was looking at...

COUNCILMEMBER RAWLINS-FERNANDEZ: Member Sinenci's...Member Sinenci's proposal was 250,000 for houseless programs for arising needs as determined by the Department. And...yeah, 200,000 for Maui AIDS Foundation. So, I think that was the one that Member Paltin was talking about.

COUNCILMEMBER JOHNSON: So we could...if you...if you...or...oh, I can write it again, but 250,000 for houseless, we'll scratch that and put in 250,000 for substance abuse. Is that...is that okay? Everybody agree with that? Is that okay? And can I do that legally? Is that everything good with you? Those pots of money...

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CHAIR SUGIMURA: You're basically taking your whatever and making it into different pots.

COUNCILMEMBER JOHNSON: Yes.

CHAIR SUGIMURA: Okay. What...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Yeah, it's already existing categories.

COUNCILMEMBER JOHNSON: Yes.

CHAIR SUGIMURA: So what is it?

COUNCILMEMBER JOHNSON: You want me to do the whole thing again?

CHAIR SUGIMURA: Yup.

COUNCILMEMBER JOHNSON: 250,000 for substance abuse, 250,000 for early childhood, 250,000 for kūpuna, 250,000 for mental health, 250,000 for youth programs, and then the 250,000 for food security. That would be six categories of \$250,000. I'm not going to do that public math. So, six times 25 is...that's 1.5 million.

CHAIR SUGIMURA: Okay. Okay, Members? Okay.

COUNCILMEMBER PALTIN: Is that...that an amendment...amendment to his own motion, a friendly amendment?

CHAIR SUGIMURA: Oh, we can do that.

COUNCILMEMBER PALTIN: Okay. I'll accept that as a friendly amendment.

CHAIR SUGIMURA: Okay. Okay, Members. So, can I have a short recess? I want to ask Staff a question. Two...two minutes. 4:52. . . .*(gavel)*. . .

RECESS: 4:50 p.m.

RECONVENE: 4:53 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Okay. Welcome back to Budget, Finance, Economic Development Committee. It's 4:53, and thanks for the short recess. So, Members, I wanted to make sure that we're not adding on more money than...you know, we're trying to keep that down to minimal, right? So, proceed. So, what you're doing is, you are then putting in pots of money under youth,

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COUNCILMEMBER LEE: Aye.

MS. MONIZ: Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aye.

MS. MONIZ: Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aye.

MS. MONIZ: Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

MS. MONIZ: Councilmember Tom Cook.

COUNCILMEMBER COOK: Aye.

MS. MONIZ: Councilmember Nohelani U‘u-Hodgins.

COUNCILMEMBER U‘U-HODGINS: Aye.

MS. MONIZ: Councilmember Shane Sinenci, excused. Council...Committee
Vice-Chair Tasha Kama.

VICE-CHAIR KAMA: No.

MS. MONIZ: Committee Chair Yuki Lei Sugimura.

CHAIR SUGIMURA: No. Okay. Motion...

MS. MONIZ: Six “ayes,” two “noes,” one excused. Motion passes.

CHAIR SUGIMURA: And one excused, yeah, Member...Mister...Member Sinenci.

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VOTE: AYES: Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and U‘u-Hodgins.

NOES: Chair Sugimura and Vice-Chair Kama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE main motion as amended

CHAIR SUGIMURA: Okay. So, we are at 4:55. And anything else we need to take up?

COUNCILMEMBER U‘U-HODGINS: Me.

CHAIR SUGIMURA: Oh, Nohe. Okay. Nohe. You found money, right?

COUNCILMEMBER U‘U-HODGINS: Okay. Yes. Thank you, Chair. And thank you guys for giving me a moment to kind of figure this out. Okay. So, the...I move to delete \$3 million from Budget Details 14-21 under Professional Services for expedited permitting, and condition \$3 million in the Plan Review, Permit Processing, and Inspection Revolving Fund, D., in our Special Purpose Revenues, and create paragraph 4 for expedited permitting contracts for \$3 million.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Second.

CHAIR SUGIMURA: A second. Okay. So, motion made by Member U‘u-Hodgins, second by Member Paltin. So, you’re basically taking the money that was in the Office of Recovery, right, for permitting, and you’re transferring it to this Revolving Fund?

COUNCILMEMBER U‘U-HODGINS: Yes.

CHAIR SUGIMURA: Okay. And you did hear that, we do...

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COUNCILMEMBER U'U-HODGINS: Yeah, I spoke to...what...there she is. She gave me the go-ahead.

CHAIR SUGIMURA: Oh, Ms. Milner. Okay. Ms. Milner, you want to give us your blessing?

MS. MILNER: Yes. Thank you, Chair. My apologies, I think I misunderstood the earlier motion. I thought the earlier motion was to delete the funding and just add the condition here...so to free up the \$6 million, not to transfer the money. If it's transferring the money, I think the Director of Public Works would be fine with either 3 or \$6 million, but if it's just conditioning what is already in that fund, he would prefer it be \$3 million. Thank you, Chair.

COUNCILMEMBER U'U-HODGINS: Yeah, I'm conditioning what's in the fund.

CHAIR SUGIMURA: Okay. Is it...

COUNCILMEMBER U'U-HODGINS: So that we can --

MS. MILNER: Okay.

COUNCILMEMBER U'U-HODGINS: -- we can have some extra cash. So, I'm...I'm conditioning that \$8.391 million fund and taking 3 million out of that to pay for the contracted services with 4LEAF, and keeping \$3 million in the Office of Recovery, freeing up \$3 million in cash.

CHAIR SUGIMURA: Okay. Very good. Okay. So, Members, you understand what we just did? So, that's the motion, right? And the second was Member Paltin. All in fav...oh, questions, discussion? All in favor, say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Okay. So, that makes it eight "ayes" and one excused, Member Sinenci is not here. Okay.

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VOTE: **AYES:** **Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and U‘u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: APPROVE

COUNCILMEMBER PALTIN: Chair?

CHAIR SUGIMURA: Yes, Chair Lee...oh, no, Member Paltin.

COUNCILMEMBER PALTIN: Yeah, I don't want to be Chair. Anyway, I'd...I'd like to ask for a reconsideration on the Office of the Mayor's salaries because I cut some warm bodies.

CHAIR SUGIMURA: Oh, okay. You have a list?

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Oh, you have an amount, probably, yeah? Okay. So, you're going to reconsider. Go ahead.

COUNCILMEMBER PALTIN: I'd like to reconsider in order to restore some of their funding. I was in a very bad, cranky mood yesterday, and I went a little overboard. I'm...I'm still pretty upset at the timeline coming out, but I...I feel like I've calmed down a little bit.

MS. APO TAKAYAMA: Chair, just for the record, can we just clarify that this is under the Admin Program?

COUNCILMEMBER PALTIN: Yes, it's under the Admin Program.

MS. APO TAKAYAMA: Thank you.

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MS. APO TAKAYAMA: Councilmember Paltin, would it be possible for you to just let us know what the new reduction would be . . . *(inaudible)* . . .

COUNCILMEMBER RAWLINS-FERNANDEZ: Reduction.

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

MS. APO TAKAYAMA: Thank you.

COUNCILMEMBER PALTIN: The new reduction would be, I believe, \$178,432.

CHAIR SUGIMURA: From 300.

MS. APO TAKAYAMA: Thank you.

COUNCILMEMBER PALTIN: From 365,500, and somebody seconded.

CHAIR SUGIMURA: Chair Lee did.

COUNCILMEMBER PALTIN: And so, then the explanation would be the cuts are intended, but...I mean, obviously, they don't have to listen, but the cuts are intended to just cut the two vacancies for \$126,504, and restore half of everybody's raises, which the EM raises were \$50,576, and everyone else's were 53,280. So, just giving back half the raises.

CHAIR SUGIMURA: Okay. Any other discussion? Okay. All in favor, raise your hand and say "aye." So, it's eight "ayes," one excused, Member Sinenci.

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CHAIR SUGIMURA: Anything else that we're missing before we go into dinner break? Anything else from the Members? Okay. So, do you have everything you need now to crunch numbers so that when we come back, we can start working on the...everything else? What do you need? Yeah? Okay. There's the bills to do, and...

COUNCILMEMBER PALTIN: Do you want to do your Bill 78, was it?

CHAIR SUGIMURA: We could.

Bill 78 (2024)

CHAIR SUGIMURA: So, I want to...shall we do the weight tax? We got to do all the tax, the weight tax...the weight tax, the fuel tax. Oh, okay. Managed Retreat Bill. Managed Retreat Bill...Bill 78? Okay. I have 76, 77...78 here. Okay. Thank you, Members. So, look at Bill 78, which is a Managed Retreat Revolving Fund, and it is a bill for an ordinance amending Section 3.97.040 Maui County Code, to suspend certain deposits to the Managed Retreat Revolving Fund.

COUNCILMEMBER LEE: So moved.

CHAIR SUGIMURA: Chair Lee?

COUNCILMEMBER LEE: So moved.

CHAIR SUGIMURA: Okay. Thank you.

CHAIR SUGIMURA: Second by Chair Lee. Okay. Bill 78, this is the...to the Managed Retreat Fund. Any discussions?

COUNCILMEMBER LEE: No, we're waiting for you. This is your bill, right?

CHAIR SUGIMURA: Yeah. Okay. So basically, what I intended to do on this...did...did Corp. Counsel sign this bill? Just curious. I think my bill is...my copy is not signed.

COUNCILMEMBER LEE: I signed . . .*(inaudible)*. . .

CHAIR SUGIMURA: You can sign...oh, yeah. You're so nice, you sign everybody's bill. It is signed? Okay.

COUNCILMEMBER PALTIN: Which...can you just refresh me, which --

CHAIR SUGIMURA: Oh, it is . . .*(inaudible)*. . .

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COUNCILMEMBER PALTIN: -- number on Granicus?

CHAIR SUGIMURA: Oh, number in Granicus. I don't have that here, do you have it?
167.

COUNCILMEMBER PALTIN: Thank you.

CHAIR SUGIMURA: I do have the bill. So, the reason why I did this... actually, the intent of why I took this up is I thought we could use this for the Bigley project, or for others. Because if you...if you relax this bill, which is what I wanted to do, then it would put the money into cash. And so, then we could use in Affordable Housing Fund. So, this bill then would allow you all to do what you just did to help Pulelehua.

COUNCILMEMBER PALTIN: Is there a way to instead put it for West Maui housing? Because I think we will need help with housing through July 1st, 2027, housing projects in West Maui, given that 80 percent were renters. Is it...is it okay to instead, except for the Transient Accommodations Tax collected beginning on or after July 1st, 2024, and ending before July 1st, 2027, due to the wildfires, those would be set aside for housing in West Maui? . . .(timer sounds). . .

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Affordable housing in West Maui.

CHAIR SUGIMURA: I think we've all been talking about that for West Maui. Does anybody have any thought on that? So, basically we're saying that these funds that would be relaxed for the three-year period would be used towards assistance for the West wild...West Maui wildfire. And I believe that's what Managing Director also said, right? These funds, he was looking at it to help with West Maui, and they didn't really have specifics now because they're in talks and planning stages with the community. Oh, Corp. Counsel, can you please check, Ms. Toshikiyo?

MS. TOSHIKIYO: Yes, Chair. Thank you. I don't think that this would be the appropriate place to place that condition because the Managed Retreat Revolving Fund has very...a very special purpose. I'm trying to think where, within the Code, it would be more appropriately placed.

COUNCILMEMBER PALTIN: And too, I guess we've addressed it for this fiscal year, so we don't need to address it until next fiscal year. So, we don't necessarily need to do it tonight, I guess. We can pass it as is tonight --

CHAIR SUGIMURA: Okay.

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COUNCILMEMBER PALTIN: -- reduce the 12 million anticipated revenues for Fiscal Year 2025 to the Managed Retreat Fund from 12 million down to zero.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay. All right. Members, all in favor...we talked about it at length, right? Okay. All in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Aye. Eight "ayes." Okay. Oh, here's Ms. Milner before we vote. Ms. Milner?

MS. MILNER: Aloha, Chair. If I could request that also included in the motion would be, under Department of Finance, Countywide costs to reduce the amount of the transfer to the Managed Retreat Fund from 12 million to zero, and to increase the transfer to the Affordable Housing Fund by 12 million.

CHAIR SUGIMURA: Okay.

MS. MILNER: Thank you, Chair.

COUNCILMEMBER PALTIN: That's what I meant.

MS. APO TAKAYAMA: We're just going to handle that administratively in the back, and we know what you mean. Thanks.

CHAIR SUGIMURA: Okay. Very good. All in favor, say "aye." And it looks like eight "ayes..." yeah, eight "ayes" and one excused, which is for Member Sinenci.

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VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Okay. Is there anything else--James, Kasie--that we should be taking up before dinner?

**Proposal from Administration
WEIGHT TAX
FUEL TAX**

COUNCILMEMBER PALTIN: Weight tax? I mean, I already made the amendment to that --

CHAIR SUGIMURA: Yeah, you did.

COUNCILMEMBER PALTIN: -- but if anyone else wanted to.

CHAIR SUGIMURA: One second. . . *(silence)*. . . Yeah. Okay. Members, then we're going to--before dinner...oh, it's at 5:00 already--but we'll do Weight and Fuel Tax, and save Real Property after dinner when they crunch the numbers, okay? So, Weight Tax is Appendix B, page 14, in the Ramseyered version. We did have a motion...or a change made by Member Paltin. Is there anybody else who has any changes to the Weight Tax? No? Okay. All in favor...you want to look? Okay. All in favor, say "aye." You don't need to vote? Okay. Just...

UNIDENTIFIED SPEAKER: . . . *(inaudible)*. . .

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CHAIR SUGIMURA: Okay. It's just a...it's just...just checking in. Okay. What about Fuel Tax? Appendix B, page 47, of the Ramseyered version, any proposed amendments for Fuel Tax? Page 47. None? Tamara's yawning. Okay.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: . . .*(laughing)*. . . You were. All right. No changes then. We're fine, right? Anything else you want us to do? And then Countywide, and...oh, did we have an associated cost with Dickenson? No, right? We already bought it with Affordable Housing Fund.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, you can put your mic on maybe.

COUNCILMEMBER PALTIN: I had intended to add on a 1,500-square-foot TMK that was added on, but Mr. Raatz discovered there were some County utilities on there, so we were going to do a deeper dive before transferring that. And if it's okay to transfer the property with the County utilities on, we can do it at a later date. And if it's not okay, then I guess the County would hold on to that 1,500-square-feet because our stuff is on it...like some light post, or something like that.

CHAIR SUGIMURA: Okay. So, we can just take it up as-is then, right? But we don't have to take it up now, right?

COUNCILMEMBER PALTIN: Once he finishes his deeper dive.

CHAIR SUGIMURA: Because we don't we have any money things. Okay. Okay. So, when we get back, we'll take up...we have to take up Bill 75 and pass it if you want, as well as...oh, Bill 75, 76, 77, we just did 78, and then 24-77, which is that Dickenson Street. Yeah. Okay. We'll do that after dinner, right? Okay. Okay. What time do you guys want to come back? It's 5:00...7:00. Staff wants 7:00 to crunch numbers. Okay? Until 7:00. And dinner is back there, right?

MS. APO TAKAYAMA: We'd like to produce an updated Exhibit 1 and all the documents that we would normally do after each meeting so that you have it for your discussion for RPT.

CHAIR SUGIMURA: Yeah. Yeah, thank you. Okay. Members, we are going to recess until 7:00. . . .*(gavel)*. . .

RECESS: 5:12 p.m.
RECONVENE: 7:43 p.m.

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CHAIR SUGIMURA: . . .*(gavel)*. . . Thank you, and welcome back to the Budget, Finance, Economic Development Committee. We wanted to just gavel in to let you know that we need until about 8:15, as we're crunching numbers to bring into account, and the...and a budget all the amendments and changes that we made today. So, this is just to gavel in, gavel out, and when our Staff is ready, I'm going to bring the meeting back to order...call the meeting back to order. Member Cook?

COUNCILMEMBER COOK: I have a request. My hearing aid batteries died, so I'm asking if people can speak closely, clearly, and distinctly into their mics when they talk as a courtesy to me. I would appreciate it.

UNIDENTIFIED SPEAKER: . . .*(laughing)*. . .

CHAIR SUGIMURA: Okay.

VICE-CHAIR KAMA: Where's your charger, Member Cook?

CHAIR SUGIMURA: Is there such a thing? Charger? Okay. So, I gavel in, and I just want to...I'm going to gavel out. Staff needs until 8:15 to crunch our numbers, and they will come back, and we'll look at past bills that we haven't passed so far and Real Property Tax. So, thank you for your patience, Members. And this meeting is now in recess until 8:15. . . .*(gavel)*. . .

RECESS: 7:45 p.m.
RECONVENE: 8:27 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back to the Budget, Finance, Economic Development Committee, Members. Thank you very much for your patience. It's now 8:27 a.m...a.m., p.m. . . .*(laughing)*. . . feels like a.m. And so, we're going to finish the rest of the bills after we hear the hard work of our Staff first. James and Kasie.

MR. KRUEGER: Thank you, Chair. And thank you, Members, for the extra time for us to go in and crunch all the numbers.

CHAIR SUGIMURA: Thank you.

MR. KRUEGER: Here, I'm just going to share my screen real quick. So, what I'm just showing right now is the way that we kind of...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

MR. KRUEGER: Oh, sorry. And then...sorry, I'm making it a little bigger.

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CHAIR SUGIMURA: Okay.

MR. KRUEGER: So, just what I'm showing right now is the most important part of our balancing spreadsheet. So, I want you to look at the bottom left of the bottom orange rectangle. That's the amount we're in excess right now in the General Fund, so that's \$13,123,400.

CHAIR SUGIMURA: Ooh.

MR. KRUEGER: Thank you, Chair.

CHAIR SUGIMURA: Thank you. Okay. Any discussion? Member Paltin?

COUNCILMEMBER PALTIN: Thank you. I move to put \$10 million back into the Managing Director, Office of Recovery Program. Josiah gave it...oh, if I get a second, I'll explain.

COUNCILMEMBER U'U-HODGINS: Second.

CHAIR SUGIMURA: Thank you.

VICE-CHAIR KAMA: Second.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: So...

CHAIR SUGIMURA: So, motion made by Member Paltin, second by Member U'u-Hodgins. Please proceed.

COUNCILMEMBER PALTIN: Thank you. I'd like to make a contingency fund for fire-related needs. Josiah was kind enough to give us \$7 million. We don't know if the HCF to CNHA and all of that will work, so I'd like to put \$10 million back into the Office of Recovery for a wildfire-related contingency fund.

CHAIR SUGIMURA: Okay. Anybody have any more discussion? Okay. All in favor, raise your hand and say "aye." Aye.

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Nine...nine ayes, right? Yes. Nine "ayes," and motion carries.

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VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Okay. Now what about the \$3,123,400?

COUNCILMEMBER PALTIN: Well, you know, between now and first reading, I don't know what kind of things will come up. Is people okay with seeing from...hearing from the departments between now and first reading, or is that okay?

CHAIR SUGIMURA: Do you want to put in OPEB? We have nothing...we didn't put anything in for employee retirement. Members, will you consider that? Okay. Member Paltin.

COUNCILMEMBER PALTIN: Oh, okay. I move to put it in OPEB.

CHAIR SUGIMURA: Great. Second?

VICE-CHAIR KAMA: Second.

CHAIR SUGIMURA: Thank you. So, the motion is to put money into OPEB. Can you say what the amount is? Motion made by Member Paltin, second by...who...who did the second? Member Kama. Okay.

VICE-CHAIR KAMA: I did, Chair.

CHAIR SUGIMURA: Thank you. Thank you, Member Kama.

MR. KRUEGER: Yes, Chair. So, the motion on the floor is to put \$3,123,400 towards other post-employment benefits.

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CHAIR SUGIMURA: Okay. Great. We did...Member Rawlins-Fernandez.

VICE-CHAIR KAMA: You're all frozen.

COUNCILMEMBER LEE: \$3,000, was it?

VICE-CHAIR KAMA: Was 3 million.

CHAIR SUGIMURA: 3 million. 3,123,000 --

VICE-CHAIR KAMA: 123.

CHAIR SUGIMURA: -- \$400.

VICE-CHAIR KAMA: 400.

CHAIR SUGIMURA: Okay. Miss...Member Rawlins-Fernandez, you had had a question? Had your hand up?

COUNCILMEMBER RAWLINS-FERNANDEZ: No, not a question. Just for Sunshine Law, I'm at my home residence, and I have a couple minors walking around who will be unnamed. Yeah.

CHAIR SUGIMURA: Wonderful. Oh, we should ask everybody. Member Sinenci, I didn't ask you, and Member Kama, and Chair Lee.

COUNCILMEMBER SINENCI: Yeah, here with one unnamed minor, she's...she's asleep.

CHAIR SUGIMURA: Aw, you went to...that's where you went to pick up. How nice.

COUNCILMEMBER LEE: And so, I'm here in my home alone, just enjoyed a cup of vanilla ice cream. I miss all of you.

CHAIR SUGIMURA: . . .*(laughing)*. . . Oh.

VICE-CHAIR KAMA: I'm here...I'm here, Chair, by myself, but at any moment, I expect Lina to walk in the front door.

CHAIR SUGIMURA: Oh, and is she going to have ice cream?

VICE-CHAIR KAMA: It's almost her bedtime. No ice cream for her.

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CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. All the other Members are here in the Chambers. Thank you, Keani. Okay. So, you heard the motion, Member...made by Member Paltin...oh, what? Sorry.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, Ms. Milner...what? Oh, Ms. Milner popped up. Do you want to say something?

MS. MILNER: Thank you, Chair. I realize you all haven't done RPT yet, so there may be other adjustments, but we did have a departmental request under Countywide Costs that I just wanted to bring up, if now would be the appropriate time. Thank you, Chair.

CHAIR SUGIMURA: Okay. Okay.

MS. MILNER: The rental costs for One Main Plaza have increased by \$50,000. So, if the body would like to consider increasing that line item by \$50,000, it would be appreciated. Thank you, Chair.

CHAIR SUGIMURA: That's for OED? One Main Plaza?

MS. MILNER: Yes, it's for the office space for OED.

CHAIR SUGIMURA: Okay. 50,000. And we all say we should have bought that building. Okay. Thank you. So, Members...so, we...

COUNCILMEMBER RAWLINS-FERNANDEZ: So moved.

CHAIR SUGIMURA: Okay. I hear voices.

COUNCILMEMBER PALTIN: I move to amend the main motion, and decrease it by \$50,000.

CHAIR SUGIMURA: Is that a friendly amendment?

VICE-CHAIR KAMA: Second.

CHAIR SUGIMURA: Okay. Okay. So, Members, the friendly moment is...amendment, as we just heard, and explains that. So, any discussion? Seeing none. Okay. All in favor, raise your hand and say "aye." Aye.

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Okay. Nine "ayes." Motion carries.

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VOTE: **AYES:** **Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: APPROVE amendment to main motion

CHAIR SUGIMURA: So that \$50,000 is dedicated to One Main Plaza rent increase, and that is for Office of Economic Development. And the remaining balance then will...is the main motion as amended, and the remaining balance will go to OPEB. James and Kasie, would you like to restate the motion?

MS. APO TAKAYAMA: Yes, Chair. So, that’s...excuse me, 50,000 in Countywide, and 3,073,400 in OPEB.

CHAIR SUGIMURA: Okay. Great, putting in OPEB. Member Cook? You’re voting. Okay. All in favor for motion as amended, say “aye.”

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Aye. Yay, this was fast. Okay. So, nine “ayes.” Motion carries.

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VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE main motion as amended

COUNCILMEMBER PALTIN: I move to...oh, Chair?

CHAIR SUGIMURA: Go.

COUNCILMEMBER PALTIN: I move to add 50,000 to Countywide for rent at One Main Plaza.

VICE-CHAIR KAMA: Second.

CHAIR SUGIMURA: We...we did it. We have to do it again?

MS. APO TAKAYAMA: Sorry, I...we thought that we...you amended your initial motion, so we included that, but...

COUNCILMEMBER PALTIN: Oh, okay. I just decreased it by 50,000, I didn't move it. But sure, if we did it all in one motion, even better.

CHAIR SUGIMURA: Okay. We're fine? We are. Okay. All right. So, we're done.

COUNCILMEMBER PALTIN: Oh, we're not done-done, though.

CHAIR SUGIMURA: No, we're not done. So, we're...we're...we're done with the \$13 million.

MR. KRUEGER: Right. So, Chair, now you no longer have any excess revenue.

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CHAIR SUGIMURA: Okay, great. Okay, Members, I would like to do the bills to get that over and done with and pass those bills. So, it's Bill 75, 76, 77, Resolution 24-77, and then Fuel Tax, and then go to Real Property Tax. Okay?

Bill 75 (2024)

CHAIR SUGIMURA: So, Bill 75--and I think we all went through this when...when we had the review--I'd like to request...recommend passage on first reading, Bill number 75 (2024), "A BILL FOR AN ORDINANCE AMENDING 3.48 [sic], MAUI COUNTY CODE, RELATING TO EXEMPTIONS OF...ON PROPERTIES IMPACTED BY THE AUGUST 23RD [sic] WILDFIRES."

COUNCILMEMBER LEE: So moved.

CHAIR SUGIMURA: Thank you, Chair Lee. I need a second.

COUNCILMEMBER U'U-HODGINS: Second.

CHAIR SUGIMURA: Okay. Thanks. Motion made by Chair Lee, and second by Member U'u-Hodgins. Okay. And Member Paltin has an amendment.

COUNCILMEMBER PALTIN: So, I didn't make the motion yet, right?

CHAIR SUGIMURA: Oh, it was made by Chair Lee and seconded by Member U'u-Hodgins.

COUNCILMEMBER PALTIN: Oh, okay. I move to amend the main motion by substituting Bill 75 (2024) with the attached proposed CD1 version.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER U'U-HODGINS: Second.

CHAIR SUGIMURA: Second.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay. So...

COUNCILMEMBER PALTIN: Thank you.

CHAIR SUGIMURA: Member Paltin, and second by Member U'u-Hodgins.

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COUNCILMEMBER PALTIN: Thank you. This is basically the same bill, it's just signed by Corp. Counsel. And, you know, we had some wildfire survivors that were able to take their insurance money and purchase another home while their burned lot gets cleaned up in November and December. And, you know, there's trauma, fire brain. Apparently, they were not aware that they needed to file the homeowner-occupied by December 31st. So, I had another idea, but Marcy Martin was already working on this idea, and she didn't like my idea. So, this is a Marcy Martin-approved, Kristina Toshikiyo-signed version of being able to transfer your home exemption to another property in the County that is acquired by a deed recorded before January 1st, 2025 for the 2025 tax year only, if the applicant makes a request for the transfer by December 31st, 2024, the end of this year.

CHAIR SUGIMURA: Okay. Very good. Any other discussion?

COUNCILMEMBER PALTIN: Just that Ms. Martin said that the amount of people that she's aware of should be negligible.

CHAIR SUGIMURA: Okay. And we understand this. So, all in favor of the amendment as proposed...Member Cook...okay. Nine "ayes." Amendment carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion

CHAIR SUGIMURA: Now let's take the main motion as amended. Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: I have a question.

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CHAIR SUGIMURA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Do we have a substituted bill? Is it...was it --

CHAIR SUGIMURA: Oh, you didn't get it.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- emailed to us, or...no?

CHAIR SUGIMURA: I think it...

COUNCILMEMBER RAWLINS-FERNANDEZ: Or is it posted to...is it the one posted to the agenda, Member Paltin?

CHAIR SUGIMURA: Posted to the agenda, right?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: We're finding out from Staff.

CHAIR SUGIMURA: Can you email it to Member Paltin...I mean Member Rawlins-Fernandez.

COUNCILMEMBER PALTIN: They're going to email it.

CHAIR SUGIMURA: Okay. They're going to email it. So, Member...

COUNCILMEMBER PALTIN: But I believe it's exactly the same with a signature.

CHAIR SUGIMURA: Yeah, just the difference is the signature.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. That's all it is, Member Paltin, just it has a Corp. Counsel signature.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER PALTIN: Because when we posted it, we didn't go through the RFLS yet. And then by today, she got it.

CHAIR SUGIMURA: Okay. All in favor of the motion as amended, raise your hand and say "aye." Aye. Okay. Nine "ayes."

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COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Motion carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 75, CD1 (2024) by C.R.

CHAIR SUGIMURA: Thank you, Member Paltin.

Bill 76 (2024)

CHAIR SUGIMURA: Next, we have...and I'd like to entertain a motion to recommend passage on first reading, Bill 76 (2024), "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, RELATING TO EXEMPTIONS ON PROPERTIES IMPACTED BY THE AUGUST 23RD [sic] WILDFIRES."

COUNCILMEMBER LEE: So moved.

CHAIR SUGIMURA: Thank you.

VICE-CHAIR KAMA: Second.

CHAIR SUGIMURA: Chair Lee, second by Member Kama. Okay. Any discussions on this? So, this is...was asked for housekeeping by Member...I mean not Member, but Carla Nakata, and here she is. Ms. Nakata, can you explain this bill?

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MS. NAKATA: Oh, actually, I was just going to point out that there is a CD1 version. It should be number 175 on the Members' Granicus, and it was CC-9. It just contains some nonsubstantive revisions, a little bit of specificity in the title of the bill.

CHAIR SUGIMURA: Okay. What was the number again?

MS. NAKATA: Thank you.

CHAIR SUGIMURA: Granicus number?

MS. NAKATA: Number 1...175.

CHAIR SUGIMURA: Okay, Members. Go ahead.

COUNCILMEMBER PALTIN: I move to pass Bill --

CHAIR SUGIMURA: 76.

COUNCILMEMBER PALTIN: -- 76 --

CHAIR SUGIMURA: CD1.

COUNCILMEMBER PALTIN: -- CD1. That's all I say, right?

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: Oh.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER LEE: Second. Second.

CHAIR SUGIMURA: Okay. So, that's Member Paltin, and second by Chair Lee. Okay. So, Ms. Nakata, any more discussion on this?

COUNCILMEMBER LEE: Member Rawlins-Fernandez.

CHAIR SUGIMURA: Oh, Member Rawlins-Fernandez, you have a question? Yes. Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, the motion is to recommend passage on first reading. I'm just clarifying the motion. And then I also seen Acting Budget Director turn on her video.

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CHAIR SUGIMURA: Okay. Ms. Milner?

MS. MILNER: Thank you, Chair. Thank you, Councilmembers. Just briefly, as this request came from the Administration, I wanted to give a brief explanation. The purpose of this bill is to extend the application period for the exemption. It's currently March 15th, 2024, but the Real Property Tax Division has received about 50 applications after that deadline. They've also become aware of leases that were effective shortly after that deadline. But due to our continued need for long-term housing solutions, they'd like to extend the application period through June 30th, 2024, so that's the purpose of the bill. Thank you so much, Chair. Thank you, Councilmembers.

CHAIR SUGIMURA: Very good. Thank you, Ms. Milner. Are you fine then, Ms. Rawlins...Member Rawlins-Fernandez? Okay. Good. All right. Members, any more questions? If not, all in favor of the motion, raise your hand and say "aye." Nine "ayes." Motion carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 76, CD1 (2024) by C.R.

Resolution 24-77

CHAIR SUGIMURA: Okay. Next...77...we did 78, and 24-77, resolution. And this is Member Paltin's Dickenson Street. So, I'd like to entertain a motion to recommend adoption of Resolution 24-77, "AUTHORIZING THE GRANT AND DISPOSITION OF REAL PROPERTY LOCATED AT 266 DICKENSON STREET, LAHAINA, HAWAII, TO LAHAINA COMMUNITY LAND TRUST." Member Paltin?

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COUNCILMEMBER PALTIN: So moved.

CHAIR SUGIMURA: Second?

COUNCILMEMBER LEE: Second.

MS. NAKATA: Excuse me, Chair?

CHAIR SUGIMURA: Yes.

MS. NAKATA: Apologies for interrupting, but there is a CD1 version. It's number...let's see, number 208 in Granicus.

CHAIR SUGIMURA: Oh, Okay. I don't have that. 208 in Granicus. Okay.

COUNCILMEMBER LEE: Chair, did you skip over Bill 77?

CHAIR SUGIMURA: No, we just did Bill 77.

MS. NAKATA: Chair, I don't think Bill 77's been done yet.

CHAIR SUGIMURA: Oh, we didn't finish it.

COUNCILMEMBER LEE: I was waiting for that. Was my big...our big part.

COUNCILMEMBER PALTIN: I'll withdraw.

CHAIR SUGIMURA: Okay. We did 77.

MS. NAKATA: Oh.

CHAIR SUGIMURA: And the amendment.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: But I just withdrew.

Bill 77 (2024)

CHAIR SUGIMURA: Okay. So, let's do 77.

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COUNCILMEMBER PALTIN: . . .*(inaudible)*. . . do her big part. Go ahead, Chair Lee, do your big part.

COUNCILMEMBER LEE: Okay. Move to substitute Bill 77 (2024) with the attached proposed CD1 version. And this is just housekeeping meas...oh, second?

COUNCILMEMBER PALTIN: Oh, we didn't have a main motion --

CHAIR SUGIMURA: Oh, we need a main motion.

COUNCILMEMBER PALTIN: -- so you can just move to pass Bill 77 --

CHAIR SUGIMURA: 7.

COUNCILMEMBER PALTIN: -- CD1 version.

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Recommend passage on first reading.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Okay.

CHAIR SUGIMURA: So, we have Chair Lee.

COUNCILMEMBER LEE: Recommend passage on first reading of Bill 77.

CHAIR SUGIMURA: Okay. Second?

VICE-CHAIR KAMA: Second. Second.

CHAIR SUGIMURA: Second by Member Kama. Okay.

MS. APO TAKAYAMA: Excuse me, Chair. Sorry. Can we just clarify whether that's to pass Bill 77 or Bill 77 CD1?

COUNCILMEMBER PALTIN: CD1.

CHAIR SUGIMURA: CD1.

MS. APO TAKAYAMA: Thank you.

COUNCILMEMBER LEE: 77.

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CHAIR SUGIMURA: 77 CD1. The...

COUNCILMEMBER LEE: Well, now I'm going to move to substitute Bill 77 with the attached proposed CD1 version.

COUNCILMEMBER PALTIN: Second.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: . . .*(laughing)*. . .

CHAIR SUGIMURA: Chair Lee and...

COUNCILMEMBER LEE: And Ms. Carla Nakata will explain this housekeeping measure.

CHAIR SUGIMURA: Okay. The motion was made by Chair Lee, and then Member Kama. And then...now we have Chair Lee and Member Paltin. Okay. Go ahead. Ms. Nakata.

MS. NAKATA: Thank you, Chair. So, the CD1 version incorporates nonsubstantive recommen...nonsubstantive revisions recommended by the Department of the Corporation Counsel.

CHAIR SUGIMURA: Okay.

MS. NAKATA: So, this is on the motion to substitute, right?

CHAIR SUGIMURA: Right.

MS. NAKATA: Okay. Thank you, Chair.

CHAIR SUGIMURA: Okay. Any questions? If not, all in favor, raise your hand on the amendment. Aye. Nine "ayes."

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Member Paltin...okay. Nine "ayes." Motion carries.

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VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion

CHAIR SUGIMURA: Now, motion as amended. Recommend motion as amended, which is Bill 77-CD1. All in favor, say “aye.”

MS. NAKATA: Oh.

COUNCILMEMBER LEE: Discussion?

CHAIR SUGIMURA: I see...I hear Carla. Carla, you want to say anything...Ms. Nakata?

MS. NAKATA: Oh, I’m sorry. Are we back on the main motion as amended?

CHAIR SUGIMURA: Yeah.

MS. NAKATA: Yes, just a housekeeping revision. The main revision is on page 2 in Section 2, where we change 18.16.320(C)(1)(a.) from residential to Nonowner-Occupied because the residential real property tax classification is no longer on the books. So, we’re basically just trying to update the way they calculate the park assessment. Thank you, Chair.

CHAIR SUGIMURA: Okay. Very good.

COUNCILMEMBER PALTIN: Oh, I don’t...

CHAIR SUGIMURA: Member Paltin?

COUNCILMEMBER PALTIN: Ms. Nakata?

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CHAIR SUGIMURA: Ms. Nakata, you're being called again. Yes.

MS. NAKATA: Yes. Sorry, Chair.

COUNCILMEMBER PALTIN: My one says subsection 18.16.320(B)(2)(c.), not (1)(a.).

COUNCILMEMBER LEE: Mine too.

MS. NAKATA: I'm sorry, where are you?

CHAIR SUGIMURA: Page 2.

COUNCILMEMBER PALTIN: Page 2. I don't see any (1)(a.), it all is (B)(2)(c.).

MS. NAKATA: 18.16.320(C)(1)(a.). I'm sorry, where are you looking?

MS. APO TAKAYAMA: I think I can maybe translate here. So she's looking at big (C)(1), which says pay to the County a sum, small (a.), the average value, so...

COUNCILMEMBER PALTIN: Oh, okay.

MS. APO TAKAYAMA: Thanks.

COUNCILMEMBER PALTIN: Got it.

COUNCILMEMBER RAWLINS-FERNANDEZ: Top of page 2.

COUNCILMEMBER PALTIN: Big C., small a., got it.

CHAIR SUGIMURA: Okay. Are we good now? Yeah.

COUNCILMEMBER PALTIN: Well, we're better.

CHAIR SUGIMURA: Okay. Ready for passage of the main motion as amended. Yeah? All in favor, say "aye." Yeah, nine "ayes." Okay. Good. Nine "ayes." Motion carries.

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VOTE: **AYES:** **Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 77, CD1 (2024) by C.R.

CHAIR SUGIMURA: Okay. So, we’re done with 77, and we already did 78, the Revolving Fund.

Resolution 24-77

COUNCILMEMBER PALTIN: I’ll move to recommend passage of Resolution 24-77 --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- CD1 --

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- on first reading.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Onto first reading.

COUNCILMEMBER LEE: Second.

COUNCILMEMBER PALTIN: Adopted.

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CHAIR SUGIMURA: Adopt. Adopt.

COUNCILMEMBER PALTIN: Adopted on first reading. Adopted.

CHAIR SUGIMURA: Adopt, this is it.

COUNCILMEMBER PALTIN: I move to adopt Resolution 24-77, CD1.

CHAIR SUGIMURA: Okay. Motion made by Member Paltin, and I think Alice...Chair Lee made the second, right? I think I heard her voice.

COUNCILMEMBER PALTIN: Discussion?

CHAIR SUGIMURA: Okay. Discussion, this is your baby.

COUNCILMEMBER PALTIN: We got big plans, baby, for Dickenson. We want to move a Lahaina family into it, and maybe it could be a living building house if we can get it all together because we connected the dots at one point today.

CHAIR SUGIMURA: Oh, very good. Okay. That's so exciting, right? I remember this story so well.

COUNCILMEMBER PALTIN: And now it's going to come to fruition --

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: -- just when we needed it most.

CHAIR SUGIMURA: Yeah. And is the school fine with it? Did you go and talk to the school across the street?

COUNCILMEMBER PALTIN: I think they'll be more fine with it than a three-story apartment building because that's not what we're going to do.

CHAIR SUGIMURA: Good. Okay. Members, any more discussion? Oh.

MS. NAKATA: Excuse me, Chair. Oh.

CHAIR SUGIMURA: Ms. Nakata, yes.

MS. NAKATA: Oh, apologies, but I belatedly noticed something that should have been corrected. When we did the CD1 version, we attached...we attached the metes and bounds and a different map as the exhibit. These were documents that were provided by Corporation Counsel, and were a more specific description of the property. So, in the first whereas clause, line 4, if you don't mind amending

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the reference to the lot number to Lot A in the attached Exhibit A. Apologies for the error.

CHAIR SUGIMURA: So, you're saying...

MS. NAKATA: Where it says Lot 460, 110, 110000, if we could just amend that to Lot A.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Okay. I...I move to amend in the first whereas on the fourth line to change Lot 460, 110, 110000 to say instead Lot A in the attached Exhibit A.

COUNCILMEMBER U'U-HODGINS: Second.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Okay. So, motion made by Member Paltin, second by Member U'u-Hodgins. Okay. All in favor...any more discussion? I think it's pretty...all in, say "aye."

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: So, we have nine "ayes." Motion carries.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion

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CHAIR SUGIMURA: Okay. So, that's done. Is there any more corrections, Misses...

MS. APO TAKAYAMA: Chair, main motion as amended.

CHAIR SUGIMURA: Oh, main motion as amended. Main motion as amended, here we go. All in favor, raise your hand. Nine "ayes." Done. Passes.

VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: Recommending **ADOPTION** of Resolution 24-77, CD1 by C.R.

CHAIR SUGIMURA: Very good. Okay. This is this, and then real fast, Fuel Tax, we...Fuel Tax, and then we'll go to Real Property Tax. So, Fuel Tax is on page 10 in Appendix B on Ramseyered version of rates and fees, page 10. Okay. Okay. Fuel Tax, anybody have any amendments? If not...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Page 10.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, sorry, page 47. 4-7, Fuel Tax. So, you see in the middle of the page, right? Okay. We did...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh. Oh, okay. Sorry, we did Weight, and we just...okay. sorry about that. We're done then on that, and we just have to do Real Property Tax,

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which is on page 10. Okay. So, James and Kasie, how would you like us to proceed? Just take the amendments?

MR. KRUEGER: So, Chair, at this time, your...your funds balance. You balance. So you have no excess revenue, you're not over, you're not under. So, Chair, at this time, you can proceed...

CHAIR SUGIMURA: Taking amendments.

MR. KRUEGER: Uh-huh. Exactly.

CHAIR SUGIMURA: Okay. Members, anybody have amendments for Real Property Tax? Member Paltin? Your mic.

REAL PROPERTY TAX

COUNCILMEMBER PALTIN: You know, it's been a tough year for all of us. I'd love to recommend, for the Owner-Occupied category, Tier 1 set at 1.8, Tier 2 be set at 2, and Tier 3 be set at 3.25.

CHAIR SUGIMURA: Okay. Let's see.

COUNCILMEMBER PALTIN: Let's see.

COUNCILMEMBER COOK: Could you repeat that?

COUNCILMEMBER PALTIN: Sure. It's 1.8 for Tier 1, \$2 for Tier 2, and 3.25 for Tier 3.

COUNCILMEMBER JOHNSON: Second.

COUNCILMEMBER PALTIN: And that's a decrease of \$4,352,358.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: The third tier is 3.25, so that's in alignment with what the Mayor offered for Tier 3, but adjusted down for Tier 1 and Tier 2. So originally, it was \$2 and 2.50, but we do know assessments went up, and so, that'll kind of keep it similar to what it...what people were paying, although it went down. And then \$2 one is the same rate, but assessed values went up.

CHAIR SUGIMURA: Okay. So, your Tier 1 is \$1.80, right?

COUNCILMEMBER PALTIN: Yes.

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CHAIR SUGIMURA: Okay. Tier 2 is \$2 --

COUNCILMEMBER PALTIN: Yes.

CHAIR SUGIMURA: -- and Tier 3 is \$3.25.

COUNCILMEMBER PALTIN: Yes.

CHAIR SUGIMURA: And the...the tier ranges...

COUNCILMEMBER PALTIN: Are...

CHAIR SUGIMURA: Same.

COUNCILMEMBER PALTIN: Same.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: The only ranges that I really changed were Nonowner-Occupied and Commercialized Residential.

CHAIR SUGIMURA: Okay. Okay, Members. So, did you see...or did you hear? So, the tiers remain the same, and the rates have changed. So, is there any discussion?

COUNCILMEMBER PALTIN: Yes, please. Thank you.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: I guess just my discussion is, I think that nobody knows how difficult it is to live in Maui County except for our residents. So, you know, we may get blowback from other categories, but we're all residents here, and we know how difficult it is, you know, just to go to the grocery store, to drive across the island. And so, that's my recommendation because people who live here full-time, all year, every year, I think, would agree that this was a really rough year financially. I know personally, you know, donations came in across...from across the world, across the State, and especially from within our own County as people didn't know if they would have jobs, as people didn't know if their own futures, what would change. And, you know, they...they gave to their friends and neighbors, they gave to people that lost everything. And...and, you know, a lot of people lost their jobs too, even if they didn't lose everything. And so, it's just been a hard...hard time in...in the County as a whole. And not only did people lose revenue, they also donated to West Maui.

CHAIR SUGIMURA: Very generous. And we hear about the aloha. Member Cook?

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COUNCILMEMBER COOK: So, is that a savings of 2,336,350?

COUNCILMEMBER PALTIN: It's...it decreases our revenue by \$4,352,358.

COUNCILMEMBER COOK: Okay.

COUNCILMEMBER PALTIN: And my proposal would also...is to also offset that by an additional amendment to the Nonowner-Occupied category . . .*(timer sounds)*. . . which would increase the corresponding revenue by \$4,402,383. And I...I do have a slight adjustment for tiering.

CHAIR SUGIMURA: Okay. So, shall we take the first motion? Or you want to...

COUNCILMEMBER PALTIN: We could, but it...it really...it works together. I mean, if we take...if we take it one at a time, then we're down by 4 --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- million. So, the other two offsets that I would make to the Mayor's...let's see, what else did I do?

CHAIR SUGIMURA: So, you want to talk about Non-owner-Occupied?

COUNCILMEMBER PALTIN: Yeah. So, the other two offsets that I made was in the Nonowner-Occupied and Commercialized Residential, to bring the total change to 105,916 positive. And so, what I did was Tier 1 of Nonowner-Occupied --

CHAIR SUGIMURA: Yes.

COUNCILMEMBER PALTIN: -- you know, there's a lot of people...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: That wasn't me, but...

CHAIR SUGIMURA: That wasn't any of us. Weird. Okay.

COUNCILMEMBER PALTIN: A lot of people in Non-owner-Occupied are renters, and not everyone, for whatever reason, wants to sign that long-term rental exemption. Some people don't want to commit to a year, or whatever. So, I...I try to keep it low in Tier 1 for those folks. So, I decreased Tier 1 to \$5.87, and then I kept Tier 2 and Tier 3 the same.

CHAIR SUGIMURA: That's 8.50 and 14?

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COUNCILMEMBER PALTIN: Yeah. And it still is an increase because I'm using the tiers that I asked for...that I asked for from Ms. Martin instead of the 0 to 1, 1 to 4.5, 4.5-plus. . . .(timer sounds). . .

COUNCILMEMBER JOHNSON: Chair?

CHAIR SUGIMURA: Okay. Oh, can...wait, can you repeat those tiers again?

COUNCILMEMBER PALTIN: Oh, it's the 0 to 1 --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- for Tier 1 --

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: -- 1 to 3 for Tier 2, and 3-plus for Tier 3.

CHAIR SUGIMURA: Oh, okay. So, you changed the tiers.

COUNCILMEMBER PALTIN: And then the other offset is in Commercialized Residential, where I implemented the tiers I asked for from Ms. Martin of 0 to 1, 1 to 3, and 3-plus, with Tier 1 being 4.40, Tier 2 being 5.05, and Tier 3 being 8.95. And so, then...

COUNCILMEMBER JOHNSON: Chair?

COUNCILMEMBER PALTIN: Oh.

COUNCILMEMBER JOHNSON: Before you jump...if in case you're going to ag, I'd...I'd like to make a proposal before you get...you know, so just wondering if you...

COUNCILMEMBER PALTIN: No, I have no...that's --

COUNCILMEMBER JOHNSON: Okay.

COUNCILMEMBER PALTIN: -- that's my proposal --

COUNCILMEMBER JOHNSON: Okay. I'm done.

COUNCILMEMBER PALTIN: -- and it would be...it would generate a total of \$587,359,383, which is 105,916 over, which...I can play around a little bit more, but that's pretty close, and I would give that to the Department of Ag.

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CHAIR SUGIMURA: Okay. Are you done?

COUNCILMEMBER PALTIN: Yes. That's my proposal.

COUNCILMEMBER LEE: Can she repeat again the Commercialized Residential, please?

COUNCILMEMBER PALTIN: Sure. So, it's tiered 0 to 1, 1 to 3, 3-plus, and the first tier would be 4.40, second tier 5.05, and third tier 8.95.

CHAIR SUGIMURA: Okay. Chair Lee, you got that?

COUNCILMEMBER LEE: Yes, I got it all right.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Oh, Ms. Toshikiyo, I'm happy to hear any input from her, if the Chair would allow.

CHAIR SUGIMURA: Okay. Kristina Toshikiyo?

MS. TOSHIKIYO: Thank you. Thank you, Member Paltin. No, I just wanted to clarify the tiers. So, is it 0 to 1 million, and then 1 million and 1 to 3 million?

COUNCILMEMBER PALTIN: Yeah, sorry. That's what I meant, but I didn't want to talk that much.

MS. TOSHIKIYO: . . .*(laughing)*. . . Okay. Thank you.

CHAIR SUGIMURA: And then more than 3 million, yeah, the third tier. Okay. There...and anybody else...do you have any more?

COUNCILMEMBER PALTIN: No, that's my proposal. It gets it pretty close to what we are, and it gives a little extra to Ag.

CHAIR SUGIMURA: Okay. And I think Member Johnson, then...if you're done, Member Johnson.

COUNCILMEMBER JOHNSON: Do you...how would you like to do this, Chair? Do you want to vote on her proposal and go to my tiers, or do you want to just do the whole thing? I'm...

COUNCILMEMBER COOK: And how do we do it if we're...different tiers for the same category?

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COUNCILMEMBER PALTIN: The only different tiers you could have is the...the Administration's original tiers because we can't...we can't figure out what the calculations for a different set of tiers would be right now.

COUNCILMEMBER COOK: No, I...

COUNCILMEMBER PALTIN: Oh.

COUNCILMEMBER COOK: No, you misunderstood. Not to change any tiers, but like instead of --

COUNCILMEMBER PALTIN: Those numbers.

COUNCILMEMBER COOK: -- the rate.

COUNCILMEMBER PALTIN: Yeah, Chair. Maybe...so, that's my proposal. I'm happy to set that on the side or something and hear other people's proposals. I don't want to be like a hog or anything, but that would be my proposal --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- and I have it on this Excel spreadsheet. But I'm...I'm...I don't want to be a hog, you know? And if other people have other proposals that equal close to where we want to be in the positive --

CHAIR SUGIMURA: You're open.

COUNCILMEMBER PALTIN: -- I'm...I'm happy to set that on the side and hear other proposals. I'll write down what I have so I can type in everyone else's one and come back.

CHAIR SUGIMURA: Okay. So, I'll go to --

COUNCILMEMBER COOK: Chair?

CHAIR SUGIMURA: -- Member Cook, then Member Johnson.

COUNCILMEMBER COOK: Yeah.

COUNCILMEMBER PALTIN: Wait, before you start doing it, let me write down my stuff so that I remember it. Sorry.

CHAIR SUGIMURA: Okay. So, yours is...the tiers didn't change for Owner-Occupied \$1.80, Tier 2 is 2, Tier 3 is 3.25. Then you went to Nonowner-Occupied, and those rates are --

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COUNCILMEMBER PALTIN: 5.87.

CHAIR SUGIMURA: -- 4.40. Oh, huh, 4.40.

COUNCILMEMBER PALTIN: No, those are B&B...or Commercialized Residential, sorry.

CHAIR SUGIMURA: That's Commercialized. Okay. Where did I write it? Oh, 5.87, 8.50, and \$14.

COUNCILMEMBER PALTIN: Yes.

COUNCILMEMBER COOK: Okay.

CHAIR SUGIMURA: Oh, wait...and then Ag. So Ag...

COUNCILMEMBER PALTIN: No.

COUNCILMEMBER COOK: I can't hear...

COUNCILMEMBER PALTIN: B&B, Commercialized Residential.

CHAIR SUGIMURA: Commercialized Residential. Oh, I'm sorry, Commercialized Residential is 4.40, 5.05, and 8.95? Is that my scribbles (*phonetic*), 8.95?

COUNCILMEMBER PALTIN: Yeah.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Okay. So, I'll just...if that's okay with Staff, I'll just set that on the side, and then we can hear other people's proposals.

CHAIR SUGIMURA: Okay. So, I'm going to go...oh, okay. So, Member Cook first, I'm sorry, recognize him, and then Member Johnson.

COUNCILMEMBER COOK: My proposal for Commercial Residential, which is the B&B, correct?

CHAIR SUGIMURA: Correct.

COUNCILMEMBER COOK: Is 3.58, and I believe that leaves a deficit of \$189,867.

CHAIR SUGIMURA: So, for a Tier 1, you're saying it's \$3?

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COUNCILMEMBER COOK: 3...\$3 for Tier 1, \$5 for Tier 2, \$8 for Tier 3.

CHAIR SUGIMURA: Okay.

MR. KRUEGER: Chair?

CHAIR SUGIMURA: Yes.

MR. KRUEGER: Could we just request what the tiers are for the rates?

CHAIR SUGIMURA: Oh, are we still on the same tiers?

COUNCILMEMBER COOK: Well...

CHAIR SUGIMURA: Member Paltin didn't...did you change yours?

COUNCILMEMBER PALTIN: Yeah, it would have to be the same tiers because that's the only ones that I requested...that anyone requested from Ms. Martin. So, it's either one straight rate or those tiers.

CHAIR SUGIMURA: Okay. So, Member Cook, your tiers for commercial...Commercialized Residential then is the same. And that is up to \$1 million, first tier, second tier is \$1,000,001 to 3 million, and Tier 3 is more than 3 million. That's the tiers. And then your rates are 3, 5, 8, yeah?

COUNCILMEMBER COOK: Well, just to repeat what you said, Tier 1 is up to a million, Tier 2 is from 1 to 3 million, Tier 3 is more than 3 million.

CHAIR SUGIMURA: Correct.

COUNCILMEMBER COOK: Okay.

COUNCILMEMBER PALTIN: \$1,000,001, to 3 million.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER COOK: So, that was my...that's my first one.

CHAIR SUGIMURA: Oh, you have more. Okay. Go ahead.

COUNCILMEMBER COOK: And then Industrial --

UNIDENTIFIED SPEAKER: Oh.

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COUNCILMEMBER COOK: -- Industrial, changing it from 7.05 to 7.14, which I believe adds 201,646, which washes that first one.

CHAIR SUGIMURA: For Industrial is 7...7.14, yeah?

COUNCILMEMBER COOK: Correct.

CHAIR SUGIMURA: Okay. Any others?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER COOK: I did, but I'm looking at...Nonowner-Occupied for more than 3,000 [*sic*] was 14.5.

COUNCILMEMBER PALTIN: 3 million. You mean 3 million?

CHAIR SUGIMURA: Nonowner...yeah, 3 million.

COUNCILMEMBER PALTIN: 14.5.

COUNCILMEMBER COOK: 14.5, which I think adds--I just had it a minute ago--it adds like \$1-1/2 million ballpark.

COUNCILMEMBER PALTIN: If you're using everything the same as the Mayor and only changing the things that you said, I think it's \$7,348,005 over.

COUNCILMEMBER COOK: Right, but I...

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER COOK: They had previously, without any change with the Mayor's rates, it increased 5,711,000. So, the difference between that and that was 1,624,787. The difference between 14 and 14.5 changed from 5,711,438, it increased to 7,336,226. And the variable is an increase of 1,624,000; is that correct?

COUNCILMEMBER PALTIN: I got an increase of \$7,348,005. If you were starting with the base as the Mayor's proposal...were you starting with the base as the Mayor's proposal, or is it the base as my proposal?

COUNCILMEMBER COOK: I'm using your...your...your --

COUNCILMEMBER PALTIN: Oh, okay.

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COUNCILMEMBER COOK: -- spreadsheet, but the...the start...starting point was...wait a minute.

COUNCILMEMBER PALTIN: What is your first tier of Owner-Occupied?

COUNCILMEMBER COOK: Okay, wait a second.

CHAIR SUGIMURA: I thought you were talking about Nonowner. You're talking about Owner-Occupied.

COUNCILMEMBER PALTIN: I'm just trying to find out if his base was the Mayor's proposal, or if his base was my proposal.

COUNCILMEMBER COOK: I'm working with your proposal.

COUNCILMEMBER PALTIN: Oh, Okay. Okay.

COUNCILMEMBER COOK: So...but --

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER COOK: -- when I say working with your proposal...

COUNCILMEMBER PALTIN: Just changing it a little.

COUNCILMEMBER COOK: Yeah.

COUNCILMEMBER PALTIN: Got it, got it.

COUNCILMEMBER COOK: So, at 14 was 5...5,711,438, and by adding that half percent. And the reason I'm doing that is because I'm trying to get Greasezilla back.

COUNCILMEMBER PALTIN: Okay. Can you repeat what your Non-owner-Occupied was, please?

COUNCILMEMBER COOK: Okay. Nonowner-Occupied, Tier 1, \$6; Tier 2, 8.50; Tier 3, 14.50.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: And then 7.14 --

COUNCILMEMBER COOK: So...

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COUNCILMEMBER PALTIN: -- or...what was it? 7.14 Industrial.

COUNCILMEMBER COOK: So, in summary, my three was changing the B&B, which costs 189,000; increasing the Residential, which filled that hole; and then increasing the Nonowner-Occupied over 3 million, which creates \$1.6 million...\$1,624,000 excess, which I'm hoping we can keep in reserve so we can give Environmental Management their...their tool back.

COUNCILMEMBER PALTIN: So, your...your overage, is it \$2,995,647? Oh, shoot.

COUNCILMEMBER COOK: I'm 1,624,787.

COUNCILMEMBER PALTIN: What was your Industrial again?

CHAIR SUGIMURA: 7.14.

COUNCILMEMBER PALTIN: Hmm.

CHAIR SUGIMURA: Oh, you're getting Tamara's numbers? Okay. So, one moment, we're going to do some glancing.

UNIDENTIFIED SPEAKER: Yeah, we might need to . . . *(inaudible)* . . .

COUNCILMEMBER LEE: Some what?

CHAIR SUGIMURA: We're looking at Tom's numbers.

COUNCILMEMBER COOK: You got to get real close so you can see it.

CHAIR SUGIMURA: Kasie is looking at Tom's numbers, Chair. I'm sorry, you can't see.

COUNCILMEMBER LEE: Can you repeat Tamara's Owner-Occupied again one more time, please?

COUNCILMEMBER PALTIN: Sure. My Owner-Occupied, Tier 1, is 1.8 or \$1.80. My Tier 2 is \$2. And my Tier 3 point...or \$3.25.

CHAIR SUGIMURA: Okay. You might as well go through your whole thing. . . *(inaudible)* . . .

COUNCILMEMBER PALTIN: Oh, we got...

COUNCILMEMBER LEE: No, I think we got the rest.

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CHAIR SUGIMURA: You got the rest? Oh, okay.

COUNCILMEMBER LEE: Yeah.

COUNCILMEMBER PALTIN: We got to figure out what...what...what went wrong between us and Tom's version.

CHAIR SUGIMURA: Kasie was looking at it.

COUNCILMEMBER LEE: Oh, because Member Paltin's, there's no net change in the...in the totals, but with Member...

COUNCILMEMBER PALTIN: The net change is about 105,916, so it's kind of negligible.

COUNCILMEMBER LEE: Yeah, negligible. And then with Tom's, it's a couple of million to take care of what? Some kind of environmental program?

COUNCILMEMBER COOK: In...in Environmental Management --

CHAIR SUGIMURA: Oh, Greasezilla.

COUNCILMEMBER COOK: -- we subtracted the \$2 million for the Greasezilla, which is a tool. And talking with the Director, that was a tool that they needed, and so --

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER COOK: -- I'm striving to put it back in. That...that tool was \$2 million. I'm planning on reducing my \$1 million R-1 study to \$500,000, so this tax increase, plus reducing my R-1 study by half a million dollars, will create...will generate the \$2 million necessary for the Environmental Management to get their solid waste.

COUNCILMEMBER LEE: Okay. So, when we...when you removed the funding for that program, where did we put it?

COUNCILMEMBER COOK: We removed it.

COUNCILMEMBER PALTIN: We didn't put it anywhere, we just...

COUNCILMEMBER COOK: We didn't put it anywhere, it got cut.

CHAIR SUGIMURA: Yeah.

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UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay. So, Member Cook and Member Paltin, and then we haven't heard from...oh, are you done, Member Cook? Not yet.

COUNCILMEMBER LEE: How many more people have --

CHAIR SUGIMURA: Yeah. So --

COUNCILMEMBER LEE: -- suggestions?

CHAIR SUGIMURA: -- Member Cook is still reviewing his. You're done. Okay. Next we have Member Johnson.

COUNCILMEMBER PALTIN: Oh, is...when Member U'u-Hodgins helped him, was his difference 2,995,647 over? Okay. Okay. So, that's his proposal.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Okay. Before we start --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- what are you using as your base, the Mayor's proposal?

COUNCILMEMBER JOHNSON: The three tiers?

COUNCILMEMBER PALTIN: Or no, are we going to be changing off of this, or are we going to be changing off of Member Cook's proposal, or are we going to be changing off of my proposal? What are we starting as our base?

COUNCILMEMBER JOHNSON: I was just...I was proposing to have three tiers with three values of those tiers, and then keeping the base rate, which was \$5.74 for Tier 1 and 2, and the third tier, I would change --

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER JOHNSON: -- for Ag only.

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER JOHNSON: So...

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COUNCILMEMBER PALTIN: So, is your proposal, keep everything that the Mayor proposed and just change Ag?

COUNCILMEMBER JOHNSON: That's all I wanted to do for Ag, but I would...can I incorporate that in you guys's [sic]? Is that going to throw the numbers off, is that the question?

COUNCILMEMBER PALTIN: My question is, how do we follow your proposal? Because there was a little confusion with Member Cook's proposal because we didn't know what he was changing from...you know, what is the base that we're starting from?

COUNCILMEMBER JOHNSON: Okay.

CHAIR SUGIMURA: So, what is your --

COUNCILMEMBER JOHNSON: Well, right now...

CHAIR SUGIMURA: -- first tier?

COUNCILMEMBER JOHNSON: Okay. You want to know my first tier?

COUNCILMEMBER PALTIN: No, I want to know what...what he's changing. Is he changing this?

COUNCILMEMBER JOHNSON: Yes, I'm changing that.

COUNCILMEMBER PALTIN: Okay. So, we're starting with this as our base.

COUNCILMEMBER JOHNSON: But I'm only changing one...you know, one...one...

CHAIR SUGIMURA: Tier.

COUNCILMEMBER RAWLINS-FERNANDEZ: Classification.

COUNCILMEMBER JOHNSON: One classification, that's the term. Thank you.

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: You're only changing the Agricultural classification, starting with the Mayor's proposal. Go ahead.

COUNCILMEMBER JOHNSON: So, the...I'm creating three tiers, and the first tier is 0 to 3 million. And then I guess, 3,000,001 to 550 million would be Tier 2. And then more than 550 million would be the third tier. And then the...or...yeah,

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5.5 million is the third tier. And then I would keep the Tier 1 as 5.74, which is what the Mayor proposed. Tier 2, 5.74 is what the Mayor's proposed. And the third tier would be \$6.43, which is actually the Conservation rate.

COUNCILMEMBER PALTIN: Can you repeat your tiers?

COUNCILMEMBER JOHNSON: Of course. Tier 1 is from 0 up to \$3 million.

COUNCILMEMBER PALTIN: Member Johnson?

COUNCILMEMBER JOHNSON: Yeah.

UNIDENTIFIED SPEAKER: I think you...

COUNCILMEMBER PALTIN: How do you know the valuations of each tier?

COUNCILMEMBER JOHNSON: Okay. What do you mean by that? The valuation goes from 0 to 3 million.

COUNCILMEMBER PALTIN: How do you know how much of the assessed value of the total of the Ag categories are?

COUNCILMEMBER RAWLINS-FERNANDEZ: You would have to get it from RPT, Member Johnson. So, if you didn't work with RPT to get the amount that...to plug into the formula to multiply by the rate, then you won't be able to figure out, in each threshold, what the property value total is.

COUNCILMEMBER PALTIN: When...when we asked Ms. Martin, the only one we asked for in Ag is 0 to 1 million, 1,000,001 to 3 million, and more than 3 million. So, that's...it's either all one tier, or those are the tiers. Because it took her about a week, or four days, to get these to us. So, it's not like we can call her up and say, these are the tiers we want right now...because she has to look at all the parcels that are up to 5 million or whatever it is and put it in there, and then she'll tell you what's the assessed value...total assessed value of those parcels that are up to 5 million or whatever. So, it's...we need to call a friend to get to those tiers, and that friend is not going to help us right now.

CHAIR SUGIMURA: Ms. Martin.

COUNCILMEMBER JOHNSON: All right. Well, I just put the numbers in the Excel sheet and fiddled with that, but I'm no Marcy Martin . . . *(laughing)* . . . when it comes to that.

COUNCILMEMBER PALTIN: Yeah.

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COUNCILMEMBER JOHNSON: I...I'm just trying to make it so that we let the farmers, where they're at now, be at 5.75, except for the very top, top few that are at 5.5 million and higher. If there's a way to do that, and you guys think you can help me with that, that's really what I'm trying to do.

COUNCILMEMBER PALTIN: There's not an accurate way to do that --

COUNCILMEMBER JOHNSON: Okay.

COUNCILMEMBER PALTIN: -- in this moment.

COUNCILMEMBER JOHNSON: All right. I'm going to pass and let the discussion continue. Maybe I can come up with another plan. Thank you.

CHAIR SUGIMURA: Okay. So, you're done then with Ag? Okay. Anybody else have any RPT suggestions? Okay. So...yeah. So, Staff, the...the only way that Member Johnson can get the numbers he needs to...because we did get up to 1 million for Tier 1, 1,000,001 to 3 million for Tier 2 in Ag, and then more than 3 million. But you don't want to use those tiers, is that what you're saying?

COUNCILMEMBER JOHNSON: Well...okay. I'll get a little bit into this, but I understand it's...it's pretty complex. But basically, when I went through the numbers of...of this at the Ag's, the folks who are at 5.5 and higher are the ones that they're...they're...they're land banking, they're real estate firms, they're out-of-state property owners, and some farmers are actually...do own land and they are farming, and they're like 5.4 million is...is what the ones that I could find. I got data for all the Ag parcels, I looked at what...where the cutoff was where folks were actually farming and did have a very valuable farm land. You know, a ranch is very high...very wealthy, but they're actually farming...I should say land wealthy. The folks who are at...like, I'll give you an example. So, there's Waihee Sweetwater Farm, they're based out of Miami Beach, Florida. Olowalu Hale LLC, they're based out of Nebraska. Hawaii Sea Spirits, which is the ocean organic vodka farm, they...\$7.6 million in revenue, \$30 billion business. Lanai Resorts, you know who owns that. Triggerfish Properties, they're based out of Florida. All these...all these farms...and there's only, I think one, there's less than ten that are of that 5.5 value and threshold. So, those are the ones I wanted to kind of increase that, and then leave the rest of the farmers alone at what it is right now.

COUNCILMEMBER PALTIN: Very lofty, but I think that ship has sailed. But...oh, Member Rawlins-Fernandez has her hand up.

CHAIR SUGIMURA: Member Rawlins-Fernandez?

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So, a couple things. One, . . .*(exhaling)*. . . this is not a policy decision tonight. This is...well, a couple things. One, the proposal that you're asking us to consider was not included on the range of rates, which is legally required for us to stay within whatever the thresholds are that's posted. And that public hearing was the other night. So, in order for us to consider any thresholds or any rates, it has to be part of the range of rates in that public hearing. And if it wasn't, then we cannot legally consider that now. The other thing is, even if we agree, you know, policy-wise with you, Member Johnson, you know, if you go to page 45 on the certification, you'll see the...the spread of all the different properties and the values of each of them. We don't know the exact value. And that's why we would have to ask --

UNIDENTIFIED SPEAKER: Ms. Martin.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- Ms. Martin to run those numbers to give us the exact value that we would multiply the rate by. And then that's how we would come up with the exact revenue in order for us to balance our budget tonight. And I...I would hope Ms. Martin has gone...gone to...you know, gone home and is not at work right now.

CHAIR SUGIMURA: Member Johnson?

COUNCILMEMBER JOHNSON: Okay. I really appreciate that explanation, Councilmember Rawlins-Fernandez. I...you guys know where my heart was going with this. If no can, then no can. All right. Thank you.

CHAIR SUGIMURA: Okay. So, we'll lay your proposal on the side then, correct? You want to come back to it? No? He said he was going to think about it, so... Next year. Member Paltin?

COUNCILMEMBER PALTIN: I'm happy to combine with Member Cook's proposal, seeing that he said he needed like 1.5 or so. Would it be then okay to move our Tier 1 down to 5.87 of...sorry, Non-owner-Occupied instead of 6? And then that will be in excess of \$1,686,592.

COUNCILMEMBER COOK: I'm so sorry to ask you to repeat that. . . .*(laughing)*. . .

COUNCILMEMBER PALTIN: Oh, sure.

COUNCILMEMBER U'U-HODGINS: I'll help you.

COUNCILMEMBER COOK: Okay. She's...she's going to help her.

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COUNCILMEMBER PALTIN: Okay. Yeah, my proposal is for Tier 1 of Nonowner-Occupied to go down to 5.87.

CHAIR SUGIMURA: And Ms. Toshikiyo, you popped up.

MS. TOSHIKIYO: Yes, Chair. Thank you.

COUNCILMEMBER PALTIN: Oh, go ahead, Ms. Toshikiyo.

MS. TOSHIKIYO: Member Rawlins-Fernandez reminded me about the range of rates that were posted for your meeting, and I just wanted to check on Member Cook's proposal for Tier 1 for Commercialized Residential. Is that \$3? I believe the range that was posted is from 4 to \$8.

CHAIR SUGIMURA: So, what...4...

COUNCILMEMBER PALTIN: That's a very negligible change. It...it could still work.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Is that a question for Corp. Counsel?

CHAIR SUGIMURA: So, Member Cook is digesting this.

COUNCILMEMBER LEE: Oh.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: It did for the owners.

COUNCILMEMBER COOK: It...it...it really doesn't help the...the...it doesn't help the people we're trying to help, which is basically the bed and breakfast people.

COUNCILMEMBER PALTIN: It does reduce it from \$5. It was \$5, now Tier 1 is \$4.

COUNCILMEMBER COOK: Yeah, no, it's a help. I...

COUNCILMEMBER PALTIN: It helps, but not what they wanted.

COUNCILMEMBER COOK: Yeah. And...well, and if we can't, we can't, so...

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: Thanks for trying.

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COUNCILMEMBER LEE: Can make it \$4.

COUNCILMEMBER PALTIN: That's what we did. So, at \$4 and 5.87 in the lowest tier of Nonowner-Occupied, that brings our over for Greasezilla to \$1,686,592, which Member Cook was going to take the delta from his \$1 million of R-1 preliminary engineering report.

COUNCILMEMBER COOK: R-1 Study.

COUNCILMEMBER PALTIN: R-1 Study.

COUNCILMEMBER U'U-HODGINS: Wait, I have...

COUNCILMEMBER COOK: I have 1.834.

COUNCILMEMBER PALTIN: Oh, did I do something wrong?

COUNCILMEMBER COOK: Because...and what I'm proposing, if that's the case, we don't have to change Industrial.

COUNCILMEMBER PALTIN: Oh, okay. So...

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: And putting it back where it was, at 7.05.

CHAIR SUGIMURA: 7.05.

COUNCILMEMBER PALTIN: So Non-owner-Occupied, 5.87 --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- first tier, Tier 2 is 8.50, Tier 3 is 14.50.

CHAIR SUGIMURA: 14, the same.

COUNCILMEMBER PALTIN: Oh, shoot, I changed the wrong number. Sorry, my bad.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER COOK: Yeah.

CHAIR SUGIMURA: Industrial at 7.05. Okay.

COUNCILMEMBER COOK: Which is what it was.

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CHAIR SUGIMURA: Okay. So, you're going to take away your 7.14.

COUNCILMEMBER COOK: And then lowering Owner-Occupied, the 1.8.

COUNCILMEMBER PALTIN: It was 7.05, you said?

CHAIR SUGIMURA: 7.05.

COUNCILMEMBER COOK: Yes.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER LEE: 7.14, huh?

CHAIR SUGIMURA: Oh, he...he was proposing 7.14, but he's now changing it.

COUNCILMEMBER COOK: I...I changed it to 7.14, but it's unnecessary. So, reverting back to the 7.05 is what it was.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER COOK: So, that \$1,632,000, I could...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER COOK: Yeah, yeah, to pay for it. And I would reduce my million by the 400,000...whatever it took to make up the difference. And that'll be done in our correction, that's what you call it.

CHAIR SUGIMURA: So...

MR. KRUEGER: So, Chair, if the body settles on a RPT proposal tonight, we do still want to review Countywide, but you can also just, if you end up with excess revenue instead of being revenue neutral, you can appropriate that excess revenue. And then...and then when come corrections Monday, we can make any other adjustments that we identify over the weekend.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: So, would we appropriate this, and if we had a deficit, make up for it on Monday?

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CHAIR SUGIMURA: Oh, we don't want deficit. We don't want deficit.

COUNCILMEMBER COOK: So, we just appropriate this value to the Environmental...to that line item in Environmental Management, the CIP. It would be...still be short, and I would add the balance to it when we do our adjustment.

CHAIR SUGIMURA: So, we're doing corrections. Staff.

COUNCILMEMBER LEE: Chair?

CHAIR SUGIMURA: Oh, Chair Lee?

COUNCILMEMBER LEE: Chair, would Member Cook's proposal increase the budget by a million or so?

CHAIR SUGIMURA: If you left it at 7.06...I'm sorry, 7.05, and did not change to 7.14--what do you get, Staff?

COUNCILMEMBER LEE: Can everybody talk about the impact to the overall budget?

MR. KRUEGER: Chair?

COUNCILMEMBER COOK: Yeah.

MR. KRUEGER: Oh.

COUNCILMEMBER COOK: It increases it by \$1,632,831, and that is the --

COUNCILMEMBER LEE: That's what I thought.

COUNCILMEMBER COOK: -- combination...combination of Member Paulson's [sic] and Member Cook's adjustments.

CHAIR SUGIMURA: Okay. . . .*(laughing)*. . .

COUNCILMEMBER PALTIN: . . .*(laughing)*. . . And it sounded like Lisa Paulson joined our Council. . . .*(laughing)*. . .

CHAIR SUGIMURA: Okay. Staff. . . .*(laughing)*. . . Go ahead.

COUNCILMEMBER COOK: Hey, Chair. . . .*(inaudible)*. . .

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CHAIR SUGIMURA: Okay. You...so, right now, where we are, the compromise that you're doing, the two of you, for Nonowner is 5.87, right? Member Cook, you agree with that?

COUNCILMEMBER PALTIN: Tier 1.

CHAIR SUGIMURA: For Tier 1, Tier 2 is 8.50, and Tier 3 is \$14.

COUNCILMEMBER PALTIN: 14.50.

CHAIR SUGIMURA: Oh, 14.50. Okay. For Nonowner. Okay. 14.50. And you're okay with...Member Cook, you're okay with that? Okay. And then the other one that you're talking about is Industrial for yours.

COUNCILMEMBER COOK: No, no, Commercialized --

COUNCILMEMBER PALTIN: Commercialized Residential.

COUNCILMEMBER COOK: -- Residential.

CHAIR SUGIMURA: Okay. Okay. Commercial. You're not doing Industrial anymore, right?

COUNCILMEMBER COOK: 4 for the first tier, 5 for the second tier, and 8 for the third tier.

CHAIR SUGIMURA: Okay. Commercialized, bed and breakfasts. Okay. 4, 5, and 8. Okay. And you're no longer doing Industrial, so we'll put that aside. Okay.

COUNCILMEMBER COOK: And I believe the final change was Owner-Occupied Tier 1, reducing it to \$1.80.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Tier 2...

CHAIR SUGIMURA: Tier 2 is 2.

COUNCILMEMBER PALTIN: And then Tier 3 is...

CHAIR SUGIMURA: And Tier 3 is 3.25.

COUNCILMEMBER PALTIN: Correct.

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CHAIR SUGIMURA: Yeah? Okay. Okay. I think we're all good. So, changes...I mean, that which is Nonowner, Owner, and Commercial, which is bed and breakfast, and Industrial remains the same. Okay. Anything else? Are we done?

MR. KRUEGER: Chair, so, if there's no further proposals or anything, then there would need to be a motion to amend the RPT rates to incorporate those changes.

CHAIR SUGIMURA: Okay. Is that what...Member Paltin?

COUNCILMEMBER PALTIN: I have a question. So, after we do that, then we could say that we're going to take 367,169 off of his R-1 study, and combine it with the excess, and fund the Greasezilla. Would we do that after we adjust the rates? Okay. I'm...I'm okay with that. I...I don't know if anyone else had any proposals, but that's okay with me.

CHAIR SUGIMURA: Okay. So, I just...Member Johnson, you're...you're fine with Agriculture just remaining the same. We'll work...

COUNCILMEMBER JOHNSON: Yes, I certainly want to help the farmers in any way I can. Thank you, Chair.

CHAIR SUGIMURA: Okay. So, you just want to leave it as is then. Okay. Next year, right?

COUNCILMEMBER JOHNSON: Yeah.

CHAIR SUGIMURA: Member Sinenci, did you have anything? Or Chair Lee...or Chair Lee, you have something?

COUNCILMEMBER LEE: Yeah, where's Michele? How do you make this thing not increase the Mayor's Budget? That was the plan. You don't want to increase the Mayor's Budget. That's one thing I'm concerned about. And the second thing I'm concerned about is, although I would support it, I'm concerned that we're going to be criticized for lowering the Owner-Occupant rate.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: I think...

COUNCILMEMBER LEE: We always get criticized for that.

COUNCILMEMBER PALTIN: It'll be from the...

COUNCILMEMBER LEE: I know you don't care, Member Paltin, but what?

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COUNCILMEMBER PALTIN: It'll...the criticism will come from the people that don't...aren't Owner-Occupied.

COUNCILMEMBER LEE: No, the criticism comes from the State Legislature and the Federal Government. They always do that.

COUNCILMEMBER PALTIN: Okay. But the State didn't --

COUNCILMEMBER LEE: So...

COUNCILMEMBER PALTIN: -- give us any help with our infrastructure, so they've lost all their power over us.

COUNCILMEMBER LEE: Yeah. Okay. I'm not going to spend time arguing over that. I'm just sharing my point of view. So...but the...the main thing is that we figure out a way not to increase the revenues to the point of increasing the Mayor's Proposed Budget.

COUNCILMEMBER PALTIN: So...

COUNCILMEMBER LEE: Because if we do that, then we're no better than him.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Yeah?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: So...

COUNCILMEMBER COOK: Is...

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER COOK: Is there a way that we can raise funds without raising taxes?

CHAIR SUGIMURA: Yeah. Okay.

COUNCILMEMBER LEE: Or we can lower it someplace else.

COUNCILMEMBER COOK: So, the one thing that...

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COUNCILMEMBER PALTIN: Okay. If you want it to be negligible change, and then we would take Member Cook's Greasezilla out of the OPEB instead...is that what you're suggesting? Okay. Give me --

COUNCILMEMBER LEE: Yes.

COUNCILMEMBER PALTIN: -- give me two minutes, and I'll see what I can do. Because I believe he still would like to retain his Commercialized Residential rates, so give me a sec.

COUNCILMEMBER COOK: Yeah, my...my intention was to lower the...

CHAIR SUGIMURA: Lower the...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Yeah, we should. You wanted to lower what? Here comes Michele. Lower...lower what, Member Cook?

COUNCILMEMBER COOK: The bed and breakfast Commercial Residential.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Okay. I got it, I got it. So, if we change the highest tier of Nonowner-Occupied back to \$14 --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- then our increase is only 8...\$8,044.

CHAIR SUGIMURA: \$8,044.

COUNCILMEMBER LEE: Okay. You're a genius.

CHAIR SUGIMURA: We know that already.

COUNCILMEMBER PALTIN: Can you tell my mom?

COUNCILMEMBER LEE: . . .*(laughing)*. . .

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. So, Nonowner, then the first tier is 5.87, the second tier is 8.50, and the third tier is...did you say 14.50? Oh, 14.

COUNCILMEMBER PALTIN: That was the change, from 14.50 to 14.

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CHAIR SUGIMURA: Oh, go back. Okay. Okay. Okay. So, I'm going to take a five-minute recess, and we'll come back at 9:45.

COUNCILMEMBER PALTIN: You're the Chair, Chair.

CHAIR SUGIMURA: 9:45.

COUNCILMEMBER PALTIN: Do what you got to do.

CHAIR SUGIMURA: . . .*(gavel)*. . .

RECESS: 9:40 p.m.
RECONVENE: 10:41 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back. It is now 10:41 p.m. Thank you very much for...Members. This may seem late to you, but I've been in these and in later sessions, so this is pretty good. What we need to do right now is accept the Real Property Tax rates that we were talking about. And Chair Lee had a question, so we took the recess to address the question. So, at this time, let's go over the Real Property Tax rates that we are accepting. So, with Member Paltin and then Member Cook, your rates for...so, what we're doing then is for Owner...Nonowner, yeah...that was the...that was the discrepancy, yeah?

COUNCILMEMBER PALTIN: Yeah. I'll move to amend the Mayor's rates in three categories, which are Owner-Occupied, Nonowner-Occupied, and Commercialized Residential.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: For Nonowner-Occupied, with the tiers being 0 to 1 million, \$1,000,001 to 3 million, and 3 million-plus for the third tier, I would set Tier 1 at \$5.87, Tier 2 at \$8.50, Tier 3 at \$14. For Commercialized Residential, same tier structure, with Tier 1 being \$4, Tier 2 being \$5, and Tier 3 being \$8. And for Owner-Occupied, with the same tier structure, Tier 1 being \$1.80, Tier 2 being \$2, and Tier 3 being \$3.25. This will leave us with an excess of \$8,044. I would also amend the amount put into OPEB, decrease that by \$7,252, combine the two to put \$15,296 into the Open Space Fund, and that concludes my motion.

CHAIR SUGIMURA: Okay. Second by Member Cook. So, that was the compromise of all the rates. Any questions on that? Okay. All in favor...oh, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, thanks. So, for those of us that aren't in the Chamber, we didn't have the benefit of like discussing this

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through. I'm fine to support where it's at. I wanted to bring up a few things for everyone's consideration before setting these because it's all of them, and then moving the monies to different places. So, one, the Ag Department requested restoration of some of the grants. Ms. Milner shared that with us. And then two, the Fire Department went out to bid and just got the bids back on the 23rd for the Ualapue Station, the relocation from Pūko'o, and it came in way over what we had estimated. So, since we're setting rates now, I just wanted to bring that up to the Members to know that it came in about a million over what was estimated. So, right now, we can either put in...we can adjust the rates to accommodate for the bid going over for the fire station, or consider moving funding that we put in OPEB or Office of Recovery, or I can propose adjusting rates further after this motion.

CHAIR SUGIMURA: So, the fire station...or that fire bid, I did not know about it, did not hear about it until now, and neither did we hear about it from Ms. Milner or Fire. Anybody?

COUNCILMEMBER RAWLINS-FERNANDEZ: So, they...they...they did bring it up when they came before us during review. They said that the bid was...they were going to close the process on the 22nd and they would get the numbers back. Like I said, it came in way over what any of us anticipated, so...

CHAIR SUGIMURA: Okay. So, you're saying then, instead of doing what Member Paltin's motion is, is that you want to accommodate the ag grants, as well as the 1 million for the Fire?

COUNCILMEMBER RAWLINS-FERNANDEZ: My priority is to ensure that the...there's enough funding for the fire station.

CHAIR SUGIMURA: Oh, okay. Okay. So, Ms. Milner...I want to ask Kasie also. Ms. Milner, you first.

MS. MILNER: Thank you, Chair. Just briefly, yes, I did speak to Chief Ventura this evening, and the bid actually came in 2 million over what they had in their budget. So, with contingency, I think it would be around 2.25 in CIP that would be needed. Just wanted to provide that for the body's consideration. They just received the bid on Monday, and I just received the information this evening. So, thank you, Chair, and apologizing for not including it earlier.

CHAIR SUGIMURA: Okay. Ms. Apo Takayama and James, what shall we do with this?

COUNCILMEMBER PALTIN: Can we just pull it from the OPEB?

CHAIR SUGIMURA: Or we could take it from the Office of Recovery, the 10 million.

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COUNCILMEMBER PALTIN: Well, it is...

COUNCILMEMBER RAWLINS-FERNANDEZ: Or we can adjust the rates. So, those were the...the three that...the three options that's before us, for us to decide.

COUNCILMEMBER PALTIN: Well, the money in the Office of Recovery was for fire-related contingency. So, I mean, it fits that category, right?

CHAIR SUGIMURA: Okay. So, you're saying the 2 point...reduce the 10 million by 2.25 and...and the...okay. Okay. So, what we have is your motion before us, and then we can take that up second. Okay. You're fine? All right, Members. So, your motion is to take into consideration the \$8 million that we have for the RPT rates that we just talked about, and deleting 7 million...no, \$7,252 from OPEB; is that right? 7,000, right, not 7 million.

COUNCILMEMBER PALTIN: \$7,252.

CHAIR SUGIMURA: And from OpenSpace is \$15,296 is the add...add.

COUNCILMEMBER PALTIN: Putting into Open Space, \$15,296.

CHAIR SUGIMURA: Yeah. Okay. And motion made by Member Paltin, seconded by Member Cook. Any more discussion? All in favor, say "aye."

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: So, this is...this is going to be eight "ayes," and Member Kama excused. Eight "ayes."

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VOTE: **AYES:** **Chair Sugimura, and Councilmembers**
Cook, Johnson, Lee, Paltin,
Rawlins-Fernandez, Sinenci, and
U‘u-Hodgins.

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Kama.**

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Okay. Next, now we have a new request for taking care of the ag grants, 1.5 million. But maybe more importantly, as we like to protect Fire, and we were hearing about this Pūko‘o Fire Station from before, from Chief Ventura, the amount is not 1 million, but 2.25, Ms. Milner...with CIP; is that correct?

MS. MILNER: Thank you, Chair. Yes, the Fire Department would request an additional 2.25 for the overage, as well as contingency.

CHAIR SUGIMURA: Okay. All right. So, we’re planning on taking this from the Office of Recovery, the 10 million that we just put in there. Okay. Members, I need a motion and a second.

MS. APO TAKAYAMA: Chair...

COUNCILMEMBER RAWLINS-FERNANDEZ: So moved.

COUNCILMEMBER PALTIN: Second.

MS. APO TAKAYAMA: Can we just...

CHAIR SUGIMURA: Oh, no...

COUNCILMEMBER PALTIN: We’re moving to move 2.25 million from the Office of Recovery’s fire-related contingencies to the Ualapue CIP.

CHAIR SUGIMURA: Yeah.

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MS. APO TAKAYAMA: Can we just get clarification from Acting Budget Director which CIP this would fall under, please?

COUNCILMEMBER PALTIN: CBS something, something.

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. Let me look.

COUNCILMEMBER PALTIN: CBS --

CHAIR SUGIMURA: Fire.

COUNCILMEMBER PALTIN: -- yada, yada.

MS. MILNER: Thank you, Chair. I'll pull the number from the FY '24 Budget and send it to Staff. It's not currently in the FY '25...

CHAIR SUGIMURA: Oh, okay.

MS. MILNER: -- budget . . .*(inaudible)*. . .

CHAIR SUGIMURA: It's not...it's not in here at all? Okay.

COUNCILMEMBER PALTIN: Ms. Milner, would they have to wait until July to be able to secure the bid then in that case...because the money won't be ready until July? Would that work for them?

MS. MILNER: Thank you, Chair. They have the 850 in the current fiscal year that would allow them to at least get started, and then this 2.25 is on top of that.

COUNCILMEMBER PALTIN: So, they can...they can still do it, even though they're not going to get the money until July?

MS. MILNER: Yes, Chair. The Chief's comfortable with not getting the funding until July.

CHAIR SUGIMURA: Oh, okay.

MS. APO TAKAYAMA: Chair...

CHAIR SUGIMURA: James and...

MS. APO TAKAYAMA: Oh, sorry.

CHAIR SUGIMURA: Go ahead, Kasie.

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MS. APO TAKAYAMA: We...we did speak with the Acting Budget Director and were made aware that we do have a couple of bills in the BFED Committee pending that's holding up about 1.45 million, which we could recognize as Carryover in this budget, and then only decrease the contingency from 8...by 800,000, if that's something --

CHAIR SUGIMURA: Sounds good.

MS. APO TAKAYAMA: -- the body would be interested.

COUNCILMEMBER PALTIN: I'd be interested.

CHAIR SUGIMURA: That's good. That's good.

COUNCILMEMBER PALTIN: Want me to withdraw? Or...and do those other pending bills instead first?

CHAIR SUGIMURA: Ms. Apo Takayama?

MS. APO TAKAYAMA: Yeah. If you withdraw, we...we can just recognize the Carryover/Savings.

UNIDENTIFIED SPEAKER: Okay.

MS. APO TAKAYAMA: And then the other part of the motion would be to take 800,000 from that contingency from Office of Recovery.

CHAIR SUGIMURA: Okay. Oh, good, that's better.

COUNCILMEMBER PALTIN: Straight 800,000, no dollars?

CHAIR SUGIMURA: Because it was 2.25.

MS. APO TAKAYAMA: Yeah. Because the bills held up 1.45, so the...the 800,000 would just make up the rest of the 2.25.

COUNCILMEMBER PALTIN: Oh, okay.

MS. APO TAKAYAMA: And sorry, we have Councilmember Rawlins-Fernandez as the movant for that motion.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: I move to amend Councilmember Rawlins-Fernandez's motion from 2.25 to 800,000.

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CHAIR SUGIMURA: Second, anybody?

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR SUGIMURA: Okay. Member Paltin made the motion, seconded by Member Rawlins-Fernandez. That's great. Okay. So, the impact to the Office of Recovery would be the 800,000 because of recognizing the 1.45 in our budget. Better yet, right? All right. Members, any...any...I didn't hear you, Member Paltin.

COUNCILMEMBER PALTIN: I like it, because then they can access more of the money sooner.

CHAIR SUGIMURA: Okay. And all in favor then, raise your hand and say "aye."

COUNCILMEMBER LEE: Aye.

COUNCILMEMBER PALTIN: Aye.

CHAIR SUGIMURA: Aye. Eight "ayes" and one excused, which is Member Kama.

**VOTE: AYES: Chair Sugimura, and Councilmembers
Cook, Johnson, Lee, Paltin,
Rawlins-Fernandez, Sinenci, and
U'u-Hodgins.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Kama.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion

COUNCILMEMBER PALTIN: And we don't have to schedule more BFED communities.

CHAIR SUGIMURA: It's coming, it's coming.

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MS. APO TAKAYAMA: And you have the main motion is amended now.

CHAIR SUGIMURA: Main motion as amended. All in favor, raise your hand and say "aye." Aye. Okay. Eight "ayes," one excused, and...Member Kama. Motion passes.

**VOTE: AYES: Chair Sugimura, and Councilmembers
Cook, Johnson, Lee, Paltin,
Rawlins-Fernandez, Sinenci, and
U'u-Hodgins.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Kama.

MOTION CARRIED.

ACTION: APPROVE main motion as amended

CHAIR SUGIMURA: Anything else? Ms. Apo Takayama?

COUNCILMEMBER PALTIN: Oh, we got to recognize those other bills so we can move that money out and not meet any more times in BFED.

CHAIR SUGIMURA: . . .*(laughing)*. . .

COUNCILMEMBER JOHNSON: How about the money for the Ag Department requests?

CHAIR SUGIMURA: Okay. The Ag...for the Department requests, you want to have a discussion on it, or what are you talking about?

COUNCILMEMBER JOHNSON: I think it was Councilmember Rawlins-Fernandez who mentioned it. But also, is it 1.233 *(phonetic)* million or 1 point...

CHAIR SUGIMURA: Oh, we...

COUNCILMEMBER JOHNSON: I'm sorry.

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CHAIR SUGIMURA: Oh, oh, oh, I see what you're...I see what you're saying, those grants, 1.5 million?

COUNCILMEMBER JOHNSON: Okay. 1.5, yes, Chair.

CHAIR SUGIMURA: Ms. Apo Takayama, did we...go ahead, take care of that. Oh, James, the 1.5 in grants that the Ag Department came up today to ask us to recognize. So, how do we take care of that?

MR. KRUEGER: Chair, so, currently, I...I guess the options that were before the body for the fire station are still before the body, whether that be like shifting funding around from the Office of Recovery contingency or from the...from OPEB.

CHAIR SUGIMURA: OPEB. So, we took from Office of Recovery 1.5 from that 10.

COUNCILMEMBER PALTIN: Should we just finish the fire station first and complete that, and then move on to Ag, so we're...do we...

COUNCILMEMBER RAWLINS-FERNANDEZ: We did.

CHAIR SUGIMURA: I thought we finished it.

COUNCILMEMBER PALTIN: Oh, we recognized the Carryover?

CHAIR SUGIMURA: Yeah, we...we recognized...yeah.

COUNCILMEMBER PALTIN: Oh, that's what she told me. Okay. So, we're done with the fire station?

CHAIR SUGIMURA: Yeah, we're done with fire station.

COUNCILMEMBER PALTIN: Oh, okay.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: We passed bills like that? What were the bills? Where was the Carryover money from?

CHAIR SUGIMURA: We're not taking up.

COUNCILMEMBER PALTIN: Oh, we're not taking...okay. Got it.

CHAIR SUGIMURA: So, we're going to do it now. We just did it. Okay. So, for the 1.5 million for the grants for Department of Ag, we can take it from the...what we just put in for the Office of Recovery, from the 10 million?

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MR. KRUEGER: Yes. If the body's not adjusting Real Property Tax rates further, then yes, then the only other option would be to shift around funding, and...and some of the options before the body is the OPEB or the Office of Recovery wildfire contingency.

CHAIR SUGIMURA: Okay. Office of Recovery wildfire contingency?

COUNCILMEMBER JOHNSON: Sure. I move to take that from the Office of Recovery --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER JOHNSON: -- 1.5 million.

CHAIR SUGIMURA: Okay. Need a second. Second? Member Cook. Member Johnson made the motion, and Member Cook is the second. And we heard that...and we heard it from Ms. Milner, to restore the \$1.5 million grants that we had removed earlier, and they want it back. Anybody have any comments? Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. I know you keep saying 1.5, but the exact number that I received was what Member Johnson said earlier, which is 1,233,000.

CHAIR SUGIMURA: Oh, great. The lower the better.

COUNCILMEMBER JOHNSON: I amend my main motion to reflect that \$1,233,000.

CHAIR SUGIMURA: Okay. And Member Cook second, you agree, right? All right. Any more discussion? Okay. All in favor of restoring, right? So, it was \$1,233,000 worth of grants back to the Department of Agriculture. All in favor say "aye." Aye. Okay. That's eight "ayes." Motion carries.

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VOTE: **AYES:** **Chair Sugimura, and Councilmembers**
 Cook, Johnson, Lee, Paltin,
 Rawlins-Fernandez, Sinenci, and
 U‘u-Hodgins.

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Kama.**

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Anything else?

MS. APO TAKAYAMA: Hey, Chair...and just to return back to the Greasezilla conversation, I spoke with Councilmember Cook over the break, and so there was a proposal, and I can read that out if that's...

CHAIR SUGIMURA: Please...

MS. APO TAKAYAMA: Okay. So, the proposal is to delete the \$1 million CIP for Central Maui Landfill Storage Facility/Infrastructure, delete \$500,000 from the Admin Program, which was the R-1 priority that Councilmember Cook introduced before, and then \$500,000 from OPEB, which would give you \$2 million for Greasezilla. And that would go back where it was.

COUNCILMEMBER COOK: So move.

CHAIR SUGIMURA: Okay. Second?

COUNCILMEMBER U‘U-HODGINS: Second.

CHAIR SUGIMURA: Thank you. Motion made by Member Cook, second by Member U‘u-Hodgins. Any discussion? That's such a funny name, right, Greasezilla? Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Question.

CHAIR SUGIMURA: Councilmember Rawlins-Fernandez?

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. So, when we went over that Department, we removed it because Member Paltin had spoken with Pacific Biodiesel folks, and it was, you know, shared with us that that's old technology, and that it's...I'm not opposed to the direction that Member Cook would like to go, I'm opposed to old technology. So, if we wanted to put like the purpose of that fund and not lock us into that specific tool of Greasezilla but, you know, like whatever grease tool, like a...that's a, you know, more updated technology, I guess.

CHAIR SUGIMURA: Okay. Member Cook, discussion?

COUNCILMEMBER COOK: Thank you, Member Rawlins-Fernandez, and for the opportunity to clarify it. I had the opportunity to talk to Director Agawa, who clarified to me that they did shop and investigate it. They disagreed that it was old technology. They said that other municipalities are using them. He...he strongly urged me that they needed it for the landfill. It helps them with maximizing the airspace, and it makes the...makes the operation run more efficiently. I did ask him about, you know, is that...is that really the appropriate machine, and was it a matter of money? Why would they chosen [sic] that? And he...he told me that they had researched it, and that was the one that they had selected, it wasn't solely because of the money. So, I'm just representing what the Director of Environmental Management strongly requested.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And then...so, I guess my follow-up question, it would be to Staff because are we just restoring that 2 million in Account B for operations for the acquisition of, you know, a grease-processing machine, and not...and not specifying that it must be Greasezilla?

MS. APO TAKAYAMA: So, what we were talking about was putting it back in EP&S, which, you know, administratively will handle interfund transfers and everything, but exactly where it came from.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Would it specify that it would have to be for Greasezilla?

MS. APO TAKAYAMA: If that's the body's pleasure, we could add the condition.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, no, I don't want to add that condition. I want to keep it open because I think what was also brought up was procurement. So, I...I don't want to limit it to that.

MS. APO TAKAYAMA: At the moment, the only mention that will be put back in is...well, I guess just won't be deleted, is the Budget Details, which says purchase a Greasezilla. But there's nothing in the budget bill that allocates it specifically to Greasezilla.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Ms. Apo Takayama. Mahalo, Chair.

CHAIR SUGIMURA: Thank you. Member Paltin?

COUNCILMEMBER PALTIN: I did share with Pacific Biodiesel that same feedback that Member Cook had gotten. He said it's complicated. He didn't feel DM [sic] understood the difference in the final product between their system and the others. He said he's not a fan of the other system, but doesn't mind if they put it in. That was...is what he said in response to me conveying what the other folks had said.

CHAIR SUGIMURA: Okay. Everybody ready to vote? Any more discussion? Good. Okay. Is it roll call vote, or is it...no? Okay. All in favor, say "aye." Thank you. So, we have eight "ayes," one excused, and motion carries.

**VOTE: AYES: Chair Sugimura, and Councilmembers
Cook, Johnson, Lee, Paltin,
Rawlins-Fernandez, Sinenci, and
U'u-Hodgins.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Kama.

MOTION CARRIED.

ACTION: APPROVE

CHAIR SUGIMURA: Anything else?

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COUNCILMEMBER COOK: Thank you, Members.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER COOK: Thank you, Staff. Thank...thank you, Staff, again.

MS. APO TAKAYAMA: So, Chair, just for the record, because I know we talked about revisiting Countywide, but we handled that under Councilmember Paltin's adjustment to Open Space. So, at this time, we don't think that you need a revisit to Countywide.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Member U'u-Hodgins had a condition in Countywide. Never mind.

MS. APO TAKAYAMA: Perhaps we could talk about general...well, it sounds like we're going to continue through the rest of the bills. So, if you want to talk about your general budget provision condition.

CHAIR SUGIMURA: Go ahead. Okay. Wow. This is amazing, everybody. Thanks for working hard and compromising.

COUNCILMEMBER U'U-HODGINS: Okay. Sorry. I am trying to find page 28 of the budget bill, which is general budget provisions, and now I can't find it. Anyway, but I remember what it says. It starts at Section 5, and I am happy to be flexible to add this language wherever it makes the most sense. One second.

CHAIR SUGIMURA: Do you want my book?

COUNCILMEMBER U'U-HODGINS: I can't find it, but regardless, I have the language in front of me. So, in general budget bills, I would like to add language that states--thank you--all recipients of grant funding must submit--thank you very much--quarterly reports demonstrating their adherence to quarterly and annual reporting requirements of 3.36.110, MCC, to Council no later than 45 days, which is a change in what you have in our matrix. Following the end of each reporting deadline, reports must include the date of receipt and approval by the Department. Failure to meet these requirements will result in the recipient not being...being ineligible for funding.

CHAIR SUGIMURA: Okay. Second for that?

COUNCILMEMBER PALTIN: Second for discussion.

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CHAIR SUGIMURA: Okay. Member U'u-Hodgins made the motion, second by Member Paltin.

COUNCILMEMBER U'U-HODGINS: Thank you. My discussion is, is when we had OED here with Director Mahi, we received that graph that basically shows not everybody is doing their reporting. And regardless if they report, which they're supposed to report, they can still receive funding, which causes an issue. Additionally, when I was talking to Director Mahi today, which she supports this language, she and her Staff spend a lot of time going back and forth with the grantees, trying to get them to do their reporting, and then reworking their reporting, and reworking their reporting. And it takes a lot of time and effort that they really don't have to ensure that the grantees receive their funding, and are doing what they're supposed to do so they can earn our tax dollars to do what we need them to do. Don't get me wrong, I appreciate what they're doing, but it is their duty to also report back to the County, and show us what they're doing, and how they're properly spending County's money. And especially for the line items, I've said this before, they should set the example and never be the exception. That's my discussion.

CHAIR SUGIMURA: Okay. Motion made by Member Paltin, second by...I'm sorry, motion made by Member U'u-Hodgins, Member...just second by you, and for discussion, Member Paltin.

COUNCILMEMBER PALTIN: Thank you. I move to amend the main motion to add a clause for emergencies, like...you know, during emergency proclamations, that there would be a little bit more leniency. Because in my time on the Council, we've had two kind of life-altering emergencies occur, and we always need to give some leniency during those things. Like COVID was a big thing, and now we had the fire. And so, we can't really predict what any emergency...what the next emergency would be. Hopefully there wouldn't be one, but I would give...I would like to give the OED Director some leniency if there is a County emergency proclamation in place.

COUNCILMEMBER U'U-HODGINS: I'm happy to include that language. You're absolutely right.

CHAIR SUGIMURA: Okay. I have a question.

COUNCILMEMBER PALTIN: And I...I hear...or I see Ms. Toshikiyo, and I'd love to hear what she has to say.

CHAIR SUGIMURA: Ms. Toshikiyo?

MS. TOSHIKIYO: Hi. Thank you, Chair. I hope whatever I say makes sense. Sorry, just really tired. Just kind of wanted to point out that there are reporting

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requirements under Chapter 3.36 for grantees to submit reports to the agency in which they received the grant funding from. So, just want a clarification whether or not this is an additional requirement that's going to be imposed because they will still be required to submit their reports to the...oh, I can't even see it, the...sorry, the...their quarterly reports as well as their annual report to the agency. So, this would be an additional requirement. And also, the last sentence regarding what would deem them ineligible, there is also a section for noncompliance. And so, this language would conflict with that language. So, if you wanted to proceed with some of this, you know, I don't see any problem with adding it to the general budget provisions, with the exception of that last sentence because it does conflict. And also, just that the general budget provisions are within the...the budget ordinance, which we redo every year. So, if you wanted this to last beyond this current fiscal year, my recommendation would be to make a Code amendment.

COUNCILMEMBER U'U-HODGINS: Thank you for that recommendation. I'm happy to make that Code amendment. You're welcome to go, but my...I've said this before, I really don't care how it gets done, so long as it gets done. So whatever...however we can make it work, I'm happy to make it work. Thank you, Ms. Toshikiyo.

CHAIR SUGIMURA: Okay. Member Paltin?

COUNCILMEMBER PALTIN: I had a clarification for Ms. Toshikiyo. Can she read the last sentence that wouldn't be able to apply? I didn't know what that was.

MS. TOSHIKIYO: Oh, yes. Thank you. It says, failing to meet these requirements will result in the recipient being ineligible for funding.

COUNCILMEMBER PALTIN: Oh.

MS. TOSHIKIYO: Within...yeah. So, the noncompliance section within the Code has a process. Basically, if they omit material facts, misrepresent facts to the Council or any agency or, you know, just they're noncompliant, then there is a process. So, an agency informs the Mayor, who informs the Council in writing, and the Council, then, by resolution, can prohibit the recipient from applying for any grant for five years following such finding, require the recipient to return all funds or real property granted to the recipient, and require the recipient to be subject to debarment proceedings. So, that's within the Council authority by resolution. It was a recommendation by the Mayor because a grantee did not comply with the terms of Chapter 3.36.

COUNCILMEMBER PALTIN: So, it seem...it seems like it wouldn't be able to accomplish what Member U'u-Hodgins ultimately wanted, of not giving them the funds for not doing their reporting unless we do a change in the Code?

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MS. TOSHIKIYO: Yes. Because...well, the language would conflict because this one almost...there's not really a process other than if they...and I'm not quite sure which body would determine...I guess it would be the Council determines that they did not submit their reports on a timely basis, then I guess it would be up to the Council at that point to determine whether they're ineligible for funding.

COUNCILMEMBER PALTIN: Okay.

MS. TOSHIKIYO: But then my suggestion would be to make that consistent, you know, change the Code to make it consistent with what she would like it to be.

COUNCILMEMBER PALTIN: Okay. I don't know where that leaves us. If...if...if he's...instead of doing this, or in addition to doing this, or without that last line, which is where the punch is at.

COUNCILMEMBER U'U-HODGINS: Yeah. And I don't want to be conflicting with our existing Code because then it makes things confusing. So, I'm happy to make a Code amendment. But real quick, out of curiosity, how often has Council disallowed a grantee by that exemption that you were just reading?

CHAIR SUGIMURA: Never, in my experience.

COUNCILMEMBER U'U-HODGINS: Okay. I just...I wanted to hear it, but okay. Okay. I can work with the Code. That's not an issue, thank you. So, we can...we can scratch this, and then I can work with the Code.

COUNCILMEMBER PALTIN: I'll withdraw my second.

COUNCILMEMBER U'U-HODGINS: Yeah --

CHAIR SUGIMURA: Withdraw.

COUNCILMEMBER U'U-HODGINS: -- we can withdraw.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Scrap my amendment.

COUNCILMEMBER U'U-HODGINS: Thank you.

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Legislation
Bill 60, CD1 (2024), Budget bill
Bill 61, CD1 (2024), Capital Program Bill
Bill 62 (2024), Bond Authorization Bill
Bill 63 (2024), Lapsed Bond Bill
Bill 64 (2024)
SRF Loan Water Pollution
Control Revolving Fund
(various wastewater projects)
Resolution 24-66, Fuel Tax Rates

CHAIR SUGIMURA: Okay. So, now, recommended...recommendations for...yeah? Okay. Passage and referral bills. We checked that the...the budget is balanced. Thank you very much, Ms. Apo Takayama and James Krueger. And Members, the Chair will entertain a motion to recommend passage on first reading of Bill 60, CD1 (2024), the Budget Bill; CD 60...Bill 61, CD1 (2024), which is the CIP Capital Program Bill; Bill 62, CD1 (2024), Bond Authorization Bill; Bill 63, CD1 (2024), Lapse Bond Bill; Bill 64, CD1 (2024), "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WASTEWATER PROJECTS, FISCAL YEAR 2025 BUDGET ORDINANCE"; and adoption of Resolution 24-66, adoption..."ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI EFFECTIVE JULY 1, 2024."

COUNCILMEMBER COOK: So move.

COUNCILMEMBER U'U-HODGINS: Second.

Thank you. Second. So, moved by Tom Cook, and second by...oh, we need a recess. Member U'u-Hodgins, a recess, yeah, so we'll...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay. So, how about 11:20? . . .*(gavel)*. . .

RECESS: 11:16 p.m.
RECONVENE: 11:22 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back to the Budget, Finance, Economic Development Committee. It's now 11:22 p.m., and we just went through recommending a motion to recommend passage on first reading for all these bills. And motion made by Member Cook, second by Member U'u-Hodgins, and also for adoption on resolution adopting the Fuel Tax rates for the County of Maui effective July 1, 2024. Motion? Okay. Okay. Oh, it's captured in all

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together? Oh, okay. So, it's one motion. Got it all. Okay. All in favor, raise your hand, say "aye." Aye. And that makes eight "ayes" and one excused, which is...oh, no, Member Johnson's not here, so seven "ayes," two excused, which is Member Johnson and Member Kama.

**VOTE: AYES: Chair Sugimura, and Councilmembers
Cook, Lee, Paltin, Rawlins-Fernandez,
Sinenci, and U'u-Hodgins.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

**EXC.: Vice-Chair Kama and Councilmember
Johnson.**

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 60, CD1 (2024); Bill 61, CD1 (2024); Bill 62, CD1 (2024); Bill 63 (2024); Bill 64 (2024); and **ADOPTION** of Resolution 24-66 by C.R.

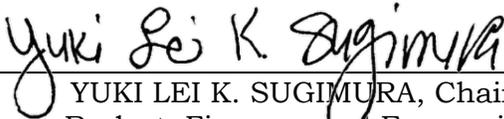
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CHAIR SUGIMURA: Okay. Anything else? We're going to recess, and we'll do corrections on Monday still. Okay. So Members, Staff is going to look at everything to make sure that...you know, in case there's any...anything that we need to correct. And I wanted to know if...I'm going to recess this meeting, and would you like to meet at 10:00 instead of 9:00...on Monday morning, yeah. Yeah? Okay. Monday morning at 10:00. So, same link, April 28th...29th...oh, 29th. So, we will see you back April...oh, same in-person, same link online, and same in-person, see you at the Chambers. Okay. Members, this meeting is now in recess. . . .(gavel). . .

RECESS: 11:24 p.m.

APPROVED:



YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

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Transcribed by: Daniel Schoenbeck

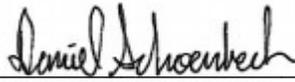
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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 228 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 24th day of July 2024, in Wailuku, Hawai'i



Daniel Schoenbeck