

**BUDGET, FINANCE, AND ECONOMIC  
DEVELOPMENT COMMITTEE**  
Council of the County of Maui

**MINUTES**

**February 4, 2025**

**Online Only via Teams**

**CONVENE: 9:19 a.m.**

**PRESENT:** Councilmember Yuki Lei K. Sugimura, Chair  
Councilmember Tasha Kama, Vice-Chair  
Councilmember Tom Cook, Member  
Councilmember Gabe Johnson, Member  
Councilmember Alice L. Lee, Member (arrived at 10:14 a.m.)  
Councilmember Tamara Paltin, Member  
Councilmember Keani N.W. Rawlins-Fernandez, Member  
Councilmember Shane M. Sinenci, Member  
Councilmember Nohelani U'u-Hodgins, Member

**STAFF:** Kirsten Szabo, Legislative Analyst  
James Krueger, Senior Legislative Analyst (back up)  
Peter Hanano, Legislative Attorney  
Richelle Kawasaki, Deputy Director, Office of Council Services  
Pauline Martins, Senior Committee Secretary  
Lenora Dinneen, Council Services Assistant Clerk  
Ryan Martins, Council Ambassador

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office  
Zhanell Lindo, Council Aide, Moloka'i Residency Area Office  
Bill Snipes, Council Aide, South Maui Residency Area Office  
Jade Rojas-Letisi, Council Aide, Makawao-Ha'ikū-Pā'ia Residency Area Office

**ADMIN.:** Kristina Toshikiyo, Deputy Corporation Counsel, Department of the Corporation Counsel  
Yukari Murakami, Deputy Corporation Counsel, Department of the Corporation Counsel  
Josiah Nishita, Managing Director  
Lesley Milner, Budget Director, Office of the Mayor  
Guy Hironaka, Real Property Manager, Department of Finance  
Tiare Horner, Budget Specialist, Office of the Mayor  
Richard "Remi" Mitchell, Director, Department of Housing  
Saumalu Mataafa, Deputy Director, Department of Housing

**OTHERS:** Daryl Fujiwara, Maui Fair Coordinator  
Others (9)

**PRESS:** *Akakū: Maui Community Television, Inc.*

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CHAIR SUGIMURA: . . .*(gavel)*. . . Good morning, everybody. Thank you for waiting. We had some *Akakū* waiting issues, technical issues. So, welcome to the Budget, Finance, Economic Development Committee. It is now 9:19 a.m. I hear an echo. Do I still hear an echo?

UNIDENTIFIED SPEAKER: No . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, okay. And this meeting is being conducted in accordance with the Sunshine Law. As a reminder, when your name is called as we...as we go through our Voting Member's list, please identify if there's anyone with you in your workspace. I think the only ones who are not here are Gabe and Keani and Alice...oh, sorry, Chair Lee will be joining us. Member Johnson is in Lānaʻi, I guess, and probably Member Rawlins-Fernandez is in Molokai. So, at this time, then, my Vice-Chair, Member Kama. Good morning.

VICE-CHAIR KAMA: Aloha kakahiaka, Chair. Good morning. And I'm looking forward to talk about our exciting agenda items today.

CHAIR SUGIMURA: Fair, right? All right. Next we have Member Rawlins...Rawlins-Fernandez. Oh, there.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou, mai Molokai nui a Hina. I'm at my private residence alone, and there are currently no testifiers at the Molokai District Office.

CHAIR SUGIMURA: All right. Member Johnson.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, community members. There's no testifiers here at the Lānaʻi District Office. I'm alone on my side of the office on this cold and rainy day up in Lānaʻi City, and we need the rain, so very happy. Thank you, Chair.

CHAIR SUGIMURA: Very good, it's raining. Next we have, in the Chambers, Member Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka. My camera is not yet abled, and I'm here and ready to work.

CHAIR SUGIMURA: You're not abled. Can you able her? Yeah. Okay. Next we have Member Cook.

COUNCILMEMBER COOK: Aloha. Good morning, Chair and Councilmembers. I'm here in the Chambers, and there's nobody in the South Maui Regional Office, but they're manned and ready for testimony if anybody wants.

CHAIR SUGIMURA: Okay. Very good. Then we have Member Uʻu-Hodgins. Good morning.

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COUNCILMEMBER U’U-HODGINS: Good morning, Chair. Good morning, everyone.

CHAIR SUGIMURA: Good morning, Member Sinenci.

COUNCILMEMBER SINENCI: Aloha kakahiaka, Chair, and there’s no testifiers in Hāna.

CHAIR SUGIMURA: Is it raining in Hāna?

COUNCILMEMBER SINENCI: No, it wasn’t.

CHAIR SUGIMURA: Oh.

COUNCILMEMBER SINENCI: Weird.

CHAIR SUGIMURA: When you rain, we rain in Kula, so we like you to rain. We have Chair Lee will be joining us about 9:30, so we welcome her at that time. From the Department of Management, we always welcome Josiah Nishita, our Managing Director. Good morning.

MR. NISHITA: Aloha. Good morning.

CHAIR SUGIMURA: Good morning. We also have Lesley Milner, Director...Budget Director. Aloha. And from the Housing Department, we have Director Richard Mitchell. I saw him earlier online. Thank you very much for being here promptly. I guess he can’t see us now. And then we also have Kristina Toshikiyo, Corporation Counsel, to be joining us online. Okay. Committee Staff. Lei Dinneen, Council Services Assistant Clerk. We have Peter Hanano, our Legislative Attorney. Thank you for being here, Peter. Good morning. Our Legislative Analyst, which is Kirsten Szabo. Good morning. As well as James Krueger, our Senior Legislative Analyst. Good morning, James. Pauline Martins, our Senior Committee Secretary. Good morning, Pauline. And you can see the last page of the agenda for information on meeting connectivity. Thank you, Members. Today we have three items on the agenda. I think we’re all excited about the first item, which is the Maui Fair. Bill 7, Amending the Fiscal Year ’25 Budget, Office of the Mayor, Economic Development Program, Grants and Disbursements for Business Development and Technology, which is about the Maui Fair. And Bill 8 (2025), Amending the Fiscal Year ’25 Budget, Appendix A, Part II, Open Space, Natural Resources, Cultural Resources, and Scenic...Scenic Views Preservation Fund. And Rule 7(B), discussing on...we’ll be discussing Bill 6 (2025), Amending the Fiscal Year ’25 Budget, Department of Housing, Housing Program, General. That’s the item that we passed on first reading at our last Council meeting. So, today is 7(B). So, are there testifiers?

**. . . BEGIN PUBLIC TESTIMONY . . .**

MR. KRUEGER: Chair, we currently don’t have any individuals signed up to testify at this time.

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CHAIR SUGIMURA: All right. So, if there's no one in the Chamber, there's no one online, then we can close public testimony, and we will now begin our agenda. So, is it okay if I'm going to close public testimony? Okay. I got a thumbs up from Member U'u-Hodgins and et al.

**. . . CLOSE PUBLIC TESTIMONY AT BEGINNING OF THE MEETING . . .**

**ITEM 21:           BILL 7 (2025), AMENDING THE FISCAL YEAR 2025 BUDGET:  
OFFICE OF THE MAYOR (ECONOMIC DEVELOPMENT  
PROGRAM, GRANTS AND DISBURSEMENTS FOR BUSINESS  
DEVELOPMENT AND TECHNOLOGY; MAUI FAIR)**

CHAIR SUGIMURA: So, Bill 7, which is first on our agenda, we are going to be talking about the Maui Fair. And so, besides Josiah Nishita and Budget Director Lesley Milner, we also have Daryl Fujiwara here, who is going to be the Coordinator, I think. You can explain later about your role in this Maui Fair. And so, this first item is Bill 7, which amends the Fiscal Year '25 Budget to recognize 1.5 million in Carryover/Savings from the General Fund, and appropriates it for Festivals of Aloha, Inc., for the 2025 Maui County Fair. In Budget Director's transmittal, she stated that these funds will be used for a variety of costs related to the Maui County Fair, including transportation, entertainment, and agricultural exhibits. Assisting us with our discussion today is Managing Director Nishita, Budget Director Milner, as well as Daryl Fujiwara, who is going to be coordinating it. And so, at this time, I'd like to ask for opening statements from Managing Director, Mr. Nishita.

MR. NISHITA: Thank you very much, Chair. Thank you, Members, for allowing us to be here today. I really appreciate you taking this item up and allowing us to further discuss it, and hopefully, obtain your support at the end of this meeting. You know, just to start off, I wanted to express our appreciation to the Maui Fair Alliance and all of the community organizations, nonprofits, students, many of our residents who contributed so much to the fair for so many years. We...you know, it's a tremendous amount of work and effort they put into it. Definitely a passion project for many individuals, volunteering their time and energy. And so, you know, at the outset of this, I just want to express our sincere appreciation for everything that, you know, the community has pulled together and done up to this point. As you folks know, in 2019 was the last Maui Fair that we had, you know, being stopped by COVID, and then other factors outside of that, following that. Since about 2021, I want to say, you know, we have been talking with the Maui Fair Alliance regarding...maybe it was 2021 or 2022, I can't remember exactly, but talking with the Maui Fair Alliance about, you know, restarting the Maui Fair, getting that going again for our community. And, you know, there's many efforts over the years. And unfortunately, we're just unable to do it during that time. The Maui Fair Alliance ended up announcing they're, you know, dissolving their organization last year. And unfortunately, you know, there wasn't enough time for us to pull something together in the interim last year. Since then, you know, we've been trying to identify

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other organizations and whatnot that will be able to assist us in putting on the Maui Fair. And as I think has been relayed both in the Lahaina Long-Term Recovery Plan, as well as through the Maui Economic Recovery Commission, and many other organizations, just the need for the community to...to get together and be together again, and...and have some things to, you know, look forward to, as well as opportunities for the nonprofits and school organizations and others to be able to make, you know, some financial assistance available to them for their different organizations and activities throughout the year. We're definitely excited to, you know, do whatever we can to bring this back. The County did partner with Daryl and his organization last year to put on Kuhinia Maui, a multi-day events in remembrance of the one-year anniversary for both Lahaina and Kula. There was a lot of coordination and effort in relation to that. The County was very pleased in our, you know, work with Daryl and all of his...his partners. There was really good synergy, and we're able to, you know, successfully put on a lot of great events thanks to Daryl and his team, as well as the partnership with the County. And so, you know, at that point, we started having discussions with Daryl regarding whether there'd be opportunity to partner together on an even bigger endeavor. . . .*(laughing)*. . . And, you know, we're so thankful that, you know, he was willing and...and able to help us in this. And so, you know, we began discussions on what that might look like, and hence we're here today proposing a budget amendment to help facilitate this event. I would just note that there's been a lot of, I think, community organizations and residents already expressing a tremendous amount of excitement for, you know, the...even the prospect of being able to bring back this event to our community. And, you know, in talking with Daryl and Festivals of Aloha, you know, we truly want to make this the County Fair and as a part of the overall budget. And I apologize, Chair, I just signed the transmittal this morning, so it's getting routed through Mayor's Office if you guys haven't received it already. But we will provide the...the budget breakdown, we can talk about it here today. But a portion of what we're trying to do is make sure we're being inclusive of all of our residents, especially those in the outlying areas, on how we may be able to...to bring them in and have them included as a part of the fair, especially our...our kids. So, we'd be happy to, you know, answer any questions and discuss further, but just appreciate, really, the opportunity to be here before you today, and just a big appreciation from us at the County to Daryl, and many individuals and organizations, I think, that are already signifying their support and willingness to step up and help in whatever ways they can for just, you know, being able to bring this back for...for our community, which is so sorely needed. So, thank you very much, Chair, appreciate it.

CHAIR SUGIMURA: Thank you very much, Managing Director Nishita. Mr. Fujiwara, would you like to say a few words? Then after, Ms. Milner.

MR. FUJIWARA: Thank you, Chair. Good morning, everyone. Thank you again for this opportunity to be of service to our community, to our Maui Nui. I am very honored to be asked to do this great work for our islands, and our...our County, and I'm here to help and serve, like I said. So, mahalo again.

CHAIR SUGIMURA: Thank you very much, Daryl. Budget Director, Ms. Milner?

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MS. MILNER: Thank you, Chair. I have nothing to add at this time, but I'm happy to address any questions the Members might have about the budget amendment. Mahalo.

CHAIR SUGIMURA: Okay. Is that...is your budget breakdown on its way to us, Director Nishita?

MR. NISHITA: Yes, Chair. But in the absence of that now, I do have a hard copy, if Staff wants to like just copy it right now.

CHAIR SUGIMURA: Yeah. Could you?

MR. NISHITA: Okay. Yeah, we'll provide it to Staff.

CHAIR SUGIMURA: Okay. So we'll get copies of it. Thank you. And then you can download it to Granicus at the appropriate time. All right. Any testers?

**. . . OPEN PUBLIC TESTIMONY FOR ITEM 21 . . .**

MR. KRUEGER: Chair, we currently don't have any individuals signed up to testify on this item, so we'll --

CHAIR SUGIMURA: Okay.

MR. KRUEGER: -- do a last call to be safe. If there is anybody in the Chamber or on Teams who would like to testify on this item, please identify yourself now. On Teams, you can do that by using the raise-hand function. We'll do a countdown. Three...two...one. Chair, no one has identified themselves as wishing to testify.

CHAIR SUGIMURA: Okay. Thank you very much. So, Members, with your permission, I'm going to close public testimony for this item.

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

**. . . CLOSE PUBLIC TESTIMONY FOR ITEM 21 . . .**

CHAIR SUGIMURA: Okay. Thank you. All right. So, we're going to go through questions. In the meantime, we're getting copies of what the budget breakdown is, and we'll get copies to all of you, as well as post it on Granicus for the public to see. Individual questions, we'll have three minutes per person. We'll start with Vice-Chair Kama.

VICE-CHAIR KAMA: Thank you, Chair. So, you know, when the fair occurred every year, they would have a special fair day for people and children with disabilities, and that I think MEO was part of that, who helped to bring the kids in from the DOE schools. And, you

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know, projects like Lokelani Ohana and...and Easter Seals and all them, they would bring all their kids in their vans. Is that still going to happen at the fair?

MR. FUJIWARA: Thank you for the question. Yes, in our initial conversations with the County, we are considering to keep that same day and time available for everyone that had special needs, and keep that tradition going.

VICE-CHAIR KAMA: And so, bearing that in mind, how big is your team? Because, you know, I...I know when we brought the...the wall to...from...from the mainland to here, it took a whole bunch of coordination. And talking to the DE...DOE was like pulling teeth sometimes. So...you know, so I know that coordinating with the DOE and all the schools, the special needs students, and the bus, and all of that, I mean, do you have a big enough crew to work on that?

MR. FUJIWARA: Thank you for the question. You know, we do have a wonderful and talented team assembled at this time, but of course, we are all...we have a bunch of time to get there, and I think within that time frame, I think we are going to be able to grow that capacity, and receive other support, new support, and we welcome anybody who's willing and able to assist.

VICE-CHAIR KAMA: Okay. Okay. Thank you. That's all I have for now, Chair. Thank you.

CHAIR SUGIMURA: Oh, okay. Next we have Member Paltin.

COUNCILMEMBER PALTIN: Thank you. Sorry. Thank you, Chair. My first question is, you know, I think the way that the booths used to be handed out, it was like, you know, if you had a good standing, you could come back, but for...for some guys, they...they plan all year for it. And we're like maybe what, eight months out right now? And so, if like a nonprofit from Lahaina wasn't ready this year, would they lose their slot for next year, or would they be given some leniency? Like, you know, there's certain foods associated with the fair--flying saucer, smoke meat plate. And usually we would have been cutting choke smoke meat by now, and we haven't started. And then States is also in August at Hanakao'o, so I don't know if there's enough smoke meat to make it to the fair. So, I just was wondering how the...the booth distribution and things like that would go, and if...if organizations would lose their slots if they weren't able to get everything together this time around?

MR. FUJIWARA: Thank you for the question. I think we're...we're looking at the food distribution portion of it and trying to figure out logistically what is...what we're able to do capacity-wise. And so, all of those things are being taken into consideration right now, including who the vendors are and what they will look like. And I think especially for Lahaina, we could definitely give consideration to them for fundraising opportunities. So, yes, to your question, I think it is very possible, and we would love to have smoke meat again, of course.

UNIDENTIFIED SPEAKER: . . .*(laughing)*. . .

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COUNCILMEMBER PALTIN: Thank you. And then if I still have time, in terms of, I guess, theme and whatnot, is...is there...have you guys decided on anything yet, and how would we be outreaching to the various groups that we would like to be a part of it? Like is it an open call, and then anyone come, and like what are the guidelines and stuff like that?

MR. FUJIWARA: That's a great question, and we are still in the beginning stages, deciding how we're going to broadcast and cast our net out, and see who is able to join us this year, and what that will look like. And because of that, a lot of this...this work is contingent on today's meeting and the approval of the funds. And I know we have to go through another reading through this, but if we can get a good temperature gauge today on the support, I think that we'll be able to move forward and start being . . .*(timer sounds)*. . . more aggressive in that...in that...that search and, yeah, work.

COUNCILMEMBER PALTIN: Okay. Thank you. I'll write down my questions for the next round.

CHAIR SUGIMURA: Thank you. Members, next, we have Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Good morning, everyone. Always exciting to learn about the fair. We all know it's super popular. And one thing that Mr. Nishita mentioned...Managing Director Nishita mentioned was that a lot of nonprofits rely on the fair for their budgets to help raise funds. So, \$1.5 million towards the fair, for me, is significant. It's not a small chunk of change, and I'm...I'm in support, but I wonder if maybe Director Milner or anyone at the panel can speak on, are any nonprofits in the budget going to be cut? Because I think my concern is we give money, and we...we give money to make the fair happen, and then we cut the nonprofit's budget, so they have to hustle at the fair to...to get the funds for their budgets. That's the concern that I have. So, I'm curious, maybe Director Milner, is there any plans to cut any nonprofits in a future budget? I know that's a big net, and maybe they're...but I'd like to hear your response.

CHAIR SUGIMURA: Who wants to take that?

MS. MILNER: I'll start, and then I'll let Managing Director follow up. Thank you, Chair. Thank you, Member Johnson. No, we do not anticipate making any adjustments to grants to our nonprofits as a result of any funds that they might raise in the...at the fair. If the fair's back for several years --

COUNCILMEMBER JOHNSON: Okay.

MS. MILNER: -- and we see significant changes, obviously that may be a different conversation, but at this time, no adjustments are being planned due to the fair.



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COUNCILMEMBER JOHNSON: Okay. Thanks for that. Because, you know, as we know, our community's hurting right now, and nonprofits are a way to provide services for our community, so I'm always going to try to advocate for them to get their budgets. And I know that the fair is another way for them to, you know, add more meat to their budget, so I support that. But I don't mean it in regards to the fair, but I'm just curious in regards to, like, overall nonprofits. I really hope that the Administration doesn't cut nonprofits. Because again, what happens is they have to find other ways to...to get their funds, and booths at fairs, and all those types of...bake sales. Is...is...it's what, they're forced to be doing a lot. That's my concern. The fairs in general, for me, is what I consider, like, a water cooler for our community, where we come, we gather, we talk story, we see our...you know, our neighbor's kids are grown up, and we talk about the children, and that's the beauty of a fair. I really appreciate that, and I'm really happy that we're bringing it back because COVID made us very disconnected. I...I don't want the...you know, the...I don't want the fair to go away, and I also wanted to kind of...sorry if it's too soon, but just please consider this. . . .*(inaudible)*. . . It's very hard for us to go to the fair . . .*(timer sounds)*. . . you know. Take the ferry, the ferry doesn't...the last ferry out of West...or out of South Maui, or out of Maui, I should say, is like 3:30. So, maybe if the funds would cover an evening run for the Expeditions Ferry, so that there could...and they do that often, like a later run charter so that people can go to the fair and come back maybe a little bit later. But just a consideration, and those are my questions, and I appreciate your time. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Thank you, Member Johnson. So, in his greater work role, Daryl Fujiwara coordinates many events, and I think he's very familiar with getting the ferry to have another run so that people from Maui actually can go to your island, Member Johnson.

COUNCILMEMBER JOHNSON: Right.

CHAIR SUGIMURA: So, did you mark that down, Mr. Fujiwara? Okay. Very good. Next...next, we have Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. And aloha, Managing Director, Mr. Fujiwara, and Budget Director. Mahalo for being with us and answering our questions regarding this proposal. I...well, I guess like similar to Member Johnson, I'll just dovetail off of that. Yeah, it's...it's even harder for Molokai folks to get there because we don't have a ferry. We're working on possibly having one, but that's not going to happen this year. Anyway, so it's even more expensive and limited for Molokai residents to get there for the fair. But I assume all 1.5 is budgeted for whatever it is that you proposed. Anyway, my question is regards...in regards to the 1.5 million estimated to...I'm assuming to put it on, and we're waiting for the breakdown. But is that...in previous years before COVID, is that how much...like is that expected to be a sunk cost? We...we don't anticipate recovering any of that funds. And so, was the...the...did the Fair Alliance raise 1.5 million, just...you know, was that a lost? Did the Fair Alliance not recover any money pre-COVID?

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MR. NISHITA: Thank you, Chair. So, any...any funds that were, I guess, net after for the Fair Alliance would just roll into the...the following year fair. So, that would kind of be like the seed money or whatever for the next year's fair to get it started, you know, while sponsorships and other things are happening. So, you know, if there are any net revenues from this, that would be our anticipation as well, that it would roll over. It's in our response that in the event that the County decides to choose another organization, like for the following year, or if there's some type of like, you know, Festivals of Aloha dissolves for some reason or something like that, then the money...any net revenues would be transferred over to the County or to the new organization as may be appropriate. With regards to the expenses to the Maui Fair, that's...that was one of the big reasons why it couldn't come back was the costs associated, especially with, like shipping, rides, and games, and other things of that nature. The costs went up tremendously. As well as the workforce to be able to do the rides, you know, to specialize teams and whatnot to build and operate. And the...the County, unfortunately, during that time period, kind of lost a lot of services that was previously provided through . . .*(timer sounds)*. . . the...the work line. And so, you know, that, coupled with additional...you know, one of the bigger costs for the fair has always been security, you know, through off-duty police officers. I think, as you all know, those costs have gone up tremendously since then as well. So, you know, the...the budget that's reflected right now, I would anticipate is more than what the Maui Fair Alliance did previously. But it's just the...the nature of all the costs going up significantly throughout that duration. The other thing, too, is, you know, a lot of equipment and materials and whatnot that was used year over year, you know, was, you know, unutilized or underutilized, and so, you know, maybe fell into disrepair or have to be replaced. So, there may be upfront costs, too, that we're going to have to pay, you know, to get, like, benches again and, you know, things like that, that they may not have to have budgeted previously just due to it still being in working condition. So, it's a variety of factors related to that. You know, in addition to, this is going to kind of be the first time the County's partnering with Festivals of Aloha, and for Festivals of Aloha to, you know, put on the Maui Fair, so we do have an aggressive budget schedule. And then in following years, assuming we continue to receive Council support, we'll be able to, you know, more narrowly focus this in depending on, you know, what we're able to see and, you know, in addition to being able to drop maybe if there's any one-time expenditures, things like that. I don't know. Daryl, do you have anything you want to add?

MR. FUJIWARA: Thank you. I do want to also add, after conversations with the alliance...with a member of the alliance, that they have never taken County funds in the past to produce the fair. They did two times, actually, and they used it as a loan almost, and so, they paid it back. So, they've...in the past, the fair has always been done by a private entity, and so this would be the first time that the County would actually be putting in a heavier hand in it financially. Thank you.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that very thorough response. Appreciate it.

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CHAIR SUGIMURA: Okay. Member Rawlins-Fernandez, the buzzer went off, and so next round, if you have more, we can. Okay. Next we have Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. Thank you. This is really exciting to have the fair come back, and I think our community has always participated. It's great, I'm looking forward to it. I don't know if St. Anthony's still doing candy apples, but I did that for a few years, and even though I don't have kids, I going go help. Is there any consideration by the Administration or anybody to have the fairgrounds at Central? When the...when the County fair stopped at the old fairgrounds because of the development there, and it went to War Memorial temporarily several years ago, is there any plan to have a permanent fairgrounds facility? And I'm just saying, as someone who helped put together a lot of booths that were really, really worn out and hammered, it would be nice to have sort of a semi-permanent facility that could be leased out, rented, and used. So, just food for thought, is that on the table at all anymore?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Cook, for the question. I would just note...I mean, for this year, we're definitely going to be at the War Memorial site. You know, it's very early in any process related to this, so there need to be a lot of community dialogue and, you know, further studies and evaluations. But I think the...the only site that has been identified thus far as a possible area for, you know, a future fairgrounds would be possibly on our...I can't remember if it's 273 acres, but the property in Waikapu that we own off of Kuihelani Highway. Parks is doing a cultural impact assessment right now, and so it's...it's too early in the process to determine whether that, you know, might be able to be utilized as, you know, playing fields and whatnot in the...in the interim, and then maybe a site for the...the fair to be hosted there with the parade coming down Kuihelani Highway or something like that. But, you know, that's...that's kind of the only potential that I'm aware of that's out there right now that, you know, when we get to that point, we can have further community discussion if that's appropriate for...for that area or not.

COUNCILMEMBER COOK: Thank you. I know that's long-term planning, but I want to appreciate what you're doing for this year, and hopefully, we can keep it going. Mahalo.

CHAIR SUGIMURA: Are you done? Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: First of all, I'm really excited for this. This is one of the few things that like we could take our kids to here, and it was a whole thing. So, my children will be very happy, and I can only...only hope that your children are really happy, Josiah. When I'm talking about your children, I will call you Josiah, afterwards I'll call you Managing Director.

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

COUNCILMEMBER U'U-HODGINS: So, thank you, first of all, for willing to do this for everybody, because I can't imagine that it's easy. But the vision for the fair, is it like

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what we had before, are we expecting a smaller version, or what do you think this fair is going to look like?

MR. FUJIWARA: Thank you, Chair. Thank you, Member, for the question. This has been the question that I haven't really been able to answer to like the news and everybody, just because we...we're still assessing what...what variables we have, what things we have left that we're going to be able to hopefully request from the alliance to utilize. And so, we definitely will have a version of what we used to have. It won't be exactly the same, just because some of the rides now are not available during COVID. It's my understanding that E.K. Fernandez not only lost employees that were specially trained to build and erect and take care of the...the rides, but also...he also sold some of them because of that. And so, just in Hawai'i alone, because of those factors, it'll definitely look a little bit different. After talking...initial talks with the...the Mayor's Office and Managing Director, they are, you know, asking for a little bit of creativity, too, to kind of outweigh or weigh the other half of the...the fair and the games that aren't going to be available to us. And we are diligently looking into that creative side and...and --

COUNCILMEMBER U'U-HODGINS: Okay.

MR. FUJIWARA: -- building something a little bit new. We probably won't have--who was, something . . . *(inaudible)*. . . home?--Better, we won't have Better Homes or the better living side, I think. We're going to be looking towards doing more of our local...supporting local businesses instead.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. FUJIWARA: And those are kind of the things that we're kind of juggling at the moment.

COUNCILMEMBER U'U-HODGINS: Okay. And did you say that the County has never really kicked down this much money before?

MR. FUJIWARA: It is, to my understanding, yes, that the County hasn't.

COUNCILMEMBER U'U-HODGINS: Then can we expect it to be less expensive?

MR. FUJIWARA: That is the hope, and I...we are unable to tell vendors and E.K. Fernandez how they...how they charge, but definitely, for admission, we have control over --

COUNCILMEMBER U'U-HODGINS: Okay.

MR. FUJIWARA: -- those things. And so, we'll definitely make sure that it is affordable for everyone. And that's one of my goals, is to make it --

COUNCILMEMBER U'U-HODGINS: Okay.

MR. FUJIWARA: -- very accessible for our kama'āina.

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COUNCILMEMBER U'U-HODGINS: I can appreciate that. . . .*(timer sounds)*. . . Okay. And then I'll ask about the delta between the income and the total expense in my next round, or somebody else can, but thank you so much.

CHAIR SUGIMURA: Okay. Very good. Member Sinenci?

COUNCILMEMBER SINENCI: Okay. Mahalo. And mahalo for this presentation. I do see, Managing Director, that there...there is funding for both Molokai and Lānaʻi travel, so mahalo for that. And...and I'm hearing from some of the other Members, like continuing the traditions for special needs and our keiki, so continuing that. I'm supportive of bringing back the fair. It's been a tradition in Maui County for all these years, but this time it's different, ever since the fires, and our community still in healing and...and in recovery. So, I would kind of want to see it more for like the community. So, I understand that there...there's a set amount for admissions, but if we could, you know, address maybe some of the...the fire survivors, fire victims, and just make it a special day for them. So, again, if we can...if we can kind of work out the numbers and make it, you know, affordable, even free for some of our people that are still having a hard time, I'm very supportive of that, Chair. Thank you.

CHAIR SUGIMURA: Thank you. Are you done?

COUNCILMEMBER SINENCI: Yeah.

CHAIR SUGIMURA: Okay. Members, you want another round of questions? Yeah?

COUNCILMEMBER U'U-HODGINS: Yes, please.

CHAIR SUGIMURA: Okay. So, we'll go back the other way then. Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Thank you. Okay. How are we going to recover the \$53,000 delta between total income and total expense?

MR. FUJIWARA: Thank you, Chair. And thank you, Member, for the question. This budget had...had been prepared, and both lines on the top and bottom for income and expenses were balanced earlier, but for some reason, I think it didn't, and so there actually...there is supposed to be no difference in that line of budget. So...but in the event that that does happen, we're looking to utilize the cost savings, of course, again, to roll over into the next year, and be able to give us a head start for the next year. And yes, we are committing to making it annual, of course.

MR. NISHITA: Chair?

CHAIR SUGIMURA: Managing Director?

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MR. NISHITA: And apologies, I don't know if it's when we're rushing to put together the transmittal this morning, if something changed in one of the cells while we're formatting it, so we'll...we'll make sure to transmit it again balanced to you folks. Thanks.

COUNCILMEMBER U'U-HODGINS: Okay. Thank you. Can you describe where in the...I guess, in the third row down, where are we getting other cash? That totals up to \$800,000.

MR. FUJIWARA: At the top where you see income, those things at the top are...those items are...are the other cash that we'll be working towards, so that includes sponsorship, admission, vendor fees.

COUNCILMEMBER U'U-HODGINS: Okay. Sorry, as I take notes. Okay. And then when can we expect the reworked version that has the total income and total expense lined up?

MR. NISHITA: We can get that to you today, Chair. Thank you.

COUNCILMEMBER U'U-HODGINS: Okay. Yeah, there's a \$53,000 delta there. I don't think I have any other questions other than good luck, and please let us know what else you guys might need.

CHAIR SUGIMURA: Okay. Member Cook?

COUNCILMEMBER COOK: No questions, Chair, just cheering you on with the project.

CHAIR SUGIMURA: Member U'u-Hodgins? I'm sorry, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: No additional questions.

CHAIR SUGIMURA: Okay. Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. My questions have been answered.

CHAIR SUGIMURA: Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. You know, I think I told Ms. Yoshimura part of the reason why people are like they are today is no more the County Fair, and they don't know what it is like to work together towards something bigger than yourself for the purpose of the community. And I just hope that we can use this opportunity to be mindful of all the things that we value, you know, like recycling, composting, working together, Maui grown, Maui-made products, and...and all the things that we do throughout a regular year. And I think if the Kuhinia Maui event was any indication, that we have the right person here doing the...the work, and like how that event was very mindful. I think there...there is also potential for bringing this back to be overwhelming for some folks, and so I guess that's just my request, that we...we try to be as mindful on this and promote the themes and values that we...we try to promote

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year round that...that are important to us like, you know, buy local, circular economy, working together towards a shared goal. The first time I worked the County Fair on Maui, some guys didn't even know how to assembly line in the booth that I was working at, and I guess that leads to my question. Is Maui the only one that paused the fair, or is it a statewide? Is there still county fair in different counties, or the 50th State Fair that uses rides and equipments, and stuff like that?

MR. NISHITA: Thank you, Chair. And I'll let Daryl expand if he...if he has any additional information, but basically, anything...any type of county fair or whatever on Big Island and Kaua'i, to my knowledge, has stopped. And the 50th State Fair, they put on, I think, a more condensed version of that. And I believe even programs and events on O'ahu were impacted as well that used to use E.K. Fernandez and...and other.

COUNCILMEMBER PALTIN: So, has there been any outreach to the other counties in the State, like, in the event of us being able to cost-share and them, you know, making the rounds to bring it back Statewide, and it's starting with Maui?

MR. NISHITA: Thank you, Chair. Thank you for the question. In previous years, when we were . . . *(timer sounds)*. . . talking with the Fair Alliance and others about trying to bring this back, you know, the...the County was willing to put up some funds, or at least propose to the Council to put up some funds previously. I think some of the other counties are not necessarily in the same financial position, as well as it's an extreme amount of coordination and effort, and then you need the right partners in place, too. So, it's definitely something that, you know, we would look to incorporate maybe into future years. I think we're going to have a hard enough job just trying to make sure we can pull it off well this year, but they did used to...it was a slight cost-share, but they used to share a little bit in the shipping expense, if he would make the rounds to all the islands.

COUNCILMEMBER PALTIN: Maybe we can invite...invite folks from the other islands, too. If they don't have their fair, like come to our fair and...and get some of that revenue, too, maybe.

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

MR. NISHITA: Yeah, I like that a lot better.

UNIDENTIFIED SPEAKERS: . . . *(laughing)*. . .

COUNCILMEMBER PALTIN: Some dignitaries or something.

CHAIR SUGIMURA: Okay. I guess, Vice-Chair Kama?

VICE-CHAIR KAMA: Thank you. So, just dovetailing off of what Member Paltin said, so are we going to be doing outreach to the neighbor islands to invite them? That's just my

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question. And then, when we talked earlier about having to maybe probably scale back because some of the rides are non-existent, what rides are existing; do you know?

MR. FUJIWARA: Thank you, Chair, for the question, and Member. At this time, we don't have --

VICE-CHAIR KAMA: Okay.

MR. FUJIWARA: -- a list of the current rides that E.K. Fernandez has. We are still in the contractual phase with them. And yes, in promotion, we will be glad to invite all of the islands and...and the world, if they would like to visit at that time and join us. Yes, everyone's invited.

VICE-CHAIR KAMA: Okay. And so, my second question is, you know, when we're going to have to scale back, that means we're going to have to put something else in its place, right? And I think...when I think about a theme for this particular event--because we always have a theme, right?--and we have a parade that kind of follows through with that theme, and...and a lot of the vendors, or a lot of the rides, or a lot of the...the things that occur in...in the fair are all part of whatever that theme is going to resonate with, right? But when I look back at the past couple of years, since COVID, when we did stop having the fair, and I look at how resilient this entire community has been, right? I mean, we went through so much these past few years, and that to...to have a fair back, just to bring joy back into the families, to be able to have families and children who've never experienced the fair to begin with, right? You have older brothers and sisters talking about how great the fair was when there was, but then the younger kids said, huh? Because they're not familiar with that. But to be able to just celebrate the resiliency of our island, I think is...is something great, and I...and I'd like to see more...more of local things being done, more local education, you know. Because if the world is going to show up at our doorstep, we want to help teach them what it is to be mindful of who we are and what we're doing here. But I'm supportive of this. I mean, I know my family's been asking me every year about the fair, and I tell, I don't know, I don't know, I don't know, but this year, I never like say nothing because I didn't know. But I say now I know, and we all know, but thank you. Thank you.

CHAIR SUGIMURA: Okay. Thank you very much, Member Kama. So, I just want to say for myself that growing up here on Maui, right, this was one of the things that we all did as children, and enjoyed the exhibits, enjoyed exactly what you're talking about, you know, seeing different projects that our friends worked on, and we could, you know, look at it in the gym. I don't know what you're going to do now that we don't have the gym. It's going to be one of my questions. And when...when I was talking to my son about this, his first words were, I said, oh I think we might have the County Fair back, and he goes, bread and circus. So, he said, in the olden days, if you want to, you know, bring your community together or your people together, you feed them and you make them happy. So, I think this will provide that opportunity, and I think that it will definitely help. I know for my church that sells chow fun, this was a big part of what they planned for to help the church, you know, and...and reach out and provided food, and you know, all



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the manpower, was quite an undertaking. I want to thank Sherri Grimes, Duane Kim, the people that worked really hard. I don't know all the people, but I know Sherri Grimes, who basically was the fair director for many years and put it on. And she would say, oh, this is going to be my last year, and she kept on doing it, kept on doing it. I think she's still helping you, right, giving you advice, she's very special. I...I wonder if...because this is 1.5 million Carryover/Savings, if you're going to come back in the next...in the Fiscal Year 2026 Budget, and be needing more funding. Director Nishita?

MR. NISHITA: Thank you, Chair. We do not have any anticipation coming for the 2025 fair in 2026. I think we're going to reassess after the fair, and then see, you know, if there's any net revenues, and kind of lessons learned, and reevaluate for 2026. So, if we are able to, you know, do the fair again in 2026, there may be a budget request, depending on kind of after we reassess everything in FY '26 for the 2026 fair.

CHAIR SUGIMURA: Oh, interesting. So, this 1.5 is it then, pretty much, is what you're saying?

MR. NISHITA: Thank you, Chair. That's our anticipation for the 2025 fair.

CHAIR SUGIMURA: Okay. And the 2025 fair, we always remember it would be a parade on a Thursday, and then Friday would be your disability fair, a special day, right, Member Kama? And then, of course, the fair would be Friday, Saturday, Sunday. Are we anticipating that again?

MR. NISHITA: Thank you, Chair. I think Daryl mentioned earlier that we're trying to keep a lot of the same components of the fair that, you know, made it so special and the community was used to. And I think he'll...he'll tell you himself, one of the non-negotiables was that we're putting the parade on. So, yes, that...that will happen.

CHAIR SUGIMURA: Okay. What are we going to do without the gym? . . .*(timer sounds)*. . . The facilities and parking?

MR. NISHITA: Thank you, Chair. I think, you know, what Daryl alluded to earlier is, we're going to have to kind of re-envision things, and...and re-imagine how we do the fair, and what the fair looks like. Yeah, unfortunately, the gym will not be available for this year's fair, so we'll have to take that into account, and...you know, Daryl and his...his team will be working to, you know, really scope out what...what can be included, and then, you know, we can prioritize what types of, you know, events, or attractions, or things of that sort will be included and where it can be included. I don't know if Daryl has anything else to add.

CHAIR SUGIMURA: Okay. That's fine. Anybody else have any more questions? No, online? Oh, Member Paltin?

COUNCILMEMBER PALTIN: How will we be kept updated, and informed, and contacted if there's...you know, please feel that the nine of us are part of your outreach team, like if

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you'd like us to share MEMs [sic] or whatever, how will we be doing those things going forward?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Paltin, for the question. I believe, of course, if the Council or Committee wants to, you know, have like updates along the way or whatnot, I'm sure we can schedule in like a committee meeting discussion or two, or however many you guys feel is needed to do public updates. But in the meantime, we can talk about what kind of cadence might be appropriate to...to share, as well as, I think from the County side, I'll help Daryl kind of navigate the County side of things, and we may also push information to you folks, not just through Daryl and his organization, but also through your liaisons that are assigned to...to each of you. Thanks.

CHAIR SUGIMURA: Okay. Very good. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. I wanted to dovetail off of a question that you asked regarding the FY '26 Budget. So, just to clarify, you said that you're going to see how this year's...this year's fair goes, but the fair is after we adopt the budget. So, do you...do you plan to put funding into FY '26 for the fair?

CHAIR SUGIMURA: Go ahead.

MR. NISHITA: Thank you, Chair. So, the funding that we're talking about here today is what we anticipate needing for the calendar year 2025 fair. My anticipation, and the...you know, the budget hasn't been finalized yet, but my anticipation is we won't ask for funding in the FY '26 Budget request to Council coming in March. We'll assess after the calendar year 2025 fair. Re-evaluate...you know, do another budget together that can be more realistic based on actually putting on the fair, and then, you know, we'll come forward to Council with a budget amendment for FY '26 if additional funds are needed.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that clarification. And then, sorry, I got the breakdown now regarding the travel for Molokai and Lānaʻi. Do you have an idea of what that would involve for Molokai? Lānaʻi has a regular ferry, but Molokai doesn't. So, if you could speak to that, please?

MR. FUJIWARA: Thank you, Chair. Thank you, Councilmember, for the question. Because this is the Maui County Fair, my...my team has, in our initial creative thoughts, would like to find a way to ferry Molokai and Lānaʻi residents to and from the islands. And then, of course, shuttle them from the harbor to the fair. And so, that's kind of the...the vision right now. We're looking at chartering private to be able to accommodate at this time. We haven't fully explored all of those options yet, but it is definitely our wish and our thought, and definitely pa'a to our budget, our commitment to bringing in Lānaʻi and Molokai to share in this beautiful event.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Fujiwara. Mahalo, Chair.

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CHAIR SUGIMURA: Okay. In our fiscal year...in this current fiscal year, we deleted the Maui Fair Alliance from any fees, of course, for obvious reasons. So, are you anticipating not having any fees because the...the makeup and management of this has changed? Director Nishita?

MR. NISHITA: Are you talking about adding like to the rates and fees schedule?

CHAIR SUGIMURA: Yeah, rates and fees schedule.

MR. NISHITA: Yeah. Because, I mean, we're working through the community nonprofit Festivals of Aloha. It'll be managed through their organization. So, the County would not be like charging a fee for the admission to the fair. Thanks.

CHAIR SUGIMURA: Okay. Very good. Oh, Chair Lee?

COUNCILMEMBER LEE: Hello.

CHAIR SUGIMURA: You can log in and you can vote. You might have questions.

COUNCILMEMBER LEE: Is it time to vote?

CHAIR SUGIMURA: Yes. So, Chair Lee just joined our meeting.

COUNCILMEMBER LEE: Hi.

CHAIR SUGIMURA: And do you have any questions? You're not even logged in.

COUNCILMEMBER LEE: Yeah, I'm not even logged in. No, I'll just...don't wait for me to log in. Just...

CHAIR SUGIMURA: You don't have any questions? Okay.

COUNCILMEMBER LEE: No, I have no questions.

CHAIR SUGIMURA: Okay. Members, anybody else have any questions for...Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. Just to follow up on that conversation about chartering ferries between the islands. First off, thank you. That's great. That's wonderful. Expeditions Ferry does...has...has chartered between Molokai and Maui. It's one of the bigger boats, just consideration. I know if you guys reach out to Billy Caldwell, he's the guy who does all of the private charters, just a point of information for you folks if you decide to go that route. Thank you.

CHAIR SUGIMURA: Oh, that's good to know. Member Kama?

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VICE-CHAIR KAMA: Thank you, Chair. So, Daryl, if we wanted to contact you and...for other kinds of information we want to share with you, how do we do that?

MR. FUJIWARA: Chair and Member, thank you so much. Your...I can give you my contact information and you can directly contact me, no problem. Yeah.

VICE-CHAIR KAMA: Okay. Thank you.

MR. FUJIWARA: Of course, of course. And that goes for the rest of the Members as well.

VICE-CHAIR KAMA: Okay. Thank you.

CHAIR SUGIMURA: Okay.

VICE-CHAIR KAMA: Thank you, Chair.

CHAIR SUGIMURA: I'm sure as you go further, you're going to be establishing some kind of email like you did for the commemoration. So, can you share that at the appropriate time when...when that's established?

MR. FUJIWARA: Absolutely, Member and Chair. Thank you.

CHAIR SUGIMURA: Okay. Otherwise, we're going to be calling you directly on your personal. Which I'm sure it will be fine, too. All right. So, Members, at this time--this is exciting. So, at this time, I would like to entertain a motion to recommend passage on first reading, Bill 7 (2025), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR '25 BUDGET FOR THE COUNTY OF MAUI, ESTIMATED REVENUES; OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, GRANTS AND DISBURSEMENTS FOR BUSINESS DEVELOPMENT AND TECHNOLOGY; MAUI FAIR," incorporating any nonsubstantive revisions.

COUNCILMEMBER LEE: So moved.

VICE-CHAIR KAMA: Second.

COUNCILMEMBER COOK: Second.

CHAIR SUGIMURA: So moved by Chair Lee, second by Member Kama; is that right? Chair Lee, did you just...you've logged in. Okay. Any...any further discussion? Seeing none. All right.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair? Oh.

CHAIR SUGIMURA: Okay. Who's speaking? Oh, Member Rawlins-Fernandez?

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I speak in strong support of the motion, and I want to thank Mr. Fujiwara and the Festivals of Aloha team. As Member Paltin shared earlier, they did an amazing job with Kuhinia Maui, and I only heard really wonderful feedback regarding how healing that was. And in looking at the budget breakdown for this fair, we can see already how thoughtful he's been with planning out the budget. I think for the Molokai to Maui ferry, that may be tricky. I'm happy to work with you folks on that because only Ma'alaea is, you know, operating. So, it's going to be close to like a three-hour ferry ride. But, you know, I'm sure some people may be willing to...to jump on that ferry. Anyway, I appreciate, you know, you...your willingness to take this on, and fully support this effort. Mahalo.

CHAIR SUGIMURA: Okay. Are we having...are we...is Chair Lee okay?

COUNCILMEMBER LEE: Yeah, I need an operation.

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

COUNCILMEMBER PALTIN: I need a mask.

CHAIR SUGIMURA: All right. All right. Members, no other, then, all in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: And this is a niner...yes. Nine "ayes," zero "noes," motion carries.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.</b>
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<b>NOES:</b>	<b>None.</b>
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<b>ABSTAIN:</b>	<b>None.</b>
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<b>ABSENT:</b>	<b>None.</b>
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<b>EXC.:</b>	<b>None.</b>
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**MOTION CARRIED.**

**ACTION:     Recommending FIRST READING of Bill 7 (2025).**

CHAIR SUGIMURA: Yay. All right. Very good. So, you will then come back to us with anything, Managing Director and Daryl?

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MR. NISHITA: Yes, Chair. Thanks.

CHAIR SUGIMURA: All right. So, I was glad to hear that you are considering the special needs, the candy apple. Member Cook, you're going to be working at the St. Anthony booth. I'm sure they're going to have something. Special considerations for fire victims. Thank you very much, Member Sinenci. And I love to hear that Molokai and Lānaʻi are being given special considerations for transportation. And we're going to have your smoke, what? What do you make?

UNIDENTIFIED SPEAKER: Smoked meat.

CHAIR SUGIMURA: Smoked meat?

COUNCILMEMBER PALTIN: Smoked meat.

CHAIR SUGIMURA: Smoked meat for West Maui, Lahaina, whatever your booth is.

COUNCILMEMBER PALTIN: We're smoking all day long.

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. And you're going to give us a revised budget sometime today. Okay. We are done with this first item. Very good. It is now 10:19. You guys want...oh, not you guys, would you like to take like a ten-minute break? Okay. So, be back here at 10:30. Meeting in recess. . . .*(gavel)*. . .

**RECESS:            10:20 a.m.**  
**RECONVENE:       10:36 a.m.**

CHAIR SUGIMURA: . . .*(gavel)*. . . Okay. All right. Members, welcome back to the Budget, Finance, Economic Development Committee. It is now 10:36. So, we have...that was fun doing the first item, right? The Maui Fair. And good to have us back in a place of dreaming for a better life, I like that.

**ITEM 22:            BILL 8 (2025), AMENDING THE FISCAL YEAR 2025 BUDGET:**  
**APPENDIX A, PART II, OPEN SPACE, NATURAL RESOURCES,**  
**CULTURAL RESOURCES,       AND       SCENIC       VIEWS**  
**PRESERVATION FUND**

CHAIR SUGIMURA: Our next item on the agenda is Bill 8 (2025), Amending the Fiscal Year '25 Budget, Appendix A, Part II, Open Space, Natural Resources, Cultural Resources, and Scenic Reviews *[sic]* Preservation Fund. Members, this item is regarding the Fiscal Year '25 Budget, and it is removing the existing conditions for the acquisition of the property located at 131 Shaw Street in Lahaina, Maui, for 1.3 million, and adding a new condition authorizing the acquisition of the property located at 104A Lower Beach...Waiehu Beach Road in Wailuku, Maui, for 500,000. The removal of the

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condition for 1 point...131 Shaw Street reflects updated information from the Salvation Army, which has informed the Administration that is...it is not currently interested in selling this Lahaina parcel, but remains open to a potential land swap. The property at 104A Lower Waiehu Beach Road is a .41 acre parcel bordered on two sides by a larger County-owned parcel called Ka'ehu Bay, and this purchase aligns with the County's effort to conserve and protect it. I'll note that in addition to this bill, we will also need to adopt a resolution to approve the property acquisitions--we don't have all the documents that we need today--and when the County is prepared to proceed with the acquisition, the Administration will need to submit a resolution for Council consideration at the appropriate time, as well as so we know that the title is free and clear also. So, there's more work. This is just one aspect of it. So, today we have with us Managing Director and Budget Director Milner. Can we ask for opening comments? Then we'll get public testimony after that.

MR. NISHITA: Thank you very much, Chair. Thank you, Committee Members, for allowing us to be here today. Okay. So, in regards to this item, I'll just explain the Salvation Army piece real quick. So, the...the funds in the Open Space Fund were completely budgeted for. When this property became available...before this property became available, we were in discussions with Salvation Army for some time for potential acquisition of the properties adjacent to the Moku'ula complex. So, Salvation Army still remains a willing partner in us. And ultimately, for them, the more, I guess, benefit or worthwhile effort from the County side, instead of like a cash-for-land transaction, they are more interested in us helping them facilitate like a relocation to another property within Lahaina, as opposed to just a straight-up cash-for-land transaction. So, based on that, you know, and then this property becoming available, we did put in the budget amendment to reduce the expenditure related to that. I don't anticipate any expenditures related to the Salvation Army property happening this fiscal year, if there are any, as we work out potential, you know, new location and whatnot, and then that would free up the money to be able to allow us to acquire this property. This property is adjacent to the County's existing property along Ka'ehu Bay. It was listed for sale by, I believe, the LDS Church, and we were notified of it. And in order to help continue to preserve that area from development and whatnot, you know, we...we did go through the due diligence process, and then made an offer on the property. The...as Chair mentioned, the additional documentation and acquisition reso will be forthcoming, at which point, we can either have further discussions or, you know, we'll just ask for favorable passage at that time. And Chair, we are okay with deferral of this measure until those items come in. And the acquisition of this property would just allow us to further expand that overall Ka'ehu Bay parcel to continue keeping areas in conservation and/or free from development into the future. Thank you.

CHAIR SUGIMURA: Wow, very good. Budget Director Milner, do you have any comments?

MS. MILNER: Thank you, Chair. Nothing to add at this time.

CHAIR SUGIMURA: Okay. Great. Public testimony, do we have anybody?

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**. . . OPEN PUBLIC TESTIMONY FOR ITEM 22 . . .**

MR. KRUEGER: Chair, we currently don't have any individuals signed up to testify at this time. We'll do a last call. If there is anybody who would like to testify on this item, please identify yourself now. In Teams, you can do that by using the raise-hand function. We'll do a countdown. Three...two...one. Chair, no one has identified themselves as wishing to testify on this item.

CHAIR SUGIMURA: Okay. Very good. With your permission, Members, I'd like to close public testimony.

COUNCILMEMBERS: No objections.

**. . . CLOSE PUBLIC TESTIMONY FOR ITEM 22 . . .**

CHAIR SUGIMURA: Thank you. All right. So, I think Director explained this transaction. Does anybody have questions for three minutes? Shall I just go...okay. Everybody...Member Kama, do you have any questions?

VICE-CHAIR KAMA: No.

CHAIR SUGIMURA: Okay. Chair Lee?

COUNCILMEMBER LEE: I know you're...said you're going to get more information, but what's the appraised value, or generally, from the assessment...TMK assessment?

MR. NISHITA: Chair, I believe Guy Hironaka is on the call. Guy, do you mind responding? If not, I...I can follow up in writing after.

COUNCILMEMBER LEE: Okay. And the other question is, does that leave \$800,000 in the fund?

CHAIR SUGIMURA: Director?

MR. NISHITA: Chair. Well, assuming that the budget amendment is approved, that would remove the...the 1.3, and then leave a balance of 800,000.

COUNCILMEMBER LEE: Okay. Because...and do you have any other...other projects in mind to use that balance for?

MR. NISHITA: Thank you, Chair. I would say that nothing's solidified at the moment, but there are a lot of things in discussion, potentially, for use of the fund. But if...if you guys have, you know, ideas, or...or things that come to mind, please feel free to let us know.



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COUNCILMEMBER LEE: I will. There's a nice piece in Pā'ia. Thank you.

CHAIR SUGIMURA: Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Is there currently structure on the property?

CHAIR SUGIMURA: Director?

MR. NISHITA: Thank you, Chair. I believe...my understanding is no. It's just an open parcel.

COUNCILMEMBER PALTIN: And then, would it be the Ka'ehu Bay group that would be responsible for management, or is it the County's intention to keep it, or lease it, or transfer title?

MR. NISHITA: Thank you, Chair. I believe my understanding right now is that Ka'ehu Bay...the Ka'ehu Bay group have a...a right of entry on the property. So, long-term, the County is going to need to do like a lease agreement or something to get more provisions in place related to that property. You know, in all likelihood, you know...it's subject to change, of course, but in all likelihood, if the acquisition does go through, we'll look to do maybe like a lot consolidation or something like that into the overall parcel to keep it as, you know, in...into one property, and then work to do a like long-term lease agreement with the appropriate entity.

COUNCILMEMBER PALTIN: And for Moku'ula and the Salvation Army, if they wanted to rebuild or build anything on their property, is...are they looking along that lines, or are they more interested in a land swap and building somewhere else? Because if it goes through the Cultural Resource Commission, I don't know that that would be a favorable thing.

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Paltin, for the question. In every discussion that we've had with them, they understand the significance of the area, and they have heard from a lot of community members, as well as through outreach that we've done and whatnot, the desire to kind of keep the Moku'ula complex, the royal complex intact. And so, all of my discussions anyway with them to date have not been centered around rebuilding on that property. It's been about really trying to...we don't want to lose their services to Lahaina Town, so it's...it's a matter of like finding them appropriate parcel or parcels that they could move to, and potentially expand services in a new location.

COUNCILMEMBER PALTIN: Is...what...what are the parameters of what they're looking for?

MR. NISHITA: Thank you, Chair. I'd have to go back to my notes, you know, to give you a 100 percent accurate answer, but I believe it was around two acres they were desiring to be able to expand kind of their feeding mission, maybe sheltering services, and then maybe have like a community garden or kind of other things like that. So, they want to

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be able to provide more services to the community with a little bit bigger space. . . .*(timer sounds)*. . . The...I think the County was looking at property, and...and we still are in discussions with, and I know you know the whole backstory to this, but over by Ka Hale A Ke Ola or...or other entities like that, that there may be resources available to maybe co-locate them, or locate them on.

COUNCILMEMBER PALTIN: I heard the bell. Thank you.

CHAIR SUGIMURA: Okay. . . .*(laughing)*. . . I thought you were going to ask one more question. All right. Member Johnson?

COUNCILMEMBER PALTIN: I won't...I won't push it.

COUNCILMEMBER JOHNSON: Okay. There you go. Thank you. Okay. Director Nishita...Managing Director Nishita, quick question about the land swap. Can...I...I...can you clarify who...was it LDS looking for a land swap, or was it Salvation Army? Can you clarify on that?

MR. NISHITA: Thank you, Chair. Thank you, Councilmember Johnson, for the question. The land swap--and I'm sorry, it's getting a little complicated because we're having to move funds around--but yeah, the land swap piece was just related to Salvation Army in Lahaina. The LDS Church is not asking for a land swap or anything, they're just trying to outright sell an adjacent parcel that they owned.

COUNCILMEMBER JOHNSON: Okay. Thanks for clarifying that. All right. That kind of changes what I was looking for. All right. That's...that was my big question for now. Thank you, Chair.

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

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. So, I'm on the Maui Property Tax website, and I see the Church of Christ. It's a 1.75-acre parcel that's adjacent to the parcel that is under the County. Is that the parcel that you're talking about? I know the correspondence says .41 acres. So, is it a portion of that Church of Christ property that's there?

MR. NISHITA: Thank you, Chair. And apologies, I probably should have brought a map. Yeah, I don't know if we have access to a computer in here.

COUNCILMEMBER RAWLINS-FERNANDEZ: I can share screen.

MR. NISHITA: Okay. Yeah. If you share screen, I could point out to you on the map. But the property we're acquiring is a .41-acre parcel, and it's...it's adjacent. It's kind of near the stream. It's adjacent to our property, and then adjacent to the church's property as well. Yeah, no, that's --

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COUNCILMEMBER RAWLINS-FERNANDEZ: Can you see it?

MR. NISHITA: -- no, that's not the...if you zoom out, and then go...it's more, well, north-oriented on the map, anyway, if you go up, and then zoom in towards the...yeah, keep zooming in, more towards the beach side, and then up. It's...it's the parcel right at the top of your map. Yeah. Right --

COUNCILMEMBER RAWLINS-FERNANDEZ: This one?

MR. NISHITA: -- yeah, that one.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. NISHITA: Thank you, Chair.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. That makes sense. I was looking around, and that was the only one I could find. Okay. Yeah, I...I...I support this effort. Let me stop sharing screen. Okay. Did I stop sharing screen?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Great. Okay. And then...well, since you threw it out there, I've...I've been texting with Budget Director Milner about an Open Space application for Kupeke Ahupua'a for Open Space, since you asked about Councilmembers' feedback about funding for Open Space with the remaining 800,000.

CHAIR SUGIMURA: Director?

MR. NISHITA: Oh, yeah. Thank you, Chair. We can talk further with Budget Director, and...and I'm...I'm sure now that I said that, we'll have at least nine proposals coming in to us. So, thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Well, I think they...they submitted their application a while ago. They reached out to me, so I...I don't know. We've been trying to figure out what the status of that was, but I see the...the list of current allocations, and it's not on there, so...but yeah. Okay. Sounds good. That...that...that was my question. I was just wondering where it was. I think the Ka'ehu Bay folks have been doing a fantastic job at caretaking the area that's on the opposite end. I've...I've just recently been there, and they're doing a really good job, so mahalo.

CHAIR SUGIMURA: Okay. Director?

MR. NISHITA: Thank you, Chair. I just appreciate those comments, and I just wanted to follow up, and Guy is unable to kind of like log in . . .(timer sounds). . . or...or unmute or

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whatnot. But based on one of the previous questions, the appraisal was 411,000, and then the purchase price that we agreed to is 480,000.

CHAIR SUGIMURA: Okay.

MR. NISHITA: Thanks, Chair.

CHAIR SUGIMURA: Okay. Thank you. Guy can't get in?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR SUGIMURA: Do we need to bring him into the meeting? Is that what's going on?

MR. NISHITA: Chair...no, Chair, it's okay. I'll...I'll address whatever questions that come up.

CHAIR SUGIMURA: Okay.

MR. NISHITA: Yeah, thanks.

CHAIR SUGIMURA: Okay. Very good. Member Rawlins-Fernandez, do you have another question?

COUNCILMEMBER RAWLINS-FERNANDEZ: I was going to say maybe his mic is not enabled...his mic and camera.

CHAIR SUGIMURA: Thank you. All right. So, next we'll have Member Cook.

COUNCILMEMBER COOK: No questions.

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

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I hate to be this nitpicky, but on your second page, that only paragraph with the information, maybe next time could be split into two, and we can separate the two topics so it's less confusing. Where it says discussions related to this parcel ongoing period, next paragraph related to Ka'ehu Bay, then that maybe would have made it easier for people to understand. But that is me being nitpicky, and I understand that. I do support the acquisition for Ka'ehu Bay, but how else are we going to assist the nonprofit down there? If we're giving them more kuleana, how us...how else are we going to financially assist them so that they can continue to mālama this new space that we're going to help them acquire?

CHAIR SUGIMURA: Member...Director?

MR. NISHITA: Thank you, Chair. I think that will be the discussions that will have to take place with the long-term lease for the property to make sure that it's sustainable into the future. Thank you.

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COUNCILMEMBER U'U-HODGINS: Okay. Thank you so much. Related to Open Space funds, I would like that to be something we consider. If not, we're just inquiring...or having more liability without an ability to take care of what we are buying, and we've discussed that before. I do completely support this, and a land swap, but other than that, I just hope we discuss the liability when we continue to buy things with Open Space funds. Thank you, Chair.

CHAIR SUGIMURA: Okay. Very good. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And apologies for my tardiness. You did mention a land swap. Was this for the 131 Shaw Street? Where was the --

MR. NISHITA: Yes. Yes, Chair.

COUNCILMEMBER SINENCI: -- alternate property?

MR. NISHITA: Yeah, so an alternate site hasn't been solidified yet.

COUNCILMEMBER SINENCI: Got it.

MR. NISHITA: Well, potentially for the Salvation Army, but that's what they're interested in.

COUNCILMEMBER SINENCI: Okay. Thank you. And then I did get to meet with the Mayor last week about some of our priorities, and so one of them, me being the Councilmember for the Conservation Committee, so we did speak about the Committee and creating the GreenPrint. So...and possibly putting that into this year's budget. But the GreenPrint is something, once we get quorum enough to start up again on the Conservation Committee, then we can maybe address some of these open space...the management of...of the...the open space acquisitions, Chair. Thank you.

CHAIR SUGIMURA: Oh, very good. That's...that's good to hear. I...I would like to add, for my turn, that--I don't know his first name, the director for the Ka'ehu Bay, Tengan. I want to call him Michael, that's wrong.

UNIDENTIFIED SPEAKER: Keolamau.

CHAIR SUGIMURA: Keolamau. I did run into him, and I asked him if he knew about this, and at that time, which is now maybe about two weeks ago, he did not. So, we may need to entertain a discussion with him again. I do know when we were going through budget, he was asking for more funding, which was this current budget that we're working on. So, I hope that the Administration has met with him and found out all the things that he needs to do. I'd like to put a plug for him, especially now, if we're going to add more land, whatever it is that he's doing, conservation, great job, and he just loves this project. So, I'm...I'm quite sure that he'll have ideas of how to conserve this and...and do a good job. So, anybody else have any questions for this? Member Paltin?

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COUNCILMEMBER PALTIN: Thank you. So, regarding the land swap, and if it can possibly be at Ka Hale A Ke Ola, in...in terms of them wanting more acreage than what is being swapped, is it our intention that because they provide this needed service in the community, that how...how will it be decided, like appraisal of what would be swapped versus what...what we would get, and how would we determine that? In all the land swap discussions that I've been a part of, the Administration has said it's much easier to do a cash transaction. And so, that's my question is, how do we factor in the service to the community for the more acreage and...and the appraisals, and all of that?

MR. NISHITA: Thank you, Chair. Yes, you are correct, it's significantly easier to do a cash-for-land transaction, and, you know, we would love to do that. Unfortunately...and I totally get where Salvation Army is coming from. You know, their concern is potentially not being able to find a good location and/or a location that would be able to best serve the residents out there, which is our concern as well. And so, you know, because we're not under a rush right now, we're taking the time to try to, you know, work through some of those things. Especially as other factors kind of get solidified along the way, and deals are agreed to, and whatnot, we'll be able to work with the appropriate entities on what that may look like for them. I would say that we're approaching this not as a normal real estate transaction because it's the Salvation Army, they provide such a, you know, needed community benefit. And so, we're not looking to like, I guess, get the best end of the deal, or to come out ahead in terms of that financially. Depending on what land's identified that they are agreeable to, you know, it could be like agricultural land that, you know, would be...need to be entitled or things like that. So, there's other factors that will go into the overall value of the, you know, land swap. But ultimately, we do want Salvation Army to come out ahead so that they have the financial resources to be able to rebuild, and then expand on services that was so desperately needed in the community.

COUNCILMEMBER PALTIN: Are they eligible for PA funds?

MR. NISHITA: Thank you, Chair. I haven't looked specifically to see if they submitted a public assistance claim. However, nonprofits generally can be eligible for public assistance and for rebuilding costs. But as they will experience as well, if they . . . *(timer sounds)*. . . are going through the PA process, is that they would still have to front the money for the rebuild, and then seek reimbursement. So, just like a lot of other community nonprofit organizations, it's...it is prohibitively expensive to...to rebuild. So, you know, we will have to try to see how we're going to be able to help some of these folks to be able to get back on their feet. Thanks.

COUNCILMEMBER PALTIN: And the structure of Salvation Army is a nonprofit, it's not at all military, or like it's a nationwide group?

MR. NISHITA: Thank you, Chair. I think what would be best is let me follow up with the public assistance team. So, if you maybe just don't mind transmitting a letter to us --

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CHAIR SUGIMURA: Yes.

MR. NISHITA: -- I can follow up with the team, and we can get back all the information specific to their organization and their property, just to make sure it's 100 percent accurate. Thanks.

COUNCILMEMBER PALTIN: I'd like that, thank you.

CHAIR SUGIMURA: Okay. Very good. You got that, Staff? Yeah. Any more questions, Member Paltin?

COUNCILMEMBER PALTIN: I'm good. Thank you.

CHAIR SUGIMURA: You're good.

COUNCILMEMBER PALTIN: I'm glad that we'll follow up.

CHAIR SUGIMURA: Yeah. Okay. Anybody else? Seeing none. Okay. I'm going to defer this item, Members, until we get all this information. And when we receive it, then, from Member...Director Nishita, or the Recovery, whoever's going to, you know, take this forward, then please, we'll take it up again. Thanks for doing this, and thank you for having the big vision of how to help move our community forward. All right. So, I'm going to defer this item and we'll take it up again.

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

**ACTION: DEFER.**

**ITEM 20(1): DISCUSSION ON BILL 6 (2025), AMENDING FISCAL YEAR 2025 BUDGET: DEPARTMENT OF HOUSING, HOUSING PROGRAM, GENERAL (Rule 7B)**

CHAIR SUGIMURA: And then the last item on this agenda is about Bill...

UNIDENTIFIED SPEAKER: Thank you guys. Bye.

CHAIR SUGIMURA: Bye. Ms. Milner, you're going to stay with us, right? Director? Okay. So, this is a Rule 7(B) discussion on Bill 6, Amending Fiscal Year '25 Budget, Department of Housing, Housing Program, General. So, this is the last item on our agenda today. And as you know, we did pass this on first reading at the last Council meeting on January 17th. And it will...it is scheduled on the February 7th Council agenda for a second and final reading. At this time, Ms. Milner, do you have any comments? And then we have Director Mitchell, who has been patiently waiting--there you are. Nice to see you, thank you. Ms. Milner?

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MS. MILNER: Thank you, Chair. From the budgetary perspective, I would just say that this amendment is not adding any additional funds at this time. We're just adding the E/P due to the vacancies in the Department right now. They have sufficient savings to be able to fund these positions for the remaining of the fiscal year. Obviously, if these are approved, you will see 12 months of funding in the Fiscal Year '26 Budget. And I will defer to Director Mitchell to discuss the purpose of these positions. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Director Mitchell? Thank you for being with us online.

MR. MITCHELL: Thank...thank you, Chair. Can everyone hear me?

CHAIR SUGIMURA: Yes.

MR. MITCHELL: Excellent. Great. So, thank you for the opportunity to discuss our budget amendment request. And let me open up by saying that I appreciated our chat, Chair Sugimura, after the last Council meeting, and I spoke with Director Milner to make sure that the Department's transmittal letters clearly communicate our wishes when we're asking for floor amendments. So, I regret that there was a little confusion about that. A little bit of a funny note here is that a staffer and I in the Department stayed up late working on the two resolutions to track the history of the resolutions that were on the last Council agenda, thinking those would be the challenging issues. And I was in Chambers to discuss them if it came up, and nothing came up. And the issue that I thought was going to be smooth sailing was the one that was challenging. But I know we're all working towards the same objective, with the same level of urgency to address the challenge of housing in our community. I received a couple of letters last night with additional questions as I got off the plane and was driving to my hotel, and I've taken the time to prepare some remarks to address those questions, and other anticipated issues related to this request. So, I'm going to first talk about the Department's actions in relation to its reorganization, and then the positions themselves relative to who handled those positions, if anyone, in...prior to bifurcation, in the Department of Housing and Human Concerns. And then I'll pivot to the cost-savings issues. In July of...of last year, obviously the Department worked with Department of Management on the organizational chart to establish the departments, and to allow it to function in alignment with our Fiscal Year '25 Budget. That same month, the Department's organizational chart was approved by Management without going through a reorganization process that was required to correctly identify all positions, the movement of certain positions to their respective divisions, and reallocations. Following consultations with the Department of Management, Management Department and DPS, the Housing Department was devised...was advised that it could fill its Fiscal Year '25 E/Ps, which were the Director position, the Deputy Director, and the Private Secretary position, and the Administrative Assistant II position, which we did, but we could not fill any existing vacant positions slated for reallocation, and there were two of them--the Secretary III position and the Federal Housing Administrative position--until Management approved the reorganization. We had the HGEA consultations, and then DPS had reviewed the reorganization. The reorganization required the Department to revise all existing position descriptions, summarize the changes, and justify the reason



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for the changes. We completed that work in October of 2024, but as you can imagine, during that time, and while we were obviously working on the Department's work, we identified a number of additional positions needed to cover operational gaps. So, we prepared a cost-saving analysis, and determined that we could fund those positions in Fiscal Year '25, and added them to the reorganization documents. And so, that's...that was the genesis of us discovering, both by just the working within the Department, and the reorganization process, where our gaps were. In October of last year, the Department met with Department of Management, the CDBG Office, the Budget Office, concerning transferring the CDBG Office, the Department of Office...to the Department of Housing, in anticipation that the CDBG-DR Office would be established in 2024. And obviously, we needed...the County needed to separate the CDBG Office, the regular work, versus the DR work. And it was recommended that the CDBG Office be included in the Department's reorganization. And so, we worked to that end, to add it to part of our reorganization, and completed that proposal in October. And fast forward to early this month...this year, we...and then decided that it was just too soon for the Department of Housing to take on, as we're trying to get the Department stood up, yet another challenging issue, which was taking on the CDBG Office at the same time. So, that's going to stay within the Mayor's Office, at least through this fiscal year, and then we will work on that portion of it at the end of the year. But back to the overview. In November, the Department of Housing's initial reorganization proposal was ready for Management review. Management advised it could not proceed with that reorganization until the six new expansion positions that we had identified were authorized by the Mayor and the Budget Office and approved by Council. So, the Department prepared a justification memo, summarizing the positions and the reasons for the positions, and transmitted that to the Mayor. You know, we received approval to move forward with a budget amendment to request Council authorization for those E/Ps in Fiscal Year '25, now before you. And in December, the budget amendment request to authorize additional E/Ps was sent to the Budget Office. The Budget Office indicated the budget amendment would be calendared for the second meeting in January 2025. And here we are today. Now, my second point was, who was doing the work for the E/Ps prior to the bifurcation? And the short answer is, with each of those positions, no one was doing that work. So, with the Research Analyst, we need that position because we receive a very large number of housing-related documents and reports that need to be drafted, reviewed, edited, and analyzed. And that work is coming almost largely to both myself and the Deputy Director, and it's an incredible amount of review work. We need an additional role to help us with that to ensure the quality of the documents we're releasing. We...also, that...that role would also involve public records. We don't have anyone handling that work, and that work is being handled exclusively by me. The bottom line is, without that role, the volume of work is unsustainable, and so it's going to play a pivotal part of making sure we can respond to the numerous requests that we get. For example, in the last week or two, I've received requests for information spanning 20 years of housing activity in the Department. I just simply don't have the bandwidth to collect and analyze all that information unless I have someone dedicated to responding to these requests. The Accountant III position, no one was doing that work prior to the bifurcation, and there was no single position in the Department of Housing and Human Concerns that coordinated the former Housing Division's fiscal

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transactions. The duties were carried out by several different specialists and clerical staff, and there was a real need to oversee the Department's accounting and financial transactions through all of its divisions. I see that as a very pivotal role in ensuring our internal controls and our financial management. That position will also help analyze our fiscal data, control all of our accounting records, maintain and reconcile our accounts, and ensure our procedures are properly implemented throughout the Department. The position will also work with the Department of Finance on overall procedures and internal controls that I earlier mentioned, and in particular, it will be responsible for compliance with Federal Davis-Bacon Act and the State prevailing wage laws for Department of Housing projects, which is crucial. We have requested an expansion position for a program specialist focused on congressional spending. That is a new position that didn't exist before, and the Department is being tasked with responding to and managing congressional-directed spending in community-funded projects. This role will liaise with Federal Government agencies, legislators, and the County's legislative consultant in funding for housing. It will provide support to the Federal Housing Program, and ensure that congressionally-directed spending is properly appropriated, and received, and managed. It'll also be responsible for additional...pursuing additional funding opportunities and managing new funding awards. The remaining three positions are secretarial positions that would support the divisions. The Secretary II is for the Federal Housing Programs Division. We're seeking a Secretary II in...in...for that division because of the size of that division and the scope of documents that that division works with, and they will chiefly be assisting the Federal Housing Programs Administrator, as well as providing a variety of secretarial and support and clerical function for the division. And then the same applies for both the Secretary I positions, the two of them, one for the County Housing Programs Division and one for the Housing Community Development Division. We currently have one secretary, my private secretary, Amanda Martin, who is doing a yeoman's job, if I can say, to juggle all the balls of managing all the needs of the Department, but it's simply not sustainable. Now, as I was driving from the airport to my hotel at about at 10:00 last night, I received some calls indicating that we had some additional letters that came in. Unfortunately, they were not addressed to my correct email, so I didn't see them until last night, but I'd like to address those questions, too, to assist the Committee. Now, one of the questions was, please provide an anticipated timeline for filling the E/P positions, and how does the timeline align with the Department's goals for improved operations and program delivery...delivery? And again, those positions are a Research Analyst, an Accountant III, Secretary III [sic], two Secretary I's, and a Program Specialist III focused on congressional-spending requests. Once the budget amendment and the reorganization are approved--we anticipate that might take two to three weeks--the Department will then consult with HGEA, and at a minimum, that will be a month on the proposed reorganization actions. When those consultations conclude, the Department will work with DPS to review and post the positions. And so, if I were to anticipate a timeline, I would say we could post for those positions at the end of March or early April. Another question was, does the Department anticipate requesting additional positions to sustain operations or address other areas of need? The Department does not anticipate requesting additional positions in Fiscal Year '25 or '26. Another question was, please provide a list of the Department's current vacancies, and

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describe the Department's plan to fill those vacancies. The Department has 11 vacancies currently. County Housing Program Specialist V, Section 8 Housing Choice Voucher Program Supervisor. Let me back up and say that with the Housing Program Specialist V, we are currently working on redescribing the position description before posting that position for recruitment. The second vacancy is the Housing Choice Voucher Program Supervisor. That position is posted, and I believe interviews will take place this week. There are also five other positions in the Federal Housing Program Division that are vacant. Those positions were discussed during the last budget cycle. They're authorized but unfunded under the Department's Section 8 program. The positions will be filled should the need arise, but keeping them authorized but unfunded allows the program to fill the positions if it receives a higher allocation from...from HUD. And those positions are a Housing Choice Voucher Specialist, a Housing Choice Voucher Program Accountant, a Housing Choice Voucher...Housing Choice Voucher Housing Program Technician, Housing Choice Voucher Housing Clerk...two Housing Choice Voucher Housing Clerks. Those are the five positions. Now, those...the following positions that are vacant are all pending the reorganization approved by the Department of Management. But we can't proceed with those until Bill 6 is approved. Now, once the reorganization is approved, the Department will begin its consultation with HGEA on those...on the reorganization as I had mentioned earlier. And when consultations are concluded, we will then post the positions. Those are the Admin Secretary III, which will be in the Administrative Division; the Housing Community Development Housing Administrator; the Planner IV, which is in the Housing Community Development Division; and the Federal Housing Program Housing Administrator. Another question was, what is the Department's rationale for requesting additional positions instead of reclassifying current vacant positions? The Department, as it stands, doesn't have a lot of positions, and everyone is working at full capacity. I'm very sensitive to taking the duties in other positions and distributing them in...in other roles when I've already gone through that cycle once with position descriptions, and folks are already working at full capacity. I'm very concerned about burnout. So...and it wouldn't be good for Department morale overall. And they're very...very distinct bodies of work that we're looking at. The other letter that I received had two questions in it. The first was, what is the rationale for funding these positions through General Fund monies rather than through a Federal grant? For the Secretary III position to be flexible and serve the whole division, it needs to be General Funds. From an accounting standpoint, it's going to be difficult to track the time and manage the payroll process to fund that position because the way the Federal Programs Division Administrative Funds work is that it has to be used specific to certain programs, and the Secretary III position is going to be floating through the entire division. In other words, you're going to have to constantly track what part of what work in the division did they do, and how much time, in order to figure out how to allocate the funds. And it's just simpler to have them as a general funded position where they can float through the entire division. The other question was, does the Department receive a Federal grant that could cover administrative costs? Yes. As earlier indicated, the Department does, in the Federal Housing Programs Division, but that is dedicated to Section 8, HOME, and our HDF programs. And the Administrative Funds have to go towards those programs. And so, the roles we're looking at in the Federal Housing Program divisions float across all the programs and

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do a lot of other duties within the Department, which again, creates an accounting challenge. I anticipated that you might ask what is the total amount of the cost savings that we have. And as of the end of December, I can update this number for you. The cost savings we have are \$257,672. And so, that's my initial introduction. And I thank you for the opportunity to describe where we are with the process.

CHAIR SUGIMURA: Okay. Thank you very much. We'll open it for public testimony, then go back to individual...individual Member questions.

**. . . OPEN PUBLIC TESTIMONY FOR ITEM 20(1) . . .**

MR. KRUEGER: Chair, there's currently no one signed up to testify on this item, so we'll do a last call. If there is anyone who would like to testify on this item in the Chamber or online, please identify yourself now. On Teams, you can do that by using the raise-hand function. We'll do a countdown. Three...two...one. Chair, no one has identified themselves as wishing to testify.

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

COUNCILMEMBERS: No objections.

**. . . CLOSE PUBLIC TESTIMONY FOR ITEM 20(1) . . .**

CHAIR SUGIMURA: Okay. Thank you. All right. Now we'll go to questions from the individual Members. And we'll start off with Member Rawlins-Fernandez, and then we'll go down the row. The...Personnel or...is in her Committee, and then we'll do Housing next because you have Housing, Member Kama.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. And mahalo, Director Mitchell, for that very thorough explanation of where the Department is at with staffing and with filling vacancies. I...I don't have any additional questions. I think you're doing a wonderful job, and I look forward to continuing to support your progress.

CHAIR SUGIMURA: Okay. Thank you. Very good. Member Kama?

VICE-CHAIR KAMA: Thank you, Chair. Thank you, Mr. Mitchell, for being here, although I know you're at your conference. And thank you for taking the time to be with our Committee today. So, you know, in...and I thank you for...the most important thing that you've done since you started was to get your...your...your Department to be standing up so that you have all your positions filled, that you've got all the people in places to do the work that...that we are expecting of you to accomplish. So, I'm really happy to hear that. That meant that some things had to be put on the back burner for a while until, you know, all your positions are filled, and then you're ready to go. So,

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my question to you is, how...how...how long do you think it will take that you'll have your entire Department set up?

MR. MITCHELL: Thank you for the question, Chair and Member Kama. Giving a precise timeline is beyond my ability because there are a lot of variables --

VICE-CHAIR KAMA: Yeah.

MR. MITCHELL: -- with getting positions approved, posting the positions, interviewing, finding the right person. So, it...it...my goal, as I said in July of last year, was to make this my number one priority. Because --

VICE-CHAIR KAMA: Yeah.

MR. MITCHELL: -- we can't do the work of providing housing options...affordable housing options to the community unless we have the staff to do the work, and everyone's running at full speed. So, my objective, which isn't a precise answer to your question, is to fill them as soon as possible and jump through all the hoops that I have to jump through whenever I'm given a hoop to jump through as quickly as I can so that I can get these positions posted and filled. I'm hopeful that we can get this done at the end...by the end of this fiscal year. And again, I remain hopeful.

VICE-CHAIR KAMA: So, my second question is, the DHHL liaison that you've already hired, how soon are we able to communicate with her, have some one-on-one meetings with her, and to be able to just check in?

MR. MITCHELL: Immediately. She is ready to rock and roll. She's outstanding, and she comes with a lot of experience. So, I'm looking forward to working with her, and I'm sure the Department is.

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

CHAIR SUGIMURA: Okay. Thank you. Next, Chair Lee.

COUNCILMEMBER LEE: Thank you. Hi, Remi. How's the weather over there?

MR. MITCHELL: Aloha. I had to, this morning, buy an overcoat.

COUNCILMEMBER LEE: Ah. Okay. So, I didn't realize that you had so many existing vacancies. Honestly, I keep getting complaints about nonresponses to questions and calls on the Ohana Assistance Program. Is that where you have one of your vacancies?

MR. MITCHELL: No. The issue, as you know, with the Ohana Assistance Program is not an issue that is the result of a vacancy, though the staffer who is managing that program is scheduled to retire in a couple of months. So, we will, but we are anticipating that and working to make sure we have a smooth transition. The issues, as you may recall,

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related to needing to disencumber funds to terminate a contract, and then to pursue a Code Amendment. And now we are in the process of working through drafting the grant agreement and lien documents. And just last night, we received, from Corporation Counsel, a draft of the proposed grant agreement, so we need to now do an internal review on that agreement before we can release it. We have not seen the draft lien documents yet, but as soon as we get those, we will review those and try to move things along.

COUNCILMEMBER LEE: Okay. So, Remi, from what I heard you say, you have 11 vacancies and plus another 5 in, I guess, Section 8, so a total of 16 vacancies right now. Is that what you said earlier?

MR. MITCHELL: Yes, we have one...two...three...four...five that were the unfunded positions, the Housing Choice Voucher positions in Section 8, so a total of...and we had the two, the County Housing Program Specialist V and the Housing Choice Voucher Program Supervisor, so that's our five, six, seven, and then we have the additional E/Ps that we are now seeking.

COUNCILMEMBER LEE: And plus you have one more, the person who's in charge of leaving --

MR. MITCHELL: And then we had...

COUNCILMEMBER LEE: -- or retiring. Do you have a replacement for that one?

MR. MITCHELL: Right, not a vacancy...not a vacancy, but we're working on anticipating that challenge.

COUNCILMEMBER LEE: I see. Okay. So, with these new positions coming in, how confident are you that you are able to fill all the positions, not just the new ones . . . *(timer sounds)* . . . but the existing ones as well?

MR. MITCHELL: Well, I think every director, when they have vacancies, remain confident and hopeful they're going to fill those vacancies, but they...it's a challenge to find the right people, find qualified people to apply for positions or folks who want to take the positions at the salary level that they're advertised for. The best we can do is post the positions and see who applies.

COUNCILMEMBER LEE: Thank you.

CHAIR SUGIMURA: Okay. Thank you. Member Paltin?

COUNCILMEMBER PALTIN: Do you know, or if you don't know, at what point will you know, and how will you know, and how will it be determined, what the SR rating and step is for each of these five positions?

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MR. MITCHELL: Let me...that's a...that's a bit of a compound question, and I think we've already determined what the rating is, but let me pivot to...I don't know if Deputy Director Mataafa is on the line.

CHAIR SUGIMURA: Deputy Director Mataafa, are you on? Oh, there you are. There he is.

MR. MATAAFA: Hi, Chair. I'm here. Thank you. And to answer Councilmember Paltin's question, when we looked at...when the Department looked at the proposed positions that we were going to expand the Department with, we did some research into the different types of classifications. So, we have an idea based off of the positions that are being presented to you, at what the SR level might be, and we've drafted draft position descriptions to fit those class specifications. The part that is unknown to us is how DPS might review those position descriptions. So, although we have an idea of what the salary level might look like on our end, it depends...a lot depends on how the Department of Personnel Services says, when the positions finally get to them, how they will rate those positions and audit them.

COUNCILMEMBER PALTIN: And from what I hear from some of the other departments, it's not going well that...in that regard. What...what were the proposed SR and step that you folks had pending to Personnel's approval?

MR. MATAAFA: I'm sorry. I think, Director Mitchell, if you have those in front of you...I don't know if you have those in front of you.

MR. MITCHELL: I don't, but let us...so that we actually get accurate information, if we could --

CHAIR SUGIMURA: We'll get that.

MR. MITCHELL: -- Member Paltin, provide that response in writing, that would be a little easier than trying to hunt and peck for our documents to summarize all the positions now.

COUNCILMEMBER PALTIN: And then are you going to pursue intergovernmental transfer first, or are you intending to open up to the public first, or how do...how...how are you intending to move forward?

MR. MITCHELL: If I could take that question, Deputy Director Mataafa. My preference is always to look internally first, to find individuals who want to grow their careers and to continue to develop within the County. And so, that's the approach we're going to take. But there are clearly some positions where they're sufficiently unique, where we might initially post . . . *(timer sounds)*. . . publicly so that we can see who's in the marketplace.

COUNCILMEMBER PALTIN: Thank you, I heard the buzzer. I...I hope that doesn't include any of our OCS Staff --

UNIDENTIFIED SPEAKERS: . . . *(laughing)*. . .

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COUNCILMEMBER PALTIN: -- because we might not continue to fund those positions, I guess.

UNIDENTIFIED SPEAKERS: . . .*(laughing)*. . .

COUNCILMEMBER LEE: Good for you.

CHAIR SUGIMURA: And that's not a threat.

MR. MITCHELL: I can't make any promises about folks who reach out to me, Member Paltin.  
. . .*(laughing)*. . .

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. So, next we have Member Johnson --

COUNCILMEMBER JOHNSON: Thank you, Chair.

CHAIR SUGIMURA: -- followed by Member Cook.

COUNCILMEMBER JOHNSON: Thank you, Director Mitchell, for your introduction. You know, I'm going to support the...the positions, of course. We need to act with some sense of urgency, and I'm really glad that you're pushing for it. It's just, when you started explaining that timeline, I realized how slow this process is. The...the whole--what did you call it?--the...when you had to redescribe and all the...

MR. MITCHELL: Reorganization.

COUNCILMEMBER JOHNSON: The re...that sounds crazy. Is that...is that us, or is that the Admin, or where can we make it streamlined so when we...when the Council says, here's money to go hire, you go hire? You don't go and reorganize, and you don't go and do this, and the DPS is slowing everything down. That's bananas to me. That doesn't make any sense. So, where...where can we help?

MR. MITCHELL: Well, that...that requires a bigger discussion that's a little beyond the scope of today's agenda, but --

COUNCILMEMBER JOHNSON: Okay. Another letter then?

MR. MITCHELL: -- I do agree. I do...I do agree that for a rookie director, it is very surprising how laborious this process is, and I...I understand the perception of the Council of the slowness, but on the...on our side, there's just a lot of hoops we're jumping through to move this forward. And I'm sure other directors go through the same thing, but we do our best.

COUNCILMEMBER JOHNSON: We...we take hits, too. When the community comes to us and says, hey, what...what are we doing? And I have to somehow explain that process. And you just explain to them, they're shake...they're going to shake their heads just like



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yourself, Director. And so, that's the thing is, if there's something that we can do, I'm willing to do it, that...that helps move the process along. I really feel like the...it...it's like the...the urgency needs to be there, and how can we do the urgency when there's these, like you said, hoops? You know, how...you got to jump through all these hoops, right? So, I want to kind of come back with the community and say, hey, this is what...you know, we're...we're...we're fixing the things that need to be fixed. This...the fact that you're putting...advocating for positions, it's like that is the basic thing. Of course you need more positions. That is...like step one is getting the positions to do the things that everyone's asking you guys to do. I just find that reorganization Charter, that's really seems to be a major burden on you guys to redescribe every position, and...and the complexities of balancing that with Federal funding, it doesn't sound easy. So, I just want to try to make it easy. And if there is a...if there is a letter that you'd be willing to draft that we can do some kind of Code Amendments or something that the Council has purview over, then I'm...then I'm all in. We can't let these folks keep leaving the island because of our processes. And that's what we're seeing . . .*(timer sounds)*. . . you know, and it's not just the fire survivors. You know, the Lānaʻi expression is we export two things, pineapples and our keiki, and that's because they know the deal. It's really hard to live here, and I think housing is key to it. So, my time's up. I'm going to support the...you know, the bill, of course, and I really hope that you can come back with us as...as we learn...you know, this is your first process. You say you're a rookie director, but when you come back with a year under your belt, maybe you can say this is...this is what needs to be fixed. So, thank you.

MR. MITCHELL: Thank you, Member Johnson. Thank you.

COUNCILMEMBER JOHNSON: Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Cook, then Member U'u-Hodgins, and Sinenci.

COUNCILMEMBER COOK: Thank you, Chair. Thank you, Director Mitchell, for your comprehensive overview of the...you're building the...basically the foundation and the structure of the Department that was bifurcated, and understaffed, and under-armed. I'm hopeful that you can...your experience and skillsets, while you're doing this process, you can identify and help us, and the County in general, identify the...the pinch points that you're experiencing in being able to hire and to reward. And...because what you're experiencing is pretty much Countywide, from my understanding of dealing with the Department of Personnel Services, and Civil Service, and just the way that the County is structured. So, anyway, I'm supportive of these positions, and I am just asking you if you would basically keep a kind of a side log that we're going to be able to create a roadmap for improvement, not only to get you fully staffed, but to get the other departments have the opportunity to have a more expedient hiring process. So, thank you very much for your work, and your office personnel. And thank you, Chair. That's all I have to say.

CHAIR SUGIMURA: Thank you.

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MR. MITCHELL: Thank you, Member Cook. And we...will do.

CHAIR SUGIMURA: Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Thank you, Director Mitchell, for being with us today. I don't really have any questions about this, but I do have questions that I emailed to you that you can get to when you have a chance. Thank you. Not about this, though, so I won't . . . *(inaudible)*. . . today.

MR. MITCHELL: Okay. Thank you.

COUNCILMEMBER U'U-HODGINS: Thanks.

MR. MITCHELL: Oh, okay. Okay.

CHAIR SUGIMURA: . . . *(laughing)*. . . More work. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. I too don't have any questions for Director Mitchell. Thank you for the report, and look forward to meeting you later on today. Thank you.

CHAIR SUGIMURA: Okay.

MR. MITCHELL: Thank you.

CHAIR SUGIMURA: Anybody else have any questions? Member Paltin?

COUNCILMEMBER PALTIN: I just kind of wanted to stand up coming from a union steward perspective. In the reorg, you consult with the union, right? And so, if directors just came in willy-nilly with each new Administration and reorganized a department with no consultation from the union as to how things were...were going, that wouldn't be pro-labor or fair. And it had happened to us many times in Ocean Safety where new people would come in and tell us do all kind of crazy things, including running on the 911 system for years for free, abandoning tower to go to a 911 call. So, I'm...I'm supportive of reorgs because it gives the union members in the office a say in how they will be organized. Each new administration that comes in and has some idea of how they're going to fix everything, it takes into consideration the employees' perspective, who often transcend administrations. And so, I'm supportive of the reorg process to give our employees input into how things work. Nothing personal, Director Mitchell, but I've seen my fair share of directors come and go over administrations. And I think that that reorg consultation process is critical to ensuring that things aren't just politically motivated or here for a season. While I...I think it does need to be somewhat expedited as though your hair was on fire or something, I'm...I am supportive of reorgs. I think the...the problem that I hear mostly is that we aren't able to pay a living wage, and whether that's a reorg problem, I don't believe it is. It's more of a Civil Service/DPS problem than anything, collective bargaining problem. And until we address that

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systemic issue, I think it's going to hinder a lot more than the reorgs will. So, just wanted to...coming from a former union steward, stand up for that process.

MR. MITCHELL: Thank you, Member Paltin. And just so I'm clear, if I wasn't, I'm not saying that in any way, shape, or form that the consultation process has slowed us down. Just so I'm clear about that.

COUNCILMEMBER PALTIN: Thank you.

CHAIR SUGIMURA: Okay. Very good. Members, any other questions? I don't see any. So, at this time, we're going to defer this item.

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

**ACTION: DEFER.**

CHAIR SUGIMURA: And as you know, it's on Chair Lee's Council agenda for this Friday for second and final reading, Bill number 6. And we are going to adjourn this meeting next at 10:42 [sic]. Anybody...you wanted to say something, Chair Lee?

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

CHAIR SUGIMURA: Oh, 11:42.

COUNCILMEMBER LEE: I just have a quick question --

CHAIR SUGIMURA: Sure.

COUNCILMEMBER LEE: -- for Member Johnson. Member Johnson, do you have your dog next to you? No, I heard somebody snoring.

CHAIR SUGIMURA: Snoring.

COUNCILMEMBER LEE: Yeah. Was he snoring?

COUNCILMEMBER JOHNSON: I'm sorry. She snores pretty loud when...

COUNCILMEMBER LEE: Oh, okay. I was just checking.

COUNCILMEMBER JOHNSON: All the time.

COUNCILMEMBER LEE: Okay. Thank you.

COUNCILMEMBER PALTIN: Oh, that wasn't in the disclosure.

COUNCILMEMBER LEE: Thank you.

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CHAIR SUGIMURA: I was wondering what that was. That's cute. You should bring him to the Chambers. Okay. Anybody else? If not, then this meeting is now adjourned at 11:42 p.m...a.m., sorry. . . .*(gavel)*. . .

**ADJOURN: 11:42 a.m.**

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Transcribed by: Daniel Schoenbeck

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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 44 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 14th day of March 2025, in Wailuku, Hawai'i

A handwritten signature in cursive script, reading "Daniel Schoenbeck", positioned above a horizontal line.

Daniel Schoenbeck