

**GOVERNMENT RELATIONS, ETHICS, AND  
TRANSPARENCY COMMITTEE**  
Council of the County of Maui

**MINUTES**

**November 2, 2023**

**Online Only via BlueJeans Link**

**CONVENE: 1:33 p.m.**

**PRESENT:** Councilmember Nohelani U‘u-Hodgins, Chair  
Councilmember Tamara Paltin, Vice-Chair  
Councilmember Tom Cook, Member  
Councilmember Gabe Johnson, Member  
Councilmember Tasha Kama, Member (left at 3:14 p.m.)  
Councilmember Alice L. Lee, Member  
Councilmember Keani N.W. Rawlins-Fernandez, Member  
Councilmember Shane M. Sinenci, Member  
Councilmember Yuki Lei K. Sugimura, Member

**STAFF:** Kasie Apo Takayama, Senior Legislative Analyst  
James Krueger, Senior Legislative Analyst  
Pauline Martins, Senior Committee Secretary  
Shelly Espeleta, Supervising Legislative Analyst  
David Raatz, Director, Office of Council Services  
Megan Moniz, Legislative Attorney  
Carla Nakata, Legislative Attorney  
Jarret Pascual, Legislative Analyst  
Samantha Tanck, Legislative Analyst  
Jean Pokipala, Council Services Assistant Clerk

Zhantell Lindo, Council Aide, Moloka‘i Residency Area  
Office

Roxanne Morita, Council Aide, Lāna‘i Residency Area Office  
Jade Rojas-Letisi, Makawao-Ha‘ikū-Pā‘ia Residency Area  
Office

Angela Lucero, Executive Assistant to Councilmember  
Paltin

Axel Beers, Executive Assistant to Councilmember Johnson  
Evan Dust, Executive Assistant to Councilmember Kama  
Gina Young, Executive Assistant to Councilmember Sinenci  
Haunani Madela, Executive Assistant to Councilmember  
Rawlins-Fernandez

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Jared Agtunong, Executive Assistant to Councilmember Cook  
Kate Griffiths, Executive Assistant to Councilmember Johnson  
Laura McDowell, Executive Assistant to Councilmember U'u-Hodgins  
Michele Yoshimura, Executive Assistant to Councilmember Sugimura  
Sarah Sexton, Executive Assistant to Councilmember Rawlins-Fernandez  
Stacy Takahashi, Executive Assistant to Councilmember Cook

**ADMIN.:** Kristin Tarnstrom, Deputy Corporation Counsel, Department of the Corporation Counsel  
Christie Trenholme, Deputy Corporation Counsel, Department of the Corporation Counsel  
Scott Teruya, Director, Department of Finance  
Maria Zielinski, Budget Director, Office of the Mayor

**OTHERS:** Jim Walsh  
Jacee Law  
Kalani Ka'ana'ana, Chief Brand Officer, Hawai'i Tourism Authority  
Plus (3) other people

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

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**GREAT-14 RESOLUTION 23-194, RELATING TO DEVELOPING A COMPREHENSIVE RECOVERY AND RESILIENCY PLAN IN RESPONSE TO THE ISLAND OF MAUI'S TRAGIC WILDFIRES OF AUGUST 2023**

CHAIR U'U-HODGINS: *... (gavel) ...* Will the Government Relations, Ethics, and Transparency Committee meeting of November 2nd, 2023, please come to order. It is 1:33 p.m. I'm your Chair, Nohelani U'u-Hodgins. Members, in accordance with the Sunshine Law, please identify by name who, if anyone, is in the room, vehicle, workspace with you today. Minors do not need to be identified. We will start with Committee Vice-Chair Tamara Paltin, good afternoon. Member Paltin, aloha...you're here, I see you.

VICE-CHAIR PALTIN: Aloha. Oh, do you need me to say who...who's here?

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CHAIR U‘U-HODGINS: If you...if there’s anybody in the room with you.

VICE-CHAIR PALTIN: Okay, I’m here at Nāpili Noho on my own table, and on the other side of the container there’s Kaipo Kekona . . .*(inaudible)*. . . Adolpho and Lori from PASHA.

CHAIR U‘U-HODGINS: Okay, cool. Thank you. Councilmember Tom Cook, good afternoon.

COUNCILMEMBER COOK: Bonjour.

CHAIR U‘U-HODGINS: Councilmember Gabe Johnson, good afternoon.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, Committee Members. There’s no testifiers at the Lāna‘i District Office. I’m here and ready to work, mahalo.

CHAIR U‘U-HODGINS: Thank you very much. Councilmember Kama, good afternoon.

COUNCILMEMBER KAMA: Good afternoon, Chair, and aloha ‘auinalā.

CHAIR U‘U-HODGINS: Council Chair Alice Lee, good afternoon.

COUNCILMEMBER LEE: Bonjour, Madam Chair.

CHAIR U‘U-HODGINS: Bonjour. Councilmember Keani Rawlins-Fernandez, good afternoon.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha ‘auinalā, Chair, from the County Chambers, and the Moloka‘i District Office is reporting no testifiers, mahalo.

CHAIR U‘U-HODGINS: Thank you. Councilmember Shane Sinenci, good afternoon.

COUNCILMEMBER SINENCI: Aloha, good afternoon. I’m here at my home workspace by myself, and there’s no testifiers in the Hāna District Office.

CHAIR U‘U-HODGINS: Thank you. Councilmember Yuki Lei Sugimura, good afternoon.

COUNCILMEMBER SUGIMURA: Good afternoon. I’m in my office, and nobody on this side of the office. Good afternoon, everybody. I’m going to be leaving at about 2:00 for a 2:30 meeting, and I’ll come back. Thanks.

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CHAIR U‘U-HODGINS: Okay. Thank you for letting me know. We have with us today, representing the Office of Recovery, Director Nishita. We also have, from the Budget Office, Director Maria Zielinski. We have from Corporation Counsel, Deputy Corporation Counsel Kristin Tarnstrom. We have with us Kalani Ka‘ana‘ana, Chief Brand Officer of HTA, Hawai‘i Tourism Authority. And as well as our Committee Staff; Pauline Martins, Kasie Apo Takayama, Clarissa MacDonald, Remi E. Mitchell, which is now Megan Moniz, and Jean Pokipala. Please see the last page of the agenda for information on meeting connectivity. We have one item on today’s agenda. Testifiers wanting to provide video or audio testimony should have signed up at the...in the lobby, joined the online meeting via BlueJeans link, or called into the phone number noted on today’s agenda. Written testimony is encouraged, and can be submitted via the eComment link at [mauicounty.us/agendas](http://mauicounty.us/agendas) as well. Under the Sunshine Law, the Chair will receive oral testimony for agenda items at the beginning of the meeting and as the item is called up on the agenda. Chat should not be used to provide comments or discussion beyond signing up to testify, or to notify Staff you do not wish to testify. If you do wish to testify, please state in the chat your full name and organization, and the agenda items you would like to testify on, and your preference to testify at the beginning of the meeting, or as the agenda item is called up. If you wish to testify anonymously, please notify Staff. Oral testimony is limited to three minutes per item, and if you are still testifying beyond that time, I will kindly ask you to complete your testimony. Please be courteous to others by turning off your video and muting your microphone while waiting for your turn to testify. Once you are done testifying, or if you do not wish to testify, you can also view the meeting on *Akakū* Chanel 53, Facebook Live, or [mauicounty.us/agendas](http://mauicounty.us/agendas). We will do our best to take up each person in an orderly fashion. Thank you very much for your cooperation. We will now call on testifiers wishing to testify at the beginning of the meeting. Staff, can you please call our first testifier.

MR. KRUEGER: Chair, we currently have only one individual signed up to testify at this time, that would be Jim Walsh.

CHAIR U‘U-HODGINS: Yes, please come, you can join us at the podium. Aloha, Mr. Walsh.

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

MR. WALSH: Wow, it is...you’re right, it is a little intimidating in this big giant room. Seeing that I don’t have an office anymore because it used to be in Lāhainā, can I take a little space over there? Anyway, my name is Jim Walsh, I’m with Atlantis Submarine. I usually just deal with the State, I’m in the boating side of things. But being that this meeting is about the whole recovery aspect of it, it’s a huge, huge deal...it’s Federal, State, County. So, I just thought that I would

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share a little bit of maybe the boating side of what's happening over there on...I'm the Lāhainā Harbor guy specifically, but I guess first was really more or less just to share a little bit about...you know, a situation of this magnitude is going to take us all to work together to make this thing move along in any shape, form or fashion. It's going to take a collective ambition from us all to kind of lock our arms together and move forward with this extremely difficult process that we have ahead of us. You folks here in this room are our leaders for our community here. And as you folks being the leaders, you know, it's going to take some incredibly resolute leadership to lead us through this because there's...as you guys probably know more than me, you're probably taking it from all sides, you're probably hearing everything from everyone from all different areas, right, that's a lot of waha going out...going on around, and it's going to take some incredible resolute leadership to...to lead us through all of this. So, I want to encourage you to be the leaders that we need as a community to help us get to that...to that point. And doing the right thing is rarely doing what's easy, so you folks will be in my prayers because everything that you're going to be doing is not going to be easy moving forward. A little bit about my story, I'm in the Lāhainā Harbor, we've been operating the submarine business out of there here in Lāhainā since '91. My office was in the wharf, I had a check-in retail location in the Pioneer Inn, I had four boats in Lāhainā Harbor. Obviously, the wharf is gone, Pioneer Inn gone, most of the harbor is gone. My submarine was destroyed, my tugboat was destroyed, a little skiff was...was never found...well, it's part of the rubble. Miraculously, I had one boat that did survive, that vessel...I spent about three weeks in the harbor fixing it, and we were able to patch her back together again. I don't know how it survived the fire, but it did, and with the Coast Guard's help, we were able to sail that back over to Honolulu, and it's going to go into dry dock and make repairs and, you know, get ready to come back. You know, as...as...as a businessmen [*sic*], we're all planning on trying to reestablish our businesses. You know, out of my 33 employees . . .(*timer sounds*) . . . that I had, a third of those lost everything, lost their homes, everything, one of my staff didn't make it, he passed away. You know, my kuleana, my responsibility to the Lāhainā community is...is one thing, I also have responsibility to my staff to try and rebuild the business. And, you know, as a businessman, I'm constantly trying to figure out how we can, you know, get things going again, and it's going to be a huge, long, massive process, which I have to be very patient in...and it's...sometimes that's a little hard. But before we put the cart before the horse, you know, my thing --

UNIDENTIFIED SPEAKER: Chair.

MR. WALSH: -- to come before you because you don't really deal what the boating side of things is housing. You know, housing, I have a...half of my employees are...because Atlantis is...I'm blessed to be with Atlantis where I could have

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a...you know, we have a Waikiki operation, and we have a Kona operation. Half of my employees I transferred to...to Waikiki and...and...and into Kona, but they're going to have to come home. They don't want to live there, they want to come back to Maui, their home. And in order for them to come back here, we have to have housing for them. And I know the housing question and the concern for you folks is nothing new, I'm not talking about anything new here, but the housing thing has to come first. We can't move the business side of it forward without addressing the housing need. My employees, you know, are moving from, you know, hotel to hotel, you know...you know all of that. So, whatever you can do to expedite that would be a need for our community.

CHAIR U'U-HODGINS: Thank you. You have used your three minutes of allotted time. So --

MR. WALSH: Okay.

CHAIR U'U-HODGINS: -- at this time, I'm going to ask the Members if they have any clarifying questions. Chair Lee, followed by Member Johnson.

COUNCILMEMBER LEE: Hi.

MR. WALSH: Hey.

COUNCILMEMBER LEE: Just wondering, could you clarify what issues or challenges you have with your business trying to come back?

MR. WALSH: Yes, thanks. That's a...that's a very good question. You know, in the boating community, the...probably the biggest challenge for the Lāhainā group--because Mala, they can operate five days a week, they have their own challenges over there. Kā'anapali, they weren't really affected as much, they can operate. The folks in Lāhainā don't have a home, we don't have a harbor to go to. The State right now, from Chair Chang, is not really allowing us to operate in, say, Mā'alaea. If we could go to Mā'alaea and...and operate, it would be helpful. The current stand from the State is that they don't want to increase capacity and overburden any one facility, which I suppose...I can understand that. However, these are kind of different times. It's just...it's not a normal thing that a request--I would never want to operate out of Mā'alaea, it's super windy, it's not what...it's not my home. Any...everything that we want to do is temporary. So, you know, one of the things that you folks might be able to do to help is to help persuade the State, from Dawn Chang on down to Ed Underwood, to...to enable us to operate. We have plans to operate in partnership with other companies that are willing to allow us to use their slip when they're not in it. What the State's proposal is, is that if you were a boating company, and I'm a boating company, you...the State wants you to only

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work four days a week and me to work three days a week. So, they are going to cut you off by half and allow me to work by half. That's just not a business solution that works for most businesses. Okay.

CHAIR U'U-HODGINS: Member Cook, one second. Member Johnson, and then Member Cook, and then we're going to need to take a short recess, and then I see Member Paltin's hand. *Akakū* is having some issues with Facebook Live, so we're going to have to take a recess after this testifier, but Member Johnson, you can ask your question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, you don't want to...oh, sorry.

CHAIR U'U-HODGINS: Yes, go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: You don't want to recess now so that...

CHAIR U'U-HODGINS: Well, they said after the testifier, but...

COUNCILMEMBER RAWLINS-FERNANDEZ: I think it's up to you.

MR. WALSH: I'm in no rush.

CHAIR U'U-HODGINS: Do you mind staying for about --

MR. WALSH: Yes, that's fine

CHAIR U'U-HODGINS: -- ten minutes? Okay.

MR. WALSH: That's fine.

CHAIR U'U-HODGINS: Then we'll do our recess now, and we'll come back at 1:55. Thank you very much. . . .*(gavel)*. . .

**RECESS: 1:45 p.m.**

**RECONVENE: 1:57 p.m.**

CHAIR U'U-HODGINS: . . .*(gavel)*. . . Welcome back. It is 1:57 p.m., and will the GREAT Committee please reconvene. We recessed in the middle of clarifying questions for Mr. Walsh.

MR. WALSH: Yes.

CHAIR U'U-HODGINS: So, Member Johnson, your clarifying question, please.

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COUNCILMEMBER JOHNSON: Thank you, Chair. And Mr. Walsh, I'm really sorry for your loss, and your workers' loss. I mean it's...it's a blow to the community to see the amount of folks...folks that are struggling. That being said, you...you spoke a lot about housing, and as this...I can only ask about clarifying questions, so I'm going to try to clarify the types of housing that your workers are going to be in needed [sic]. Are they going to need rentals, affordable housing, can they afford market rates? What types of housing are...are your workers going to be looking for?

MR. WALSH: I...I think it'll be a mixture. Some of them owned their homes that lost, so they would be looking to probably rebuild. Some others are...were renters that had been, you know, born and raised in Lāhainā, kind of lived in the same house for a really long time, and lost that home...wasn't theirs. There...you know, that is...one of my employees is in Kona, she's one of my managers, flies back and forth, staying at a hotel, family of four and went to look at two places that were...I don't know, like 4,500 bucks a month. So, between her and her husband, it's just too much money, you know, it's just too expensive. So, I don't know whether the Governor's proclamation covered...you know, I don't know, maybe...I can't remember if there's something in there about price gouging, or whatever on those...on those types of rentals, but...so, I think it's going to be a mixture of affordable housing, rebuilding, and certainly rentals, the rental market.

COUNCILMEMBER JOHNSON: You know, I live on Lānaʻi, the ferry...I...I take the ferry back and forth. And I was so...I've been so used to seeing boats out on the water in between, and post-fire, the ferry is the only one out there, right, and it's kind of a very eerie feeling. So, I understand your workforce and the struggles that you're dealing with. So, thank you for responding. Thank you, Chair, no further questions.

CHAIR U'U-HODGINS: Thank you, Member Johnson. Member Cook, followed by Member Paltin.

COUNCILMEMBER COOK: Thank you very much for your testimony. My clarifying question, you...you--no, I'm not talking to Siri, so--anyway, my clarifying question. When you started your testimony you acknowledged that our...the Council was the leaders and in the position to lead us forward. Basically the Administration is kind of the captain of this ship, and we're as involved as they'll allow us to be, the budget's going to come into play. You've lived in Lāhainā a long time, you acknowledged that there's could be a lot of push and pull and...but do you have a magic wand? How do you find common ground, having been a resident, a businessman, and being very involved in the community for a long time?



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MR. WALSH: Yeah, that's a good question. Yeah, I...I think common...the common ground of that collective ambition is...is to listen to...to what everybody...what everybody's wants are, right, because they're coming from extreme ends, right, on both sides of the spectrum, and then this...this kind of a middle ground. And at some point, there has to be...there has to be a compromise between, you know, the parties, if you would, right, and typically, a good compromise is between...it's between you and I. I'm not all that happy, and you're probably not all that happy, but we get to...we get to, you know, move forward a little bit. And I think that's probably what has to be navigated. And that's going to be...you know, sailing that ship is...is going to be tough because it's...you know, there's a lot of people with a lot of emotion, you know, about how, what...what that's going to look like, you know. There hasn't even been much talk about what things are really going to look like --

COUNCILMEMBER COOK: Yes, it's...it's pretty --

MR. WALSH: -- tomorrow.

COUNCILMEMBER COOK: -- early. Thank you, sir, for your answer.

CHAIR U'U-HODGINS: Thank you, Member Cook. Member Paltin, you have clarifying question?

VICE-CHAIR PALTIN: Thank you, Chair. My...my clarif...thank you to the testifier. I'm only on BlueJeans, so I can't really see your face. But my clarifying question is along the same lines as Member Johnson's. If we're talking about housing, for me...for me, like what I've been talking about in talking about housing, instead of building the physical structure is building up our community, building up our community members that need the housing. And so, when you're talking about housing, my clarifying question is, like what are the...the types of people? Like I know you said to Member Johnson, former homeowner...like in my mind, I'm thinking like there's homeowners with families and pets; there's homeowners with no mortgage, or with a mortgage that are going to have to figure out, you know, this interim; there's renters; renters with pets and all of those types of things; renters that were a part of an individual house rentorship; or renters that were a part of like Front Street Apartments. And so, that...my clarifying question is, would that be, you think, a fair way to address the problem of housing is more to look at it from the standpoint of the people that we're trying to provide housing for, and their individual needs, and...and break them into those categories where we're trying to address the needs of these various categories of people of Lāhainā that need housing?

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MR. WALSH: Yeah, I...I think that...that seems to me to be a very reasonable approach, that if you could sort of lump sum everything into certain categories of need, that probably will accommodate a...a variety of our workforce's needs, you know. Some of my folks that had grown up in a home, it wasn't necessarily their home, their...they would...I think that that homeowner, the person who actually owned the property, would love for those people to come back and occupy that property. You know, I know there's all kinds of hazardous material and the safety aspect of it all has to be considered but, you know, to expedite the process, man, these people would go in...if they would be trained, into the hazmat stuff and Tyvek suit and the respirator and...you know, and a shovel, and start clearing that place out, and they...and then put a tiny home on that spot for that family as a transitional housing. Because I think with the transitional housing--you'd know better than me, I don't know the...I don't know the County codes--but I think for like a tiny home transitional house that my church is putting up for people, it's...I don't think there's a permit necessary for that, but I'm not...I'm not entirely sure. But if...if they can go from a hotel--because they're...the family of four or whatever is being moved from room to room to room on a hotel property, and I think they're grateful for that, but at some point they have to move into that next thing, which is still going to be transitional, but hopefully it'll be a step up, right, I think it's going to be a gradual thing. And maybe it is like a tiny --

VICE-CHAIR PALTIN: The other thing...

MR. WALSH: -- home solution or, as . . . *(inaudible)* . . . was saying, is that you...you could look at those different lumps, those little chunks, and you could...you know, you could...you could build into that, whether it's an apartment complex for those and...and whatever that may be, you could fit that niche, I think, might be a good way to go.

VICE-CHAIR PALTIN: The other thing that I've been hearing all these people that have been selling their properties, some of them have been selling it...like they...they aren't from Lāhainā, and they've been selling it to the people that rented. Do you think that any of your employees would be in that situation, where if the house that they were staying in that burned down was in a place to sell, that they would be in a place to purchase?

MR. WALSH: Could be. I think it depends on obviously the price point. I think most of my staff...from my kids...they're not...my kids aren't a part of my staff, but on down, buying a house in Maui is challenging, you know. Without the house on it, maybe just...maybe just the land, maybe that's a more reasonable price point. You know, it could be a great opportunity. You know, I don't know how you bridge the gap between a homeowner who lost their home, maybe they weren't born and raised here, maybe they worked here for a while, and they just

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see that...they don't...they don't see the future anymore, and they have this asset, and they want to sell it and move back to the mainland, you know. We don't necessarily want an outside person to come in and buy that up for top dollar and then rebuild, you know, we want that to go to, you know, our folks, you know, quite frankly, you know. I don't know how you...I don't know how you legislate that. I don't know...you know, I'm on...you know, that's an extremely tough one, you know. But it would be great if...if they could do that, I would love for those opportunities to present themselves for the staff to do it. You know, I think businesses might even be able to help employees into a situation like that, you know, that possibly we could do a loan opportunity if we could.

CHAIR U'U-HODGINS: Thank you. Member Paltin --

VICE-CHAIR PALTIN: Awesome. Thank you.

CHAIR U'U-HODGINS: -- are you finished with your clarifying questions? Okay.

VICE-CHAIR PALTIN: Yes, thank you.

CHAIR U'U-HODGINS: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Mr. Walsh, for your testimony this afternoon. I...I understand that your...some of your workers are off-island, and they wanted to come home. Now, if...if the State is...as...not...is going to take upwards of three years to...to put in the infrastructure, and even rebuild the harbor, do you still want them to...to come home prior to that date?

MR. WALSH: Well, I'd love them to come home, you know, they're...they're my family, but they need employment, and I don't want to lose the intellectual capital. You know, prior to COVID, you know, we had built the company, and we had some staffing, and now COVID hits, everybody had to go to furlough, and I lost a lot of employees. We just had rebuilt the staffing back up to where it once had been, and...and the fire hit. You know, some of my positions like to drive the submarine, and you need a special license. I happen to have one, I'm one of a hundred people in the world that can do that.

COUNCILMEMBER SINENCI: I...yeah...and Mr. Walsh, I mean I get it, but if...and I...I...your...your other submarines are probably insured, so you'll probably get a new submarine, but if...if there's no harbor to operate out of, and...and people are already, you know, ordering their new boats and submarines, I mean where would you operate if the harbor is not built yet?

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MR. WALSH: Right, and...and I guess that is the plight with the State, which is not really a County issue, it's my discussions on the State side from Chair Chang to Ed Underwood about allowing us to temporarily operate out of another harbor, such as Mā'alaea, or off of...you know, picking up passenger of...passengers up off of Kā'anapali Beach, shuttling them out. There's...there's solutions that we're not really making headway on so I can open up and operate. I mean I would like to give my staff a little bit of hope at some point. You know, I...I won't be able to go back to a seven-day-a-week operation that we're doing, you know, six to eight dives a day, it's probably going to be five days a week, three dives a day. I just want to bring back some folks, keep some intellectual capital here, and bring some hope back to people. You know, I...I...there's so many disillusioned folks, you all know that.

COUNCILMEMBER SINENCI: Thank you.

MR. WALSH: Yeah.

COUNCILMEMBER SINENCI: Thank you, Chair.

CHAIR U'U-HODGINS: Of course. Thank you, Member Sinenci. . . .*(inaudible)*. . . .  
testifier? Seeing none. Thank you very much for being with us today.

MR. WALSH: Thank you very much, guys. Appreciate you.

CHAIR U'U-HODGINS: Thank you.

MR. WALSH: And lead forward.

CHAIR U'U-HODGINS: Thanks. Pray for us now.

MR. WALSH: You got it.

CHAIR U'U-HODGINS: Thank you. Okay. Staff, do we have anybody else signed up to testify?

MR. KRUEGER: Chair, one other person has signed up to testify, that would be Jacee Law.

CHAIR U'U-HODGINS: Okay. Mr. Law.

MR. LAW: Aloha.

CHAIR U'U-HODGINS: Aloha.

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MR. LAW: Chair U‘u. I’m Jacee Law, and I just wanted to the...everybody knows this word, mahalo, Chair Hodgins.

CHAIR U‘U-HODGINS: Thank you.

MR. LAW: I always get like...because you’re the perfect person to deal with all the crazy, fired-up people that come over here to testify, myself excluded.

COUNCILMEMBERS: . . .*(laughing)* . . .

MR. LAW: I’m glad the budget person here is...from the Mayor’s office, Maria, because I mean it’s like over my head, but a guy that...a good friend of mine I was working for this summer was...that owns property...property...like that word ‘aina and hale in Pukalani, with the...all the lawsuits and stuff with Hawaiian Electric, Hawaiian Electric’s probably going to go bankrupt, and...from what I can read in the newspapers and stuff. And I’m not sure if the County’s like okay, you can’t comment on that because I think the County’s actually suing Hawaiian Electric as well. [Pshew] So, he just says that...that...I asked him, is there anything you wanted to say to the Council? He said that something should be done because the taxpayers shouldn’t be burdened with higher electric rates for the next 30 years. And I’ll save the rest of my time for the Hawaiians.

CHAIR U‘U-HODGINS: Thank you, Mr. Law. Members, do we have any clarifying questions? Seeing none. Thank you. Staff, do we have anybody else signed up to testify?

MR. KRUEGER: Chair, there’s currently no one else signed up to testify at this time, so we’ll do a last call. If anyone does want to testify now at the beginning of the meeting, please identify yourself now. We’ll proceed with the countdown...three, two, one. Chair, no one else has identified themselves as wishing to testify.

CHAIR U‘U-HODGINS: Thank you very much. Let’s proceed with the first item on our agenda. We have before us Resolution 23-194, entitled “DEVELOPING A COMPREHENSIVE RECOVERY AND RESILIENCY PLAN IN RESPONSE TO THE ISLAND OF MAUI’S TRAGIC FIRES OF AUGUST 2023.” We will continue our discussion from yesterday on developing a comprehensive and recovery resiliency plan, again, in response to the fires. Today, we will focus on government oversight, budget, economic development. And we have--hold on we don’t have that person, nor that person--so, at this time, I am going to request opening comments from you, Budget Director Zielinski.

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MS. ZIELINSKI: Thank you, Chair. As you know, we've...the Mayor had indicated that we anticipated lost revenue from many of the services, and as a result, we have implemented...or not have implemented, we have a bill that's actually...will be...be heard relative to reducing our budget by...it was approximately 5 percent, it was about \$31.2 million. And it was a way of basically responding to the anticipated loss of revenue. We really...honestly, we don't...our estimates are based, you know, on our best...you know, best estimate, really, we...we don't really know what...if it'll be worse or it'll be better. It may not...we may have over, overestimated those losses, or we may have under, we...we just don't know, but we tried to be as conservative as possible, you know, kind of thinking worst-case scenario. Obviously, this is new...new turf for us, so we...we have to just see. But having said that, we did go to all of the Departments, and we...we said, hey, this is what we're looking at, and...and the number was...it wasn't really any science, it was just based on once we looked at what the revenue loss would be, it looked like maybe about 5 percent, give or take, and we just kind of used that as a number for them to...to work with. In some cases, Chair, we...in some cases some of the Departments were actually over-burdened because of the fire and...and the ramifications of that, be it a lawsuit, be it services, whatever, and they were...those Departments were basically told, you either don't have to reduce your budget, or you can...you don't have to go to what our objective is of the 5 percent, if you will. So, that's why you might see, when we've done our...we've looked at reducing some operating costs or whatever--or CIP for that matter--it was based on the nature of the Department. And the...the message that we gave to our Departments as well, from the Mayor, was that we did not want to impact or affect...impact any services, of course, critical services, in any way. So, those were the things we looked at. It wasn't just let's just do 5 percent across the board, and we're done, we're good. So, that's what we've done. We've worked those numbers, we continue to...I believe we actually have a...a...we have some responses that...a response that'll be going to BFED and...and to the Councilmembers today, by the close of business. And so, you will be seeing a lot of detail relative to that. In some cases we have...as you know, we have a lot of vacancies, and further reduce some...some potential positions as far as funding for certain vacant positions. So, we were...we were able to do that in certain departments. But again, recognizing that it was the nature of the department, each department was treated differently in that respect. We had to look at that. And in many cases, they met with us, or they met with the Mayor, and they explained their situation. So, I think...and...and then, of course, we looked at CIP as well, and it...it was basically where they looked at items or projects that they simply would not get to because their...their...their staffing, and their resources, are just, you know, being focused on the fire, response to the fire, and they just couldn't get to those items, or they don't anticipate getting to them. So, I think, you know, the cases of the CIP, they were all...basically they said, you know, we'll do them, but it'll just be deferred because, you know, of...of manpower and that sort of thing. I

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think that's kind of where I wanted to...just...unless you have some additional questions, Chair.

CHAIR U'U-HODGINS: We will be asking you questions --

MS. ZIELINSKI: Sure.

CHAIR U'U-HODGINS: -- after we take testimony, then we're going to have an opportunity --

MS. ZIELINSKI: Okay.

CHAIR U'U-HODGINS: -- to talk stories more about all the things --

MS. ZIELINSKI: Thank you.

CHAIR U'U-HODGINS: -- you guys are doing.

MS. ZIELINSKI: Okay. Thank you.

CHAIR U'U-HODGINS: Thank you. Okay, well, now we're going to move on to Kalani Ka'ana'ana, Chief Brand Officer for HTA, if you have any opening comments.

MR. KA'ANA'ANA: Aloha, Chair, Members, members of the public, mahalo for having us here on Maui today. Little bit intimidating being up here at the desk. Wanted to say two things. As of the 16th of October, I took over the role of what is...we're now calling a Chief Stewardship Officer. And so, that means my role is to manage tourism, it's to look at our destination management action plans, their implementation, and how do we understand the impacts, good and bad, of tourism in our island home. And so, really eager to continue this conversation with you all today, and happy to take questions later. Mahalo.

CHAIR U'U-HODGINS: Thank you so much. Before we get into discussion, I'd like to do a last call on testimony for this item. Staff, do we have anybody signed up?

MR. KRUEGER: Chair, no one has signed up to testify on this item. We'll do a last call at this time. If anyone would like to testify on GREAT-14, please identify yourself now. We'll do a countdown...three, two, one. Chair, no one else has indicated that they'd like to testify.

**. . . END OF PUBLIC TESTIMONY . . .**

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CHAIR U'U-HODGINS: Thank you. Members, seeing there are no individuals wishing to testify, without objection, I will now close oral testimony.

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

**ACTION: Close oral testimony.**

CHAIR U'U-HODGINS: Thank you and written testimony will continue to be accepted. We're going to be implementing another three-minute questioning period, and we are going to begin with Member Paltin. Member Paltin, you have any questions for either Budget Director or Mr. Ka'ana'ana?

VICE-CHAIR PALTIN: Thank you, Chair. For the Budget Director, are you in coordination with the Finance Department, regarding the tax relief proposals from the other day, and then tracking how much additional will need to be cut?

MS. ZIELINSKI: Chair? Yes, Councilmember, we...the...the numbers that we have thus far from Finance, from Real Property Tax, are just the ones that are based on the current waivers. I believe we do have...I...I believe Real Property Tax is...is working on those...the impact numbers for the others. But we have...I haven't done anything where it's impacted where it's gotten to the...to the Budget Office yet.

VICE-CHAIR PALTIN: And then, I guess...you know, I've heard that other places that go through these types of catastrophic disasters, they...they would contract out like an overall--I don't want to use the word redevelopment because that's kind of scary to a lot of folks--but just remaster planning, or holistic coordinated planning. And, you know, I know that the Planning Department has been involved mostly with the South Maui CPAC, and just finished it the other night. So, I was wondering, is there, instead of cuts in that area, any talk of getting a comprehensive planning contract out?

MS. ZIELINSKI: Chair? Yes, Councilmember, I'm not aware of anything like that. I'm not sure that it would...it would get to me at that point. I haven't heard anything in any Director meetings at this point, but it's not to say it hasn't been discussed or considered.

VICE-CHAIR PALTIN: Okay. Because, you know, Planning, we haven't seen much of them, and I know that they handle permitting, and...and they're understaffed, and we've been hearing about it...emergency permitting section, but also, the idea of like shoreline setbacks, emergency routes, and all of these things. Like it...it's going to take additional money, and so, I just was wondering, have...have you any brainstorm thoughts of additional revenue to cover not only



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the shortfalls, but to do...build a more resilient Lāhainā moving forward?  
...*(timer sounds)*...

MS. ZIELINSKI: Thank you, Chair. Councilmember, I'm...I do know that the Planning Director is working on various, you know, kind of high priority, you know, permitting, that sort of thing. But I'm really...I'd have to...I...I'd be just conjecturing on anything further. I don't have any details, I apologize.

VICE-CHAIR PALTIN: So, she hasn't asked for any...from you or any...

MS. ZIELINSKI: I...at...not at this point, no.

VICE-CHAIR PALTIN: All right. Thank you.

CHAIR U'U-HODGINS: Thank you, Member Paltin. All week we were starting with Member Kama, but this week...today we'll...rather we're going to switch it up. So, Member Sinenci, do you have any questions?

COUNCILMEMBER SINENCI: Mahalo, Chair. Just for clarification, we just have Maria and Mr. Ka'ana'ana?

CHAIR U'U-HODGINS: Yes, we do.

COUNCILMEMBER SINENCI: Okay. Yes, just maybe a question for them. As we anticipate maybe a direct reduction in revenues from the tourism industry, does she foresee any, or how much in...in reduction does she see from the...from the RPT [*sic*] taxes that we would...would have gotten from more tourism?

CHAIR U'U-HODGINS: Director?

MS. ZIELINSKI: Thank you, Chair. Councilmember, you mentioned...you said Real Property Tax, I wasn't sure I understood. You mean because...

COUNCILMEMBER SINENCI: Or just the TA...sorry, TAT tax.

MS. ZIELINSKI: Oh, okay, yeah. We do believe that we will have a reduction in TAT, you know, relative to what we...we collected Fiscal Year '23. So far we've...

COUNCILMEMBER SINENCI: What kind of reduc...like a...is there a...do you see...how much reduction?

MS. ZIELINSKI: Yes. So far, we're seeing, you know, a...it like the only month we saw so far that we saw some bit of a reduction was, I think, in September--let me just...if you can bear with me for a moment. So, for example, I'm looking at

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numbers, and you...you folks will see this...actually, by the close of business today, we'll be sending this...submitting this. But for September of last fiscal year, because of course, August, you know, the delay and everything, you don't really see the impact. But for September, the TAT was 6,833,430; for September of this year, of '23, 4,136,745, so a couple of million dollars less. August, really...actually, let me see here. August was about 800,000 less, 8,087,256; last year it was 7,213,433. But the lag in collection, because it's coming from the State, I don't really...I don't know that we would have seen that much of an impact. But we do see a bit of a reduction, you know, I anticipate that we will see...we will continue to see some reductions. The good news, though, is that our budget for Fiscal '24 was unchanged. It was 60 million, we were very conservative in what our budget was. And the budget for Fiscal '23 was also 60 million. However, when we did get the numbers in--and keep in mind, for Fiscal '23 the...they're in the middle of being audited right now, you know, the auditors are here, so it's unaudited number. But right now, I believe our number for TAT . . .(timer sounds). . . is...can I finish the answer? Yes, okay...85.838, that's what it looks like our TAT will have been for last Fiscal Year. That's comparing to our budget of 60 million. So, you can see, we were very conservative, which was actually a good thing because we believe that the \$60 million will probably be a good number even with...notwithstanding, you know, somewhat of a reduction.

COUNCILMEMBER SINENCI: Okay, thank you.

MS. ZIELINSKI: You're welcome.

COUNCILMEMBER SINENCI: Thank you, Chair.

CHAIR U'U-HODGINS: Thank you, Member Sinenci. Chair Lee.

COUNCILMEMBER LEE: Thank you. Is it Mr. Ka'anana [sic]? Okay, thank you. How do you see Maui County moving forward in the next...over the next couple of months, and...and when do you see some kind of turnaround? Because maybe the next few months, you...we're still in a extreme recovery mode, but I think people are now realizing, thanks to, you know --

VICE-CHAIR PALTIN: If you could speak into the mic...we lost audio.

COUNCILMEMBER LEE: -- more information going out.

CHAIR U'U-HODGINS: Did we...did you lose us, Member Paltin?

VICE-CHAIR PALTIN: I can hear you, I...I don't know if speaking directly into the mic helps with us being able to hear Mr. Ka'ana'ana.

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CHAIR U‘U-HODGINS: Okay, we can...we can have him...

COUNCILMEMBER LEE: Okay. So, just your...your general prediction of when do you think Maui’s economy will begin to, you know, recover?

MR. KA‘ANA‘ANA: Sure. Mahalo, Member, for the question. . . .(clears throat). . . Excuse me. When we look at some of the forward-looking data that we’re able to get--it’s all publicly available on hawaiiourismauthority.org--when I look through...

COUNCILMEMBER LEE: Can I...can I --

MR. KA‘ANA‘ANA: Yes.

COUNCILMEMBER LEE: -- interrupt you right there? Are you primarily relying on UHERO, or do you have other sources?

MR. KA‘ANA‘ANA: We have our own sources. And so --

COUNCILMEMBER LEE: Okay.

MR. KA‘ANA‘ANA: -- the data I’m speaking to is actually self-reported from the hotels and the airlines themselves. And so, they give us a really good barometer of where we think we’re going within the next quarter. I...it’s not particularly optimistic, looking through the first quarter of Calendar Year ’24. I don’t have a really good sense of when we think we might make the corner, but for the data that I do have that is forward-looking, it does not look great right now. If I look in...in reverse, just to give some September data, we saw a 52 percent reduction in overall visitor spending, it was 203 million for the month, down from 428 on-island. And then when I look at some of the...

COUNCILMEMBER LEE: Excuse me, 428 million for Maui only?

MR. KA‘ANA‘ANA: Correct.

COUNCILMEMBER LEE: Okay.

MR. KA‘ANA‘ANA: Spending...visitor spending, total visitor expenditures. So, it was a 50...roughly 53 percent reduction from last year, year-over-year. So, not particularly optimistic.

COUNCILMEMBER LEE: So, where can we get these statistics?

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MR. KA'ANA'ANA: Happy to provide them to you directly, but you can always find them on hawaiiitourismauthority.org, and there's a research tab under monthly statistics.

COUNCILMEMBER LEE: Can you just send it to us?

MR. KA'ANA'ANA: Absolutely.

COUNCILMEMBER LEE: Oh, thank you.

MR. KA'ANA'ANA: So easy.

COUNCILMEMBER LEE: Yes, we've been referred to every website in the world.

MR. KA'ANA'ANA: Easy.

COUNCILMEMBER LEE: Thanks.

MR. KA'ANA'ANA: Of course.

COUNCILMEMBER LEE: And...and if I still have a second, who is keeping track of all the Federal monies that we need to be, that can be reimbursed to the County? This is for the Budget Director, who's keeping track, you?

MS. ZIELINSKI: Chair? At this point in time, Finance has...the Finance Department has been keeping track, but I do believe...or I understand that that will be going . . .(timer sounds). . . over to the Office of Recovery.

COUNCILMEMBER LEE: Okay. Well, can I have one last question? Don't we have a...someone who is kind of an expert in MEMA? Is she going over to the Office of Recovery as well?

MS. ZIELINSKI: I honestly don't know.

COUNCILMEMBER LEE: Oh, okay.

MS. ZIELINSKI: Yes, I don't know, sorry.

COUNCILMEMBER LEE: Thank you.

CHAIR U'U-HODGINS: Thank you, Chair. Member Cook, any questions?

COUNCILMEMBER COOK: Yes, thank you, Chair. My question is for our Budget Director. Could you give me a thumbnail sketch breakdown of the \$39 million

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reduction, how the...what...what that consists of when the Administration came up with that number. Thank you.

MS. ZIELINSKI: Sure. Chair? Thank you. It's actually 31.2, but yes, close enough, right. So, we have basically Real Property Tax--this was...you know, I'm sure these...these numbers will continue to move, but this is based on our initial...our initial estimates. We were looking at Real Property Tax of 19,520,138 for the entire year, and that's General Fund money. Then we were looking at Residential Refuse, Solid Waste Fund of 420,376; Landfill Operations also Solid Waste Fund that was a million three seventy-five. Landfill Operations...and this is the Environmental Protection and Sustainability Account, it's a small fund, that reduction of 529,000 in revenue. Sewer fees 3,240,000, and I understand from Director that he...he felt he was being very conservative--or I should say, when I say very conservative, maybe oh, estimating it higher than what will actually happen. But again, we'd just rather be conservative than not. Water fees were 4,000,001, and that's under the Water Fund, but then they...they also have a Special Assessment area that's also Water Fund, and that's 900,000, so for water it's 5 million. The...the Director did indicate that number could be higher. He was...he feared that it might be higher, but it was an initial estimate. Liquor License, 240,308. Many of the...I think something like...I know I have it here, about...I think it's 53 businesses, if I'm not mistaken, were...you know, were...were affected by the fire. So Liquor, of course, goes by the licenses. And they're hoping that they...if they relocate to a different location, they might be able to move that license over, so...but they're looking into that right now. And Fuel Tax, Highway Fund, 838,731. Those are the numbers, so it comes to 230...31,231,254. On the Highway Fund, again, I think we...we felt that it might be a little bit conservative or, you know, it might be higher than what we thought, but we just don't know. We really don't know. Yes.

COUNCILMEMBER COOK: Thank you for your answer . . . *(inaudible)* . . .

MS. ZIELINSKI: Uh-huh.

CHAIR U'U-HODGINS: Thank you, Member Cook. Member Rawlins-Fernandez, any questions?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So, Ms. Apo Takayama and myself have shared several different links in the chat for the Councilmembers and the public that are signed on to BlueJeans if they want to view some of the reports HTA has on their website. So, mahalo for alerting us to those reports, Mr. Ka'ana'ana, and mahalo for joining us in person today, it's always wonderful to see you. And mahalo, Director Zielinski, for being with us. Okay, so my question is, and I've asked this to other people before, I don't think

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I've asked you before, Mr. Ka'ana'ana. I...you know, so visitor spending, it costs a lot to stay in...in a hotel room in a resort, and I've asked how much of that like circulates here on island, and I never really got an answer. Like what percentage stays here? Like I am sure a lot of it, if not most of it, goes offshore. So, if you could speak to like...I don't know, room nights, if...if you can, you know, get that granular or, you know, in general visitor spending, and like what percentage stays here and not...is not just like going into chains and immediately going offshore?

MR. KA'ANA'ANA: Mahalo, Member, for the question. In short, there was a study, it doesn't have the...the best name, it's called the leakage study, and it...it...it really is how much money --

COUNCILMEMBER RAWLINS-FERNANDEZ: That's a perfect name.

MR. KA'ANA'ANA: -- leaves our economy. And so, we've asked DBEDT and the READ Division, the Research Economic Analysis Division, to update that report so that we have a more accurate number. So, the short answer is, I don't know that number now, we have asked Dr. Tian at DBEDT's READ Division to update that report to give us a sense of that. I think I would also share, just briefly, that DBEDT, HTA, READ, and others, have formed a ad hoc committee, for lack of a better term, to make sure that we're getting all the right economic and tourism data so that we have that. And so, I know that they meet regularly to put that together. So, I'm happy to follow up with Dr. Tian and see where the progress of that leakage report update is at. Mahalo.

COUNCILMEMBER RAWLINS-FERNANDEZ: Awesome, mahalo. And then so, do you know like around when that report was last updated?

MR. KA'ANA'ANA: It's been a number of years, and I can look at it right now and I can let you know.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. KA'ANA'ANA: Yes, I'm going to pull it up.

COUNCILMEMBER RAWLINS-FERNANDEZ: I mean...and that'll be a number of years ago, so --

MR. KA'ANA'ANA: Yes, it's...it's out of date.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- it's not necessarily meaning that it's like, you know, current. So...but I...I think that just interesting because that...that matters, right, that we're not just being exploited for our natural

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beauty, cultural beauty, for, you know, shareholders that live offshore, and...and all the burden is...is...is externalized onto our environment and our people, making people elsewhere rich. . . .(timer sounds). . . So, mahalo for looking that up for us. Mahalo, Chair.

CHAIR U'U-HODGINS: Thank you, Member Rawlins-Fernandez. We'll give you a moment to look at that, and then maybe on her next round if you want to share. Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Thank you both for joining us, really appreciate your busy schedules and giving us this time. So, Budget Director Zielinski, I'm curious about the 5 percent cut across the board. I asked Deputy Director Nishita to come back with which departments. Because would you cut 5 percent of the Fire Department at this time? I mean...and so, can you elaborate on the type of which...which departments?

MS. ZIELINSKI: Chair? Sorry, I don't have that...I don't think I have those numbers with me, but I can tell you just from...you know, just from what I remember. For example, Emergency Management, there was no --

COUNCILMEMBER JOHNSON: Right.

MS. ZIELINSKI: -- change obviously. On Fire, I know that he had taken out, and we...he had had a conversation with the Mayor as well, as well as myself...and Police as well that, you know, just do what you can do to contribute to the savings because of the lost revenue. And I believe the number--because I...I was concerned about that as well--I think it was...and I'm...I'm just...I'm conjecturing, but I believe it was .63 percent was his reduction on his budget, so it was no 5 percent.

COUNCILMEMBER JOHNSON: Okay.

MS. ZIELINSKI: It was under 1 percent, for sure.

COUNCILMEMBER JOHNSON: OED...how about OED?

MS. ZIELINSKI: OED did 5 percent.

COUNCILMEMBER JOHNSON: Okay. That's a bit of a concern for me because I would assume, and you can correct me if I'm wrong, but that 5 percent would be 5 percent cut to grants.

MS. ZIELINSKI: Yes. It actually...our directive to them was anybody who was a line item that we had a grant that was a signed, executed grant, we don't touch

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them. So, she didn't touch anything. What she touched were two items--and as I recall, one was the sports, and I'm not...I have it, I can give you exact, but it was sports and something or other. But on that she took out 210,000, and that was the amount for the Maui Invitational which didn't happen. Yes, the other piece was--and let me just get it because I do have that, if you don't mind, let me just take a quick look. So the first one that...the one I just mentioned was Sports and Events Promotion. So, the only thing she took out, as I mentioned, was the 210, and that was for Maui...and the Maui Jim Invitational. The other was Technology and Business Promotion, and that...I just want to take a quick look here, just bear with me for a moment. I know on that one there was no...there was...nobody was impacted because it wasn't a specific grant, it was a generalized category. I know that she mentioned, and I just--when I say she, I'm talking about Director Mahi--that it didn't impact anybody, but of course, if there were future needs, that amount...and I just have to look to see what the --

COUNCILMEMBER JOHNSON: Okay.

MS. ZIELINSKI: -- amount was . . . *(timer sounds)*. . . if it had been impacted, yes.

COUNCILMEMBER JOHNSON: Are we doing a second round, or can I continue?

CHAIR U'U-HODGINS: Yes, we're doing a second round. Do you want to wait?

COUNCILMEMBER JOHNSON: I'll wait for second round.

CHAIR U'U-HODGINS: Okay. Thank you, Member Johnson. Member Kama, questions?

COUNCILMEMBER KAMA: Oh, yes, I was going to continue with what Member Johnson was...with the direction he was going because --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER KAMA: -- I do want to know all the departments, what their...what their cuts were, but I also wanted to really know who was the technology and business profession that was...that was deleted because I'm still making sure that broadband, the digital equity, never gets cut. So, I'm just watching for that.

MS. ZIELINSKI: Chair? Yes, Councilmember, there was no specific individual or entity that was cut. As I said, we...the directive was, nobody who has a line item where it's a certain organization was impacted...we didn't touch that. But in some cases, like the sports one, or the one that was technology and business



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promotion, where it was a general category, it was reduced. So, it would reduce her ability to provide additional, but anything that was already, you know, spoken for was not touched.

COUNCILMEMBER KAMA: Okay. Okay, so I'm going to continue with Mr. Kalani, I'm just going to call you Kalani. So...so, you know, we went to the Westin, I think, two years ago, and when I got my bill, I was so shocked because the hotel bill was...I thought was relatively small, but they had like nine different categories of fees, and taxes, and this, and that, and I thought I hope that we're doing the same thing on Maui, you know. So, can you tell me, in the hotel industry, what--besides just the rental of the hotel, what are the other fees and taxes that are being charged?

MR. KA'ANA'ANA: In its most simple form, and my board member can keep me honest, is General Excise Tax, County Transient Accommodations Tax, State Transient Accommodations Tax, and then if you want to maybe count resort fee, but that's probably separate from the room night, the base room. Yes, but those are the three primary taxes levied on a hotel stay.

COUNCILMEMBER KAMA: And what percentage is that?

MR. KA'ANA'ANA: So, 10-and-a-quarter for State TAT, 3 percent for County, and then the roughly 4 percent GET.

COUNCILMEMBER KAMA: Okay, thank you so very much. Yes, it's not enough, only on...

COUNCILMEMBER RAWLINS-FERNANDEZ: I was saying almost 5 percent now with our surcharge.

UNIDENTIFIED SPEAKER: Yes.

COUNCILMEMBER KAMA: Thank you.

CHAIR U'U-HODGINS: Thank you very much, Member Kama. Member Paltin, any...any further questions?

VICE-CHAIR PALTIN: Thank you, Chair. My second round, I would like to ask Mr. Ka'ana'ana if you could share with us...you know, a lot of emphasis has been put on October 8th, November 1st, in the news media. Most times when I personally am asked about those dates, I try to slip in there, you know, Wailea, wide open; Makena, missing you; Pā'ia, good fun; you know, Hāna, heavenly. And I just was wondering as to other folks' efforts to do the same. Because even if folks come out to West Maui, the opportunity to contribute to our

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economy is not the same as it was, and neither is it the same as those other locations where all the businesses are still standing, for the most part, and...and would want that business. We don't have the 134 eateries, we don't have the grocery stores, we don't have all the things that the other places currently have. And if the State continues on with this tourism economic model, every time that the emphasis is put on West Maui, when the majority of people...you know, we don't have adult daycare, we don't have child day care, we don't have all the things. I just was wondering as to the effect...efforts of either the Hawai'i Tourism Authority, or just, you know, even maybe coaching other elected officials, or people in the news, about speaking to those areas. I mean Wailea, Makena, makes the most sense because of the highest . . . *(inaudible)*. . . and all the ancillary functions. But I just was wondering, I don't see that when I watch the local news.

MR. KA'ANA'ANA: Thank you, Member Paltin, for your question. I...I think I would step a bit up to maybe the 30,000-foot level first, just to orient everyone. We think about our education of the visitor starting pre-arrival, and so that starts as early as their awareness around, where am I going to travel to? And we really try to start the education around how to travel responsibly there. We follow that through to the airlines, and in-flight, we follow that through in their confirmation emails. Many of the partners have helped us by getting...helping us get the message out about how to travel responsibly, and I can unpack that a little bit later. We also do that in the airports themselves, and then we follow them with targeted paid social media ads while they're in destination. And so, I really want to just stress the comprehensiveness of following that visitor through their entire . . . *(timer sounds)*. . . visitor journey. And then I would say specifically, what we did is we worked with the Governor's Office of Wellness on working on a...essentially a...a piece of collateral that helps to educate the visitor industry partners so that they can in turn train their staff on how to essentially teach visitors not to ask dumb questions. I don't have a better way to say that, but we know that asking questions retraumatizes individuals, and so, we've been pushing that messaging out as well. And then also, I think for us, it's about--I don't know how to say this nicely--our visitors can't really distinguish six visitable islands to begin with, that has been a part of our work is that they just think we're Pangea, and it's like one big island. And they're like oh, can I drive from Kilauea to get to Hanauma Bay? I'm like no, you may not. You can try, but no. And so, some of it is we've...we started...if you look at our communications, we started listing the actual towns or areas specifically on Maui to try to begin that education so that they have that granularity and understanding, to your point, what's open. I'll defer to Councilmember Sinenci on Heavenly Hāna, if that's still branding we'd like to use, but no, we do try to make sure that they are aware of the options that are available to them, and we try to again encourage them, through our Mālama Maui messaging, to buy local, right, it's about where we're steering the 400-some-odd million within the

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economy, and can we make sure they're at Akamai Coffee instead of Starbucks and things like that. And so, how do we make sure that we start to educate them to make better choices.

VICE-CHAIR PALTIN: Thank you, Mr. Ka'ana'ana, and Chair.

CHAIR U'U-HODGINS: . . . *(inaudible)*. . . agree. So, you're welcome to use his tagline. Oh, Member Sinenci, your question? Oh, can you not hear me, Member Sinenci? I did...

COUNCILMEMBER SINENCI: Sorry, we lost you guys.

CHAIR U'U-HODGINS: Oh.

COUNCILMEMBER SINENCI: Yes.

CHAIR U'U-HODGINS: It's your --

COUNCILMEMBER SINENCI: Yes, so my question for...

CHAIR U'U-HODGINS: -- it's your opportunity to ask...okay, your opportunity.

COUNCILMEMBER SINENCI: Yes. So, where heaven and nature agree, 'ohana. But my question for Mr. Ka'ana'ana is, you know, you mentioned the...the amount of reduction for Maui. Has the State numbers remained the same? Have we seen those...those tourists that might have come to Maui may have gone to the other islands?

MR. KA'ANA'ANA: Thank you for the question. We might refer to that as book away, meaning that they had intended to go to one part of the State, and instead booked away to another place. We have seen some of that, but I would say overall, that's been pretty minimal, and we have seen a reduction overall at the statewide level. For context, West Maui is about 15 percent of the State's total tourism economy. If you wanted to compare that to Waikiki, it's roughly 32 percent. So, just to give you a sense of that. I think one of the nuances in regards to the importance of West Maui is that it was often the best-yielding inventory, not only for Maui, but for the State. And so, the economic impact and the loss thereof is greater from that perspective. When I look at the overall tourism statistics for the month of September, I would say--and I'm going to pull it up here so I don't quote the wrong number, just because I want to be clear--total visitor spending in the first nine months of calendar year 2023 is at \$15.8 billion, that's up 8 percent from 14.6 over last year, and that's up 18 percent over the first nine months of 2019 in terms of pre-pandemic. When we look at visitor arrivals in the first nine months of the Calendar Year 2023, we're

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at 7.3 million within the State, and that's an increase of 6.4 from 2022, and it's a decline of 6.5 percent...from the first nine months of 2019 pre-pandemic. So, are we back --

COUNCILMEMBER SINENCI: Okay.

MR. KA'ANA'ANA: -- to pre-pandemic? No. Are we over '22? Yes.

COUNCILMEMBER SINENCI: Okay. Thank you, Mr. Ka'ana'ana.

MR. KA'ANA'ANA: And Kalani is fine everyone, mahalo.

COUNCILMEMBER SINENCI: Kalani, has...has HTA translated the...the unemployment numbers due to...in the tourism industry, and have...have you talked to the Governor about maybe increasing, or helping to...to address some of these unemployment numbers from the tourism industry?

MR. KA'ANA'ANA: Thank you for the question, Member. I don't have specific unemployment numbers by the visitor industry, I can check with our research team if they do. We would say though, generally, in a normal year, tourism would support just over 200,000 jobs across the State. And so, I think the last number I saw from Maui was . . .*(timer sounds)*. . . 7,000-ish, just over 7,000 still unemployed. And so, I don't know how many of those are in the visitor industry, so I can check. I would say, though, that our board has addressed what we would refer to at HTA in a statutory way is that there is and has been declared a tourism emergency, meaning that there has been significant impact to the industry, and that is related to jobs. And so, I think our focus is...our primary two missions, if you might call them that, for HTA are, how do we manage tourism's impacts, good and bad, when visitors are in-destination, and then how do we create travel demand to the Hawaiian Islands. And so, part of that work that we do in visitor education is attracting the mindful Hawai'i target traveler--sorry, all the lingo we're using, sorry--but how do we attract the visitor that is going to have the right--we call them psychographics in the marketing world--that are more aligned with the kind of travel that we want, and then making sure that we're targeting that. So, long story short, to answer I think what was your very direct question about how do we get people back to work, is creating travel demand. By returning travel demand in a responsible way is...is the best way that we've...we can address the unemployment piece of this.

COUNCILMEMBER SINENCI: Mahalo, Kalani. Thank you, Chair.

CHAIR U'U-HODGINS: Thank you, Member Sinenci. Chair Lee, any questions?

COUNCILMEMBER LEE: No, thank you.

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CHAIR U‘U-HODGINS: Okay. Member Cook?

COUNCILMEMBER COOK: Yes, thank you, Chair. I have two questions for our Budget Director. One, the Council District line items, was that cut at all?

MS. ZIELINSKI: Chair? No, they were not touched.

COUNCILMEMBER COOK: Okay. And my other question is, it’s...it’s a question, but it’s also a comment to bring to your attention, the Administration’s the...attention. As far as generating jobs and stimulating commerce, are getting our permits, building permits...it is a huge opportunity because that’s often nail shops, hair salons, restaurants, small businesses, and...as well as residential construction for homes all across the board. So, I would encourage you...it would be an interesting exercise if you could get this number for us in each and every one of the Departments that review permits, what is the current value, estimated permit value, of...that’s on their desk? That’s something that I’d like to know. Thank you.

MS. ZIELINSKI: Will do.

CHAIR U‘U-HODGINS: Thank you, Member Cook. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I’m going to stick with tourism, one of my favorite topics. I love talking about tourism. What do you mean? That is not insincere. Okay, so I heard you say for the first nine months, \$15 billion in spending. Again, that number means nothing without understanding where that money goes because...you know, does that mean that our people benefit? Does that mean that, you know, one job is enough for people? Does that mean that our Kānaka Maoli communities stop being displaced from our homelands? Does...does that mean there’s...we’re seeing less individuals who are unsheltered? Does that mean we see more affordable housing? Does that mean that we’re seeing better infrastructure? Who benefits? And I don’t think it’s our community as much. That \$15 billion in the first nine months, that’s a lot of money, and I think a lot of that money goes...goes off island. And, you know, I know that we’re looking for the leakage report, and in my quick Google search, I...I found the State of Hawai‘i has yet to assess how much tourism revenue is lost to foreign economies as affect known as leakage, which is a problem in tourist destinations around the world. In some places like Thailand, for example, a staggering 70 percent of overall tourism revenue is lost to foreign-owned businesses. And I...I feel like we’re not that far away from that. And then I will stop talking, and then I’ll let you provide comments.

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MR. KA'ANA'ANA: Mahalo. In essence, I think we also agree and recognize from our community conversations that the direction of the spending is important. Where is that, you know, being spent. I would step back also, though, to say that really, I...I think we need to understand this on a longer horizon. I think there's broad agreement that we want to understand what that leakage looks like, and how we better direct that. But I will say directly, tourism contributed over \$2.2 billion to the State economy...or to the State coffers last year. I...I don't remember, Director, what your Maui County number was, but when I think about how do our residents directly benefit from this, it's in the paychecks that they receive from the 200,000 jobs that are created by this. And we can have a discussion, I think, about wages, and what those are, and what that looks like, and...you know, you kind of alluded to one of the union's taglines about one job being enough. I think we also need to understand, though, that the direction that...that those funds, that 2.21, are directly driven by tourism. If you...at a State level, sorry...State office guy, I got to . . . *(timer sounds)*. . . I reorient myself to the County. But I'll say within the State budget, the DOE's budget is about \$2 billion itself. And so, how the Legislature allocates those fundings to directly impact us as residents is an important conversation to have. And then I would just say that also, we believe, and...and I think we've heard from community, that how we do the tourism that we do is important, and the model of what it looks like is important. I think that, though, we can have two ideas in our head at the same time, that's part of the complexity of this, that understanding we have a current model, and we, in all due respect, need to sort of keep the wheels going because we don't have something else right now, and then how do we transition to a model that we'd like to see. And so, what we've heard from our community listening sessions, and that you might see reflected in the destination management action plans, or DMAPs for short, is really community-based prioritization of things that they wanted to address. One of them, across the board in every island, was buy local. And so, whether it's supporting Maui Nui First, whether it's supporting our local Chambers of Commerce, whether it's the retail associations, whether it's those small businesses, like lei makers or whomever, how do we make sure that we're driving that 15 or so billion into those businesses? Because to your point, those dollars stay here longer. And how do we retain those dollars here longer is an important part of this. One thing that I've asked our team to sort of explore, and we're trying to figure out, is the...the research that we have related to spending is a self-reported departure survey. And that's one avenue of getting data, and that's a really good one. The other, though, that we have not really taken advantage of is credit card data. And we understand that there are different vendor codes, and what kind of, and it might help us understand where that spending's happening. So, I...I think we have agreement in we want to understand where the dollars go, how long they stay here, and what we can do as an agency of the State in terms of visitor education, and the marketing that we do to help them spend it wiser.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Great. Mahalo for that. And just for the record, that information that I read off of my search was from 2016, and I understand that HTA folks are...are advocating for a...an update to that leakage report, and perhaps this Council can help to advocate for that to be accomplished. Mahalo, Chair.

CHAIR U'U-HODGINS: Thank you, Member Rawlins-Fernandez. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. A lot of our Members recently traveled to Austin, Texas, for a conference. Just to let you know, there was a 6 percent State TAT tax for those rooms, and an 11 percent city tax of Austin, totaling 17...17 percent for TAT in Texas. And we all know, Texans hate their taxes, right. So...and ours, it's 13 percent, right, so that's the difference. Now, if you...just for Members' information and the public, I wrote a bill for the State legislature...State Legislature to consider to remove the County's limits on the 3 percent so each County could decide what their TAT would be. We'll see where that goes, but just to let you know. So, Director Zielinski, we had...I...now, correct me if I'm wrong, and you might have mentioned a little bit about this, but didn't we have a very conservative view of what the TAT was going to be last year? And then, what was that, and what it...what is it right now? So, can you speak on that? And I don't...forgive me if you mentioned the numbers, but can you go through that?

MS. ZIELINSKI: Sure. Chair? Sure, no problem. Yes, our budget for last year, for Fiscal Year '23, was 60 million. And our budget for Fiscal '24, for this current fiscal year, is also 60 million. And the reason why, as I said, we wanted to be conservative. However, having...and as I say, you actually will be getting a report, you'll see it from...it'll be flowing through budget...Budget Committee that we've responded to them. It'll...it's coming today, actually, at the end of the day, but I just want to get to that page if you can bear with me for a moment. Okay. So, for...for Fiscal Year '23, the total amount of...of TAT was 85,838,000, and that compares to our budget, which was 60 million. So, I mean that's...that's the good news. And the reason why we...when we did our projections relative to revenue lost that we thought we'd get as a result of, you know, the fires, we didn't change that budget number. And it was only because we said, gee, we've got--and this...that number 85, I should mention, I...I did say it before but it's an unaudited number, so it could change a bit. It...they're...they're in the process of get...having the audit right now, so the numbers, some might change, but I suspect it'll be pretty close to that. But as you can see, even with the 60 million, there's a lot of play there. So, we felt if we lost that amount of money, we feel...we...we...there was no need to alter the budget in any way. Yes. Thank you.

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COUNCILMEMBER JOHNSON: Thank you so much. Thank you, Chair.

CHAIR U'U-HODGINS: Of course, Member Johnson. Do we have any other questions? No? Okay. Oh, Member Sinenci, and then followed by Member Paltin.

COUNCILMEMBER SINENCI: Mahalo, Chair. Just a quick question for the Budget Director. What was the...the cuts for the Human Concerns side of the Department of Housing and Human Concerns?

MS. ZIELINSKI: Chair? Yes. Councilmember, just hang on for a moment, let me pull that up. I actually don't have the input from...I had all the responses, I didn't take those with me, but let me just see if I can...I know that they did impact their...let me see if I can...I might have a summary. I can certainly give you the...the details, but just bear with me for a moment.

COUNCILMEMBER SINENCI: We did have a Dr. Ayasanonda from last week that...that was asking for more mental health services for...for West Maui, so I just wanted to see that we don't get...those cuts aren't affecting those --

MS. ZIELINSKI: It...it shouldn't.

COUNCILMEMBER SINENCI: -- those.

MS. ZIELINSKI: What we...what we did, in speaking with Department of Housing and Human Concerns is, they did...most...they did reduce their operating budget by 5 percent--oh, I'm sorry--and a lot of it was on their internal operations, be it supplies, training, vacancies, that sort of thing. The only area that they did actually...and it...it'll sound initially bad because it's...we have...we had some areas that...the areas they were looking at was...like I said you...you'll...I'm going to say it, and then I'll explain it, was in houseless programs; grants and disbursements for food, shelter, and safety; substance abuse programs; youth...and youth alcohol education awareness programs. However, having said that, that's the areas...some areas that they...after they hit all of their operating budget, these are some of the areas. Now, they did...they did not touch any line item grants, so nobody...no organization was impacted. They said that they absorbed the 5 percent reduction from their own operations, and also, those four funds that I just mentioned. However, those funds were not yet committed via grant agreements, and they feel that there would have been no immediate impact for any of the nonprofits. So, again, it was sort of what OED did as well. They just went to general areas, but nothing...they did not touch any specific programs or any specific entities, it was a general program, and they...where they felt it was no...there would be no impact. And that was...that



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was really the direct...directive that we...we...we tried, the Mayor had actually given, didn't want to see any...anybody impacted by it.

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

CHAIR U'U-HODGINS: Thank you, Member Sinenci. Member Paltin?

VICE-CHAIR PALTIN: Oh, thank you, Chair. I just wanted to follow up on the...I think it was about approximately 25 million surplus from the TAT. So, I know that's unaudited number, but was that 25 million dumped into the Emergency Fund that is part of the roughly 40 million for this fiscal year?

MS. ZIELINSKI: Chair? Yes, thank you. Councilmember, no, that was not. That would be...that 24 or 25 million, if that's what it ultimately is, that would actually be something that would be part of Carryover Savings when we...we're back here doing our Fiscal '25 budget. Or if we need to, which you'll see it, sometimes the Director of Finance will certify some addition...where we...we have a budget amendment, we need some additional monies, and we might use...knowing that we went...we went over on our...we've exceeded our revenue and projections, we know that that's probably a good idea that we could use that money for, you know, something like that. But that would ultimately equate to a Carryover, that would not be used for Emergency Fund or anything like that . . . *(inaudible)*. . . no transfers like that.

VICE-CHAIR PALTIN: Okay. So, that rough 24, 25 million is going to be reported as carry...part of Carryover Savings for Fiscal Year '25 then?

MS. ZIELINSKI: Chair? Yes, correct.

VICE-CHAIR PALTIN: And that's not the only source for Fiscal Year '25 Carryover Savings. Whatever was not spent last fiscal year will be Carryover set...Savings for next fiscal year?

MS. ZIELINSKI: Correct. Any savings that we might have, if we've...you know, if we thought revenue would be less, and it ended up being higher, that all gets rolled up into a Carryover Savings, you know, which we really want to see, of course, because that gives us some leeway as we start to craft the budget for Fiscal '25...as we all know, as we start to look for money. So, that's important. So, that...that's something we prefer, you know, to be very careful about touching.

VICE-CHAIR PALTIN: And just to clarify, any Affordable Housing Funds that weren't used, that doesn't rollover as Carryover Savings, that rolls over as part of the Affordable Housing Fund. So, it doesn't make any --

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MS. ZIELINSKI: Yes.

VICE-CHAIR PALTIN: -- sense to not use that money, right?

MS. ZIELINSKI: Correct. That's a special revolving...that's a revolving fund that doesn't...we don't touch that. So, Affordable Housing, Open Space, those items, they just keep rolling, you know, the balances are carried forward. And of course, there's more special revenue than that, those are just the two that . . . *(inaudible)* . . .

VICE-CHAIR PALTIN: And then, you know, as a result of these kind of catastrophic disasters, there's a lot of talk of revenue coming in from...whether it's FEMA, or whatever disaster revenue, and we...we did hear that we missed some deadlines. The public assistance deadline wasn't super clear about like, you know, who can apply for public assistance, and how to apply for it. Who in the budget area is keeping track of all the sources of Federal money that we should be applying for in light of this disaster?

MS. ZIELINSKI: Chair?

CHAIR U'U-HODGINS: Yes, please.

MS. ZIELINSKI: We will record anything as we...we become aware of it, but, you know, the actual details, or as...as expenses are incurred, and then they make those applications, that's between Office of Management, it might be through Office of the Mayor. I'm not...you know, there's several different people that are handling that. The Budget Office . . . *(timer sounds)* . . . is not. Once...once we're aware of something, and it's hard and fast, and it's a dollar amount that we can count on, then...then...then it hits the Budget Office.

VICE-CHAIR PALTIN: So, you're not aware of who is doing that?

MS. ZIELINSKI: No, I couldn't...I couldn't say. Yes, I'm sorry.

VICE-CHAIR PALTIN: Okay, hopefully it's not slipping through the crack.

CHAIR U'U-HODGINS: Kalani, if you have any other information on the leakage report that you would like to share, I'd appreciate it. Thank you.

MR. KA'ANA'ANA: I would. I'm grateful to technology and Teams, and I was able to reach out to our tourism research director at READ, and I will quote what she said so I don't misquote it. According to DBEDT READ, 81 cents of each dollar spent by visitors in Hawai'i stays in Hawai'i. So, I believe that's a '22 number.

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CHAIR U'U-HODGINS: Thank you very much. Member Cook.

COUNCILMEMBER COOK: Thank you for that. My question, where would airline...airline cost wouldn't be considered part of that, correct?

MR. KA'ANA'ANA: I'd have to defer to her, and I'm not sure like how the --

COUNCILMEMBER COOK: It doesn't sound like --

MR. KA'ANA'ANA: -- math goes into all of that.

COUNCILMEMBER COOK: -- that was spent in Hawai'i, so, thank you for rapidly finding that out. Thank you.

MR. KA'ANA'ANA: Mahalo.

CHAIR U'U-HODGINS: Thank you, Member Cook. One second, Member Johnson, I'm going to ask Member Rawlins-Fernandez if she has any questions, and then if not, then you can go.

COUNCILMEMBER RAWLINS-FERNANDEZ: I...no, this is good information, mahalo for getting that. I was going to open the report and kind of skim it. So, maybe I'll have more questions after.

CHAIR U'U-HODGINS: Okay. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: But I kind of want to check that out first.

CHAIR U'U-HODGINS: Sounds good. We'll have Member Johnson go, and --

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes, mahalo.

CHAIR U'U-HODGINS: -- then if you do have any questions, you're welcome to continue after. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Director Zielinski, I'm not sure if you can answer this, but I'll just put it out to the body, and you never know. Does FEMA pay TAT tax for all those hotel rooms?

MS. ZIELINSKI: Chair? I could be wrong, but I'm almost positive they do. I believe so because it's part of the...you know, it...it --

COUNCILMEMBER JOHNSON: Yes.

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MS. ZIELINSKI: -- my understanding, my limited understanding, is that there's a rate that they charge that they are willing to pay, and then I believe taxes are taxes. So, I can't imagine that they don't, but...and from conversations that I've been involved in, I...I'm almost positive that it's included, but...and I say, I can...can certainly find out, but I don't know I...I don't want to say definitively. But --

COUNCILMEMBER JOHNSON: Yes.

MS. ZIELINSKI: -- I'd say 90 percent certain of that.

COUNCILMEMBER JOHNSON: Like State doesn't pay our property tax, right? So, that's why; is that right?

CHAIR U'U-HODGINS: Yes. Member, maybe Kalani can answer.

MR. KA'ANA'ANA: Short answer, yes. They do pay TAT.

COUNCILMEMBER JOHNSON: Oh, the Feds aren't exempt from us. Yes, that's cool. All right, thank you.

CHAIR U'U-HODGINS: Thank you, Member Johnson. Member Rawlins-Fernandez, do you want to take another moment to skim?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes, mahalo.

CHAIR U'U-HODGINS: Okay. Do we have anybody else to ask any questions? Member Sinenci, Member Paltin, you have any other questions? Okay, Member Sinenci, I see you're good. Member Paltin, you have any questions? You're good. Okay. Well, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Well, if it's just me holding us all...all up, then I guess I'm good too. And mahalo to Mr. Ka'ana'ana for the report, I look forward to reading it very thoroughly. Mahalo.

CHAIR U'U-HODGINS: Okay. Well, I know earlier this week, we had discussed on this day also providing you folks with a list, and then kind of going through all the things and providing you guys with a list. However, you know, we're short two Councilmembers at the moment, and we wanted to kind of take a bit more time, I hope that's okay with everybody, and we will continue this conversation on the 14th. Member Rawlins-Fernandez, go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So, maybe...a...a suggestion.

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CHAIR U'U-HODGINS: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: We can like begin the list, and it doesn't have to end today.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: And then the next day, you know, and that way--we never know what tomorrow brings, and so --

CHAIR U'U-HODGINS: Unfortunately, we do not.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- what was that?

CHAIR U'U-HODGINS: I said, unfortunately, we do not.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Our crystal balls are not working. So, perhaps if we can get some work done today, and then there...there will be less work tomorrow. I mean not --

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

COUNCILMEMBER RAWLINS-FERNANDEZ: -- literally tomorrow, because tomorrow is the Council meeting.

CHAIR U'U-HODGINS: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: But the next GREAT Committee meeting.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes.

CHAIR U'U-HODGINS: Okay, well let me...Kasie, we're going to take maybe a ten-minute recess and we can discuss. Okay. Well, let's take a ten-minute recess, we'll come back at 3:24, and we can continue this meeting. We are now in recess. . . .*(gavel)*. . .

**RECESS: 3:14 p.m.**

**RECONVENE: 3:32 p.m.**

CHAIR U'U-HODGINS: . . .*(gavel)*. . . Good afternoon again, Members. It is 3:32, and will the GREAT Committee please reconvene. So, we took a short recess earlier

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so we could compose some of the thoughts and testimony that we have been hearing in this Committee related to this resolution. So, at this time, I'm going to read off some of the things that we have, that we've collected, and if you folks have anything you want to add before we start dividing all the work, please do so now. So, I'm going to read these off. So, first we have tax relief for residential and commercial; we have a moratorium on STRs and B&Bs; mortgage forbearance; State and Federal budget requests; Front Street parking; interim housing need...interim housing inside the burn zone, subject to master plan agreements; interim housing outside the burn zone; modified zoning ordinances, subject to, again, master plan agreements; temporary tiny home areas with appropriate community plans; preapproved architectural plans; debris removal; fireworks, firebreaks, and greenways; managed retreat; emergency egress routes; solar expansion for redeveloped homes; disaster case management system; historic and cultural preservation; Lāhainā as a center for Hawaiian cultural heritage, and the capital of the Hawaiian Kingdom; ethnic community focal points; fire memorials space and structure; communication and coordination between departments; and system improvements. We also have education, child care, recreation, integrating West Side hospitable...hospital, general infrastructure needs, R-1 water, infrastructure expansion, integrated water system, collapsing public and private systems within regions, utility line requirements...excuse me...undergrounding of lines, expediting the permit process, transportation as it relates to buses, park and ride, emergency evacuation roads, multimodal transportation related to easement issues, agriculture land management around Lāhainā, bypass extension to improve Lāhainā's resiliency, master plan development, communications - internal and external, building design guidelines in rebuilding especially as it relates to the historic sites, and eminent domain. Is there any other items, anything else you folks would like to add? Please share with us, and then we will add them to this list we have before we start distributing them all. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. So, here's a few that...that I didn't...I'm sorry, I...I tried to listen to them all, and I was taking...checking off the ones that...that I had.

CHAIR U'U-HODGINS: No worries.

COUNCILMEMBER JOHNSON: So, then the...so, we...you mentioned management of ag lands and fallow land tax as one of the...recycling R-1 so that it's clean enough we could water and make green spaces, as well as...oh, you did say that? See, I'm sorry.

CHAIR U'U-HODGINS: No, you're fine.

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COUNCILMEMBER JOHNSON: And then you did the powerlines and...and just to let you know, the idea of a land trust has really been...has really been...there's been action on it, I just wanted to say --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER JOHNSON: -- like there's...West Maui folks are moving at lightning speed. So, that's the only one. Thank you. Thank you.

CHAIR U'U-HODGINS: Cool, thank you very much. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Yes, so, I did the same thing in and ticked off the ones that you named, and Member Johnson named.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, so, let's see. I wrote down also rent during the transition, so I think maybe rental assistance --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- and you may have already said that. At the Westin Resort when we took all the testimony, Michele Lincoln, in her testimony, described the plan that sounded great, and I think that falls under master plan development --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- but I wanted to add a detail of like the FEMA schedule of matching funds for the rebuild so that we're maximizing as much of FEMA funding in, you know, the redevelopment as we can, and not just letting that opportunity pass by. And then from yesterday, when I asked each of our resource personnel to share with us the items that they hoped that they see on the list, Department of 'Ōiwi Resources, SHPD processes, adoption of the CARP--so it's the Climate Action Resiliency Plan--a County seedbank of native seeds, the restoration of Moku'ula and Mokuhinia, a hazard waste site for toxic material, and then I also put gas fire in parenthesis because we also heard some of that too.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: And I'd like to see that happen. And economic development through co-op models, so community co-op models for economic development. Okay. Mahalo, Chair.

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CHAIR U'U-HODGINS: Thank you. Does anybody else have any other ideas?  
Member Paltin.

VICE-CHAIR PALTIN: Thank you, Chair. I didn't write anything down or check  
anything off so let me know --

CHAIR U'U-HODGINS: That's okay, give it to us anyway.

VICE-CHAIR PALTIN: -- if you said it. Okay, adult daycare.

CHAIR U'U-HODGINS: Okay.

VICE-CHAIR PALTIN: Mental health/suicide prevention.

CHAIR U'U-HODGINS: Okay.

VICE-CHAIR PALTIN: Shoot, guess I should have wrote it down.

CHAIR U'U-HODGINS: You're welcome to email it...email us if you wanted to.

VICE-CHAIR PALTIN: Okay.

CHAIR U'U-HODGINS: So say what you have for right now, and then you can follow  
up with an email. And then again, we're not going to be discussing this until  
the 14th, so you have some time.

VICE-CHAIR PALTIN: Okay. One thing that we've been kind of working on is Kula  
Kaiapuni having a K through 12 campus that's affiliated with the Lāhainā  
Complex pool area so that, you know, they can still play sports as Lāhaināluna,  
but that they can get the full immersion experience like where even the morning  
announcements and everything that in...in 'Ōlelo Hawai'i.

CHAIR U'U-HODGINS: Okay.

VICE-CHAIR PALTIN: Mortgage moratorium or interest deferral, however you want to  
say that, I'm not sure if that was said. And just this afternoon, right before the  
start of this Committee, we filed our Lāhainā Community Land Trust paperwork  
to be a nonprofit. Unfortunately, at this time I'm serving as the president, but  
we'd like to find somebody more qualified.

CHAIR U'U-HODGINS: Okay. Congratulations on filing. Okay. So, if you don't have  
anything else to add right now, that's okay...okay, please email us, and then  
again, we can continue to go. Member Sinenci.



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COUNCILMEMBER SINENCI: Chair, I just wanted to...to kind of piggyback on Member Rawlins-Fernandez about the FEMA, but maximizing the acquisition of Federal legislative and existing agency grant funding. And then to Member Johnson's one about private land...landowner land management and brush abatement. This...this morning we had about street names and moving...moving some mains --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER SINENCI: -- a force main. Maybe a reso to support the Moku'ula application to CWRM.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER SINENCI: I'm not sure about...we did...everybody did receive a letter from Ed Faylen (*phonetic*) about a possible cooperative, electric company cooperative, and maybe a local Department of Health Office or Department of Health for Maui County.

CHAIR U'U-HODGINS: Okay. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair.

COUNCILMEMBER SINENCI: Oh, sorry, memorial park.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER SINENCI: Thank you.

CHAIR U'U-HODGINS: Thank you, Member Sinenci. Member Johnson, go ahead. Think you might just have to close your computer.

COUNCILMEMBER SINENCI: Okay.

CHAIR U'U-HODGINS: Thank you.

COUNCILMEMBER JOHNSON: All right. So, I wanted to give some bill numbers to some of those ideas. So --

CHAIR U'U-HODGINS: Yes.

COUNCILMEMBER JOHNSON: -- to clarify...sorry, I...I went a little too fast because I was trying to keep up with you, you were going so fast.

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CHAIR U‘U-HODGINS: Sorry.

COUNCILMEMBER JOHNSON: The underground powerlines is Bill 90 --

CHAIR U‘U-HODGINS: Okay.

COUNCILMEMBER JOHNSON: -- (2023). The increased housing opportunities and access to ag land is Reso 23-220.

CHAIR U‘U-HODGINS: Cool.

COUNCILMEMBER JOHNSON: The fallow lands was going...going to BFED, the R-1 is Bill 52. Okay. So, the...Councilmember Sinenci mentioned that the brush abatement, we’re trying to do enforcement of hazard...hazard removal under powerlines and around our communities, that bill is...I’m going to try wait for the...December, the...the California firefighters are coming to speak to our firefighters --

CHAIR U‘U-HODGINS: Okay.

COUNCILMEMBER JOHNSON: -- so, after they come back and they have a discussion on what is...is the best way forward, I’ll...I’ll work on that bill.

CHAIR U‘U-HODGINS: Okay.

COUNCILMEMBER JOHNSON: And I think Bill 103 is the fallow land tax one. So...and that’s...that’s what I got for now. Thank you.

CHAIR U‘U-HODGINS: Thank you. Thank you, Member Johnson. Member Rawlins-Fernandez, I’m going to call on Chair first, and then you’re welcome to go. Chair Lee.

COUNCILMEMBER LEE: Just a couple things. Master financial plan and special redevelopment area ordinance.

CHAIR U‘U-HODGINS: Okay. Special redevelopment ordinance. Okay. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...not much more to add --

CHAIR U‘U-HODGINS: Uh-huh.

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COUNCILMEMBER RAWLINS-FERNANDEZ: -- right now. But I just had a question for Member Johnson. Because if the legislation has already been referred to a Committee, then we might have to discharge and re-refer if next week we decide that it'll go to a different Committee. So, just flagging that.

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR U'U-HODGINS: Thank you very much. Member Paltin.

VICE-CHAIR PALTIN: Thank you, Chair. I'm not sure if this was already mentioned, the unemployment or disaster unemployment or job resiliency. This is the second time that, you know, there's been like big loss of jobs because of tourism taking a nosedive. And if we can let people have...maybe tourism be, if they want to have two jobs, their second job, and have a main job or something along those lines. A lot of people are asking me what's going on with the disaster unemployment, and I don't...I know that's more of a State function, but does the County assist in any way? Or who would we direct folks to? The...the crazy thing to me is that there's so many jobs that need to be filled, and there's so many unemployed people, but for some reason we're not able to connect the folks. Like, you know, disaster case management or what have you. So, I don't know if that would fall under economic development or economic resilience, but it...I feel like it...it should be somewhat addressed because, you know, I don't want it to be like third times a charm, we can...we can address it this second time, with COVID being the first time and a fire being the second time, that it's easier for folks to pivot or something like that, or...or the County has something in place to assist folks with that disaster unemployment, or unemployment, or however...having if there's a way for us to hold hands with the State on that to just help our people. Because I don't think anybody likes to hear it when you say, oh, the State handles unemployment. So, not an answer that I want to give.

CHAIR U'U-HODGINS: Okay. We wrote that down. Thank you.

VICE-CHAIR PALTIN: Thank you.

CHAIR U'U-HODGINS: Member Sinenci. Yes.

COUNCILMEMBER SINENCI: Thank you, Chair. Just a couple small ones, and then maybe a big one. Pool covers, and second kitchens, and additional parking for existing homes to increase housing.

CHAIR U'U-HODGINS: Second kitchens, yes, okay.

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COUNCILMEMBER SINENCI: Second kitchens, yes. And then --

CHAIR U'U-HODGINS: Second kitchens, pool covers you said, first one.

COUNCILMEMBER SINENCI: -- I know I heard...pool covers for --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER SINENCI: -- yes, for people with pools so that --

CHAIR U'U-HODGINS: Okay.

COUNCILMEMBER SINENCI: -- you kind of minimize the evaporation rates. And then, you know, I...I did hear a lot that only 25 percent of the water is under municipal control. So, I don't know if a water authority would work, I mean if there are any private companies that are willing to sell their systems that the community can possibly...but I'm just throwing it out there for the community to mull over. Thank you.

CHAIR U'U-HODGINS: Thank you. Member Cook, followed by Member Paltin.

COUNCILMEMBER COOK: Thank you, Chair. I'd just like to share with the Members that the Water Department is actively having discussions with various people to purchase the private water systems. And so, that...that...that is being pursued, and at...and some directions, it looks very positive.

CHAIR U'U-HODGINS: Thank you, Member Cook. Isn't it? Member Paltin.

VICE-CHAIR PALTIN: Thank you, Chair. I just wanted to mention after being at the CWRM meeting at the Cameron Center, one of the commissioners suggested an update to the West Maui portion of the Water Use Development Plan.

CHAIR U'U-HODGINS: Okay.

VICE-CHAIR PALTIN: So, I did put in a PAF for West Maui Water Use Development Plan update, and I...I heard about the master planning portion of your list --

CHAIR U'U-HODGINS: Yes.

VICE-CHAIR PALTIN: -- and I just was inquiring, is that considered like the same as a...like a community...West Maui Community Plan update? Because, you know, I don't want to throw everything out of the West Maui Community Plan out the window, but it...like you said, it needs to be master plan because it's

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almost like a blank slate, although a lot of our policies and whatnot are still good. So, would updating the West Maui Community Plan fall under the master plan part that you had said?

CHAIR U‘U-HODGINS: That’s a good question. Maybe we can have Long-Range come in here, and then we can discuss with them what that might look like, and we can go from there. Because I know other counties that have faced similar disasters have hired out basically somebody to help them navigate through...from scratch basically. So, you know, I think best we maybe have Office of Recovery, as Member Rawlins-Fernandez just said, and then even Long-Range come and talk to us, and maybe we can discuss further what that might look like. Thank you.

VICE-CHAIR PALTIN: Main thing, it’s on your list.

CHAIR U‘U-HODGINS: Got it, thank you. Okay, do we have anything else we might want to add? Sounds good...sounds good, looks good. Okay, Members, again, we are going to continue discussing this item on the 14th. So at this time, if there are no objections, I will defer this item.


**COUNCILMEMBERS VOICED NO OBJECTIONS.**

**ACTION: DEFER.**

CHAIR U‘U-HODGINS: Thank you, Members, thank you so much. I appreciate everybody giving up their time for this Committee this week as well, I really do thank you. This concludes the Government Relations, Ethics, and Transparency Committee meeting. Thank you very much again. It is 3:49, and this meeting is adjourned. . . .(gavel). . .

**ADJOURN: 3:49 p.m.**

APPROVED BY:

  
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NOHELANI U‘U-HODGINS, Chair  
Government Relations, Ethics, and  
Transparency Committee

great:min:231102:cvk

Transcribed by: Cheryl von Kugler

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CERTIFICATION

I, Cheryl von Kugler, hereby certify that pages 1 through 45 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 15th day of December 2023, in Wailuku, Hawai'i

A handwritten signature in cursive script, reading "Cheryl von Kugler", is written over a horizontal line.

Cheryl von Kugler