HOUSING AND LAND USE COMMITTEE

Council of the County of Maui

# MINUTES

# **October 23, 2024**

# **Online Only via Teams**

#### **CONVENE:** 9:05 a.m.

- **PRESENT:** Councilmember Tasha Kama, Chair Councilmember Tom Cook, Vice-Chair Councilmember Gabe Johnson, Member (Out 2:45 p.m.) Councilmember Alice L. Lee, Member Councilmember Tamara Paltin, Member Councilmember Keani N.W. Rawlins-Fernandez, Member Councilmember Shane M. Sinenci, Member Councilmember Yuki Lei K. Sugimura, Member (In 10:35 a.m.) Councilmember Nohelani U'u-Hodgins, Member (In 9:13 a.m.)
- **STAFF:** James Krueger, Senior Legislative Analyst Ellen McKinley, Legislative Analyst Carla Nakata, Legislative Attorney Jennifer Yamashita, Committee Secretary Jean Pokipala, Council Services Assistant Clerk Lei Dinneen, Council Services Assistant Clerk Ryan Martins, Council Ambassador

Residency Area Office (RAO):

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

**ADMIN.:** Michael Hopper, Deputy Corporation Counsel, Department of the Corporation Counsel

Kate Blystone, Director, Department of Planning (Items HLU-34, HLU-3(21)) Gregory Pfost, Administrative Planning Officer, Department of Planning (Items HLU-34, HLU-3(21))

Jordan Hart, Planning Program Administrator, Department of Planning (Items HLU-34, HLU-3(21))

Robert Schmidt, Deputy Director, Department of Environmental Management (Items HLU-34, HLU-3(21))

Richard "Remi" Mitchell, Director, Department of Housing (Item HLU-34) Oliver Vaas, Captain, Department of Fire and Public Safety (Item HLU-34) Jordan Molina, Director, Department of Public Works (Item HLU-34) Council of the County of Maui

#### October 23, 2024

**OTHERS:** Leil Koch (Item HLU-34) Kimo Falconer (Item HLU-34) Warren Freeland (Item HLU-34) Tanna Swanson (Item HLU-34) Theo Morrison, Executive Director, Lāhainā Restoration Foundation (Item HLU-34) Katie Austin (Item HLU-34) Sherri Curry (Item HLU-34) Alex April (Item HLU-34) Sne Patel (Item HLU-34) Patricia Cadiz (Item HLU-34) Caitlin Miller, Maui Vacation Rental Association (Item HLU-34) Jonathan Helton, Grassroots Institution of Hawaii (Item HLU-34) Elizabeth Ray (Item HLU-34) Donald Cameron (Item HLU-34) Jordan Ruidas (Item HLU-34) Jackie Keefe (Item HLU-34) Christine Camp (Item HLU-34) Junior (Item HLU-34) Kai Nishiki, Maui Nui Resiliency Hawai'i (Items HLU-34; HLU-3(21)) Robin Knox (Item HLU-34) Cynthia Morris, Lāhainā Strong (Item HLU-34) Jen Mather (Item HLU-34) Nara Boone, Maui Housing Hui (Item HLU-34) Tom Croly (Item HLU-34) Johann Lall (Items HLU-34; HLU-3(21)) Leonard Nakoa (Items HLU-34; HLU-3(21)) Desilee Santiago, Member, Maui Tenants & Workers Association (Item HLU-3(21)) Lehua Simon (Item HLU-3(21)) Others (78) PRESS: Akakū: Maui Community Television, Inc.

Akaku: Maul Community Television, Inc. 'A'ali'i Dukelow, KITV Island News Chelsea Davis, Hawai'i News Now

CHAIR KAMA: ... (gavel)... Will the Housing and Land Use Committee meeting of October 23rd, 2024 come to order. It is now 9:05 a.m. I am Tasha Kama, Chair of the Housing and Land Use Committee. This online meeting is being conducted in accordance with the Sunshine Law. Members, when your name is called, if you are not with me in the Planning Conference Room, please identify by name if anyone is in your workspace with you today, and minors do not need to be identified. Committee Voting Members, I want to say aloha kakahiaka and aho (phonetic) to our Committee Vice-Chair Tom Cook.

VICE-CHAIR COOK: Aloha kakahiaka, Chair. And aho to all.

CHAIR KAMA: I want to say aloha kakahiaka and aho to our Council Chair Alice Lee.

- COUNCILMEMBER LEE: Good morning, Chair. Aho, and that's from the Crow Indians in Montana. I'm home alone in my workspace, ready to go. Thank you.
- CHAIR KAMA: Thank you. We also have our Councilmember Tamara Paltin. Aloha kakahiaka and aho unto you.
- COUNCILMEMBER PALTIN: Aho and aloha kakahiaka kākou. Streaming live and direct from Nāpili, my kitchen table. I have two canines with me. One is an adult named Kingy Poo Paltin-Vierra, and the other is an unnamed minor canine. Thank you.
- CHAIR KAMA: Thank you for that attendance at your home. We have...good morning and aloha kakahiaka and aho to Councilmember Gabe Johnson.
- COUNCILMEMBER JOHNSON: Aho, Chair, Councilmembers, community members. There's no testifiers at the Lāna'i District Office, and I'm here and ready to work. Mahalo.
- CHAIR KAMA: I want to say good morning, aloha kakahiaka, and aho to Councilmember Keani Rawlins-Fernandez.
- COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou, mai Moloka'i Nui a Hina. I am at my private residence, alone here. And there are currently no testifiers at the Moloka'i District Office. Mahalo, Chair.
- CHAIR KAMA: Thank you. We also have our Councilmember Nohe U'u-Hodgins. I don't see her online, and she's not here. Okay. Well, we'll circle back with her. And we have our Councilmember Shane Sinenci. Aloha kakahiaka and aho to you, Councilmember Sinenci.
- COUNCILMEMBER SINENCI: Aloha kakahiaka, Chair. And aho kākou from my personal residence. I'm here at my home office by myself, and there's no testifiers at the Hāna District Office, Chair.
- CHAIR KAMA: And Council Vice-Chair Yuki Lei Sugimura will be late today. She's at another meeting this morning. I want to say good morning to the Department of Corporation Counsel, Mike Hopper, good morning.
- MR. HOPPER: Good morning, Chair. Can you hear me okay?
- CHAIR KAMA: I can hear you fine. Thank you.
- MR. HOPPER: Great. Thank you.
- CHAIR KAMA: And we also have, from the Department of Planning, coming at 11:00, Kate Blystone, who's the Planning Director. But we have with us Gregory Pfost, the Administrative Planning Officer. Good morning.

MR. PFOST: Good morning, Chair.

#### October 23, 2024

- CHAIR KAMA: And we also have Jordan Hart from the Planning Program Administrator. Good morning. And we have from the Department of Environmental Management, the Deputy Director Robert Schmidt. Good morning.
- MR. SCHMIDT: Good morning, Chair.
- CHAIR KAMA: And then from the Department of Housing, as I saw, Director Remi Mitchell. Good morning. Thank you for being here.
- MR. MITCHELL: Good morning, Chair and Members.
- CHAIR KAMA: And Public Works wasn't invited, and I think we overlooked that, but hopefully, they might want to send somebody later if they're able to. So, we have from the Department of Fire and Public Safety, Captain Oliver Vaas from the Fire Prevention Bureau. Good morning, and thank you for being here with us.
- MR. VAAS: Good morning. Thanks for having me.
- CHAIR KAMA: And we have our Committee Staff. We have our Senior Legislative Analyst, James Krueger. Good morning.
- MR. KRUEGER: Good morning, Chair and Members.
- CHAIR KAMA: And then we have our Legislative Analyst, Ellen McKinley. Good morning.
- MS. MCKINLEY: Good morning, Chair. Good morning, Members.
- CHAIR KAMA: We have our Committee Secretary, Jennifer Yamashita. Good morning. And we have our Legislative Attorney, Carla Nakata. Good morning.
- MS. NAKATA: Aloha, Chair and Members.
- CHAIR KAMA: And then we have our Assistant Clerk, Lei Dinneen, who is registering our testifiers.

# ITEM HLU-34: BILL 105 (2024), AMENDING SECTION 19.500.110, MAUI COUNTY CODE, REGARDING NONCONFORMITIES

CHAIR KAMA: So, thank you, Members, for attending today's HLU meeting, and we have two items on the agenda today. We have HLU-34, which is Bill 105 (2024), Amending Section 19.500.110, Maui County Code, Regarding Nonconformities. We also have HLU-3(21), Housing Solutions. So, in accordance with the Sunshine Law, as Chair, I will be calling for testimony on each of our agenda items as we receive opening comments from our resources. Members, I ask that you hold all questions for the Administration until after testimony has been closed. HLU-34 is Bill 105 (2024), which

#### October 23, 2024

I just read, is amending the section of...Section Code 19.500.110. So, Members, our first item is Bill 105, which is a proposal from the Planning Department to address nonconforming structures and uses damaged, destroyed, or affected by an emergency or a disaster. I have corresponded with the Planning Department on some questions relating to the proposal, and their responses to my questions is on Granicus as item number 16. Because this is the Planning Department's proposal, I would like to provide them the opportunity to explain it further. And Mr. Pfost, you may proceed with your opening comments.

- MR. PFOST: Thank you, Chair. Good morning, Members of the Committee. I have a brief PowerPoint presentation. If you could bear with me for a minute, let me set this up real quick. I'm having...can you see my presentation?
- CHAIR KAMA: While we're waiting...while we're waiting for that, I want to say good morning and aloha to Director Molina, who's with Department of Public Works. Good morning.
- MR. PFOST: Can you see my presentation?

CHAIR KAMA: Yes, I can.

MR. PFOST: Okay, great. Thank you. Bear with me. Thank you. So, Members, this item is...Bill 105 is initiated...has been initiated by the Planning Department. And it addresses nonconforming structures and uses affected by a disaster. And it really falls at the heels of what we experienced in August 2023, and we'll be assisting those property owners, as well as property owners in the future, in regards to any disasters that may occur. I'd like to start off really quick with just what does nonconforming mean. Sometimes nonconforming can be a confusing aspect of the Zoning Code. There are two definitions within Title 19, one dealing with nonconforming buildings or structures, and the other dealing with nonconforming uses. And that's what this bill addresses, both of those. A nonconforming building is... is basically a structure that was previously lawful, meaning that it obtained a permit or approval, but does not comply with development standards of our existing Title 19 Zoning Code, such as density, yard requirements, setbacks, or height regulations. An example of this might be a residential structure that was perhaps constructed some time ago with a 5-yard...5-foot side yard setback, and that would be nonconforming to the current Code's requirement of a 6-foot side yard setback. That would be a nonconforming...example of a nonconforming structure. In regards to a nonconforming use is...by code definition, is a use of a structure. So, not the structure itself, but the use of that structure, which was previously lawful, but does not conform to the current zoning district in which it resides or is being operated in. So, an example of this might be a retail use that's in a structure that's been operating, which is maybe nonconforming to its existing Residential zoning district because Residential zoning districts prohibit retail uses. So, that would be an example of a nonconforming use, a retail use in a...in a Residential zoning district. The current nonconforming Code section that we have in Title 19 allows nonconforming structures and uses to continue. However, nonconfirming...nonconforming structures that were damaged or destroyed by more than 50 percent are required to conform to new Code requirements. And so, obviously, you can see, in regards to the disasters that we...the

# HOUSING AND LAND USE COMMITTEE MINUTES

**Council of the County of Maui** 

#### October 23, 2024

disaster that we experienced in August 2023 where many structures were entirely destroyed, the nonconforming section would require all of those structures to comply with new Code...or existing Code. Nonconforming uses in our existing Code are...also shall be discontinued if, after 12 months, they have been...not been operating. So, that also represents a bit of a problem when you have a large disaster, and especially what we've experienced here, is where we are more than 12 months from the...from the August 2023 disaster. So, any nonconforming use, per our existing Code, would not be allowed to re-establish. So, the purpose, really, of the nonconforming Code section is to establish compliance with current Code through attrition, meaning that over time, nonconformity will be in conformance with Code, either as they are damaged, or destroyed, or the uses cease to exist, then the new uses or new structures will comply with Code. So, that's the real purpose of our existing Code section. And as I mentioned, the issue that is when we have large disasters, such as what we experienced in August 2023, nonconforming structures or nonconforming uses would not be able to be re-established according to our existing Code. Hence, the purpose of this bill is really to provide the opportunity for these nonconforming structures and uses to be re-established to their state prior to the disaster. Regarding the proposed Code amendment and how it specifically relates to nonconforming structures, what it will do, it will allow nonconforming structures to be repaired or reconstructed if they're damaged by more than 50 percent. And as you are well aware, many structures were damaged at 100 percent of what we experienced last August. Reconstruction must comply with Title 16, which means it must comply with the Building Code, Fire Code, and flood hazard regulations. So, if a nonconforming structure wants to build to its nonconforming...prior nonconforming existence, if it does not comply with Building Code, Fire Code, or flood hazard regulations, then it cannot be rebuilt to its nonconforming standard. Building permits must be completed within five years, with the potential for a two-year extension by the Director. And then the reconstructed structure would still be considered nonconforming, and thus, any future changes must comply with the Code. In regards to nonconforming uses, a nonconforming use that is in a damaged or destroyed structure as a result of the disaster must be re-established within five years with a potential two-year extension by the Director. If the nonconforming use was not in a damaged or destroyed structure but was discontinued due to a lack of access or a lack of business activity, then it can also be re-established within five years with a potential two-years' extension by the Director. The re-established nonconforming use must be compliant with Title 16 prior to its occupancy. And once re-established, the use will still be considered as nonconforming, and thus, any future changes would need to comply with the County Code. The Planning Commission...the Lāna'i and Maui Planning Commissions reviewed this bill back in their meetings in February. They both recommended approval. However, they had concern with the Department at that time was recommending a four-year time frame for reconstruction or the use being re-established. Both of the commissions wanted that extended, and hence, the bill before you implements that by changing that four years to five years with up to a two-year extension, if necessary, as approved by the Director. The Moloka'i Planning Commission, on the other hand, while they voted...recommended approval of the proposed bill, they recommended that it exclude Moloka'i from the bill. Since the bill has been presented before you, the Department does have a couple of minor revisions that I'd like to mention real quick. In regards to

#### October 23, 2024

the CD1 version that's before you, the Department is in support of that version. However, there's a couple of minor amendments that I've shown on this page. It's just really in regards to references to another section, as well as a change in Hawai'i Revised Statutes 514A. has been repealed, so it really should be 514B. And then changing something in regards to ensuring compliance with Title 16. So, it's more of some wordsmithing than anything. And that was all within my...within the Department's October 17th, 2024 correspondence, which is in Granicus before you. There are a couple of other last-minute changes that we would like to recommend. You received a letter from the Fire Department dated October 1st, which is in Granicus, expressing some concerns with the proposed bill. The Department has been meeting with the Fire Department over the last couple of weeks and working out some additional language that we would like to add, some clarifying language to two sections within the proposed bill. I have that before you. It's really in Section 19.500.110(C)(1)(D)(2) by adding the bold language. So, the...currently that section says "the repair or reconstruction is permitted in compliance with Title 16," we would like to add the language, "provided that for residential projects, the Fire Chief may require compliance with Section 16.25 and 16.26(C), or portions thereof, as may be necessary for the improvement of public safety." This is just to make sure that those residential structures that are constructed within closer proximity to property lines, the Fire Department has an opportunity to consider public safety related to that reconstruction. And then the other change is to Section 19.500.110.D., adding the bold language, "provided that nonconforming uses on Lāna'i and Maui affected by emergency or disasters under Subsection (E) may be relocated in an equal proportion on the same lot or within the structure as recommended by the Fire Chief to the Director of Planning for the improvement of public safety." This allows basically uses to be able to put elsewhere on the lot if there is a safety issue with...related to where the structure is being or the new...where the re-establishment of the use is being located, if there is an opportunity to put that use in a different location to address public safety, this...this revision addresses that. And that concludes my presentation. Thank you very much.

- CHAIR KAMA: Thank you very much, Mr. Pfost. That was very nice. So, I mentioned that it was on Granicus 16, right, the PowerPoint. Is that right?
- MR. KRUEGER: Chair, apologies. That item is one of the correspondences that we received from Planning in response --

CHAIR KAMA: Okay.

MR. KRUEGER: -- to your questions. We don't have a copy of the PowerPoint that Mr. Pfost presented. So, if it's okay, Mr. Pfost, could you transmit that to the HLU Committee email?

MR. PFOST: Yes, I will do that right now. Thank you.

MR. KRUEGER: Thank you.

CHAIR KAMA: Okay. Thank you. So...Members, so, you could go ahead and grab that since it's posted, and our Staff will let us know when that is there. So, my apologies to you all. So, I think I'd like to invite also members of the Department of Fire and Public Safety, Captain Oliver Vaas. Do you have any comments? Or...there you are.

MR. VAAS: Not at this time --

CHAIR KAMA: Okay.

MR. VAAS: -- but I'm open to any questions you may have.

CHAIR KAMA: Okay.

MR. VAAS: Thank you.

CHAIR KAMA: And so, the...so, Mr. Molina, Department of Public Works.

MR. MOLINA: Hi. Good morning, Chair. Can you hear me all right?

CHAIR KAMA: Good morning.

MR. MOLINA: Is my audio okay right now?

CHAIR KAMA: Yes --

MR. MOLINA: Okay.

CHAIR KAMA: -- it's perfect. Thank you.

MR. MOLINA: Yeah, good morning. Jordan Molina, Director with Public Works. We had transmitted comments to the Committee. You know, after...then way after those comments came out, we did have discussions with the Administrator Pfost and Director Blystone. And the nature of those comments were really just as a peer administrator talking through some of those conflict scenarios that we anticipate may come up. But in further discussing, I think what...what practically is likely to happen is, the time limit in the Building Code on building permits is a five-year hard deadline with no extensions allowed. And so, that's probably the more restrictive provision that would be applicable. And so, in response to our comments, we don't...we don't necessarily see them as being too problematic, should this bill move forward. From the Department's standpoint, it really has minimal effect on how we administer Building Code. As you guys are aware, the zoning requirements and the Building Code are two separate independent regulations that both apply through a building permit process, but are enforced independently. So, we don't see any impact to our operations from the ordinance. I think the other general comment that I made to the Department was just how we might be accounting for this type of density change in our long-range planning. Do we account for this in any way in our general plans, in our population forecast, and in our...in our infrastructure planning at kind of that...that 10,000-foot level when we're proposing?

This...the...maintaining this...and sorry, I'm kind of speaking to that other bill that's not here today, but...so, yeah. In general, no major concerns from...from Public Works on the matter. Thank you.

- CHAIR KAMA: Thank you so very much, Mr. Molina. Appreciate that. And so, I did ask the Departments, and I did send them questions, and it's in Granicus. Their responses are in Granicus 9, 10, 12, and 13, respectively. And so, today, I want to ask Mister...Deputy Director Schmidt from the Department of Environmental Management for comments.
- MR. SCHMIDT: Yeah. The Department has no comments at this time.
- CHAIR KAMA: Thank you so very much. So, Members, I anticipate that we're going to have a lot of testifiers today, both in-Chamber...or in-person, as well as online. And therefore, if there are no objections, Members, I would like to limit testimony on both items today to two minutes each, without objections.

COUNCILMEMBERS: No objections.

CHAIR KAMA: Thank you. So, for Microsoft Team participants logged in via web or Teams app, please indicate that you would like to testify by clicking the raise-your-hand icon in the top right of your window. Staff will add your name to the testifier list. If you are joined by telephone, star-5 will raise your virtual hand, and Staff will put your name on the testifier list. Please keep your audio and mute...and video muted until you're called to testify. Written testimony is encouraged and can be submitted via the eComment link at mauicounty.us/agendas. Oral testimony is limited to two minutes per item. When you reach the one-minute mark, you will hear an audible notice. If you are still testifying when the notice sounds, please complete your testimony within that remaining minute. When testifying, we ask that you state your full name for the record, and anonymous testimony is also accepted. Decorum will be maintained throughout this meeting, and violation of decorum may result in being removed from the...from the Chamber or the online meeting...or in this place, the Planning room. You can also view the meeting on Akaku Channel 53, Facebook Live, or mauicounty.us/agendas. Thank you all for your cooperation. At this time, I'm going to call on testifiers wishing to testify only on HLU-34. Staff, are you ready for our testifier?

MR. KRUEGER: Chair, the first --

CHAIR KAMA: Yes.

MR. KRUEGER: -- person signed up to testify is Leil Koch, to be followed by Kimo Falconer.

CHAIR KAMA: Thank you. So, thank you for being here, Mr. Koch. But before you begin, I'd like to be able to recognize Councilmember U'u-Hodgins, who has been here for a few moments. Good morning, Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Good morning, Chair. Good morning, everyone. I'm in the Pā'ia District Office with Susan Clements and Jade Rojas-Letisi, and we have no testifiers here right now. Thank you.

CHAIR KAMA: Okay. Thank you. So, Mr. Koch, you may proceed. Thank you.

# ... BEGIN PUBLIC TESTIMONY FOR ITEM HLU-34 ...

- MR. KOCH: Aloha, Chair Kama, Councilmembers, and Members of the Planning Department. My name is Leil Koch. I am co-managing partner of 744 Front Street, probably better known as the Fleetwoods on Front Street building. I want to thank the Administration and the Planning Department for introducing Bill 105, and to Councilmember Kama for scheduling it for consideration. This bill is crucial in allowing Front Street community to rebuild after the devastation we've endured. Front Street is unique, filled with charm, history, and the memories treasured by locals and visitors alike. The funky old buildings and structures were part of what made it so special. 744 Front Street, built in 1916, has made it through two fires now. We don't want to see these iconic, historic, and quirky buildings replaced with modern strip malls that mask our community's character and dilute Lāhainā's history. That's why it's so important . . . (timer sounds). . . that we address the zoning issues that would allow us to rebuild what was there. The existing Code, which cancels nonconforming uses if structures are not rebuilt within 12 months, is impossible for us to comply with, given the catastrophic nature of recent events. I strongly support the Maui Planning Commission's recommendation to extend the rebuilding time from the Administration's proposals, four years to five years, and the option for the two-year extension. I have four walls, a roof, an electrical room, a basement full of goods, and I'm ready to start my remodel as soon as the County will allow me. Let's get this permit process going. Mahalo for your consideration and supporting our community in this time of need. Everything that you can do in order to help us start this process is needed. Thank you for your time and all of your efforts. Mahalo.
- CHAIR KAMA: Thank you. Members, any questions for our testifier? We have a question from Member Paltin.

MR. KOCH: Yes.

- CHAIR KAMA: Go ahead, Member Paltin.
- COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Koch. I just was wondering, if I could clarify, what is your specific nonconformities?
- MR. KOCH: We don't really have any nonconformities. We...I'm just in support of the whole community. Our building is still one of the fortunate ones that we're still standing. We are waiting for, actually, to get the...the last word of structural integrity of our building. We've got two-foot concrete walls that are still standing. So, in essence, we're ready to start rebuilding...or not rebuilding, but remodeling what we have. And I would love to

be the beacon of...of...of rebuilding for that section of...of Lāhainā. So, the nonconformity is that we're the only building that is there in that section. So, I would love to be the beginning of...of hope for that...that section to...to go. So, I'm in support of everything moving forward.

COUNCILMEMBER PALTIN: Okay. So...so, your building itself has no...no nonconformities, it complies with all the setbacks and current building laws?

MR. KOCH: Indeed.

COUNCILMEMBER PALTIN: Okay. Just wanted to clarify what that was. Thank you.

MR. KOCH: You're welcome.

CHAIR KAMA: Any other Members have questions for our testifier? Seeing none. Thank you so very much.

MR. KOCH: Thank you.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Kimo Falconer, to be followed by Warren Freeland.

MR. FALCONER: Good morning, Chair Kama.

CHAIR KAMA: Good morning.

MR. FALCONER: Members of the...of the Council, aloha. Everybody else, aloha mai kākou. My name is Kimo Falconer. I'm president...a resident of Lāhainā. I will be testifying in support of Bill 105 as a family member of Jay Freeland (phonetic) LLC, the owners of the Pioneer Inn, a Hawaiian-owned business in the core of Lāhainā Town for 123 years. My mother is Theon (phonetic) Freeland. She's the granddaughter of George Freeland and Amabel Kahuhu, the original founders of the Pioneer Inn in 1901. My mother once told me, when she was a teenager, that there were four generations of Freelands alive in Lāhainā when she shipped off to California to go to college. That dates back to some of those individuals in the 1870s. On behalf of those generations, because they were clear on what Lāhainā was from their kūpuna, the Lāhainā community should be...should not be known as one of loss, but one of survivorship ... (timer sounds)... with multi-generational community, and people who nurtured its history, and how that history was built. Bill 105 will help enable the nurturing needed for us to heal the emotional wounds, give us the needed boost to find the desire to do the work, and give the community answers on how to find financial stability. All of Maui has taken a financial hit from this disaster. As we get closer to the election, we are hearing the promises of affordable housing, and I was lucky at my own business to only lose 2 people out of my 17 because they had to move away because of the fire. But in the last month, I have lost three more because they are not able to afford their new insurance policy. These are paycheck-to-paycheck employees now faced with having to sell and move, and

#### October 23, 2024

- CHAIR KAMA: Thank you. Members, any questions for our testifier? I saw Member Paltin's hand.
- COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Falconer. You said that your family owned the Pioneer Inn. Is that...was that like in partnership? I...I...I had thought it was Best Western. Was that like a partnership?
- MR. FALCONER: Best Western was the owner of the master lease. Our family is the fee owner of the property, which my great-grandfather built in 1901. So, we own the...the entire...me and Tori *(phonetic)* own the land that the Pioneer Inn was built on.
- COUNCILMEMBER PALTIN: Oh. Oh, okay. And then, do you have any nonconformities?
- MR. FALCONER: Not that I'm aware of. I mean, there's not much left of the property today but, you know, I'm sure that in terms of, you know, all the things that were done to the Pioneer Inn over the years that we were in compliance, you know, to answer your question. But under...not understanding what specific things there were, but I believe we were in conformance.
- COUNCILMEMBER PALTIN: Oh. Oh, okay. Thank you. Thank you, Chair.
- CHAIR KAMA: We have...Member Sinenci has a question for you.
- MR. FALCONER: You bet.
- CHAIR KAMA: Go ahead, Member Sinenci.
- COUNCILMEMBER SINENCI: Mahalo, Chair. And mahalo for your testimony this morning. I just had a question. So, as the owner of the property, was the hotel insured enough to rebuild?
- MR. FALCONER: I'm not sure if I can disclose that. I think everybody in Lāhainā was underinsured, to answer that question probably correctly. I don't believe we were, but I...I don't have the specifics on that detail, but probably, no.
- COUNCILMEMBER SINENCI: And as the owners of the property, were you liable for, I mean, anything from the fire and with the hotel?
- MR. FALCONER: Liable, as in damages?

#### October 23, 2024

COUNCILMEMBER SINENCI: Yeah. I mean, I'm just trying to see because there's a separation. You're the owner, and then you have the hotel that leased the property.

MR. FALCONER: Right.

COUNCILMEMBER SINENCI: So, I'm just trying to see what...the distinction between the two.

MR. FALCONER: So, because the master lease...the people who run the hotel, and have for the last 40 years, under the master lease, they are...they are the ones that incurred the actual damages to the building per the lease. However, of course, you know, the family built the building, you know, way back, and there was revisions along the way, all the way through. It was, you know, money spent by the family. So, indeed, there was damages there. But we're still trying to determine through, you know, other legal measures of where we stand on some of that stuff, which is probably too early to comment on today.

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

CHAIR KAMA: You're welcome. Chair Lee, and then Member Cook.

- COUNCILMEMBER LEE: Mr. Falconer, does the Pioneer...what is the underlying zoning for the Pioneer...Pioneer Inn?
- MR. FALCONER: I believe it's HD1.
- COUNCILMEMBER PALTIN: HD3. Oh, HD1?
- MR. FALCONER: Yeah, HD1.
- COUNCILMEMBER LEE: Okay. So, this...
- MR. FALCONER: Oh, you're...Historic District 1. That's what I'm...I guess that's what I'm trying to say.
- COUNCILMEMBER LEE: No, but...no, but is it...what was it, an Apartment zoning or a Hotel zoning?

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

MR. FALCONER: Yeah. I...it's in a Historic District. I don't believe...what the...

COUNCILMEMBER LEE: Okay. You're not sure of the zoning then?

MR. FALCONER: Yeah, no, I don't. I don't.

COUNCILMEMBER LEE: Historic District is not the zoning.

MR. FALCONER: Right, I know. It's a designation, but it's...I believe it must be a Commercial use of some type.

COUNCILMEMBER LEE: Okay. We'll have to check that. Okay. Thank you.

MR. FALCONER: You bet.

- CHAIR KAMA: Member Cook?
- VICE-CHAIR COOK: Thank you, Mr. Falconer. What's the...what's your intention for reconstruction?

MR. FALCONER: We intend to ... we would love to be able to rebuild it the way it was.

VICE-CHAIR COOK: Would you pretty much build like for like, for...

MR. FALCONER: Like for like, yeah.

VICE-CHAIR COOK: Okay.

MR. FALCONER: Absolutely. I mean, that's what everybody knows and everybody appreciates. I think everybody in Lāhainā wants to do the same thing.

VICE-CHAIR COOK: Thank you, sir.

MR. FALCONER: You bet.

CHAIR KAMA: Any other questions, Members? Oh, Member U'u-Hodgins?

- COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I really don't have a question, but I would love to hear our testifiers without the high-pitched ringing. Can we do that noise silencing thing for OCS? It's hard to hear because the pitch is so...that frequency is like...like a dog whistle.
- MR. KRUEGER: Yes, Chair. Apologies for the technical issues. There are some feedback issues occurring in the room. We've adjusted some of the mics so that they're not pointing at the speakers anymore. So...and we've also made some adjustments on the laptop, so hopefully that issue doesn't occur moving forward. But if it does, please let us know, and we'll continue making adjustments.

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

CHAIR KAMA: So, Member U'u-Hodgins, when you hear the ringing, does it come from the Members, or does it come from the testifier's podium?

COUNCILMEMBER U'U-HODGINS: I don't know. But it was just happening when the testifier was speaking --

CHAIR KAMA: Okay.

- COUNCILMEMBER U'U-HODGINS: -- and it was super...yeah, it was...it was quite intense. But thank you. Thank you, Chair.
- CHAIR KAMA: Okay. So, did we check the testifier's mic to make sure that...
- MR. KRUEGER: Yes, yes. So, I adjusted the testifier's mic so that it's not pointing at the speaker anymore. So...and we will be listening for the future so...to mitigate that issue.
- MR. FALCONER: And I apologize. I didn't bring written testimony for you folks, but I can certainly submit it.
- CHAIR KAMA: Oh, we'd appreciate that.
- MR. FALCONER: Yes, I'll submit it -
- CHAIR KAMA: Yeah.
- MR. FALCONER: -- by email to the...to the Administration [sic]. Yeah.
- CHAIR KAMA: Please. Thank you.
- MR. FALCONER: Yeah.
- CHAIR KAMA: Appreciate that.
- MR. FALCONER: Aloha, everybody.
- CHAIR KAMA: Aloha. Staff?
- MS. MCKINLEY: Chair, the next testifier is Warren Freeland, to be followed by Tanna Swanson.
- MR. FREELAND: Good morning, Chair Kama and Committee Members. My name is Warren Freeland, and I represent my family in support of Bill 105. We are thankful for the Administration and Planning Department's drafts of the bill, and for Chair Kama hearing it. Although I'm commonly known by my middle name, Warren, my first name is George. Five generations ago, my namesake, George Freeland, built the Pioneer Inn and opened it for business as a hotel in 1901. It operated continuously as a hotel for 122 years until the fire. The hotel is recognized in the National Register of Historic Places, Historic Hotels of America, and is one of the very few buildings that contribute to the National Historic Landmark. It is one of only two hotel properties in Hawai'i that are Native Hawaiian owned. It is our desire that the Pioneer Inn be rebuilt to its full scale and use, and Bill 105 is helpful to the process. My testimony today is focused on two elements.

Council of the County of Maui

#### October 23, 2024

First, regarding the portion of Front Street between Prison and Baker streets, few people are aware that the ownership of the properties in the Commercial zone of Front Street are comprised of families and nonprofits. Many of . . .(*timer sounds*). . . these families are either Kama'āina or others that have owned their properties for more than 50 years. Bill 105 offers these families the opportunity to keep their properties and rebuild in Lāhainā's historic character. And then, more specifically, to our property, and the continuation of the hotel use, I would like to bring attention to the proposed amendment exempting transient vacation rentals from Bill 105. We request further consideration of the proposed amendment, as there are technical issues with the language that could be subject to interpretation with the Code. We are hoping that you will request a legal opinion, along with the opinion of the Department of Planning, clarifying how the language contained in the amendment summary form will interact with the existing language in the Code created by Ordinance 5473. Thank you for your time and consideration. I'm glad to speak with any of you directly if you have questions regarding my testimony.

CHAIR KAMA: Thank you.

MR. FREELAND: Thank you.

- CHAIR KAMA: Members, any questions for our testifier? Seeing none. Thank you so very much.
- MR. FREELAND: Oh, can I make --

CHAIR KAMA: Yes.

MR. FREELAND: -- a quick comment? Back to Chair Lee's question on the zoning. I believe there's...the underlying zoning is Business zoning and the tax assessment is...the real property tax assessment is split between Hotel use and Business use.

VICE-CHAIR COOK: Chair?

CHAIR KAMA: Yes? Oh, I'm sorry, Mr. Freeland. I think Member Cook has a question.

- VICE-CHAIR COOK: Thank you, sir, for your testimony. My clarifying question is, have you had communication with the Planning Department and what the...what's the process to be able for you to start rebuilding?
- MR. FREELAND: Well, as we understand it so far, the process is the preexisting SMA and Historic District and...and all the other requirements that...that were in place before. We have our one-on-one meeting coming up at the Planning Department next month, and we'll find out more about their...their expectations in the process from that meeting.

VICE-CHAIR COOK: Thank you, sir. Thank you, Chair.

CHAIR KAMA: Thank you very much. Thank you, Mr. Freeland. Staff?

MS. MCKINLEY: Chair, the next testifier is Tanna Swanson, to be followed by Theo Morrison.

VICE-CHAIR COOK: Member Paltin has a question.

CHAIR KAMA: Oh, I'm sorry. I'm sorry. Member Paltin?

COUNCILMEMBER PALTIN: Oh, I have a question.

CHAIR KAMA: You have a question for Mr. Freeland?

COUNCILMEMBER PALTIN: Yes, please.

CHAIR KAMA: Okay. I'm sorry. Can you please come back? Thank you.

- COUNCILMEMBER PALTIN: Mr. Freeland, my question would be, are you aware of any structural nonconformities for your building?
- MR. FREELAND: I am not aware of any structural nonconformities, no.

COUNCILMEMBER PALTIN: And then, has debris removal occurred?

- MR. FREELAND: To a certain extent. Our property is one of the contributing fact...contributing buildings to the National Historic Landmark. And there was a separate debris removal contract for those contributing properties. That's happened much later than...than the rest. And in our case, to this point, as we understand it, that...that debris removal contract was executed. And about a month ago, they did...they did a...what they call a make-safe preliminary debris removal, which was removing the steel and some...and a concrete wall that was unstable to make the site safe so they could do a further assessment. We do not have feedback on...on the assessment of the next steps.
- COUNCILMEMBER PALTIN: So, it's not fully removed, but it's been made safe. Is there a chance that you would retain any of it and...and build up from that, or is ultimately your goal to remove the whole...what was...remove the whole structure and then start brand-new?
- MR. FREELAND: Well, it was a wood-framed structure, and that doesn't exist anymore. However, in...in late 2023, the State of Hawai'i commissioned a historic study of some of these historic buildings in that area of Lāhainā. And the...as part of the assessment, some below-grade perimeter foundation walls were identified, and we would--on three sides--and we would intend to...to use those again.
- COUNCILMEMBER PALTIN: Okay. And to your knowledge, no artifacts yet have been discovered on the property?
- MR. FREELAND: That's correct. No artifacts yet.

COUNCILMEMBER PALTIN: Okay. Thank you so much for your testimony, Mr. Freeland. Thank you, Chair.

MR. FREELAND: Thank you.

- CHAIR KAMA: You're welcome. Okay. Members, anyone else have questions for our testifier before I let him go for real? Okay. Thank you. Thank you. Staff?
- MS. MCKINLEY: Chair, the next testifier is Tanna Swanson, to be followed by Theo Morrison.
- MS. SWANSON: Aloha.
- CHAIR KAMA: Aloha.
- MS. SWANSON: My name is Tanna Swanson, I'm here on behalf of myself. I purchased the...Jim and Lena's (phonetic) Guest House back in 1988 in the Wahikuli subdivision, and I've been running that B&B for the last 36 years or so. I had originally a bed and breakfast permit, and I...over the years, was eventually grandfathered in, I think, back in 2007, 2009. I was grandfathered in, but then that Montoya [sic] list came out. And I was listed as having a nonconforming use for that property. And I'm listed as a short-term rental now. So, in effect, the short-term rental, if it's not allowed to come back, I will lose my home. I've lost my home. But I will not have the ability to rebuild because, as we know, during COVID, I had to shut down my business ... (timer sounds)... for 18 months and had to take out an SBA loan for COVID. I'm now still paying my mortgage on a property that doesn't exist anymore. And I've taken out another SBA loan now to be able to make my mortgage and to help in the rebuilding of my business. And so, like I said, I've been there for a long time. This has been my primary residence because I work from home. I was able to help raise my nephew there. At the time of the fire, we were housing two elderly ladies that need to come back to that place because they were long-term friends of mine that need housing. So, this is our housing. But if we cannot rebuild the B&B and have that income for the sustenance of renting it, we won't...we won't be able to afford to be there. So, I'm sure sometimes we pass things that have unintentional consequences. And some of us are going to fall ... (timer sounds)... through that crack. So, I'm hoping you make some amendments for the people that actually are owning their home, and want to come back to what we had on the short-term rental thing. Thank you.

CHAIR KAMA: Thank you. Members, any questions? Member Paltin has a question for you.

COUNCILMEMBER PALTIN: Thank you, Chair. I'm sorry, was it Ms. Watson?

- MS. SWANSON: Swanson. Yes.
- COUNCILMEMBER PALTIN: Swanson. Can you tell me what...what is the mechanism that you had your B&B? Was it a B&B permit?

# HOUSING AND LAND USE COMMITTEE MINUTES

**Council of the County of Maui** 

#### October 23, 2024

MS. SWANSON: Originally...I was president of the B&B Association. So, originally, when I bought the place, I went down to the Planning Department, who then sent me to Zoning, who sent me to Health, who sent me back to Planning. Planning sent me to the Tax Department, which I got a GE and TA tax license, and then assumed that business. In the following years, as in every industry, sometimes you get some bad apples, so there were some...to make a long story short, we formed the Bed and Breakfast Association. And it took us, I think, four and a half, five years to finally get a B&B bill in place. And so, I was one of the first ones to have a bed and breakfast permit. And I think up until 2007, 2009, that permit was renewed every year. But in that time, I was grandfathered in, in 2009. It was at the point where the economy was crashing, and I...they were requiring me to put in a \$250,000 sewer system just for my B&B. So, at that point, like I said, I went the grandfathering-in route. And I thought I was just grandfathered in. But then, like I said, recently, when that Montoya [*sic*] list came out, I found my property listed on that list as a nonconforming use.

COUNCILMEMBER PALTIN: So, is --

MS. SWANSON: So ...

COUNCILMEMBER PALTIN: -- your property zoned Apartment?

- MS. SWANSON: No, it's in a residential neighborhood. It's zoned R-3. Well, I'm in the Wahikuli subdivision.
- COUNCILMEMBER PALTIN: If you're okay, would you mind telling me your address? If you're not okay, don't tell it to me.
- MS. SWANSON: 16...the website's still up, 1620 Ainakea Road.
- COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR KAMA: Members, any other questions for our testifier?

VICE-CHAIR COOK: Thank you. No questions.

CHAIR KAMA: Okay. Seeing none. Thank you so much. Staff?

MS. MCKINLEY: Chair, the next testifier is Theo Morrison, to be followed by Katie Austin.

MS. MORRISON: Aloha and good morning. My name is Theo Morrison, I'm Executive Director of Lāhainā Restoration Foundation. We're a nonprofit, and we have been serving Lāhainā for the last 62 years. Prior to the fire, we were managing 13 historic structures, all of which, except 2, were destroyed. We totally support this Bill 105. We love Lāhainā. We're rooted in Lāhainā. And a lot of what Lāhainā is, not conforming. That's just part of its charm, part of its...and that's also true for the other small towns, like Makawao and Pā'ia. This is part of what makes Lāhainā, Lāhainā. And we really, really,

want to keep that. So, we are absolutely in favor of Bill 105, and thank you for discussing it today.

- CHAIR KAMA: Thank you. Members, questions for our testifier? Seeing none. Thank you so much.
- VICE-CHAIR COOK: Oh, Member Paltin.
- CHAIR KAMA: Oh, Member Paltin? I'm sorry. Could you come back, please, Ms. Morrison?
- COUNCILMEMBER PALTIN: Thank you, Ms. Morrison. The historic properties that you're over...have oversight over through Lāhainā Restoration Foundation, do...are you aware if their structures are nonconforming or...or not?
- MS. MORRISON: No, I'm not totally aware if they are or they aren't. I mean, like, for example, the old Lāhainā Courthouse doesn't have parking, so that would not be conforming.

COUNCILMEMBER PALTIN: Oh, I see what you're saying.

MS. MORRISON: The Old Lāhainā Prison doesn't have parking. It would be nonconforming.

COUNCILMEMBER PALTIN: Okay. I got it. Thank you.

- MS. MORRISON: Yeah, exactly. And then that's one...that's actually one of the charms of Lāhainā, is because the...most of the properties on Front Street do not have parking. And if they had to conform and put in parking, on...off-street parking on their property, Lāhainā would not be Lāhainā. Lāhainā is a walking town, and it's always been a walking town, and we need to retain that.
- COUNCILMEMBER PALTIN: Thank you for that information. It's very helpful.
- CHAIR KAMA: Thank you. Staff?
- MS. MCKINLEY: Chair, the next testifier is Katie Austin, to be followed by Sherri Curry.

MS. AUSTIN: Aloha, Councilmembers. My name is --

- CHAIR KAMA: Aloha.
- MS. AUSTIN: -- Katie Austin, and I'm testifying on my own behalf. I truly appreciate the Planning Department's intent of this bill, and I would like to recognize as well the need, Chair, to expedite such housing bills to your Committee as well. I support this bill, as it recognizes the unique circumstances of homeowners whose properties were nonconforming due to older regulations, incomplete planning records, or developments prior to certain requirements. This is a necessary and thoughtful step towards helping these specific local homeowners rebuild. However, it is equally important that this bill reflects what our community has consistently voiced since the fire--that we do not want

### October 23, 2024

transient vacation rentals to return to our neighborhoods. The amendment offered by Councilmember Paltin responds to this critical concern by ensuring that nonconforming TVRs, which were previously discontinued, will not be allowed to resume. This is also in line with what the previous Council put into law, that these uses should end if they lapse. Rebuilding in West Maui is about . . .(*timer sounds*). . . prioritizing local families and ensuring our housing stock serves those most in need. Allowing TVRs to return would not only contradict the community's wishes, but it would also compete for essential resources, like contractors and water allocations, which are already stretched thin. We need to focus on long-term housing solutions, such as owner-occupied and repopulating our local community, not short-term vacation rentals that drive up housing costs and contribute to the displacement of local families. I urge the Council to listen to the voices of the community and adopt this amendment, which supports the overall intent of the bill, while ensuring that our neighborhoods are rebuilt for local residents and not for short-term vacation rental investments. Mahalo again.

CHAIR KAMA: Thank you. Members, questions for our testifier? Are you sure, Member Paltin?

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

CHAIR KAMA: ... (laughing)... Okay. Just checking. Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Sherri Curry, to be followed by Alex Folsom.

MS. CURRY: Aloha. I --

CHAIR KAMA: Aloha.

MS. CURRY: -- appreciate the chance to speak. And I love Lāhainā, always have, appreciate it. And I'm still sad and in shock about losing it. But I think we do need to look to the future and envision a new Lāhainā. I think it's pretty obvious we can't completely replicate everything because of global warming and the rise of sea levels, but I hope we can retain as much as we can. And I think we need to prioritize the local people so that they have a place to live, and not impact the residential areas with all the short-term rentals and all the bad things associated with that. I would like to give a little comment about Theo and your walking comment. I would love to see Lāhainā become a truly walking city, maybe make Front Street . . .(*timer sounds*). . . no cars, maybe like they do in Europe, where you have the deliveries in the morning, and then after a certain time, it's...is just for walking. Then maybe we wouldn't have to have parking, and worry about that on the rebuild. We could have a parking structure somewhere else, and maybe a little shuttle-kind of operation. Anyway, I hope we have a new Lāhainā, and maybe we can, in some small way, make it a little bit better for the community. Thank you so much.

CHAIR KAMA: Thank you. Members, questions for our testifier? Staff?

MS. MCKINLEY: Chair, the next testifier is Alex Folsom, to be followed by Sne Patel.

# HOUSING AND LAND USE COMMITTEE MINUTES

Council of the County of Maui

#### October 23, 2024

MS. APRIL: Aloha, Chair Kama, and Committee Members. My name is Alex April, and I am a Senior Policy Manager at Airbnb. And mahalo for the opportunity to comment on Bill 105. Like many other folks here, Airbnb supports the original intention of this bill, creating that flexibility of...of rebuilding the structures impacted by the Maui fires. However, the bill amended does include the provision that would eliminate the use of these structures for short-term renting if they have not been utilized for more than 12 months. So, as written, as we see it, there is not that clarity for who this amendment specifically impacts, how it would be applied, or how the County would intend to enforce it. It does create a huge potential of unintended consequences, even penalizing locals who have paused hosting short-term rentals for the past year in order to house displaced residents long-term. And for many, the supplemental income that we heard before, you know, this is really important for folks more... ... (timer sounds). . . more now than ever. Last year, Airbnb and Airbnb.org worked closely with the Governor's Office and the Department of Human Services to provide temporary housing for the displaced residents across Maui. In total, we connected over 2,200 displaced residents to free temporary housing. And since then, we're still working with DHS and have, to date, been able to house over 1,000 displaced residents for over 110,000 nights through this program. So, we urge you to strike the amendment related to the short-term rentals, which really does only create several layers of confusion, really detracts from the original goal of the bill. Mahalo.

CHAIR KAMA: Thank you. Members, questions for the testifier? Okay. Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Sne Patel, to be followed by Patricia Cadiz.

MR. PATEL: Aloha, Chair Kama, Vice-Chair Cook, and Councilmembers. Mahalo for the opportunity to speak today. You know, I'm going to be speaking to you as a resident of Lāhainā for over 20 years, and while I serve many hats within the community, I'm here to testify just as a resident and somebody who owns a short-term rental. I want to express, first of all, my support for Bill 105. I think it's an important step in making sure that what Front Street was and what Lāhainā was comes back as an eclectic mix of, you know, buildings, shops, local eateries. They gave Lahaina its unique character and somewhat...as somebody else mentioned, that funky charm. And so, you know, I think allowing these structures to be built back in a way that respects the original character is crucial. And not just for the residents, but for many of the visitors who come and...you know, have come over the years and love that vibrant, kind of just laid-back feel. So, I think we've got to get back to that feel, what the town was and how we achieve that. And we looked at it in many different ways, but this would be a first crucial step. I also want to just say, you know, that I do also oppose the amendment to Section 19.51, which would prevent nonconforming transient vacation rentals. Look, when I purchased the condo . . . (timer sounds). . . I was...it was just me and my wife, and we ended up having a kid, and we ended up having a fur baby. And then we outgrew--you know, we were having another kid--we outgrew the 590 square feet that that condo provided. And although we didn't rent it initially, that was one of the reasons we purchased it, was because we knew that it could provide some sort of economic stability for a growing family later on. And we chose that unit specifically for that reason. And so, to kind of, you know, I guess penalize us within the local community that have

# HOUSING AND LAND USE COMMITTEE MINUTES

Council of the County of Maui

#### October 23, 2024

been respectful, have been active members of the community, I just don't think it's right. We didn't buy it to cash in. You know, we didn't buy it for things other than it helped supplement our kids' preschool tuition, Sacred Hearts. It actually allowed me to be engaged in the community and volunteer my time. You know, I didn't have to go look for a second job. So, in some respects, you know, I think this is going to have adverse effects. . . .(timer sounds). . . I think that there's already the Mayor's bill that's going to address this, and the community and the Council are going to have their chance to kind of vote on this already, whether or not the apartment districts are going to be allowed to have this use. So, I just think...you know, I urge the Council to think about the impact the amendment would have to local STR owners like myself. And then the fact that, you know, we need to balance kind of needs of the community, as well as the businesses, to make sure that we're doing right by what we need to do to sustain Maui's economy and ensure the responsible growth. We're going to...you know, as an owner of --

CHAIR KAMA: Mr. Patel...

MR. PATEL: -- a complex . . . (inaudible). . . it's going to be . . . (inaudible). . . --

CHAIR KAMA: The bell has rung.

MR. PATEL: -- for us to rebuild.

CHAIR KAMA: Thank you.

- MR. PATEL: And so, we're already getting . . . *(inaudible)*. . . And that's...that's...yeah, I'd like to close. Thank you for your time and, you know . . . *(inaudible)*. . .
- CHAIR KAMA: Thank you so much. Members, do you have questions for Mr. Patel? Seeing none. Thank you so much, sir. Staff?
- MS. MCKINLEY: Chair, the next testifier is Patricia Cadiz, to be followed by Caitlin Miller.
- MS. CADIZ: Aloha.

CHAIR KAMA: Aloha.

MS. CADIZ: My name is Patricia Cadiz, and I'm here to testify on my own behalf. I support Bill 105, but I ask for study and clarification on any future impacts of the proposed amendment to the property owners who may be affected by any future tragedies. I know this is done with Lāhainā in mind, but I don't see any language that restricts it to just the Lāhainā tragedy. And it could easily be something with unintended consequences in the future. I think there's thousands of units on the nonconforming structures and uses lists, and I believe that a lot of those people don't even realize that they are being impacted by today's proposal. It would be, I think, fair and wise to notify them of what's being proposed and what their impacts might be. I think some clarification is just a respectful thing to do. . . .(*timer sounds*). . . I think many residents may be deleteriously affected. It might even affect potential financing for needed maintenance, and maybe

even, in the long run, insurability. So, that's why I'm asking for careful consideration on that proposed amendment, maybe even put it aside for now.

CHAIR KAMA: Thank you.

MS. CADIZ: Any questions?

CHAIR KAMA: Members, questions for our testifier? Member Paltin?

- COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Cadiz. I was wondering if you can clarify about insurability.
- MS. CADIZ: So, my concern is if the...if the potential income of TVRs is affected in the future, if...if a tragedy occurs, any financier would want to know that their loan has more risk, right? And then from there, that also affects potential insurability. If you can't get the loan to do needed maintenance--because some of...most of the...most of the buildings are pretty old--and if you can't get the loan to do needed maintenance, and the maintenance falls behind, I mean, this is the kind of thing that affected the condo crisis in Waikiki, where the residential condos...
- COUNCILMEMBER PALTIN: Excuse me. I'm not sure I'm understanding what you're saying when you said the buildings are pretty old because we're talking about buildings that are destroyed.
- MS. CADIZ: A lot of the buildings on the nonconforming list that are 50 years or so old. There's a lot of them.
- COUNCILMEMBER PALTIN: But this bill is talking about destroyed buildings. We're not talking about old, nonconforming buildings.
- MS. CADIZ: Correct. But it's 50 percent destroyed. So...and then you're talking about being able to restore...
- COUNCILMEMBER PALTIN: 100 percent destroyed. Fifty percent destroyed is the current bill...I mean, the current law.

MS. CADIZ: Okay. So --

COUNCILMEMBER PALTIN: This bill is about --

MS. CADIZ: -- so if, say...say --

COUNCILMEMBER PALTIN: -- rebuilding.

MS. CADIZ: -- say a structure is...another structure burns, or whatever. So, the insurer...

COUNCILMEMBER PALTIN: It wouldn't apply to any structure that burns because it would need a Governor's...or a proclamation, emergency proclamation.

MS. CADIZ: It wasn't ...

- COUNCILMEMBER PALTIN: So, I think that you're...we're not talking about the same thing. Thank you, Chair.
- CHAIR KAMA: You're welcome. Members, any other questions for our testifier?

MS. CADIZ: Thank you.

CHAIR KAMA: Thank you, Ms. Cadiz. Staff?

- MS. MCKINLEY: Chair, the next testifier is Caitlin Miller, to be followed by Jonathan Helton.
- MS. MILLER: Aloha, Chair Kama and Councilmembers. My name is Kaitlin Miller, and I'm testing [sic] on behalf of Maui Vacation Rental Association. Thank you for the opportunity to provide testimony on HLU-34 regarding nonconformities. We support the intent of Bill 105 to facilitate the rebuilding of structures impacted by the wildfires, allowing families and businesses to recover quickly and efficiently. However, we do have significant concerns about Councilmember Paltin's amendment, which introduces unnecessary complexity...unnecessary complexity, and can detract from the bill's original purpose. Nonconforming uses are allowed to continue to avoid potential legal issues, as eliminating them could be seen as unconstitutional. These are property uses that existed before current zoning laws were established and don't comply with new regulations. Eliminating nonconforming uses could be viewed as taking a property without due process, which is a serious legal concern. The amendment does not clearly specify which properties or individuals would be affected, nor how it would be enforced. This lack of clarity introduces confusion and could lead to unintended consequences. ... (timer sounds)... Such ambiguities risk distracting from the bill's original intent of aiding Maui's recovery, and slowing down the rebuilding process at a time when speed is critical. Short-term rentals have provided vital support to local families, businesses, and Maui's economy. The Council has already commissioned an economic impact study to examine the effects of bills like this one. Just as any other cases, we should await the findings of that study before moving forward with legislation that could have wide-reaching consequences. Moving too quickly without clear data risks hurting families who are already struggling to recover. In closing, we urge to strike Councilmember Paltin's amendment and focus on passing 105, which will support the rebuilding of Lahaina, ensure that local families and businesses can recover as swiftly as possible. Thank you so much for your time today.
- CHAIR KAMA: Thank you. Members, questions for our testifier? Thank you. Seeing none. Thank you so very much, Caitlin. Staff?
- MS. MCKINLEY: Chair, the next testifier is Jonathan Helton, to be followed by Elizabeth Ray.

# HOUSING AND LAND USE COMMITTEE MINUTES

Council of the County of Maui

#### October 23, 2024

MR. HELTON: Good morning. Can everyone hear me all right?

CHAIR KAMA: Yes, I can hear you. Thank you.

- MR. HELTON: Thank you. So, I'm Jonathan Helton. I'm testifying on behalf of the Grassroots Institute of Hawai'i. We'd like to thank you for hearing this bill today. Just a couple of quick notes. The first is that in our study of what Kaua'i did after Hurricane Iniki in 1992, this is one of the things that we identified as something that can be very helpful for people looking to rebuild in the Lāhainā burn zone. Kaua'i enacted a very similar program that would allow nonconforming structures and uses to be rebuilt or reinstituted about a year after Iniki happened. So, that's very good in that regard. The second thing I'd just like to talk about is a couple of examples of what appear to be nonconforming structures. So, I'll give two, hopefully, if I have time. The first is one that I identified in a presentation I gave on Maui last month. And it's a building in Lāhainā. It's...I think it's 700 Front Street. Let me check the exact address. 700 Front Street. . . . *(timer sounds).* . . . So, it's...that's the site of Hawai'i Gelato. Is it all right if I continue? I can stop because of the time.
- MS. MCKINLEY: You have another minute.
- MR. HELTON: Oh, okay. Sorry, I thought that was the two minutes. So, any...so, the Hawai'i Gelato building is in a historic district zone. And current code says that if you start rebuilding of a building in a historic district, then you can rebuild it to its previous level of nonconformity if you start the rebuilding within two years. We're going to run up on that two-year timeline very quickly. And so, the reason this building would be nonconforming is because it doesn't have any parking. And that's the same for a lot of the buildings in that historic district. The second building I wanted to point out was the Lāhainā Surf senior apartment complex. I haven't been able to get in touch with the owner, and I've tried, but it appears as if this building, which is zoned Apartment, is too...the...the building that was there was too dense for the Apartment zoning. So, if they...so the floor...the floor area ratio was too high, is what I'm trying to say. And again, I haven't gotten in touch with the owner to verify that fact, but it appears that it would be. So, of course, it's very hard to get a comprehensive list of all of . . . (timer sounds). . . the properties that have a nonconformity. I just wanted to give those two examples to provide some context.

CHAIR KAMA: Thank you. Member Paltin has a question for you, Mr. Helton. Paltin?

- COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Helton, for those very specific examples. I was wondering if you can clarify about the floor area ratio. What about it makes it nonconforming?
- MR. HELTON: Yes. So, it's Apartment-1 zoning. For the size of that parcel, the floor area ratio can only be 40 percent. I think it's like a parcel that's under three acres. And the floor area ratio for the Lāhainā Surf complex was above 40 percent. So, if they were to try to rebuild without this bill, they couldn't build whatever the percent was of the...of the

living space above that 40 percent. So, again, that's...that's what I've been able to verify looking at the property tax and permitting records.

COUNCILMEMBER PALTIN: Thank you. And...and you've been trying to reach Hale Mahaolu Eono? The property own...

MR. HELTON: Yes.

- COUNCILMEMBER PALTIN: Oh, okay. And then my understanding is a lot of Lāhainā Surf...I mean some of Lāhainā Surf is still standing. Is that your understanding as well?
- MR. HELTON: I believe it may be. I would assume it would probably fall...it would be over 50 percent damage, but I'm not...I'm not 100 percent sure.
- COUNCILMEMBER PALTIN: Okay. And that's the only nonconformity that you found on Lāhainā Surf, is the floor area ratio?
- MR. HELTON: Yes. It's pretty hard to be able to tell looking at, you know, GIS images and the...and the property tax whether or not something has maybe not enough parking spaces, or is...isn't...isn't...you know, too close to the setback. So, I tried to do what I could.

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

CHAIR KAMA: Thank you. Member...Chair Lee?

COUNCILMEMBER LEE: Thank you. Mr. Helton, how many units are in the Lāhainā Surf?

MR. HELTON: Oh, I believe there are 112.

COUNCILMEMBER LEE: Okay.

MR. HELTON: In that area.

COUNCILMEMBER LEE: Yeah, senior housing.

MR. HELTON: Yes.

COUNCILMEMBER LEE: Thank you. Thank you.

CHAIR KAMA: No other Members have questions? Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Elizabeth Ray, to be followed by Donald Cameron.

MS. RAY: Aloha. I am in support of Paltin's amendment of Bill 105 to exclude TVRs from reopening, particularly in disaster-affected areas, including West Maui. I'm volunteering for Kelawea Mauka Hub with my old co-teacher, Kylie, in Lāhainā. I see firsthand the

# HOUSING AND LAND USE COMMITTEE MINUTES

Council of the County of Maui

#### October 23, 2024

needs of the community. Kylie's amazing. Her hub directly helps kupuna and families struggling beneath the schools of Lahainaluna. The need is great. There are many kūpuna alone, and still struggling to survive. The food bags and produce help sustain, but they need more help. They need their community back. It has never been a desire to put TVRs in our local neighborhoods. Hawai'i and its people live aloha in its simplest way, a self-sustaining culture only seen left in its local neighborhoods, where kupunas garden and grow and nurture from the 'āina, where family cooks and eats together, and have a space to talk story, and be respected in practicing their culture. Okay. Rebuild Lāhainā. Please kokua Lāhainā and its descendants of the royal capital of the Hawaiian Kingdom because we are to treat them with the utmost respect and prioritize . . . (timer sounds). . . housing for the surviving Hawaiian culture. We see, feel, and desire its aloha that has maintained Lāhainā and its community in a way that defines them without vacation rentals in their neighborhoods. Their way of life still exists and thrives. not infested with greed, tourism, over-capacitated highways and traffic, water allocations for the tourism industry, skyrocketing rent prices, and genocide. Please, okay, save Hawai'i. Let the rebuild begin without the greedy cockroaches. Aloha.

- CHAIR KAMA: Members, do we have any questions for the testifier? Seeing none. Thank you, Ms. Ray. Staff?
- MS. MCKINLEY: Chair, the next testifier is Donald Cameron, to be followed by Jordan Ruiz...Ruidas. Sorry.
- MR. CAMERON: Aloha, Chairperson, and Members of the Council. Thank you for hearing my comments. My name is Donald Cameron. Our family owns a condo that's been operating as a short-term vacation rental since the building was built in 1973. It's Hoyochi Nikko in Mahinahina. It's on the Minatoya list. We're all for rebuilding Lāhainā, and support in general the bill, but oppose Councilmember Tamara Paltin's amendment. I echo the objection of the Airbnb and MVRA representatives. The exception that "nonconforming transient vacation rental uses that were discontinued for any reason may not be continued," in my view, is too broad, both in its scope and geography, for the intended purpose of the bill, which is to assist rebuilding in Lāhainā Town. Discontinued for any reason would include those units who discontinued short-term rentals to rent their units out to Lahaina survivors whose rents were funded by FEMA. It may, but probably does not, include those short-term rentals who stopped renting when the Governor and the Mayor asked tourists not to come to Maui during the rest of August and September 2023. ... (timer sounds)... They didn't stop their use as rental units, guests just cancelled. In addition, the bill does not appear to be limited to Lāhainā. So, it would relate to all short-term rental units in Maui. This general prohibition of short-term rental units would be done prior to the County receiving the economic impact study that they ordered prior to making a final decision whether to ban short-term rentals across Maui, including those on the Minatova list. So, in my view, it's too broad and premature. Please reject the Councilmember's amendment. Mahalo for your consideration.
- CHAIR KAMA: Thank you. Members, any questions for the testifier? Seeing none. Thank you so very much. Staff?

#### October 23, 2024

MR. CAMERON: Thank you. Have a good day.

CHAIR KAMA: Thank you. You also.

- MS. MCKINLEY: Chair, the next testifier is Jordan Ruidas, to be followed by Jackie Keefe.
- MS. RUIDAS: Aloha, Councilmembers. My name is Jordan Ruidas, and I come before you today as a community member of Lāhainā to testify on Bill 105. While I fully support the intent of this bill, I strongly believe that Councilmember Paltin's proposed amendment is crucial, and must be incorporated to prioritize the needs of our local community. As we all know, housing is a critical issue, especially in the wake of the 2023 devastation our Lāhainā Town has faced. Rebuilding Lāhainā is not just about restoring structures, it's about restoring our community, ensuring that our local residents and heart of Lāhainā have access to safe, affordable homes and neighborhoods. The amendment proposed by Councilmember Paltin directly addresses this by ensuring that the focus remains on long-term housing for locals instead of opening the door too quickly to short-term rentals. Short-term rentals could directly compete with the rebuilding efforts of long-term housing. This is particularly concerning for many residents. I would also like to note that it might seem that there's not much in-person support today, but that doesn't mean that the support for this issue ... (timer sounds)... isn't there. Our community members are working diligently to rebuild their lives. and to be quite honest, are fighting to see another day. But the data is there, and it's very clear. The County has done multiple neighborhood meetings, workshops, and put out dozens of surveys, which our community members participated in. Under the Housing section in the recently released long-term recovery draft plan by the County, it clearly states that our community would like to see limiting oversized homes and eliminating short-term rental vacation...or vacation rentals, as it was repeated on as urgent and top priorities for residents to help address West Maui's housing shortages. Councilmember Paltin's amendment in Bill 105 would help ensure that Lāhainā community's wants and needs are represented. Also, it's in our West Maui Community Plan that was pre-fire that the community wanted to look at eliminating short-term rentals, and the proposed amendment represents that as well. Mahalo nui.
- CHAIR KAMA: Thank you. Members, questions for our testifier? Seeing none. Thank you so much. Staff?
- MS. MCKINLEY: Chair, the next testifier is Jackie Keefe, to be followed by Christine Camp.
- MS. KEEFE: Aloha, kakahiaka, Chair Kama, Vice-Chair Cook, and Councilmembers. My name is Jackie Keefe, and I am a resident of Nāpili. Can you hear me okay?

CHAIR KAMA: Yes, we can.

MS. KEEFE: Okay. Thanks so much. I was priced out of Lāhainā years ago, but I am a settler to this place. I cannot imagine the pain that kama'āina and generational families feel when this happens to them. Over the past eight years, I've watched the housing market

#### October 23, 2024

shift draftically...drastically away from long-term rentals towards transient vacation rentals. I am here today to specifically...specifically in support of Councilmember Paltin's proposed amendment to Bill 105, which disallows nonconforming transient vacation rental uses from resuming if they were disallowed for any reason. Our community has made it clear that the people of Lāhainā need to be prioritized, and if Bill 105 is passed without the amendment, buildings that act as transient vacation rentals will be taking away building resources from our Lāhainā residents that just want to go back home. This is the taking that I'm concerned about. I'm not concerned about ...*(timer sounds).*.. the lawsuits from the transient vacation rental industry. I'm tired of the community referencing the impact study--the TVR community--since we know it's specific to the economy, and not the well-being of the environment or the residents. If you refuse today to add Councilmember Paltin's amendment, I request that permits to rebuild transient vacation rentals be issued as the lowest priority. Mahalo.

- CHAIR KAMA: Thank you. Members, questions for the testifier? Seeing none. Thank you so very much, Ms. Keefe. Staff?
- MS. MCKINLEY: Chair, the last person currently signed up to testify is Christine Camp. *(pause)*
- MS. CAMP: Hi. Sorry, I had a technical difficulty. Good morning, Chair Kama --

## CHAIR KAMA: Good morning.

MS. CAMP: -- Vice-Chair Cook, Members of the Committee. First and foremost, thank you so much for having this hearing, and having this bill. In an emergency situation like what Lāhainā has gone through, we need forward-thinking and bold actions. And even though it's 14th month, I feel that this is one of those bold actions that you must take. I am a...I personally own property on 844 Front Street and 175 Lahainaluna Road. The properties had 11 small businesses, all local, providing jobs. Each one of them created jobs for the local residents of Lāhainā. Most of them have moved out of Lāhainā because they could not find housing or ... or jobs. They needed to ... making sure that they could feed their families. But each month, it's heartbreaking when they call me and find out, when can I come back again? ... (timer sounds)... Will you build for me? Will you rebuild my store for me? Will you rebuild my cart where I sold coffee? And it's heartbreaking because they put their life savings to having these businesses, and all those employees that they promised that they would reopen. I'd like to make that happen. And I hope that you would allow this bill to go through. This is not the panacea. There's a lot of other things that we have to do to rebuild. But I believe the bold action that you're taking is one of the most positive things I've seen coming out, and so I really appreciate it, and I want to thank you. And please pass this bill.

CHAIR KAMA: Thank you.

## MS. CAMP: Aloha.

CHAIR KAMA: Aloha. Member Paltin has a question for you, Ms. Camp.

#### October 23, 2024

- COUNCILMEMBER PALTIN: Aloha, Ms. Camp. I was wondering, your property is 844 Front Street and 174 Lahainaluna Road. Are you aware if they have any structural nonconformities or use nonconformities?
- MS. CAMP: We don't have use nonconformities, but it may have structural nonconformities. I mean, the property was built in the '70s. And I know that every time that a tenant needed to have a permit, they...we needed to update that space. And so, there were nonconformities. I believe it might be setback. I believe it's parking. I also believe that with the new shoreline setback areas, you know, there's kind of a loose line, and our property seems to be a corner of it, or part of the property seems to have this shoreline inundation zone, the yellow zone, or what have you. And I think, you know, from that point of view, the Council should really look carefully because the shoreline inundation zone, that kind of the line that was done by the University of Hawai'i, doesn't recognize, you know, the 100-year-old walls that protect Lahaina and Front Street, right? They don't recognize any of those existing walls. They just assume that everything is right at the shoreline and at that elevation. But I...I do believe that if you are to adopt these coastal zone issues and what have you...we're not on the waterfront. We're across the street on the mountainside, but--mauka side--but I still believe that we're going to need this bill to rebuild. I'd like to note...comment that during Hurricane Iniki, Kaua'i County, during an emergency, opened up their gym, and all the agencies were there stamping--as long as you built exactly the same, they stamped that plan so they could get rebuilt very fast. I hope that you can do something like that, but this bill is indicative that you're open to those types of actions and boldness. But yes, going back to your...your question, I believe that there may be. We're not sure. I've noticed that a lot of the owners . . . (timer sounds). . . they don't think they have nonconforming issues. They won't know until they go through the process because, you know, laws have...codes have changed. Codes have changed for so long that...that each...each time we're adding on new codes, these buildings that were fine just the way it is for it to rebuild it, I'm 100 percent sure there's going to be issues that won't allow us to build the way it was. And I'd like to show that charming little building, the wooden structure building, that will have now...you know, I would like to make sure that it has fire sprinklers, and make sure that it meets all the fire codes, but I'd like to rebuild it just the way it was, just as charming as it was.
- COUNCILMEMBER PALTIN: Thank you so much. And just enumerating setback, parking, and shoreline was helpful to me. Thank you.
- CHAIR KAMA: Any other Members have questions for our testifier? Seeing none. Thank you so very much, Ms. Camp. Staff?
- MS. MCKINLEY: Chair, the next testifier is Junior, to be followed by Kai Nishiki.
- MR. JUNIOR: Good morning, Council. I want to thank you for taking the time to hear everyone. It sounds like there's a lot of support for the bill, so I'd actually just like to be specific in my support for the...for Councilmember Paltin's amendment to...to deal with some of the TVRs. Our community lost about a third of their buildings, and over the past 50

# HOUSING AND LAND USE COMMITTEE MINUTES

**Council of the County of Maui** 

#### October 23, 2024

years, the old...you know, being a frog in a pot of water, we've been surrounded as TVRs have been replacing residents [sic]. Growing up, we had long-term rentals, we had residents, we had a great opportunity to have a community, and now our community really is very, very transient. You know, we...sometimes we see the same people every few years, but there is no more community. You know, there...none of my childhood friends could remain. So, there's been...there's been a struggle with that. And we really thought that we would never have an opportunity to regain it, so it's...it's amazing to think that possibly we could. I know people talk about the issues with the budget and the financing. I mean, the Mayor even said, you know, hey, if we can get 100 units back when we're talking about apartments, he'll take it. So, you know, anything is better than...than what we have now. So, if we could get any of that stuff back, that would be fantastic. You know, there's a lot of people within the...West Maui that, you know, we had to go to Kihei for a while. We're currently in FEMA housing because we lost our home. So, you know, luckily, we were able to get back to the West Side, the best side, no offense to the other Councilmembers--but, you know, it's...it's just something that...that, as a resident, it's heartbreaking when we see people speeding, people just not...you know, they're on vacation, and they're not afraid to let you know that. And, you know, I'm tired of knocking at doors at 11:00 at night saying, hey, can you keep it down? But also, I'd like to add that maybe this is an opportunity for the...the licensing for vacation rentals to be looked at. So, if we're losing a bunch of these properties, maybe we can increase those number of licenses. It would be amazing to actually see what is a vacation rental? Because when we look at the Minatoya list, it's just this block of properties. Maybe they are, maybe they aren't. ... (timer sounds)... Also, when...for tax reasons, if you're on a Minatoya list, even if it's a nonowner-occupied, you're thrown into that higher TVR tax status. So, it would be nice to...to just have an opportunity to have that visibility of what really is a TVR, what isn't a TVR, and to put some limitations. There's a lot --

CHAIR KAMA: Thank you.

- MR. JUNIOR: -- of people looking for housing. So, thank you very much, everyone.
- CHAIR KAMA: Thank you. Members...Member Paltin has a question for you.
- COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Junior. I was wondering if I could clarify what you said. Are you saying like if we take out the nonconforming, maybe give back some short-term rental home permits instead of just, by right, allowance where they would apply for a permit kind of thing?
- MR. JUNIOR: Yeah, so I can see two options. One, maybe saying that if you're on the Minatoya list, you're automatically granted a permit. So, at least we could see that somewhere. Right now, we can't really...we can't see that unless we look up the tax bit and see if they have a GET. But also, if TVRs are eliminated, and there's only like 200 for West Maui, maybe we need to increase some of those numbers. There was the woman with the bed and breakfast who kind of...who...you know, she is in a slightly different category. We're not saying eliminate all TVRs because there is a need, and there is some...some amazing opportunity for that. But we already have seen how it deteriorates

neighborhoods, and it isn't in the best...the best opportunity to grow families, and to grow the community.

COUNCILMEMBER PALTIN: Thank you. I am aware that we're well under the cap for B&B permits, so that...that could be an avenue. Thank you.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Kai Nishiki, to be followed by Robin Knox.

MS. NISHIKI: Aloha, Committee Chair, and Members. Kai Nishiki. I am a registered Aloha 'Aina lobbyist, and testifying on behalf of Maui Nui Resiliency Hui. I was the former Chair of the West Maui Community Plan Advisory Committee. And so, I just wanted to start with what the ...what the vision for West Maui was, is that quality of life for residents is a priority, and West Maui has everything its residents need to thrive, including a range of affordable housing options, community services, innovative agriculture as part of a diversified economy with living-wage jobs, an excellent public education system, local food growth and security, access to high-quality health care, and ample access to open space and parks mauka to makai. So, you know, with that vision in mind, and also to talk about...you know, when we're talking about historic and cultural resources, even . . . (timer sounds). . . in the community plan, it says, in today's terms, we think of historic and cultural resources as building sites, structures, objects, districts, landscapes of architecture, historical or cultural importance. Historically, natural resources were cultural resources in Hawai'i. Without natural resources, traditional and cultural practices could not happen. So, I think with that in mind, and looking at nonconforming uses and structures, it seems that that was more in line with, you know, adapting to an already-built environment. And with the clean slate that we've been provided as an opportunity to, it doesn't seem like there should be any reasons for nonconforming. Decide what's best for the community, and don't allow anything to be Well, it's important for us to have compassion for folks. nonconforming. ... (timer sounds)... Leadership is... is that one minute or two minutes?

CHAIR KAMA: That was two.

MS. NISHIKI: Oh, okay. I'll wrap up. I fully support Member Paltin's amendment, and we should really be disincentivizing uses that do not serve our community and devalue them. And so, please do not encourage investment into TVR uses and the commodification of our housing. And sea level rise and storms are increasing with frequency and intensity. So, I believe that sea level rise exposure area and future natural disasters should be considered in this discussion. Mahalo.

CHAIR KAMA: Questions, Members, for the testifier? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I guess I wanted to clarify that you said that nonconforming shouldn't be continued. Is that...you don't support Bill 105?

- MS. NISHIKI: Correct. I...I don't think that when you have a clean plate that there should be nonconforming. We should decide what our community looks like, and what serves the community...and even in the community plan, it says to phase out TVRs. So, this would be an avenue to phase them out.
- COUNCILMEMBER PALTIN: I...I guess I also wanted to clarify, on the parking, nonconforming as well. Not support it?
- MS. NISHIKI: Yeah. No, I think that businesses should have adequate parking, even if it is offsite. And fully support Lāhainā Town being walkable, and getting rid of all the failing...these seawalls are not going to protect anything. We've lost 13 miles of coastline to seawalls already, and...you know, you live in Upper West Maui, you see all the seawalls all have sinkholes all behind them, and it's just a...not a smart way to do things.
- COUNCILMEMBER PALTIN: And then...sorry, just to clarify what you said about parking, even if it's offsite. That would kind of be a nonconformity, but what you're saying is like they would contribute maybe to an offsite parking and a shuttle or something, but that would still be kind of nonconforming, but mitigative or something?
- MS. NISHIKI: Perhaps. And perhaps we could look at what areas would be appropriate for parking in...closer to Lāhainā Town and, you know, just try and make it as not car-centric as...as possible. But I really do think that community-serving businesses in Lāhainā are what folks really want to see. So, we don't really want to have, you know, just tons of tourists there. If there's community-serving businesses, then it's usually folks who are walking...walking from their homes. And if we don't have TVRs and we have more residential, then folks get to...get...get to walk there. There wouldn't be that issue.

COUNCILMEMBER PALTIN: Thank you. I...I think I get it now.

- MS. NISHIKI: Mahalo.
- CHAIR KAMA: Thank you. Staff?
- MS. MCKINLEY: Chair, the next testifier is Robin Knox, to be followed by Cynthia Morris.
- MS. KNOX: Aloha. Good morning. I...I have mixed feelings about Bill 105. I do support the idea that some nonconforming, especially structural things, you know, might not be as important to conform with as it is important to rebuild. I am concerned about health and safety, and especially like fire protection in multifamily housing or commercial buildings. So, you know, one possibility would be to limit this only to, you know, owner-occupied single-family housing or something like that. I know there were a lot of 'ohanas that maybe did additions over the years, or something that would be considered nonconforming, and they need to rebuild for their entire family, so I wouldn't object to those kinds of things. . . .(timer sounds). . . However, if you pass this bill in any form, I totally and 100 percent support Councilmember Paltin's amendment that the

use...the short-term vacation rental use that is not conforming, there...there's no good reason to continue that, other than the profits of...you know, who might gain from that. So, for the good of the community, and Maui as a whole, that absolutely should not be allowed. So, that's my input. Thank you for making time for me.

- CHAIR KAMA: Thank you. So, at this time, I'd like to acknowledge and say good morning and aloha kakahiaka to Councilmember Yuki Lei Sugimura.
- COUNCILMEMBER SUGIMURA: Good morning. Sorry for being late to your important meeting. Thank you.
- CHAIR KAMA: Thank you. So, Members, any questions for our testifier, Ms. Knox? Seeing none. Thank you so very much. Staff?
- MS. MCKINLEY: Chair, the next testifier is Cynthia Morris, to be followed by Jen Mather.
- MS. MORRIS: I am Cynthia Morris, and I'm a resident of Nāpili. I...my daughter sent me the email, so I just happened to be in the neighborhood, but I...I felt so concerned about this. I'm here as a resident, concerned that we're...I'm here to support the amendment because I'm trying...I'm supporting a family of eight people. I have...I moved. I was paying for a one-bedroom, \$3,500, and I just got a new place that I'm excited about. It's a two-bedroom for \$3,550. That's what I'm here to remind you all. That's what we're still going through. So, whatever you need to do to make this work so that we have a place to live. My daughter, I'm here to represent them. Her and her husband have four children...two teenagers, a newborn, and a two-year-old in a trailer in a parking lot of a family that is renting to two families . . . (timer sounds). . . in their home. And they moved out so that they could do this for FEMA to do this. So, this is what we are really struggling with. How am I...I'm 62. How am I supposed to keep working two-and-a-half jobs? I'm actually going to go interview for a third night-time job so I can pay that \$3,550. That's just for rent for the...for a two-bedroom. So, I'm just reminding you that we are paying over 3,000 to 5,000, \$6,000 for one and two bedrooms. So, somebody needs to address that also. But also, we're still waiting. We're still waiting. I also would like to say being in Nāpili, and after the fire, and all the...everything that's going in and all the transition, it's wonderful, that's great. But let me tell you, when it gets dark, and we drive past Kahana to Kapalua, it's pitch black. So, if you guys can also look into some lights for us, and speed limits, and bumpers, and all the traffic that's going back and forth. Because everybody is up here now. And where are we supposed to go? And there's no community ... (timer sounds)... because we're all waiting. So, I'm just reminding you, we're still waiting. And I got to go interview for a third job so I can afford it. So, please help us. Thank you.
- CHAIR KAMA: Thank you. Questions for our testifier? Seeing none. Oh, Member Paltin, you have a question? Ms. Morris?
- COUNCILMEMBER PALTIN: Thank you, Ms. Morris, for your testimony. I...I just wanted to clarify what you were saying about the...the streetlights from Kahana to Kapalua.

MS. MORRIS: Yes.

COUNCILMEMBER PALTIN: Are you talking along Highway 30?

MS. MORRIS: Yes. I'm talking about just infrastructurally that there's no lights out there. So, when it's pitch black, and we're hearing all the ambulance, and there's fireworks that are still going off in Kapalua the other night, like two weeks ago, like they have a show of fireworks. That sound, in the middle of the night, after all we are experiencing, and there's no lights outside. The Fire Department in Nāpili, I would really appreciate it if they could put some lights on to let us know that they are at least there. Because as a single person in charge of all these people and all these kids--seven grandkids, and I'm making sure everybody is okay--where am I supposed to go? Who am I calling? Who's coming out to me? No, I have to do it all myself, and I'm sure it's the same for everybody. So, lights --

COUNCILMEMBER PALTIN: Thank you.

- MS. MORRIS: -- representation of who you guys are, and where you're at. Because we're alone out there, I still feel like we're still alone, and we're just waiting. And meanwhile, we drive by everything on the bypass, and we're reminded every day, and we have to cry every time we pass it. I don't know if you guys are going through that, but we are. So, just a reminder.
- COUNCILMEMBER PALTIN: Thank you. I'll...I'll pass that sentiment on to our State counterparts.
- MS. MORRIS: Yeah, let's light it up and bring out some...some aloha out to Nāpili, and out to us.
- COUNCILMEMBER PALTIN: Thank you.

MS. MORRIS: Thank you.

- CHAIR KAMA: Thank you. Staff?
- MS. MCKINLEY: Chair, the next testifier is Jen Mather, to be followed by Nara Boone.
- MS. MATHER: Aloha, mai kākou. My name is Jen Mather. That three-time bell action is small-kine distracting, but...I guess I'm not going to pretend like to know what this bill is all about, but what my na'au is telling me is that you're allowing for the like fastest track to rebuild without understanding like the biocultural landscape, right, and...and what that biocultural landscape is telling us when our entire town burned down. So, like until we can recognize the way our building and our planning practices have impacted our ecosystems, we shouldn't be rushing into rebuilding anything. And I acknowledge that people need somewhere to live and places to work, but we need to prioritize our cultural resources and our biocultural landscape. And like Kai said, we have this like clean slate, right? We can now look at what's right for our

<sup>•</sup>āina and our community, not just the commodification of it and the extractive economy that we've like become to think of as a norm. But if you do pass this, then I think you need to make sure that CM Paltin's amendment is . . .(*timer sounds*). . . included. So, mahalo.

CHAIR KAMA: Thank you. Questions for our testifier, Members? Member Paltin?

COUNCILMEMBER PALTIN: Thank you. So, just clarifying, you're not in support of Bill 105?

- MS. MATHER: No. No, I'm not. I think we should just scrap the whole ordinance that nonconformities are okay.
- COUNCILMEMBER PALTIN: Thank you. Thank you, Chair.
- MS. MATHER: Yeah, mahalo.
- CHAIR KAMA: Thank you. Staff?
- MS. MCKINLEY: Chair, the last person currently signed up is Nara Boone.
- MS. BOONE: Aloha. Good morning. I am not certain if I am in support of the bill in its entirety, but I am in support of Councilmember Paltin's amendment. It was difficult to look...oh, I'm sorry. I should say also, my name is Nara Boone, and I am with the Maui Housing Hui. I was trying to do some research really quickly and look up UHERO's stats on short-term rentals in Lāhainā pre-fire. That information has been buried to a degree, but I believe it is one quarter of dwellings before the fire were short-term rentals. I would like to also point out that people say that there's the...you know, raise the cost of living to have short-term rentals. It raises the rents in the neighborhoods to have short-term rentals. So, the cost then goes on to our community to allow these short-term rentals. I agree that the B&B . . . (timer sounds). . . permits could be applied for, as opposed to just willy-nilly allowing all of those short-term rentals to continue. We need to regain a sense of community, and that does not happen with tourists coming in and out, and disrupting the cohesiveness of a unified people in their neighborhoods. On a side note, just listening to the past testifier, for at least the second year in a row, Hawai'i is the most sleep-deprived State in the country, and that is because of our high cost of living. So, if we can do anything to keep the prices down for our community members, I think we should do it. I am in support of the amendment. Mahalo.
- CHAIR KAMA: Thank you. Members, questions for the testifier? Seeing none. Thank you so very much. Staff?
- MS. MCKINLEY: Chair, the next testifier is Tom Croly. He's currently the last one signed up.
- MR. CROLY: Aloha, Committee. Tom Croly, testifying on my own behalf here. There's a lot of questions as to exactly what is enabled by this legislation. I think a lot of people may be misled as to exactly what are nonconforming uses. I think that Mr. Prost [*sic*] gave a --

#### October 23, 2024

UNIDENTIFIED SPEAKER: Pfost.

MR. CROLY: -- very good idea of what nonconforming is, but he didn't necessarily explain what nonconforming is not. Nonconforming is not someone who built an 'ohana without a permit on their home, okay? They're not...this is not going to enable that 'ohana to be rebuilt. Nonconforming is not permitted B&Bs and permitted short-term rentals, or even properties on the Minatoya list that are legally existing based on our current Code, okay? So, none of those things would be directly affected. But what we don't know at this moment is exactly who is directly affected. I appreciated the questions . . . (timer sounds). . . that Councilmember Paltin brought forward to some of the testifiers who were in support, saying, do you have a nonconforming part of your property? And I don't know which ones are. Clearly, parking is... is a big issue for the Lāhainā properties. And with respect to zoning, setbacks are always a primary issue here. But what I would like you to do is ask Zoning to give you a list of properties that do fall under the grandfathering of this particular Code so you know who is being affected, and those people should be part of this discussion at this point. So, I see the heads nodding. You get it. Some of the testifiers, at this moment, I don't think do, but I hope that...that the discussion you have puts their mind at ease as to exactly who would be affected by this proposed legislation. Thank you, and I wish you good luck.

CHAIR KAMA: Mr. Croly, Member Paltin has a question for you.

MR. CROLY: Yes.

- COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Croly. I just want to clarify, kind of repeat back what I heard that you said, and if you can tell me if that's correct. You think that we should understand all of the nonconformities that we would be allowing to come back before we make any decisions?
- MR. CROLY: Absolutely, yes. Both the nonconformities that you're allowing to come back, and if adopted, what properties...your amendment to say that TVR uses are not allowed to come back, what properties are impacted by that? By my understanding, that would only be properties that have been grandfathered in because they were operating prior to 1989, and have operated continuously without a break since then, okay? I don't think that's a lot of properties. I'm not sure, but I don't think that's a whole lot of properties. One though, that I am sure about, is Tanna Swanson's B&B, okay? She would be affected by what you have proposed because she doesn't operate under a permitted...a B&B permit. She operates under the idea that the B&B that she...that she owns started operations back in the '80s, and has operated continuously since. And I've even seen the letter that the Planning Department sent to her that said, you may continue these operations under the...the auspice of 19.51.10 [*sic*], which is what you're...you're amending right here. So, she's the only one I know for sure is...would be directly impacted by the proposed amendment to...to cease her...her use.
- COUNCILMEMBER PALTIN: And then to clarify that, would that grandfather allow her to pay owner-occupied, or she would need to pay B&B tax rate?

MR. CROLY: No, they...they've had her in the B&B category, I think, for years. Because the...the specific code is based on...or what tax category you fall into is based on the use you're making, and not specifically whether you have a permit or not, okay? So --

COUNCILMEMBER PALTIN: Okay.

MR. CROLY: -- so, she's...she's...

- COUNCILMEMBER PALTIN: That wasn't what I saw. But on the other side, so you're saying that to know all the nonconformity structures and the properties they impact, as well as all the nonconformity uses and the property they affect. And then, like, if the amendment gets taken up, all the properties that that would affect. Basically, before we make any decisions, know all the cate...categorically all the nonconformities of structure uses, and which properties they occur on, is what you're saying?
- MR. CROLY: Well, that would be ideal. But as one of the testifiers told you, it's impossible to know every one of these. Then...until someone submits a building permit, and then the plans reviewer goes over that building permit and says, okay, let's see what applies to this, what parking regulations apply to this, what setback, you know, regulations apply to this. They don't really know, in some cases, that they have a nonconformity, okay? So, it won't be possible to identify every single one, but it should be possible to identify--at least Planning should be able to identify--the properties that they have issued letters to grandfathering in uses, TVR or otherwise, that...that are...are currently occurring. So, certainly, you know, question the...the Planning Director when she comes to...to find those files as much as you can.
- COUNCILMEMBER PALTIN: So...so, you think that we can have record of the uses that are grandfathered, but not necessarily the structures?
- MR. CROLY: I would expect that to be the case. I would expect that to be the case. And then there may be some uses that...that they don't have records of, but the person would be able to later document and show, hey, we were making this use way before you changed the Code, and then it allows those folks to come in. It's really just the exclusion that you...that you put forward to say, hey, we're going to...we're going to allow you to do these things, except for these guys. Well, if you're going to do that, figure out who the except for these guys is. ...(*laughing*)...

COUNCILMEMBER PALTIN: Thank you so much for that --

MR. CROLY: Yeah.

COUNCILMEMBER PALTIN: -- clarification. Thank you, Chair.

CHAIR KAMA: You're welcome. Okay. Staff?

MS. MCKINLEY: Chair, there's currently no one else signed up to testify. Would you like us to do a last call?

CHAIR KAMA: Yes, please. Thank you.

- MS. MCKINLEY: If there is anyone that would like to testify on this item...oh, we have a testifier, Johann. We need to unmute him, just a second.
- MR. LALL: Aloha. It's Johann Lall, testifying on behalf of myself. I never thought this would happen, but I think I agree with Tom Croly. I think it's important to...to understand what the...what the actual impacts are and all of that. And the code, you know, zoning, and all the other stuff, there's a lot to it that I think most of us don't understand. I didn't realize until they went to repave the parking lot at my condos that I was not in compliance with Fire Code because of where the parking spots were placed. And, I mean, there's a ton of...there's like thousands and thousands of regulations. Maybe there should be like an exception or something if...if it would impact safety, or health, or anything like that. I don't know. A lot of thought needs to go into this. I support anything that can phase out STRs, but it sounds like it may not really apply because Minatoya is maybe not nonconforming. Anyway, regardless, I hope a lot of discussion goes into this. So, mahalo. ... (timer sounds)...
- CHAIR KAMA: Thank you. Members, questions for the testifier? Seeing none. Thank you so much. Staff?
- MS. MCKINLEY: Chair, the next testifier is Leonard Nakoa. He's currently the last one signed up.
- MR. NAKOA: Yessah. How you guys stay? Like Johann, I cannot believe that I agreeing with Tom Croly too. Serious. But yeah, I think you guys gotta check your thing out again. You know, I thank Tamara for making this amendment because this is what was kind of controlling this whole bill. We need to make sure we're not just rushing into this, like Jen Mathers said. Yeah. We got to make sure as much as everybody like review quickly and all that kine stuff, do it the right way. No hurry up for just for hurry up. Do 'em the right way. Okay. My grandson, he going need one good place for come...for...for stay here. He not going nowhere. He not going nowhere. Okay. But I going tell you guys right now. Yeah, the STRs, we've been talking about that for years, especially the ones in our neighborhoods. Yeah? And then, you know, all these guys in the STRs, they saying, oh, yeah ... (timer sounds)... the STRs can help the... the displaced families. Well, I think if never have the STRs, we wouldn't...a lot of the displaced families would be in those whatever so-called STRs or homes, you know? So, yeah, I just, like I said, yeah, Tom Croly, I think we're going to little bit back step a little bit. Let's go check 'em out. Make sure we doing 'em the right way 'cause we got to live with 'em, yeah, guys? Whatever decision that is made over here, we...this guy not going nowhere, okay. My kid's not going nowhere. I just heard the best news in my life that my oldest daughter like move back Lāhainā. So, I tell you right now, we're not going nowhere. So, let's do it right. Let's do it the pono way. Let's do it correct, yeah? Mahalo, all you guys, for...hey, mahalo for bringing 'em up, Planning Commission, Planning Department,

because at least we talk about 'em. But let's know that what is the right way to do it. Mahalo, you guys. You . . .(*timer sounds*). . . guys have a good one. Yessah.

CHAIR KAMA: Thank you. Questions for our testifier, Members?

MR. NAKOA: . . . (inaudible). . .

CHAIR KAMA: Seeing none. Thank you so very much. Aloha.

MR. NAKOA: Yessah.

- MS. MCKINLEY: Chair, no one else is signed up to testify. If anyone would like to testify, this is your opportunity. Please raise your hand on Teams, or approach the podium. Chair, seeing no one.
- CHAIR KAMA: Members, seeing as there are no individuals wishing to testify, without objection, I'll now close oral testimony.

COUNCILMEMBERS: No objections.

CHAIR KAMA: And as a reminder, written testimony will continue to be accepted into the record.

#### ... CLOSE PUBLIC TESTIMONY FOR ITEM HLU-34 ...

CHAIR KAMA: We're going to proceed with discussing HLU-34. Members, I will call upon you for questions you have for the Administration. I'll also ask Staff to set a three-minute timer for each Member so that all Members can get their questions asked and answered, and we will go a few rounds if we need to. Vice-Chair Cook.

VICE-CHAIR COOK: I don't have any questions right now. I'm ready for a break.

- CHAIR KAMA: Okay. Council Vi...Council Chair Lee.
- COUNCILMEMBER LEE: Okay. Do...do we need some discussion before you call a break? So...yeah. All right.

CHAIR KAMA: Yes. That's why we're just keeping on, keeping on. That was the...

COUNCILMEMBER LEE: All right. So, who...who do we question? I mean, all the testifiers left, right?

COUNCILMEMBER PALTIN: I'll take Chair Lee's --

COUNCILMEMBER LEE: And we haven't...

Council of the County of Maui

#### October 23, 2024

COUNCILMEMBER PALTIN: -- time. I got a discussion.

COUNCILMEMBER LEE: What is that?

COUNCILMEMBER PALTIN: I'll take your time if you're...

COUNCILMEMBER LEE: Okay. Go ahead. Go ahead.

COUNCILMEMBER PALTIN: Thank you. Chair Kama?

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: Can...can we request what Mr. Croly said in his testify --

CHAIR KAMA: Testimony.

COUNCILMEMBER PALTIN: -- testimony --

CHAIR KAMA: Yeah. Yeah.

- COUNCILMEMBER PALTIN: -- from the Planning Department? A copy of all letters issued by the Planning Department grandfathering in nonconforming uses, one. And then also, you know, types of nonconformities, like all of the examples of nonconforming structures that this bill would affect. And...and my understanding, too, I guess I could ask directly to the Planning Department now, is that this bill for this disaster only affects or applies to the burn zone...or burn scar?
- CHAIR KAMA: Okay. So, I want to make sure Staff has your questions for Planning. So, did you get those questions, Staff, from Member Paltin?
- MR. KRUEGER: Yes, Chair. So, just to reiterate what we have down is a copy of all letters issued by the Planning Department grandfathering nonconforming uses, and also the types of nonconformities and examples of structures that the bill would affect.
- COUNCILMEMBER PALTIN: And...and if they're aware of the specific parcels that are nonconforming, and what their nonconformity is. All the information that they have. I understand it may not be a comprehensive list, but I...this isn't the only time I've agreed with Mr. Croly. I think we've co-sponsored bills in the past, but I think I...I agree that, you know, before we make any decisions, we need to know exactly what it is that we're deciding. And...and similar to the owners of these parcels, I understand parking nonconformity, setback nonconformity, and like that, but that's...that's about the extent of my understanding of nonconformity, and I would hate to make decisions on things that I'm not fully informed of. But other than that, that was my other question to the Planning Department.
- CHAIR KAMA: So, Mr. Pfost is still with us, I'm sure. So, Member Paltin, if you want to hold onto that...because I'd like to call for a recess. Some of the...our Staff and our Members

here are not like at home. So, anyway. So, it is now 11:02. We're going to call for a 12-minute recess until 11:15 a.m. HLU Committee is now in recess until 11:15. . . .(gavel). . .

**RECESS:** 11:02 a.m.

**RECONVENE:** 11:20 a.m.

- CHAIR KAMA: ... (gavel)... Will the HLU Committee reconvene. It is now 11:20 a.m. And I think we left off with Member Paltin's question to Mr. Pfost. So, Mr. Pfost?
- MR. PFOST: Yes, thank you. You know, thank you for the question. It's a really good discussion. The difficulty is...I think, is we can provide examples of types of uses or structures that...that this nonconforming section would...would address, but it's obviously difficult, or we do not know all the nonconforming uses or structures within the...the Lāhainā area. That would...I'm not sure how we would undertake that analysis. We can give examples of types. Now, I know that, you know, one of the speakers mentioned--Ms. Swanson, I believe it was--that she was not...she had a nonconforming, it was either short-term rental or an Airbnb. And I did look on the list of...the Minatoya list. And at the end of the Minatoya list is a list of properties that are not in Apartment districts that are allowed to do short-term lodging. And that list does indicate nonconforming uses, and her property was on that list as a nonconforming use. I don't know why that is, and I don't...and so there are other properties on that list also that are indicated as nonconforming uses. So, we may be able to look back in those properties and be able to find out why they were determined as nonconforming, but to be able to actually go through all of Lāhainā and find out what is nonconforming and not would be...I don't even know how to approach that task. It was the intent that...the Planning Department was thinking is as properties come in to either renew their use or come in for a new use or a new structure, is the time that we would then work with them on their nonconformities and go through in that process. So, I'm not sure if I answered your question or not.

CHAIR KAMA: Member Paltin?

- COUNCILMEMBER PALTIN: The other question was if Bill 105 in this current emergency proclamation is only applicable to the burn scar.
- MR. PFOST: Yes, thank you. It's...it's applicable to the area that was within the proclaimed disaster. So...so, whatever that...identifies that area, which would include Kula as well, so it's whatever...all that's within the proclamation and intended to be within that proclamation. So, all of that area.

COUNCILMEMBER PALTIN: So, like it wouldn't apply to Hoyochi Nikko in Honokōwai?

MR. PFOST: That's correct. I don't think that's part of the proclamation, so...

#### October 23, 2024

- COUNCILMEMBER PALTIN: Okay. And then seeing that you don't have all the parcels and all of the nonconformities, but you said you could give us examples. Do you think that you could give examples of all of the nonconformities in terms of structures? Is it right that there's two avenues of this bill, and one is nonconforming structures, and one is nonconforming uses?
- MR. PFOST: That is correct. In regards to non...it is just nonconforming structures and nonconforming uses in association with Title 19, which is our Zoning Code. So, we're only talking about...we're not talking about nonconforming structures related to Title 16, and that they were built perhaps a long time ago, and not in compliance with new IBC or Building Code requirements. It's only regarding to Title 19. So, you're talking about setbacks, building height, kind of . . .(timer sounds). . . yard areas, things like that, that are actually development standards regarding structures. So, the development standards, and then the uses as identified within the various districts, the permitted uses. So, any nonconforming use would be a use that's not permitted in an existing zoning district.
- COUNCILMEMBER PALTIN: Okay. Chair, given Mr. Pfost's answer, I guess that might change our request to Planning just to examples of all known nonconforming structure types of ...(timer sounds)... situations, all known nonconforming uses types of situations, and if they have knowledge of which parcels, that would be helpful, but it sounds like they may not.

CHAIR KAMA: Okay. Let me see that. Oh, James is nodding his head. So, he did get that.

COUNCILMEMBER PALTIN: Awesome.

CHAIR KAMA: Okay.

- COUNCILMEMBER PALTIN: Thank you. Thank you for my opportunity.
- CHAIR KAMA: You're welcome. Okay. Council Chair?
- COUNCILMEMBER LEE: Following along that line, Mr. Pfost...gee, what was I going to just say? Going...going the other way, instead of waiting for somebody to come in one by one, there...X number of structures that were burnt, were destroyed or partially destroyed. Can't we go that way and go through that list?
- MR. PFOST: That would be...that would be thousands of structures, and so we would have to...

COUNCILMEMBER LEE: Only 2...only 2,000, right?

MR. PFOST: Yeah, yeah. Yeah. And...and trying to determine...the difficult part and...and the why that the...the Code, Title 19, is written both in existing code language and proposed language, is we put the burden on the property owner to identify your...your use, or your structure in the way that it was nonconforming...so that the

property owner would come forward to the Planning Department and say, hey, yeah, my structure had a nonconforming setback, I want to rebuild back to it. Well, you need to prove to us that that was a nonconforming setback. So, we're actually putting the burden on the property owner because really, I don't believe the Department has the...the ability to actually go through every property and identify what a nonconforming structure was or a nonconforming...

COUNCILMEMBER LEE: Okay. So, what about notice? At least notice...2,000 notices.

MR. PFOST: Provide notice...provide notice that...

COUNCILMEMBER LEE: No, no, not if you notice. Giving people notice.

- MR. PFOST: Oh. That would be...I suppose we could, that is possible to provide notice of the bill if it's adopted, and then the nonconforming section. Is that what you're implying?
- COUNCILMEMBER LEE: Yes. Yeah. Because to wait until somebody actually comes in to make a change is too late already. You know, their options are gone, for the most part. But if they know ahead of time, you know, they might come and inquire, and then, you know, you can help them.
- MR. PFOST: I agree with you there, especially...you know, having a process to implement this bill would be important to make sure that we are providing adequate notice to property --

COUNCILMEMBER LEE: Okay.

MR. PFOST: -- owners, and that...that we have that ability. Because I agree, it would be important for them to get their paperwork together to identify what the nonconforming use is so...or structure so they can present that to us, and we can all agree before they hire an architect, right?...and go through --

COUNCILMEMBER LEE: Right.

MR. PFOST: -- that process of trying to design something. So, I agree that...coming up with a procedure, if this bill is passed, I would agree that that's something that the Department can work on.

COUNCILMEMBER LEE: Okay. Thank you. Thank you.

CHAIR KAMA: Mr. Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. I'm going to ask a question for the Department of Fire. I'm sorry, Chief, what was your name?

CHAIR KAMA: Vaas.

COUNCILMEMBER JOHNSON: Vaas? Captain Vaas?

# CHAIR KAMA: V-A-A-S.

- COUNCILMEMBER JOHNSON: Okay. So, Captain Vaas, you know, when we talk about the nonconforming structures, the lens that I look at it through is, we don't want to have another fire happen the way it happened. And if we going to go and rebuild the town, what specific nonconforming prob...examples that would be a big problem? The setbacks, maybe? I'd like to hear what the Department has opinions on, on which...which nonconforming things would be the ones that you would be most concerned with. I heard Johann Lall talk about how his parking stall was out of Fire Code. And that's...that's news to me. I never heard of something like that. But when we talk about like how when the winds travel with the embers, and we have setbacks that are super close, you know, they're nonconforming, isn't that a big fire hazard? I would hate for us to look at this bill and say, yeah, let's hurry up and expedite the rebuild, and then next fire season, we have a big catastrophe because we built so close again. So, is there anything in the nonconforming types of structures that raise a red flag for your Department?
- MR. VAAS: Definitely. I think what we're all struggling here with, and by the testimony of everybody, and I think the people in this room, is really identifying what are the hazards associated with the nonconformities we're talking about. Unfortunately, I came to read this bill proposal a little bit late in the game. I also didn't know where it exactly came from or what it was founded in. So, just upon reviewing word for word what was there, instantly, as a fireman, I'm thinking Lāhainā, conflagration, buildings next to buildings.

# COUNCILMEMBER JOHNSON: Right.

MR. VAAS: Pretty soon, I was able to meet with the Planning Department and get clarification on this. And...and the gentlemen there have been great in explaining to me, like what nonconforming really means. And I think it's been exposed here too, that not everybody's clear on what that means. So, to address your question more specifically, not making this bigger than it needs to be, my immediate concern was the proximity of buildings to each other.

# COUNCILMEMBER JOHNSON: Right.

MR. VAAS: So, nonconforming can mean a lot of things. But let's stick to that. If there are setback laws today that require separation through zoning, let's say, of six feet from wall to wall, like I believe it may be for residential. You still got the roof overhang. Let's not nitpick ... (timer sounds)... the exact amount of feet. But the problem is the conflagration. Will this house catch the next house on fire?

# COUNCILMEMBER JOHNSON: Right.

MR. VAAS: The Fire Code currently does not have anything to address that. So, to say that if we allow them to build within their setbacks, but the Fire Code could be implemented

Council of the County of Maul

#### October 23, 2024

still, we don't have something that says how far the buildings have to be away from each other. For better or for worse, the codes work in concert with each other. We have our own lane, but we do depend on the Building Code to say build out of these materials, and you'll be a little safer. Now, the Building Code, if you use certain materials, you can build right next to each other. But what that's all about is, can that person get out of their house in time while the other house is burning? So, that's what we call it, maybe a two-hour wall, let's say. You got two hours before you...the house is untenable. That's not good enough for a whole town catching on fire. So, our only concern here was allowing people to put things closer than what current Zoning Code would allow for. Now, there is zoning that has...you know, you don't need any clearances between. Okay. Unfortunate for us, but those are the rules we have. And hopefully, the Building Code will address that. We don't have anything for that. So, that was our concern. Now, the Planning Department did introduce a couple of revisions today to help address that concern. I think it really needs to be looked at closer to what all the other nonconforming hazards could mean. I have no comment on...from the Fire Department point of view on short-term vacation rentals or not, which seems to be a big part of this. My main concern is, will we recreate some of the hazards that have happened in the past? So, wherever we're given the opportunity to improve or to heighten the safety, the Fire Department is going to support that avenue. So, I think the revision of the bill does address some of our concerns, but yes, we are looking at it through the same lens. Will some of these nonconformities recreate the same situation as before? And I think it's worth looking into this a little deeper.

- COUNCILMEMBER JOHNSON: So, your concerns, Captain, is this body's concerns, is our community's concerns. We don't want to spend all this money and all this heart, you know, our...put our heart and soul into rebuilding, and then the next fire season come and the same scenario happens. So, you know, that term build back better and build back safer, I mean, those are the kind of things...the lens that I want to look at this through. So, my time's up, and I'll probably come back to you for a second round. So, thank you.
- MR. VAAS: Sure. Thank you for the question.
- COUNCILMEMBER JOHNSON: Thank you, Chair.
- CHAIR KAMA: Thank you. So, we're going to go to Councilmember Sugimura.
- COUNCILMEMBER SUGIMURA: Excellent discussion. I think I...I...I have to say I missed the presentation from the Planning Department. So, I...I want to look at gathering the proposed and amended bill. So, I would like to look at that, and if I could skip my turn.

CHAIR KAMA: Sure.

COUNCILMEMBER SUGIMURA: And I'm hoping it's on Granicus. Thank you.

MR. KRUEGER: Chair?

CHAIR KAMA: Yes.

MR. KRUEGER: Planning's presentation is on Granicus as item 22.

COUNCILMEMBER SUGIMURA: Thank you.

- CHAIR KAMA: Okay. Thank you. Item 22 it is. Okay. Let's continue with Councilmember Rawlins-Fernandez.
- COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So, what it's sounding like to me, and then you--you tell me, Chair, if I might be off-but it sounds like what we might be doing today is kind of getting our questions to the departments, and then we...it's looking like we may not be taking legislative action today so that we can get more information before we make a decision on this bill.
- CHAIR KAMA: That's what I think might occur, but this is our body and this is our process. And if we think we might need to defer until we get more information, and that we feel like we could make a better decision, by definitely yes. But this is ours, and we can deal with it as we...we want.
- COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So, my question is for Mr. Pfost from Planning. I kind of wanted to dovetail off of some of the questions that were being asked. I...I understand the approach of waiting until folks come to the County for different permits and before building. I...I. also know there's a lot of planning meetings that are happening and a lot of questions being asked because we knew, and residents know, that the...the streets in some areas were not conducive to, you know, getting the Fire Department in and through. And so, there's...there's...there's a lot of adjusting, as I understand it, that's...that's happening to make Lāhainā safer, and so that we're not building back the same. Building back a community, but a community that is safer, with safer routes to evacuate if necessary, but also reducing the potential risk of an entire town burning down again. So, my question to Mr. Pfost--and I...I also saw Mr. Hart turn his video on, but he didn't get to share whatever it was that he had on his mind earlier--is what...what...how do you envision it working when residents, you know, come in, and then they share with you what you're asking? That the nonconforming structures as they were informed by the County, and then working through what those nonconformities are to see if they would be able to build back that...the same with those same nonconformities? Like what...what would that process look like for an individual coming in wanting to rebuild with nonconformities? And I understand that they're different, like there's different types, but as you stated, setbacks, building heights, et cetera. ... (timer sounds)...

MR. PFOST: Yes.

CHAIR KAMA: So, Mr. Pfost, before you answer, I just want to acknowledge that Director Blystone is online, Members...so, if you'd like to ask her a question also. But go ahead, continue, please.

#### October 23, 2024

- MR. PFOST: Yes. Thank you for the question. The ... the way I would envision the process is...is--kind of been on both sides of the counter in my career--and the way I would envision or we would want to accommodate folks is that I think as...as Councilmember Lee mentioned is, it's important that we get the word out if this bill passes that...that you can actually take advantage of your nonconforming. I think that's the first step that's important so people understand that before they actually go to the expense of hiring an architect and designing the home. I would think then, initially, in far as process, once they're aware that they can take advantage of this is so that they can come to the Planning Department and speak with Planning Staff on what they believe their nonconformity is. We should be able to tell them where we need proof of that, and explain to...that to them what that might be. And that's going to be the difficult part, honestly, about when you have a structure that has already been completely...is completely gone and...and the sites have been remediated, how do you prove that what your existing structure was? So, we're looking at aerial photos, photographs, things like that. Any plans that they may have available or permits. And then we would work through them with that before they actually submit their plans to the Building Department for approval. There may be other issues, as the...as the Fire Department mentioned, about their concerns in regards to if it is a nonconforming setback and structures being located closer than what they should be or what they were...what they should be according to Code, and what they were previously. And hence, that's why at my last slide in my presentation, we added some recommended changes for the Fire Department to address those issues that would kind of address that. And so, if you look at those changes, it actually requires the Fire Chief or the Fire Department to look at those nonconforming setback issues, probably most importantly, to determine if there's other things that need to be...occur, including beefing up the building from a fire rating standpoint. So, there's going to be a lot of ... I think, in the process, a lot of communication with the Planning Department and probably the Fire Department, depending upon what they want to do before they actually perhaps even submit for permits. So, it's going to be a process. I'm not sure. Hopefully, that answers your question.
- COUNCILMEMBER RAWLINS-FERNANDEZ: It does. Mahalo. And then, Chair, if you would let Mr. Hart respond.

# CHAIR KAMA: Mr. Hart?

MR. HART: Chair, thank you. Thanks, Greg. The other...the other condition--or not condition, it's not a condition--but the other recommended amendment that we worked out with Chief Ventura, Chief Fujioka, and...and Captain Vaas yesterday was that the Fire Department could call for the use to be relocated within the parcel. That's not something that can currently be done under the nonconformity section. So, if...if a nonconforming use that was discontinued resulted because of the fire was proposed to start again, and the Fire Department felt that it was...that it was too close to the setbacks or otherwise in an unsafe location, it can now be moved...well, if this is adopted, it can now be moved into an area of the parcel that they think is more appropriate to resume. I do want to go a little bit farther back for context because it's necessary to explain. So, basically, when the permit working group was formed up after the fire, I was assigned to it in

#### October 23, 2024

roughly October of last year. So, our first priority was the residential building permit process for reconstruction. So, that was adopted by Council roughly in December, and then these...this item, along with the residential density and the kitchenette items, those were all done together, and so that's why they're on a lag. And we did talk those out with the permit working group but, you know, as everybody gets focused on other things and these were moving through the planning process, we didn't maintain communication and connection with the Fire Department. And...and so, we did have an opportunity to re-meet and hammer out these amendments to the proposal. But basically, an important factor to understand is that the time frame under our existing regulations and the...the volume of destruction under our existing regulations is already gone. So, all these nonconforming structures and uses, they're already lost technically now. This proposal is to provide the opportunity. Because at ZAED, we review building permit applications. So, that's when people come in to us, and they discover the nonconformities. And they say, oh, I'm going to build my property the way it was, and you say, oh, well, you can't do that now. And then, you know, that would be already expired, and we would be telling them this stuff. And, you know, then they would be, you know, distraught in that way. So, normally, our nonconformity section is for attrition where if some specific thing happens, then you lose it. But we haven't really had a situation, at least in our recent memory, that so many people potentially haven't been affected by the same thing, and you're going to tell them all no together. And so, this was to provide a way to...to facilitate the recovery. And...and the permit working group was really trying to figure out how do we remove friction from the County's process? So...so, this was one of the things that was put into that. And I think that that's kind of...you know, we didn't really introduce that context in the...into the presentation this morning, but it's relevant to kind of understand the timing of how things unfolded, and what it was founded in as far as the proposal. We did not make any recommendations on use--like Councilmember Paltin introduced the TVR item--our proposal was just to...just introduce the whole thing and let the community, through the planning commissions and the Council, talk all of those kinds of things out. Some other things I want to bring up is that like, you know, examples of nonconforming uses. So, like the Jodo Mission, that would be an example, that's occurring in the...in the Residential district. You know, we would have to tell them now you got to go get a special use permit if you want to, you know, go back to that. And so, that's one we already know about. It's all the ones that you don't really...you didn't really think about. You know, like you're driving by some thing, it's been there forever. That's the nature of a nonconformity, is it's been there forever. So, it doesn't really register. But then, when you come into ZAED for your building permit, and we say no, you don't pass your land use analysis, and we can't approve your building permit, we were just trying to...to provide an option to get in front of that. If...if that's the direction of the Council. Obviously, you know, there's health and safety concerns to discuss, there's do you want to reset all these nonconformities and make them go through all public hearings? Like that's a real decision. So, we just wanted to make sure that at least we drafted something up and took it through the planning commissions so the decision can be discussed here. Thank you.

CHAIR KAMA: Thank you, Mr. Hart.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Mahalo, Chair, for that flexibility. And then...I mean, I know my time is like way, way over, but since Director Blystone just joined, I don't know if you want to ask her if she...if she had any opening remarks.

CHAIR KAMA: Director?

- MS. BLYSTONE: Mahalo, Chair. And I apologize for my tardiness. I had multiple things going this morning, but thank you so much for allowing me to attend. I just appreciate the Committee taking this up at this time. I know that we've been hearing a lot of calls for it. I've been in community meetings out in Lāhainā nearly every week, and this...this particular bill has come up multiple times. And so, I'm really proud of the work that Jordan and Greg have done to work closely with Oliver and the team at the Fire Department to work through all of the issues that they identified. And I...I really hope that we can get to a place where we move forward with this bill soon. Thank you.
- CHAIR KAMA: Thank you. Okay. So, we're going to continue with Councilmember U'u-Hodgins.
- COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I have a few questions for Planning Department and Fire, but I know we're kind of nearing...nearing lunch, but I wanted to ask Fire Captain Vaas first. What are a few things we can do for building permit and fire-related permits while they're reviewing a building permit to help ensure safety if this does go through? So, he mentioned fire-related...or fire-rated wall construction, which I've permitted before, but I'm wondering if like sprinklers are also an option regardless if they're within 500 feet of a hydrant, or what else we can do to keep the historic district feel of the town without losing that essence, and yet making it safer?
- MR. VAAS: Thank you for that question. So, this bill actually, as written, allows us to apply all the current Fire Code standards. So, if something were to come in that's nonconforming, but it didn't meet a Fire Code standard, I would be allowed...we would be allowed to apply any of the Fire Codes currently available, and that may determine whether they can build back what they have, possibly, or what changes may need to be made. So, we do have the ability for that...as well as the Building Code, who we work hand in hand with. It's...it's a smaller factor of just the things that aren't going to be addressed by Building or Fire that may slip through the cracks, as the example before the setback issues. Now, with the revision allowing this to tip to be considered with some of the commercial application, that gives us a little bit more leverage to build back safely. So, I do see, even with this bill, that Lāhainā will be built back safer. There are some instances where we're not comfortable with some of the areas that we don't have control over, but I am very sympathetic to the people who have properties that they depend on to prosper on, and they may have certain advantages, and they surely deserve those advantages when they come back.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. VAAS: We don't want to make things more difficult, but we have to look at not just that property, but their neighbors in the community, to make sure it's safe. I think with this bill and the revisions, we do have some opportunities in there.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. VAAS: So, as far as the permitting goes, we...we still have a lot that we can apply there, and putting sprinklers in homes may be one. It may be a little difficult. We'd have to look at our Code to see, can . . .(*timer sounds*). . . by Code this apply to that specific property, or do we have to enact a portion of the language in this bill to make that happen? That's where we're not quite 100 percent clear on...our scope, basically.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. VAAS: Thank you.

COUNCILMEMBER U'U-HODGINS: Okay. Thank you. Thanks, Chair. I heard the bell.

CHAIR KAMA: Thank you. So, we're going to continue with Councilmember Sinenci.

- COUNCILMEMBER SINENCI: Mahalo, Chair. I just had a clarifying question for Mr. Pfost. In his presentation, he did say that all the oceanside properties that fall in the SMA, would those new code requirements, they would have to adhere to all those new code requirements?
- MR. PFOST: Yes, the...go ahead, Jordan, if you want to just let Jordan pop up.

COUNCILMEMBER SINENCI: Oh, Jordan. Oh.

MR. HART: Sorry about that. Thank you. A few specific things to point out. Thank you, Greg. So, this entire...this entire proposal is based on you can...you can conduct the nonconformities proposed to conduct the nonconformities as they relate to zoning, but all will comply with current Building and Fire Code. In addition, if the Fire Prevention Bureau, through the Chief, identifies additional concerns, they have the right to apply all or any select portions of the Commercial Building Code and process to any structures that they have concern over, and also to relocate any uses that they consider to be of concern to another portion of the property. So, that's with...that's with regard to Title 16 Building Code. There's a completely different thing that is nonconformities in the shoreline setback, and this...this proposal has no bearing on that. You...it doesn't...let's ...let's say that there was a structure that was nonconforming with regard to shoreline setbacks. This bill wouldn't give them an advantage with regard to the Maui Planning Commission's rules for the shoreline. If there was some portion of a structure that was nonconforming based on zoning that didn't relate to the shoreline, maybe they could benefit from that, but in no way would it...would it give them an edge, or allow them to move closer to the shoreline, or affect their nonconforming status with regard to the shoreline rules.

#### October 23, 2024

- COUNCILMEMBER SINENCI: And this bill doesn't...Jordan, this bill doesn't exempt them from any of these types of the new requirements?
- MR. HART: No, no. And it doesn't...it does not. It actually...it actually...okay. So, it provides an option to preserve nonconformities. Theo Morrison had mentioned it in her testimony. You see this in Lāhainā, Pā'ia, you see it in Wailuku, in Makawao, in all the older towns, like the uniqueness and character is based on the irregularity. Like if you drive through Kehalani, and then you drive through downtown any old town in Hawai'i, the old town is nonconforming, and the ...*(timer sounds)*... new modern areas are uniform, and that creates the character. So, the...this allows...this allows to preserve that, but they have to comply with the new building standards. And the other thing I want to address, there's...it's...there's been a statement numerous times that...that this bill has to do with expediting. This bill has nothing to do with expediting. This...you are going through the building permit process. And if you need an SMA major permit, you're getting your SMA major permit. It's...it's just with regard to whether or not what you're proposing to do may comply with the zoning that you have. Because the use or the way you built the building was in place before the zoning requirements that we have today. Thank you.

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

CHAIR KAMA: Thank you, Mr. Sinenci. So, Members, it is now five minutes to 12:00, and I would like to be able to take a lunch break, even if it's five minutes early, and then reconvene our HLU meeting at 1:30, if that's okay. So, it is now 11:40...55, and the HLU Committee meeting is now in recess until 1:30. ...(gavel)...

**RECESS:** 11:55 a.m.

**RECONVENE:** 1:34 p.m.

CHAIR KAMA: ... (qavel)... Will the HLU meeting...Committee meeting of October 23rd, 2024, please reconvene. It is now 1:34 p.m. So, Members, when we left off for lunch, we were in the middle of asking questions and getting them ready for the Planning Department to answer. So, I want to continue in...in that discussion...or questions, I should say...and get whatever questions that we all might have for the different departments. And let's put them together and send them as a...one big package to whoever it is that we want to address these questions. Give them a time frame to answer the questions, and then when...and then reconvene after that. So, the Chair's intent today is to take all of our questions, and then to defer the matter until we can come back again and discuss the answers that we are looking for, so that we can have a better indication of what it is that we're actually looking at, and what we are going to be voting upon. So, if that's with the...if that's okay with everyone. I think we left off with...I can't remember now who, but I always in my mind have Member Paltin. But nonetheless...so, let's continue. Okay. Well, Mr. Cook's not here yet. Let me see. I see Chair Lee, I see Member Sugimura, I see Member Paltin, Member Johnson, Member Rawlins-Fernandez, Member U'u-Hodgins, and I don't see Member Sinenci. I...oh, I see you. Okay. Thank you, Member Sinenci. Okay. So, I think the only one that's not here at this time is

#### October 23, 2024

Member Cook. So, let's continue with questions. I know that Member Paltin might have a whole lot, so I'm going to encourage you to write your questions down, because these are the ones that we want to send to the different departments. And just to make sure that we encapsulate whatever it is that you have, if you do it in writing, it makes it easier for Staff and clearer, especially now I think we're going to have a bunch of questions that we're going to be asking. So, let's begin with Chair Lee, and we're going to end...we're going to not end, but I'm going to ask Member Paltin for her questions last, because I know she always has a lot, so give the other Members an opportunity while she continues to write her list. So, let's start with Chair Lee. Do you have any additional questions to any of our departments?

- COUNCILMEMBER LEE: I know the question has been asked already, but one of my main concerns is the distinction between noncompliant structure, noncompliant use. To me, that needs to be really clarified, and I know...I think that question was asked before. Was it?
- CHAIR KAMA: It wasn't . . . (inaudible). . . I think ...
- COUNCILMEMBER LEE: If not, there it is.
- CHAIR KAMA: Yeah. But I think the more you ask it, then you get it in writing. Because I think it's important for all of those families who are going to have to go through this process, that the more understanding they get through us, the more they can be informed about what's expected of them when the time does come for them to rebuild. So, hopefully, we want to make this painless. Because at this juncture, it kind of feels painful to be able to go through this process that they're going to have to go through when they apply for their permits.
- COUNCILMEMBER LEE: Yeah. I totally agree, and that's the reason why I...I brought up the issue of notice early on. Because it is painful for all of them to go through the process, even when there wasn't...even though there wasn't a disaster, it's painful going through the County's process.
- CHAIR KAMA: Yes.
- COUNCILMEMBER LEE: So, the best...the best is that...I think to happen is that they have full notice, because nobody's going to be needing the same things at the same time.
- CHAIR KAMA: Right.
- COUNCILMEMBER LEE: Everybody's moving at a different schedule, depending upon their circumstances. So, my main concern is that everybody's fully aware of what's going on, what changes there are, and any laws, et cetera, requirements. So, are you asking us to write those things down?
- CHAIR KAMA: Well, you could. If not, the...the Staff will capture them. But if you think that your question might be...like I think your question of making sure that notices are given

to the families, I think that...I think the Staff got that. And I think the compliance issue, I think the Staff got that earlier too.

COUNCILMEMBER LEE: Okay. Very good.

CHAIR KAMA: Right. So, if you have other --

COUNCILMEMBER LEE: Okay.

CHAIR KAMA: -- questions.

COUNCILMEMBER LEE: I have nothing more to say. Thank you.

CHAIR KAMA: Thank you. Okay. And we're going to welcome Committee Vice-Chair Cook back from lunch. We know you had a wonderful lunch. So, do you have any questions you would like to entertain?

VICE-CHAIR COOK: I did with Planning.

CHAIR KAMA: Okay.

VICE-CHAIR COOK: Either...if Jordan's available, per chance.

CHAIR KAMA: Mr. Hart?

VICE-CHAIR COOK: Mr. Hunt...Mr. Hart, rather.

CHAIR KAMA: There he is.

- VICE-CHAIR COOK: Good afternoon, Mr. Hart. Is it...my question is, is it possible to do some like comprehensive zoning of what...how Lāhainā was, and knowing that there's going to be some pukas in it and whatnot? But rather than...I mean, just to sort of try and...what we're trying to do is expedite it, and recognizing that the SMA is its own animal, its own separate deal. But for people to...I'm just asking you, from your experience, is there a path forward where Planning could lead the way to do some type of a preliminary overlay, as opposed to individuals coming in onesies, twosies, and asking? It seems like a lot of work for you folks, both ways, but just your comments, sir.
- MR. HART: Sure. I think that the Director wants to reply to this question, so I'll go ahead and defer to her.

CHAIR KAMA: Okay.

VICE-CHAIR COOK: Okay.

CHAIR KAMA: Director Blystone?

#### October 23, 2024

- MS. BLYSTONE: Mahalo, Chair. And mahalo, Jordan. So, I...Jordan can fill in the gaps here, but I think if you're looking for expediting the process, that the idea of rezoning Lāhainā or putting an overlay...another overlay over Lāhainā will not expedite that process at all. Because we'd have to write the code behind it. We'd have to then discuss that code to death, and then...and then eventually get to the point where we have a code. So, I don't think it's a way to expedite the process. I do think the way that we're proposing allows those nonconforming uses to...to...to re-establish themselves within a time frame, right? So, this is probably the most expedited way to do it. Even though this isn't an expediting process, it is better than the idea of doing a comprehensive rezoning. And, you know, I've submitted a letter to...to this body on comprehensive rezoning it for the next item that we have. It's something that we're very passionate about here, but in this particular case, not...not appropriate. I don't know if Jordan has anything he'd like to add.
- VICE-CHAIR COOK: So, Ms. Blystone, if I could ask another question. Is there...how well does the existing West Maui Community Plan match up with the way that Lāhainā was built?
- MS. BLYSTONE: Really well. So, with the West Maui Community Plan, the vast majority--and thank you for that question. The vast majority of the area was designated a Small Town Center or a Public/Quasi-Public in places that were appropriate, or Park in places that were appropriate. So, really, the bulk of it though, the private properties were designated Small Town Center, which allows a mix of uses at a reasonable density. So, it really does fit that. The community plan is really dialed in to the way ... (timer sounds)... Lāhainā was.

VICE-CHAIR COOK: Well, thank you, that's...that's positive. Thank you, Chair.

- CHAIR KAMA: Thank you. We're going to continue with Council Vice-Chair Sugimura.
- COUNCILMEMBER SUGIMURA: I'm going to write out some questions, but I will continue. So, I wanted to know from the departments for questions, just for clarity, potential nonconforming use...uses, properties that may be affected, and if the Department could, you know, come back with yes, no, whatever they want to say about it. But the Pioneer Inn, Spinnaker units, B-2 properties, A-1 properties, Puamana, right? We always heard about Puamana, which is a planned-use development...planned-unit development. 'Aina Nalu, and I don't know if we have short-term vacation rentals, but how those...if those are identified, and how those would be impacted. I'm also curious, because I'm familiar with Wailuku and hearing what Fire said in their response, right, of...of building back a community that was really built, like...is the conflagration, you know, the way that it...it's built side-by-side, old-style, and I think those buildings oftentimes are cement, but not necessarily wood. But this kind of disaster impacted it a lot. So, how would we address those? Really, I'm talking about Front Street businesses that have, in their history, the buildings being built that way, and how is...how will that happen in the future? And historic districts. So, how would these...how would this impact the Historic Districts One and Two? That's all. That's it, Chair, for questions.

- CHAIR KAMA: Okay. So, did you want them to answer now, or you just want to write it down . . . *(inaudible)*. . .
- COUNCILMEMBER SUGIMURA: Oh, no. Oh, I thought we were sending...we were sending them questions, so...
- CHAIR KAMA: Yeah. We can. Yeah. Okay. Okay.
- COUNCILMEMBER SUGIMURA: Okay.
- CHAIR KAMA: I think that'd be very helpful if we sent it on. That way we can just get all the questions out of the way.
- COUNCILMEMBER SUGIMURA: Yeah.
- CHAIR KAMA: Okay. Well, thank you. Member Johnson?
- COUNCILMEMBER JOHNSON: Oh, sure. Thank you, Chair. So, I guess we'll...like we said, we're going to ask questions and get a written response later. So...
- CHAIR KAMA: Yes.
- COUNCILMEMBER JOHNSON: Well, one of my concerns is if we allow nonconforming, noncompliance on...on many of the buildings in the...in the burn zone, how does it affect any kind of infrastructure that would...we would want to place in, such as undergrounding powerlines, right? And then the...you know, specifically like the setbacks, is that going to be a problem if we allow setbacks being nonconforming? Is that going to jam up the idea of putting down powerlines? And I'm also curious about--and maybe this has been answered, but I don't know what those buildings were, the Kimo's, the Bubba Gump Shrimp--those...those buildings that were above the ocean, you know, like that is like...if ever there was a nonconforming building, I thought those buildings were really looking...I mean, I don't know what we...what this --
- CHAIR KAMA: They're on the ocean.
- COUNCILMEMBER JOHNSON: -- does to those buildings, right? That whole block, or that whole row. And, you know, Jordan Hart mentioned something about land-use analysis. That's something that's new to me, a term, that...like is there...I guess it goes back to the idea, where's the proper place to inform folks? Where's the best place to work with folks on their property? You don't want to do it, you know, after they do all that expensive architectural designs. You know, those are...that's a concern. And then, somehow, the bill would hopefully address that. The other question I had was for Director Molina. When he...when he spoke first, he mentioned something about they were discussing with the Planning Department conflict scenarios, and that...that was really interesting, that term, and I'd like to know what that was. And --
- CHAIR KAMA: Okay.

- COUNCILMEMBER JOHNSON: -- you know, like maybe the Department of Public Works has priorities or major concerns with the bill, or maybe not major concerns with...you know, like I'd like to see what their big...you know, their number one concerns were, their number one conflicts scenarios they would be looking at, maybe hypotheticals. I'm not sure, I just would like some maybe clarity on that. The...you know, I still keep going back to the idea of density in the Department...the Fire Department's response. We don't want to build back and have the same mistakes. So, how do you balance the Fire Code with the Building Code and this bill? I still haven't really felt like we were settled on that. One of the testifier--I'm switching up to something else. ... (timer sounds)... One of the testifiers mentioned that if they weren't allowed nonconformity and noncompliance, you would end up with strip malls all throughout. And that...you know, no, I don't know anybody who's advocating for strip malls. So, maybe we could...I kind of want to see maybe the Planning Department's comment on that. Like, is...if I was a landowner and I didn't get...if this bill didn't pass, is my only option is just to do, you know, like strip malls or something that's just not...doesn't have that character that the...the Lāhainā Town had? So, those are my questions for now, Chair. Thank you.
- CHAIR KAMA: Thank you. So, let's continue with Councilmember Rawlins-Fernandez.
- COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I don't have any additional questions. Mahalo.
- CHAIR KAMA: Thank you. We'll continue with Councilmember U'u-Hodgins.
- COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Real quick, for Sunshine Law, I am in a private workspace, alone. It changed from my last time, so now we're here. I do have a couple questions for maybe Planning, maybe Corp. Counsel. I'm not too sure. So, my first one is, how does this existing nonconforming affect potential insurance? And I know that it would be...they would get a permit, and that would help with insurance, but knowing that its existing nonconforming, what does that do with insurance? I don't disagree with Member Johnson in finding a balance between keeping the essence of Lāhainā Town in all historic districts, and making it safe. So, that's a struggle. And then for Planning and Corp. Counsel, how will the proposed ASF--if I could get that cleared up as well--interact with the code created in Ordinance 5473, where it allows hotel use in HD1 and 2, if we could just get some clarity on that. And then I know that there's some confusing language right now because everything is so different, but the structure and uses. The structure is obviously the building, and the use is what happens in the building. For instance, like Pā'ia is a lot of Business Country Town, and then you have a restaurant here and a retail store here, and let's say the restaurant is usually what's harder to permit, is no longer a restaurant for about a year. To get it back to a restaurant is hard. So, I do support something figuring this out, but what happens to all the existing uses, and how are we going to redo the CO for all of the uses inside, hypothetically, if we...we can't figure this out anytime soon, and commercial wants to rebuild? Parking issues. If we're going to allow nonconformity for parking, which I don't disagree that it maintains the historic effect of the town, where are we going to allow for parking to create a walkable space? I know Lahaina's parking was

limited, and we all kind of paid for parking, but can we figure that out before we figure out the other existing nonconforming use? Like knowing that majority of these towns were created pre-car and when people were still walking and had a horse, even, like Makawao, we don't plan for the parking. So, if we're going to allow this to happen--which again, I don't disagree--can we please plan for parking so that the walkable town is safe? And where would that be, and what would that look like? I think that's all I have for now, but thank you.

- CHAIR KAMA: Staff, did you get all of that? Okay. Thank you. Just want to make sure we capture everything. Councilmember Sinenci.
- COUNCILMEMBER SINENCI: Thank you, Chair. Just a couple of general questions. The first one--and this one might pertain to Member Paltin's potential proposed amendment--it did say transient vacation rentals that were discontinued. And so, my clarifying question was, discontinued prior to the fire? That was just one question. The other one was, Mr. Hart mentioned attrition. So, if there are any short-term rentals that would be affected, if we had put a cap on it prior, would...would those that would be nonconforming by attrition? That's...that was the other question. And then some other general ones. Member Cook mentioned some kind of zoning overlay. I'm not sure...on Friday, we were considering Mr. McMenemy for the MRA, and Wailuku is creating an MRA for Lāhainā, a possibility. I'm not sure if that discussion was made. And then there's that term about switching out properties. I forget the term where if they want to move to if we had land mauka, and switching out those properties. And then, of course, the Federal Heritage Designation proposed by Representative Tokuda, if that would play...or have any effect of this bill. Thank you, Chair.
- CHAIR KAMA: Thank you. James, did you get all of that? Okay. Thank you. Okay. So, if...if...as we continue, we're going to continue with Member Paltin now. And if, Members, you have other questions that you may have generated because of Member Paltin's questions that she's generating, please get my attention, and we'll get back. Member Rawlins-Fernandez, yes?
- COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I forgot, I'm at the Moloka'i District Office, alone on my side of the office. Mahalo.
- CHAIR KAMA: Oh, thank you for sharing that. Okay. So, Member Paltin, we're back at you.
- COUNCILMEMBER PALTIN: Thank you, Chair. I would like to start...I...I pretty much agree with Member Johnson, what he was saying, you know, as well as the long-term recovery plan. One of the biggest things was that we rebuild safely for...for everyone. And so, I mean, I did read Fire Department's correspondence, and...and I'm not satisfied with that correspondence. Because anybody can just say anything, but what we need is specific examples. And in their correspondence, they stated specifically, building separation by current Building or Fire Code does not adequately address the fire hazard associated with structure density. So, they're saying that our current Code, Building and Fire Code, does not adequately address the fire hazard associated with structure density. So, my first questions would be to the Fire Department. What changes to current

Building and Fire Code are needed to adequately address the fire hazard associated with structure density? Because don't just tell us something doesn't adequately address it and leave it at that, you know what I'm saying? And then if size, separation, or setback changes are needed, what does the Fire Department suggest those changes be? Continuing...or...

CHAIR KAMA: Go ahead.

COUNCILMEMBER PALTIN: Let...me?

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: Tamara? Okay. And then continuing on with their correspondence, what lack of infrastructure, maintenance, and improvement specifically is being referred to in their October 1st letter to you, Chair Kama? Because if we don't know what those are specifically, we won't be able to address them. Ready for the next one?

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: Okay. Next one, also for Fire, and as well DPW and State DOT. Based on their October 1st, 2024 correspondence, what specific roadway improvements are needed ... (timer sounds)... and where are they needed? And has this been communicated in writing to the Department of Public Works or State Department of Transportation? With a follow up--if it was communicated in writing, what was their response? And if it was not communicated in writing, why not? Continuing on with the Fire Department. As they referred to mitigation ordinances being necessary should this bill pass, what specific mitigation ordinances are necessary should this bill pass? And then, I would request to either Staff or Planning to upload the Long-Term Recovery Plan Draft to Granicus. Because that is extensive feedback that the Planning Department went out and sought from our community, and that's what I was referring to in saying that the feedback from all these outreach is that we build a safer...we rebuild Lāhainā to be safer. It also said stuff about STR, which, you know, that's why I did my amendment. But, you know, that's not all it said, and I think that should be taken into account as we pass this bill. It's not we're just pulling stuff out of the air. We're trying to basically, you know, let Lāhainā lead based on the feedback we've collected. And we don't want to just collect that feedback and put it only in this document. We want to have that feedback guide the ordinances that we pass that are affecting the rebuild of Lāhainā.

CHAIR KAMA: So, Staff is --

COUNCILMEMBER PALTIN: And then I...

CHAIR KAMA: -- they're going to...they are going to upload it, and I think you're correct. I think that all of our committees should upload the Long-Term Recovery Plan into their

committees, so as they work on ordinances and legislation, that they always have that as their guiding document. So --

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: -- that's FYI. Okay. Continue.

COUNCILMEMBER PALTIN: Okay. Next on, I think these would be for the Planning Department. I'm finished with the Fire Department. But that last one is to also not just the...or the one about the roadway improvements, if we can send that to Public Works and State Department of Transportation. I'm not sure if State Department of Transportation applies because it's mostly the highway, but they might own some roads near the harbor or something like that.

CHAIR KAMA: Okay.

- COUNCILMEMBER PALTIN: Then, in terms of nonconforming setbacks, for Planning. Is it anywhere from zero to six feet is the question?
- CHAIR KAMA: Sorry. I'm sorry, what was that again? I'm sorry, I'm sorry. (Audio interference) Wait, let me...sorry.

COUNCILMEMBER PALTIN: No, no pressure.

COUNCILMEMBER JOHNSON: We've all been there at some time.

CHAIR KAMA: Okay. I turned it off.

VICE-CHAIR COOK: I hope that you're not . . . *(inaudible)*. . . the watchers.

CHAIR KAMA: Okay. Sorry.

COUNCILMEMBER PALTIN: Okay. So, the question is in regarding nonconforming setbacks. Is it anywhere from zero to six feet? And are we okay with all of the nonconforming? Like if it's even zero set...zero foot setback? Because in the presentation, it was mentioned that one time it was five feet, and now it's six feet. But if something was built before zoning codes, it could possibly be zero feet. And I just wanted clarification if we're okay with all of that zero to six feet entirely is what their recommendation is.

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: Then the next one is, how will this ordinance be implemented? And then the next one, in one portion of the bill, it says legally nonconforming, and then throughout the rest of the bill, it just says nonconforming. So, if they could explain the difference between legally nonconforming and the other type of nonconforming, which I'm guessing is illegally nonconforming. And then why is only legally nonconforming used one time, and then all the rest, it just says nonconforming. My...my thought would

be its...all should be legally nonconforming, or just nonconforming. I...I'm not sure why, in only one instance, it says legally nonconforming, and then all the rest of the instances, it just says nonconforming.

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: Then I also would like clarification on what is meant by damaged or destroyed to an extent of more than 50 percent of its replacement cost. I'm not sure what is meant, like if that's the pre-fire replacement cost that they were insured for, or the post-fire replacement cost. And is it based on like a contractor's estimate? Because some of the things that we're seeing is estimates can vary from like \$300 per square foot to like 8 or \$900 per square foot. So, how would that be determined, more than 50 percent of its replacement cost? Oh, and for my disclosure, adult male just returned from work, and his name is George Vierra. The minor canine left with the minor child. And so, it's just the adult canine and the adult male.

CHAIR KAMA: Okay. Well, thank you. And we can see him --

COUNCILMEMBER PALTIN: And...

CHAIR KAMA: -- in the background.

COUNCILMEMBER PALTIN: And...okay. Next is for 19.500.110(C)(1)(b), please provide a list of acceptable proof or evidence that lot owners or their consultants could provide. Like what are we talking about that people would need in order to take advantage of this? Like if everything inside burnt up, what...what kind of things would they have that could --

CHAIR KAMA: Be proof.

COUNCILMEMBER PALTIN: -- be proof or evidence? The next question is, I think for both Planning and Public Works. I'm not clear on what is meant by re-established within five years. Kalehua (phonetic) took it to Aila's (phonetic) house. Sorry. Because like...okay. So, about 14 months has passed already. If we consider maybe they go through expedited, I don't think they would get 4LEAF expedited, but maybe get their...maybe that's another question. Would the permitting be expedited to 4LEAF? Would it be in the regular queue of the Planning Department permits, or would it be another department that would issue these permits, or would it be a separate burn scar queue of permits? Like who would process the permits? Is it 4LEAF? Is it Office of Recovery? Is it Planning Department? If it's Planning Department, does it go into the everybody queue, or does it go into a special fire queue? And by queue, I don't mean the letter Q, I mean like the line. Just clarifying. And then like...so, the question for Public Works and Planning is like say in year two, whatever the process is, they get the permit for a nonconforming structure. Maybe it's something big like Spinnaker or--I don't know, that's the biggest nonconforming one that I can think of--and they're building it, and it's not re-established by the fifth year, or even the seventh year, then what happens? You know what I mean? Like, do they have to tear down what they have if it's not

finished by the seventh year in the extension and go back and get a brand new permit? And...and what...what do we mean by re-establish? Is it the Certificate of Occupancy, the ad in the newspaper that final completion or whatever, or is it the building permits issued and then they have so long to build it? I'm not clear on that whole thing, if somebody could answer that question. Is that clear enough a question?

# CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: Okay. And then if also the Planning Director could give some examples of good cause that would allow a two-year extension to be granted, and if that's a single two-year extension or more than one two-year extension?

# CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: And then the next one is kind of similar, I think, to Member U'u-Hodgins and Member Sugimura. It would be, how does my ASF intersect with this bill and Ordinance 5473, if they can list which parcels this would affect? And then if it's possible to have my ASF only affle...affect...sorry...Apartment-zoned ones, only affect Business-zoned ones, only affect Historic District ones, if that's even a possibility. That may be a question for Corporation Counsel. And then the last question, I think, is for all the departments...maybe not Water and DEM, but Public Works, Planning, and Fire, for sure. If...if we should be incorporating IBHS standards into our Code, and IBHS stands for the Insurance Institute of Business and Home Safety that we learned about in Sonoma--about like, you know, having five foot of clearance around the entire thing, or having those fine mesh wire vents so that the embers don't go in, or if...if that's the kind of mitigation that the Fire Department is speaking to, and if it's something that Public Works and Planning think could be a feasible thing. I think they call that home hardening. To...to...home hardening to address megafires or something like that, and it's...it's based on science that they've done in the last five to seven years, and...and I guess how that would affect people's insurance if... if we adopted that into our Code. Because when we went to D.C., NACo, the insurance industry spoke that, you know, everybody's very upset at the insurance premiums rising, but what insurance premiums affect is...reflect is level of risk. And...and so, if we're trying to amend our code to meet what the Insurance Institute of Building and Home Safety says is...makes houses risky, would that eventually affect people's insurance premiums? And so, my understanding was that Public Works wasn't going to widen the roads. That's what Erin Wade and John Smith said to the Mill Camp wrap-up meeting in September, and that the alternative routes--making Aki a through street, connecting Kahua to Keawe Street, extending Dickenson Street--and all those things with the SIM evacuation modeling gets everybody out in time. And so, has this been communicated between Office of Recovery, Public Works, and Fire Department, and are they all in agreement? Because while it's frustrating for us to get different answers for different departments, it's devastating to survivors. It's completely devastating to be told one thing one day, and something else the next day, especially when you've invested what little money you have based on what you've been told by a County official on a specific day. So, this is something that really needs to be addressed. We...we really, Planning, Public Works, the Office of Recovery, and the Fire Department to be on the

same page. And if it's not working by talking to each other, then we need it to be...everything to be in writing, you know. Because we can't be having people agreeing to something, and then it comes out here like they don't agree, you know. I mean, that's...thank you for having this kind of public forum so that we can kind of get to the bottom of all the letters and the writing and stuff.

CHAIR KAMA: Any more, Councilmember?

- COUNCILMEMBER PALTIN: And that's all I have for now. People kept calling me on my lunchbreak, so that's as far as I got.
- CHAIR KAMA: Okay. Let's just say more to come when it does come. Member U'u-Hodgins?

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER U'U-HODGINS: Thank you. If I could add on to Member Paltin's question about the burden of proof for landowners?

CHAIR KAMA: Yeah.

- COUNCILMEMBER U'U-HODGINS: She had a great question. How are the landowners prove they're existing nonconforming, both structure and use? Because those are, like I said, two different things. And working with the Pā'ia Mill guys, it is hard to prove use. And you can see the structure, and it is still extremely hard to prove the use. Even though we all kind of know what happened in there, but the use has changed over time, you know? So, like what...what do they need to prove, what do they need to show? I know for the Pā'ia Mill folks, they needed to provide like old maps, and they needed to take photos, and they need to show like this says warehouse. But the Lāhainā folks can't take photos. So, what do they need to do? And what information do we already have that can help them with their burden of proof? And then if we can define setbacks. I know we're going with existing nonconforming setbacks in this bill, but is that the eave of the roof of the structure? Is that a wall? If we can better define that so people can be aware of what that setback really looks like. That's what I have. Member Paltin had such a wonderful list of questions.
- CHAIR KAMA: Yes. So, Members, has all the questions that has been generated, has that prompted any of you to ask anything else? Okay. So, Staff, you got all of that written down. We're going to send that to all the departments. We'll probably have to put some kind of a timeline on that, and I'm going to leave it up to Staff to determine that timeline because I think if...maybe we should ask Mr. Pfost, or maybe Director Blystone. *(pause)* Director Blystone, are you still here?

VICE-CHAIR COOK: She's . . . (inaudible). . .

CHAIR KAMA: I can hear something.

MR. KRUEGER: Chair, Director Blystone is online, but perhaps she's . . . (inaudible). . .

#### October 23, 2024

- CHAIR KAMA: Oh, I see Mr. Pfost. Good afternoon, Mr. Pfost. So, the question I think we have for you is, we want to send all these questions to you and to all the departments, but we really would like to get you to have some ample time to answer all of them. We know it's a huge laundry list, but we'd also like to be able to get them back from you so we can have the responses sent out to our Members, and then have another meeting on this, and then come to some agreement as to what the next step will be. So, do you have a sense of when you could probably respond to all of these questions?
- MR. PFOST: Thank you for that question. And those are really good questions, I've been listening to the whole conversation. And, you know, I know we'll be working on them as quick as we can because I think this bill's really important to continue moving forward. I mean, it's probably going to be me that's going to be working on most of these, so...at least in the Planning Department. You know...you know, at least...at least a couple of weeks, if not more than that, would be beneficial. Because it's going to take a little bit of time to get to all these, and then also some coordination with the other departments as well, to make sure that we have a good, proper response to you. It's...it's hard to say, but two to three weeks at least, I would say, to get this through and to meet with the other departments. So, really good question, so I really appreciate it.
- CHAIR KAMA: Okay. So, we'll give him that...that time that they asked for, Staff, and we'll do that. Okay. In the meantime...yes, Member Paltin?
- COUNCILMEMBER PALTIN: Oh, I'll...I'll yield to Member Johnson. I think he put his hand up first.
- CHAIR KAMA: Okay. Member Johnson?
- COUNCILMEMBER JOHNSON: Thanks, Chair. You know, Mr. Pfost brought up an interesting point in regards to Councilmember Paltin's questions about the departments working together. You know, in all...in all transparency, it would be nice to hear what they do agree on, but also, what are some of the contentions? Because if it comes to us with only just half the story, we don't know the pukas, and we don't know what the contentious areas that they did have. Sometimes we need to hear that so that maybe we can help solve that, you know, through...you know, through our policies. But don't be shy if you guys don't agree on anything. It's okay. This is a complex thing. I would rather have the departments respond honestly and say, you know, we feel this way, but the other department might not agree with us...and that's okay, you know. So, in...in the responses, I...I would encourage them to...you know, if they say potato, and he says potahto *(phonetic)*, then that's fine. They come to us, and we'll talk about it. Thank you.
- CHAIR KAMA: Okay. Did you get...were you able to get that? Okay. Thank you, James. Okay. Who's...oh, Member Paltin?
- COUNCILMEMBER PALTIN: Yeah. I just wanted to include my questions that James had...James had written down earlier, to the extent that they could. I know it may not

#### October 23, 2024

be a comprehensive list, but what types of things we're talking about in terms of nonconforming zoning for structures. As much as they can think of, or...but I know it won't be every single thing. And then same thing with uses. Like for...just for discussion, not for question, I've heard a lot of my community would like to see all of their churches come back, and...and, you know, to that end, I took that specific action with Grace Baptist to change the zoning. I know Director Blystone said, oh, God, please, no, don't do this for every single church, and so that this is like one way to do it. And...and I reached out to all the churches that I could that weren't in the SMA, and really, only Grace Baptist was the only one to ... to get back to me. The ones in the SMA I thought was, you know, a little bit difficult, but I would love to see all of our...our places of worship, all the denominations come back. I think that's important to the extent we can. In terms of the Spinnaker, I know that's a Minatoya-list property, and what was said by the condo owner, but that was what really was a spur of my amendment. Because I know other folks that either owned or looked to own in there, and their HO...their own HOA rules did not allow short-term rentaling (phonetic). And when...when this was brought up to ZAED, they said the County doesn't enforce HOA rules, they only enforce zoning...and so, if they're not going to enforce their own rules, the County's not going to come in and enforce it. But to me, that showed clearly that the intention of the Spinnaker was not for short-term rentaling. And given the feedback on the Long-Term Recovery Plan, it's what prompted me to draft that ASF. And then it was brought up later that this could affect the B zones and the HD zones and things like that. But I...I did want to ask Corp. Counsel if the wording of that amendment is good, or if it needs to be changed for form and legality, and if it needs to be broken out by nonconformity. Like nonconformity in the disaster-affected area of A-1/A-2, nonconformity in the...sorry...HD district, nonconformity in the B-1 district, or if the way it's written is okay and incorporate-able [sic]. And then we can see the parcels that it would affect if...if there's information on that. But if Corp. Counsel has any clarification right now as to how they would interpret that amendment, I would...I would love to hear it.

CHAIR KAMA: Okay. Corp. Counsel, are you here with us?

MR. HOPPER: Yes, I am.

# CHAIR KAMA: Okay. Mr. Hopper?

MR. HOPPER: This is the...we're talking about the amendment here for TVRs not being included in the nonconformity. I...I sent some correspondence with OCS, and I've been discussing this because I was sort of trying to figure out exactly what this is getting to. To...to step back and recap a little bit, the current law is that for any nonconforming use, there are certain things that apply, and one of them is that if a nonconforming use is discontinued for more than 12 consecutive months, you lose the right to do the nonconforming use. Otherwise, you can continue to do the nonconforming use. Among other things, this new proposed law says that if you...that for areas affected by disaster declarations, instead of one year, you have up to five years if you are covered before you need to resume the use. And so, that...that was the new thing that was added. So, my sort of question was, was the...because there's a couple of different things.

#### October 23, 2024

want to exclude TVRs from the...having the five-year time frame to resume their use, and...and have TVRs be under what the default of the law is now, I think that's fine. I think there's a way to do that. You just say this new law does not apply to TVR use. So, if that was the intent, I think we wouldn't have a problem with the language. If the intent was something different, we may need to...to look at some issues such as, you know, Planning Commission review and, you know, general compliance with State law. But if...if the intention is to say for this new, more lenient, longer time frame for nonconforming uses affected by the disaster to resume the use, which is up to five years or can be extended, we're not going to include certain uses--or we're not going to include TVR use among that--then I think that's...that's...we will probably need to still clarify the language, and I'm working that out with OCS, but I think we could do that, such that any TVR that did not cease its use for more than 12 consecutive months, whether it was due to the...the disasters or...or any other reason, there wouldn't be a special provision for them. They would just...they would be treated under current law. So, if they had stopped for more than 12 consecutive months, they couldn't resume. So, if that's the intention, I think we can write that. If it's something different, we may need to discuss further.

COUNCILMEMBER PALTIN: Okay. Can I follow up, Chair?

CHAIR KAMA: Sure.

- COUNCILMEMBER PALTIN: And then in the case where their tax classification was wrong, like, say, they were given Owner-Occupied tax classification and it should have been like Commercialized Residential, what does that imply? What is the ramifications of that for...like, say, they were classified as Owner-Occupied as far back as 2022. Does that imply that the nonconforming use stopped back in 2022, or like how does that work out?
- MR. HOPPER: Well, for nonconfumering use...forming uses in general, whether we're talking about this bill or...or anybody who is trying to establish a nonconforming use, that could be...you know, the Department could potentially go over some of the factors they look at. I think that was actually one of the questions that you raised, as far as what sort of proof an owner would need to use to show they're a nonconforming use. But I suppose that could be a piece of evidence that would maybe tend to show that it's less likely you were a nonconforming...that you continued to operate. Although I could see an owner...what would happen would be the Department would have to make a determination on whether a nonconforming use. That person could potentially appeal to the Board of Variance and Appeals and attempt to show evidence that they are a nonconforming use, and you would have to have a sort of an evidentiary hearing on that. So, they would have to show...maybe they have affidavits from people that stayed there or something, or witness testimony from them, or other evidence. Maybe that could be presented to the Department in making the determination. So, they could say, oh, our tax class was off, but here's the explanation for it. So...so, I'm not going to say that's automatically determinative, but I...I understand what you're saying, that that could potentially be a piece of evidence showing that you...you may not have operated as a TVR. But the ultimate decision-making on that, I think, would go to Planning, then

to BVA if it's appealed, and then eventually to Circuit Court, who could review that type of argument that they're a nonconforming use that has the right to...to continue.

- COUNCILMEMBER PALTIN: Okay. I guess that would add one more written question. For that property on 1620 Ainakea Road, what is the nonconforming thing that had allowed them to operate as a B&B? Like what was the mechanism, one? And two, if the West Maui Community Plan Area district is below the bed and breakfast permit cap, if the nonconforming use is phased out, can a B&B permit be applied for?
- MR. HOPPER: I think...I don't have specific knowledge of that property, but if there's a planning...that could maybe be something that the Planning Department...it sounds like you're saying there was already a determination made. And so, if that's the case, then a department would have had to look at that and determine that. So, I think maybe that's an initial question for...for the department to make...that made that determination. They may have specific information upon which they base their decision.
- COUNCILMEMBER PALTIN: Yeah. That would be a question to Planning based on what Mr. Pfost shared with us.
- CHAIR KAMA: And we got that written down.
- COUNCILMEMBER PALTIN: And then the...the follow up would be, can a nonconforming B&B that is phased out go ahead and apply for a B&B permit during the construction phase, or like at what point would they be able to apply for a B&B permit? And would their rebuild...would their rebuild need to do specific things to be able to qualify for a B&B permit?
- CHAIR KAMA: You got that? Okay. So, we got that follow-up question to you, Member Paltin.
- COUNCILMEMBER PALTIN: Thank you. That's...that's about it for now. And so, then in the next three weeks or so, as these are...like, if new questions come up for any of the nine of us, what is the procedure you would like us to follow? Like...well, even from the community through us or something.
- CHAIR KAMA: Send your questions to the Committee, and then the Committee...go ahead, Jim...James.
- MR. KRUEGER: Apologies, Chair. I think right now, our current preference is for any questions to...to be shared in open meeting.
- CHAIR KAMA: Oh, okay.
- MR. KRUEGER: And then that way...that way we have the nexus to...to generate the letters and everything.
- CHAIR KAMA: Okay. So, I think what's going to happen then is, at the next meeting, you're going to...you may generate more questions. So, we'll just do probably the same process.

Maybe not as many as we did today, but certainly, whatever other questions might come up. But in the meantime, if you have things even now, hold on to them. Hold on to them, and we'll just add them to the list for the next time. Okay. Okay. Members, if there are no more questions, then the Chair would like...without objection, would like to be able to defer HLU-34.

# COUNCILMEMBERS VOICED NO OBJECTIONS.

# ACTION: DEFER pending further discussion.

CHAIR KAMA: Thank you. Thank you.

# ITEM HLU-3(21): HOUSING SOLUTIONS (RULE 7(B))

CHAIR KAMA: So, it is...okay. So, now we're going to continue with HLU-3(21), Housing Solutions. So...and Remi has been here all morning, and he'll probably be here with us for the next half an hour, hopefully. The departments all have to be in Lāhainā by this afternoon, so they've all asked to be dismissed by 3:00. So, hopefully we can get through with our Housing Department within at least half an hour, and then they can leave, and then we can have our discussion. So, Members, we deferred this item from our last meeting on October 9th. At that meeting, we received a presentation from our new Housing Director, Richard "Remi" Mitchell. In that presentation, he noted that it has taken many years to get to this level of crisis, and it will take many separate but related actions by the County to address it. For example, the Director pointed out that possible elements of a comprehensive approach include land-use changes to allow for housing in certain land-use districts--for example, the loan...the zone change that we did for Queen Ka'ahumanu Center. Accessory dwelling unit program--EG, the 'Ohana Assistance Pilot Program. Deed restrictions like those implemented in Colorado that we heard about at HSAC. Land trusts like the Nā Hale O Maui. County development on County land to reduce holding time and associated construction costs transferred to residents in either housing or rental crisis. County acquisition, entitlement and infrastructure development on land. Tax incentives and disincentives, like our existing long-term rental property tax rate. County fee reduction with affordable housing developments. Reducing parking requirements for affordable housing. Reevaluating the fixture count analysis utilized by the Department of Water Supply and Public Works. Collaborations with the faith community to build on church property. Modular and factory-built homes certified as County Code-compliant. Streamlining the County's permitting processes. Experimental and demonstration projects-i.e., Chapter 16.28, Maui County Code. Interdepartmental coordination, Planning, DEM, DWS, Department of Transportation around affordable housing. There may be other possible actions that you, Members, are working on that may also come to this Committee. But, Members, there are potential actions that we will need consider that attempt to address the overwhelming need for affordable housing in our County. And I would like to use the balance of our meeting to have a discussion with Director Mitchell and the other County departments under which actions are likely to move the needle the most, and the timeline to see those effects. So, Members, I'm going to now ask the Administration,

meaning Mr. Mitchell, if you have any opening remarks before calling for public testimony.

- MR. MITCHELL: Thank you, Chair Kama. And no, I don't actually have any opening remarks. You provided a wonderful summary of the many topics we've discussed in the last few HLU meetings. Thank you.
- CHAIR KAMA: So, thank you. Okay.

# ... BEGIN PUBLIC TESTIMONY FOR ITEM HLU-3(21) ...

- CHAIR KAMA: So, at this time, I'm going to call for public testimony on HLU-30...3(21). So, earlier in the morning, I gave instructions for public testimony. So, if you're on Teams, raise your electronic hand so that Staff can put you on the testifier's list. If you're here in the Planning Conference Room, please see Staff to sign up to testify. And would Staff...Staff, can you please call our first testifier?
- MS. MCKINLEY: Chair, the first testifier is Desilee Santiago, to be followed by Lehua. (pause)
- MR. KRUEGER: Desilee, it is your time to testify. We've unmuted you on our end. You'll need to unmute on your end. *(pause)*
- MS. MCKINLEY: Microphone button is in the top right of your screen. (pause)
- MS. SANTIAGO: Can you guys hear me?
- CHAIR KAMA: Yes, yes. Now we can. Now we can see you. Perfect.
- MS. SANTIAGO: Hi, my name is Desilee Santiago. I've been to the last few HLU meetings trying to get some kind of decision made or legislation created for rent stabilization. I did read the affordable...the Comprehensive Affordable Plan back in 2021. There are...I think it's great. There was a lot of research, a lot of time, a lot of energy, a lot of money spent into that report. There is a lot of good information in there. What I wanted to comment on was, as far as the trying to...one of the...let me see. As far as streamlining building...building permits and...and...and planning. That's always been an issue. That's continued to be an issue to this day, even for the expedited permits in the burn zone with, you know, a consultant firm. Everything is still halted for different ... (timer sounds)... zoning, SMA issues, flooding, all that kind of stuff, historic. Because it's Lāhainā, it has like all of the above. You know, if you check all of those boxes, it's halted for a very, very long time, unfortunately. That being said, every single department is backlogged. We've been backlogged... I used to work in the Building Department. They were backlogged from when I started, when COVID started, it was severely backlogged. Then they moved offices, then...you know, so people retire, people leave. So, it's been a continuous backlog. And that's just for DSA. I'm not...you know, I'm talking about Wastewater. Fire Department's pretty good. They did hire on some more reviewers. Planning Department, Water Department. And it's not the people, it's

# HOUSING AND LAND USE COMMITTEE MINUTES

**Council of the County of Maui** 

#### October 23, 2024

like you're having the same amount of people. Like Water engineering does five different reviews. Not just building permits, they do subdivisions. They do...you know, if you need a new meter. So, I feel like there's...we just keep calling upon the same group of people. It's like when you volunteer at the schools, right? It's usually the same parents, year after year after year, that's chairing all of these . . .(*timer sounds*). . . functions and positions to fundraise. It's...it's kind of the same thing, like you're...you're pulling from the same resource instead of trying to find other resources. I left the County because I couldn't afford my rent. You know, so that's another issue. And trying to apply at different positions to try to get more money, DPS blocks you. I mean, there's so many opposition that's happening, and it's all encompassing. So, you know, I just want to say that once we handle that issue as far as trying to fundamentally change how everything's processed. MAPPS was implemented--and I'm sorry, stop me if...I can't hear the buzzer because I had to mute it so it wasn't echoing--MAPPS was implemented two years ago. There's still --

CHAIR KAMA: The buzzer did ring, Desilee.

MS. SANTIAGO: -- so many things that happened and it's all reliant on data entry, human beings actually entering, clicking, saving, refreshing. So, you know, when they talk about streamlining, I want to see what that actually looks like. I do know that Director Molina put an RFP to help with Building Department's backlog. So, I think he's trying to address that issue. So, at least Building Department review for plans examiners, because you have all but what, two people, three people that are actually reviewing every single residential and commercial application...building permit application that's coming through there. ...(timer sounds)... And one of them is getting ready to retire. So...

CHAIR KAMA: Okay. Thank you.

MS. SANTIAGO: Sorry.

CHAIR KAMA: Members, do we have any questions?

MS. SANTIAGO: I...I can't hear you guys. I'm so sorry.

- CHAIR KAMA: So, the buzzer did go off and I'm asking the Members if you might have questions.
- MS. SANTIAGO: I'm sorry. Am I ... am I off?
- CHAIR KAMA: Can you hear...can you hear us? Can you hear me, Desilee? I'm not sure. She can't hear me.

MS. SANTIAGO: Councilmember Paltin?

CHAIR KAMA: Yeah.

MS. SANTIAGO: Sorry.

- COUNCILMEMBER PALTIN: Chair, if it's okay if I ask a question? My question would be to clarify what she meant by...
- MS. SANTIAGO: I'm sorry, hold on one second, I can't hear you.

CHAIR KAMA: She can't hear. That's a problem.

COUNCILMEMBER PALTIN: Oh.

CHAIR KAMA: So, she can't hear me. Can she hear you?

MS. SANTIAGO: And there's like a lag.

COUNCILMEMBER PALTIN: Can you hear me now?

CHAIR KAMA: Desilee? It doesn't seem like she can hear any of us.

MS. SANTIAGO: I can't hear you guys.

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: Okay. If she can email at some time. My...my clarifying question is, what does she mean that DPS blocks you?

MS. SANTIAGO: How do I turn on my...sorry, I'm catching up.

CHAIR KAMA: Oh, okay. So, there's a delay. So, did you catch up, Desilee?

COUNCILMEMBER PALTIN: Doesn't look like she caught up.

MS. SANTIAGO: Sorry.

CHAIR KAMA: Yeah. Okay.

MS. SANTIAGO: Okay. I caught up with the DPS question.

CHAIR KAMA: Okay.

MS. SANTIAGO: So, when I talk about Personnel Services, like I applied for other positions, and it's automatically...it takes like two to three weeks to hear an email. Then they say you lack minimum requirements...what's the minimum requirement? And then it's like this whole back and forth thing. And all it is, is the same clerical position in a different department, but because it's not the same specific description, you know, position description...and then it's just discouraging at that point. You're like, I'm trying to fight for the same pay in a different department because that department has more

## October 23, 2024

opportunity to advance because Permit Section is kind of stuck. You know, it's like Unless you're a supervisor, and the supervisor usually SR-13, and that's it. doesn't ... you know what I'm saying? So, like in that respect, it's really hard to try to make more money or find advance options. And then you have SR-13 clerks in DPS actually reviewing your application, or even other people that are way more qualified for the position, but they're maybe not...I don't know. I mean, I'm not sure what their process is, but that is the frustrating part. And so, I just stopped, I went private. I was like looking outside of the County and the State at that point because it was just going nowhere. And it's not their fault...it's not the people's fault, it's like the regulation or, you know, whatever their policies, whatever their code is that they have to follow, they have to follow it. But something has to change. Because obviously, there's crazy amounts of vacancies for County and State workers, and that's where we need the people. We need the people to...you know, to come in and to want to work there. But when you're applying--I applied at 16 different positions. I just went click, click, click, click, click...because you know that...you know, the governmentjobs.com or whatever, you know, you can have your resume and everything, and you're just like apply, apply, apply, apply, apply. I did that on a mass scale.

COUNCILMEMBER PALTIN: I just did that too.

- MS. SANTIAGO: And I wanted to like...I qualified for 3 out of like 15, and --
- CHAIR KAMA: So, did she answer your question, Member Paltin?
- MS. SANTIAGO: -- a lot of more entry-level things. And then they do have to continually --
- COUNCILMEMBER PALTIN: I think she did. That we have a big problem with DPS that needs to be addressed.
- MS. SANTIAGO: Sorry. Let me refresh.
- COUNCILMEMBER PALTIN: I've encountered something similar on multiple levels. And, you know, I know we don't have oversight, but we need...may need to be getting involved with Civil Service Commission, maybe putting more HR people on that or something. But nothing in terms of permitting is going to get fixed if we don't fill those vacancies.

CHAIR KAMA: I agree. I agree. So, we want to say goodbye to ...

MS. SANTIAGO: I'm sorry, I don't want to delay you guys further because it's like, I want say there's like maybe a 20-second or a 30-second delay. But I'm more than happy to call or email, Councilmember, if you have any...and further questions or clarifications on...on...yeah.

CHAIR KAMA: Thank you. Staff, do we have any other testifiers?

MS. SANTIAGO: Thank you. Thank you, Chair.

MS. MCKINLEY: Yes, Chair. The next testifier is Lehua, to be followed by Johann.

MS. SIMON: Aloha. Can you guys hear me?

CHAIR KAMA: Yes.

MS. SIMON: Okay. I emailed...I emailed some resources to the HLU Committee email, and I have them here. I can also screen share if that's possible.

CHAIR KAMA: No.

MS. SIMON: Yeah?

- CHAIR KAMA: Just go ahead and testify.
- MS. SIMON: Okay. So, my name is Lehua. I grew up in Pukalani. I joined the workforce in Pukalani when I was 14 years old, and I'm a long-term workforce resident of Maui. I'm testifying on behalf of myself, but part of my kuleana on Maui is to serve as a freelance grant writer to people in my community that are working on the high housing crisis at different points on the spectrum of impact. And personally, I've been able to have a secure housing lease on Maui 6 out of the last 12 months. And I've been so privileged to continue living and working on Maui by being sheltered by my community for 6 months out of the last 12 months to keep my kuleana here. And I'm so grateful. I want to say on record, I'm so grateful for the souls that gave me safe harbor over this last year so I can stay here, and keep my jobs, and keep my son. I need to apologize if I lose my composure. I think when people lose their composure ... (timer sounds)... while testifying, it's because they're really stressed out. Anyways, *Civil Beat* had an article come out where Tasha Kama answered the question, what should Maui do to encourage people to stay? What can the County do to ensure families aren't priced out? And her answer was, our community employers need to offer more paid benefits or other incentives that will keep up with the cost of living here on Maui. There was more, lots of good statements from Tasha Kama, and I agree. And also, very recently, a very wise man said to me recently, the math is not mathing. And I think people just need the math in front of their face to really understand what's happening. So, I need to bring attention. I've collected some information that I sent to you guys about how the County of Maui...because the County of Maui is one of the employers of Maui, Tasha, and they need to keep up with the living wage. I sent you guys what is the living wage calculated by Massachusetts Institute of Technology. Right now, the living wage calculated by MIT is at \$29.29. ... (timer sounds)... And I also--just real fast--I researched the secretary positions listed by the County of Maui, and the...the Secretary for the Department of Housing is being offered at \$3,917 per month. According to my calculation, if someone's being paid 3,917...\$3,917 per month, then they're only making \$22.60 per hour, which means they're being undercut of the living wage, yeah, by about \$6 per hour. And so, that means the Secretary of the Department of Housing of the Maui County is undercut the living wage. She's going to struggle to have one house. And if that Secretary is a mom, she don't got a house on Maui. So, what the County is doing is they're offering one job for one secretary to come in, help the Maui County with Housing, but that

## October 23, 2024

person is not being paid at a rate to have a house on Maui. And that is...so, Tasha, I'm wondering if there's any room, from where you sit as Chair of HLU Committee, to stop You know, can...is there any way? this. That is the fracture. Because I'm recommending that this Secretary position for the Department of Housing be offered at a rate of \$8,666.69 per month, which would give them \$50 per hour. Now, what this would do for the County is not only I would apply for that job because I'm a single mom, and I need to make...according to MIT, to make a living wage as a single mom, I need to make \$51.38. So, a \$50-paid job, that means I'm only donating \$1.38 of my time per month back to the County so that I...so I can help the County. Now, if you offer the job at \$51 (echoing)...if you offer the job at \$51, then what would happen is that many secretaries of Maui would come for this job, okay? Then the employers, the small business owners of Maui, would see, oh, shoot, all our secretaries going to the County ...(*timer sounds*)... because they're going to be paid well, and then...then that is when business owners would pay their secretaries well. Because why? Because secretary (echoing) moms hold up everything. So, we deserve \$50 per hour. I know there's problems with...systemic problems, the DPS.

CHAIR KAMA: Thank you, Lehua, for your testimony.

- MS. SIMON: ... *(inaudible)*... follow through on your word. Follow through on your word. Thank you.
- CHAIR KAMA: Thank you. Members, any questions for the testifier? Seeing none. Thank you. Testifiers, the next one?
- MS. MCKINLEY: Chair, currently, the last person signed up to testify is Johann.
- MR. LALL: Aloha. Johan Lall, testifying on behalf of myself. I'm glad the previous testifier brought up secretaries because, you know, I worked for the County twice. I worked for the Planning Department, and before that, years before, I worked for the Department of Management. And the first person I worked for was Bill Medeiros, and one of the first things he told me was the admins are like the most important people. They know everything, and they run everything. And the thing is, they're also among the lowest paid, and I was...I was kind of shocked when I learned how little they make. Because the jobs...those types of jobs don't require a degree. Even if the people have a degree, and even if they have skills, you know, besides a degree, super-low paid because of how everything is structured. And it's the same for Clerks. There's a guy named John Ko (phonetic) who works in the mailroom, and he's probably like the linchpin of the entire County, and he makes very little money. When I...when I left the Planning Department, I actually made . . . (timer sounds). . . probably one of the highest. I was at like 80,000. That's the same as like a Councilmember. So, the County does have ways to increase pay by increasing where you are in your steps, and I think they can implement those kind of things, and the first really needs to be like clerks. Inspectors at ZAED make very little, and they're very important. They're on the front line. There's a lot of jobs like that. So, that would alone be a way to streamline things and make things go a lot faster. So, mahalo.

- CHAIR KAMA: Thank you for your testimony. Members, questions for our testifier? Seeing none. Thank you so much. Oh, Member Paltin, I see your hands. Member Paltin has a question for you.
- COUNCILMEMBER PALTIN: Thanks. I just had to say, I 100 percent agree with you, especially about John Ko. He runs the place, and he does not make a living wage. I looked it up on...when we had all the confidential information, and...and I don't even know how he can buy himself food. And...and he's the nicest guy. I always run into him in the elevator and have conversations with him. I just told him, you know, if they judge a fish by how well they climb a tree, then of course, they're going to fail. And he's a fish in my eyes.
- MR. LALL: And he's also an Army veteran.
- COUNCILMEMBER PALTIN: So, we're kind of disrespecting an Army veteran, too, then.
- CHAIR KAMA: Yeah, thank you. Thank you, Johann. Any other testifiers?
- MS. MCKINLEY: Yes, Chair. The next testifier is Kai Nishiki, to be followed by Leonard Nakoa.
- MS. NISHIKI: Aloha. Good afternoon, Chair and Committee Members. I testified earlier, Kai Nishiki, and I just wanted to advocate on a couple items. One is the housing plan that the County paid for, the Maui County Comprehensive Affordable Housing Plan, to please consider getting to work on some of the items that are listed on there. You know, budget is coming up, and it would be great to see some of those and...you know, some of the things that Councilmember Johnson advocated with some of his bills get implemented. And I completely understand that the Housing Department is just getting started, and they are having staffing issues as well. I...I'm not sure if it's some sort of conflict, but is it possible to have HGEA and, you know . . . (timer sounds). . . like the unions come to this Committee and talk about what they're doing to really incentivize County being able to have adequate staffing? You know, look at things like housing stipends, or obviously raising people's...people's salaries would be great, but a housing stipend would be a great way to attract folks to work for the County and contribute finances to housing. But obviously, we need to address the issue of building housing, thus going back to the plan and supporting projects in there that are tier one. Those are projects that are supposed to provide housing within the next five years, and that was a couple of years ago that the housing plan was developed, I think. So, anyway, just want to really advocate for housing stipends. Obvi...I would love . . . (timer sounds). . . if the County did like housing for their workers, but in discussions with folks, you know, how are you going to decide who's going to get those, or like if they leave the County, then what? But housing stipends, then it...it...it does help. Okay. Mahalo.
- CHAIR KAMA: Thank you. Members, questions for our testifier? Seeing none. Thank you so very much. Staff?
- MS. MCKINLEY: Chair, the next testifier, and currently, the last person signed up is Leonard Nakoa.

## October 23, 2024

MR. NAKOA: Hey, howzit. Junya Nakoa. Yessah. Okay. Couple things. Okay. Here in Lāhainā at the Civic Center, you guys know I just had one grandbaby. I trving get...reserve the Civic Center for...for the one-year baby party, and supposed to go the day of...you know, you supposed to go exactly one year away from...from that for get that...that...the day. I wanted September 27th, and then when I called the Parks, they no more nobody over there. Yeah, no more nobody in Lāhainā. So, I went ask them, oh, so, I can come Kihei, I can go Upcountry, whatever. They said, no, I gotta wait for somebody for come...for get hired at West Maui. So, now me, this guy was waiting one year ahead, and now what? I get... I get jam up, I get screwed? What's going on? You So, that's the kine stuff we gotta...we gotta fix, yeah? know what I mean? ... (timer sounds)... And then talking about the housing thing, yeah? You know, like, hey, the house I living in right now, next year I make 50 years I live in this house...50 And that was a Maui Land and Pine housing thing. Okay. years, 5-0. Yeah. my...my...my bruddah, one year younger than me, he stay at S-Turns. That also was a Maui Land and Pine project, yeah? So, maybe the County gotta do...start looking into that kine ideas, you know? And no build...no build...no need build zero, build zero, zero market homes, okay? Zero, I mean, zero. And only workforce housing can be done. It can be done. Seriously, it can be done. If we get real...real guys who is here for the people, developers, can be done. Yeah, I'm trying to work hard on doing that. As we speak, talking to Maui Land and Pine right now, we working with your guys' departments, and we going try...we going try make it happen. We going show that it be happen...it can happen. You know, all...you know, all...and then . . . (timer sounds). . . one thing we was talking about, how...who going...how you guys can choose who going get 'em is the Gabe Johnson Bill 111. You know, let the residency. Let the residency. That's one good one for go follow. So, it's not...you guys, it's not recreating the wheel. You guys already...you guys already doing 'em. So, that's you, the things that you guys already get inside there, and it's not roadblocks. It's...it's things that can happen. It's just that you guys gotta make it happen. I know the kine, that you guys went ask for one...workforce housing projects for come up, and we just went look into 'em. You have the \$5 million, we'll go do something. So, we going look into 'em with Maui Land and Pine tomorrow, I get meeting with them. So, thank you for letting me go over the time like that, but, you know, gotta go raise the pay for the workers, and also maybe can make the housing, yeah, affordable housing, workforce housing, for your...for the employees of the County. Shoots, you guys have a great one.

CHAIR KAMA: You too. Members, questions for our testifier? Seeing none. Thank you.

MR. NAKOA: You guys have one good one.

- MS. MCKINLEY: Chair, there are no more individuals signed up to testify. If anyone would like to testify, please raise your hand on Teams. *(pause)* Chair, seeing no one.
- CHAIR KAMA: Okay. Thank you. Members, seeing as how there are no individuals wishing to testify, without objection, we're going to now close oral testimony. But as a reminder, written testimony will continue to be accepted into the record.

COUNCILMEMBERS: No objection.

# ... CLOSE PUBLIC TESTIMONY FOR ITEM HLU-3(21)...

- CHAIR KAMA: So, now we're going to continue to proceed with the topic of housing solutions. So, Members, I'm going to call upon you for the questions you might have for our Housing Director. So, I'm going to ask Staff to set a three-minute timer for each of us so that all Members can get their questions asked and answered. Okay. Member Cook?
- VICE-CHAIR COOK: Thank you, Chair. Director Mitchell, are you familiar with the 150 acres that the County owns that the Police Department is on in Kīhei? Has that been researched at all?
- MR. MITCHELL: So, yes and yes. There are several lists that have been generated of County parcels that can be developed, and they all generally include that particular parcel. And yes, the Administration has...has been looking into the different uses that all of the departments might have in mind for that very large parcel. So, that parcel, along with some other County-owned parcels, are high on my priority list of parcels to be developed for affordable housing. That one in particular, because it's close to water, it's close to sewer, it's close to the roads, and it's along a strip of Pi'ilani Highway that...where there are several other projects being proposed that includes affordable and workforce housing, along with other developments. So, I know that the Lipoa project is right there, and then the ...(*inaudible*)... Development Company has another project further north. So, I'm very familiar with it.
- VICE-CHAIR COOK: I think an added bonus to that is mauka to road, so it's not a SMA; is that correct?
- MR. MITCHELL: That's correct.

VICE-CHAIR COOK: That's my only question. Thank you.

MR. MITCHELL: The one challenge that we are anticipating with it, though, which is probably not uncommon for that side of the highway, is all the blue rock.

VICE-CHAIR COOK: Yeah, there's a lot of rock.

MR. MITCHELL: Correct.

CHAIR KAMA: So, it is 3:00 now. Remi, how are you on time? You have no time. Sorry. It's a long day.

MR. MITCHELL: I can take some more questions if you would like --

CHAIR KAMA: Okay.

MR. MITCHELL: -- Chair Kama.

- CHAIR KAMA: Okay. You got to go out to Lāhainā tonight too? Okay. Members, Mr. Remi Mitchell's going to stay with us for a few more moments. So, why don't we continue if you have a question for him. If not, we'll just keep on keeping on. And yes, we're going to now go on to Chair Lee, followed by Vice-Chair Sugimura, and then, you know, in order of how we did this morning. Okay.
- COUNCILMEMBER LEE: Thank you, Chair Kama. Director Mitchell, I...I like that idea of working with the churches. A few years ago, we put a half a million dollars in the budget to help the homeless working with the churches. One thing about the churches is, they do have land, and generally, they don't use their...their properties all week. Usually, it's on the weekends, maybe one or two classes during the week, but for the most part, they don't use their properties like the rest of us, seven days a week. And these would be infill projects where...whereby if we partnered with them to...whether it's adopt a family, or to some...some churches, like St. Anthony's Church, for example, the school has been reduced, and there's property for senior housing...or I wouldn't call it low-income housing, but let's say workforce housing and below. So, I would hope that you would start there, or put that on your high-priority list because...because infrastructure is already there. If you try and do a new project that requires drilling a new well and expanding the sewer treatment plant, well, you're going to have a white beard before you turn that shovel. But if you go up to...if you start with places that already have infrastructure, chances are you can be very successful with providing new units. So, are you considering that like maybe in your top ten list of things to do, Mr. Mitchell?
- MR. MITCHELL: Thank you, Chair Lee, for the question. And the answer is, absolutely.
- COUNCILMEMBER LEE: Okay. Wonderful. If you need more help along those lines, please let me know. Because I can tell you for a fact that St. Anthony School is now considering--because, you know, they have a lot of land on their property that's not being used--and they are thinking of doing low-cost housing. Thank you.
- CHAIR KAMA: Okay. Member Yuki Lei Sugimura?
- COUNCILMEMBER SUGIMURA: I have just one request, Director. Your list that you have of all the different housing projects, could you share it with the Council with a status of what is happening? Is it active? Is it...you know, when did it get its entitlements, and do we anticipate them doing anything, the development project doing anything?
- MR. MITCHELL: Thank you, Member Sugimura, for refreshing my memory of our discussion, I think a few days ago, on the same topic. And yes --

COUNCILMEMBER SUGIMURA: Yeah.

MR. MITCHELL: -- we will update that list and share it with the Committee for distribution with the Councilmembers.

- COUNCILMEMBER SUGIMURA: Okay. And...thank you. And then...then at some time then, maybe HLU can bring this up again so we can look at what projects are, you know, viable for our future for housing. Thank you.
- CHAIR KAMA: Okay. We're going to now go on to Councilmember Paltin.
- COUNCILMEMBER PALTIN: Thank you, Chair. I'm going to go to that same meeting that Remi's going to, but I already live in West Maui, so maybe I don't need as much time. My question is for the Housing Director. Do you support creative ways to move housing projects forward, permanent housing projects, such as repealing Condition 2 in Ordinance 3889?
- MR. MITCHELL: Thank you for the question, Member Paltin. Regretfully, I'm not familiar with Condition 2 in Ordinance 3889. Could you just summarize the condition for me, please, so I know what I'm responding to?
- COUNCILMEMBER PALTIN: Sure. It's also on this Friday's Council agenda and the subject of special committee meeting on Wednesday. But, you know, basically giving water to Pulelehua to allow them to get started with their first 240 units affordable housing, 100 percent affordable housing, because it's desperately needed.
- MR. MITCHELL: So, your question, if I understand it, is...is with removing that condition, or--if you can clarify the condition for me so...the question for me so I'm sure of what I'm answering.
- COUNCILMEMBER PALTIN: Yes, that's the condition to remove the requirement that Maui Land and Pine provide water for the Pulelehua project, both potable and nonpotable, so that we can work out a deal until their CWRM approval happens.
- MR. MITCHELL: To answer the question, I'm supportive of any actions that we can take that reasonably move forward projects that we can see will be completed in the short term. And if that action is necessary to assist the project with reasonably moving forward, and there are no other objections to removing it, then I don't see why we wouldn't do that.
- COUNCILMEMBER PALTIN: Fabulous. Thank you.
- CHAIR KAMA: Okay. Mr. Johnson had to leave to catch his ferry, so we're going to continue with Councilmember Keani Rawlins-Fernandez.
- COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I don't have questions right now. Mahalo.
- CHAIR KAMA: Okay. We're going to continue with Councilmember Nohe U'u-Hodgins.
- COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I have a quick question for you. After Remi leaves, which I'm assuming is soon, who are we going to ask questions to? Are we going to be done pretty soon, or are we going to --

## October 23, 2024

CHAIR KAMA: I think...

COUNCILMEMBER U'U-HODGINS: -- talk amongst ourselves, or what are we going to do?

- CHAIR KAMA: You could...jf you had something that you wanted to discuss among yourselves, you could.
- COUNCILMEMBER U'U-HODGINS: Oh, okay. Okay. Well, I do have a few questions for Remi. The last time we had this discussion, we were talking about potentially developing County-owned properties. And I know he was trying to secure a list of the County-owned properties, and I was just wondering if he's done so yet. And then I can ask all the other questions later, but I know he has to go. So, I just want to know if he's secured a list of all properties that the County owns.
- MR. MITCHELL: Thank you for the question, Member U'u-Hodgins. I have three lists now that I'm working on, one which --

COUNCILMEMBER U'U-HODGINS: Great.

MR. MITCHELL: -- is a very large Excel spreadsheet from Finance Department that lists every single parcel, including roads or things that have utilities on it, and that needs...I need to find a way to...to work with that document. I have another document that I can't attribute who the author was or when it was prepared. It's a PDF that lists a smaller subset of County properties. And then I have a third list that dates back to the old housing section days, a document developed by former Council employee Linda Munsell. So, I have more than a list. I have several lists.

COUNCILMEMBER U'U-HODGINS: Okay. Well, that's promising.

- MR. MITCHELL: I am attempting to work through those.
- COUNCILMEMBER U'U-HODGINS: Okay. And then I'm going to follow up on Member Paltin's question that she asked you about the water issue. So, a lot of our issue really stems from the "Show Me the Water" bill we had long ago. I'm not going to ask you your opinion on maybe repealing that, nor do I think I'm ready to say how I feel about that, but it's basically the issue that Member Paltin is having and a lot of affordable housing projects are having. So, maybe that's something you can look into.

MR. MITCHELL: Will do. Thank you.

- COUNCILMEMBER U'U-HODGINS: Thank you. Thank you, Chair. And if we're going to just talk into the abyss while looking at each other's faces, then sayonara. No, I'm just joking. I'll be here.
- CHAIR KAMA: Okay. Thank you. Councilmember Shane Sinenci?

## October 23, 2024

- COUNCILMEMBER SINENCI: Thank you, Chair. I just had a question, and it's not County-related. I'm talking about Department of Hawaiian Home Lands. Does the County Housing Department help to prioritize any of those projects, or help to streamline any of their permitting, or pretty much they do a lot of their own planning?
- MR. MITCHELL: Thank you for the question, Member Sinenci. And the answer is, as you suggested, towards the end, they handle their planning and entitlements process.
- COUNCILMEMBER SINENCI: Including...including water infrastructure, those types of things?
- MR. MITCHELL: Correct. That's not --
- COUNCILMEMBER SINENCI: Okay.
- MR. MITCHELL: -- County's Housing Department.
- COUNCILMEMBER SINENCI: Okay. Got it. Thank you for that clarification. Thank you, Chair.
- CHAIR KAMA: You're welcome. So, I just have one question for you, Mr. Mitchell. The DHHL liaison, which is attached to your office, I think. Do you have any inclination as to when that person would come on Staff?
- MR. MITCHELL: Thank you, Chair Kama, for the question. So, the DHHL liaison, along with the County Housing Programs Division Administrator and the Planner IV position, are all positions within that new division that we are currently trying to stand up. And so, while we've completed the position descriptions, and I believe those postings are out now, I don't know when we will get to actually filling that position. I don't have a timeline on that, but we're pushing forward to stand up that division.
- CHAIR KAMA: Okay. Okay. So, Members, it's...it is now a little after...quarter after 3:00. I'd like to be able to allow Mr. Mitchell to leave if there are no other impending questions that we can ask him later. So, I want to say thank you for being here all day with us, and spending the last half an hour with us, And we're going to see you again because we're going to defer this item again for later on. So, thank you.
- MR. MITCHELL: Thank you, Chair Kama. And thank you, Councilmembers.
- CHAIR KAMA: They're all saying goodbye to you, Remi. We all saying goodbye.
- MR. MITCHELL: Okay.
- CHAIR KAMA: Okay, Members. So, Mr. Mitchell's leaving. This would really be a good time for us to leave too, unless you all have something that you'd like to be able to speak about because this brings us to the end of our day. Thank you for all your good effort, Member Paltin, on the first item. And thank you all for adding to those questions. I

## October 23, 2024

think we're going to have a really wonderful meeting next time we're able to meet on that first item. But I have no other items for today, and without objections, I would just like to adjourn this meeting.

COUNCILMEMBERS VOICED NO OBJECTIONS (excused: GJ).

# ACTION: DEFER pending further discussion.

CHAIR KAMA: It is 3:15 and the HLU meeting is now adjourned. ... (gavel)...

**ADJOURN:** 3:15 p.m.

APPROVED:

TASHA KAMA, Chair Housing and Land Use Committee

hlu:min:241023:ds

Transcribed by: Daniel Schoenbeck

## October 23, 2024

# **CERTIFICATION**

I, Daniel Schoenbeck, hereby certify that pages 1 through 83 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 27th day of November 2024, in Wailuku, Hawai'i

Somiel S.

Daniel Schoenbeck