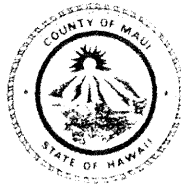


Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

March 28, 2019

**Mayor Michael Victorino Draft testimony
Maui County Council
Economic Development and Budget Committee**

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In my experience with Maui County, sometimes we are able to take small steps – one at a time – to reach a bigger goal. But, in a few cases, reaching our goals requires a big leap. Today, I'm asking you to rely on the extensive planning that's already paved the way for the Wailuku Civic Complex and see it as an investment not only in the redevelopment of Wailuku town but in Maui County as a whole.

This project has several parts and two major phases. In the first phase, there's vitally needed infrastructure improvements for three blocks in Wailuku town. This includes upgraded water and sewer lines, new storm drains, installation of subsurface power and utilities, new sidewalks and repaved roads. There's no dispute this needs to get done.

At issue, then is whether we need to follow through and spend an estimated \$27 million to build a 428-stall parking structure. More parking is crucially needed to revitalize Wailuku town, to support now-struggling businesses and accommodate the needs of our residents and visitors. This parking structure would more than double the 200 spaces now available at the current Wailuku municipal parking lot.

We have done years of studies, analysis, evaluation of alternatives and hand wringing over the improvements needed in Wailuku. The conclusion is clear. To revitalize Wailuku, we need to upgrade its infrastructure and roads, provide more parking and bring in an activity generator.

This project helps Maui County as a whole by generating economic activity that will provide revenue to help fund capital improvement projects countywide. Important projects include attainable housing, roadway improvements, water and wastewater upgrades and coping with climate change and rising sea levels.

What other options do we have to generate revenue? Raise taxes? Increase rates and fees? How can we grow the county's income while minimizing the impact to the local taxpayer?

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My strategy in supporting the Wailuku Civic Complex is to generate revenue through economic development; and there are few possibilities with a better return on investment than downtown revitalization.

Within a very compact area, Wailuku provides significant economic and community impacts with multiple benefits for both the Wailuku community and all of Maui County. Wailuku is a centralized hub for commerce, employment, arts and culture, civic engagement, as well as access to community spaces and public institutions.

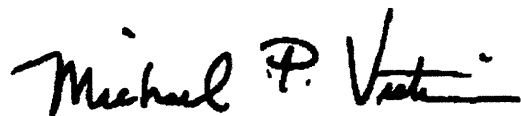
Our public sector investment is expected to be matched with over 10 times the value by the private sector within the first decade. This is how we build a strong downtown neighborhood and raise revenue for the growing needs of our residents and visitors.

There is no question that the county has other needs. Affordable housing is a critical issue for us all. But unlike the Civic Complex, there are no shovel ready affordable housing projects today. These capital funds cannot build housing that hasn't yet been planned or designed. Make no mistake, we will plan and build housing together. But the two priorities are not mutually exclusive. We can and will do both.

The debt service on \$40 million of general obligation bonds is approximately \$2.6 million a year. Considering our total county annual budget is over \$800 million a year, this is not an undue burden for something that will generate revenue in short order. The Wailuku Civic Complex is like the photovoltaic panels on your house – the upfront cost may sting at first, but with a little vision and discipline, those panels quickly become your best investment.

Council members, I'm asking you to join me in having the vision to see this project through for Wailuku and the discipline to plan and invest in ways that bring us closer to all of our goals.

Mahalo for the opportunity to testify on this matter,

A handwritten signature in black ink that reads "Michael P. Victorino". The signature is written in a cursive, flowing style.

Mayor Michael P. Victorino