

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

September 10, 2024

Online Only via Teams

CONVENE: 9:06 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member (out 10:14 a.m.)
Councilmember Shane M. Sinenci, Member
Councilmember Nohelani U'u-Hodgins, Member

EXCUSED: Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Tasha Kama, Vice-Chair

STAFF: James Krueger, Senior Committee Analyst
Kasie Apo Takayama, Senior Committee Analyst (back up)
Eric Arquero, Legislative Analyst
Carla Nakata, Legislative Attorney
Yvette Bouthillier, Senior Committee Secretary
Jean Pokipala, Council Services Assistant Clerk
Ryan Martins, Council Ambassador

Residency Area Office (RAO):

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

ADMIN.: Lesley Milner, Budget Director, Office of the Mayor (BFED-100, -101)
Bo Montalvo, CIP Coordinator, Department of Management (BFED-100)
Melissa Yaris, Executive Assistant I, Department of Management (BFED-100)
Blake Takayama, Chief Security Officer, Department of Management (BFED-100)
Cynthia Razo-Porter, Director, Department of Personnel Services (BFED-100)
Marcy Martin, Director, Department of Finance (BFED-97)

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Maria Zielinski, Deputy Director, Department of Finance (BFED-100)
Kari Stockwell, Assistant County Real Property Tax Administrator,
Department of Finance (BFED-97)
Kate Blystone, Director, Department of Planning (BFED-101)
Tara Owens, University of Hawai'i Sea Grant, Department of Planning
(BFED-101)
Kristina Toshikiyo, Deputy Corporation Counsel, Department of the
Corporation Counsel

OTHERS: Madeline Monaco (BFED-97)
Others (20)

PRESS: Akakū: Maui Community Television, Inc.

CHAIR SUGIMURA: . . .*(gavel)*. . . Good morning, everybody, to the Budget, Finance, Economic Development Committee. It is now 9:06 a.m., and welcome everybody. My name is Yuki Lei Sugimura, I'm the Chair of this Committee. And this meeting is being conducted in accordance with the Sunshine Law, and as a reminder, when your name is called, if you're not in the Council Chambers, please identify if there's anybody in...in the room with you. So, the morning greeting, according to Chair, is Taloha. So, let's welcome Chair Lee.

COUNCILMEMBER LEE: Good morning, Chair Sugimura and Members. *(echoing)* Taloha is from the Cook Islands and, yeah, that's where Tom Cook came from, the Cook Islands --

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

COUNCILMEMBER LEE: -- the Island of Pukapuka, and the greeting over there is Taloha. So, my greeting to all of you. And I just wanted to remind you and the Members that I have to leave early because I have to go to the MEO meeting, okay. Thank you.

CHAIR SUGIMURA: Okay. So, as I said, Vice-Chair Kama is excused from this meeting. Taloha, Member Cook.

COUNCILMEMBER COOK: Good morning and aloha. And there's no testifiers in the Kihei office today.

CHAIR SUGIMURA: Okay. Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Taloha, Chair, Councilmembers, community members. There is no testifiers at the Lāna'i District Office, and I'm here and ready to work. Mahalo.

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CHAIR SUGIMURA: All right. Good. Member Paltin is excused? Okay. She's at that After The Dark Conference in California, which I'm so envious because I was supposed to be there too. I will catch up somehow. Member Rawlins-Fernandez is not here? Okay. Member Sinenci.

COUNCILMEMBER SINENCI: Good morning, and Taloha lava [*sic*]. I'm here at the Hāna District Office with Staff Member Dawn Lono, and there are no testifiers, Chair.

CHAIR SUGIMURA: Taloha. And Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Taloha, Chair. Good morning, everyone.

CHAIR SUGIMURA: Good morning. From the Office of the Mayor, we have Lesley Milner. I saw her a minute ago, and she introduced us to her new staffer, which I'm sure we'll see more of her in the future. Cynthia Lallo, is she here? I thought she was also going to that same conference? Do we have anybody representing? Okay, absent. Department of Management, we have Bo Montalvo, CIP Coordinator, nice to see you; Blake Takayama, who we see him running around this building often, for Security--thank you, Blake; Melissa Yaris, Fleet Manager; and Department of Finance, Marcy Martin and Kari Stockwell, Assistant County Real Property Tax Administrator. From Department of Corporation Counsel, as always, Kristina Toshikiyo. And thank you very much, hardworking Staff. Yvette Bouthillier, good to see you here; good morning, James Krueger, and as well as Eric Arquero--I hope I said your name correctly--and Kasie Apo Takayama, Senior Legislative Analyst, along with James Krueger; Carla Nakata, our Legislative Attorney; and Jean Pokipala, Council Services Assistant Clerk. Please see the last page of the agenda for information on meeting connectivity. And thank you, Members, for attending today's BFED Committee meeting. We have three items on the agenda. BFED-100, Bill 124 (2024), Amending Fiscal Year 2025 Budget: Estimated Revenues; Department of Management (Management Program); and Capital Improvement Projects, Department of Management (Wailuku-Kahului Community Plan Area, for the Fitness Area Court); BFED-101, 125 (2024), Amending Fiscal Year Budget: Estimated Revenues and the Office of the Mayor (Economic Development Program Grants and Disbursement for Water and Environmental Resource Protection)--and that's, I think, Member Cook's Project with Ma'alaea.

COUNCILMEMBER LEE: Chair? Chair Sugimura?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER LEE: If I may interrupt, I just wanted to say that I forgot to mention that I'm home alone in my workspace. Thank you.

CHAIR SUGIMURA: Oh, okay. You don't have Koa?

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COUNCILMEMBER LEE: I didn't say that part.

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

COUNCILMEMBER LEE: No, Koa's right outside. She's listening to the meeting.

CHAIR SUGIMURA: . . .*(laughing)*. . . All right. BFED-97, Bill 115 (2024), Relating to the Deadline for Filing Claims for Fiscal...I mean for Real Property Tax Exemptions. That is our agenda, Members. And so, are there any testifiers?

MR. ARQUERO: Chair, we currently...we currently do not have any testifiers who signed up at this time.

CHAIR SUGIMURA: Do you want to do a last call?

MR. ARQUERO: If anyone in the Chamber would like to testify, or if anyone on Teams would like to testify, please use the raise-hand function. Here's a countdown...five, four, three, two, one.

CHAIR SUGIMURA: Okay. I see a hand raised. Do you see it?

MR. ARQUERO: Oh, yes.

CHAIR SUGIMURA: Is that a...is that...Staff? Madeline, and it says guest. Are they on the testifier's list?

MR. KRUEGER: Chair, an individual in the meeting named Madeline has identified themselves as wishing to testify at the beginning of the meeting. Madeline, you've been made a presenter. If you would like to testify, please introduce yourself and proceed with your testimony.

. . .BEGIN PUBLIC TESTIMONY. . .

MS. MONACO: Sure. Hi. Hi, everyone. My name is Madeline --

CHAIR SUGIMURA: Oh, okay. So, Madeline, just one second. We didn't know that you were testifying, so just let me go through some brief...no, stay right there because we need you. So, please state your name, and if you're representing an organization, please let us know. You'll have three minutes to testify and if you're still continuing, then you'll have another 30 seconds to complete. If you have written testimony, we appreciate that so that we can always have it for our written records. And...yeah, I think all the rest is...please proceed.

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MS. MONACO: Okay. Thank you so much. Aloha, everyone, or Taloha, I think I should say. My name is Madeline Monaco. I live in West Maui, and I'm writing...I actually wrote...submitted written comments, but I'd like to verbally state those as well. I'm writing in support of Bill 115, with perhaps a few changes. I am a Hawai'i State resident, and I have lived in my owner-occupied home until I offered it to FEMA...to FEMA for fire victims, and I moved to a friend's home in February. I filed appropriately for the tax classification offered by the County, then I was told that at the end of the FEMA lease, my classification would be short-term rental property because I live at Mahinahina Beach, which is erroneously classified as short-term rental, even though we have not allowed short-term rentals for years, and we impose a hefty \$20,000 violation fine. That's a whole separate issue. But I am...I have been owner-occupied. When I was at the property tax office, I was told that that was the risk I took when I put my home in the FEMA program. I know they meant no malice, and they recommended that I contact the Maui Council because if not addressed, I will need to pay many thousands of dollars in taxes for a year until I can reapply and be granted owner-occupied status again. I offered my home to FEMA because I witnessed first-hand the anguish of Lahaina fire victims who were living in tents on the beach or in crowded hotel rooms. I volunteered, I raised financial donations, and I felt compelled to help those needing a clean, comfortable, peaceful home with a kitchen to prepare culturally-appropriate meals. The net proceeds of the FEMA rent do not even cover my expenses, but I was okay with that. But having to pay the short-term rental tax rate at the end of the FEMA lease I think is unfair to people like me, who are only trying to help from our hearts. I would imagine that most of the people who offered their units or homes were already renting short-term and enjoying a huge tax break, but that's not the case for people like me because my taxes are much lower. Another issue is, those of us whose FEMA leases started after January 31st received a tax abatement of 12 months as opposed to 18 months for those whose leases began before January 31st. So, people like me, whose lease started in February, would have to start paying property tax again in July 2025, even though my home could still be occupied FEMA for an additional six months after the lease term ends in February. And I'm okay with paying taxes starting July 2025...that's what I signed up for. But I object to paying a short-term rental tax rate as opposed to returning to my owner-occupied status. To make matters worse, the occupant that FEMA has placed in my home has been trashing my home. My...I had to hire a housekeeper twice a month to clean, and even then, she finds that there is mold in the shower, dirty dishes piled around the kitchen, trash and dirty laundry strewn all over. It causes me a lot of stress and anxiety to know the pristine home I gave to FEMA is being so disrespected, but on top of that, as it stands now, I'll have to pay many, many thousands of dollars in taxes next year unless Bill 115 is passed, with perhaps a few changes to reflect the issues with timing I have raised. So, right now, my lease will end on February 28th, but FEMA has the option to renew for an additional six months, which could mean the lease would end on August 31st, 2025, but I have to start paying taxes in July 2025. So, I'm not quite sure what the solution is here, but perhaps

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. . .*(timer sounds)*. . . another solution could be to extend our tax abatement until the end of leases with FEMA, and then allow us to file for owner-occupied status immediately thereafter, or I'm open to whatever solutions you come up with. Again, I'm not opposed to paying taxes starting July 2025, even though my home would still be occupied potentially until the end of August. I just request that I could return to my owner-occupied status somehow. Thank you for your interest and for listening to me today. I appreciate it.

CHAIR SUGIMURA: Oh, I'm saddened to hear that your home is being trashed by a West Maui wildfire victim, is who you have it rented out to? And --

MS. MONACO: Yes.

CHAIR SUGIMURA: And you --

MS. MONACO: I don't know who the person is. All I know is the photos that my housekeeper sends me.

CHAIR SUGIMURA: Wow.

MS. MONACO: Sorry to upset you.

CHAIR SUGIMURA: Okay. So, that's one problem. And I know that there's resolutions available through the court system, you might want to look into that for your apartment. The other thing then, your unit...you're saying you have it rented out for as long as FEMA is allowed, which is, I guess, February...August 2025 is when FEMA is saying that it will be the two-year period, and they may end what they're doing.

MS. MONACO: So, right now, the lease that I currently have ends on February 28th, 2025, but there's a stipulation in that lease that FEMA could opt to keep my unit for another six months. And I'd be okay with that as long as we rectify some of the trashing situation--which I am working on, by the way.

CHAIR SUGIMURA: Okay. Members, anybody have any questions for the testifier? Oh, you do? You're fine, Member Cook? Okay, we're fine. Thank you very much. Thank you very much for sharing, and I'm sorry for what you're experiencing.

MS. MONACO: Thank you.

CHAIR SUGIMURA: Next testifier, please?

MS. MONACO: You know, I . . .*(inaudible)*. . . sorry.

CHAIR SUGIMURA: Okay, go ahead.

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MS. MONACO: I'll stop. Thank you. . . .*(laughing)*. . .

CHAIR SUGIMURA: Okay. Any more testifiers?

MR. ARQUERO: Chair, we currently do not have any others to testify at this time.

CHAIR SUGIMURA: Okay. All right, Members. So, with your permission, I'm going to close public testimony and receive any written testimony on this item, which is Bill 115.

COUNCILMEMBER COOK: No objections.

COUNCILMEMBER LEE: No objections.

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

ITEM 100: BILL 124 (2024), AMENDING THE FISCAL YEAR 2025 BUDGET: ESTIMATED REVENUES; DEPARTMENT OF MANAGEMENT (MANAGEMENT PROGRAM); AND CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF MANAGEMENT (WAILUKU-KAHULUI COMMUNITY PLAN AREA, FITNESS COURTS) (BILL 124 (2024))

CHAIR SUGIMURA: Thank you. Okay. So, what I'm going to do now is proceed on with our agenda. I read off BFED-100, which is Bill 124. And Members, this first item on our agenda is...is...amends Fiscal Year 2025 Budget for the Department of Management by recognizing 865,000 in Carryover/Savings from the General Fund, and appropriating 590,000 to the Department of Management, Management Program, for Operations, Equipment, and appropriating 275,000 for a new Capital Improvement Project for a fitness center at the Kahului Community Center Park and Keopuolani Regional Park. The 590,000 being appropriated for operations will be used as follows: 160 to fulfill a fleet management contract, 300,000 for a security, security assessment, 60,000 for renovations and furniture in the Trask Building, and 70,000 for salary study requested by the Salary Commission. I've sent letters to the Department of Management and to the Budget Director requesting information regarding this bill. The Budget Director's response is available on Granicus 5, and Management's response is available on 6. Assisting us with our discussion today is Director Milner--and you have Staff in the Chambers that you want them to come down?

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MS. MILNER: Thank you, Chair. I told folks that Josiah asked to be here, that they could kind of hang out until you all...unless you all had specific questions, and then we'd have the rest of the folks come down, if that's all right with you.

CHAIR SUGIMURA: Okay, you don't want them to come down now? Why don't you come down now --

MS. MILNER: Okay.

CHAIR SUGIMURA: -- so that we...it won't get disrupted.

MS. MILNER: Okay.

CHAIR SUGIMURA: So, I'm going to take like a short recess, so be back at what...I mean 9:23? . . .(gavel). . .

RECESS: 9:21 a.m.
RECONVENE: 9:25 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Welcome back. It's now 9:25, so we will continue. Thank you very much, everybody, for joining us on the floor as it...you relate to this bill. So, Ms. Milner, you want to do opening comments?

MS. MILNER: Yes. Thank you, Chair. As we stated in the transmittal letter, the fleet services came in overbid, so that's why we're asking for the extra funds for that. For the security assessment, this is a process that has...we've been moving towards this for a few years now. For the last 15 years we've been doing a sole source security provider contract, and so the Department of Management is working with procurement so that we can move to a competitive process for that. This assessment will help write that RFP. It will include things like how many cameras there are, cabling, card readers, and it'll be at all County facilities on all islands. So, it's a very large project, which is why the cost is higher. The benefit of this, in addition to being able to scope the RFP, it will help us identify possible vulnerabilities going forward that we need to address, so it's two-fold. For the Trask Building, we've moved the Office of Recovery out of those facilities into a leased facility. There is the possibility we'll be able to seek reimbursement for OOR paying that lease, which we would have not been able to do for the Department of Housing. So, Housing will be moving in there, but there are some alterations that need to take place before they move in. For the salary study, they will be looking at comparable jurisdictions for elected and appointed salaries, and we'll also look at some different options for the Commission to consider such as tiering salaries, which is one of the proposals that the Mayor has made to the Salary Commission in this last 16 months, I believe. So, it'll just give the Salary Commission opportunities. And this RFP was not developed by Administration, it

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was developed in coordination with the Salary Commission. They had an opportunity to review and provide feedback, so this is all at the urging of the Salary Commission to move forward with the study. And I believe Cynthia Razo-Porter is online if you have additional questions. And for the...sorry, the cement...fitness courts, my apologies. For the fitness courts, the 275,000 we're requesting here will be primarily used to pour a cement base to put the equipment on. The equipment and installation is being funded through other means. And we have resources here if the Members have any additional questions. Mahalo, Chair.

CHAIR SUGIMURA: Okay. Anybody else have any things to add from Administration? You're all fine? Okay. So at this time then, Members, anybody have any questions for Administration? Or do we have to take open testimony again if we just...okay. I'm going to open for public testimony again. I know for this item we didn't have anybody earlier, but just wondering in case we do now. And it doesn't look like we have anybody in the Chambers, and at this time then I'm going to close public testimony. And do you want to call last call?

MR. ARQUERO: If there's...if there's anyone who would like to testify, please identify yourself now. On Teams, you can do so by using the raise-hand function. Here's a countdown...five, four, three, two, one. Chair, there are no others to testify at this...for this item.

CHAIR SUGIMURA: Thank you very much. So, at this time I'm going to close public testimony for this item, which is Bill 124, BFED-100, and take...any written testimony is always welcome.

. . .CLOSE PUBLIC TESTIMONY (BFED-100) . . .

CHAIR SUGIMURA: So, Members, please ask questions of the Administration. So, at this time do you...Chair Lee.

COUNCILMEMBER LEE: Thank you. I have a question for the Budget Director, Ms. Milner. I noticed (*echoing*) that when you come down for a budget amendment, you recognize Carryover/Savings. So, when will we ever find out exactly how much Carryover/Savings there are? Because...because we're only allowed to vote a proposed amendment up or down, we can't make any changes. I think it's in everybody's best interest if we know how much money we're actually dealing with, rather than when you guys are ready for something, you bring down exactly that amount, giving the Council no chance to have a discussion on other possibilities. Can you please comment on that? Thank you.

CHAIR SUGIMURA: Thank you, Chair Lee.

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MS. MILNER: Thank you, Chair. Thank you, Chair Lee. Yes. The Department of Finance is still working on the Annual Comprehensive Financial Report, the ACFR, which will provide a better overview of the total Carryover/Savings that we will have available, both for the remainder of this year and for Fiscal Year '26. When that report is complete it will be delivered to Council. And if the body would like to request any sort of breakdown once it sees that data, Budget Office and Finance would be happy to provide that.

COUNCILMEMBER LEE: Okay. Thank you very much. When do you think that report will be available?

MS. MILNER: Thank you, Chair. Thank you, Chair Lee. I know it's in process right now, I don't believe it will be available until at least January.

COUNCILMEMBER LEE: Okay. Thank you.

MS. MILNER: Sorry, I see Director Zielinski is online, Chair.

CHAIR SUGIMURA: Okay, she has her hand up. Maria Zielinski, Deputy Director. Good morning. We can't hear you.

MS. ZIELINSKI: Good morning.

CHAIR SUGIMURA: Okay, we can hear you.

MS. ZIELINSKI: Can you hear me now?

CHAIR SUGIMURA: Yep.

MS. ZIELINSKI: Okay. Yeah, I just wanted to clarify...underscore what Budget Director was indicating. Yeah, we are in the process of just starting out our audit. We're doing all the pre...preliminary, so it's really way, you know, premature to provide any sort of a carryover or any sort of information relative to our financials because a lot of the entries have to still be made. Yes, Chair.

CHAIR SUGIMURA: Are you done?

COUNCILMEMBER LEE: Can I ask a question of --

CHAIR SUGIMURA: Yes. Yes.

COUNCILMEMBER LEE: -- Ms. Zielinski? Okay. So, if that's the case, Maria, how did you know you had this amount of money for Carryover/Savings to make an amendment to the budget? Where do you find these monies in the meantime?

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MS. ZIELINSKI: Yeah. And Budget Director can probably answer it better, but I will clarify that my understanding was when the budget process was completed, there was an amendment that had not been approved, and I think it was to the tune of about \$5.2 million. So, any carryover that's being utilized is as a result of that amendment that was savings, if you will, as a result of the budget process. Again, Ms. Milner probably can explain a little better as far as that process. But that's where it's coming from. It's not coming from anything that we have that we can look at. Now, having said that, we do believe we will have Carryover/Savings . . . *(timer sounds)*. . . but it's way premature to be...you know, we wouldn't be...feel very...at all comfortable with the approving anything for certification, but...except for that amount that Ms. Milner has been...is utilizing in this case.

COUNCILMEMBER LEE: Is Ms. Milner going to respond?

CHAIR SUGIMURA: Yes. So...okay, go ahead.

MS. MILNER: Thank you, Chair. Thank you, Chair Lee. Yes, this is one of the questions that we received from the BFED Chair. And when reviewing...when preparing our Carryover/Savings for the fiscal year, we take the amount from the ACFR and subtract certain things, including any amendments that have passed during the current fiscal year. Later in the fiscal year, when we were reviewing the list of amendments that were included, it was determined that an amendment that did not pass--it was filed at second reading--had been included. So, those funds we felt comfortable asking Finance to certify at this time. But we realized that generally we don't like to do Carryover/Savings this early in the year because we don't have a good picture from the ACFR as yet.

CHAIR SUGIMURA: What was the dollar amount?

COUNCILMEMBER LEE: Okay.

CHAIR SUGIMURA: Oh, go ahead.

MS. MILNER: It was approximately \$5 million, Chair.

CHAIR SUGIMURA: Go ahead, Chair Lee.

COUNCILMEMBER LEE: Five million? Did you say 5 million?

CHAIR SUGIMURA: Five million. Yeah.

COUNCILMEMBER LEE: That's exactly what I need. Thank you.

CHAIR SUGIMURA: Okay. All right.

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COUNCILMEMBER LEE: For Housing.

CHAIR SUGIMURA: Thank you very much, Maria Zielinski, who joined us. And next, Gabe Lee...Gabe Lee . . .*(laughing)*. . . --

COUNCILMEMBER JOHNSON: . . .*(laughing)*. . . We're all friendly around here.

CHAIR SUGIMURA: -- Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. You know, I'm really curious about the...was it 70,000 for the study in the Salary Commission? Can you kind of like explain a little bit more about it? I understand that they're doing a study. Is there going to be a recommendation, and what is the timeline, and how would that work? Would that be kind of a...what's the process? Are they going to have to go and change the Charter, or how does that work, Director?

CHAIR SUGIMURA: Ms. Milner.

MS. MILNER: Thank you, Chair. I'm just checking with Director Razo-Porter to see if she is logged in, as she has been in the Salary Commission meetings and has more data on that.

CHAIR SUGIMURA: So, I guess we didn't know she was joining us, right? Staff?

MR. KRUEGER: Chair, we don't see Direc...um, Director Razo-Porter on at this time.

COUNCILMEMBER JOHNSON: Well, if that's the case, in order to maintain time and respect everybody's time, can we just have that in writing? And if there's nobody to answer I understand, but maybe we can get that in writing? . . .*(inaudible)*. . .

CHAIR SUGIMURA: Okay, sorry, sorry about that. We did not know she was even trying to attend this meeting, but it would have been a good idea. So, we'll...can we send that to Administration in writing? Okay. What the study is about...what exactly would you like us to put in the letter?

COUNCILMEMBER JOHNSON: I'm curious about what the timeline is, and what is the result of the study? Will it have a recommendation, and when will it come out, and I guess the parameters of the study, really.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER JOHNSON: Thank you. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. Okay. Next we have Member Cook.

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COUNCILMEMBER COOK: Thank you, Chair. My questions are pretty much a follow-up with Member Johnson's insofar as just like is this an RFI that's being sent out for someone to do the study, or is someone selected to do the study?

CHAIR SUGIMURA: Go ahead.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Cook. This will be an RFP process so that we're able to take into consideration things other than cost, and we want to make sure it's a competitive process.

COUNCILMEMBER COOK: So, the RFP will give a structure to the study itself as far as what's the goals, objectives, action items. So, is that something that would be available to the Council? Because that would give us an idea of what the study is going to consist about.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Cook. Yes. I think if you would like to include that request in the letter for the scope of work, we would be able to provide that.

COUNCILMEMBER COOK: Okay. Chair, is that something Staff can do?

CHAIR SUGIMURA: Yeah. Can you add that? Yeah, we got it.

COUNCILMEMBER COOK: Thank you.

CHAIR SUGIMURA: Wow, everybody's interested in that one study. Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. So, I have a couple of questions. I'm looking at the bids that you folks provided from everybody's bid results. For the fleet management it's an additional \$160,000, and for the security assessment it's an additional 300. And in looking at the bids, they're all roughly...well, they're actually totally different from each other. I mean there's one that's like 73,000 and one that's over a million. I'm not asking you to explain why they have different numbers, but why is the number so drastically different?

CHAIR SUGIMURA: Do you have --

COUNCILMEMBER U'U-HODGINS: Are they bidding on all the...I'm assuming they're bidding on all the same thing, but that is a major difference. And then for the next one, at \$160,000 for fleet management, if it's an increase of that much, and the bids on that one is a bit more similar to each other, how much did we assume it was going to cost if majority of the bids are about half of it, so we had underestimated about 50 percent?

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CHAIR SUGIMURA: Okay. So, you want to take that fleet one? All right.

MS. YARIS: Thank you, Chair. Thank you, Councilmember U‘u-Hodgins.

COUNCILMEMBER U‘U-HODGINS: Yeah.

MS. YARIS: Oh, hello?

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER U‘U-HODGINS: We can hear you now.

MS. YARIS: So, the 130,000 was determined based on the active contract we had at that time.

COUNCILMEMBER U‘U-HODGINS: Okay.

MS. YARIS: Since then we selected a new vendor through a competitive procurement, and then the scope of work was adjusted as well.

COUNCILMEMBER U‘U-HODGINS: Okay. To include what?

MS. YARIS: So, now we include vehicle tracking, as well as GPS location tracking for large equipment and vehic...or heavy vehicles.

COUNCILMEMBER U‘U-HODGINS: Okay. Okay, that added the 160. Okay. And then for the security, I mean I’m just curious why it’s so drastically different. Like none of them are nearly the same. Again, I’m not asking you to speak on somebody else’s bid process, but you’re the only people we get to talk to.

CHAIR SUGIMURA: . . .*(laughing)*. . . So, Blake, you want to take that?

MR. TAKAYAMA: Testing. Good morning, Chair. Good morning, Members.

COUNCILMEMBER U‘U-HODGINS: Good morning.

MR. TAKAYAMA: The reason why I believe the bids came in that way, I think there was only one local bidder from Hawai‘i, the rest was all mainland bidders. Part of the bids that they structured in their resumes and that they turned in is more...some of them is more detailed for different types of assessment--anti-terrorism, just physical security, a combination--so what we’re looking for...we were looking for is just a security threat assessment for all our County facilities, as well as doing a comprehensive inventory of all the . . .*(timer sounds)*. . . security cameras and access control and...throughout the County. So, that’s why the bids came in that way.

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COUNCILMEMBER U‘U-HODGINS: Thank you. That was what I was looking for, thanks.
Thank you, Chair.

MR. TAKAYAMA: Thank you.

CHAIR SUGIMURA: Great. So...let’s see. Member Sinenci, you’re next.

COUNCILMEMBER SINENCI: Thank you, Chair. Thank you, Chair. I was just...wanted to follow up on Member U‘u-Hodgins’ question about outside bidders. So, you’re saying that they’re like mainland companies. So, are those mainland companies...are they...how is the...are they, I guess, certified or registered to do business in Hawai‘i, or do they have another company that they’ll work with?

MR. TAKAYAMA: Thank you, Mr. Sinenci. Yes, I believe that they are certified to do the threat assessment and work here. Most of the bids that we saw is they have a timeline of flying their people in and staying on island for like the two, three months at a time to complete their assessment.

COUNCILMEMBER SINENCI: Okay. So, that’s in addition to doing the work, but they’re also including travel time for workers from the mainland, yeah?

MR. TAKAYAMA: Yes. It’s all...they included all their travel times to outer islands, and as well as coming to here.

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

MR. TAKAYAMA: Thank you.

CHAIR SUGIMURA: Okay. Thank you, Member Sinenci. So, I have a question for you. So, speaking again, and sticking with the fleet...I’m sorry, speaking with security, so what bid was selected?

MR. TAKAYAMA: The one we chose was that company Aanko Technologies (*phonetic*) for 306,000. When we reviewed their resumes, the reason why they were picked was we’re looking for more of a timeline and detailed report, comprehensive detail coming back. And just reviewing their resume and application, we thought they were one of the best fits.

CHAIR SUGIMURA: Are they located here in Hawai‘i?

MR. TAKAYAMA: No. They are a mainland company as well.

CHAIR SUGIMURA: Okay. So, they will be able to satisfy our requirements?

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MR. TAKAYAMA: Yes.

CHAIR SUGIMURA: And have, I guess, capability of communicating with us online, I guess --

MR. TAKAYAMA: Yeah.

CHAIR SUGIMURA: -- instantaneously?

MR. TAKAYAMA: Yeah. They --

CHAIR SUGIMURA: As we all live now days.

MR. TAKAYAMA: They have offered to attend any meetings that we have that we need be. Like I said, they'll be here like three months when they're doing their assessment. The contract states that we're giving them a year to fulfill that obligation with us. And part of this company too, at the end they will create the next RFP for the security vendor for the next contract instead of doing the sole source. And that was the whole reason why we did this.

CHAIR SUGIMURA: They're going to help you develop the --

MR. TAKAYAMA: They're going to create the detail for the contract for the next oncoming bidders who wants to bid for the security.

CHAIR SUGIMURA: So, do you think that's a good idea? They might write it so that they're the only ones that can get qualified?

MR. TAKAYAMA: Um...no, I don't think so. I think it'll be kind of fair because our department will state what we're looking for, what we need. And again, certifications come in too, you know, when...for whoever the oncoming contractor is, they're going to have to be certified--for example, like in premises, certified in Avigilon, you know, camera system. So, they cannot just be anybody saying that we do electronics, we can do that. They have to be certified by these companies.

CHAIR SUGIMURA: Okay. And when do they begin?

MR. TAKAYAMA: We was hoping we have that security contract ready by July 1st, next year.

CHAIR SUGIMURA: And in the meantime, what's happening now?

MR. TAKAYAMA: Security Resources is our current vendor, they're on an extension...a one-year extension until that is done. So, once that is done, then they'll all get a chance to bid again.

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CHAIR SUGIMURA: Okay. And they're not in...they're not in your company...not in this list of vendors that...that provided.

MR. TAKAYAMA: No, Security Resources will be bidding probably for the security contract. This is just a consultant...these are all consultants here that create this for us.

CHAIR SUGIMURA: They plan it.

MR. TAKAYAMA: Yeah.

CHAIR SUGIMURA: Oh, so that's the difference. And so Security --

MR. TAKAYAMA: These are the guys that will outline the format of what we structure in the County to be. And Security Resources, their team is the one that will complete the install of all...what we want with the type of equipment and everything that...
...*(timer sounds)*... they would have to follow the consultant's --

CHAIR SUGIMURA: Okay.

MR. TAKAYAMA: -- report.

CHAIR SUGIMURA: Okay. So, I just heard that we have Cynthia Lallo [sic] on the line for Members that had questions regarding the Salary Commission report. Cynthia Lallo [sic], did you hear some of the questions that came up?

MS. RAZO-PORTER: Excuse me. This is Cynthia Razo-Porter.

CHAIR SUGIMURA: Oh, Cynthia Por...I'm sorry, Porter, yeah.

MS. RAZO-PORTER: Can you hear me?

CHAIR SUGIMURA: Yeah, we can hear you. Can you speak a little louder?

MS. RAZO-PORTER: Okay. I'll try to speak louder.

CHAIR SUGIMURA: So, the questions that came up before you joined us were regarding that \$70,000 the Salary Commission had asked for a study to be done. So, Member Johnson and Member Cook had questions regarding that, so I'll allow them to ask you the same questions.

MS. RAZO-PORTER: Okay.

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COUNCILMEMBER JOHNSON: Okay. Thank you, Chair. Good morning, Ms. Porter. Thank you for joining us. Just in regards to the Salary Commission...Salary Commission study, will it come up with a recommendation, and what is the timeline for it, and is their parameters...is just electeds and directors, or is it just electeds? So, those are my questions.

MS. RAZO-PORTER: So, the Salary Commission requested a salary study. So, an RFP was developed, and the scope of the work is to include elected officials and appointed directors. So, everyone that they assign a salary to is the intent. The timeline for it...so this proposal was already...you know, RFPs was already posted and issued, and we received our...Finance, I guess, received the proposals, and the vendor has been selected. And so, that's the money that's being requested to fund this contract --

COUNCILMEMBER JOHNSON: Do you know who the vendor is?

MS. RAZO-PORTER: -- and its recommendations. I think...hold on. It's MGT of America Consulting.

COUNCILMEMBER JOHNSON: Sorry, I don't know who they are. Okay. Thanks so much. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Cook, you have a question for...

COUNCILMEMBER COOK: No question. I'm just thinking getting a copy of the RFP would answer all my questions. Thank you.

CHAIR SUGIMURA: Okay. Okay. So, we'll get a copy of the RFP. Can we request that? Okay. So, we will be requesting a copy of the RFP that you said you issued, and it has already been selected for Management...MGT of America Consulting. Okay.

MS. RAZO-PORTER: Thank you.

CHAIR SUGIMURA: Thank you. Anybody else have questions regarding this? So, if not, I have one. So, Director...Ms. Milner, how much money was already included in the Fiscal Year 2025 Budget for Security and Fleet? Because you're asking for additional funds?

MS. MILNER: Thank you, Chair. I don't know that we had specifically lined-itemed an amount for the Security study. For the Fleet study, I believe it was 130,000. For Security, I think we thought we had sufficient funding included, but when the bids came in at the level they came in, we realized that we needed to ask for almost the entire amount.

CHAIR SUGIMURA: Oh, can we recess? . . .(gavel). . .

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RECESS: 9:49 a.m.
RECONVENE: 9:52 a.m.

CHAIR SUGIMURA: . . .(*gavel*) . . . Okay. Welcome back to the Budget, Finance, Economic Development Committee. It is now 9:52. Members, thanks for the short, unexpected recess. We lost quorum, and as I announced at the beginning of the meeting, we operate under the Sunshine Law. So, we are now back to quorum. So, at this time, if there's no other questions, I will take...okay, no other questions. So, at this time, I'm going to entertain a motion to recommend passage on first reading, Bill 124 (2024), entitled "A BILL FOR AN ORDINANCE AMENDING FISCAL YEAR '25 [*sic*] BUDGET FOR THE COUNTY OF MAUI, REVENUES; DEPARTMENT OF MANAGEMENT, MANAGEMENT PROGRAM; CAPITAL IMPROVEMENT PROGRAMS [*sic*], DEPARTMENT OF MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA; APPENDIX C, DEPARTMENT OF MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN [*sic*]," incorporating any nonsubstantive revisions.

COUNCILMEMBER COOK: So moved.

CHAIR SUGIMURA: Chair...Member --

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Second by Chair Lee. So, motion made by Member Cook, second by Chair Lee. Any discussion, Members? Okay. Pretty, pretty smooth, right? We got...our main questions were all on the \$70,000 for the Salary Commission, so we'll get that to you, Members. So, at this time then I'll entertain...all in favor say "aye," raise your hand.

COUNCILMEMBER LEE: Aye.

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Aye. Okay. So,--one, two, three, four, five, six--seven of us, and excused is Member Paltin and Member Rawlins-Fernandez. Seven "ayes," two...six "ayes."

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

CHAIR SUGIMURA: Okay. Oh, Tasha Kama. I didn't include Tasha. So, Member Kama, Member Paltin, as well as Member Rawlins-Fernandez are excused. So, motion carries.

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VOTE: **AYES:** **Chair Sugimura, and Councilmembers Cook, Johnson, Lee, Sinenci, and U‘u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Kama, and Councilmembers Paltin, and Rawlins-Fernandez.**

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 124 (2024) by C.R.

CHAIR SUGIMURA: Thank you very much. Remi, you can now leave our meeting. He’s waiting in the Chambers for his Trask Building for his Department of Housing. Okay. Thank you very much.

ITEM 101: BILL 125 (2024), AMENDING THE FISCAL YEAR 2025 BUDGET: ESTIMATED REVENUES AND OFFICE OF THE MAYOR (ECONOMIC DEVELOPMENT PROGRAM, GRANTS AND DISBURSEMENTS FOR WATER AND ENVIRONMENTAL RESOURCE PROTECTION)
(BILL 125 (2024))

CHAIR SUGIMURA: I’m going to do the next item. So funny. Okay. Next we’re going to do Bill...BFED-101, Bill 125, amending Fiscal Year Budget, and this is the one for the \$100,000 for that Ma‘alaea project. So, the second item is under the Mayor’s Economic Development Program recognizing 100,000 in Carryover/Savings for the General Fund and appropriating it for the “Trust for Public Lands for due diligence in Ma‘alaea.” The Administration is interested in purchasing property in Ma‘alaea using funding they’ve applied for with the University of Hawai‘i and National Oceanic NS, uh...Atmospheric Agency. Before funds are received, the Administration would like to conduct a due diligence for the property. I sent a letter to the Mayor to request information regarding the bill, and I have not received a response yet. And so, at this time, Administration, would you like to say a few words? Then we’ll open up for public testimony.

MS. MILNER: Thank you, Chair. Yes, these funds would be for due diligence on the property, which would include things like a title search, appraisals, environmental

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assessment if that's needed. The Administration is proposing to work with the Trust for Public Land because this is going to be a complicated parcel. It involves wetlands, it involves shoreline, it involves ag land, and we're requesting to use General Fund for this rather than trying to use the grant funds because of the timing of the grant funds. We need to move quickly once we receive them, so there won't be time to do this due diligence and meet the requirements of the grant. Director Blystone and Tara Owens are online as well. I believe Tara Owens has a little bit more information about the NOAA agreement, so I will ask if they have anything they would like to add at this time, if that's all right, Chair.

CHAIR SUGIMURA: Yes, please. So, at this time then, Ms. Owens, are you on?

MS. OWENS: Aloha, good morning. This is Tara, I'm here.

CHAIR SUGIMURA: Hi...hi. So, please educate us, and give us some opening comments about this.

MS. OWENS: Okay. Well, I'll defer to Director Blystone first in case she wants to do opening comments, but I can give you any background and context on the grant. I'm really excited to do that.

CHAIR SUGIMURA: Okay. We'll do that.

MS. BLYSTONE: I'm here, Chair.

CHAIR SUGIMURA: Oh, okay.

MS. BLYSTONE: Can you see me now? . . .*(laughing)*. . . Good morning. Aloha kakahiaka. I am just...I am happy to be here to talk about this today and Tara is the knowledge keeper on all of the pieces of this grant, so I will defer to her at some point. But there was a question in the transmittal to the Mayor's Office that I can answer about what due diligence entails. And we've worked with TPL before--Trust for Public Land before--and find them to be really knowledgeable and able to handle a complicated process like this, like Director Milner said. Basically the funding is to do title search, appraisal, and all of the things that are associated with purchasing land...so just doing that due diligence, that piece that we need to do before we enter into this. And I'll turn it over to Tara to talk about the details of that land, if that's okay, Chair. I appreciate the opportunity, and I'll be here to answer any other questions.

CHAIR SUGIMURA: Thank you very much for making the time, and thank you for your opening comments. Ms. Owens.

MS. OWENS: Yeah. Thanks again for having me. And I'll just give you some context, and I'm really excited and privileged, actually, to share this on behalf of Sea Grant,

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and Maui County, and something like 13 other partners. We haven't had a chance to widely announce this yet, but we have been funded through NOAA, the National Oceanic and Atmospheric Administration, the Climate Resilience Regional Challenge Program. And this is a statewide project actually, called 'Āina Restoration through Community Governance to Advance Climate Resilience in the Hawaiian Islands. And we've received, and the project will invest nearly \$70 million--this is very exciting, these are bigger numbers than I've ever talked about before--into community resilience across Hawai'i. And so, there have been five moku on each island that have been selected where work activities will occur. So, that includes Kona, Kaua'i, Waianae, O'ahu, Kona, Molokai, Puali Komohana on Maui, and Kohala on the Big Island. So, two mokus in Maui County. And Puali Komohana, one of the reasons it was selected was because of ongoing work that the County Council, and the Planning Department, and others across the County have already been doing at Ma'alaea through previous funding, where we've been developing resilience plans for that area. And so, one of the many activities that is proposed is the acquisition of this large parcel at Ma'alaea. And as Director Blystone conveyed, there is some due diligence that's required in order to get that going before the grant funding lands in our hands. And I should have mentioned that while Sea Grant is receiving this overall 70 million grant, something like 7 million will be subawarded to the County for this work, including land acquisition, wetland restoration, the Kanaio Stream restoration, and some other dune restoration work. So, that's it in a nutshell for now. Thank you.

CHAIR SUGIMURA: Okay, very good. Do we have anybody who is signed up for testimony?

MR. ARQUERO: Chair, we current...we currently do not have anyone signed up to testify at this time. Would you like me to do a final call?

CHAIR SUGIMURA: Yes.

MR. ARQUERO: If anyone would like to testify, please identify yourself now. On Teams, you can do so by using the raise-hand function. Here's a final countdown...five, four, three, two, one. Chair, there's no one...no one to testify on this item.

CHAIR SUGIMURA: Okay, thank you. Thank you. So, we'll receive written testimony and appreciate that.

. . .CLOSE PUBLIC TESTIMONY (BFED-101) . . .

CHAIR SUGIMURA: So, at this time then, Members, if you have any questions for Ms. Owens or Ms. Blystone...anybody have questions? Okay. Member Cook, this is your kuleana.

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COUNCILMEMBER COOK: Thank you. It's a pleasure to see Ms. Owens, and your excitement is infectious. What's the timeline projected for this...for the title research and all of the activities you discussed?

MS. OWENS: Very good question. NOAA...once the contract is in place between UH and NOAA, there's a year that is granted for the due diligence. We...Josiah and I have asked about contingencies if for some reason a real estate transaction takes longer than that, and there are opportunities for extension, but we're hoping to accomplish this in one year. And we're expecting the grant award and the contract to be finalized very soon. So, starting from very soon.

COUNCILMEMBER COOK: Thank you. A follow-up question. The long-term utilization of the property as far as activities and access is...could you give me an idea of how that would work on this parcel?

MS. OWENS: Yeah. Well, so, one other exciting piece of this that I didn't mention is, you all...I think you all are very aware that the upper Ma'alaea lands were also recently put into public holdings through involvement with the County, and the State, and other organizations. And so, now, this is really cool because if we acquire these lower lands...basically an entire or large . . .(*audio technical difficulties*). . . --

CHAIR SUGIMURA: We can't hear you.

MS. OWENS: -- as part of an entire watershed will become, you know, part of public land. Can you not hear me?

CHAIR SUGIMURA: No, we can --

MS. OWENS: Councilmember?

CHAIR SUGIMURA: -- hear you now. Sorry. We can hear you now.

MS. OWENS: Okay. I'm sorry about that. Should I repeat?

CHAIR SUGIMURA: Go ahead. You're fine. Okay.

MS. OWENS: And...but so, part of the project along with acquiring the land and some of the other activities mentioned previously is to look at doing some long-term planning and visioning with the County and community partners. And there is funding allocated to do that because, you know, this will be a large parcel of land, and it needs to be...it's going to help with community resilience, but it also, you know, is meant to be a benefit and an asset to the whole community.

COUNCILMEMBER COOK: Thank you.

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CHAIR SUGIMURA: Okay. Next we have Member U'u-Hodgins, and three minutes.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Aloha, Ms. Owens. I wonder if you could tell me how many parcels we're talking about, and how big is the acreage?

MS. OWENS: It's a single parcel currently owned by Mahi Pono.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. OWENS: And Mahi Pono has been a close partner in the sort of development of this division and the plan. And I think it's something like nearly 400 acres?

COUNCILMEMBER U'U-HODGINS: Okay.

MS. OWENS: I should verify that.

COUNCILMEMBER U'U-HODGINS: Okay. In the letter from Budget Director, it does say prior to the receipt of the funds, due diligence need to be conducted for these parcels. So, it's just one parcel?

MS. OWENS: It is just one parcel.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. OWENS: A very large one.

COUNCILMEMBER U'U-HODGINS: Cool. And then I know that we're getting grant funding, which is fantastic. Is the County going to also need to kick in some money to purchase these lands...this 400 acres?

MS. OWENS: Good question. Our hope is that enough money has been budgeted to fulfill the entire purchase.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. OWENS: Although, of course, when you're writing your grant proposal, that's prior to you going into, you know, the real estate negotiation process. So, we base the budget on the information we have, which is tax records, and information we have from Mahi Pono. There hasn't been a recent appraisal done by the County, so that will be part of the due diligence. And again, we hope that we budgeted enough for the entire purchase.

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COUNCILMEMBER U'U-HODGINS: Okay. Thank you. That's all the questions I have. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Johnson, did I get you?

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

CHAIR SUGIMURA: Okay, very good. Chair Lee...no questions? I know this is a feel good one, right? So, we just need the details to figure out what lands. So, I have a question. So, this is...so this is Ma'alaea, and there's that big parcel across the street from the Maui Ocean Center. So, it's not that, but it's up above.

MS. OWENS: So, I will pull it up on the map, and then if I can share screen, that might help. You know, a picture is worth a thousand words. But it's a triangular-shaped parcel that is just landward of the condominiums along Ma'alaea Bay Beach, just mauka of, and including...it's inclusive of the site that Council has been discussing where the Ma'alaea Village Association wants to place the new wastewater treatment facility. And so, all of this work has been closely coordinated through that group as well along the way.

CHAIR SUGIMURA: Okay. So, you're going to show us a map?

MS. OWENS: Yes, I am zooming in right now. I apologize, I probably should have done this in advance. Okay, I'm going to share screen now. Are you able to see the screen?

CHAIR SUGIMURA: Yeah, perfect.

MS. OWENS: So, the parcel is highlighted here in the teal color. You can see that it's 422 acres. And so, to orient you, if you can see my pointer, here are the condos along the Ma'alaea Bay Beach, and over here is the Ocean Center and the shops. And this is all basically mostly undeveloped ag land that transitions into wetlands adjacent to Keālia Pond, and then a sliver of land along the shoreline.

CHAIR SUGIMURA: Oh, okay. So, question for you or Director Blystone is, then if there is any kind of needs that the community has, this is the County will have to answer any security questions, or is it going to be...is there like...is this like our purchase, and so therefore...therefore, any problems will become the expense of the County?

MS. OWENS: I will answer based on my best knowledge, and then Kate can jump in. So, this would be a County of Maui land purchase, so the purchase would be between the County of Maui and Mahi Pono, of course, enabled by this grant to the University and Maui County. So, Maui County presumably would manage these lands going forward. Although I know that Josiah and the Planning Director

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probably...they have discussed possibly as part of the planning process that we're going to undertake along with this funding to maybe enter into partnerships with other groups, such as a land trust or other community nonprofits for management of portions of...or all of the land based on the plans we develop.

CHAIR SUGIMURA: Okay. Director Blystone, you have any comments to add?

MS. BLYSTONE: No. I just want to echo and support what Tara said, that what she said was accurate. And it may be there are some other things . . . *(timer sounds)*. . . that Josiah has thought about but he hasn't spoken to you about yet, but everything that she said is accurate, that we are looking for partnerships that would become County's responsibility.

CHAIR SUGIMURA: Okay. So, just...could I...I'm going to ask you then one clarifying question for that. So, you're saying something like ask the Ma'alaea Association or some...a nonprofit organization to then take over the kuleana of these lands, the 400 acres? Is it a discussion like that, or do you know the direction? Is it too soon, or should we get this from Managing Director?

MS. BLYSTONE: Mahalo, Chair. I think this is probably too soon to say exactly how this would happen. The reason this is coming to you--and I think Director Milner brought this up--that the reason this is coming to you now is because we have to move on it...on this due diligence piece quickly. So, those pieces are not fully fleshed out yet. As soon as they are though, we can discuss those with the Council.

CHAIR SUGIMURA: Okay. Thank you very much. Members, anybody else have any more questions? Member Sinenci, do you have a question?

COUNCILMEMBER SINENCI: Thank you, Chair. No questions. I speak in support. Thank you.

CHAIR SUGIMURA: Thank you. Member Cook.

COUNCILMEMBER COOK: Thank you. Is the Keālia Pond public access area part of this, or is that isolated, that's...as part of this whole purchase, isn't it?

MS. OWENS: That's a really smart question too. Yes. I was surprised to learn over the last few years that the land that Keālia Pond manages is actually not Federal land, that they have easements or agreements with Mahi Pono. So, those existing easements will remain. There is no intention to change the relationship between those wetland areas and the Fish and Wildlife Service management of them.

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COUNCILMEMBER COOK: So, my other question basically is, the intent that the ownership/management of this land will be similar to the recent purchase for the Ma'alaea mauka parcel?

MS. OWENS: That's, I think, one...one model that could be followed, but there are probably other models as well.

COUNCILMEMBER COOK: And in general, that's just the answer that the...my understanding is the County purchasing Open Space for the public good in perpetuity is very desirable. The County accepting liability and maintenance for these properties is not very desirable. And so, this tran...part of this transition on the due diligence would be ironing out some of those questions; is that correct?

MS. OWENS: That's correct. Even beyond the due diligence. So...so, you asked the earlier question, and I probably wasn't as clear as I could have been, but we have budgeted and planned to...planned to pursue some land use planning for this parcel, which could include not only what, you know, the community vision is for the uses, but also how it's going to be managed.

COUNCILMEMBER COOK: Thank you very much for all your efforts. That's it...all my questions, Chair.

CHAIR SUGIMURA: Okay. So, I'm going to call a short recess, I have a question for my Staff. So, I'll come back at...oh, Chair Lee.

COUNCILMEMBER LEE: Chair, can I ask a...because I have to leave.

CHAIR SUGIMURA: Oh, you have to leave. Okay.

CHAIR LEE? So, can I ask her a question?

CHAIR SUGIMURA: Sure. Then I'm going to call a short recess.

COUNCILMEMBER LEE: So, I'm following up on Member Cook's very insightful questions. Would part of the study include different scenarios, such as buying portions of the land rather than the whole thing, the whole property, which would include Keālia Pond, let's say. Let's say we buy everything but Keālia Pond, or it had...you know, different scenarios.

CHAIR SUGIMURA: Department?

COUNCILMEMBER LEE: I thought it was for Tara Owens.

MS. OWENS: I expect...suspect either one of us could...could try to answer that. So far, the conversations between Mahi Pono and the County and...and Sea Grant, that's

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sort of the facilitator and enabler, is for the purchase of the entire parcel, and we haven't discussed subdividing that or breaking it up in any way so far.

COUNCILMEMBER LEE: Okay. That might be a consideration. Thank you.

CHAIR SUGIMURA: Okay, thank you very much. So, I'm going to call a short recess. So, we'll come back at...in five minutes, I guess. Let's come back at 10:20. . . .(gavel). . .

RECESS: 10:14 a.m.
RECONVENE: 10:29 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Thanks for that brief recess. I wanted to get some clarification, and on this...I guess the question that my Staff had is, the County intends to award funds to the Trust for Public Lands to conduct this due diligence. And I think after this due diligence is done, that's who we want to help us manage this land. So, my question was, is that a conflict? And Corp. Counsel Kristina Toshikiyo, can you please answer? Ms. Toshikiyo, I can see you're here at the meeting...oh, there. Okay.

MS. TOSHIKIYO: Am I...am I on now, Chair?

CHAIR SUGIMURA: Yes. You are on now, and we can hear you.

MS. TOSHIKIYO: Oh. . . .(laughing). . . Thank you. Sorry. Well, that's a...there's a lot to flesh out on that one, and...because when we're talking about conflicts of interest, you know, of course, we are following what the Charter requires in terms of the Code of Ethics, and Board of Ethics would be the ones to make that determination. We're getting their assistance. I don't know what the long-term plan is, and I don't know what the discussions are with TPL and if...whether or not they're going to be playing a role after the due diligence study is done and after the County purchases the property. So, based on that information on what the discussions are, it would...if there is a potential conflict of interest, then that would be going to the Board of Ethics to determine. But I couldn't say for sure. Of course, I'm not a part of the Board of Ethics, but also, just not knowing what the roles would be, and whether or not there is a, you know, financial interest in, you know, them conducting the due diligence study, and then later on...you know, if there was like a competitive bidding process for a management role, I'm not sure what that would look like. So, I think it's a little preliminary to say, but I...yeah. So, I'll leave it at that, Chair. Thank you.

CHAIR SUGIMURA: Okay. So, that's a big question for me, and I wonder if any of the Members have any other questions regarding this. But I think you've come up with great discussion, by the way. This is kind of, you know, a feel good, yeah, we want to do it, we want this to happen, and then...I love where you all have

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taken this discussion because there's deeper issues that have come up, which I think involves what our role is in terms of liability and concerns. So, Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I guess this is for whoever is going to be facilitating the due diligence with whoever is doing it. Can we please see the information that is learned through the due diligence process--the Council--before we purchase this land? And then if we could also discuss a maintenance plan of the property, of all the 400 acres, that would be helpful, as we've discussed unmanaged properties by the County, like you just said, Chair, is a huge liability, and I would hate for us to put ourself in that situation again. So, if we can just talk about maintenance and management moving forward, I would appreciate it. Thank you, Chair.

CHAIR SUGIMURA: Yeah, that's a...all over, we have the same problem. So...oh, Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I just had a follow-up question for Ms. Owens. She spoke about the grant process. Has any delays...is there a time issue when trying to go for, you know, \$7 million, \$70 million worth of grant funding to help manage the properties?

CHAIR SUGIMURA: I think Maui gets 7 million of the 70, but I could be wrong. Ms. Owens?

MS. OWENS: That's correct. The County of Maui will receive almost 7 million...nearly 7 million of the nearly 70 million in total, and the contract is not yet finalized between UH and NOAA, the granting agency, but is expected soon, possibly October. And so, that October date would be the start date, and then there will be the expectation that we go through the land purchase process, which includes the due diligence, and then the purchase itself. I'm not quite sure how...if I can answer the questions entirely on phasing whether we could actually begin sort of the land...the land-use visioning process at the same time that the property acquisition is going ahead, or whether the purchase has to be completed before we can do the other activities.

COUNCILMEMBER SINENCI: Right. I did hear you say that there were other projects that would fall under the 7 million, including Kanaio. So, can that still be...continue on while we wait for, you know, any...about the acquisition of Ma'alaea?

MS. OWENS: That's a...those are really good questions, and I think there's many ways to go about all of this. I would speculate that something like that the specific action of the Kanaio Stream restoration could probably move forward prior to the completion of the land purchase, as long as Mahi Pono, who currently owns the

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land, is in favor of going forward with like the stream restoration activities. And based on experience so far, they've been very supportive...Mahi Pono has been very supportive of all of these plans and the potential actions. So, we will just, you know, have to work on phasing. I think the main thing is taking advantage of the opportunity in real time, right? There was this major Federal funding opportunity, and Maui County really wanted to be a part of receiving some of that funding. Long story short, there were two separate proposals, a Maui County one and a Sea Grant one, and we strategically joined forces to hopefully be more likely to get the funding. . . .(timer sounds). . . And I think luckily that worked out for us, and I think that speaks to the power and the testament of partnerships. And so, we have this opportunity to take advantage of here in real time, and hopefully the benefit of this opportunity outweighs any potential liabilities that hopefully we can likely address with good...good planning along the way.

COUNCILMEMBER SINENCI: Yeah. Mahalo, Ms. Owens. Thank you, Chair. Right, I'm with my other fellow Councilmembers. We do want to manage...if the County will be the owners, or at least go into partnership with a nonprofit who can, but I do want to make sure that we're able to, you know, access some of these grant fundings as well. Thank you.

CHAIR SUGIMURA: Yeah. This is a great thing, right, in many different ways. And along with this great thing, I'm seeing great liabilities that we're not really very clear about. So, that's why we're getting all of these questions, Ms. Owens. And I think what I'm going to do is...if I understand you correctly, the 7 million from this NOAA funds that we're going to get, it is money we're going to get, right? It is not like there's a time period that we have to act on this by a certain time, or is there?

MS. OWENS: There is. So, for the overall grant there's a five-year period of performance. So --

CHAIR SUGIMURA: When does it start?

MS. OWENS: -- all the 70...the start date is again, still unclear...soon, as we're expecting possibly sometime in October, that contract will be in place. But what happens is...so all of the work that's been proposed by Sea Grant and all of our many partners will take place over...over five years. There's the expectation from NOAA that the land purchase occurs and is completed within the first year, with some opportunity for extension as long as things are moving ahead. And so, there...you know, and there are restrictions on receiving the money, so I don't think the money just drops into Sea Grants' lap, and then we spend it. I think we have to demonstrate performance, and then--I don't know if it's the proper term--to invoice or to request, you know, the funding for the activities that will be ongoing.

CHAIR SUGIMURA: Okay.

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MS. OWENS: So, NOAA will be monitoring our performance and our progress in order to receive the funds.

CHAIR SUGIMURA: Okay. So, in other words...this is beginning of September, and you're saying that this is possibly a five-year grant from October, correct?

MS. OWENS: Could be October. Again, that's still unclear. There's a lot of back end paperwork that's happening with NOAA, including a lot of environmental compliance documentation that they require. This is how it goes with all Federal grants. If you were getting it from NOAA, or NFWF, or FEMA, you know, there's a lot involved in grant management, and there's a lot involved with something like this that's so large, and across the State with environmental compliance, so we're working on providing all that documentation to NOAA right now. And then there will be a signed agreement, and we're maybe expecting October, but there isn't an official date on that just yet.

CHAIR SUGIMURA: Okay.

MS. OWENS: The award is granted, that's for certain.

CHAIR SUGIMURA: Okay.

MS. OWENS: But the contract date is uncertain at this point.

CHAIR SUGIMURA: Okay. And we are then...the reason why we're doing this \$100,000 for due diligence is because of the title search, and the environmental assessment, and all of that, which has to be done before the grant can be finalized; is that correct?

MS. OWENS: Yeah. I think the idea that Josiah had, as I understand, is--because we have this one-year time limit to complete the land purchase, that it...it's...behooves us to get started as quickly as possible. Because it takes maybe a few months for an appraisal, and I know with large lands there are...there can be delays with title searches. . . .*(timer sounds)*. . . And so, it takes a good amount of time to get through that process. So, the sooner we begin, the better equipped we are to fulfill the requirements of the grant and...

CHAIR SUGIMURA: Okay.

MS. OWENS: I was going to say, one other point to make is that it's possible, I think hypothetically, that the County could get reimbursed for this \$100,000 for the due diligence from the grant once...once it's, you know, finally awarded.

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CHAIR SUGIMURA: Okay. You know what? I think that this is very important, and we're getting piecemeal details as we're talking about it more--and I'll get to you, Member Cook--and I want to defer this, and then send questions to you, and bring this up again at my next BFED meeting, and have a copy of this grant, or whatever documents that we need so that we can have a clearer picture of what we're going to do. I really appreciate you having the map. We can include the map in it so that Members have, you know, an understanding of what we're taking on--the County is--and understand we want to do this, but we just want to have all the information there that we need to so that we can make a solid recommendation. And the other question that we asked Kristina Toshikiyo about giving this money to Trust for Public Land, I think she basically said it's going to be up to the Board of Ethics to determine that, you know, they can be on two sides of this decision. So, I believe that even that is kind of a gray area for me...and I see Ms. Toshikiyo's hand up.

MS. TOSHIKIYO: Thank you, Chair. Am I on the screen?

CHAIR SUGIMURA: Yeah. Now we can see you.

MS. TOSHIKIYO: Oh, there I am. Sorry. Okay. Yes, and I just wanted to point out to the Members that if the County is looking to purchase after the due diligence period is done, under 3.44.015, if the County as the entity is going to be doing the acquisition, it will require Council's approval by resolution. So, it would have to come back to the Council, the actual acquisition. I just wanted to point that out to the Members.

CHAIR SUGIMURA: Okay. Thank you. That's what Member Cook wanted to get clarified. Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. I understand your intention to defer. It would be great if we had more of the Councilmembers to weigh in. I think that this relatively small amount of money to enable it to move forward, the fact that we aren't...we aren't accepting or getting any liability because this is a very preliminary step forward. The fact that Josiah is supportive of it, and a collaborative effort has been made to do this, I would hope and ask that we could move this forward today because there will be plenty of time for asking questions. I don't think...I think the liability issue and the mechanics of it are all really valid important questions, but I think that we're going to have plenty of time to answer those, and to send a loud solid message that we are moving forward and supportive. Mahi Pono, Federal, State, nonprofits--everybody would like to see this happen. I think. So, anyway that's just my thinking. I yield to the Chair, but that's my comment and my hope. Thank you.

CHAIR SUGIMURA: Yeah, I think we all want it to happen, but I think we need more information is what we're saying. And \$100,000 is not as much as many other

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things that we've done, but what it is, is a legal step forward that we are approving to do. And I think before we do that, I would like for the Members to have as much information as possible so we're not asking questions on the floor, going, oh, this, that, you know. I think that's what our job is, you know. So, if you don't mind Members, if anybody else have any comments on that...go ahead, Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I understand what you're saying. I do agree with Member Cook. I don't think my questions regarding liability and a maintenance plan is going to be answered anytime soon, but I don't necessarily mean that for just this property, I mean that for all properties that the County owns. I think it would be great if we could support it sooner than later, and as a whole, the County should do our own due diligence discussing maintenance and liability.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER U'U-HODGINS: But I think those maybe are two separate conversations. This is a due diligence report about title and land, and we need to do our own due diligence about liability and maintenance plans. Nonetheless, if this is going to take nearly a year, I'm happy to support it today, but your meeting. And before the acquisition of this purchase, I would hope then that we would have a plan, and a maintenance consideration, and a liability discussion with not just our Planning Department, but the Managing Director and the Auditor as we have been discussing with him as well. Thank you, Chair.

CHAIR SUGIMURA: Okay. Yeah, I think that's a big problem that we have for much of our open space in general, and your situation in Pā'ia, you know, we heard about it too. So, Ms. Milner, can we work on this and get us the information that the Members are asking for? Get a copy of the grant, understanding, you know...I mean put the map in there, which Ms. Owens did, and the concern about Trust for Public Lands? Because I think we all want them to have the end product at the end--right?--rather than us.

MS. MILNER: Sorry. Thank you, Chair. I did hear from Managing Director on Trust for Public Land. He said their function here will be primarily to facilitate some of these difficult transactions with the acquisition because of the mix of lands. It's just very complicated, and they have a lot of experience in that. They actually don't do a significant amount of land management. He doesn't feel it would procure...preclude them from doing the land management if they wanted to apply, but obviously, as Ms. Toshikiyo said, that may be a question for Board of Ethics. But in general, land management is not one of their primary functions. I know there has been some talk of working with State partners to manage the property and some other land trusts, but that is all still in process and would be something that we would be able to discuss more in detail when we get to the acquisition

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phase. We're certainly happy to provide a copy of grant documents that we have, along with the map, but if there was any way we could move forward today, I think the Administration would appreciate it, considering the one-year timeline that may start in October. Mahalo, Chair.

CHAIR SUGIMURA: But it's not final, right? They don't...they...it's not like a firm date.

MS. MILNER: Yes, Chair. They're still in negotiation, but there is the possibility it will start at the beginning of October.

CHAIR SUGIMURA: Mr. Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. I appreciate the Administration's desire to get this done sooner rather than later, and I agree with that. I always support when the County is interested in owning lands. We're not profit-driven like other landowners. In fact, we're trying to protect Ma'alaea because of the...of the flooding, and...I mean that land has been abused, right? So, if...you know, as a farmer, I'm looking at this through the upcoming fall rains, the rainy season. The sooner we...you know, if it takes a year to get this all done, well, then next year in October, right before the rains come, maybe we can start actually doing something as far as managing it. Because, you know, if we...if the Feds are offering this large grants, then we should act with some urgency to work on...to get it. Because the...that's not money out of our coffers. So, I would support us doing that today. I appreciate the Administration's also wanting it. I've heard some Councilmembers say that they would want to do it today. I just think, you know, when the public sees us not acting as fast as we can when there is still time for us to ask questions...because once again, like Kristina Toshikiyo mentioned that, like all lands, purchases and changing of titles goes...for us guys, it goes in a form of a resolution. So, at that time, we could also have more questions if we needed it. I don't feel like I'm in the dark in this, so that's why I would like to also act with some kind of urgency and support it today. Thank you, Chair.

CHAIR SUGIMURA: I think I like the idea of then--which was maybe brought up casually--but the 100,000 being reimbursed to the County through the grant. But I was just thinking that you had so many good questions that we can, you know, delay this, and take it up at the next meeting, and get it...present you a package, which is what I wish we would have received today, rather than this kind of piecemeal discussion that we're having over something so important. So, I don't think that we're saying, you know, we're not interested, I think that we're just trying to be responsible is the...is the position. But I think what I'll do then, I'll request for this to be passed, but Ms. Milner, can we please have a lot more information so that when it comes up for first reading in Council then, you know, we can have this information to the Members? And we don't have all the Members here today either, so the more, the better [sic].

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MS. MILNER: Thank you, Chair. We really appreciate the consideration. And yes, we will absolutely provide the requested information prior to the Council meeting. And I will also, or the Planning Department will reach out to the Members that aren't here today to see if they have any questions that we can address prior to first reading.

CHAIR SUGIMURA: Okay. And the other thing is that Trust for Public Lands you're saying would not be the entity anyway that would be asked to possibly...I know you didn't say who we might partner with, but they would not be it.

MS. MILNER: Thank you, Chair. No, they most likely would not be involved in the land management. They would just assist in the acquisition process and bringing in any necessary partners.

CHAIR SUGIMURA: Okay. So, we'll note that then. Ms. Toshikiyo.

MS. TOSHIKIYO: Thank you, Chair. Sorry, I just wanted to correct something that I said earlier, now that I'm reviewing the Charter again regarding the Code of Ethics. And I think that you were concerned that you were discussing...regarding TPL, which it sounds like it's probably a moot point now, but it's more probably a procurement issue rather than an ethics issue if you were involved in doing the...I guess, like the planning and then, you know, like bidding on a contract either for Management. So, I just wanted to state that question for the record. Sorry, if I miss...misled any of you.

CHAIR SUGIMURA: Okay. Okay. Thank you very much. Any other questions, Members? And we'll pass on first reading, and then I'll work with Administration to get more information. Member U'u-Hodgins, we hear you loud and clear. You're very consistently concerned about how we manage this open space, right, and that's really the County of Maui, we need better oversight because otherwise, we get it anyway, right? So, at this time, I'm going to entertain a motion, passage of first reading of Bill 125 (2024), entitled "A BILL FOR AN ORDINANCE...ORDINANCE AMENDING FISCAL YEAR '25 [sic] BUDGET FOR THE COUNTY OF MAUI, REVENUES AND OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, GRANTS AND DISBURSEMENTS FOR WATER AND ENVIRONMENTAL RESOURCE PROTECTION."

COUNCILMEMBER COOK: So moved.

COUNCILMEMBER JOHNSON: Second.

CHAIR SUGIMURA: Okay, motion made by Member Cook, second by Member Johnson, and incorporating any nonsubstantive revisions. So, at this time, any more discussion? Seeing none. All in favor raise your hand and say "aye." And I think we now we have five "ayes," right? There's four of us here and then Member

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Sinenci. Excused, there are Chair Lee, Paltin, Tasha Kama, and--who else am I missing--Rawlins-Fernandez. Okay, very good. Motion carries.

VOTE: AYES: Chair Sugimura, and Councilmembers Cook, Johnson, Sinenci, and U'u-Hodgins.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Kama, and Councilmembers Lee, Paltin, and Rawlins-Fernandez.

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 125 (2024) by C.R.

CHAIR SUGIMURA: This is going to be, again, heard at Council, full Council, and we will take this up. And Ms. Milner, you and I can work on this, yeah?

MS. MILNER: Absolutely, Chair. I look forward to it.

CHAIR SUGIMURA: Okay, thank you. I'm going to take...I'm going to take a ten-minute break, so come back at 11...11:10. . . .(gavel). . .

RECESS: 10:54 a.m.

RECONVENE: 11:12 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Welcome back to the Budget, Finance, Economic Development Committee. It is now 11:12, and we're...we're...and what we have on the agenda is the last item, which is BFED-97, relating to real property tax deadline for filing claims as it relates to the wildfire.

ITEM 97: BILL 115 (2024), RELATING TO THE DEADLINE FOR FILING CLAIMS FOR REAL PROPERTY TAX EXEMPTIONS (BILL 115 (2024))

CHAIR SUGIMURA: . . .(gavel). . . Welcome back to the Budget, Finance, Economic Development Committee. It's now 11:12, and we're...we're...what we have on the

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agenda is the last item, which is BFED-97, uh, relating to real property tax deadline for filing claims as it relates to the wildfire. So, Members, our last item amends Section 3.48.410, Maui County Code, to allow property owners who are leasing their property to individuals displaced by the August '23 Maui wildfires to file a claim for home exemption or long-term rental exemptions, or both, by May 31st, 2025, for the year...tax year beginning July 1, '25. This bill was introduced by Councilmember Paltin, she's not here today, she's at that conference, I think, in California. And what I am going to do is, I'm going to recommend that we defer this and take this up when she is here so that we can hear...it's her bill, right, so out of respect for her. And because...well, we'll hear from the Department first, and then we can take the deferral. Ms. Martin, are you here?

MS. MARTIN: Yes.

CHAIR SUGIMURA: Okay.

MS. MARTIN: Thank you, Chair. So, yes. The Department worked with Tamara Paltin and legal counsel, in the wording of Bill 115. Kari Stockwell, Acting Real Property Tax Administrator from the Real Property Assessment Division, assisted us as well, and she is also here today to assist in any discussion. The assessment relief provided to owners housing wildfire survivors will end December 31st, 2024, and the actual tax relief will end June 30th, 2025, the end of the fiscal year. And the deadline for Fiscal Year '25-'26 assessment and tax relief applications is December 31st, 2024. So, this bill is being proposed to address a deadline gap resulting from wildfire survivor leases, expiring after the fiscal year statutory deadline of December 31st, '24. So, the bill will provide relief to property that will transition to a use, which would typically qualify for owner-occupied or long-term rental tax relief as long as they apply and are qualified prior to June 1st, 2025. . . .(silence). . .

CHAIR SUGIMURA: Are you done, Ms. Martin?

MS. MARTIN: Yes. Thank you.

CHAIR SUGIMURA: Oh, okay. Okay, do we have any testifiers?

MR. ARQUERO: Chair, we currently do not have anyone signed up to testify for this item.

CHAIR SUGIMURA: Last call.

MR. ARQUERO: If anyone would... . . .(laughing). . . if anyone would like to testify, please identify yourself now. If you're using Teams, you can do so by using the raise-hand function. Here's countdown...five, four, three...oh, two, one. Chair, there are no one...there's no one signed up to testify on this item.

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CHAIR SUGIMURA: Okay. Thank you. I think somebody who's trying to testify already testified earlier, right?

MR. KRUEGER: Yes, that's correct. Madeline did raise her hand, but she has already testified on this item.

. . .CLOSE PUBLIC TESTIMONY (BFED-97) . . .

CHAIR SUGIMURA: Okay. Thank you very much. So, Members...so, we do not have Member Paltin here with us today, and this is her bill. And out of courtesy to her...and I appreciate that she did work with Marcy Martin to create this bill and to service, I guess, the concerns that she was receiving...to address the concerns she was receiving from the community. And what I would like to propose is to defer this, have her here, and take this up at our next BFED meeting, just to be...any...any questions? Oh, Mr. Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair. I just had a question for Ms. Martin. I know Ms. Madeline, the testifier, was asking about...in her testimony, she was trying to get...when she returns back to homeowner, would she be able to...after she...she's currently renting her house to the FEMA for the fire victims. And she was stating that she wanted to return back to homeowner after that, and not to short-term rental.

CHAIR SUGIMURA: Ms. Martin.

MS. MARTIN: Thank you, Chair. So, if she...if this bill pass, and if she qualified for the home exemption, meaning she met the criteria and she applied before June 30th, 2025, she would get the lower preferential real property tax for that upcoming fiscal year.

COUNCILMEMBER SINENCI: Okay. Thank you. And then she did mention that she was open to six more months of providing, should the FEMA relief continue on past Feb...February 2025. Would that also...beyond that date?

MS. MARTIN: Okay. So, that's an excellent point. So, if she was still renting through May 31st, 2025, she would not qualify for the home exemption under this bill.

COUNCILMEMBER SINENCI: Okay, right. I know she's on the call, but...okay. Thank you, Director. Thank you, Chair.

CHAIR SUGIMURA: So, her concern that she was talking about is another bill that we would need to address to accommodate these kind of situations, Ms. Martin?

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MS. MARTIN: Yes. If...currently, you know, the wildfire survivor tax relief is going to end for the Fiscal Year '25. So, if we were going to extend that, that would be a separate bill.

CHAIR SUGIMURA: Yeah. But it wouldn't be covered under this particular bill today?

MS. MARTIN: Right. This only would be a portion.

CHAIR SUGIMURA: Yeah, okay.

MS. MARTIN: This would only cover until May 31st, 2025.

CHAIR SUGIMURA: Okay. All right, Members. So . . .*(timer sounds)*. . . with your permission, I'm going to defer this, and then take this up when Ms. Paltin is here...Member Paltin is here. Okay.

COUNCILMEMBER COOK: No objection.

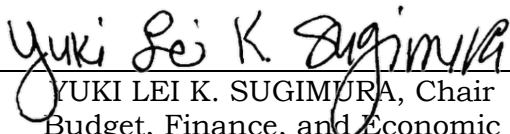
COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Okay. Member Johnson, you're fine? Yeah? Okay. Okay. So, I do know that this was one of the bills that she was hoping to hear, so I scheduled it not realizing that she was going to be absent...or at that conference which is happening. So...all right. So, I'm going to defer this item, Members, and we are at the end of our meeting. So, thank you very much for your hard work. I will work on that last bill before this so that we can get more information, and I would like the Administration to provide us more information before it hits the floor so we don't have what we just saw. It could've been pretty simple, I thought. I did think that it would be a pretty fast meeting, actually. So, Members, at this time, this meeting is now adjourned. It is 11:20. . . .*(gavel)*. . .

ACTION: DEFER pending further discussion.

ADJOURN: 11:20 a.m.

APPROVED:



YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

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CERTIFICATION

I, Terianne Arreola, hereby certify that pages 1 through 39 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 3rd day of October 2024, in Makawao, Hawai'i.



Terianne Arreola