

**PLANNING COMMITTEE**  
**Council of the County of Maui**

**M I N U T E S**

**Council Chamber**

**October 12, 2016**

**CONVENE:** 1:34 p.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Don Couch, Chair  
Councilmember Robert Carroll, Vice-Chair  
Councilmember Gladys C. Baisa  
Councilmember Elle Cochran  
Councilmember Don S. Guzman (in 2:03 p.m.; out 3:04 p.m.; in 3:09 p.m.)

**EXCUSED:** VOTING MEMBERS:

Councilmember Michael P. Victorino  
Councilmember Mike White

**STAFF:**

Greg Garneau, Legislative Attorney  
Clarita Balala, Substitute Committee Secretary

Tina Thompson, Executive Assistant, assisting Molokai Council  
Office (via telephone conference bridge)  
Dawn Lono, Council Aide, Hana Council Office (via telephone  
conference bridge)

**ADMIN.:**

Michael J. Hopper, Deputy Corporation Counsel, Department of the  
Corporation Counsel  
Michele McLean, Deputy Director, Department of Planning  
Kathleen Aoki, Administrative Planning Officer, Department of  
Planning

**OTHERS:**

Lawrence Carnicelli  
David DeLeon, Realtors Association of Maui  
Jack Riley  
Thomas Croly  
Junya Nakoa  
Plus (5) other people

**PRESS:**

*Akaku Maui Community Television, Inc.*

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**PC-37(2) INCREASING INVENTORY OF AVAILABLE HOUSING (Rule 7(B))**

CHAIR COUCH: . . . (*gavel*) . . . Will the Planning Committee meeting of October 12, 2016 please come to order. It is now 1:34. My name is Don Couch, I'm the Chairperson of

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the Committee. Before we get going can we ask everybody in the Chambers to turn off their cell phones or put 'em in vibrate mode, please. Okay. I'm Don Couch, the Chair of the Committee. With us today is Robert Carroll who's the Vice-Chair.

VICE-CHAIR CARROLL: Good afternoon, Chair.

CHAIR COUCH: Good afternoon. Gladys Baisa.

COUNCILMEMBER BAISA: Good afternoon, Chair.

CHAIR COUCH: Good afternoon. Elle Cochran.

COUNCILMEMBER COCHRAN: Aloha. Good afternoon, Chair.

CHAIR COUCH: Aloha. Good afternoon. And excused are Don Guzman, Mike Victorino, and Mike White. From the Planning Department we have Michele McLean. Good afternoon.

MS. MCLEAN: Good afternoon, Chair, Committee Members.

CHAIR COUCH: And we have--who's that over there? Kathleen Aoki.

MS. AOKI: Hello.

CHAIR COUCH: She is Long-Range Implementation, Implementation Planner, yes. Okay. And we have Deputy Corporation Counsel Michael Hopper. Good afternoon.

MR. HOPPER: Good afternoon.

CHAIR COUCH: And Legislative Attorney Greg Garneau. Good afternoon.

MR. GARNEAU: Good afternoon, Chair.

CHAIR COUCH: And Committee Secretary Clarita Balala is sitting in for our normal secretary. And from the Hana District Office we have Dawn Lono.

MS. LONO: Good afternoon, Chair. This is Dawn Lono at the Hana Office.

CHAIR COUCH: Good afternoon. And from the Molokai District Office we have Tina Thompson.

MS. THOMPSON: Good afternoon. This is Tina Thompson at the Molokai Council Office.

CHAIR COUCH: Good afternoon, Tina. And the Lanai District Office is closed today. Members, we only have one item on the agenda. It's going to be a short meeting today because we'll lose quorum. We're in bare quorum and we lose quorum at about 3:00.

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So we're going to get some things taken care of on this item and defer it to the next meeting. So the agenda item is PC-37(2) which is Increasing Inventory of Available Housing. For individuals we're going to open up public testimony in a minute. For individuals testifying in the Chamber please sign up at the desk in the back or at the remote sites sign up with the District Office Staff. Testimony is limited to the item listed on the agenda today and we're going to give you four minutes. You'll have three minutes of green light, one minute of yellow light, and when it turns red please wrap up your comments. Members, if there are no objections, I would like to expand that a little bit if people really have something to say because this is kind of a get everybody's input type of meeting. So if there's no objections I may expand that a little bit.

COUNCILMEMBERS: No objections.

CHAIR COUCH: If...okay, thank you. Alright. When you're testifying please state your name and any organization you might be representing. Alright. So without objections, we'll start public testimony.

COUNCILMEMBERS: No objections.

CHAIR COUCH: Okay. The first one that signed up to testify is Lawrence Carnicelli, followed by David DeLeon. And hopefully more of you are going to sign up and testify.

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

MR. CARNICELLI: Thank you, Chair. Lawrence Carnicelli testifying on my own behalf as I guess a citizen. Chair, just because of the fact that, you know, we are...this particular item is going to come up more than once. Today is kind of just like the introductory. I really wasn't going to drill down on specifics on the TIG. I really just wanted to testify and state my gratitude. I wanted to state my gratitude to you, Chair, for the leadership that you've shown to put together this TIG to rally people from the Administration, from the Planning Department, from the outside, to name Ms. Cochran as the Chair of the TIG. And so I just want to thank you, you know, Mr. Couch, for your leadership. And then also, Ms. Cochran, I really just want to say thank you. The work product that you and your staff put together was great. I do have to admit going into it, and thank you for allowing me to be a part of it, I thought that the unicorns and butterflies, and rainbows or whatever it is was going to kind of win out on that one. But I really felt that the work product that you and your staff, Autumn and Sarah, and everybody that you guys did yeoman's job and there's a lot of really, really concrete real world doable ideas in what you put together. So I just wanted to say thank you very much for that. And I look forward to saying what I like about it. You know oftentimes we get up here, you know, with the green light and we say everything that we don't like and what we're against and everything like that. I look forward to actually sharing a lot of the things that I do like about what it is that you did and things that I think that, you know, we can do to help improve and to get affordable housing built. And not just affordable housing built but also affordable

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rentals built, too. So I believe I talked to a gentleman that's going to speak on that a little bit afterwards but I was just recently on Kauai, and Kauai is killing it with affordable rentals. Public/private partnerships, they're just killing it and we're sort of missing the boat so it's just like I think this is the first step. So and then of course, Ms. Baisa, thank you for being a part of it as well and, you know, there's many things that you're going to have to carry on as your legacy and this is just another one of those things. So thank you. And that's really all that I had to share at this point in time but I look forward to being part of the discussion as it moves forward. So thank you, Chair.

CHAIR COUCH: Okay. Thank you, Mr. Carnicelli. Members, questions to the testifier? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Mr. Carnicelli. Could you do me a favor and expand a little bit on Kauai "killing it?"

MR. CARNICELLI: What Mayor Cravalho decided to do was to put together an affordable housing task force that was solely nothing but the heads of departments. Not deputy directors, not pencil pushers, not anybody. He just said no we're going to meet once a month and we're going to get stuff done. And the Deputy Planning Director came from the private sector. He built affordable houses in the private sector and so he kind of knew how to, you know, deal with that particular side of it. They leveraged County money to go get affordable housing funds say from the State and then affordable...the tax credits from the Feds. And it was basically just one of those things that they said okay if we need, you know, something done from the Water Department you go get it done. You know we need curbs and gutters, and sidewalks approved from Public Works go get it done. And it was one of those things like it was just a matter of okay we need to do this and it became a priority which is what we're doing now with this TIG, and, you know, and we're looking at other options. You know whether it be density in certain areas or rezoning or all of these other parts that was part of what Ms. Cochran put together. But what Kauai has done is A, they just said we're going to do it and then they had people in place that knew how to do that and to work with public/private partnerships in order to get it done.

COUNCILMEMBER BAISA: Thank you very much. You know we can always borrow. Don't have to make our own mistakes.

MR. CARNICELLI: Right. And the other part too is like, you know, there's some things like, you know, some monies from the State that quite honestly we weren't ready for and Kauai was able to take advantage of what we couldn't. You know so they said, oh, you're not going to take that money okay we'll take it. So it's just like okay we're getting to the point now where it's just like okay we can start taking advantage of those monies as well. And, you know, there's people that know how to do that and it's just a matter of engaging them and saying okay, you know, it's what...we've taken the first step of saying, you know, it's one thing especially at election season everybody is for affordable housing. There's nobody against affordable housing. It's like everybody

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is for it but what are we doing to actually do that and take the steps and I think that's what we're finally doing is taking steps.

COUNCILMEMBER BAISA: Thank you. Thanks a lot.

MR. CARNICELLI: Yeah.

CHAIR COUCH: Thank you. Members, any further questions? Seeing none, thank you, Mr. Carnicelli. Next up is David DeLeon, followed by Jack Riley.

MR. DeLEON: Good afternoon and aloha.

CHAIR COUCH: Good afternoon.

MR. DeLEON: It's my privilege to be here to say thank you and I appreciate the leadership from the TIG, and from the Chair of the Committee, and, Gladys, good work. You know it's a complex thing we're trying to deal with here and it really needs focus and that's we're beginning to see develop here is focus. I like seeing Mr. Carroll's accessory...his ohana project coming up first, and that was...that's really kind of a good thing. I was at an economics conference on...about the economics of housing on Friday in Honolulu and one of the big points that was being made is your first item on the non-Planning Committee items about the government is not doing...basically not building infrastructure anymore, expects everybody else to build it. What happened in Kakaako and the reason why they're getting so much housing built in Kakaako is because they put in the infrastructure so the developers don't have to do it. I'm glad to see what we're calling the housing czar show up in the items. And I'd like to make one point about the Affordable Housing Fund. I noticed that you guys were talking about increasing it out to 4 percent, that's great but my concern with the Affordable Housing Fund was the way you passed it the last time and that is putting a 6-year expendability on it where you have to go back to the Charter and reauthorize it through the Charter again. One of these days it's going to fall through the pukas and if nobody is paying attention and nobody is really focused on it it could actually disappear by accident 'cause you have to make it onto the Charter every time. So my thought about that sunset is do you really expect this to go away in 6 years or 20 years? Or when do you expect it to go away? I wouldn't sunset it until you think you're going to match...accomplish what you need to do with affordable housing. And as far as I've been in the State there's always been an affordable housing issue so I don't think we need a sunset. Increasing it is not a bad idea but the sunset needs to go away. Mahalo.

CHAIR COUCH: Thank you. Members, any questions to the testifier? Seeing none, thank you, Mr. DeLeon.

MR. DeLEON: Thank you.

CHAIR COUCH: Next up is Jack Riley, followed by Tom Croly.

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MR. RILEY: Good afternoon, Council Chair and the rest of you. You're focusing on something that's kind of near and dear to me. I am an affordable housing ...

CHAIR COUCH: Mister...

MR. RILEY: Oh, I'm Jack Riley.

CHAIR COUCH: Can you move up the...there you go.

MR. RILEY: Better?

CHAIR COUCH: Thank you.

MR. RILEY: Okay. I am an affordable housing developer and I've been developing affordable rental housing for over 35 years. I've done some here on Maui. I've done some all over the Western United States. I'm semi-retired at this point so I can pick and choose and I choose to work on Maui. I'm a resident here. I raise my family here. And I think what one of the prior testifiers said about the public/private partnership is a way to get this done. I think you're making a great step by putting this working group together and maybe as they say start to focus on this issue 'cause there are tools, financing tools. And in rental housing which is my expertise it has a lot to do with money because you're having to construct apartments and you're not going to collect enough rent to pay for 'em so you need help. Now the County can help. There's Federal funds available and as I've said, you know, Kauai sounds like they're starting to kick into this and I think it's great that you all are coming together to try to do the same thing on Maui. I offer my services to the extent I can as a citizen. You know, professionally, sure we'd love to do stuff here but I think we can bring some things to the table that I would like to contribute. And with that being said the money is out there it just needs a little seed money from the County and I think you could probably produce more housing that you think, again, with a full court press. Everybody gets involved as it sounds like Kauai is doing. So other than that, you know, it's kind of a spur of the moment appearance for me so I don't have much prepared but I do have 35 years of experience and I have real time experience. And one of my good friends who's also a partner is doing...is processing a 186-unit affordable rental housing deal in Kihei right now and we talk all the time. And so, I'm kind of like boots on the ground over here. So anything that I can do to help to spur more housing I volunteer and really that's it.

CHAIR COUCH: Thank you, Mr. Riley. Members, any questions to the testifier? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you, Chair. And thank you very much for being here. Nice to hear that we have people that say this can be done 'cause I believe it can be done, we just haven't figured out how. Where did you do this before?

MR. RILEY: Well, for here on Maui, if you're familiar with the Front Street Apartments --

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COUNCILMEMBER BAISA: Yes.

MR. RILEY: --I was the fellow that developed that and got the allocation from the State of all the 9 percent tax credits. That's what I've done here. We've done 'em in Lake Tahoe, all up and down California. Lake Tahoe is similar to Maui in some ways. Very, you know, very difficult place --

COUNCILMEMBER BAISA: Right.

MR. RILEY: --to develop. I did three projects there when I was living there. It's kind of, in here, I'm living here now and because I guess I get bored easily or I need something to do I'm wanting to do things here. So I'm pretty familiar with Maui. I've been here off and on since the '70s and seen it change and I would like to be part of the change for the better. And where I can help of course is in rental housing that's what I do and I bring some resources I think that would be helpful to the Committee.

COUNCILMEMBER BAISA: Thanks.

MR. RILEY: Okay.

CHAIR COUCH: Thank you. Members, any other questions? I have one. You mentioned...you said that the money is out there for rentals.

MR. RILEY: Yes.

CHAIR COUCH: What do you mean by that?

MR. RILEY: Well, there's a program that I don't know if anyone's done one on Maui yet which involves tax exempt bonds as a funding source of the project. So if you get tax exempt bond funding you automatically can get tax credits that don't come from the State of Hawaii annual allocation. Those are very competitive. Those are very hard to get. But you can bypass that allocation by going with a tax exempt bond. Now, when you do a tax exempt bond deal you will have a large funding gap. Now that is where the County can come in and I don't even think if we roll up our sleeves and spend some time that it necessarily will require cash money from the County, like a grant. It can be more in the form of loans. And that's what I was saying about the seed money. That seed causes a bigger tree to grow so we get some...little bit of seed money from the County. I mean one of the deals I did in Lake Tahoe we had six levels of funding to make that thing happen. So a little brain damage for me but at the end of the day we have a beautiful project that everybody's proud of and, you know, working people that, you know, don't need a hand up but they need a hand up, we're helping those people. And it wasn't...it was a project that had sat for years and years and hadn't gotten done. As had Front Street, when I got involved with that they've been trying to do that for five years and I got involved and I'm reasonably successful at finishing what I start and I'd like to see some stuff here and I'd like to work on it and help you in any way

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we can. I noticed that this group outreaches to developers and I'm actually a rental housing developer which there aren't too many of those that do the affordable here.

CHAIR COUCH: And, Mr. Riley, why do think that that's the case that there aren't that many around? I mean you've had to deal with here versus other places on the mainland, what are some of your thoughts on the hurdles?

MR. RILEY: Well, number one, from a developer standpoint which I can give you that perspective, it's hard to run an office and pay for people when you can really only do like one project every 10 years. You can't do that. In the mainland, you know, development companies, you know, there's volume, and we need volume because that's how you run a business. So here on Maui, you know, what I've seen over the last 20 years is that it can't really support a fulltime rental housing developer. There's a few fellows in Honolulu that are mostly nonprofits that do it. And the trick with nonprofits is they'll get stuff done but the costs are 25 to 50 percent higher than the private side does. So what the other gentleman said and it sounds like Kauai is taking advantage of is these public/private partnerships, you know, where the public can, you know, get from the private side their process and their cost-saving that they...we focus on very, very hard 'cause it's our money. And so it's kind of a different mindset. But, you know, I know I live on the west side and the housing situation there for working people is, you know, it's terrible. I'm working on another project that's not a full on affordable project over there and I hope to start construction of that by summer which would help but this affordable stuff there's so many more moving parts. And there isn't anybody on Maui that I know that could do a bond deal 'cause it's very, very complex. It really is rocket science as we joke but the fact of the matter is there are many levels of financing involved to make one of these things work but at the end of the day you end up with beautiful projects. And the rents are very affordable and I think that's what we all want to see, you know, we need to help the people that are, you know, out there renting and give 'em something safe, decent, and affordable.

CHAIR COUCH: Okay. Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Yes, let me...I might as well make use of this resource. Have you had a chance to read the report?

MR. RILEY: Yes, I did.

COUNCILMEMBER BAISA: Is there anything in there that you particularly like or anything that causes a red flag?

MR. RILEY: You know I didn't see, of course, any red flags and it was clear there's been a lot of thought and effort put into this. It's from a certain perspective but as...and, you know, I have found on these affordable rentals, and I'm not speaking to sale 'cause I'm...that's not my thing, but on the rental side you have to do bigger projects. You need economy of scale. And so pretty much what I saw as I went down the laundry list, you know, that will help small projects but there wasn't anything in there that's



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going to help, you know, me, as an affordable housing developer, I didn't see anything that would help me. And again and I think, you know, my addition to that would have to be more on the finance side and I think there's some ways, I mean I've done it before, that you can use where the County can get involved and not grant money that goes away and never comes back but loan money. You know join us and that we can do some projects that will be of a decent size where the cost will come down. You know if I can built 100 apartments I can build those a lot cheaper than I'm building 10.

COUNCILMEMBER BAISA: You just answered my next question which is where is that break even that you think works in terms of units.

MR. RILEY: Well and, you know, I'd love to see 'em 100 units or more 'cause then they can afford a manager, an assistant manager, and a fulltime maintenance man.

COUNCILMEMBER BAISA: I see.

MR. RILEY: You know when you get down to the 40s, the 30s, and the 20s, you know, they can't afford that.

COUNCILMEMBER BAISA: It's tight, yeah.

MR. RILEY: And so it's just harder and then when you do the affordables you've got a lot of paperwork you have to submit every year for tax credits or the bonds or what have you. And again you need a little bit bigger project because there's another fulltime job for somebody just doing the paperwork. So again it's economy of scale and to get economy of scale on a larger site on Maui where, you know, sites are few and far between --

COUNCILMEMBER BAISA: Yes.

MR. RILEY: --you know it's...this is not an easy thing but like I said we were successful on Front Street 140 units. Everybody loves it and it's had a waiting list, you know, it's always rented. And I think you look around you have to find the sites but to answer your question you can do 'em smaller but, you know, there's always tradeoffs. So I'm talking, you know, specifically about what's called a 4 percent bond deal with tax credit. Nine percent credits and other kind of credit you can do the smaller deals --

COUNCILMEMBER BAISA: I see.

MR. RILEY: --but it's a much larger subsidy and you have to compete in Honolulu with the State --

COUNCILMEMBER BAISA: Yes.

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MR. RILEY: --and it's very difficult to get those things. Maui usually gets a deal about every 3 years is what I've seen over the last 20.

COUNCILMEMBER BAISA: Okay. Well, thank you very much.

MR. RILEY: You bet. Thank you.

CHAIR COUCH: Ms. Cochran, before that just real quick he mentioned credits. You're talking tax credits not housing credits.

MR. RILEY: Correct. These are...these come from the Federal government --

CHAIR COUCH: Okay.

MR. RILEY: --and they provide cash equity to help offset costs.

CHAIR COUCH: Okay. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And thank you, sir, for being here. The 100, that threshold you mentioned, the 100 units, what type of acreage or land space you figuring you need to accomplish that?

MR. RILEY: That's a really good question. I like to over the years go lower density because it's a better living environment, you know, less people is better. You know we love neighbors but it's sometimes better not have so many. So the...you have to go, of course, on a site-by-site basis but, you know, what I like to see is 15-20 units an acre. But here I mean we understand that, I mean for example the market-rate project I'm working on is going to be close to 35 units an acre and we're going 4 stories because we have to make the numbers work. You got to 'cause the land costs are so high and, you know, as you all...we all know land is the premium here and then running sewer and water and all the services costs so much money. As he said in Kauai, well, some of the reasons those deals are working is because the County is coming in and taking care of that infrastructure. So, you know, it's...there's no, you know, black and white answers unfortunately but the...a lot of it is just the will, okay, we're going to make this work. And then we grind on every single piece of the budget and then we go with the same thing on all the funding sources. And with focus, concentration, time, and will you can get 'em done but it's just not easy. And, you know, what you all are doing here is a wonderful step for Maui, I can't praise you enough.

COUNCILMEMBER COCHRAN: Thank you very much. And thank you for being here. I'd like everyone to know that there is project slated to happen, community meetings will be coming in November. I'm still trying to find a room for it but 1,200 rentals, the Pulelehua project below Kapalua Airport has been bought.

MR. RILEY: Yes.

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COUNCILMEMBER COCHRAN: It's been in the paper and so that person would like to do all rentals.

MR. RILEY: Yes.

COUNCILMEMBER COCHRAN: And there's some adjusting needed to be made to the project to accomplish that but that's the intent. So I'm sure...can continue this dialogue.

MR. RILEY: Absolutely, I'm aware of that project and I knew it had changed hands, and I kind of --

COUNCILMEMBER COCHRAN: Great.

MR. RILEY: --I'd had conversations with Bob McNatt over at Maui Land and Pine years and years ago when he was still there about some of this stuff. So I've been involved here particularly on the West Side for a long time but I'm a private person. I'm not, you know, I'm not looking for a pat on the back but if I can see something where I can help, I like to do that.

COUNCILMEMBER COCHRAN: Great.

MR. RILEY: To the extent I could help that person I'd be happy too.

COUNCILMEMBER COCHRAN: Excellent. Thank you very much.

MR. RILEY: You bet.

COUNCILMEMBER COCHRAN: Thank you, Chair.

CHAIR COUCH: Thank you, Ms. Cochran. I have one more question. You can't go that easy, sir. You know having looked around Maui it sounds like you have --

MR. RILEY: Yes.

CHAIR COUCH: --if you were to do another affordable project, A, where would you do it and, B, what would you need from the County?

MR. RILEY: I think the...probably the area that has the most need is the West Side so that's where I'm focusing my efforts right now. I think, you know, it's clear to anybody that lives here that makes that drive around the corner that, you know, we need to have a place for some of these people to get off work and have to drive back and forth every day, that would be the spot. And, you know, I've been thinking, you know, on affordable let's say we found a decent site that there may be a way to provide what's in the business called gap funding, the gap that occurs. If we did a 4 percent tax credit with the bonds and the County could come to the table with some loan money, not grant money but loan money which actually will get paid back that could be part of

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the catalyst to get this done. And, you know, you have to have like the County Finance Department would have to be involved and I think that could make the difference. You know assuming we can find a site, that's just so difficult on the West Side, where do you go? I mean I was doing site research about a year ago and I talked to, you know, the major landholders that you all would know and they would say, oh, you know, we got this on the board, we're going to do this. And I said, okay, where's your sewer and water? Oh, well, it's over there. I go, okay, that's a half mile away or a mile away. You got to get that done and to the site and then we can take it from the site up just like what he said Kauai is doing. You know they're getting the infrastructure in. And so I would say, you know, Lahaina has the biggest need. It's also going to cost the most. So if you come back on this side of the island you're going to have the costs aren't going to be quite as bad. I mean all throughout the years and when we did Front Street it was...back then it was \$15 per square foot premium to drive around the corner. Now it's probably \$45. But here you can get things done cheaper 'cause they don't have to be hauled around the corner and hauled back and the workers don't have to go back and forth. So for you, you know, bang for the buck, this side. For where it's needed the most the West Side would be my answer.

CHAIR COUCH: Okay. Members, any other questions? Thank you, Mr. Riley.

MR. RILEY: Thank you.

CHAIR COUCH: Next up is Tom...Thomas Croly and I have nobody else signed up. Anybody else wants to come up please sign up in the back.

MR. CROLY: Aloha, Chair. Aloha, Committee Members. Tom Croly. And I did review the work of the TIG and I really appreciate you taking a hard look at these issues and I just wanted to try to bring a non-developer's perspective but someone who works within the system. You know I kind of understand the system a little bit now and I advise people on the County system if you will, whether that be getting something back permitted that maybe they built or trying to get something built that they might want to get built or getting a variance for something that requires a variance. And here's what I can tell you from a very practical standpoint. We have a County Code that is not conducive to affordable housing. Okay. And that County Code came out of this room. Now, there's a reason for every one of those laws. There really is and I'm not saying that that's...that you abandoned them but the hard work is going to be culling those things down to actually make them practical. And I want to give an example of Mr. Carroll's proposal to allow them to build...allow people to build ohanas on smaller lots. If you're starting with a 5,000-square-foot lot and you...you've got a bare piece of ground, you can probably lay it out in such a way for a house and ohana. So if we're going to develop a whole lot of new 5,000-square-foot lots great, that's going to help but if we have existing homes on 5,000-square-foot lots which we have a lot of and that home is typically set in the middle of the lot and it's conforming with the setbacks that are required and it's conforming with the two cars that was required when they built it but now they want to turn the garage into an ohana. Uh-oh now the two cars that the parking was there for aren't there in the garage anymore or

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there's some other aspect of what they're wanting to do. They're getting into the setback areas and then they say sorry we know you want to do this but we can't approve it in what you've put forward. Now the folks in the building department, the folks in the reviewing agencies they do their best to try to, you know, help people out; here's what you could do to make this work. But the reality-reality is for most folks they can't make it work. So what do they do? They either do it without a permit which is the more typical thing that's done or they abandon the idea. And that's what I'm concerned about here is that in the report here there's a part that you put called Barriers to Implementation and several of them say none. I would take issue with that. I think there are many barriers to implementation of many of these recommendations. Let's take for example up zoning. This...if you're bringing forward changing zoning in a particular area and you're going to tell neighbors all of a sudden there's going to be a lot more density in their area, this Chamber is going to be full of some of the people that are going to say no, I don't want more density in my area. So that's going to be a barrier to, to that kind of change just as I pointed out with respect to Mr. Carroll's idea of smaller dwellings on...ohana dwellings on smaller lots. There are several barriers to making that happen that are already in Code. So the hard part is going to be where can we give way on this Code a little bit and you'll have the Fire Department coming in and saying no those 2 buildings can't be closer than 10 feet apart because we want 'em more than 10 feet apart for Fire Code. And maybe that's a good idea and maybe some statistics says that works but the reality what's more important here at this moment, building housing that our people can afford or that .00001 percent chance that the spacing of these buildings might lose somebody's life somewhere down the road. So those are the harder barriers of implementation and that's going to have to come before this body to make changes to the Code that are going to liberalize the laws that are required to build something. And I just want to add one more little antidote and that is my own personal experience, I'm not developing any affordable housing, I'm at this moment just trying to add a room to my house, okay, a room to my house. I'm \$10,000 into just trying to meet the paperwork, just the paperwork that's necessary to submit in order to build the room. And then I'm still in the process with that but in the meantime I'm sending that out to builders, you know, just small contractors about building that. And I get back it's going to cost you about \$300 a square foot to build that room, \$300 a square foot to build no bathroom, no kitchen, no...you know, just a box with a roof on it. So when we have that as the basis, you know, that the construction costs or loan are going to be that high, the idea that we can produce housing in some way at 200,000 or 250,000 that somebody can live in, that's just isn't going to happen. So, you know, there's a lot of work that has to be done. I think that folks like Mr. Riley who have done this in, you know, in many different places and on a broader scale can really help start this fire and get it going. But on an individual basis, you know, just from an individual trying to build something, I can tell you you can't build an affordable home, you know, even if you own the land and everything is already there you're not going to be able to build it. Thank you.

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CHAIR COUCH: Okay. Thank you. Members any questions to the testifier? It looks like, Ms. Baisa, you might have had one. You have a look on your face like do I want to ask it.

COUNCILMEMBER BAISA: Well, not really except that this box you're trying to build, what are you encountering? You know we're trying to take barriers away here --

MR. CROLY: Right, right.

COUNCILMEMBER BAISA: --can you give us some idea of the things you're encountering that maybe would help?

MR. CROLY: Sure, sure. Right now for my personal issue, okay, and again everyone is going to have their own little --

COUNCILMEMBER BAISA: Right.

MR. CROLY: --barrier that they're running into but it's the Department of Health interpreting that this room is a bedroom. Now, by them calling it a bedroom they're saying you're adding a bedroom to your house so therefore you're going to have more waste and anything that would add to your waste would mean that you have to upgrade your cesspool to a septic system.

COUNCILMEMBER BAISA: But you don't have a bathroom in there.

MR. CROLY: But it's not a bathroom and I'm not adding a bathroom. I'm not adding a bedroom. In fact I'm adding a room that by County Code is not allowed to be bedroom because it has a door to a garage. So by Code they say you're not allowed to use this as a bedroom but we have a State agency saying any room that you add is a bedroom so therefore you have to upgrade the cesspool to a septic which in some areas might be easy to do. In my particular case is not easy to do so it kills the job, it kills the possibility of me getting through. But that's just one of many hoops that I got through. I got through the other hoops along the way and anyone who's trying to do their own little construction project is going to have that same barrier of entry. They're going to have to hire an architect like I did to draw the plans. They're going to have to hire a structural engineer to stamp the plans and say they're structurally sound. They're going to have to have the draftsman in place making those changes that the department requires in order to make it compliant. And I like say you're 10 grand into it before you even find out whether you can build something and that's frustrating.

COUNCILMEMBER BAISA: How big is this thing you're trying to build?

MR. CROLY: In my case I'm adding 500 square feet.

COUNCILMEMBER BAISA: Oh, it's sizable.

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MR. CROLY: It's a large room but it's a, you know, 500-square-foot room, no bathrooms, no kitchens, no ...

COUNCILMEMBER BAISA: Just an open room?

MR. CROLY: Yeah, yeah.

COUNCILMEMBER BAISA: Okay.

MR. CROLY: On the second floor so it'll work out okay.

COUNCILMEMBER BAISA: It helps me understand why we have these problems and, you know, it's not easy. We can say well we're going to change the zoning and we're going to have model plans and, you know, some of the suggestions we came up with but what are we going to do about our own regulations that are in the way.

MR. CROLY: Thank you.

COUNCILMEMBER BAISA: That's the scary part, Chair.

CHAIR COUCH: Yeah.

COUNCILMEMBER BAISA: Thank you.

CHAIR COUCH: Alright. Any other questions? Oh, by the way, I wanted to acknowledge the presence of Member Guzman.

COUNCILMEMBER GUZMAN: Good afternoon, Chair.

CHAIR COUCH: Good afternoon. Okay. Okay, I see somebody coming down. Let me guess, Junya Nakoa. You still have to identify yourself though.

MR. NAKOA: Junya Nakoa, Lahaina. First, I going say thank you for making this. Thank you for your hard work, you know, following 'em. I would say thank you 'cause now I no need rush. Now I can take my time, no more three minutes. You know this private thing that what you guys saying the private/us County kine isn't that what when happen with the hotels on Kaanapali where they when build their...where they build the hotels in exchange for affordable homes and all that kine stuff? You know I think we've been going through this for years. I think it's in...I think it's even inside the long-term Planning Director place over there 'cause I one day when go over there sit down. They gave me three stacks of papers like this, they told me for look through 'em. I when look through 'em, took me kind of longtime. They told me for...got to pay 25 cents for each paper and I found some stuffs that were...KOR when go ahead and gave money, you know, or something and who else gave? Honua Kai, the Hyatt, like that, you know what I mean? Get...whatever happened to like the KOR from the very

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beginning building? 'Cause I was on the Kaanapali 2020 stuff, that group you when start off when we used to meet by McDonalds in Kahana and one of the main things was trying to get affordable homes out of these hotels. And again I know where we going with this is that housing credit things, you know what I mean but where is this money? You know you guys all talking about money, money, money. I think this money is in the stuff, yeah? Inside your guys' account whatever you guys want to call it, you guys wallet. So why we not using that money? You know what I mean, how come we not doing something about 'em? Like bruddah said on the West Side I've been coming here for how many years saying the same thing over and over. I get...I know there's a map where the thing was at by Puukolii that shows where all these homes was supposed to be built for all these hotels that they owe us. You know what I mean, why aren't we...I know, 'eh, thank you guys for what you guys doing 'cause we're going forward, you know, but I like look backwards because it's there already, you know what I mean. We gave up plenty prime beaches and I told you guys, one time I told over here and I told the Planning Commission, I going go Kaanapali, I going perch, I going fish over there. I going educate everybody. I stayed there for 5 days. I went there Monday morning, I never leave there till the Friday night. I stayed there every day, all day, cook breakfast, lunch, dinner; went fish, went cruise. I when educate plenty tourists. The tourists go ask me, oh, what do you fish for out here, I go oh I don't know, we haven't been fishing out here for over 20 years because we gave up this whole piece of land for this hotels where you guys staying at in exchange for affordable homes. Oh, so where is it, Junya? Did they build any affordable homes? No, zero, nothing. They go no way that's, you know, B.S. and they say that I tell yeah you're correct that's why we here we want to educate you guys. And they say what can we do to help you, Junya? I said well some of 'em give us money so we can go buy some more eggs and Vienna sausage for last the next couple days, but what I told 'em the main thing is go back, write one letter to the hotel, you know, the common letter and complain, tell 'em where, 'eh, where the housing for my Maryann, my housekeeper, Jon-Jon, my bus boy, you know, all these kind guys, and they did. They did. I had 300-something complaints, 300-something complaints I had. Okay. The GM', the GMs all when come, oh, you know, not all of 'em 'cause of all just no like me because I used to work for ILWU, you know, I kind of wen give them hard time but I talked to them and they all said, Junya, how can we help you get this thing done? I tell I don't know, call the...you guys go, I'm trying my best as one bruddah coming over here. I like tell the union but the union, sorry, if you guys endorsed by them but they scrubs, okay. They no come out and support, you know, what I mean do this kine stuff, but all I saying is that we got to get out there and we got to get it done. If you guys really...eh we here. I've been here, you know, what I mean I got told by one of the Members you stay over here every time. I tell yeah pretty soon my mail going be sent over here. But I passionate about this, brah, fully passionate about this right here. This is like my sweat and everything for this thing. My daughter was only one years old when I was trying to do this thing; now she's stay one freshman at NAU in Arizona. I buss my okole for her get her over there. Hopefully she take up nursing and she get one house when she come back. Okay, and hopefully the hospital pau in Lahaina so she can work over there. But we have been doing this thing. We have been doing this private/public whatever you guys want to call it for years, okay. So go



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get, I mean I've been saying this go get 'em, but help me go get the damn money for get 'em. You know what I mean and let's use this money for Lahaina especially, like bruddah said for Lahaina especially because it's out there, brah, and I get the papers for prove 'em. And if you guys look...just go to the Planning Department, they get 'em. They made me look for 'em. I going make you guys look for 'em. Maybe they give you guys the 25 cents fee, no need pay. But I mean serious though I mean I just joke so I no snap, you know what I mean so I no yell. But it's very hard, you know what I mean, I mean now you guys saying this private/public thing, again I going say 'em again 'cause everybody saying 'em now I going to this other route where I trying to get people into homes which is the private/public thing. I am trying to go that route. It's kind of a bumpy road there, too. You know I came over here talk to plenty guys over here, you know what I mean about 'em. I buss my okole, you guys gave me some of your guys info what we should put into this project. I try to put 'em into. I try to get the developer to do 'em. I doing 'em all on the kine and trying to get it done. But what happened to the money at Kaanapali? 'Cause we, I mean I'm planning another one but it's going to be a multiple one because now it's going to be more organized 'cause I did on one small one so I no get busted so we no get arrested. So but this one we organized and going get choke people where we going have one in front every hotel so we can educate people. You guys see me wearing a shirt BEA 30. The thing is...actually, I made 'em so I can drink, time for drink BEA 30 but it actually means Bruddah Educating America and that's what I like do. My daughter wanted one shirt, I tell her baby you not one bruddah. She tell me, well, I going saying 'em Bitches Educating America and that's my daughter and she 14 years old. She's, you know what I mean she's been following me all the way. And I happy you guys doing what you guys doing, no get me wrong, at least you guys not stand still and not doing nothing. You guys are doing something, we stoked, are stoked about it but let's go ahead and grab that money 'cause last time I talk about this had Aunty Stacy outside there with the Corporate [sic] Counsel guy, the other Filipino dude and when I was talking to that buggah he was all the kine and even had that other guy, geez, I forget his name too from the Housing, the Housing Department, not Carroll, the other dude. They was listening to me, they said yeah, you're right but they don't know what for do, they don't know where the money. All of a sudden the Corporate [sic] Counsel said okay, we cannot talk, you know what I mean 'cause getting kind of scary 'cause where is this money? You know what I mean and I call into the housing place they said no more the money. You know what I mean, I don't know, that's why I trying to ask where is this money? Is it still there? Where did it go? Just like yesterday I was saying put one list where all this money went so us guys can know from Lahaina where the thing went. I mean again being transparent you know what I mean. Again, yeah, so again I am doing this private/public thing with one of the developers, and mahalo, Elle Cochran, for bringing up the renting one, that's awesome. That's bad okole, you know what I mean, that is awesome. I mean that's what we need. Let's keep on doing 'em though. Let's not stop. We still about 5,000 homes short, you know, on the other side. But anything is good, even this 24 homes that...25 homes that we're trying to do is still awesome. You know that's 25 people I can give them the key. We just had the lottery for the other one, the other Kaiaulu, you know, Kaanapali. I've seen families change. Their eyes came like half dollars you know what

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I mean. Unfortunately I know about two of 'em had to drop out because they never make the down payment in two weeks, you know, whatever. But I mean help me make 'em the kine. I going hold my developer, I going choke his neck tomorrow. I going meet him at Aloha Mixed Plate so if you guys like meet me over there, come. I going make him buy beer this time, you know what I mean. But we going go over there. I meet going meet that buggah tomorrow and I going hold him to his words and then if he come up with 'em then I going full on support 'em you know what I mean. If not, you know, hell with him, you know. But thank you guys for your guys' time. Solid. You guys doing...thank you. Thank you.

CHAIR COUCH: Thank you, Junya.

MR. NAKOA: Make this buggah work.

CHAIR COUCH: Hang on. Hang on, we got a question for you.

MR. NAKOA: No do this.

CHAIR COUCH: Go ahead.

COUNCILMEMBER COCHRAN: Okay. Thank you. Thank you, Junya.

MR. NAKOA: I get hard time already. Oh, yeah, my signing paper, yeah.

COUNCILMEMBER COCHRAN: Junya, the money you're saying is not there, is that the Affordable Housing Fund --

MR. NAKOA: Yeah.

COUNCILMEMBER COCHRAN: --you're talking about?

MR. NAKOA: Yeah.

COUNCILMEMBER COCHRAN: Okay. And you did hear about the...you know the Kahoma lots --

MR. NAKOA: Yeah.

COUNCILMEMBER COCHRAN: --and the 68 affordable for Na Hale O Maui and Habitat for Humanity?

MR. NAKOA: Yeah.

COUNCILMEMBER COCHRAN: So part of that money it's there and part of that money is going towards those projects.

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MR. NAKOA: Okay.

COUNCILMEMBER COCHRAN: So, and, yeah, as far as I know the...we have the tally and the money is in that Affordable Housing Fund. So hopefully that can put your mind at ease that it is there and it is being utilized right now. The other question...what was the...you had a lot of stuff going on, oh, who are you meeting tomorrow?

MR. NAKOA: The...Greg Brown.

COUNCILMEMBER COCHRAN: Oh, okay. Okay.

MR. NAKOA: Yeah.

COUNCILMEMBER COCHRAN: That's all I got and ...

MR. NAKOA: Yeah, but that so pertaining to what you said about the account, the money in the account.

COUNCILMEMBER COCHRAN: Uh-huh.

MR. NAKOA: What I when ask the Planning, the housing place is how they came up with the formula. What's the formula for this...for the money? How much... 'cause when I, again, when I was on the board, it was 50 percent of all their projects so you build 100 rooms, it's 50 homes, you know what I mean, it's supposed to be 50 homes, 50 percent of the project at that time. 'Cause at that time it was 50 percent, then Mike White when just change 'em, yeah, to 25 or something...25 percent but it was 50 percent at that time. You know what I mean so where is this being...again, I going ask for all this, I've been asking for 'em. I even get my friend in Oregon he's a lawyer over there he going help me out get this thing done but where is this money? Fifty percent of each hotel, their rooms supposed to go to affordable homes. So where's the money 'cause I don't...we all said how expensive construction is, how much it cost for build a house. Okay, I know I was in the trade. So if you get about 200 room like KOR like that get, that's 100 homes times da kine, where's this millions of dollars? You know how did...where's the formula to say how much get in the kine? You know us guys should know that, you know what I mean. So is there any way you guys can get me that number since you already when tell me about where is this money is spent? Where is this money and how much money is in there and what's the formula that was put into it? 'Cause I going ask for 'em. I like ask for 'em nicely like bruddah, bruddah kine, sistah kine, ohana kine but pretty soon going get ugly where I like know how much money was put into this from each hotel. Did they put in \$500,000 for each house? You know what I mean? Or what or did they buy this credit for \$25,000, rip us off? You know bruddah just said just for build his small little room you know what I mean that much money. So answer that you know what I mean please. You know what I mean I going keep on asking on all this. I keep going on asking 'em. I mean I like 'em go forward. I like this project to go forward but I bet you if we get all that money, ho, you guys get choke things you guys can do, plenty

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stuff you guys can build. You guys can make all this infrastructures where all these bruddahs can do his project. You know what I mean? Find this money, build the infrastructure, then we get these houses. Yeah. Okay.

CHAIR COUCH: Thank you.

MR. NAKOA: Mahalo.

CHAIR COUCH: Thank you, Ms. Cochran. Members, any other questions? And seeing none, any other testifiers? Okay, let's go to the...Molokai Office said that there wasn't any and so Tina has gone. So the only one left is Hana.

MS. LONO: Chair, there's no one waiting to testify in the Hana Office.

CHAIR COUCH: Okay, thank you. And seeing that there are nobody...no other members of the gallery coming down, without any objections, we'll close public testimony.

COUNCILMEMBERS: No objections.

CHAIR COUCH: Okay. Public testimony is closed. Thank you, Dawn.

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

CHAIR COUCH: Okay, Members, we had the report from Ms. Cochran from the temporary investigative group earlier this year that we formed. At our last meeting we got that report, both in writing which everybody should have a copy of and Ms. Cochran gave an oral presentation. Now, by now I hope everybody has had a chance to read the report. I know that they've got a lot of backup work behind the report but the report is relatively small compared to all the work that they've done. So, I want to again thank the group, Ms. Cochran, Ms. Baisa, and your staff for really doing a good job on this. So, having read this report what we'd like to do, and since we have a bit of a short time today, there is a...on Page 9 of the report there is a list of recommended referrals. And I think we want to get those to the proper committees as quickly as possible. So, what I'm thinking of doing is having a discussion on each one and then seeing what committee we want to refer it to and then do that. So the first one is talk about prioritize County development of off-site infrastructure...you know what, before we start let me ask the Department, having had a chance to read this, do you guys have any opening comments on this?

MS. McLEAN: Thank you, Chair. One thing that, really the only comment we would make is to be mindful of the timing of these proposals. And the recommendation and the report does give an indication of what kind of time would be needed to implement these. When we first wrote to the Committee with our suggestions of ideas to increase available inventory, we did try to think of some ideas that would really have quick results and it's...and item one, you know, the first priority is probably the one that

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could get implemented the fastest. So I think that's really good to see. And some of the other ones are quite longer lead items. We just want to be mindful as we know you are to put our energies toward things that will produce quick results. Thank you, Chair.

CHAIR COUCH: Okay, thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. For the Department, when you indicated item number one would...I guess is the low-hanging fruit, well, I know that the TIG has prioritized these items. How would you have prioritized these based off of what you have just mentioned?

COUNCILMEMBER COCHRAN: Chair, while Ms. McLean is looking through the nine items right now, real quickly, did we get word in reference to these referrals whether we would choose what committees we felt it would best fit or would that be via Council Chairman to do? How are we going to do that?

CHAIR COUCH: We can...we can refer them to the committees ourselves. We can make a motion to do that. The only concern would be that they could auto file if we go that route and I'm willing to take that risk 'cause that's important that the committees would be able to understand that it's an important issue and would send it to the next Council.

COUNCILMEMBER COCHRAN: Okay, yeah. Thank you.

CHAIR COUCH: Okay? Go ahead, Ms. McLean.

MS. McLEAN: Thank you, Chair. Looking just at the five items I would probably move item five higher up. Item five is identifying underdeveloped properties with Multi-Family and Industrial designations that could be targeted for redevelopment. Typically, and this is a generalization, those would have infrastructure in place and so there would be predominately ministerial permits only needed to redevelop those. Again that's looking at timing as being a very high priority. I mean all of these of course have merit but just off the top of my head looking at the five priorities that one is...would probably more quickly produce results.

COUNCILMEMBER GUZMAN: So, basically item one and item five would be I guess the easiest or not the easiest, the...I guess the low-hanging fruit and the two items that could be done fairly expeditiously or without too much complication.

MS. McLEAN: To me those are the ones that would result in significant inventory the fastest.

COUNCILMEMBER GUZMAN: Okay. Thank you. Thanks.

CHAIR COUCH: Thank you, Mr. Guzman. Okay. Any other questions to the Department before we go any further on that? Okay. So to recommend to different committees,

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the first one is prioritize County development of off-site infrastructure, especially water improvements, sewer, traffic, to support housing and make it more affordable. Reduce pass-through costs, we heard that discussed. Kauai, looks like they're doing it and that's one of the things that certainly in the TIG meetings almost every group that we talked to said, yeah, that would be something we can do. Question is, Ms. Cochran, do you want to...since you were the Chair of that...of the Committee, do you want to talk about the summary and the recommended actions for everybody?

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair. And as you state, everyone pretty much agreed that this would help assist in creating affordability and just as our testifiers did today. So I think the summarizing here explains what came about and I think these are extremely doable that's why it's our number one referral. So I'd like to I guess figure out where we want to move it next to continue this ball rolling.

CHAIR COUCH: This would have to be in my opinion where we take a look at...for the people who don't have the copy of the report let me just do a quick summary. Requirements for the developer to bear the full cost of off-site infrastructure has been identified as a major contributor to the high cost of homes. A solid commitment from the County to developing infrastructure that will support more housing is crucial to allowing for creative solutions to Maui's housing crisis. One of the recommended actions is request that various departments provide lists of infrastructure needs that would support affordable housing, prioritized based on greatest impact, and then fund those requests during Budget session. So it sounds like Infrastructure and Environmental Management because mainly it's infrastructure. So it would be your Committee most likely getting all the departments together to say what they would need for infrastructure. And I would assume that they're...we're going to need a parcel of land kind of thing to say, okay, if we got this piece of land what would the budget be to get that infrastructure. Is that where you would see that going?

COUNCILMEMBER COCHRAN: Yeah, I think because this weighs heavily on that infrastructure component that I guess it would fall into IEM.

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: But it has that budgetary aspect too so...

CHAIR COUCH: My guess is if they...if you guys discuss it and find out what is needed then they can put it in their budget and they take it to the Budget.

COUNCILMEMBER COCHRAN: Okay.

CHAIR COUCH: That's the way I would think.

COUNCILMEMBER COCHRAN: Yeah.

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CHAIR COUCH: Members, any other thoughts on that, on the number one referral? Page 9? I have a feeling that that's where it would need to go. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. That's number one, right, the...

CHAIR COUCH: The number one on Page 9, yes.

COUNCILMEMBER GUZMAN: Right.

CHAIR COUCH: You almost want to send that to the Administration to say, hey --

COUNCILMEMBER GUZMAN: I know that's...yeah.

CHAIR COUCH: --yeah, this is get your guys' in a room and see what we can come up with. Ms. Baisa?

COUNCILMEMBER BAISA: Well, what I'm thinking about like in the area of water where I have some responsibility, you know, we have long-term planning about where we're going to plan our projects and I would assume that that long-term planning is based on General Plan and where growth is going to be. So I don't know if this has to be a really big deal. We should have a lot of this information already.

CHAIR COUCH: Yeah, we have the information, the question is how much is it going to cost to get the infrastructure to that spot.

COUNCILMEMBER BAISA: Right. But, you know, we cannot...I think to make this manageable that we better be realistic as to what we can do maybe in the next 10 years. But we can go on and on and plan for 50 years but what I want to see because we want to see action is realistically what can we do in the next 10 years?

CHAIR COUCH: For building infrastructure?

COUNCILMEMBER BAISA: Where can we put it and what will it take to do it? So I don't see that as a really, really big deal once we can identify where we're going to put it.

CHAIR COUCH: Ms. Cochran, you had...

COUNCILMEMBER COCHRAN: Chair? Yeah, I guess the idea actually is to send out letters to all departments that if it's Water, if it's DEM, sewer. So it would be to each department to ask them to get that kind of feedback, you know, what the cost would be, where would it be most feasible to do to create affordable. So definitely the, you know, the dialogue needs to go to every department in respect to what part of infrastructure needs are we looking for and --

CHAIR COUCH: And...

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COUNCILMEMBER COCHRAN: --I guess providing some kind of letter from us to the different departments if it's land, so for Planning...

CHAIR COUCH: Which this, yeah, which this --

COUNCILMEMBER COCHRAN: Yeah.

CHAIR COUCH: --Committee can do that. And, you know, we have long-range or/and implementation planners here and, you know, that's part of the deal is where is, you know, we've got the plan and have you guys been in touch with the developers that want to get something going 'cause we know that there's a project right out here that needs some heavy infrastructure costs. You know who's going to bear the cost of that. So with what's going on...I know we only have the General Plan right now and the community plans are on their way. Given with what we've got, do you guys feel sufficient enough to be able to pinpoint an area and say look we've got this infrastructure now and just a little bit of planning and coordination we would suggest this location, that location, and this location, and then we can send out the letters to the department saying what would it take to get infrastructure to that area?

MS. McLEAN: I would suggest more of a collective discussion on it because the Planning Department could identify an area based on let's say level topography and roadway access, but Environmental Management might say, oh, you know, to put in the pump station and line that we need to serve it is going to be, you know, ten times more than if you did it someplace else. So I don't really know that one department in particular should drive the discussion to finding locations in different areas. It should be a collective discussion that all things considered, this is the best place for the County to devote resources based on what our plans show, based on where existing infrastructure is to tie into based on capacity and so forth. So I don't think it should start with us and give a recommendation and then one department says, oh, yeah, that will be easy for us and another says no, that will be too expensive, you know, to have --

CHAIR COUCH: Right.

MS. McLEAN: --a collective discussion on...

CHAIR COUCH: The intent would be to get everybody in a room and not necessarily in the Chambers here but in a room to say, okay, if we were to direct the growth...

MS. McLEAN: Yeah, if it's, you know, find one or more parcels that could result in X number of units or that could serve X number of units, you know, we want roughly this many in South many...South Maui, this many in West Maui, this many in Central, and just figure out, okay, what, what are some of the better options financially as well as from planning perspectives.

CHAIR COUCH: Mr. Guzman?



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COUNCILMEMBER GUZMAN: Thank you, Chair. It sounds like the process has already been created in a sense in the community plan process but it just really needs to be targeted in the sense of affordability of housing. Because it sounds as though the information or the collaboration is already or will be done at the community plan level. The matter of whether you can make it more affordable is the question. I think the data can be obtained, you know, where you want to put it. You know how many units and then at that stage the affordability component to make it cost effective. But it sounds like we already have a built in system to analyze it.

CHAIR COUCH: Sort of. It's a situation where currently people are in their own departments and looking at things but what we really need, and that may be...number two might be the more important thing at this point is if we get number two which is by the way third party, not County employee, chief to coordinate construction of affordable housing. Maybe back that up a little bit more and say look this person is going to facilitate the County and say okay...and get developers in the room and say here's some land, you guys have ideas. I know Mr. Atherton has his ideas over here. Mr. Riley has some ideas in West Maui. I believe...who's got down here by the river. I forgot who's got that but there are several that...people are still are making inroads so maybe we need a coordinator to say let's get everybody together and then County here's what we need for infrastructure, go from there. Is that...

COUNCILMEMBER GUZMAN: And working with the community plan level as well.

CHAIR COUCH: Right, right.

COUNCILMEMBER GUZMAN: Right.

CHAIR COUCH: Ms. Baisa?

COUNCILMEMBER BAISA: Funny you mentioned that, Chair, because for the last ten minutes as I've been looking at number one and number two and, you know, we were all a part of this, at least myself and Ms. Cochran, and you, I've been looking at number two and saying maybe we have this backwards maybe two should be the first. And let's get that person who will, you know, the idea of everybody, somebody, and nobody but if it's somebody's job they're going to have to deal with it and coordinate and make all this happen. So I think that that's really important and I want to say that I agree totally and I want to emphasize again that this cannot be a County employee because if it's going to take us six months to find a position and advertise, that's not what we have in mind. And don't laugh because that's what we heard about --

CHAIR COUCH: No, I understand.

COUNCILMEMBER BAISA: --the homeless yesterday and that --

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CHAIR COUCH: I completely understand.

COUNCILMEMBER BAISA: --really makes me angry. We just don't have six months to sit around thinking about it.

CHAIR COUCH: Right. Ms. Cochran?

COUNCILMEMBER COCHRAN: Yeah. Thank you. And I agree. So my...hearing Department and then some of dialogue, it was...I was wondering are we talking about our own County-owned lands or are we talking about the private sector out there? 'Cause if it is, you know, as Mr. Riley said in West Maui you talk to every large landowner, they're not in the market to do this --

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: --so what do we do as the County? I don't care what we say, how much money we want to put into infrastructure they're not in the market to do affordable period. So we're stuck. There is a gentleman there who's taken over a project and he has to do some, you know, finagling in order to get the rental versus market or sale. So that's where I think and this person in number two, the third party coordinator of sorts can go out and start dialoguing with people and figuring out where is your roadblocks and how can we assist to expedite what you're planning. And, you know, but they have to have that in their plans already to want to do.

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: So that's...

CHAIR COUCH: Well, you have your guy out there that was going to do the 1,200 homes. Is that a situation where...what kind of infrastructure is necessary to go there and what can the County provide, you know, that kind of thing. It could be also people who are ready to go now like Mr. Atherton and the folks down here I forgot, like I said I forgot who it is but they're ready to go, they're just having to find out how to get money for the infrastructure. If we put the infrastructure in --

COUNCILMEMBER COCHRAN: Yes.

CHAIR COUCH: --or work with him so.

COUNCILMEMBER COCHRAN: Right. And so, yeah, Mr. Chang I mean of course they're willing to take help from, you know, offset his cost of building this out. Of course there's already conditions in place for this project so we would have to take a look at things of that nature. But, yeah, it can all assist in, you know, moving something forward.

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CHAIR COUCH: So then we'll move down to number two. This seems to be...this is something that probably and for the people who don't have this front of them, third party, not County employee, chief to coordinate construction of affordable housing. This sounds like something that we can refer to, immediately to HHT --

COUNCILMEMBER BAISA: Yes.

CHAIR COUCH: --Housing and Human Concerns and Transportation, and Ms. Crivello we can get that on her thing. So I think that is one that we can all agree as can be done and can be done quickly or at least get gotten to her Committee. Any concerns about that?

COUNCILMEMBER BAISA: No.

CHAIR COUCH: Okay. So the way I'm going to work this, we're going to have to...I'm going to entertain a motion to recommend that the...that this referral of the third party, not County employee, referral number two on the TIG report dated October 6, 2016 starting with Page 9 Section 4 be referred to the Housing and Human Concerns and Transportation Committee.

COUNCILMEMBER COCHRAN: Chair, so moved.

CHAIR COUCH: Okay.

COUNCILMEMBER BAISA: Second.

CHAIR COUCH: So Elle Cochran is...it's been, motion been made by Elle Cochran and seconded by Ms. Baisa. Any discussion? Okay. All those in favor, please say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR COUCH: Opposed? Let the record show the motion passes five "ayes," two excused, and excused for the rest of the meeting for now are Mr. Victorino and Mr. White.

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**EXC.: Councilmembers Victorino and White.**

**MOTION CARRIED.**

**ACTION:** Recommending Referral No. 2, third party (not County employee) chief to coordinate construction of affordable housing, be referred to the Housing, Human Services, and Transportation Committee.

CHAIR COUCH: Okay, good. We got one down to...I think it's going to be the proper committee. And some of these, you know, having looked at some of these, Members, I also think that we have to really work with the Administration on this one, you know, we can give suggestions. We'll write a letter to the Administration to say, hey, look this is one of our suggestions, what can we do to help you facilitate that? For instance, this "one stop shop" at the new County Service Center for processing permits, and just for everybody out there the summary is have employees with decision-making authority present from all departments that need to approve permits - planning/ZAED, building permits review, water, plumbing, electrical, et cetera. Planning Department, do you have any questions or concerns on that one?

MS. McLEAN: This is an idea that the Managing Director's Permit Process Improvement Team investigated a while back and without going into detail there are just some practical difficulties to it. It fundamentally seems like a pretty basic and easy idea but when we started talking through logistics of making it work it became pretty difficult. Maybe we can talk about some of the details or the Managing Director might be more appropriate to talk about that since it involved other departments than Planning. But it has some...it was something that was looked into and we didn't go forward with it.

CHAIR COUCH: Alright. Members, some of the recommended actions here are ensure the design, review and approvals of the new County Service Center include a space for a "one stop shop." Include funding for a "one stop shop" in the budget for the Service Center and explore models by other municipalities such as the City of San Jose. I personally went down to the City of San Jose and saw it. They are doing it with great ease. You know they had some resistance from all the departments but they have a space that you walk in and there's a counter and it's just like the DMV. They've got

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the same machine and everything, the queuing thing. They'll come up, somebody come up with less than 500 square foot, 500 square foot or less addition to their home or a deck or whatever and they come up, somebody will triage it, tell 'em okay you need to go, here's your waiting number and they'll go to a window, there's about six windows where they sit down with a planner or a plans review person. The plans review person starts a clock, they look, they see what they need to do, and it doesn't have to be architect approved plans. It can be relatively decent hand drawn. They look at it. They say, oh, I think I need somebody from planning to come in. So the people in the backroom, there's a bunch of people in the backroom, they call in a planner, the planner looks at it and they call in somebody from water, the water looks at it. Everybody who needs to look at it real quick and within an hour usually those people are out of the door with a permit in one hour. And that's the...there's three levels of permits, that's the first level. The second level is an expedited review where you actually make an appointment to come and say I've got these plans and then they put all the departments in a bigger conference room and they sit there and they look and they may take a day or two or three but usually by the end of three days they've got their permit and they're gone. So those are the top two things, so it can be done. Now, what are the procedures that need to be, you know, what are the laws that they have versus the laws that we have; some of the things that have to go through different departments, we don't know. Those are the kinds of things we want to look at. Ms. Baisa?

COUNCILMEMBER BAISA: You know I really like that idea and it sounds wonderful and I've heard other people use it but, you know, just, just for the sake of discussion talking about what we heard today. How would we handle a Department of Health permit which we have nothing to do with if that's the bugaboo, you know? So we can do the County stuff but then we get into problems with...we have stuff we have no control over.

CHAIR COUCH: And the question I have to the Department and this may be more for DSA but if you guys know, does something like that have to go to Department of Health? Does every plan that somebody wants to put in have to go to the Department of Health?

MS. McLEAN: No, not every plan gets routed to Department of Health.

CHAIR COUCH: So there's a checklist that says if it does, if it meets this criteria then it has to go to Department of Health?

MS. MCLEAN: That's correct. Just like every permit doesn't come to us. Most do but not everyone does.

CHAIR COUCH: Okay. Who makes those checklists?

MS. MCLEAN: The departments have participated in making those checklists but it's DSA, the Building Permit Office --

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CHAIR COUCH: Okay.

MS. MCLEAN: --that has them and that routes the plans, routes the permits.

COUNCILMEMBER BAISA: I think we should ask them --

CHAIR COUCH: Yeah.

COUNCILMEMBER BAISA: --next time we talk about this.

CHAIR COUCH: Yeah, either we can bring them in or this might be something that we can send to IEM to discuss how this could be done. What do you think? Do you think you have time in your Committee or whatnot? It's getting close --

COUNCILMEMBER COCHRAN: Wait.

CHAIR COUCH: --to the end of the term.

COUNCILMEMBER COCHRAN: Sorry, wait, for the "one stop shop?"

CHAIR COUCH: For the "one stop shop" on how it can be done if it can be done as far as getting all the departments together. We should probably have... 'cause it's DSA is the one that kind of drives the permitting process.

COUNCILMEMBER COCHRAN: Well, actually I was still looking back at item one and thinking, you know, we went...we skipped over to two to get that third-party person involved. I think trying to say that that person could take care of item one sort of --

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: --but I would like the...my Committee to start that going. I mean reaching out to departments, starting that dialogue, figuring out what...we already kind of hashed out the inventory of places around the County, Maui, that's ready for affordable developments to ask the deeper questions as in what would infrastructure take to get to these sites.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: There's two in West Maui alone, right.

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: I mean we have that inventory. We already worked on through this thing. So that's where I wanted to kind of run with that and then start dialoguing, getting dollar amounts ready for this upcoming budget cycle.

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CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: So that's why I was hoping in that reference to number one and I'm asking now this body if you folks feel that's doable and would like to see that happen I'm more than willing to bring it into IEM and start working on it now.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: So now you're asking about the "one stop shop" to come to IEM. You know yeah but I want to just relay the fact that I also visited Marin County just as you did in San Jose and they're in the process of doing the same exact thing. I didn't go back to see the final result but as far as I know through, you know, our MPO new ED, excellent. So positive results, successful and so I can see two big examples --

COUNCILMEMBER BAISA: It can be done.

COUNCILMEMBER COCHRAN: --it has been done.

CHAIR COUCH: That it can be done. Right.

COUNCILMEMBER COCHRAN: And these counties have accomplished it. So I'm very much in support of this and, yeah, I think...

CHAIR COUCH: I think both of those can go to your Committee if you have the time. I know you want to work on number one first and that's good.

COUNCILMEMBER COCHRAN: Yeah that one is super important --

CHAIR COUCH: Yes.

COUNCILMEMBER COCHRAN: --because of the Budget session --

CHAIR COUCH: Yes.

COUNCILMEMBER COCHRAN: --and I really, really want to get some figures to bring into Budget so we can fund --

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: --and that's the point, right. Fund the infrastructure.

CHAIR COUCH: And I'm fine with putting that into your Committee if we work in conjunction with number two, yeah.

COUNCILMEMBER COCHRAN: Sure.

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CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: Fine.

CHAIR COUCH: So then the Chair will entertain a motion to recommend that the first referral labeled prioritize County development of off-site infrastructure, especially water improvements, sewer, and traffic, to support housing and make it more affordable and reduce pass-through costs be sent to the IEM Committee.

COUNCILMEMBER COCHRAN: Chair, so moved. Can I vote on my own thing?

COUNCILMEMBER BAISA: Second.

CHAIR COUCH: It's been moved by Ms. Cochran and seconded by Ms. Baisa. Any comments on that?

COUNCILMEMBER COCHRAN: And also...I mean to get as much information as we can via my Committee to disburse to the housing person.

CHAIR COUCH: Correct.

COUNCILMEMBER COCHRAN: You know, so that's their, you know --

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: --that's what the information will be utilized for.

CHAIR COUCH: Yeah. It's gonna be a bit of a coordinated effort --

COUNCILMEMBER COCHRAN: Yeah.

CHAIR COUCH: --between committees too, so and committee chairs can talk to each other.

COUNCILMEMBER COCHRAN: Right.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: Yeah that's the idea. Thank you, Chair.

CHAIR COUCH: Okay. Any other comments? All those in favor, please say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR COUCH: Opposed? Record show five "ayes," two excused.



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**EXC.: Councilmembers Victorino and White.**

**MOTION CARRIED.**

**ACTION:** Recommending Referral No. 1, prioritize County development of off-site infrastructure, especially water improvements, sewer, and traffic, to support housing and make it more affordable (reduce pass-through costs), be referred to the Infrastructure and Environmental Management Committee.

CHAIR COUCH: So that one will go to IEM. Now back to number...and they are kind of all intertwined, number three, the "one stop shop." Now it doesn't have to be at the County Service Center either. I mean it kind of can go at Kalana Pakui because they're already there on the bottom and then on the top they had...the way they worked at it, at least in San Jose, they had the on-call planners had their desks or all the people had their desk. So they did their regular work, most of it is computerized anyway, so they're able to do their regular work and then when they got called they went right down.

COUNCILMEMBER COCHRAN: Yeah, Chair?

CHAIR COUCH: Because we're spread out so far it would be better to be in a centralized location. If you go out to the Service Center if that's going to go, that's going out, way out in Kahului, that would be a difficult thing to do unless you have people actually move their, move their desk there on a rotational basis kind of thing.

COUNCILMEMBER COCHRAN: Yeah. And, Chair, I would describe the desk of all the different departments about these two put together and then in the back the cubicles and other, you know, that way if they had to go and speak directly to --

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: --parts of Water Department or --

CHAIR COUCH: Right.

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COUNCILMEMBER COCHRAN: --you know, DEM or Planning or whatever, those bodies were in back of the main desk --

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: --and that was kind of the "one stop shop" idea. So I saw that being built at the time and it didn't take much space.

CHAIR COUCH: No.

COUNCILMEMBER COCHRAN: You know they were utilizing existing and redesigning it --

CHAIR COUCH: Exactly.

COUNCILMEMBER COCHRAN: --to accommodate this process.

CHAIR COUCH: So that's why I was just mentioning that it doesn't necessarily have to be at the County Service Center so we can, you know, or other...we can say something like at the new County Service Center or appropriate, other appropriate location. We okay with that? Ms. Baisa?

COUNCILMEMBER BAISA: Yes, thank you very much, Chair. My concern was about the new County Service Center. We all know that this is up in the air. We have the property but whether we're going to build it there or we're not going to build it there, we've already heard other opinions on this floor --

CHAIR COUCH: Correct.

COUNCILMEMBER BAISA: --and we don't know when. And, you know, for me getting these items going is really important and I don't want to sit here for years while we try to figure out where we're going to put the new Service Center and where we're going to get the money and, you know, all that stuff. We want this to go. So while I'm willing to discuss the new County Service Center I think better we have this more open ended.

CHAIR COUCH: Correct. And again this will be something that would be again I think in Ms. Cochran's Committee. At least she can discuss it with Public Works or maybe we can talk about it next time we're here and see if we can get Public Works up here as well.

COUNCILMEMBER COCHRAN: Well, I guess Ms. McLean mentioned Managing Director had this idea --

CHAIR COUCH: Correct.

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COUNCILMEMBER BAISA: Yes.

COUNCILMEMBER COCHRAN: --awhile back and perhaps they found, you know, some --

CHAIR COUCH: Let's --

COUNCILMEMBER COCHRAN: --challenges so if we could...

CHAIR COUCH: --put this one off till the next meeting which is going to be the 20<sup>th</sup> by the way and we'll ask --

COUNCILMEMBER COCHRAN: Next meeting is the 20<sup>th</sup>?

CHAIR COUCH: --and see if the Managing Director can come and maybe even Mr. Goode.

COUNCILMEMBER COCHRAN: Yeah, I mean I think it would be helpful because this is the person working in this County --

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: --and within this, yeah, Administration so it would be helpful. Okay.

CHAIR COUCH: So without objection, I'm going to hold this one off but I'll also add the words "or appropriate," "other appropriate location" after the words County Service Center.

COUNCILMEMBER BAISA: Yes.

COUNCILMEMBER COCHRAN: Yeah.

CHAIR COUCH: Okay? Alright.

COUNCILMEMBER COCHRAN: No objection.

CHAIR COUCH: So we'll defer that one till next meeting.

**ACTION: DEFER.** (Excused: MPV and MW.)

CHAIR COUCH: Number four is revise County housing policies, both Maui County Code Chapters 2.86 and 2.96 to encourage the development of affordable housing and reduce barriers and costs. And one of the recommended actions is to look at Kauai's Ordinance No. 860, the Kauai County Council is considering land banking. And number two, research and identify how the County's housing policy may be amended

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to improve success in getting affordable housing built. Ms. Cochran, can you expand on that a little bit?

COUNCILMEMBER COCHRAN: I'm trying to look up exactly what the ordinance is. One of our testifiers mentioned and I think it sounds like it has something to do with the help in infrastructure costs in order to make that happen. But I believe perhaps Staff, Greg Garneau knows what the Kauai example is.

CHAIR COUCH: I think it's on...I'm trying to find it here in the...

COUNCILMEMBER COCHRAN: The inch-thick document?

CHAIR COUCH: The inch-thick document, yes. That's Honokowai. Here we go. It's page, well, it says referral, number four, revise housing policies. It's about halfway through the document. It's the Kauai County Council's resolution for reaffirming council policy to acquire land for the development of affordable housing and they go in with a lot of 'whereas'. In the be it resolved, be it resolved that the County worked to acquire land through condemnation if necessary for the development of affordable housing. Be it further resolved that County of Kauai identify parcels that are 15 acres or less in size and are in close proximity to infrastructure and jobs so as to minimize development and household transportation costs and traffic. And that the County of Kauai pursue available funding mechanisms, taxes and bonds as was mentioned, revenue bonds, State funding, Federal funding, United States Department of Agriculture, Rural Development, et cetera, to develop affordable housing for residents of Kauai. And one other...a couple more, work in partnership with private/nonprofit organizations when feasible to acquire land and develop the needed affordable housing units. The County housing agency work together to help affordable housing incentives, housing credits, et cetera, that will encourage private landowners to participate with the County in addressing its crucial social problem. Be it resolved that the sellers of land acquired for affordable housing projects by the County will not be subject to the one-time subdivision rule of regulating the subdivision of agricultural lands. That's a key. That's a big one. That the affordable housing units are intended for long-term ownership and will be subject to long-term buyback provisions. Once purchased, parcel of land cannot be immediately developed...that cannot be immediately developed will be land banked by the County for future affordable housing development. And they want to proactively acquire the land. So take a look at that resolution.

MR. GARNEAU: Mr. Chair?

CHAIR COUCH: Yes?

MR. GARNEAU: Greg here. I just wanted to say that at the time that the TIG considered this, Kauai right now is dealing with a lot of the same issues with affordable housing that we are. And so this resolution was just recently adopted in August by Kauai and it has all those things that Chair Couch just mentioned. I do know that they are

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looking at amending their code. Right now, they're...they have...I guess they have one section which is this Ordinance 860 in their affordable housing policy and they're looking at amending that right now. Though I checked with them before we did the report and those changes weren't available yet. So what we're...I think we're hoping with this item is that it would get referred to the appropriate committee so that they spend more time researching and tracking what Kauai is doing and we can learn from them.

CHAIR COUCH: Okay.

MR. GARNEAU: I do know that they also like us have had their sugar production, you know, end. There's a great deal of land that's available and so...and there's also been just like you have talked about today where, you know, the government has got to get involved and see what land can be used in order to make it affordable. And so that's why they're looking at, you know, the former plantation land. So there's just a lot of things that Kauai is going through that I think Maui is too and so this item is hopefully going to a committee where they could do more research, talk to the folks on Kauai, find out what they're doing, what their proposals are, and see if some of those things would work for us as well.

CHAIR COUCH: Yeah. And this one is a solid fit for HHT. I don't see any objections to that. So I'll entertain a motion to refer this one to HHT.

COUNCILMEMBER COCHRAN: Chair, so moved.

COUNCILMEMBER BAISA: Second.

CHAIR COUCH: Okay. Any comments? Alright. All those in favor, say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR COUCH: Opposed, "no." There's four "ayes," zero "noes," and three excused, Mr. Guzman, Mr. Victorino, and Mr. White.

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**EXC.: Councilmembers Guzman, Victorino and White.**

**MOTION CARRIED.**

**ACTION:** Recommending Referral No. 4, revise County housing policies, both Maui County Code Chapters 2.86 and 2.96, to encourage the development of affordable housing and reduce barriers and costs, be referred to the Housing, Human Services, and Transportation Committee.

CHAIR COUCH: Okay. No. 5, consider sale of County-owned properties at Maui Lani Fairways and Sand Hill Estates Subdivision and use the money from the sale of these projects to develop affordable housing. Alternatively, investigate the possibility of developing these lots for affordable housing. I have two schools of thought on that maybe HHT or PIA. Any thoughts from the Members?

COUNCILMEMBER COCHRAN: Chair, PIA, oh, because it falls into two...

CHAIR COUCH: And it is...

COUNCILMEMBER COCHRAN: Policy is in there.

CHAIR COUCH: Yeah, it could be Policy, it could be even Budget.

COUNCILMEMBER BAISA: Eventually.

CHAIR COUCH: Yeah, eventually it looks like. Yeah.

COUNCILMEMBER COCHRAN: It will in the end be a budgetary item but.

CHAIR COUCH: So, PIA or HHT? I think let's try HHT in that, you know, they, A, need some...need quite a bit of these so that they can kind of formulate a plan. So is there any...and if she doesn't, if she thinks that this one needs to go to PIA she can certainly move that to them. So...

COUNCILMEMBER COCHRAN: That's fine.

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CHAIR COUCH: Okay. And, Mr. Garneau, we don't need to have motions or anything do we? We can certainly...if we do a consensus.

MR. GARNEAU: For each of these? I checked with my office and they thought a better practice if we do a motion on each one.

CHAIR COUCH: But they always think that.

MR. GARNEAU: That was my answer.

COUNCILMEMBER BAISA: Party line.

CHAIR COUCH: Pardon?

COUNCILMEMBER BAISA: Party line.

CHAIR COUCH: Yeah. So without objection, we'll refer this to HHT.

**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Excused: DG, MPV, and MW.)

CHAIR COUCH: Okay. Let's send it to...okay, number six is propose an amendment to Maui County Code Section 3.35.010(B) to require a larger percentage (4 percent) of real property taxes to be set aside in the Affordable Housing Fund. This is definitely I think can go to Budget or PIA.

COUNCILMEMBER BAISA: And then Budget.

CHAIR COUCH: The question is do we even need to do that? We can make a recommendation at Budget time to say look, we want to put 4 percent in. Ms. Baisa?

COUNCILMEMBER BAISA: You can do that but I would prefer that we do this before Budget. You know when we get into Budget it's hard to do things. If we've done it before it will make it a lot easier.

CHAIR COUCH: Okay.

COUNCILMEMBER BAISA: Not enough time during Budget to study.

CHAIR COUCH: Not study but I mean just make the recommendation from here to say let's go for...

COUNCILMEMBER BAISA: Yeah, but somebody has got to research how much money are we talking about, you know, what is the need for it.

CHAIR COUCH: Okay.

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COUNCILMEMBER BAISA: I think we should be ready.

CHAIR COUCH: So your thoughts to...

COUNCILMEMBER BAISA: You know as well as I do how little time we spend on --

CHAIR COUCH: Yes.

COUNCILMEMBER BAISA: --on RPT during Budget.

CHAIR COUCH: Yeah, okay.

COUNCILMEMBER BAISA: So let's not even go there.

CHAIR COUCH: Any thoughts then whether it should go to HHT or PIA?

COUNCILMEMBER BAISA: HHT?

CHAIR COUCH: No I don't think HHT.

COUNCILMEMBER COCHRAN: PIA.

CHAIR COUCH: PIA. I think PIA.

COUNCILMEMBER COCHRAN: I think PIA we're sending too many things.

COUNCILMEMBER BAISA: Yeah.

CHAIR COUCH: Yeah. So without any objection, we'll go to PIA.

**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Excused: MPV and MW.)

CHAIR COUCH: Okay. Investigate building affordable homes or rentals on County-owned properties in West and South Maui. There are a couple pieces of property here. There's a 4.02-acre lot in Honokowai that the County has under Executive Order from the State of Hawaii and property...(2) three parcels on Kilohana Drive in Kihei are owned by the County. The total land area is 5.75 acres minus the area now occupied by the fire station. The land was originally planned for use as a police station however this plan has been abandoned with the construction of the new Kihei Police Station and it's now available for affordable housing site. I'm guessing this is another HHT. We've got the land.

COUNCILMEMBER COCHRAN: Yeah.

COUNCILMEMBER BAISA: Yeah.



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CHAIR COUCH: Yeah. So HHT or even we can throw that to the coordinator, the housing czar or housing coordinator but...

COUNCILMEMBER COCHRAN: Well, Chair, I mean I think a lot of the work...this is slated. It's there. It's identified. It's --

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: --why wait, put it in the housing where we can make the decision --

COUNCILMEMBER BAISA: Yeah.

COUNCILMEMBER COCHRAN: --to push it forward --

CHAIR COUCH: Through HHT?

COUNCILMEMBER COCHRAN: --and get it funded and yeah, I believe so.

CHAIR COUCH: Okay. Alright. Mr. Guzman?

COUNCILMEMBER GUZMAN: Yeah, Chair, this actually, you know, in my mind, would be a good model to try out. You know I always thought that we could, not thought, you could, the County could create a housing land trust --

CHAIR COUCH: Right.

COUNCILMEMBER GUZMAN: --just like Na Hale O Maui. And if we were to create a land trust similar to Na Hale and have those properties placed into the...under the name of that land trust, you could actually model, the County could have its own type of land trust model that they could sell and it would be in perpetuity for the affordable price range. That could all be somewhat at least started by the coordinator and via the help of Corporation Counsel to establish a land trust, a housing land trust.

CHAIR COUCH: So, yeah...

COUNCILMEMBER GUZMAN: You want to start with the small parcel --

CHAIR COUCH: Yeah.

COUNCILMEMBER GUZMAN: --so that it doesn't get too, you know, if we had mistakes and blah, blah, blah --

CHAIR COUCH: Correct.

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COUNCILMEMBER GUZMAN: --we can easily correct those. So maybe two, you know, two or three parcels which indicates here it looks like, you know, three parcels' TMKs.

CHAIR COUCH: Well, they're all combined.

COUNCILMEMBER GUZMAN: Yeah.

CHAIR COUCH: They're all in one area.

COUNCILMEMBER GUZMAN: Right. I mean so you want to start something, you know, with something fairly small when you want to do, you know, start off --

CHAIR COUCH: Yeah.

COUNCILMEMBER GUZMAN: --a template. But...

CHAIR COUCH: That's a good ...

COUNCILMEMBER GUZMAN: It's a great, this is a great opportunity to try it.

CHAIR COUCH: Yeah.

COUNCILMEMBER GUZMAN: And if we fail, well, you know, it's not that big of a deal in terms of the, you know, the size of the properties and we can always convey it back to the County. 'Cause a trust in itself is a separate entity.

CHAIR COUCH: Separate entity, yeah.

COUNCILMEMBER GUZMAN: Yeah, so.

CHAIR COUCH: Okay. Alright.

COUNCILMEMBER COCHRAN: Chair?

CHAIR COUCH: Yes?

COUNCILMEMBER COCHRAN: Chair, thank you. And I want to thank Mr. Guzman for thinking those...that idea and my office did do some research, Mr. Guzman, and saw that, and I'm more than willing to try it out here 'cause I know one size doesn't fit all for every municipality. But what we did research, a lot of the county land trusts weren't as successful as public/private type partnership land trusts such as Na Hale. But again, you know, that's just whatever circumstances occurred in these reports and studies that we came up but not to say we can't try it.

CHAIR COUCH: Right.

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COUNCILMEMBER COCHRAN: So by all means, you know, I love the idea --

COUNCILMEMBER GUZMAN: Chair?

COUNCILMEMBER COCHRAN: --but having done research that's what we found. Thank you.

COUNCILMEMBER GUZMAN: I think what we need to make known is, you know, as a government entity that's developing its own projects we can actually apply for 201H and exempt ourselves for a lot of different things. So the advantage there is okay we are the developer as well as the body that exempts. So at some point we could turn around and partner with the developer. We own the land under the trust that would then keep it in perpetuity after we sell it, after these houses are sold 'cause the trust actually owns the land. And RFP the developer to come in and partner with the County as they develop it. We get a percentage of the sale price, we put it back into the Affordable Housing Fund and we use that money like a revolving fund to purchase more land.

CHAIR COUCH: Right.

COUNCILMEMBER GUZMAN: But, you know, these are just pie in the sky type ideas but we need to start trying or at least investigating whether the, they will be reasonable or effective.

CHAIR COUCH: Right, right.

COUNCILMEMBER GUZMAN: Yeah. And starting with small parcels --

CHAIR COUCH: Yeah.

COUNCILMEMBER GUZMAN: --would be a great opportunity.

CHAIR COUCH: Yeah.

COUNCILMEMBER GUZMAN: So...

CHAIR COUCH: Yeah, these are two really good opportunities.

COUNCILMEMBER GUZMAN: Yeah.

CHAIR COUCH: So, HHT for that?

COUNCILMEMBER BAISA: Fine.

CHAIR COUCH: That seems to be the... 'cause they, she can put 'em all kind of together in one big.

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**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Excused: MPV and MW.)

CHAIR COUCH: Alright. No. 8, amend Chapter 19.30A of the Maui County Code to decrease the minimum lot size for farm labor dwellings on agricultural land. That sounds like it should stay right here.

COUNCILMEMBER BAISA: Your Committee.

CHAIR COUCH: Yeah.

COUNCILMEMBER BAISA: Yeah, that's your baby.

CHAIR COUCH: We can discuss that item. I can bring that up. And I'll discuss that with the Planning Department too. I know they have some concerns on small lot sizes. So that kind of will go in conjunction with the ag clustering bill that we're trying to work through some of the concerns with the Department. So we'll work that together.

COUNCILMEMBER COCHRAN: Chair?

CHAIR COUCH: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you. I just want to insert that this particular item is really, really resonating with our farmers and people out there --

CHAIR COUCH: Yes.

COUNCILMEMBER COCHRAN: --they want this discussion to happen.

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: So if I can encourage this to be on the top of your list of lists to bring out before end of the term here that would be really, really awesome to have.

CHAIR COUCH: Yeah, that we can really get down and dirty on this one. Okay. We'll get that.

**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Excused: MPV and MW.)

CHAIR COUCH: No. 9, allow for an independent third party building plan review process. We can go with...we could probably do that in IEM because that's where the plan review process starts. That may have to be some...we may have to go into executive session on some of that but we can't do that here right now. But I think this will be good for IEM to discuss. Any objections to that?

**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Excused: MPV and MW.)

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CHAIR COUCH: Okay. Alright. So recapping, that was the nine. No. 1 is gonna go to IEM; No. 2 HHT; No. 3 we're going to come back to when we have Public Works and Managing Director here, as well as Planning, so we can all hash it out; No. 4 is going to HHT; No. 5 HHT; No. 6 PIA; No. 7 HHT; and No. 8 stays here; and No. 9 goes to IEM. Any questions on that? Department, do you have any comments on that?

MS. McLEAN: No, thank you, Chair.

CHAIR COUCH: Okay. Corp. Counsel, you kind of look like you might have had a question? No, okay. Alright, Staff, you got that --

MR. GARNEAU: I have it.

CHAIR COUCH: --set?

MR. GARNEAU: Yes, Chair.

CHAIR COUCH: Okay. So Members, we are getting close to where we have to head out to our next function that we're all participating in I understand. I want to thank you very much. We will go through...we have the next meeting on the 20<sup>th</sup> of October and we will have that item as well as the No. 1 on here is the affordable dwelling units. Mr. Carroll's bill, I believe it's PC-28. Is that the item number? It's the affordable...it's the number one issue on this TIG report so we're going to bring that up right away as well as we'll finish...we'll figure out what to do with the "one stop shop." Alright. Any questions? Any comments? Seeing none, thank you very much for getting through this. We're gonna take a bite out of the elephant one, you know, the big huge elephant in the room. One bite at a time we'll finish it. We'll get it done. Thank you very much, Staff. Thank you, testifiers, and we're gonna see if we can get some...a panel, too, if we can get that going, if we have enough time at the next meeting. So with that, this meeting is adjourned. . . . (gavel) . . .

**ADJOURN: 3:19 p.m.**

APPROVED BY:



DON COUCH, Chair  
Planning Committee

pc:min:161012:cs

Transcribed by: Cathy Simmons

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CERTIFICATE

I, Cathy Simmons, hereby certify that 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 this 3<sup>rd</sup> day of November 2016, in Wailuku, Hawaii.

  
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Cathy Simmons