

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

February 17, 2021

Online Only via BlueJeans

CONVENE: 5:41 p.m.

PRESENT: Councilmember Keani N.W. Rawlins-Fernandez, Chair
Councilmember Tamara Paltin, Vice-Chair
Councilmember Gabe Johnson, Member
Councilmember Tasha Kama, Member
Councilmember Alice L. Lee, Member
Councilmember Michael J. Molina, Member
Councilmember Shane M. Sinenci, Member (in 6:17 p.m.)
Councilmember Yuki Lei K. Sugimura, Member

EXCUSED: Councilmember Kelly Takaya King, Member

STAFF: Lesley Milner, Legislative Analyst
Kasie Apo Takayama, Legislative Analyst
David Raatz, Supervising Legislative Attorney
Yvette Bouthillier, Committee Secretary

Kate Griffiths, Executive Assistant to Councilmember Gabe Johnson
Evan Dust, Executive Assistant to Councilmember Tasha Kama
Axel Beers, Executive Assistant to Councilmember Kelly Takaya King
Sarah Pajimola, Executive Assistant to Councilmember Keani N.W.
Rawlins-Fernandez
Dawn Lono, Executive Assistant to Councilmember Shane M. Sinenci
Jordan Helle, Executive Assistant to Councilmember Yuki Lei K. Sugimura

ADMIN.: Scott K. Teruya, Director, Department of Finance
Sandy Baz, Managing Director, Department of Management
Kristina Toshikiyo, Deputy Corporation Counsel, Department of the
Corporation Counsel

OTHERS: Francine Aaronson (Auntie Mopsie)
Junya Nakoa
Evelynn Goo
Kai Nishiki

PRESS: Akaku: Maui Community Television, Inc.
Kehau Cerizo, *The Maui News*

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**ITEM 24: ACQUISITION OF 6.3 ACRES AT 100 MAHALANI STREET
WAILUKU, MAUI, HAWAII (CC 21-26)**

CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . . Aloha ahiahi kākou. Kanahākūmākahi minuke o ka hola ‘elima ma . . .*(interrupted by recording)*. . . o Pepeluali i ka makahiki ‘elua kaukani iwakāluakūmākahi. E ‘olu‘olu mai, e ho‘omalū ke Mo‘ohelu Kālā me Mo‘owaiwai Komike ‘o wai ka po‘o kēia Komike o Keani Rawlins-Fernandez. It is, or was, 5:41 on February 17, 2021. Will the special Budget, Finance, and Economic Development Committee meeting please come to order. I’m your Chair, Keani Rawlins-Fernandez. I...ahi ahi me ko kākou, kēia Committee Vice-Chair Tamara Paltin. Aloha.

VICE-CHAIR PALTIN: Ahiahi kākou. Long time no see everybody.

CHAIR RAWLINS-FERNANDEZ: We missed you. Council Chair Lee.

COUNCILMEMBER LEE: Madam Chair, pili iā ‘oe, close to you.

CHAIR RAWLINS-FERNANDEZ: . . .*(inaudible)*. . . And Member Mike Molina.

COUNCILMEMBER MOLINA: Aloha. And, boy, this is something rare. Good evening to you, and my fellow colleagues, and everyone else. And is it pehea ‘oe or pili iā ‘oe? I think...that reminds me of an old KMVI greeting if I recall, KMVI radio. Am I right, Chair Lee?

COUNCILMEMBER LEE: You’re right, you’re right. Close to you.

COUNCILMEMBER MOLINA: There you go. All right.

CHAIR RAWLINS-FERNANDEZ: Oh. You got it. Member Gabe Johnson.

COUNCILMEMBER JOHNSON: Aloha, Chair. Good evening, everyone. Pili ‘oe, I guess, is how we go...here for...I’m here to listen. Let’s do this.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Pro Temp Tasha Kama.

COUNCILMEMBER KAMA: Aloha ahiahi, Chair, and pili iā ‘oe to each and every one of you.

CHAIR RAWLINS-FERNANDEZ: Mahalo. And Member Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: I think we got my computer working. So good evening, everybody. And thank you, everybody, for participating tonight who are listening.

CHAIR RAWLINS-FERNANDEZ: Yea, success. And you have your name at the bottom too. Okay, perfect. Okay. From Corporation Counsel, we have Kristina Toshikiyo, Deputy Corporation Counsel.

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MS. TOSHIKIYO: Aloha. Good evening, everyone.

CHAIR RAWLINS-FERNANDEZ: Good evening. From Department of Finance, Director Scott Teruya.

MR. TERUYA: Good evening, Chair. And it's not even the Budget session yet.

CHAIR RAWLINS-FERNANDEZ: We're warming up. Committee Staff, Committee Secretary, Yvette Bouthillier.

MS. BOUTHILLIER: Good evening.

CHAIR RAWLINS-FERNANDEZ: Aloha. Putting in the overtime. Budget Committee Analyst Lesley Milner.

MS. MILNER: Good evening, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha.

MS. MILNER: Good evening, Members.

CHAIR RAWLINS-FERNANDEZ: Legislative Analyst Kasey Apo Takayama.

MS. APO TAKAYAMA: Aloha, Chair. Aloha, Members.

CHAIR RAWLINS-FERNANDEZ: Aloha. Supervising Legislative Attorney, David Raatz.

MR. RAATZ: Good evening, Chair and Committee Members.

CHAIR RAWLINS-FERNANDEZ: Aloha. Okay. Okay, Members, we have one item on today's agenda, BFED-24, Acquisition of 6.3 Acres at 100 Mahalani Street, Wailuku, Maui, Hawai'i. Before we begin with public testimony, if there are no objections, I would like to receive a presentation from Finance Director Teruya. Are there any objections?

COUNCILMEMBER JOHNSON: No objections, Chair.

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. Okay. And so Director Teruya, if you could please provide opening comments, presentation on our County finances.

MR. TERUYA: Thank you, Chair. Just out of due respect for the Managing Director, if you would like to give him an opportunity to give open comments...I know he wasn't scheduled to be on it, but he's on the call, so I'll give him that opportunity. Thank you, Chair.

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CHAIR RAWLINS-FERNANDEZ: Mahalo, Director. I didn't see him on. Aloha, Managing Director Sandy Baz. Mahalo for joining us.

MR. BAZ: Sorry...sorry, I'm on audio only. Can you guys hear me okay?

CHAIR RAWLINS-FERNANDEZ: Yes, we can hear you.

MR. BAZ: All right. Okay. Well, good evening Members, Chair. Thank you for having this item up on...as a public meeting here tonight so that the...can get input from the community. You know, the discussion we had today during the Budget meeting was very important. I'm glad that we had that opportunity to get through some of the details. And as you heard, and as we proposed, this purchase is a very big benefit for our community, for the County itself in the possibility of, you know, acquiring land and buildings that we can use as space for County facilities and agencies, and reduce the amount of rent that we pay to the community itself for our space usage. So really, just in general...thanks, Scott, for putting me on the spot. But really, we appreciate the opportunity to discuss this and, you know, provide any responses that you need before Friday's Council meeting.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Managing Director Baz. Finance Director Teruya?

MR. TERUYA: Thank you, Chair and Members. Good afternoon. Good evening. A lot of...I...what I had to say was summed up by the Managing Director, but I think everybody understands where we are in general. The purchase of this parcel, should it not get approved by the Council, will not change what we do right now. Currently we would continue to spend money renting office space equal or greater to the amount we would pay for debt service to pay off this parcel. As you know, escalation costs over time with rent can...will go up at some point. And the existing leases over the next 20 years will probably be greater than the cost to bond the purchase of this parcel. At the end of the leaseings of office space after 20 years, you're left with nothing, versus if you use the same amount of money or less to purchase this parcel and pay off the debt service, in 20 years you have this parcel and the improvements. If something should happen where we're all meeting virtually, then maybe at the end of 20 years, or even before that, you would have the opportunity to dispose it. So at least there's value there at the end of 20 years, versus in a leasehold situation, such as One Main Plaza, when you're done leasing, you're left with nothing. So all we're proposing today is we feel it's a good investment to instead of use our money for leasing office commercial space, use that same amount of money and purchase the parcel before you. We believe it's a good investment, the Mayor believes it's a good investment, and therefore, we're bringing it to the Council. I think first and foremost, you need to address the question of whether or not we are going to acquire this piece or not. And then it will be a separate question for you whether or not it is for the Council. But I think you can't get to the question number two without solving question number one. So for sure, Chair, here I don't have a presentation per se, I think we know where we are. We're here to provide you any information that you guys need. We believe it is a good investment for the County and the public over time. I don't believe the County will go away in 20 years. But at the end of 20-year note, you have a position where you can reevaluate whether or not it should

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continue as County space or be disposed of. So Chair, that's the opening comments I have for you today.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Finance Director Teruya. So just really quickly about bonding, what bonding is versus general fund.

MR. TERUYA: You know, who's the best person for this is really Managing Director Baz, as he has been your former Budget Director all these years. I'll give him the first crack. Managing Director, I'm not sure if you want to.

CHAIR RAWLINS-FERNANDEZ: Managing Director Baz, just really quick for the public's benefit, that the clarification that the acquisition would be...we would be using bond funding and not general funds, so not cash. That...it would be like a mortgage, like a loan.

MR. BAZ: Correct. So the County does not issue...I mean, we don't get mortgages on property. What we do is we issue bonds. These are basically a promise to pay for people who want to invest in our community. They buy bonds, and we pay it based on a coupon rate interest on that. And the benefit of that is that you don't have to have the cash available now. We're not looking to, you know, spend \$10 million in cash right now. The interest rates, as we heard earlier today, are incredibly low. Only point...what...I forget what percentage of time it's been lower than this, but very, very small percentage of time ever it's been lower than this. And so the value of the money at this point is very good as far as the investment right now. You know, and the reason why you borrow money, the reason why you even get a mortgage for your house is that you want to have the asset, you want to have the usability of that asset prior to actually having all the cash you need to get that asset. And so just like you want to live in your home before you actually own the deed for it, we want to occupy space, and we want to do this, you know, as we pay it back...that debt. Debt service is what we consider your normal mortgage payment. So when you hear us talk about debt service, that's what we're talking about is how much you'd pay in principal and interest on the debt, on the bond issuance. And that is really calculated based on...and we try to issue 20-year bonds. The State allows us to issue 25-year bonds and...but we try to keep it down to 20 years because it's a reasonable time frame. And one of the other considerations of bond issuance, the...sometimes not thought about, but when you use cash, what you're doing is you're taking out of the current circulation a large amount of money that could be utilized for other things, and it's those current taxpayers that are paying that out of their cash right now. The future use of that is going to be benefiting taxpayers for many, many years. And so while we don't want to overburden future taxpayers with a lot of debt, it's also a consideration to not overburden current taxpayers with immediate cash uses. So it also balances out that, you know, who's going to be benefiting from this asset for many years to come. So another consideration for bond issuance is it's something that the County does regularly, just about every 18 months we issue bonds, and you heard from our financial advisors and our underwriter, you know. They assist us with that process and we issue, you know, anywhere between 50, \$100 million in bonds each time we issue. And that basically is reconsolidation of some debt, and then also new debt, you know, things that we've done construction wise, acquisition wise, and that's something that

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we do on a regular basis. So we do currently have...I forget the total number, Director Teruya, you can answer that, but a little over \$400 million in debt, and that includes bond issuances and loans from the State for the revolving funds for our water and wastewater systems. But those are ways that we utilize the debt to make the balance sheet work so that we can provide resources and assets to our community for our County needs without necessarily having the cash to do that. So it's a regular normal business process. Anybody in business operations knows you use some amount of debt in your operations to be successful. So Chair, I think in general, it's what we're trying to show. We...the three considerations we'd look at as far as how much we should issue, one has been talked about, is the legal debt limit, which is the...based on 15 percent of the total assessed value of properties in our County...not just the County's properties, but the total assessed values of the County. The other considerations are debt per capita, so how much debt are we paying each year per person...per resident in our community. And, you know, and again, this is a way to balance out whether or not we're overburdening our taxpayers. And the third consideration we look at is the amount of debt we're paying as part of our operating expense. You know, again, we don't want to have a lot of our operating expenses be just paying debt service back, but we want to make sure that it is, you know, something we can handle on a regular basis. So between those three considerations, we're very well placed to handle the debt we have now, and to issue more debt as needed in the right circumstances.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Managing Director Baz. So we...our legal limit is \$7.3 billion, and the percentage of debt that we currently carry is about 8 percent. Or did you say 6 percent?

MR. BAZ: Director Teruya might have the exact details. And they'll come out and readjust it in the proposed budget --

CHAIR RAWLINS-FERNANDEZ: Okay.

MR. BAZ: -- in another month or so. But Director Teruya, you have that?

MR. TERUYA: Yeah, Chair. It is currently at 6 percent at \$465 million.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director. And then the last thing, just to touch upon briefly, is what can bond funds be used for, and what it cannot be used for.

MR. BAZ: In general, we use bond issuances for capital improvements and capital purchases, acquisitions. They are things that are deemed to be long-term assets. There's a Federal definition in the IRS Code that allows us to issue tax-exempt bonds, and as long as we meet those, which is that, you know, it's a long-term asset that is owned by the County, then those...and some other parameters. Those are the general parameters of what we'd issue the bonds for. It...we can't issue bonds for our operating expenditures, you know, we can't say, hey, we're shortfall in this area. So we can't say, you know, we want to get a loan to pay for that. We don't want to do that. So generally it's for capital improvements and acquisitions.

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CHAIR RAWLINS-FERNANDEZ: Mahalo, Managing Director Baz. Any last comments before we go to public testimony? Okay, we're...so we're just going to do a quick presentation and then we're going to do public testimony, and then...Member Molina.

COUNCILMEMBER MOLINA: Yeah, sorry, Madam Chair. Just a quick procedural question. Now, initially, back a few weeks ago, some Members, myself included, asked for a public hearing, which is normally conducted by the Clerk's Office. Now, tonight's meeting is...I guess will serve as somewhat as a public hearing, although it's being staffed by BFED Staff. So...and typically at public hearings, you just have the public testify, and that's it. Now, this will be treated like a Committee meeting as well, so we had Administration comment and advocate for a position of support. Will you be allowing, after public testimony, opportunities for the Councilmembers to ask questions of the Administration if they have any?

CHAIR RAWLINS-FERNANDEZ: Mahalo for the question, Member Molina. So this is serving as a public hearing. The only difference between a Committee meeting and a public hearing is that there is a notice put into the newspaper, and that's something that we did for this meeting. We put out a press release. So that was done to satisfy that difference. And so I asked the Administration, so Director Teruya and Managing Director Baz, to just speak to how bond financing works because when I, you know, initially got some feedback, there were requests for using the money instead of buying the property to be used for feeding people. And as, you know, we all know, we cannot use bond funds for those kinds of programs to...it cannot be used for food. Right now it, you know, ever. It cannot be used for rental assistance. As Managing Director said, it's used for, you know, capital assets and that type of activity. And so that was the purpose of them speaking to how County financing works. And so it wasn't so much supposed to serve as advocating for a position on this item, it was just to explain to the public and those who would be testifying how the funds work...funds...bond funds work versus how cash, the general funds work, and what it can and cannot be used for.

COUNCILMEMBER MOLINA: So the question is you're not going to allow us to ask questions then of the Administration?

CHAIR RAWLINS-FERNANDEZ: So the...

COUNCILMEMBER MOLINA: Okay.

CHAIR RAWLINS-FERNANDEZ: This meeting wasn't intended for deliberation. It was just intended to receive testimony.

COUNCILMEMBER MOLINA: Yeah, but it's being run by...it's initiated by a Committee. And there is, I guess, some subtle difference, as the way I see it, between a public hearing and now you have a hearing that's being initiated by a Committee. So this is where I'm not clear on. So...and I just have a couple of questions. Trust me, it's not going to take all night, but I think it's only fair that we be given an opportunity. If you're going to allow Administration to speak at a Committee-initiated public hearing, why not...why

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are the Members now being prohibited from asking a question or two for clarification?
So...

CHAIR RAWLINS-FERNANDEZ: So it's --

COUNCILMEMBER MOLINA: Go ahead.

CHAIR RAWLINS-FERNANDEZ: -- it's a special meeting. Members, including yourself, requested a public hearing, and so I've set it up to serve as a Public Hearing. And while we have Committee meetings, and we generally have deliberations, I stated in our regularly scheduled Committee meeting, BFED Committee meeting, that we wouldn't be deliberating, and we would only be receiving testimony.

COUNCILMEMBER MOLINA: Okay. So how come the Clerk's Office did not initiate this? And why is the BFED Committee initiating this? Was there a deadline missed or anything of that nature? Because typically, public hearings are initiated by the Clerk's Office. So I just want to know that for my information.

CHAIR RAWLINS-FERNANDEZ: Yes. So this is a special meeting, a special BFED Committee meeting, which is why it's staffed by BFED Committee and not the Clerk's Office. If this was a scheduled public hearing, you're correct, it would be staffed by the Clerk's Office. I've mentioned, and others have mentioned, that there is a time sensitivity to this item. The deadline to post for a public hearing was the day of...trying to set up the public hearing. So the public hearing under the...staffed by the Clerk's Office...yeah. So it missed the deadline, but as I stated, the only difference is who it's staffed by, which I don't really see a big difference, and that it's posted in the newspaper, which I mentioned that we did do for this special meeting.

COUNCILMEMBER MOLINA: Okay. So the short answer is, no questions from the Members to Administration?

CHAIR RAWLINS-FERNANDEZ: Yeah. So at the end of our regularly scheduled meeting, I asked Members to take up questions that you have directly with the Directors and...or whoever you would need to get your answers from.

COUNCILMEMBER MOLINA: And the reason I bring this up, Madam Chair, because we've gotten...finally gotten some more information to help us make a fully-informed decision come Friday. And, you know, we had an Executive Session on some other matters. But, you know, I think it's good that the public, you know, at least sees us making a full attempt to vet this proposal out. So I guess, with that being said...I mean, it's your ruling. Although I don't agree with it, I'll abide by it, but I will have questions at Friday's Council meeting for Administration. And I know we typically don't like doing Committee work at Council meetings, but it's been done before. So I'll just say I will have questions at this Friday's Council meeting. Thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay, Members, are there any objections to taking public testimony? Okay, we'll start with public testimony. Oral

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testimony via phone or video conference will be accepted. Please know that if you are signed in, you are on the list to testify, even if you did not request to testify. Please let Staff know in the chat if you are signed on and do not intend to testify. Testifiers wanting to provide video testimony, please join the BlueJeans meeting link. Testifiers that...wanting to provide audio testimony, please call the number noted on today's agenda. The Committee intends to keep the same meeting link. Written testimony is highly encouraged. Individuals are free to provide testimony via eComment. Instructions on that can be found at mauicounty.us/eComments. Oral testimony is limited to three minutes. When testifying, please state your first and last name for the record. If you are testifying on behalf of an organization or are a paid lobbyist, please inform the Committee. Staff will post...has posted the testifiers log in chat...in the chat so that testifiers can see where they are. . . .(inaudible). . .Two people signed up to testify, Francine Aarona, followed by Junya Nakoa. Okay. Ms. Aarona?

. . .BEGIN PUBLIC TESTIMONY. . .

MS. AARONA: Aloha. Can you folks hear me?

CHAIR RAWLINS-FERNANDEZ: Yes. And then we also hear the rain in the background.

MS. AARONA: Yeah. E kala mai, I have the ocean in the background because I got kicked out of the house because they want to watch TV. But anyway, I'm Auntie Mopsie, and my legal name, Francine Aarona. But mahalo for having this meeting. You know, many of us, the residents, we don't have an opportunity to listen to our Council, to listen to input. And of course, for us who own homes, we find that it's beneficial to have the equity or to have that home for us instead of paying rent. So I see this opportunity in purchasing this Maui News building as equity. Although there are questions that I'm hearing and, of course, this is just a format of us giving you our mana'o, but then if we really wanted to hear the feedback of each Councilmember, then we need to check in on the Friday meeting; is that correct? That you're going to deliberate on this matter? So, you know, in looking at the news clippings and looking at the pros and cons of what you're going to save, how much it's going to be, and, yes, unfortunately this is a time of the pandemic and, you know, letting go people in your Staff. Well, maybe we can save money on what you're leasing to hang onto those people. I'm not sure, but it's always a good opportunity, and I'm looking at the footage of occupying and purchasing something so that you don't have to keep leasing and, you know, not saying it's yours. It's...it goes with even purchasing land. If you have the land, then you can build on the land. You can make homes on the land, and you can rent it out, and that's your equity for the County. But I am in favor of anything that will be a plus for the County as far as equity, and not leasing out and renting. And I'm surprised to hear, in reading some stuff, that the eighth floor is leaking, those kind of things. But if it is something that you can call your own. I did not realize that the building did not belong to you, where you're occupying now, or am I not getting that right? Do we own that building? We do. Okay. So, you know, we have a . . .(timer sounds). . . we can gather all our Administration and put them all where we're not paying rent or leasing out. So this is just another avenue to move forward. So mahalo.

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CHAIR RAWLINS-FERNANDEZ: Mahalo for your testimony this evening, Ms. Aarona.

MS. AARONA: Thank you.

CHAIR RAWLINS-FERNANDEZ: And we have deliberated on this item, and I'm happy to send you the minutes.

MS. AARONA: Mahalo.

CHAIR RAWLINS-FERNANDEZ: Questions for our testifier? Seeing none. We'll thank you for your testimony this evening. Aloha. Our next testifier is Junya Nakoa, and he is the last person signed up to testify.

MR. NAKOA: Hey, howzit. Yeah, sorry, I hope you guys can hear me, but I cannot find my earphones. Yes sir. Yeah, I came on top here because the TV wasn't working earlier. That's why I came on. But I just like say mahalo for Sandy Baz explaining the difference between the bonds and the using regular money. You know, the thing kind of make sense now, you know what I mean. Yeah, you guys need one other place if the eighth floor stay leaking, you guys need one better place for go. But yeah, I support anything that going help our economy. I going listen some more on Friday. Mahalo. Thank you guys for this. Shoots.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Nakoa. Members, any questions for our testifier? Okay. Seeing none. We'll thank you for your testimony this evening, Mr. Nakoa. Aloha. Okay. And we have a phone number ending in 7594. If that person would like to testify, please unmute yourself. Oh, I'll unmute you for you. Okay, you're unmuted if you would like to testify.

MS. GOO: Aloha. Yes, I would like to testify. My name is Evelyn Goo. And I'm calling in because I have been watching, observing some of the meetings on this issue, and I don't know, there just seems to be a lot of questions not being answered for other Councilmembers. And this is just my observation. Me personally, I would like to testify opposing this at this time. And the reason is that we just...well, I say we, but the *(audio interference)* \$12 million building, and we're in times of COVID. And the people of Maui County, I think it would best serve them in putting that money elsewhere. And also...God, I just lost my train of thought. I'm sorry. Also, I believe the County owns 200 High Street. So wouldn't it be better to just repair if ceilings are leaking than spend \$9.8 million buying a new building? It's just a question I have. If that's, in fact...you know, if Council is going to be moving to this building. I don't know, it's just kind of how I feel. I was going to say something else, but I'm nervous even on the phone and just lost my train of thought. So anyway, at this point, as being in the public, I just don't feel it's time...it's a time for the government to be expanding itself when they already own a building that you folks are in. I guess that's all that I really have to say right now. I will observe the meeting on Friday and see if I learn any new information. So thank you for allowing me to call in and testify.

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CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Goo. Quick question, and then I see Member Paltin with her hand up. In your testimony, you said that the money should be maybe used elsewhere. Would you provide an example of elsewhere for clarification?

MS. GOO: I don't really have an example that comes to mind, other than being used for the people of Maui. Because there's a lot of suffering going on right now. I mean, I myself have not worked since March 11th. And there's just so much going on in my view right now that I just think \$9.8 million, for a person like me, is a pretty astronomical amount, being that we just purchased a \$12 million building, and we own the building that you folks are in at this point that we own, 200 High Street. I mean, at the very minimal, I would see putting money back into what we already own. But that's...I don't know, that's just my thought process.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Goo. Member Paltin.

VICE-CHAIR PALTIN: Thank you, Chair. Thank you, Ms. Goo, for your testimony this evening. My question was, you know, since it hasn't been determined if we, as in the eighth floor or the seventh floor, were the ones to move to this location yet, would you be more okay with the purchase if it were folks that were in rented space to move to the new location so that we stop paying rent and instead pay, I guess what the County's version of a mortgage is? Because while we own 200 South High Street, we don't own One Main Plaza, where we spent 21 million over the last 14 years paying rent with nothing to show for it. So just trying to clarify if it's that you don't want us to move out of a building that we already own, or if you don't want...if you're okay with it if people who are moving out of a building that we pay rent in and start paying, like, the County's version of a mortgage instead of continuing to pay the rent?

MS. GOO: Well, in my view, that would certainly shed a different light on it for sure. Because I just fail to see moving from a building that is owned that's in need of repairs and not spending money to make those repairs, but yet purchasing another building that's \$9.8 million in the times that we're in right now. That's what I am...have a problem trying to commute and digest for my own self. Plus, I mean, we just bought a \$12 million building that we still, I don't believe, have moved everybody into. I don't know. In my view, it just seems that there's just too much in the air at this point. And \$9.8 million in my view...I mean, my God, if I had that money for my own self, I would be set the rest of my life. So to me, it's an astronomical amount, and the people of Maui are now suffering. I understand that the County is paying leases on some view, but I just don't feel that right now is the time to expand government. I just...I'm sorry, I just don't feel that now is the prime time to be expanding government.

VICE-CHAIR PALTIN: Thank you.

MS. GOO: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Mahalo, Committee Vice-Chair Paltin. Members, any other questions for our testifier? Seeing none. We'll thank you, Ms. Goo, for your testimony. And I'll recognize --

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MS. GOO: Thank you.

CHAIR RAWLINS-FERNANDEZ: -- aloha. Member Shane Sinenci.

MS. GOO: Aloha.

CHAIR RAWLINS-FERNANDEZ: Mahalo for joining us. Aloha. Okay. I...so those were the two...three testifiers. I'll ask for anyone else wishing to testify this evening. Unmute yourself, and you may proceed with your testimony.

MS. NISHIKI: Good evening, Chair, Councilmembers.

CHAIR RAWLINS-FERNANDEZ: Hello.

MS. NISHIKI: May I offer testimony?

CHAIR RAWLINS-FERNANDEZ: Absolutely. You may proceed.

MS. NISHIKI: Mahalo. I was doing a little bit of research on the issue, and I came across the Maui News article with Director Teruya. And I wholeheartedly support his statement, you know, that we just need to get out of renting properties and paying somebody else's mortgage. I mean, this is something that we're always taught, like, as soon as you can, stop paying rent and pay a mortgage. So I don't see why the County wouldn't lead with that as well. So I fully support it, and I am sure that our community will understand over time that it is best, when we do have an economic crisis, to look at places that we can save money, not only initially, but over the long term. So thank you so much for being so forward thinking and introducing this, and please pursue it. Imua.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Nishiki. Members, any questions for our testifier? Seeing none, mahalo nui for your testimony this evening. Aloha. Okay. Anyone else wishing to testify, please unmute yourself now, and you may proceed. Okay. Hearing no one speaking up to testify, if there are no objections, I'll now close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Members. And if there are no objections, we'll accept any written testimony into the record.

COUNCILMEMBERS VOICED NO OBJECTIONS

. . .END OF PUBLIC TESTIMONY. . .

CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. Okay, so this concludes today's special

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Budget, Finance and Committee...sorry...Economic Development Committee meeting, and we'll see you all tomorrow at 9:00 for PSLU Committee meeting. Mahalo for putting in the overtime, Members.

VICE-CHAIR PALTIN: See you guys bright and early.

CHAIR RAWLINS-FERNANDEZ: . . .*(laughing)*. . . Okay.

VICE-CHAIR PALTIN: Can't wait. Section 2.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay, Members, enjoy your dinner and have a wonderful evening. We'll see you bright and early tomorrow morning.

COUNCILMEMBER LEE: Okay. Good night, everybody.

UNIDENTIFIED SPEAKER: Good night.

CHAIR RAWLINS-FERNANDEZ: And the BFED Committee meeting is now adjourned at 6:22 on February 17th . . .*(gavel)*. . .

ACTION: DEFER pending further discussion.

ADJOURN: 6:22 p.m.

APPROVED:



KEANI N.W. RAWLINS-FERNANDEZ, Chair
Budget, Finance, and Economic Development Committee

bfed:min:210217 (530pm):cs

Transcribed by: Crystal Sakai

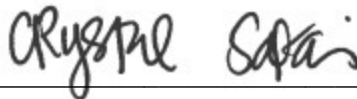
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CERTIFICATION

I, Crystal Sakai, hereby certify that pages 1 through 13 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 17th day of March 2021, in Wailuku, Hawai'i

A handwritten signature in black ink, reading "Crystal Sakai", is written over a horizontal line.

Crystal Sakai