

INFRASTRUCTURE AND TRANSPORTATION COMMITTEE

Council of the County of Maui

MINUTES

May 17, 2021

Online Only Via BlueJeans

CONVENE: 9:09 a.m.

PRESENT: VOTING MEMBERS:

Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tasha Kama, Vice-Chair
Councilmember Kelly Takaya King
Councilmember Alice L. Lee
Councilmember Michael J. Molina
Councilmember Tamara Paltin
Councilmember Keani N.W. Rawlins-Fernandez

NON-VOTING MEMBER:

Councilmember Shane M. Sinenci

EXCUSED: VOTING MEMBER:

Councilmember Tasha Kama, Vice-Chair

STAFF:

Laksmi Abraham, Legislative Analyst
Lesley Milner, Legislative Analyst
Kasie Apo Takayama, Legislative Analyst
Richard Mitchell, Legislative Attorney
James Forrest, Legislative Attorney
Clarita Balala, Committee Secretary
Jean Pokipala, Committee Secretary
Lenora Dineen, Council Services Assistant Clerk

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

ADMIN.:

Jennifer M. Oana, Deputy Corporation Counsel, Department of the
Corporation Counsel
Michael Hopper, Deputy Corporation Counsel, Department of the
Corporation Counsel
Jordan Molina, Deputy Director, Department of Public Works
Ty Takeno, Civil Engineer, Department of Public Works
Eric Nakagawa, Director, Department of Environmental Management
Michele McLean, Director, Department of Planning
Chana Makale'a Ane, Economic Development Specialist, Office of the
Mayor

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OTHERS: Nick Drance
Mike Moran
Dave Jorgensen
Tom Cook
Brett Gobar
Genesis Young
Kekoa McClellan
Jeff Ornellas
Sara Tekula
Faith Chase
Jordan Hocker
Albert Perez
Scott Shapiro
Darcel Gilbert
Consuelo Apolo-Gonsalves
Jessica Pearl Kwon
Brandi Corpuz
Christina Goodness
Travis Thomason, Director, Natural Resources Conservation Service, United States Department of Agriculture
Wes Nohara, Associate Director, West Maui Soil and Water Conservation District Board
Jerry Gibson, President, Hawaii Hotel Alliance
(7) additional attendees

PRESS: *Akakū: Maui Community Television, Inc.*

CHAIR SUGIMURA: . . .*(gavel)*. . . Good morning, everyone. Welcome to the Infrastructure and Transportation Committee meeting. Today is Monday, May 17th, and the time is 9:09 a.m. I'm sorry about this BlueJeans glitch, but I think we got it now, so we can see everybody. My name is Yuki Lei Sugimura. I'm the Chair of this Committee. Vice-Chair is Tasha Kama. *[recording has stopped, recording has started]* She is excused from the meeting. And present today is Kelly King.

COUNCILMEMBER KING: Aloha. Good morning. Wait, hang on a second. Saibaidee from Laos. Okay.

CHAIR SUGIMURA: I beg of Alice Lee to give us the translation.

COUNCILMEMBER LEE: Okay. Good morning, everyone. Good to see you after the...the weekend. Oh, okay. Hello in Laos, Southeast Asia, is *[sah-by-dee]*. Saibaidee.

CHAIR SUGIMURA: Saibaidee. Saibaidee. Mike Molina, from Makawao.

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COUNCILMEMBER MOLINA: Good morning, Madam Chair. To you, and my colleagues, saibaidee to all.

CHAIR SUGIMURA: Saibaidee. Tamara Paltin from West Maui.

COUNCILMEMBER PALTIN: Saibaidee and aloha kakahiaka kākou.

CHAIR SUGIMURA: Aloha. Good morning. Vice-Chair Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka mai Moloka'i Nui Ahina, and saibaidee...saibaidee kākou.

CHAIR SUGIMURA: Saibaidee. And I have to give super stars to Shane Sinenci. He was the first one logged on. Mr. Sinenci, welcome. Can't hear you.

COUNCILMEMBER SINENCI: Saibaidee, Chair.

CHAIR SUGIMURA: Saibaidee.

COUNCILMEMBER SINENCI: And aloha kakahiaka mai Maui Hikina.

CHAIR SUGIMURA: Oh, my God, we're having something...can all of you see each other? All your videos just went off. They're on? Okay. Challenges, right? Gabe Johnson is not a Member, and he's welcome to join us. And as I said, Tasha Kama is excused. From the Department of Corporation Counsel, we have Jennifer Oana. Jennifer? *[recording has stopped, recording has started]* Okay, I saw her earlier. From Department of Environmental Management, who will be joining us is Eric Nakagawa, the Director, as well as Scott Rollins, Wastewater Reclamation Division Chief. From the Department of Public Works, Rowena Dagdag-Andaya, Jordan Molina, Ty Takeno, Civil Engineering...Civil Engineer VI, is welcome to join us...although I think Jordan Molina is taking both of the items. Department of Planning, Michele McLean is the Planning Director. Other representatives will be Wes Nohara, Associate Director, West Maui Soil and Water Conservation District Board for the item on the...on the Lāhainā Flood Control, and Travis Thomason, who's the Director of Pacific Island Area Natural Resource Conservation Service (NRCS), United States Department of Agriculture, is joining us for the Lāhainā Flood Control item. Committee Staff, thank you very much for working hard. Laks Abraham, Legislative Analyst, Lesley Milner, Clarita Balala, and Richard Mitchell. Thank you very much, everybody. As you all know, that if we lose connection, we will take this meeting up and reconvene on May 25th, 2021 at 9:00 a.m., and that at this time we have full face...faith in our BlueJeans and online meeting, so we know we're not going to run into this problem. But if it does, we will consider it, only if we lose quorum and we cannot get restored in 30 minutes. Thank you, Members, for attending this meeting. And we have three items on agenda today. The first item, for information only, is IT-54 Memorandum *[sic]* of Building Permits for Visitor Accommodations, IT-33 is Lāhainā Flood Control Project, *[recording has stopped, recording has started]* IT-52 *[sic]* is Sewer Line Easement for the Kaiā'ulu O Kūku'ia Affordable Housing Project in Lāhainā. Laks, do we have testifiers?

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MS. ABRAHAM: Member Sugimura, our first testifier is Nick Drance. Nick, if you could please unmute yourself, and proceed with your testimony.

CHAIR SUGIMURA: Oh, wait. Before Nick goes on, Tamara, you have a question? Or is Tamara frozen?

COUNCILMEMBER PALTIN: Hi, can you hear me?

CHAIR SUGIMURA: I can.

COUNCILMEMBER PALTIN: Oh, I just...you said, memorandum on building permits.

CHAIR SUGIMURA: Oh, sorry.

COUNCILMEMBER PALTIN: I think it was supposed to be --

CHAIR SUGIMURA: Oh, sorry. Moratorium on building permits for visitor accommodations. Thanks for the correction. Okay. First testifier, Nick Drance.

MS. ABRAHAM: Member Sugimura, we are experiencing some technical issues. Why don't we go ahead and leave Nick on the testimony list and move to the next --

CHAIR SUGIMURA: Thank you.

MS. ABRAHAM: -- testifier.

CHAIR SUGIMURA: . . .*(inaudible)*. . .

MS. ABRAHAM: Thank you. Oh, he...I think he just rejoined.

CHAIR SUGIMURA: Okay.

MS. ABRAHAM: Nick Drance, are you there? Is Nick Drance...

CHAIR SUGIMURA: He's not . . .*(inaudible)*. . . Can't hear you.

COUNCILMEMBER KING: He's muted.

. . . BEGIN PUBLIC TESTIMONY . . .

MR. DRANCE: There we go. How's that?

COUNCILMEMBER KING: Good.

MR. DRANCE: Okay. All right. Now I can't hear, but all good. All right, thank you, Chair. Aloha, Councilmembers. Can you imagine your constituents not wanting this

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moratorium, especially given the backlash against excessive tourism and overdevelopment we've seen in protests and in the newspaper and all over social media? Channel 7, Hawai'i News Now, *[recording has stopped, recording has started]*. Can you hear me? It's stopping and starting on my end. You can hear me? All right, I'll continue. Sorry. New hotels do nothing for residents except add to even more traffic and even more crowding at beaches. Everyone feels it, including the tourists. They are not really the enemy, we are. We are doing this to ourselves. The only people who don't want a building moratorium are corporate mainland developers and workers who could be building things we need instead. Employment for a relative few that cause huge and permanent change to our tiny island is not a fair exchange. A moratorium would also give us time to evaluate how the Planning Department/Planning Commissions function. I honestly don't think either of them are responsive to the needs and desires of residents. The Maui Coast Hotel is a perfect example. The frequent, mile-long line of traffic from Kam I, south past the boat ramp, didn't stop that project, nor did the crowds of umbrellas at Kam I. Fierce resident testimony didn't stop it either. It's obvious that the project is harmful to us now, but now we have it. I'd call that out of control as far as excessive development, in general, is concerned, which I think should be addressed as well. The same issue applies in the Planning Department. Something's wrong there. I feel like sometimes you could replace the word "planning" with "processing" in these two entities. I listened to Michele McLean and Jordan Hart speak recently at a community protest over a three-story structure in Nāpili Bay. I left that hour-and-a-half meeting with the sense that among 75 Planning Department Staff, some have a great deal of authority. In the case of that building, at this point after the fact, the fear of litigation has the Department between a rock and a hard place. Builders have a huge advantage over the interests of residents, and that appears to be built right into the organizational structure. So I support a broader moratorium to give us time to evaluate what's happening to us. I'd like it to extend Countywide, and remain in place until after the various community plans are approved. *[recording has stopped, recording has started]* I'd also like to see . . . *(inaudible)* . . . discussion address the seeming lack of oversight ability by others of the Planning Department and Planning Commission. We've all got to get on the same page. Maui isn't Miami Beach, and it's not the mainland. People need to recognize that, and prioritize stewardship, instead. As far as I know, that's the primary job of government. Once paradise is lost, it's lost forever. Mahalo.

CHAIR SUGIMURA: Thank you. Any questions for Mr. Drance? Seeing none, thank you very much for participating.

MR. DRANCE: Mahalo.

CHAIR SUGIMURA: Next testifier, please.

MS. ABRAHAM: Next testifier is Mike Moran. Mr. Moran, please unmute yourself and proceed with your testimony.

MR. MORAN: Good morning, Chair, and perhaps soon...soon-to-be Senator. Thank you for the opportunity to testify this morning. My name is Mike Moran, and I am speaking for the Kihei Community Association this morning on Item IT-54. We've...first, we're very

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pleased that it was modified to not only be hotels, but to...to be to a wider spectrum which was necessary, visitor accommodations. We think that was a...a wise move, and we also appreciate that it includes addressing that...that overused term "climate change," "sea level rise," all those environmental issues. But we realize that this is just for discussion this morning, that you're not going to take any action. But we felt, well, this is good, we're going to discuss it. Let's try and make some of the points in the three minutes allotted. We've had...in...in our community in South Maui, we've had community concern for several years for the term over-tourism. I don't think we *[recording has stopped, recording has started]* heard from anyone saying we don't want any tourism here, but we do want it modified. And then, when we had the pandemic, I think that brought it to a head, that it...it showed us what no tourism brought to...to our community. And it brought positives and negatives. And of course, the negative was, wow, a big loss of jobs, but people also saw the positives. The streets were not packed. The beaches were not packed. So I think this brought the issue, oh, okay, let's just modify it. We see what's wrong with nothing, we know what's wrong with too much. Let's find something in between. So we looked to see well, now that the visitors are coming back, it...it seems in South Maui that this month is already back to the...the pre-pandemic level. We have seen some statistics that...that are indicating that, but we're just talking anecdotally from what we see. And what's...what's going to happen? Well, we do see more people coming, and you were blessed with what we felt, a...a wonderful presentation on the airlines, how the airlines are a major pollution problem. And what...what do we see happening? We see Hawaiian with adding more direct flights to both O'ahu and to Maui. Now, we see Southwest jumping in and adding direct flights. So it sure seems like very little action has been taken, but this is one of the few proposals that we...we see. So we commend the County . . . *(timer sounds)* . . . Council for...thank you. I hear...I hear the timer go off. So thank you very much, and good discussion today. Aloha.

CHAIR SUGIMURA: Thank you, Mr. Moran. Nice seeing you. Anybody have questions for Mr. Moran? *[recording has stopped, recording has started]* Seeing none, thank you very much. Next testifier, please.

MS. ABRAHAM: Member Sugimura, we're just going to pause for a brief moment to stop the...the recording and restart it, because it seems to be glitching. So if --

CHAIR SUGIMURA: Yeah.

MS. ABRAHAM: -- we could just pause for a moment, and we'll stop it --

CHAIR SUGIMURA: It needs to reset.

MS. ABRAHAM: -- and restart it.

CHAIR SUGIMURA: You need us to recess *[recording has stopped]* or that will be fine?

MS. ABRAHAM: They stopped it, so let's see if it starts, and stops restarting itself.

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[recording has started].

MS. ABRAHAM: Okay, let's go ahead and proceed. Our next testifier is Dave Jorgensen. Mr. Jorgensen, please unmute yourself and proceed with your testimony.

MR. JORGENSEN: Good morning, Chair Sugimura, Committee Members and Staff, and Saibaidee. My name is Dave Jorgensen. I'm an attorney in Wailuku, and I'm testifying on behalf of the American Resort Development Association of Hawai'i, or ARDA Hawai'i. I am a registered lobbyist. Thank you for having this hearing today. I'm...I'm here today to testify on the proposed moratorium on building permits for visitor accommodations. ARDA Hawai'i believes the matter is being rushed through the process, and that it requires much more input, review, and consideration, especially during this time when Maui's working so hard to get back on its feet. Contrary to Mr. Drance's comments, many of your constituents do not support this memoran...this moratorium, sorry. Implementing a moratorium on building permits for new hotel, resort, timeshares, short-term rental homes, bed and breakfast homes, and transient vacation rental units will have far-reaching and long-term impacts on real estate, construction, tourism, and the whole island economy. While the intent of the proposal is to put a pause on development of visitor accommodations and any increases in visitor arrivals, *[recording has stopped, recording has started]* there will be...there will be many unintended consequences of this action which must be considered. There will be substantial trickle-down effects, with negative impacts on employment in general, and the thousands of businesses that support the visitor industry from restaurants, to retail stores, to activity providers, to suppliers of all the products that support these businesses, as well as the construction industry, will face severe impacts. The proposed moratorium purports to exercise the County zoning power, and materially involves planning programs and land use, and prohibiting specific types of development in specific community areas, which is a zoning power. It also implicates many aspects of the planning process, and the proposal should be submitted to the Maui Planning Commission for full review and discussion. ARDA Hawai'i opposes the proposed moratorium. While the timeshare industry carefully and certainly cares about the environment, and we recognize the need for responsible tourism and better management of our precious resources, due and careful consideration must be given to the broader impacts of this moratorium. We appreciate the fact that this matter has been referred to two committees for consideration, and again strongly requests that it be sent to the Maui Planning Commission for further public hearing. I'm glad to hear, also, that representatives from the Department of Public Works and the Planning Department will be weighing in on ... *(timer sounds)*. . . this matter this morning. Thank you very much for your time and your careful consideration of this matter.

CHAIR SUGIMURA: Thank you, Mr. Jorgensen. Anybody have questions for him? Tamara Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Jorgensen, *[recording has stopped]* for your testimony. *[recording has started]*. I didn't catch what ARDA stood for. Can you repeat that?

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MR. JORGENSEN: American Resort Development Association of Hawai'i.

COUNCILMEMBER PALTIN: Thank you.

MR. JORGENSEN: I'm sorry, timeshare. Primarily timeshare industry.

COUNCILMEMBER PALTIN: Is time...it's American Resort Development Association of Hawai'i Timeshare, or...?

MR. JORGENSEN: It's an...an industry group...an industry group representing the timeshare industry. Yes, ma'am.

COUNCILMEMBER PALTIN: Okay. All right. Thank you for clarifying.

CHAIR SUGIMURA: Thank you. Anyone else have questions for Mr. Jorgensen? Seeing none, thank you very much, Dave.

MR. JORGENSEN: Thank you.

MS. ABRAHAM: Our next testifier is Tom Cook. Mr. Cook, please unmute yourself and proceed with your testimony.

MR. COOK: Aloha, and good day, Council Chair, Councilmembers. Can you hear me?

CHAIR SUGIMURA: Yes.

MR. COOK: Great. Thank you. My name is Tom Cook. I'm here as an individual, I live in Kihei, to give testimony on IT-54. I'm not in support of the moratorium. I've...I've mention...in the last meeting, I mentioned that I think the moratorium is a very blunt instrument. One aspect I'd like to...our government, obviously, has a lot of different roles to play. Our community has a lot of different views and input. This moratorium, one of the indirect byproducts that it's going to cause, which is going to affect affordable housing and other local...local resident services, is the Departments are going to have to weave through all of the applications for permits. It's going to be another layer, another filter, that people are going to have to deal with. The Maui Coast Hotel wanting to expand...*[recording has stopped, recording has started]* wanting to expand on the adjacent four-acre lot seems to be the catalyst for this. In the 50 years I've lived on Maui, I share in the tourism is overwhelming, I'm not excited about the traffic, I'm not excited about a lot of it. I don't participate in the tourism industry. We, as a community working together, hopefully can find some common ground. But a moratorium, I'm not supportive of. I understand and embrace the concern, but I don't believe that this particular path is going to actually solve anything, and I think it's going to create more of a bottleneck and impediment for the departments who deal with our other issues, which is my passion, affordable housing and rentals for locals. Thank you very much for the opportunity to share this opinion.

CHAIR SUGIMURA: Thank you, Mr. Cook. Anyone have questions for him? Seeing none,

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thank you very much, Tom. Next testifier, please.

MS. ABRAHAM: Chair Sugimura, we're going to try *[recording has stopped]*. We're going to try to --

CHAIR SUGIMURA: Recess?

MS. ABRAHAM: -- turn off the BlueJeans recording so it stops interrupting the meeting. So we just turned it off, and we're going to leave it off moving forward, but we do have other recording, so we should be okay.

CHAIR SUGIMURA: Okay. What is the impact to this meeting, Laks?

MS. ABRAHAM: It should be fine. We have other recordings of it. It's just that the BlueJeans recording is going on and off by itself, so we're just going to turn it off so it doesn't disrupt the meeting and continue.

CHAIR SUGIMURA: Okay. Appreciate that. Thank you. Next testifier.

MS. ABRAHAM: Our next testifier is Brett Gobar. Brett, please --

MR. GOBAR: Aloha, can you hear me? Aloha, can you hear me?

CHAIR SUGIMURA: Yes.

MR. GOBAR: Thank you. I agree with Nick Drance's comments earlier. I have some radical suggestions, like considering creating long-term housing by converting hotel rooms to small studios for singles and couples. That might provide us some affordable housing stock. I'd like to see you expand the moratorium to all of Maui County. I'd like to see you extend the moratorium for at least ten years. Hotel industry has not served us well. It's caused a lot of problems. I think it's essential that the Council and Planners, Planning Department, others, understand that visitors cost taxpayers money, more money than visitors bring to Maui. Visitors cost locals money by impacting and using our services. They obviously use road systems; water systems; sewer systems; emergency; police and fire services; ambulance; and emergency rooms and hospitals. They impact the cost of our County and State Administration. They use our trash and leave their land *[sic]*...we've got to fill our landfill, our dump, with their trash they don't take home. They impact the County and State parks and lifeguards. They impact our electrical grid. They require us to have more shipping services. The only groups that seem to benefit are big corporate developers, whose profits do not remain on Maui. It's important that Council recognize this and...and verbalize this us...those of us who have elected you, that you've seen that shift, and you've seen the light. Construction jobs are temporary. You lay the foundation, then you got to go find another foundation to lay. Then electricians come in, then they have to go find the next job or they're on unemployment. The hotel jobs seem to be low paying, I understand they're between \$11 and \$17 an hour. They don't offer a living wage, which is why we have to offer so many social services, welfare, et cetera. Visitors drive up the cost of housing for locals, which

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Council claims to be a priority issue. But you and the Planning Department have made decisions to add hotel rooms that take resources away from locals in need of housing. So adding more hotel rooms, expanding hotels, new hotels, new timeshares, this is costing taxpayers dearly. It's not the right decision. It's time for our elected representatives to stop relying on visitors for more taxes and low paying jobs. Visitors are accounting for a net loss to Maui. Instead . . . *(timer sounds)*. . . non-corporate farms could feed Hawai'i locals and provide many healthy jobs. Mahalo for listening.

CHAIR SUGIMURA: Thank you, Mr. Gobar. And anyone have questions for him? Seeing none, thank you very much. Thank you for being the first testifier to sign up. Thank you. Next testifier. Laks, how many more --

MS. ABRAHAM: We're --

CHAIR SUGIMURA: -- testifiers do we have?

MS. ABRAHAM: We have about...about 19.

CHAIR SUGIMURA: 19? Thank you.

MS. ABRAHAM: Our next testifier is Susan Kubo. Ms. Kubo, please unmute yourself and proceed --

MS. KUBO: I...I'm sorry. I didn't...I didn't sign up to testify. I'm...I'm just --

MS. ABRAHAM: Okay.

MS. KUBO: -- listening in. I'm sorry.

MS. ABRAHAM: Our next testifier is Genesis Young. Please unmute yourself and proceed with your testimony. Genesis Young, are you there?

MR. YOUNG: Members, Genesis Young, here. I'm testifying as...for myself and also as part of the subcommittee on...yes? Can you hear me? I am...I am here, can you hear me?

CHAIR SUGIMURA: Yes, we can hear you.

MR. YOUNG: I'm here. Can you? You can't hear me?

CHAIR SUGIMURA: We can hear you.

MR. YOUNG: I am here. Can you hear me? You can hear me now?

CHAIR SUGIMURA: We can hear you. We can hear you this whole time.

COUNCILMEMBER RAWLINS-FERNANDEZ: We can hear you.

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CHAIR SUGIMURA: Can you hear us? Now we can't hear you. Maybe we can go to the next testifier and go back to Mister...Mr. Young.

MR. YOUNG: I'm back on again.

CHAIR SUGIMURA: Okay.

MR. YOUNG: I'm here.

CHAIR SUGIMURA: Can you hear us?

MR. YOUNG: I can hear you, but the network's pretty unstable . . . *(inaudible)* . . . today.

CHAIR SUGIMURA: Okay. Thank you for --

MR. YOUNG: Yeah. So I just want to support the moratorium. Great, support the moratorium. I'm testifying as...for myself and also as a Chair for the Tourist Subcommittee under the Climate Advisory and Action Citizens Committee. And we support the moratorium. It came out our committee and also out of, of course, the CARE Committee. And you know, you already passed a resolution to decrease the tourism numbers, quality over quantity, unanimously. And then as everyone probably knows, they...then Maui Coast Hotel, not a few months later, okayed a hotel for a new 170-bed hotel on a...in South Kihei, when there's no ability to have more traffic on South Kihei Road. We have no control of the numbers of tourisms *[sic]*, and this is an attempt to try to help that. It won't be 100 percent helpful, and it will take years to actually kick in and actually take effect, because we're stopping construction of new places. I don't know how we're going to get full control of the number of tourists here. Apparently, we can't just put a cap on it, which would be ideal. But I'd like you to expand this moratorium. It's not sufficient to have the moratorium just for South Kihei; it needs to be Countywide. And the conditions for lifting this moratorium...the moratorium should go as long as possible, until the conditions are met, and the conditions haven't been discussed very much. We really shouldn't lift this moratorium until we have actual, accurate count of the number of rooms available Countywide, and we have our three to one resident to tourist ratio down, so we get less than 25 percent tourists. Up...up at you know, 2019, we're up at 42.7 percent tourist to residents; terrible, terrible, way past the County Island Plan numbers that doesn't seem to be enforceable. So this is one way to try to...to try to get control of that. So condition to lift the moratorium: let's have those numbers down to the three to one ratio; let's have quality of life indicators in place; let's have the accurate count of the number of rooms available; and we also should have the absolute numbers of truly affordable housing added, be at least 5,000, because we don't have enough affordable housing to house the people who are working in those hotels. And this isn't about...about decreasing jobs, this would increase jobs in the construction industry. It would just divert them to affordable housing, and this would simply not be a trickle-down effect. No one's ever proven that trickle-down does anything, and...and someone said send it to the Planning Commission. Are you kidding? They're the ones that okayed this hotel after we'd already passed a resolution to limit quality over quantity, limit the number of resident...of hotels. So it's ridiculous to send it to the

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Planning Commission and not necessary, and they would not do anything good with this idea anyway. And they control the SMA, they don't control the building permits for the rest of the County. So this is only a partial issue correction anyway, because the SMA wouldn't be touched. *(audio interference)* will help the tourist industry, because they have to decrease their numbers in order to maintain the quality of the reefs, the quality of the environment, which they depend upon. They are shooting themselves in the foot. This is for them as much as it is for us. This moratorium should not be lifted until we see a...a...an increase in the resident sentiment. All the HTA numbers show the resident sentiment has been decreasing, decreasing, since like 1988, when they start...first started doing the...the measurements. The Hawai'i Tourism Association monitors this, and we should be back to those 1988 levels before we consider removing this moratorium. We have to get control of our tourist numbers, we have to diversify, we need more affordable housing, and this resolution...this ordinance...rather, this moratorium will help that. It's really important that we make this moratorium as strong as possible, and have really good conditions to release it, so that we can support our...our County. Thank you. Aloha.

CHAIR SUGIMURA: Thank you. Anybody have questions for Mr. Young? Tamara Paltin.

MR. YOUNG: I think that was my time, right?

CHAIR SUGIMURA: Yeah. Thank you. Tamara, you have a question?

COUNCILMEMBER PALTIN: Thank you, Chair. I had a question. Thank you, Mr...oh, never mind. Thank you.

CHAIR SUGIMURA: Okay. Thank you. Anybody else have a question? Seeing none, okay, thank you very much for participating. Next testifier please.

MR. DORN: Okay. Hello?

MS. ABRAHAM: Aloha --

MR. DORN: I think I'm next.

MS. ABRAHAM: Our next testifier is David Dorn. Mr. Dorn, please unmute yourself and proceed with your testimony.

MR. DORN: Hello. Hopefully, you can hear me.

CHAIR SUGIMURA: Yes.

MR. DORN: My name is...hi, Councilmembers and Committee people. My name is David Dorn. I'm a Kihei resident, and founder of the SaveKihei.org community group. Sorry, I've got some gardeners in the background here. I support this moratorium on building hotels and visitor accommodations. This moratorium should be island-wide. I support Nick's...Nick Drance's comments, in that most people on Maui don't want more hotels,

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and I agree with Brett Gobar, that we should be converting hotels into affordable housing; that would solve our problems. And also, that construction jobs are only temporary jobs. They're assignments, they're not actual long-term jobs, and they are destructing...destructive to us in the long term. They need a constant feed stock, and they use up our precious resources of land, which is very limited. I believe that new hotels will not hurt...help our economy, they will hurt it. There is no net economic benefit from building a new hotel. It only benefits a very few people at the expense of the rest of us; the developer and the contractor. The paid lobbyist, Mr. Dave Jorgensen, said that it would hurt real estate, presumably the values to his timeshare holders. But that is not a consideration for the majority of the community. New hotels will compete with existing hotels. Competition will hurt them. I am in the tourism industry, I am a business owner, and I can tell you that competition is a business killer. Our existing hotels are the ones that have suffered through the pandemic, and they even got PPP loans to help them survive and recover from COVID. If you build more hotels now, they will compete with existing ones, and competition will cause them to cut costs so they can stay viable. And cutting costs usually means paying lower wages for workers. The new hotels did not suffer through the bad economy, they are the ones trying to cash in on it. New hotels compete for customers, and they will compete for employees. The construction industry will tell you they suffered through the COVID downturn, but this is not true. They were essential workers, they were uninterrupted through the pandemic, many of them flying back and forth to the mainland to do construction jobs. Meanwhile, construction crews from other islands came here during COVID. They had no traveling restrictions, and were free to come and go, while the rest of us were in lockdown. Building more hotels is not good for our island. The justifications you will often hear is that there are construction jobs and some hotel jobs. But construction jobs are not sustainable; they are temporary. And this is not a justification for building a hotel, which will stand for 50, 80, to 100 years. These hotels use up resources; land; water; and they create no-go zones for local people, and they even use up the local beaches. Each hotel you build cuts off access to part of Maui for the rest of the population. Each little piece that goes missing results in the rest of us being more crowded and having to deal with less space. Hotels make for crowded beaches, crowded roads, parks and amenities. The community pays for these, and we need these. Hotels put more people on the island, and . . . *(timer sounds)*. . . each new hotel increases our population. Our daily population is --

CHAIR SUGIMURA: Finish up your testimony, please.

MR. DORN: -- set to increase. Okay. I'll make this my last paragraph. Maui population is predicted to increase to 250,000 in the next 20 years because of increasing tourism. Our daily walking-around number of people includes the tourists. So please support this moratorium for building hotels. Thank you.

CHAIR SUGIMURA: Thank you. Thank you. Anyone have questions for Mr. Dorn? Thank you. Thank you very much. Next testifier, please.

MS. ABRAHAM: Next testifier is Dick Mayer. Mr. Mayer, please unmute yourself and proceed with your testimony.

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CHAIR SUGIMURA: Mr. Mayer? Mr. Mayer?

MR. MAYER: I did not sign up to testify today. I...I --

CHAIR SUGIMURA: Okay. Thank you.

MS. ABRAHAM: Next testifier --

CHAIR SUGIMURA: Oh, the echo. Thank you.

MS. ABRAHAM: Our next testifier is Kekoa McClellan. Kekoa McClellan, please unmute yourself and proceed with your testimony.

MR. MCLELLAN: Aloha, kākou. Can you hear me, Chair?

CHAIR SUGIMURA: Yes, we can hear you.

MR. MCLELLAN: Thank you so much. Aloha kakahiaka kākou, mahalo nui for the opportunity to provide comments to the Committee this morning. Thank you so much for taking the time to think through this issue, and...and specifically the impact of the visitor industry throughout Maui County and...and throughout the State. I do...I do want to commend the Council for the effort and the energy that you have collectively put into concerns over visitor impact on kama'āina. As a representative of many of Hawai'i's hotels and the...the more than 2,000 men and women that work for host hotels on Maui County, we are you. The...the...the industry is hyperaware of the impact of tourism and the direction that it's taken. And at the heart of these many conversations around tourism appears to be two issues that...that stand out: One, the impact of overcrowding, and specifically the function that illegal short-term rentals have had in the overcrowding of our neighborhoods. And...and...and secondly, the impact on some of our...our public spaces, our wahi pana, our community gathering spaces that...that tourism does have on...on local communities. And we want the Council to know that the legitimate visitor industry is aware, engaged and involved in these solutions. Our...our men and women go home to the communities that...that you share with them. They are voters in your communities, they go to our churches and schools throughout the State, and throughout Maui County. And when we look at over-tourism, it's very clear that the culprit is not our legitimate visitor industry. They're not the men and women that work in and around hotels. They are these illegal short-term rentals, and we applaud the effort that Maui has engaged in for several years now, to put tougher laws on the books. Having said that, we know that enforcement continues to be an issue, and a \$20,000 a day fine doesn't deter you if it's difficult to be caught. And let's be clear here: We're all struggling to pay our mortgages, if we can afford to get one. That...that is a common theme. With all due respect to...to our brothers and sisters on the other side of this issue, the visitor industry does provide a living wage, and \$17 an hour is...is not the average wage for someone working in the visitor industry. In fact, I'm proud of the fact that my clients in the visitor industry offer an opportunity for young men and women, or even people of seasoned age to get engaged, start at the bottom, and end up at the

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top. There are three international hotels today whose CEOs got their start as dishwashers, as cooks, as bellmen. We're proud of the fact that jobs in the visitor industry offer upward mobility. They give you a shot at buying a home and preserving a piece of Hawai'i for your --

CHAIR SUGIMURA: Can you --

MR. MCLELLAN: -- 'ohana. That's important to us, and we thank you for this time, and for considering where the real culprits are; the illegal short-term rentals that are taking housing away from locals, not our hotels.

CHAIR SUGIMURA: Thank you, Kekoa, can...very much. Anyone have questions for him? Seeing none, thank you very much.

MR. MCLELLAN: Mahalo.

CHAIR SUGIMURA: Mahalo. Next testifier.

MS. ABRAHAM: Our next testifier is Jerry Gibson. Jerry Gibson, please unmute yourself and proceed with your testimony.

CHAIR SUGIMURA: Jerry Gibson is going to be on my...in discussion, so I'm going to skip Jerry Gibson and bring him on when I discuss the issue. Thank you --

MS. ABRAHAM: Our next testifier --

CHAIR SUGIMURA: -- Laks.

MS. ABRAHAM: No problem. Our next testifier is Jeff Ornellas. Jeff Ornellas, please unmute yourself and proceed with your testimony.

MR. ORNELLAS: Good morning, Chair Sugimura, Vice-Chair Kama, and Members. My name is Jeff Ornellas, Local 1 of Hawai'i. In...the International Union of Bricklayers and Allied Craftworkers, Local 1, strongly opposes the proposed moratorium on building permits for visitor accommodations. Our members would be dramatically affected by the proposed moratorium. Hotel construction and renovations typically involve a significant amount of high-quality, high-finish stone, marble, terrazzo, and tile work. This is the type of work that our well-equipped contractors and well-trained members perform. Hotel construction and renovation work provides our members with a living wage, jobs so they can support their families on Maui County. If the proposed moratorium were to pass, our members and contractors would find it nearly impossible to find a stable and economically-sustained work opportunities in Maui. Our members living on Maui would be forced to move elsewhere, and our contractors on Maui would close their operations. With an uncertain future ahead for the local economy, we are extremely concerned by this proposal. Thus, we must respectfully...respectfully urge the Council to reject this very problematic moratorium proposal. Mahalo.

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CHAIR SUGIMURA: Thank you very much. Anyone have questions for Mr. Ornellas? Seeing none, thank you very much, Mr. Ornellas. Next testifier, please.

MR. ORNELLAS: Thank you.

MS. ABRAHAM: Next testifier is Sara Tekula. Sara Tekula, please unmute yourself and proceed with your testimony.

MS. TEKULA: Okay, I think I'm unmuted. Can you hear me?

CHAIR SUGIMURA: Yes.

MS. TEKULA: Thank you. I...I noticed that Councilmember Rawlins-Fernandez had a question for the last testifier, and I don't think --

CHAIR SUGIMURA: Oh.

MS. TEKULA: Chair Sugimura, I don't think you noticed. So I didn't want to take her time.

CHAIR SUGIMURA: Thank you. Go ahead, Sara.

MS. TEKULA: Oh. Did you hear what I just said?

CHAIR SUGIMURA: Yes.

MS. TEKULA: But you ignored Councilmember Rawlins-Fernandez.

CHAIR SUGIMURA: So I will take it up after you're done. If you don't want to testify, you know, that's --

MS. TEKULA: I do. I do. I just --

CHAIR SUGIMURA: Okay, please proceed.

MS. TEKULA: -- wanted to do things in an orderly manner though.

CHAIR SUGIMURA: Please proceed.

MS. TEKULA: Thank you so much.

COUNCILMEMBER RAWLINS-FERNANDEZ: Hi, Ms. Tekula.

MS. TEKULA: Sure. Sure. Aloha kakahiaka, Chair, Vice-Chair, and Councilmembers. My name is Sara Tekula. I'm a 17-year Maui resident, and I reside in Makawao. I work full-time at a small and growing local nonprofit, and I teach business at...courses at UH Maui College. I'm a mother of a young boy, who loves nature, and I'm the proud wife of a well-known environmental steward here on Maui, who you recently honored here in

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these virtual chambers. First, I would like to point out that the eComment website currently has at least 120 comments, with only a few lobbyists in opposition to this moratorium. There is overwhelming support from this community. The lobbyists are purporting that this temporary moratorium will hurt industry. But rather, it's the hotel developers whose money goes off island primarily that will take the hit. This moratorium does not shut down existing tourism-related businesses or cause people to lose jobs, and those businesses are seeing record numbers without hiring back all of their staff. The need for this moratorium is not at all affected by illegal vacation rentals. That is an obvious, and frankly disingenuous PR spin approach to this issue. The lobbyists are trying to inspire fear if they say it will hurt Maui County to have a temporary moratorium. That is just not true. It will help us in so many ways. I'd like you to...I'd like to ask you to imagine if we could reduce the number of tourists and maintain the same levels of economic benefit, while addressing the threat of climate change. I don't have to be an expert to do the math. More visitor accommodations equals more jet fuel, more shipping, more rental cars burning fossil fuels, and less space for our families to enjoy the place that we support with our hard work and taxes. The County Council unanimous...unanimously approved a sustainable tourism resolution, emphasizing quality over quantity, meaning that our focus should be on the quality of a visitor's experience, as opposed to focusing on the number of visitors. This gave me, and many in this community, tremendous hope. What has happened instead?

CHAIR SUGIMURA: You have a minute to close up.

MS. TEKULA: We are hitting record numbers. We are already at capacity, and we're spending taxpayer money to promote Hawai'i tourism nationally on Good Morning America, just last week, while our island is at or near capacity. What does the resolution mean if we're not thinking about our sustainability commitments, if we're not focused on real problem solving? This resolution has already been misinterpreted by the Planning Commission, and we really need to pay attention to the commitments we make to our community. Mahalo, for hearing our voices today. Mahalo, for thinking of what our community of hardworking families truly needs to enjoy a quality of life here on Maui, not just what the lobbyists and what their lawyers want. Mahalo nui.

CHAIR SUGIMURA: Thank you, Sara. Anybody have questions for her? Seeing none, thank you very much. Oh --

MS. ABRAHAM: Our next testifier --

CHAIR SUGIMURA: -- Tamara. Tamara, did you have a question for Mr. Ornellas? Is that what I missed?

COUNCILMEMBER RAWLINS-FERNANDEZ: No, I did.

CHAIR SUGIMURA: Oh, Keani --

COUNCILMEMBER RAWLINS-FERNANDEZ: I did.

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CHAIR SUGIMURA: -- did. Oh, I didn't even see that. Okay. Laks, Jeff Ornellas, I still see you on the line, can you come back?

MR. ORNELLAS: Hello.

CHAIR SUGIMURA: Oh, hi. Keani Rawlins-Fernandez has a question for you, Mr. Ornellas.

MR. ORNELLAS: Yes.

CHAIR SUGIMURA: Go ahead, Keani.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha, Mr. Ornellas. Mahalo, for your...your testimony this morning. So I just wanted to clarify. It's my understanding that hotel renovations have been the bulk of development industry employment opportunities. As of late, to clarify, in order for your members to have jobs, would there never be an end to constructing new hotels on Maui?

MR. ORNELLAS: Well, I'm not sure of will never end, but for...for our Local 1, our trade, our tilework, the renovations for the hotels has been probably one of our biggest resources, yeah? We...we...with...with affordable housing, which you know, we strongly support, and whatever constructions that they do, we...we...we lost all of our...all of our work. With the renovations of the hotels, that's where a lot of our resources come in. Because the...the affordable housing, they don't put tile, because...because of the expense. It's more of a luxury trade for us. Hope that answers your question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. So...my...my question was regarding sustainability of jobs for your members. So what you're saying is, a moratorium, so a pause on the construction of new hotels and expansions, would cause your members to not have jobs anymore --

MR. ORNELLAS: Well, yeah, absolutely.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- so using logic...right. So using that logic --

MR. ORNELLAS: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- there...in order for your members to always have jobs, there would be no end to the construction of hotels on Maui.

MR. ORNELLAS: In general, yes, you can say that. I mean, we...we...we support all types of construction. Anything that has to do with construction, we will support. Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your clarification. Mahalo, Chair.

MR. ORNELLAS: Thank you.

CHAIR SUGIMURA: Okay, thank you. Kelly King and Mike Molina.

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COUNCILMEMBER KING: Thank you, Chair. I just wanted to follow up on Member Rawlins-Fernandez's question. So you're...you're advocating for...Mr. Ornellas, are you still there? Mr. Ornellas?

MR. ORNELLAS: Pardon?

COUNCILMEMBER KING: Oh, I have a question for you.

MR. ORNELLAS: Okay.

COUNCILMEMBER KING: Or just a clarification, that the moratorium is on new hotels and expansions. It's not on renovations.

MR. ORNELLAS: Okay.

COUNCILMEMBER KING: As long as they're not changing capacity, they can do any kind of remodels or renovations. So you know, that...those...those types of jobs that you're talking about could continue.

MR. ORNELLAS: Okay.

CHAIR SUGIMURA: Thank you, we're...we're doing clarification of testimony. We're not into deliberations. Mr. Molina.

MR. ORNELLAS: Okay.

COUNCILMEMBER MOLINA: Yeah, thank you, Madam Chair. Good morning, Mr. Ornellas, just for clarification, how many members do you have on Maui?

MR. ORNELLAS: I'd say about 150.

COUNCILMEMBER MOLINA: Okay, thank you. Thank you, Madam Chair.

MR. ORNELLAS: Thank you.

CHAIR SUGIMURA: Thank you, Mr. Ornellas, for coming back to our discussion. Next testifier, Laks?

MS. ABRAHAM: Our next testifier is Faith Chase. Faith Chase, please unmute yourself and proceed with your testimony.

MS. CHASE: Good morning, Chair. Good morning, Committees. Whew, where do I begin? I echo that previous testifier about the need to extend the moratorium to all of Maui and to increase it to ten years, that's wicked. I like that. Wicked, meaning cool wicked. I don't see the housing...I mean, the hotels. I echo some of the other testifiers. A couple people mentioned this, that we need those for residents, short-term rentals. We

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certainly are going to need them for farm housing. I like that. I...I find all the lobbyists and the developers, and the hotel...I don't know who...who these reps are, or whatever, I really don't know any of them. But you know, you say, with all due respect to all those residents on the other side of the issue, where were you guys when the State wouldn't return fair TAT, Trans Accommodations Tax? They took 132, 136 million, and Maui got...only got 23 million? Where you...where were you then, advocating for us? You know, we've been pimped out for years. This is stupid. And also, the...the idea of expanding now with, I...forgive the...actually, you know what, pun intended. There's a lot of shit to take care of with the sewage waste treat...the...the lawsuit? Are you kidding me? We're in no position to do anything but a moratorium on hotels. Especially when the houseless, homeless, unsheltered, those living in their cars, is increasing on a daily basis. Argh. What else do I have to say? You know, I just came from a ceremony where family had to actually rent a space in Kihei. There is zero accommodations for recycling and composting for tourists. We have all these conscientious people coming from San Francisco and Oregon, all this kind of stuff, and they...they...they separate all their stuff, and the end of the day, they got to tell the maids, oh, where do we take it? We're happy to take it. There's nowhere to take it. You guys have done nothing. The hotel industry has done nothing to support the infrastructure for trash...for trash reclamation and zero waste and all of that. You guys have completely failed. I have this one example of that...that Pua Ting (*phonetic*) Farm that got flooded out in Ha'ikū? You know, they would have a revolving door...they work with MEO. They...they have a revolving door of people who, you know, travel. Not a Airbnb, like tourist kine, but you know, farm. Not WWOOFer either, but they have a couple...they had a couple of places...well, actually, they got flooded, they washed away. But you know, this one wahine came from Big Island. She saved her compost in a Ziploc bag, brought it to Maui because she knew she was going to come to a farm that actually did composting. First of all, that's scary on a lot of levels, because of fire ants and all this kind of stuff. But you need to put those things in place. And that goes for all the County housing that we're developing now. The County housing, while they're beautiful and we are blue ribbon taking care of our kūpuna in affordable housing units, we need to up our game on there. Thank you for listening today.

CHAIR SUGIMURA: Thank you, Faith Chase. Anyone have questions for her? Seeing none, thank you very much.

MS. ABRAHAM: Our next testifier is Jordan Hocker. Jordan Hocker, please unmute yourself and proceed with your testimony.

MS. HOCKER: Thank you. Good morning, Chair and Committee Members. My name is Jordan Ashley Hocker, and I currently live in Kula. My main concern, without this moratorium, is that the tourism industry, real estate, timeshare, and development industries' outline by ARDA Hawai'i lobbyist Dave Jorgensen, do not know when to stop when they're ahead. This moratorium doesn't mean forever, it means a pause. A pause to get a bearing on what Maui could look like as a balanced place. A pause to help the Planning Department have more space to get affordable housing projects approved. I hear the same people who benefit and line their pockets from building accommodations against this moratorium, but I do not make any money off of tourism. I urge this

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moratorium to be passed in Committee, because I do not trust the Planning Department to make the right decision. Despite lip service to end approval of resource-draining developments, they recently approved a 57-unit development with swimming pools in the middle of the desert. I don't think I need to outline what's wrong with that. They need to be audited and investigated for private interests before putting decisions of calibers in these...the decision of caliber in their hands. I want to see this moratorium extend to all of Maui County. I do not want more visitor accommodations in Kula or other residential areas like Makawao or Ha'ikū, where we are on water limitations frequently due to EMI shortages or increasing drought. Residents are drowning in tourism. Our beaches are drowning in tourism. Our roads are drowning in tourism. And during lockdown, I spoke with a friend of mine who grew up here. She said that she was on a beach on the west side, and it was so peaceful and so calm, and she had never seen it like that in her entire life. And I felt her sorrow. I felt the heaviness on her heart. And I hadn't heard that sort of thing before lockdown happened. It really opened my eyes. And since tourism is opened, I've had to protect turtles again, I've had to educate visitors and ask them not to step on the reef. I've been flipped off and cussed out for asking people to respect our home. And regardless of the legitimacy of the visitor industry, the impacts still stand. The climate impacts of visitors flying here still stand. The amount of diesel fuel increase used for electricity in hotels still stands. And in no way does this moratorium prevent the tourism industry from operating in their current capacity, it doesn't take away jobs that already exist, it simply prevents them from unchecked growth. We need this moratorium. We do not need more visitors. Thank you so much for your time today.

CHAIR SUGIMURA: Thank you, Ms. Hocker. Anyone have questions for her? Seeing none, thank you very much. Say hello to Marigold (*phonetic*).

MR. HOCKER: I will, thank you.

MS. ABRAHAM: Our next testifier is the person with the phone number ending in 7034. Again, if your phone number is ending in the numbers 7034, please unmute yourself, identify who you are, and proceed with your testimony.

CHAIR SUGIMURA: Next testifier?

MS. ABRAHAM: My apologies, I believe that number fell off the call, so --

CHAIR SUGIMURA: Okay.

MS. ABRAHAM: -- we'll proceed to the next testifier. Our next testifier is Jessica Pearl Kwon. Jessica Pearl Kwon, please proceed with your testimony. We may have lost her as well. We'll move on to the next testifier. Our next testifier is Albert Perez. Mr. Perez, please unmute yourself and proceed with your testimony.

MR. PEREZ: Good morning, Chair Sugimura, can you hear me?

CHAIR SUGIMURA: Morning. Yes.

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MR. PEREZ: Good morning, Chair and Members of the Committee. Albert Perez, Maui Tomorrow Foundation, testifying on IT-54. So tourism on Maui has passed the point where it's serving residents, and it's now negatively affecting our quality of life. While visitor arrivals have been breaking records lately, local resident sentiment about the visitor industry has fallen to an all-time low. At one point, visitors were renting U-Hauls in order to get around, which made it harder for residents to move out if their landlords had sold to offshore investors. Maui's people are being overwhelmed, and this is an emergency. We need to do something. So many tourists want to come to Hawai'i, even during a pandemic, that Hawaiian Airlines' reservation system recently crashed. Southwest Airlines is more than doubling the number of flights from the continental U.S. All of this with the existing number of visitor accommodations. And the attempt by the hotel industry to blame only illegal short-term rentals is a distraction. Yes, we need to address those, but this moratorium won't hurt existing hotels. We need...we do not need more visitor accommodations. What we need is affordable housing units, and we can keep our construction workers employed building those. So this is a problem that's continuing to grow, and the first step is to stop making it worse. The proposed moratorium will pause further development of new hotels, resort, timeshare, short-term rental homes, bed and breakfasts, and transient vacation rental units. This will give us time to address the problem. The Maui Island Plan is clear. We need to strive to limit the number of visitors to one for every three residents, so that we can benefit from tourism without being overwhelmed. The proposed bill should be modified to include all of Maui County, otherwise development of visitor accommodations will just shift to the rest of the County, and there are already several new hotels proposed in Wailuku and Kahului alone. In February of this year, this Council unanimously passed a resolution expressing support for sustainable tourism, quality over quantity. Unfortunately, this resolution was not binding on the Maui Planning Commission, which shortly thereafter approved a 170-room hotel on Kihei. Some planning commissioners expressed frustration. In their opinion, the Council had placed the burden of disapproving visitor accommodations on them. They asked for clear direction. So please, Maui County Council, pass an ordinance that will prevent this from happening. We need to pause the continued expansion of our already overbuilt visitor industry. Mahalo.

CHAIR SUGIMURA: Thank you, Mr. Perez. Anyone have questions for him? Seeing none...oh, Kelly King, you have a question for Mr. Perez?

COUNCILMEMBER KING: Thank you, Chair. Thanks for being here, Albert, and for your testimony. So I just wanted to clarify something, because I wasn't at that Planning Commission meeting, but I heard a lot about it, where the Maui Coast Hotel was approved, and...and also just to clarify that this moratorium was in the works before that happened, so it wasn't a direct reaction to that decision. But when you said that the Planning Commission was...was complaining that the Council hadn't given it enough direction. And so do they...do you...from that comment, do you think that they consider themselves an adjunct to the Council? Because I thought they were an adjunct to the Administration.

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MR. PEREZ: No, I...I don't think that that was expressed. I don't...I don't get the impression that they think they're adjunct to the Council. What I did get the impression was that they...they felt like the burden was being placed on them, and that the resolution wasn't binding. There was also some misinterpretation of the resolution, where they said oh, well...and...and I...I'm only taking about some of the members, just to be clear. But some of the members said, well, this is a quality hotel, so we think it complies with that resolution emphasizing quality over quantity. Anyway, it was...it was very disappointing, and the bottom line is, they were saying that it's up to the Council to put the teeth in the law, and the resolution is not binding, and they don't feel like it's up to them to...to apply those teeth.

COUNCILMEMBER KING: So you're...so you feel like if we pass this moratorium, this will give them the guidance that they're asking for?

MR. PEREZ: I do.

COUNCILMEMBER KING: Um-hum. Thank you.

MR. PEREZ: Thank you.

CHAIR SUGIMURA: Any other questions for Mr. Perez? Seeing none, thank you very much, Albert. Thank you.

MR. PEREZ: All right.

CHAIR SUGIMURA: Next testifier please.

MS. ABRAHAM: Our next testifier is the phone number ending in 7913. Again, that number is 7913. Please unmute yourself, identify yourself, and proceed with your testimony.

CHAIR SUGIMURA: So Laks, after this testifier, how many more testimony...testifiers are there?

MS. ABRAHAM: Seven.

CHAIR SUGIMURA: Seven. Thank you. 7913?

UNIDENTIFIED SPEAKER: Oh, hi. I was...hi. I'm just here to listen. Thank you.

CHAIR SUGIMURA: Ah, thank you.

UNIDENTIFIED SPEAKER: Um-hum.

MS. ABRAHAM: Our next testifier is Scott Shapiro. Mr. Shapiro, please unmute yourself and proceed with your testimony.

MR. SHAPIRO: Good morning, Councilmembers. Good morning, Chair. Thank you for

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listening to this today, we really appreciate it. I don't know how much more I can add to this discussion, but I...I'm in full support of this moratorium extending throughout Maui. We're overburdened, and we're building ourselves into hotel oblivion. I know it's...it's...do we want to turn into O'ahu? I don't know, but you know, I...you know, during the pandemic, I remembered a...when I first moved here 25 years ago, I remembered a woman who grew up in Pā'ia, and she told me that when she was growing up, she could sit on Hāna Highway without a car coming by. There was no traffic light in the center of Pā'ia, and this was 23 years ago. And I remembered that conversation I had with her, how amazing that would be, 23 years ago. When the pandemic hit and I sat on South Kihei Road during the height of the pandemic for five minutes without a car going by. It was amazing. We'll never get there again, right? We're...we're never going to get to no traffic, but we need to focus on the future of Maui. We need to focus on why we are all here, what all the residents who grew up here are feeling. There are many people in the building industry, yes. There were many people in the agricultural industry with A&B. They've transitioned. People will transition. We can focus on affordable housing for the construction industry. We don't have to keep building hotel rooms or visitor accommodations. We need to look at everything. A moratorium will give us time to put a pause on it and look at this. I...I hope that you would, along with passing this, create a TIG to start right away trying to figure out what are we going to do this time? Because we have to do that. We can't just pass this and not do anything. So it's so important to be effective, to have a TIG or some plan in action that we can reach milestones, with everybody involved, all stakeholders. So I appreciate your time. It's a very difficult decision, but we need a breath. We need a...we need a breather. So I...I appreciate everybody's testimony and everybody listening. Thank you very much.

CHAIR SUGIMURA: Thank you, Mr. Shapiro. Anyone have questions for him? Mr. Molina.

COUNCILMEMBER MOLINA: Thank you very much, Madam Chair. Yeah, good morning, Mr. Shapiro, and I appreciate the suggestion of a TIG, I think that's a good idea. If I may just ask for a clarification on that, should the TIG be given a specific amount of time to come up with their recommendations, and if so, what would you suggest? Give them six months to a year to come up with a set of recommendations?

MR. PEREZ: Exactly. If we're...if the focus is, right now, for a two-year moratorium, more or less, I know it's kind of open ended, I would say a year would be the time frame. You know, no more than that, because then you have to put this plan into action and the sooner, the better. So I would start with a year, yes.

COUNCILMEMBER MOLINA: Okay, thank you. Thank you, Madam Chair.

MR. PEREZ: Thanks for the question.

CHAIR SUGIMURA: Thank you, Mr. Molina. Thank you, Mr. Shapiro. Anyone else have questions for him? Seeing none. Next testifier, Laks.

MS. ABRAHAM: Our next testifier is Darcel Gilbert Kahua. Darcel Gilbert Kahua, please unmute yourself and proceed with your testimony.

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MS. GILBERT: Hello, I've not done this before. Is there a video I'm supposed to unmute also?
Or just a --

CHAIR SUGIMURA: Yeah, there is one.

MS. GILBERT: Oh.

CHAIR SUGIMURA: We can hear you.

MS. GILBERT: Okay. Well, all right. As long as you can hear me. My name is Darcel Gilbert. I was born in Honolulu, but I've lived on Maui in Lāhainā for 40 years. I'm 70 years old. I remember growing up and enjoying visitors. I was very proud to show off my island. But tourism has changed a lot. I'm not going to repeat, you've heard so much, and...and I fully support this moratorium. I'm supportive of the...of the issues on the environment, everything else. So I...I'm...this is the first time I've done this on the Council, so I'm just going to give you a couple of thoughts that I've had, and talk about money, because that's the economy that everyone says that's why we have to have these hotels. I think we really have to look at that. Let's look at the jobs issue. I won't repeat that I also agree that there are too many low-cost...low...low-paying jobs that are supported by the hotel and the...the visitor industry. I just know too many friends that have...the whole family works, or they work two jobs, and I think that's related, unfortunately, to our reliance on the tourist industry. Housing shortage. There was a headline the other day that our homes were averaging a million dollars. And I think this is also seated in the tourist industry. Most of the homes and condos on Maui are sold to nonresidents. Our people can't afford it, and nonresidents are buying these for investments. It's all, I think, goes back to having too many tourists. I don't object to tourists, I think it's a matter of monitoring them, controlling the situation, and having another hotel is not going to help that. I hope you will really consider this, stopping building...and this means all of Maui, and all types of visitor accommodations. It's not going to stop tourism. You know that. We all know that. They're coming now, and more will come. We need to take a breather, and I hope you'll consider not only what tourists give us, as far as money, but what it is costing us; costing us in increased rents; the brain drain when our children have to move to the mainland; the taxes that are so low it attracts people from the mainland to invest here, they can afford it. The term is, I think, is the...is the goose that laid the golden egg, but it's also brought a lot of ōpala. So I hope you'll think very carefully on this, and I thank you for all your work and time. I...I know it's difficult, and...and...and I...I give you all the credit in the world for this. Mahalo.

CHAIR SUGIMURA: Thank you very much, Darcel. Anyone have questions for her? Seeing none, next testifier.

MS. ABRAHAM: Our next testifier is identified as Wello, W-E-L-L-O. Please unmute yourself and proceed with testimony.

MS. APOLO-GONSALVES: Aloha, you guys can hear me?

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CHAIR SUGIMURA: Yes.

MS. APOLO-GONSALVES: Hi, my name is Consuelo Apolo-Gonsalves. I support the moratorium. I mean, we need to get a control on this tourism. It's like really taking over. For me, I don't want us to become Honolulu, not at all. I mean, it's crazy. I mean, look at O'ahu. It's really overdeveloped, they depend totally on tourism, and you know, we don't need any more hotels. We need more affordable housing. But yeah, I support the moratorium. Thank you, guys.

CHAIR SUGIMURA: Thank you very much. Anyone have questions for her? Seeing none, next testifier.

MS. ABRAHAM: Our next testifier is Jessica Pearl Kwon. Jessica Pearl Kwon, please unmute yourself and proceed with your testimony.

MS. KWON: Hi, my name is Jessica Pearl Kwon. I am in support of the moratorium. I do have a business here that is dependent on tourism, and so does my husband. However, we have a lot of tourism here, we have enough, we're good. I've been here for 14 years, and I'm listening to people that have been here for a lot, lot, lot longer than I have been here. And what I hear is that there's...there's enough people coming and that we're...we're good. And in North Kihei, specifically, I don't know where the tourism will go. Where do they have to walk around, what can they do? And I would support it to go across the whole island. Thank you, and mahalo.

CHAIR SUGIMURA: Thank you. Anyone have questions for her? Seeing none, thank you. Next testifier.

MS. ABRAHAM: Our next testifier is Brandi Corpuz. Ms. Corpuz, please unmute yourself and proceed with your testimony.

CHAIR SUGIMURA: Brandi?

MS. CORPUZ: Hello?

CHAIR SUGIMURA: Ah, now --

MS. CORPUZ: Can you hear me?

CHAIR SUGIMURA: Yes.

MS. CORPUZ: Oh, thank you. Aloha, everyone, Councilmembers and other testifiers. My name is Brandi Corpuz, I'm from Kihei. I...I fully support the moratorium for visitor accommodations, and also for vacation homes that I've seen a lot of happening in Kihei as well. We don't have the infrastructure for it. I live on a street that only has one way in and one way out, and I have to go out on North Kihei Road anytime we want to go anywhere, and I have to wait at the bottom of my street already for a long period of time. There's a hotel coming up right down the road at the Old Maui Lu, there's housing

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projects proposed all around us. I...I call it the gold rush of Maui, because it seems like we are just...we have all these people who are looking for the gold that's in here...in these there hills, and it has to stop. This moratorium would help us to be able to focus on things that are more important to our local people, which is affordable housing, and also for us to have...be able to go to our beaches, be able to go to our restaurants, and just anything that is here, we are outsourced or outnumbered with tourists already. So I fully support a moratorium. I wanted to mention something about the Planning Commission, since it was brought up a couple of times. I feel like the Planning Commission has a conflict of interest, and members on the board, perhaps, and also, they did name the County Council...one member of the Planning Department, did name the County Council as being the person...people that I should talk to about affordable housing, because they said they really didn't have anything to do with it. So I see that if we put a moratorium on hotels and vacation homes, then we...the construction community and the land sales and purchases would be focused more on affordable housing, so that then maybe we could have more logical affordable housing, rather than just hurrying up and trying to put affordable housings in the middle of all of our communities. Again, I support this moratorium, and I hope you guys pass it. And thank you very much. Have a great day.

CHAIR SUGIMURA: Thank you very much. Anyone have questions for Brandi? Ms. King.

COUNCILMEMBER KING: Yeah, thank you, Chair. Just a clarification. Aloha, Brandi.

MS. CORPUZ: Aloha.

COUNCILMEMBER KING: When you said...you said somebody told...was it someone from the Planning Commission that told you they didn't have anything to do with affordable housing, that it was...that you should talk to the Council?

MS. CORPUZ: Yes, someone from the Planning Department --

COUNCILMEMBER KING: Oh, Department.

MS. CORPUZ: -- told me that if I wanted to know more about an affordable housing project that's coming up in my neighborhood, then I should talk to the County Council because basically, the Department concurs with the Housing Authority on affordable housing, 201Hs. And that's why I couldn't get any information from them about the project --

COUNCILMEMBER KING: Okay.

MS. CORPUZ: -- that I'm talking about...or that I was questioning about.

COUNCILMEMBER KING: Okay, thank you. But that was at the Planning Commission meeting, but it was someone from the Department that said that you.

MS. CORPUZ: It was at the Planning Department that I got that word.

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COUNCILMEMBER KING: Oh.

MS. CORPUZ: But then I recently found out that...that a person who is a mortgage broker is on the Planning Commission, and I think that's a very big conflict of interest.

COUNCILMEMBER KING: All right. Thank you.

MS. CORPUZ: Thank you.

CHAIR SUGIMURA: Thank you. Any more questions for Brandi Corpuz? Seeing none, thank you very much for testifying. Next testifier please.

MS. CORPUZ: Thank you. Have a great day.

CHAIR SUGIMURA: You too.

MS. ABRAHAM: Our next testifier is Livit Callentine [kal-ee-en-tyne]. Livit [kal-ee-en-tyne], please unmute yourself and proceed with your testimony.

COUNCILMEMBER PALTIN: I think that's [kal-en-tyne], [kal-en-teen].

MS. ABRAHAM: Callentine, thank you.

CHAIR SUGIMURA: Livit, are you there? I don't see her, Laks.

MS. ABRAHAM: Okay, we can keep her on the list and proceed.

CHAIR SUGIMURA: Okay.

MS. ABRAHAM: Our next testifier is Christina Goodness. Christina Goodness, please unmute yourself and proceed with your testimony.

MS. GOODNESS: Great. Can you hear me?

CHAIR SUGIMURA: Yes.

MS. GOODNESS: Okay, wonderful. Thank you so much. I'm Christina Goodness from Wailuku, Maui. I'm a voter, taxpayer, and proud grad of Maui public schools. I support the moratorium on business...on building permits for visitor accommodations and IT-54, and I urge the jurisdiction of the bill to cover Maui County at large. The impact of the tourism industry over the course of the decades, honestly, has not really been clear to me until the COVID-19 pandemic hit this past year. But you know, the respite from the heavy demands of tourism on our infrastructure, public facilities, and County resources at large has resulted in me having an opportunity to see Maui not through the lens of my childhood, when I could look back to, like, the good old days, but one right now, 2021, in which, you know, the roads were unclogged, the beaches and the parks were cleaner and less stressful. I could see more clearly who actually lived on the

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island, and who is more fully invested in our common future. So my family includes all kinds; business owners and workers dependent on tourism; but also teachers; government workers; construction workers; medical workers; farmers. And I have, after talking to all of them in the past year, concluded that the actions and the policies of the County are really critical to finding a more balanced future for tourism. And that the needs of the individual voting populace really have to play a greater role in determining tourism and development policies. So I am very, very grateful for the County raising this issue and allowing for public discussion, because it's really about our common future. And I just want to point out that, you know, from my perspective, I'm not a politician. I'm just a regular person. But I can see, having grown up here, moved away, come back, moved away, come back, you know, one of these brain drain type of people, that the policy shifts post-World War II and post-1980s, when there was this huge influx of money from external developers, really placed private resource and economic development at the forefront. And...and I think, too often, at the expense of common, public good. And a better balance is really needed right now. We have a breath of fresh air, that's a big breath of fresh air, from decades of...of patterns of development. And we need the Council to really take a look at sustainable tourism. Use this possible moratorium, which I support, to look at visitor planning that places local and Kanaka Maoli values and concerns at the core, and limits the carbon footprint per visitor. In more fragile communities and ecosystems, this is needed just as urgently as the already-established development zones. My family lives in Wailuku and Kaupō, and the recent months I've seen with my own eyes, what the impact has been on the backroads, on fragile ecosystems, on rubbish and human waste on unprotected . . . *(timer sounds)*. . . areas, which are increasingly at risk with unchecked growth. So to that end, I urge and Council and the Mayor to implement a moratorium on business *[sic]* permits for visitor accommodations. To evaluate the rapid expansion of non-hotel, temporary visitor housing as well, timeshares, Airbnbs, these mobile camping and glamping devices, and whatever, and their negative impact on the County. Extend the moratorium to the whole --

CHAIR SUGIMURA: Thank you, Christina.

MS. GOODNESS: -- of the County. Thank you very much --

CHAIR SUGIMURA: Thank you, Christina.

MS. GOODNESS: -- for allowing the conversation.

CHAIR SUGIMURA: Thank you. Anyone have questions for her? Seeing none. Thank you, Christina. Laks, it's 10:30. How many more testifiers do we have?

MS. ABRAHAM: We have one left on the list, just Livit Callentine. We're going to give her another try.

CHAIR SUGIMURA: Okay, thanks.

MS. ABRAHAM: Livit Callentine, are you available to testify? If so, please unmute yourself

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and proceed with your testimony.

CHAIR SUGIMURA: Livit, are you there? I don't see her. Okay, are there any testifiers...we're not getting Livit, so we'll move on from that. But any more testifiers would like to sign up? Okay, seeing none, I'm going to close public testimony and admit all the written testimony to the record. I need your approval, Members, to close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR SUGIMURA: Thank you. Thank you.

. . . END OF PUBLIC TESTIMONY . . .

CHAIR SUGIMURA: So Members, at this time I'm going to close public testimony, and admit the written testimony to the records. And I'm going to take a short, ten-minute break or ten...we're going to take a break until 10:45. So at this time, our meeting is in recess. . . .(gavel). . . Thank you, Members, we'll come back.

RECESS: 10:32 a.m.

RECONVENE: 10:48 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Good morning. Good morning and welcome back to the Information...Infrastructure and Transportation Committee meeting. Members, I'm going to ask Tamara Paltin regarding the agenda item that we just talked about, which is IT-54. Tamara Paltin, do you want to make a statement or address a concern?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair? Chair? Chair?

CHAIR SUGIMURA: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR SUGIMURA: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Yeah, so you...you mentioned before we gaveled in that you wanted to take up the two other items first.

CHAIR SUGIMURA: I did.

COUNCILMEMBER RAWLINS-FERNANDEZ: So it would be appropriate for Member Paltin to make her disclosure when we bring up the --

CHAIR SUGIMURA: That...that's fine. Okay.

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COUNCILMEMBER RAWLINS-FERNANDEZ: -- item that's . . . *(inaudible)* . . .

CHAIR SUGIMURA: I'm fine.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- to that.

CHAIR SUGIMURA: I'm fine with that. So Members of the public, I'm going to be taking the next two items after this, because those are voting items, up. And then at the very end, take up the moratorium, which is IT-54. So the next item I'm going to take up is the Lāhainā Flood Control, IT-33, and then the Sewer Line Easement for the affordable housing projects in Lāhainā, which is IT-51. So I'm going to take it up in that order, and it's because it's...we need votes on it, and it's...probably the last one is...is time-sensitive. So at this time --

COUNCILMEMBER KING: Chair, point of order.

CHAIR SUGIMURA: . . . *(inaudible)* . . . Yes?

COUNCILMEMBER KING: The...the item number two, IT-33, on the agenda, it says no legislative action will be taken. So I don't think you can take a vote on that.

CHAIR SUGIMURA: It does say that. That's a mistake. So we have a resolution that we're taking up. Corp. Counsel?

MS. OANA: Good morning, everyone.

CHAIR SUGIMURA: Hi.

MS. OANA: So yeah, I...I do --

CHAIR SUGIMURA: Can I --

MS. OANA: -- see that, what Councilmember King pointed out, and it does say that, so I would suggest you don't vote on it, but you can discuss it. And then you can defer it for a...a vote at a later meeting.

CHAIR SUGIMURA: Okay. So Members, are you agreeable to do that, or should we just take it up at the next June 7th meeting?

COUNCILMEMBER KING: Well, Chair?

CHAIR SUGIMURA: Yes?

COUNCILMEMBER KING: You know, an alternate --

CHAIR SUGIMURA: . . . *(inaudible)* . . . do that. Huh?

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COUNCILMEMBER KING: An alternative might be to discuss it, and then discharge it to the Council if it's time-sensitive.

CHAIR SUGIMURA: Hmm. We can do that too. Chair Lee.

COUNCILMEMBER LEE: I was just about to suggest that.

CHAIR SUGIMURA: Okay, let's --

COUNCILMEMBER LEE: Discharge it to the Council.

CHAIR SUGIMURA: Okay. Great. I'm glad we're willing to do that. So Members, I'm going to take up, then, the Lāhainā Flood Control Project, IT-33. Next time, I better pay attention to what's on the agenda. Thanks for catching that, Kelly. And then after that, I'm going to take up the IT-51, which is a Sewer Line Easement.

IT-33 LAHAINA FLOOD CONTROL PROJECT (CC 20-120)

CHAIR SUGIMURA: I see Jordan Molina on the line. Jordan, if you could, talk to us then about the Lāhainā Flood Control Project. Before you get into that, I...I wanted to just give a shout out to Mae Nakahata, who used to work in my office and who was following this, and was kind of passionate about it, and brought it to the attention again of NRCS. And I think it's something very important. And today...today's result is a lot of people, but I just wanted to thank her personally. I don't even know if she's listening in on this meeting, but I appreciate her work for this important project. So at this time, Members, I'd like to turn this over to Jordan Molina. There's a PowerPoint presentation for all of you.

MR. MOLINA: All right. Good morning, Chair Sugimura and Members of the Infrastructure and Transportation Committee. My name is Jordan Molina, I'm the Deputy Director with Public Works. And today, I'm going to run through a brief presentation about the project and the matter before the Committee. Also, we've asked that representatives from the NRCS and West Maui Soil and Water Conservation District to join us today and to provide us some brief comments, which I'll have them do after I run through the presentation. Share my screen. Can everybody see the presentation? So the Lāhainā Watershed Flood Protection Project is what we're here to discuss today. Again, this is a partnership between USDA, County of Maui. So just a rough timeline of this project. It began in 1981, when the Council approved the resolution to pursue Federal funding for the project, the first phase of which was the planning and environmental assessment. 1993, we had proceeded with additional funding approval to conduct the EIS and then designing the construction, which took us through the mid-2010s. Since then, the project was stalled due to funding issues. And now we're here, looking to restart the project, which is going to first start with a...a supplemental plan, environmental document to, in essence, re-review the project. Taking into consideration some of the changes that have occurred since the project began, one significant being the Kaua'ula Stream interim stream...in-flow stream standards, which CWRM enacted in 2018. For

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some reference, here's a photo, not the greatest photo, but you can kind of see that, the existing basin has been constructed. It does fill up when it rains heavy. So just the kind of evidence of the...the functioning and the need for this diversion channel. So an overview of the area: to the left, we have Lahainaluna Road, all the way out through Puamana, the housing development, and the park area. The areas in yellow indicate areas where the flooding would occur in the past. The blue areas indicates the project of where the diversion channel was initially contemplated, and the idea is to intercept the runoffs through these...through the watershed, so that the flood...the areas in yellow no longer experience severe flooding. So high-level overview of the area we're talking about: the Lāhainā watershed and the Kaua'ula watershed are the two basins that we seeking to mitigate flooding from. And there's another aerial view of the...the vicinity. So in the image, the green line work on the right of the screen represents the area that has been built...constructed to date. And what we're talking about today is the remaining project, which is the yellow and the red segments. So as you can see, the rough project seeks to intercept above all the developed areas south of Lāhainā Town, and convey the storm water flows to a controlled outlet below Puamana Park. Here's just another little closer aerial view of the project limits. Here's a still photograph of the area in question. I think we have another one looking makai here. So for this current phase, we're looking to do this supplemental plan environmental document, and it is, in effect, a giant EA...or EIS process, to reevaluate the *(audio interference)* look at alternatives that might be more appropriate. So the bill before you is to authorize the County to execute the agreement with NRCS for the funding for this environmental *(audio interference)*. As I mentioned, this is a comprehensive review we're undertaking, and it's an...approximately a three-year project just to do this assessment. That's really all we have to discuss today, as far as an update on where we're at with this project. I'm happy to field any questions, but if the Chair would allow me, I'd like to ask if NRCS and West Maui Water Conservation District could share some comments to the Committee at this time?

CHAIR SUGIMURA: Yes, please, as they're heavily involved. And of course, NRCS is providing the 1.2 million. So Travis Thomason is here, right, Jordan? And Wes Nohara?

MR. THOMASON: Yes.

CHAIR SUGIMURA: Hi, Travis.

MR. THOMASON: Travis, here. Hi. Aloha.

CHAIR SUGIMURA: Aloha.

MR. THOMASON: Yeah, do you want me to get started?

CHAIR SUGIMURA: Yeah. I think --

MR. THOMASON: I've just got a few brief overview.

CHAIR SUGIMURA: -- we can see --

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MR. THOMASON: Yeah, yeah, sure. So if it's okay, I just have a...a quick slide to share, just a...a little bit about NRCS. Can you see that okay?

CHAIR SUGIMURA: Not yet.

MR. THOMASON: Okay. All right. Well, while it's coming up, just to let you know, I am Travis Thomason. I am the Director for USDA's Natural Resources Conservation Service. And our mission, quickly, is to deliver conservation solutions so agricultural producers can conserve natural resources and feed a growing world. And our vision, which really fits into this project, is resilient islands with clean and abundant water, healthy soils, and thriving agricultural communities. And our business model, really quick, we deliver conservation plans. We have an office there in Maui, we're all over the Pacific, which I'll show you here in a second. But we deliver one-on-one, personalized, technical assistance through conservation planning. We work with many of the producers there on Maui, and we also make investments in producers' operations and in local communities, such as this program through the Lāhainā Watershed, our Flood Prevention Project. And then we generate a lot of data and share that data with others, so our partners and policymakers can make informed decisions. This is a little bit about us. The...the right...top right corner is our locations in Hawai'i. As you can see, we have an office there in Kahului, and one of our great partners, the Soil and Water Conservation Districts. And this project's particular partners, the West Maui Soil and Water Conservation District. And this program is the Watershed...Watershed Protection and Flood Prevention Program. And we're excited to be able to move this forward. Congress, for many years prior to 2017, didn't fund this program. We're anxious to have funding back in this program, continue to work with the County and the Soil and Water Conservation District, to essentially update the environmental assessment that was done back in the early 1990s, and continue on through the phases of the project. This project, as some of you might know, is very similar to the Honolua Flood Watershed Protection Project just north of there, where I believe it was completed in 1997, was roughly about \$12 million to complete, there were nine phases, and about seven basins that were completed. So we consider this project very similar to that. Although we are quite a few years later, we're excited to continue to partner with the County and the SWCD to really protect the natural resources in the area, and minimize damages from flooding in Lāhainā. So with that, I'll stop screen sharing, and then turn it over to the West Maui SWCD for any comments they might have. Thank you so much.

MR. NOHARA: Good morning. This is Wes Nohara, can you hear me?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, you've been muted. We cannot hear you.

CHAIR SUGIMURA: Continue on, Wes Nohara.

MR. NOHARA: I'm muted?

CHAIR SUGIMURA: Yeah, can hear you.

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MR. NOHARA: Oh, okay. Thank you very much. Good morning, this is...my name is Wes Nohara. I am the Associate Director for the West Maui Soil and Water Conservation District. I have been working with the District for some 35 years. Born and raised in West Maui, worked for Maui Pine for some 40 years, retired, and now a taro farmer. I'd like to take this time to kind of go over a little bit about the Soil and Water Conservation District and our mission, and how this project fits in with...with our goals and missions. So first of all, West Maui Soil and Water Conservation District was formed in 1954, but our Soil and Water Conservation roots actually goes back to the 1930s, when there was terrible erosion problems caused by the dustbowl in the Midwest. And Congress and President Roosevelt asked that...to form the Soil and Water...Soil Conservation Service, now known as NRCS. And they developed tremendous programs to help farmers and...and to protect our lands and natural resources. However, Congress felt that we needed to have local representation to work with the Federal Government to make these projects more successful. And thus, the Soil and Water Conservation Districts were born. And today, there's over 3,000 districts nationwide, there's 16 districts in the State of Hawai'i, and West Maui is one of five in the County of Maui. Our...our...our mission, really, is to protect watersheds through...through programs, through education, through partnerships, and I really want to emphasize partnerships. We have been partners with NRCS for probably over 80 years now, and it...it is a program that I feel has done tremendous benefit for local communities like West Maui. And our partnership does not end with NRCS. We partner...we...actually, the Soil and Water Conservation District is a political subdivision of State Government through DLNR, so we represent the State Government. We also partner with the County of Maui, which I want to thank you for your support through all these years. And we also link with the people of our communities, so we are the eyes and the ears of the community, and we try to work to build collaborative efforts with our local, and State, and Federal Government to make programs like what we have before us today, work for the benefit of the environment and the people. So as...as Travis had mentioned, we have the Honua'ula watershed, and I want to just kind of go over that real quickly, because that is a success story, and that's kind of what led us to the Lāhainā Watershed Project. The Honua'ula Watershed Project started in the early 1960s, with a tremendous flood that devastated the Nāpili Kai area, and the people of that area and the resort came out to a public meeting and asked for help. And they...they were very upset about the flood, and so they wrote letters to Congress and we also did, for a promote support from the Federal Government. We solicited NR...Soil Conservation Service to develop the initial plans for the Honua'ula watershed, and it started, I believe, in 19...oh, it's '60...sometime...1960s, and we completed the final project in 2001. So it took us something like 35 years, but we were able to bring in some \$16.2 million of Federal monies, and an actual match from County government and private sector. And with that, we were able to build...Travis mentioned seven, but we actually built eight basins. One of them was not through the PL-566 fund, we got it through the EPA Algae Bloom monies. So again, that's just an example of how we build our partnerships, by tying into the local community, listening to what the issues are, looking for ways to fund the project, asking our partners to help us to develop these programs. Now, that leads us to the Lāhainā Flood Control Project, which we are in...in support of, and we want to make sure that it gets going. It's been some 35 years, and we're still not really...probably not even halfway done. And so it is a concern. We...we really want to make it work, and through our

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efforts, we want to work with...with the people of Lāhainā and...and our partners to make it work. I could go on, but I...I think I...I kind of gave you the...the gist of who we are and what we try to accomplish, and again, it is through partnerships. And again, I want to thank the County of Maui for your support of the Soil and Water Conservation Districts, because it is the local communities and our environment that really benefits through these programs. Thank you.

CHAIR SUGIMURA: Thank you, Mr. Nohara. And thank you Mr. Thomason. So at this time, Mr. Molina, would you like to go further into the IGA, Intergovernmental Agreement, and what the...what the action today is about?

MR. MOLINA: Sure. So I guess there's nothing uniquely different than other IGAs the Council has worked through. So this is to approve the County's participation with NRCS to secure the grant funding from them to...and then with that money, we're going to hire the consultant team that will be conducting the studies and the outreach, and preparing the environmental document which will be submitted to NRCS, and kind of guide the next phase of the project, which will be to start with the construction plan design.

CHAIR SUGIMURA: Thank you. So --

MR. MOLINA: Hello?

CHAIR SUGIMURA: -- NRCS is providing 1.2...\$1,229,230, and the match is in-kind assistance equivalent from the County of Maui for \$149,980. So that is what the...the IGA will do. And does anybody have questions? We had a great presentation from Mr. Molina, and from Mr. Thomason and Mr. Nohara. Kelly King, then I see Tamara Paltin after.

COUNCILMEMBER KING: Thank you, Chair. Just want to clarify. Is this...this is a budget amendment for the current fiscal year?

CHAIR SUGIMURA: It's...it's in-kind.

COUNCILMEMBER KING: Well, it says that we have to put in 149,000, so. But we're not doing that with cash? Is that what you're saying?

CHAIR SUGIMURA: It's in...it's not...yeah, cash is not required. Corp. Counsel, you want to weigh in on that question? Jen Oana?

MS. OANA: Hi, everybody. You know, I'm not sure, but I see my colleague, Michael Hopper is on.

CHAIR SUGIMURA: Oh, I'm sorry. Michael Hopper. That's right, you signed this. Mr. Hopper.

MR. HOPPER: Yes. When we worked on this, my understanding was that it's not actual cash involved. I think the Department can maybe specify exactly what the Department was doing. But I mean in any case, it's being approved as an Intergovernmental Agreement.

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And...and...I think you would need at some point reflected in your budget, at least the receipt of the money from the...from the Federal Government. But as...as far as how that...that in-kind assistance will be done, I think you could check with the Department on what the plan is. But my understanding is that that's not actual money that's going to be paid by the County, that it's going to be through...through other...other means, and perhaps the Department could...could give detail on that.

CHAIR SUGIMURA: Okay, thank you. Mr. Molina, you want to --

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

CHAIR SUGIMURA: -- comment about what the in-kind would be to answer Ms. King's question?

MR. MOLINA: Yeah, so we did submit to the Budget Committee for inclusion of this funding in the FY'22 Budget. So it would be booked in the FY'22 Budget for the receipt of the grant.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER KING: But that wasn't the question. The quest...the question is, the \$149,000. Is that...we were just told that is in-kind contribution, so what contribution are you making --

MR. MOLINA: So this...basically, we, the County of Maui and Department of Public Works, needs to manage this project, and so I will have a few engineers assigned to oversee the procurement, oversee the consultants we select, and walk them...and oversee basically every part of their work under this project for the next three years. And so that effort, which is essentially already accounted for in our operating budget, is the in-kind.

COUNCILMEMBER KING: That's the in-kind? The...that's...your...your Staff time is the in-kind...equals 149,000? Is that what you're saying?

MR. MOLINA: Correct.

COUNCILMEMBER KING: The...the contribution? Okay. And then do you feel like this is going to take away from any of the...the other projects that are currently in the '22 budget timewise? Because I know you guys are short engineers, so that's always a concern.

CHAIR SUGIMURA: Mr. Molina, do you have a --

MR. MOLINA: We have to manage through that, unfortunately.

COUNCILMEMBER KING: I mean, are you putting anything else...anything on the back burner? Because I just saw that the North South Collector Road is now pushed back another year, so I...I...that's my...my main concern, when you add on additional projects

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without additional persons, then other projects suffer.

MR. MOLINA: Sure. That's a separate team handling the North South Collector Road, and so this would not affect that team.

COUNCILMEMBER KING: Okay. But is this affecting any other major . . . *(inaudible)* . . . projects for Maui County?

MR. MOLINA: No, this...I mean, as you've seen, the project's been on the books for a long time now. *(Audio interference)* as if we were caught by surprise, so we are prepared to take on this project.

COUNCILMEMBER KING: Okay. All right.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER KING: So this is a 2022 project, then?

CHAIR SUGIMURA: . . . *(inaudible)* . . .

COUNCILMEMBER KING: For next fiscal year.

MR. MOLINA: Correct.

COUNCILMEMBER KING: Okay. Thank you.

CHAIR SUGIMURA: Thank you. So in your...in the IGA, thus...under statement of work, it says that the County of Maui will provide the 149,000 in in-kind assistance, in salary and fringe, and meeting facilities. However, the project will generate additional match in the form of stakeholders, time spent in one-on-one group meetings to support the project. Yeah. So that's included in your scope of work in the IGA. Any other Members have questions? I see Tamara, you had your hand up, Tamara? No? Yes? And then Alice Lee after.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Deputy Director Molina. I just was wondering, so the overall plan is, once it's done, is County Public Works responsible for maintenance of the channel? And I saw that Mr. Thomason's, I think, vision was about clean near-shore waters, and just wondering about how the sedimentation would be addressed? I know that during a site visit, Mr. Nohara said that the outlet was moved from the Puamana Planned Development over to let out directly at the Moi Hole, and so I think that has already been destroyed, but is that going to be part of the environmental impact, since it looks like a lot more volume is going to be coming out of that outlet now?

CHAIR SUGIMURA: Mr. Molina.

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MR. MOLINA: Yeah. So part of the project is to reexamine the hydrology of the whole watershed to make sure the design is correct and accurate. The project also involves debris basins that will...that are intended to accumulate all the sediment before it discharges into the ocean, which right now is free to just roll off the land and discharge *(audio interference)*. So...and I know you're familiar with our other flood control structures out in the West Side, and essentially they function the same way; to try and capture as much sediment as they can at controlled points, so they don't just *(audio interference)* Yes, it'll be all Public Work...we will own this facility and be responsible for *(audio interference)*.

COUNCILMEMBER PALTIN: And as far as the acquisition of lands, I had heard that they were searching for the parcels that had clean title. Is that still the case?

MR. MOLINA: We expect to have to deal with the buffet of land issues with this project. That is going to be an immense challenge to get through all the *(audio interference)*.

COUNCILMEMBER PALTIN: Okay. Thank you. And when you said similar to the other, do you mean like, gates, like, how Kahoma Flood has? You guys are going to construct those similar types of gates? Because of all of the sedimentation backed up behind that, is it just because that stream is flowing year-round now that it's difficult...more difficult to clean out? And this flood control would take effect only when there's like these big storm events, so they could clean out the sediment easier? Is it the same gate system that Kahoma has? Or it hasn't been determined yet?

MR. MOLINA: The specific design hasn't been completed yet, but the...the idea is the same function, that you'll be able to retain all the sediment at a set point up...upstream more from the discharge. This --

COUNCILMEMBER PALTIN: And it would be easier to clean out, because it's not a year-round flow?

MR. MOLINA: Yeah. So as you've seen parts stretch across from Lahainaluna Road, which aren't in a stream like Kahoma is, but the project does need to cross Kaua'ula Stream. We'll need to address controlling sediment at that location, which is part of what we're...the intent of this environmental review is, to look at how best to do that.

COUNCILMEMBER PALTIN: And I just was wondering if you can clarify how it would cross the stream. Would it be above the...how...how would the channel cross the stream?

MR. MOLINA: In essence, there needs to be some sort of diversion structure built at the stream that balances the in-flow stream standards, but also ensures that the heavy floods don't just go down and wipe out development below at the *(audio interference)*. So it'll be a unique challenge that the project team needs to *(audio interference)*.

COUNCILMEMBER PALTIN: Okay, thank you. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Ms. Lee, and then Mr. Molina.

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COUNCILMEMBER LEE: I think Mr. Molina's hand was up before mine.

CHAIR SUGIMURA: Oh, I'm sorry. I didn't see. Mr. Molina, would you like to go first?

COUNCILMEMBER MOLINA: Sure, if the Chair will bestow me that honor, I'd be more than happy to. From one Molina to another, yeah? Good morning, Mr. Director. If I'm correct, the State DOT is looking at doing some improvements or relocating of Honoapi'ilani Highway in the future. Have you folks had discussions with the State on this, as to if this project will have any...any impact on the implementation time of making these improvements?

MR. MOLINA: That'll be part of the outreach effort of this study. And that is one significant change that has occurred from the initial EIS for this project, is they completed the bypass road mauka, where this drainage channel was proposed. And so that, in itself, affects the drainage pattern through the area, so we need to review that as part of this effort.

COUNCILMEMBER MOLINA: Okay. Thank you, Mr. Director. Thank you, Madam Chair.

CHAIR SUGIMURA: Thank you, Mr. Molina. Ms. Lee.

COUNCILMEMBER LEE: Madam Chair. Question for Mr. Molina. It was said earlier that the Honua'ula Watershed Project was completed in 1997, and 12 million was spent on that through nine phases. How much do you think this project will ultimately cost, and how long do you think it'll take?

MR. MOLINA: I don't have hard numbers, but just using my best guess based on the scope of this thing, we're in the 15-20-million range, likely. Just the land acquisition alone could take up to ten years, if condemnations are involved. So this is going to be a...a long-term project at this moment.

COUNCILMEMBER LEE: Madam Chair, just for your...for historical information, the person who was very much involved in the first project, the Honua'ula Watershed Project, was the chief of engineering at that time, and his name is Ralph Nagamine. And if it weren't for him, the County wouldn't have pursued that project.

CHAIR SUGIMURA: Ah, very good. Wow. Thank you. So Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Mahalo, Chair Lee. That was interesting to learn more history. Mahalo for always sharing. I just wanted to share that on page 47 of the Appendix A, Grants and Restricted Use Revenues, it's on page 47, is the...it reflects the grant. USDA Natural Resource Conservation Service, Lāhainā Watershed Flood Protection Project, \$1,229,230. Mahalo, Chair.

CHAIR SUGIMURA: Good job, Budget...Budget Chair. Thank you. Okay, Members, so as I said, I'm going to defer this, and then take it up at the next Council meeting, so that we can take action at that time. But thank you very much, for everybody who's making

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this happen. Oh, Tamara you have another question?

COUNCILMEMBER PALTIN: Would we be discharging it, instead of deferring it?

CHAIR SUGIMURA: Oh, so I put a...I'm going to defer it today and take it up on the Council meeting. Yes. Yeah. Okay. Thank you.

ACTION: DEFER PENDING FURTHER DISCUSSION.

CHAIR SUGIMURA: So Members, thank you very much, and if you...any of you have any more questions, if you could forward it to me, so that we can be ready with answers for you at the next Council meeting that we have, that we'll take this up. So thank you, Chair Lee, for putting this on your agenda, and we will take this up at the next Council meeting. Done.

IT-51 SEWERLINE EASEMENT FOR THE KAIĀULU O KŪKULIA AFFORDABLE HOUSING PROJECT (LAHAINA) (CC 21-155)

CHAIR SUGIMURA: Okay, the last item that we need to take action on is IT-51, the sewer line easement for the Kaiā'ulu O Kūku'ia Affordable Housing Project, which all of you know as Mr. Bigley's project. So I have Eric Nakagawa. I also asked Linda Munsell, who has communicated with the Bigley project as...for deadlines. And what I've been told on the housing side, is that Mr. Bigley, this...this easement...sewer line easement has to be included in their closing documents for their financing with HHFDC, and his closing of his project with them is July, so we've got to...I guess this is more time sensitive of sorts. This is a reso, so it requires one reading. So at this time, I have Eric Nakagawa on the phone. You could talk to us about the sewer line easement. Thank you very much.

MR. NAKAGAWA: All right. Thanks, Chair. Hi, Members. So this is...I mean, it's a pretty straightforward sewer easement. Basically, since this is...this development is roughly 200, I think, units, and they just needed a temporary tie-in into our system to accommodate their development. So they worked with Wastewater, with a couple of options, and they chose the...I guess, the best option suited for them. The only difference is that they...they are going to tie-in into Kapunakea Street, which is pretty much right across from, I guess, Lāhainā...not Lāhainā, but Cannery Mall. And so they cross over...at the end of Kapunakea Street, there's a County lot, and they just need a sewer easement to cross over that lot, and that's all it is. So other than that, later on, when they develop the whole entire development, I don't know what it was, like 1.8 million gallons, they...they have their own treatment plan and that kind of stuff that they're going to deal with. So pretty straightforward. That's all, Chair.

COUNCILMEMBER LEE: You're muted, Chair.

COUNCILMEMBER PALTIN: I think you...you're muted. Are you calling on me?

CHAIR SUGIMURA: Sorry. Tamara Paltin.

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COUNCILMEMBER PALTIN: Oh, okay. Thank you. I just was wondering, that last comment that you made about the whole entire development. That's the HHFDC portion, and not Mr. Bigley's whole entire low-income portion; is that correct?

MR. NAKAGAWA: Chair. Yep, that is correct, Member --

COUNCILMEMBER PALTIN: Okay, thank you.

CHAIR SUGIMURA: Thank you. Anyone else have questions? Oh, Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Director. So I don't know whose responsibility this will be, but so there's a kahako over Kūku'ia. So it's there, but in Kaiā'ulu, there needs to be a kahako over the second A, wherever it's referred to.

MR. NAKAGAWA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: And then Lāhainā has two kahakos over the two...the first and the last A. That's all. Mahalo, Chair. If...if those corrections can be made, that would be great.

CHAIR SUGIMURA: Okay, we'll get it. Thank you. Who does those corrections? Is...is our...it's already transmitted over to us, so is it anybody's staff there? Laks...Laks, can you answer that?

MS. ABRAHAM: Member Sugimura, we're going to be making the corrections. We'll be requesting the original file and make those corrections for you.

CHAIR SUGIMURA: Thank you very much, appreciate it. We want to be correct. So any other questions for Mr. Nakagawa? Okay. So at this time, Members, I would like to request for a motion...where's my agenda? Sorry about that. To propose of...proposed bill entitled "A BILL FOR AN ORDINANCE"...sorry.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair.

CHAIR SUGIMURA: "APPROVING THE GRANT OF A SEWERLINE EASEMENT LOCATED AT KAPUNAKEA STREET, LĀHAINĀ, TMK (2) 4-5-035:037, LOCATED AT THE KAIĀ'ULU O KŪKU'IA AFFORDABLE HOUSING PROJECT." The purpose of the proposed resolution is to grant a sewer line easement to A0703 West Maui LP, a Hawai'i Limited Partnership, to allow connection of its affordable housing project, Kaiā'ulu O Kūku'ia, to the County sewer line in Kapunakea Street, Lāhainā. May I have a motion? Thank you, Member Lee. Second? I need a second.

COUNCILMEMBER LEE: But the motion is to recommend adoption of the resolution --

CHAIR SUGIMURA: Resolution.

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COUNCILMEMBER LEE: Resolution as...as stated by you.

CHAIR SUGIMURA: Okay, thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: And filing of the County Communication.
Second.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: And filing the County Communication.

CHAIR SUGIMURA: And filing County Communication 21-155. Motion by Member Lee,
second by Keani Rawlins-Fernandez. All in favor...oh, any discussion? Yes, Ms. Paltin.

COUNCILMEMBER PALTIN: Sorry, I just had one more question for Mr. Nakagawa. If HHFDC
never gets it together, we're okay to not have this be a temporary hookup, right? Or if
they don't get it together for, say, 30 years, or...you know how the State is.

CHAIR SUGIMURA: Mr. Nakagawa.

MR. NAKAGAWA: Yeah, thank you, Chair. Thank you, Member Paltin. So if you look at the
easement, and I didn't...I'm just the sewer guy saying okay, and then...but I think they
have...it's contingent upon some kind of lease with...with the...the landowner, HHFDC.
I think it's like a...and Mr. Hopper can probably clarify, but it's a 75-year lease. So I
think this easement rides along with that...that lease. So hopefully that --

COUNCILMEMBER PALTIN: So we're good for 75 years.

MR. NAKAGAWA: . . .*(inaudible)*. . . Right. So hopefully that'll clarify. Yeah.

COUNCILMEMBER PALTIN: Okay, thank you. Thank you, Chair.

CHAIR SUGIMURA: Okay, any other questions? Seeing none, okay all in favor say "aye", raise
your hand.

COUNCILMEMBERS VOICED AYE.

CHAIR SUGIMURA: Aye. So that's six ayes, one excused, and...which is Member Kama.
Motion carries. Thank you very much.

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VOTE: AYES: Chair Sugimura, and Councilmembers King, Lee, Molina, Paltin, and Rawlins-Fernandez.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Kama.

MOTION CARRIED.

ACTION: Recommending ADOPTION of resolution and FILING of communication.

CHAIR SUGIMURA: Thank you. Thank you, Mr. Nakagawa. Okay, Members, now we're going to go back to...you have such a nice suntan, Mr. Nakagawa.

**IT-54 MORATORIUM ON BUILDING PERMITS FOR VISITOR
ACCOMMODATIONS (MISC)**

CHAIR SUGIMURA: Now we're going to go IT-54, go back to the hotel moratorium. As you know, it's only for discussion. It is not an item that we're going to take any action on, but thank you very much for allowing me to switch around the agenda, just so that we could get through those last two items that we just took up, so appreciate that. So at this time, we have Jordan Molina from Public Works, we have Michele McLean from Planning, and I did ask for Makale'a Ane, but I guess she's not available, from the Mayor's Office. And as well as we have Jerry Gibson from the...from the Hawai'i Hotel Organization. So Mr. Molina, would you like to go first? Since we're talking about building permits?

COUNCILMEMBER PALTIN: Can I make my disclosure?

MR. MOLINA: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, I'm sorry, yes. Tamara Paltin has a statement to share with us.

COUNCILMEMBER PALTIN: Thank you, Chair.

CHAIR SUGIMURA: Before you --

COUNCILMEMBER PALTIN: I didn't think of this until I heard the testimony and folks talking about the hotel industry. And so I'm seeking an opinion from the Board of Ethics, because my husband works in the hotel industry. *(Audio interference)* to recuse myself

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from the discussion, until I think they said try and get it on the June 9th agenda.

CHAIR SUGIMURA: Okay. Thank you very much, Ms. Paltin. And I have a correction, Makale'a Ane is on the call. Yes, Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So Member Paltin's purpose for recusing herself, I...I don't think the...the bill, which we're not discussing today, could have an effect on your financial interest, whether it passes or not. But I just...I just wanted to share that for the public as well, because we all...we're all kind of connected in one way or another to the tourism industry as a whole. But your...your husband is...is just...it's just one hotel. So anyway...

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: I...I...I disagree that you would need to recuse yourself, but I respect your decision to be safe. Mahalo, Chair.

CHAIR SUGIMURA: Thank you. So at this time, Mr. Molina will go first. Makale'a Ane is on the call, I'm told.

COUNCILMEMBER KING: Chair, just point of order?

CHAIR SUGIMURA: Yes?

COUNCILMEMBER KING: We talked about getting an opinion from Corp. Counsel on how to frame the discussion, since we're not discussing the bill, we're just discussing the subject matter.

CHAIR SUGIMURA: Subject matter. Okay, if you feel comfortable about that, I think we're discussing the subject matter, and not taking any action on the bill. But Corp. Counsel, are you there?

MS. OANA: . . .*(inaudible)*. . . Yes. And I do want to note that the bill wasn't even posted for this agenda item. So, you know, you can discuss the subject matter. I don't think that there's any harm in talking about the bill, but you know, just knowing that there's not going to be any action, as well as I believe that the bill is on the agenda for another committee this week.

CHAIR SUGIMURA: Correct.

MS. OANA: So you know, feel free to discuss. I'm not sure what else, you know, I can say on this. You have any specific questions?

COUNCILMEMBER KING: Okay. You'll let us know if we're . . .*(inaudible)*. . .

MS. OANA: I'll try.

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COUNCILMEMBER KING: Thank you.

CHAIR SUGIMURA: Okay, thank you. Thank you, Ms. King. So at this time, Mr. Molina, standing by. Would you go first?

MR. MOLINA: Good morning, Madam Chair, Members of the Committee. Again, Jordan Molina, with the Department of Public Works. So the matter before the Committee, is really just the idea of moratorium on building permits for visitor accommodations. So I guess the Department would have concern using the building code as a tool to regulate land use. The Building Code is...and building permits are intended to be administrative, not discretionary approvals of projects. That seems to be more Planning Department or land . . . *(inaudible)* . . . proposals. Also, previous moratorium on visitor accommodations were Title 19 Amendment, putting it on the Building Code itself. So that's really the only comment we have, is that we don't agree that the Building Code is the proper tool to impose a land use restriction. Thank you.

CHAIR SUGIMURA: Thank you. Ms. Lee has a question.

COUNCILMEMBER LEE: Yeah. Jordan, how many active permits do we have? How many are pending for hotels?

MR. MOLINA: Madam Chair, I'm not prepared to provide that data, but I can follow up with our team *(audio interference)*.

COUNCILMEMBER LEE: Okay. And...and maybe you could also add maybe the average building permits for new hotel rooms in the last, let's say, five years? Okay, thank you.

CHAIR SUGIMURA: Thank you. So yeah, the last question was the average number of hotel rooms approved in the last five years? Okay. Thank you. Anybody else have questions for Mr. Molina? Okay. Oh, okay. Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I don't have a question for Deputy Director Molina, I just have a question about *Akakū*. It's...the screen is black.

CHAIR SUGIMURA: Oh, we're having trouble today.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

CHAIR SUGIMURA: *Akakū* has informed us they need to reboot. Meeting is in recess. . . *(gavel)* . . .

RECESS: 11:39 a.m.

RECONVENE: 11:49 a.m.

CHAIR SUGIMURA: . . . *(gavel)* . . . Welcome back to the Infrastructure and Transportation Committee. We're getting close to 12:00, and sorry, we're running out of time. But I...I

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did want to ask...Jordan, I'm going to ask Jerry Gibson, who I asked to come and present today, to talk to us. And he currently works on Maui, Kaua'i, Big Island, and O'ahu, and...and has transferred a total of 22 times in his career working in the hotel industry. And recently a past President of Hawai'i Visitor Convention Bureau, Board of [sic] Institute of Human Services, Owners Round Table, Head of Maui Tourism, Mayor's...sorry, Head of Mayor's Tourism Advisory Board, past President of HTLA, and current President of Hawai'i Hotel Alliance. And he's also the Vice-Chair of the Honolulu Police Commission. So at this time, Members --

COUNCILMEMBER KING: Chair.

CHAIR SUGIMURA: -- I wanted to ask Jerry Gibson --

COUNCILMEMBER KING: Chair, just a point of order.

CHAIR SUGIMURA: -- to give a...a short presentation. Yes, Ms. King.

COUNCILMEMBER KING: Yeah, we were in the middle of Deputy Director Molina answering some questions when we...when we took the break. Are we going to complete...can we give him a chance to complete --

CHAIR SUGIMURA: Well, if you have time, I...I think you're all running out of time, so I wanted to ask Mr. Gibson to do his presentation. Mr. Molina is going to be at your meeting on Wednesday, so maybe we could pick up the question on that...at that time, if we run out of time, if you don't mind. So at this time, I'm going to ask Jerry Gibson to present. Thank you very much, Mr. Gibson, for hanging out with us all morning here.

MR. GIBSON: And thank you, all, very much. Aloha, Chair Sugimura, Honorable Members of the Infrastructure and Transportation Committee. My name is Jerry Gibson, President of the Hawai'i Hotel Alliance. Mahalo for the opportunity to provide comments on behalf of Hawai'i Hotel Alliance regarding the County's consideration of a moratorium on building permits for visitor accommodations. Like so many industries, the pandemic was a game-changer for tourism. COVID-19 economic recession left Hawai'i's hotels the hardest-hit market in the country. For a year, most hotels throughout the County were shut down, and at occupancy levels that have left many properties operating at a significant loss. Despite the devastating impact that COVID-19 has had on Maui's hotels, the industry doubled down our...on our commitment to our island home and to the most valuable assets we have, the men and women of Hawai'i, who work in and around our hotels. Throughout the pandemic, our hotels extended the Health and Welfare Benefits for our furloughed employees, and developed life-saving, safe-stay protocols to protect our workers, our guests, and the communities we serve. Our hotels invested directly in community food drives, supported kūpuna care, engaged in countless acts of support for churches, schools and relief programs. The legitimate visitor industry has worked tirelessly to keep kama'āina safe and healthy, while working towards the safe reopening of our hotels. Simply put, our hotel industry will continue its generational commitment to being an integral part of the health, thriving communities across Maui County, and across our State, because the legitimate visitor

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industry believes that tourism is added to...to support the well-being of those of us who call Hawai'i home. The same cannot be said of illegal, short-term rentals. At the heart of this matter is...at the heart of this matter of a moratorium on building permits for visitor accommodation appears to be a desire to control the negative impacts of tourism across Maui County. At HHA, and throughout the legitimate visitor industry, we share this concern. We believe the conversation should focus on the causes of the negative impacts of tourism, and not the parts of the visitor industry that are crucial to our health, our culture, and our way of life here in the Islands. In 2009, Hawai'i had 43,000 hotel rooms, which ran at high occupancy, with seven million visitors to our shores. In 2019, we had the same number of hotel rooms, but more than 10.2 million visitors. In the last 20 years, our total hotel room count on Maui has actually fallen, while at the same time, legal and illegal short-term rentals have exploded, effectively permitting a 6,000-room hotel, and a 10,000-illegal-room hotel, unhosted B&B, directly into the heart of some of our most coveted neighborhoods and fragile ecosystems across the County. The vast majority of these short-term rental operators do not live in Maui County. While we have made progress in putting tougher laws on the books to deter this criminal activity of operating illegal hotels in our neighborhoods, our hard-working partners at the County have admitted that we will...we still lack the resources and tools to roll out effective and critical enforcement. In contrast to these illegal short-term rentals, our hotels consist of entire ecosystems that consider the needs of our guests, and our guests' impact on the communities in which our hotels are situated. Hotels are self-contained environments that, with tremendous input from our community members, permitting authorities, employees and culture advisors, are designed to minimize cost and footprint of our visitors, while maximizing visitor spend and contribution to our economy. From maintenance of the beaches our visitors use, to the promotion of voluntourism, and ecotourism opportunities for our guests, hotels are actively engineering positive visitor impact for the benefit of Hawai'i. If it is the intent of the Council to align the interest of kama'āina and the visitor industry, then a moratorium on permits for visitor accommodations, which reaches no more hotel rooms, it is my belief, a misinformed approach. Rather than single out hotels, which contribute to our communities in countless ways, we should focus our ire on enforcement against the literal thousands of illegal short-term rentals that are taking housing away from local families, clogging our streets, breaking the law, and not contributing to our tax base, skirting environmental compliance, noncompliant with basic health and safety regulations, lacking in community contributions, and destroying neighborhoods across Maui County and throughout Hawai'i. Yes, it is time to revisit our relationship with our visitors. And on behalf of HHA and our membership, we welcome every opportunity to continue our work with Council and communities in developing projects that put locals to work; invest in environmental stewardship; promote local business, schools and nonprofits, while honoring our host culture. Thank you very much for your time and consideration of these comments. Aloha.

CHAIR SUGIMURA: Thank you, Mr. Gibson. Ms. Lee.

MR. GIBSON: Thank you.

CHAIR SUGIMURA: Ms. Lee.

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COUNCILMEMBER LEE: Oh, okay, thank you, Madam Chair. Mr. Gibson?

MR. GIBSON: Yes.

COUNCILMEMBER LEE: I thought I heard you say that back in 2009, there were 43,000 hotel rooms?

MR. GIBSON: Yes. Yes, Chair, there was. Yes.

COUNCILMEMBER LEE: Okay.

MR. GIBSON: And now there is 43,000 hotel rooms.

COUNCILMEMBER LEE: Okay.

MR. GIBSON: In other words, we haven't grown. In fact --

COUNCILMEMBER LEE: In Maui? In Maui? In Maui?

MR. GIBSON: No, no, no. No, I'm talking about all of Hawai'i. Please excuse me.

COUNCILMEMBER LEE: Yeah.

MR. GIBSON: Yes.

COUNCILMEMBER LEE: Okay. Yeah. Okay. That's...that's important to know, because that distinction is important. We received information from the Hotel Association that says in 2020, we had 7,251 hotel rooms.

MR. GIBSON: That is correct on Maui, yes.

COUNCILMEMBER LEE: Okay. And then vacation rentals, we had 6,056 rooms. So almost as many vacation rentals.

MR. GIBSON: Yes.

COUNCILMEMBER LEE: Okay, I just needed to make that clarification. Thank you.

MR. GIBSON: And you are correct. It's 6,000...almost 6,000 legal TVUs, transient vacation units.

COUNCILMEMBER LEE: Thank you.

MR. GIBSON: Thank you.

CHAIR SUGIMURA: Thank you. Members, your...your...you had written testimony that you

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had submitted, in case anybody would like to have a copy of...of what you just said.
Ms. King.

COUNCILMEMBER KING: Thank you. So Mr. Gibson, thanks for being here. I wonder if you have any information on what happened to those hotels with the reduction? Were they transferred into timeshare units?

MR. GIBSON: Yes, a lot of them, Councilmember, were condo-hotels, and it became more lucrative to take them out of that...those units, and do transient vacation units for the individual. Some of them, I think I can only think of one or two in Maui, became as...as...as you said, they...they became transient vacation units.

COUNCILMEMBER KING: So they're still part of our...our...our visitor accommodation inventory, they're just not hotels or resorts.

MR. GIBSON: Well, part of it, and some of them...you are correct. And some of them are legal and some of them are illegal. Correct.

COUNCILMEMBER KING: Right. No, I understand that. I'm talking about the legal ones, because people are talking about a reduction in hotel rooms, but it's not a reduction in visitor accommodations, it's just they've switched over to another form of visitor accommodations. Because I don't...I don't recall any...and maybe you can help me. Are there any hotels that actually closed down and stopped...stopped being visitor accommodations?

MR. GIBSON: No, I think...I think it was more as you just suggested, more of a transfer. I...I can think of a couple on O'ahu and one on the Big Island, but I can't think of any in Maui.

COUNCILMEMBER KING: Okay. All right. Thank you. Thanks --

MR. GIBSON: You are...you are correct.

COUNCILMEMBER KING: Okay, thanks.

CHAIR SUGIMURA: Thank you. Does anybody have any more questions for Mr. Gibson?
Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I have a question for you.

CHAIR SUGIMURA: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: I was just curious if you'd be able to explain, of all the different industry organizations, why you chose this one over the others?

CHAIR SUGIMURA: So I was looking for someone from the industry to present, and my first choice was, as you can all guess, is Rod Antone, but he is not available. And so through

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the search of the hotel industry, we were able to get Mr. Gibson. Thank you for the question.

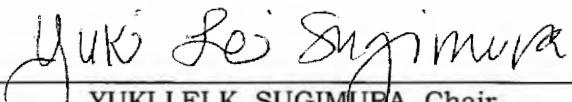
COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR SUGIMURA: Thank you. Anybody else have questions for Mr. Gibson? So Members, we hit the 12:00 mark, and as I said, his...what he read off, his testimony, he did submit it to us, so we have it in writing. And I had asked Michele McLean, who's been standing by, as well as Makale'a Ane, to be speakers also, but I think we've run out of time. So at this time, I'm going to defer this and look forward to the discussion on Wednesday with Ms. King's CARE Committee, and hopefully, we can pick up this discussion again. So everyone, thank you very much for making the time, and I'm going to defer this item. I'm going to take it up again on June...my next meeting is June the 7th for this Committee meeting, and we can continue the discussion on this issue. Thank you very much, Members. At this time, the meeting is...the IT meeting is now adjourned. . . .(gavel). . .

ACTION: DEFER PENDING FURTHER DISCUSSION.

ADJOURN: 12:02 p.m.

APPROVED:



YUKI LEI K. SUGIMURA, Chair
Infrastructure and Transportation Committee

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Transcribed by: Kaliko Reed

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CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 52 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 11th day of June 2021, in Wailuku, Hawai'i



Kaliko Reed