

# **BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE**

**Council of the County of Maui**

## **MINUTES**

**September 15, 2021**

**Online Only via BlueJeans**

**CONVENE:** 1:32 p.m.

**PRESENT:** Councilmember Keani N.W. Rawlins-Fernandez, Chair  
Councilmember Tamara Paltin, Vice-Chair  
Councilmember Gabe Johnson, Member  
Councilmember Tasha Kama, Member  
Councilmember Kelly Takaya King, Member  
Councilmember Alice L. Lee, Member  
Councilmember Michael J. Molina, Member  
Councilmember Shane M. Sinenci, Member (out 4:13 p.m.)  
Councilmember Yuki Lei K. Sugimura, Member

**STAFF:** Lesley Milner, Legislative Analyst  
Kasie Apo Takayama, Legislative Analyst (back up)  
Richard Mitchell, Legislative Attorney  
Yvette Bouthillier, Committee Secretary  
Kristeena Locke, Council Services Assistant Clerk

Kate Griffiths, Executive Assistant to Councilmember Gabe Johnson  
Evan Dust, Executive Assistant to Councilmember Tasha Kama  
Axel Beers, Executive Assistant to Councilmember Kelly Takaya King  
Ellen McKinley, Executive Assistant to Councilmember Kelly Takaya King  
Sarah Freistat Pajimola, Executive Assistant to Councilmember Keani  
N.W. Rawlins-Fernandez

**ADMIN.:** Michele M. Yoshimura, Budget Director, Office of the Mayor (BFED-54(2),  
BFED-54(4), BFED-54(3), BFED-85)  
Sananda K. Baz, Managing Director, Department of Management  
(BFED-85)  
Shayne Agawa, Deputy Director, Department of Environmental  
Management (BFED-54(3))  
Scott Teruya, Director, Department of Finance (BFED-78, BFED-85)  
May Anne Alibin, Deputy Director, Department of Finance (BFED-85)  
Marcy Martin, Real Property Administrator, Department of Finance  
(BFED-78)  
Lori Tshuhako, Director, Department of Housing and Human Concerns  
(BFED-54(2), BFED-54(4))  
Linda Munsell, Deputy Director, Department of Housing and Human  
Concerns (BFED-54(2), BFED-54(4))

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Kristina Toshikiyo, Deputy Corporation Counsel, Department of the  
Corporation Counsel

**OTHERS:** Anmarie Mabbutt (BFED-85)  
Cara Flores, Hale Hawai'i (BFED-85)  
Faith Chase (BFED-54(2), BFED-85)  
Jason Economou, Government Affairs Director, Realtors Association of  
Maui (BFED-78)  
Sarah Hofstadter (BFED-78, BFED-85)  
Clare Apana

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

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CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . . Aloha 'auinalā kākou. Kanakolukūmālua i ka hala o ka hola 'ekahi ma umikūmālima. O Kepakemapa I ka makahiki 'elua kaukani iwakāluakūmakahi. E 'olu'olu mai, e ho'omalū ke Komike Mo'ohelu Kālā a me 'Ho'mohala Waiwai o wai kaluna ho'o malū o kēia Komike o Keani Rawlins-Fernandez. I am signing in from the Moloka'i district office...oh, I forgot to translate, okay. It was 1:32 on September 15th, 2021. Will the Budget, Finance, and Economic Development Committee please come to order. I'm your Chair, Keani Rawlins-Fernandez. Again, reporting from the Moloka'i district office. I'm here alone. I kēia la me kou kākou eia hope luna ho'omalū o Tamara Paltin. Wa gwan kākou. Wa gwan, Member Paltin.

VICE-CHAIR PALTIN: Wa gwan mon, and aloha 'auinalā kākou me the West Maui district office. I'm here with Angela, and we are more than six feet apart.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo, Member Paltin. I'm having technical difficulties. I can't hear any of you. Okay, so we'll get through the introductions because I have TV here so I can...I can hear you through the TV, but it's a little delayed, and then I'm going to ask your indulgence in letting me take a quick recess to figure out what the technical issues may be so that I can hear you again. Okay, we'll continue on with the introductions. We'll go to our Council Vice-Chair [sic] for this afternoon's greeting. Wa gwan, Chair Lee.

COUNCILMEMBER LEE: Wa gwan. Hello from Jamaica. I'm here by myself in the room.

CHAIR RAWLINS-FERNANDEZ: Wa gwan. And with us Councilmember Shane Sinenci, wa gwan.

COUNCILMEMBER SINENCI: Aloha 'auinalā mai Maui Hikina. Wa gwan mon from the Cultural Center. I'm here with my EA Dawn Lono.

CHAIR RAWLINS-FERNANDEZ: Mahalo. And Member Mike Molina, wa gwan.

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COUNCILMEMBER MOLINA: Aloha, and wa gwan to you, Madam Chair, and my colleagues, and everyone else tuning in. And coming to you all via satellite live, I think, from my residence here in Makawao, and in the house by myself. Aloha.

CHAIR RAWLINS-FERNANDEZ: Aloha. And Member Kelly King, wa gwan.

COUNCILMEMBER KING: Wa gwan, Chair. Sounds like you could hear us now? Are you able to hear us? No, still not. Okay. You must be reading my lips. I'm alone, so I have no one in the room with me, and looking forward to a rousing meeting.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member King. I have the TV so I can...I can hear you, but it's about three seconds delayed. And so I'm watching your lips to see when you stop talking from my cue to jump in for the next Members. . . .*(laughing)*. . .

COUNCILMEMBER KING: Pretty smart. I didn't know how you were answering me when you couldn't hear me.

CHAIR RAWLINS-FERNANDEZ: Member Gabe Johnson, wa gwan.

COUNCILMEMBER JOHNSON: Wa gwan, Chair and Members. This is good for me because I talk with my hand a lot. So today I am home alone just by myself, and I'm looking forward to a good meeting. Thank you.

CHAIR RAWLINS-FERNANDEZ: I'm talking back to...with...to you with my hands. Wa gwan. Member Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Wa gwan, everyone, and the good news from Upcountry, Maui, is that it poured. There was rain. Yay. For our drought condition, yay. Anyway, thank you. Let's have fun today.

CHAIR RAWLINS-FERNANDEZ: Oh, we got more, we got some rain dancing going on from Member Paltin.

COUNCILMEMBER SUGIMURA: Yes, yes.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. And I guess the tech issue solved itself because I can now hear you. It must have been you, you...you know, trying to speak with your hands, Member Johnson. I think my laptop must have gotten intimidated and started working, okay. And then I'm so happy to welcome back Member Tasha Kama. Wa gwan.

COUNCILMEMBER KAMA: Wa gwan, Chair, and aloha 'auinalā to each and every one of you. It is good to be back, and I'm broadcasting from my home in Kahului, and there's no one else here in the home except me. Aloha.

CHAIR RAWLINS-FERNANDEZ: Aloha. Okay, from Corporation Counsel we have with us Deputy Corporation Counsel Kristina Toshikiyo.

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MS. TOSHIKIYO: Wa gwan and aloha, Chair and Members.

CHAIR RAWLINS-FERNANDEZ: Wa gwan. And...oh, well, everyone...everyone already followed the instructions, and I forgot to read it again. In accordance with the Governor's most recent emergency proclamation, please identify by name who, if anyone, is in the room, vehicle, or workspace, and that's just for the Councilmembers. Mahalo for doing that without the instructions. And finally our committee Staff. Committee Secretary Yvette Bouthillier. Wa gwan.

MS. BOUTHILLIER: Wa gwan. Good afternoon. Hello, Committee Members and Committee Chair.

CHAIR RAWLINS-FERNANDEZ: Good afternoon. Budget Committee Analyst Lesley Milner.

MS. MILNER: Aloha, Chair. Wa gwan, Members.

CHAIR RAWLINS-FERNANDEZ: Legislative Analyst Kasie Apo Takayama. Wa gwan.

MS. TAKAYAMA: Wa gwan, Committee Chair and Members. And mahalo, Chair Lee, for picking an easy one this time.

CHAIR RAWLINS-FERNANDEZ: . . .*(laughing)*. . . I concur. Legislative Attorney Richard Mitchell. Wa gwan.

MR. MITCHELL: Aloha, Chair and Members, and wa gwan.

CHAIR RAWLINS-FERNANDEZ: And Council Services Assistant Clerk Kristeena Locke. Wa gwan. Okay. This online meeting is being conducted in accordance with the Governor's most recent emergency proclamation on COVID-19. Please see the last page of the agenda for information on meeting connectivity. We got a very full agenda this afternoon. We have six items on today's agenda. Your Chair intends to take up the first three grant items together to expedite deliberations for the acceptance of all three grants to the County, and we have our resource personnel here. And I'm hoping we can get that completed in 15 minutes. I know we can. And then we have the next item, BFED-37 Waiale Land Acquisition. And your Chair intends to defer the item without discussion at today's meeting, and I will explain a little more later. I think you may have seen in the chat me thanking Ms. Reimann as a resource for us, but since the intention is to defer discussion on that item today, I thanked her for coming and hope she can come to the next BFED Committee meeting. Okay, and then we have...and we'll likely take...BFED-78, which is the County property tax reform bill, and then we'll take our afternoon recess, and then we'll lastly take up BFED-85 Legislation and Discussion on the Effect of...oh, I didn't read all of them. Oh, okay, BFED-54(2) Amendments to Appendix A, Grants and Restricted Use Revenues - Schedule of Grants and Restricted Use Revenues by Departments and Programs for Fiscal Year 2022 (Department of Housing and Human Concerns (Department of Housing and Urban Development (HUD), Emergency Housing Vouchers)). BFED-54(4) Amendments to Appendix A, Grants and

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Restricted Use Revenues - Schedule of Grants and Restricted Use Revenues by Departments and Programs for Fiscal Year 2022 (Department of Housing and Human Concerns (American Rescue Plan Act of 2021 - Emergency Rental Assistance Program #2)). BFED-54(3) Amendments to Appendix A, Grants and Restricted Use Revenues - Schedule of Grants and Restricted Use Revenues by Departments and Programs for Fiscal Year 2022 (Department of Environmental Management (State of Hawaii, Act 88, SLH 2021, Central Maui Regional WWRF (Waikapu) Project)). BFED-37 Waiale Land Acquisition. BFED-78 County Property Tax Reform. BFED-85 Legislation and Discussion on the Effect of the Coronavirus Pandemic, Rules, Cares Act, and Related Issues. And for the purposes of this Committee, I plan to limit discussion on the BFED-85 to budget-related COVID matters. Okay. Okay, so that's the plan for today, and then we'll go into public testimony. I see we have five individuals signed up to testify. Oral testimony via phone or video conference will be accepted. Please note that if you are signed in, you are on the list to testify, even if you did not request to testify. Please let Staff know in chat if you are signed on and do not intend to testify. Testifiers wanting to provide video testimony, please join by going to the BlueJeans meeting link at <https://bluejeans.com/441891331>, and entering...as noted on today's agenda. Testifiers wanting to provide audio testimony, please join by calling the number and entering the meeting code noted on today's agenda. The Committee intends to keep the same meeting link and phone number for all BFED Committee meetings this term for the ease and convenience of the Members and the public. Written testimony is highly encouraged. Instructions on how to submit testimony can be found at [MauiCounty.us/testify](http://MauiCounty.us/testify). Oral testimony is limited to three minutes. If you...when testifying, please state your first and last name. If you are testifying on behalf of an organization or are a paid lobbyist, please inform the Committee. Staff has...I have posted the testifiers log in chat, so that the testifiers can see where they are on the list. Please be mindful of the use of chat during the meeting. Chat should not be used to provide testimony or chat with Councilmembers or other testifiers. If providing testimony, please be courteous to others by muting your microphone and video while waiting your turn to testify. Once you are done testifying, you will be asked to disconnect from the call; however, you are welcome to continue to view the remainder of the meeting on *Akakū* Channel 53, Facebook Live, or on [mauicounty.us/agendas](http://mauicounty.us/agendas). Participants who wish to view the meeting only, please also disconnect at this time and you may continue watching on *Akakū* Channel 53, Facebook Live, or on [mauicounty.us](http://mauicounty.us). And we'll proceed with testimony, starting with Ms. Anmarie Mabbutt, followed by Cara Flores. Ms. Mabbutt.

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

MS. MABBUTT: Good afternoon, Councilmembers. Thank you for putting BFED-85 on the agenda today. I'm not clear, so are we not allowed to speak to testing or commercial event issues right now; is that correct?

CHAIR RAWLINS-FERNANDEZ: Oh, you can testify, I'm just letting the Members know that we will be limiting discussion on Budget-related items.

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MS. MABBUTT: Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: But you can testify on anything Coronavirus related.

MS. MABBUTT: Okay, thank you. I have a number of questions, I'll try to get through as many as I can. First, why is the current bid for expanded free community testing open 31 days? Residents have needed expanded testing since at least the beginning of August. Last year, when more testing was needed, the bid was open for five days. Also, earlier this year when Mayor Victorino wanted a new mandatory post-arrival COVID test for transpacific travelers, the bid was open for just five days, and the program was up and running within about a week. Next, why has the County continued to allow mass commercial events in...with upwards of 200 or more people to operate amidst the Delta variant surge? Maui Memorial is strained, nonessential surgeries have been postponed, and yet tourists are gathering by the hundreds at luaus and other commercial events, every day at multiple locations across the island. Why are the details regarding these events not posted on the County website? Within days of Governor Ige's July 8th, 2021 Executive Order requiring mitigation plans for all gatherings in excess of 50 people, Honolulu County had a tab on its website that allowed the public to view all planned large events and their mitigation plans. I recently submitted a public records request for this information from Maui County, and have been charged almost \$400 in order to access these records. This is not transparent, and flies in the face of open government best practices. Why is Maui's new health pass program that starts today less stringent than the O'ahu program? Are you concerned that the more reckless risk-taking tourists will divert their plans from O'ahu to Maui to avoid the stricter rules for restaurants, bars, et cetera, on O'ahu. Are you concerned that allowing people who are not vaccinated or tested to eat outside at restaurants still poses a health risk to other patrons and restaurant staff? On May 26th and June 5th, 2020, when you approved the Mayor's request to add the 66.7 million in CARES Act funds as a supplemental appropriation to the Fiscal Year 2020 budget, you approved the appropriation with nonsubstantive changes. Several Councilmembers had expressed concerns about approving the money in, but not approving the money out, and you were given a general plan, as was the Governor, for the Mayor's and Department of Finance's plans for that money. The breakdown was essentially public safety, 18.76 percent; community needs, 12.68; public health . . . *(timer sounds)*. . . *(inaudible)*. . . and economic support, 36.78. Ultimately, according to the June 9th, 2021 cover letter from the Finance Director, public safety, they expended 10.21 percent; community needs, 15.67 percent; public health, only 16.2 percent; and economic support, 57.9 percent. So ultimately, Maui County overspent on economic support by more than \$10 million and underspent on the public health category by more than \$14 million. Why was...

CHAIR RAWLINS-FERNANDEZ: Ms. Mabbutt.

MS. MABBUTT: Yes.

CHAIR RAWLINS-FERNANDEZ: The time is up. I'm sorry.

MS. MABBUTT: Okay, all right.

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CHAIR RAWLINS-FERNANDEZ: I should have let you know that was what the timer sounds like. If you're close to closing, you can complete your testimony.

MS. MABBUTT: Just on that question, I was just...I just wish the Council had questioned that as they started to see the spending priorities vary from what was initially approved, and what ultimately happened was radically different than what was approved last year and...with the result that so much less was spent on public health. And right now is an example of when we could use more money for testing and other things. So that's it, but thank you for your time today.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Mabbutt. I see a question from Member Paltin, followed by Member King. Member Paltin.

VICE-CHAIR PALTIN: Thank you, Chair. Thank you, Ms. Mabbutt, for your testimony. I just was wondering, at the time in June, things were looking radically different than they are now. At that point the vaccine rollout was working and it was a bad economic situation because I think it was...so I just was wondering, you know, things are changing day to day, week to week rapidly, and so at the time when we got that thing in June, the public health situation was pretty good, not like how it is now or last month. So I just was wondering...you know, it's like a hindsight kind of thing, but at that time, the public health was in much better shape than it is now. And I was wondering how you thought that we...at that time, it was more the economic situation. So I'm just wondering...

MS. MABBUTT: Well, I...go ahead, sorry.

VICE-CHAIR PALTIN: I'm just wondering like when you're asking us this question, it's with the situation that's going on now, and not the situation that's going on then. And I'm just wondering about how...because it looked good then...at that time.

MS. MABBUTT: Yeah. I mean, it was definitely better three months ago than it was...then it is now, the numbers and such. But last year when Councilmembers--some were getting a little...I don't want to say frustrated, but I'm just wondering why more money wasn't being spent on different things--the response often was, well, we understand this is a fluid situation and may change, so we want to hold off to reserve funds for something that might be needed in the future. So that exact same statement could have been made three months ago. The June cover letter from Director Teruya reported that as of June 8th, all the CARES Act money had been spent, and that was the ultimate breakdown that occurred. Now, as you all know, the CARES Act deadline was extended last December, so the County actually has until the end of this year to spend the CARES Act funds. And that was known in December of 2020, but apparently the County or the Director...you know, the Department of Finance went ahead and spent all the money, according to that cover letter, by June 8th, which left nothing to deal with what, you know, could...maybe should have been anticipated as far as Delta. People were talking about Delta back then. And rather than kind of reserve something from that...those funds like they were saying they were doing last year, it just didn't happen. And then it's just...it was just further troubling because this item, unlike last year where it was

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scheduled every month, hasn't been scheduled at this Committee since February, and a lot obviously has gone on between February and now. So I just think it would have been nice for the public to have an earlier opportunity to speak to this, but thank you for putting it on the agenda today.

VICE-CHAIR PALTIN: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Member King.

COUNCILMEMBER KING: Thank you, Chair. Thank you, Ms. Mabbutt, for being here and...you know, you are so thorough about the research you do, I really appreciate that. I wonder if you've done any...you know, the information that you've asked for and that you seem to be getting charged to access, have you done any research into other communities that have that kind of information available? I mean, a lot of the other communities in the country are putting that kind of information on a dashboard that's available to the public 24/7. And so have you asked the Administration about that, or have you done any comparative research to see what we're not showing that other communities are?

MS. MABBUTT: Yes. I mean, there's definitely the counties that are...have really the most advanced open government best practices, dashboards like this are available, and they would include things like the contracts between the nonprofits who got the money to distribute to people from CARES Act, those contracts and will use would be posted on a website. The accountability reports for how that money is ultimately spent by these various nonprofits that we're helping the community would also be reported on the website. There would just be tabs available to access all this information. And specifically the items that I'm being charged for, it's just especially frustrating because the recent requirement for all counties in the State to make reasonable efforts to make data available electronically, and these particular records originated as emails. They originated as electronic records. So to be charged for physical copies, and to have to come down to the County building during a pandemic, it's just...it's...there could be better ways to handle the situation. And certainly, an example of best practices as far as this goes would be San Francisco. They do not charge the public for time spent to respond to requests. They will charge for physical copies if that's needed or a flash drive or something, but in all possible cases, information is provided electronically. It's cheaper, it's safer, it's more efficient, it's more environmentally friendly, and it's just more open and transparent when the public is able to access the records.

COUNCILMEMBER KING: So you're getting charged for people's time to respond to it?

MS. MABBUTT: Yes, yes.

COUNCILMEMBER KING: And do you have invoices that reflect all the charges that were...

MS. MABBUTT: Yes. There's a formal request form that is completed, and then the estimate for this was 40 hours and designated by statute amount per 15 minutes. So that's how it was broken down on this request. But it's outrageous, especially given that on O'ahu,



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there's a tab on the website that you can go to and immediately get this information --

COUNCILMEMBER KING: Right.

MS. MABBUTT: -- with no effort or time on the part of, you know, County Staff or the public, really. And so...

COUNCILMEMBER KING: Yeah, and we've other...I've, you know, I've sat in on webinars with the National Association of Counties where they've done...given examples from other communities on what's on their dashboard. But can you send your...the testimony today, did you send that in writing to the Committee?

MS. MABBUTT: I didn't, but I will, especially since I didn't get finished. So I will go ahead and send that in. Yes, thank you.

COUNCILMEMBER KING: Great, all right. Thank you. Thank you for your testimony.

MS. MABBUTT: You're welcome.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member King. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. And thank you, Ms. Mabbutt, for your observations on this and your advocacy for open and transparent government. You mentioned in your testimony, I guess, the imbalance of how the monies were spent with more being spent towards economic development versus safety. And I'm not sure, maybe like months ago, I guess the priority was more the economic issue versus the safety, but you certainly made good points. You mentioned more money should have been spent on testing. Anything else for health purposes, how some of that money should have been spent, any other areas you would suggest?

MS. MABBUTT: Well, my specialty is not medical or pandemic management, it's more open transparent public records and public meetings. But besides the testing...I mean, the testing is number one priority, I think. And then certainly, it seems more PP&E specifically for the keiki could have been purchased and made available to the school children. I know it's not within your jurisdiction at all about regarding distance learning and having that more available for all the families that wanted it, but if that were, that would have been a nice way to spend the money, but I know it's not. But I would think more PP&E certainly in the school environment, and the testing. And I mean...I don't know, but as far as vaccinations...I haven't heard a lot of people complaining about their ability to access vaccinations, so I think that has been going fairly well. But certainly, I've seen many people struggling, especially a few weeks ago, trying to find any testing at all. Unless you're...you know, it was up and running in less than two weeks, and now this current bid has been out for almost a month, and it's still remaining open for another five days. It just doesn't seem like that was necessary, given how quickly prior rollouts occurred and bids. So I'm hoping that as many people that need testing are able to get it easily, but right now, I'm not sure if that's the case in the County or not.

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COUNCILMEMBER MOLINA: Okay. Well, thank you very much for your comments. And we'll certainly add to the discussion when we get to that point your observations, so it's much appreciated. Thank you, and thank you, Madam Chair.

MS. MABBUTT: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Seeing no other questions...thank you so much for your time and your research. And when we bring up that item, we can have the Administration respond to your concerns and questions. And we do have...we just started using OpenGov, so on the Council on the legislative side, Hawai'i has...Kaua'i County has OpenGov and has a CARES Act funding tab, which I love. And so as soon as we are able to fill the position that will help us manage the software to get this information uploaded, then on the Council's end, we'll have that available for the public. And the Administration can update on their end some of the work that they've been doing. Mahalo, Ms. Mabbutt.

MS. MABBUTT: Have a good day.

CHAIR RAWLINS-FERNANDEZ: You too. Okay, our next testifier is Cara Flores, followed by Faith Chase.

MS. FLORES: Aloha. This is Cara Flores, and I am testifying. Can you hear me?

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

MS. FLORES: Aloha. I'm testifying on behalf of Hale Hawai'i, and I just wanted to reiterate a little bit of what Anna (*phonetic*) said is, you know, it's been very frustrating trying to figure out what's happened with our Federal pandemic money during this pandemic as a private citizen, and figuring out where it went. As far as questions, I just wanted to keep going on some of the concerns that she had written up, whether the planned uses for the County's \$30 million in ARPA funds, how much is the County receiving, and where is the copy of the interim report that was due to the U.S. Treasury by August 31st of this year? When did Maui County receive its first installment of ARPA funds? Why has there been no public discussion of the planned use of Maui County's ARPA funds? *Civil Beat* noted that Mayor Blangiardi and the Honolulu County Council have been discussing ARPA funding expenditures at Council meetings for months, and why have we not been having similar discussions here in Maui County meetings? Kaua'i and the Big Island County Councils had Senator Schatz attend County Council meetings to discuss their County's COVID Federal Relief funds. Did we invite Senator Schatz to speak to this issue? And if so, why didn't he come and speak to Maui County? Why did Maui County approve a \$66.7 million supplementation appropriation via Bill 61 on second and final reading on June 5th of 2020 for a fiscal year budget that was ending 25 days later? There is no way Maui County could spend that much money in 25 days. Furthermore, the County was never going to receive the entirety of its CARES Act fund by June 30th of 2020, and the rules regarding the distribution of the funds were outlined by Governor Ige in June of 2020...June 3rd, in a letter that noted prior disbursements of the second installment of CARES Act fund, and the County needed to provide proof

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of its expenditures...or the County needed to provide proof, sorry. They expanded the first half, and Maui County did not do that. On August 11th, 2020 cover letter, there was a report that Maui had only expended \$2,814,298.91. If they have only spent just under that \$3 million by August 10th, what happened to the other 60 million in the CARES Act fund? The area in the budget, Exhibit A, Grant Revenues that reports the County's COVID-related Federal funds does not list CARES Act fund for Fiscal Year '21...budget beginning July 1st, 2020...so the entirety of the County's . . .*(timer sounds)*. . . \$66.7 million CARES Act fund. Just to wrap up...I'm not going to be able to finish this but, you know, there's so much...this could have been done so much better, and we can still do better to do proactive things instead of reactively spending money. Had we opened in a smarter way and been more prepared, we could have let more businesses open quicker in the pandemic, and used less unemployment and needed less food assistance and other things to pay back people not being able to go to work. The fact that we didn't have a good plan cost us a lot of money, and caused us to spend our CARES Act money in a way that maybe wasn't so smart. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Flores. Members, any questions for our testifier? Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. I guess...you know, we often ask if you submitted written testimony, and I wondered if you did...with all your different questions?

MS. FLORES: So I will...we...Hale Hawai'i, we agree with everything that Anna is working on submitting, so we will just have her testimony...we'll be in agreement with that.

COUNCILMEMBER SUGIMURA: Okay, so Anna is Mabbutt, that's her first name?

MS. FLORES: Mabbutt, yeah. Anmarie.

COUNCILMEMBER SUGIMURA: Anmarie. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Sugimura. Okay, seeing no other questions, we'll thank you for your testimony, Ms. Flores.

MS. FLORES: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. And before I call on the next testifier, I will just sound the alarm so everyone knows what it sounds like. . . .*(timer sounds)*. . . Okay, I forgot to do that in the beginning. All right, our next testifier is Faith Chase, followed by Jason Economou.

MS. CHASE: Good afternoon, Chair. Good afternoon, Committee. I want to speak specifically to BFED-54. I'm taking advantage of speaking on this because I want to believe that some of the Departments and Division Directors and personnel might be on the line. You know, the events of this week, the Mayor's sort of haphazard announcements, sweeping of Kanaha, absolute communication breakdown, you know, this rescue money for renters has really...I just want to shine some light on the inability of the today

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agencies to make the reach, which is required within this Department of Treasury Emergency Rental Assistance. So there's like six different points, but I'm going to read three of them that are very important that relate to our very culturally intense population. Strongly encourage partnerships with courts to actively prevent evictions and develop eviction diversion programs. Okay, sweeping Kanaha is not doing that. Two, drive towards equal access by removing language and cultural barriers in securing emergency rental assistance. Those pallet houses do not work for our local people, I've said this before. Number three, encourage grantee coordination to reduce the burdens and delays in providing assistance created by differences in locally imposed requirements among programs operating in the same regions. I will drop this fact sheet in the eComment box. Something wrong is going on. We cannot wait until next year's budget to give a grant to a new agency. The agencies that have been getting money from the County to date...I just got off a homeless alliance meeting that was putrid. They want...somebody suggested to go ask Mayor Victorino to make a proclamation...proclamation? While he's doing sweeps at Kanaha? You know what? I'm so frustrated...I don't even know. I'm so close to giving up on...I love this body. I know so many of you personally. I love this Council body, but I am so close to absolutely giving up on my local Government. So any agencies and any non-profits and those faith-based groups that are getting money from Maui County--do your job...do your job. Hire help. And Sandy--thank you so much to the testifiers before me. Sandy Baz, get some help because yeah, your COVID reporting is weak. Thank you so much to those two testifiers before me. Thank you for listening.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Chase. Any questions for our testifier? Mahalo, Ms. Chase, for testifying and for always pushing us to be better. I appreciate you. Please don't give up. Our next testifier is Jason Economou, followed by Sarah Hofstadter.

MR. ECONOMOU: Good afternoon, Committee Chair and Committee Members. I'm going to leave my camera off if that's all right, just because I have unreliable internet and I'm working from home. My name is Jason Economou, and I am the Government Affairs Director for the Realtors Association of Maui. And I am testifying on behalf of the Realtors Association of Maui and our 1,800-plus members. Concerning BFED-78, this vacant property tax is really concerning because it seems to be a bit of an affront on property rights. Chair, I know that you attended law school, and probably in your property class, you remember the bundle of rights that go along with property. You know, you have the right of possession, the right of control, the right of enjoyment, the right of exclusion, and the right of disposition. And this tax structure that is being proposed in the attached legislation is really a punitive measure against a fully lawful property use that the Council just simply doesn't like. Yes, we are in a housing crisis, and yes, it's unfortunate that we have vacant properties, but quite frankly, owners and businesses have the right to leave their properties vacant. And to suddenly attach a stick and to reclassify these properties arbitrarily as short-term rentals, even if by virtue of their tax class or their...excuse me, their zoning by virtue of their permitting, they can't do short-term rentals, just to go ahead and say, well, we don't like you leaving it vacant, so we're going to classify you as something that you're not. You're really asking for one, a proliferation of illegal short-term rentals. Because I can tell you, if I have a second property and I'm being taxed as a short-term rental, I might as well make a buck

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off the side. But in addition to that, I think you're going to have a lot of people who lawyer up and fight against this. You know, over the course of the past year, we have seen the Council's tax policy appear as though, first, they are going to tax properties based on their actual use. And then that changed to taxing properties based on their highest and best use. And now, with this proposal, it seems like you want to tax properties based on how the Council feels about the use at any given time. You know, this is a use tax, it's not a property tax, and that's really not the purpose of property taxes. So I would really like you guys to...you know, and I would implore you to reconsider this move. And also, just from a practical standpoint, who is going to be checking that these properties are being used more than 50 days out of the year? Who has the burden of proof when it comes to demonstrating that the property is used for residential purpose 50 days out of the year? Who...you know, what are the logistics of this? And I just don't really understand how it's workable. Additionally, you know, I'm going to go with that slippery slope argument that I'm sure the Committee Chair can . . . (timer sounds). . . agree with. If you're going to tax people in this manner, then what if they have an unused ohana, are you going to tax that next? What if they have an unused room in their home, will you add an extra surcharge to their taxes for having a vacant space? What if they're not growing crops in their front yard, should we tax them for that too? This is just a really bad policy move that RAM would really hope you'd reconsider. And I know my time is up, but thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Economou. Members, any questions for our testifier? Seeing none, we'll thank you for your testimony and your written testimony, Mr. Economou.

MR. ECONOMOU: All right, take care.

CHAIR RAWLINS-FERNANDEZ: Aloha. Okay and our last testifier signed up is Sarah Hofstadter, did I state it correctly? Sarah Hofstadter? I know I'm kind of close, I can't be that off. I know I got the Sarah part down.

MS. HOFSTADTER: Okay, okay. Now...can you hear me now?

CHAIR RAWLINS-FERNANDEZ: All right. Yes.

MS. HOFSTADTER: Okay. Yeah, it's Hofstadter. No worries. Okay. I signed up to testify on BFED-85, but I do just want to make some remarks in response to what Mr. Economou said, if that's all right with you. We're not...the intent of this legislation to tax properties that people hang onto and leave vacant and thereby withdraw from the housing market available...the housing pool available to residents to live in, it's not telling people they can't leave their housing vacant. So it's not...it doesn't contradict...it doesn't take away any of their bundle of rights. It simply penalizes them for a public purpose; that is, to increase the supply of housing that's available to Maui residents and hopefully thereby...you know, if you increase supply and if demands stays the same, hopefully prices go down. There's a house on my street that's owned by people who live in the State of Washington, and they're never there. They haven't come since the pandemic started. Some family could be living in that house. And I do think there should be

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consequences for that choice. If they can afford to own two homes, then they can afford to put something into the pot for the County to use to construct affordable housing for people who really need it. I don't think people should be...expect to have free and unfettered and not extra taxed rights to own two homes when there are so many people who have no homes. So that's just that. And on that point, I was not speaking on behalf of Hale Hawai'i, I was just...that was just me. I...as far as BFED-85, I just want to echo what my Hale Hawai'i colleagues said. And without getting into the nitty gritty specifics, I just want to urge this Council and this Committee to exercise your oversight authority and responsibility to make sure that the County is being both transparent and conforming to the law on the question of how these funds are used. It is not okay for the Mayor to have unreviewed...unreviewable discretion over how these funds are expended. We all know...I'm not accusing anybody of anything, but we all know that in other times and places, money that has come into a local Government has been used to enrich the cronies and supporters of the person in charge of that local Government, and that's one of the reasons that we have a separation of powers between legislative and executive. The legislative branch, in any tripartite system of Government, is supposed to exercise oversight authority over the executive. You're supposed to be representing the interest of your constituents in making sure that we know how the money is being spent, and that it's being spent correctly. So I just want to encourage you to take this issue seriously, and have a sit down with Mr. Baz and the people who work with him in his office, and figure out how do we account for all of this money, and is there money left that should be allocated differently than the way the Mayor is planning to allocate it. I think that Anna's timeline, which she will submit to you, shows that that kind of oversight authority has not been consistently exercised, and it really needs to be. The public has a right to know. These are our tax dollars, these are your tax dollars, these are not Mayor Victorino's personal dollars. And so we really have a right, as the public, to know what they are being used for, and to have input on what the priorities are for those uses. And there's a lot we could be doing I think, even though Maui County is not the Department of Education, Maui County could be working with the Complex Area Superintendent in Maui County to see what do you need, what can we do for you, what can we...how can we use CARES Act money to help your schools be safer? So that's really all I wanted to say unless people have questions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Hofstadter. Members, any questions for our testifier? Seeing none, we'll thank you for your testimony.

MS. HOFSTADTER: Okay. Aloha, thank you. Mahalo.

CHAIR RAWLINS-FERNANDEZ: I'll now ask if anyone signed on would like to testify? Anyone wishing to testify, please unmute yourself now, and you may proceed. Okay. I'm not hearing anyone speaking up to testify. So Members, are there any objections to closing public testimony and accepting written testimony into the record?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

CHAIR RAWLINS-FERNANDEZ: Wonderful. Mahalo, Members.

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COUNCILMEMBER KING: Sorry, I just saw Makale'a Ane's name on it, but then it got erased.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Mahalo, Member King.

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

**ITEM 54(2): AMENDMENTS TO APPENDIX A, GRANTS AND RESTRICTED USE REVENUES – SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS FOR FISCAL YEAR 2022 (DEPARTMENT OF HOUSING AND HUMAN CONCERNS (DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD), EMERGENCY HOUSING VOUCHERS))**

**ITEM 54(4): AMENDMENTS TO APPENDIX A, GRANTS AND RESTRICTED USE REVENUES – SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS FOR FISCAL YEAR 2022 (DEPARTMENT OF HOUSING AND HUMAN CONCERNS (AMERICAN RESCUE PLAN ACT OF 2021 – EMERGENCY RENTAL ASSISTANCE PROGRAM #2))**

**ITEM 54(3): AMENDMENTS TO APPENDIX A, GRANTS AND RESTRICTED USE REVENUES – SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS FOR FISCAL YEAR 2022 (DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (STATE OF HAWAII, ACT 88, SLH 2021, CENTRAL MAUI REGIONAL WASTEWATER RECLAMATION FACILITY (WWRF) (WAIKAPU) PROJECT))**

CHAIR RAWLINS-FERNANDEZ: Okay. All right. We will take up the first three items as I mentioned, BFED-54(2) Amendments to Appendix A, Grants and Restricted Use Revenues – Schedule of Grants and Restricted Use Revenues by Departments and Programs for Fiscal Year 2022 (Department of Housing and Human Concerns (Department of Housing and Urban Development (HUD), Emergency Housing Vouchers)); BFED-54(4) Amendments to Appendix A, Grants and Restricted Use Revenues – Schedule of Grants and Restricted Use Revenues by Departments and Programs for Fiscal Year 2022 (Department of Housing and Human Concerns (American Rescue Plan Act of 2021 – Emergency Rental Assistance Program #2)); and BFED-54(3) Amendments to Appendix A, Grants and Restricted Use Revenues – Schedule of Grants and Restricted Use Revenues by Departments and Programs for all Fiscal Year...for Fiscal Year 2022, (Department of Environmental Management (State of Hawai'i, Act 88, Session Law Hawai'i 2021, Central Maui Regional Wastewater Reclamation Facility (Waikapu) Project)). Okay. We have, for all three items, Budget Director Michele Yoshimura, who will provide opening comments on the three items. And then I will

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invite Department of Housing and Human Concerns Director Tsuhako, Lori Tsuhako on if she has any additional comments; and then Environmental Management Department Director Eric Nakagawa. But I think Budget Director Yoshimura will probably do a very good job, and we won't need to ask any further questions. Budget Director Yoshimura.

MS. YOSHIMURA: Thank you, Chair. Hi, Members. For BFED-54(2), the Emergency Housing Vouchers. In the budget, we currently have \$1.1 million...oh, one point...yeah, \$1.1 million that's already been appropriated, and a notification to the Council has been provided in receipt of those funds. Subsequently we did get another award for the \$420,000. That \$420,000 is for the purpose of facilitating and expediting . . . *(inaudible)*. . . and preventing homelessness. It's...the grant can be used for Administrative fee amounts that wasn't originally accounted for in the Fiscal Year '22 Budget, so the total appropriation...or the total grant award for emergency rental from the Department of Housing and Urban Development is \$1,576,956...so a little over \$1.5 million. And Director Tsuhako is available for any questions that you may have. The second item, that is another budget amendment, it's BFED-54(4), it's for Emergency Rental Assistance monies. We did get one allotment of Emergency Rental Assistance funding that was allocated in the Fiscal Year '21 budget for \$40 million. And we did have strict usage for that funding, and we had a very short timeline, we needed to expend a certain dollar amount by September. This budget amendment is looking at recognizing now the Emergency Rental Assistance Program 2, a second part to the program, and this one is for \$10,710,000. And this...the \$10 million...so Director Tsuhako can go further into detail on this amount of funding, but from the \$30...\$40 million dollars that we did get in ERA-1, in program 1, the State took back \$10 million. And they are reallocating it back into ERA-2. And the details of the program, Director Tsuhako can go into that once we get through...the next item description is BFED-54(3), which is another grant that we're getting from the State, and it's for the Waikapu district. It's for the Wastewater Treatment Plant. I believe in the Fiscal Year '22 Budget, out of the Sewer Capital Improvement Revolving Fund, we did make an allocation of \$3.5 million to start the development of the Waikapu Treatment Plant. The State is giving us another \$3.5 million, for a total of \$7 million to do the design and permitting for that project. So we are asking to amend Appendix A to add the \$3.5 million from the State, and amend Appendix C to add the project in at a total of \$7 million. So those are the three budget amendments. I believe Director Nakagawa is on the line if there is any questions, or if not, then I'll try to get him on the line for you. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. Okay. Members, any questions for our Budget Director, or our DHHC Director Tsuhako, or Director Nakagawa? Member Molina, and then I'll--we'll put two minutes on the clock for each of the Members--and then followed by Member King. Member Molina.

COUNCILMEMBER MOLINA: Okay. Thank you, Madam Chair. I'll try to make this fast, and I appreciate you trying to expedite things. First, for 54-2 [sic] and maybe for Ms. Tsuhako, how much emergency housing vouchers have been given out to date, and for each island? If you don't have that info today, if you could provide that later on. And the...you anticipate the extra monies will be entirely spent this fiscal year? And what is the maximum amount of voucher per family can get...can receive?



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CHAIR RAWLINS-FERNANDEZ: Director Tsuhako.

MS. TSUHAKO: Thank you for your question, Councilmember. Let me go through real quickly and make sure that I check all your boxes. I don't know what the exact allocation is of vouchers across the State. Maui County has been allocated 76 vouchers. We think that we can realistically use all of those vouchers and get people placed in homes. There is an opportunity for us to...if we fully extend all of our vouchers, there's an opportunity for us to ask for more if the other jurisdictions are not able to utilize their vouchers in a timely manner, so I'm hoping that we will be in a position to be able to do that down the line. The administrative funds that come with this budget amendment really are...we haven't...we haven't solidified a true allocation plan yet, but HUD provisions allow us to help the nonprofits who are actually doing case management and housing placement services. That means helping the families actually go out and find a home to rent, allows us to share some of that admin funds with them to do that work, and to keep people in those homes so that we're not turning over a whole lot of vouchers because people are getting evicted. So we want to use some of the admin funds for that. I think the third question that you asked is whether it's realistic that we can spend all the money, I think it is. We...there's a...HUD has set up a criteria for the distribution of those funds . . .*(timer sounds)*. . . so in order to be eligible, we have to follow that allocation sort of process in order to get these, but we have...we use coordinated entry, and we have a lot of those vouchers assigned. I think...the last time I checked, there might have been more than ten applications already sent from the nonprofit partners to Section 8 so that the families can be vetted through that process, and then the vouchers can be issued.

COUNCILMEMBER MOLINA: Okay. All right. Thank you very much, Madam Director. And Madam Chair, I know we're trying to take up three grants at one time, are you amenable to allowing a follow-up round, just a one minute for those of us who may have a question or two on the other grants? Are you open to that?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER MOLINA: Oh, thank you. Okay.

CHAIR RAWLINS-FERNANDEZ: Yes, of course. And you can have more than one minute, you can have two minutes.

COUNCILMEMBER MOLINA: Oh, thank you, you're very generous today. Mahalo. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina and good job getting all the responses in two minutes, Director Tsuhako. Member King.

COUNCILMEMBER KING: Thank you, Chair. Thank you, Member Molina, for asking that question because...yeah, this is a lot of stuff to get into two minutes. I think this is for Director Tsuhako as well. On BFED-54(4), you said that the State took back 10 million

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from that 40 million, and then reallocated it. Can you tell us why they did that? And then my other question is, are we going to have this information, since it's part of the American Rescue Plan Act, available for the public somewhere so it's transparent, where they don't have to pay for the information to find out where the 40 million went?

CHAIR RAWLINS-FERNANDEZ: Director Tsuhako.

MS. TSUHAKO: Thank you, Member King, for your question. So to answer your question about the reallocation, so the County was given \$40 million on paper for the Rental Assistance and Utility Program, but it came in two allotments. So we were given 50 million in the first allotment, with a goal to spend down by a certain date, and then the second allotment of 25 million would be transferred over to our coffers. In the meantime, other jurisdictions across the State that had already received the small allocation from the State itself had spent down their money. And the State is the primary grantee for a lot of these funds, so they are responsible primarily for meeting the obligation deadline of September 30th. So according to the larger Federal program, the grantee had to spend down and have obligated 65 percent of the total allocation. So in order to meet that total allocation goal for the entire State spending, the State asked if the County would relinquish the \$10 million or what wasn't given to us because it was part of the second allotment, and then have ERA-2 funds, which are a little bit more generous in how they can be used, be given to the County instead. So our \$10 million was reprogrammed to Department of Hawaiian Homelands and the City and County of Honolulu for them to spend because they needed money, and they could meet...also meet the spending deadline for the State. The second part of your question, Member King, I cannot honestly . . . *(timer sounds)* . . . to where that information about the use of the funds is posted on any website or anything. I can't...you know, I have access to what's called a dashboard that's developed by our contractor Catholic Charities of Hawai'i. So day by day, I can go into the dashboard and tell you how much has been spent for rent, and how much has been spent for utilities, and how many families have been served in all, but I don't have an answer specifically to that question about where that total spending is posted.

COUNCILMEMBER KING: So that's not for public consumption, that dashboard, it's only for you?

MS. TSUHAKO: There is a public...there is a public dashboard. I don't have the link, but I'm happy to forward that to...Madam Chair, if you would have the Staff make that request and I can forward the link to everyone at the same time. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Tsuhako. Mahalo, Member King. Members, any other questions from the Members for round one? Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you, Chair. I'm glad to see this BFED-54(3), which is the Central Maui Regional...the Wastewater Project. As you remember in Budget, we allocated...or you allocated 3.5 million, and it was a matching of 3.5 from the State, so it makes it the 7 million. And I wonder if the...if Ms. Yoshimura can tell us the reason, or...there's Shayne Agawa for...for this appropriation? Because that comes out to the

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\$7 million that was recognized in the budget. So if you could explain?

CHAIR RAWLINS-FERNANDEZ: Either Director Agawa, mahalo for being with us, or Budget Director Yoshimura, whoever would like to answer.

MS. YOSHIMURA: Chair, I'll defer to the Department.

MR. AGAWA: Sorry, what was the question again? Sorry, Member Sugimura?

COUNCILMEMBER SUGIMURA: The 7 million, 3.5 from the County --

MR. AGAWA: Yes.

COUNCILMEMBER SUGIMURA: -- and then the matching 3.5 million from the State. So what is the purpose of the budget amendment?

MR. AGAWA: Oh, so the budget amendment is to...

COUNCILMEMBER SUGIMURA: 7 million. Oh.

MR. AGAWA: The 7 million is to add that to the original allocated 3.5. One of the requirements from the State grant was for the County to have matching funds, so that money would be used for the design and the permitting process. We already allocated, I believe, \$2 million in Fiscal Year '21 funds to just get started. A million of that was going to go to start the permitting process, and a million of that was going to go to land acquisition. To my knowledge, the most recent talks, we are going to look at utilizing County land...owned lands already. So that \$1 million in land acquisition may or may not come into play, but nothing has been finalized as far as location as of yet.

COUNCILMEMBER SUGIMURA: Okay. Thank you. So this is for the decentralization of the Kahului Wastewater Plant is the big picture of what we're doing. . . .*(timer sounds)*. . .

MR. AGAWA: Yes.

COUNCILMEMBER SUGIMURA: Thank you. Thank you very much. I support this.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Member Johnson.

COUNCILMEMBER SUGIMURA: Yes.

CHAIR RAWLINS-FERNANDEZ: Oh, just...mahalo. Member Johnson, please proceed.

COUNCILMEMBER JOHNSON: Thank you, Chair. Just a quick follow-up question for Director Tsuhako, it's in regards to the 76 HUD vouchers. Now, I know the way the system works is if any communities around us in the State don't use their vouchers, we can ask to use them? So has that ever happened in the past, Director?

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MR. TSUHAKE: Thank you for your question, Councilmember. In the normal Section 8 program, we have, in the past...other jurisdictions have been asked if we can have vouchers from them. So that in the normal Section 8 program it has happened before, so there's a precedent for it.

COUNCILMEMBER JOHNSON: Okay.

MR. TSUHAKE: Emergency housing vouchers is a new program, and so there is no precedence set in this one, but the rules do allow for us to request additional vouchers.

COUNCILMEMBER JOHNSON: So can you give us a number historically so we get an idea. Is it like 70, or is it...because 76 is what we get. I mean, is...Kaua'i doesn't use ten, and we only get ten, can you give me like a number in the past what we've been getting?

MR. TSUHAKE: No, because I cannot...I cannot recall with a lot of specificity the last time that the request for additional vouchers has actually been granted by the other jurisdiction. I will tell you that probably two years ago, we...our regular Section 8 program did make a request of Kaua'i County --

COUNCILMEMBER JOHNSON: Yeah, I remember you mentioning it.

MR. TSUHAKE: -- to get additional vouchers from them, and it took them a while, but ultimately their response was no, that they had a plan to utilize those vouchers. So it's...you know, it's really...it's a critical decision for them to make because once they give that voucher up, they give it up, it's not like it's going to be returned at some time later.

COUNCILMEMBER JOHNSON: Right.

MR. TSUHAKE: So I understand...I understand their hesitancy to actually give out vouchers.

COUNCILMEMBER JOHNSON: Right. It doesn't sound very likely. So the other route would be to advocate for more from the Feds, right? So has the Administration gone to the Federal Government and asked for a bigger cap? We obviously need it. So if we're asking other guys to, you know, give up theirs so we can get something more, my question is, can we go...you know, be smart of the problem and go to the Feds and say, can we get more than 76?

MR. TSUHAKE: Yeah, I think that the way those vouchers are allocated to counties across the State is by formula. So HUD gives...HUD gives both competitive grants and formulated grants, and I think the way they distributed those vouchers was via formulated grant. So we got the amount of vouchers we got based on our population base, which is how CDBG money is allocated, that kind of thing. So to really hit the heart of what you're talking about though, is that there is some...there is some question about whether City and County of Honolulu and the Hawai'i Public Housing Authority really have the capacity to use all of the vouchers that were allocated to them. So I think it's not going to be based on like somebody's opinion, it's going to be based on if you haven't leased

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up those vouchers by a certain time, then they'll be put up for grabs. And so I think that our best strategy in terms of how we administer our program is to get those vouchers out to the people identified as a priority, get them leased up, get them stable, and then prepare ourselves so that when that time limit happens, when that deadline happens, and we can see across the State how many vouchers are unused, we'll be very well poised to run in at that moment and say look, we've been leased up for the past three months, we've proven we can do this, our housing retention rate is 90 percent, and here's why you should give us more.

COUNCILMEMBER JOHNSON: And just...so just on ending because I'm running out of time, we've used all 76 of our housing or housing vouchers.

CHAIR RAWLINS-FERNANDEZ: Member Johnson, you ran out of time already.

COUNCILMEMBER JOHNSON: Oh, okay. All right, that's all. Thank you.

CHAIR RAWLINS-FERNANDEZ: But I can come back to you in round two if you want to follow up. Okay.

COUNCILMEMBER JOHNSON: Okay. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Members, round one. Okay, and you can raise your hand...oh, Member Paltin. Go ahead.

VICE-CHAIR PALTIN: Oh, thank you. My question would be for Deputy Director Agawa, and just wondering about the Waikapu facility. Is this in addition to or in conjunction with Waikapu Country Town?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: Thank you for that question, Member Paltin. So right now, the latest direction we've been going is the County is going to take the lead in actually doing the treatment facility as a County project with the utilization of the State matching grant funds. There has been talk about some kind of agreement with the landowner. I wasn't in that meeting, so I cannot speak to that at this point, but it's not going to be as far as a joint partnership for the treatment facility, it'll just be a County project.

VICE-CHAIR PALTIN: And so then is...I thought that one of the conditions was they were going to do one of those. So is that lifting the condition from the Country Town Project?

MR. AGAWA: Lifting the condition of a...waste...their own wastewater treatment facility?

VICE-CHAIR PALTIN: Yeah.

MR. AGAWA: I believe it doesn't lift it, but then they could utilize the capacity at this treatment facility as well. But again, I wasn't in the latest talks. Director Nakagawa apologizes, he had a site visit with DOH officials today, so I wasn't in that meeting with the Mayor.

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VICE-CHAIR PALTIN: And so then if they are allowed to tie in unconditionally, is there no...there is no...it's just the regular sewage fee rates for a hook up?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: Thank you for the question. Yes, there will be sewer fees. We also have assessments fees that are allocated . . . *(timer sounds)*. . . to different developers tying into a new system. In this case, I don't know what was talked about in the planned agreement. There is nothing finalized as to my knowledge with the Atherton development right now. But normally, yes, there are sewer rate fees, and there is assessment fees to connect up to the treatment facility.

VICE-CHAIR PALTIN: Thank you, my time is up.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay, we will go back to Member Molina for round two, and then Member King, and then Member Johnson. Member Molina.

COUNCILMEMBER MOLINA: Okay. Thank you very much, Madam Chair. This relates to the other grant, the Maui Emergency Rental Assistance...and thank you, Director, for mentioning the dashboard. It looks like about roughly 300 applications are pending, and as you mentioned, if I'm correct, Catholic Charities is administering this. And there's also like close to 200 denials. Can you give us the reasons for these denials, or the primary reason? I'm just guessing that it may be because a lot of folks didn't qualify for the income, the AMI restriction. And if that's the case, for people who have higher incomes, is the Department maybe referring people that don't qualify for this assistance...referring them to other agencies for possible assistance?

CHAIR RAWLINS-FERNANDEZ: Director Tsuhako.

MS. TSUHAKO: Thank you very much for your question, Councilmember. The denials are a bunch of different reasons. Our denial rate is actually lower than in other jurisdictions across the State. So some of the denials are because people misunderstood the eligibility. So you have homeowners applying for assistance to help pay for their utilities. Well, homeowners are not eligible for this assistance. So this program is geared specifically for tenants, so that's one big category of people who applied and were denied because of their status, yeah. I don't think that there's been a whole lot of people who were denied because of their income limits, mainly because the program has been using fiscal year...I mean Calendar Year 2020 tax returns. And for most people who were impacted by unemployment or from underemployment during that period, their employment...their income level is going to be reflective of the 80 percent and below AMI. So that's the way that most people have dealt with that challenge. I think the other...the other disqualification has been for...this program was specifically set up to pay rent arrears and utility arrears back to March of 2020, but some people have made requests of back payments that went way beyond that. And so anything that was incurred before that time period would be ineligible. So that request wouldn't be

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fulfilled.

COUNCILMEMBER MOLINA: Okay. Thank you. And then you guys are still providing assistance for those who have been denied...or making referrals or suggestions?

MS. TSUHAKE: Yeah. So what we're very fortunate to have is we're very fortunate to have a strong social service support system. So because MEO is a subcontractor of Catholic Charities, they've been doing the actual outreach to Lāhainā, to Kīhei, have people in Hāna, in Lāhainā available to help with in-person sort of applications for this process, and they do it on Moloka'i and Lāna'i as well. They've kind of...like, if they've taken the application and they know this person is not going to qualify, they look at sort of the array of services and resources that are available, and they try to connect them with those resources so that people are not like fleeting, or they're not just giving them a list of here's 20 people you can call to check, and then making that person, you know, make 20 phone calls and have to tell their same story over and over and over again to 20 different people. So that system of interconnectivity with the resources has been really one of...I would say, one of the most stellar parts of our community social service effort.

COUNCILMEMBER MOLINA: Okay. Thank you very much, Madam Director. Thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay, Member King, followed by Member Johnson.

COUNCILMEMBER KING: Thank you, Chair. I have a question about the third grant for the Central Maui Wastewater Reclamation Facility. And I think I want to ask the Budget Director because it sounds like Shayne couldn't answer about the responsibility of the developer, the Waiale, the Waikapu Town Homes. In the conditions, the conditions were approved by the Council. So I would assume that the contractor, if he's going to do anything outside of those conditions, would have to come back to the Council for amendments to those conditions?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: Councilmember King, yes. If we're deviating from the conditions, we will be back before the Council or...of course, we're looking at how they can contribute rather than having two separate wastewater treatment plants out in Waikapu...build one treatment plant, we know they do have a commitment to satisfy their condition, and we will be working with them on that.

COUNCILMEMBER KING: Okay. Because one of my concerns is that the condition, I believe, was that they had to build the wastewater treatment facility first. So if it's up to the Council...or County, now they're going to have to wait until you guys get it done before they can start on the housing project.

MS. YOSHIMURA: Yes. So we are working with them to see how we can expedite it. The preliminary engineering report, I believe, is being done right now on the wastewater

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treatment plant, and there are ways of having them tie into the current system, and making accommodations so that they can start with their project. But we are definitely going to hold them to the conditions that the Council has set. Thank you.

COUNCILMEMBER KING: Okay. Yeah, my main concern was that just holding them up from getting that housing project done. But...and maybe the second question is for Mr. Agawa, is that if...if they...if they are going to tie into the . . .*(timer sounds)*. . . current system, then they were going to originally accommodate the Maalaea folks possibly. But is your current going...is this new system going to accommodate those condos out there, so we can retire the injection wells?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: Thank you for that question. To my knowledge, no, there's still the issue of the transporting of the sewage to the new facility. Right now we don't have any plans to do that tie in, so there's no accommodation at this point to take on the Maalaea sewage.

COUNCILMEMBER KING: Okay. So right now you're just leaving that as a problem for the Maalaea folks?

MR. AGAWA: Well, we discussed this in other meetings and yeah, basically we don't have any means of tying in or transporting the sewer to the new location at this point.

COUNCILMEMBER KING: Okay. . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member King. Member Johnson, followed by Pro Tem Kama.

COUNCILMEMBER JOHNSON: Thank you, Chair. This is just a real quick question for Deputy Director Agawa. You said the 7 million we were talking about was for design. Did it include construction?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: No, I think...oh, sorry. Sorry, Chair. Thank you. We do have funds allocated...planned for the Fiscal Year 2025, I believe, for construction. And then the State will do, as part of the agreement for the grant money, matching funds for that.

COUNCILMEMBER JOHNSON: So the 7 million is just for the blueprints and the...I mean...

MR. AGAWA: There's also permitting. But...and at the beginning there was potential land acquisition too, which was part of it, and then the design.

COUNCILMEMBER JOHNSON: So the land acquisition is going on or maybe...or you said at the beginning that's changed a little bit. Is that malleable?

MR. AGAWA: Yeah. To my knowledge, as I mentioned earlier--I apologize, I wasn't in that



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meeting--but to my knowledge, in discussion with Director Nakagawa, we are now looking at County owned lands in the Waikapu vicinity...not necessarily lands that is under DEM jurisdiction, but owned by the County. So there might be a process of exchanging between departments, but it is...ultimately County owned at this point is where we're looking at.

COUNCILMEMBER JOHNSON: So you wouldn't need the full 7 million if it's County owned, right?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: That's...thank you, Chair. That's hard to say. Yeah, until we get a poll for the design and the permitting and all that, you know, we wouldn't know the final cost of that portion.

COUNCILMEMBER JOHNSON: Okay. Thank you, Deputy Director Agawa. Thank you, Chair, I have no further questions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Johnson. Pro Tem Kama, followed by Member Paltin.

COUNCILMEMBER KAMA: Thank you, Chair. This question is for Mr. Agawa also. In terms of the Wastewater Treatment Facility in Waikapu, do you know what the carrying capacity will be, and how many customers you expect to be on this particular facility, and what geographical locations will be covered by this facility?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: Thank you, Chair. Thank you for that question, Councilmember Kama. Very good question. Yes, the facility we are going to be designing is for three million gallons per day. We intend to shed one to two million gallons from the existing Kahului facility to help decentralize that facility. We're looking at the shedding coming from the areas of Kehalani area. Then after the three point...sorry the one point so much to two is from the three...we're left with about one to two million gallons per day for new development. We're looking in the Waikapu area, obviously, and there's also a DHHL project off of the Maui Veterans highway that we also, you know, anticipate shedding from, as well as potential future County affordable housing projects in the area.

COUNCILMEMBER KAMA: So I just want to ask just one last question. So you anticipate covering the DHHL properties on both sides of the Veterans Highway, or just the mauka side?

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: Thank you, Chair. As of now, I'm not sure if we're, you know, encompassing all of the DHHL project, I just know we're intending to take a portion of it. Possibly all, I'm not too sure on that, I can get back to you.

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COUNCILMEMBER KAMA: Thank you, I'd appreciate that. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Tem Kama. Okay, Member Paltin.

VICE-CHAIR PALTIN: Thank you, and I just...a couple points on the wastewater facility. Even if it's not County land, maybe you don't have to purchase it if you also look at lands within the Waikapu Country Town. Since they were thinking of siting their wastewater treatment facility, I would hope that you would look at that site as well as a possible free site because of the conditions if we amend it. And just really urge you, I think there are other 2.97 projects in the vicinity that we're supposed to be hearing of soon, that you take into the account the total build out of all the projects that we have on the book, plus the pending ones, and whatever you choose to shed. I mean, I imagine you folks probably are, but I would like it to be a little bit bigger than what we need rather than just hitting what's on the books right now because there's a lot of growth already planned for that area. And if we're shedding some from the Kahului plant, I just wouldn't...I would hate for us to build a facility that's at capacity as soon as we build it.

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MR. AGAWA: Thank you for that question. Thank you, Chair. Yes, you are right. We did look at locations near the previously planned Atherton Treatment Facility. There's a lot of factors involved in locating of this facility. Because we're utilizing ACT basins for the disposal method, there's soil types that we need to follow. There's also the movement of groundwater. We've been working with DOH where we cannot intrude upon say, fresh water, drinking wells in the area. So it really limits us to where we can locate the site. . . .(timer sounds). . . And we finally figured out a pretty much optimum site off of Kuihelani Highway, which still keeps it in the vicinity of Waikapu. And in regards to your question about capacity, to my knowledge I believe the latest type of technology of this wastewater treatment facility is modular, so you could expand it by modules to add capacity as needed.

VICE-CHAIR PALTIN: Okay. Thank you so much. I figured you had it figured out, but just double checking.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. And if we need to do a deeper dive, perhaps IT Committee Chair would like to take it up at a future meeting, and then we can get more details from the Department. And it looks like she's giving a thumbs up, so IT Committee Chair looks like she'll be scheduling it for more discussion. Okay, I see no more hands, and so perfect timing. The Chair will entertain a motion to recommend passage on first reading of the proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART I, GRANTS AND RESTRICTED USE REVENUES - SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS, DEPARTMENT OF HOUSING AND HUMAN CONCERNS, (DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD), EMERGENCY HOUSING VOUCHERS)," incorporating any nonsubstantive revisions; "A BILL FOR AN

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ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART I, GRANTS AND RESTRICTED USE REVENUES - SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS, DEPARTMENT OF HOUSING AND HUMAN CONCERNS, (AMERICAN RESCUE PLAN ACT OF 2021 - EMERGENCY RENTAL ASSISTANCE PROGRAM #2),” and “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX D - CONDITIONAL LANGUAGE, DEPARTMENT OF HOUSING AND HUMAN CONCERNS, (AMERICAN RESCUE PLAN ACT OF 2021 - EMERGENCY RENTAL ASSISTANCE PROGRAM #2),” incorporating any nonsubstantive revisions; and “A BILL FOR AN ORDINANCE AMENDING FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART I, GRANTS AND RESTRICTED USE REVENUES - SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (STATE OF HAWAII, ACT 88, SESSION LAW HAWAII 2021, CENTRAL MAUI REGIONAL WASTEWATER RECLAMATION FACILITY (WAIKAPU) PROJECT)”; and “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C - CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, CENTRAL MAUI REGION...REGIONAL WWRF (WAIKAPU) PROJECT),” incorporating any nonsubstantive revisions.

COUNCILMEMBER SUGIMURA: So move.

COUNCILMEMBER SINENCI: Second.

CHAIR RAWLINS-FERNANDEZ: Moved by Member Sugimura, seconded by Member Sinenci. Discussion, Members? Seeing no discussion, I'll call for the question. All those in favor, please raise your hand and say “aye.”

COUNCILMEMBERS VOICED AYE.

CHAIR RAWLINS-FERNANDEZ: I see all ayes. Unanimous. Motion passes.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Rawlins-Fernandez, Vice-Chair Paltin, and Councilmembers Johnson, Kama, King, Lee, Molina, Sinenci, and Sugimura.</b>
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<b>NOES:</b>	<b>None.</b>
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<b>ABSTAIN:</b>	<b>None.</b>
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<b>ABSENT:</b>	<b>None.</b>
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<b>EXC.:</b>	<b>None.</b>
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**MOTION CARRIED.**

**ACTION:** (BFED-54(2)) Recommending **FIRST READING** of bill by C.R.

**ACTION:** (BFED-54(4)) Recommending **FIRST READING** of bills by C.R.

**ACTION:** (BFED-54(3)) Recommending **FIRST READING** of bills by C.R.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. And mahalo, Director Tsuhako and Deputy Director Agawa for joining us today. It's 2:59, so we'll take a ten-minute break, our afternoon recess, and we'll take up the next item, and then we'll see Budget Director Yoshimura for the last item. Member Paltin, question.

VICE-CHAIR PALTIN: Thank you. I was trying to refresh my Granicus, and I didn't see my revised bill come up from today. I'm just wondering if that could be distributed prior to the break so Members can see the most updated.

CHAIR RAWLINS-FERNANDEZ: Ms. Milner.

MS. MILNER: Hi Chair. Yes, we were just waiting for it to be raised when the item came up, but I can send it out now before the recess.

CHAIR RAWLINS-FERNANDEZ: Perfect. That would be very much appreciated. Mahalo for flagging that for us, Member Paltin. Okay, any other questions, comments before we take our recess? Okay, seeing none. It's 3:00 on September 15th, and the Budget, Finance, and Economic Development Committee is now in recess. . . .(gavel). . .

**RECESS: 3:00 p.m.**  
**RECONVENE: 3:11 p.m.**

**ITEM 37: WAIALE LAND ACQUISITION (CC 21-248)**

CHAIR RAWLINS-FERNANDEZ: . . .(gavel). . . Okay, mahalo, Members. Will the Budget, Finance, and Economic Development Committee please return to order. It's 3:11. We have two items left on today's agenda. So your Chair's intention is to take up the next bill until about 4:00 so that we have some time to go over some of the COVID-related funding. Okay. So we should have the amended bill up on Granicus. Mahalo, Ms. Milner and Ms. Bouthillier, for getting that up. Oh, shucks, okay. And before I get there, I said that I would explain why we are deferring BFED-37, Waiale Land Acquisition without discussion for today's meeting. So the CIP item is in the FY '21 Budget, so the allocation of funds is set to lapse at the end of December of this year if the funds aren't encumbered before then, or if we don't do a budget amendment. And what we have to the agenda item...attached to the agenda item today are the resolution for acquisition and the bill to approve bond use. Mayor Victorino and his Administration have been working very diligently with Mālama Kakanelua and other members of the

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community to develop a plan for the cultural preserve. I have invited Mayor Victorino and Mālama Kakanelua to the next BFED Committee meeting to provide their shared vision with us. After posting the agenda for today, we met with the Administration and the community, and just saw a few things that needed to be ironed out a bit more before deliberations. And so I ask the community to just hold off on testifying on the item for today so that we can adequately address all the questions before our deliberation, and the Mayor and the community have agreed to deferring for today. So therefore, the deferral...we will take up BFED-78. Okay, so are there any objections to deferring BFED-37, Waiale Land Acquisition?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. Okay.

**ACTION: DEFER, no discussion**

**ITEM 78: COUNTY PROPERTY TAX REFORMS (CC 21-29)**

CHAIR RAWLINS-FERNANDEZ: Next is BFED-78, County Property Tax Reform. I will invite Member Paltin to provide opening comments on the bill. This bill was initially introduced during the Fiscal Year 2022 Budget session. At this time, the Committee determined the bill needed...oh, at that time, the Committee determined the bill needed additional discussion, and I asked Member Paltin to refer it to BFED Committee for further discussion, and so we've scheduled it now. And we also have the Department of Finance here for questions. But we'll start with Member Paltin, introduction to the bill.

VICE-CHAIR PALTIN: Thank you, Chair. I did rework it some since the Budget session. The main purpose of this is to address slum and blight issues. I guess, you know, it's similar to the Wailuku Redevelopment Area in that respect. You know, a lot of vacant commercial properties, they kind of bring that kind of slum and blight. And what we really want to see is, you know, thriving businesses, which is kind of difficult during this COVID times. But when the bill was up for posting, I was in transit on the airplane, so I had asked Mr. Raatz to sign off on it for me, and I wasn't able to provide that...the kind of feedback I had provided later, so that's why there's an amended version for Members right now. And I wanted to focus it strictly on commercial properties, so we have X'd out reference to agriculture. And it was brought to my attention that the vacant houses, like Ms. Hofstadter was talking about, we can address that with the long-term leases. I think that we just need to...everybody needs to post on their social media and get the word out for folks that they need to get those long-term leases in so that when Budget time rolls around next time, we're not saying oh, this is going to affect my renter, they need to get those leases in. So basically, it's creating...this way that I'm addressing it is creating a new classification for commercial buildings or non-conforming uses that use commercial if there are majority vacant, and I kind of like majority to be like about, you know, 75 percent used, 25 percent vacant. If they are a majority...if they are a not majority used, then they're going to go into this different commercial vacant tax category

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where, you know, we want to try and...I guess it is a carrot and a stick, the stick portion of getting these buildings or units used in some way. Because, you know, I know we talk about Anchor Square a lot...still vacant, three years later. Nobody...couple food trucks in the parking lot and, you know, these...we're developing more and more of Maui's raw lands while we have these vacant commercial uses just sitting there and attracting slum and blight. And so this is my effort to address slum and blight commercial properties. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Paltin. Mahalo, Member Paltin. Okay. So Members, as Member Paltin stated, she's removing the agricultural section and the residential section, so it will only be the commercial section that we will be focusing questions on. And then I'll invite our Department of Finance Director Scott Teruya, and our Real Property Tax Administrator Marcy Martin for opening comments. And then I see your hand, Chair Lee, and I'll go to you. Director Teruya.

MR. TERUYA: Good afternoon, Chair and Members. Scott Teruya, Director of Finance, along here with Marcy Martin from the Real Property Assessment Division. I just printed it literally a minute ago, so I'm kind of going through it. I'm kind of going through it right now. My only comment would be maybe to...initially would be to defer to Corporation Counsel to find out the legality part of whether or not this would be constitutional okay to treat certain commercial properties different from others just because they are vacant. I think that would be a first and foremost question that should be answered. But I think our Code...it goes a little different because I know there is communication in this that it talks about fewer than 50 days. I would defer to Ms. Martin, but my initial comment would be, how are we going to document these 50 days? Like is it 50 consecutive days, 50 days total in a year? Who's going to be that entity that tells us it's 50 days. Those would be like fundamental questions no matter what the property is, just to identify what is 50 days. So Ms. Martin, do you have any additional comments?

CHAIR RAWLINS-FERNANDEZ: Ms. Martin.

MS. MARTIN: Chair, thank you. No, not at this time.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Martin. Okay, and then we'll call on Ms. Toshikiyo.

MS. TOSHIKIYO: Hi. Thank you, Chair. Like Mr. Teruya, I'm just looking at this bill with the amendments. So I'd like to be able to work...do my research and work with OCS and Member Paltin, if I may. I'm just asking for some time to be able to respond and comment. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Deputy Corporation Counsel Toshikiyo. Okay, I'll go back to Member Paltin for additional comment, and then we'll go to Chair Lee and any of the other Members who have questions. Member Paltin.

VICE-CHAIR PALTIN: I just was wondering, to give the Finance Department some time, did you want to take up the last item?

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CHAIR RAWLINS-FERNANDEZ: I don't have any objections to doing that? Members, you heard Member Paltin...okay, Pro Tem Kama.

COUNCILMEMBER KAMA: Thank you, Chair. I'm just wondering, when Mr. Teruya and Ms. Toshikiyo are asking for time, how much time are they asking for?

CHAIR RAWLINS-FERNANDEZ: I'm sure it's more than an hour, if we would like to get a thorough response. Director Teruya, Ms. Toshikiyo. Director Teruya?

MR. TERUYA: Thank you, Chair. I particularly would probably prefer to defer to Corporation Counsel as they are your legal body to...you know, I think when you deal with Constitution issues, I think you got to be careful, making sure that we're not treating anybody unfairly. So I would have to defer to Corporation also. Thank you.

CHAIR RAWLINS-FERNANDEZ: Deputy Corporation Counsel.

MS. TOSHIKIYO: Yes. Thank you, Chair. I would need longer than this afternoon. Once a request comes in, we'll expedite it and work on it as quickly as possible. But yes, we'd be needing longer than the remainder of this meeting to review.

VICE-CHAIR PALTIN: Okay, then never mind my request. My further comment would be...you know, initially, my idea was by vacancy of unit to not have an extra tax category, but an additional tax if the unit...for each vacant unit. Like if you're...for example, in the building I'm in, there's about ten vacant units. This area could be a great like live/work space, mixed use residential, it's just...it's hard to walk pass all these vacant units and know like, you know, there's businesses paying like crazy rents on Front Street, to know that's there's unhoused folks, that there's food truck operations, or pop-up vending on the weekends in the parking lot, it just doesn't make any sense that we have vacancy units. But, you know, whatever the lawyers decide on, it's just that...it's not good...I think it's not good for Maui to have all this vacancy.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay. Would you like to hear some comments from the Members, and then that way when you are improving your bill, you have some feedback from the Members? Member Paltin.

VICE-CHAIR PALTIN: Sure.

CHAIR RAWLINS-FERNANDEZ: Okay, Chair Lee.

COUNCILMEMBER LEE: I would ask Real Property to...if they know, if they're able to tell us, how many properties would this affect, and then...countywide, yeah, number one. Number two, has there any...has there been any similar proposal like this before? My only reluctance...well, not only, but one of my concerns is that during this pandemic, it affected many, many businesses. And some of them had to close, and some of them are possibly waiting out the storm. So this is kind of a slippery slope. Not only may bring up legal issues, but from a practical point of view, I think the pandemic took a lot of

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people down. So this would be difficult for businesses to come back before they're ready, is my concern. But in the meantime, I really would like to know how many businesses we...business owners, I should say, we would be affecting. Okay. That's my questions for Finance.

CHAIR RAWLINS-FERNANDEZ: Director Teruya.

MR. TERUYA: Thank you, Chair, and thank you, Chair Lee, for that question. I don't think the division would have any idea how many parcels would be affected, first of all. Just thinking this out loud in my head, Chair, there...you know, the County Code is pretty clear as we assess as of January 1, and all of the information that we receive is as of December 31st for January 1's assessment date for certification purposes. This doesn't really identify are you changing mid-year, or is this for the year prior to the assessment date. There are some fundamental issues or questions that the Division would have a very difficult time identifying how are we going to classify properties. Is this subject to changes during the year? Everything else regarding real property is as of an assessment date, which is as of January 1. So that is what we certify to the Council in March and April for your budget deliberations. So this kind of is a little hard to understand how we're going to implement and enforce something that's before us right now. Just comments, Chair. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Teruya. We'll go to Member Molina, followed by Member King.

COUNCILMEMBER MOLINA: Yeah. Thank you very much, Madam Chair. Madam Chair, first, are we on time restrictions, two minutes, three minutes? Okay. All right. My first question quickly for Member Paltin is the 50 days, how did you come up with that number instead of, say, 30 days, 60 days, 90 days...just out of curiosity?

CHAIR RAWLINS-FERNANDEZ: Member Paltin.

VICE-CHAIR PALTIN: Oh, thank you. That was our OCS Staff and...okay.

COUNCILMEMBER MOLINA: Okay, thank you. And a question for the Department, would calling this tax class vacant for properties with dwellings and well, commercial buildings, do you think it could be confusing to the public, using the word vacant, and/or maybe should we use another word for it? Just from a bird's-eye view?

CHAIR RAWLINS-FERNANDEZ: Member Paltin.

COUNCILMEMBER MOLINA: Oh, I'm sorry, this would be for Director Teruya.

CHAIR RAWLINS-FERNANDEZ: Oh, Director Teruya.

MR. TERUYA: Sorry, Chair. And thank you, Mr. Molina, for that question. Honestly, if it was me, it's just a place order name for whatever category you want to call it. It's really the Council's decision what they want to call their classifications. Whether it be confusing,



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there's a lot of things that would be confusing to many different people the way they do it. I mean, they could be vacant land, vacant whatever. So yeah, it could be perceived as misleading but, you know, again, for me, it's just a classification name. So however you choose...this body chooses to call their classifications, I kind of would have to defer to your opinions.

COUNCILMEMBER MOLINA: Okay. And lastly, if something like this passes, you would probably likely need more staff, and I know you mentioned some difficulties with, you know, enforcing this bill. Any guesses as to how many additional staff you may need?

CHAIR RAWLINS-FERNANDEZ: Director?

MR. TERUYA: Chair, thank you. And thank you for that question, Councilmember Molina. I would hate to be adding staff for something like this, honestly. I don't know what the intent is as who is going to be the notifying body as to this 50 days occurred, because I mean, there's no...honestly, I don't...I think...I would defer to Ms. Martin, but there's no way we would have enough staff to go count days of vacancies, and what part . . . *(timer sounds)*. . . of the unit is vacant. Is it the entire unit, is it part of the unit? I mean, there would be a lot of speculation unless you really knew that this place was vacant...advertised vacant for "X" amount of days. It would be very, very difficult for us to administer that. Thank you, Chair.

COUNCILMEMBER MOLINA: Thank you, Mr. Director.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director. Mahalo, Member Molina. Member King.

COUNCILMEMBER KING: Thank you, Chair. I have the same concerns as Members Molina and Lee, but I also wanted to ask, is there a definition for the word vacant, because...does that mean that, you know, if you're a restaurant and you're closed down because you have no customers and because of COVID restrictions, but you still have all your chairs and tables in there and all the kitchen equipment, are you still vacant, or is just like you're totally moved out of a building or out of an office space? So that's one question I have. And then the other concern I have is on...you know, there's a lot of vacant commercial space right now that people are trying to lease out, and it's not necessarily their fault that businesses are not thriving right now and able to rent these spaces. So does that apply to...are we going to go back the previous year and figure out who's had all this vacant space as well, and then tax them at a higher rate. And so those are two of my concerns and...you know, along with the fact that, which has been mentioned, that we're in this situation now where a lot of businesses are closing down and trying to wait out the storm and hoping to come back...and may or may not be able come back, but it's, you know, not necessarily their own fault because, you know, we didn't expect this pandemic. So those are my big concerns about attacking the commercial. I understand the issue of blight, but I also think that blight is a subjective word, so we have to define that as well if we're going to go forward with something like this. So Member Paltin did you have an idea of what you meant by vacant?

VICE-CHAIR PALTIN: Yes.

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CHAIR RAWLINS-FERNANDEZ: Member Paltin.

VICE-CHAIR PALTIN: Vacant would be not just closed, it would be vacant. Like nothing in there, no lease. And during this last time when Ms. Mabbutt was talking about the economic monies spent, one of the biggest concern I heard from the small businesses was the rent. They weren't getting any breaks on their rent, it was like 30,000 a month on Front Street. And so I think, you know, in having this type of incentive or stick, whichever you call it, it's for the . . . *(timer sounds)*. . . the landowner to work with the renter, or to lower their rent prices so that there is somebody in there. You know, like there's a lot of small businesses that would like to open, but the rents are just astronomical. And the other...to your other point about COVID and businesses shutting down would be, you know, we've had other bills where implementation was like a year out or so, and so we don't have to have it implemented right away. And it could be like a hey, this is coming, please fill your vacant spaces. I know folks right now that are looking for places to rent to do like all sorts of business, massage or whatever, and they're just having a hard time. And like I said, this whole building is empty. They're trying to work with the folks, and they're just...two, three months been working to get a place, and it's not happening. So it's like, you know, a give and take kind of thing that I think we need to separate the idea of the business and the landlord, because it's two different things. The businesses want to open, they want reasonable rent. The landlords are not being reasonable, in a lot of cases.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Mahalo, Member King. Members, any other...Member Sinenci.

COUNCILMEMBER SINENCI: Chair, thank you, and mahalo for this discussion. Yeah, I understand Member Paltin's...because I was trying to think okay, instead of being punitive, you know, what are...what can we do as a County to create more incentives? I think I like that incentive to get the economy back going that we not kind of force the hand of some of the owners of these vacant properties so that they can keep it viable, or at least address some of our local businesses that want to...they are looking for some affordable rents. I did see the one development, or shops down on Dairy Road and all of their...all of their store owners, they were all open. And when I spoke with some of them, they said, well, our landlord keeps our rents low so that we can stay and we can still continue, whereas right across the street, those rents went up, and now they're all vacant. So I think there are owners out there that see that, you know, it is beneficial for our small businesses to stay operating, and I'm definitely seeing that in Kahului on Dairy Road. I'm open to seeing more incentives to this bill. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Pro Tem Kama.

COUNCILMEMBER KAMA: I was just going to say what Shane said, that I think that if we look to incentivize landowners to lower their rents, that would be probably more pleasing and probably...it's a win-win for the landlord, as well as for the business owner, who is looking for someplace to be able to market or to do their business. But I think...I think that's a good thought, and I'm thinking that's something we could look into too. Thank

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you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Tem Kama. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. I appreciate this bill, and it made me do a little bit of research on it. So in regards to districts and communities that do have vacancy taxes on commercial properties and blights taxes even on properties, the Washington D.C. model is a \$5 per 100 value assessed for a vacant one, and then \$10 per 100 assessed for blighted. And I find it interesting that we spent most of our CARES money on helping businesses in that regard, so I don't...you know, I think that if we worry about, you know, what COVID did to these folks, they got most of the lion's share of the money. I think...you know, I appreciate the idea. You know, I grew up in a town that suffers from this kind of scenario immensely. There's just ghettos for miles and miles where I grew up in, and that's where I appreciate the intent of this bill where we see the way our consumers are shopping and the big malls just...people don't go. The Big K-Mart shut down, the big box stores...that's not how most of us shop. I mean, I just gone...I just, you know, guilty as charged, I just came back from the post office with all my Amazon boxes, right. So this whole idea of, you know, these empty...because if these lots...and they're not moved to utilize them when we have a housing crisis, when we have, you know, homelessness crisis, again. the carrot and the stick, it's one of the things that the cities are doing--Oakland, California specifically--they said, here's a \$6,000 flat tax for having a vacant house, and that \$6,000 goes right into the affordable housing fund. So I appreciate these communities that are doing things that, you know, are in their purview, and I appreciate this bill. So that's all I wanted to add to it. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Johnson. Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. Yeah, I like that we're getting to talk about this. I hear that we're talking about a situation which is unusual, the pandemic, and the vacancies, and the needs are being driven by something greater than our normal economic positions that were pre-pandemic. And as you know, the Federal Government has provided additional funding to the County, additional funding for rental assistance, we have provided...and I think CDBG provided mortgage assistance, so there's been a lot of ways that Government--us, including the State and the Federal Government--has tried to help the community in these very unusual times. So I would just like to say that if we are going to take a position, I would like us to really weigh the situation when things get back to kind of normal, or plan for it when it does get back to normal. But what I see today is really pandemic driven and vacancies and maybe...you know, my house too, we order a lot of things online, so we've changed our shopping habits, we have changed...I mean, even for me to be home this much because of the Delta variant, not using as much gas, but it's very different during this pandemic. So whatever real property tax, if you can do your assessments...I think we're hearing that enforcement is always the County's largest problem when we try to implement different rules. And that would be one of my big questions, how you enforce this, which I heard Director ask the same question. And legally, is this something that we could stand by if it was challenged? So those are...and I would like us to think of times that are really past

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pandemic. I don't think life would be pre-pandemic because that was very unusual, so things have changed. So it's kind of hard to judge how things should be, if we don't even know how they really are until things settle down. So that's kind of my general thought about doing something this drastic. . . .*(timer sounds)*. . . Thanks.

CHAIR RAWLINS-FERNANDEZ: Perfect timing. Okay. Any other feedback Members would like to give Member Paltin so she can rework her bill? If not, I will give the floor to Member Paltin for any final comments, and then we can take up the next item.

VICE-CHAIR PALTIN: Thank you. And you know, I spoke at the last GREAT Committee for the chop shop bill about the broken glass theory on urban planning, and this is kind of along the similar theme lines. You know, these are small things that you could do that would improve...the small adjustments to improve the overall living environment, to create a more welcoming, safer, cleaner environment, you know. And you have people in the stores, they take care of the outside of the building, they take care of the sidewalk in front of their store, you might have lights on at night so that there's no crime or vandalism. And you know, the Anchor Square empty building, that's pre-pandemic, you know. And all the funds that we gave for economic recovery for small businesses, we couldn't do anything for the folks paying like \$20,000, \$30,000 a month on Front Street, we just didn't have that kind of funds to help them, you know. And at the same time we don't want to raise commercial property taxes because it's not an even playing field. You know, you have people collecting that \$30,000 a month and paying the same property tax as the other guy who's like...some people are using it maybe as a tax write-off to hold their buildings vacant, some people are being cool landlords and saying I just want tenants in my property. And so, you know, this is, to me, the core reason that we have government, to improve our living environment, to create a more safer, healthier, cleaner, welcoming environment. And if we can't figure this out...and sorry, I'm not a legal lawyer, writer, policy person, but it's...I think it's what we need for our communities, you know. Like it's just such a disconnect to see people in pop-up tents selling stuff in the parking lot of vacant malls, you know. It's like am I crazy, or are they crazy, you know? And to have empty houses and people sleeping in the park, it's just not right. And so if we can't figure this out, then it's like my failure on the people that elected me here because it's not the right thing that we're seeing out there. Like I don't want my kids...I don't our kids growing up and thinking like this is normal. It's not normal, it's not right. And at the same time, more buildings are being built. More industrial or commercial spaces, more houses, more pieces of the natural unique beauty of Maui that . . .*(timer sounds)*. . . will never be the same is going on. So just...that's my closing comment.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. For me, I agree with you on the problem, and I really look forward to trying to develop a solution so that we're not failing our community and we address the problem. So I hope we can figure this all out together. Mahalo for this idea. We'll thank...well, first, if there...are there any objections to deferring BFED-78?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

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CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. We'll thank Ms. Martin for joining us for this item. Aloha.

**ACTION: DEFER pending further discussion**

**ITEM 85: LEGISLATION AND DISCUSSION ON THE EFFECT OF THE  
CORONAVIRUS PANDEMIC, RULES, CARES ACT, AND  
RELATED ISSUES (CC 20-207, CC 20-275)**

CHAIR RAWLINS-FERNANDEZ: Okay. And then we have our last item, BFED-85 Legislation and Discussion on the Effect of the Coronavirus Pandemic, Rules, CARES Act, and Related Issues. We have with us...do we have Managing Director Baz? So we should have Managing Director Baz on for opening comments, followed by Budget Director Michele Yoshimura and Finance Director Scott Teruya.

MS. MILNER: Chair, he has not joined the call yet, but Staff is attempting to reach him right now.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Milner. Okay, we'll start with Budget Director Yoshimura, and then we'll see if Managing Director has joined us after we hear from Budget Director Yoshimura.

MS. YOSHIMURA: Okay. So CARES Act money, we have submitted our latest report, which was as of September 8th, that should be in your Granicus file. We do have about \$2 million that has been encumbered that hasn't been paid out yet, and so we are still working on getting those monies expended. I know there was questions earlier regarding the distribution of the funds, and I think when you look at the report, there's some that...some expenditures overlap in category. And because we weren't able to like split the amount specifically for healthcare or...sorry, let me pull up that report. I think that was the...that was...one of the concerns was that we were not following the exact budget breakdown that, you know, we had specified in our report...in our initial allocation of funds. But as we addressed the issues that came about for COVID, COVID-related costs and expenditures, we did address the community needs, testing, support for small businesses, support for our families, support for nonprofits, for the schools, we even went and we...you know, we provided for schools...we tried to provide for the needs wherever we could possibly help. So whatever was brought to our attention that would fit into the guidelines that was set out for the CARES Act money, that's what we tried to carry out. We did have the monies available...I think our initial expiration date of the money was December 20th. We were notified like earlier in December that, oh, now you're going to be able to use your money for a year longer. But by that point, we already had tried to expend all of our monies so we wouldn't have to return anything by December 20. So that's why we...what we relied on after the December allocation was gone was the COVID funds that we had in the Countywide allocation of \$10 million. So anything that came up after that, we used those funds to address community needs. So that was the latest report. We did also include an allocation from...for the ARPA money, the American Rescue Plan Act, that was 32 million, I believe. So we did get the

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first allocation, about 17...16.5. Those monies are going to be expended for programs that we're going to put out RFPs for or programs that we need to address. So we've been getting a lot of different allocation of funds. We got monies to address rental assistance, mortgage assistance, utility assistance. So we're just trying to make sure that whatever monies we have is used properly according to the federal guidelines. We did get another allocation, and that's, Chair, on the Council agenda for Friday. It's not entitlement units. We did get appropriated 17 million, I believe. The County did get about \$8.6 million from that already, so we are looking to have that budget amendment approved so the funding can then be used. We are looking to use those monies to do more testing, support to our workforce, our small businesses, and any other community needs that may arise. We are also asking for one position for that. We do have Scott, Director Teruya, trying to manage all of those different pots of monies from all the different agencies, so we are asking for one person. We did go ahead and get a contract with AmpliFund. AmpliFund will allow for the transparency part of it. They will be able to do the dashboards and tracking of how the funds are spent, so we are in the process of implementing that. Director...Deputy Director Alibin is also on the line, and she'll be able to answer further questions about that, and we are looking to kick that off October 1st. But I guess if you have questions on any part of the funding, we're available to address any questions. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. Finance Director, any opening comments?

MR. TERUYA: Chair, yeah. Thank you very much, Chair. I think a lot of people are asking about questions as to why we haven't reported any ARPA funds being spent, or what we've been spending on it so far. We haven't spent anything on it. We needed to implement AmpliFund, which is a software...because this is not like CARES Act, where you can just go spend money and go report later. There is a lot more requirements that are needed, and I'll probably defer to Deputy Director Alibin to discuss the reason why we seek out for AmpliFund. Because there's Federal and Treasury guidance, what is needed, forms that need to be filled out, and we didn't want to go down the road of expending funds and not being able to correctly report our expenditures. So maybe with that, Director Yoshimura, I'll have maybe get Deputy Director May Anne Alibin discuss why we chose AmpliFund and the reason why the reporting, so people kind of understand. It's not just a free for all money and go spend what you want on it, there is a reporting side to it, and that's the reason why we're doing that. And a small caveat is we are trying to make it more public facing transparency. AmpliFund was not in their contract to do that, so we've since asked them to do a public facing one for us so...they know the intent of the County, what we're trying to do, similar to what Kaua'i County is doing with OpenGov. We understand what your requirements are...your request is, and we're trying to seek that through AmpliFund to show the public and whoever else what is being done. So we may not have it on day one, but the intent is to create one similar so that anybody can track what's going on. So let me defer to the Deputy right now. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Teruya.

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MS. YOSHIMURA: Chair, before Deputy Director gets on, I just wanted to add that the CARES Act money did come through the State. So the State was kind of our clearinghouse if, you know, we had questions with expenditures, we would go and ask...you know, consult with them before making the expenditures. The ARPA money and the NEU money that is being recognized on Friday, those come as a direct payment from the Feds. So our reporting goes directly to the Federal Government, and there's no intermediary for us to clear anything with, so that's where we wanted to make sure that we're...you know, we're following the guidelines to a T. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. Aloha, Deputy Director Alibin.

MS. ALIBIN: Aloha, Chair and Members. So just to kind of provide like an overall background or timeline on...you know, with regards to the ARPA monies that the County received and, you know, for the other tranche that we will be receiving. So we did receive, about mid-May, the first tranche of the original...out of the \$32 million that's allocated for Maui County. However, when we received it, we...it was just, you know, deposited into our bank without any explanation. So we had reached out to the United States Treasury at that time, and we didn't hear back, you know, as far as confirmation if it was relief for the ARPA funds until about the first week of June. Now, although the United States Treasury had actually issued an interim final rule about, you know, mid-May, we didn't get the guidance from Treasury on the compliance and reporting requirements for the ARPA funds until later in August. But, you know, as soon as we had received the money, we had actually...the County had, you know, saw demos from three different vendors, and we did select AmpliFund because they are on the State price list, so we didn't have to procure for that, and they are under that NASPO value point software value-added reseller. And so...and then at that time, there was another Department that was...actually have seen and seeking for a grant management software, where they had actually saw like six different vendors. And when we had asked for their recommendation on their top three, you know, they had listed that AmpliFund was actually, you know, what they selected as well. So we felt that at the time, you know, given the timing and everything to implement something, because of the complexity of the reporting requirements for the ARPA funds, right now, you know, I just also want to plug in and thank, you know, the Staff that's been supporting since we, you know, engaged AmpliFund. Of course, you know, the Budget Office Staff under Ms. Yoshimura's supervision, and then also our Department of Finance Staff. We have been doing extensive training and testing on the usage of the system; and again, just the complexity of the reporting requirements required by the United States Treasury. We are still on the final stage of testing, but we are hoping that we are going to be able to go live with AmpliFund's system by end of this month. And then as...what Director Teruya stated earlier, the first interim report that was due with the United States Treasury was August 31st, and because the County did not have any obligations or expenditures as of the incurred period of the funds, we did file the report electronically, but there was zero expenditure and obligations reported. Our first quarterly report ending September 30, 2021 is actually due with the United States Treasury on October 31st, and because of our qualifications would, you know, less than 250,000 population, it's a requirement for us to file on a quarterly basis. And that is the same case with the NEU money that we received, although we didn't have to file any interim report for the

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NEU monies. Chair, that's all the background information. If you have any further questions, I'm here to answer them. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Deputy Director Alibin. Okay, I'll...I don't think Managing Director Baz has joined us yet. Ms. Milner?

MS. MILNER: No, Chair. He has not joined the call yet.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, I'll now open the floor to questions. And my apologies, my internet is very unreliable at the moment, so I'm on my phone. Forgive me if I can't see you raising your hand. Just unmute and, you know, let me know you're raising your hand. So I'll open the floor for questions at this time, and we'll just go do two minutes again, and then we can continue doing rounds until we reach 4:30. Okay, right now, I see Member King with her hand up. Okay, Member King, please proceed.

COUNCILMEMBER KING: I think Chair Lee was before me. She had her hand up first, so...

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member King, because I couldn't see.

COUNCILMEMBER KING: Yeah, I figured you probably couldn't see her, so...

CHAIR RAWLINS-FERNANDEZ: Thank you. Chair Lee, followed by...

COUNCILMEMBER LEE: Thank you. Thank you, Member King. Of course, I'll ask what's probably on everybody's mind. Is there any particular reason why the Council has not been consulted with regard to how the ARPA money will be spent, or any other Government funds will be spent? Michele...Director...Budget Director.

CHAIR RAWLINS-FERNANDEZ: Chair Lee, I saw Managing Director Baz may have just joined us. So I'll stop your time, and then I think...I'll call on Managing Director Baz to actually answer your question, and provide any additional opening remarks. Managing Director Baz.

MR. BAZ: Yeah, hi. Good afternoon, Chair. Sorry, I was having some technical difficulties, so I had to dial in.

CHAIR RAWLINS-FERNANDEZ: So am I.

MR. BAZ: Anyway, so I'm here. So I missed the question though.

COUNCILMEMBER LEE: Is there any particular reason...is there any particular reason why the Council hasn't been consulted with regard to our priorities and the expenditure of ARPA funds or any other emergency or Federal funds?

MR. BAZ: I don't know the answer to that, I apologize. I really haven't been involved in the allocation or expenditure of ARPA funds, so I'm not aware of any reason why not.



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COUNCILMEMBER LEE: Because since we haven't been consulted I believe the Budget Director said that within the next couple of weeks, we're going to have a budget bill to consider with your proposals for expending some of those monies. And so I would suggest that you be flexible because we may have...we may add to it some of our priorities, just as a heads up. Okay?

MR. BAZ: Okay, yeah. That may be, you know, again, more of an appropriate question for the Budget Director or the Finance Director, because yeah, like I said, I haven't been involved in the ARPA funds allocation or use. But, yeah...yeah, I think definitely, we should have some consideration for priorities that are of interest to the County, including the Council.

COUNCILMEMBER LEE: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair Lee. Okay, so Managing Director Baz, will you please provide us opening remarks, and then I'll go back to the Members' questions...and if you can provide for us a plan for the ARPA funds. Mahalo.

MR. BAZ: Okay, yeah. Thank you, Chair. I really don't have any opening remarks. I was...I did listen to a portion of the public testimony concern of use of the funds, and I appreciate Councilmember Paltin's response to the testifier because really, things have changed with relation to the...excuse me, I might have got...are you still there?

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

MR. BAZ: Sorry...oh, yeah, sorry. So with relation to the use of the funds, you know, from when we were first required to report to the Governor about what...you know, what we were planning on using the funds for at the time, and then looking at, okay, what we actually needed to use the funds for during the period, as Budget Director mentioned, up until the end of...the original end of the use of the funds in December of 2020 as to, you know, what the current need is. You know, this is a pandemic that was...is fluctuating, and definitely in its impacts to our community and to the world in general. Right now, we are dealing with the Delta variant that has basically taken over all COVID cases that is...pretty much is, according to Dr. Pang, of 100 percent Delta variant, you know, and it's something that spreads much quicker, it may have a little bit more health impact to those that do get it, and that's something that, you know, we're evaluating. And then of course with the Governor's original mandate for County and State employees to be vaccinated or test and then, you know, implications of the impact of that to our testing availability, especially with the students and teachers and...you know, it's been really a change, especially maybe within the last maybe month and a half as we've been dealing with this. So I appreciate the flexibility and understanding as we evaluate what the best response is and try our best to go through procurement. I know there's some concerns about well, in the past we were able to get, you know, procurement done quicker, and now why is it taking 30 days? Well, one thing is that the Governor had waived 103D in the past, but that's not waived now. And so we have to follow the regular State procurement which, you know, is a law that we now have to follow without any ability to waive it based on the Governor's proclamation. We also

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have, you know, programs in place and consideration into the existing contracts and so, you know, we have to work on, you know, either amending those or somehow some supplanting those as well. So, you know, we're doing our best as a team to address the situation in our community within the parameters that we're given. The other consideration that the Committee should be aware of is that some of the funds and some of the uses could be reimbursed by FEMA as a public assistance grant, but if we use ARPA money for that, then we're not eligible for reimbursement. It's a straight out, we used the ARPA money, and that's it. And because the ARPA money has a longer lead time, we may have a consideration to utilize that, try to get the FEMA reimbursement. If we can't, then maybe we can allocate the ARPA monies for those uses, but if we can get reimbursement, then that's a different source of funds additional to the funds that we've received so far that we'd be looking at to supplement what we're doing here in our community as a response. So Chair, I guess that would kind of be my opening comments, and open for questions from there.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Managing Director Baz. So what I think I heard from you is there is no plan for the ARPA funds yet. So as to Chair Lee's question about consultation, then we can kind of work together on a plan moving forward?

MR. BAZ: I'd ask actually if...not that I've been involved in, I don't know if the Budget Director or Finance Director have a better response to that.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Managing Director Baz. Member King.

COUNCILMEMBER KING: Thank you, Chair, and thanks for being here, Sandy. I had the same concern as Chair Lee, you know, that well, there hasn't been any discussion with the Council. And you know, you should be using us as your eyes and ears because we talk to folks all across the County in our various districts, and it would be great if we were talking to you too, as we come...you know, as we start to identify the needs for the ARPA funds. But just going back to some of the concerns of the testimony, I heard from, I think it was Director Yoshimura, that we have...or our Finance Director that we have a new software that's going to include possibly like a public dashboard to keep us...keep the public apprised. And does that mean that we're going to be trying to work toward...get away from charging people for finding that information, or forcing them into to having to file a UIPA to get that kind of information?

MR. BAZ: Maybe Managing...Deputy Director Alibin can describe what that dashboard will present, and the information that's available from that.

COUNCILMEMBER KING: Well, I kind of just wanted to find out from...you know, if the Administration...if this is the plan going forward to keep charging people and making them, you know, hunt and file papers to try to get the information that should be public. So that's my main concern, if we're making a concerted effort to be more transparent.

MR. BAZ: Well, I understand. I don't know what the request was...I never saw the UIP request in its entirety, and what the response was, and why it would've been \$400, but if the request was for all contracts and invoices and things like that then, you know, that's a

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lot of information then, you know, a collection required and then charges for pages. If it's a dashboard . . . *(timer sounds)*. . . about what we're spending...you know, how we're spending it, you know, in a different manner than the reports that are presented to the State or to the Council then, you know, I think that's definitely feasible to put up on the Internet. But as far as, you know, getting all of our contracts and invoices and payments and all that, our fees out, you know, available for public review all the time, that's not anybody we have Staff capable of doing on a regular basis to provide to the public at this point.

COUNCILMEMBER KING: Okay. Well, I'm hoping that...

MR. BAZ: That's why the collection and reporting of that information is...there's a fee for that because it's an additional effort.

COUNCILMEMBER KING: Okay. I just haven't seen anything publicly available to...so that...you know, as a first response to the public. So I'm hoping that AmpliFund is going to improve that because that should tie right into...as these expenditures are happening, the reporting should tie right into that, and it should go onto a public dashboard. So, you know, I think it's...you know, it's also do you have the will to do that, I guess, is what I'm kind of asking for. But, you know, are we working towards transparency? Because that really should be part of the Administration's mission, is transparency in these expenditures. That's all I have. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member King. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Just what I had chatted, I guess, during our Budget session, that some of us had a proviso as to the American Rescue Plan funding, so I wasn't sure maybe Budget Director, how would that work? Chair Lee had listed some of the same equipment during the Budget session.

CHAIR RAWLINS-FERNANDEZ: Budget Director.

MS. YOSHIMURA: Councilmember Sinenci, yes, I am aware that there are provisos on the ARPA funds, and we would need to review them to see whether or not they meet the criteria to use ARPA funds. If they aren't, then we will look at other options as to how we can proceed with those projects.

COUNCILMEMBER SINENCI: Oh, okay. Thank you, Director. And then just my other question was, a testifier mentioned that we had...and I remember it was the Administration that had authority over the CARES Act funding, so...but she did mention something about the Council approving the receipt of the funds. Was that the process that we went through? I just wanted clarification on that.

CHAIR RAWLINS-FERNANDEZ: Budget Director.

MS. YOSHIMURA: Chair, we were notified of the funding, and the CARES Act money came through the State. We did have a budget amendment that was submitted, and also

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notification to the Council that we did receive it. And since the receipt of the money we have been filing monthly reports, and the reports have been provided to the Council.

COUNCILMEMBER SINENCI: Okay. Thank you, Director, for that clarification. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Members, any other questions? Member Molina.

COUNCILMEMBER MOLINA: Yeah. Thank you very much, Madam Chair. First of all, under public health expenditures, it was budgeted at \$21 million, but you spent just under \$11 million. Can you tell us why? Because, you know, we heard some testimony about maybe a big imbalance between economic usage of these funds versus public health. Can you provide a little bit more details on that?

CHAIR RAWLINS-FERNANDEZ: Who would you like to ask, Member Molina?

COUNCILMEMBER MOLINA: Oh, whomever...I guess maybe Director Yoshimura, if she has some insight on that.

MS. YOSHIMURA: Chair, so we did have four different categories that we had broken down everything into; public safety, community needs, response to economic impact, public health expenditures and economic support. So four different categories. When we made an expenditure, it may have touched upon one or multiple expenditure categories. So we could probably go back to a report and see, you know, if it was...let's say we provided support to the hospital, and the hospital...that could fall under public health, that could also fall under public safety, and it could fall under community needs. So it was categorized under one category, so it may have pushed that category in excess of what was originally budgeted, but we didn't go and split it 33 percent for public safety, 33 percent for, you know, community needs, or 33 percent for public health, we just put it into one category, and that may have caused the differential in the amount expended per category. So we could take a look at that again.

COUNCILMEMBER MOLINA: Okay. All right.

MS. YOSHIMURA: To see where it was multiple . . . *(timer sounds)* . . . categories that were affected.

COUNCILMEMBER MOLINA: All right, thank you. Madam Chair, will we have another round? Because I got a couple more questions here.

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER MOLINA: Yeah, all right. Thank you. I'll yield the floor for now. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Member Sugimura.

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COUNCILMEMBER SUGIMURA: Thank you. So I'm looking at the Council agenda, and here is...I was wondering what this word is and it's...there's that reference to NEUs...NEUs, Non-Entitled [sic] Units of Local Government. And in here, if somebody could explain, maybe Managing Director or whoever, but it's talking about ten limited term appointment equivalent personnel. And I wondered if somebody could just explain that so when this comes up on the Council agenda that we don't have to...we could pass it, right. That's why we're discussing it today, so can somebody explain that? It's a \$17,523,295--523,295...oh, I'm sorry. It's one limited-term appointment, sorry, it's not ten.

CHAIR RAWLINS-FERNANDEZ: Managing Director.

MR. BAZ: Madam Chair, I believe that's what Budget Director had mentioned that in her opening comments.

COUNCILMEMBER SUGIMURA: Oh, this is the...

CHAIR RAWLINS-FERNANDEZ: So the person...that person would be operating the AmpliFund?

COUNCILMEMBER SUGIMURA: Oh, okay, okay, okay. Great. And also Deputy Director Finance also explained. Okay, thank you. I'll be ready when you bring it up to approve on the floor.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura.

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR RAWLINS-FERNANDEZ: Okay. Anyone else for round one? Member Paltin.

VICE-CHAIR PALTIN: Are we allowed to ask on the ARPA?

CHAIR RAWLINS-FERNANDEZ: Yes, any of the funding.

VICE-CHAIR PALTIN: Oh, okay, great. You know, in this past budget, we kept asking, so can we use the ARPA for this, and it was like so much well, we don't know yet, we don't know yet. Do we know yet, and is that information going to be made widely available? Because I think Member Sinenci had just asked about, you know, his thing in GREAT, I believe. And so I was wondering like after budget we kind of dropped off on that, and didn't hear too much until Member Sinenci's GREAT item. And so I was wondering, do we know yet what we can use the ARPA for and what the parameters are? And if not, when will we know, or are we going to be told at all?

CHAIR RAWLINS-FERNANDEZ: Budget Director.

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MS. YOSHIMURA: So we did receive an expenditure...an approved expenditure category list, which we can forward to your Committee, Chair. And we have been working to make sure that when we do start expending the funds, that we know the categories and we will...you know, we haven't committed any of the funds to like any specific project. We will have that open. And once we get AmpliFund in, then we'll have the programs start applying for the funding, so we will have that advertised.

VICE-CHAIR PALTIN: Okay. And just, you know, when you were saying like we tried to meet the needs of the people that came and asked, maybe this time around we can have a more vision approach of not just meeting the needs of the people that come and ask, but . . . *(timer sounds)*. . . try to the needs of the most critical sectors to keep our society running.

MS. YOSHIMURA: Chair, yes. We can reach out to different organizations, and we did. When we...when the schools needed help we reached out to the DOE to help them get iPads, to get Chromebooks, and also to set up a distance learning center so that, you know, those who didn't have connectivity at home could go to the YMCA program. So we did try to set up programs when we did...when we were made aware of the needs of the community, and reached out to community partners.

VICE-CHAIR PALTIN: Thank you, I'll wait until my next round. My time is up.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay, anyone else for their round one? Okay, we'll go to round two. Oh, Director Teruya.

MR. TERUYA: Chair, I think it might be good that just like myself, the Budget Director, Deputy Director, there are interim final rules of the ARPA funds, what is appropriate funding, et cetera. Maybe we can forward that you to forward it all to the Members so they can read it for themselves, so they can understand before they propose anything whether or not it meets the guidelines. Like myself, if I'm not sure, we would probably advise Corporation Counsel for their opinion. Because the last thing we want is an expenditure that doesn't meet the Federal guidelines, and then we have to use the General Fund to subsidize it. So I think we will probably forward you the link so that everybody can read it. I see Deputy Director's camera on, so maybe I'm right or wrong, but maybe she has something to add to it. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director. Deputy Director.

MS. ALIBIN: Yes, I just wanted to add in addition to what Director Teruya stated, all the materials--compliance reporting requirements--are available online through the treasury.gov's website. You know, it provides the interim final rules, all the...you know, the jurisdiction's requirement on the reporting and the uses...eligible uses of the funding for the ARPA. You can use that as a resource.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Deputy Director. Round two questions, Members? Member Molina.

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COUNCILMEMBER MOLINA: Thank you very much, Madam Chair. For the economic support category, it notes that it went over budget by 14 million. Can you just...in my short time allotted, can you briefly tell me, were there any specific projects that were the cause for this overbudgeting? And one more thing, kind of manini, but it's on page 8, there's a purchase of a Canon camera for \$571. I'm trying to see what the tie in that is to COVID and everything else, and who has, I guess, oversight of this camera, and what the purpose is of this camera...what's it for? I guess, maybe Budget Director Yoshimura, if she could comment on that?

MS. YOSHIMURA: Chair, offhand I don't know what the camera was for. I can look into that. And where we went over in category 4 specifically I'm not sure, but we did have a lot of...we did have a lot of economic support for our small businesses. We did run the small business grant program through the credit unions. I believe that program supported small businesses with rent, with utility costs, and I think each applicant got up to about \$12,000 on qualification. So that was one big program. Another big program was, of course, the small business program with the Maui Chamber, also MEDB. But I can take a look at the report and see what the excess was used for.

COUNCILMEMBER MOLINA: Yeah. That would be fine if you could get back to us in writing, yeah. I'd appreciate that.

MS. YOSHIMURA: Okay.

COUNCILMEMBER MOLINA: And just one last thought, you know, the testimony we've heard today, I'm like Chair Lee and Councilmember King, it was very concerning because they were spot on on some of their issues. So I would hope that, you know, the overused word collaboration, you know, continues to...well, hopefully exist . . . *(timer sounds)*. . . or rises up again between us. I'm hoping that the Administration will look at our relationship as less adversarial and more as partners to help us shed the light on government and transparency. Because people out there are more akamai and more demanding of government these days, so they expect transparency and communication between both branches of government because we're all in this together. So in order to make this work and solve the problems of our community, we've got to have this communication and openness. Thank you, Madam Director, and thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Pro Tem Kama, followed by Member King.

COUNCILMEMBER KAMA: Thank you. So I wanted to ask Mr. Teruya, you know, he had mentioned earlier that the Council could actually take a look at the...at the...I don't know if it was...he was referencing a paper or a compliance of whatever that tells us what the ARPA funds can be used for. And I just wanted to know that if we read that, are we going to come up with some questions about what does this mean? I mean, I know earlier when...I think was May Alibin who was talking about in terms of trying to figure out what the ARPA funds can be used for, and you waited months before you got a response from U.S. Treasury. So I'm just wondering, if I go and read this report, am

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I going to have just as many questions as you all have? But is there a one-page reference or summary sheet that says, these are generically or generally what these funds can be used for that makes it easier for the Council to determine whether or not our request will or will not be honored. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Tem Kama. I'm the sure the devil is in the details of the 151-page document. Anyone would like to take a stab at that?

MR. TERUYA: Chair, yes. Reading the 151 pages is not a easy task for anybody, and then to interpret what everything means. Similar to the CARES Act, there's guidance, but I think a lot of times we rely on the frequently asked questions cheat sheet that comes up that's amended from month to month because there's more questions and more situations that come about from time to time. So as we receive, or you Google and find the ARPA FAQs, which I'm sure will occur, just like the CARES Act, those are things that we rely on in going through and identifying what the situation is and how it relates to question one, two, or three or whatever, and that is probably the easiest way for you to find out whether or not a certain item is refundable or an allowable expense. So as we get that, and we go through that, and it is updated, we will share with the Chair so she can forward to the appropriate people what that link is and where you can find it. And I will defer to Deputy, I see her on again, so she might have more information.

CHAIR RAWLINS-FERNANDEZ: Deputy Director.

MS. ALIBIN: Chair, so with regards to Councilmember Kama's question on the interim final rule if there is any definition, this document is considered as a Federal Register, which has all the rules and regulations. And it has a section that provides the definitions and clarity to a lot of the requirements within the document itself.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Deputy Director. Mahalo, Pro Tem Kama. I think I called on Member King, followed by Member Paltin, and I just want to let Members know that it's 4:28.

COUNCILMEMBER KING: Oh, thank you. Okay, I'll try to ask this really quickly. And, you know, I think it's more of a commentary I'm following up on again with Member Molina's comment about collaboration is, and I did get a text from one of the testifiers about some of the money, that \$2.6 million to a former--and I won't say his name, but the company is Kupale Technologies--for a post-arrival testing program. It only lasted a month, and the company was registered with DCCA as a cleaning and sanitizing company that had no testing experience. So, you know, just trying...looking at some of the places that the money went, I really want to encourage...I mean, we had a...this is one of the reasons why we unanimously passed a resolution urging a task force, because you really need to get more...a broader sense of where this money is going, and a broader...and a better review of who we're giving the money to for some of these COVID responses. And so that's one comment. And I also wanted to ask you...I don't know who can answer this, but if there's a plan for putting some of this funding, and if there's an idea of how much funding you could put into the homeless situations around Maui County, and if you can work with our new Commission on Human Solutions for the



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Homeless on how to spend...kind of the best...most effective in spending that funding. Is there an idea of how much you want to put into the homeless situation to help folks who are out there on their own and getting moved around?

CHAIR RAWLINS-FERNANDEZ: Managing Director Baz.

MR. BAZ: Hi, there. Okay, so I got my computer up and running, so I'm back live here. So as I mentioned before, I haven't been involved in the allocation setting for ARPA funds, but we'll evaluate that for sure. One of the considerations, and I think why Director Teruya was, you know, reiterating the importance of reviewing what the allowed uses of the funds are is that we want to make sure there is a correlation between the use of the funds and, you know, COVID, so to make sure that we are following all the rules and what's allowed.

COUNCILMEMBER KING: Right. And my first comment goes back to objectivity and trying to make sure that you're making decisions, you know, based on who is really the best entity. Because this text I got from the testifier said that the company that got this money, which was 2.6 million, had no experience in testing, but was afforded the contract; and meanwhile, a native Hawaiian owned company with testing experience was not selected. So, you know --

CHAIR RAWLINS-FERNANDEZ: Member King.

COUNCILMEMBER KING: -- I think this is what happens when you don't have a broad enough, you know, cohort looking at these objectively, you know, with the technical experience looking at these proposals technically, and that's part of the whole push for collaboration, I think. Did I go over my time, Chair? I apologize...I'm sorry. Okay.

CHAIR RAWLINS-FERNANDEZ: Yes. And then, you know, we can follow up with some written correspondence. I can send the Administration some of our questions, and questions that we got from the testifiers to get some responses so that we can make those responses public on Granicus.

COUNCILMEMBER KING: Okay. Thank you so much, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member King. Okay, it's 4:31. Member Paltin.

VICE-CHAIR PALTIN: Thank you. And just, you know, into the correlation of the monies and the coronavirus and, you know, similar to Member Molina's camera question...I mean, we all have cameras on our phones nowadays, I don't see the correlation in car window tinting and CARES Act funding, if you could explain that in writing. Also, just any comment to being able to pivot...you know, things are changing fast, and what I witnessed in Lāhainā was that Minit Medical pop-up tenting testing was there for months, and it wasn't really being used. And now, when we need it...like all the online registration, we have testing one day a week in Lāhainā, and I think I have a resolution on Friday about this. But it's like, you know, someone in your kid's class tests positive and you got to figure out what to do. My kid had a stomach ache the other day, probably

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not enough fiber in her diet and, you know, can't get any testing. And so it's just like the ability to pivot here is really important. Like if you see the test...pop-up testing not being used for days, weeks, and months, cut it, and then like save it for when we need it or something. Like are we locked in to like having to have the pop-up testing drive-through walk-up in all locations for those months when we weren't being used a lot, and those poor folks were having to be in those like hot things in the Lāhainā sun in the middle of summer, and now, like I just squeezed myself in on Monday trying to walk in for drive-through testing, and it was like a continuous line of people one day a week for Lāhainā. So I just was wondering about the Administration's ability to pivot based on real time needs. . . .*(timer sounds)*. . .

MR. BAZ: Thank you. I hope you can hear me. So yes, the...that was definitely an issue identified. We had a contract, you know, that we had to fulfill the contract. And so as soon as we could amend it and get that revised, we did. And then Delta variant happened. And...you know, and again, the procurement rules are not waived anymore, so for us to go and reissue procurement and go through things like that, you know, we have to follow...there was a reason why the Governor had initially waived those, and we've asked him to waive them again but, you know, he hasn't yet. But...so, you know, that process does take a while. And we...actually, prior to even right when they were starting to shut down or reduce the services, we actually had requested and trying to figure out to get them ramped up again. So my Deputy Managing Director is the one that's been managing that contract, has been working feverishly on getting that back up and more services. So we do...we are announcing on a regular basis pop-up events, that we are able to get more testing available, but it is something we are working on significantly to increase the amount of free testing. There's a lot of availability of paid testing programs but, you know, we can't go out and purchase those because of the procurement law. So we're just doing what we can with...under the parameters we have now. But definitely, the intent is to expand that significantly.

VICE-CHAIR PALTIN: Just to follow up, there's not a lot of room to be able to pivot is what you're saying.

MR. BAZ: It depends, you know, what we're trying to pivot on. And if it is related to procurement and purchasing and all that, then we're going to have challenges. And believe me, the Mayor is just as frustrated as the community and you guys are about that, you know, he's...we're still in an emergency. We're still in a pandemic. And we should be able to pivot quickly; however, the Governor did tie our hands with procurement, especially. There's quite a few other laws that he had waived in the past, HRS that he have waived in the past that aren't waived now as well, but we'll get into those later.

VICE-CHAIR PALTIN: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay, Members it's 4:36. Okay, we're going to adjourn. Okay. And, you know, if any of the Committee Chairs want to take up any specific subject matter relating...we all have this item in our Committee, so if we wanted to do any deep dive into any of the subject matters, we...Committee Chairs

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do have the item that they can schedule, and I'll try to take this up at least once a month so that we can work on it together. Okay. Mahalo, Managing Director Baz for being with us. Budget Director Yoshimura, and Finance Director Teruya, and Deputy Director Alibin, mahalo for answering a lot of our questions today. Okay, Members, any objections to deferring BFED-85?

**COUNCILMEMBERS VOICED NO OBJECTIONS.**

**ACTION: DEFER pending further discussion**

CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. All right, that ends our calendar. Ms. Milner, did I forget anything?

MS. MILNER: Chair, you got everything. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Milner. Okay, I think that was Director Teruya waiving bye, right? Okay. Okay, Members, we did it. We got through the entire agenda. Mahalo for working as efficiently as you did. Okay, it's 4...so tomorrow morning, PSLU Committee meeting at 9:00, and then HCP Committee meeting at 1:30. Okay, it's 4:38 on September 15th, 2021, and the Budget, Finance, and Economic Development Committee is now adjourned. . . .(gavel). . .

ADJOURN: 4:38 p.m.

APPROVED:



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

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Transcribed by: Terianne Arreola

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CERTIFICATION

I, Terianne Arreola, 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 13th day of October 2021, in Wailuku, Hawai'i.



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Terianne Arreola