

**MAUI REDEVELOPMENT AGENCY
SPECIAL MEETING
FEBRUARY 3, 2010**

APPROVED 03-19-2010

A. CALL TO ORDER

The special meeting of the Maui Redevelopment Agency (Agency) was called to order by Ms. Alexa Betts Basinger, at 9:02 a.m., Wednesday, February 3, 2010, in the Planning Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Wailuku, Island of Maui.

Ms. Alexa Betts Basinger: Good morning everyone. Good morning Katharine. Good morning Bob. Calling to order the February 3, 2010 special meeting of the Maui Redevelopment Agency. I'd like to welcome Commissioners Bob Horcajo, Katharine Popenuk. We have today Michael Hopper as Corporation Counsel, of course, Erin Wade and staff Leilani Ramoran.

We are here today to have a discussion with Brad Segal of Progressive Urban Management Associates (PUMA.) But before we get to that, I want to open up the meeting to public testimony. Is there anyone who would like to? Okay, and remember that after each item which would be after item (C), we will open up for public testimony again. So Erin, I'll let you do the introductions.

B. PUBLIC TESTIMONY: Testimony will be limited to three (3) minutes per testifier. At two minutes, thirty seconds, a thirty second notice will be given. With the recommendation of the Chair, an additional three minutes may be granted.

C. DISCUSSION WITH BRAD SEGAL OF PROGRESSIVE URBAN MANAGEMENT ASSOCIATES ON THE MARKET-BASED PLAN FOR WAILUKU TO INCLUDE THE FOLLOWING:

- 1. Introduction of consultant team and background**
- 2. Presentation of Scope of Work and Project Approach**
- 3. Conversation and Brainstorming about the Assets and Weaknesses of the Wailuku Redevelopment Area**
- 4. Conversation and Brainstorming about Opportunities, Threats and Values relating to economic development**
- 5. Discussion on Expectations and Outcomes of the Market-Based Planning Process**

Ms. Erin Wade: Thank you. I think as the group is aware at the December MRA meeting we allocated \$10,000 to a project by Tri-Isle Resource and Development Corp., for the Progressive Urban Management Associates to come and help us do a market base plan for Wailuku. So this is the first orientation trip of the consultant team. Brad Segal is here.

They are a real estate economists. His partner Pamela Fox is out in the field data gathering today. But Brad is going to walk us through an introduction, a little orientation about what they do and then some brainstorming, so I will turn it over him.

Mr. Brad Segal: Great. Well thank you. Thank you for having us and thank you for starting this project in February since we come from Colorado. It's extra special to be here this time of year. I did want to just take a couple of minutes to give you a sense of who we are and what we do. I also wanted to review our scope for our project. But much of the time, today, I was hoping to have an interactive discussion with members of the redevelopment authority so that I can get your thoughts. And that's really what we're doing on this trip, is we're really trying to get a sense of Wailuku, how it works, trying to talk to businesses, property owners, civic leaders. We have spent some time yesterday getting our feet on the ground, so we're just trying to be sponges right now, and try to figure out how the place works. We will be back. I will be back. My team will be back in various forms, probably four times over the next several months. We're looking to complete our work in July. And in a moment, I'll go through some of the highlights of the scope that talks about what we're going to try to achieve.

In terms of who I am, and who our firm is, I've been involved in downtown and community development work for about 25-years. I'm from Denver, Colorado; and Denver is where I started the downtown development career. I worked with the downtown business improvement district in Denver in the late 80's, early 90's. I don't know if anybody has had a chance to actually be there, in Denver, but there's a historic district called lower downtown, and that was my first job. My first job was running a store front redevelopment office in lower downtown. And essentially we revitalized a 20-block area through a lot of small pieces, a lot of incremental steps, a lot of small business development, and it's really a philosophy that I've carried through, through the rest of my career.

The last 16-years have had PUMA consulting firm. I'm one quarter of the firm. We're a small firm, so there's only four of us. We have worked nationally. Hawaii is now the 32nd State that we've had the opportunity to work in, so we have worked primarily all over the mainland – a little bit in the Caribbean as well. We are real estate economists as Erin noted, so our approach in downtown revitalization is really to view downtown as a real estate asset. View downtown as a real estate asset and then figure out what's the best way for that asset to perform in this market. So to get there, what we do is we do a lot of market analysis. We also have bias in our approach, and our bias is that down towns need to first and foremost work for the locals, and then visitor markets will follow if the locals really find downtown relevant and it's a place they want to be. So in terms of our market work, we're going to spend a lot of time trying to figure out the needs, the desires of the local residents in this market area. We'll be doing survey work. We'll be looking at demographics, a whole variety of different market information. We'll be looking at the employees. You have a pretty substantial employment base in Wailuku, so we want to do some survey work and some group meetings with employees. We'll be working with

property owners and businesses very intimately throughout the process.

And through the market analysis what we hope to come up with are a couple of things. One is a niche strategy. How should Wailuku be positioned to give it a competitive advantage to really reach its markets. And if we're going for local folks, if we really trying to re-engage residents and employees in downtown, how should downtown really be positioned and what are the things going to make downtown relevant to people and not just nine to five. Downtown is – if it's measured by cars, it's pretty vibrant downtown from nine to five. You've got a lot of people working here. You've got a lot of people using downtown. But it's pretty one dimensional. It's pretty much an employment center. So how do we go beyond that dimension? How do we try to make downtown more vital in the evening? How do we try to find ways where people could live down here? A whole variety of things is what we'll be looking at. So the outcome of the market analysis will give us concrete recommendations then on how to organize and finance the improvements that we want to make.

And that's another specialty of our firm. So we just don't do market analysis. We get actively involved in the organization and the finance of the implementation. And we've worked with all sorts of different organizational models. We've worked with redevelopment agencies. We've worked with main street programs. We've worked with business improvement districts, downtown development authorities – a whole variety of different models – community development corporations. And so we come with a set of tools in a toolbox, but we don't know yet what tools will make sense in Wailuku until we do our diligence and our market analysis. So we'll figure out how to organize ourselves and then also how to finance things. So if there are different improvements that the community wants to make, whether it's a marketing program or it's a parking structure or it's trying to incent new businesses to move down here, we'll come up with incentives and different financing mechanisms to make that stuff happen. And I can go at length, if you'd like, on different options. There are a lot of options available. I think a first impression and maybe some good news from our end is that not all the tools have been deployed here that could be deployed. So there are a lot of different tools that we'll be looking at and really look forward to working with you over the next several months as, together, as we figure that out.

In terms of scope and process – Erin, I'm assuming all the Commissioners have the scope? I'm assuming you've seen this before because gratefully you did approve some funding for this, so hopefully there's nothing new here. But in terms of our scope of work, there are really two major steps. And our first step which is underway on this trip is to do what we call a competitive analysis and that's all that market information that helps us determine how downtown should be positioned and what its competitive advantages are.

So on the competitive analysis we are currently in step (1.0) which is project orientation which is really trying to figure out what's the strength, the weakness, some of the history,

the character of the place, the characters within the place – all of that is what we're trying to figure out in step (1.0.) Pamela Fox, my associate, who's in the field this morning will be working on a market profile, looking at a variety of market indicators as they relate to the downtown area and the redevelopment area. So we'll be looking at how the real estate works. We'll be looking at demographics. Defining a primary and secondary market area for downtown. All of that will be relatively close in. I don't see us going more than three or four miles out in terms of defining that market. We'll be combing through different City County records. And then any other data that we can obtain that's relevant to the activity downtown.

(1.2) that's what Pamela's doing right now is she's out inventorying supply, primarily of retail in the redevelopment area, and that will be important for the next step too, which is a retail leakage analysis. We are going to look at what sort of dollars are leaving downtown, whether they're flowing down the hill or they're following out of this market area. So what sort retail leakage and what sort of dollars could we capture from folks who live in the immediate area?

(1.4) we're going to be looking at competition and how does Wailuku stack up to competition. And competition could be other small town centers or some of the new shopping centers that have been built over the last 10-20 years.

(1.5) roundtables and interviews. We've started some interviews this trip, but really our next trip will be pretty extensive on outreach. We want to learn about the place before we come back and really start talking about it with folks. We want to have understanding how the place works.

So when we come back in the Spring we'll have a series of round table discussions/interviews. We'll be working with redevelopment agencies. We have a steering committee. We want to work with the main street program. We want to work with a whole variety of folks to really talk to as many property owners, business owners as we can. And there's a couple of reason we do that. One is market reconnaissance. Our best market information are from the people who are there, who are downtown day in, day out, so we really want to understand downtown from their perspective. And then secondly we're hoping to really engage your downtown community in this process and hopefully get them enthusiastic about some of the opportunities and some of the potential that's at hand. And a lot of these things are things that your group has probably been looking at for a while. But sometimes as outsiders we can be helpful to stir it up a little bit and stir up a little energy, and also bring some new tools, some new methods, some new ideas. So that's another reason we really want to talk to as many of the downtown stakeholders as we can.

(1.6) very important part of our process and something that we will want to be initiating right after this trip, so the later half of February, into March, we're hoping to have a community survey. It's likely to be a combination of an online and a direct mail survey, but we've had

a lot of success with these in other communities. We would distribute it to County employees, to residents within the Wailuku market area. We've had success in other places distributing these through water bills, through employee email networks. Just to give you an example right now, we're in the middle of a downtown planning process in Rochester, Minnesota. I'd much rather be in Maui by the way than Rochester, Minnesota this time of the year. But we're midway through our planning process in Rochester, Minnesota. We had more than 4,000 responses now to this type of survey. I wouldn't expect -. They're sort of breaking all of our records there. I would expect that we would get 100's and maybe more responses to a community survey. And the survey will really probe how people view down town, how they use downtown, what they'd like to see here, what sort of improvements would bring them here. So the survey is very important. We always get great pearls of wisdom from our community survey. We always find things that we would have never thought of unless we went out and asked a lot of people. So the community survey is a pretty important part of our process. Something we'll be working on with Erin to finalize and distribute the later half of February, into March.

And then all of this market information, being good consultants, we'll put into a report. But it's more than a report, it's something we hope that the redevelopment agency, Jocelyn at the Main Street program - we're hoping that property owners, business owners can use the market information for their businesses. We hope it has enough insight so that investors in downtown, just by completing the competitive analysis, it will provide new information that will open some eyes in terms of opportunities that can be achieved in downtown. So if we do nothing else, hopefully, the new market information that we can provide will be very instructive and be a useful tool for the property owners, the business owners, downtown and anyone who wants to invest in downtown in the near future.

The second step is what we do with all this information and this is what excites us in our shop are essentially a business plan, or action plan, on how we can use the market information to improve downtown. So the second step which we will be working on in the Spring, probably May/June time table, is determining niche strategies for downtown. How should downtown really position itself to attract the markets that we are trying to attract. And then what sort of business types, opportunity sites, where should we really be concentrating attention, energy, resources to make things happen? And then lastly a business plan, essentially, to get that all done. Looking at the existing organizations and tools that we have downtown. Are there any new sort of ways that these organizations and tools should be mobilized? We'll be looking at that, and then new tools. I mentioned earlier that I think there's several things that - even a day and a half - since I've been here a day and a half, I guess we're experts now on Wailuku, but not quite. But there are some tools that we've seen that are available to you that haven't been used and may be relevant as we move forward.

So to sort of wrap up the story about us and our scope, first impressions, we're really excited to be here. As an outsiders, we just see tons of opportunities in your town. It's just

a beautiful setting for a town. You've got tremendous assets with the employment that you have, the access to a lot of people that live really close to this downtown, and a lot of the people that we've met have really impressed us. There seems to be a great amount of energy and the sense that maybe the timing is right to really try some new things here. So I guess before I get into the interactive part, should we pause and see if the commissioners have any questions on us or on our scope?

Ms. Betts Basinger: Yeah, I'll pause here too to invite testimony from the gallery. If anyone wants to come up at this point before we go into questions. Could you come up to the podium please. And your name please.

Mr. Howard MacPherson: Aloha.

Ms. Betts Basinger: Aloha.

Mr. MacPherson: My name is Howard MacPherson and I am an interested citizen. And I'm concerned –. I don't know if you mentioned it earlier. I was a little. However I am interested in how you're utilizing alternative energy sources in this design and what they are and how you intend to apply them.

Mr. Segal: Can I answer that?

Ms. Betts Basinger: Yes.

Mr. Segal: Well, we're not doing design work per say, but we are looking at that. We are looking at alternative energy and not much alternative energy, but sort of green elements in downtown, and downtown can do that. I'll give you an example, one thing that we talked the County folks about initially is how do we reduce the vehicles down here? An experience I've had just being here a day and half, staying at the Wailuku Inn, is the cars are all queued up on the street there and they're just sitting there and just idling. And, you know, in terms of emissions and sort of waste and time and all of that, it's sort of an unfortunate situation, but it's really tough on this island because you have so many limited access routes. But to get to your question, an idea that initially we thought of is why don't we look at some transportation demand management ideas for Wailuku. Are there ways the County can encourage car pools, van pools? You have a new transit system here. Are there ways we can better market the transit system so that people take that? So I don't know if that directly answers your question, but we will be looking at ways to be more sustainable from an environmental standpoint. And it's not just with design elements, but also with our behaviors and how we can just use the resources better. We'll be looking at that.

Mr. MacPherson: Well I was – my question actually is related more to energy producing devices – solar, wind generation.

Mr. Segal: In the context of downtown, we'll look at that. Solar energy, I assume, would be huge down here, or could be.

Mr. MacPherson: Unfortunately, the problem is there's so many devices being incorporated today, that it needs to be included in the design elements. You've got thin – you've got new thin technology that can be rolled out as roofing material that produces electricity. These things need to be included in your design.

Mr. Segal: Alright. Thanks.

Ms. Betts Basinger: Thank you. And just to clarify, this – we are talking to Brad today who is the market study survey, not the parking study.

Mr. Mikal Torgerson: Mikal Torgerson. I was just curious if you were going to incorporate psycho-graphic data in your study?

Mr. Segal: Yeah. I mean to the extent we can get it, we will. And certainly the survey work we do, the direct survey work, we do tabulate demographics so we can get some psycho-graphic information. Psycho-graphics, as you probably know, are extremely helpful because it sort of gets beyond just the basic demographic analysis and really gets into different character types.

Ms. Jocelyn Perreira: . . . (Inaudible. Did not speak into a microphone.) . . .

Mr. Segal: Psycho-graphics, and you can help me, but as I understand it, psycho-graphics – or as we understand it – psycho-graphics get into different – essentially looks at behavior patterns by different types of people. So for example, young professionals. There's different types of young people. Some young people are traditional and they want to be in traditional suburban houses and raise big families and all that kind of stuff. And then there's other young people who are more sort of urban young professionals is what they're called, and they're looking for a condo or a loft and they're single and that type of thing. So psycho-graphics goes beyond just young people and gets to – or old people or middle aged people or whatever – it sort of gets beyond the surface of demographics. And there are – I mean in some places, there's 100's of different psycho-graphic. We won't go into that much detail, but we will go into more detail than basic demographics. Was that a reasonable explanation?

Mr. Torgerson: Yeah. In addition to that, it kind of gets to purchasing habits of different people. Demographics might say that, you know, we have median age of 29 and they make \$50,000 a year. Psycho-graphics get down to the point where certain 29-year olds spend 30% of their income dining out. Others have two kids and dog, and they eat at home most of the time. So I find that retailers and restaurateurs look at psycho-graphic data pretty close if they're looking to draw those certain folks into the area.

Mr. Segal: Yeah, we'll get it to that level of detail as much as we can.

Ms. Betts Basinger: Thank you. Anyone else? Okay, members.

Mr. Horcajo: I've got a few questions. My first question maybe is you mentioned the survey, so I'm curious how extensive of a reach do you use? You know, you're talking water bill. You're talking just within this Wailuku region? Are you talking even beyond, you know, I mean people who live in Makawao but they work in Wailuku, or people in Lahaina who car pool here. I mean, how's that?

Mr. Segal: In terms of the survey, it's not a scientific survey in the sense that we're not doing controlled groups and all of that, but it's, as a broad of a reach as we can do survey is a way, I guess, to explain it. And we want to distribute it to – we want to try to distribute it to as many employees and we do think we have some distribution channels, you know, through the County that we can use. So if they live in Lahaina and they work here, yeah, you know, we want to survey them in terms of what they like or don't like here. In terms of residents, we probably want to have a narrower reach just in terms of the communities that are within, you know, four or five miles of downtown Wailuku. And that's something we need to explore with the County. And what's the most efficient way to reach residents. We've done that a number of ways in different communities. For example, I mentioned we used water bills in some towns. This Rochester survey I just mentioned, we did post it notes on the front of the newspapers. We sent out 50,000 post it notes. So we want to make as a broad of a reach. And while it's not a scientific survey necessarily, invariably if we get more than 500 responses, it will be very significant in terms of the response.

Mr. Horcajo: So basically, who lives and/or works within this area.

Mr. Segal: Yes.

Mr. Horcajo: My second question is you had mentioned the implementation part of the study having to do with financing strategies, I guess, and I noticed on your website you folks talk a lot about BID. So, I mean, that would be somewhat you folks will potentially recommend or not recommend given what you find out from the civic leaders and stuff?

Mr. Segal: Yeah, from the civic leaders, the market information, the overall priorities, we will suggest some tools that maybe better than others. So we have worked with a lot of improvement districts which get into special assessment financing where we're asking property and business owners actually to add more to their tax bill. It doesn't sound like a very popular idea but it does happen in lots of communities all over the country. We'll be looking at tax increment financing which is a tool this body can utilize which essentially uses future increases in property and sales tax valuation to finance improvements today. We'll be looking at block grants. We'll be looking even stimulus money in the short term. Parking districts are something we want to look at with you. It's our understanding that a

parking structure is a big and immediate priority so we'll be looking at way that that can be financed through some sort of special district method. At the end of the process, I think what we'll come up with is we'll come up with a series of priorities if the community agrees needs to be made. And then there will be a whole multitude of financing sources. In this environment, particularly with conventional lending disappearing for the short term, to get anything done in the short term really needs public private participation and a lot of different tools. So I would expect we'll end up with several options for you and we'll also test the feasibility for those options in this process so we don't come to you with some half baked idea.

Mr. Horcajo: Yeah, I guess that was my follow up question. So when you're interviewing landowners and merchants you're going to talk about and suggest these other tools – BID, TIF – see whether they have a heart attack?

Mr. Segal: Yeah exactly, we'll take the blood pressure of the property and business owners, which is what we commonly do in all the communities we work in. It really comes down to how compelling is the improvement, how bad do we really want it, are we convinced it will help improve our collective fortunes and if it will, you know, our experience is a lot of times, property and business owners will buy into it. Sometimes they don't though, and we don't want to move you in a direction that is doomed to failure. We really want you to move in a direction where you've got really good chances to be successful.

Mr. Horcajo: My last question. Does the processing include looking at zoning and development code, and giving an opinion of what we have now?

Mr. Segal: Yeah. Unfortunately, when you bring us to town, we're sort of looking at everything, so we actually started looking at that yesterday. And we just got a look at the zoning, and pretty much have a sense of that. We've heard some interesting opinions on the development review process that we want to further explore. So, yeah, we'll be looking at –. I guess the way to call it, the way to characterize it is we'll be looking at the whole real estate delivery system which is what does it take to make improvements downtown whether it's private sector, or public sector, but there's a whole delivery system that helps make real estate investment businesses happen, and that includes financing. That includes organization. It includes regulatory climate. All those things. So you've signed up for a pretty whole list of check up here for the next few months, and we'll be looking at a whole variety of things.

Mr. Horcajo: Thank you.

Ms. Betts Basinger: Thanks Bob. Katharine?

Ms. Popenuk: It sounds like your survey is going to be based on people that work or live here in Wailuku. I'm wondering about people that, like, are new . . . (Inaudible. Did not

speak into the microphone.) . . . at this point in time. For instance, asking people in Kahului what their needs or visions are, and what would attract them to Wailuku and also the tourist industry is huge here. How can we help the local businesses here in Wailuku, maybe capture some of the tourist.

Mr. Segal: Let me address first the who are we going to survey. And when I look at a map, and when I see Kahului – you’ve got to help me with these pronunciations because I’m new. I apologize. I’m getting better though. Kahului.

Ms. Popenuk: That’s good.

Mr. Segal: Was that good? Ka, hu, lui. This is being recorded. That’s really embarrassing. Kahului. When I look at a map – Kahului – thank you – and Wailuku – I got that one right – to me are one market. So when we talk about residents – they’ve told me they want me to speak in a microphone all the time because this is being recorded – but when you look at a map, we’re off the map, but it’s all one market area, right. And particularly here because you don’t have sort of a local government boundary. You’re all the county right. So we tried to say what’s a market area, and this is all one market area. This is all within a 10 or 15 minute drive provided there’s no traffic right. So when we talk about surveying residents, we’re not just going to look at Wailuku. We’re going to look at the whole market area. And invariably when we do that, whether it’s through water bills or whatever mechanism we figure out, invariably we’ll get responses from both, people who come down here and people who don’t. The employees we know are captive. We know they’re down here, but they’re all leaving at five. So the big question on the employees is what will keep them? You know, what will keep them after five? So that’s our primary focus. Now the visitors, the tourist market – and we have worked in some resort cities/towns before. In fact last year, we worked in Nassau which is pretty fascinating. But our experience is if we’ve got a downtown like we have in Wailuku, if we can really make it work for these people, if we can get the locals to come down here, and if that, Market Street, Main Street, whatever, if this place is hummed with locals coming down here to dine, for entertainment, for shopping, whatever, to live, our experience is then the visitors will follow. The tourist will follow, and particularly in a mature visitor market like Maui. You’ve got some visitor attractions that are just world class, and we would encourage you not to try to compete with those world class attractions, one, from the beginning just because it’s hard. You’re in a difficult position. And two, what we’ve been told, at least in our communication with the County and others is that’s really a goal here, is to try to make downtown relevant to the local market again. So it’s sort of a long rambling answer, but if we can make it relevant to the locals, our experience from other places is the visitors will then be interested and they’ll want to see what’s going on.

Ms. Betts Basinger: Anything else Katharine? Well I saved my questions for last. On (1.1) market profile, that will include all of the new developments, housing developments, in the near area and all planned development over a five or ten year period of time?

Mr. Segal: To the extent that we're working with the Planning Department and I can feed us that information, yes.

Ms. Betts Basinger: Okay. And I really like your idea about doing a community survey and there are community surveys that have been very successful at getting over 1,000, over 1,500 annual responses, so this community is used to being surveyed locally, so that's a very good thing. And I kind of agree with Bob that, you know, Wailuku is also the County seat, so people have to come here for a lot of reasons and I think that that's a market that also somehow should be surveyed like Katharine said what is it people don't like about coming to Wailuku, versus what is it that they do like. And also Wailuku Community Association (WCA) and the First Friday event is an opportunity to do many surveys because that's something that is attended by people from throughout, at least throughout the island, if not throughout the County that has been a growing invitation to come and visit Wailuku. So you'll have a chance to meet with the Wailuku Community Association later, and Bob was the founding member of First Friday as well.

In your typical examples, in your typical report, do you give examples of particular components that you are recommending for us – so where you might say we recommend something that worked very well in Osh Kosh for a particular component? Because I'm very visual and I like to see those kinds of changes. And I was in the Washington DC area when Baltimore Harbor was revitalizing. It was just awesome thing to see the ongoing and the after.

Mr. Segal: We do. We rely on best practices a lot to help illustrate what can happen here. One thing we do try to do, though, is try to make those best practices really relevant to your market, so we'll be looking at best practices in smaller cities if you will, you know, 50,000 to 100,000 people. If we can find comparables that have, you know, similar dynamics to what you have here. But, yes, we do look at best practices and then also I think that's one reason to hire a group like us. I mean, we've just been out there doing this for a long time, so we've seen a lot of different things. So we want to bring best practices. We also want to avoid pitfalls. I know, in at least my career, I think we've learned more from learning why things didn't work sometimes, than why they did, so we'll bring you both.

The other thing is some of these things maybe new to Maui, and some of them, maybe new Hawaii. And if they are, we'll want to make sure that we are talking to local resources about these things. So whether it's legal counsel or whoever, we want to make sure that if we bring you ideas, they're ideas you can use, whether or not they've been used elsewhere.

Ms. Betts Basinger: Have you already designed into your scope of work response the number of days you actually will be here on Maui? I know this trip is how many days?

Mr. Segal: This is a three-day trip, I think. We're planning four, well, maybe more because market analysis, we might send Pamela back sooner than later to finish up her market

work. But in terms on myself, I'm planning on four site visits, each of them, three to four days. And in fact, Erin and I will be finalizing a calendar for the project. We want to be very sensitive to any activities or holidays or things that are going on here, so that we're not consuming time. Because that is one thing we do is we tend to consume people's time when we're here. So we want to make sure we're not conflicting with – it's busy around here during Spring Break or what – but we just want to be sensitive to what's going on. But I'm expected to back in April, June and July. And you'll probably see Pamela before that, probably in March. And then I will probably be bringing a different associate with me when we do the community outreach because we have different skill sets. Even though we're a small firm, we do have different skill sets among our people.

Ms. Betts Basinger: And I know you touched on this, maybe further thoughts about the timing of this for us particularly in the financial aspect of it. I know you talked about stimulus monies, TIF, at a downturn in economic property values. I'm an optimist, so I would like to look at the timing as being advantageous. What is your experience?

Mr. Segal: Well, first of all, our experience have been pretty positive. Usually when a community decides to invest time and money in a process like this, there's something in that community that's saying we want to do something, and we want to do something differently. You don't bring an outsider into your realm unless, you know, you're looking at maybe changing some things up. So our experience is just by going through a process like this, just your willingness to commission an effort like this, there's got to be window of opportunity for looking at some new things.

In terms of the economic timing. Doing this more than 25-years and having to lived through a couple down cycles myself, economic cycles, I do think there's more opportunity in a down cycle than an up cycle. When times are bad, it tends to bring people together more. Maybe with the exception of the United State's Congress. But in a tough time, it does tend to bring people together and I see that in cities that we've worked with across the country, I've seen results in an environment like this. And then lastly, another thing we want to be sensitive to, and Erin told us, is your budget timing. So we're going to be coming up with some ideas in the Spring that possibly could go into your next fiscal year budget. Realistically, if we're looking at significant changes like the use of tax increment financing or creating a development corporation or something like that, there's usually a year to transition into something like that.

But, one thing that we sort of pride ourselves as a small firm is if we come up with some good ideas in this process, not waiting. So if we see some sort of simple, visible things that we can do immediately, let's just go an do them, whether we're done with our process or not. So we'll make those recommendations as well.

Ms. Betts Basinger: Thanks Brad. Anyone else have any –? Bob, go ahead.

Mr. Horcajo: I guess maybe my question might be directed to Erin too, but you had mentioned, of course, getting together with groups and roundtables and stuff, I'm curious whether that includes a roundtable made up of the appropriate government people – whether it be the OED Director, Planning Department Director, Public Works Director, Budget Director – at one table, just talking about that whole government process, planning, real estate process.

Mr. Segal: Yeah. That's a great idea. We've done that in other markets and would welcome that here.

Mr. Horcajo: That would make some sense. All the same, you know.

Ms. Betts Basinger: Yeah, maybe we can get –

Mr. Horcajo: No, no. Stay back there. Richard, just stay back there.

Ms. Betts Basinger: I don't want you to fall Richard, please.

Mr. Richard Dan: Well, I'm going to come up anyway. My name is Richard Dan. I have some businesses on Market Street, and I'm hearing a lot that the economy is bad and business is bad. Business is great on Market Street. I'm 30% across the board above last years' numbers. Straight up. I have five different unique retail stores, everyone of them is doing good. Business isn't bad on Market Street. My only question is why did the County spend \$10,000 – I think your idea is great and all that – but why did the County or somebody spend \$10,000 to bring you folks in to redesign Market Street, or re-do this when the \$10,000 should be placed in someway to get parking for Market Street because that's the biggest problem we have – parking. And I'm glad to see you here, and I'm sure you're going to give us a lot to do, but I think you're going to come up with a project like having a party and nobody can attend. There are a lot of events that happen in Wailuku, and then after the event, I hear from my customers that they don't want to come because there's no place to park. I have customers who drive around the block three times because there's no place to park. That's the biggest issue. The \$10,000 that they gave you or that has been allocated to you, wonderful – good for you – but the truth of the matter is, I would have loved to see the \$10,000 gone to parking. And everything should be going to parking right now because that's the biggest problem we have. Now in your survey you were talking about earlier, residents and people who work – it should also be customers who come down here. It's a big thing to look at because I've talked to retailers, we've got local people, workers, and I'd say 70% of my customers come from Makawao, Kahului, Lahaina, all over, so keep an eye on that.

Mr. Segal: Well, and also Mr. Dan, I know we're going to get together later today, so I welcome exploring all this. You know the Commissioners can explain their \$10,000, but I think hopefully, it's a worthwhile investment in the sense that if we are going to build

parking down here, it's going to cost millions and millions and millions of dollars. And if we can spend \$10,000 or whatever the number is to figure out to solve a \$15-\$20 million dollar problem, I'm going to try my best to show you it's a worthwhile investment.

So we've heard about the parking. I mean, fortunately, what you're buying here is expertise from throughout the mainland on how to finance these things to get these things done. And I hear you. I mean, that's the number one thing I've heard in talking to people. But again we need to figure out a way to get it financed and we are going to focus a lot of our time on that.

Mr. Dan: Okay.

Ms. Betts Basinger: Anyone else? Any other comments? Erin, comments?

Ms. Wade: Just to follow up on what Brad was saying. His work is actually two fold in helping us to get additional parking to the Wailuku area. The first is to evaluate the market conditions today. Our economic development administration grants that we got is tied to proving that we are creating jobs and employment and investments in the Wailuku area so we have to do – after using the money to create the parking, we have to prove that something has changed. So to do that, we have to establish a bench mark which is part of what they are going to be doing right now, and will ultimately end up in the environmental assessment document that goes to creating whatever parking structure ends up getting constructed. And then the second component is what Brad was alluding to is we need this additional data and recommendations for the financing structure. Wailuku, in fact Maui, hasn't used any of the complicated financing structures that most towns use to finance parking. So we do need – we need a little bit of the expertise so that is why Brad's here, and the \$10,000 is basically directly going for parking. And in addition, we're going to be getting this great plan about how to improve the market also.

Ms. Betts Basinger: Jocelyn?

Ms. Perreira: Aloha and welcome. My name is Jocelyn Perreira, Wailuku Main Street Association/Tri-Isle Main Street Resource Center. One of the reasons why we are strong supporters of this project and this process that is being undertaken is because, especially now that we are in a – you know I'm glad you're doing very good on Market Street, Richard, I really am – but most of the country and even our County a lot of people are having tremendous challenges in trying to, you know, struggling to eat out a living. And one of the things that you're seeing a crunch is when we get to the County budget cycle. And the State budget cycle is going through it. And there's going to be a big shortage of dollars. There's going to be a tremendous amount of public improvements that's going to be requested, and really, you're really going to have to rise to the occasion where we're going to be able to justify why certain dollars will go for certain types of improvements. There will be a shorter list of what is priority and so on and so forth. And so it is incumbent upon the

citizens and the governments to have an extract sufficient data so that they can justify where the public dollars is going to go. We're very grateful that you are here because we need just that. We need to get some comprehensive –. You know, if we skimmed the surface, you need to dove and dive right in and get to the meat and the heart of it, and get as much information as you can that is going to illustrate beyond a doubt that this community is deserving of public dollars to make some substantial improvements. And that can only happen by some of the efforts that you're trying to employ.

We are at your disposal. We feel that –. We know we have dollars in our community and I'm glad you pointed to the 10-15 minute radius because it is a town with a concentric circles. And we are losing dollars within the concentric circles of our radius of 10 to 15 minutes out, and we need to be able to capture that audience. We know we have a critical mass that is developing around Wailuku. We know that there was a projected 7,000 new homes to come into Wailuku area in addition to the homes that are here now. But we need to find out is how to capture those dollars to come and stay here so that we know what kinds of businesses, what kinds of services is needed. And I think that the audience that you talked about that has been very under looked at which is the employees, is a natural built in clientele. And I think that you're going to gain a lot from the employees who do work – I mean they work here, but the live elsewhere. So we need to not only have them stay, but when they go home, we need to have them come back with their families. So thank you very much! And that is the whole reason why I believe that all of these efforts –. I mean, we wish we could put the parking structure up tomorrow. We all know that that's a primary, numero uno issue, having push that forward and continuing to push that forward. But if this is going to help, make them understand that it is something that we need, not only for the short term, but the long term, and that's going to help with investment, we are very grateful for that opportunity. Thank you.

Ms. Betts Basinger: Thank you Jocelyn. I'd like us, at this point, to move onto #4 of (C) in our discussion here with Brad, which is going to be brain storming, kind of SWAT – strength, weaknesses, threats and opportunities for our MRA area. And so are all of you familiar how a SWAT operates?

Ms. Wade: Lets him describe it.

Ms. Betts Basinger: Go ahead.

Mr. Segal: And can I ask you –. Madame Chairman, can I ask you how much time you've got left in your meeting so that I respect your time? Or how much time you've got for me?

Ms. Betts Basinger: At least till 10:30 a.m.

Mr. Segal: Okay, so we've got at least ½ hour then?

Ms. Betts Basinger: Yes. Absolutely.

Mr. Segal: I will do my best to use the microphone which will make this a little – Erin, I’m going to need your help because this is a little “wonky.” That’s a consultant’s word – wonky. Well I’m glad you’re there because – . If you all want to watch what’s going on, you should be over here on this side of the room, so I’m glad you already moved.

So there are really three things, and I really want to direct these comments to – do you all call yourself commissioners? Sometimes it’s Council members.

Ms. Betts Basinger: We’re not Council Members.

Mr. Segal: No, no, no, no. So I want to direct this primarily to the Commissioners with the knowledge that everyone else in the room, we’re going to have opportunities in this process to go through a similar exercise. And some of you we are going to be talking to on the strip so you could be thinking of some things as well. But I do want to focus mostly on the commissioners right now if that’s okay, and I’m going to put you guys on the spot I guess. So the first thing I want to ask the commissioners is when we think of downtown, when we think of downtown Wailuku, what works, what doesn’t work? What are the opportunities, what are the challenges? What are the positives, what are the negatives? Just give me a general sense of what you think works well downtown and then what doesn’t work so well?

Ms. Betts Basinger: Well I’ll start out by saying that one of the assets of Wailuku is its history and its position as our County seat. We’re a community of small towns, and we love our small towns, but Wailuku rises above as everybody’s town in the County.

Ms. Popenuk: Also its proximity to lao Valley.

Mr. Segal: So you’re at the gateway of the Valley? And just the setting, right, pretty dramatic. Do I still need to use that? Can you capture that. Other things that don’t work so well in downtown?

Ms. Popenuk: One thing that I don’t know if it’s a plus or a minus or both, you kind of touched on it which is that there is a limited number alternative routes to get some place on Maui. There’s usually like one way to get there, one way to get through, so it creates congestion, and possibility of road blockage, but at the same time, it concentrates potential clients or customers or visitors or whatever because –

Mr. Segal: There’s limited access.

Ms. Popenuk: – driving up Main Street.

Mr. Segal: Right. There's only so many ways to go, right?

Ms. Popenuk: Right.

Mr. Segal: And that can work for you because they have to come through here. That can work against you because it gets congested.

Ms. Popenuk: Right.

Mr. Dan: You know, one thing is we've got a lot generational – I don't know if the word is generational. You have families that have been here for generations upon generations. We have all the kids. We have schools in the neighborhood . . . (Inaudible. Mechanical problems with the recording). . . and it's really a – I don't know how to describe it – it's just like a real community base downtown, I guess you could say it. You have families, you have kids. You know, we all have the –

Ms. Perreira: Community driven downtown.

Mr. Dan: You know, when school is out, the kids will come to everybody's doors, put their heads in. You know, it's that kind of a place.

Mr. Segal: Center of the community.

Mr. Dan: Wholesome.

Mr. Segal: Wholesome.

Mr. Dan: That's a good word.

Mr. Segal: Okay, we've merged you now. So other things that work well, don't work so well. Let's go here and then Jocelyn.

Mr. MacPherson: Limited space available for expansion.

Mr. Segal: Jocelyn, what were you thinking of?

Ms. Perreira: I think one of the (Inaudible) is the spiritual . The spiritual quality of Wailuku. The little town nestled under the majestic West Maui mountains that ties in with the lao Valley thing.

Mr. Segal: So that's positive.

Ms. Perreira: It's a very – you know, the possibilities for health and wellness in that kind of

the setting is very important.

Ms. Popenuk: It's just the sense of identity.

Mr. Segal: Sense of identity, sense of place.

Ms. Perreira: It connects to the Hawaiian cultural, true aloha experience and that's why I think that's a spiritual quality.

Mr. Segal: Mr. Dan, are we going to put parking up here?

Mr. Dan: You can put parking up there. You know what else you can put there – I don't know how to say it again – we need to have police in Wailuku, at night, late at night, 10, 11, 12. I also live in Wailuku.

Mr. August Percha: Safety.

Mr. Dan: Thank you. That's the right word.

Mr. Percha: Safety is an overall issue, day and night. You know, when you see the kids walking to and from school, you kind of stand out there.

Mr. Dan: I'm talking more about. . . (Inaudible) . . .

Mr. Percha: I know what you're talking about Dan.

Mr. Segal: So there's some real crime issues. There's just some safety issues. Are there also perception issues? Do people think it's worse than it actually is and there some of that going on?

Ms. Perreira: Oh, yes. It's better now, but initially you had a problem where people were inclined and intimidated to go up Vineyard Street. A lot has been done to make it – to get a cleaned up image of a community that people want to come and visit and rediscover. So there is some remaining conception.

Mr. Segal: Okay. Let me go back to – not to spend more than a minute or two on this – but help me understand the parking problem. I mean, the parking problem is a supply issue, right? And is it for employees, customers? What's the essence of the parking problem?

Mr. Dan: Lack of parking.

Ms. Perreira: It depends on who you talk to.

Ms. Popenuk: And the time of the day.

Ms. Betts Basinger: Excuse me. Our Counsel wants to make a comment about the discussion that's going on, and most of it is not going to be on the record because you don't have microphones, and so, go ahead.

Mr. Michael Hopper: Just minutes have to be taken for the meeting somehow. I don't know if Leilani is getting enough to take minutes of discussions going on or it would be easier to have everybody to have a microphone just because sunshine law requires minutes be taken, and you know, if it's easier for Leilani to write the minutes or if it's easier for her to have a microphone for each person. It's just somehow minutes have to be produced of the meeting, and it should really reflect – I mean, this is, you know, a pretty substantial discussion obviously so they should probably reflect that.

Mr. Segal: We are going to be creating transcripts of this. Can those serve as minutes? Can they compliment the minutes?

Mr. Hopper: Well, Leilani would be responsible for drafting the minutes. I'd have her give her an opinion on that. I'm not going to be producing the minutes, but something has to be produced as the minutes of the meeting.

Mr. Segal: We can also take a photo of this, and send it to her. There are a variety of ways we can do it.

Ms. Wade: We have enough microphones.

Ms. Betts Basinger: Or this can be just be passed around.

Mr. Segal: No, we'll just have you guys pass around the mic, and I'll use this.

Mr. Dan: Richard Dan. Parking. I've been on the – at least my history with the parking, I've been on parking committees. I was one of the founders of WCA with Alexa, and I was on parking committees for them. I've been on a parking committee with Jocelyn, and I've been going and talking about parking issues with Wailuku for over 25-years, so I'm fully familiar with parking. It's multifaceted, the problem. It ranges from –. Well the bottom line is there's just a lack of parking. They've just done a renovation to Market Street, the revitalization to Market Street in which they took out 23-parking spots between Market and Vineyard. They also built a new parking lot in the back and through whatever, the County gave away 10 parking spots. We had a larger quantity of parking spots before, now our parking has gotten reduced as they made the city better and more inviting, they've made it harder for people to get here.

Mr. Segal: Okay. And when we meet later today, we'll go more in depth on it. But what I'm

getting is a lack of parking for both employees and customers.

Mr. Dan: Employees and customers. Yeah.

Ms. Betts Basinger: A perceived lack of parking.

Mr. Segal: So it's both real and perceived, huh? Okay.

Ms. Betts Basinger: And it depends on the time of day.

Mr. Segal: At night for example, it seems like you can park just about any where, but during the day, no.

Mr. Dan: One interesting note on the parking – what I've noticed lately, now that we have furlough Friday's, you know, we've all been talking about how does the County, doesn't the County, who's taking up the spots in the parking lot by what was Cabebe's – the County parking lot up there. Well on furlough Friday's, there is parking in Wailuku. There really is. I mean, there is. There's parking in Wailuku. And this is the discussion that's been going on. The State workers and the County workers are taking a lot of the spots up.

Mr. Segal: Okay. Alright. We will be obviously looking a lot at parking, so I just want to get a sense of it, which we did. Let's get just two or more things, a couple of more things on here, and then I want to go back to the commissioners to start talking about improvements, and then come back to you guys to finish that. Okay?

Mr. Torgerson: One of the assets that I see is the historical architecture of the plantation architecture.

Mr. Segal: Is that what we call it? Plantation architect?

Mr. Torgerson: Yeah.

Ms. Perreira: Well not really because it's not all plantation architecture.

Mr. Doug McLeod: I know you wanted to move on from parking, but there really is separate issue that we should put up there too. So what Richard was talking about is a very real issue as far as the retail businesses. You know, in your plan, you also talk about new development in Wailuku. And the other part of the parking problem is that because we're an old part of town that has small lots, you can't really come up with a parking that's required by code for new developments. And the way this has been handled in the past, you know, we've essentially finessed it with these cash in lieu or waivers, and we're making the problem worse. So Richard is certainly right that we made the problem worse with this latest work on the street in terms of the retail parking, and we've all made this problem

worse in terms of the new development that's occurred in Wailuku in the past five or ten years, and I'm part of that problem too. So, you know, I just want to say the parking is really a two-fold thing. It hurts new development and it's a problem for the retail.

Mr. Segal: Great.

Ms. Popenuk: I wanted to mention – I'm sorry I'm a very negative person apparently.

Mr. Segal: No, we're still heavy on the optimism here, so we can balance it.

Ms. Popenuk: I'm seeing a lack of certain kinds of infrastructure like sidewalks. There's a lot of streets in Wailuku town that don't have sidewalks.

Mr. Dan: It's more than just Market Street.

Ms. Perreira: It's not just the sidewalks. It's also the water lines, and that need to get from source to the new business that's being established.

Mr. Percha: Yeah, I was going to say a little bit about that. Our roadways are both pluses and minuses in terms on assets and liability. On one sense, although the town missed a lot of urban renewal that would have widen the streets, and if that's the tendency, maybe look at, you know, keeping the existing geometries but making one-way or something like that because if a parking lot is built, there's going to be necessarily a lot of traffic.

Ms. Popenuk: I have to say that I'm not necessarily in favor of street widening because sometimes the narrower street has a more kind of a calming nature on how fast people are zipping through town, and we don't really want them zipping through town. We want people to be able to move around safely and to enjoy the community. So I won't recommend a solution particularly, but I do see a lack of sidewalks as being like inconvenient and potentially unsafe. And another thing that I wanted to bring up was there are certain areas in Wailuku town, in Happy Valley where I think trash or abandoned vehicles, et cetera – I don't know what you would call –

Ms. Betts Basinger: Slum and blight.

Ms. Popenuk: Slum and blight. So there's a lot of clean up that could take place, and I know that some of that actually is in progress right now which is a really positive thing. But there are some places – public, private property – where it's pretty atrocious and a little bit shocking down along Iao Stream in that area. And that also, I think, contributes to this feeling of unsafeness or you know you're walking around, and you're feeling a little bit scared when some guy emerges from his car which he's living in. And you're going, okay, what's happening here.

Ms. Betts Basinger: I think also that substandard lots contributes a lot to all of the things that Katharine was talking about. Wailuku is full of substandard lots.

Mr. Segal: Non-conforming.

Ms. Betts Basinger: Non-conforming lots.

Mr. Dan: Alright, I'd like to punctuate with the maintenance in general of Wailuku is half hazard at best. They've just gone ahead and renovated this street, revitalized Market Street with benches and garbage cans and stuff like that, and they look beautiful. The problem is nobody – there's no consistent garbage removal. There's trash all around the place. Nobody is maintaining these things on any real level. And it, you know, I was looking at a piece of property recently, and drove through a subdivision with all old rusty cars, and there was a nice house at the end. And it's kind of what we're getting in Wailuku. We've got a beautiful street, but nobody is maintaining it.

Mr. Segal: Okay. I'm going to put the brakes. This is good. This is good. There are a couple of reasons we're doing this. And part of this is selfish because I'm trying to learn as much as I can in this short period of time so this helps me as an outsider to learn a lot from you guys so I appreciate that. I always want to give you guys an opportunity to vent. But now we're passed the venting. Now I want, I'm going to start with the commissioners, then we're going to come back over here with you guys. I want to talk about improvements. And some of these things are things that may be already in process or things you've talked about as a redevelopment agency in the past or they maybe things that you're just thinking of today, you know, for the first time. But I want to brainstorm. I want to fill up a sheet of different improvements that you'd like to see. And then I want to do a priority setting exercise, and we're going to do it all within the next 20 minutes, alright.

So let me ask the commissioners first if, you know, given that we've got these strengths and these weaknesses here, if we are going to improve downtown, and these are discussions I know you've probably been having.

Ms. Wade: Sorry.

Mr. Segal: Alright, you know, at some point, the County needs to invest in a lapel mic, but we won't do that today. Improvements – improvements over – you know, what sort of things have we talked about as a commission? What sort of ideas do you have? And again, I'm going to come back to you guys here in a minute, but what are some things we can do to improve downtown?

Ms. Betts Basinger: Well, I'll start out by saying some of the improvements that have been accomplished have been infill redevelopments in Wailuku town. We had a phase one Market Street improvement project which won the hearts of most, but not all. We're starting

– we’ve just begun phase two of that, which will continue through Happy Valley Street Improvements. There’s a Vineyard Street water line infrastructure improvement that is in process or has just completed, but we’re involved in that. I think that we’ve seen the retail owners, the property owners, have done a lot of sprucing up recently. Exterior sprucing up and I think that was generated by some new construction. So these are improvements that we’ve seen. And I know I’m missing a lot, and I –. So today moving forward, I think, I’m going to let Bob and Katharine talk to that.

Ms. Popenuk: I would like to see a wider distribution of benefits. We see a lot of really serious improvement, concentrated improvements, in certain areas, and I would like to maybe do less over a greater area. For instance, in my work as an architect, often we have clients that are being asked to do street improvements on the public right-of-way, and for some folks that’s fairly prohibited to do the, you know, the sidewalks, the gutters and all of that stuff. So if there was some way that, you know, we as an organization could step up to the plate and somehow help that happen, I would like to see that. Same thing with the blight, the trash piles, the abandoned cars – if there was some way for the bigger whole to try and clean up these areas or patrol these areas so it doesn’t start piling up again or whatever.

Mr. Horcajo: I guess I’m going to put parking.

Mr. Segal: Parking structure?

Mr. Horcajo: Well, I’m going to say parking because for me the parking structure itself has proved in the past and potentially being improved doesn’t really solve all the parking issues. There needs to be satellite parking lots a couple of blocks down. Hopefully the County and State do their parking. Mainly the County because they have the land. They have additional parking for the County and employees and stuff. But I did want to mention, we talked about the infrastructure, the ones that are going on now, and of course, your goal here is to look at, you know, our next – Erin can probably speak to the Countywide improvement plan, I guess, for improving water lines, streets and stuff. I’m not sure what’s in the budget, what’s expected in the next year. But I wanted to say that this MRA board and with its supporters have really is looking at the parking structure as a – parking structure as an infrastructure improvement. And the reason we’re saying that is the County looks at it no different than improving a roadway, improving a water line infrastructure, and I think that’s important that we keep that in mind as we’re talking with the civic leaders. It’s not like it only benefits the merchants, it benefits everybody in Wailuku who works here, who eats here, who comes here for events, for all that stuff.

Ms. Betts Basinger: I’d like to add a little bit to that Bob. It’s a dual challenge because the first significant monies that this County has gotten for the parking structure have come from the Economic Development Administration of the Department of Commerce, and they’re looking at it from an economic development, or economic revitalization point of view. So

we have to somehow marry this idea of it being a CIP infrastructure project with it also being an economic development project, capital improvement project, on the infrastructure. And in that vein, one of the things that this body looks forward to is being much more invigorated, much stronger. So part of the future of all of this in Wailuku is having an MRA that is fully functioning within its mission, including its financial abilities to get the monies to do the things that Katharine referred to. And that really is our mission. And so we look forward to strengthening the MRA to get these things done because if history is an example, it doesn't get done, and that's the beauty of a redevelopment agency.

Mr. Horcajo: I've got a couple more things to add possibly. You alluded to one of your goals, and I'm just going to call in permitting process that needs to be improved somehow. Because even after leaving us, they still have to deal with the other County agencies – Public Works, Water – and that itself sometimes just basically stops a project.

Second thing just as an improvement and I'm not sure whether this really should be on this list, but I think by you being here, it's going to add. And that's just really, you know, educating the public as to what the group is actually doing here, whether it be MRA, WMSA, WCA, you know, it's just basically education. Because for example, there was a letter to the editor the other day about the second phase, and his comment was, you know, who is the MRA? It's like you invite somebody to your house, and they rearrange your furniture and say thank you, bye, and that's it. Again, whether that should be on this list or not, I'm not sure, but that's –

Ms. Betts Basinger: I'll add there that I think that's part of the MRA's responsibility. And to that end, for those of you who don't know, the MRA has a website. The MRA did respond to the article in the paper that in error called it the Wailuku Redevelopment Agency. Those things are being answered. So for people that don't know, there are places to go. And WMSA and others are on it, or have been invited to be on that website to let folks know what's happening.

Ms. Popenuk: I wanted to make one more comment. I think probably when you started walking through Wailuku town, maybe one of the things that kind of shocked you are all of these empty shops. So I don't know if that goes on the improvements list, or the problem list, but I always drive to work, and I see all these empty shops, and I think why are these shops all empty. Why aren't businesses here? Why don't people come here to shop? What can we do to get people moving in here and get this thing cooking, you know?

Mr. Segal: Before I turn this way, any other improvements from the commissioners? I mean, we'll come back if you've got something that pops up. I do want to say that I think one of our roles on this – I mentioned we do market work, but we also do organization and finance work, and I think one of our goals is really to reinvigorate everybody who's involved with downtown revitalization and really help, you know, educate the community and also really define everybody's roles really well so that when we leave you, I mean, people are

really sort of excited and all moving in the same direction. Because there just isn't enough time and money, you know, to get all these things done, let alone get the additional things that we're going to add. So I think that's a really key objective and goal, and I'm pleased that you share that. Alright, let's – we're going to fill out the sheet here, so do we have four or five improvements from this side of the room that we've missed here? Yeah.

Ms. Perreira: I want to be clear because I think Katharine brought it up. There has to be an understanding of a super block or concentric zones and we're not just an organization or not all the benefits are just going to go on one street. There needs to be a broader buy in by the community. And we're hearing more and more of that so there has to be efforts that are spread out to start to make a difference in the other parts of town, and not just concentrated in one particular area. There has been a lot that has been put forward to one area. Now we need to show that it's coming, and it's growing, and giving the other businesses an opportunity and other owners opportunities as well.

Mr. Torgerson: I'd say comfortable and safe pedestrian and bicycle kind of activity.

Mr. Segal: That's a lot – for peds, bikes –

Ms. Betts Basinger: Buses.

Mr. Segal: And make it safe, right, so you don't feel like you're taking your life in your hands when you're riding a bike.

Mr. McLeod: Yeah, and then in addition to just the pedestrian safety, you know, kind of the crime issue again. I don't know if we're ready to have, you know, a system of security cameras or something, but have been having a big problem lately with kind of a petty crime. It's like Jocelyn said, you know, it's not as dangerous as it us to be as far as real, you know, your life at risk kind of crime, but we're having a lot of windows broken. We're having a lot of graffiti and you can just see this stuff starting again. And you know, the plants ripped out of the planters. Just all this little stuff that if we don't have a way of dealing with it, and we don't have a police presence down here at that police station, you know, just none of this stuff ever goes away.

Ms. Perreira: That's why we need a broader reach because see what happens is – what happens is people who are not getting the benefit, looking at that, and you know, they some times can be, you know – they're going to reflect their animosity that they're not getting –

Mr. Segal: All right, two or three more comments, and then we're going to a have a little exercise.

Mr. Percha: I was just going to bring up the issue of non-conforming lots, structures and so

forth. They have standing in our County Code in Title 19, although it's somewhat over looked I feel. And the vacant store fronts as Katharine said, I think, sadly is a result of this issue in which entrepreneurs have some big ideas and all of sudden they're proposing changing a use which gets it out of that non-conformity clause. So I'm suggesting some kind of new method to take place to maybe counsel these people with operating within – maybe there's some exemptions, I'm not sure. But in my view that's the issue.

Mr. Segal: So we want to discourage these?

Mr. Percha: No, we want to encourage them because they are exactly the character of Wailuku.

Mr. Segal: So at least they're activating the real estate, right?

Mr. Percha: Exactly, and that's what we want. And often it's owners that are proposing to do these things, and it's the owners we want to encourage.

Mr. Segal: So allow in some cases, right?

Mr. Percha: Allow in all cases. Well, if you walk around Wailuku –. If you walk around Wailuku, and the reason I say this is that lot for lot, there's not very many that are conforming except for the banks and few of the newer buildings.

Mr. Segal: One or two more.

Mr. Ronald Kawahara: Ron Kawahara. You know every small town sort of has an iconic image. For West Maui, it's the Pioneer Inn. I think for Wailuku, it's probably the Historic Iao Theater, and I think that should probably be, some improvement should be made to the, not necessarily the facade, but it's kind of dingy, the ticket box and things of that nature. So I think that could stand some improvement.

Mr. Segal: Alright, one more idea guys.

Mr. Dan: Charge landlords. . . (Inaudible. Did not speak into the microphone) . . . The blight again is increasing. I've seen Market Street over the year where the blight was vacant stores throughout the street. Now, some landlords on Market Street are trying or wanting to get three years ago prices in today's market. The stores are sitting vacant. You have at the store at the corner of Market and Main, a restaurant, that's vacant almost a year now. You have two vacant stores right across from one of my stores on Market Street. You drive down Main Street, it's mostly vacant. The problems we're having is a lot of these landlords are trying to get these incredibly high prices, and these young people are trying to struck new businesses, and they can't pay it. And it's the landlord's greed that's creating a lot of the blight. I think personally these landlords should be penalized for having

and creating this blight. And I think there should be a charge to these landlords who are charging these exorbitant rates. You can't get it.

Mr. Segal: Okay, we'll talk more about that later today too. You have the last word.

Mr. MacPherson: Thank you very much. Howard MacPherson again. I'd like to say improve transit in the area.

Mr. Segal: Alright. What I'd like to do now, and I want to make sure that I don't give your legal counsel high blood pressure here, but I would like to take a straw pole, and it's just a straw pole on what the commissioners and our guests feel are the most important things on here. So there's a lot of stuff on here. There's a lot of really good stuff on here, but if we did all of this, you know, we'd have money growing on trees right. You know, we don't have money. We don't have resources. We don't have time to do all of these things. So I want you to pick three things that you think are most important on the list. I give the commissioners, each of you, three votes. I'll go through the list, and then the guests here today, give you all each three votes. It will actually be kind of interesting to see how it all matches up too. So again, this is not binding. This isn't anything. You know, it's a straw pole just based on what you've heard today. Legal counsel we're going to be okay?

Mr. Hopper: Yeah, it's not board action.

Mr. Segal: Correct.

Mr. Hopper: The board's not taking any action. As long as nobody says, "oh, the board voted to do such and such."

Mr. Segal: Right.

Mr. Hopper: Yeah, they're not voting.

Mr. Segal: It's not a vote. It's just sort of a preference on these things, or things you think are most important. So let me go through the list, and then you guys, in your minds, think what are the most three important things, and you guys think that too because I want to come back and do you. And the way you can use these votes is you can do three different things. You can put two of your votes on one, you know, if you think it's really important. Or you can show me three. I've had people do this. You can show me three on one. But you only have three votes, alright? You only have three votes. You don't have more than that. So first I'm going to do the commission, then I'm going to do you guys, okay?

So, commissioners, just based upon – here's the list and everybody think about where they want to do their votes. But we talk a lot of distributing benefits throughout all the redevelopment area. You have a broader reach of benefit from the various things that the

MRA does. We talked in general about cleaning up blighted conditions. Parking, increasing supply, building a new structure. There's a whole variety of ways to deal with parking. Infrastructure – I'm separating parking and infrastructure. I'm going to make you vote separately for that because I think they are two different things, and they're each very, very expensive. So there's the parking and then there's the like water or sidewalks and sort of the basic infrastructure. Reinvigorating the MRA, but also definition of roles and education, and I think this one goes beyond the MRA too. You know, let's reinvigorate everybody involved in downtown revitalization. Improve the permitting processes. We heard that. Fill empty store fronts. Fill empty store fronts, and we heard some ways, rather some creative way, but we heard some ways to try to get store fronts filled. And I think you are right that it's whether it's greed or just not understanding the market, there needs to be some work with property owners to line them with expectations of what the market place can do. Then we talked about connectivity for pedestrians, bikes and making it safe. We talked about addressing crimes, and nuisance crimes. That just sort of linger. Non-conforming lots and uses, allowing most of them so at least we can have active uses in these buildings. The Lao Theater, you know, that sort of an iconic building. Can we continue to clean that up? And improving transit in the area. So there's a big list here, so okay, Commission.

Ms. Betts Basinger: Brad?

Mr. Segal: Yeah.

Ms. Betts Basinger: As Chair, I would like to recommend to the body here that we refrain from selecting three on a very limited list of all of the things that we might individually recommend. We're hear to listen.

Mr. Segal: Okay.

Ms. Betts Basinger: And we're hear to listen to you and to listen to the community, so I think the straw pole idea in the group is wonderful, but –

Mr. Segal: Okay. Yeah, so you're willing to exercise some democracy here, and demonstrate to the commission your priorities? Okay. Alright, so we'll go through the list, and you're only going to give me one, two or three votes. You only have three votes each. You're on the honor system. So there's two, four, five, six, seven, eight of you. A better out of 24, or else we're going to do it again, alright?

Wider distribution of benefit. You really wanted the broader reach of the MRA and what they do. That's one. That's one of your votes. Clean up blighted conditions in general – interesting. Parking structure.

Ms. Perreira: You're not going to like the idea, but we really do need parking . . . (Inaudible.

Did not speak into the microphone.) . . .

Mr. Segal: It's too much money. I'm not going to let you do it. So parking? One, two, three. How many votes is that?

Mr. Dan: Three.

Mr. Segal: Okay, nine. Infrastructure, water, sidewalks? Four. Reinvigorating MRA, definition of roles? By the way, if it doesn't get votes, it doesn't mean it's not important. We'll probably be dealing with it anyway. Improve permitting processes? Fill empty store fronts? Yeah, that's what happens when you vote three times. Connectivity for pedestrians, bikes? Crimes – business crimes? Non-conforming lots and uses – a lot of them in most cases. The theater - polish that up? Improve transit? I think we ran out of votes. Alright, so this is interesting. Parking, parking, parking, and infrastructure – the basics. Now, we really want the basics.

Ms. Betts Basinger: You should have 24, should you not?

Mr. Segal: Let's see. We've got 10, 14, 15, 17 and 4. We only have 21. Yeah, you had three in one. Well, that's alright. This is just a straw pole so we're not too worried about. And it's not Florida in the year 2000, so we're okay. Parking and infrastructure, you know, sort of the basics is what your guests have said today. And then you know, the crime is the basics too. It's really connected to all of that. Connectivity is how we reinstall this stuff, so it's a pretty clear message from these folks. I think, hopefully, what's helpful to the commission is this is an illustration of the type of dialogue that we're going to want to have with the community over the next couple of months. And what we're going to do is take the results from the exercises like this, blend it with all that market data that we're coming up with, and come up with a game plan so that we really can try to deal with two or three or four of the most visible issues in the community and get some of those things done. So thank you for the indulgence of going through the exercise and hope you found it worthwhile.

Ms. Betts Basinger: Thank you Brad. #5, commissioners, is a discussion amongst us on expectations and outcomes of the market study. So I guess this is our opportunity to share what we think the MRA wants from this from the scope of work.

Ms. Popenuk: Well, I personally am pretty naive about what you folks do in urban planning, and financing and that sort of thing, so for myself, I'm hoping to be updated so that I understand how these things work, and what we can do and can't do.

Mr. Segal: I would expect what you share is a real passion for the downtown area, and that's what we'll do is we'll try to come up with some tools and we'll be really careful to come up with ideas that are explainable. You know, they've got to make sense. They've

got to make common sense, so we don't want to over simplify it, but we will educate not only the commission, but the community in the process.

Ms. Popenuk: Yeah, and I guess a part of that is I'm looking forward to seeing actual things that we can implement and that will be implemented, rather than just sort of a generalized report of general conditions, for generally anything.

Mr. Segal: Yeah, we don't like general. We'll give you some specific things, and some of the things maybe pretty small. But some visual, tangible this, right?

Mr. Horcajo: Okay, I guess, first of all I've very excited to see what comes out. I mean, I have expectations that you have already explained, I guess, to us today and what I read on your website. But I think for me, one of the big important things as far as the outcomes is, you know, the 800 pound gorilla in the room is the administration. How are we going to deal with funding for whether it will be the parking structure for infrastructure improvements, to get word out to the public. And so, you know, my expectation is that, that's going to be packaged in a way that it becomes a no brainer, when presentations are made, not just to the County the Council or the Mayor, but the public who then are our big supporter to get what is necessary to improve the town. That's my expectation. That's what I want - no brainer stuff.

Mr. Segal: I don't know about no brainer. We're going to need some brain, but in terms of simplifying and making understandable people and demonstrating the benefit of these things to people, we're certainly try to get you there.

Ms. Betts Basinger: Well Brad this is much anticipated move, and I'm just thrilled that an organization like yours with your background and caliber is here to help us. I do think, I'm expecting out of this report certain bench marks. These are actual things that can get done that we can measure. We can see how Wailuku is doing as it moves forward. I also think that although this report is being done for one purpose now, there's going to be huge collateral use of this report that is going to go to retailers, to investors of all types. So I'm expecting a level of value in this report that doesn't just sit with the MRA or sit in the Planning Department somewhere, where it be used thing and maybe even an ability built into it to easily bring it to the current time, say maybe in every three years, or every five years, a more simplified renewal or re-look at this report. So those are lofty expectations, but I look forward to helping you as much as we possibly can while you're here, and sharing lots of good ideas, and I'm putting you in contact with others in the community that have done some of the work that you're going to be doing.

Mr. Segal: That's great. And we really want to build upon what's already been done. We don't want to reinvent the wheel here.

Ms. Betts Basinger: Right.

Mr. Segal: And certainly we want this to have –. I'm grateful that you want this to have value beyond just a policy document because we really do feel the market information has value to the people who do business here, the prospective investors. And then lastly our survey, certainly we're designing it so that we're providing you with a benchmark and that you can use the same survey instrument, you know, three or four years down the road to track your progress. The plan itself will include a sequencing schedule for all of the parties that we work with, for the redevelopment agency, Main Street program, you know, whoever is involved down here, we'll have some sequence steps. So I guess what I'm saying is for the amount of investment you're making in us, you should have some lofty expectations and I'm not scared yet. I'm pretty confident we can deliver on your expectations.

Ms. Betts Basinger: Thank you. Any other comments commissioners? Erin?

Ms. Popenuk: Are we going to have an opportunity to meet with Brad again as we progress through?

Ms. Betts Basinger: I think I'll ask Erin to give us the next steps on this process, not just including Brad, but in our relationship with PUMA.

Ms. Wade: Sure. For the remainder of this trip, they're here for the afternoon, and tomorrow still. We're going to have a meeting with the task force. There's a task force that's assembled for this project that includes two members of this body, as well as, members of the non-profit community, retailers, property owners, and a combination of interests in Wailuku. That meeting will be occurring during lunch today, and then after that we'll be meeting with other property owners and investors individually because they have some confidentiality issues, but certainly provide direction to the downtown. And tomorrow we're going to go to Makawao and Paia just to evaluate their competitive market, you know, and understand what role they provide in the County's whole marketing and how not to take away from that and how to make sure Wailuku stays unique. So that's this trip.

Then next trip is probably going to be the week of April 12th, so we – so far we have engineered that so that we can attend a Planning Commission and a Council meeting if that's possible. But that would mean, if we pulled together the MRA, you would have back to back, so you would have a meeting the week of the 12th, and then a meeting the following week, the 19th. So we'll have to take a look at the calendar and see if that will work out. But from there, we'll probably, I don't know what the agenda would be for that meeting, but we can work on that.

Mr. Segal: Yeah, I think by April we'll have a few interesting things for you. One, we should have a result of our community survey or at least preliminary results so that's always fascinating information. We should also have results of the demographic analysis and the supply inventory that Pamela is working on, so we should have much of our market information in hand. In April, our concentration will be, though, on outreach, and we'll be

trying to talk to as much property and business owners, and other civic leaders and interested parties as we can.

And then after the April visit, our idea will start to percolate, so we're sort of sponges until April, and then after that we start to put together some ideas and we'll look at your calendar and try to orchestrate that towards the end of May, early June, we'll have some tangible things for you to react to.

Ms. Popenuk: Even, I mean, I'm not particularly advocating that we take his time for a special MRA meeting, but if we just knew, you know, these meetings before the Council and when it is, then we have an opportunity to attend or read about it or whatever.

Ms. Wade: I can certainly do that.

Ms. Betts Basinger: I would hope, Brad, if it's possible, this body meets monthly and our next meeting is February 19th, and then it's the third Friday every month thereafter. I would like to have a brief report. It could just be emailed on, you know, the status over the last 30-days and what's been done.

Mr. Segal: Absolutely. We'll orchestrate that with Erin.

Ms. Betts Basinger: Thanks so much! Any other comments members? If not, then at 10:37 a.m., meeting of the MRA of February 3rd is adjourned.

D. NEXT MEETING DATE: The next regularly scheduled meeting is February 19, 2010 (Friday) at 1:00 p.m. in the Department of Planning's Conference Room.

E. ADJOURNMENT

There being no further business brought forward to the Agency, the meeting was adjourned at approximately 10:37 a.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
SECRETARY TO BOARDS AND COMMISSIONS I

RECORD OF ATTENDANCE

Members Present:

Alexa Betts Basinger, Chairperson
Robert Horcajo, Vice-Chairperson
Katharine Popenuk

Excused:

Warren Suzuki
Raymond Phillips

Others:

Erin Wade, Small Town Planner
Michael Hopper, Deputy, Corporation Counsel
Brad Segal, Progressive Urban Management Associates