

**MAUI REDEVELOPMENT AGENCY
REGULAR MEETING
AUGUST 26, 2011**

APPROVED 10-28-11

A. CALL TO ORDER

The regular meeting of the Maui Redevelopment Agency (Agency) was called to order by Ms. Alexa Betts Basinger, Chair, at approximately 1:00 p.m. Friday, August 26, 2011, in the Planning Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Island of Maui.

A quorum of the Agency was present (see Record of Attendance.)

Ms. Alexa Betts Basinger: . . . is now called to order. Welcome members and fellow citizens to the eight meeting of the current MRA year. Present, I'd like to recognize Warren Suzuki, Katharine Popenuk, Bill Mitchell, Mark Walker, and Planning Department staff Erin Wade. Leilani is not with us to do –. Tell us who we have.

Ms. Erin Wade: Carolyn Takayama-Corden. She's our recorder today.

Ms. Betts Basinger: Thank you. James Giroux, Corp Counsel. And today, members and community, together with our regular business this meeting brings before us the second public hearing this year to review and act upon applications for development in the Wailuku Redevelopment Area. This is always exciting, and we certainly want to see more projects come before us bringing before us economic vitality to the Wailuku Redevelopment Area.

B. APPROVAL OF THE MINUTES OF THE JUNE 17, 2011 AND JULY 1, 2011 MEETINGS (via e-mail)

Ms. Betts Basinger: Moving on to approval of the minutes, members, of June 17th, 2011 and July 1st, 2011. Did everyone receive these via e-mail? Everyone has had a chance to review them. Are there any corrections? If there are no corrections, Chair will approve the minutes without – without amendments.

Without any objections, the June 17th, 2011 and July 1st, 2011 Maui Redevelopment Agency meeting minutes were approved as written.

C. PUBLIC TESTIMONY

Ms. Betts Basinger: Thank you. We're going to start public testimony. Public testimony will be taken at the start of this meeting on any agenda item. Testimony will be limited to three minutes per testifier, with the recommendation of Chair, additional time may be granted. First person to sign up for testimony is Neith Maddox. Step forward.

Ms. Neith Maddox: Hello. My name is Neith Maddox. Thank you Madame Chair for your time. I'm touching on a little about the design on other structural parking lots around in this country, and I just want to point out that we can be left behind. I haven't truly seen the design of the one

that is planned for here, but I believe that it's very important to see what's happening in the rest of the United States and be ahead of them. Because a lot of these people have done this projects which are amazing with not use money of their pocket but also with grants and help from the government because they are truly green projects. And also I would like to say that it's very important for the design to have somebody who can act on your behalf. I have a little gleams of the design of the current – the design of the current parking structure but I don't believe that it's been given in the best of your behalf. So I really think that there is much more that the architectural firm that is working with you can give you. And I believe that if, you know, if any of you to not have too much architectural background then here we are we can help with, you know, certain ideas or certain comments or whatever. Just want this structural parking lot to be truly beautiful and amazing. And I believe that that's an important issue to get more people involved too if the structural parking is going to be just like another concrete piece. That's why . . . (inaudible) . . . So if you have any comments, you know, these are really amazing places. I did work on the one in Austin – I used to live there not long ago – and it is huge and it is beautiful. The people who work there go and take their lunch there so it is really amazing to have one of those.

Ms. Betts Basinger: Thank you Neith. Members, any questions for our testifier? Thank you very much.

Ms. Maddox: Thank you.

Ms. Betts Basinger: Signed up to testify next is John Noble.

Mr. John Noble: Good afternoon ladies and gentlemen. My name is John Noble. I have a business and property at 160 Market Street, North Market Street, in Wailuku. I'm here to testify on the parking lot. I was watching a movie the other night and there was a phrase that came up in the movie that the person stated that this thing is so convoluted that anybody can have an opinion but nobody can know the facts. So I kind of wanted to go over it today. I got to talk to Alexa a little bit the other day, but she wasn't working. So hopefully we're working now? Okay. And you stated that you thought this parking in this structure was going to cost \$37,000 per parking spot. Is that correct?

Ms. Betts Basinger: I believe that's in testimony. I mean, minutes.

Mr. Noble: Okay. And now one thing I wanted to get straightened here. This project that was presented by Chris Hart. Chris Hart doesn't own this parking lot does he? No, he doesn't. So the ground floor is already there. Would we agree on that? Does anybody disagree? The ground floor of the parking lot is already there.

Ms. Betts Basinger: We're listening to your testimony John.

Mr. Noble: Okay. So. Well, I'm trying to get the facts out here. So I've heard everything in the newspapers, from 500. The latest in the newspaper was 418 parking spots. Well, I don't know how you can count these bottom floor as added parking. You know, they keep counting all the

parking that's already there and probably some that's in Kahului. I don't know. But my point here is that you've only got three stories that are being added to this. And if you take this four stories –. And another thing that doesn't seem to be. They keep calling it a five story parking structure. It was four stories and 340 parking stalls was what they presented on July 1st. Am I wrong there? Well, it was – the fifth story was not for parking. It was for solar wasn't it?

Ms. Betts Basinger: We're not responding. We're listening.

Mr. Noble: Well, that was my understanding that the fifth story was for solar. It wasn't for parking. So what they said that I heard that there was 340 parking stalls was what they said that they were presenting. So, you know, I get 255 parking, real parking stalls that are being added here is all.

Ms. Betts Basinger: I'll give you another minute to conclude or have you finished?

Mr. Noble: Well, I wanted to also point out that if you take the 255 real added parking spots and you divide that into \$1 million, you get \$60,000 a parking stall. And Mr. Morgan here just bought a piece of property that has 25 stalls on it. He paid \$6,000 a parking stall for it. Now I know I don't think this is such a great deal. You know, it's nice that Mr. – you know I like Chris Hart, but it's kind of an expensive little golden parking. That's my point.

Ms. Betts Basinger: Thank you Mr. Noble. Members, this is a time if you have any questions of the testifier. Seeing none, thank you. Is there anyone else that would like to testify please step forward. State your name.

Mr. Jonathan Starr: Good afternoon Commissioners. I'm Jonathan Starr and thank you for being here and your hard work. I'm a major commercial property owner in Wailuku. I own over an acre and a half right in the center of town at Market and Main Streets extending down to Central Avenue. I ask you to be bold and to be forward thinking and to move along with a number of actions which are before you today as expeditiously as possible. Because a great deal of thought and discussion have gone into them over the last – well, I've only been involved about 25 years, but some of you have been involved a little bit more than that. And, you know, a lot alternatives have been discussed, but no action taken. And Wailuku is kind of dead on its feet and has been. Where it should be really our vibrant center of commerce and entertainment and the place where the tens of thousands of people who work in this area can live and recreate and walk to work. And if you take the steps that are before you that will happen. That will happen rapidly. You know, I can assure you that my property will be turned into a place where people can live and have entertainment uses. But it needs a kick start in several ways. And those are the ways being discussed before us. You know, I want to start by saying that this is one area. You know, I had my disagreements with the Department of Planning and with a lot of other – Public Works – in other parts of government. This is one area where I feel like they're really on the right track and using some of the best brains in the country. We have designers, consultants on this parking garage. They've done 600 projects around the United States in the last several years. I don't think there's a greater data base than that.

TIF is – I've been traveling around the country. I'm about to go to the next International Downtown Association Conference. I was at one a few months ago. I go to Urban Land Institute, I go to APA Conferences, and, you know, talking to managers and property owners around the country. TIF is one of tools that's made things happen in a positive way. You go to San Diego gas light. You go to Portland. You go – almost where ever you go and you talk to folks, you know, that is the tool, and to make parking and infrastructure in an urban area instead of a requirement that cannot physically be met. It just changes, you know, changes the way things happen and allows the town to develop and create, you know, 100's of millions of dollars of equity and the eventual taxable revenue base. So, you know, my one request is please follow your instincts and be bold. You really have the expertise here on the Commission as well as with Planning and with your consultants to do what we need done and we'll all be celebrating in a few years in town that's really viable and really works. So thank you.

Ms. Betts Basinger: Thank you. Members, questions for the testifier? Seeing none, thank you Mr. Starr. Is there anyone else that would like to testify please step forward and state your name.

Mr. Robert Leiferman: Hi. Good afternoon. My name is Robert Leiferman, and I've been appointed First Friday coordinator for Richard Dan and his properties. What I'd like to do at this time is read a letter into the minutes. I believe this letter has already been submitted, but perhaps not in a timely manner, so if I may, I'll read the letter.

Ms. Betts Basinger: Members, this is the letter he's referring to, a written testimony.

Mr. Leiferman: Okay.

"I am submitting this letter for Richard and Carolyn Dan, and their family businesses on Market Street. Agenda item E4 is about creation of an investigative committee to evaluate and report on recommended changes to the Wailuku Redevelopment Area Zoning and Development Code, Wailuku Redevelopment Area Design Guidelines and the Maui County Codes. Based on that vague description of potential committee's purpose we find it impossible to determine whether the committee's work is of concern to us or not, and similarly, impossible to craft any relevant testimony.

It seems to us that the item would not be on the agenda unless the MRA members, staff, or Chair already had in mind certain specific changes. We therefore request that the agenda item be clarified and re-posted, deferring its consideration to a later meeting of the MRA.

We also note that without a clearer statement of the recommended changes to be considered by the committee, at least those that are contemplated at this time, the agenda may be in violation of the State's Sunshine Law for not giving public adequate notice of the item to be discussed.

It is also my clients' belief that the MRA should focus its effort on how to most effectively increase the available parking in Wailuku, and that the work of committees such as this is an unnecessary distraction from those efforts."

That concludes the letter.

Ms. Betts Basinger: Thank you very much. Members, any questions? Thank you. Thanks Bob. Please state your name.

Mr. Richard Dan: My name is Richard Dan, and I'm speaking on behalf of my wife and I who own property at the end of Market and Vineyard, and have several other stores. We're having a problem recently with broken windows, and it happens in waves in Wailuku over the years. Regrettably one of the answers that have come up is putting up steel shutters to protect the windows of one of my buildings that has these 106 inch high windows. Those windows to replace are very expensive. I came up with a thought. Maybe that the MRA should set up a bond for emergencies in these kind of situations, and see if they can help out because nobody really wants to put steel shutters in front of their buildings.

But . . . (inaudible) . . . in the parking lot, just to stress it, it's so eloquently. All I can say is ditto. Okay. The only thing that I'd like to add to that is I've been asking for years about metered parking on Market Street. I've recommended it in every which way I could. You guys have discussed it years upon years upon years, and I know you guys want to do it. Can you please try to get something done? Add one parking spot to Market Street this month. Just one.

I appreciate the transparency that we have in the County government now. This is a wonderful experience. And I want you guys to continue on being transparent and stop having all these executive sessions so we can see what's going on. Thank you very much.

Ms. Betts Basinger: Members, any questions for the testifier? Thank you very much. Is there anyone else in the audience wishing to submit public testimony? Seeing none.

Ms. Jocelyn Perreira: Good afternoon Commissioners. Aloha. My name is Jocelyn Perreira. I represent the Wailuku Main Street Association/Tri-Isle Main Street Resource Center. The testimony that we would like to provide to you today is in support of the project submitted by Clayton Nishikawa. It's a beautiful building. I believe you have our recommendations included in your packet. Our team of design professionals and architects and engineers and so on and so forth, have spent quite a bit of time with the property owner. First from initial consultation to researching and then getting together some ideas for an appropriate building that would add some class to the area. I mean, it's really going to give a real opportunity to do an upgrade of that whole area. And we're very pleased with that because it's like following everything that we've all worked so hard on when we decided to support design guidelines and the revitalization of Wailuku. So, I'd like to state our strong, strong support for that and the variances they are requesting.

The other item that we would like to express concern about is item number four about

investigative committees to repackage and rework things that have been very well done. We just recently, not very long ago, had the design guidelines updated by Mr. Jim Niess. I mean, it went through several generations including the Planning Department's extensive involvement. But we would like to see so there is no question, no questions, about things being done outside of the light of day, is to bring whatever recommendation there is for a revision or something new that you want to have added, bring it as an individual item and not go back and rework and retool what is already very fine document. If there is something that we need to revise because it's not working as well, then there needs to be brought up as an individual item so it can be looked at very intently, pros and cons, to why it needs to be revised. And if there's something that needs to be added, then it needs to be added. You'll be well advised to stay focused on the items that really need to get moving ahead and these are items that already have been done. And like I said our board of directors expressing concerns for redoing and repackaging a perfectly good product that are already available. Thank you.

Ms. Betts Basinger: Thank you Ms. Perreira. Members, any questions for the testifier? Seeing none. Is there anyone else wishing to testify this afternoon? Please step forward.

Mr. Robert Horcajo: Hi. Good afternoon. I'm Bob Horcajo, property owner in Wailuku town, and former MRA Board Members. I wasn't planning on testifying, but hearing a couple of comments about the investigative group regarding the zoning code, I guess I do want to voice my support that there needs to be some look at the Zoning Code and Design Guidelines. Some examples that have gone before this body, for example, has to do with parking guidelines. It's not in the MRA that allows compact stalls. It's not in the MRA that allows stalls for motorcycles. If you look at the guidelines regarding parking, it doesn't even say you need lighting. So for me, those are simple examples that basically should be looked at.

There's also, I mean, again, I'm for the big picture items, as you know, the parking structure, the TIF, but if you're a landowner or you're an actual merchant there, there's some really minor regulatory changes that could happen to make it, you know, less difficult to basically improve the property. The Serano Building was forced to get a variance because of a misinterpretation of the sign ordinance. They had to get a variance for, I guess, for the parapet walls that were required for the plantation style house. For me, that's unnecessary. So there's some changes that should be made. Even going so far as looking at the existing Chapter 16, having to do with how long you can put a tent up. Exemptions say within 6:00 a.m. and 6:00 p.m. That seems something that could be added into the Zoning Code. So, again, for me, it's important that you look at the small items, as well, besides the big picture items that daily effect merchants and owners trying to develop their property. So whatever you're going to do, do. Undoubtedly keep it transparent. That's my comments.

Ms. Betts Basinger: Thank you. Members, any questions for our testifier? Seeing none, thanks Bob. Anyone else wishing to testify today? Please step forward. Seeing none, Chair is going to close public testimony.

We do have written testimony that we have accepted or will accept into the record. Members, it is from Yuki Lei Sugimura on item E3. Does everyone have a copy of that? Is there a reason

to have it read into the record? Erin, would you read this briefly into the record?

Ms. Erin Wade: From Yuki Lei Sugimura this morning –

“Hi. I’m not able to attend today’s MRA meeting. Item E3. Before the MRA ventures down the path to build a mini park between Lao Theater and Police Resource Center, this idea was part of the concept developed when the MSI, the Market Street Improvement Project, was first conceptualized. Please check with the community. While doing the community relations for the Market Street Improvement Project Phase One, the committee went up and arms over those plans calling the creation of the mini park as part of phase one for this project. What it would do is take away parking spaces from the town. The merchants filed a petition and pounded pavement to stop this.

In 1999 to 2002 when I was in the OED, we started the process for many of the projects we see today. The Market Street Improvement was one, Lao Theater parking lot renovation to Lao Theater, and the Police Resource Center and restrooms another. Along side we did charrettes and community meetings on the much awaited municipal parking lot. The big plan was the mini park, Lao Theater parking would be built after the municipal got built. Today we see the things did not get built in that order, and soon the muni lot will start construction. Until that time, I would recommend that if the MRA would like resurrect the mini park between Lao and the Police Resource Center, you do some homework on the best time to do this. And check with the merchants in the area. They will have a lot to say about taking parking away from them now. Maybe waiting till after the muni lot gets built may be better timing.

And hiring a staff person for the MRA – you need a person to move your project. This MRA Commission has done a lot with super amazing Commissioners who are going beyond the call of duty for Wailuku. Thanks so much. Your structure and powers are like the Liquor Commission. Your ability to raise money and create Economic Development. But unlike the Liquor Commission you do not have staff to do the day to day things to get your mission done. During the days I was in OED and my task for Mayor Apana was the coordinator of Wailuku Revitalization. The MRA has a great board with no money allocated – had a great board, no money allocated from Council. The Office of Economic Development was given a line item for Council for \$50,000 to do small town initiatives. You have come a long way from those meager days, but you need staff to push your projects and keep Wailuku momentum alive. Hire a manager. If you do not it would be like doing your business with volunteers. That is unreliable. And to keep the fire going, you need the engine that will keep you moving forward and upward. Thanks for hearing me. I am sorry I am not able to make today’s meeting. Yuki Lei Sugimura.”

Ms. Betts Basinger: Thank you Erin. Members, we’re moving right into item-D, our public

hearing. Mr. Morgan Gerdel will not be presenting. However, in his stead, will you introduce?

D. PUBLIC HEARING - action items

1. **Mr. Morgan Gerdel of Architectural, Design and Construction Inc. requesting design review and approval of four variances for the construction of a new commercial office building to be located at 170 North Market Street, Wailuku, TMK (2) 3-4-017:026. (MRA 2011/0004). The following variances are being requested:**
 - a. **To waive the guidelines to site the building at the minimum setbacks (WRA Design Guidelines p. 38)**
 - b. **To waive the guideline stating that stucco wall finish should be applied only on the front facade (WRA Design Guidelines p. 43)**
 - c. **To waive the guidelines that requires windows to be constructed of wood (WRA Design Guidelines p. 45)**
 - d. **To allow a variance from the requirement hat retaining walls not exceed 6 feet in height. (WRAZDC 30.09.030 (p. 37))**

Mr. Morgan Gerdel: Can I have a couple of minutes to bring my –?

Ms. Betts Basinger: Yes. Five minutes?

Mr. Gerdel: Yeah, that will be fine.

Ms. Betts Basinger: Take a recess for five minutes as they prepare.

Mr. Gerdel: Okay. Thank you.

(The Maui Redevelopment Agency recessed at approximately 1:26 p.m., and reconvened at approximately 1:31 p.m.)

Ms. Betts Basinger: . . . Redevelopment Agency is back in session. Chair would like to recognize the presence of Deputy Director Michele McLean. Thank you for being here. Erin, please start.

Ms. Wade: Sure. Item-D1 is –

Ms. Betts Basinger: One moment please Erin. One of the members wanted to bring up an issue.

Mr. Mark Walker: Yeah, sorry. I wanted to disclose an interest. I checked with Corp Counsel. It's not a conflict of interest, but I am – have done consulting work on a residential project in which the principal ADC is a partner, Clayton Nishikawa. Anyway, so it's pretty far removed down the road but I wanted to make sure.

Ms. Betts Basinger: Members? So noted. Members, any questions about that? Thank you. So noted. Thank you Mr. Walker. Go ahead Erin.

Ms. Wade: Thank you. Item D1 is Mr. Morgan Gerdel is the applicant of Architecture Design & Construction Inc, requesting design review and approval of four variances for the construction of a new commercial office building to be located at 170 North Market Street. This is TMK: 2-3-4-017:026. It's MRA case 2011/0004. What they're requesting is two items – both the design review, as well as a series of four variances which triggers the public hearing process which will follow my introduction and Durwin Kiyabu's presentation.

The four variances being requested at this is are (a), to waive the design guidelines, to site the building at the minimum setbacks. And this is the side next to Mr. Noble's property. (b), to waive the guidelines stating the stucco wall finish should be applied only to the front facade. This is in the Wailuku Redevelopment Area Design Guidelines on page 43. The requirements to waive – or variance to waive design guidelines that requires windows being constructed of wood. That's in the Wailuku Redevelopment Area Design Guidelines on page 45. And finally, to allow a variance from the requirement that retaining walls not exceed six feet in height. This is for the existing retaining wall on the property.

As noted in the staff report, this is the old Wailuku Fish Market site. It's right at the corner of Market Street and Olu Drive, and there's a small sliver right before the Mill Street intersection. And today as I've said Durwin Kiyabu will be doing the presentation. And following his presentation I can offer the staff recommendation.

Ms. Betts Basinger: Thank you very much.

Mr. Durwin Kiyabu: Good afternoon board members. Name is Durwin Kiyabu, principal with Nishikawa Architects, and I'd like to do a presentation for you this afternoon.

I'm here to give an overview of design concept for a professional office building located at 170 North Market Street. I will start with an overview of the site and surrounding areas for context.

1991 Olu Drive is located at the corner of North Market, Olu Drive and Mill Street. It is at the edge of the commercial area where the neighborhood transitions to residential homes. I'll go on and give some site context of the surrounding buildings. 140 – this is 140 North Market. It's an adjacent office building located on the same side of Market Street. It was originally the Miranda Building which housed the Yoda Fish Market on the ground floor and had living space above for the family. This is 150 North Market Street. It is the original location of FM . . . (inaudible) . . . Building which is now demolished. 160 North Market is the location of Noble Travel, and the owner has future plans for a hotel. This is King's Chinese Restaurant. Originally this building was a fish market, and it was then converted into Molina's Bar in 1960. 167 North Market, Harry and Jeanette Weinberg, Hale Hoomalu. This is the Shunga Salon. It's the Wakamatsu Fish Market Building.

Here's an overall site photo showing the intersection and existing retaining walls. The gray concrete wall is inside of our property, and the lower rock wall is in the County right of way. At the rear of the property there's a small portion of the wall constructed of rock and a small shed. This is the front side view of one 170 North Market Street showing the existing wall and stair. The existing stair and sidewalk if possible we're looking at refurbishing the stairs and sidewalk to maintain the original character. This is the view of the existing parking lot and residential home beyond the east boundary of the lot. The concrete slab appears to be original from the property when it was used as a fish market.

And now I'm going to be discussing some of the historical research we gathered in our design process. Our design concept for our office building was to look to the territorial architecture period as a reference. These projects are some excellent examples of that period. They have a monumental feel or, but at the same time, quite graceful and detailing. The wide overhangs and punched windows respond well to the tropical climate of Hawaii.

These images are examples of territorial architecture that are specific to the Wailuku area. Other good examples include Wailuku Library, Wailuku Elementary and the Yokuochi residence. We've also taken into account the unique history of the site. The property was originally a plantation home where Mark Twain once stayed while visiting Wailuku. The top image shows the fish market structure from 1910 with the original wall and pipe railing that wrapped around the property. You can also see the small plantation homes in the background some of which are still in use. The lower photo shows a Market Street in 30's with the retaining walls that is still in place. The center building is the FM . . . (inaudible) . . . Building which is representative of the two story scale that was typical of that time.

This survey shows existing configurations and structures of the property. The concrete retaining wall, sidewalk, and stair are within the property. The CRM wall and street trees are in the County right of way on Olu Street. There's a small existing shed at the rear entrance of the property that has been built into the grade. The existing rear driveway extends halfway into our property and provides access to 160 and 150 North Market. The narrow strip of property extending from Olu Drive appears to be owned by the County of Maui.

We have located our office building along the front setback of Market Street. In keeping with the Wailuku Redevelopment Area Design Guidelines, the parking is located at the rear with access from Olu Drive. There's a sidewalk connection from the rear parking to the front along the edge of the existing retaining wall. We are proposing dropping the front edge of the existing concrete wall along Market Street to reduce the scale of the wall and allow for a planter edge to soften that corner.

The air-conditioning units are located in the space between the building wall and the property line. We have created setbacks between our building and the south property line to allow for windows and landscaping adjacent to the existing sidewalk. The trash enclosure is located at the rear driveway of the property for easy access from Olu Drive. For our utility connections, we'll be using the existing sewer lateral connections for the project. Excuse me. We would need to install a new water meter and lateral as well.

For the landscape design, we have developed a simple design which compliments the architecture and existing planting along Market Street and Olu Drive. The shade trees in the parking area are Pink Tacoma to match the street trees. The hedge is to screen – the hedges are to screen the parking area. For the landscape design, we have developed a simple – excuse me. These are examples of the other hedge planting types.

Let's move on to floor plans. These are preliminary floor plans of our office building. There's an entrance to ADC from the center of the building at Market Street and another rear entrance for those parking in the back. The first floor consists of offices, workstations, conference room, and support spaces. There are more offices, workstations, and break room at the second floor for ADC. At the right side of the ground floor, the tenant has their own entrance off of Market Street with a small reception area at the ground level. Upstairs, the tenant has about another 1,000 square feet of space available for office use and their own restroom. The building is designed in such a way that the interior walls are non-bearing to allow for flexibility for future users.

This elevation shows the Market Street side of the building. We are proposing an exterior plaster finish in neutral colors, and a dark reddish brown two piece clay tile roof to give the building a rustic historic feel. The windows and french doors are proposed to be Milgard Ultra Fiberglass with historically conceptual divided lights. The first floor walls are 12 inches thick to allow for thick punch windows typical with territorial architecture. We'll be using copper gutters with decorative leader heads. The existing wall will be repaired and repainted. We are planning on installing a pipe rail similar to the historic detail with the wire mesh infill panel to meet the modern code requirements.

This is the Olu Drive elevation view with existing rock wall and planters. The sidewalk will run along this side of the building. A historic type railing would also run along this edge for protection from the drop at the retaining wall. This view shows the side of the building facing the parking area. This entrance would be used by clients parking at the rear and employees of ADC. The south elevation of the property faces John Noble's property at 160 North Market Street.

Ms. Betts Basinger: Continue with your presentation please.

Mr. Kiyabu: In front of you, or up on the screen, is some samples of the doors and windows. And we actually have some full set samples although it doesn't have the divided lights. But just to show the finish and the color, this is an example of the exterior lighting that we are planning on using. This is an example of a railing detail. We will try to be – we'll be proposing replacing the existing pipe railings with a new railing, with a similar design, but with the wire mesh infill panel to meet the current building codes. A wire mesh keeps a visually open view to a simple design. The proposed design could be extended to other properties along Market Street when they are redeveloped to provide a cohesive street scape.

Again, this is a list of the Maui Redevelopment Agency variance request. Number one, WRA Design Guidelines setback, requesting a 10-foot setback for the south property line, which is

side yard, to allow for overhangs and windows. For the walls and finish, we're requesting consistent stucco finish on all exterior walls for territorial style. For the wood, windows and doors, request approval of Milgard Ultra Fiberglass windows and doors for better durability. And for the walls and fences, a variance for height boundary fences and retaining walls, and existing walls to be repaired, a new retaining wall on Olu Drive to be constructed.

Other requested variances for Maui County Code. 16.26.3304, Improvements to Public Streets – a variance for improvements to Market Street, Olu Drive, a segment of County property at the rear of the property line. Olu Drive widening is not feasible for this project. Olu Drive has a residential small town feel. Widening is not a preferred option. Retain organic land use patterns by encouraging new developments to maintain the street pattern of historic character of the surrounding neighborhood. The Maui County Code 12.08.100, Driveway Standards and Specifications – the existing driveway configuration does not meet current County of Maui standards. Thank you.

Ms. Betts Basinger: Thank you.

Ms. Wade: Thank you. There does need to be one point of clarification that staff didn't provide at the introduction of the project. The number five variance that the applicant did request as part of their filing of the application but then it wasn't included as part of the staff report. We have been working with the Department of Public Works because of the retaining walls on both the side of Olu Drive and below, and again in the back with the driveway, to be able to allow without any sort of road widening requirement. So, at this time, the MRA will not need to address that street improvement issue.

So the recommendation the Planning Department is approval of the four variances to the Wailuku Redevelopment Area Design Guidelines, and the Zoning and Development Code per the following conditions. The first is a standard – the first is a series of standard conditions regarding construction be consistent with the design as offered today. That appropriate measures be taken during construction to mitigate the short-term impacts of the construction. That the applicant and its successors provide insurance liability coverage. That full compliance with applicable government requirements be rendered. And that the applicant shall submit to the Planning Department five copies of a detail report addressing the compliant with the conditions established basically in this report and as you adopt as part of your approval.

The Department of Water Supply had three conditions they asked to be included, and those are in the staff report. The Department of Environmental Management also had a series of conditions they wanted to add. And then finally the Maui Planning Department recommends approval subject to the following additional conditions. Number 16 is the developer shall submit a landscape and irrigation plan for required parking for review and approval. Number 17, if any signs are planned for the project, a sign permit shall be required prior to applying for a Certificate of Occupancy. Number 18, and this is if you should approve the fiberglass, that the developer shall utilize the Milgard Ultra Fiberglass series windows with divided lights which is the one they're presenting today. Number 19, that a building permit shall be obtained prior to construction. Number 20, that the applicant shall provide a no build easement for the southern

side yard setback – that’s the Noble side property – to enable the property owner and its neighbor to incorporate penetrations in the walls and allow for light and air circulation between the buildings and the ability for a pedestrian to comfortably pass from Market Street side of the building to the rear of the property. 21, that the applicant maintains the exterior architectural elements of the property in keeping with the original design of the structure. Any modification to the exterior of the building shall require a MRA permit for design review. And finally, during construction, all construction employee parking shall be accommodated on the project site and not within the County right of way. These can be adopted as part of your approval process as the Findings of Fact, Conclusions of Law, and Decision and Order. Thank you.

Ms. Betts Basinger: Thank you Erin. Members, this is our opportunity to ask questions of the applicant. So, shall we just start around with Bill?

Mr. William Mitchell: Durwin, thank you. Nice project. What’s your timing on getting approvals, any idea?

Mr. Kiyabu: As soon we can receive our approvals we will be commencing.

Mr. Mitchell: Fabulous. Nice job. Thank you.

Ms. Betts Basinger: Warren?

Mr. Warren Suzuki: I seem to be the one with all the questions. So, Durwin, you’re requesting for a variance from the side yard setback?

Mr. Kiyabu: Yes.

Mr. Suzuki: For the portion that joins the Noble property?

Mr. Kiyabu: Yes.

Mr. Suzuki: So you’re saying the setback is suppose 10, you’re at six?

Mr. Kiyabu: No, we’re going to be at 10 feet.

Mr. Suzuki: What variance are you asking?

Mr. Kiyabu: A variance to allow for a setback because there is no setback –

Ms. Wade: Required.

Mr. Kiyabu: – Requirement.

Ms. Wade: It actually recommends in the ordinance that you have the minimum setback.

Mr. Suzuki: Zero?

Mr. Kiyabu: Zero, yeah.

Mr. Suzuki: So then your variance to provide more of a setback?

Ms. Wade: It's in the design guidelines, so yes.

Ms. Betts Basinger: In the MRA.

Mr. Suzuki: Okay. The other thing was, Durwin, you know, you request a variance as far as the type of finish for all the walls.

Mr. Kiyabu: That's also in the guidelines.

Mr. Suzuki: Yeah. So, you wanted to put on the front portion that fronts Market Street.

Mr. Kiyabu: But we want to do it all around. The guidelines just state that it's only in the front only.

Ms. Betts Basinger: We should be –

Mr. Suzuki: I'm so confused. The last thing I have was that, you know, in your parking layout, you show a 22 feet of that aisle space. What's the parking code now, is it 24?

Mr. Kiyabu: I believe it is 24.

Mr. Suzuki: So they have to get a variance from the County?

Ms. Wade: For the parking aisle width?

Mr. Suzuki: Yeah.

Mr. Kiyabu: Oh, it is 22. Excuse me.

Mr. Suzuki: So the code now is 22?

Mr. Kiyabu: In the MRA, yeah.

Mr. Suzuki: Okay. And the only other thing, I guess, the request that I would have is that would it be unreasonable for us to ask for them to submit to you folks a lighting plan?

Ms. Wade: That would be fine.

Mr. Suzuki: You know because of the . . . (inaudible) . . .

Mr. Kiyabu: Yeah, we only have only lighting on the building, no parking lot lights.

Mr. Suzuki: There's no need for parking lot lights for security?

Mr. Kiyabu: No. We have the lighting on the walls of the building with sufficient thru into the parking lot.

Mr. Suzuki: But you don't want too much excessive lights anyway because it's partially residential.

Mr. Kiyabu: Yeah.

Mr. Suzuki: And that was the last point that I had was that I guess I'm kind of wondering at night when the cars leave the parking lot – yeah because one of the slides that you showed shows a residence across the street, right in the back, and I'm kind of wondering, you know, how the headlights would be as far as you exit the parking lot, how it will be relative to the residence? It's a straight shot into the residence.

Mr. Kiyabu: It looks like it yeah.

Mr. Suzuki: . . .(inaudible) . . .

Ms. Betts Basinger: Thank you. Katharine?

Ms. Katharine Popenuk: Yes, I wanted to confirm that there are true divided lights on the windows.

Mr. Kiyabu: Yes.

Ms. Popenuk: It's not just an insert, it's actually –

Mr. Kiyabu: True divided lights.

Ms. Popenuk: Okay, good. And what determines the plans for the staircase on Market Street?

Mr. Kiyabu: We want to keep the original look. Whether or not we need to – one is just repair it. We didn't do any thorough investigation of it, so we need to take a look at it. But basically we want to keep the same look, so the character keep similar to what is existing now. That's why we keep with the same railing detail, to keep the similar look. Although we were proposing to provide the wire mesh because of safety reasons in between.

Ms. Popenuk: So would you bring that up to code or does it comply with code currently?

Mr. Kiyabu: The stairs? We haven't done a thorough look at the stairs at this time. But if it needs to we will be bringing it up to code in terms of the actual steps too.

Ms. Popenuk: Yeah, I've been up that staircase before and I don't know it seems kind of steep or something – a little extraordinary. That's it.

Mr. Kiyabu: Okay.

Ms. Betts Basinger: Members, any other questions?

Mr. Walker: Just to say, your other variance request is just to be able to drop down that wall in front or in that corner to break it up?

Mr. Kiyabu: Yes, to break up the height of the wall which actually should be more beneficial.

Ms. Betts Basinger: Thank you. At this time Chair is going to open up for public testimony on this item only. So anyone wishing to comment on the presentation please step forward. State your name please.

Ms. Maddox: My name is Neith Maddox. And actually it's a comment for – it seem like it's going to be office and they want to have this very dark tile. But it's going to be absorbing more heat for their building, so I don't know if the County allows light color roofing. But that's in – it's the best thing to have for any roof if no roof no roof . . . (inaudible) . . . of course, to have . . . (inaudible) . . . energy consumption. So that, and also, where in the whole design is there any space for storm water management? Because I don't know if it rains too much or not, but in the case it rains, all the water is going to go down to the street like a river. So I just would like to know that there is something where the water is going to go for the property.

Ms. Betts Basinger: Thank you very much. Members, questions for the testifier? Thank you.

Ms. Perreira: Jocelyn Perreira. I'd just like to place on the record as to why this particular item can have public, additional public comment, and not any of the other items. I'm trying to get an understanding of that because there are other items on the agenda that may merit and warrant some additional public testimony and we're trying to get an idea of what's going to be standard procedure. Is it going to be based on whether or not –

Ms. Betts Basinger: Do you have testimony on this issue?

Ms. Perreira: Yes I do.

Ms. Betts Basinger: Okay.

Ms. Perreira: Whether it's on items that you're going to be taking action on or not. As far as the design guidelines, there was a reason and I think that you need to go back and look at the reasons. There was a solid rationale why the design guidelines has stated the front only, and that some of that included costs, the costs, and other issues. But they weren't extensive issues as to why the design guidelines reflect them and noting that they only do it for the fronts. But when we reviewed their project, we recognized the importance of this particular project on

wanting and needing to have that same treatment throughout and that's why we supported that particular treatment. Thank you.

Ms. Betts Basinger: Thank you. Any questions of the testifier? Thank you. Any other testimony on this project? Mr. Noble, did you want to see that south elevation slide again?

Mr. Noble: No, that's fine. I just want to state that I'm totally for this project. It's something that we need there. We've got five vacant lots and buildings, and only two buildings are there now. It looks fine to me. I wanted to comment they were saying about the lights and the windows in the back. That's actually commercial property, and the lady that lives there is 101 years old and really isn't affected by sound or anything. And as far as the stucco finish, these buildings were built back before they had fire walls. And if stucco finish is a fire wall then it needs to . . . (inaudible) . . . I think it's a great project and I hope it moves forward.

Ms. Betts Basinger: Thank you very much. Any questions, members, for the testifier? Thank you. I'm going to be closing public testimony on this hearing. Okay members, we've done our discussion. We've heard from the public and we've heard the recommendation of staff. So at this time, I'm going to look for a motion. A motion Katharine?

Ms. Popenuk: No, I had a comment, a question. I don't know if this needs addressing or not, but on this one particular building . . . (inaudible) . . . for commercial, on the comment, recommendation box, there seems to be a question about what the height limitation should be. 45 feet versus 30 feet.

Ms. Wade: Yeah, that's a good question.

Ms. Popenuk: Do we need to –

Ms. Betts Basinger: That it's lower?

Ms. Popenuk: – say what we want it to be? How we want this to be interpreted officially?

Ms. Wade: Usually staff – staff acts as your zoning person, so we when receive the application we make the determination whether it's compliant or not. And basically the ZAED was giving us a heads up that Olu Street wasn't specifically identified. But you'll note that there's two different addresses actually for this property. There's a Market Street address and an Olu Street address. So since it does front Market Street we went with the Market Street height and that's consistent with the rest of the buildings on that block, so that was the higher of the two. So there's no variance necessary for that.

Ms. Betts Basinger: Any other comments, members? Then I'm looking for a motion to approve.

Mr. Mitchell: I'll make a motion to approve with the variances as requested.

Ms. Betts Basinger: Do I hear a second members?

Mr. Suzuki: Chair, we need to clarify also incorporating the recommendations of staff for the conditions.

Ms. Betts Basinger: So you want to second for that discussion?

Mr. Suzuki: No I think –

Ms. Betts Basinger: You want to amend your –

Mr. Mitchell: I'll amend. Motion to approve as presented, with the variances and staff's recommendations.

Mr. Suzuki: I'll second that.

Ms. Betts Basinger: There are some additional notes that staff has taken on what – listening to public testimony and they could end up being other requirements. Do you want to –?

Ms. Wade: The two that I noted was a request to submit an exterior lighting plan, and I can put that in if at any time they do so propose an exterior lighting that we ask them to come back to have that reviewed. And that the Market Street stairs be evaluated for compliance prior to occupancy. I could put that as a standard.

Ms. Betts Basinger: Okay, it's been moved and seconded to approve this design hearing as amended. All those in favor say aye.

Agency Members: "Aye."

Ms. Betts Basinger: Opposed? It's unanimously passed.

It was moved by Mr. William Mitchell, seconded by Mr. Warren Suzuki, then unanimously

VOTED: to approve as presented, with the variances and staff's recommendations.

E. MAUI REDEVELOPMENT AGENCY BUSINESS

Ms. Betts Basinger: Thank you. Moving on now, members, to item E, Maui Redevelopment Agency Business, E1.

Ms. Wade: I have to apologize. When we just started that record time public hearing that I did text Dave that probably 2:15 p.m. would be an appropriate time for him to get in. We're using every minute he's here to get the best value out of his time. So maybe we could skip to – could I request that the Commissioners consider skipping to E2 until our consultant Dave Freudenberger gets here?

Ms. Betts Basinger: Yes. And members, without objection, moving to the Wailuku Municipal Parking Structure update, Morgan Gerdel.

2. Wailuku Municipal Parking Structure update and potential discussion on schedule, contracts, progress on the interim parking plan, and project collaboration (Morgan Gerdel, AIA Parking Structure Coordinator) This is a discussion item with no action.

Mr. Gerdel: Good afternoon members. Morgan Gerdel with Nishikawa Architects. I'm here to give a parking structure project update. The Draft Environmental Assessment for the parking structure is underway and is nearly complete. There's a couple of remaining items including the cultural impact assessment report. The archaeologist is in the process of gathering the information for the CIA report to be included in the draft EA. And the EA consultant plans submitting the draft on September 13th to allow for the public environmental notice on September 26th. The consultants needed additional time to get a determination from the State Historic Preservation Division and Economic Development Administration on the applicable requirements as far as the archaeological portion of work. The EA is not in the critical path since the building permit application is scheduled for the Summer of 2012 beyond that portion of work. But I have updated the project schedule with the new proposed EA schedule, and that's included.

The design team for the parking structure is working on completing the 60% construction documents for the parking structure. They're working with Wendy Kobashigawa in Public Works and they're still within the proposed schedule so that hasn't changed. That's about all of the update I have. I guess I do need to get the minutes from the parking management plan meeting from Leilani. She'll be sending me that so I'll review if there are comments on that. That's all I have. Thank you.

Ms. Betts Basinger: Members, any questions? Morgan? Go ahead Bill.

Mr. Mitchell: Morgan, do you know – has the design team complete their 60% documents? And maybe this maybe a question for Wendy, but are they going to bring those documents back to the MRA to look at in terms of changes they've made in that process that everybody went through with comments?

Mr. Gerdel: From what I understand, they would be coming back once the EA is complete, but I could ask if there's a possibility to get additional comments on what has changed. I can ask.

Mr. Mitchell: Yeah, if you wouldn't mind just to find out yeah. Thank you.

Ms. Betts Basinger: Any other questions members? Thank you very much Morgan.

Mr. Gerdel: Thank you.

Ms. Betts Basinger: Members, without objections, we can skip to item F which are internal

reports, F1, Bill, which would be task status LU-3.

F. REPORTS

1. Task Status LU-3 Wailuku Municipal Parking Lot for period from July 15, 2011 to August 26, 2011 (B. Mitchell)

Mr. Mitchell: Morgan basically described, so thank you Morgan, where we're at with the parking structure.

Ms. Betts Basinger: Thank you. And I know your comment to Morgan was when –. They are scheduled to be back to us for final in February of 2012.

Mr. Mitchell: That will be when the EA is completed. Okay. But I was just wondering if we're going to see it before then and have any input before they complete.

Ms. Betts Basinger: I think we're depending on you to be bird dogging that.

Mr. Mitchell: Okay. I'll do my best.

Ms. Betts Basinger: Okay. Item F2, Mr. Suzuki, task status on the parking management work that you've done.

2. Task Status VPC-6:9 Parking Management for period from July 15, 2011 to August 26, 2011 (W. Suzuki)

Mr. Suzuki: Thank you Chair. At the last meeting that we had, we were at the point where we were looking at the various recommendations and trying to prioritize his recommendation. At that time, I indicated to the body that if there were no objections from the body itself, I would like to get together with Erin to go over the management plan, the report, and try to categorize and create an outline that would make it easier for, you know, we, as the MRA to review and try to understand the different priorities are. So Erin and I did meet. We did refine the outline which she started to kind of put on the board during the particular meeting. I'm not too sure of the intent is to submit an initial draft today.

Ms. Wade: I don't have it today, but I will submit prior to the next meeting.

Mr. Suzuki: Yeah, we will have an outline and that will be presented to the body. And then at the following meeting, I think because of the notice requirements, we'll be able to discuss the recommendation. The approach that we took – and Erin was the one that pretty much came up with the approach – was to categorize it to such a way where, you know, what items the MRA might have jurisdiction over. You know, what items would the County, the State, and which items, in terms of, you know, what the manpower requirements might be for the various items? We didn't revise the language or the recommendations. We just kind of create a phase. I think we as a body may agree or disagree with the language. We may modify in total. We

modify in such. But the approach was to take what was in the report, put it in an outline form, and I was to discuss from that point on. I'm not too sure if Erin wants to add anything to that.

Ms. Wade: No. I mean the only other progress I can add is we did request from Public Works to get signs for motorcycle and moped parking on Market Street, so that's in the works right now.

Ms. Betts Basinger: Very good. Members, any questions of our task leader? Okay, thank you. We have one minute to go. Chair is going to call a five minute recess as we wait for our –

Mr. Suzuki: You want to take the last one?

Ms. Betts Basinger: It will take too long. So at this point without objection I'll call a five minute recess.

(The Maui Redevelopment Agency recessed at approximately 2:12 p.m. and reconvened at approximately 2:17 p.m.)

E. MAUI REDEVELOPMENT AGENCY BUSINESS

- 1. Discussion with contracted financial consultant, Dave, of Goodwin Consulting Group, regarding the creation of a Tax Increment Financing District, the potential uses of funds, the structuring of the financing tool and anticipated collection of funds. This is a discussion item with no action.**

Ms. Betts Basinger: . . . meeting of the Maui Redevelopment Agency is reconvened, and we will be starting with item number E1, discussion with contracted financial consultant, Dave Freudenberger, of Goodwin Consulting Group regarding the creation of a tax increment financing district, the potential uses of funds, the structuring of the financial tool, and anticipated collection of funds. This is a discussion item with no action. Erin?

Ms. Wade: Thank you. As you folks know about – let's see, before the end of the budget, in May, you allocated funds to go out and hire a tax increment finance consultant to write an ordinance and a plan. And you went through the RFP process and we selected Goodwin Consulting Group. So Dave Freudenberger from Goodwin Consulting Group is here to talk a little bit about the work plan that he identified in their proposal, and to hear from you folks about any initial thoughts or ideas that you have about tax increment financing. So I'll let Dave take it from here. Can you talk into the mic?

Mr. Dave Freudenberger: . . . (inaudible) . . .

Ms. Wade: Yeah, that would be great.

Ms. Betts Basinger: Yes please.

Mr. Walker: If I might Madame Chair –

Ms. Betts Basinger: Yes members, Mark this is your task.

Mr. Walker: Yeah, my task I guess. But I was happy to go with Erin yesterday to a meeting that was sponsored by LURF in Honolulu. I think it was – I can't remember if it was public facility financing. I can't remember exactly . . . (inaudible) . . . , and Dave was one of the panelist and had a room full of developers, public officials from all different counties, you know, Director's of Finance, budget guys. Very interesting. Heady information for me certainly, for some of them old . . . (inaudible) . . . , but I think everyone came away more knowledgeable when they entered the room. And again, Dave was one of the panelist and did a great job, and I think we've done a good job in hiring one of the best guys around. Anyway, Dave?

Ms. Betts Basinger: Thank you. Dave?

Mr. Freudenberger: Wow, do I have some expectations to live up to now, don't I? Thank you Mark. Nice to be here. In speaking with Erin prior to this I don't have a prepared presentation, but I see you indicated, I just kind of maybe wanted to walk through the scope of work that's outlined in the proposal. I'll talk about any concerns you have. I was able to do a little bit of driving around today which is why I wasn't here I guess when you thought I might be here. I have some, you know, very preliminary thoughts based on my drive around. And I have some additional thoughts based on the meeting we had this morning and we could just start a dialogue.

So if you all have – you all have the proposal? So let's just go straight to the scope of work on page-13. And you probably know that Mark, Erin and I had a conference call a little over a month ago to kind of kick off the process and talk about the next steps. Shortly after that call I prepared what you might consider a list of data needs or information needs, and sent that to Erin. And Erin has been diligently trying to collect all that because there's a lot. And that sort of is an out growth of task number one, collect the data. And it's basically getting a handle on not just the big picture, but all the little details that you need to know about with respect to the Wailuku area.

So it's information on every single parcel, assessed values, development that's out there now, development potential in the future. It's either new development or redevelopment. And I know a lot of that is going to be a bit of a guess at this point, but we need to at least have some assumptions to work with. And so, there's sort of a land use and development side, then there's the finance side. I'm going to want to have a feel for what the County is use to doing with respect to General Obligation (GO) bonds, and understand a GO bond just occurred at the end of 2010. The official statement will have a lot of good information about County finance, and what they're doing with their property tax revenues, and what debt service on GO bonds is a percentage of the property tax revenue. And we can use that in turn just to do some calculations about how much of a tax increment – if not all of it – the redevelopment agency might be able to utilize.

I'll just take this opportunity now to make a point that I made yesterday so Erin and Mark heard this. But one of things we have to do – and it's task three so I'm going to kind of jump to that in the scope – is understand what the fiscal impacts on the County are. And if you know a little bit about tax increment, basically what we're saying is that whatever property taxes being generated right now in the area is going to continue to go to the County. But the incremental property tax revenue that's generated because there's new development or because there's redevelopment, that flows back to the redevelopment agency. And so that tax increment is money that the County isn't getting. And it's general fund, as you know, is used to pay for ongoing services, mostly. I mean there's some debt service on General Obligation bonds and that kind of thing. But the most part they're using it to pay for fire services and police protection and maintaining the roads and, you know, all the services they provide. So that tax increment is just that much less money that they no longer have. And so part of the process of forming a tax increment district is estimating the impacts, those impacts on the County.

Task four is the tax increment projections, and I think what we're going to do initially – and I'll come back to this point – but there's lots of ways you can, you can, create a tax increment district. It could be co-terminus with the boundaries of the redevelopment – of the Wailuku Redevelopment Area. It could be bigger. It could be smaller. We could punch holes in the middle of it and carve areas out because the TID boundaries don't have to be contiguous. So there's lots of different ways to do that. And I think initially we're going to assume that the boundaries are the same and use that as kind of base case. But we'll incorporate assumptions regarding new development and redevelopment, and what those values might look like, and when those type of things might occur. Crank that into basically an annual projection that shows what the property tax revenue might look like over 20, 30, probably in 40 years.

And then we're going to use that to go to task number five, calculating the bonding capacity because it's the stream of tax increment revenues that determines how much in a way a bond has been issued. Should we talk about the State Constitution issue right now? Okay. It's becoming clear that it's really unclear whether or not we can issue a tax increment financing bonds. The tax increment financing act, HRS 46, 101 to 113. So the State law says yeah you can issue tax increment financing bonds, and there's a big section in there with respect to forming tax increment districts about how to do tax increment bonds. Unfortunately the State Constitution is structured such that it's really uncertain as to whether or not you can actually issue those bonds. And several attorneys both on the island here and on the mainland have looked into this, and the conclusions are murky but basically everyone is saying you probably ought to get something in the Constitution that confirms the ability to issue bonds secured solely by taxes.

You may know there were two bills in the Legislature this past year to do just that. They both didn't make it out committee, but the word is that they didn't make it out of committee because there was nothing they would have been able to do in 2011. So they'll probably be reintroduced in 2012. If one of those bills get passed, then the next step is put that on the general ballot for election in November 2012. That's what you have to do to implement a Constitutional amendment.

So there's a wrinkle. Now you can use tax increment, the annual flow of tax increment, to pay for things that you would pay for with a bond issue. It's just it will trickle in over time. It will be an annual stream of revenue instead of a big chunk of money up front. And ideally you want a big chunk of money up front to do some things, to encourage other things to happen. So you get infrastructure in the ground, that presumably promotes some development and redevelopment. That having being said about the State Constitutional issue, there are other ways to get around that. And one of them is – and we talked about this yesterday and we talked about it today – is doing something like forming a community facilities district, issuing bonds, CFD bonds, so they're land secured, but using the tax increment to pay the debt service on the CFD bonds. And it's a tactic that we've used quite a bit in California. Not for the reason that we can't issue tax increment bonds in California. It's for different reasons. But the concept can still be applied here.

So what you'll see when we get around to doing task five is probably a couple of scenarios. You know, by the time we're done with this whole process – and we talked a little about this, this morning – of forming a, of preparing the tax increment financing plan, drafting the ordinance, getting that to Council. You know, we may be well in to 2012 and we'll either know with some certainty whether or not there's a ballot on the November – opposition on the November ballot or not. And if there is what the odds are getting that passed. So we'll run it a couple of ways. One, assuming that we've got to use something like a CFD to run the tax increment revenue through, or if we can issue general tax increment financing bonds secured directly by the tax increment. And the reason we'd want to do that is because you're going to get more bang for your buck if we can do a tax increment financing bond. It will be more efficient, and you'll get a much bigger percentage of the bond proceeds that you can apply directly to what you want to accomplish out there in terms of funding infrastructure or whatever else you want to fund.

Mr. Walker: Dave, excuse me for interrupting, but when you say more efficient, you mean less costly.

Mr. Freudenberger: It will generally be less costly to do a tax increment financing bond than a CFD bond, but we're talking about the difference between 3% of the bond issued to do a tax increment financing bond, and 4% to do a CFD. Though it's a little more expensive to do a CFD bond, but you'll have reserve fund in both instances. The reserve fund will generally be smaller with tax increment bond. And then finally the interest rate will probably be less with the tax increment bond than with the CFD bond. So all those things together will start to add up to something where you'd rather have the tax increment financing bonds.

Ms. Betts Basinger: I have a quick question if we're allowed to ask questions. Could you explain a little bit the difference between TIF, TIF bonding, and the power that the MRA has in State law to issue bonds?

Mr. Freudenberger: I think they're the same. You're talking about basically TIF law which is 46.101 to 113, versus the Urban Renewal Law, Chapter 53?

Ms. Betts Basinger: 53-16.

Mr. Freudenberger: Yeah, I'm pretty sure Chapter 53 refers to tax increment financing laws.

Ms. Betts Basinger: Okay.

Mr. Freudenberger: And that's using tax increment financing in the, I'll say, more traditional sense of paying for things that are related to the elimination of blight.

Ms. Betts Basinger: And also, did you have the opportunity to attend the Budget Director Sandi Baz's bond presentation this morning?

Mr. Freudenberger: I did.

Ms. Betts Basinger: And they also spoke about another type of bond singled out as a redevelopment bond. Do you – have you put those dots together yet?

Mr. Freudenberger: They were talking about those with respect to work that they've done in California. So their experience – Kurt's experience and Shawn's experience – they were kind of running through their resumes. They both have done a lot of work on with redevelopment agencies in California. But as you know, there aren't any in Hawaii.

Ms. Betts Basinger: Well, I mean, is that something that made you go, oh, we should look at redevelopment bonds.

Mr. Freudenberger: That's what we're talking about.

Ms. Betts Basinger: Okay.

Mr. Freudenberger: Yeah, they're one in the same. Right.

Ms. Betts Basinger: Okay.

Mr. Freudenberger: And both of them were at the forum yesterday in Honolulu as well, and so they know. And Shawn has actually looked into this issue with the State Constitution. And Kurt had some, you know, thoughts or opinions, about how to pull this off, so we've all been talking about that as well. But yeah the redevelopment agency bonds and tax increment financing bonds are one and the same.

Ms. Wade: Maybe you remembered the slide. He said recovery zone economic development bond, and I think that he said that was part of the reinvestment act. That is was a specific type of bond.

Mr. Freudenberger: That's not redevelopment agency.

Ms. Wade: Right.

Mr. Freudenberger: That's the stimulus package from the Obama plan in 2010, 09/10, that actually ended. It expired on December 31st of 2010. All of the islands issued at least one of those types of bonds while they could. They were a great deal. But that program is done.

Ms. Wade: That was the Market Street Improvement Project for us.

Mr. Freudenberger: Okay.

Ms. Betts Basinger: And so that program is over and there's no likelihood that it will be extended.

Mr. Freudenberger: Well, there was a lot of talk in, you know, the Federal Legislature about extending that. It was part of the Federal budget negotiations. There was talk about extended it indefinitely. There was talk about giving it one more year, and at the end of the day it died. So it got used extensively while it was made available because it really was a good deal for local agencies, but it's over.

Ms. Betts Basinger: I have one last question before we move away from number five and that is some of the members of this body talked about not including a bonding issue in this TIF, so that we can assure that a TIF was implemented. Do you have any thoughts on leaving that for another time or when the State knows more about what it's going through?

Mr. Freudenberger: Yeah. And maybe let me just ask a question first. You would do that as a political measure to get a tax increment district formed. When you go to Council and say yeah, we just want to use the annual stream of revenue but we're not going to try to bond against it?

Ms. Betts Basinger: Yes.

Mr. Freudenberger: Okay. I don't know if that's really the issue with the Council. You guys have a much better feel about that than I do because a tax increment financing bond is non recourse to the County. They're not on the hook for it. Their general taxing powers is not at stake. A tax increment financing bond is pledged solely by, secured solely by, the tax increment revenue that ends up in the tax increment account. So I don't know that the County would have an issue with bonding against it, and I think their issue is going to be the fact that they don't get that money anymore. They don't get the stream of tax increment. And so I don't know that keeping a bonding option or a bonding program out of the tax increment financing plan would help, but you will need to help me discern that.

Mr. Walker: And I think I would agree with you Dave. Yeah, the bigger issue is more the diversion of that income stream –

Mr. Freudenberger: Right.

Mr. Walker: – than it is the ability to bond. Because if you have the income stream, they don't care if you bond.

Mr. Freudenberger: Right.

Mr. Suzuki: I have a question. You know Dave you kind of read my mind kind of thinking when you talked about CFD. And I know that on a State level there's already in place enabling Legislation that allows the various Counties to put into place a CFD. And I know that there has been efforts in the past in trying to pass the CFD ordinance here as far as Maui County, but it's never been successful.

Mr. Freudenberger: Right.

Mr. Suzuki: Because it's been tied more towards private developers. But – and I'm just kind of thinking out loud right now – I guess there is a possibility that a CFD ordinance could be passed that would relate specifically to the MRA area. And it wouldn't get caught up in the political . . . (inaudible) . . . that private developers might want to kind of get into it. And then create some hesitation in the part of Council to do that, if it was specific just to the MRA area. You know, there's a chance that it could go through because just based upon what you're saying. You know, again, because there's enabling Legislation already in place, that the CFD is specific to the MRA. The process that we would go through seems like it might be a process that is less complicated than the TIF because of the Constitutionality issue. And I don't know what the likelihood would be to get, you know, a Constitution amendment to allow for the TIF bonds. But, the other question that I have was as it relates to CFD – CFD's are structured in such a way where those properties within the CFD boundaries would be assessed a certain amount of tax. And that tax would be applied, you know, towards, whatever it needs to be applied towards. And it's not tax increment increase. You know, it's an assessment to the properties. So is that how you're thinking it where it's an assessment and not taking the incremental increase in the value of the property?

Mr. Freudenberger: Frankly I was thinking about in both ways, and we talked very conceptually, very early stages about this, really being a situation where it might work best to have the flexibility of using both tools. So let's just go – let me start from the beginning. Maui County has tried a couple of times to adopt an enabling ordinance for CFD's and I did get the impression that it's related to somehow this notion that a CFD benefits big developments and that's a misnomer. They're used all over the State of California and in other states in different ways. But for big developments and small developments alike, you know, big time developers, small developers, huge landowners, small landowners, they're used to enable several small landowners or parcel owners to collaborate and get something done. So I'm not sure where that bias – and I'll use that term loosely – comes from. But I'll also point out that the other three islands have adopted an enabling Legislation to use CFD's, and in fact, they're all using it. So I'm not sure what the history here is on Maui and if there's a way to overcome that. But my sense is that current administration and some of the staff are feeling now like this might be an opportunity to get that Legislation adopted.

Mr. Suzuki: You know, my understanding, you know, because years ago when it was something that was taken up by the Council, they were in deliberation for the CFD. And in California I guess, they refer it as the Miller's Roots.

Mr. Freudenberger: Yeah.

Mr. Suzuki: But the biggest issue related to what happened in Colorado, at Castle Rock, was where a CFD has been established for a community development. Now what had happened was that, I guess, the economy kind of tanked after the initial investors came in and bought property. And those that actually went forth and built homes on the property, you know, pay towards the CFD. Those that didn't, just walked away from it and their obligation. And it seemed like – and again, it all depends upon how the Legislation is kind of worded, the language of Legislation – it seemed like the burden then fell on only those that actually lived on the property. So the entire financial burden fell on a few and created a lot of, I guess, you know, financial issues.

Mr. Freudenberger: For individual homeowners.

Mr. Suzuki: Yeah, exactly. So I think that was one of the issues that stuck in the minds of some of the Council member when they were in discussions about CFD's. At that time there wasn't anybody there that really was able to respond to that concern and be able to give the Council members comfortable direction as to how you could potentially address that. Because the way they approached this thing, they wanted the CFD to go forward and then the assessment would fall on the responsibility – the County would issue the bonds. The County would be responsible to collect the assessment. So the burden fell on the County. And you're given the situation that occurred in Colorado. They didn't want to be – they didn't want to take on that burden.

Mr. Freudenberger: You've raised a gazillion issues. Let me try to hit them because they're all really good points. Unfortunately the Colorado example has dogged the CFD industry for a long time. And there's a lot of things about it that do not apply at all anymore. So it happened a long time ago. I can't remember how long ago. It was in the 90's I think – the Colorado example. That's one.

The second thing is – so let me elaborate on that. Since that time, in California – and because it happened in California, it's also happened in Hawaii – there's been, what you could refer to as clean up Legislation or advances in the Legislation that would never allow what happened in Colorado to happen again. And one of the ways that – one of the precautions that's built in the CFD law now is that when it's formed, there's a document called a right method of proportion that's developed. And it specifies what the maximum tax can be on any parcel at any time, so there's never that issue of cross collateralization, and the homeowners that are remaining having to pick up the tab for the ones that walked away. As a homeowner and a CFD you'll never be responsible for more than your maximum tax on your parcel.

Secondly, appraisal standards have been tightened a lot since the 90's to now. And in fact, in California, there are guidelines, specific guidelines, that are used when you're doing an

appraisal for a CFD. And one of the things that gets incorporated into that, and it's built in so I know the laws, at least on the Big Island, and I'm pretty sure of the other two islands that have adopted this – you've got to do the appraisal and you've got to demonstrate that when the CFD is formed, you have value, enough value in that CFD. It's three times the amount of the bonds you're going to issue. Okay, so again, the Colorado example wouldn't apply. So there's a three to one ratio that provides some cushion. So if land owners, developers, or even homeowners walked away from that special tax, you initiate foreclosure proceedings and you can recover that and make the bond holders whole.

And then there was one other issue and now I've forgotten what it is that I wanted to address. But it will probably come to me, or may come to you. But there's – the difference between the Colorado example, you know, 15-20 years ago and today, the differences are so vast that it just doesn't even apply. So there are a lot of precautions built into it. Oh, County being on the hook. The County is a conduit issuer, so the bonds get issued through the County. But, just like with TIF bonds, there's no recourse to the County for those bonds. You're just facilitating the bond issue.

Ms. Betts Basinger: Dave, could you mention to us the Counties you say that have instituted CFD's?

Mr. Freudenberger: In Hawaii?

Ms. Betts Basinger: In Hawaii.

Mr. Freudenberger: All of them except Maui.

Ms. Betts Basinger: Okay. And you know that Maui is the only redevelopment agency in the State.

Mr. Freudenberger: Yes I knew that.

Ms. Betts Basinger: And I'm just wondering if –

Mr. Freudenberger: If there's a connection?

Ms. Betts Basinger: Yeah.

Mr. Freudenberger: I don't think so. I don't think there's connection. I just think that there was an issue – the Council, at that the time, they were considering CFD's had an issue CFD's and it just didn't get, it just didn't get through.

Ms. Betts Basinger: And are these CFD's – or maybe members might know – active? Are they developed or is stuff happening?

Mr. Freudenberger: Yes and no. There's been about four or five that have gotten started on the Big Island. One of them actually did get formed. The others kinds of stalled because of the

economy. One got started and didn't really get finished on Oahu because of the economy. Another one, Kukui Elua in Kauai got formed. They actually have levied for this past fiscal year, they've levied special taxes in a small area, in wind side and CFD, and the financing team together with the County, is working on doing a bond issue at the end of this year or early next year. So that's one formed, operating and then getting ready to actually do a bond issue.

Ms. Betts Basinger: This body makes it a point to stay in touch on a monthly basis with our Council members. And Warren and I, and Katharine and I, have gone around and told them to expect a TIF ordinance. And in our little explanations of a TIF, mine in particular, the issue that always seemed attractive was this method took no additional money out of the landowner. And it was not viewed as an additional tax for assessment.

Mr. Freudenberger: Absolutely.

Ms. Betts Basinger: And I think that goes a long way towards approval of a TIF. So I just want to make sure I understand that correctly.

Mr. Freudenberger: That is correct. Yeah. And a CFD, like Warren described, is not that. It's on top of your property tax. You can have annual special tax that you have to pay. And that's why one of the reason why we're sort of conceptually, at least thinking about, the notion that it might be good ultimately to do both. So you won't have the full impact of the CFD special tax because you're using exclusively the CFD tool, and you're not using as much of the tax increment revenue as you otherwise would if you used TIF combined with CFD. And so the County may feel better about it. And so if you do this blending or comprised approach that may be the strategy that, you know, that gets it done. The other point about using CFD in conjunction with TIF here is that, you know, I did drive around and I know a very . . . (inaudible) . . . analysis got done as to what tax increment might look out there and I am a little concerned that we're not going to generate enough tax increment to be meaningful. Meaningful in the sense that we could actually accumulate enough to issue a significant bond.

Ms. Betts Basinger: Exactly. And one of the discussions we've had before about this was you started out by saying there is a zero gain up front. It's only the incremental increase. But I was lead to believe that the ordinance could define a percentage of the existing property tax that's collected that would start the TIF revenue into the MRA.

Mr. Freudenberger: Yeah, it doesn't work like that. So there's this assessment base, or frozen base here. And I think one of the reasons why we're talking about doing a TIF now is because the economy is so low and values are low it's like let's set that frozen base here now while the values are low so that you can generate some tax increment just by virtue of the market coming back up without redevelopment or new development. But that frozen base, your amount, and the property tax that's derived from it is going to continue to flow to the County, and that's pursuant to the law.

Mr. Walker: And Dave just, I mean, based on the other comment you made, the TID, the TIF district, wouldn't have to be the same as the MRA district.

Mr. Freudenberger: That's right.

Mr. Walker: I mean, that's why, I think, we're conceptualizing, and I think that's what you're focusing on. But that could be bigger, it could be smaller. It could not look like it all.

Mr. Freudenberger: Right. That's a good point. Yeah.

Ms. Betts Basinger: Well, I think that we are here to oversee the MRA, the Wailuku Redevelopment Area so those boundaries and that economic development and increase property values – it is our job to increase it in that area. But the idea of a conjoined area that might include CDF's outside of our CFD, outside of bounded area or contiguous to . . . (inaudible) . . .

Mr. Freudenberger: Or inside.

Ms. Betts Basinger: Or inside.

Mr. Freudenberger: Yeah. Yeah, they could actually be co-terminus. They could be one and the same. The same boundaries. But again the point that Mark is making is let's say the boundaries of the Wailuku Redevelopment Area aren't projected to really produce significant amount of tax increment, but there are some properties right on the outside of that boundary that will. If you can incorporate those properties into the TID without changing, of course, the WRA boundaries, then you can still facilitate what you want to have accomplished inside the WRA boundaries just using the TID that is a little bit outside those boundaries.

Mr. Walker: My thought was the, you know, existing 58 acres and I would take all of the land under all the hotel in Wailea and Kaanapali and use that.

Ms. Betts Basinger: Good one.

Mr. Freudenberger: Yeah, well, they don't have to be contiguous, right? Well, and that may or may not be a good thing, right, you know.

Mr. Walker: What I've learned is the politics I believe would simplify . . . (inaudible) . . . politics of the two. TIF, you're trying to get the money out the administration and the Council, diverting it to, what you're showing as . . . (inaudible) . . . And the other is you're trying to get on the backs of the community, and saying that and explaining why it would be a good thing. So those are the –. You're going to deal with – you know, in a combined thing, obviously, you're dealing with both groups and maybe, you know, you're not cutting us deep on each side. But that's what the politics of money.

Mr. Freudenberger: Exactly. And when you're talking to one side, you can point at the other side and say, see, they're contributing. Right? And I don't know – I mean, politics is one thing, but the community sentiment is another too. And I don't know what homeowners around here, business owners, landowners, how they feel about maybe being willing to assess themselves

a little bit on top of the property tax in order to get this thing done in conjunction with TIF. I mean that certainly going to be something to think about.

Ms. Betts Basinger: I think in conjunction with tax, developer tax incentives or tax abatement programs go hand in hand with the TIF we might see that increment grow faster. But I certainly don't want to do something that moves us forward already starting out with conflict so we'll just go ahead.

Mr. Walker: As I mentioned to Dave this morning, I mean, you send a contractor out to a job and he takes all his tools. And so these are just tools. Just because you create the districts, whether it's TIF, whether it's CFD's, whether it's both, that doesn't mean it suddenly have bond that . . . (inaudible) . . . I mean, you've got to look at all the steps and try to make sense and there's got to be a huge amount of buy offs and the Council has got to approve it and all of that.

Mr. Freudenberger: Absolutely.

Mr. Walker: And all of that stuff. So it's just – you know, it's the baby steps that create the ability to potentially use these tools if they make sense down the road. And if they don't, they won't be used. But, I mean, I think it's clear they have been used successfully for the most part throughout the country. I know that people are questioning a little bit the TIF stuff because it's a California thing. But the good news about that is we've learned from that and there's some history that we can build into our model.

Mr. Suzuki: Chair?

Ms. Betts Basinger: Warren?

Mr. Suzuki: So from my perspective, I understand what's being said, and you know, we've always talked about, you know, TIF. We've always talked about opportunities and potential that we may be able to let go as long with TIF that it wasn't enable to derive. The proposal takes us to the next step where it does the actual analysis, come up the language. So we'll have a higher level of understanding in terms of, you know, what's involved, what the potential maybe and looking at the draft bill and understanding, you know, in detail, what the legislation would look like. And until we take the next step we're just going to be . . . (inaudible). . . at this particular level. We need to go to the next level.

Ms. Betts Basinger: Exactly.

Mr. Freudenberger: It's on me.

Ms. Betts Basinger: Any other comments? Did you want to continue going though the scope?

Mr. Freudenberger: Sure. I wanted to bring up one more thing that we talked about it at the meeting this morning because I think it ties in. The CFD in it's most basic form is another financing tool, but it's another source of revenue. So you have this tax increment revenue

coming in but you also have special tax revenue coming into the CFD. And we were talking about parking revenues, and the fact that, you know, if the tax increment revenue is going to be metered or potentially not be enough to really be meaningful, maybe we –. It's almost –. I guess what I'm saying is if we get the TID done, and let's say we go down the road of getting a CFD formed, we probably ought to be implementing your parking management plan too and getting –. Assuming everybody is onboard with the plan.

Mr. Suzuki: The reality is Dave is that if you've got the TIF and if you think that you're going to have a CFD for the same area, it ain't going to happen. It ain't going to happen because politically it's not something that, I think, you'd get the decision makers to agree to. Because you're putting additional burden – a double layer of additional double layer of burden. I realize one is with the County.

Mr. Freudenberger: Right.

Mr. Suzuki: So you're hitting the County by taking away some revenue on their part. And then you're going to hit the owners within the CFD area for additional assessment. They're going to say, why do you need two? I mean just work with one. So to have two, I doubt if politically it's going to happen. The chances of having one I think is – it's a possibility but I wouldn't say it's a slam dunk.

Mr. Freudenberger: Sure. Sorry, go ahead.

Ms. Betts Basinger: I would add to what Warren said also being very MRA centric in our marching orders that were given to us by the Council to implement. In that document they told us to do a tax incremental finance plan. So this was in 2000.

Mr. Freudenberger: Right.

Ms. Betts Basinger: So it's taken us a while, but that's what the impetus have been.

Mr. Freudenberger: Right. And the only thing I wanted to respond to, maybe to the both of you now, is that it's not so much a Council decision to form a CFD as it is people here in Wailuku. And you may know the politics better, but it really comes down to whether or not the voters in Wailuku want it. And if they want it, then I'm assuming the Council would go along with it. I mean, right? So you don't form a CFD by taking an ordinance to the Council and having them adopt it. You have to work with the property owners in the area, and ultimately it's not an election in this particular case – it is in California – but here it's a protest procedure. And everybody who's inside the proposed CFD has the opportunity to object. And normally what you want is a situation where everybody is onboard, and so you don't want to force people into something that they don't want to be in. And that might be the political component of your issue where you might get plenty of people to actually make the thing work, but you'd have those that are being dragged in kicking and screaming against their will, and you don't want that either.

Mr. Suzuki: I mean don't get me wrong. You know, I like CFD and it's something that, you

know, prior to my retirement been involved in many presentations to the Council about CFDs, many discussions with Council about CFDs, but I think there's a lot of benefits that can be derived from the CFD. So I'm kind of sharing with you when I refer to the Castle Rock issue, share with you comments that we got back from the Council members. But again, you know, you have to deal with the political realities of understanding, you know, how things occur here, you know what the thinking might be as far as the decision making. And this is only my opinion, but, you know, my feeling is that, you know, to try and think that you have two pieces of legislation put forward that applies to a particular district. And each one would derive separate revenues from within their district. My feeling is that one, like I said, one mechanism I think you have a fair chance of doing it. But to have two, I don't think so.

Ms. Betts Basinger: And I'll follow on with that. It is the intention of this Chair, at least, and this body to, after 10 years be able to get a TIF ordinance enacted. It's small steps, baby steps, but there's always room in the next 10 years to look at other things. And I will also say that there is community movement for a community development corporation that may work with the MRA and collaborate with the MRA, and that has already started. But I agree with Warren that we're provincial and we're very fiscally conservative in this County. And, you know, they're prepared for a tax incremental financing ordinance coming their way some time later this year. So I would –. I love the out of the box thinking. I love the creativity. And we want – I would like that as part of the report, but I also want something that comes back to us that is doable in our climate.

Mr. Suzuki: And Chair?

Ms. Betts Basinger: Warren?

Mr. Suzuki: Because at one time Mark, you tried CFD, right, before the Council? Weren't you trying to make an effort?

Mr. Walker: No, no. No.

Mr. Freudenberger: So I'm going to continue to think outside of the box, and I'll throw this out there one more time. Warren's idea was, I think, kind of – to get a CFD formed in the County was the focus was on Wailuku. Maybe in and around that is to say let's go back to the original notion of having a CFD enabling ordinance for the entire County. It's not specific to Wailuku and then they're not attached.

Ms. Betts Basinger: But that wouldn't fall under the MRA's jurisdiction.

Mr. Freudenberger: No, that's right. I'm not saying that strategically that would be something that the MRA would be sponsoring. But it could be reintroduced through other avenues. And I'm not saying I have anything sly up my sleeve to make that happen. I'm just suggesting.

Mr. Suzuki: So you're proposing the TIF right?

Mr. Freudenberger: Yeah.

Mr. Suzuki: Okay, let's go forward and let's discuss that.

Ms. Betts Basinger: Yes.

Mr. Freudenberger: Sounds good. Okay, page 15, task six, part of forming a tax increment financing issue, as opposed to that other three letter acronym. So once the tax increment revenue projection has been done, and the bonding capacity has been estimated, you need to look at – I think we need to look at the other side of the cash flow equation. So the revenue sides are the potential bonds and the tax increments. But on the cross side we've got project costs that we want to fund. And in order to really understand how best to utilize the tax increment model, we need to know what you want to fund, how much it's going to cost, and when you think you need it. And so that's the essence of task six which basically come up with an infrastructure phasing plan.

And then task seven brings all that together. So that's the cash flow. Because you may find that you need some pieces of infrastructure before there's enough tax increment to pay for it or vice versa, and so you want try to realign those. Either issue bonds later when you need the money, or phase the infrastructure later when the money is available, or form a CFD to supplement the tax increment financing. Okay, I'm going to stop at that. And so that's the essence of that analytical piece, the financial analysis.

And the rest of the steps are establishing a project fund. So that's, you know, a special fund. I guess it would be part of the Planning Department where money will flow in, tax increment revenue, interest on tax increment revenue, money to flow out to pay for infrastructure, to cover any administrative expenses, that whole thing. So that's what task eight is all about.

The Tax Increment Financing Act, the State law talks about the Council potentially wanting to have an annual report. It doesn't have to, but if it did, it could. But the law also doesn't stipulate what should be in that annual report. So this paragraph talks about the types of things you probably would want to see in that report, and we would just outline that in the tax increment financing plan which is task number 10. That was a good segway, and I didn't try that.

So yeah, 10, is actually writing a report. It will contain all of things that, pursuant to law, it needs to contain. There's probably some other things in it. Erin suggested that there be some discussion in there about the State law, maybe some other things about making sure that there are precautions built in so that, you know, there aren't abuses or other challenges that might arise like we've seen in California. And then the other part of task 10 is working with – I might be working with Corp Counsel or Finance Department and others to actually draft the TID ordinance. And those two things together, the finance plan and the ordinance, would go to Council for approval.

Ms. Betts Basinger: Erin, could you remind us the time line on this project?

Ms. Wade: Well, this morning when we talked to the Budget Director, you know, we had outlined that we wanted to sort of see this draft in place by the end of the year, the end of this

year. We're trying to figure out, well when does the budget line item needs to be created essentially to be in the budget. And he sort of said he would follow us.

Mr. Freudenberger: Right.

Ms. Wade: So, there wasn't necessarily a time restriction as it went with the budget. But it would be great – I mean, initially when we started with this, we wanted to have this sort of wrapped up before Council began the review of the next fiscal budget.

Ms. Betts Basinger: Is that doable?

Mr. Freudenberger: Yeah. I mean, it's doable from our end. The part that gets a little tricky is task one, collecting all the data, getting us all of the information that we need because it does take a while to assemble all that and get it to me. And there's going to probably a little bit of back and forth. There will be a few holes missing that we'll need to fill. But, yeah, we can definitely pan that out.

Ms. Wade: A couple of things right now that I see, you know, needing some additional attention, we're working on the database now for property tax database. That's going to be updated. Real property tax have agreed to work with us. And some of the, sort of, informational percentages that we feel will be important to explain to the public and the Council. You know, what percentage of tax base is Wailuku? And you know what percent would be, you know, redirected? That sort of a thing that really paints the picture. It's not – this isn't a whole lot of money that's being diverted.

Mr. Freudenberger: Yeah. The bigger picture, it's not.

Ms. Wade: Yeah. And then –. So that sort of a thing. But I think the biggest challenge at this point is going to be identifying the specific –. Once we have an idea of what the projection will be, identifying, you know, with that little bit of money, what are the projects that we want to prioritize and focus those funds on and how are we going to account for that. So that's the thing that I want to be sure that we set a reasonable time frame for. And that we get the right amount of public involvement so that we know that the priorities are widely accepted.

Ms. Betts Basinger: And that would include projects that are doable based on incremental financing in conjunction with other revenues whether they be grants or whatever, other parking management fees or whatever.

Mr. Freudenberger: Yeah. That's right. The tax increment financing plan may end up, you know, depending on how the numbers play out, identifying where the funding gaps are, right? You may have certain amount of funding that you can somewhat reliably expect to occur and the thing that you want to fund maybe twice that amount. So now we know what the gap is. And do we scale that wish list down or do we figure out other ways to generate revenue or, you know, what are the options.

Ms. Betts Basinger: Or partnerships with CDC or what other kinds of mechanisms to get projects done.

Mr. Freudenberger: Right.

Ms. Betts Basinger: So I think the goal here is to get this in our tool box and to approach projects which we've trying to do, prioritize projects that we can actually get done that are all in our document. They're not – we don't have to think them up.

Mr. Freudenberger: They're already thunked up.

Ms. Betts Basinger: They're already thunked up.

Mr. Walker: And I think I heard a – and maybe you can corroborate on it. I mean, today, I think I heard a guy say unless a bond, if you're looking at kind of bond of this cash flow, the minimum is around \$10 million bucks.

Ms. Betts Basinger: Yeah.

Mr. Walker: I mean I don't know if that's true or . . . (inaudible) . . .

Mr. Freudenberger: I wouldn't say it's the minimum.

Mr. Walker: Right.

Mr. Freudenberger: It's a typical size.

Mr. Walker: Right.

Mr. Freudenberger: A minimum, you're probably around \$3 million.

Mr. Walker: \$3 million?

Mr. Freudenberger: Yeah.

Ms. Betts Basinger: And Dave I know that you know it, but many of the 36 specific tasks in our document are in partnership with Public Works or with Planning or with other departments that would have a financial input as well.

Mr. Freudenberger: Right.

Ms. Betts Basinger: Warren?

Mr. Suzuki: What else are we going to be discussing that relates to this agenda item?

Ms. Betts Basinger: Just – that's it. I think we kind of wanted to hear from you and kind of share a little bit with you. This task is being lead by our inevitable Mark Walker so he's the guy to e-mail and say okay what's new, what's new, what's new, and we'll expect to hear from him at each meeting. Katharine?

Ms. Popenuk: I just had a question. So let's say that we set this all up and set it in motion, who administers this over the course its life?

Mr. Freudenberger: That's a good question.

Ms. Popenuk: How does that work?

Mr. Freudenberger: Yeah, it could be County staff. It could be a combination of County staff and a consultant like me. But what we would do in terms of the financing plan is build in the cost associated with the annual administration of the TID. So you know what those are and you know that they're covered going forward.

Ms. Popenuk: So I heard you express a concern that maybe the WRA might be too small to create a sufficient stream of income.

Mr. Freudenberger: Yeah, I wouldn't say that it's too small geographically. The 68 acres, all else equal, is big enough. I mean, there's plenty of redevelopment project areas in California that are smaller than 68 acres. What I meant was a lot of this area, you know, I certainly didn't drive it all, but all of it is already developed and a lot of it needs to be redeveloped. I can see that. But I just don't know how much extra assessed value is going to be created with either new development or redevelopment within those 68 acres. And that's what it's all about is adding value because that's what drive the tax increment.

Ms. Betts Basinger: Members, any other questions or discussions with Dave?

Mr. Mitchell: One question Dave. It probably says it in your summary here, but if a project is identified, the bond would have to specific to that project, is that correct?

Mr. Freudenberger: You mean a project like an infrastructure project?

Mr. Mitchell: Right.

Mr. Freudenberger: The bond doesn't have to specify what it's going to fund, but it's usually better if it does because that specificity gives bond holders a sense of what they're getting when they buy these bonds.

Mr. Mitchell: Right.

Mr. Freudenberger: So, and you usually don't want to issue a bond that's just going to pay for one piece of infrastructure or one component you want to have enough different things in there

to make something happen. Because the point of the bond is to pay for something that's going to promote development and redevelopment. So you may want a piece of road, and some water pipes, and some other things all built into that bond issue.

Mr. Mitchell: Thank you. Lastly, in it's current –

Mr. Freudenberger: I think you said one question, didn't you?

Mr. Mitchell: Yeah. One more. One more. It prompted a question. And just to reiterate, in current form under State Statute, we could not issue a bond with TIF funds.

Mr. Freudenberger: It's not the State Statute. The State Statute actually allows for it. It's the State Constitution.

Mr. Mitchell: The State Constitution. Okay, thank you.

Mr. Freudenberger: Yeah.

Mr. Suzuki: I have a real quick question.

Ms. Betts Basinger: Warren?

Mr. Suzuki: So as far as proposals, it's already been accepted?

Ms. Wade: Correct.

Mr. Suzuki: Okay.

Mr. Freudenberger: Now did you want to add some money to that?

Mr. Suzuki: I was hoping to take it away.

Ms. Betts Basinger: And you can see the amounts of it in the proposal. Okay, I think members we will agendize this issue for our next meeting if everyone agrees. At which time we can open it up to get some public comment to –. Hopefully we will have move farther than just the proposal and what the scope of work has been, and we'll have some meat that the community can comment on. So I thank you very much!

Mr. Freudenberger: Thank you for having me. Yeah, I appreciate it.

Ms. Betts Basinger: Thank you for being here.

Mr. Freudenberger: Okay.

Ms. Betts Basinger: Members, moving on quickly. We do have one member who has asked

if it might be possible to adjourn today at 3:30 p.m. so I'm working very hard toward that end. If we can move on to item number E3. This is discussion and consideration of whether to authorize the Chair and staff to submit a grant application for the open spaces, sacred places from the TKF Foundation. The MRA will evaluate whether the board would like to pursue this grant for the mini-park site between the lao Theater and the Police Subdivision restroom building with a collaborative team. The grant is up to \$50,000 of funding, requires research and documentation of the health and wellness benefits of urban green space. The grant application is due September 1st, 2011. Erin, Katharine has taken a lead on this and has worked with Erin and I have met with them a couple of times on this so I'm going to refer you to their report. And I'll turn it over.

- 3. Discussion and consideration of whether to authorize the Chair and staff to submit a grant application for the Open Spaces Sacred Places from the TKF Foundation. The MRA will evaluate whether the board would like to pursue this grant for the mini-park site between the lao Theater and the Police Substation/restroom building with a collaborative team. The grant is up to \$50,000 of funding, requires research and documentation of the health and wellness benefits or urban green space. The grant application is due September 1, 2011.**

Ms. Wade: You want me to introduce this Katherine? Okay. Thank you. So basically the report summary states that we got an informational e-mail from the Hawaii Tourism Authority that there was this grant funding available. And so I e-mailed Katharine knowing that this was the task that she had been – she had offered to sort of lead – asking if she was interested or if you should pursue or at least read some more about the grants. So we did that and then we both realized we needed more information. Actually a lot of the information that Yuki mentioned we looked up is what we did. So we went to the original designer, we went to the surrounding property owners. We did talk to some of the merchants and they all did say don't built it before you build more parking. You know, there's no question that all of that was definitely high priority.

But they also all said that they would prefer to take a second look at the existing design. That, you know, the space functions now differently than it did when the original design was done. And while the original design was probably just fine before the lao Theater was as booked as it is today. Now that there might be some additional needs and some thoughts that we can put into that. So we then did a whole lot of reading of the open spaces, sacred places project. We actually – I personally purchased the book because it features on 12 of the different sites that have been selected and have been constructed for open spaces for the funding. But the goal of the grant funding is for meditative and calming green space in an urban environment. So you can't have an active park of any sort in it. There are some that have amphitheatres in theirs, but it's much smaller phase or stage. It's a lot more passive. And the intention is a connection with nature in an urban environment more than anything else. So Katharine and I then figured out who do we need for a team? There's a lot of requirements with this grant. In all honestly, there's really a lot that you got to get done. We did come up with some team members that we thought would be good partners. Of course Maui Nui Botanical was one of those because they

had already expressed an interest in ongoing participation.

And then we also, the most important thing for this organization and the thing that intrigued me the most and Katharine was surprised by this, is the research component. And I'm sure Bill likes this too. As an urban planner it's really difficult to get people to prioritize urban green space because it's like they see it as a waste of money. But the research component will evaluate the value both on health and can evaluate economic value of the urban green space. So you have to put a significant portion of the funding for the project towards that research component. We ended up finding Dr. Jayson Maddock from the School of Medicine at the College of Public Health at U.H. who was really excited to partner with this and has done several projects on parks. Mostly monitoring with cardiovascular effects and things, and physical activity. So we do have the opportunity to do this partnering project but we do have partners out there who are interested. We feel at this point like we can pull together the grant and meet the September 1st deadline if you folks were interested in following or having us follow through on that. The thing I think that is most important for the group to understand though is it certainly is going to require the MRA to give up some control. Essentially the Parks Department has offered to let the MRA direct this, but the TK Foundation specifies a community engagement process that results in a park design by the community, not by any board or any specific professional. It does require a very broad base community engagement process that you don't get to think with at the end, or they don't fund you. So essentially, you know, I would say that that's probably the biggest catch in terms of accepting the money. And then on top of that that you do have to commit to having it maintained as it's designed for 20 years. So when we get the commitment letter from Parks we'll also have to say – because they've already said they will not maintain it basically. That's the other thing.

Ms. Popenuk: 10 years.

Ms. Wade: Yeah, okay, thank you – 10 years. That we are going to have, or that MRA's role in this is the ongoing maintenance in connection with the other team partners to get that done.

Ms. Popenuk: And/or you can write into your proposals an endowment for maintenance.

Ms. Wade: Right.

Ms. Popenuk: That could be built into the proposal. The grant, we're hoping to submit on the 1st is phase one of the process which is a planning grant. So we're getting our partners lined up, community people –

Ms. Perreira: . . . (inaudible. Did not speak into the microphone) . . .

Ms. Popenuk: So just try and get a group of interested community individuals. That we have one person that they request is a fire . . . (inaudible) . . . person who – they are the not just the physical caretaker but the spiritual caretaker of the place. And the person who would make sure that the park happens, and that overtime that it's cared for and this sort of this die hard human guardian of this sacred place that we stick with the process. And we have the research

component as he mentioned earlier who heads up the research. We have the spiritual advisers who would be on the team as well. We have Maui Nui Botanical interested in making plans. We have a brilliant landscape architect, Bill Mitchell. And we have an architect who is interested, Katharine Popenuk. We have – Community Work Day is involved.

Ms. Wade: And a communication specialist.

Ms. Popenuk: Communication specialist. And then we have –

Mr. Walker: These are all requirements of the . . . (inaudible) . . . ?

Ms. Popenuk: They give a list of suggestive team members. They're interested. A huge focus of this grant and planning is that the community is intricately involved throughout the process. So, the way that we set it up in our design process will all be focused on that. But this is a park that's created by the community. And these people that are volunteers on this group of specialist or whatever individuals are . . . (inaudible) . . . and spiritual leaders, they're working on behalf of the community. So hopefully this grant goes in on September 1st, and then they announce the awards on December 15th. Then there's a second phase to the grant which is the actual implementation grant which is the money to actually make it happen. The submittal for that grant proposal, even though if you don't get the first one and we decide not to go to with this plan – although I hope you do – that is February –

Ms. Wade: They announce the –. They open the RFP in February and then it's due in June.

Ms. Popenuk: The deadline is June 2012 with the awardees announced later. So it's kind of spread out into the future. And what we're hoping is that this will dovetail in some way with the provision of extra parking and the construction of the parking structure far enough out into the future that some of these issues about not enough stalls in Wailuku town will be resolved or will have some kind of solution.

My feeling is that when somebody offers you free money to do a park that you should probably try and pursue that.

Mr. Walker: It's the other day, it's the balance of free money and what are the strings and the ongoing commitment and those costs I guess. Is that sort of what the –? I mean because we can go and get this grant and you could potentially never build a park.

Ms. Popenuk: That's correct.

Mr. Walker: Right?

Ms. Popenuk: Right. So we're planning for the best, then prepared for the worst.

Mr. Walker: Right.

Ms. Betts Basinger: Any other comments, members, questions you want to ask Katharine?

Mr. Suzuki: I have a question.

Ms. Betts Basinger: Yeah.

Mr. Suzuki: So Erin when you talked about, you know, MRA needing to give up any sort of, I guess, oversight or control over that. So you're saying that the park design couldn't even come before the MRA and we couldn't provide them with comments?

Ms. Wade: No. I mean, we can build that in as part of the public engagement process as well. I'm just – at the end and the determination of the final park design will be probably the teams that could set up as part of the TK grant. And then whatever they accept as the final design would be the design.

Mr. Suzuki: Okay. Next question. So the property right now is owned by the County?

Ms. Wade: Correct.

Mr. Suzuki: Who's parking in there right now?

Ms. Wade: It's open to the public. But it's not formally designated parking.

Mr. Suzuki: So when you say "open to the public," who parks there?

Ms. Wade: We know that the Lao Theater parks there. Some of Richard Dan's customers park there. There's a couple spaces designated for Police. If everyone behaves and parks really nicely, it's about 20 stalls.

Mr. Suzuki: So it's first come, first serve with no time limitation.

Ms. Wade: Correct. It's completely unmarked.

Mr. Suzuki: So the other question I have was, you know, in the agenda you talked about authorize the Chair and staff to submit.

Ms. Wade: Yeah.

Mr. Suzuki: So what sort of authorization needs to be given?

Ms. Wade: Essentially just to –

Ms. Popenuk: I guess because the MRA is one of the partners.

Ms. Wade: MRA would be one of the partners, and Parks Department has agreed to allow us

to pursue this based on the MRA's involvement.

Ms. Betts Basinger: Any questions members? I have a couple of questions, and I've broached this before. What exactly is the MRA's role? Because any development that happens in this area come before us. And I'm concerned about conflict as we had today with Morgan on that that came before us. If members of our body are on this team, you know, I have that concern number one. And I'm uncomfortable with the term MRA has to give up in full. Maybe you need to explain that a little bit better so –. And I think in terms of liability or all of the things that are suppose to happen in the bounded area. Because this project would normally come before us. It came before us before. The original park, mini park, design. And I think it's one of the things that testimony admonish, to have a fuller. If the emphasis of the funders is that this be a community engaged process. And I think the earlier or the written testimony says the same thing. I'm just nervous that it isn't. So I'm just going to –. I normally would say let's go ahead, you know. If I were in the private sector or still at a non-profit, I'd say let's apply for every grant we can. But this one brings with it areas of jurisdiction. Two of our members are already involved, and something I probably want to hear from Corp Counsel about.

Ms. Popenuk: Well first of all the team member/department, their purpose is not to repose the design upon the community. Our purpose is to facilitate the wishes of the community.

Ms. Betts Basinger: But you're asking the MRA to approve being a part of this team.

Ms. Popenuk: Well, that's another issue.

Ms. Betts Basinger: No, that's the issue that's before us.

Ms. Popenuk: I just wanted to clarify that. That's what the facilitator, the team members . . . (Inaudible. Multiple speakers) . . .

Ms. Betts Basinger: Yeah, I understand that.

Ms. Popenuk: That they're there to facilitate the wishes of the community.

Ms. Wade: I guess just to clarify, any non-profit could propose to apply for this grant also, like Community Work Day independently. Now that they're involved with this could say, do the same thing we did, go to the Parks Department and say we found this grant we want to facilitate the construction of this park and we're going to do this whole process. That would be up to any other non-profit. It's just nobody else sort of step forth to do it, so we thought we could do it.

Ms. Popenuk: And if it was a conflict of interest in any way . . . (inaudible). . . not be a part of that team.

Ms. Betts Basinger: Well, I think my question was –

Ms. Popenuk: And I think Bill would do the same. Like it's a – you know, I have no personal

interest. And whatever is appropriate, I'll comply with that.

Mr. Walker: So, would you be getting paid as a member?

Ms. Popenuk: No. No.

Mr. Walker: Right so that sort of removes her. Right. Okay.

Ms. Betts Basinger: It's more what are you – you're asking the MRA to collaborate with a greater group of folks, who none whom are here today, to support this. But I'm just looking for a good explanation of what that role would be and what the responsibility would be. Who does the \$50,000 go to? I mean, who's actually making the application for this grant? Who's liable? That's what I thought we would hear today. I was hoping to hear that today.

Ms. Popenuk: Well, the MRA one of the members of the team. So I'm guessing . . . (Inaudible. Multiple speakers.) . . .

Ms. Betts Basinger: So you're asking us to approve being members?

Ms. Popenuk: Yeah, if you would like to participate in that.

Ms. Wade: It recommends that you have an urban redevelopment specialist sit on the group. And at this point, your urban redevelopment specialist representative anybody from this board could be. I could be. But the grant itself goes, has to go to a non-profit. That's the other thing. So we do have to collaborate with a non-profit organization. At this point we were thinking that we would work with Tri-Isle RC&D because they have the – they use the umbrella structure – and we worked with them the last time. But mostly particularly for the liability purposes which they have coverage for, for the IRS, all of that is all ready to go so it's was the easiest collaborator. Although we did ask Maui Nui and Community Work Day if they wanted to be the lead. I think it's not within their mission. They felt like it was outside their mission.

Ms. Betts Basinger: And also with Tri-Isle, Tri-Isle is really just a pass thru administrator. They would be –. It would still fall on the MRA if no other non-profit has stepped up. Tri-Isle would be the fiscal agent for the MRA. What is the likelihood of getting one of the non-profit collaborators to step up?

Ms. Wade: Tri-Isle said yes.

Ms. Betts Basinger: To be a fiscal agent.

Ms. Wade: Yeah, Tri-Isle.

Ms. Popenuk: They're willing to do that.

Ms. Betts Basinger: I was at that meeting, but they're will to be the fiscal agent.

Ms. Wade: But we need to staff to project manage is what you're saying?

Ms. Betts Basinger: Yeah. Yeah.

Ms. Wade: Yeah, we didn't ask anybody to project manage.

Ms. Popenuk: No. And a part of this proposal is a budget which could go up to \$50,000. That's the maximum. That was probably – Erin's been working on the budget. That would be one of the budget items is somebody to carry on. It's not going to be me. It's not going to be you.

Ms. Betts Basinger: But it sounds like the work would be coming from MRA or MRA staff, and that's my concern.

Ms. Wade: I would say it will probably be like our relationship with Dave. You know, he's the lead. While I coordinate with him and I sort of feed him information I'm not running the project. You know, we would hire someone who would basically run the project. And it's two components. Who's going to hire who the design and public engagement, and who's going to do the research. So there would basically be two groups that are getting paid using that \$50,000, you know, to get the project done. And whatever information that they need – if they need base maps, if they need to know where water lines are – that's probably going to end up falling on me which would be the role of the redevelopment agency. But that's what I see our role being essentially.

Ms. Betts Basinger: Okay. Are there any fiscal responsibilities or other liabilities beyond 20 years of maintenance that would fall . . . (Inaudible. Multiple speakers.) . . .

Ms. Popenuk: 10 years.

Ms. Wade: Sorry, I mis-spoke.

Ms. Betts Basinger: Can the MRA expect any other responsibilities other than staff time, which we realize that is coming from Planning Department?

Ms. Popenuk: I don't think so. My involvement was simply to quickly –. Because that's one of my task is the pocket park.

Ms. Betts Basinger: Right.

Mr. Suzuki: Right.

Ms. Popenuk: So I felt I have time now to step forward and try to draft this proposal, this grant proposal. Once it goes through and it's funded, I'm probably going to be out of the picture really. I mean, it's going to get turned over to team members and whoever we hire or whoever the grant hires to run the project.

Ms. Betts Basinger: Well I am 100% for a park there and always have been. We need green space. Any other questions or concerns by any other members? And I'm going to call for the question.

Mr. Mitchell: Would it be better if the MRA is not involved other than just reviewing the park? Having another group or entity apply for the grant? Just with the knowledge of the MRA that somebody has applied for it.

Ms. Betts Basinger: Personally I feel more comfortable that way, but this is a body who's going to make a decision.

Mr. Mitchell: Sure.

Mr. Walker: And I would just say that it's a short fuse, right? It's the first? It has to be in by the first, so you have to find somebody. And there's no guarantee the MRA would get it.

Ms. Wade: Right.

Mr. Walker: But – anyway.

Ms. Wade: Well I did get the sense if we push Community Work Day they'll take it. I mean, it does, it is within – they are doing community gardens projects which are more of the vegetables, you know, and edible and things like that. But that can certainly be more into this, you know. I think the scope, we were headed more down the path of the meditative, social service providers evaluating, you know, it's stressful, you come to Wailuku to like pay your taxes or see an attorney or go to court, you know? It could be any number of stressful things and it would be a great place for solace. And that will still be the purpose but they'll probably build in some more of their mission into it.

Mr. Walker: And so part of the strings was the lack of control. But we would have more control than less control if we were the applicant.

Ms. Wade: For the applicant we have more control.

Mr. Walker: But it comes with some other thing.

Ms. Wade: Right.

Ms. Popenuk: We cannot be that.

Ms. Wade: Correct.

Mr. Walker: We can't be the applicant.

Mr. Suzuki: We're not a non-profit.

Mr. Walker: I see.

Ms. Betts Basinger: We're not a non-profit.

Ms. Popenuk: We're just working, doing this work, and the applicant is actually Tri-Isle at this point in time. So . . . (inaudible) . . .

Mr. Suzuki: So what is the action we need to take?

Ms. Betts Basinger: We need to – this body needs to, for them to move forward, needs to approve that the MRA will be collaborating with this community effort going forward in the form of getting Tri-Isle to be the fiscal agent. And we have three people that have been named already that will be working actively on this team, and so –

Mr. Suzuki: And authorize the application to be made.

Ms. Betts Basinger: Can you put forth a motion Katharine on –? Okay, and we can't take that action. It's not agendized.

Ms. Wade: Really? I thought we intentionally wrote it for action.

Mr. James Giroux: It is. You have to take public testimony.

Ms. Betts Basinger: To authorize. Okay. I hear you. I hear you. Discuss and consider whether to authorize the Chair and staff to submit a grant application for the open spaces, sacred places from the TKF Foundation. And we're evaluating whether the board would like to pursue this grant for the mini-park site.

Ms. Popenuk: The applicant is Tri-Isle. They're submitting the application.

Ms. Wade: Right.

Ms. Popenuk: So, MRA is?

Ms. Wade: MRA is taking responsibility for the park essentially. So we went to Parks Department and asked if we could be given responsibility for the park and work to apply for the grant. And what we would do if someone else applied is have Community Work Day or whomever else go to Parks and say the MRA is not going to do it but Community Work Day will do it.

Ms. Betts Basinger: So you – it's to authorize the Chair and staff to submit a grant application. I have to assume that's on behalf of the MRA.

Ms. Wade: The MRA doesn't qualify for the grant. We have to be a 501C3 to get the grant.

Ms. Betts Basinger: We have to authorize the Chair and staff to submit the grant application.

Mr. Walker: To assist.

Ms. Wade: Yeah.

Ms. Betts Basinger: You mean to assist us?

Ms. Wade: Right.

Ms. Betts Basinger: Can we change the agenda item to say assist with, rather than to submit?

Ms. Wade: Well the agenda text, I mean, is actually more – I don't think the agenda text is an issue at this time. I think the issue is who's applying. And it's really Tri-Isle with the support of the redevelopment agency if you authorize it.

Ms. Betts Basinger: Well, because this is an action item, I'm going to open it up for public testimony. Anyone wishing to comment will have three minutes. Thank you. Please state your name.

Ms. Perreira: Jocelyn Perreira. Wailuku Main Street Association, Tri-Isle Main Street Resource Center. I'm going ask you all to table this because this is the first time the public have any information what this is about, completely and totally. None of us were told about interest of people that wanted to participate. Furthermore, that particular park has been a project that our organization has worked with the County Council that was part of what went into the Wailuku Redevelopment Plan. Who said it's okay to change what the intention of that particular park was suppose to be in the first place? You have never had a discussion or an opportunity to discuss if we're okay with that because we are not. There has been community sentiment expressed in great detail relative to this particular passive park. This has not been something that has been brought up for the general public. Any of us, my board is going to be shocked when they find out how far this went along down the pipe without us getting simple comment questions answered. You can't even ask a question as to who is the partner. You know, we weren't even asked or made an inquiry about. It is our design that was used when the County had put monies forth for the passive park for the lao Theater that generated, that got the public restrooms and the police substation. That was all part of the master plan that the County had gotten during the Linda Lingle Administration. So this is something that has not seen the light of day, has not been transparent. We all have not had any opportunity to say word one about it. If we want to have a discussion, do we want to change what the intent was of the passive park in the plans that had been forth? Then that's fine. We can have discussion if we want to change something or not. But you haven't had that discussion. Furthermore, you know, this involves parking for the present time and the actions and the action of the MRA that they took when this issue came up relative to do we continue with the passive park that was designed by Russ Gushi and the partners that worked with all of us when we did the ground breaking with Mayor Kimo Apana which we were involved greatly because part of it was our design. None of this has been discussed with us, so I would have to say that I really believe my board would

object to the fact that none of this has been discussed. Who said that it's okay to change it into something else? We can have a discussion if we'd like to change a concept, but we are concerned and I'm concerned about the actions that the MRA did take to say that they were going to utilize the spot for parking until such time as the municipal parking structure was going to be built.

Ms. Betts Basinger: Can you conclude in a minute?

Ms. Perreira: Yes I can Madame Chair. Thank you for your indulgence. Like I say it puts us in a very, in a predicament. It's discourteous, disrespectful to not even be able to get simple comments and information on something that is placed as an agenda item that we know absolutely nothing about. This has gone so far off into left field without even an open discussion to hear word one from any of the other people involved in the community. It's not just Market Street merchants that are involved. It was the entire community that was brought together to get the County. We know because we led the efforts to get the County to buy that property in the first place. So you don't just go ahead and let people hand pick a team to do what they want personally that none of us have ever heard anything about. And that's the concern. Thank you very much.

Ms. Betts Basinger: Thank you Ms. Perreira. Members, any questions of the testifier?

Ms. Popenuk: I would just like to move on.

Ms. Betts Basinger: Questions.

Ms. Popenuk: Sorry.

Ms. Betts Basinger: Questions of the testifier? No? Members, I'm just going to refer you again to the other testimony we got on this issue, the written testimony. If you look at Ms. Sugimura's second paragraph she says – this is the third to the last sentence – she's talking about the municipal lot starting construction:

“But until that time I would recommend that if the MRA would like to resurrect the mini park between Iao and the Police Resource Center you do some homework on the best time to do this. Maybe waiting to after the muni lot gets built maybe a better time.”

Those are the two public testimonies that we've had the opportunity to hear. Discussion?

Ms. Popenuk: So what we're asking for today is we're asking to submit planning grants. That's all. We're not saying that it's going to have an amphitheater or a fountain or a play field or parked cars or anything. We're not saying who's going to be involved or that certain people will not be involved. All we're doing is initiating. This is the start of the process. There will be opportunities for anyone in the community to participate as much as they wish. And if that's the time we come to a decision that it should remain a parking lot, then that will be the task that we

follow depending on what the community tells us. So we're just asking can we start this? Can we go for this grant to get this process started?

Ms. Betts Basinger: Warren?

Mr. Suzuki: There's no commitments being made as to when the construction will commence?

Ms. Wade: Correct.

Mr. Suzuki: Not as part of this grant.

Ms. Wade: In fact we won't even have the opportunity to discuss that until a year from now.

Mr. Suzuki: They're just planning.

Ms. Wade: Yeah.

Ms. Betts Basinger: Comment Warren? Corp Counsel could you answer or kind of address the question I asked earlier about when projects come before this body which this one would have to, how do we respond seeing that it was initiated by this body, or by members of this body? I just – it's not jelling in my head.

Mr. Giroux: I mean, this is so conceptual that it's really hard to nail down, as far as legally, but as far as what I can see right now is that I guess technically the board is not really applying for this grant. But I guess it's going to be asked – what's being asked is that the board is going to be asked to put a little bit of back work into pushing the grant forward so that a non-profit would be readily available to receive it. And even that is on the hypothetical. And so that's – I mean, it's really difficult to address those issues in that vacuum. As far as what this project will have to do in order to get design review also is kind of hypothetical. I'm not, you know, as far as the planning, the nuts and bolts of that is, you know, my understanding is that there was a plan that actually came though. So I don't know how, you know, how that –. Because I –. First thing I don't have access to the grants. I really – I mean I haven't read it through. I haven't, you know, picked it apart so I can't comment on that. Second of all as far as the process where this would go through some kind of community vetting or whatever and then land here as far as permitting process, I think that's unclear right now. So that's really difficult, you know. And I understand the Chair's concern about who would we be an applicant, you know. Would we be an applicant for the project?

You know, and that's the difficulty I think of, you know, it is part of one of the tasks, I guess, is that, you know, we develop pocket parks. But, you know, we're trying to do this kind of work, and not using the framework of Chapter 53 puts us in this position. You know, if the County owns it and the MRA doesn't have that proprietary ownership of it, it just puts you in this position. Every time you're going to try to move forward somebody is going to pull a rug under you. And without the impetus of going to the County, going to the Council and saying we are the body who's suppose to be doing this. And if you're not, then this is what's going to happen.

Every time you go for money, they're going to take it away. Every time you move forward, they're going to take it away. So unless you get control of the property, this is what's going to happen. You know, this is not the Chapter 53 model. You either buy it, it's given to you or you condemn it, then you can start. Outside of that, this is what happens. Money is available, you move forward, it gets taken away. I'm sorry, you know, and that's the M.O. You know, that's why we've –

Ms. Betts Basinger: And that's why we have item number four coming up real quickly. Thank you. Thank you James. Members, I'm going to call for the question unless people have other questions, or comments or concerns. We've been asked – . . . (Inaudible. Did not speak into the microphone.) . . . in order for us to authorize their request.

Mr. Giroux: . . . (inaudible) . . .

Ms. Betts Basinger: Right. So is there a motion to be made that this body can act on? That has to start.

Ms. Popenuk: I move that the MRA authorize – what's the language?

Mr. Suzuki: Just to apply for the grant, right?

Ms. Popenuk: Well, to allow to grant application process to move forward.

Ms. Betts Basinger: Is there a second?

Mr. Suzuki: I'll second for discussion.

Ms. Betts Basinger: It's been moved and seconded. Discussion members.

Mr. Walker: It seems it's still unclear. We're not an applicant. We're being asked to participate. I mean, I think , the board members participating in any community activity they want, I guess, unless Corp Counsel says they can't. So I'm still not sure. Again, we're not the applicant. What are we authorizing? What are we really – we're authorizing the fact that we may have to get – not stuck with – are burden maybe the maintenance. Could we just – could you just work with Tri-Isle, get it done, and Tri-Isle comes back and asks if we want to be a member?

Ms. Wade: Yeah we could.

Mr. Walker: Be a member if they win the award.

Ms. Wade: Well that's it. I mean, to be honest we could have just done that with her being authorized to work on this as a task. She could have gone out and found collaborators and we could've talked to Parks, and she could have just moved forward with the grant application. But at this point we wanted to do the report. I mean, we're doing it. We were hoping to follow the process of reporting on the task like you've reported on your task, and like Warren has reported

on his task, follow up, put it on an agenda, get comments, and see if we should move forward. So I apologize if this wasn't the way that the group had expected that this would come forward, but we thought it was going to be okay.

Ms. Suzuki: I don't think it has anything to do with that. I guess the question that's coming up is, in my mind right now, is do we really need any authorization or whatsoever? Because if the applicant is Tri-Isle RC&D but we're participating as a team member. But the reality is we're putting the application together, but the applicant is still Tri-Isle RC&D. I don't see any authorization required. Just go forward and do it.

Ms. Wade: I guess I can think of one thing is for the budget. For budget dedication it does ask for your in kind appropriations that will be made in association with the grant. So any work that I would do, like my salary component, can be put on that.

Mr. Suzuki: As in kind?

Ms. Wade: And so can Katharine's time or anybody else's. You know, she's an architect, so she can put, she's going to be donating this amount of time to participate. That can be seen as in kind. And if we were doing that on behalf of the MRA then you should know that that's what we were doing.

Ms. Popenuk: So the fact that we went to Parks Department and got a commitment from them to allow us to do this privately with their property. Were we there as members of the MRA?

Ms. Wade: Yes.

Ms. Popenuk: So that involves everyone?

Ms. Wade: Yeah. So Parks basically authorized MRA to move forward with the working on the grant. You know, that is what we did, we worked on the grant. Although – I mean it remains, and will remain, Parks Department property. It's just that they made it very clear, you know, we're not going to maintain what you guys plan for. You have to come up with a program for that.

Ms. Popenuk: So it seems to me then that in fact saying that MRA would be one of their partners.

Ms. Wade: Right.

Ms. Popenuk: And so I guess we would be asking if the MRA wants to be a partner in this.

Ms. Wade: That's a good way to phrase it.

Ms. Popenuk: Yes or no.

Ms. Wade: Yeah.

Mr. Suzuki: So there's no action then. Just permission.

Ms. Wade: Consensus.

Ms. Betts Basinger: Well, what I'm hearing is that the Parks Department has agreed because they believe the MRA is the lead. Katharine, is what I heard you just said?

Ms. Wade: They didn't –

Ms. Betts Basinger: They thought you were there representing the MRA when you met with them.

Ms. Wade: And we were, yeah, and they did. I mean, they agreed with the concept of applying for the grant. It was not specified to them what the lead would be.

Ms. Betts Basinger: You know, members, just an administrative point of view. I realize this is Katharine's task as each of us has a task. But the idea of having us kind of serve as staff with a task also required on it that this body know what was happening with that task at all time. So I think one of the concern is this kind of after the fact request to the body that I shared with you when I first heard about this and asked that it be brought to the body at this meeting. That I didn't think it was right for it to just continue without the body knowing where you were taking that task, the mini park task. And I'm trying to find it, Erin, where it actually says –

Ms. Popenuk: Well, our problem was –. Our problem was that we couldn't get on the agenda from last time because the time was too short. We did pass out this memorandum at the last meeting, which was available to everyone in this room, at the last meeting. And this was the soonest it could come up on the agenda.

Ms. Betts Basinger: That's correct. That's correct.

Ms. Popenuk: And also, of course, the deadline is next week, on Thursday, so we did not have the luxury of time to bring this up in really a more graceful fashion that what we tried to do today.

Ms. Betts Basinger: No, I'm very grateful that when we met, you agreed to bring it forward and to send that memo. It's really important that we all know what's happening. And now I guess we're gathered here to make a decision on whether or not we authorized the continuation now that it's in public, or at least before us, of this effort. I still have some of the questions in my mind that I raised and that I asked Corp Counsel to elaborate on.

Ms. Popenuk: Your most – your biggest concern is that MRA project would come before MRA for a permit? Is that is?

Ms. Betts Basinger: It's not just that. The MRA has the mini park as a specified task and there's been a lot of work on accomplishing that task. So it's really – all of the tasks that we have are meant to further that task along. Not to change it or scrap it or make it something else. It's just we've all pitched in to help further all these tasks along. And my concern is whether it's a non-profit that we could all be members of or a community group is not really the issue. Is it furthering our task along – that's our jurisdiction. And if I could turn to the right page and guide everyone to the right page, I will – if you all have your plan –

Mr. Suzuki: Chair, I have a comment. And that's what kind of bothers me a little bit because when these tasks were first assigned I made a comment that my understanding is that the MRA is a body that issues are brought before us for review and our consideration for our approval. And that's the position I took and it was said, no, we need to each take on a task so we can further that task that needs to be done. And once we did that we stepped beyond, you know, what I saw to be the role of the MRA.

Ms. Betts Basinger: Well you're right and –

Mr. Suzuki: So we stepped beyond that. If you allow me to finish. And once you gave that task, you know, there's certain understanding that I think members that take on that task assume. So if we can't do that then let's just step back and let's just go back to where the body was, the MRA being a body that provides oversight that said yes or no to whatever comes before us and don't move. But it has to be one or the other. You know, we can't balance between the two.

Ms. Betts Basinger: I agree with you Warren that we should look at it again if it's not well understood. But the point was to point out the need for staff. It's – the MRA has the task to do all these things. We just don't have the staff to do it. So that's why I asked if this Commission and these members would step up for now until this body has staff to do it all, more than one-third of a person, to play the role of the staff. These are still MRA tasks that have to get done. It would be ideal if a staff was getting it done. And I was simply trying to speed up the complaints of the community that say we never get anything done.

Mr. Suzuki: But, you know, I've never been on a board or commission that has oversight responsibilities where members of the board or commission take on the task to facilitate.

Ms. Betts Basinger: That's correct. It's very unique and that's why I brought to the body, for the body could make that decision. I want to read the action chart land use. It's LU-2, develop the Vineyard side of the Iao Theater into an open air park and community gathering place. It was originally hoped that this task would be finished within two years, and this was in 2000. To be working together with Planning, Parks and Rec, and Finance Department, private partners, WMSA, and other private non-profits and merchants. So this has been an on-going task for 10 years. I'm going to apologize if playing a quasi staff role was misunderstood. I still think there's a lot to do to move this plan forward. I'm just not sure. And I think that – I love the idea of this park, but if it's someone else that's doing it and coming before us, and it gets public hearing, I think that would be the more the role of the MRA.

(Mr. Warren Suzuki leaves the Maui Redevelopment Agency meeting at approximately 4:02 p.m.)

Ms. Popenuk: I would just like to reiterate that what we're asking for is we're asking – I want to submit this grant, and it's only for planning. It's just a planning grant. What happens when the park gets built or, you know –. The next stage is to submit a grant for implementation funds. We may not even be involved.

Ms. Betts Basinger: Okay. I'm going –. I mean, we're running late in our meeting. I'm sorry Mark we didn't adjourn yet. It's been moved, it's been second. I'm going to call for the vote. All those in favor indicate by saying aye.

Ms. Popenuk: Aye.

Ms. Betts Basinger: All opposed, indicate by saying no. No.

Mr. Walker: No.

Ms. Betts Basinger: Motion failed. So, members?

It was moved by Ms. Katharine Popenuk, seconded by Mr. Warren Suzuki, then motion failed to move forward the grant application for the Open Spaces Sacred Places from the TKF Foundation.

Ms. Wade: It's technically a tie.

Ms. Betts Basinger: Did you abstain? And abstain is a no. Yeah, it's considered yes.

Ms. Wade: An abstain is a yes.

Mr. Giroux: An abstain is an affirmative. But you need three to take action, so there's no action.

Ms. Betts Basinger: Okay. So –

Mr. Walker: So I guess what I want to say is how do we, you know, because I know you worked hard on that.

Ms. Popenuk: Yes I have.

Mr. Walker: I know. And how do we –. You know, what a bummer, huh, on a waste of your time on something that, you know, you thought you had the go ahead on.

Ms. Popenuk: Yeah. And I'm already thinking of alternatives.

Mr. Walker: Okay.

Ms. Betts Basinger: And that's the good thing.

Mr. Walker: Alright.

Ms. Wade: So what. . . (inaudible) . . .

Mr. Giroux: . . . (inaudible) . . .

Ms. Wade: We will not be supporting the efforts. But Community Work Day could still pick it up and do it if they wanted to do it.

- 4. Creation of an investigative committee to evaluate and report on recommended changes to the Wailuku Redevelopment Area Zoning and Development Code, Wailuku Redevelopment Area Design Guidelines, and other Maui County Codes. The MRA will determine whether or not to form the committee, assign members to the committee and define the committee's scope of duties.**

Ms. Betts Basinger: And I think many of us support the idea of the park and would like to see this particular option move forward. Okay members, thank you. If we can hurry maybe we can get through item number four, creation of an investigative committee to evaluate and report on recommended changes to the Wailuku Redevelopment Area Zoning and Development Code, Wailuku Redevelopment Area Design Guidelines, and other Maui County Codes. The MRA will determine whether or not to form the committee, assign members to the committee, and define the committee's scope of duties.

I'd like to make a comment to the MRA on this which is as follows. Joe Alueta with the Planning Department and the MRA's former staff liaison described the Maui Redevelopment Agency as the Maui Planning Commission, the Urban Design Review Board, and the Board of Variances and Appeals all rolled up into one. And similar the County departments, the MRA has a very specific function with a defined list of mandated tasks. Like the Liquor Control Department, the MRA has the opportunity for being self sustaining through certain vested powers and authority. There are rules of practice and procedure and a laws for each of these entities. The MRA's rules of practice and procedure are found under Title 12, Department of Planning, Subtitle 7, Maui Development Agency, Chapter 701, Rules of Practice and Procedure for the Maui Redevelopment Agency for the County of Maui. These rules were constructed in 2002 immediately after the Wailuku Redevelopment Area Plan was passed by the Maui County Council and the MRA was charged with implementing the plan. It is vital that the authorities vested by law are translated into rules of practice and procedure in order to properly implement the duties of the MRA. These rules should be reviewed periodically to assure they are relevant to current and on-going agency business.

For example, revenues – TIF, grants, donations, parking fees, or other revenues to the MRA. What is the procedure for receiving and managing these funds? Another example, staffing requirements – what is the procedure for hiring and managing non-Planning Department

dedicated MRA staff? For example, scope of work, accountability, employment status, et cetera. These are two examples and earlier, in earlier discussion today, we heard others that came to us from one of our resource people and we've also just heard from our Counsel on how our hands are tied often times because there may be the authority but the function is not clear. Based on the above – let me go back.

Sub-chapter 8, Rules Making Procedures and Declaratory Rulings, at Section 12-701-67, defines the rule making procedures of the MRA. Sub-chapter 2, Organization and Parliamentary Rules, at 12-701-20 and 12-701-21, allows the MRA to appoint, standing or select committees, and the Chair to appoint committee chairpersons with the approval of the board. Based on the above, the Chair makes a motion to appoint a rules and procedures committee responsible for evaluating the current applicability of the MRA rules and procedures, and to suggest actions that may include the adoption, amendment or repeal of rules and procedures that assure the full function of the MRA. The committee will be bound by HRS Title 8, Public Proceedings and Records, Chapters 91-3 and 91-4, and with Chapter 92-2.5(b). Two or more members of a board, but less than the number of members which would constitute a quorum for the board may be assigned and all other applicable laws. Is there a second?

Mr. Walker: . . . (Inaudible) . . .

Ms. Betts Basinger: That's the motion. That was the motion.

Mr. Walker: Second.

Ms. Betts Basinger: It's been moved and seconded, and now the floor is open for discussion.

Mr. Mitchell: Investigative committee is a committee of two? Is that the way –? Okay. Do we know who the committee of two would be?

Ms. Betts Basinger: Not yet.

Mr. Mitchell: Okay.

Ms. Betts Basinger: What we wanted to do here was say yes we need to look at our rules. And I think actually the agenda item – I discussed our Maui County Code rules. But the agenda item also talks about looking at the Wailuku Redevelopment Area Zoning and Development Code as well as the Area Design Guidelines which had been mentioned earlier and some other Maui County Codes that I think we heard testimony from today from Mr. Horcajo. So today we're really just starting the process of is this an important thing for us to set up a committee?

Ms. Wade: Well, excuse me Madame Chair. It says that you will decide whether to form the committee, assign the members to the committee, and define the committee's scope of duties.

Ms. Betts Basinger: Yes. So if you need some –. Maybe I read through this too fast. The motion did include the scope – to appoint a rules and procedures committee that would be

responsible for evaluating the current applicability of the MRA Rules and Procedures, and to suggest action that may include the adoption, amendment or repeal of particular rules of procedures that would assure the full function of the MRA. The second part of the motion simply said that this committee would be bound by every single law that exists relative to that. And that came –. I do need to say because we're probably not going to get to our last report, we did meet with Pat Wong, Corp Counsel, and this specific question was asked about our rule. And it was his . . . (inaudible) . . . just to make sure that we do follow HRS 91-39 and anything we might want to discuss about, about this. Any other discussion?

Mr. Mitchell: Is it possible to agree to form –. Well, it's possible that we do need to invest, or have the investigative committee but with one member not being here then to table the issue of who gets assigned to it and the mechanics to it? Did that make sense?

Ms. Betts Basinger: You're asking me to separate the motion?

Mr. Mitchell: Yeah would that –? Yes, correct.

Mr. Walker: Well, we could assign him since he's not here.

Mr. Mitchell: Yeah that's it.

Ms. Betts Basinger: I don't have a problem. Is there more discussion about that? So I will amend the motion to simply agree to create the investigative committee and at our next meeting decide on who the members to be assigned would be.

Ms. Wade: Can I ask, is there additional information that you would like in advance of the next meeting when this is on the agenda to support the discussion on that item?

Mr. Mitchell: I think the last one, the committee scope of duties – what you have kind of detailed in there, but if we could have a written, kind of, ball point.

Ms. Betts Basinger: And I'm sorry.

Mr. Mitchell: That's okay.

Ms. Betts Basinger: I couldn't print more copies because I ran out of ink. But I will make copies of everything I said today and all of those things that I highlighted are things that you should have. They're all things that are in your packet. And you should also all have a copy of the Zoning and Development Code and the Redevelopment Area and Design Guidelines and any other Maui County Code which would be MC-12. And for informational purposes we're just agreeing to initiate the committee. The scope of that committee all be it within law may not end up investigating all of these. All in favor indicate by saying aye.

Agency Members: "Aye."

It was moved by Ms. Alexa Betts Basinger, seconded by Mr. Mark Walker, then unanimously

VOTED: to approve to form an investigative committee. Determination of the individuals and scope will be determined at another meeting.

(Assenting: Alexa Betts Basinger, Katharine Popenuk, William Mitchell, Mark Walker

Excused: Warren Suzuki)

F. REPORTS

3. Task Status Administration and Operations for period from July 15, 2011 to August 26, 2011 (A. Basinger/E. Wade)

Ms. Betts Basinger: It's unanimous. Thank you very much members and we will table to the next meeting task number F3 report. It will just get longer and longer. And before we leave, in re-reading the rules myself, we do need to set our agenda for the next meeting as a body before leaving. So I'm suggesting that A, B, C will still remain. Erin, do we have a public hearing?

Ms. Wade: We do not.

Ms. Betts Basinger: We do not. Thank you. On Maui Redevelopment Agency business, I would like to agendize further discussion regarding the tax incremental financing where we may be discussing – we'll be getting public comments, so we'll be discussing some, you know, more details that are coming out. Wailuku Municipal Parking Structure update from Morgan. Item number three which would be – I'm sorry – item number four which would be furthering the discussion of who the members would be on the investigative committee and the scope of that. And item number F, it would be the task reports. Would you be willing to give a task report on your work on the pocket park?

Ms. Popenuk: Yes.

Ms. Betts Basinger: Okay. And the rest of these. Does anyone else have an agenda item that they would like to have publicly heard at the next meeting?

Mr. Walker: Now when you ask for that, if I have a brain storm on my way home today –

Ms. Betts Basinger: Yes.

Mr. Walker: . . . (inaudible) . . .

G. NEXT MEETING DATE: September 16, 2011

H. ADJOURNMENT

Ms. Betts Basinger: Okay, and lastly members, just a note that the newest MRA newsletter is out for distribution. And with that at 4:20 p.m., the MRA meeting of August 26th, 2011 is adjourned.

There being no further business brought forward to the Agency, the meeting was adjourned at approximately 4:20 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
Secretary to Boards and Commissions I

RECORD OF ATTENDANCE

Members Present:

Alexa Betts Basinger, Chair
Katharine Popenuk, Vice-Chair
William Mitchell
Warren Suzuki
Mark Walker

Others:

Michele Chouteau McLean, Deputy Planning Director
Erin Wade, Small Town Planner
Carolyn Takayama-Corden, Secretary to Boards and Commissions II
James Giroux, Deputy Corporation Counsel

Dave Freudenberger, Goodwin Consulting Group
Morgan Gerdel, Parking Structure Coordinator