

LAND USE COMMITTEE

Council of the County of Maui

MINUTES

September 16, 2015

Council Chamber, 8th Floor

CONVENE: 1:32 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Robert Carroll, Chair
Councilmember Michael P. Victorino, Vice-Chair
Councilmember Gladys C. Baisa
Councilmember Don Couch (via telephone conference bridge, County
of Santa Clara Government Center in San Jose, California)
Councilmember Stacy Crivello
Councilmember Don S. Guzman

EXCUSED: VOTING MEMBERS:

Councilmember Elle Cochran

STAFF:

Scott Jensen, Legislative Analyst
Raynette Yap, Committee Secretary

Dawn Lono, Council Aide, Hana Council Office (via telephone conference bridge)
Denise Fernandez, Council Aide, Lanai Council Office (via telephone conference
bridge)
Ella Alcon, Council Aide, Molokai Council Office (via telephone conference
bridge)

ADMIN.:

William Spence, Planning Director, Department of Planning
Paul Fasi, Planner V, Department of Planning
Carol Reimann, Director, Department of Housing and Human Concerns
Clyde "Buddy" Almeida, Assistant Housing Administrator, Department of
Housing and Human Concerns
Michael Miyamoto, Deputy Director, Department of Environmental Management
Scott English, Lieutenant, Department of Fire and Public Safety
Robert Halvorson, Chief of Planning and Development, Department of Parks
and Recreation
Jeffrey Calibuso, Police Officer II, Department of Police
Rowena Dagdag-Andaya, Deputy Director, Department of Public Works
Herbert Chang, Engineering Program Manager, Department of Water Supply
Tammy Yeh, Civil Engineer VI, Department of Water Supply
Jeffrey Ueoka, Deputy Corporation Counsel, Department of the Corporation
Counsel

OTHERS:

Tasha Kama
Daniel Kanahele
Dave DeLeon

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Mike Moran, Kihei Community Association
Thomas Croly
Rose Gardener
Stan Franco
Adele Rugg, Kihei Community Association
Shellan Rodriguez, Pacific West Communities
Jordan Hart, Chris Hart & Partners, Inc.
Brett Davis, Chris Hart & Partners, Inc.
Jill Engledow
Mark Matsuda, Otomo Engineering Inc.
Plus (4) Others

PRESS: *Akaku Maui County Community Television, Inc.*
 Melissa Tanji, The Maui News

CHAIR CARROLL: ...*(gavel)*... The Land Use Committee meeting of September 16, 2013 [sic] is now, is called to order. First of all, may I request, if anybody has cell phones or anything else that makes noise, please turn them off or put them on the silent mode. I'm Councilmember Robert Carroll, Chair of the Land Use Committee. With us this afternoon, we have the Vice-Chair of the Committee, Mr. Victorino.

VICE-CHAIR VICTORINO: Aloha and good afternoon, Chair.

CHAIR CARROLL: Our Molokai representative, Ms. Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR CARROLL: Aloha. And our Upcountry representative, Ms. Gladys Baisa.

COUNCILMEMBER BAISA: Good afternoon, Chair.

CHAIR CARROLL: Good afternoon. Our other Members...oh, and excuse me. We're still not used to this yet. And we also have with us in California, Mr. Couch.

COUNCILMEMBER COUCH: Good afternoon. I thought you forgot me.

CHAIR CARROLL: Alright. And we'll try not to forget you over there. Alright. Department of Corporation Counsel representative, we have Jeffrey, Jeff Ueoka.

MR. UEOKA: Good afternoon, Chair.

CHAIR CARROLL: Our Executive Branch representatives, we have Carol Reimann, Director of Housing and Human Concerns.

MS. REIMANN: Aloha, Chair.

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CHAIR CARROLL: Will Spence, Planning Director, is, will be joining us. Paul Fasi, Planner, Department of Planning. Robert Halvorson, Chief of Planning and Development, Parks and Recreation. Mike Miyamoto, Deputy Director, Environmental Management. Officer, Police Officer, Jeffrey Calibuso...I always mispronounce the name. And our Fire Chief representative, Scott English. Rowena Dagdag-Andaya, Deputy Director of Public Works. And Director of Water Supply is on-call. The landowner's representatives, Shellan Rodriguez, Pacific West Communities; Vycky Gamble, Property Supervisor, EAH Oahu and Maui; Jon Pasion, Property Supervisor, EAH Oahu and Kauai; Kim Ervin, Regional Manager, EAH Hawaii Portfolio, Hawaii, Maui and Kauai; Brett Davis, Chris Hart & Partners, Incorporated. Jordan Hart, Chris Hart & Partners, Incorporated. Jill Engledow prepared the Cultural Impact Assessment Report. Stacy Otomo, PE, Otomo Engineering, Incorporated. And Mark Matsuda, PE, Otomo Engineering, Incorporated, Civil Engineer. Committee Staff, we have Raynette Yap, our Committee Secretary and Scott Jensen, our Legislative Attorney. This afternoon, we have one item on our agenda for consideration, LU-2(1), Affordable Housing Project (Chapter 201H, Hawaii Revised Statutes) (Kenolio Apartments Project) Kihei. We will now accept public testimony. For individuals who will be testifying in the Chamber, please sign up at the desk located in the 8th floor lobby just outside the Chamber door. If you'll be testifying from one of the remote site locations specified on the meeting agenda, please sign up with the District Office staff at that location. Testimony will be limited to items listed on the agenda today. Each testifier will be allowed three minutes to testify. When testifying, please state your name and the name of any organization you are representing. We have connection to the District Offices so residents from these sites can testify. The Chair will request that the staff there identify themselves. Hana Office? Hana Office, are you there?

. . . BEGIN PUBLIC TESTIMONY . . .

MS. LONO: Good afternoon, Chair. This is Dawn Lono at the Hana Office and there is no one waiting to testify.

CHAIR CARROLL: Thank you. Molokai Office?

MS. ALCON: Good afternoon, Chair. This is Ella Alcon on Molokai.

CHAIR CARROLL: And Lanai Office?

MS. FERNANDEZ: Good afternoon, Chair. This is Denise Fernandez on Lanai and there is no one waiting to testify.

CHAIR CARROLL: And our Santa Clara, California office, is there anybody waiting to testify?

COUNCILMEMBER COUCH: Surprising, Mr. Chair, surprisingly, there is no one here to testify.

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CHAIR CARROLL: Thank you. This rotation will continue throughout the public testimony.
Mr. Jensen?

MR. JENSEN: Mr. Chair, the first testifier signed up to testify is Tasha Kama. She'll be testifying as a representative of FACE.

MS. KAMA: Good afternoon, Honorable Chair Robert Carroll, and members of the Committee. FACE Maui would like to submit this testimony in support of your approval of the Kenolio Apartments Project as a means to meeting the housing shortage epidemic. The population in which they will be serving are those whose incomes would not normally allow them to rent a home. The project will help to alleviate homelessness and make units available for those who will or already are holding onto HUD Section 8 vouchers. This is one of the many answers to our prayers for safe, decent and affordable housing for our community. Thank you for the opportunity to testify.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier?

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR CARROLL: Yes?

COUNCILMEMBER COUCH: I couldn't hear her name.

CHAIR CARROLL: Yes, Mr. Couch, proceed.

COUNCILMEMBER COUCH: I could not hear her name.

VICE-CHAIR VICTORINO: He couldn't hear her name.

MS. KAMA: This is Tasha Kama --

COUNCILMEMBER COUCH: Okay.

MS. KAMA: --Councilmember Couch.

COUNCILMEMBER COUCH: Mahalo. Thank you.

MS. KAMA: Thank you.

CHAIR CARROLL: Anything further? If not, thank you very much.

MS. KAMA: Thank you.

CHAIR CARROLL: Mr. Jensen?

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MR. JENSEN: Mr. Chair, the next testifier is Daniel Kanahele. Following Mr. Kanahele, Dave DeLeon.

CHAIR CARROLL: Please announce your name clearly at the microphone, especially so Mr. Couch can hear over the remote.

MR. KANAHELE: Good afternoon, Chair Carroll and Councilmembers. I am Daniel Kanahele, South Maui resident, testifying as an individual. There are several great needs we have in South Maui. One of them is affordable housing, that's a no-brainer. And the other one is to have the North-South Collector Road completed. Our Kihei-Makena Community Plan states that adequate infrastructure should occur prior to or concurrent with development. When I attended a STIP meeting for the Hawaii Department of Transportation one of the questions was asked was, is our transportation infrastructure adequate? And many there felt it wasn't. And the representatives of HDOT said that development is outpacing our transportation needs. We have critical need for the North-South Collector Road to be completed because Piilani Highway and South Kihei Road are the only arteries in and out of Kihei and it's, I foresee the future when we're gonna have gridlock on those highways because of all the approved projects coming online, like Piilani Suites, downtown Kihei, the R&T Park, and the Kihei High School. So I hope this Council, this Committee will put a very high priority on completing that North-South Collector Road. And here's the conundrum, 'cause this project is a fast track 201H project. Part of the North-South Collector Road goes by the project so, you know, if development occurs along there and they don't help with the completion of the North-South Collector Road, who's going to do that, the taxpayers? So that's something to think about. The other concern I have is there is confluence with two gulches that pass through this project. One of them is Kulanihakoi. The other one is Kaonoulu, which they describe in their documents as a aole, aina aole, which is a no-name gulch. I call it Kaonoulu Gulch. Cowboys who work there call it Kaonoulu Gulch. These are natural features, cultural features, so it concerns me that there are plans to cover the gulch, to make it a culvert and cover it over. This is a highly sensitive area in terms of drainage. Kulanihakoi is a major drainage feature. You have to be super careful when you start tinkering around with the gulches there 'cause you have no idea what the consequences of that are going to be. The consequences of developing along Kihei Road was they developed in a wetland and so now we have flooding issues. Those flooding issues are not going to go away. Nothing is going to be done to correct it so please, please ask questions about this natural gulch. Does it have to be covered? Can we preserve it as is, as a natural, cultural feature? Thank you, Chair.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier?

MR. KANAHELE: Mahalo.

CHAIR CARROLL: Thank you. And Mr. Guzman has joined us before this and I forgot to recognize him.

COUNCILMEMBER GUZMAN: That's okay. Thank you, Chair.

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CHAIR CARROLL: Mr. Jensen?

MR. JENSEN: Mr. Chair, as mentioned, the next testifier will be Dave DeLeon. He's testifying as a representative of the REALTORS® Association of Maui, followed by Mike Moran.

MR. DELEON: Good afternoon and aloha. I'm Dave DeLeon, representing the REALTORS® Association of Maui. Thank you for this opportunity to speak in support of this project. RAM does not usually testify for or against any projects ordinarily but this is not an ordinary times and this is not an ordinary project. RAM has decided to support affordable-housing projects that will help us overcome our housing deficit. The Chinese have expressed the idea of crisis as two words, danger and--I forgot the other one--opportunity...almost had that. The danger in this crisis, presents, is our community will suffer the same kind of a housing catastrophe that Honolulu is working its way through. The danger is a generation of children who will grow up living under blue tarps. The danger is a societal collapse that comes when so many of our residents are disconnected from the regular society. The opportunity is to step away from business as usual and start looking for other ways to achieve our community's housing goals. The opportunity is to make the creation of housing that our residents can afford a top priority, a priority we're really serious about and we start down that road with approving this project today. What this project offers is exactly the type of housing that all of the studies and the pundits tell us we need, rentals for the bottom rung of the working class, the hotel maids, the bus drivers, the store clerks that our tourist economy depends on. Without them, we don't work as a community. Too many of these folks have to pay more than 50 percent of their income just for shelter. Too many of 'em are just one paycheck away from being under the blue tarps themselves. When I listen to the concerns of the neighboring property owners, I can commiserate, especially about the 20-year old promise for a Kihei bike path, I mean, geez, but one can understand that 184 units is going to impact traffic. One can understand that the desire to address long-term regional drainage issues. The standard way of addressing these impacts have been to make the developer pay for it and that'd be their way of getting their project approved. Maui County is littered with affordable-housing projects that were entitled but will never be built because the conditions attached to them were too onerous. If you want to have a fully, if you want to have a truly affordable housing then tradeoffs need to be happening. For instance, the developer is held responsible for meeting all the onsite requirements. The County takes responsibility for the offsite requirements. Having spoken to most of the Council about this general housing issue, RAM is confident that we share the same concerns and goals. We all know that the community is facing a crisis so let's recognize the danger for what it is and take advantage of the opportunities to do something about it. Mahalo.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier? Hearing none, thank you. Mr. Jensen?

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MR. JENSEN: Mr. Chair, the next testifier is Mike Moran on behalf of Kihei Community Association. He'll be followed by Thomas Croly.

MR. MORAN: Aloha, Chair Carroll and Committee. Mike Moran for the Kihei Community Association. While it seems like only yesterday...oh, wait, it was only yesterday, but some of you were not available. I'll again voice that KCA is in full support of affordable housing and especially the great need for affordable rentals, but following your words, Chair, "careful review of exemptions," let us not blindly go forth saying yes to this much needed affordable rentals while ignoring what has been too often neglected in the past, adequate infrastructure and negatively affecting our environment. Our four prime concerns. One, the North-South Collector Road. Across all of Kihei this has been a prime concern for decades and at this specific location we have been consistently advised by County officials that whenever this plot was developed, the road with greenway and bike path would be a required condition. Now we are told no greenway, no bike path, no road, just a driveway for residents of this project. This is completely unacceptable to our community. Further, we do not see Budget Chair Hokama okaying the County dollars to build this road in 2016. Second, we strongly object to the developer's plans concerning going underground with the tributary gulch diagonally crossing the property and also to fill and harden the edge of the Kulanihakoi Gulch at the southernmost boundary of this land. Three, traffic impacts. We, once again, hear this project will have no significant impact on traffic on the only roadway, Kaonoulu, which provides access for the residents with the proposed 500 additional motor vehicles or at the intersections to our only two North-South roadways, Piilani Highway and South Kihei Road. This makes no sense. Even if one did not look at the other projects in this vicinity, namely considering the huge expansion of the Maui Lu Project under construction now. And then there is the proposed megamall, high school right across the Piilani Highway. Fourth is flooding. It is generally accepted that when, with any rain locally or in Kula, presently first and worst flooding occurs at the intersection of Kaonoulu and South Kihei Road. We have doubts that the plans for the handling storm water onsite will really work and could easily exacerbate the flooding at this intersection, which then can devastate our coral reef environment. In addition, a point to examine can be seen right on this same street, Kenolio. If you're proceeding north on this road from this project site and you look on the makai site at Southpointe and a bit further north on the mauka side at the Kihei Villages to note the plethora of parked vehicles on the roadways, which greatly overflow the complex's parking lots and you can expect the same here. Will they line this one paved lane and overflow onto other streets in the area? We estimate 500 cars for 350 spaces before visitors appear. Again, please consider all aspects, not just the single great need for affordable rentals. Mahalo.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier? Seeing none, thank you.

MR. MORAN: Mahalo.

CHAIR CARROLL: Mr. Jensen?

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MR. JENSEN: Mr. Chair, Thomas Croly. Mr. Croly will be followed by Rose Gardener.

MR. CROLY: Aloha, Chair. Aloha, Committee. I addressed you at the site visit the other day and I appreciate the opportunity to address you again today. I'll be very brief because this Committee has a lot of work to do. You have to review a project that I'm very excited about. This project bringing affordable rentals to South Maui, nobody has to restate how important that is. These 201H projects, although they don't give you much time to review them, I've looked at the documents and I think that this is a very good project. It needs to be vetted from, by all the departments but I would just want to state that I'm in full support of it. I am concerned about the drainage issues and I've looked in further to that issue after I gave my testimony onsite and I realized that a lot of these drainage problems are being created above this project and above where the new high school will be. I think that some work is going to have to be done up there to help improve what's happening further down. I also came to the recognition and the understanding that the property at the bottom of Kaonoulu Road, I had always thought that that property was County land or State land. I find out it's privately owned. That's a solution that, to some of the drainage problems if the County could acquire that, but I don't think that we want to put that on the backs of creating affordable housing. So we don't want to condition this project on solving a problem that actually begins much further up the hill. So to some extent, I'm back peddling on the testimony I gave you the other day. But I appreciate you being here to vet this project and stand ready to help you in any way that I can because I think that this is a good project for Kihei, a good project for Maui, and a good project for the people who really need it, as Dave described. Thank you.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier? None? Thank you. We're going to take a brief recess while we reset our electronics. We stand in recess. . . .(gavel). . .

RECESS: 1:52 p.m.

RECONVENE: 1:54 p.m.

CHAIR CARROLL: . . .(gavel). . . Mr. Jensen?

MR. JENSEN: The next testifier is Rose Gardener. She'll be followed by Stan Franco.

MS. GARDENER: Good afternoon, everyone. Thank you for caring enough to be here. My name is Rose Gardener and I am the face of the people who need affordable housing. I am on Section 8, HUD, through no fault of my own. After having a career here in Maui for over half of my lifetime in Kihei, I was in a horrific accident, which led me to a position that put me on a whole other economic level. In the last, up until recently, I spent a full year in so-called homelessness. This was not an easy situation. It was illegal. I am not a criminal, although I was treated as such. I invite any of you to take the walk through the streets of Kihei in certain areas in the evening and you will see that there is a need for more than people getting--I didn't see any tarps but I saw some scary things, and I think considering how much money is being considered on prisons,

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et cetera, I think we can, which has happened, to be needed for decades, we can somehow fix our sewer system. I don't think anyone will disagree that that's a need, and we can figure out a way with all these other developments, for anyone who's been here decades, as I have, that all these other homes are going up, dandy. I now live in an affordable housing in Kahului. I have plenty of parking. I feel totally safe walking all hours of the night. The neighbors are wonderful, and there are certain images of the homeless or those who can't afford certain rents and the affordable housing is not that low. So normal people who are not doctors, lawyers and Indian chiefs, so to speak, I vouch for us all. I waited a year to get into this project and through some wonderful people, and I did submit a letter to Ms. Rodriguez, to these wonderful people, they helped me and through divine intervention. I thank you for your hearing me out and I'll answer any questions 'cause I am truly the face of those in need of affordable housing. Ta da.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier? Seeing none, thank you.

MS. GARDENER: Thank you.

CHAIR CARROLL: Mr. Jensen?

MR. JENSEN: The next testifier will be Stan Franco, testifying as a representative of FACE Maui. Mr. Franco will be followed by Adele Rugg.

MR. FRANCO: Good afternoon. Thank you, Chair and Councilmembers, for allowing me to speak. I've been an advocate for affordable housing for 30 years, close to 30 years. We need to turn the corner. It's not about drainage and traffic and everything else. It is, but it's about people, put people in housing. We have to do it. We all recognize it. We all agree about this. Now who we gonna trust to do the work? Now Jordan Hart and my kids played together when he was a kid. I know his parents. I know his family. I trust the family. I don't know Pacific West but I know Jordan. I know EAH, Kevin Carney. I know his reputation. I've talked to him. I've sat with him. I know his projects, Imi Ikena. I know his project at Kahului Town Terrace. The job is being done by them. It's excellent. So, you know, the concerns that I've heard at yesterday's meeting on the site about noise and everything else, I think we gotta trust some people to take care of these things. We have trustworthy people doing this. So I ask you to approve this affordable-housing project. Thirty years in the making, for me, to get something like this, I beg you to pass this project. Thank you.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier? Seeing none, thank you. Mr. Jensen?

MR. JENSEN: Mr. Chair, the last testifier signed up is Adele Rugg. She'll be testifying as a representative of Kihei Community Association.

MS. RUGG: Good afternoon and aloha. And, Councilmembers, just let me say how much I appreciate all that you do for the community. The public doesn't realize how hard you

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work, day, night, and weekend, for all of us, so thank you. I'm here to testify on this project. I am in support of affordable housing. My concern is, has been expressed by Mike Moran and Daniel Kanahele. I'm really concerned about the infrastructure. I'm concerned about the North-South Collector Road. I'm concerned about the number of cars. I'm concerned about the drain, the drainage in the area, which has been a nightmare. So I just ask you to look at these, revisit it, and listen to what the residents of the Kihei Community Association have expressed to you. Thank you.

CHAIR CARROLL: Thank you. Any clarification needed from the testifier?

MS. RUGG: Thank you.

CHAIR CARROLL: Thank you. Is there anyone in the Chamber, before I check with our remote sites that wishes to give public testimony? Seeing none, Mr. Couch, is anybody at your site that wishes to give public testimony?

COUNCILMEMBER COUCH: There is a line but it's not for this meeting, I guess.

CHAIR CARROLL: Thank you, Mr. Couch. Lanai, you have anyone waiting to give testimony?

MS. FERNANDEZ: There is no one waiting to testify on Lanai.

CHAIR CARROLL: Thank you. Molokai, is there anyone wishing to give testimony?

MS. ALCON: There is no one here on Molokai waiting to testify.

CHAIR CARROLL: Thank you. Hana, is there anyone waiting to give public testimony?

MS. LONO: The Hana Office has no one waiting to testify.

CHAIR CARROLL: Thank you. Seeing none at the satellite offices and no one in the Chamber, is there anybody, with no objections, we will close public testimony.

COUNCILMEMBERS: No objections.

CHAIR CARROLL: Public testimony is now closed.

COUNCILMEMBER COUCH: I'm still here.

CHAIR CARROLL: Yes, Mr. Couch? Public testimony is now closed. Thank you.

. . . END OF PUBLIC TESTIMONY . . .

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ITEM NO. 2(1): AFFORDABLE HOUSING PROJECTS (CHAPTER 201H, HAWAII REVISED STATUTES) (KENOLIO APARTMENTS PROJECT)

CHAIR CARROLL: Alright, Members, this morning we have before us LU-2(1). The Committee is in receipt of the following correspondence dated September 8, 2015, from the Director of Housing and Human Concerns, transmitting the following: an application for the development of the proposed Kenolio Apartments Project in Kihei, Maui, Hawaii, pursuant to Section 201H-38, Hawaii Revised Statutes. The proposed project would provide 184 multifamily rental units for individuals and families with an annual incomes not exceeding 60 percent of the County's median income and two onsite managing units, totaling 186 units on 8.274 acres, identified for real property tax purposes as tax key map [sic] (2) 3-9-001:157 and 158, bounded by Piilani Highway and Kaonoulu Streets and Kenolio, with the southern boundary in the vicinity of Kulanihakoi Gulch. Proposed resolutions to approve, approve with modifications, or disapprove the project. I'd like to first ask for comments from the Director of Housing and Human Concerns, Ms. Reimann.

MS. REIMANN: Thank you, Chair, members of the Committee. The Department supports this project as affordable housing is much needed on Maui. We'd like to point out and note that the developer is requesting to implement a fee-deferral loan, which the developer will explain in detail later today. Lastly, the developer is requesting to obtain 100 percent credit for the project, which our Department does not support, as it is not approved under Chapter 2.96, Maui County Code. The Code provides for 49 percent credits. However, it will be up to the Council's discretion whether or not to approve this request. Thank you.

CHAIR CARROLL: Thank you. Now Members, we will receive a brief PowerPoint presentation from Jordan Hart of Jordan [sic] Hart & Partners, Incorporated.

(PowerPoint Presentation)

MR. HART: Good afternoon, Chair and Members. My name is Jordan Hart of Chris Hart & Partners. I'm here with Shellan Rodriguez of the Pacific Companies to do a presentation for the project. As noted previously, this is a 100 percent affordable, for-rent project in Kihei. Pardon the delay. At this ...

MR. UEOKA: Chair, why don't you call a short recess? Short recess.

CHAIR CARROLL: You know I'm going to call a short recess while we work out the technology of this presentation. Recess. ...*(gavel)*...

RECESS: 2:03 p.m.

RECONVENE: 2:04 p.m.

CHAIR CARROLL: ...*(gavel)*... ...come to order. Mr. Hart?

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MR. HART: Thank you very much, Chair. At this time I'd like to introduce Shellan Rodriguez, who will provide some information about The Pacific Companies.

MS. RODRIGUEZ: Thank you. Good afternoon. Shellan Rodriguez, with The Pacific Companies, for the record. And, Mr. Chair, Councilmembers, I wanted to graciously thank you for having me today, Staff as well. We've been working very hard on this project and I'm ecstatic to be here to have this opportunity to not only introduce myself but introduce what I've been working on for over three years to try to bring high quality, safe and stable affordable housing to the County of Maui. So The Pacific Companies is an affordable-housing development firm. We've been in business since 1998 and we've completed more than 5,000 units across the western United States. This is our first...excuse me, 6,000 units at this point, but this is our first project in the County of Maui and our first project in the State of Hawaii. I will say that we have a high, high success rate. We own the project. We own the land that we're discussing today. We took that risk over three years ago to purchase that. We have, we specialize both in senior housing, workforce housing for families, market-rate housing and some mixed-use and mixed-income housing projects. We're working with EAH Housing, which is a nonprofit, affordable-housing property manager. They have over 400 or over 111 properties in California, also in Hawaii, of which 3 are here, 2 or 3 are here on the County of Maui. We've enjoyed our partnership with them to date and we feel like they will bring a lot of knowledge, local knowledge to the landscape that we're working in. I think that's it for now, next slide, thanks. So part of me thanking you is because the time that we've spent on the project to date and then even yesterday on-site, it's tremendous and I've done a lot of work throughout the western United States and very rarely do I get the opportunity to meet with neighbors and meet with Councilmembers on-site the way we did yesterday so I commend you for having that as part of your process. One, I heard many things, most of which I've heard today be reiterated. Obviously there's a huge concern over transportation and the North-South Collector Road. This is important to us too, you know, we have 186 families and residents who are going to be living here and we want them to have safe ways to access schools and services. One of the things that...but we also need to do that in a way that is feasible to the project. One of the things that Jordan and I were discussing, along with the Department of Public Works, is if there is a way to help alleviate some of the neighborhood concerns by increasing the roadway that we're proposing in front of our project to allow bike, bicycles and pedestrians, which would include a sharrow path that's used for vehicles and bicycles, as well as a bike, an on-grade bike path. We thought that was a good, kind of a good thing for us to do both for our residents and based on the neighbor's concerns. Secondly, there was some concerns about fire egress and safety. We've been through the process with talking to the Department. We didn't necessarily hear anything from the Department, the Fire Department, about their concerns but we're certainly welcoming Michael, Councilmember Victorino's suggestion of including an access, an emergency-only access to Kaonoulu Road, if needed. I think it's a good idea. We're happy to do that. Lot of concern about street parking, I understand. It's a big change to the community. We will do what we can to be good neighbors and I want folks to understand that as affordable-housing developers--it was mentioned earlier--we do this for a living. EAH

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does this for a living. We're good at it. We're good at managing our properties. We do it time in and time out. We're willing to install no parking signs, a handful of those around the community if that would be helpful. We can work with the KCA and other neighbors if there's particular places that need, you know, need more attention. Those are kind of some of the ideas that I have and I'm very open to any other ideas that are not cost prohibitive to the project. Lastly, noise, parking and safety. I sort of wrap those up into property management concerns, much like the parking. You know, there's a document of house rules that Imi Ikena Apartments have, as do the apartments that Rose mentioned that are referenced in the lease. So folks, when they move in, they sign onto not only the lease agreements but also the house rules that talk about things like quiet hours, trash, noise, parking management, in addition to the background checks that we go through with individuals and families. So there will be issues. It's not going to be perfect but this will be an asset to this community, not only to Kihei but to the County of Maui. And that's all I have for my slides.

MR. HART: Thank you very much. Again, this is Jordan Hart. I'm going to proceed with a discussion of the project in the context of the 201H application.

VICE-CHAIR VICTORINO: Jordan, talk a little louder 'cause --

MR. HART: Thank you.

VICE-CHAIR VICTORINO: --Don not going be able to hear you. Thank you.

MR. HART: Excuse me. So this slide is a aerial photograph of the Kihei area. You have Piilani Highway, which is on the eastern edge of the property site. You have Kaonoulu Street, which runs along the north side of the property line. You have the Kulanihakoi Gulch on the south side of the property and then the Kenolio Road or future North-South Collector Road on the west side of the property. Project site is circled in yellow. The TMKs that are involved are TMKs 157 and 158. The project site comprises 8.2 acres. It's located in Kihei. The State Land Use Designation is Urban. The Maui Island Plan designation is, it's within the Urban Growth Boundaries. The community plan designation is Business and, Business/Commercial and Multifamily. The zoning designations for the parcels are R-1 and A-1 and the project site is located within the Special Management Area, which means that we will be proceeding with an SMA Major Permit application following the 201H application process. Unfortunately these are photocopies of our presentation. The color is inadequate but we had a site visit yesterday. What you're looking at is two photographs of the site. This is a recap of the process that we've gone through in preparing an Environmental Assessment in preparation for coming before the Council with a 201H application. We began in March of 2014. We published our draft EA in August of 2014. We met with the KCA for the first time in September of 2014. The project was reviewed by the Urban Design Review Board. We received positive comments from the UDRB. We went back to the KCA Design Review Committee in November of 2014 and then there was a final meeting of neighbors within 500 feet of the project site as well as the KCA. Don Couch was at that meeting. It occurred at the Kihei Community Center, that was in November of 2014. In March of 2015 a finding of no significant impact was issued for

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the project by the Department of Housing and Human Concerns and in March of 2015 the final EA was, with FONSI, was published in the Office of Environmental Quality Control bulletin. As noted previously, the project is 100 percent affordable rental. There will be two unrestricted manager's units that consist of 12 residential units being or residential buildings being three stories in size. Sixty-three of the units will be one bedroom. At this time I think it's appropriate to talk about parking. There's been a concern about whether or not there will be adequate parking. The project does comply with County Code as far as providing two stalls per unit. There is a surplus of six additional visitor stalls but there are also 63 1-bedroom units. We feel that the combination of 63 1-bedrooms in addition to 6 guest stalls should accommodate the need for any excess parking. Other amenities on-site include swimming pool, community building with laundry, office space, fitness area, computer room and storage. There's a covered pavilion, barbeque grill, landscaped walkways. There's also going to be a community garden area and a formalized play area. There are 378 total stalls provided. This is a landscape plan of the project site. Community garden will be located up here in the southeast corner of the project site. There's also going to be a passive park area along the Kulanihakoi Gulch for the residents to enjoy. The play area and the pool are oriented around the central courtyard. The balconies of the residential units will be oriented towards the pool and play areas so that there can be supervision of those areas at all times. The community building will be located here in order to receive arrivals into the property. As discussed during our site visit, there's a potential for a fire access to be located here. This is the location of the future North-South Collector Road. The project proposes to back up, the standard requirement would be that a project develop one half of the North-South Collector Road. The project is requesting to be able to pave up to the south entrance of the project site and not go beyond that site. There will need to be some significant grading and a bridge constructed in order to go over Kulanihakoi Gulch and we've met with Public Works and discussed this proposal and we feel that they're comfortable with what we're discussing at this time. Another thing I would like to say is that the project is dedicating or donating to the County of Maui the roadway at no cost. There's a little bit of, there's been quite a bit of discussion about the lack of development of this small segment of one-half of the road, which would be the standard condition but I don't think that's it's acknowledged that the developer is contributing the entire length of the roadway, including the segment that goes across the gulch, which is a significant portion of land. I believe it's 1.9 acres of actual land. These are some elevations of the project site. They provide a character of what the development will be. This is a prospective rendering looking out over the play area and covered pavilion, barbeque area. This is looking north. This is a close up of the play area. Regarding drainage, there is a significant discussion of drainage as well. The project proposes to comply with County Code, which is to retain 100 percent of the increase from development on-site. The retention will be occurring in these pink-shaded areas. These will be grass-lined retention basins within the project site, surface retention. They'll contain a total of 14,273 cubic feet. So the project isn't proposing to do anything less than the standard for any project. As noted previously, the pavement of the North-South Collector Road will consist of approximately 485 linear feet. This will be an additional four feet long from what was discussed yesterday and the additional four feet will accommodate a proposed bike lane that will be on the makai edge of the two travel

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lanes that are proposed for this segment of the North-South Collector Road. Obviously for the full build out of the North-South Collector Road, there will be, need to be further development but this proposed action will allow for two travel lanes as well as a bike lane and then there will be share lane, sharrow markings in the lane. The mauka portion of the North-South Collector Road, which is proposed to be developed by the project, will comply with the current roadway profile that Public Works has for the North-South Collector Road and it will include curb, gutter and sidewalk. Regarding traffic, the project will generate 103 trips during the morning peak and 127 trips during the p.m. peak. Now this doesn't represent a significant impact to major intersections in the context of existing and future projects. This is an excerpt from the Traffic Impact Assessment Report for the project. Basically the points of interest for this table is this column all the way to the right. This represents the percentage of traffic at these various intersections that are actually going to be coming from this project. As you can see, the major intersections, this project is not going to provide a significant amount of traffic to them. The State Department of Transportation has a benchmark of three percent of contributed traffic to be included in the TIAR. Our project is, assessed these intersections regardless of that benchmark, but it should be noted. There are two intersections that will have a somewhat significant portion of the traffic coming from this project but as you'll see in further breakdowns, the effect on those traffic, those intersection performance is not significant. Ohukai Road is one of the areas that was studied in the project. The DOT completed an improvement of Ohukai recently. Those improvements were anticipated in our TIAR. Other regional improvements that are going to occur by much larger for-profit projects in the vicinity, a primary one is the intersection of Kaonoulu and the Piilani Highway. This is an excerpt from the draft EIS for the Piilani Promenade. This is the proposed configuration of the intersection that the Piilani Promenade is committing to installing and this would be immediately northeast of the project site. The project site will be located here. This will also be the future location of the Kihei-Upcountry Highway. So the Piilani Promenade is committing to improving this intersection and building the first leg of this highway. Obviously, intersection improvements of this scale are much larger than an affordable-housing project can accomplish. Other significant improvements in the immediate vicinity are the redevelopment of the Maui Lu. That includes full signalization of the intersection of Kaonoulu and South Kihei Road, as well as a roundabout at Alulike and Kaonoulu. So, again, project site, you have the Piilani Highway here, Kaonoulu here, Kenolio here, and Alulike here. So regarding the unsignalized intersections, these are the intersections that this project had, is contributing a significant amount of traffic to. These are the lane actions or the lane directions that you can take at these intersections. The only two lane groups that are affected are the northbound left for Kaonoulu Street at Kaonoulu and Kenolio, I apologize. In the a.m. and p.m. peak, that'll go from the top performance of A down to the second of B. The other lane action that will be affected is the southbound left at the same intersection. That will go from a B to a C. These are both completely acceptable levels of service and this is why the project TIAR does not recommend significant improvements as result of this project. That concludes the presentation for the project at this time.

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CHAIR CARROLL: Thank you. Members, we have a number of representatives over here and I'm going to start with the Department of Planning because Mr. Spence cannot stay. He has to leave us before 3:00. So I'd like to start with Mr. Spence and then we'll work down the list of the departments and, of course, the applicant will be here to answer any questions you have after we go through the departments or if questions to him come up through the questions you have for the departments. Mr. Spence, do you have any opening statement?

MR. SPENCE: Mr. Chairman, we are in support of this project. It is within the growth boundaries of the Maui Island Plan. It is also, it's close to jobs, it's close to shopping, schools, services. These are all very significant contributing factors to affordability, you know, so you don't have to spend your life in your car and you don't have to drive long distances for, you know, to go to the store, go to the school or just run errands. It's classified for Urban Growth, identified in the Maui Island Plan for that, and pretty much for those reasons, those are the primary reasons we support this.

CHAIR CARROLL: Mr. Fasi, do you have any opening statement?

MR. FASI: No. The only thing I would mention, again, is it does need a Special Management Area Permit. And just a cursory review of draft EA and FEA, there's nothing that jumps out at the Department as being too significant.

CHAIR CARROLL: Thank you. And although Mr. Spence has to leave, Mr. Fasi will be with us for the duration. Questions? The floor is now open for Mr. Spence.

MR. SPENCE: Seeing none...

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR CARROLL: Yes, Mr. Couch, your question?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Mr. Spence, looking at the application, it talks about that this project is in the SMA. Do you see any, what kind of things do you anticipate coming out at the Planning Commission that the Department might have concerns over?

CHAIR CARROLL: Mr. Spence?

MR. SPENCE: Thank you, Mr. Couch. Probably the primary things that'll come up during the SMA hearing before the Planning Commission will be what have already been raised with concerns that have been mentioned with testimony, the North-South Collector Road, you know, traffic issues and drainage. So --

COUNCILMEMBER COUCH: Okay.

MR. SPENCE: --I don't think those ...

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COUNCILMEMBER COUCH: And what kind of mitigating factors does the Planning Commission have the authority to impose?

MR. SPENCE: Yes. They have, the Planning Commission has authority to impose conditions. They are supposed to be related, those conditions are supposed to be related to Special Management Area issues, you know, drainage would be one of those, relation to the shoreline, you know, near-shore water quality protection, recreational opportunities, those kinds of things. Traffic not really so much except as it would be related to the shoreline. The, you know, and a lot of it's going to depend on the conditions that this Council, assuming it approves reso for a 201H project, some of it will, whatever those conditions are will affect what goes on at the Planning Commission.

COUNCILMEMBER COUCH: Okay. And realizing how, you know, the whole 45-day process, I know you guys, do you guys have that same deadline when you come to the SMA?

MR. SPENCE: No. There's a, I think it's a 120-day deadline after the application's deemed complete for public hearing. But that's State law and that's not hard to meet a deadline for. It'll go through processing, like we would any SMA Permit, but it will, we'll probably, you know, watch this a little bit more closely since it is an affordable project and, you know, whatever the, and we'll certainly pay attention to whatever the Council, what emphasis they place on it.

COUNCILMEMBER COUCH: Okay, 'cause, I appreciate that. Should this Committee pass this out, I'm guessing we would want to get that through SMA as well.

MR. SPENCE: Yes. And, like I said, we, we'll give it due emphasis.

COUNCILMEMBER COUCH: Thank you. Thank you, Chair.

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: Thank you.

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: Any further questions for Mr. Spence?

VICE-CHAIR VICTORINO: Yeah.

CHAIR CARROLL: Mr. Victorino?

VICE-CHAIR VICTORINO: Yeah, and, thank you. And I wanted to reiterate that yesterday we were told that, at the site visit, that the public has an opportunity to vent their concerns here and whatever changes and one more time at the SMA. Am I correct in that statement that was made at the site visit yesterday?

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MR. SPENCE: That's correct. The Special Management Area process is a public process. The application itself is public. All the documents related are public. People can come into the office and review those. There will be a public hearing conducted before the Maui Planning Commission that's advertised in the newspaper but it's also, people within 500 feet, living within 500 feet of the project site, are also sent notification via certified mail that there will be a public hearing.

VICE-CHAIR VICTORINO: Okay, so the public has not only here and whatever we do here, another opportunity at the Maui Planning Commission?

MR. SPENCE: That's correct.

VICE-CHAIR VICTORINO: Okay, thank you for, I just wanted to make sure that was clear. That's it. I'm sorry, Mr. Chair, I'm sorry.

CHAIR CARROLL: Thank you. Any further questions for Mr. Spence? Seeing none, thank you, Mr. Spence. We'd now like to hear from our Fire Department. Fire and Public Safety, could you please identify yourself at the microphone?

MR. ENGLISH: Good afternoon, Chair. Thank you for the opportunity to speak on the project. Right now, Fire, for myself, I did not have a chance to review the overall project. Because this project will not have any kind of subdivision application, the project will come in as a Building Permit on one property and at that time the Fire Department will require the minimum requirements of the Fire Code.

CHAIR CARROLL: Thank you. Members, the floor is open. Mr. Victorino?

VICE-CHAIR VICTORINO: Real quick question. And I know you haven't reviewed but one of the concerns the parties have, some of the neighboring parties had with this project, was there's two exits but both of them exit off to Kenolio Road and not anywhere else. So if there was a, if both these exits for some reason was blocked off, there was no other exit or entrance into the project area itself. So my suggestion was, another, like we do for other projects, an emergency only, like we've done many, many times, with a gate, so that the Fire Department or any other emergency services could come off of Kaonoulu Street and enter the property or people could exit the property if there was an emergency. Does the Fire Department think that's a good idea, 'cause, I mean, we've talked about this many times before?

MR. ENGLISH: Yes, the current adopted code requires once there's more than like 20 units in the area, require two ways in and out. Like I said, did not get a chance to look at the overall site plan. Like I said, the emergency egress out of, to some kind of adjoining road will be required if, to meet that requirement.

VICE-CHAIR VICTORINO: Okay. Thank you, Lieutenant English. Thank you, Chair.

CHAIR CARROLL: Any further questions for Fire? Seeing none, thank you. We'd now like to call down the Police Department. Please identify yourself at the microphone.

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MR. CALIBUSO: Good afternoon, Officer Jeffrey Calibuso with the Maui Police Department.

CHAIR CARROLL: Questions? The floor is now open. Any questions for Police?
Mr. Victorino?

VICE-CHAIR VICTORINO: Yeah, and, again, what I'd like to ask you, there's some concern, really, about parking, abandoned vehicles, you know, there's a stigma that anytime you have affordable rentals or affordable projects, public housing, this becomes a nightmare. And I should know, more than anybody else, 'cause I have a number of 'em right here in Wailuku and I think, you know, I want to thank you guys first and foremost, you guys do a fabulous job. When they report it in, you do your appropriate actions and many of these issues have been cleared up. And years ago we had many issues and we still have in Wailuku Town. But my question is, if we were to, first of all, that was suggested by the developer, make no parking accessible in front of both Kaonoulu and Kenolio, that neither one could have parking. If the County and the developer were to work on a plan to put no parking signs, do you think that would avoid all these abandoned vehicles that are generally parked on our public streets? Would that help at least?

MR. CALIBUSO: I believe so.

VICE-CHAIR VICTORINO: Okay. I mean, you know, again, there's no 100 percent guarantee answer to any of these questions but I believe that this is a challenge we face in all our communities so whatever we can do jointly as a private-public partnership, I think would be helpful. The other question I had for you, do you find that generally we have more challenges with noise when you have a concentration of apartments like this, this kind, these? 'Cause I know we have in Kahului, we have in Wailuku apartments, I don't hear a lot of complaints but that was one of the concerns that the neighbors had. Do you find a large or maybe larger than usual complaints about apartment buildings or areas where you have a lot of people kind of living within a same area?

MR. CALIBUSO: No, we don't.

VICE-CHAIR VICTORINO: No? Okay. I just wanted to hear that from the Police 'cause --

MR. CALIBUSO: Yeah.

VICE-CHAIR VICTORINO: --if anybody would know would be our Police Department, Mr. Chair. So, thank you, officer, and thank you, Chair.

CHAIR CARROLL: Any further questions for Police? Seeing none, thank you very much.

MR. CALIBUSO: Thank you.

CHAIR CARROLL: We'd now like to call on Environmental Management. Please identify yourself at the microphone.

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MR. MIYAMOTO: Thank you, Mr. Chair. Mike Miyamoto, the Deputy Director for the Department of Environmental Management.

CHAIR CARROLL: Questions, Members?

VICE-CHAIR VICTORINO: Mr. Chair, I would defer to maybe Mr. Couch. I think he had some questions, if you'd like to check with Mr. Couch first.

CHAIR CARROLL: Mr. Couch, did you have any questions?

COUNCILMEMBER COUCH: Yes, I do. Thank you, Mr. Victorino. Thank you, Mr. Chair.

CHAIR CARROLL: Yes. But if you have questions, Mr. Couch, talk really loud and we'll get to you.

COUNCILMEMBER COUCH: Mr. Miyamoto, there were concerns about, at least in the Environmental Assessment, some people had concerns of capacity at the Kihei Sewage Treatment Plant. Are you...or Wastewater Treatment Plant. Does this project meet your, or does this project cause any concerns for you on capacity?

CHAIR CARROLL: Mr. Miyamoto?

MR. MIYAMOTO: Mr. Chair? The current capacity of the treatment plant is, can handle this additional development in that area. The collection system will be evaluated as they develop, as they start their detailed design and we'll see if our system, we'll do our system analysis. And any off-site improvements they'll be required to fund the off-site improvements, but we're not seeing anything that'll be triggered at this point.

COUNCILMEMBER COUCH: And, I believe in either the application, I think it's in the application, the exemptions, it talks about that you're not requiring a Collection System Assessment Fee anymore?

CHAIR CARROLL: Mr. Miyamoto?

MR. MIYAMOTO: Yes. We currently are, that portion has been paid off, the loans that were incurred to improve the collection system so we still have the Treatment Facility Assessment Fees.

COUNCILMEMBER COUCH: So you're not collecting the assessment fees? So their, one of their exemption talks about exemption from the Wastewater Assessment Fee for facility expansion so that exemption isn't necessary if you're not collecting them anymore?

MR. MIYAMOTO: For the South Maui, we have two sets of fees that we collect. One for collection system and one for system processing, which is basically the sewage

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treatment plant expansion so we are not collecting the collection portion but we are still collecting the treatment portion.

COUNCILMEMBER COUCH: Okay, okay. And they are asking for a deferral. Well it's hard to say in the exemption whether they're asking for a deferral or a complete exemption from that Wastewater Assessment Fee for the facility expansion. If they are doing the deferral, if we . . .*(inaudible)*. . . that they're okay to do the referral [sic], are you guys okay with that?

MR. MIYAMOTO: If my memory recalls, the Code also allows for affordable housings to be somewhat exempt from our assessment fees. I'd have to confirm that with our, with, in the Code, whether or not they would be exempt because this is a affordable-housing project.

COUNCILMEMBER COUCH: Right, 201H. And you're okay with that, that exemption?

CHAIR CARROLL: Mr. Miyamoto?

MR. MIYAMOTO: I guess that's a difficult question 'cause anything that takes money away from our wastewater facility puts us in a further debt that we have to pay somewhere else.

COUNCILMEMBER COUCH: Okay. Alright, I think that's it for DEM on my, well, I'm sorry, I do have another question on solid waste portion. They're asking for an exemption from fees on the, I believe, on the construction debris, construction...I know I saw it in one of their requests for exemption. From the landfill construction fees, or Construction and Demolition Fees in the landfill. They were asking for that. I can't find it on my notes right here but to my understanding that's a private, construction and demolition debris has to go to a private landfill, it can't go into our landfill. Am I right?

CHAIR CARROLL: Mr. Miyamoto?

VICE-CHAIR VICTORINO: That's correct.

MR. MIYAMOTO: Yes, our current permit states that if there is a private construction and demolition landfill available, they need to go there first before coming to our landfill.

COUNCILMEMBER COUCH: So I guess and I'll have to ask the applicant because I...oh, here it...no, I can't find it anymore.

MR. UEOKA: Mr. Chair?

COUNCILMEMBER COUCH: I did see at one point where they did ask for an exemption from construction and demolition fees but we can't grant those at a private facility. Is that right?

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MR. UEOKA: Mr. Chair?

VICE-CHAIR VICTORINO: Ueoka. Chair?

CHAIR CARROLL: Yes, Corporation Counsel?

MR. UEOKA: Thank you. I believe it's item B.1., Mr. Couch, on the second page. Thank you.

COUNCILMEMBER COUCH: B.1.?

VICE-CHAIR VICTORINO: B.1., second page.

MR. UEOKA: B as in boy. Thank you.

CHAIR CARROLL: Mr. Couch?

COUNCILMEMBER COUCH: Okay. Oh, yeah, yeah, there it is. So the question I have is why is this exemption in there if we can't grant it?

CHAIR CARROLL: Mr. Miyamoto?

MR. MIYAMOTO: Councilmember Couch, given the limited capacity that was identified for the private C&D Landfill in Maalaea, their estimation is that they may be closing their doors sometime early 2016, so beyond early 2016, all, after that, all construction and demolition waste will be coming to the County's landfill and that's why we, in the 2016 Budget, we did put in fees and rates for construction/demolition waste.

COUNCILMEMBER COUCH: Okay. So this only is in effect if the private C&D Landfill is closed?

MR. MIYAMOTO: Yes. Yes.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR CARROLL: Thank you. Any further questions for Mr. Miyamoto? Mr. Victorino?

VICE-CHAIR VICTORINO: Yeah and thank you, Chair, and thank you for that clarification because I had heard, I had been told the same thing that the private landfill is looking, if they cannot find another site, that by February or March of 2016, they were looking to close. And this project would run right into that timeframe or, if not, later, at the rate it's going. So, Mr. Miyamoto, I guess these are unchartered waters because we'll be granting something that we've never granted before to any other 201H. Is that correct?

MR. MIYAMOTO: Yes.

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VICE-CHAIR VICTORINO: Okay. So, Mr. Chair, I think that would, that's another subject matter that I would like to discuss just a little bit more in detail because I think that's something that I'm very concerned with because, again, whatever we do now can carry forward in the future. So we need to look at that very carefully. Thank you, Chair.

CHAIR CARROLL: Any further questions right now for Mr. Miyamoto? He has another appointment that he has to go to too so we're gonna have to let him go for now. Anything further? If not, thank you very much. And when you finish, you might want to wander back over here. Alright, Parks, Parks and Recreation. If you could please identify yourself at the microphone?

MR. HALVORSON: Good afternoon, Chair, Committee Members. My name is Robert Halvorson. I'm the Chief of Planning Development with the Parks Department.

CHAIR CARROLL: Members, questions for Parks? Mr. Couch?

COUNCILMEMBER COUCH: Again, the question is, I guess, they want to, they want an exemption from 18.16.320, which is basically fees and they want to be able to pay them back based on the deferral agreement. Is the Parks Department okay with that?

MR. HALVORSON: Yes, they are.

COUNCILMEMBER COUCH: Okay. Do you know how much that might be?

MR. HALVORSON: As it states in the deferral agreement, it's a little over \$3 million.

COUNCILMEMBER COUCH: For Parks?

MR. HALVORSON: It's 184 units times 17,000 a unit, I think.

CHAIR CARROLL: Speak loudly so especially --

VICE-CHAIR VICTORINO: You gotta talk louder.

CHAIR CARROLL: --Mr. Couch can hear.

MR. HALVORSON: Did you catch that Mr. Couch or no?

COUNCILMEMBER COUCH: No, I didn't. I didn't quite hear that.

MR. HALVORSON: It's a little over \$3 million. There are 183 units, I think, that are...

COUNCILMEMBER COUCH: Right. So the big amount of fees is all Parks 'cause the whole thing was \$3.1 million that they're asking to pay back on a deferral and most of that is the Park's fees?

MR. HALVORSON: Yes.

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

CHAIR CARROLL: Thank you, Mr. Couch. Any further questions for Parks? Seeing none, thank you very much. Housing and Human Services, we'd like to call you back down. Except it's not Human Services, it's Concerns now. Please identify yourselves at the microphone.

MS. REIMANN: Aloha. My name is Carol Reimann, Director.

MR. ALMEIDA: Aloha, Chair. Buddy Almeida, Acting Administrator for the Housing Division.

CHAIR CARROLL: Alright, any questions?

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR CARROLL: Mr. Couch?

COUNCILMEMBER COUCH: Thank you. I do have a few. One of the things that they're asking for, well I'll just go down in order here. On the exemption list, A.2., it talks in the comment, it says this exemption will be conditioned upon a development agreement that commits the developer all but 2 units being available to residents at 60 percent of the area median income and below. Isn't that supposed to be 80, 'cause in the reso it talks about 80 percent?

MR. UEOKA: Mister...

CHAIR CARROLL: Corporation Counsel?

MR. UEOKA: Yeah, thank you, Mr. Chair. We put the 80 in there or, I should say, I put the 80 into the reso in the, as low-income residents. Just the way 2.96 reads, we have the very low income and the low income. Very low is below 50. Low income is defined as 50 to 80 percent and I believe 2.96 follows HUD. The applicant wanted 60 percent and we don't have a 60 percent category so we labeled it as low-income, so 50 to 80, but the applicant does want 60. Thank you.

COUNCILMEMBER COUCH: Oh, okay. As long as I have Mr. Ueoka on the microphone there, you know how we have all these exemptions, A.1., and then a comment and then A.2., then a comment, are the comments, if they're in this exhibit, do they become a legal, that's part of the legal document? Because, for instance, A.1. says an exemption from Section 2.80B. Well 2.80B is huge but the exemption is to permit the project without obtaining a Community Plan Amendment. That's only one small section of 2.80B. Which one has legal precedence or combined does that suffice to make it just the exemption for a Community Plan Amendment?

CHAIR CARROLL: Corporation Counsel?

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MR. UEOKA: Thank you, Chair. Mr. Couch, I would recommend, if you want it more specific, make it clearly more specific, don't rely on a comment, just make the statement clear in the A.1., make it more clear if you want a specific portion of 2.80B. Or I'm sorry, 2.80B, if you want it more specific, I would recommend making it more specific in the language, not relying on the comment. Thank you.

COUNCILMEMBER COUCH: Okay, so the comments are iffy then? 'Cause every one of these has a comment and I'm fine with the comments as long as you guys can defend them if somebody comes up and says well, no, it really means something else.

CHAIR CARROLL: Corporation Counsel?

MR. UEOKA: I guess I'm not commenting on the enforceability of the comments. What I am saying is if you want it a certain way, make the statement in the exemption. I just feel that would be cleaner and more enforceable. Thank you.

COUNCILMEMBER COUCH: Okay. Thank you, Chair. And that, again, I guess I have that concern all the way through, all these exemption requests with comments. So maybe we'll have to figure out how to word those.

CHAIR CARROLL: Thank you. Do you have anything further, Mr. Couch?

COUNCILMEMBER COUCH: Yes, I do. Ms. Reimann, they're asking for 100 percent affordable credits, well actually minus the two, it looks like minus the two managers' apartments. Does the Department support that? I couldn't quite hear what you had said in your opening remarks.

CHAIR CARROLL: Ms. Reimann?

MS. REIMANN: Thank you for the question. The Department does not support 100 percent.

COUNCILMEMBER COUCH: Okay. And this, I guess, will be a question for the applicant when they come up, Mr. Chair, but I too have a concern with that and will want to chat with them about that when they come up.

CHAIR CARROLL: Since we're having this discussion now, if there's no objection, I'd like to call the applicant forward.

COUNCILMEMBERS: No objections.

CHAIR CARROLL: Could the applicant please come forward? And identify yourself at the microphone.

MS. RODRIGUEZ: Thank you. I'm Shellan Rodriguez with The Pacific Companies, Pacific West Communities, for the record.

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COUNCILMEMBER COUCH: Okay, she's gonna have to speak up a lot louder 'cause I could barely hear her.

MS. RODRIGUEZ: Councilmember Couch, I will speak up as loud as, I will try to project --

COUNCILMEMBER COUCH: Thank you.

MS. RODRIGUEZ: --all the way to Santa Clara County.

COUNCILMEMBER COUCH: That's perfect. So the question I have is, typically, yeah, I understand that you're looking to use these affordable credits. Any project that is done is required to at least 20 percent or 25 percent affordable housing so normally we would give credit for 75 percent but the 100 percent is a little iffy, for me, anyway. I don't know how the other Members feel about it. What, if we went down to 138, which is, I believe, 75 percent, is that a deal breaker on this?

MS. RODRIGUEZ: Mr. Chair and Councilmember Couch, that's a very good question and I'm glad you brought it up because it's a complicated one in the sense of our overall financing but I will try to speak to it very simply. And first, Chapter 2.96, if I have it correctly, does allow for credits. What we are, the credits are not sold through the public realm so we have an idea of the amount of money that those credits can bring into our project as a permanent financing source. We're told, we don't know for certain, but we're told they'd bring in 80,000 to \$100,000 per credit. That money would be used to go back to this particular affordable-housing project. It is a source of equity for this project to help the financial feasibility of this particular project. This money that we intend to make by selling these Workforce Housing Credits does not go to future Pacific West projects on the mainland, it does not go to our developer fee, it does not go to our pockets, per se. Our caveat to this request is simply allow us 100 percent credits so that we can bring up to, estimating about 14 to \$15 million of equity from the private sector into our project.

COUNCILMEMBER COUCH: Okay.

MS. RODRIGUEZ: Without that equity, we have a substantial gap that would need to be filled by a source that is unknown and uncertain at this time. This 100 percent credit allowance allows this project to be financially feasible in a very specific timeframe that goes along with our other sources of public funds, including the State's low-income housing tax credits and hopefully additional County funds. I'm hoping that that helps answer your question but I'm here if that doesn't.

COUNCILMEMBER COUCH: That does help explain it quite a bit actually. The only concern I would have, and I don't know if the other Members have this, is that that extra 25 percent, which is, I believe, going to be 46 units, that's 46 units that we wouldn't get that somebody else who bought your credits. I know, this is complicated, but somebody else who's going to buy your credits now don't have 46, don't have to build the 46 units that, because you guys got that extra 46-unit credit. Does that make sense?

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MS. RODRIGUEZ: Mr. Chair and Councilmember Couch, I think I'm following that, and I think what you're, it's a tough decision that you have to make today. The reality is that we're proposing 186 units, excuse me, 184 units with the 2 managers' units.

COUNCILMEMBER COUCH: Right.

MS. RODRIGUEZ: There's very few of those projects on Maui County. There's none of those projects on Maui County and that's, there's a reason for that. It's cause of the very, very high cost of developing. Our rents are capped based on incomes of individuals. If our costs go up, we can't increase our rents and you can only decrease development costs so much. So it's a sources and uses issue and, you know, affordable housing is a lot of head banging so I don't want to get too far into the weeds here but I will say that it is a tough decision that you have to face today. It is a real decision that will bring 186 or 184 units to this site. Without the 100 percent credits, there will be an additional gap. We may be able to fill it with additional owner equity, additional public funds, additional tax credit equity; we may not.

COUNCILMEMBER COUCH: Okay. I would love to hear the other Members discuss this when we get down to deliberations. Thank you.

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: Corporation Counsel --

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: --wanted to comment.

VICE-CHAIR VICTORINO: Yeah, well, I'd like, some questions along that line but go ahead, let Corporation Counsel. But I do have some questions, please.

CHAIR CARROLL: After.

MR. UEOKA: Thank you, Chair. Just one quick clarification, 2.96.050, A.2., when talking about credits for 201H projects, it's actually, they're only supposed to get credits for 50 percent of the total number of units constructed and sold at affordable rates. I know it says "sold" but I'm pretty sure, as long as these are constructed and rented at affordable rates, that'll be okay with the Council, but it's supposed to be a 50 percent cap for 201H projects that are 100 percent affordable. And for those projects, I believe the discussion was when we were in Ms. Crivello's Committee was, if it's not 100 percent 201H project, no credits would be available. Just wanted that clarification for the record. Thank you.

CHAIR CARROLL: Does the Department...

COUNCILMEMBER COUCH: He brings up a good point, Mr. Chair.

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CHAIR CARROLL: Does Department have any comment on the discussion at hand? Okay, thank you. Mr. Victorino?

VICE-CHAIR VICTORINO: Thank you, Chair. And the only experience I have with something that would come close to what we're discussing today was Imi Kala, which was built here in Wailuku. And that was built about three years ago and we went through a whole, at that time the ordinance stated that, the same thing, and at that point, right, Mr. Almeida, I think you were a part of that process. And I know it became a real challenge at the end because in the last phases, water meter development fees changed, there was a whole gamut of changes that the County required and that we had to go back and get some affordable housing money to offset that. And we do have that also available, just for your information. So, Mr. Couch, we've had this happen to us. This is not something new and I'm not sold on the 100 percent either but I realize that there are unforeseen changes that can occur at a much later date when this project was almost completed.

COUNCILMEMBER COUCH: Yeah.

VICE-CHAIR VICTORINO: You know, so, again, when are we going to get off the horse and say, we need to get affordable rentals. We got that one done. They went through a whole gamut of challenges at the very end but we had to put money in from our Affordable Housing Fund. So are we going to do that here, Mr. Couch? Again, something to consider. I'm not trying to say I'm all in for 100 percent but I am saying that here's an opportunity for 184 units of affordable housing built in an area where it is so desperately needed. But that's my take, Mr. Couch and Members, and Mr. Chair. That's, you know, he was asking what we feel, that's my feeling. I'll let other Members express their feelings. Thank you, Chair.

CHAIR CARROLL: Thank you, Mr. Victorino. Any other Members have comment? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. I'm very interested in the discussion that's going on here and I realize that we're running into some questions that, you know, we have to make some decisions on. But for me, it's very simple. The goal for me is to get these units built. I cannot abide this housing crisis shortage. God knows we've heard it called something else today. I forgot what Ms. Tasha Kama called it but it was something...sorry?

MS. RODRIGUEZ: Epidemic.

COUNCILMEMBER BAISA: An epidemic. And, you know, the only way we're going to begin to solve this epidemic is by getting some medicine. And we need to get going here and I think that we can work to find some solutions so that we can come out of this with what we need, paying attention to the concerns of people in the area as well as to the needs of both parties. But, for me, the bottom line is let's do whatever we have to do and get this done. Thank you.

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CHAIR CARROLL: Thank you, Ms. Baisa. Anything further from Housing and Human Concerns? Mr. Couch, you have anything further? We're going hear from Public Works next.

COUNCILMEMBER COUCH: Yeah, at this point, no. Is she going to go away or is she going to be around?

CHAIR CARROLL: Yes.

COUNCILMEMBER BAISA: She's not going anywhere.

COUNCILMEMBER COUCH: Yes, what?

CHAIR CARROLL: They will not leave us.

VICE-CHAIR VICTORINO: She's going to be around.

COUNCILMEMBER COUCH: Okay, thank you.

CHAIR CARROLL: Alright. Any other further questions for now? Thank you, Ms. Reimann. We'll excuse you for now but could you please standby because I think we'll have some further questions? And now we can talk to Public Works.

COUNCILMEMBER COUCH: Oh goodie.

COUNCILMEMBER BAISA: Chair? Chair?

VICE-CHAIR VICTORINO: Maybe...Chair?

COUNCILMEMBER BAISA: Chair?

VICE-CHAIR VICTORINO: Maybe a break?

CHAIR CARROLL: You know what, excuse me, it's three o'clock. We're going to take a ten-minute recess. And, please, you know, we have people that have to leave early so let's really keep it at ten minutes.

VICE-CHAIR VICTORINO: Yeah, thank you.

CHAIR CARROLL: Alright, ten-minute recess. We will reconvene, by that clock, at 3:10. Mahalo. We stand in recess. . . .(gavel). . .

RECESS: 3:00 p.m.

RECONVENE: 3:11 p.m.

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CHAIR CARROLL: . . .(*gavel*). . . Land Use Committee meeting will come back to order. Can you please identify yourself at the microphone, Public Works?

MS. DAGDAG-ANDAYA: Thank you and good afternoon, Chair and members of the Land Use Committee. My name is Rowena Dagdag-Andaya with the Department of Public Works and I just have a couple of comments that I wanted to bring up from the Department of Public Works. And I mean just preliminarily, we are under a tsunami watch, so just for the folks out there who are watching tonight, the South Maui Budget meeting, I understand, has been cancelled so that folks can make preparations for a pending tsunami. And with that, I'd like provide comments from the Department of Public Works with respect to the Kenolio Apartments 201H Affordable Housing Project. The Department reviewed the project for traffic, drainage impacts, as well as requirements under the Maui County Code. Our office reviewed the draft EA and provided comments to the applicant's representative on September 3, 2014. After that letter, additional comments were provided to the applicant on December 5, 2014 and the applicant responded to all of our comments on February 9, 2015. The Department of Public Works engaged in several meetings with the applicant to discuss impacts as well as their proposed exemptions to their 201H request. With respect to drainage, post-development runoff from the project site is estimated to be 23.16 cfs with an increase of 15.57 cfs over existing conditions. In accordance with the County of Maui drainage rules, the project is required to provide mitigation for the net increase of 15.57 cfs. Based on our review of the existing conditions, the proposed project and the proposed mitigation measures for the project, the applicant meets the requirements under the County of Maui drainage rules. With respect to the unnamed gulch that traverses over the property, the Department reviewed the preliminary proposal to install a concrete box culvert from the existing outlet at Piilani Highway to connect to an existing 16-foot by 6-foot, 6-inch culvert on the site and we had no concerns with that. No exemptions have been requested relating to drainage and I'd also like to add that the project would be subject to our Countywide Storm Water Quality Rules. With respect to traffic, a Traffic Assessment Report was published on February 4, 2015 and it was included in the Final Environmental Assessment. Our Public Works Engineering Division, Traffic Section, worked with the traffic consultant, Phillip Rowell, in getting our questions answers regarding anticipated levels of service at study intersections. The study did take into account other known development projects within and adjacent to the study area that would impact traffic conditions at intersections in the surrounding area. The other projects that were taken into account were the Kaiwahine Village to the north, the Maui Lu Resort to the west and the Kihei High School to the southeast. The traffic consultant also provided a summary of recommended mitigation measures for the proposed Piilani Promenade Project on the mauka side of Piilani Highway. Based on the information from the Traffic Assessment Report, the level of service analysis of the unsignalized intersection of Kaonoulu Street at Kenolio Street, where we were yesterday, operate at LOC or level of service, I'm sorry, LOS, level of service C or better. When you have anything D, C, B or A, no mitigation is typically required. Improvements at other intersections along Kaonoulu Road from South Kihei Road to Piilani Highway have been made conditions of approval for other projects. So, for example, on South Kihei Road at Kaonoulu Road and Aluike Road at Kaonoulu Road, the Maui Lu Resort has been, was charged with several

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conditions to do traffic mitigation at those intersections. And then at Piilani Highway and Kaonoulu Road, the improvement at that intersection would be made by the developer of the project across the street, namely the Piilani Promenade Project. But just to recap, the unsignalized intersection of Kaonoulu and Kenolio, based on the numbers in the traffic study, would operate with the project at LOS C or better. So at this point, no mitigation would be required. Now with respect to improvements along the new North-South Collector Road, in a regular application, the applicant would be responsible for frontage improvements. So that would include curb, gutter, sidewalk and half of the pavement with, fronting the project area. The applicant did request an exemption to this requirement to only pave to the second entrance to the south. As mentioned earlier by Jordan and Shellan, the Department did meet with them and we talked about maybe having the applicant provide additional space for an at-grade bike lane in addition to their travel lanes, the curb, gutter, landscaping strip and sidewalk from Kaonoulu Street to their south project entrance. So we're actually asking them to do a little bit more than what they had proposed to do initially and we would hope that the Council would take that into consideration as well. Earlier this afternoon, Jordan had proposed a condition that would require the applicant to make improvements to their portion of the North-South Collector Road and then have their roadway lot dedicated to the County at no cost. The Department of Public Works is in support of that condition as it would allow us to move forward with the construction of the remaining portion of the North-South Collector Road in this area without having to engage in additional roadway acquisition 'cause with other projects in the past, developments have occurred and what would happen is we would need to engage in some kind of roadway acquisition, sometimes condemnation, with the adjacent landowners. We have an opportunity right here to work with the landowner so that they would make the improvements to the portions that they're committing to and then once those improvements are placed then they will turn it over to us. So we'd like, we'd support that. If you have any other questions, I'd be happy to answer them for you and will try to do my best in answering.

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: Mr. Guzman, followed by Mr. Victorino.

COUNCILMEMBER COUCH: I have some questions too, Mr. Chair.

CHAIR CARROLL: After Mr. Guzman.

COUNCILMEMBER COUCH: Sure.

COUNCILMEMBER GUZMAN: Thank you, Chair. I have a question on, was there any, I guess, negotiations in regards to the bicycle lanes being put forth or at least, or even having a separate lane for bicycle and pedestrian pathways?

MS. DAGDAG-ANDAYA: Chair? So when we look at the Code and what is typically required of a development, they would be responsible for their frontage improvements, which include curb, gutter, sidewalk and half of the pavement width. Our standards

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typically don't include a bike lane as part of the travelway; however, in, you know, recognizing the different needs of the community and seeing that we'd be moving forward with a, like a multiuse path along that portion of the North-South Collector Road. And knowing that, yeah, there's a lot of bike traffic that occurs there, we suggested to the applicant that they consider putting an at-grade bike lane. So initially, I think they had suggested curb, gutter, sidewalk and two 12-foot travel lanes to and from the project site and then afterwards we had, we talked to them and asked, you know, can you include an additional 6-foot, 6-feet on the pavement to include a bike lane, an at-grade bike lane. It wouldn't be a separated --

COUNCILMEMBER GUZMAN: Okay.

MS. DAGDAG-ANDAYA: --path but it would be something there that people could use as we develop the rest of the North-South Collector Road.

COUNCILMEMBER GUZMAN: So that...sorry, Chair. Just, that was just a suggestion or was it--oh, okay, I guess we can put something like that in the conditions if ...

COUNCILMEMBER COUCH: I'm sorry, Mr. Chair, I can't hear Mr. Guzman.

COUNCILMEMBER GUZMAN: I'm sorry.

CHAIR CARROLL: You gotta talk little bit louder in the microphone or he can't pick it up.

COUNCILMEMBER GUZMAN: Yeah, Mr. Couch, I just said that maybe we can put that in one of the conditions, too.

COUNCILMEMBER COUCH: Gotcha. Thank you.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR CARROLL: Okay, Mr. Victorino, followed by Mr. Couch.

VICE-CHAIR VICTORINO: Thank you. What I wanted to ask you was, that was part of my question and the other part of my question was, the aspect of putting no parking along Kenolio and making sure that we avoid this challenge, which some of the neighbors, as well as others, have brought up as far as, already it's going to be a very narrow road, if we put a bike lane and sidewalk and they do some of the improvements, they're only talking half the road. So do we need to do something special or can we put that in in our early stages of this project itself?

MS. DAGDAG-ANDAYA: Chair?

CHAIR CARROLL: Ms. Andaya?

MS. DAGDAG-ANDAYA: I think at this point, we can include that as part of the project. I would also want to consult with the Police Department to see if that's enforceable.

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Seeing that that portion of Kenolio Road would still be under the responsibility of the homeowner, or the apartment owner's association.

VICE-CHAIR VICTORINO: Well they mentioned that they wanted to dedicate it to the County of Maui at no cost so --

MS. DAGDAG-ANDAYA: That's correct.

VICE-CHAIR VICTORINO: --if that's the case, it would really fall back on us.

MS. DAGDAG-ANDAYA: Yes, that's correct, sir. And what, in the meantime, before the dedicate it to us, you know, they would still be maintaining that portion and then afterwards when they do come in for dedication, we would ...

VICE-CHAIR VICTORINO: So they could put a no-parking restriction if they still have care, custody --

MS. DAGDAG-ANDAYA: That's correct.

VICE-CHAIR VICTORINO: --and control, is that correct?

MS. DAGDAG-ANDAYA: Yes.

VICE-CHAIR VICTORINO: Okay, so in other words, no parking on Kenolio could be done by them and when we take over, we could maintain that no-parking restriction?

MS. DAGDAG-ANDAYA: That is correct.

VICE-CHAIR VICTORINO: Okay. And we're not supposed to have overnight parking in the first place but who's going to go into that discussion? The last thing I wanted to ask you on the drainage. Now this has become a concern because we've heard testifiers saying that we're going to, by putting in the underground drainage, it may cause more challenges as far as flooding. And the flooding is not from this area, it's far, far away up in the mountainside, we all know that. But this is one of the areas that are drastically affected every time we have heavy and major rainfall up in Kula and Ulupalakua and that area, right? So how do, you know, do you feel that this drainage system they're proposing, the underground drainage culvert, will be substantially enough to mitigate? Because now the water will not just slow down, it will kind of actually pick up speed going through the culvert and coming out on the other side, especially when we have heavy rains. So what is your take on it? And, again, the suggestion was, you know, maybe we need to do something up further, that's what Mr. Croly, I think, brought that issue up, but that would be for another conversation and another time and place. But what is your feeling on this particular improvements to this two gulches that run under the project and runs adjacent to the project on the, I guess, the north side, south side, north...south side, south side?

MS. DAGDAG-ANDAYA: Okay, Chair?

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CHAIR CARROLL: Ms. Andaya?

MS. DAGDAG-ANDAYA: And our drainage rules would, they typically require that the applicant or the developer provide mitigation for the net increase. So that's what the project has been able to do through a system of detention basins and underground work. So at this time, the Department doesn't have any further comments or any additional concerns with respect to that unnamed gulch and the, you know, the channelization of it. Perhaps the applicant would have additional information to provide but at this time, based on our review, the Department doesn't have any additional concerns. And then, you know, just to note, we also look at storm water quality, that's something that's been happening over the past, I wanna say, two, three years now. So as we develop that MS4 program that we have in place right now, you know, we, you know, we'll look into, you know, working with our applicants and seeing how they can improve storm water quality.

VICE-CHAIR VICTORINO: Okay and I guess we won't want to throw out all of the storm water mitigation on this project's back, you know, there's others that are coming up which are for profit and I would like to see more work done in that respect. But, Mr. Chair, I'll allow Mr. Couch to ask his questions. Thank you.

MS. DAGDAG-ANDAYA: Oh, Chair? And can I add just one more thing?

CHAIR CARROLL: Yes, Ms. Andaya?

MS. DAGDAG-ANDAYA: And just for your information and I know, I think I've mentioned this in several other meetings. We do have a South Maui Drainage Study that we've commissioned from one of our consultants and it's my understanding that the draft should be published pretty soon and then we'll go out for comment. So at that time, we'll, you know, we'll learn more about what other mitigation measures can be taken and whether or not additional projects can be brought forward in the future. So that's something that we're currently studying. But at this time, the applicant does meet the requirements for their drainage.

VICE-CHAIR VICTORINO: Thank you, Chair.

CHAIR CARROLL: Thank you, Mr. Victorino. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, gosh, I got a lot here for Ms. Dagdag. First of all, thinking outside the box on the North-South Collector Road, instead of having them do, you know, half of it and plus whatever we've been talking about, what if either we get them to do the whole thing and then we pay them for our portion or we do the whole thing up to where they want to go, just so we don't have, we don't have any issues with how we want it designed or anything? Can we put it in our budget to do it as we would like it all the way up to their second driveway or all the way to the end of their property where the bridge would start, and just get that portion done so we're not mismatched and having, you know, weird conditions over

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there, and just get it done in the first place? Is there any thought of doing that? 'Cause I know we get, we have to put in 20 percent if we're going to get Federal funds, we're going to have to do 20 percent so we can count that as part of our contribution can't we?

CHAIR CARROLL: Ms. Andaya?

MS. DAGDAG-ANDAYA: Chair? So if I, just to recap what Councilmember Couch had mentioned, so my understanding is you would like to propose or have us consider that they provide or that we do the improvements but they would make the contribution for the improvements? Is that what ...

COUNCILMEMBER COUCH: Either we do the improvements and they provide the contribution for their portion or they do 'em all and we pay them for our portion. They can probably do it cheaper. I don't know if they can do it cheaper than us. Whatever way is, have it go all at one time and then one party pay the other.

CHAIR CARROLL: Ms. Andaya?

MS. DAGDAG-ANDAYA: You know, I think, I mean, we're pretty comfortable at this point moving forward with what the applicant has proposed, where they would do half of the roadway improvements along with curb, gutter, sidewalk and the additional space for the bike lane.

COUNCILMEMBER COUCH: I understand that and I can empathize with that but as long as we're there, why not do the whole thing all the way up to wherever they had planned on stopping and each contribute? And I'd be willing to ask for it to be put in the budget but, you know, again, all the other Members have to agree with that but I thought that's just thinking outside the box so we don't have to deal with it in two separate thoughts.

MS. DAGDAG-ANDAYA: Uh-huh.

COUNCILMEMBER COUCH: That being said and that can be discussed further later, if we do the whole no-parking thing and then they turn it over to us, if we end up going with what's being initially discussed, once it gets turned over to us, doesn't anything that has no parking, doesn't that have to be in ordinance?

MS. DAGDAG-ANDAYA: Uh-huh.

COUNCILMEMBER COUCH: Don't we have to, you know, once we accept it, don't we have to create an ordinance to say no parking along Kenolio at this point?

CHAIR CARROLL: Ms. Andaya?

MS. DAGDAG-ANDAYA: With respect to the no parking, yes, you're correct, that would have to go before the Council one more time in the form of an ordinance and be codified.

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COUNCILMEMBER COUCH: Okay. Alright, so that's just something to consider if we're going to do that, that once we get it, we have to make an ordinance to allow no parking. I still think we should discuss us doing concurrent construction of the road for that portion anyway. But when we get to, let's talk to drainage a little bit. In their application, and I think it's part of their discussion of existing conditions and whatnot, they talk about, as mentioned, 6,000, 60,000 cubic feet of existing storage capacity is allotted for this project; however, the project will not utilize or rely on the previously constructed 600,000 [sic] cubic foot basin. Not sure which, that might be a typo. My big question is, why aren't, I mean, if you got allocated 600,000, 60,000 cubic feet, why not use that storage capacity? I guess that may be a question for the applicant but I think Ms. Dagdag might be able to help out.

CHAIR CARROLL: Ms. Andaya?

MS. DAGDAG-ANDAYA: Chair? I do want to defer that to the applicant. I think they would have more information on that 60,000 cubic feet of existing storage capacity. So I see Jordan Hart is ready for that answer, but I do want to reiterate again that they do have, our requirement under our drainage rules is for the applicant to comply in providing mitigation for the net increase of runoff. But if the Chair would allow, I would like to defer the rest of the response.

CHAIR CARROLL: Any objection to me calling the applicant forward?

COUNCILMEMBER COUCH: No objection.

CHAIR CARROLL: Please identify yourself at the microphone.

MR. HART: Mr. Chair, this is Jordan Hart of Chris Hart & Partners. The correct number is 60,000. That drainage is located within the Kulanihakoi Gulch. The proposal to not use that retention area resulted from a series of meetings that we had with the Kihei Community Association. We met with the KCA a total of three separate times.

COUNCILMEMBER COUCH: I'm sorry, Mr. Hart, I'm gonna have to ask you to speak up a little bit louder or slower.

MR. HART: We met with the KCA a total of three separate times. Initially we had been proposing to divert drainage into that retention area within Kulanihakoi Gulch but came to understand that the KCA is concerned about drainage issues, and so in order to increase the performance or the offering for this project, we proposed to retain 100 percent of the increase from development onsite and leave that 60,000 as a benefit to the community and not to be an obligation of the project or used by the project.

COUNCILMEMBER COUCH: Okay, perfect. Thank you very much. While you're there and either you or Ms. Andaya can answer the question. I, too, have concerns with the

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other gulch. Now first question is, has anybody seen water go through that gulch, in, at any time?

MR. HART: This is Jordan Hart. In our discussion with the KCA, the question arose of whether or not it was a wetland. In order to resolve that concern, the project conducted a wetlands assessment. The Army Corps of Engineers determined it is not a wetland. In the wetland assessment it was concluded that the drainageway runs approximately one time per year.

COUNCILMEMBER COUCH: Okay. So is there a possibility, if you're gonna, you know, put it underground and cover it and make it culvert'ized, is that my understanding, that it's going to be an underground drainageway?

MR. HART: Yeah, the proposal is to use that area for circulation and ...

COUNCILMEMBER COUCH: Is there a way to slow down the water, you know, putting baffles in there or something to make sure that the water doesn't have, you know, the speed that can cause problems, either at the beginning or the end, put a retention basin or put baffles in there? I'm not sure, I'm not an engineer, but is there a way to slow that down?

MR. HART: If I could, Chair, I'd like to call for the project's civil engineering consultant, Mark Matsuda, from Otomo Engineering to respond to that. Is that okay, Chair? Thank you.

CHAIR CARROLL: Proceed. Please identify yourself at the microphone.

MR. MATSUDA: Good afternoon, Mark Matsuda, Otomo Engineering. To answer your question, there are mitigative measures that could be done within a culvert. We have not analyzed that yet so we do not have any proposals for that but that is definitely something we can look at and could be incorporated to slow the flow within the culvert.

COUNCILMEMBER COUCH: Yeah, 'cause that's part of the problem is the speed of the water as well. I'm not sure that slowing it down will have a huge effect but it'll have some because you've got the main gulch that's going to be rip roaring through there. That would be the concern of covering it is the speed and the capacity but if Department of Public Works is okay with it, I still am a little concerned with the clarity of the water coming through and again if you only do it on the small gulch, it's not a big thing. I would love to have clear water coming down, stopping all that silt somewhere on the Kulanihakoi Gulch as it comes by your property. I know it's not on your property but the clearer the water you guys put into that, the better. That was just a comment, not really a question. Thank you, Chair.

CHAIR CARROLL: Do you have anything further, Mr. Couch?

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COUNCILMEMBER COUCH: As far as drainage, I don't think so. Let me see if any of the other Members, and then...have anything, and then I'll go through my notes some more.

CHAIR CARROLL: Thank you. Members, any questions about, from Public Works about anything to do with Public Works? Mr. Couch, nobody else has anything. Do you have anything?

COUNCILMEMBER COUCH: Yeah, one more. Exemption E, exemptions from Title 18, Maui County Code, Subdivisions. In the comment it talks about, permit the project without obtaining a Community Plan Amendment. Are we talking about zoning there instead of Community Plan Amendment or, because the exemption itself talks about, shall be granted to exempt the project from obtaining a Change in Zoning to enable subdivision approval? There seems to be a mixed message there.

CHAIR CARROLL: Ms. Andaya or ...

MS. DAGDAG-ANDAYA: I think I want to, Chair ...

CHAIR CARROLL: If the applicant could address the question?

MR. HART: This is Jordan Hart of Chris Hart & Partners. Regarding the Community Plan Amendment, it's my opinion that the community plan designations of Multi-Family and Commercial allow for Apartment designation; however, there is ongoing debate on the subject, specifically relating to the Piilani Promenade Project. In order to alleviate any sort of concern on the discrepancy of community plan compliance, we're directly requesting an exemption from Community Plan Amendment to construct the project as it's presented. From our position, this is just to bring clarity to the proposal and eliminate any sort of question like that in the future.

COUNCILMEMBER COUCH: Okay, but well what has that got to do with Section 18.04.030?

MR. HART: Well, there's a portion of the Subdivision Code that requires land use consistency and it ...

COUNCILMEMBER COUCH: Oh, I gotcha, alright, alright. I believe that is all for Public Works, other than all the road stuff but I think that's something that maybe we can talk about either, you know, in a negotiation kind of stance or I don't know. It totally depends on, obviously, all the Members or the majority of the Members, if they're interested in doing the North-South Collector Road up to the end of their property or where the bridge is supposed to start, and then either we pay for our portion or they pay for their portion, but one entity do it and get it done. I think that's something that needs to be discussed.

CHAIR CARROLL: Is, you wish any comment from Public Works? Any further comment?

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MS. DAGDAG-ANDAYA: Chair? Unless the Members had any questions regarding the other exemptions, the Department is generally in support of them. We had an exemption, Item C.3., Impact Fees for Traffic and Roadway Improvements in Kihei. I think for some other affordable housing projects, we've allowed that to, that exemption to pass through. So in that case, we're also supporting that. All the exemptions under Item E, exemptions from Title 18, Maui County Code Subdivision, we've gone through that where the applicant is requesting an exemption to provide for the traffic improvements from Kaonoulu Road up and to their south entrance. Typically we'd require the entire project length but they are requesting improvements to be made up until their, the second south entrance, so we've already stated that we would like for them to also include an additional pavement for, to facilitate a bike lane, on-grade. So with that, we would support the exemptions in Section E. We also find from 1 to 5. There's another exemption, number 7, E.7., an exemption from Section 18.20.140, Maui County Code, utility lines and facilities shall be granted to allow for existing above ground utility lines (electric, telephone, street lighting, cable television, and other utilities, if any) on or near the project site to remain above ground. All proposed new lines will be located underground. So the applicant is requesting an exemption from undergrounding the existing infrastructure. However, all new lines would be proposed for underground. So, generally, we, you know, we support, we're okay with that condition. And then finally, letter G, exemptions from Title 20, Maui County Code, Environmental Protection, an exemption from Section 20.08.090, Maui County Code, Grubbing and Grading Permit Fees shall be granted to exempt the project from payment of grading, grubbing and excavation permit fees, as well as inspection fees. With this, it would just be the exemption from any kind of fees. However, the applicant would still be required to come in for an application for grading, as well as, and permit, a grading permit and any inspections. They would still need to do the inspections. It's just that they won't, they wouldn't be subject to any fees. So with that, if there are any other questions?

CHAIR CARROLL: Thank you. Members, any questions from Public Works? Mr. Couch, you have anything further?

COUNCILMEMBER COUCH: Not, I'm a little bit concerned about the language for the Community Plan Amendment and the Change in Zoning. I want to make sure that they don't get tripped up with everything and I want to make sure that the language is right. And I still have some concerns about the comments and if Mr. Ueoka can chime in here. He had suggested that we actually put, if we agree to something in the comments, that we actually put it in the actual language and I'm willing to, or I would like to ask if he's willing to kind of fold the language, anything that we agreed to, can fold it into the wording to get rid of the comments itself?

CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: Yes, we are willing to work on that. Thank you.

COUNCILMEMBER COUCH: Okay, thank you. That would be my suggestion, Mr. Chair, is that we fold those comments into the actual language request for the exemptions.

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CHAIR CARROLL: Alright. Anything ...

COUNCILMEMBER COUCH: That make sense to you, Mr. Chair?

CHAIR CARROLL: Thank you, Mr. Couch. Anyone have anything else for Public Works? If nothing else for Public Works, thank you very much.

MS. DAGDAG-ANDAYA: Thank you.

CHAIR CARROLL: Perhaps you could stay around just for a little bit, just in case. Alright, Members, we've gone through all of the Departments that I have requested or that have been requested and we've had the discussions. Any comment ...

COUNCILMEMBER COUCH: Mr. Chair, did you have Water?

CHAIR CARROLL: Water was on-call. Nobody requested Water.

COUNCILMEMBER COUCH: Oh, okay. I'm sorry, I didn't hear that they were on-call.

CHAIR CARROLL: Yes, they were. At the beginning of the meeting I announced that Water would be on-call.

COUNCILMEMBER COUCH: Oh, okay, 'cause I do have questions.

CHAIR CARROLL: Water is over here if you want them? We have 'em on-call. They're here.

COUNCILMEMBER COUCH: Please.

CHAIR CARROLL: You have questions for Water? Mr. Couch, would you like, do you have questions for Water?

COUNCILMEMBER COUCH: I do, yes.

CHAIR CARROLL: Okay, if could come down please? And if you could please identify yourself at the microphone?

MR. CHANG: Good afternoon, Herb Chang from the Engineering Water Department.

MS. YEH: Tammy Yeh from the Water Department.

CHAIR CARROLL: Mr. Couch?

COUNCILMEMBER COUCH: Yes. The applicant is asking for exemption from Water Meter Fees but then they also come, turn around and say they want to do it through a deferral agreement. If we change the language so it is talking about the deferral

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agreement, are you guys okay with them deferring their payments for the Water Meter Fees?

CHAIR CARROLL: Water Department?

MR. CHANG: Chair? We're not familiar with the terms of the deferral. Generally, we do not waive the Water fee. I'm sorry, I can't answer that question, I don't have the terms of the deferral, like how many years or what, sorry.

COUNCILMEMBER COUCH: Mr. Chair, can you repeat what he said for me, please? I couldn't hear him.

CHAIR CARROLL: Yeah, you know when you speak, you have to speak really loudly and --

VICE-CHAIR VICTORINO: Really into the mic.

CHAIR CARROLL: --clearly into the microphone.

VICE-CHAIR VICTORINO: Right into the mic.

CHAIR CARROLL: Could you repeat yourself for Mr. Couch, please? And then we'll continue.

MR. CHANG: This is Herb Chang with the Engineering Division. Generally we do not waive Water fee, meter fees. And as far as the deferral, we're not at this time understanding the terms of the deferral, like how many years are we deferring, those details. Maybe if someone could explain to the Department then maybe we might be able to answer that question.

CHAIR CARROLL: Could you please identify yourself at the podium? The administration is coming forward. The applicant --

COUNCILMEMBER COUCH: Thank you.

CHAIR CARROLL: --is coming forward. Proceed.

MS. RODRIGUEZ: Mr. Chair, thank you. For the record, Shellan Rodriguez with The Pacific Companies, the owner-developer. The fee deferral agreement, at least a draft or a proposed agreement, is included within our list, as an attachment to the 201H exemption request. If I may, I'd like to give a little bit of background to maybe answer some questions in regards to the fee deferral because I do understand this is unique to what we're proposing. And so in the realm of affordable housing, it is very common in other places to do a fee deferral as opposed to a fee exemption. As a developer, we benefit because we can get low-income housing tax credits based on the cost of those fees. For example, this project has over \$3.5 million of impact fees. Actually, I just, \$3.75 million of impact fees with the wastewater calculation that our engineer just did. In the tax credit system, which is unrelated to the County, it's on a State level, but we

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get a percentage of that money as additional equity into our project. If those fees are exempted and therefore not a cost to the project, we get no additional equity. So having those fees deferred, as opposed to exempted, benefits our project with upfront equity. That costs the County nothing. As the County, if I were you--I'm not--if I were you, I would see this as an offering that although the entire 3.75 million may not and likely won't get paid back in whole, it will certainly get paid back in incremental values on an annual basis with no administration required from the County's perspective. So this is a, this is free money, for lack of better term, for the County, when in a 201H project, we have the ability to request an exemption and we are requesting deferrals instead. Because it is, we believe it is mutually beneficial to both the County to get some, if not all, of the impact fees back over time and for us to obtain some equity from the State in the cost of those impact fees. So the terms of the fee deferral would basically be a percentage of the cash flow of the project, so that's after we build the project, it's up and running, we're getting rents from individuals and families, we're paying their expenses, whatever that cash flow is, a percentage would go to pay back all of our loans. Of course, our first mortgage in addition to the impact fees that are deferred. So on an annual basis, when our equity investor, the big boss and capitals, the big banks that are investing into our project, when those guys are requiring annual audits, it will determine how much our cash flow is and what percentage of that goes to County housing funds, State housing trust funds, if we are so fortunate to get those awarded. Our permanent lender, of course, would be in first position, in addition to the County fee deferrals. So I think that we have a percentage outlined in the fee deferral agreement of 5 percent of that cash flow and that would occur over the term of the project's affordability, which is 65 years. Does that help or hurt? It's a lot of information.

CHAIR CARROLL: Mr. Couch?

COUNCILMEMBER COUCH: It actually helps and I support this deferral agreement. Yes, because a lot of 201H projects do ask for a complete waiver of the fees and you're asking for a deferral of the fees if you get, if you have a positive cash flow. And, of course, any money we get back is wonderful. So I support that. I'm just a little, I'm not sure that the language is the right way, I mean, 'cause you're asking for an exemption from the 14.34 and then say, well, we also want to actually defer it, not exempt it so.

MS. RODRIGUEZ: Mr. Chair, if I may respond?

CHAIR CARROLL: Yes, proceed.

MS. RODRIGUEZ: To add additional clarification, what we tried to do in these lists of exemptions were take the substantial fees, primarily Parks, which we heard, and also the Water fees, to make those as the deferrals, fee deferrals, along with metering, excuse me, water metering, wastewater, Parks are the biggest fees. Some of the smaller ones, the grubbing and grading, it's about on a \$1,000, \$1,200 fee for the entire project. It's just ...

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COUNCILMEMBER COUCH: Oh, yeah, yeah, that's not a big deal.

MS. RODRIGUEZ: It's just not a big deal to us. I mean, we thought it would be easier to just not include that in our, to maintain that as an exemption and not include it as a deferral. We're open to whatever. We want those big ones, the big-ticket items, we want to be able to get that equity and we want to be able, you know, to hopefully pay you back some of that.

COUNCILMEMBER COUCH: Right.

MS. RODRIGUEZ: So that may be the distinction between why some of them are exempt, requested exempted, and some of those are requested deferred.

COUNCILMEMBER COUCH: Thank you. Thank you for that explanation. And, Mr. Chair, I support the deferral agreement completely. It's a great idea and I commend the applicant for suggesting that, you know. Other 201Hs had outright exemptions on some of these fees so I really appreciate them suggesting that coming back.

CHAIR CARROLL: Thank you, Mr. Couch. Mr. Ueoka, you have comment?

MR. UEOKA: Thank you, Chair. Just for clarification, so I'll make clear, it's a deferral, it's not a waiver. Under 201H-38, we typically, it doesn't, we don't, or Corp. Counsel usually doesn't let it get through on the exemption list if they're asking for an outright waiver for the Water. Any, we typically, any fee related to Water, we just don't allow the outright...this is a deferral. The note attached to this fee deferral agreement talks about a 55-year time when the note comes due and it's a non-recourse loan, or note, so it basically means if at the end of 55 years, if there's nothing there, you can't go after the property or anything, just so you guys understand that. It's not a loan, there's no guarantee of repayment, this is a fee deferral agreement, they'll pay us if they can, if they can't pay us, they don't pay us, and there's nothing we can do. Their point of view is, of course, that you're getting something, whereas a straight up waiver, you get nothing.

VICE-CHAIR VICTORINO: Nothing.

MR. UEOKA: Well, I take that back. You're potentially getting something, whereas with a waiver, you will not get anything. Thank you, Chair.

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: Mr. Victorino?

VICE-CHAIR VICTORINO: Thank you...

COUNCILMEMBER COUCH: And, Mr. Chair, I understand that completely and I just want to make sure that the language, that the Corp. Counsel's okay with that language, especially, you know, just going with the, let's look at the water service. They're

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asking for an exemption from Section 14.07.050, Maui County Code. It says, water service shall be granted to allow the project to pay water meter fees out of the project's residual receipts as per the fee deferral agreement in Exhibit A [sic]. That's not really exemption from the Code, it's a deferral from the Code, the way I read it. But I, you know, I'm not a lawyer, Mr. Ueoka, if that wording is okay with you to say that yeah they'll pay it if they can, then I'm fine with it. I just want to make sure that the wording is right.

CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: Mr. Chair, we can modify the language. Thank you.

CHAIR CARROLL: Thank you.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR CARROLL: Thank you, Mr. Couch. Mr. Victorino?

VICE-CHAIR VICTORINO: Thank you. And, Mr. Couch, try wait your turn sometimes. You're not in the building right now. First of all, thank you for that clarification because that was very important because that was something I wanted noted, that this deferral doesn't guarantee any repayment. And that is what you've stated, Mr. Ueoka, correct? I want to make sure that's on the record.

CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: There's no guarantee of repayment. It will be in accordance with the terms of the agreement, which talk about the, when they will pay. Thank you.

VICE-CHAIR VICTORINO: Now, now my other question is, there's a number of other deferrals that they're asking for, Parks and sewer and all that, does this fall under the same realm? Now we've talked about deferrals and we haven't granted anything yet but there are other deferrals that we are discussing that are on the table. My question is, is this falling in the same realm as the water?

CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Mr. Victorino, the, all of the deferrals will be, I guess, under one note. You know like how you have your mortgage and your note for your house, with the note being subject to the fee deferral agreement and the fee deferral agreement goes over kind of the terms of the, when, if and when they can repay, how they will repay and it will be for the entire amount of all the deferrals.

VICE-CHAIR VICTORINO: So answering my question, if we do it this way for Water, that means all of 'em would fall the exact same way, we may not get anything in 55 years or whatever number of years put out, Mr. Ueoka?

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CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Yes, Mr. Victorino, it'll be under the same terms where you might not get anything, you could get something. Thank you.

VICE-CHAIR VICTORINO: Okay. Well that's better than exemptions where we get nothing. But, okay, thank you for that clarification and I think the public needs to understand how we working it at. And, Ms. Rodriguez, thank you for the explanation. At least we're better, at least I have a better understanding and I think most of the Members have. Thank you.

CHAIR CARROLL: Anyone else? Mr. Guzman?

COUNCILMEMBER CRIVELLO: I just want to ask mister...thank you.

CHAIR CARROLL: Ms. Crivello?

COUNCILMEMBER CRIVELLO: Yes, okay. Mr. Ueoka, does it, do the wordings for the agreement sort of, kind of define, when you say, may not be acceptable, or they may not, no guarantee about payment, does this, there's an agreement that has to be signed off on this? So, and are you able to include in the agreement that this deferral would have to have some guarantee of payment within maybe so many years? Can that be arranged?

CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. If you guys ask that, we could ask the developer if that could be worked in. I'm not, I can't answer whether or not they'll be acceptable to that but I can definitely write that in for you if you request that though, Ms. Crivello. Thank you.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR CARROLL: Ms. Baisa?

COUNCILMEMBER BAISA: Yes, on a slightly different subject, I want to back up, and that is on the 100 percent credits. I understand there's some information that they'd like to share with us and I was asking if we could have the applicant come up and explain. Mr. Hart?

CHAIR CARROLL: If there's no objection, I'll call the applicant before us, and then I will call on Mr. Guzman.

COUNCILMEMBER BAISA: It should be quick.

MS. RODRIGUEZ: For the record, it's Shellan Rodriguez again with the applicant. Thank you, Councilwoman, for offering me the opportunity to clarify. And in regards to the

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additional Workforce Housing Credits that we are requesting, I wanted to be very, very clear with you folks that the, unlike maybe others have done in the past, I'm not certain, the additional Workforce Housing Credits that we are requesting will be conditioned upon a development agreement that we will do with the Department of Housing and Human Concerns. And that development agreement will confirm that any additional workforce housing agreements will A, be used for this particular project's feasibility and if they are not used, they will either fund additional Maui County affordable-housing projects or not be sold at all, not be awarded to the developer at all. So, in order words, or said in a different way, the additional Workforce Housing Credits value will be, will go towards this particular project or will not be used at all for our benefit, will go directly to the County, if they're sold, can go to the County's funds or could just not be sold at all, if that makes sense. And that's the caveat that we are offering as we request 100 percent credits, 'cause we understand that is a unique request. We feel like this is a good protection for the County, given the amount of housing that we're proposing here. Does that help?

COUNCILMEMBER BAISA: Yes, that does. Thank you very much. I don't know if anybody else has a question.

CHAIR CARROLL: Mr. Guzman, did you have a question, or was your question answered?

COUNCILMEMBER GUZMAN: It's on the different subject matter but I'll defer at this time.

CHAIR CARROLL: The floor is open, you may ask any question you wish.

COUNCILMEMBER GUZMAN: I guess my question would be on the credits itself and the 100 percent on the...so what is the rationale on the developer's side?

MS. RODRIGUEZ: So ...

COUNCILMEMBER GUZMAN: I mean, for the, what I'm talking about, the agreement that you just spoke of.

MS. RODRIGUEZ: The development agreement?

COUNCILMEMBER GUZMAN: Right.

MS. RODRIGUEZ: That, I understand, is the standard agreement that any 201H project would have with the Department of Housing and Human Concerns outlining our requirement to serve the incomes that we're proposing to serve, which is under 60 percent AMI. It's just a, it's an agreement that basically says, yes, developer is actually going to serve this area median income ...

COUNCILMEMBER GUZMAN: No, no, no, no, I get that. But why would you, one of the terms that you had mentioned was that you would give back the --

MS. RODRIGUEZ: Yeah.

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COUNCILMEMBER GUZMAN: --a certain, I guess, whatever it was that you mentioned, to the County.

MS. RODRIGUEZ: Yeah, thank you.

COUNCILMEMBER GUZMAN: I kind of at a loss of words 'cause --

MS. RODRIGUEZ: Sure, I misunderstood.

COUNCILMEMBER GUZMAN: --I was thinking about a different question ...

MS. RODRIGUEZ: I misunderstood the question at first. Thank you. That honestly was just our way of trying to offer you a good way of saying yes to this ask of additional credits. You know, I want, Caleb Roope, our president of our organization wants to have a good relationship in this County, we want to be able to business here in the future. We believe in this project. We feel like additional Workforce Housing Credits will very much lead to the success of this project financially and if there's any way that we can help you say yes to this, it is by saying, this will not be padding our pockets, we'll not be selling these down the road in five years to, for us to buy a second home on Maui, I mean, right. This is simply to help this particular project. It's an equity source so that we don't have to ask for additional housing trust funds, we don't have to ask for additional County funds, you know. It is a way for us to get equity from the private sector versus the public sector. That is how we see it.

COUNCILMEMBER GUZMAN: Thank you, Chair. Can I...

CHAIR CARROLL: Members? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. You know, I'm like Ms. Baisa, I'd like to see us have affordable rentals of our local residents and I want to see...I support this project providing we're meeting all what we're able to accommodate. I can appreciate the creativity that comes with the developer. I think, often we lose sight of, in today's time, we often need that. In going to like a HSAC conference, we had people that were resource, on a panel and came up with all these kind of innovative, creative opportunities that we have where we can build affordable homes in partnership with developers and I think the way I hear it, this is an opportunity that, to me, balances it off. And I certainly hope that we can work things out, whatever the, whatever we have to dissect, to make it happen with whatever the deferrals are, credits, or what have you. I think this is a good project and, you know, tired already, hearing just the talk of affordable, affordable and when we have the opportunity, we get all, we frown and we have our doubts and what have you, but I'm sure if we can dissect it through, Mr. Chair, I'd like to see us support this with whatever modifications we have to do to be sure that we're doing our due diligence.

CHAIR CARROLL: Thank you, Ms. Crivello.

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COUNCILMEMBER COUCH: Mr. Chair?

CHAIR CARROLL: Yes, Mr. Couch?

COUNCILMEMBER COUCH: Thank you. And I'm glad Ms. Crivello said that 'cause that was my concern is, you know, we had this discussion in a general sense in her Committee and that's where we came up with the 50 percent so this goes against what that discussion is. But I agree with her and Ms. Baisa that this is, you know, the County has to step up and if this is the way that they can afford it and they worded it so it goes back into the project or goes into other affordable housing projects that they want to do on Maui, I think that's a commendable thing, and it goes against, like I said, what we discussed in her Committee initially but this is a very creative way and, to get financing for the project and get this done. So I have no concerns now after having discussed this with the applicant on the floor here. I'm fine with supporting it, the 100 percent credits because of what they're going to do with them, you know, coming back to another project that they can do. And we need affordable rentals, we've needed it, as Ms. Crivello said, we've been talking about it all the time and now when we have a project, it's one that I can get behind. So thank you, Ms. Crivello, for bringing that up.

VICE-CHAIR VICTORINO: Chair?

COUNCILMEMBER CRIVELLO: You're welcome, Mr. Couch.

CHAIR CARROLL: Thank you, Mr. Couch. Mr. Victorino?

VICE-CHAIR VICTORINO: And thank you, Ms. Crivello and Mr. Couch. And we've always talked about incentives so this may be the first true incentive we give affordable rentals, right, Ms. Crivello?

COUNCILMEMBER CRIVELLO: Yes, Mr. Victorino.

VICE-CHAIR VICTORINO: Thank you. I rest my case.

COUNCILMEMBER BAISA: Good job.

VICE-CHAIR VICTORINO: You know, I mean, we're going in circles but what we trying to...thank you.

CHAIR CARROLL: Thank you. That was very brief. Alright, Members, any further discussion? Anything...does Corporation Counsel, I see, I think he wants to make comment?

MR. UEOKA: Yeah, thank you, Chair. I don't think you guys have gotten an answer from the Water Department on the support of the deferral yet and I don't think the Water Department fully knows the extent of the deferral at this point because there's no subdivision so they don't have any idea of how many water meters they're actually

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asking the exemption for. So that might be a number you guys might want to consider regarding that deferral agreement. Thank you.

CHAIR CARROLL: Any further discussion, questions, for the Department or applicant? Mr. Guzman?

COUNCILMEMBER GUZMAN: Just a clarification, Chair, for either the Water Department or Corporation Counsel. You mentioned that in our previous 201H processes that we've had in the past, we haven't granted an exemption to the Water fees, is that correct?

CHAIR CARROLL: Mr. Ueoka?

MR. UEOKA: Thank you, Mr. Chair. Just for clarification, this is a deferral though.

COUNCILMEMBER GUZMAN: Yeah.

MR. UEOKA: We've never granted an exemption 'cause 201H-38 doesn't allow you, doesn't allow this body to give exemptions for certain matters and Water is, rates and fees established by the Water, Board of Water Supply and stuff, they're one of them. Thank you.

COUNCILMEMBER GUZMAN: As we're, I guess, describing it, or legally we're saying it's a deferral but yet there's no, I guess, assurity [*sic*] that it'll ever get paid. That's --

CHAIR CARROLL: Mr. Ueoka?

COUNCILMEMBER GUZMAN: --what we're saying.

MR. UEOKA: Thank you, Chair. Yes, we just allowed it through, sorry, 'cause there is that distinction where they are asking for a deferral as opposed to a straight waiver.

COUNCILMEMBER GUZMAN: Right.

MR. UEOKA: If it came in as a waiver, we would've bounced it off the exemption list. They worded it as a deferral and I felt it was okay for us to put a deferral in for the Council's consideration and we made sure the applicant made it clear to you folks about the terms of this deferral. Thank you, Chair.

COUNCILMEMBER GUZMAN: Chair? You know at this point, I kind of feel uncomfortable without having a solid response from the Water Department and their position. So I would like to have a written response or at least a response from the Water Department in regards to this deferral agreement.

MR. CHANG: Councilman...

CHAIR CARROLL: Water Department, do you have any comment?

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MR. CHANG: Councilman Guzman, I think we can provide a written response. At this point in time, I'm sorry, I can't provide a comment at this point but we can provide something written.

COUNCILMEMBER GUZMAN: Thank you, Chair. Thank you. Thank you, Department.

CHAIR CARROLL: Further discussion? Going once. Mr. Couch, it's hard because I can't see you. I'll ask you ...

COUNCILMEMBER COUCH: Other than the North-South Collector Road issue, I'm fine with that and I think that's something we can work on.

CHAIR CARROLL: Thank you. Alright, Members, we have choices here. We can, you can ask for the Chair's recommendation or we can do a deferral. It's --

VICE-CHAIR VICTORINO: Recommendation?

CHAIR CARROLL: --up to the Members over here.

COUNCILMEMBER BAISA: Recommendation?

CHAIR CARROLL: I'm sorry.

VICE-CHAIR VICTORINO: We'd like recommendation, Chair.

CHAIR CARROLL: The Chair will entertain a motion.

VICE-CHAIR VICTORINO: Chair, Chair?

CHAIR CARROLL: I'm sorry.

VICE-CHAIR VICTORINO: Corp. Counsel.

CHAIR CARROLL: Recess?

MR. UEOKA: Recess.

CHAIR CARROLL: Alright. Corporation Counsel has requested a recess, short recess, at call of the Chair. . . .*(gavel)*. . .

RECESS: 4:11 p.m.

RECONVENE: 4:13 p.m.

CHAIR CARROLL: . . .*(gavel)*. . . Alright, after conferring with Corporation Counsel, feels that we really need to go over there and make sure everything is in writing. Everything seems to be in order and we could do it at first reading; however, to make sure that we

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have addressed all of the concerns that the Members, including Mr. Couch, have brought up, it's recommended that we defer this until the 30th and bring it up at that time. If there's no objections --

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR CARROLL: --we will defer this

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR CARROLL: Yes, Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I appreciate your doing the deferral. It's unfortunate I will not be able to attend your next meeting unless we have a special meeting on like the 25th but I just want to say that if you can get the language before the 25th and get it posted, I would like to be able to see that and make, maybe make written comments on that if it's allowable under the Sunshine Law, because I will be out of the country for your next meeting. So I do support this project.

VICE-CHAIR VICTORINO: I won't be here . . . *(inaudible)* . . .

COUNCILMEMBER COUCH: I just would like to, and I want to thank the applicant for their creativeness on the deferral agreement and for the credit issue saying, keeping it within Maui County and keeping it within one of their projects. So I just want to give that information out and to request that we get those changes prior to the 25th or at least if I can make some written comments on that for the next meeting, that would be appreciated.

CHAIR CARROLL: The only thing I can really confirm is the 30th. Maybe we should look at the calendar and see if anything else is possible.

COUNCILMEMBER COUCH: Okay.

CHAIR CARROLL: Thank you.

COUNCILMEMBER COUCH: I realize we're under a time crunch so.

CHAIR CARROLL: If there's no objection then --

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: --we will defer this matter.

VICE-CHAIR VICTORINO: Well, I don't --

CHAIR CARROLL: Mr. Victorino?

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VICE-CHAIR VICTORINO: --mind deferring but I will be out of the country also on the 30th. But, wait, wait, you haven't heard the rest of the story, I will be here for the meeting so, I will not be back on the 25th. So despite Mr. Couch's wishes, sorry, Mr. Couch, it has to be the 30th or I'm not going to be a happy camper. Thank you.

CHAIR CARROLL: Mr. Couch, I am going to go with the 30th unless something happens to transpire between that time to change the decision, otherwise it's going to have to be the 30th.

COUNCILMEMBER COUCH: Yeah, no problem, as long as I can get the proposed changes and make some comment, that would be great.

CHAIR CARROLL: Thank you. Alright, again, no objection, we shall defer this matter.

COUNCILMEMBERS: No objections. (GB, DC, SC, DG, MV)

ACTION: DEFER pending further discussion.

CHAIR CARROLL: Thank you very much. This matter is now deferred. Thank you for attending today and thank you for the applicant and all of those that gave testimony. This Land Use Committee meeting stands adjourned. . . .(gavel). . .

ADJOURN: 4:16 p.m.

APPROVED:



ROBERT CARROLL, Chair
Land Use Committee

lu:min:150916:alp

Transcribed by: Annette L. Perkett

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CERTIFICATE

I, Annette L. Perkett, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 7th day of October, 2015, in Haiku, Hawaii.


Annette L. Perkett
Annette L. Perkett