

LAND USE COMMITTEE

Council of the County of Maui

MINUTES

September 30, 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 Stacy Crivello
Councilmember Don S. Guzman

EXCUSED: VOTING MEMBERS:

Councilmember Elle Cochran
Councilmember Don Couch

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
Carol Reimann, Director, Department of Housing and Human Concerns
Clyde "Buddy" Almeida, Assistant Housing Administrator, Department of Housing and Human Concerns
Rowena Dagdag-Andaya, Deputy Director, Department of Public Works
David Taylor, Director, Department of Water Supply.
Jeffrey Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS:

David DeLeon
Mike Moran, Kihei Community Association
Daniel Kanahele
Janice McCormick
Jordan Hart, Chris Hart & Partners, Inc.
Shellan Rodriguez, Pacific West Communities (via telephone conference bridge)
Rico Brazil, Pacific West Communities
Stacy Otomo, Otomo Engineering Inc.
Mark Matsuda, Otomo Engineering Inc.
Plus (4) Others

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

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

CHAIR CARROLL: . . .*(gavel)*. . . This Land Use Committee meeting of September 30, 2015 will come to order. First of all, may I please request if anybody has cell phones or anything else that makes noise, please disable it or put it on the silent mode. I am 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: Thank you, Chair.

CHAIR CARROLL: --and we have Councilmember Guzman --

COUNCILMEMBER GUZMAN: Good afternoon, Chair.

CHAIR CARROLL: --Councilmember Crivello --

COUNCILMEMBER CRIVELLO: Good afternoon, Chair.

CHAIR CARROLL: --and Councilmember Baisa.

COUNCILMEMBER BAISA: Good afternoon, Chair.

CHAIR CARROLL: Excused are, is Donald Couch and Elle Cochran are excused for this meeting today. Department of Corporation Counsel, we have Jeffrey Ueoka, Deputy Corporation Counsel.

MR. UEOKA: Good afternoon, Chair.

CHAIR CARROLL: For Executive Branch representatives, we have Carol Reimann, Director of Housing and Human Concerns, Buddy Almeida, Department of Housing and Human Concerns, Will Spence, our Planning Director, Paul Fasi, Planner, Department of Planning, Rowena Dagdag-Andaya, Deputy Director of Public Works, and we have our Water Department representative. For the applicant, we have on call, if necessary on the phone, Shellan Rodriguez, Pacific West Communications [*sic*], and we have Brett Davis, Chris Hart & Partners and Jordan Hart, Chris Hart and Partners, and some of their support staff. Our Staff, we have Raynette Yap, Committee Secretary, and Scott Jensen, our Legislative Analyst. Today, we have a single item on our agenda for consideration, LU-2(1), Affordable Housing Projects, Chapter 201H Hawaii Revised Statutes, Kenolio Apartments Project, Kihei. We will now accept public testimony. For public testimony, you have three minutes to speak. Please identify yourself at the microphone and anyone you might, or organization that you might represent. We also have our remote sites. We will check now. Hana, are you there?

MS. LONO: Good afternoon, Chair. This is Dawn Lono at the Hana Office.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

CHAIR CARROLL: Good afternoon. Molokai?

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

CHAIR CARROLL: Good afternoon. And Lanai?

MS. FERNANDEZ: Good afternoon, Chair. This is Denise Fernandez on Lanai.

CHAIR CARROLL: Good afternoon. Mr. Jensen?

. . . BEGIN PUBLIC TESTIMONY . . .

MR. JENSEN: Mr. Chair, we have three testifiers signed up currently in the Chamber. The first testifier is Dave DeLeon. He'll be testifying as a representative of the REALTORS® Association. He'll be followed by Mike Moran.

MR. DeLEON: Good afternoon, aloha. I'm Dave DeLeon representing the REALTORS® Association of Maui. Last year I attended a housing conference in Honolulu where a housing economist, Ricky Cassiday, explained the, this housing crisis we have in terms that even I could understand. Basically he says that as a community we no longer earn enough to be able to afford shelter, ordinary shelter. In other words, the average worker doesn't earn, well, let me find this, my testimony instead of winging it, the value of housing has outstripped the average worker's income. If it's not in some way subsidized, then the average worker will not be able to afford housing. Cassiday defined the average working-class resident that is earning 80 percent of the area median income. The project before you today is aimed at 60 percent area median income. Because the Kenolio Project is the first viable project to aim at this segment of the income ladder in Maui County in years, the Council is now faced with the question that we, as a community, have been evading for quite a while. What, to what extent does the housed community subsidize the new housing needs of our community? Traditionally, we have expected the developer, and by extension the residents of the new development to pay for any on-site improvements that are in anyway related to the project. Direct impact fees, water, schools, wastewater, parks—I'm going to have a chart attached to my testimony--are charged to projects in Kihei, come to about \$30,000 a year. If we add the cost of building out say the North-South Collector Road to Kulanihakoi, that number will escalate. And when that happens, we no longer have a viable project. This is not to minimize the importance of the concerns raised by the neighboring community but the existing paradigm in which the developer gets tagged with every conceivable offsite improvement simply won't work in projects aimed at housing hotel maids, shop clerks, and Section 8 recipients. We need a new paradigm, a new way of looking at the equation that will actually attract more of these projects. If the neighbors' concerns about extending the North-South collector are correct, then perhaps the County, meaning all of us, will have to provide the means to build it out. These developers are offering a way to pay their fair share of impact fees over time. That, too, may be part of a new paradigm but for now we need

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

a yes vote on the first step toward answering our housing dilemma. Failing to build houses for these residents will only be an option if you're okay with expanding our resident homeless population. Mahalo.

CHAIR CARROLL: Any clarification needed from the testifier? Seeing none --

MR. DeLEON: Thank you.

CHAIR CARROLL: --thank you. Mr. Jensen?

MR. JENSEN: Mr. Chair, the next testifier is Mike Moran. He'll be testifying on behalf of the Kihei Community Association, and will be followed by Daniel Kanahele.

MR. MORAN: Aloha, Chair Carroll and Committee. Mike Moran for the Kihei Community Association. As we had the unusual opportunity to already address you on this proposed project twice, is there anything else to say? Well, some claim I always have something to say but we keep receiving input reinforcing our position and while we encourage individual guys to come testify, most decline for a variety of reasons and ask the association to voice their concerns. For some, the term "testify" is intimidating. So just to summarize, we give full support for affordable rentals but we ask while not abandoning required infrastructure, primarily the North-South Collector Road and the environment. Please make sound decisions here for your constituents. Please do not rely on the volunteer planning commissioners down the road with their limited abilities. You have been chosen by the community to make the overall best decisions, taking everything into account. If you decide that this developer does not need to build this road segment, what comes next? Will taxpayers pay for it or will it just be ignored as all manner of development all around is built with no plans for infrastructure? Professionals and residents agree much of Kihei was developed with little or no planning. And while we cannot go back, is it not insanity to do the same thing over and over expecting a different result? Schools, commercial and residential development in Kihei, Wailea, and Makena march on but no new way to transport the users. No safe bikeways so they can't use bicycles and no new or expanding roads for motor vehicles. What is the plan? Mahalo.

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

MR. MORAN: Thank you.

CHAIR CARROLL: Mr. Jensen?

MR. JENSEN: Mr. Chair, the last testifier currently signed up to testify is Daniel Kanahele.

MR. KANAHELE: Hello, Chair Carroll and Committee Members. My name is Daniel Kanahele. I'm a resident of South Maui and I'm testifying as an individual. I do support affordable housing in Kihei, there's a great need for that, but I don't support this particular affordable housing project being exempt from contributing to essential infrastructure, which is the completion of the North-South Collector Road, a segment

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

of which runs adjacent to this property. Also, I don't support the culvertizing [*sic*] and covering of the, of a natural and cultural feature, Kaonoulu Gulch, part of which transverses this property. I walk that gulch. That gulch runs three miles inland and connects with Waiakoa Gulch. Waiakoa Gulch runs under Kula Road. If you pass Kula Elementary School heading south, the next big gulch is Waiakoa, so this gulch, Kaonoulu Gulch, and that's the name that cowboys I've talked to who work on Kaonoulu Ranch have called it and long-time residents of that area have called it, and it runs through the ahupuaa of Kaonoulu. So to me, it's Kaonoulu Gulch. It has a name, it's not a no-name gulch. So to me, it's culturally inappropriate to culvertize [*sic*] our gulch, and I think it would be important for the developers to speak to the representatives of the Aha Moku Council who are in the Kula area about their plans. And I refer to Tim Bailey, Basil Oshiro, and Vernon Kalanikau. These are members of the Aha Moku Council in that area, which comes under the Department of Land and Natural Resources and they advise that department. Building development without providing adequate infrastructure is like building a house of cards and it's going to come crashing down under its own weight because there's no infrastructure. So we need the transportation infrastructure for many reasons. We need a North-South Collector Road. We need to complete it for number one, safety reasons. Piilani and Kihei Road, especially from McDonalds going to the Kihei Pier is not safe for pedestrians and cyclists. I walked that segment of the Kihei Road when I did the torch march around Maui recently. It is very, very dangerous to walk along Kihei Road. We need a North-South Collector Road as a means of safely moving our families, our children, from north to south where they have safe areas where they can bike and walk. So primarily it's a safety reason and this impacts our whole community. And then there's an economic reason too because if you're stuck in traffic and it takes you longer to get to work, it's going to cost you money. And tourists who come to our resorts in Wailea, they don't want to be stuck on Piilani in traffic. You know, they come from that, they don't want more of that when they come here. So we need the North-South Collector Road completed, and if this project can help complete their share of it, I would support their project even more. Mahalo.

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

MR. JENSEN: Mr. Chair, a fourth testifier has signed up, Janice McCormick.

MS. McCORMICK: Good afternoon. I'm hoping I'm in the right place.

CHAIR CARROLL: Please pull the microphone down.

VICE-CHAIR VICTORINO: Can you put the mic...

CHAIR CARROLL: The microphone.

MS. McCORMICK: I've never done this before.

CHAIR CARROLL: You can pull it down.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

MS. McCORMICK: How's that, better?

CHAIR CARROLL: Yeah.

COUNCILMEMBER BAISA: A little bit more is okay.

MS. McCORMICK: Okay. So I want to talk about affordable rental housing. Is this the time and the place?

COUNCILMEMBER BAISA: Yes.

MS. McCORMICK: Okay, like I said, I've never done this before so I'm just going to read from my notes, bear with me, please. I'm a hairdresser in Makawao and I work on the community. We do family prices in my shop, and what I'm hearing from the community, the despair in the community about no rental housing is really upsetting. So I'm going to go ahead and read my notes and then I'll be done. I came here today to ask one question, what is being done right now to create quality affordable rental housing for Maui's longtime residents and families? More and more families that had a home are slipping into homelessness because, one, oh, the property has been sold; two, oh, my brother wants to move in; three, oh, we can make more money if we rent it out as a vacation rental. No respect for the renting family. I have lived in San Diego, Las Vegas, Palm Beach, Florida. There are little communities of duplexes, one-story apartments built to be rental communities for working people. And you have to have good credit to live there. Working-class people. The more that I read the more it looks like the County Council and the Planning Commission are making it very unappealing for developers to want to build something like this. So now there's a new law making it easier for a homeowner to build another ohana in his backyard, take the responsibility off the backs of the County and the planners and the Mayor. These private landlords can do whatever they like. My clients tell me their stories about crazy landlords that behave like tyrants, make up the rules as they go along. The asking rents right now come nowhere close to wage. The teachers, their hair that I do, they tell me the little children are coming to school, clean, fed, homework done and they get to go home to a vehicle or a tent. How would that feel? The families I'm fighting for are the ones that had a rental home for years and lost it for the reasons I've mentioned and now there's nowhere to go. There are zero rentals out there right now. We are not taking care of our people. Thank you.

CHAIR CARROLL: Any clarification needed from the testifier? Seeing none, thank you. Hana, do you have anybody waiting to give testimony? Hana, are you there?

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

CHAIR CARROLL: Thank you. Molokai, do you have anybody waiting to give testimony?

MS. ALCON: The Molokai Office has no one waiting to testify.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

CHAIR CARROLL: Thank you. Lanai, do you have anybody waiting to give testimony?

MS. FERNANDEZ: There is no one waiting to testify at the Lanai Office.

CHAIR CARROLL: Thank you. Is there anyone in the Chamber that wishes to give testimony, please come down? Seeing none, if there's no objection, I will close public testimony.

COUNCILMEMBERS: No objections.

CHAIR CARROLL: Public testimony is now closed.

. . . END OF PUBLIC TESTIMONY . . .

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

CHAIR CARROLL: Members, 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 148, excuse me, 184 multifamily rental units for individuals and families with annual incomes not exceeding 60 percent of the County median income and 2 on-site manager units, total of 186 units on 8.274 acres, identified for real property tax purposes as tax key [sic] map keys (2) 3-9-001:157 and 158, bounded by Piilani Highway and Kaonoulu Street, and Kenolio, with southern boundary in the vicinity of Kulanihakoi Gulch; proposed resolutions to approve, approve with modifications or disapprove the project site; correspondence dated September 23, 2015, from Deputy Corporation Counsel, attaching two revised resolutions: Approving the Kenolio Apartments Project Pursuant to Section 201H-38, Hawaii Revised Statutes; Approving with Modifications to the Kenolio Apartments Project Pursuant to Section 201H-38, Hawaii Revised Statutes. The correspondence states the revisions are based upon the committee's recommendations. Your Chair notes that the revised resolutions corrects statements of fact in the body of the resolution and contain revised exhibits listing the requested exemptions and modification as proposed by the applicant. I'd first like to ask for comments from the Director of Housing and Human Concerns. Do you have an opening statement, Ms. Reimann?

MS. REIMANN: Aloha, Chair. Thank you. Members of the Committee, aloha. The Department supports this project as affordable housing is much needed in Maui County.

CHAIR CARROLL: Thank you.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

MS. REIMANN: Thank you.

CHAIR CARROLL: Any questions for Housing and Human Concerns at this time? None, thank you. Planning, Planning Department, could you come down, Mr. Spence? Do you have any opening statement, Mr. Spence?

MR. SPENCE: Thank you, Mr. Chairman. I would just reiterate what we, pretty much what I had talked about last time. This is, we're in support of this project. It's located near infrastructure. You know, I know we have to deal with the North-South Collector. It's located near infrastructure. It's located near jobs, near public services, schools, community center, parks, all those kinds of things. That all adds towards the affordability when you don't have to spend so much time, so much gasoline, wear and tear on your car to drive everywhere. So we think this is a...it's designated for urban growth within the Maui Island Plan. As I recall, part of it is designated for housing and part of it for commercial but that's what the 201H process is for is to shortcut good projects for, you know, from the regular multiple-year process, you know, in order to get the affordable housing online. So we do support this project.

CHAIR CARROLL: Thank you, Mr. Spence. Any questions for Planning Director Spence? Hear none, thank you. Water Department, please come down, and while he is coming down, please note the correspondence dated September 23, 2015 in answer to the Chair's request. Do you have any comments, Mr. Taylor?

MR. TAYLOR: Thank you, Mr. Chair. We received a request from Chair Carroll regarding specifically the request to defer water system development fees for the project and so our letter was in response to that request. We do not support the idea of deferral of the fees but we have some other options that might accomplish the same thing. Although we haven't received plans for the project, our estimate is that it would be served by probably about a 4-inch meter, which would cost about half a million dollars for water system development fees. I think as everyone knows, we've been trying to balance our needs for infrastructure versus these fees so we're concerned about losing half a million dollars of needed revenue. We have a couple of options rather than deferral of fees. The first would be to modify the water system development fee ordinance similar to the County wastewater ordinance, which says very specifically affordable housing is exempt from the fees. That would allow us when we do our rate analysis to raise the other rates to generate the same level of revenue. So it would be built into the rates to support this. If you look in my letter, I refer to the exact Maui County Code. I think it's 14.34.090, which for Wastewater says, in Kihei, for this very project, it says that affordable housing, schools, churches are automatically exempt. So when Wastewater does their rates, they take that into account. So that's something the Council could do rather than making a case-by-case determination about whether or not certain projects are eligible, it would set the whole class. So that's one thing, you know, we'd of course support if that was the Council's policy. The other would be to simply use the Affordable Housing Fund to give this applicant that equal amount of money that could be then used to pay the water system development fees. So there would still be a, you know, revenue of the amount needed to balance the project. Our preference would be use of the Affordable Housing Fund

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

and the reason is Affordable Housing Fund everyone contributes to. That's the purpose of it. Either through rent, which goes somewhat to property taxes or property taxes directly, everyone's contributing. So everyone would be helping to subsidize this project. If we just give an exemption from water rates, that means only the water users are essentially just having to raise more money to subsidize the project. So either one works. They would both not be project specific, or, I'm sorry, the general exemption for affordable housing projects would apply to all projects that fit these criteria and the other option would be handpicked by the Council about which project should use Affordable Housing Fund money. So we think either of those is better than just simply deferring the water system development fees, which just creates a hole in our budget that just creates another problem for later on. So I'm more than happy to answer any questions but that is what we think is the best way to move forward. We certainly support affordable housing. We can be part of it. We just think there should be an overall policy and not just handpicking projects as they come because that just leaves a hole with managing the Water Department.

CHAIR CARROLL: Questions for Mr. Taylor? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Mr. Taylor. I like your ideas but I'm kind of curious. You know, this is not the first 201H that I've seen in the time I've been here. What's our history?

MR. TAYLOR: Our history, to my recollection, has been almost everyone has asked for either a deferral or exemption from the water system development fees and we have no records nor memory of it ever being granted.

COUNCILMEMBER BAISA: I thought that was important. So it's never been granted that you can remember?

MR. TAYLOR: No one on staff remembers this, us...no one on staff can remember a case where the Council, in a 201G or 201H has granted this request. It may be that we can't remember one but no one can remember one.

COUNCILMEMBER BAISA: Okay, well, I see Mr. Almeida shaking his head in the back there so I'm sure he remembers because he's very much into dealing with this. Thank you very much. You answered my question. The follow-up is for somebody else. Thank you.

CHAIR CARROLL: Any further questions for Water? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Not so much a question but I can appreciate your option for us to take into consideration on the water development fees utilizing, possibility, possible utilizing the Affordable Housing Funds. So the figures that you have noted, without receiving any kind of engineering from the developers, is that kind of an estimate, of that 496?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

MR. TAYLOR: Yeah, our staff looked at the relative number of units versus a similar project in Kihei that had a similar number of units and she estimated that it's probably going to be the same size meter, but it could be a little less or a little more depending on, you know, that would be detailed a little further down the line once the applicant gets to a later point in the process where they actually submit construction plans and some engineering calculations.

COUNCILMEMBER CRIVELLO: I see.

MR. TAYLOR: But we think it's a pretty good estimate.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR CARROLL: Any further questions for Mr. Taylor? If not, thank you.

MR. TAYLOR: Thank you.

CHAIR CARROLL: Public Works. Do you have an opening statement?

MS. DAGDAG-ANDAYA: Yes, Chair. You know, just wanted to reiterate our support for the project, and also to note that we did have two conditions that we are proposing and that we've discussed with the applicant. And I believe we've already submitted this to the Committee. But, Chair, if I may, if I could explain what the conditions are?

CHAIR CARROLL: Proceed.

MS. DAGDAG-ANDAYA: And this is one that we had suggested at the last Committee meeting and then we had another condition just to clarify the timeline. So the first condition reads the following: prior to issuing a Building Permit, road widening lots must be subdivided from the property and construction plans approved to the satisfaction of the Department of Public Works for all road-widening lots and the North-South Collector Road. And in addition to that, the next condition states, prior to the granting of a permanent or a temporary Certificate of Occupancy for the final building in the project, whichever comes first, the applicant shall have completed improvements, deeds, and related subdivision processing requirements to the satisfaction of the Department of Public Works for all road-widening lots and North-South Collector Roadway lots and have these roadway lots dedicated to the County of Maui at no cost to the County. So, Chair and Committee Members, what we're proposing is to have the improvements that we are requiring to be done and to have the roadway lots subdivided out and dedicated to the County prior to any issuance of the Building Permit and the Certificate of Occupancy. As far as their improvements along the North-South Collector Road, when, if this were a regular project, what the applicant would be required to do would be frontage improvements along the property, the project. So and what the applicant has asked for was an exemption from that. However, they are going to be coming in and doing frontage improvements, curb, gutter, sidewalk, pavement, which includes two travel lanes as well as a bike lane. And so we were satisfied with that. Most other 201H applicants come in and ask for a

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

total exemption from curb, gutter, sidewalk but this applicant has actually asked and requested that, or suggested that they do the frontage improvements along their property and along their project up until that second entrance and we're okay with that.

CHAIR CARROLL: Thank you. The floor is open, questions for Public Works? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you for being here. So can you elaborate more on what is expected from the developer for the collector road?

MS. DAGDAG-ANDAYA: Okay, the, for the North-South Collector Road, they are, if, again, if it was a regular project that didn't have a 201H, then they would be coming in and doing their frontage improvements along their, the project line. So from the beginning of the project, which is that first entrance all the way to the edge of the project line. So they would do curb, gutter, sidewalk there. What the applicant has asked for in their exemption is to just do their frontage improvements up until that second entrance to the south. So they are coming in and doing the curb, gutter, sidewalk and then doing a, I think we've talked to them about doing 2 11-foot travel lanes so you have 2 travel lanes at 11 feet each and then an additional bike lane, I think it was another 6 feet. So that's actually more than what they had originally, had requested previously. But when we talked with them and came up with, you know, some other suggestions, they agreed to doing that additional six feet for the bike lanes, so that's actually more than what we requested. And then in the conditions that they've agreed to, we are able to have that portion of the North-South Collector Road dedicated to the County at no cost. Sometimes what we have to do is go in for land acquisition and that takes a really long time but in this case they're willing to dedicate to the County before their Certificate of Occupancy or building...I think, yeah, by the time their Certificate of Occupancy is granted, that portion of the North-South Collector Road would be County. So we felt that that was a big thing for them to agree on.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR CARROLL: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. And thank you, Ms. Dagdag, miss...here we go. I'm going to call you Rowena Dagdag.

MS. DAGDAG-ANDAYA: That's fine.

COUNCILMEMBER BAISA: That never goes away.

MS. DAGDAG-ANDAYA: No, it never does.

COUNCILMEMBER BAISA: I guess the Gladys Coelho never goes away either.

MS. DAGDAG-ANDAYA: I think my dad would be happy.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER BAISA: Okay, well, it will make Fred happy. Anyway, thanks for being here this afternoon. I really appreciate it. I need some clarification. Can you help me so that I'm clear? You know, we keep hearing about the North-South Collector Road and it seems to be a major issue and stumbling block in getting approval of this project. We have the developer and we're pretty clear about what they're going to do and thank you very much for, you know, making that picture clear for us. How are we going to get the rest of this road? What is the status of this project? Can you tell us?

MS. DAGDAG-ANDAYA: Okay. Chair, the status of the project, we do have this portion of the North-South Collector Road on our, the STIP for 2020 for construction. Currently, in this fiscal year budget, we have, or the Council approved monies to go and move forward with the design of the North-South Collector Road. So we're starting off with the design and the planning efforts, and then in the State STIP for 2020 that's when we're anticipated to go in for construction. And that's where we're at with this project, but having the developer do their frontage portion, frontage does help. I know there was a request to have all of it done and, but we felt, we were comfortable with what they were suggesting.

COUNCILMEMBER BAISA: So it appears that in really not that long from now, this road will be in?

MS. DAGDAG-ANDAYA: We hope.

COUNCILMEMBER BAISA: Or should be in if all goes well. I know all the caveats but the plan is to have it in.

MS. DAGDAG-ANDAYA: And that's our, that's one of our, that's a priority right now is to get the North-South Collector Road. We do, we recognize the need and it's something that I know my Director wants to have completed as well as many others in our Department as well, so.

COUNCILMEMBER BAISA: Good, well thank you very much. That makes me a lot more calm about the whole thing, and I'm very excited to see the developer willing to do their share, more than their share, more than what they're normally required to do. So thank you very much. Thank you, Chair.

CHAIR CARROLL: Thank you. Any further questions for Public Works? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Does the culvert covering and the, for the Kaonoulu Gulch comes under your Department?

MS. DAGDAG-ANDAYA: That's correct.

COUNCILMEMBER CRIVELLO: A testifier addressed concerns. Can you help me to understand what the concerns will be and how it's addressed by your Department?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

MS. DAGDAG-ANDAYA: Okay, the culvert in question, we did have staff review it but they didn't have any concerns about covering it. I think, maybe I can defer to the project engineer to give you more information about the gulch and how it's, how it functions and what flows through. I know we had talked about that the last time, but from the Department of Public Works, our staff didn't have any concerns about that, about the proposal for that gulch.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR CARROLL: Thank you. Any further questions for Public Works? Ms. Baisa?

COUNCILMEMBER BAISA: I want to follow up on Ms. Crivello's question. Is that person available or will he be available, he or she be available?

MS. DAGDAG-ANDAYA: I believe so. I think the project engineer is here today.

COUNCILMEMBER BAISA: Chair, she suggested that maybe the project engineer could answer Ms. Crivello's question. I really am interested in what, in knowing what Ms. Crivello's asking also. So if we could have the engineer tell us?

CHAIR CARROLL: Is the project engineer available to us at this time?

COUNCILMEMBER CRIVELLO: I believe she said yes.

MS. DAGDAG-ANDAYA: I'm sorry, Chair.

CHAIR CARROLL: Is the project, is he, project engineer available at this time?

MS. DAGDAG-ANDAYA: Of my staff or the project engineer for this project?

CHAIR CARROLL: Do you want the project engineer from staff or from the applicant?

COUNCILMEMBER BAISA: Whoever can answer the question. I'm not fussy.

MS. DAGDAG-ANDAYA: I'm sorry. The applicant. I...

COUNCILMEMBER BAISA: The applicant.

CHAIR CARROLL: Okay.

COUNCILMEMBER BAISA: Okay, fine. Let's have the applicant.

CHAIR CARROLL: We'll...

COUNCILMEMBER BAISA: Ms. Crivello made the request.

COUNCILMEMBER CRIVELLO: Yes, thank you.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER BAISA: I support it.

CHAIR CARROLL: If there's no objection, I'll call the applicant's representative forward.

COUNCILMEMBERS: No objections.

CHAIR CARROLL: Please come forward to the microphone and identify yourself at the microphone.

MR. OTOMO: Good afternoon, Chair Carroll, Members of the Land Use Committee. My name is Stacy Otomo, the project engineer for this particular project. To answer your question, what's happening right now is the flow comes mauka of Piilani Highway. It crosses Piilani Highway via two culverts, and at the site visit, if you noticed, there was an open channel that came down and sometime, oh a number of years ago when the Betsill Brothers owned this property, they put a portion of this gulch underground. It crossed the North-South Collector Road and it emptied back into Kulanihakoi Gulch, and that part, you could see the headwall but it's partly underground. What we're planning to do is basically from the area makai of Piilani Highway, continue the undergrounding all the way and connect up to the portion that's already underground in the project. So what you would see is you would not see the gulch that's there in the property right now.

COUNCILMEMBER CRIVELLO: Okay, so what are you, how do you define or are you addressing the resident's concerns?

MR. OTOMO: I'm not...I understand that they want to keep the gulch open. If it was a requirement for us to keep the gulch open, what that would do is significantly affect the project in that they, we would not be able to build as many units as being proposed as well as we would have to cut the parking down significantly.

COUNCILMEMBER CRIVELLO: I see. Okay, thank you. Thank you for that explanation.

COUNCILMEMBER BAISA: Chair? Chair? Chair?

CHAIR CARROLL: Any questions for the engineer? Oh, I'm sorry. Ms. Baisa?

COUNCILMEMBER BAISA: It's okay. Thank you very much for being here. This is really important. So, as an engineer, you're comfortable that closing up and covering or doing whatever you're going to do to that gulch is not going to cause any harmful effects on the things below it?

MR. OTOMO: It's my opinion that it would not. My concern of leaving it open besides not being able to build as many units and parking is an issue for safety having the channel left open.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER BAISA: I see, so it's not just drainage but it's also, it's dangerous? It could be dangerous?

MR. OTOMO: It could be dangerous, yes.

COUNCILMEMBER BAISA: And we expect there will be a lot of children in this area?

MR. OTOMO: Yes.

COUNCILMEMBER BAISA: Considering we're going to do rental housing, I would assume there will be young families.

MR. OTOMO: That's correct.

COUNCILMEMBER BAISA: Okay, thank you very much. Thank you, Chair.

CHAIR CARROLL: Thank you. Any further questions for the engineer? Seeing none, thank you. Alright, Members, Public Works, any more questions for Public Works at this time? And we shall keep her over here for a while. Alright, thank you. Members, we're at the point now to where if you will look in your binders over there at the last September 23, 2015, you will see the exemptions, the proposed exemptions that we have and that we've been discussing. We've had some discussion about water and others and the floor is now open to anyone that would like to either modify, remove, or change any of the recommendations or add. The floor is now open before I give my recommendation. Or if you want, I can give my recommendation and we can go into the exemptions afterwards. Ms. Baisa?

COUNCILMEMBER BAISA: Chair, when we had the Water Department up earlier and Mr. Taylor proposed some suggestions, one of the things he talked about was possibly using Affordable Housing Funds to pay for these water fees and I'm wondering if there's somebody from Budget or Finance or somebody who deals with money who could address that? Maybe if they're not here, they might come later.

CHAIR CARROLL: Alright...

COUNCILMEMBER CRIVELLO: Chair?

CHAIR CARROLL: Ms. Crivello?

COUNCILMEMBER CRIVELLO: In regards to Ms. Baisa's inquiry as far as budget, I'd like to add to that Housing Department can sort of expand what's the availability in the Affordable Housing Fund to help if we want to say . . . *(inaudible)* . . .

CHAIR CARROLL: Ms. Reimann could answer this question.

COUNCILMEMBER CRIVELLO: Yes, okay. Thank you.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

CHAIR CARROLL: Ms. Reimann? Or ah.

MR. ALMEIDA: Thank you, Chair. Thank you, Ms. Crivello, for that question. Presently, we're undergoing the Fiscal Year '16 application and awarding of grants for the Affordable Housing Fund. Budget Director Sandy Baz advised we had about 5 million from real property tax from the previous fiscal year to RFP, which we did. Our recommendations were just recently submitted, then will be assigned to Committee hopefully shortly. If that goes through and is approved, I do not estimate that there will be much funds available in the Affordable Housing Fund to cover these types of costs. Based on the amount that was awarded to the County's Kulamalu project as well as the Lanai project, I think there's going to be a very minimal balance left after this RFP process is completed.

COUNCILMEMBER BAISA: Chair?

CHAIR CARROLL: Ms. Baisa?

COUNCILMEMBER BAISA: May I ask a question if Ms. Crivello is okay? We haven't already awarded those dollars, we've just put out the RFP and received proposals?

MR. ALMEIDA: Yes, Ms. Baisa, that's correct.

COUNCILMEMBER BAISA: So we have the ability to modify the amount we're giving?

MR. ALMEIDA: Yes, that will come before Committee shortly and then you'll have the opportunity to review and make recommendations.

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

VICE-CHAIR VICTORINO: Chair?

CHAIR CARROLL: Mr. Victorino?

VICE-CHAIR VICTORINO: Yeah, could I call the applicant down, please?

CHAIR CARROLL: Could the applicant's representative please come down? Identify yourself at the microphone.

MR. HART: Good afternoon, Chair. I'm Jordan Hart of Chris Hart & Partners.

CHAIR CARROLL: Mr. Victorino?

VICE-CHAIR VICTORINO: Yeah, thank you, and, Jordan, thank you for being here. One of my concerns is, again, as you can hear, where monies may be very, very short as far as, you know, Affordable Housing Funds to pay for water development. My concern, and I think we've discussed this and we've talked about it in the past, could we, and could this project hold on its own the 500,000 or 600,000 that we're referring to as far

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

as developing the water? Because we've never given exemptions in the past and we're not going to in the future, at least as long as I'm here I'm not going to support that, but could, will this project withstand that increase as far as the developing the water, putting the meter, and you picking up that expense?

MR. HART: You know, to speak to the first portion of your comment, my understanding in consultation with Corporation Counsel in preparing our request for exemption is that the outright exemption of the fees wouldn't be consistent with existing rules but because this project is requesting a deferral, that appears to be an option that could be feasible. So I think that the project would, you know, it could really use the assistance and would request the deferral. Now to the question of whether or not that's a make or break cost line item for this project, I think that the project manager, Shellan Rodriguez, who is going to be available by phone, you know, could specifically speak to whether or not that, that would, you know, break the project.

VICE-CHAIR VICTORINO: So when would we be able to hear from her?

MR. HART: Well, she would be available by phone at this time. She's on standby currently.

VICE-CHAIR VICTORINO: Chair, can we request that question be answered? Because I think that's, you know, very important at this point.

CHAIR CARROLL: Alright, if we're going to hear from her...if there's no objection, I'm going to call a very short recess while we get her on the line, so please stay right here available.

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR CARROLL: We stand now in recess till the call of the Chair. . . .(gavel). . .

RECESS: 2:19 p.m.

RECONVENE: 2:22 p.m.

CHAIR CARROLL: . . .(gavel). . . The Land Use Committee Meeting will come back to order. We have now on our speakerphone, we have made contact and she has been listening all this time and so was aware of the question. Would you like to have the question repeated, Ms. Rodriguez?

MS. RODRIGUEZ: If you wouldn't mind, Mr. Chair, that would be helpful just to confirm that I understand.

CHAIR CARROLL: Alright. Who was asking?

VICE-CHAIR VICTORINO: Mr. Chair?

CHAIR CARROLL: Mr. Victorino?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

VICE-CHAIR VICTORINO: Thank you. What was her name?

UNIDENTIFIED SPEAKER: Shellan Rodriguez.

VICE-CHAIR VICTORINO: Rodriguez, Ms. Rodriguez, thank you. I forgot your name, I apologize. We're at the point now where we're discussing this issue on the water meter, which we're looking at around half a million dollars, about \$500,000 for the water meter fees and, you know, as far as the deferral, we have discussed that and also there was talk about exempting, which we haven't done in the past and I don't think we'll do in the future. And so I was wondering, you know, if we did away with that and you guys picked it up entirely, would that break the deal as far as this project is concerned?

CHAIR CARROLL: . . .*(inaudible)*. . .

MS. RODRIGUEZ: Sure, thank you. And for the record, this is Shellan Rodriguez calling in from Houston, Texas. So, thank you for the question, Councilmember Victorino. To be very clear, this is a 55, total development is about \$55 million. So what we're talking about at this moment is, you know, \$500,000 impact to the project, which is, you know, quite frankly, relatively small in comparison to the size of all of the costs going into the project. So I think in short to answer your question, if we are required to pay the water meter fee estimated to be about \$500,000, which our engineer has estimated in line with the Department's, it would not, you know, kill the project by any stretch. But I will say this, the project is currently requesting County of Maui Affording Housing Funds. We're requesting Workforce Housing Credits in, you know, in addition to what the Code allows and those sources of funds are all combined to make this project work so the more development costs that are put on to the project, the more need the project will have to fill other gaps. So, you know, obviously it's just as Jordan said, this is the request that we have. We can move forward with paying the fee if we need to and if that's the way that this project can move forward and we can try to fill that gap with other monies or, you know, in other ways it will happen. So I hope that that answers your question for now.

VICE-CHAIR VICTORINO: Well, thank you, Ms. Rodriguez. That does give us at least for me a better picture on this matter because already we are giving affordable housing, Workforce Housing Credit. There's a number of issues that we're already covering and so it is my belief that this is one of them that I would rather not get involved in and, you know, if it comes down to other sources coming in and helping then I would be very appreciative of that. But thank you for your answer and I appreciate it and I'll let other Members ask questions. Thank you.

MS. RODRIGUEZ: You're welcome.

CHAIR CARROLL: Members, while we have Ms. Rodriguez on the line, is there any other questions at this time? Ms. Baisa?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER BAISA: Thank you very much, Ms. Rodriguez, for your answer for Mr. Victorino. I have a follow-up. You did mention the housing credits and if I'm getting this correct, you really need the 100 percent of the housing credits in order to make all this work?

CHAIR CARROLL: Ms. Rodriguez?

MS. RODRIGUEZ: So to make sure that I heard the question, I believe the question was asking me whether the additional Workforce Housing Credits that we're requesting, whether or not they're needed to make the project work?

COUNCILMEMBER BAISA: Correct.

CHAIR CARROLL: That's correct.

MS. RODRIGUEZ: Thank you. So, yes very much. The, again, if additional Workforce Housing Credits coupled with a decrease in the amount of fees that are deferred or exempted will increase our gap and the feasibility of the project and stall the project out, if not, you know, forever affect the viability of the project. The work, the additional Workforce Housing Credits, as I mentioned when I saw you earlier this month, we realize this is a difficult ask, but we also think it's a creative solution because it allows us to sell those credits on the market, which in our research, you know, it's not, it doesn't go through the County at this point, but in our research . . . *(inaudible)* . . . the market pays about \$80,000 per credit. So that income becomes equity. Now, we don't get it until we're complete and we have the project, you know, the units up and running and they're serving, you know, families that are meeting our income requirements, but that equity that the project would obtain by increasing the amount of units that we can sell, housing credit units that we can sell, very much affects the feasibility of this project. It's estimated at about \$14 million as a, you know, a permanent source of funds. Now, they wouldn't come in during construction, they would only come in after we were able to sell them. We're willing to take the risk in the event we don't sell them, but we think that we would sell them over time and in the event that the project doesn't _____ the extra credits, we would either A, not sell them or B, give them if any funds received for those credits, to the County to use for future affordable housing. So as I stated earlier this month again, any additional value that the project receives from selling Workforce Housing Credits would not go to pad our pockets, if you will. Instead, it would go to increasing affordable housing on Maui County however the Department of Housing and Human Concerns decides to do so.

COUNCILMEMBER BAISA: Okay, thank you very much. Thank you, Chair.

CHAIR CARROLL: Any further questions while we have her on the line at this time? If not, thank you very much. If your further assistance is needed, we'll call you back.

MS. RODRIGUEZ: Thank you very much.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

CHAIR CARROLL: Alright, Members, the floor is open. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you. Chair, can we have the applicant just discuss whether their...

CHAIR CARROLL: Please identify yourself again at the microphone.

MR. HART: My name is Jordan Hart of Chris Hart & Partners.

COUNCILMEMBER GUZMAN: Thank you, Mr. Hart. Is there anything in regards to the exemptions that...you've actually reviewed the exemptions that are listed on Page 1 and 2? Is there anything that...

MR. HART: We have reviewed the exemption list. There are two, actually two items, two points of clarification that we'd just like to bring up today because it's basically our, we're assuming, the chance to make sure everything is crystal clear. I think that they're the same as what the project has been presenting throughout the process, throughout our EA and 201H application process but I think that I just want to make sure that the language is certain. The first item relates to the roadway improvements that we've been discussing. There's two triggers for roadway improvements. The first one is the subdivision trigger, and we have that listed in our exemption list. But there's also a Building Permit trigger, and so we just want to make sure to make note of the Building Permit trigger. And so I would propose that we'd like to add that in, on the exemption list. Add an Item F, No. 2, and that language would be exactly the same as Item G, No. 2, with the exception that the language would read, an exemption from Section 16.26B.3600, Improvements to Public Streets. And then the language, again, would continue on exactly as Item No. G-2 and basically what that would do is that would say that the roadway configuration as we proposing it to be developed would be developed after the trigger for subdivisions as well as after the trigger for building permits.

COUNCILMEMBER GUZMAN: Okay. Is there...Chair?

CHAIR CARROLL: Proceed.

COUNCILMEMBER GUZMAN: May I ask the Corporation Counsel if there would be any effect or what is the effect of that type of proposal being incorporated in the exemptions?

CHAIR CARROLL: Corporation Counsel?

MR. UEOKA: Thank you, Chair. I can't give you an answer on that right now. I don't know what that exemption is about. I'd have to read it all and research it. The Public Works might be able to tell you better as to if that's applicable and if it works for them.

COUNCILMEMBER GUZMAN: Can we, Chair, can we ask Public Works to come to the floor?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

CHAIR CARROLL: Yes. Could Public Works please come down? Identify yourself at the microphone.

MS. DAGDAG-ANDAYA: Thank you, Chair. For the record, Rowena Dagdag-Andaya, Deputy Director, Public Works.

CHAIR CARROLL: Mr. Guzman?

COUNCILMEMBER GUZMAN: Ms. Dagdag-Andaya, were you able, were you present when Mr. Hart was basically explaining a proposed change?

MS. DAGDAG-ANDAYA: Yes, sir. We have Chapter 16.26B.3600 of our, of the Maui County Code, that essentially is a section in our Building Code. It's a new section regarding improvements to public streets and as Mr. Hart has indicated earlier, there was a trigger in Building Permits. You know when there is no subdivision involved, the next trigger would be at Building Permit. That's where you would have frontage improvements required. So the exemption that they are requesting is essentially the same. In this one, the exemption from this section of the chapter, it's basically, you know, any kind of frontage improvements that you have you would be required if you came in for a Building Permit and it's very similar to our Subdivision Code in Chapter 18 where the subdivision would trigger frontage improvements. So it's the same and the Department is in support of that.

COUNCILMEMBER GUZMAN: In support?

MS. DAGDAG-ANDAYA: Yes.

COUNCILMEMBER GUZMAN: Okay. Chair, I'd like to make a motion to amend Page 2 of the exemptions to add in the language starting with the Section, I believe G, to add in language an exemption from Section—what was the Code?—16...

MS. DAGDAG-ANDAYA: It's 16.30...I'm sorry, 16.26B.3600.

COUNCILMEMBER GUZMAN: Of the Maui County Code, Improvements to Public Streets, and then basically the same language to allow for construction for the portion of the North-South Collector Road adjacent to the project site, to be in conformance with Exhibit "B" to the modifications.

VICE-CHAIR VICTORINO: Second, Mr. Chair.

CHAIR CARROLL: Been moved by Mr. Guzman, seconded by Mr. Victorino. Discussion, Mr. Guzman?

COUNCILMEMBER GUZMAN: I was just, basically rest on the testimony of the applicant and the Department.

**LAND USE COMMITTEE
Council of the County of Maui**

September 30, 2015

CHAIR CARROLL: Any further discussion to the motion? All those in favor, signify by saying "aye."

COUNCILMEMBERS: Aye.

CHAIR CARROLL: Opposed? Motion carried, five "ayes," no "noes," two excused.

**VOTE: AYES: Chair Carroll, Vice-Chair Victorino,
Councilmembers Baisa, Crivello, and
Guzman.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Cochran and Couch.

MOTION CARRIED.

ACTION: APPROVED AMENDMENT.

CHAIR CARROLL: The floor is still open for discussion and amendments or modifications. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. Mr. Hart, was there another section that you wanted to look at or address within the exemptions on Page 1, 2, or 3?

MR. HART: Yes, thank you very much. Chair, if I may? There's one other point. It's Item G-3, it regards to the undergrounding of future utility lines. The applicant is open to undergrounding any new utility lines that are triggered but we would just like to add the clarification point of keeping any existing utility lines aboveground, which the condition states, but also that includes the relocation of existing, that those be able to be relocated as above ground lines. And so for that amendment what I would propose is that in the second line of Item No. 3, be granted to allow for existing, I would propose, and the relocation of existing aboveground utility lines. And that would be the conclusion of that proposed amendment. And the purpose of that would be to clarify that the relocation of existing aboveground utility lines would be covered by the same exemption from undergrounding existing.

COUNCILMEMBER GUZMAN: Chair?

CHAIR CARROLL: Mr. Guzman?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER GUZMAN: Thank you. May I ask the Department whether that type of an amendment adding after the, I believe the third item in G, after the wording of, to allow for existing or relocation of existing aboveground utility lines, would that be, have any effect to the Department or do you have an opinion as to that proposed amendment?

CHAIR CARROLL: Public Works?

MS. DAGDAG-ANDAYA: Chair, we have no concerns about that.

COUNCILMEMBER GUZMAN: Okay. Thank you. Chair, I'd like to make a motion...

CHAIR CARROLL: One moment, could we...

COUNCILMEMBER GUZMAN: I'm sorry.

CHAIR CARROLL: --Corporation Counsel, I believe has a comment.

COUNCILMEMBER GUZMAN: Oh yeah, Corporation Counsel. Yes.

CHAIR CARROLL: Corporation Counsel?

MR. UEOKA: Thank you, Chair. Would you guys like modifications, No. 8 also clearly adjusted to make sure? I know it says all proposed new utilities shall be underground to the extent practical as determined by the Director of the Department of Public Works but would you like that there also?

MR. HART: Thank you. That would be our intent.

CHAIR CARROLL: Mr. Guzman?

COUNCILMEMBER GUZMAN: So, Chair, I'd like to make a motion for...gosh, I didn't know what the Corporation Counsel just said and I cannot repeat...

CHAIR CARROLL: Corporation Counsel, could you repeat your comment so we can get it on the record?

MR. UEOKA: Thank you, Chair. I would just say that the modification to G-3 to allow for relocating existing aboveground utilities to also be allowed for modifications, Item 8 on the modification list also. Thank you.

COUNCILMEMBER GUZMAN: Yeah, so moved.

VICE-CHAIR VICTORINO: Second, Mr. Chair.

CHAIR CARROLL: Thank you. Been moved by Mr. Guzman, seconded by Mr. Victorino. Discussion, Mr. Guzman?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER GUZMAN: Nothing further, thank you, Chair.

CHAIR CARROLL: Any further discussion? All in favor of the motion, signify by saying "aye."

COUNCILMEMBERS: Aye.

CHAIR CARROLL: Opposed? Motion carried, five "ayes," no "noes," and two excused.

**VOTE: AYES: Chair Carroll, Vice-Chair Victorino,
Councilmembers Baisa, Crivello, and
Guzman.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Cochran and Couch.

MOTION CARRIED.

ACTION: APPROVED AMENDMENT.

CHAIR CARROLL: Thank you, Mr. Guzman. The floor is still open. If there's no further discussion at this time, I will give my recommendation.

COUNCILMEMBERS: Recommendation

CHAIR CARROLL: The Chair will entertain a motion to recommend adoption of the revised proposed resolution entitled Approving with Modifications the Kenolio Apartments Project Pursuant to Section 201H-38, Hawaii Revised Statutes; incorporating any amendments and nonsubstantive revisions, and filing of the other two proposed resolutions.

VICE-CHAIR VICTORINO: So moved, Mr. Chair.

CHAIR CARROLL: Is there a second?

COUNCILMEMBER CRIVELLO: Second.

CHAIR CARROLL: Been moved by Mr. Victorino, seconded by Ms. Crivello? Discussion, Mr. Victorino?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

VICE-CHAIR VICTORINO: You know, Mr. Chair, this is a golden opportunity for affordable housing, affordable rentals. You know, I think this is a real pivotal change in how we've been looking at dwellings and units for our working people, those who are in dire need. And I just came back from Oahu and as I drove along the streets coming into the airport, again, the same tent cities. They take them down, they come right back. And some of these are local people that just cannot afford affordable rentals anymore. What was said by that lady from Pukalani was apropos, right on the nugget and so I really believe this is a golden opportunity to really fill a gap in an area where there's a lot of people that need workforce housing who are employed who could really use this help. So my hope that those who oppose it for whatever reasons will understand that this is something that is really direly needed in our community and especially in South Maui. I hope more will come forward in the future. This could be the poster child. This could be the example that we can do in other communities in the near future. I hope that with this success that others could be brought forward and that we could get more affordable rentals and maybe then the next step is affordable housing so that our residents can continue to live here, work here, and raise their families here. The working people is what we're talking about right now. And so it's my hope that, Jordan, this would be the shining example. I'm going to put your feet to the fire if it doesn't work out, Jordan. You know your dad told me that. But no, Jordan, thank you for all your effort and Ms. Rodriguez. You know, I know she's calling all the way from Houston, Texas, you know, so you're talking five hours difference in time zone so I've just come back from the mainland, I know that it just whacks you all out of the way when you have to be traveling and then, you know, be calling in. So, Mr. Chair, I hope my colleagues will support this. I think it's a golden opportunity and I'd like to see more like this built but let's get the first one done and let's see how it works out. Thank you, Mr. Chair.

CHAIR CARROLL: Any further discussion? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Yeah, I'd like to comment and thank you for your recommendation. I know Ms. Baisa I knows she's throwing her hands up and saying come on, let's do it. Let's have these rentals available for our families, our Maui families and I'm sure the Housing Department can come in as to why they submitted this as, for their support. In working with the Department, we often hear where the HUD vouchers cannot be fully utilized because the rentals are exorbitant. That why do the landlords want to take the HUD vouchers when they can charge \$2,000 or \$3,000 a month and have a tenant. This will allow us to have the families who qualify for the HUD vouchers. And I have to add I appreciate the creativity and the innovative approach on the developer's part so that more affordable rentals. I mean, I think we all had our entry level before we actually were able to buy a home. We started off renting. And that's what we want for our young families. And so I stand in support although we know we have some flaws and I just hope we'll meet the residents' concerns and how we can work together to make Maui truly no ka oi. Thank you.

CHAIR CARROLL: Ms. Baisa?

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

COUNCILMEMBER BAISA: Chair, I can't pass up the opportunity to say how important this is today. You know, we talk a lot about affordable housing. We talk about being concerned about where people are living or where they're going to live but for us as a Council, the most important thing that we can do is to move projects forward. And I totally, totally understand and empathize with people that are concerned and have brought up their concerns and I feel a lot better about those concerns today after we've listened to some of the explanations this afternoon about the North-South Collector Road and about, you know, things that people care a whole lot about but I think we need to move forward. You know, the other thing is I want to caution the applicant that I want to see something happen. I only have, let's see, 3 months more this year and 12 months next year. We have like 15 months left, Mr. Victorino and I on this Council and I would certainly hope that this will move along rapidly. I certainly don't want to be here ten years from now and this will be something that's sitting on, you know, a shelf somewhere. You know, the need is eminent. It's here. It's now. And so we're trying very hard to stretch to meet your needs and I hope that you reciprocate by keeping the faith and moving the project forward as quickly as you can and I understand quick in government time and quick in regular people's time is very different but let's do it in your time, not in government time. Let's just try and get this done. We need an example. We need someone to show that it can be done and we need to be able to show the people that we're trying to help that yes, it can be done and we can do this. So I'm going to be in support of this essentially because I want to move this forward and I want to see people moving into homes. So we're going to rely on you and let's make our dreams come true for everybody. Thank you.

CHAIR CARROLL: Members, any further discussion to the motion on the floor? Corporation Counsel?

MR. UEOKA: Thank you, Chair. Just for clarification, did the Council want to remove Modification No. 3 referring to the deferral of water payments, water system development fees?

COUNCILMEMBERS: Yes.

VICE-CHAIR VICTORINO: Yeah, I'm sorry. I move to remove No. 3. I apologize, I forgot about that. Thank you for reminding me.

COUNCILMEMBER BAISA: Second.

VICE-CHAIR VICTORINO: Okay, thank you.

CHAIR CARROLL: Any further discussion? All those in favor --

VICE-CHAIR VICTORINO: To remove, yeah.

CHAIR CARROLL: --of the motion?

VICE-CHAIR VICTORINO: Yeah.

**LAND USE COMMITTEE
Council of the County of Maui**

September 30, 2015

CHAIR CARROLL: I mean did you have anything further to say?

VICE-CHAIR VICTORINO: No, no, that we're voting on the removal of that water deferral, right?

COUNCILMEMBER BAISA: Right.

CHAIR CARROLL: There's no...you want to make a motion?

VICE-CHAIR VICTORINO: I just did. I move...

CHAIR CARROLL: Please restate your motion --

VICE-CHAIR VICTORINO: Okay.

CHAIR CARROLL: --because I never catch your motion.

VICE-CHAIR VICTORINO: Alright, I apologize, Mr. Chair. I move to remove No. 3, the water deferral agreement.

CHAIR CARROLL: Thank you. Is there a second?

COUNCILMEMBER BAISA: I seconded it.

CHAIR CARROLL: Been seconded by Ms. Baisa. Discussion to the motion?

VICE-CHAIR VICTORINO: No, I've already discussed what I needed to discuss. Thank you, Mr. Chair.

CHAIR CARROLL: All those in favor of the motion on the floor, signify by saying "aye."

COUNCILMEMBERS: Aye.

CHAIR CARROLL: Opposed? Motion carried, five "ayes," no "noes."

**VOTE: AYES: Chair Carroll, Vice-Chair Victorino,
Councilmembers Baisa, Crivello, and
Guzman.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Cochran and Couch.

LAND USE COMMITTEE
Council of the County of Maui

September 30, 2015

MOTION CARRIED.

ACTION: APPROVED AMENDMENT.

CHAIR CARROLL: We are back to the main motion as amended. Any further discussion?
All those in favor, signify by saying "aye."

COUNCILMEMBERS: Aye.

CHAIR CARROLL: Opposed? Motion carried, five "ayes," no "noes," two excused.

**VOTE: AYES: Chair Carroll, Vice-Chair Victorino,
Councilmembers Baisa, Crivello, and
Guzman.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Cochran and Couch.

MOTION CARRIED.

**ACTION: ADOPTION of revised resolution to approve with
modification the proposed project and FILING of
the other two proposed resolutions.**

CHAIR CARROLL: That brings us to the end of our agenda today. Thank you very much for
all those in attendance. Thank you for all those that attended in the gallery and out
there in television land. This Land Use Committee meeting stands adjourned.
...*(gavel)*...

ADJOURN: 2:48 p.m.

**LAND USE COMMITTEE
Council of the County of Maui**

September 30, 2015

APPROVED:



ROBERT CARROLL, Chair
Land Use Committee

lu:min:150930:krr

Transcribed by: Kekai R. Robinson

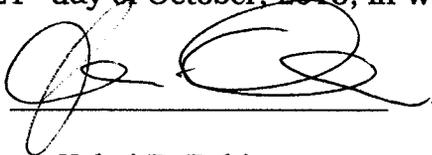
**LAND USE COMMITTEE
Council of the County of Maui**

September 30, 2015

CERTIFICATE

I, Kekai R. Robinson, 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 21st day of October, 2015, in Waihee, Hawaii

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

Kekai R. Robinson