

**ECONOMIC DEVELOPMENT, ENERGY,
AGRICULTURE, AND RECREATION COMMITTEE**
Council of the County of Maui

M I N U T E S

Council Chamber

May 31, 2016

CONVENE: 3:53 p.m.

PRESENT: VOTING MEMBERS:
Councilmember Don S. Guzman, Chair
Councilmember Don Couch
Councilmember Stacy Crivello
Councilmember Michael P. Victorino

EXCUSED: Councilmember Elle Cochran, Vice-Chair
Councilmember Riki Hokama
Councilmember Mike White

STAFF: Sharon Brooks, Legislative Attorney
Pauline Martins, Committee Secretary

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

ADMIN.: Jeffrey Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel
Kaala Buenconsejo, Director, Department of Parks and Recreation
Robert Halvorson, Planning and Development Division Chief, Department of Parks and Recreation
Todd Allen, Golf Course Superintendent, Planning and Development Division, Department of Parks and Recreation

OTHERS: Jeanne Skog
Frank DeRego, Director of Business Development Projects, Maui Economic Development Board
Gerry Smith, Director of Business Development, Maui Economic Development Board
Plus (4) other people

PRESS: *Akaku Maui Community Television, Inc.*

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CHAIR GUZMAN: . . . (*gavel*) . . . Good afternoon. Welcome to EAR, Economic Development, Energy, Agriculture, and Recreation Committee. I'm Don Guzman. I'm the Chair of the Committee. Before we begin, I'd like to ask everyone to turn off their cell phones or put it in the silence mode. I'd like to introduce our Members for today's meeting. We are at bare quorum. We have Mr. Couch --

COUNCILMEMBER COUCH: Good afternoon, Chair.

CHAIR GUZMAN: --Ms. Crivello --

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR GUZMAN: --and Mr. Victorino.

COUNCILMEMBER VICTORINO: Aloha, and good afternoon, Chair.

CHAIR GUZMAN: Thank you. For our Deputy Corporation Counsel, we have Jeff Ueoka. And we also have for our Legislative Staff Sharon Brooks, our Legislative Attorney; and Pauline Martins, our Secretary. We will go ahead and check in with our District Offices. On Hana Office, are you there?

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

CHAIR GUZMAN: Thank you. Ms. Lono, is there anyone wishing to testify?

MS. LONO: There is no one waiting to testify.

CHAIR GUZMAN: Oh, thank you. On Lanai Office, are you there?

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

CHAIR GUZMAN: Thank you. And on Molokai Office, is there any...are you there?

MS. ALCON: Good afternoon, Chair. This is Ella Alcon on Molokai, and there is no one here waiting to testify.

CHAIR GUZMAN: Oh, thank you. And in the Chambers is there anyone wishing to testify?

MS. BROOKS: There is only one person signed up to testify and that is Jeanne Skog.

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CHAIR GUZMAN: Okay. And we would like to call Ms. Jeanne Skog to the podium. And before you begin please state your name and/or organization in which you represent. You'll have three minutes to testify and once you see the red button you know what to do. Yeah.

. . . BEGIN PUBLIC TESTIMONY . . .

MS. SKOG: Okay. Will do. Thank you, Chair. So, Chair Guzman and Members of the Economic Development, Agriculture, and Recreation Committee, thanks for the opportunity to testify concerning the proposed extension of the EDRF Economic Development Revolving Fund to June 30, 2021. As OED evaluated the implementation of the EDRF, MEDB conducted a lot of research on communities large and small throughout the United States that initiated and sustained similar programs. We talked to program leaders as well, about the outcomes of their programs. Many provide a combination of grants and loans to businesses who demonstrate the ability to provide a return on investment. This return expresses itself in the form of increase economic activity, job creation, and the broadening of a community...of a community's tax base. Our research indicated that programs like the EDRF prove to be invaluable as a part of a comprehensive economic development strategy to support local business expansion and help them make it to the next level. These programs are never without risk, but as demonstrated by municipalities throughout the U.S., the careful and prudent stewardship of these types of programs reap rewards well beyond their risks. In our case, we understand from OED that the businesses who received awards in the first round of EDRF funding are on track to meet or exceed their proposed goals. We really appreciate the Council's support in enabling the first phase to happen, but also acknowledge the concern expressed about all funding being awarded as grants in that first round. We are well aware of the community's desire to explore revolving loans more fully as an investment strategy. MEDB would like to see the EDRF continue and really become a vibrant part of diversifying our economy, and hope that funds will be appropriated to enable that to happen. To address the Committee's concerns, we have offered to bring our expertise as well as that of our associates to work with the Committee to find the most productive strategy to the next phase of the fund's evolution. Thank you very much.

CHAIR GUZMAN: Thank you. Any further questions or comments from the Members? Seeing none, thank you very much for your testimony.

MS. SKOG: Thank you.

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MS. BROOKS: There are no further testifiers in the Chamber.

CHAIR GUZMAN: Okay. Thank you. Members, if there's...without any objections, I would like to close public testimony?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you. Public testimony is now closed.

... END OF PUBLIC TESTIMONY ...

EAR-29 SEMIANNUAL REPORTS REGARDING PARK DEDICATIONS

CHAIR GUZMAN: Moving on to the first item on today's agenda. It is EAR-32 [sic] and this is our Semiannual Reports Regarding Park Dedications. If we can have our Parks Director join us as well as Mr. Halvorson. So the Committee is in receipt of the following: County Communications 15-119, from the Director of Parks and Recreation, transmitting a semiannual report regarding park dedications for each community plan area for the period of October 1, 2014 through March 31, 2015. The County Communication 15-269, from the Director of Parks and Recreation, transmitting the semiannual report regarding park dedications for each community plan area for the periods for April 1, 2015 and through September 30, 2015. And also, County Communication 16-84, from the Parks and Recreation Director, transmitting the semiannual report regarding the dedications for each community plan area for the period of October 1, 2015 through March 31, 2016. The Committee may discuss reports on related matters. The Committee may also consider the filing of one or more of the County Communications 15-119, 15-269, and 16-84, and other related actions. So, Members, we have before us three reports regarding the parks dedications from the Parks. Under Section 18.16.320(B), of the Maui County Code, requires subdividers, as a condition of approval of subdivision, to either dedicate land for park and playground purposes, pay the County a fee in lieu of, or provide improvements to a park in the community plan area, or provide an equivalent combination of these. Under Section 18.16.320(L), of the Code requires the Director of Parks and Recreation to provide Council with semiannual reports regarding park dedications for each community plan area at the end of the first and third quarters of each fiscal year. I'd like to ask the...for any comments or any explanations regarding these reports from the Director and/or Mr. Halvorson, the Chief Planning and Development, in the Department. Gentlemen?

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MR. BUENCONSEJO: Chair, thank you, Chair, Councilmembers. The Department's here today just to go over any question this body may have. So, Mr. Halvorson and I are here for any questions that this Council may have for us. Thank you.

CHAIR GUZMAN: Members? Did you have an opportunity to review the reports? You have any questions? Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah. Thank you, Chair. And, you know, I have gone over all of this, and you know, I've noticed that our area, Central Maui, Wailuku, and Kahului, zero, zero, none, none, none. So I want to know, when do we expect Pomaikai, that park next to Pomaikai School? When am I going to expect this park here by Wailuku Elementary? When am I going to expect this sump drain park I call it?

COUNCILMEMBER COUCH: Yeah.

COUNCILMEMBER VICTORINO: You know that's what it is, a sump drain. When am I going to expect those parks to ever show up somewhere along the line? It's been waiting a lot of years. I see a lot of construction, I see pavement, I see restrooms, I don't see parks. So, Mr. Halvorson or Mr. Buenconsejo, when and where do we expect those parks to ever become playable, useable parks for the people of Maui County?

CHAIR GUZMAN: Thank you, Mr. Victorino. Department, do you have a status update and can respond to Mr. Victorino?

MR. HALVORSON: The Kehalani Mauka park ...

COUNCILMEMBER VICTORINO: Could you identify yourself, so we all know who you are?

MR. HALVORSON: Oh, I'm sorry.

COUNCILMEMBER VICTORINO: Mr. Halvorson, thank you.

MR. HALVORSON: Robert Halvorson, Chief of Planning and Development in the Parks Department. Kehalani Mauka Park is scheduled to come online late this year. The Maui Lani Park is probably a few months away from coming online. And I'll let the Director talk about the sump.

MR. BUENCONSEJO: Chair, Member Victorino. Again, so looking at what was just mentioned the Kehalani Mauka Park is...from the looks of it, just from what we can all see as we drive by or out the window, you know, grading has begun. As far as the town...the

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turnaround time, from what in the communication with the developer, we hope to receive that sometime early next 2017. The Kehalani Makai, also known as the sump basin, all those different terms for that, has already been turned over to the County. Maybe six months or so ago, maybe even further than that. As you can all see the issues we have is on your way out of here, if you do drive that way, half of that sump...half of that park is underwater. That is our biggest concern, that to open a gate, we were going to put up a gate . . . *(inaudible)* . . . as a passive park. The other side of that is there is no parking. I can assure you that the minute we open that park up and we just let...without permitting it, and just let people practice themselves as far as teams go, parking along that street will become an issue with the home...the association there. And I, you know, again not speaking on behalf of the body, but there will be phone calls coming upstairs, because there was no parking structure put into there, as well as infrastructure for restrooms, water, or anything else. Which is the reason the Department has not yet moved forward with opening up the gates for any kind of park use as of yet. We are looking for it, but again it will be a passive park use. The other thing is on rainy days, you know, again, it's literally got to as high as six-foot watermark on the tree that we can actually see where the watermark is. So, the danger of that where kids become, you know, a play area as a pool, a secondary pool, with the safety grates and everything else in there it becomes a safety issue for us. The other park is Maui Lani Park is just about there. The last part of the infrastructure with the restroom and the parking pavement has been just about completed, lines will go down and some fencing. That park we expect to have, I would say realistically, within the next three months, we will be get the Maui Lani Park. Even that park will have its obstacles regarding, you know, parking needs as well, there is only 30 stalls for that whole use there. Thank you, Chair.

COUNCILMEMBER VICTORINO: Thank you. And thank you for the update. You know, I'll be out of office by the time these things get done. And, you know, it all started when I came in, it was ten years. It's kind of frustrating to keep hearing the same reasons why we haven't gotten it done. And the other area here, the sump pump, that's what I call it, because it is just a drainage. It was never intended to be a park, but, you know, that was something that was done prior to me coming into office and agreed upon by the Department, and those people that were in charge of the Department. It's sad because you cannot use that park. It cannot be used at times. And I will be putting in a PAF to you and the Department to look at maybe putting a dog park on that lower side, because, you know, it could be used in that sense and then the other side be used really for a passive park. That may be another alternative, and yes there is no parking, yes there is no opportunity for people to park anywhere along that roadway, either side. And on top of that we don't even have care, custody and control of the road in Kehalani. That's still under the auspices of the homeowners' association. We've never taken that over. So ten years later, I'm still frustrated with what I'm hearing. But it is what it is. We'll

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try to work and try to see what I can do to finish it up before I walk out the door. So my successor is not stuck with a park that is just a drainage. It is...that's all it is, it's a drainage. And every time we have rain, you go right now, there is about 2-3 feet in that corner, stretching out about 30 feet, right now 'cause I drove by earlier. So, thank you, Mr. Chair. I didn't mean to vent but just frustration.

CHAIR GUZMAN: No.

COUNCILMEMBER VICTORINO: Thank you.

CHAIR GUZMAN: We feel you. And the other Members, do you have any questions regarding the reports? Okay. I have one question, and maybe the Department can clarify and maybe just have a brief explanation. So under the Code where Section 18.16.320(B) requires the subdivider, as a condition of approval of the subdivision, to either dedicate land for park and playground purposes, or pay the County in lieu of a fee, or provide improvements to a park in the community plan area, or provide an equivalent combination of these. How is that calculated? Like okay I understand the dedication of the land for the park, that's easy. That's very simple. You know they just dedicate a portion of land. So, how do you then determine if they're not going to dedicate a land but in lieu of fees? How do you determine the values of how much that is? And then also, how do you determine if they're not going to dedicate a land, or pay any fees but do improvements? How do you value improvements? Or is that a combination thereof, in the Code? Mr. Ueoka or the Department?

MR. UEOKA: Thank you, Chair. I'll take a shot at it. As far as the in lieu fee, I believe it is based on a calculation of some real property tax values in the Code. And it's for the...I believe it's 500 square feet per lot and you multiply that by the average tax rate per square foot in that community plan area, and that would be the calculation for the in lieu fee.

CHAIR GUZMAN: Oh, I see, I see.

MR. UEOKA: And regarding the, you know, improvements of an existing park, I think they have kind of typically, if it's proposed, everyone in construction kind of has an idea of what those improvements would cost and, you know, Parks will look at it. You know, seem reasonable, they'll work something out. And it typically needs to line up with what the in lieu fee would be.

CHAIR GUZMAN: Okay. So it's like it would be a comparable amount of ...

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MR. UEOKA: Yeah. That's what --

CHAIR GUZMAN: Okay.

MR UEOKA: --the Director would like, I believe. Thank you, Chair.

MR. BUENCONSEJO: Chair?

CHAIR GUZMAN: Director?

MR. BUENCONSEJO: To add on to Mr. Ueoka's comment. So, it's 500...it's per unit, so the first 3 units or lots is so called free, and then you pay for every unit up to 500 square feet a unit or lot thereafter, with a property tax assessment fee. That's the calculation that has been done. As far as improvements to a park, I'm not aware of any of those that have come up recently, but again, 'cause almost as paying the cash value or actually setting aside acreage for the fee.

CHAIR GUZMAN: That's an interesting concept in provide improvements. Yeah. I wonder if that could ever...well has it ever been incorporated? Have they ever used the park fees for improvements, instead of it going into, you know, the

MR. BUENCONSEJO: Chair, as far ...

CHAIR GUZMAN: Does, those fees go into the Parks Assessment Fee Fund, right?

MR. BUENCONSEJO: Yes.

MR. GUZMAN: Yeah. So instead of going into that..yeah, see that's the thing is, we can't use that fund for park improvements, but yet the Code says that they could...is that correct?

MR. BUENCONSEJO: Chair, we can use it for park

CHAIR GUZMAN: We can use it for parking improvements, right?

MR. UEOKA: If I may, Chair?

CHAIR GUZMAN: Yes, Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Typically, my advice at Budget Sessions has been more along the lines, try not to use it too much for maintenance type activities.

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CHAIR GUZMAN: Oh, maintenance.

MR. UEOKA: Yeah, but if, you know, improvement. If you guys feel, if you're comfortable as the appropriating body that it's a good use of the fund, you know, so long...we just caution to stay away from maintenance. Thank you, Chair.

CHAIR GUZMAN: But it, as this Code, this Section 18.16.320(B), it doesn't necessarily need to be, I guess, placed in the fund. It can go directly into improvement, right? Is that how I read this? Like instead of in lieu of a fee they can pay, the developer can pay for the improvement based on an assessment of equal value to how much, I guess, the fee would be or the dedicated land. Is that my understanding? Or I mean is that what that says? Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Yeah, sorry I should take a step back. There is not actually a revolving fund called the Park Assessment Fund. It's typically just held in, I believe, trust and agency accounts in the Department of Finance, when money is given. Yeah. And you are correct, as far as, the money wouldn't come directly to the County. It would be park assessment agreement negotiated between the Director and the developer. And, I believe, we'd probably get Council approval for that also 'cause it would be a park assessment agreement. And then the developer would do the improvements to the park in the community plan area. The advantage of that often is, you know, if it's a developer they already have contracts with a lot of the construction for those, you know, construction entities that are already working on the project, and sometimes are already in the area, so there's some economies there that are had by the private developer. Thank you, Chair.

CHAIR GUZMAN: Thank you. I think it's of value, you know, to consider it in the future, because we're getting so many new parks, that and at some point we're neglecting the existing parks that we have. And I think this might be another avenue or at least a source to try to improve the existing parks that we do have. But it's just a food for thought. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. If you look at the October 16, 2015 report. It says transfer park assessment fees paid on 1/29/04, from Public Works' account to park assessment, and then another one on 6/7/02 and 2/26/02. Was that just, it went into the wrong place? Or why did it go into Public Works, and then finally after 12 years or 14 years, come out and go into the district? Any ideas?

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CHAIR GUZMAN: Department, is there a reason why that park assessments went to Public Works, and then came back to the Department many years later?

MR. HALVORSON: Public Works used to be the keeper of the funds.

COUNCILMEMBER COUCH: Oh, okay.

MR. HALVORSON: They enforce the Parks Assessment Ordinance.

COUNCILMEMBER COUCH: Do they still or ...

MR. HALVORSON: No. It was transferred to Parks quite some time ago, 10—12 years ago.

COUNCILMEMBER COUCH: Okay, that's all. I was just curious.

MR. HALVORSON: That was just money that was left and nobody knew about it and when they found out about it they transferred it to park assessment.

COUNCILMEMBER COUCH: I'd love to see some park money to Kihei. Thank you.

CHAIR GUZMAN: So, any other questions from the Members? Seeing none, okay, so without any objections, Members, I would like to file this item?

COUNCILMEMBERS VOICED NO OBJECTIONS.

COUNCILMEMBER COUCH: Don't we have to move to file it?

CHAIR GUZMAN: Oh, yeah, sorry. I'd like to call for a motion to file Item No. 1, which is EAR-29, Semiannual Reports Regarding Park Dedications.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair

COUNCILMEMBER CRIVELLO: So moved.

CHAIR GUZMAN: Moved by Mr. Victorino, seconded by Ms. Crivello. Any further discussion? Seeing none, all those in favor, say "aye."

COUNCILMEMBERS VOICED AYE.

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will see the handout of the Bill 58. Also proposed are rates which include an excerpt from Page 23 through 24 of Appendix B to Bill 62 of 2016, regarding Fiscal Year 2017 Budget Bill. The handouts are before you regarding the rates and the charges of the current services. I'd like to ask the Department for any comments and also if Mr. Allen would like to share any comments to the Members at this time. The floor is yours.

MR. ALLEN: Thank you, Chair. Thank you, Council. I'm open for any questions that you might have.

CHAIR GUZMAN: Okay. Members, do you have any questions at this time? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. A question for you, is this going to be the time where we're going to see if we can discuss the flexible rate? For...remember we were looking at off season, on season, allow them to be able...is this the time to discuss that or ...

CHAIR GUZMAN: Yeah.

COUNCILMEMBER COUCH: I wasn't at the February 16th meeting, so.

CHAIR GUZMAN: Yeah. And we can discuss that. I'll be open to that. And then we can prepare some further follow-up.

COUNCILMEMBER COUCH: Or at least leave this open because I know you're running out of time --

CHAIR GUZMAN: Right, right.

COUNCILMEMBER COUCH: --so.

CHAIR GUZMAN: So, why don't we get suggestions from the Department? In terms of the flex, you know, flex rates, what were you proposing, and what is your idea of what we need to do to at least be competitive with the other private courses?

MR. BUENCONSEJO: Chair? Thank you, Member Couch. I'll jump in a little bit then I'll have Mr. Allen also say a few.

CHAIR GUZMAN: Okay.

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MR. BUENCONSEJO: But we did adjust some of flex rates and bringing down...well I shouldn't say adjusted the flex rates. We did look at the visitor rates and our resident rates and see what we could adjust there. Ideally from the Department, and again we'll kind of throw this question out for this body, and maybe Mr. Ueoka. Is what we kind of want to look at is again filling in those gaps. Like right now summer, for some strange reason all across anywhere summer is a pretty slow season, for some strange reason. What I kind of was imaging and Mr. Allen and I took a trip to Oahu and we are going back there, but having some kind of, again a flex rate or a flex button --

CHAIR GUZMAN: Right.

MR. BUENCONSEJO: --in sense on the computer where we can do things like all those, you know, 3 to 4 o'clock hours bring in soccer golf, charging 5 or 10 bucks. Five bucks for the kid, 10 bucks for the parent. At night during the summers, again, this is not an everyday thing but, you know, once a week or a Saturday, even night golf. On the front 9, having that flexibility on doing that \$10 rate for that night, for night golf. You know just having some kind of flexibility in that fee structure. And again we can pass everything through this body as we put that into play for that week of. But just having that flexibility is one thing that we're definitely looking for from a Department standpoint.

CHAIR GUZMAN: Mr. Allen? Oh sorry, mister ...

MR. ALLEN: Yes, thank you. And I was also kicking around the idea that kids play for free if their parents pay, you know, to encourage more junior golf, have them come out with a father/son or father/daughter, or vice versa, mother/son, mother/daughter. But we'd need to have that flexibility. We're looking at trying to get an electronic tee sheet program that has the ability to e-mail out coupons or specials that we might do. Our, currently our system, while it is electronic, is very antiquated. We wait in line to make tee times or we call on the phone, where the majority of courses in the United States, in over 73 percent of people playing golf now book tee times online. So we are looking at changing that system over as well. And we also we only collect cash, so we need to get into a credit card system. So that it makes it easier for everyone to use. So there are so many ideas that we have and we just need backing and for it to come to fruition.

CHAIR GUZMAN: Mr. Couch?

COUNCILMEMBER COUCH: Okay. Those are all great ideas. That would be great, but the one I didn't hear was, hey during the peak season, or the, actually more the off season,

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when the big courses drop their rates to below your rates, you need to be able to drop your rates too. Is that included in your package that you're going to try and send it?

MR. ALLEN: Yes, sorry.

COUNCILMEMBER COUCH: Okay.

MR. ALLEN: Councilmember, we...in the first reading, we have for non-residents, that's the highest rate that we have. From May 1st to October 31st, we were looking at dropping their rates to try to encourage them to come on site more often. We are trying to offset the cost of the golf cart, which is . . . it would be competitive with, you know, our competition out there. It's just would it be enough, you know, we're kind of locked into a dollar amount. We'd like to maybe have a wider window.

COUNCILMEMBER COUCH: Right. And that's what I would like to see from you guys is a here's our range can we put--and I guess this is towards Mr. Ueoka--can we put a range in the bill, in the Rates and Fees Section? I know we kind of discussed it a little bit.

CHAIR GUZMAN: Yeah. In the Budget Ordinance, Mr. Ueoka, an we do ranges? Is it ...

COUNCILMEMBER COUCH: You know, to allow them to go from \$35 for 12 to 55 or 65, and then they determine during the time of year what will bring more people in. Because right now on the rates and fees it's a dollar amount and that's it.

CHAIR GUZMAN: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. I'm not aware of any restrictions in the Charter. It just says we shall set forth the rates in the Budget. I will warn that, got to word it carefully when you put it in the Code, otherwise it could be, I'm not saying anyone would do this, but the potential would exist where my friend gets the cheaper rate all year long and the guy I don't know pays the higher all year long.

COUNCILMEMBER COUCH: Right.

MR. UEOKA: So just some warning there that you guys probably should have a system in place or some --

COUNCILMEMBER COUCH: Right.

MR. UEOKA: --language in the rates and fees. Thank you, Chair.

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COUNCILMEMBER COUCH: Okay. And that's what we're looking forward to as a suggestion from the Department. How they would want that to look. Thank you, Chair.

CHAIR GUZMAN: Department?

MR. BUENCONSEJO: Chair, Mr. Couch, yeah, so we will definitely put that in, maybe some kind of range, 30 to 55 or something in that sense. And also putting in a range of special promotional golf, you know, in kind of parenthesis, list soccer golf, night golf, and miscellaneous and some kind of generic rate as well or a \$10 fee or something like that where we can go play 5 to \$15 kind of range that we can kind of play with. To also add on a little bit to what Mr. Allen was saying with credit card systems. We are definitely, that's, you know, the top priority, get the credit card system going there. And also in talking with...again going, catching up to what has been neglected there. As far as time [sic] sheets, currently right now you cannot even do a phone call in so everything is...I'm sorry, you can do a call in or you got to walk in at 4:30 in the morning and stand in line and get your tee time two days out. Oahu, their municipal golf course are seven days out all via telephone tee sheet arrangements. So we are looking into those things. Again, finding the gaps where we can accommodate the visitor. It's blocking certain times during the day, you know, when more of our local rate is not always there, our local players aren't there. Is having that kind of gap, where we can block, you know, two hour windows for that visitor rate, so that they can enjoy the course as well and not feel pressured by some of the seniors pushing the play. So we have a lot of the things that we are working on in that aspect.

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you. And again, I agree with Mr. Ueoka, best be careful what you wish for because when you get it you may not want it. 'Cause in Honolulu they tried that and they were having some major problems. The Ala Wai in particular. So you got to be careful of that. And I like the way you already have different rates for different times of the year, which most golf course will have set rates. They don't change every week or every month. They change by the seasons, and you guys have done the good job putting in November to April and then May to October. You know those are the high and low years, you know, I mean parts of the year. And summer is generally...and golf in general has fallen off big time across the United States. So anybody who understands what golf is all about and how it plays, the play has fallen off. It's not as attractive as it used to be, and lot of it because there's other alternatives

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than golf. And it became a rich man sport, so quickly people fell off the row. So anyway, in my, you know, you guys brought up a lot of good issues but what I would like to see is then if you really want...I don't want a range, I'd like to have quarterly changes, if you feel that would be applicable. Because I think there you have more stability in what you're trying. So instead of going six months have it three months and make the quarterly changes accordingly. When you know the certain time of the year during the summer from June or July to September is really slow, then you make a quarterly change for that. That way you don't have this real...again ranges is not something I want to play with, because again I can see challenges, you know. I disagree with my colleague; I think that's the worst thing we can do. But if you have specific time periods for which you offer the discount promotional whatever, night children's play, whatever you want to put, I think that would be more applicable to what we want achieve. And then you have a time period which you can evaluate how effective it was or not. So I would prefer something of that nature than ranges. Because again ranges can be very, very subjective because what is \$55 and \$35, or what is 40 and 20, I don't know. And who gets it? Mr. Ueoka is correct, it may be my friend getting it and the guy who is not my friend may not be getting it. And you open Pandora's Box real quickly. So anyhow, Mr. Chair, that would be my suggestion is to look at quarterly instead of every six months, which would be more applicable to what you're really trying to achieve. And then of course the other promotions that's fine. That's not something I agree with you wholeheartedly, but quarterly. 'Cause I know a lot of courses in the mainland have gone to quarterly verses six months. Because they see the seasonal changes more quickly than six months. So anyhow that is my suggestion, and something maybe the Department would like to look into and bring back something later, a little bit later for us, along with all the other ideas you have brought forth, Mr. Allen. Thank you.

MR. ALLEN: Thank you.

CHAIR GUZMAN: So just to follow up on the credit card processing. When do you anticipate that to be implemented?

MR. BUENCONSEJO: Chair? Yesterday. No, but it's one of those things that we, you know --

CHAIR GUZMAN: I wish, because I've been waiting.

MR. BUENCONSEJO: --we definitely dove a little harder into it with Finance. You know it was about a phone line and all these different alternate lines and stuff, but we hope to have that in. In realistic terms, we hope to have that up and running within the next I'm just going to say 45 days.

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CHAIR GUZMAN: Okay, great. That's awesome news.

MR. BUENCONSEJO: Yeah. Hopefully, yeah.

CHAIR GUZMAN: That's great. Okay, so, Members, if you prefer, the Department, would you like to come back at some other point to present some of these ideas or...okay, why don't at this...Mr. Couch?

COUNCILMEMBER COUCH: Yeah. That would be great, and I know some of my colleagues have ideas, and we have ideas so bring them both, and we can discuss them. That's what this whole Committee is all about.

CHAIR GUZMAN: Sure.

COUNCILMEMBER COUCH: So bring 'em all.

CHAIR GUZMAN: Bring it. Okay. Thank you. So without objections, Members, I'm going to defer this item.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you.

ACTION: DEFER.

EAR-11 ECONOMIC DEVELOPMENT REVOLVING FUND (EAR-11)

CHAIR GUZMAN: Moving on the last and final item. I'd like to also call...do we have a representative from the Maui Economic Board? Oh, okay, okay. Mr. DeRego, can you come down to the podium, just in case we have any...the Members have any questions or...okay. Why don't we go ahead and...come on down? And just in case we need resource on the Economic Development Revolving Fund. So, Members, on the last item, EAR-3...11, sorry, the Committee is in receipt of the following: County Communication 14-224, from me, relating to the matter of the Economic Development Revolving Fund. Miscellaneous Communication, dated May 28, 2015, from the County Clerk, referring the matter relating to the Economic Development Revolving Fund. The Committee may discuss the matter. The Committee may also consider the filing of County Communication 14-224 and the Miscellaneous Communication, and other related actions. Members, this is another housekeeping matter. Section 3.81.050, of the Maui

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County Code, provides that the Economic Development Revolving Fund will automatically expire June 30, 2016. And Bill 54 (2016), which proposes to extend the term of the fund to June 30, 2021, is currently scheduled for second reading in the Council's June 3, 2016 meeting, as indicated in the handout on Bill 54. You also have a handout which shows the estimated balance in the EDRF is 20,000, pursuant to Page 53 of Appendix A, part 2, to the Bill 62, Fiscal Year 2017 Budget Bill. So at this time I am going to introduce the representatives from MEDB. I think we have Gerry Suder.

UNIDENTIFIED SPEAKER: Smith.

CHAIR GUZMAN: Smith, sorry. Nice handwriting, Staff. Gerry Smith, and so if you have any opening statements you would like to share with the Members today, you can go ahead and present.

MR. DeREGO: Aloha, Chair. Aloha, Committee. I think our CEO said it best that MEDB does support the EDRF and we are here as a resource that helped the Mayor's Office of Economic Development get the infrastructure of this off the ground. As far as we're concerned and the companies that we've been following, they have been able to use those resources to leverage development and growth in their businesses. And as time goes on we'll be able to see how that investment has grown over time. So other than that, if Gerry has anything to say.

MR. SMITH: No, I think that covers it pretty well. We're willing to help in any way that we can.

MR. DeREGO: So thank you, Chair.

CHAIR GUZMAN: Thank you, Mr. DeRego. Members, do you have any questions for this item, or this particular issue? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you guys for being here. I guess this would be, it would be also to the OED Office as well, but can you guys come up with language or procedures on how to make this a revolving fund as opposed to...I mean, through your study and OED's study of revolving funds around...economic development revolving funds around the country. Can you come up with some kind of language to help us get it so it can be a revolving fund? Because I agree, these were grants and that's the way it was presented at the time, and it would be nice for those folks to have done their thing, and then once they made their money off of...I mean we're developing the economy, so they should be able to pay it off at some point in time. So

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through your studies throughout the country where these funds exist, can you help us out with that?

MR. DeREGO: Yeah. Thank you, Don, for that. If I remember correctly, the discussion around the word "revolving" had to do with a specific State statute about what that word actually meant, which also meant that it was not only loans, but it would be any kind of money that was put back into the fund. So I think there was some misunderstanding basically based on the word "revolving." But we do understand the need to diversify, if you want to put it that way, the portfolio, that it's not only grants but there are actually monies coming in and the fund being replenished. So we understand that and I think as our...Jeanne Skog has said, that we are perfectly willing to sit down with the Office of Economic Development and this Committee to be able to develop language that would actually develop this as the Council wishes into an economic revolving fund where loans are also available and not only grants.

COUNCILMEMBER COUCH: Thank you, Chair

CHAIR GUZMAN: Thank you, Mr. Couch. Any further questions or comments? Okay. So at this point since this item has been heard in the Budget Committee, and also will be I guess at second reading, presented at second reading this Friday, the Chair will entertain a motion to recommend filing the Miscellaneous Communication ...

COUNCILMEMBER VICTORINO: No.

CHAIR GUZMAN: What's that?

COUNCILMEMBER COUCH: Mr. Chair?

COUNCILMEMBER VICTORINO: I think...yeah ...

COUNCILMEMBER COUCH: I'd like to see if we can defer this --

COUNCILMEMBER VICTORINO: Defer this.

COUNCILMEMBER COUCH: --only because, if we can come up with language --

COUNCILMEMBER VICTORINO: Yeah.

CHAIR GUZMAN: Oh okay. Okay.

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COUNCILMEMBER COUCH: --to figure out how to make this a loan versus, or an actual revolving fund, if at all possible. Or would you rather that a separate whole item?

CHAIR GUZMAN: I believe that this communication was to extend --

COUNCILMEMBER VICTORINO: To 20 ...

CHAIR GUZMAN: --the expiration. Yeah.

COUNCILMEMBER VICTORINO: To 2020.

CHAIR GUZMAN: And so I was trying to get some housekeeping matters done, which was basically to discharge...not to discharge, but to file this item. We do have the master item under the Economic Development Revolving Fund still within our master agenda.

COUNCILMEMBER COUCH: Oh, okay, because all the information I have here --

CHAIR GUZMAN: Is that correct, Staff?

COUNCILMEMBER COUCH: --has nothing to do about the extension. Yeah.

CHAIR GUZMAN: Because I don't want to file the subject matter.

MS. BROOKS: It is the subject matter, so if ...*(inaudible)*...

CHAIR GUZMAN: Oh, okay. This is a...you are correct.

COUNCILMEMBER VICTORINO: Can you speak into the mic? 'Cause I didn't hear what she said.

CHAIR GUZMAN: You're correct, this is the subject matter. So you are correct, I will defer this...without objections, I will defer this item.

COUNCILMEMBER VOICED NO OBJECTIONS.

CHAIR GUZMAN: Okay. Thank you. Members, this will conclude today's EAR agenda. Thank you very much for sitting through and having a productive discussion. So this will conclude our EAR agenda.

COUNCILMEMBER VICTORINO: Thank you, gang.

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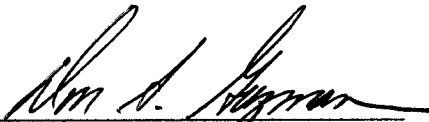
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CHAIR GUZMAN: Thank you. ...*(gavel)*...

ACTION: DEFER.

ADJOURN: 4:38 p.m.

APPROVED BY:



DON S. GUZMAN, Chair
Economic Development, Energy,
Agriculture, and Recreation Committee

ear:min:160531:ld

Transcribed by: Lenora Dinneen

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CERTIFICATE

I, Lenora Dinneen, 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 30th day of June, 2016, in Kahului, Hawaii

A handwritten signature in cursive script that reads "Lenora Dinneen". The signature is written in black ink and is positioned above a horizontal line.

Lenora Dinneen