

**PLANNING COMMITTEE**  
**Council of the County of Maui**

**M I N U T E S**

**Council Chamber**

**November 3, 2016**

**CONVENE: 9:04 a.m.**

**PRESENT: VOTING MEMBERS:**

Councilmember Don Couch, Chair  
Councilmember Robert Carroll, Vice-Chair  
Councilmember Gladys C. Baisa (left at 11:07 a.m.)  
Councilmember Elle Cochran  
Councilmember Don S. Guzman (arrived at 9:09 a.m.)  
Councilmember Michael P. Victorino  
Councilmember Mike White

**STAFF:** Greg Garneau, 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.:** Gary Murai, Deputy Corporation Counsel, Department of the Corporation Counsel

William Spence, Director, Department of Planning

Joseph Alueta, Administrative Planning Officer, Zoning Administration and Enforcement Division, Department of Planning

John Rapacz, Planning Program Administrator, Zoning Administration and Enforcement Division, Department of Planning

Kathleen Aoki, Administrative Planning Officer, Plan Implementation Division, Department of Planning

Pamela Mayer Eaton, Planning Program Administrator, Long Range Planning Division, Department of Planning

Carol Reimann, Director, Department of Housing and Human Concerns

Clyde "Buddy" Almeida, Housing Administrator, Housing Division, Department of Housing and Human Concerns

**OTHERS:** Tasha Kama  
Thomas Croly

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Kellie Pali-Cruz  
Zandra Amaral Crouse  
Aliko Biniaris  
Lucienne de Naie  
Cassandra Abdul  
Kathy McLean  
Albert Perez  
Pam Bello  
Dave DeLeon  
Stan Franco  
Catherine Clark  
Plus (6) other people

**PRESS:** *Akaku Maui Community Television, Inc.*

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CHAIR COUCH: . . . *(gavel)* . . . Will the Planning Committee meeting of Thursday, November 3, 2016 please come to order. It is 9:04. My name is Don Couch. I'm the Chair of the Committee. And before we get started, please ask everybody to turn their cell phones in the silent mode so we can go through the meeting uninterrupted. Alright, first things first, we're going to introduce the Members of the Committee that are here. First, we have the Vice-Chair of the Committee, Robert Carroll.

VICE-CHAIR CARROLL: Good morning, Chair.

CHAIR COUCH: Good morning. Gladys Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR COUCH: Good morning. Elle Cochran.

COUNCILMEMBER COCHRAN: Aloha, good morning, Chair.

CHAIR COUCH: Aloha, good morning. Council Chair, Mike White.

COUNCILMEMBER WHITE: Good morning, Chair.

CHAIR COUCH: Good morning. And Councilmember Victorino.

COUNCILMEMBER VICTORINO: Good morning, aloha, Chair.

CHAIR COUCH: Good morning. And excused for the moment is Councilmember Guzman. Alright, from the Planning Department, we have Will Spence, the Director, good morning.

MR. SPENCE: Good morning, Mr. Chairman and Committee Members.

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CHAIR COUCH: And Joe Alueta, it looks like, good morning, and John Rapacz, good morning. From Department of Housing and Human Concerns we have Carol Reimann and Buddy Almeida, who will be down here in a little bit. Today, substituting for Mr. Hopper, we have Deputy Corporation Counsel Gary Murai, good morning.

MR. MURAI: Good morning, Mr. Chair.

CHAIR COUCH: And on the Staff, we have our Legislative Attorney, Greg Garneau, good morning.

MR. GARNEAU: Good morning, Chair.

CHAIR COUCH: And Committee Secretary, Pauline Martins, good morning. And from the Hana District Office, we have Dawn Lono. Good morning, Dawn.

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

CHAIR COUCH: And from Lanai District Office, we have Denise Fernandez.

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

CHAIR COUCH: And from Molokai District Office we have Ella Alcon.

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

CHAIR COUCH: Good morning, ladies. We'll get back to you in just a little bit. Members, we have one item on the agenda today, it's PC-28, Amending the Comprehensive Zoning Ordinance to Establish Affordable Accessory Dwellings as a Permitted Use in Certain Zoning Districts. We're going to open the floor to public testimony in just a second. For those individuals testifying in the Chamber, please sign up at the desk outside the Chamber door. If you're testifying from a remote testimony site, please sign up with the District Office Staff. Testimony will be limited to just this item on the agenda today and you're going to get three minutes to testify and we're using a lighting system. Well, actually we give you four minutes. We prefer you get your testimony in the three minutes so that, the light will be green for those three minutes. It will then go to yellow for a minute and when it turns red, that means you're at the end of your fourth minute so please wrap your testimony up because we've got a lot to discuss today so the sooner we can get into discussing it, we might be able to get things taken care of. And if you're signing up, if you're testifying, please state your name and any organization you may be representing. Members, without objection, we'll open public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS.

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**. . . BEGIN PUBLIC TESTIMONY . . .**

CHAIR COUCH: Okay. So far, Members, we have five people signed up to testify. First is Tasha Kama, followed by Tom Croly.

MS. KAMA: Good morning, Mr. Chair and Members of the Committee. My name is Tasha Kama. I'm here representing Deacon Stan Franco with Faith Action for Community Equity. He has already submitted his testimony to the Chair but felt that someone else should be here to be able to at least verbally articulate FACE's position. Faith Action for Community Equity has been following and tracking this ordinance since its inception. As a matter of fact, before Councilman Carroll had brought it up, we had already been talking about it in many of our meetings years ago when Chris Hart was still with us and that's when we decided that maybe the ordinance, so 7,500 square feet, maybe we needed to reduce it to something smaller and that's why we're looking at Mr. Carroll as the champion for this critical, most important piece of legislation to come out from the County. That is FACE's position. We have read the ordinance. We have all reviewed it and we have all said that we want this particular piece of legislation to pass without any more additional amendments or without any deletions. We've read it. We've seen it. And we're saying we need to move on this right away. We need to make this happen because people outside are suffering. We have had housing rallies. We've had meetings with people who have shared their stories, their testimonies of how difficult it is for them to be able to afford a place to live. Our anticipation is that with what's going on in our Micronesian countries, in that part of Oceania, that we're going to see a greater migration of our Micronesian cousins coming over here due to climate change and due to the rising sea levels there. And so we want to be able to be proactive about it. This County needs to be able to take a look at not only what's happening around us here but what's happening around us in the place we call our world and be able to prepare and be proactive about those things. So I want to say thank you very much for the opportunity to come here today and to speak on behalf of the Catholic churches, on behalf of the Micronesian churches, on behalf of the Pentecostal churches and all the churches out there that we represent and also our Catholic Charities and the people that we serve there and also for Local Five, which is a member of FACE also and so we want you to know that this is important to us and it should be important enough to you to say yes today. So thank you very much.

CHAIR COUCH: Thank you, Ms. Kama. Members, any questions to the testifier? Seeing none, thank you.

MS. KAMA: Thank you.

CHAIR COUCH: Up next is Mr. Tom Croly, followed by Kellie Pali-Cruz. And Members, I want to acknowledge the presence of Member Guzman. Good morning, sir.

COUNCILMEMBER GUZMAN: Good morning.

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MR. CROLY: Aloha, Chair. Aloha, Committee Members. I'm Tom Croly testifying today on my own behalf as both a board member of Go Maui advocating for housing policies to help create housing opportunities for our residents and as a board member of the Maui Vacation Rental Association advocating for sound vacation rental laws to effectively regulate the vacation rental industry. While some may believe that these two things are at odds with each other, I disagree. Housing for our residents and vocational rental opportunities benefiting both our residents and non-residents can effectively co-exist and provide mutual benefit to each other. But over-regulation of housing and of vacation rentals leads to mutual ignorance of the laws regulating both. What's before this Committee today is a proposed bill to expand opportunities to build, or in many cases back permit existing accessory dwelling units. And I hope that it will allow us to build more housing and not grow bigger government. To effectively create more legally permitted accessory dwellings, the regulations that govern them must be lucent. The policy to allow these dwellings on smaller lots is a good start to loosening these regulations but creating a new set of complicated regulations on how these dwellings can be used after they're built is a recipe for disaster. We have experience with this and we know that we don't need the government trying to determine who's living in this and how much rent are they paying and administrating all that goes along with that. It's just wrong in so many ways that I couldn't go through it in my three minutes of testimony here. And please, can we stop pretending that our housing shortage is caused by permitted short-term rentals and B&Bs? We have more than 6,000 accessory dwellings and fewer than 50 of them or less than 1 percent are permitted for bed and breakfast and short-term rental use. What we need is 6,000 more accessory dwellings built and what we need this Committee to do is help government make that happen and not put limitations in the way of that happening. It should also be recognized that some short-term rental use of accessory dwellings is both good for the broader economy and in many cases actually helps the owners afford their own housing. I know this because I have helped people obtain bed and breakfast permits who without that bed and breakfast permit to allow them to rent out their accessory dwelling would have lost their homes. If this Committee decides that it's appropriate to allow second accessory dwellings on larger lots, on behalf of the Maui Vacation Rental Association, we have no objection to these additional accessory dwellings carrying the restriction that would not allow them to be permitted for short-term rental use or bed and breakfast use. But each Maui homeowner should have the opportunity to apply for a bed and breakfast or short-term rental home permit for the first accessory dwellings in the ways that are already laid out in those ordinances. We should not be tearing apart those ordinances under the guise of we're trying to create more accessory housing. If those ordinances need tweaking, let's bring that up and let's do that and we recently have done that for the short-term rental ordinance. Now, in the last 30 seconds I have here, one significant change that I would strongly recommend for the accessory dwelling ordinance is that of storage space for these accessory dwellings. Currently what's in Code says that the gross size of the dwelling has to include the storage spaces. This is silly. When you tell someone they have 500 square feet to live in, they're going to make 500 square feet their living space. Let them have some degree of storage area associated with that. So just cross out that part that says the total area includes storage space and let people have some level of storage space on their ohanas. Thank you.

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CHAIR COUCH: Thank you, Mr. Croly. Members, any questions to the testifier? I have one. You mentioned, you said you didn't want the short-term rental removed, or you're okay with the short-term rental on the second accessory dwelling?

MR. CROLY: Just to clarify, yeah. Because it gets a little convoluted.

CHAIR COUCH: Yeah, understood. But what about the affordable dwelling unit, the one under 7,500 square feet?

MR. CROLY: Okay, in my opinion, you should just be creating more accessory dwellings. This idea that you're going to have these accessory dwellings under 7,500 square feet treated differently than the ones that are over 7,500 square feet, you know, that's a mistake. It fundamentally is a mistake. They should all be treated the same and what more units in the market will do, it will bring everyone's rent down. If we're just going to say oh, just you have to create an affordable one but that guy over there doesn't, that's, it's not fair and it's not going to really have a purpose. So I don't think that creating a separate affordable is necessary in this but if you do, I have no problem with a restriction to that saying that affordable accessory may not be used for short-term rental, absolutely no problem with that.

CHAIR COUCH: Okay. Thank you. Members? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you, Mr. Croly. I want to ask you to do and can you embellish a little bit about this storage space idea? It's something, it's a new idea.

MR. CROLY: Sure. Something that I've noticed, I live in Maui Meadows, and about half the homes in Maui Meadows have cottages, okay. And around a whole lot of those cottages is everyone's stuff, okay. Their washer/dryer machine, their surfboards, their bicycles and all their stuff and the reason the stuff is all around the cottage and not put in some storage is that as soon as you add a little outbuilding to the cottage, you've now made it illegal. And I went through this myself when I got my own bed and breakfast permit, finding out that the area that was enclosing my washer and dryer wasn't legal and I had to remove that because that then put you over the amount of gross floor space. Well, that storage space isn't living space and if you give someone 500 square feet to live in, they're going to make, they're going to max out their living space. So let them have some degree of storage space outside of the dwelling with no internal connection, it's clearly defined as storage space and if you think it's necessary to regulate it, put in Code, may not be used for dwelling, must be of whatever size. Personally, I don't think it needs to be regulated. If it's storage space, it's storage space. But the idea that we're limiting these cottages and saying, well, your washer and dryer sits outside in Haiku and you just gotta let it get rained on because you're not allowed to enclose it because that would be storage space is silly.

COUNCILMEMBER BAISA: I see. No wonder we see people parking on the road because they're using their garage for storage. We see it all over the place.

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MR. CROLY: Yes, exactly.

COUNCILMEMBER BAISA: So this is a real problem and I'm intrigued by that idea. I think it's great. Thank you for bringing that up.

MR. CROLY: And in your, in what's on the, you to look at, there's just one place where you would need to scratch out includes storage space and you'd be able to make that.

COUNCILMEMBER BAISA: Okay, thank you very much.

MR. CROLY: Thank you.

CHAIR COUCH: Thank you. Members, any further questions? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair, and good morning, thank you, Mr. Croly, for being here. I'm not sure if you were able to see, I'm going to be presenting amendments this morning in regards to this and my amendment refers to the affordable rent guidelines and their percentage. So my amendment would have that accessory dwelling rental at 80 percent of the median so that's around a little over 1,200. Do you think that's a reasonable amount?

MR. CROLY: You know, it varies so much even in Maui Meadows, for example. There's some cottages that sit on the edge of a, you know, beautiful view and so forth and that cottage is going to bring \$2,500 a month. There's other cottages that are in the back of, you know, the property and maybe don't have a view and the parking's a little tough and it's tight with the house. And the person might be happy to take \$1,200 a month for that cottage. So, you know, the actual rent that somebody's going to charge is going to depend on so many factors that I don't think I could make a broad statement to say that \$1,200 would make someone happy and get them to build something. But I will say this, we certainly need more \$1,200 cottages. I agree with you there.

COUNCILMEMBER COCHRAN: Yeah. Very good. That's my intent. Thank you, Mr. Croly. Thank you, Chair.

CHAIR COUCH: Thank you. Members, any further questions? Seeing none, thank you, Mr. Croly. Next up is Kellie Pali-Cruz, followed by Zandra Amaral Crouse.

MS. PALI-CRUZ: Hello. Good morning. Kellie Pali-Cruz. Hello, Councilmember Don Couch and everyone here today. My testimony will be quite brief. I was trying to do as much homework as I could to get appraised of what was happening. I was more focused on County Councilmember Bob Carroll's original bill and I'm now realizing about within the last 30 minutes, it's kind of morphed into something quite different. So as quickly as I could read in the last 10-15 minutes, I've tried to make my way through this, I don't know how many pages and I think my testimony is still kind of going to apply here. I'm also testifying on behalf of Go Maui as well and we, and personally myself amongst I

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think a lot of my fellow homeowners, especially in the Kihei area. I live in North Kihei. I'm proud of it. North Kihei! Okay, so I want to just say that first of all, we need affordable housing. We need affordable housing. We need affordable rentals. And that's certain. And that's something that it sounds like we all agree on. But what, where I differ and where Go Maui also agrees and differs is that it's really unfair to continue to squeeze the same amount of people, the same type of people, that same blue-collar, hard working two-three job family that is on that lot of 5,000 to 7,500 square feet. These are our, in my opinion, these are the heart and soul of Maui County. These are the people paying probably the highest property taxes because they don't have ag land and they can't put the avocado tree and they don't have the square footage. These are the people that their kids are getting married and they're going to go in the back or they're going to go upstairs and they have two or three families on these lots. These are the people that need our help the most and here we are presenting a bill to say hey, you know, we want to help you but it's going to be in disguise. We really want you to do our job. We want you to front the money. We want you to go through the permit process. We want you to work harder so you can pay to create an affordable rental unit and then we want to regulate how you do that. I'm sorry, but that's wrong. It's wrong. We're taxing the wrong people. I don't want the point to be missed that we definitely agree that this bill needs to move forward so we can have the doors open for people that have the means but to put that regulation as we're now managing how much rent you get not even knowing how much you're putting in, the sacrifices you're making to do it is not right. The other thing is we are used to using regulation as a way to tell people how to live, force them and kind of use this negative approach and I would like you guys to consider a more positive approach. Instead of using rules to dictate how people live, maybe we should use incentives and rewards. An example that I thought of is this bill needs to go through but we need to clean it up. We need to pull back some of those you have to do it this way. You can do the same thing. You can create affordable rentals by promoting rewards. As an example, what if since you're renting a piece of your home, you don't get the affordable housing tax exemption. You don't get it. But if you let it be affordable rental, like one of Elle Cochran's, County Council Elle Cochran's requirements, then you get the exemption for affordable property taxes. So we're rewarding them to do the right thing but we're not forcing them by this dictation. So that's my testimony.

CHAIR COUCH: Thank you. Members, any questions to the testifier?

COUNCILMEMBER VICTORINO: Yeah, Chair?

CHAIR COUCH: Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah, and thank you, Ms. Cruz, for being here today and I really like your idea about incentives. I think we've always been punitive instead of being more incentivized as far as what we want to do. The one area I wanted to ask you is that blue-collar working three jobs, what did you mean by that, you know?

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MS. PALI-CRUZ: Well, think about it. If you had a maybe higher-end career or you made more money, you don't own a 5,000 square foot home, right? You own a 10,000 square foot home. You own 2 acres Upcountry, right? The guys that are buying the 5,000 square foot homes, that's all they could afford. So that already dictates what they spend on their home, kind of what they're bringing in on a household income. So here we are now, these guys who make more money, who have the more higher-valued homes, they're not regulated. They can do whatever they want, they can rent for whatever they want. And then here we are, the hardworking, the people that can just afford that house, maybe generations in their home can't yet afford it, you know, and now we want to say hey, we'll let you go do what all these other people that get money do but we're going to regulate you. Come on. That's wrong.

COUNCILMEMBER VICTORINO: Okay, thank you for your clarification. Thank you, Mr. Chair.

CHAIR COUCH: Thank you. Members? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. Thank you, Kellie, for being here this morning. I think it would be very helpful for us to understand your testimony. Tell us a little bit about what you do? I'm assuming you run into this and so you understand the situation of people looking for housing.

MS. PALI-CRUZ: I do. I actually have an inside peek where many don't because for a living I'm a mortgage broker. So I'm meeting with the families that have either, you know, gotten that second or third job so they can qualify for the home, that are getting their 18-year-old kids, no, cannot go college because you gotta work so that we can buy a house. And I'm meeting with these families. I'm also a lead lender on one of the affordable housing projects and I can't tell you the hundreds of people that are just so excited and they're doing all the right things but they still don't make enough money to qualify for just that bare minimum most affordable value and it's not fair. And I get to see these people on a daily basis. And the ones that succeed, the ones that got it together to get that house, that little house on that small 5,000 square foot lot, come on, are you kidding me? They deserve to have a little help with their mortgage by turning their two-car garage into ohana unit and help with the mortgage. And these people know, you know, they say, waitresses and waiters are the best tippers. Do you know why? Because that's what they do. Do you think these people are going to go and rip everyone else off just because a few people out there are doing it? No. No.

COUNCILMEMBER BAISA: Okay, thank you very much. I knew there was reason for that passion. Thank you.

MS. PALI-CRUZ: Sorry if I'm a little...I am passionate about this.

COUNCILMEMBER BAISA: It's okay. We all are feeling that right now. Thank you.

MS. PALI-CRUZ: Okay.

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CHAIR COUCH: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. Good morning, Ms. Cruz. Thank you for being here. In the, I guess, you know, the HUD guidelines state what their affordable term rental numbers are so that again the question I asked Mr. Croly previously, the 80 percent for 1 bedroom is 1,223 according to their guidelines and that's the affordable definition and that's what I'm looking, you know, for these affordable dwellings. So do you think it is?

MS. PALI-CRUZ: To answer your question just fairly because I don't want my testimony to be convoluted and to make sure it's clear, I don't support establishing any of that in this particular bill. I do support establishing those guidelines in other avenues where we can incentivize the homeowners to do the right thing and if that's the guidelines you pulled in another area, not in this bill, that sounds totally fair. I have an ohana I've owned since 1999. It's permitted, 2-car garage turned into ohana unit and I remember, I watched it from 1999 to 2016, 800 back then I could get and then it was like 1,100. At some point, you know, when it there was peak at 2007, people were renting for about 1,500. When 2011 the market shifted again, I was lucky if I could get 1,100 because we were down again and now we're up. So I think you have to use perspective here. We're making laws that are going to shape us for the next 10, 20, 30 years but we're doing it at a time where everything is like, it seems almost urgent. It seems like everything's peak. And so we're looking at our current circumstance to dictate the next 30 years but we have to look back at the last 10-20 years to properly create law that's going to serve us for the next 30 years or we're going to be blindsided.

COUNCILMEMBER COCHRAN: Okay, thank you very much.

CHAIR COUCH: Thank you. Members, any other questions to the testifier? I have a couple. When you said, you know, we're talking about the affordability requirements but you said don't put them on there because they want their kids to live there or whatever, we have in the current portion of the bill it says family members are okay. You can charge them whatever you want. If you charge, if you're renting to somebody who is not a family member, then you have to keep it at an affordable rate. This is on only units that aren't allowed now at all. I mean, right now you can't do it.

MS. PALI-CRUZ: Yes, those are those hardworking people that deserve to have a fair lifestyle like the guys who make 100 grand a year. Like I, we, Go Maui and myself totally do not support any type of regulation in this bill for requirements of affordable housing.

CHAIR COUCH: Okay.

MS. PALI-CRUZ: Because this is not the place to do it. That's how we feel.

CHAIR COUCH: Okay.

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MS. PALI-CRUZ: Yeah. And let's face it, you want to know how many people I'm related to on this island? Like how are you going to regulate that? What are you going to say, oh fourth cousins don't count?

CHAIR COUCH: Right.

MS. PALI-CRUZ: Like come on, like it's not even reasonable.

CHAIR COUCH: Okay. Now you also talked about giving a tax incentive to...

MS. PALI-CRUZ: I was just giving another way. So we have Homeowners' Exemption, right?

CHAIR COUCH: Right.

MS. PALI-CRUZ: And if you own the home, you live in it, you're allowed 1 per family or 1 per person in Maui County. We have \$200,000 of the value that's literally disappeared from the assessment and then we get the homeowners' rate. Okay, well if I'm going to turn my ohana into an income property, that's business. I'm making money. It's helping me. So then I shouldn't, in all fairness, get the Homeowners' Exemption but if I chose to follow Elle's, you know, affordable housing income guidelines because I love my community, I love my family and I want to do the right thing then I'm going to go that route and then that might meet, make, that might allow me to then partake to continue to have my affordable housing exemption and that's the incentive that you give me as a homeowner. It's a choice I get to make. You don't tell me how to live. And that's just a better way of rewarding the good behavior instead of forcing and implementing.

CHAIR COUCH: Okay. So currently, the way I believe the RPT works is that anybody that has an ohana and they live in the house, they all get the Homeowners' Exemption?

MS. PALI-CRUZ: We still get it.

CHAIR COUCH: Yeah. So you're saying that if they rent it to somebody...

MS. PALI-CRUZ: So the reality is we shouldn't though because it's business, right? The reality is I have to have a GE License, 20 bucks, I pay my little business tax and I have a technical business on my property if I'm renting. So I'm just saying we need to be able to create what we want, other areas and not muffle and dirty this bill because the bottom line is the more we dirty this bill we're not moving forward with what our intentions want and that's creating more inventory.

CHAIR COUCH: Okay, thank you. Members, any further questions to the testifier? Seeing none, thank you. Thank you, Ms. Pali-Cruz.

MS. PALI-CRUZ: Thanks.

CHAIR COUCH: Alright, next up we have Zandra Amaral Crouse, and then Aliko Biniaris.

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MS. CROUSE: Aloha kakahiaka ko`u mau hoa aloha. Good morning, my friends. My name is Zandra Amaral Crouse, principal broker and owner of Aina Hawaii Z Properties. Our firm works predominantly with our local families who are seeking to either find affordable rentals or affordable homes to purchase. As we all know, these are few and far between. I humbly ask this Council to approve this resolution, to lower the threshold of required land square footage, to accommodate the building of ohana and/or affordable accessory dwellings. This would accomplish the following, it would provide more rental units for our community and families. Multi-generational families living in one small dwelling in Hawaii is not uncommon. This would provide a mechanism for our parents and/or grandparents to build on their existing lots a dwelling for their families. As we are all aware of, the major cost of building rentals and homes is the cost of the land. It is important, however, that these units not be used for, and I emphasize, not be used for anything other than long-term rentals for our residents here on Maui because this is what drove this to your desks in the first place, putting our families in homes and rentals, nobody else. Us first, then we can take care of our neighbors. As a broker, I witness firsthand the pride and personal power that gives our young people when they get the keys to their own rental and/or home. Envision this, Councilmembers, and Mr. Mayor and his Administration, parents build an ohana on existing property. Children's family move in. Child saves the money to eventually build a home. Child moves out into a home of their own. Rental becomes available for their next child. The next child does the same. And the cycle of that long-term rental being used to save for a down payment on one's own home continues on. Parents now have someone to care for them allowing them to age in place. The cycle goes on, brothers and sisters. This is the kind of dream that we can come through for our local young men and young women. I know this because I see them do with a little, I do this with a little help from our company. In closing, free up, this frees up rentals after the child moves out. It gives children while living at home an opportunity to not empower themselves but their parents as well. The skeptics will find reasons why it cannot and should not work. Let us be optimists who say it must and can work for the sake of our children. It may not be easy but by heavenly father's power I testify before you it is possible. Mahalo.

CHAIR COUCH: Thank you, Ms. Amaral Crouse. Members, any questions to the testifier? I have one. Are you saying that you support the affordability requirement of the lower size lots?

MS. CROUSE: I do and this is why. This is something I've wished for.

CHAIR COUCH: It's okay. If you say yes that's good.

MS. CROUSE: No, but the reason, I must tell you why I do this. When you go through Skill Village and you see my relatives aging and your relatives aging, it is only prudent of us to provide them the ability to build an ohana and move their children five generations out of their home into, be it a 500-square-foot home in the back, not only empowering the parents but also the children. And this gives the children, this I see daily in my

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work. These children are saving. The parents are saving money for them to have that down payment. Many of my clients have the ability to pay the mortgage. And as the mortgage broker before you said, you know, they, with the affordable project coming up in Kihei, they can't afford the monthly payment. They cannot afford the down payment. This is another mechanism for that.

CHAIR COUCH: Okay. Thank you.

MS. CROUSE: Thank you.

CHAIR COUCH: Thank you. Members, any further questions to the testifier? Seeing none...

MS. CROUSE: Mahalo.

CHAIR COUCH: Mahalo. We have Aliko Biniaris, and after that we will go to the District Offices.

MS. BINIARIS: Hi. My name is Aliko Biniaris.

COUNCILMEMBER VICTORINO: Can you speak into the mic?

CHAIR COUCH: You need to get closer to the mic. Thanks.

MS. BINIARIS: Okay. I'd like to share my thoughts on accessory dwellings. They provide homes for multigenerational families, income that helps homeowners with mortgage costs and provides some of the more affordable rental options for the local community. That being said, the new interpretation of gross covered floor area that now includes any storage, covered deck, walkways, patios, lanais, and similar structures under the overhang of the roof eave in the total of what was previously considered the allowable square footage of accessory dwellings is to the detriment of creating housing options that are both affordable and great spaces to live in. Cottages or accessory dwellings are fairly small so every square foot counts. One of the architectural strategies often used in designing small spaces is to open them up to outdoors, designing interior spaces that flow into exterior spaces bringing in light, air, and helping small spaces feel larger than they really are. The obvious design solution is to put the allowable open deck adjacent to the main living area and connect the two spaces with windows and doors. However, all doors must have landings and any portion of the deck adjacent to the house would be under the eave of the house and thus would be deducted from what was once the allowable area of accessory dwellings, decreasing potential living space. This new interpretation also has the potential to increase building costs. If a building site is sloped and the cottage raised above the ground and the open deck pulled away from the house so it's not counted in the house square footage, it would require more footings, increased labor, railings, and increase the overall construction costs. There are many families that can only afford to rent accessory dwellings. They should be...we should strive to make these wonderful places to live and affordable to build. Thank you.

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CHAIR COUCH: Thank you. Members, any questions to the testifier? Seeing none, thank you. Alright, let's go to the Molokai District Office. Ella, do you have anybody there waiting to testify?

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

CHAIR COUCH: Thank you. Lanai District Office, Denise?

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

CHAIR COUCH: Thank you. And Hana District Office, Dawn?

MS. LONO: There is no one waiting to testify in the Hana Office.

CHAIR COUCH: Thank you, ladies. Text or e-mail the Staff. Let them know if there's somebody else comes up. Otherwise we won't come back to you. Alright, next to testify is Lucienne de Naie, followed by Cassandra Abdul.

MS. de NAIE: Good morning, Chair Couch and Committee Members. Lucienne de Naie testifying on my own behalf although I am a member of the Housing Committee of FACE Maui. I want to say that I've been a renter, mostly of small cottages most of my life until I was very fortunate to rent from a family that thought I should buy the place and made it possible because they did not demand a down payment. And that is why I own a house. But it's a humble little house, 480 square feet. Not everyone that lives on big land makes \$100,000 a year. Many of our families who live on 10,000-square-foot lots and up are just humble hard working families as well but they bought houses longer ago when we didn't have such a wild real estate market and an average person could buy a house. This bill really needs to address the need for new affordable units, not just new units. Of course, it's an extra benefit to build on smaller lots. Right now, property owners don't have that opportunity. Is it a good idea, yes. Should there be some sort of a check and balance, yes. If you qualify for a circuit breaker, for instance, a break on your taxes, you need to fill out paperwork. It's not just like I should go down there and say that I should get this extra break. You need to do a little something. There's nothing wrong with doing a little something. Plenty of low-income people fill out paperwork to say I should get a circuit breaker break. Hundreds of new units are being planned in Maui on smaller lots. The new Waiale South project has many 5,000-6,000-square-foot lots. The Waikapu Town is going to have 5,000-6,000-square-foot lots. So this just isn't about existing places. I'm not sure how many places we have right now, if you have the stats on how many current properties of 5,000 foot to, you know, 7,000 square foot this would affect but it would be good to know. I think that the idea that smaller lots, you know, are a good solution is certainly part of the solution. It does have impacts on infrastructure. We should take this into account and look at the places where it's just absolutely a bad idea and there may be some places like that. The idea that the market dictates housing prices may be true in some places but it's not true in places where a majority of the buildable land is owned by a handful of corporations and they have a business model of parceling out small sections of land at a time to keep

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their values high because their fiduciary responsibility is to their stockholders and if they flood the market with land that land just isn't worth as much. So what the market has brought us if you look at the U.S. Census over 16 years, well, let's look at what Housing and Human Concerns says. They've told us from 1990 to 2006 that about almost 25,000 affordable housing units were approved and 15,000 were built. That means, you know, 800 or so are still owing. That's from 15 years ago, you know, that's a 15-year span and we're still owed 800 units from that so what we're doing today is part of the thing to say that just the market will take care of everything. I'm not sure. There was no affordable housing bill then. There was no one forcing anyone to do anything. In fact, about a third of the ones that were built were either Hale Mahaolu, 100 percent affordable for seniors or they were 201(H) where they built 50 percent affordable housing. We do need to do something. This is really had a lot of work. I encourage you to consider Ms. Cochran's amendments. The idea of incentive for taxes, I don't see any reason why you couldn't do both. You could say yeah, we want to ask that you prove that this is affordable and we can give you an incentive. Thank you.

CHAIR COUCH: Thank you, Ms. de Naie. Members, any questions to the testifier? Seeing none, thank you. Next up to testify is Ms. Cassandra Abdul, followed by Ms. Kathy McLean.

MS. ABDUL: Good morning. Cassandra Abdul, Executive Director for Na Hale O Maui. We're a nonprofit affordable housing in perpetuity organization. I had an opportunity to talk about this bill quite a bit a week ago and I appreciate that so today I thought I'd start off by doing something a little different and thank you. Let you know how much we appreciate the work that you do, the fact that you're willing to think outside of the box. This bill here is proof of that. You're being willing to entertain ideas that are new to us. Sometimes they're old ideas that are new again but you've been willing to look at them. You've had the courage to question whether what we do still makes sense just because we've always done it. Is there a better way to do it today? Meeting with knowledgeable housing and associated industry leaders; actively listening to what people tell you; having the fortitude to pursue ways to increase housing and affordable housing in Maui County; your hard work, all the hours that you put into the research that you do, your endless meeting schedules, and just thinking hard about what you're doing, we appreciate that, too. You're working diligently through nine different ways to increase housing in Maui County and you've referred those ideas to the appropriate committees or departments and so many more things than I have the time to list here so mahalo. Today, you're focusing on PC-28 and we support the intent of this bill and your efforts to increase long-term affordable housing in Maui. We ask you to consider how you define ohana if it is very closely defined as blood related or in the more traditional ohana where it is way past that and I think Kellie Pali-Cruz mentioned that, and also how we enforce additional regulations given the limited resources of our departments. I'd like you to please keep up the good work you're doing for our community. We need so much more affordable housing and you have the power and the ability to make it happen sooner, taking less time and with lower expenses. Many of the ideas that have come out of the Planning Committee's TIG including this particular PC-28 are going to benefit us. Mahalo.

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CHAIR COUCH: Thank you, Ms. Abdul. Members, any questions to the testifier? Mr. White?

COUNCILMEMBER WHITE: Thank you, Chair. Excuse me. Thank you for being here this morning, Cassie. Have you added accessory dwellings to any of your Na Hale projects?

MS. ABDUL: No. Unfortunately, we have not. Our focus is on keeping the properties affordable and the increased cost that is associated with accessory dwellings actually would move that out of the reach of most of our clients. So far none of our existing clients have asked us whether they can do that because they do need to get approval from Na Hale before they do additional square footage but it's something we're going to have to weigh very seriously. Will it still keep the property affordable?

COUNCILMEMBER WHITE: Yeah, my sense is that it would make the property more affordable because my daughter and her husband were able to purchase a home that has an ohana on it and it's only affordable to them because of that ohana that they generate extra income to cover the mortgage. So I've been intrigued by some of the testimony this morning. You know you have some experience in building things but what would you estimate a 500-square-foot ohana might cost and what would that add to the monthly mortgage of a unit, or of a property?

MS. ABDUL: As far as cost goes, you know, I think that you're looking probably between 150 to \$200 a square foot. I would certainly, what we do we try to stay at about \$150 a square foot or less if we can. As far as the mortgage goes, it depends how it's going to be done and many people take out either a second or an equity line to finance it. So that again is going to depend on what the interest rate is, how much you put down so I really, it's hard for me to estimate what that would be. If I could to your earlier comment I absolutely agree. It makes it more affordable for the first homeowner because they can rent that out and it helps them with the mortgage. Our concern is that our properties have to be affordable in perpetuity and when you add the cost of an ohana to the cost of the original house, it starts to make it unaffordable for subsequent buyers. So when Na Hale looks at that particular issue on our properties, we have to be concerned not only with the current homeowner but how to keep it affordable in perpetuity.

COUNCILMEMBER WHITE: Right, no I understand that. Thank you. At \$175 a square foot, unless my math is off, that generates a cost of about rounded off at 90,000. What would that add to the monthly mortgage payment?

MS. ABDUL: I'm not doing lending any more. I'm the wrong person to ask. Sorry. If Kellie were here she could probably tell you right off the top of the head. If you'd like the information I can certainly go back and get it for you but I would hesitate to say.

COUNCILMEMBER WHITE: Okay, that's fair enough. Thank you very much. Thank you, Chair.

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CHAIR COUCH: Thank you, Chair White. Members, any further questions to the testifier?  
Seeing none, thank you, Ms. Abdul.

MS. ABDUL: Thank you.

CHAIR COUCH: Next up is Ms. Kathy McLean, followed by Mr. Albert Perez.

MS. McLEAN: Good morning. My name is Kathy McLean and I'm representing myself. I have a bed and breakfast in Maui Meadows. I have a cottage on our property that is in the back of our house. It is like a dollhouse in the back of our house. It would be very intrusive to have it be a full-time rental. It works as a bed and breakfast because it's okay for me to be in traveler's, you know, business and checking with them and but the bed and breakfast helps us pay our expenses so that we can afford to live here. I think with this bill with the cottages it's trying to put a small Band-Aid on a gaping wound and there's gotta be, you know, a better fix than just putting it on the people. That's all I have.

CHAIR COUCH: Thank you. Members, any questions to the testifier? Seeing none, thank you. Next up is Mr. Albert Perez, followed by Ms. Pam Bello.

MR. PEREZ: Aloha and good morning, Chair Couch --

CHAIR COUCH: Good morning.

MR. PEREZ: --Councilmembers. Albert Perez, Maui Tomorrow. I, the last time I looked at this bill it was in substantially different form so I would just like to start by saying that we definitely support the intent and we need affordable housing for our working families in Maui County. And we support Member Cochran's proposed amendments. Tourism in Hawaii generally is the driver of high housing prices. Everyone who comes here is a potential future buyer and those people tend to have a lot more money than a lot of our working residents. So we can't assume that just increasing inventory on our island will satisfy worldwide demand. Eliminating short-term rentals, illegal short-term rentals is the quickest way and the easiest way that we have to increase the inventory of housing. Existing housing is there if we can get it back for our working families, that's the quickest and easiest way. Preventing creation of new illegal short-term rentals is just as important. But I agree that we need to create, avoid creating another burden on our enforcement. Every time we create a law that's not enforceable, we're just creating more disregard for the existing laws. That's the general attitude. It's a societal problem really. Enforcement has always been a question on this bill. And I like the solution of trying to do this with tax rates and one of the ideas I've discussed with people is to make the existing Residential rate really, really high and for resident-owners to get a really, really big exemption, much bigger than they get right now. And also we could do the same thing with the affordable rentals, affordable accessory dwellings in this bill. So that's an incentive. People have an incentive to comply and you have existing assessors that go out and they could be evaluating this. We have a lot more capability of doing it that way than we do with zoning enforcement. At least it hasn't seemed to be a priority that

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we've been willing to fund very well in the past. I do have a concern, the last time I looked at this bill it had a minimum of 5,000 square feet and now it's like there is no floor. Some of the lots that we have here in Maui County are 3,000 square feet or smaller in areas like Rice Camp or Wailuku Town, some of our older areas. These also tend to have older and less adequate levels of infrastructure. So I'm wondering do we know where these lots are? Because our Planning Department certainly has the capability to tell us. They can map it out. And I think we should be evaluating where these potential affordable accessory dwellings are going to occur. You deserve to know that before making a decision. This is going to be an outright permitted use. It's not going to be something that gets additional review other than a building permit. So where would these impacts occur? I was going to ask if you do decide to keep the less than 5,000 square feet perhaps you could make some kind of sliding scale on the home size? And then that might be a possible application for the tiny homes. So I don't know much about that but it's just an idea I had. And the last comment I had, I think this person over here mentioned it. I've lived in a place that had really small eaves and when it's raining really hard and the wind is blowing, you have to close your windows and then the house gets hot and humid because it's pouring. There's nothing like having six-foot eaves, that's comfortable local style architecture. I think we should allow for that so we can keep our windows open when it's raining. Thank you very much.

CHAIR COUCH: Thank you, Mr. Perez. Members, any questions to the testifier? Seeing none, thank you. Next up is Ms. Pam Bello, followed by Mr. Dave DeLeon.

MS. BELLO: Good morning, Chair and Council people, Councilmembers. My name is Pam Bello and I'm a member of RAM, REALTORS® Association of Maui and the Maui Vacation Rental Association. However, I would like to testify for myself today. I like this bill and I think its intent is great but it does need some work. I live up in Kula and I would gladly have a second accessory dwelling and give reduced rent to someone to help me out with my yard and my animals. I'm getting old and I would really enjoy giving a break to someone and getting some help and I think looking around my area some of my neighbors would do the same. But I'm not ready, willing, or able to give up a year of my life to go through the process that this bill wants to get something built. We need something simplified and fast track and I will gladly do it. And just the issue of perpetuity, I mean, I'm 65. I'm hoping I'm going to be around for a while but do I want to commit my property to my heirs, I don't know if I can do that. So those are the two issues I have. You gotta make it easier for me to get a permit, to get this thing built on my property and I'll gladly, I, you know, and personally tax benefits, whatever you decide to do with that is fine but make it easy. Whether it's existing properties or new stuff, let's get it easy or fast to get this stuff built. We need it done. And kind of what Kellie said before, when you put in this perpetuity thing you're going into the way, way future which we haven't studied yet. I think to look for the vacation rental industry, it's a small segment and that's not going to solve the problem that we have. Thank you for your time.

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CHAIR COUCH: Thank you, Ms. Bello. Members, any questions to the testifier? I saw hands that may be going up. No? Alright, I have one. You said to make it easier to get the building permit and the dwelling built. What portion of the bill did you not think...

MS. BELLO: All of it is too long to go through everything. You've gotta get a process, and I don't have, but right now how long do you think it would take to get a permit to build? A year? Lucky? Okay, then I'm 66. You know, I mean, then I gotta get the thing built, I'm 67. Meanwhile I've gone 2 years without any help. Six months or under, you know, I mean I know there are other communities that can fast track affordable housing. Colorado, I go there and there they have constrictions because of the weather. They can't build when it's snowing but man you get a building permit and you've got six months, you're under construction and I mean maybe you have a set of plans that this is what you gotta do. Or I don't know the answer there but that's kind of up for the experts to come up with but it's gotta be faster because otherwise we're just going to be talking about it forever.

CHAIR COUCH: So you're talking about the actual, I mean, in general the process of getting a building permit. Nothing in this bill adds to that, is that...

MS. BELLO: No, it's kind of just goes along with what it is.

CHAIR COUCH: With...okay. Okay. I just wanted to be sure.

MS. BELLO: Yeah, it needs to be quicker.

CHAIR COUCH: Okay.

MS. BELLO: That's how you're going to get new and existing affordable units.

CHAIR COUCH: Okay. Thank you, Members, any other questions to the testifier? Seeing none, thank you, Ms. Bello. We have Mr. Dave DeLeon and followed by Mr. Stan Franco. Oops, I saw him here. Oh, there he is.

MR. DeLEON: Good morning. Aloha. It's good to be here to see us making another step towards fixing our housing deficit. It was said in this room about a month ago that it's clear that the way we've been building affordable houses or building homes over the years to meet the shelter needs of our community is no longer working so this is a step in the right direction. As one person said, working out of the box to get going in that direction. And one of the clear ways we need to be doing that is by adding density and that's what this bill does, it adds density. Realtors, I'm speaking for, Dave DeLeon speaking for the REALTORS® Association of Maui. The REALTORS® Association of Maui supports the ban on short-term and B&B permits on these particular properties under 700...7,500 square feet. That's being addressed by this bill. We do not agree to short-term, a ban on existing cottages that are currently qualified for short-term rental or B&B permits. We, it's clear to me and to anybody that's really been paying attention to this is the more complicated you make these things, the less likely they're going to work.

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We do not, RAM does not support deed restrictions on these properties. If you ask a property owner to do that, especially if it's going to be forever, they're not going to do it. You're not going to see the response you want out of this. To get the response you want, is you have to make it simple like the previous speaker spoke, mentioned, or I'd like to reiterate everything that Kellie said but I'm not capable of it. Just look to the Honolulu experience, the more complicated they made it, the more difficult the building permit process was, the less they got done. And they figured that out and they just got out of the way. They made the permits easier and they didn't add a lot of restrictions on the properties. I think the ban on short-term rentals, on B&Bs are, is really not necessary in a way because these properties are less likely to be attractive in any form for that use but if it makes you more comfortable that's fine. I think that makes sense for these properties. But as Mr. Perez, and I don't usually quote Mr. Perez, but as Mr. Perez says let's just not pass another set of regulations that we can't enforce. I mean why go there? We know that we can't enforce it so why create it? And why create a barrier that will keep property owners away from what we want them to do, which is to add density to their property so that we can get more families under shelter. So that's all I have to say on this one. Thank you.

CHAIR COUCH: Thank you, Mr. DeLeon. Members, any questions to the testifier? Seeing none, thank you. We have Mr. Stan Franco, followed by Catherine Clark.

MR. FRANCO: Good morning, Chair and Members. Tasha Kama probably talked to you. I wasn't sure if I was going to be able to make it today. I'm glad that I'm here with you. We've been talking about getting answers for our people because the issue of affordable housing has been going on for so long and we are finally trying to address it and this is one of the things that we can do is to build, allow these ohana units or AUDs on smaller lots. FACE Maui agrees with that. We also want to make sure that we do not take away the affordable housing requirement. I've been talking to people that have been going out to the community as politicians and they've been telling me that they're finding more and more short-term rentals being, especially in the tourist areas, illegal short-term rentals, taking away the inventory of our people. So we need to, if we're going to decide to do this, this should not be a market-type home. It has to be an affordable home with the requirements that we have under current law here in Maui County. I always want to say something that, you know, what we're doing, we're talking about all these rules and regulations. I believe we need to keep it simple as has been said because we need to build it as quickly as we can. But it's about people. You know, our people are hurting. And we all, I think we all feel it. I'm sure all of you that are campaigning right now are hearing from people saying we have to address this. Now there is a question about perpetuity...what is that word? Perpetuity? Never can say it. The City and County of Honolulu, and as far as I understand from our counterparts on Oahu are looking at a 60-year requirement. Maybe that, if that's a compromise that we can work out. We have, if we're going to make something affordable, you're not just going to just turn around and then a few years later...we're losing affordable units because we got maybe just a 10-year requirement or a 5-year requirement. We gotta make this substantial. If people are getting a benefit about allowing to build an AUD on a 5,000-square-foot lot, let's make it a requirement that they keep it for a substantial period of time as affordable.

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You have my testimony so if you have any questions on that I'm open to that. Thank you very much.

CHAIR COUCH: Thank you, Mr. Franco. Members, any questions for the testifier? Seeing none, thank you.

MR. FRANCO: Thank you.

CHAIR COUCH: We have Catherine Clark up next and she's, Members, she's the last one to sign up to testify at this time. Anybody else wants to testify, please sign up and get ready to come on down.

MS. CLARK: Aloha, Councilmembers. My name is Catherine Clark and I'm a board member of the Maui Vacation Rental Association. In 1988, the Legislative Reference Bureau at the State wrote an excellent report, Ohana Zoning, A Five-Year Review. If we remove the date, you could read it and believe it to have been written today. The report looked at the impact of the ohana law, which had been passed five years previously. Even then, the report makes note of Maui's serious housing shortage and unfortunately it seems that nothing has changed in the almost 30 years that have passed. This shortage existed even when there were only a few short-term rentals on the island and the shortage still exists today. In conjunction with this bill, the process needs to be reviewed, streamlined, and made simple enough for an individual to navigate on their own with few frustrations. It would be an interesting exercise to take a permit through the process specifically for the purposes of documenting each step, the costs involved, and the time it takes. Perhaps if it was simple there would be more first accessory dwellings. Perhaps less than 1,000 square feet should have a mini-permit, something that can come in, be stamped, and they're out the door on their way. It might be time to consider that one process doesn't work for all building permits. How easy are you going to make it for owners to convert a garage into an ohana? It's an appropriate amount of space. It's already existing on the property. But even in looking at people trying to go through the vacation rental process, the way that they need to get an after-the-fact permit takes a really long time. It's not simple no matter how much we might want it to be, it just isn't. So other than the restriction on short-term rental for the affordable rentals on lots of less than 7,500 square feet, I don't agree with placing other restrictions on these. These are the owners that need a simple process and they really need the income. The market will dictate. That type of rental isn't going to rent for \$2,500 a month. It will rent affordably. The market and the surroundings will help with that. So a very large concern for me is the removal of accessory dwelling units from the B&B ordinance. Although I fully agree with eliminating the option to short-term rent an affordable accessory dwelling and even a second accessory dwelling, I do not agree with removing the option to vacation rent the first accessory dwelling. As proposed, if a local resident-owner lives in the cottage, he can rent the main house, but what about the owner with a larger family that lives in the main house? You've now removed the option for him to get a permit. Yet in reality, this might be the way that he would be able to afford his mortgage much like the lady that testified earlier today. Please consider removing the restriction on the first accessory dwelling for these B&B

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properties. And I have to say that I agree with Mr. Perez that if you enforced against the current illegal short-term rentals, you would produce probably more inventory than this bill and you could produce it very quickly. Thank you.

CHAIR COUCH: Thank you, Ms. Clark. Members, any questions to the testifier? Seeing none, thank you. Members, that's the last person who has signed up to testify. Is anybody else in the gallery waiting to testify? Seeing none, Members, with...and we haven't gotten any response from the District Offices, therefore, Members, without objection, we will close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR COUCH: Okay, thank you. Public testimony is closed.

**. . . END OF PUBLIC TESTIMONY . . .**

CHAIR COUCH: And thank you, ladies. Members, this is a good time to take our midmorning break. If you could be back here at 10:25 and we can get going on this, I would appreciate it. Ms. Cochran?

COUNCILMEMBER COCHRAN: Chair, real quickly. The handout that starts with November 1<sup>st</sup> and then it has the big spreadsheet.

CHAIR COUCH: Yes.

COUNCILMEMBER COCHRAN: Where did this come from?

CHAIR COUCH: Okay, yeah. This will give you...by the way, let's go to 10:30 and you can have a chance to read Ms. Cochran's suggested amendments. And we handed out this, I handed out this matrix and some notes about this matrix that I'd like you to take a look at. It talks about different jurisdictions around the country and how they either incentivize and also enforce on accessory, affordable accessory dwelling units. It's doable, it's been done around the country, and so just to take a look and for your reference when we get into the discussion. So get, take a chance to read this on the break and also Ms. Cochran's amendment, summary form and then we will be back at 10:30. This meeting is in recess...

COUNCILMEMBER COCHRAN: Chair? Oh, wait, Chair? Chair? Chair?

CHAIR COUCH: Sorry?

COUNCILMEMBER COCHRAN: Sorry. And real quickly I have an amendment to my amendment that's forthcoming and it's in regards to reporting. Just an additional...

CHAIR COUCH: Okay.

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COUNCILMEMBER COCHRAN: So that's...

CHAIR COUCH: When that gets copied, we can deliver it during the break. That's fine.

COUNCILMEMBER COCHRAN: Okay, great. Thank you.

CHAIR COUCH: This meeting is in recess. . . . (*gavel*) . . .

**RECESS: 10:15 a.m.**

**RECONVENE: 10:36 a.m.**

CHAIR COUCH: . . . (*gavel*) . . . Will the Planning Committee Meeting of Thursday, November 3, 2016 please come back to order? Okay, Members, let's get started.

**PC-28 AMENDING THE COMPREHENSIVE ZONING ORDINANCE TO ESTABLISH AFFORDABLE ACCESSORY DWELLINGS AS A PERMITTED USE IN CERTAIN ZONING DISTRICTS (CC 15-196)**

CHAIR COUCH: You have before you a revised proposed bill to Establish Affordable Accessory Dwellings as a Permitted Use in Certain Zoning Districts. It's dated, it's in your Granicus. The date on it is October 28<sup>th</sup> and it returned from Corporation Counsel on November 2<sup>nd</sup>. We'll be starting off with this portion of the bill but first I've got a couple of comments to make on some of the issues brought up. One is there was a concern that, you know, the market will take over, you know, there was a concern of having the affordability requirement and that the market will dictate where the affordability is. We can discuss that a little bit further but there's several different entities in municipalities that have done this before and, you know, for instance, the City of Santa Cruz, who some of this is modeled after. They generated 45 units in a year. If we generate 45, you know, as little as 45 units in a year, the market isn't going to take over for that, not for a long, long time in my opinion unless we generate, you know, several hundred a year will the market generate, will the market level out. So at least at this point the Chair is still looking at keeping the affordability restrictions in, and that being said, you know, I gave you some, a matrix and some notes on the matrix on the affordable dwellings in different areas to give you an idea of how things are done elsewhere and what we might be able to do. Some testifiers came up and talked about some sort of incentives, kind of difficult right now for tax incentives because we already have pretty low, low taxes. We would have to change that and that would be up to Mr. Hokama's Committee. But another incentive that we might be able to deal with if we can get, work with the Administration on this is as several testifiers said, make it easier to build the affordable dwelling unit, don't let it take a year to get a permit. Just if this is an affordable dwelling unit that the incentive would be if you keep it affordable, we'll get you the permit right away as much as possible. That's a huge incentive. I think that might be something we can look into. But before we get too far, I would like to have, I've asked the Housing

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Administrator, Buddy Almeida, to attend today's meeting and comment on the enforcement section of the bill. Buddy, have you had a chance to take a look at that?

MR. ALMEIDA: Thank you, Chair. Good morning, Committee Members. Buddy Almeida, Housing Administrator for the Housing Division. I have received a copy of the current bill I believe in its present form with the recent amendments that were recommended for it. First off, I'd like to say that, you know, we at Housing definitely support any and all means with regards to creating different alternatives to provide affordable housing and, you know, as has been mentioned earlier the thinking outside the box mentality is very important. We think we have to get creative. With regards to, I was specifically asked to take a look at Section 19.35.110 that pretty much pertained to the Housing Division or the Department of Housing and Human Concerns and in reviewing it and in speaking with staff, it would be very difficult presently for us to be able to monitor and enforce the deed restrictions that you're proposing. In discussions, it would kind of like be creating a mini Section 8 program to a certain degree because you would be verifying a lot of the same things that the Section 8 specialists and case managers verify, which is familial status, the rental agreements themselves, the income limits, any qualifications that pertain to being able to, you know, qualify for this particular rental, you know, situation. Presently as an example, for the housing projects under 2.96, the Residential Workforce Housing Bill, that onus currently falls on the developer and their lenders. They're responsible for qualifying them, verifying that their rental, I mean that they're income eligible, that they're selling within the affordable sales price guidelines restrictions so that is not the Department's, we do not get involved. We just verify a submitted report that comes in. We get the tax returns. We get the final sales, you know, agreements or HUDs and we verify that they've done everything accurately and correction and we sign off on it. If we were expected to do that for all of these deed restrictions in perpetuity, we would need to probably increase staffing considerably as, especially over time, as the number of units grow, to be able to oversee, monitor, and eventually enforce these restrictions. Thank you.

CHAIR COUCH: Thank you. Members, any questions for Buddy? Ms. Cochran?

COUNCILMEMBER COCHRAN: Chair? I'm on...okay. So the, so there's, you already go in and get like reporting requirements from HUD, the HUD participants? Is that, did you, is that one of the, your folks' duties at this time?

MR. ALMEIDA: Thank you, Chair. I'm sorry, Member Cochran, reporting, reports from HUD with regards to...

COUNCILMEMBER COCHRAN: No. People who are in that program, as in the renter?

MR. ALMEIDA: With regards to the Section 8 program?

COUNCILMEMBER COCHRAN: Yeah. Yeah, Section 8.

MR. ALMEIDA: Yeah, they do annual re-certifications for all voucher recipients. So they go

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through the process of updating and re-verifying all of their income, assets, and make sure they're still program eligible. That's under the Section 8 HUD program.

COUNCILMEMBER COCHRAN: Okay. And, I guess, because I'm looking, Chair, into a reporting of some sort with this action we're trying to work through here and it would be in conjunction with Housing and Human to basically get, you know, a reporting to bring back to us just to see how this ordinance itself is, if it's achieving the results it's intended to do for one thing. So it's just trying to figure out a way to get that type of reporting back to this body, you know, in a couple of years or so.

CHAIR COUCH: So you're talking about something different from the compliance report that we put in there? There is a compliance report.

COUNCILMEMBER COCHRAN: Yes. Yeah that goes with it, right? I mean, you have to see that people are complying and, you know, making sure they're all legal beagle with that but then just, too, with that be able to monitor the inventory count. Has it grown? How is it, you know, how is it functioning? Where do we need to adjust if need be or not? So that's kind of, that's great that there is already this reporting going on but I think another step further is for us to see what this inventory, that's the whole idea, is to increase this inventory and is it working? Is it happening?

CHAIR COUCH: Okay. Alright, I guess this is a follow-up to Ms. Cochran's question, is the folks you have doing the Section 8 compliance reporting, are they funded by the County or are they funded by Federal, the HOME funds?

MR. ALMEIDA: Thank you, Chair. The Section 8 program is Federal funding that we receive from the government, so it's grant funding that funds the program itself. So it's not County funds.

CHAIR COUCH: Would they be allowed to, I mean, it's similar, I mean almost exactly the same requirements as Section 8, so would they be required, would they be eligible or able to check our requirements as well?

MR. ALMEIDA: Thank you, Chair. That's a good question. Unfortunately not. With regards to the funding coming from the Federal government, the program can only operate and oversee the Federal program itself. We can't cross or mix or match Federal and County programs with Section 8, yeah.

CHAIR COUCH: So we would have to do our own mini Section 8?

MR. ALMEIDA: Correct.

CHAIR COUCH: Well, it wouldn't be Section 8 but...

MR. ALMEIDA: Whatever we decide to call it.

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CHAIR COUCH: Okay. Seeing how many Section 8 compliance reports you guys have to handle per year, how many, if we were to do this and give you the appropriate number of bodies, how many reports per body would you be able to handle?

MR. ALMEIDA: Thank you, Chair. Currently we have about 1,420 or so vouchers out in Maui County. The case workers have to oversee not only the existing re-certifications but also consistently working on waitlists and pulling people off of waitlists so that's probably something that wouldn't apply to this particular bill. But on average...we have currently a total of eight specialists that oversee both duties. So as the count grows with regards to the number of affordable accessory dwellings in Maui County, we would need to increase staff accordingly to keep up with those figures.

CHAIR COUCH: So it sounds like a single person probably can handle up to a couple hundred?

MR. ALMEIDA: I think it's, if you factor in the caseloads that they handle with regards to the waitlist because they have to do basically the same amount of processing for eligibility for, you know, we're consistently turning over, you know, people are coming off the program, coming on the program, so probably somewhere in the neighborhood of 250 to 275 probably on average.

CHAIR COUCH: Okay. Alright. Any questions for Mr. Almeida, please? Okay. Thank you. We'll probably get back to you, I'm sure. Mr. Spence?

COUNCILMEMBER WHITE: Chair?

CHAIR COUCH: Oh, I'm sorry. Mr. White?

COUNCILMEMBER WHITE: I'm sorry for my being a little slow on the draw. Mr. Almeida, the Section 8 employee's salaries are covered by Federal funds but what portion of their benefits is covered by Federal funds?

MR. ALMEIDA: Thank you, Chair. Thank you, Chair White. The salaries are covered by the grant funding for the Section 8 program. Presently, all of the fringe is not. I believe that approximately two-thirds is paid by the County and the remaining is paid through the grant presently. So not all of the fringe is paid by the grant itself.

COUNCILMEMBER WHITE: Okay. So the, I guess the question is if we're paying the majority of the benefits, if it's two-thirds of the benefits, it's probably 40 percent of their pay or thereabouts, or not their pay, 40 percent of their total compensation. It would seem to me that we would be able to use, utilize those folks to do some work on our behalf but...

MR. ALMEIDA: We checked into this with regards to assistance in other areas with Housing and Section 8 and it's been a firm decision on HUD's side that the program can only be, you know, staffing can only be utilized for the Section 8 program. We've tried to do that in other areas and unfortunately have not been able to cross County and Federal operations.

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COUNCILMEMBER WHITE: Well, let's give them the whole bill then.

MR. ALMEIDA: Understood.

COUNCILMEMBER WHITE: Thank you, Chair.

CHAIR COUCH: Thank you. Alright, Mr. Spence, can we get some comments from you?

MR. SPENCE: On the entire bill or on this section?

CHAIR COUCH: Let's go with, start from the entire bill when we get to...and we need you to turn on your microphone.

MR. SPENCE: Yes, I guess we do.

CHAIR COUCH: Thank you.

COUNCILMEMBER COCHRAN: Chair?

CHAIR COUCH: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Sorry, Chair. Before Director Spence goes into his long dissertation here, in reference to this reporting though and Mr. Almeida mentioned so I'm looking at a jointly collaboration here of sorts between two departments, DHHC, Planning Department for this, so Housing would do the, this part of the compliance reporting, affordable rental, the Section 8 type practices and then from the Planning because you folks are already doing enforcement of TVR and B&Bs, it'd be kind of this joint efforts of sorts of reporting to come back to us to see, you know, because we already have existing accessory dwellings, which are STRs, TVRs, B&Bs, which you folks are, you know, getting a handle on and monitoring. And then so this is where, you know, I'm looking to get both departments collectively, jointly working together to get numbers.

CHAIR COUCH: That's what we're going to discuss in this. Yeah.

COUNCILMEMBER COCHRAN: Okay.

CHAIR COUCH: Yeah, we're going to discuss in this how that is going to work.

COUNCILMEMBER COCHRAN: Okay. Just so, we kind of had a brief discussion during our break, and just so Planning understands what, you know, this is kind of asking of their department and their role in all of this.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: Okay, thank you. That's all. Thank you, for that time,

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Director.

CHAIR COUCH: Go ahead, Mr. Spence.

MR. SPENCE: Okay, thank you. And I'm sure Zoning Administrator Rapacz is going to want to make some comments.

CHAIR COUCH: Sure.

MR. SPENCE: But honestly, we, the Planning Department, we feel it's inappropriate for the Planning Department to be involved in the enforcement of affordable housing requirements like it's laid out here and that's really for a number of reasons. The way that this is laid out is you have, you're laying out income requirements to continue a rental. That means if there's a problem with a unit, we're going to be asking people for their papers on, you know, please show me your paystubs to make sure that you meet the income requirements. When you start getting into familial relationships, as said a couple times today, everybody here is related to everybody but how do you trace those things? You know, how are we going, as a zoning issue, how are we gonna be going and asking people how they're hanai'd, how they're step-children, step-parents, civil unions? I think it, to me it's not a zoning issue. That's, if you want to do rent control that's fine. That can go in 2.96. I'm not trying to throw Housing under the bus but that's not, those are not zoning, those are not land-use issues. Those are human relationship issues. Those are employment issues and we're strongly, strongly object to having the Planning Department be a part of enforcing this section of the Code. This should not be a zoning issue. This should be more in the Housing section of the Maui County Code.

CHAIR COUCH: That's just the affordability. What about the rest of this?

MR. SPENCE: Okay, we would be in support, I know as a part of the Mayor's original bill, they were in support of, he was in support of removing all ohanas as a part of being available for short-term rentals or for bed and breakfasts. The, there should be some provision for the people who have already lawfully gone through. If this is something the Committee wanted to do, there should be some provision for the people who have gone through the proper permitting process so that they can be grandfathered in. They can renew their permits, et cetera, until such time as, you know, the use extinguishes. We support the provision of 2 for more than 15,000 square feet. And I think there should be some provision for less than 7,500, whether it's affordable or not. I agree with the comments made by quite a wide variety of people that if you make it too difficult, if you make so many permitting requirements, people just aren't going to do it. And if typically, not in all cases certainly if you're looking at Wailea or Kaanapali or something, but where this would be applicable in a lot of cases for lots under 7,500 square feet, you're allowing an ohana, those are already people who are already kind of squeezed. The idea is to, if the idea is to provide an avenue for people, homeowners with already a tight budget an ability to make additional money to make their own life, you know, more affordable, I don't know if you want to put restrictions on it because then it becomes infeasible for them to comply with this. So anyway, oh, we do have some more specific

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amendments and maybe perhaps we can get to those later. Some technical things like specifying 180 days, for no accessory dwelling to be used for occupancy for less than 180 days, shall not be used for bed and breakfast home, et cetera. And I know there was testimony about the specifying storage, those kinds of things. You, some of it I understand the testifier's concern. You can have some storage already. And again emphasizing the area that, you know, for covered decks. And I know these are going to be more technical things that Joe and Mr. Rapacz would want to get into but we can do that at that time.

CHAIR COUCH: Okay. Any other comments from Planning? Mr. Rapacz?

UNIDENTIFIED SPEAKER: Push the button.

CHAIR COUCH: Push the button.

MR. RAPACZ: There we go.

CHAIR COUCH: There you go.

MR. RAPACZ: Thank you, Mr. Chair. John Rapacz. I'm the Administrator of the Zoning Division in the Planning Department. I agree wholeheartedly with what the Director has just said. Without commenting at all or taking any position on whether rent control is a good idea or a bad idea, whichever way it goes, it doesn't belong in the zoning ordinance. Right now there's a provision about requiring a report to the Housing Division. But the rental restrictions and the family relationship restrictions are listed in Title 19, Section .35 and so long as that's where you keep them, it's going to be a zoning violation if you don't comply with those restrictions. And that's why the entire Section 110 or the concept of 110 should be moved elsewhere, most likely into a Code provision that the Housing Department would handle. I think you folks probably all have some opinion about how well we're already handling enforcement for short-term rental homes, B&Bs, TVRs. That's a very difficult, those are difficult code provisions to enforce. I think these would even be more difficult than those and you would be adding these on top of those so if you think we're having some difficulty now, I can say with some certainty it would get worse. It would get worse on our enforcement for the short-term rentals and if we were to have to enforce these provisions, it would be very hard for us. When I read new legislation or new proposals, I try to put myself in the shoes of the zoning inspector. Zoning inspector gets the call from a neighbor saying I think that the neighboring property is violating the affordable accessory dwelling provisions and I think that tenant number four is making too much money to qualify. What does the zoning inspector do? Does he go and ask tenant number four for his paystubs to be sure he hasn't exceeded the income, the maximum income threshold? What if that person has a paystub and it does exceed the threshold but it's just because they worked overtime last month? Are they going to be disqualified? Is it now a zoning violation for the owner of the property for having someone on the property whose income exceeded the threshold one month? That's just one example of what could happen. It's going to happen with rental rates. It's going to happen with the lease agreements. There will be

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dummy lease agreements that are made specifically to show to zoning inspectors and then there's the real lease agreement at the higher rate that we don't get to see. All kinds of issues like that and again we just don't see them as being appropriate for zoning enforcement. The one other comment that came up a couple of times in testimony was on the maximum gross floor area of the covered areas. And I see that the, in the Mayor's proposal, there was an additional section on his Page 4, on Page 4 of his bill that deals specifically with covered decks. Covered decks, walkways, patios, lanais, similar structures, and it provides for much more covered living area. And so when your 500-square-foot ohana or on a lot up to 9,999 square feet, you could have up to 500 square feet of covered area so even if the ohana unit itself was fairly small, you could at least be living outside under, you know, on a deck with a roof. And the covered areas that are underneath the eaves, up to 3 feet, 3-foot eaves would not count against that allowed covered area. So you could still have things under the eaves and they wouldn't be counting against your covered area. And that goes to the storage issue that was mentioned a couple times as well. Thank you.

CHAIR COUCH: Okay. Members, any questions to the departments on that? Mr. Guzman?

COUNCILMEMBER GUZMAN: I got a question on that. You know when there's two tracts, I guess one that's already been built and one that's going to be built, right? So for the ones that's going to be built, they go through the permitting process. Does the Department of Human Concerns, do they have a portion or a slot to review those permits or do they just don't, aren't part of that system of review of the permits?

MR. RAPACZ: I don't know the answer to that.

COUNCILMEMBER GUZMAN: Okay.

CHAIR COUCH: Well, Director, do you?

MR. SPENCE: I'm not sure I understand. Are you asking is there a special process for ohanas? No, they come in with the rest of the building permits. I think perhaps internally after whatever bill is passed, you know, we can take a look at that. These ohana structures tend to be simpler than, you know, new shopping centers and those kinds of things that are generally exempt from SMA requirements. They tend to go faster anyway and we're almost fully staffed in that division now so a lot of things are going a lot faster so I don't see it as a special thing but, you know, we can certainly talk about that internally and see how we can work that.

COUNCILMEMBER GUZMAN: Because that's part of the solution if you wanted to include the Department of Housing and Human Concern as part of the review process of the permitting and then from there they can review the, as part of the permitting process review the deed, see if the deed has been conveyed over, you know, blah, blah, blah. And so it might be less burden on Planning if you include Housing.

MR. SPENCE: Mr. Chair?

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CHAIR COUCH: Go ahead, Mr. Spence.

MR. SPENCE: If we have to start reviewing deeds and agreements with the Department of Housing and Human Concerns, whatever's been signed, that will delay the issuance of building permits. I can guarantee that.

COUNCILMEMBER GUZMAN: Okay. Alright, thanks, Chair.

CHAIR COUCH: Okay, thank you. Members, any other...Ms. Baisa? And then Ms. Cochran.

COUNCILMEMBER BAISA: Thank you very much, Chair. And I'm sorry that I can't stay for the remaining of this because I'm trying to do two things today. I'm trying to be at the water conference also. But I wanted to be here because this is very near and dear to my heart. I think I just want to say something that probably might not be relevant but, you know, I'm getting the feeling that this is going to go on, and on, and on where we try to figure out the details of how to build these houses and it's really annoying to me. In my own family this week, my grandson is being affected. Family of six, him, wife, three children, and a mother because of some legality with the house that they're living in. They live in a very nice home in Wailuku but there's some legal problems with the papers so they have to get out. There's no place for them to go. That's my family. And so while we sit here worrying about this, that, and the other thing, nothing's happening. Nothing's being built. And I don't see any immediate solutions. I think that this Committee had better take a look at how do we build some shelter. Whether it's affordable houses or accessories or trailers or whatever it is but we need some housing and we need it desperately. So, you know, I don't want us putting too much into this bill because I think if we do it's going to get delayed further and further while we try to figure out whose job it is and who can do it and who can't and all of these kinds of things. But meanwhile we better focus on the prize and the prize is how do we get some shelter built? So that's where I'm at.

CHAIR COUCH: Thank you, Ms. Baisa. I agree with you. And thank you for being able to stick around for that portion. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And I agree wholeheartedly with Ms. Baisa and so that is why today's amendments that I have put forward has incorporated all the Planning Department's issues from last meeting we had, this body's issues from last meeting we had, TIG recommendations that we had into my amendments. So to have people here rehash the issues and not read the amendments that I put in here to address those issues, we're running around in circles. And another thing is we take legislative action today, it's only a referral to the Planning Commissions. There's going to be continued input on all of this. That's where Planning Department can go full bore at whatever they want there. But, you know, I, as Ms. Baisa, we need to move something and so I really, really want to get to changes. There's only three of them here and move it out to have it vetted, re-vetted, and vetted, vetted again through the commissions to come out with a...

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CHAIR COUCH: Just to let you know, this is not, it's already been to the commissions. This is...

COUNCILMEMBER COCHRAN: This is the final?

COUNCILMEMBER VICTORINO: Yeah.

CHAIR COUCH: This is the final.

COUNCILMEMBER COCHRAN: Okay, well so then what's come back then as I...so my amendments have addressed just what Planning Department and Mr. Rapacz has said. I took those things out to address what their concerns are. So if we could talk about those and get to it.

CHAIR COUCH: We're going to get to it. I don't agree with your amendments whatsoever so that's why we're here discussing on the floor. I think we need to have the affordability requirement in there. I think we need to have the family section in there, so.

COUNCILMEMBER COCHRAN: They got issues. But anyways, okay. I, you know, I think we should get through it.

CHAIR COUCH: So we're going to go through those items.

COUNCILMEMBER COCHRAN: Lunch is happening soon.

CHAIR COUCH: The first thing that I wanted to, if anybody else, any other comments on the Department's questions, then we're going to go right into the discussion? No comments? Alright, Mr. White?

COUNCILMEMBER WHITE: Just to possibly throw a little cold water on the enforcement side. If we have people, if we hire people in Housing and Human Concerns to monitor, my estimate is that to monitor 1,200 new units would cost \$670,000 of new County money to monitor. So I feel the affordability issue should be in there. At the same time I'm not all that sure that the family requirement should be in there because that adds a whole nother level of complexity and I'm not sure that we're ever going to be able to keep track of what's going on in any of these houses anyway. And so we've got a number of issues, like the others, I want to move this out because we have some challenges with housing that are not going to go away anytime soon. So thank you.

CHAIR COUCH: Right, thank you. Anybody else?

VICE-CHAIR CARROLL: Mr. Chair?

CHAIR COUCH: Yes, Mr. Carroll?

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VICE-CHAIR CARROLL: Thank you, Chair. We've had a lot of discussion on this, 19.35.110 is the heart of all of this to make it truly --

CHAIR COUCH: Yes.

VICE-CHAIR CARROLL: --an affordable thing for our people. We've talked a lot about the biggest thing was enforcement. Everybody over here on this Council is concerned about that.

CHAIR COUCH: Just get a little bit closer.

VICE-CHAIR CARROLL: Oh, okay. I have such a soft voice.

CHAIR COUCH: Yeah, thank you. I know.

VICE-CHAIR CARROLL: Everybody on the Council is concerned about the matrix that was sent out. If nothing else, that should show the communities are able to do this. The one in San Jose in the first year, they did 45 units. If we did 45 units over here I'd throw a party. That's 45 families, 45 families. I think that they have been able to do it and thank you, Mr. White, for giving some cost factors for enforcement, but I think it can be done much cheaper than that. I've worked with Housing and Human Services and I am well aware of what the Planning Department does and how they operate. And it seems like we, I don't want to get into any detail but I think that we could work out something that would be cost effective. We're not talking about that many units. We're talking about somebody that could probably monitor this and do many other things and I would hope that would be the case. And I think that if we ask Housing and Human Services to look closely at that, what it would take to literally look at 45 different ones coming inside in the first year, they might be able to work out something that was much more cost effective. I would hope that we can retain that one Section 19.35.110 because without that it just becomes another housing bill. It's no longer affordable and we are wasting our time over here. So I would hope that we can keep that in mind as we proceed with amendments and further discussion. Thank you, Chair.

CHAIR COUCH: Thank you. Mr. White, if we were able to get 1,200, this would be fabulous and then the market would be able to, would sort itself out there. My thought is we may get 100 a year maybe on this. If we get the, if we allow this to go through because of the cost of actually building the homes, so that's where the affordability issue comes in. The family and the restrictions on the wages can happen with the compliance report, and that's where if we have the Department of Housing and Human Concerns, they already do that for Section 8, so why not train one more person to do it for our section, let's call it Section 110? Another option would be that if we want to do these affordable dwelling units, then we may be able to limit them to Section 8 folks and that way we already have a Section 8 department that is working on it or family members. You still can do family members. Somebody came into my office and talked about it and said, you know, if you have a family that, let's say the mother and father want to move into the affordable dwelling unit and the rest of the family stays in the regular single-family

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home, you should be able to work out the bills. And maybe sometimes the family says okay, you pay for the electricity and you pay for this and go back and forth or it could be that the mom and dad, you know, can pay a lot more but still live in the accessory dwelling while the big family lives in the, you know, the son and the daughter-in-law and the five kids can live in the single-family home but still the parents pay the bigger price. That's why we allow, we put the family in there that the family can pay more than what the affordable, you know, median income, if that's the way that they wanted to work it. I think I was talking with Ms. Kama about that one that allow for the families to pay more if they need to. I like the idea potentially if we have a concern about affordability of the 7,500 square foot or less lots, if we're concerned about enforcement and whatnot maybe we just make it you have to have, it has to be a Section 8 home. Maybe that's a good compromise potentially. That way we don't have to add more people or maybe we can get HUD to put in more people. And we already have that mechanism in place. So maybe that would be a good compromise. But I really feel, you know, right now the market, we did a sample of Craigslist yesterday and, you know, for a 350-foot studio in Kihei it's \$1,500 is what they want for it. For a 900...or for a 400-square-foot bedroom, and just the bedroom, they want \$900 in Kahului. Just for one bedroom. Wailuku, 519-square-foot condo, I mean not condo but ohana unit, \$1,895. Those prices are just way too high if we let the market do its thing unless we get 1,200 in a year then yes, the market can do its thing. So maybe, you know, we have to take all that stuff into consideration. Yes, one testifier said it's in cycles and we have to do the long term. Maybe the in-perpetuity, maybe we can change that to something that is doable that will adjust with the markets. I just think that we need to get something out that will allow people to become legal that are illegal now or allow people to put in an extra affordable dwelling unit or accessory unit. If it's a large lot then if they want to put in a second unit, that's great. I'm fine with short-term rentals not being allowed in the accessory or the affordable dwelling unit or the second accessory dwelling unit. There's no issue. That's why we put that in there. But everything we discussed in the previous meeting is pretty much in here. I know we had some concerns about affordability. We didn't come to a conclusion so we put in potential affordability requirements and basically Section 110 is where we're basing most all of this. So I guess I'd like to hear from everybody, you know, we've heard from Ms. Cochran. She has some concerns. She wants to take the family section out, which is fine. That's something we can all discuss. I'd like to hear what everybody has to say about the affordability section because that was the big issue at the last meeting. We weren't, we were undecided both ways. We had some that wanted it in and some that wanted it out. So, Members, any thoughts on the affordability issue? Because that's the big issue. Now, the degree, I know Ms. Cochran wants to limit it to 80 percent, but that eliminates teachers and firefighters and police officers that may be able to live in those kind of locations. So that's why this version it at least talks about going the HUD all the way up to, I do believe it's 140. Any thoughts? It's just you and me, Ms. Cochran.

COUNCILMEMBER COCHRAN: Yeah, Chair. I got three thoughts.

CHAIR COUCH: Okay.

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COUNCILMEMBER COCHRAN: Sorry, Mr. Guzman.

CHAIR COUCH: Mr. Guzman?

COUNCILMEMBER GUZMAN: So you're saying that the, in your version...

CHAIR COUCH: The version that was submitted, yeah.

COUNCILMEMBER GUZMAN: It's 100 and up to 140?

CHAIR COUCH: I believe it is, yes.

COUNCILMEMBER GUZMAN: Income? And then the amendments from Ms. Cochran is 80?

CHAIR COUCH: Limits it to 80 percent, yeah.

COUNCILMEMBER GUZMAN: So you're just increasing the range?

CHAIR COUCH: And the only, you know, because of the income issue, if they can find, if it is a family that wants to be able to supplement their income to help their mortgage, and again, remember, this is on a lot that is less than 7,500 square feet and so it's up to 500 square feet is the, I think what we agreed on, they can have an accessory dwelling unit up to 500 square feet. My guess, that would have to be an attached one because there's not going to be a lot of room on the lot to put a detached. It's just something that we can get people to do. Typically it's probably going to be a garage that's going to be converted so long as they have the proper parking, which they would have to do anyway. They'd have to look at that anyway. Planning Department looks at that regardless on if a dwelling, an accessory dwelling unit gets built. Does that make sense, Mr. Guzman?

COUNCILMEMBER GUZMAN: Yes.

CHAIR COUCH: Okay. Any further questions on that? Or...I know, I see you thinking.

COUNCILMEMBER GUZMAN: Yeah. I'm just wondering if the intent of this bill is to focus on the lower income families versus those that can range up to 140? Or the real intent here is to really to provide more housing?

CHAIR COUCH: The original intent...

COUNCILMEMBER GUZMAN: You know, like to, for more density?

CHAIR COUCH: Right. The original intent when Mr. Carroll submitted it was more housing with affordability up to 140 percent.

COUNCILMEMBER GUZMAN: Okay.

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CHAIR COUCH: That was the original intent. Now we can tweak it anyway we want. That's, Ms. Cochran has come up with some options for us to consider. Mr. Spence?

MR. SPENCE: Thank you, Mr. Chairman. And I'm sorry, I did not receive a copy of this proposed amendment until just like 15 minutes ago, 20 minutes ago. In looking at it, again I'll still raise the concerns that there's going to be enforcement issues on this with the Planning Department would still be on the hook because this is in Title 19, which is the Zoning Code. It would, we would still have to track people's, if we have a complaint and we have to investigate that complaint, when we start getting into 80 percent or below of the County's median family income, that would be our responsibility to go and check people's paystubs.

CHAIR COUCH: You know, that's where I, with this compliance report in there, I'll have to ask Mr. Murai because I kind of disagree with that.

MR. SPENCE: And let me continue.

CHAIR COUCH: Okay.

MR. SPENCE: Pursuant to Mr. Guzman's previous question about the time taken to approve building permits. I mean, if the idea is to get as many of these permitted as possible and get inventory up and running, that Section B where it still requires a deed restriction, that's going to require a unilateral agreement. That means processing not just through Department of Housing and Human Concerns, it means, I mean first they're going to have to file the UA with Housing and Human Concerns. It's...I'm sorry?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

MR. SPENCE: Yes. Well, first they're going to have to go through whatever form Housing and Human Concerns has, then it's going to go to Department of Corporation Counsel for review, then it's going to go to Bureau of Conveyances for recording, and then we're going to have to see a copy of it before we can approve a building permit. So that's, I mean, it just, it complicates the process of issuing permits. If you don't do a UA, if you just put a deed restriction and show it to us at the time of building permit, they can turn around and just change it back. They can just remove the restriction. So a unilateral agreement would be required. Over on the next page with C and D, filing an annual compliance report, I don't know, if somebody fails to file a report with Human Concerns, I suppose they would tell us and then we would have to go issue warnings that there's been no...because then it's a zoning violation because this is the Zoning Code. The permits for affordable accessory dwellings may be revoked for failure to comply. So if somebody doesn't comply, I guess we're going to, I'm not sure how Planning is going to revoke a building permit but I suppose we could work that out. But then I don't know what's going to be done with that structure if people don't comply. So I'm just, again I'm raising the issues, the enforcement issues that are going to come up sometime and you'll be getting e-mails from constituents saying what's the Planning

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Department doing to me. So thank you, Mr. Chairman.

CHAIR COUCH: Thank you. Mr. Murai?

MR. MURAI: Yes, Mr. Chair?

CHAIR COUCH: You know with the compliance report section in here, is there language that we would need to put in there to say look, we can, we have this compliance report, if somebody signs it and says this is what they are doing, is in compliance with this code, does the department, are they still required to go out, I'm sorry, the Planning Department, and Zoning Enforcement Section, are they still required to go out on a complaint saying hey, look, this guy is not making the right amount of money or this guy is not family, et cetera? Or does the compliance report, you know, we have the Department of Housing and Human Concerns already checking and making sure that everything is in compliance and is that sufficient enough to not require the Planning Department, Zoning Enforcement go out there and also look?

MR. MURAI: Well, Mr. Chair, I do note that the proposed Section 120 does include the Department of Housing and Human Concerns. I'm not aware of any reason why Article 19 or Chapter 19 could not include, could not impose an obligation or duty upon the Department of Housing and Human Concerns. From what I gather, though, in hearing from both departments, it appears to be more of a logistical or manpower problem but as far as including Housing and Human Concerns within the Zoning Code, I'm not aware of any restriction upon that.

CHAIR COUCH: Okay. You know, we mentioned a potential...oh, yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: You know, Mr. Chair, I've listened very intently for the last hour or so. And again, we seem to go back into what I call stuck in the mud attitude. We're stuck. We get ridiculous amendments coming that really not workable or probably not workable because people cannot afford to build, they're not going to build. Let's get real, okay. First and foremost, these are our working families who barely making ends meet that want to add on to take care of other family or make a little income so they can survive. So they don't have a lot to put out there. So we put enough restrictions in there, it ain't going to happen. So let's get real. We need to build inventory. All I keep finding is more ways to get stuck in the mud. That's all I hear from here is stuck in the mud. We're not, we gotta do this, we gotta do that. We can't do this, we can't do that. Build, baby, build, enough of this. I'm going to walk out in the next month and a half but I've gotta listen to the people who have been waiting for years for this to happen. I'm sick and tired of giving all the excuses. Instead of excuses, let's do something about it. That's what the people are clamoring about. And some of you may not be in office because they're sick and tired of hearing our excuses. So let's get real. Let's do something. I thought this bill when it first was brought out kind of covered most of the areas. You know, I, it wasn't a perfect bill but I thought it covered most of the areas. Now we get all this nitpicking. I thought Mr. Carroll's bill covered a lot of the areas that we wanted to cover. We added more to make it more palatable, I was fine with that.

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But now we get all these other stuff thrown at us and then we get the Department saying I can't enforce this, I can't enforce that. Whether it's manpower or whatever the problem is, if it's unenforceable, why put it in there? We've got enough unenforceable rules out there. Go drive anywhere in this island and you'll find a lot of illegal housing being built for family. And it's for family. Multiple families living on lots right now and I don't even have to go pointing in any direction, all you gotta do is look out the window. I'm tired of all of this, Mr. Chair. Either we going do something or chalk it up and let it be the way it is. Okay, and that's my whole take on this. I've listened and listened and listened. FACE Maui and all the other ones said we like the bill as it is, let's get it done. Kellie Cruz and others came in said let's get it done. Let's get it done. If you want to keep dickering over little things and be nitpicking and being micromanaging everything, well go ahead. And that's exactly what we're going to get, nothing because we've gotten nothing to this point. And we can't build 45 units a year. If we're not building 1,000 units a year, we're never going to get close to catching up and this is just another Band-Aid, by the way, because we need inventory, not just placing other homes on top of properties we have because that taxes the infrastructure that exists. So that's another, never even mentioned. No one even talked about it. How do we put others on top of properties where sewer and water was not equated to what's being built on that right now? Hey, but that's not what I'm worried about right now. I'm worried to see if we're going to dick around with this then fine. Let's get it done. Let's do something today. If not, we got half an hour, I'm out of here. Okay, thank you very much.

CHAIR COUCH: Thank you, Mr. Victorino. And that's my frustrations as well. We've got two departments. This is the problem with housing in this County. We got departments fighting against, they're saying we can't do this. I can't do that. I, you know, we're trying to get some stuff done and we would like to say what can we do to get it done, not what we can't do this and we can't do that. And that's what's frustrating most of us in this room. What can we do together to get some affordable dwelling units built in this County starting in the, you know, legal time, two months from now if we pass this bill out today and then twice, two readings in Council. It's just frustrating to hear departments say no, can't do that. Don't want to do that. What are we going to do? I understand you have some issues but what can we do to get this done, departments?

MR. SPENCE: Mr. Chairman, you could pass out a bill without these restrictions. That would make everything go a lot faster and simpler.

CHAIR COUCH: The whole idea, this is affordable dwelling units. Affordable dwelling units. I have a list here. I didn't read them all but there's a list here. The market for a 525-square-foot home in Haiku, 1 bedroom, you know, \$1,200. That's halfway decent. But you go that 1 place down it's \$1,500. If somebody can charge \$1,650 in Haiku for a studio for 550 square feet, they're doing it. They're doing it yesterday. So we want to be able to have affordable dwelling units, not just more dwelling units. We want both. But for something under 7,500 square feet, that's all we're talking about, a lot that's under 7,500 square feet, we want to make them affordable. Now lots over 15,000 square feet we're allowing a second dwelling unit. That's fine too. I don't think anybody has a problem with that. It's the lots under 7,500 square feet. Ms. Cochran?

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COUNCILMEMBER COCHRAN: Chair, and thank you. And that's why my third point and my amendment is about keeping it at that HUD affordable guideline at 80 percent. I understand you're saying well we, we'll just bump it up so the builder can make more money. This, we are trying to hone in on affordable to the people right now that is sorely missing in this community. That is why that number is there. And fine, people can build and rent to whatever numbers they want. That's what they're doing now and why we don't have any affordable. So when you're trying to explain to Mr. Guzman that 180 and you want 140 or whatever, I'm sticking strong to the 80. So, and I believe Mr. White crunched some numbers as in what does it cost to build per square foot, blah, blah, blah, what would your mortgage be, blah, blah. And you stand to still make money at \$1,223 rental and you can rent it to whoever. Yeah, of course hanai, family, mom, dad, sister, brother, whatever, it's the owner's purview to rent to who they want but we want it to be, and you were stating that let 'em pay more? Fine. If your family wants to pay you more money, then great, but I really don't foresee that. I think, you know, you're going to pay, charge your family higher than a stranger? So perhaps if there's more people in there using utilities and what have you, I get that part but so that is why I'm sticking to this 80 percent because that is the affordability of the community at this point and we are not seeing it at all. And to alleviate the zoning, enforcement, and extra burden and work on the department, my, the moratorium portion on STR, B&Bs from here on out will give a break to the department to crack down and take a little breather to start addressing existing issues with that right now and then from here on out we're going to stick to building these affordable units that this bill is trying to create. So I mean, I don't really see any nitpicking and some out of the outer space, you know, ideas here. I think it's completely doable and I think it's exactly what the doctor ordered for us to get affordable housing now. So that's what my amendments are about if we can ever get there to talk about them. Thank you.

CHAIR COUCH: Mr. Carroll?

VICE-CHAIR CARROLL: Thank you, Chair. The bill that I submitted that we have before us today, that was after much consideration of what we want to do in that one section and that is the heart of it. A lot of change, Ms. Cochran has looked at it and examined it and other Members have looked at it and what. And if some changes over there were made, as long as they do not go over there and change that one section because if we change that 110, if we mess with that too much, we are here for nothing. I would be willing to go over there and make a motion to accept the one I had and then go over there, turn it over to the Members if they have any amendments and work on it from there. Then we'll have something on the floor. Mr. Victorino should be happy. We have something outside there that a motion on the floor that we can work with the individual amendments and work our way down and perhaps we can come to some resolutions, so I would at this time ask for the Chair's recommendation and if we could proceed in that light. Thank you, Chair.

CHAIR COUCH: And that's fine. If you're willing to make a motion on the bill that was labeled October 28<sup>th</sup>, is that what you're looking at?

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VICE-CHAIR CARROLL: Yes, I can find it. I thought we were going to paperless over here for a while.

CHAIR COUCH: Yeah.

VICE-CHAIR CARROLL: Yes, that's the one.

CHAIR COUCH: Okay, so let me get you the language. So you're making a motion to recommend passage on first reading of the revised proposed bill transmitted by correspondence dated October 28, 2016 to the Department of Corporation Counsel; along with revisions made by the Committee if any today; and any nonsubstantive revisions; and filing of County Communication 15-196?

VICE-CHAIR CARROLL: So moved.

CHAIR COUCH: Okay.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR COUCH: Okay, this has been moved by Member Carroll, and seconded by Member Victorino. Comments?

COUNCILMEMBER COCHRAN: Yeah, I have amendments to make, Chair --

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: --at this time. Thank you very much. So, Chair, I move the amend the revised proposed bill to prohibit accessory dwellings not already granted a permit from being used as bed and breakfast home or short-term rental home, deleting provisions relating to immediate family members, and providing for monthly rental rates consistent with HUD guidelines for households at 80 percent and below of the County's median family income.

COUNCILMEMBER GUZMAN: Second, for discussion.

CHAIR COUCH: Okay, so it's been moved by Ms. Cochran and seconded by Mr. Guzman.

COUNCILMEMBER COCHRAN: And Chair? Sorry.

CHAIR COUCH: To do your...

COUNCILMEMBER COCHRAN: And then I guess and then to notate that as reflected in my November 2<sup>nd</sup> transmittal. Just so we're looking at the...

CHAIR COUCH: Right.

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COUNCILMEMBER COCHRAN: Is that...okay.

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: If I needed to add that part in to that.

CHAIR COUCH: Yeah.

COUNCILMEMBER WHITE: Chair?

CHAIR COUCH: Okay, Mr. White?

COUNCILMEMBER WHITE: It might be helpful if Ms. Cochran is willing to do so to take the amendments one at a time as opposed to...

COUNCILMEMBER COCHRAN: One fell swoop.

COUNCILMEMBER WHITE: Pardon?

COUNCILMEMBER COCHRAN: Okay. Instead of one fell swoop?

COUNCILMEMBER WHITE: Yeah, rather than one fell swoop.

CHAIR COUCH: It would be...I mean, we can go either way. It's up to you.

COUNCILMEMBER COCHRAN: Whatever will help bring clarity to all this, I'm fine.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: We can break it down. I mean, of course I want all eyes to the whole thing but whatever everybody's comfortable with that we can move something through here, Chair, today. So shall I...what?

CHAIR COUCH: Withdraw and then go one at a time.

COUNCILMEMBER COCHRAN: Withdraw? I'll withdraw my initial motion then and so I now, I move to amend the revised proposed bill to prohibit accessory dwellings not already granted a permit from being used as bed and breakfast home or short-term rental home.

COUNCILMEMBER GUZMAN: Second.

CHAIR COUCH: Okay, so you're not going in numerical order on this one?

COUNCILMEMBER COCHRAN: So that's one. Sorry? Oh, I'm just going in my motion order from my notes. Is that, what item is that?

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CHAIR COUCH: Okay, on your amendment, you have nine items. That one, I believe, is number eight and number nine.

COUNCILMEMBER GUZMAN: I think you should start from the beginning.

CHAIR COUCH: Yeah, let's start from the beginning. So you want to amend the preamble for Section 19.35.010 of Maui County Code as you suggested down here? That's how you would start it?

COUNCILMEMBER COCHRAN: Okay, so you want me to go line by line by line like that, Mr. White, is that what you're thinking?

CHAIR COUCH: Item by item.

COUNCILMEMBER WHITE: It's up to you.

CHAIR COUCH: It's totally up to you. If you want to do it on one big one and we take the vote, then...

COUNCILMEMBER COCHRAN: Yeah, I mean, because a lot of it's housekeeping-ish, as you can see, stating accessory dwelling, affordable accessory in there. And so the big ones are the B&B issue, immediate family member, and then the HUD rental. This is rental guidelines, not income guidelines so I just want to make sure that everyone understands the HUD number I keep bringing up is in reference to rental numbers not the income of the person. Chair, do you understand?

CHAIR COUCH: Well, we...when we...I'm not sure.

COUNCILMEMBER COCHRAN: Okay.

CHAIR COUCH: You still, did you withdraw your motion? I believe I have you withdrawing your motion.

COUNCILMEMBER COCHRAN: Yeah, I withdrew it.

CHAIR COUCH: So now...

COUNCILMEMBER COCHRAN: So if you want me to go line by line, I can. It's just...

CHAIR COUCH: I mean, it's either we need to go line by line or all at once. And it's your choice.

COUNCILMEMBER COCHRAN: Chair, well, I actually prefer to do it the way I initially moved it and then we can have discussion on that, I guess, it's kind of a paragraph.

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CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: Basically three changes. Really, there's three items in that one motion in that one paragraph.

CHAIR COUCH: Okay, Mr. White?

COUNCILMEMBER WHITE: My sense is that if we, instead of going line by line, if we go the three major concepts, I think are what's driving it, I think it might be easier if we do it that way.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: Yeah, and that was my re-make of my motion.

CHAIR COUCH: Okay, so you want to move...

COUNCILMEMBER COCHRAN: I was heading towards that way.

COUNCILMEMBER GUZMAN: Do you want me to...

CHAIR COUCH: No, I think she did make a motion and you did second it.

COUNCILMEMBER COCHRAN: Yes.

COUNCILMEMBER GUZMAN: Second it.

COUNCILMEMBER COCHRAN: The motion was the first part, the prohibiting accessory not already permitted as B&B and STRs. That was the first, the motion we just made.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: Right?

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: Mr. Guzman?

COUNCILMEMBER GUZMAN: So we're going out of order on the amendments then?

CHAIR COUCH: Yeah, on the list.

COUNCILMEMBER COCHRAN: You folks...so if...can we look, do you have my proposal?

COUNCILMEMBER GUZMAN: Yeah.

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CHAIR COUCH: That would be number eight and number nine essentially.

COUNCILMEMBER WHITE: On Page 4.

CHAIR COUCH: On Page 3? Of her amendment summary form. It says amend the Subsection 19.64 and 19.65. Number eight and number nine. Does that make sense?

COUNCILMEMBER COCHRAN: I guess my amendment summary form would have been easier for everyone to follow what I'm trying to do here.

CHAIR COUCH: Yeah.

COUNCILMEMBER COCHRAN: Actually, instead of this way.

CHAIR COUCH: Yeah, in the amendment summary form, item number eight and number nine, Page 3. In the Code, it's way back on Page 12, I think, or 11.

COUNCILMEMBER VICTORINO: Eleven.

CHAIR COUCH: Starting on Page 10, just one quick change on Page 10 and then again on Page 8. Eight and ten is where the, in the bill. Do you follow that, Mr. Guzman?

COUNCILMEMBER GUZMAN: Yeah.

CHAIR COUCH: Oh, okay.

COUNCILMEMBER COCHRAN: Oh you got it? Okay.

COUNCILMEMBER GUZMAN: I just would...because we're skipping back and forth. Can I just leave this one real quick. Can we just follow the amendments here, the amendment summary form and just go move to amend the preamble for Section 19.35.010 Maui County Code as follows. And then second and then we go to that section.

CHAIR COUCH: Well, the maker of the motion and Mr. White both want to do it in this, the three main points as opposed to housekeeping.

COUNCILMEMBER GUZMAN: Okay. Okay, that's fine.

COUNCILMEMBER COCHRAN: Right. Is that...

COUNCILMEMBER GUZMAN: That's fine.

CHAIR COUCH: Okay, so we're in discussion.

COUNCILMEMBER COCHRAN: I just want to make sure everyone understand what's, we would be...

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CHAIR COUCH: So that's number eight and number nine on the amendment summary form.

COUNCILMEMBER COCHRAN: Yes.

CHAIR COUCH: Any discussion?

COUNCILMEMBER COCHRAN: And, Chair?

CHAIR COUCH: Yes.

COUNCILMEMBER COCHRAN: I just want to say and this is in regard, and this is a temporary thing, so, you know, people in the gallery that might freak out about this one, you know, it's temporary and we're going to do this reporting and see how things are working out and, you know, I just, we have those people that are just a notice away from becoming homeless. And I'm just trying to get these types of dwellings out there and I'm hoping to for a plus on the Department's behalf, it alleviates continuing to expound on this whole STR/B&B issue that's going on and put a stop. And now they can just try and tackle what's at hand in this part of the building can move forward in this positive affordable way.

CHAIR COUCH: Okay, any further comment? I have. We put in there, the way we put it in there was any affordable dwelling unit or second dwelling unit. I know this Committee worked for three years, at least, on getting a good bed and breakfast, well short-term rental and a previous committee worked several years on getting bed and breakfast situation and it, there's only a few out there that use the existing ohana units. To take that away, even...and it's not, there's nowhere in here where it says it's temporary, to take that portion away, I don't think is going to make any difference one way or the other, certainly on the affordable dwelling units and certainly on the second accessory dwelling. So the Chair wouldn't, isn't going to support this motion because we have what I think is a pretty good compromise on that.

COUNCILMEMBER COCHRAN: Chair, sorry?

CHAIR COUCH: Let's see if anybody else has any other comment, too. Mr. Carroll? Oh, no. Alright, he's saying no. Okay, Ms. Cochran?

COUNCILMEMBER COCHRAN: And so this would not affect any already permitted people at all. It's not going to affect anybody.

CHAIR COUCH: Understood.

COUNCILMEMBER COCHRAN: Yeah. So it's just from here on out so people in the process already permitted, this is not hampering anything there. So, and I think in the sense of temporary, these rules, all these ordinances, bills, policies, whatever we create at any time can be adjusted and tweaked and changed at any given moment. We, this body

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decides to do that, we can. So that is the flexibility of the job that we have to do. So that's where I'm looking at if it's not working, it can definitely be changed at any given moment. Unfortunately it does take a little time as we can see but, you know, something needed, it can be done.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: So there's no, I don't know. To me it shouldn't hold it up.

CHAIR COUCH: Okay. Members, any comments? Mr. Guzman?

COUNCILMEMBER GUZMAN: Yeah. It's just as provided in this new section of 19.35.010 F and that's on Page 4. So you have to read it all together because it refers to a new section. And then that section F indicates no accessory dwelling shall be rented for occupancy for periods of less than 180 days unless such use is...and then it's describing three.

CHAIR COUCH: Right. That gets removed as well. Oh yeah, so it's item number two.

COUNCILMEMBER GUZMAN: No, it's added back.

COUNCILMEMBER COCHRAN: No, it's a new.

CHAIR COUCH: That's item number two on your...

COUNCILMEMBER GUZMAN: Right, right. It's added.

CHAIR COUCH: Yeah.

COUNCILMEMBER GUZMAN: Because you have to read it together.

CHAIR COUCH: Yeah. Any further comment? Okay, this is, we're talking on the amendment, move to amend the revised proposed bill to prohibit accessory dwellings not already granted a permit from being used as a bed and breakfast home or a short-term rental home. All those in favor, say "aye?"

COUNCILMEMBERS VOICED AYE.

CHAIR COUCH: Opposed? No. Do we have four "ayes" and two "noes?"

COUNCILMEMBER COCHRAN: Is there two? Oh, Mr. Victorino is a no? Who said that?

COUNCILMEMBER GUZMAN: Roll call.

COUNCILMEMBER VICTORINO: Roll call.



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CHAIR COUCH: Okay, do we have a second?

COUNCILMEMBER WHITE: Second.

COUNCILMEMBER GUZMAN: That would be 19.35.110 Subsection B3. Correct?

CHAIR COUCH: Right. She does that in number three on hers, number four. Is that right?

COUNCILMEMBER WHITE: It's on Page 7 right?

COUNCILMEMBER COCHRAN: Yeah, on Page 7.

CHAIR COUCH: Page 7.

COUNCILMEMBER COCHRAN: So that would be A, after I guess that first sentence...

CHAIR COUCH: So yeah, starting on Page 7.

COUNCILMEMBER COCHRAN: All the way down.

CHAIR COUCH: Where it says less than 7,500 square feet, take out provided that the unit will be built to accommodate the owner's immediate family members or unrelated persons for a very low income, low income, below moderate income, moderate income, and above moderate income. Now we have to leave that in because see you've got two sections there.

COUNCILMEMBER COCHRAN: Wait.

CHAIR COUCH: Yeah, you have immediate family members and then it discusses immediate family members but you also strike out the whole income, you know, persons of very low income, unrelated persons of very low income and above moderate income as established by the Department of Housing and Human Concerns pursuant to Section 2.96.020 of this Code. So you're asking to remove that as well.

COUNCILMEMBER COCHRAN: Well, the, so the part where after all the striking ends and then that, the maximum amount monthly rental rates for tenants of affordable dwelling shall be set at the HUD blah, blah, blah.

CHAIR COUCH: Right, but do you...

COUNCILMEMBER COCHRAN: That is where it's like the rent control number.

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: You cannot go above the \$1,223. That's stated there.

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CHAIR COUCH: But we're not, your motion was not involved in that. Your motion was to delete the provisions relating to immediate family members, period.

COUNCILMEMBER COCHRAN: And wait, is it in part of my third portion of this one? Right. And the reason being is, I mean the owner of a property can rent yes of course to family, yes of course to a stranger. Do we need...everyone living in Maui County deserves and needs a home and to not restrict it. So I don't, I mean, a family, I would think would give to family first before some stranger flying in from the mainland. So to me that part, and it's hard, too, for enforcement to are you hanai, are you married, what are you? How are you related? So it takes that away but to me it's self, you know, it's your choice who you would like to rent your affordable unit to, here's the dollar amount you cannot go over. And yeah, of course it can be family. And if not, it can be a perfect stranger, too.

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR COUCH: Yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: I'm very confused at this point.

CHAIR COUCH: Yeah.

COUNCILMEMBER VICTORINO: Because she's going in different circles and I'm not sure even what circle I'm on right now. But let me ask this question to the family issue, and that's not...this Section 8 voucher, okay, 80 percent is the maximum that can be charged. Maybe Mr. Almeida could answer this question.

COUNCILMEMBER WHITE: Wait, Chair, if you don't mind. That's on another motion.

COUNCILMEMBER COCHRAN: The next.

COUNCILMEMBER VICTORINO: Well, we need to find out sooner or later where we are because she's going in different directions so I'm asking.

COUNCILMEMBER WHITE: No, I know.

CHAIR COUCH: So...

COUNCILMEMBER VICTORINO: Okay, so I'll wait.

CHAIR COUCH: Here's the thing. Because this was written as one big thing, we really can't tear it apart because there's three or four different places where you have to look at different things. So the Chair's going to call, the Chair's going to make the call that this has to be done as one big motion. Because it's so intertwined, we can't pick and choose which piece because it...yes, Mr. Chair?

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COUNCILMEMBER COCHRAN: It goes hand in hand.

COUNCILMEMBER WHITE: I would disagree to the point that I don't necessarily agree with this amendment because I think we've already got the flexibility to rent to whomever we want as long as their either family or in one of the mentioned income levels. So I don't see the need or the benefit of taking that all out because I think, you know, I think it's written okay. And then the, and I think we could deal with that motion on its own and then deal with the issue of whether we should be putting in specific rental guidelines as a separate issue, which is the way she was going to do it.

CHAIR COUCH: Okay.

COUNCILMEMBER WHITE: At least my understanding is the issue we're dealing with here...

CHAIR COUCH: Is deleting the provisions relating to immediate family members, period.

COUNCILMEMBER WHITE: Well, but her, as I understand it, her deletions have taken out all the other wording that you had put in.

CHAIR COUCH: Yes, yes.

COUNCILMEMBER WHITE: So that, but I think that's what we're dealing with now.

CHAIR COUCH: Right.

COUNCILMEMBER WHITE: Is the deletion of the, of that wording and the deletion of the immediate family includes wording.

CHAIR COUCH: And that's why...yeah. I...deleting provisions relating to immediate family members is mixed up in all of this. It's, you know, it's one of the things says provided that the unit will be built to accommodate the owner's immediate family members or unrelated persons of very low income. And then all of a sudden it goes into or unrelated. She's asking to strike that but it has nothing to do with immediate family members. So, my...

COUNCILMEMBER COCHRAN: Well, and so...yeah, okay.

CHAIR COUCH: My take is we talk about deleting provisions relating to immediate family members and we can have Staff delete those if this passes. If it doesn't pass we leave them in and then we can go to the monthly rental rates because they are intertwined at this point. So it's either we go take the whole thing as one big thing or the idea.

COUNCILMEMBER WHITE: But her motion was the deletion of the wording there with respect to....at the top of Page 7 on her proposal, it starts with lining out provided that the unit will be built, blah, blah, blah.

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CHAIR COUCH: Right.

COUNCILMEMBER WHITE: All the way down to hanai children.

CHAIR COUCH: Correct.

COUNCILMEMBER WHITE: Correct? So...

CHAIR COUCH: But that includes income.

COUNCILMEMBER WHITE: I'm assuming that that is...no it doesn't.

CHAIR COUCH: It does. It does.

COUNCILMEMBER WHITE: No, her motion didn't include.

COUNCILMEMBER COCHRAN: But my next one will --

COUNCILMEMBER WHITE: Yeah, her next one will be the income.

COUNCILMEMBER COCHRAN: --address that.

COUNCILMEMBER WHITE: This is just having to do with the immediate family members and the other lined out stuff.

CHAIR COUCH: Oh, yeah. Yeah. That's what I'm saying is...

COUNCILMEMBER WHITE: Can we just deal with this motion?

CHAIR COUCH: Yeah. Just the immediate family members. It's just the immediate family members. However, in her Ramseyered format stuff it is different. So we're going to go with the concept and have Staff determine what gets removed or what gets added. Is that amenable?

COUNCILMEMBER COCHRAN: Chair?

COUNCILMEMBER WHITE: Maybe you want to withdraw your motion and just redo the motion to include from here to here.

COUNCILMEMBER COCHRAN: Put both?

COUNCILMEMBER WHITE: Without the median income.

COUNCILMEMBER COCHRAN: Chair?

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CHAIR COUCH: Yes?

COUNCILMEMBER COCHRAN: Or...okay, thank you, Mr. White. So I can either do what Mr. White was just explaining in doing immediate family, which I have a motion right now in --

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: --regards to that portion, but then of course the addition of the monthly rental rates is incorporated here.

CHAIR COUCH: Exactly.

COUNCILMEMBER COCHRAN: So then I can go to my original motion and combine the last two points in one motion so this whole paragraph here will be taken care of in the vote.

CHAIR COUCH: Okay, so you want to withdraw the...

COUNCILMEMBER COCHRAN: So but if we want to just focus on the immediate family, which Mr. White is okay with, I believe all the portions that are stricken relate to that immediate family term as far as I can read here. I mean it is mentioning very low income, low, below moderate, but it has, it refers to the immediate family context.

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR COUCH: Yes?

COUNCILMEMBER COCHRAN: So that's, you know, that whole thing is all about immediate family.

CHAIR COUCH: And income.

COUNCILMEMBER COCHRAN: Well, but then...right. Right.

COUNCILMEMBER VICTORINO: Okay, will you yield, please?

CHAIR COUCH: Hold on. Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah, well, I disagree with my colleague because it says immediate family members or unrelated persons.

CHAIR COUCH: Right.

COUNCILMEMBER VICTORINO: So that stricken, what she's saying is incorrect.

CHAIR COUCH: And that's why I'm trying to say --

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COUNCILMEMBER VICTORINO: Yeah. That's what I'm getting to.

CHAIR COUCH: --let's do this all in one big thing or individual lines, individual items because of the way it was written. It's very convoluted.

COUNCILMEMBER COCHRAN: Okay. And...okay. And I guess I was making up for all of that in the maximum rental rates are for tenants and tenants is just a broad term. Tenant can be unrelated, related, your tenant. So that's where I think that last sentence added in was going to encompass everyone and anyone that that owner and renter decides to have as a tenant. So how do we do this? So...

CHAIR COUCH: You know, again, as, you know, I have to say because of the way this is written, I'm going to take the amendment out, the first amendment, take everything out and we have to vote on this as a single motion. It's not going to work the other way unless you want to come back --

COUNCILMEMBER COCHRAN: No.

CHAIR COUCH: --and do them in three separate motions at a different time.

COUNCILMEMBER COCHRAN: No. Okay, so, Chair, you're saying to have it, the motion stating...

CHAIR COUCH: I'm saying we're taking everything back, including the other amendment we tried to do and make this whole amendment summary form one motion.

COUNCILMEMBER COCHRAN: No. We already passed one so we're only working on immediate family and the HUD guideline one. Those are the last two points that I need taken care of here.

CHAIR COUCH: Okay. And you want to do that all in one motion now?

COUNCILMEMBER COCHRAN: Well, I believe I already have the immediate family part on the floor and that's what we're discussing --

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: --and getting a little confused because in that sentence, as you stated, it does say unrelated persons.

CHAIR COUCH: That's right.

COUNCILMEMBER COCHRAN: So is there a way to, how do we take care of that one word?

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CHAIR COUCH: So here's how I'm going to interpret this motion. Deleting provisions related to immediate family members. The Staff will handle any language for that. Are you okay with that?

COUNCILMEMBER COCHRAN: That's fine.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: As long as it doesn't change the meaning, you know, yeah, that's fine.

CHAIR COUCH: Right, right.

COUNCILMEMBER COCHRAN: Okay.

CHAIR COUCH: Okay, any further discussion? All those in favor, say "aye?"

COUNCILMEMBER COCHRAN: Hang on.

COUNCILMEMBER WHITE: Wait, wait.

COUNCILMEMBER COCHRAN: Sorry.

COUNCILMEMBER WHITE: What's in the motion?

CHAIR COUCH: The motion is deleting provisions relating to immediate family members.

COUNCILMEMBER COCHRAN: Yes.

CHAIR COUCH: And the Staff will handle the language on that.

COUNCILMEMBER COCHRAN: Yes.

COUNCILMEMBER WHITE: Can we...I'm not sure what the purpose of deleting immediate family members if... 'cause we already have unrelated persons.

CHAIR COUCH: The issue with what she's saying is that it doesn't, if we take out immediate family members than everybody's restricted to the rental rate, not...right now the way the bill reads family members, immediate family members don't have, aren't restricted to the income levels, just non-related family. The way the current bill reads. What she's saying is everybody will be restricted to the rental rates.

COUNCILMEMBER WHITE: Have to qualify.

CHAIR COUCH: Right.

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COUNCILMEMBER COCHRAN: Right.

COUNCILMEMBER GUZMAN: Which has a maximum of 80 percent.

COUNCILMEMBER COCHRAN: We haven't gotten there yet.

COUNCILMEMBER WHITE: No, that's not in the motion.

CHAIR COUCH: Right.

COUNCILMEMBER VICTORINO: I tried to get at it...

CHAIR COUCH: She's just pulling immediate family members out of...

COUNCILMEMBER COCHRAN: Yeah, just the immediate right now.

COUNCILMEMBER VICTORINO: I still don't agree with that.

COUNCILMEMBER COCHRAN: Because --

CHAIR COUCH: So, is everybody...

COUNCILMEMBER COCHRAN: --it should be open to everybody. That's...

CHAIR COUCH: Does everybody understand that that's what the motion is? Whether you agree with her or not --

COUNCILMEMBER COCHRAN: Right.

CHAIR COUCH: --we'll find out when we vote. Mr. Carroll?

VICE-CHAIR CARROLL: Thank you, Chair. In short, I do not approve of the motion. I will not support it. Thank you.

CHAIR COUCH: Thank you. Anybody else?

COUNCILMEMBER GUZMAN: Chair, just technically. If we, I cannot go along with this motion if you don't add in the additional language of the maximum, that's underscored, the maximum monthly rental rates because if you just go with the deletion of the original motion, you have nothing left. You have to have the additional language in there for at least logically to be able to stick it together.

CHAIR COUCH: That's the next portion. She's just basically saying she wants no restriction on, not mentioning --

COUNCILMEMBER COCHRAN: Who you rent to.

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CHAIR COUCH: --immediate family members. Anybody you rent to is going to be under the restrictions if we pull the immediate family members out. The way the bill currently reads, immediate family members are not under income or rental price restrictions.

COUNCILMEMBER GUZMAN: Correct, correct, correct.

CHAIR COUCH: Okay, so she's pulling that out. She's asking to pull that out.

COUNCILMEMBER GUZMAN: Yeah, she's asking to pull that out and it's, included in that amendment should be adding the underscored language.

CHAIR COUCH: No, we're not doing any...what we're doing is taking out provisions for immediate family members. The Staff will handle the actual language removed. That's where we're going with that. Staff...

COUNCILMEMBER GUZMAN: So it's going to read something like less than 7,500 square feet provided that the unit will be built to accommodate unrelated persons of very low income and moderate income and above moderate income as established by the Department of Housing and Human Concerns pursuant to Section 2.96.020 of this Code.

CHAIR COUCH: Yes.

COUNCILMEMBER GUZMAN: And then deleting immediate family --

CHAIR COUCH: Immediate family...

COUNCILMEMBER GUZMAN: --includes --

CHAIR COUCH: Right.

COUNCILMEMBER GUZMAN: --all the way down to hanai children.

CHAIR COUCH: Correct.

COUNCILMEMBER GUZMAN: Okay.

CHAIR COUCH: Okay?

COUNCILMEMBER COCHRAN: And...okay. Well, so...

CHAIR COUCH: That's the sample of what the Staff would do, yes.

COUNCILMEMBER GUZMAN: right. But I don't think we even need that. I mean because why do you have to indicate unrelated?

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CHAIR COUCH: That's why we're taking, we're going to take a vote on it.

COUNCILMEMBER COCHRAN: That's right.

CHAIR COUCH: That's the whole point.

COUNCILMEMBER GUZMAN: Just delete the whole section right there from what is...

CHAIR COUCH: That's not the motion, Mr. Guzman. The motion is to delete the bit of immediately family members. Any further discussion?

COUNCILMEMBER COCHRAN: Chair?

CHAIR COUCH: Yes?

COUNCILMEMBER COCHRAN: Sorry, okay. And, yeah, so it sounds like we're trying to restrict and get rid of but really by doing this, in my eyes, is that we're opening it up for anyone and everyone to be able to rent at an affordable level. And that's that.

CHAIR COUCH: Understood.

COUNCILMEMBER COCHRAN: And so that's where my --

CHAIR COUCH: Understood.

COUNCILMEMBER COCHRAN: --thought process is in regards to this, to not be too selective.

CHAIR COUCH: Chair White?

COUNCILMEMBER WHITE: Yeah, I can't support this motion simply because I don't feel that family members should be having to qualify under the income guidelines --

CHAIR COUCH: Okay.

COUNCILMEMBER WHITE: --because it's family.

COUNCILMEMBER VICTORINO: Exactly what I feel.

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: It's not. Chair? Okay, I gotta...no, sorry, it needs clarification. This is not about income, it's about rental. So there's no income.

CHAIR COUCH: No, this one is about, it's about income because income is in the current bill. If we go to your next one and pass it, that's why I think we need to do this all as one big motion up or down or come back as separate motions.

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COUNCILMEMBER WHITE: But we've already done one motion.

CHAIR COUCH: Right.

COUNCILMEMBER COCHRAN: We did the one. So if we wanted...and the one recommendation by Chair White was to take these last two points that I have in one motion.

CHAIR COUCH: You can do that.

COUNCILMEMBER COCHRAN: Which I think...

CHAIR COUCH: You can do that but then you'll have to withdraw this motion but we need to do this one way or the other.

COUNCILMEMBER COCHRAN: No, I know. Alright.

CHAIR COUCH: This is your last chance. What do you want to do?

COUNCILMEMBER COCHRAN: Yeah, I'm going to withdraw my original motion --

CHAIR COUCH: Okay, thank you.

COUNCILMEMBER COCHRAN: --which only brought out the immediate family portion --

CHAIR COUCH: Okay.

COUNCILMEMBER COCHRAN: --and combining them.

CHAIR COUCH: So the motion is withdrawn. So new motion?

COUNCILMEMBER COCHRAN: Yeah, where did my paper go now? New motion, deleting provisions related, I move to delete provisions relating to immediate family members and providing for monthly rental rates consistent with HUD guidelines for households at 80 percent and below of the County's median family income.

CHAIR COUCH: Okay, no seconds. Motion dies.

COUNCILMEMBER GUZMAN: Chair?

CHAIR COUCH: Alright. Mr. Guzman?

COUNCILMEMBER GUZMAN: I move to amend Section 19.35.110, indicate as titled affordable accessory dwellings to be deleted as follows, to delete the language of provided that the units will be built to accommodate the owner's immediate family members or unrelated

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persons of very low, low income, below moderate income, and to establish by the Department of Housing and Human Concerns pursuant to Section 2.96.020 of this Code, period. Also deleting immediate family includes a person's parents, spouse or partner through civil union, children, their spouse's siblings, step-parents, step-children, adopted children and other spouses and hanai children, period. And also to provide additional language as underscored on Page 7 adding the language as follows, the maximum monthly rental rates for tenants of the affordable accessory dwelling shall be set by the Department of Housing and Human Concerns consistent with the United States Department of Housing and Urban Development rent guidelines for household at 80 percent and below of the County's median family income. Is there a second?

COUNCILMEMBER COCHRAN: Second.

CHAIR COUCH: Okay, it's been moved by Mr. Guzman and seconded by Ms. Cochran. Essentially trying to do what she tried to do before, right?

COUNCILMEMBER COCHRAN: I guess.

CHAIR COUCH: Okay, with immediate family. Any further discussion?

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR COUCH: Yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: So for clarification purposes, the way this now would read, if some immediate family member was making more than the 80 percent medium income, would they not be qualified or would they be qualified? That's what I would ask Mr. Rapacz or mister, I guess the department to answer that question.

CHAIR COUCH: The way I read the motion anyway, yes, they would be booted. They would not be allowed.

COUNCILMEMBER VICTORINO: Well, I'm asking, if I can ask the question from some expert out here that could answer that question. If as been stated, the change that if an immediate family member was to want to rent an affordable unit on my property, and they made more than 80 percent of the medium income, family income, would they be disqualified or would they still qualify? Okay. I'm asking.

MR. RAPACZ: Mr. Chair, the way I read it, it just sets a maximum rent.

COUNCILMEMBER COCHRAN: Right.

MR. RAPACZ: That maximum rent is based on whatever the median income is for the County.

COUNCILMEMBER COCHRAN: Right.

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MR. RAPACZ: So no matter who lives there, that's the most you could charge them.

COUNCILMEMBER COCHRAN: Hello.

CHAIR COUCH: Okay.

MR. RAPACZ: I can't tell if Councilmember Cochran is agreeing or disagreeing. I thought that was the intent.

CHAIR COUCH: That's what she was trying to say, yes.

MR. RAPACZ: Thank you.

CHAIR COUCH: Any further discussion? All those in favor, say "aye?"

COUNCILMEMBER COCHRAN: Aye.

COUNCILMEMBER GUZMAN: Aye.

CHAIR COUCH: Opposed, "no?"

VICE-CHAIR CARROLL: No.

COUNCILMEMBER VICTORINO: No.

COUNCILMEMBER GUZMAN: You didn't even vote on...

COUNCILMEMBER COCHRAN: I said aye.

CHAIR COUCH: We got three "ayes" and three "noes." Motion fails.

**VOTE:           AYES:   Councilmembers Cochran, Guzman, and White.**

**NOES:   Chair       Couch,       Vice-Chair       Carroll,  
          Councilmembers Victorino.**

**ABSTAIN:   None.**

**ABSENT:    None.**

**EXC.:      Councilmember Baisa.**

**MOTION FAILED.**

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CHAIR COUCH: Alright, so we have the original as amended. Any further discussion, amendments? Seeing none, all those in favor of the motion as amended, please say, "aye?"

COUNCILMEMBERS VOICED AYE.

CHAIR COUCH: Opposed? Let the record show one...two...three...four...five...six "ayes."

COUNCILMEMBER GUZMAN: Chair?

CHAIR COUCH: Yeah?

COUNCILMEMBER GUZMAN: Can you clarify the motion? What was the...

CHAIR COUCH: This is the main motion.

COUNCILMEMBER GUZMAN: Oh, the main motion. Okay.

CHAIR COUCH: This is the main motion, yeah.

COUNCILMEMBER VICTORINO: As amended, right?

CHAIR COUCH: As amended. Basically the amendment was, the only amendment that was to eliminate any further, any ohanas from short term or B&B. Any further --

COUNCILMEMBER VICTORINO: New ones, yeah.

CHAIR COUCH: --new ones. Okay, so we took the vote, everybody's okay with their vote on that? So there are six "ayes," zero "noes," and one excused, Member Baisa.

**VOTE:           AYES:   Chair       Couch,       Vice-Chair   Carroll,  
                  Councilmembers Cochran, Guzman, Victorino  
                  and White.**

**NOES:   None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:   Councilmember Baisa.**

**MOTION CARRIED.**

**ACTION:   FIRST READING OF REVISED BILL AND FILING OF  
          COMMUNICATION.**

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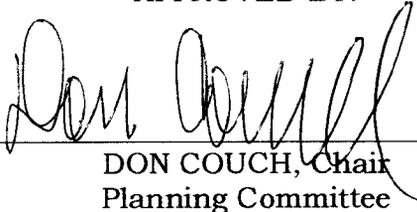
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CHAIR COUCH: Wow, alright, Members. We're going to revise the bill and when it comes to the Committee report, we will then get it to Council as soon as we can get it through the Committee report. So I really appreciate, yes, this was a tough thing to do but at least it's a step forward to getting accessory, affordable accessory dwelling units moving. So thank you, Department. Thank you for your comments and concerns. Thank you, Staff, for following along. Hopefully you got it. And thank you testifiers for your comments. This meeting is adjourned. . . . *(gavel)* . . .

**ADJOURN: 12:18 p.m.**

APPROVED BY:

  
\_\_\_\_\_  
DON COUCH, Chair  
Planning Committee

pc:min:161103:kr

Transcribed by: Kekai R. Robinson

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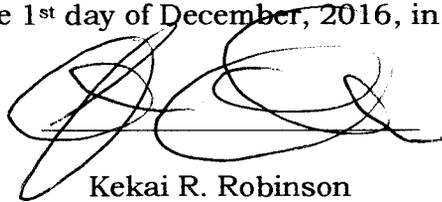
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CERTIFICATE

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 1<sup>st</sup> day of December, 2016, in Kou, Maui, Hawai'i

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom, positioned above the printed name.

Kekai R. Robinson