

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

**M I N U T E S**

**Council Chamber**

**November 1, 2016**

**CONVENE:** 1:35 p.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Don S. Guzman, Chair  
Councilmember Elle Cochran, Vice-Chair  
Councilmember Don Couch  
Councilmember Stacy Crivello  
Councilmember Michael P. Victorino  
Councilmember Mike White

**EXCUSED:** Councilmember Riki Hokama

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

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

**ADMIN.:** Jeffrey Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel  
Mark Walker, Deputy Director, Department of Finance  
Kaala Buenconsejo, Director, Department of Parks and Recreation  
Brianne Savage, Deputy Director, Department of Parks and Recreation

**OTHERS:** Lisa Miura, Deputy Director, Department of Finance, County of Hawaii  
Gary Kurokawa, Deputy Director, Department of Budget and Fiscal Services, City and County of Honolulu  
Edward Thielk, Owner, Mana Foods  
Michael Baskin  
Steve Sadler, Board member, Maui Kitesurfing Community  
Noelani Sugata, Executive Director, Paia Town Association

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Elaine Malina, President, Maui Green and Beautiful  
Sal Bodnar, Director, Maui Green and Beautiful  
Lucienne de Naie, Conservation Committee Chair of the Sierra Club  
Maui, and President of the Haiku Community Association  
Michele McLean, Board member, Paia Town Association, and Deputy  
Planning Director  
Martin Brass, President, Paia Town Association  
Jan Dapitan, Board member, Maui Green and Beautiful  
Barbara Fernandez, Vice-President, Maui Green and Beautiful  
Jasee Law (James Lawrence)  
Bill Mitchell, Hawaii Land Design  
Michael J. Summers, Planning Consultants of Hawaii, Inc.  
John F. Summers, Planning Consultants of Hawaii, Inc.  
Patti Cadiz, HST Hawaiian Sailboarding Techniques, Inc.  
Sharon Balidoy, Lae'ula O Kai Canoe Hale  
Kelly Pearson, Boys & Girls Clubs of Maui, Inc.  
Plus (12) other people

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

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CHAIR GUZMAN: . . .(gavel). . . Welcome to the Economic Development, Energy and Agriculture Committee. I'm Don Guzman, the Chair of the Committee. I'd like to introduce our Members that we have for today's meeting. We have Elle Cochran, the Vice-Chair of the Committee. Good afternoon.

VICE-CHAIR COCHRAN: Aloha, Chair. Thank you very much.

CHAIR GUZMAN: Don Couch.

COUNCILMEMBER COUCH: Aloha. Good afternoon, Chair.

CHAIR GUZMAN: Stacy Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR GUZMAN: Mike White.

COUNCILMEMBER WHITE: Aloha, Chair.

CHAIR GUZMAN: And Mike Victorino.

COUNCILMEMBER VICTORINO: Good afternoon. Aloha, Chair.

CHAIR GUZMAN: Today we have for our Staff, Greg Garneau, is our Legislative Attorney, as

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well as Pauline Martins, our Committee Secretary, and for our Corporation Counsel Deputy is Jeff Ueoka.

MR. UEOKA: Good afternoon, Chair.

CHAIR GUZMAN: Good afternoon. Before we begin, I'd like to remind everyone to please silence your cell phones. If you are going to testify, please come to the podium, identify yourself and/or the organization in which you represent. I'm gonna go ahead and check in with our District Offices. In Lanai Office, are you there?

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

CHAIR GUZMAN: Thank you, Ms. Fernandez. On, in Hana Office, are you there?

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

CHAIR GUZMAN: Thank you very much, Ms. Lono. And Molokai Office, are you there?

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

CHAIR GUZMAN: Thank you very much. We're gonna turn our attention to the Chambers. Please call your first testifier.

MR. GARNEAU: Just one moment, Chair. We don't have any signed up yet.

CHAIR GUZMAN: Okay.

MR. GARNEAU: Chair, may I proceed?

CHAIR GUZMAN: Yes, you may.

MR. GARNEAU: Our first testifier in the Chambers is Edward Thielk, to be followed by Michael Baskin.

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

MR. THIELK: Good afternoon, everybody. I'm here to speak about the Paia Special Improvement tax that's being proposed today.

COUNCILMEMBER VICTORINO: Chair, could we have his name, please?

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MR. THIELK: Oh, my name is Edward Thielk from Mana Foods, Paia, owner of Mana Foods.

COUNCILMEMBER VICTORINO: Thank you.

MR. THIELK: This is the first I've heard about this tax and I was kind of surprised after being in business for 33 years and running my business there, being a property owner, business owner, I haven't been told about it up 'til now. I'd like to ask why, I'd like to ask if it, Mr. White, if he could explain to me why I wasn't told about it. I'd like to know because we're...I was sort of shocked about this. And I do have a rapport with you, by the way, we do know each other.

CHAIR GUZMAN: Excuse me, yeah, I just want to remind the testifiers, this is only testimony received --

MR. THIELK: Okay.

CHAIR GUZMAN: --to, yeah, you're not allowed to engage...

MR. THIELK: Okay. So maybe that's something that me and Mr. White can take up later as he is my Councilmember. I'm questioning the fairness of the tax that we currently pay in Paia more for our infrastructure costs, things like that. Everything in Paia is more expensive because we're a small town. For example, I recently had to do some improvements on my building and we had to do the manhole and all the drainages and that, so this cost about \$150,000 more. The example I'm trying to make is that everything in Paia is more expensive because we have all the requirements of a small town district, historical, improvements, all these kind of things. These things have added a lot of cost to our business. I run a grocery store. I don't know if any of you are familiar with my business, but I have approximately 150 employees and the cost of running our business is more than it would be, say in, for example, down in Kahului or in, you know, in any of the malls anything like that, because of the fact that we have a small building that has been renovated over and over again and just the cost of doing business in Paia is more. Our property tax has gone from \$12,000 in the last 2 years to \$28,000 now. So, what I'm here to say is that this new tax if it were presented to us and it was justifiable and we could see that it was something going to improve the town in some way, we may, if we had a chance to, we may even agree with it. Currently, we have a problem with infrastructure in the town. We have a problem with parking. We have a problem with people being able to get in and out of the town. Our business this year is alone is down \$500,000 because of the fact that people have given up on coming to Paia. We keep hearing it. There are more big box stores opening up. The big box stores have a lot of advantages over us.

MR. GARNEAU: Three minutes.

MR. THIELK: It's three minutes already? Done? Am I finished?

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CHAIR GUZMAN: When it turns red, your time is up.

MR. THIELK: Okay. So, yeah, anyway, what I'm trying to say is that it costs us more to operate in Paia as it is now and we could use a lot of help from the County, but this tax wouldn't be a help to our business. It would harm us. It would create a higher structural overhead for us that we are already struggling with now. Thank you.

CHAIR GUZMAN: Thank you. Members, do you have any follow-up questions or clarification questions? Mr. White?

COUNCILMEMBER WHITE: Thank you, Chair. Thank you for being here today. What's being considered today is a framework for setting up a Special Improvement District. There's no discussion of a tax at this point. That would come at a later meeting, if the Paia community decides to implement the Special Improvement District for themselves. Essentially, what it's...well, we'll get into the discussion later, but I just wanted you to be clear there's no discussion of an actual tax today. Thank you for being here.

MR. THIELK: Could I ask you a question? One more question?

CHAIR GUZMAN: Excuse me. You're not permitted to follow-up --

MR. THIELK: Oh, I'm sorry. Thank you.

CHAIR GUZMAN: --with a question. Thank you. Sorry, those are just the rules that we have. Thank you. Members, do you have any other questions that we have? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, Mr. Thiels, for being here. Thiels?

MR. THIELK: Thiels.

COUNCILMEMBER COUCH: Thiels. So there's a group that came here and made a presentation to us, Paia Merchants [sic] Association, I think it was called. Are you involved in that group?

MR. THIELK: Yeah, we're a member of it.

COUNCILMEMBER COUCH: And they're the ones that came and gave us presentation requesting this, so, I'm just...

MR. THIELK: Yeah, I find it ironic, I was never invited to the meetings to discuss it.

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

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CHAIR GUZMAN: Members, any further? Mr. Victorino?

COUNCILMEMBER VICTORINO: So, Mr. Thielk, you are stating that you never had an opportunity to meet with the Paia, I think it's the Paia Town Association. If I may be, I don't know, he said, merchant, I'm not sure which it is.

CHAIR GUZMAN: That's correct, Mr. Victorino.

COUNCILMEMBER VICTORINO: Okay. Paia Town Association, who came to us earlier, like Mr. Couch mentioned, but they haven't had any meeting with you or other owners?

MR. THIELK: No, they haven't reached out to any of us.

COUNCILMEMBER VICTORINO: Okay.

MR. THIELK: And we paid our \$500 dues, by the way, this year.

COUNCILMEMBER VICTORINO: Okay. Okay. I'll ask questions later. Thank you very much.

MR. THIELK: Thank you.

CHAIR GUZMAN: Thank you. Thank you very much. Next testifier, please?

MR. GARNEAU: The next testifier in the Chamber is Michael Baskin, to be followed by Steve Sadler.

MR. BASKIN: Good morning. My name is Michael Baskin and I am a property owner in Paia. I own the Paia Inn and I also own eight properties in Paia, five of which are commercial properties that would be directly affected if this were to pass and go forward in Paia. Like Ed, I also did not participate in any of the meetings or was, actually specifically told not to participate in the meetings. I've been in Paia for 40 years, got my first job, 14 years old when I was in front of Charley's. I'm a Seabury grad and I've been doing architectural design work for the last 30 years. I was eight years on the Paia Main Street Board and of the 5 commercial properties that I own in Paia, I already pay \$86,400 in property taxes per year. In the last 3 years, \$225,000 in property taxes on just those commercial properties alone. I'm strongly opposed to the SID, primarily because the Paia Town Association has really not directly engaged most of the property owners that are in the town like Ed. For example, testimony has already been submitted by the people that own the Paia Town Center, that's from Charley's all the way to Milagros all the way to the bank, that large property. They also were surprised by this and have submitted testimony against this. The Nagata family, long-standing family in the town of Paia is against this, Mana Foods and myself, just us alone, we already have 20 percent of the people that are now aware of it are opposed to the SID.

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And first sounding, beautification of the town is an amazing thing. It makes a lot of sense, but the group that is behind this is probably not properly prepared or qualified to do this. In fact, four of the directors on the board have made complaints against business owners and property owners in Paia, so I think you want a board, if they're going to administer this, that's gonna be in support and behind helping the local business owners, merchants in the community, not going against and making complaints. My concern here is that you would agree to put in a mandatory tax that would be put in place that would be of a special interest group that would use that money at their discretion against those of us that have been long-standing in the town. So I urge you, please, to not pass this in the first reading. Thank you.

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Mr. Couch, followed by Mr. Victorino.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Thank you, Mr. Baskin, for being here. I'm, I need to ask you if you've seen the ordinance and seen the paperwork on how this would work?

MR. BASKIN: Yes, I have.

COUNCILMEMBER COUCH: So and then, you're aware that it takes, I think, it's over 50 percent of the merchants or the...I'm sorry, not the merchants, the...

MR. BASKING: Twenty-five percent.

COUNCILMEMBER COUCH: No, 25 percent to get the ordinance allowed, then you have to actually go to all the landowners and they have to, I believe, it's over 50 percent, has to approve this tax and I think it's, you know, we have the ability to say, well, maybe we want to make it 65 percent or something like that, so it's a super majority. But that's, it's a multi-faceted, multi-step process. We're trying to see if we even want to start the process yet, so, there's no mandatory tax without everybody, every landowner over there voting on it. So I just want to make sure you guys are aware of that.

MR. BASKIN: I am aware of it, but I think there's a lot of confusion that this tax, should it be implemented, many of the merchants think it's gonna be paid by the property owners, but in fact, it will trickle down through the common area, maintenance or CAM directly to the merchants. They're not aware of that, so I think that they are a bit confused. That's my own experience with the merchants or the tenants that we have. I would also just urge you to really spend your time if you really want to help at least the small town, there's so many better places. We need parking, there's other areas. I just think that putting all this energy and time into passing a mandatory property tax on us property owners is gonna get you the opposite effect. We're gonna be discouraged to invest more in the town. Let the property owners get together and

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form their own group and let them decide how to make improvements to the town that we think are worthy.

COUNCILMEMBER COUCH: Thank you. We are, that's what this thing is. We would never and would not be able to pass this tax. It would be the voters, not the voters, but the property owners in that area that would put that tax on themselves, not us. We would just, our function here is to facilitate that process.

CHAIR GUZMAN: Okay.

COUNCILMEMBER COUCH: Thank you.

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

COUNCILMEMBER VICTORINO: Yeah, thank you. And I've read your written testimony. Thank you very much. Does the Paia Main Street Board still exist?

MR. BASKIN: The Paia Main Street Board does not exist anymore.

COUNCILMEMBER VICTORINO: Does not exist anymore. Okay.

MR. BASKIN: Yeah.

COUNCILMEMBER VICTORINO: Okay. You didn't specify here, but you did state that. And secondly, you're stating here that the presentation that was made to you on the SID is not qualified as a voice in our community. Did...you or not qualified as a voice in the community, is that what you trying to say in that sentence?

MR. BASKIN: No. I'm saying that the current board --

COUNCILMEMBER VICTORINO: Yes.

MR. BASKIN: --that's on the Paia Town Association, I do not feel is qualified as a voice of our community. I mean, they haven't reached out to myself, to Ed and to others. We feel that there's been no direct input from our side and we're concerned that...or I should speak for myself, I'm concerned that this board would use the funds directly against us.

COUNCILMEMBER VICTORINO: Okay. And you do state a little bit further down that, in fact, four of the directors have personally issued complaints to the County against local and small business owners and property owners in the town of Paia based upon your, their own personal bias. You stand by that?

MR. BASKIN: I do, sir, yes.

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COUNCILMEMBER VICTORINO: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you. Just to let you know that this is a general ordinance. It's not specific to Paia, so, it's not narrowly tailored for Paia. It's a general ordinance that other districts within the County or towns could avail of this type of Special Improvement District. So, next testifier? Thank you.

MR. BASKIN: Thank you so much. I am aware of that and I did see that the Paia Town Association gave the presentation though on this specific item. Thank you.

CHAIR GUZMAN: Thank you.

MR. GARNEAU: Thank you. The next testifier is Steve Sadler, to be followed by Noelani Sugata.

MR. SADLER: Good afternoon. My name is Steve Sadler and I'm not sure if I should be speaking at this time. Are we still discussing or are we now discussing the Kanaha Beach Park plans?

CHAIR GUZMAN: Are you testifying on that matter? You'll have three minutes to testify.

MR. SADLER: Yes, on the Kanaha Beach plan.

CHAIR GUZMAN: Okay.

MR. SADLER: Okay. Anyways, as I said, my name's Steve Sadler. I'm an avid beach park user of many beach parks in Maui County. Kanaha Beach Park is probably my most common park you'll find me at. I really am happy that the plans to go forward with, that you've presented here is moved along as far as it has; however, I believe it does not properly represent the users' needs of the park. A lot of these have been condensed, like picnic areas and facilities have been condensed into one small area whereas people that use the park are spread out over the entire length of the park. And I believe it's in everyone's best interest not to crowd people into, in small areas to use these facilities, but instead to have more access points and facilities all along the shoreline, like picnic tables, showers. Parking is another issue where some of the, if you...for say Keyhole, the parking is going to be close to the street, which is 600-feet from the ocean and a round-trip to your car and back is about a quarter of a mile and that's a little excess, I think, for the average beachgoer. And especially families with kids show up, they've got tons of gear with kids and coolers and they expect to be there all day, they need their car close by. So I would like to see some of this parking brought much closer to the ocean as similar to the Kanaha Beach Park that is developed which is all they average about 200 to 250 feet from the water's edge or, excuse me, from the beach's edge. And I would like to see some closer parking similar to that in this plan. A few examples here...excuse me. And I was also concerned about the entrance. They were gonna lock the park up from 8:00 o'clock at night to

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6:30 in the morning and that could be a problem for fishermen. I don't know how that's gonna be addressed. But the, also, something that looked very unusual is that there is going to be a presence of park officials, park rangers there and I'm hoping that this does not mean that in the future, they're gonna charge an entrance fee. It is not stated that way, but it looks that way where, like, similar to our National Parks and I would think that would be very detrimental to the parks users. I would like to see that native plants that are already there, kept and transplanted and used again, but we need to have some wide-open spaces generated as some of the native plants are just head-high bushes and block the visions and the basic ability to use the park. The akiaki grass again is a beautiful stuff. We'd like to see native Hawaiian plants, but it was also difficult to walk on because it captures all the thorns. I could go on and on, but thank you very much.

CHAIR GUZMAN: Mr. Sadler, I think you're on the panel as well, so, \_\_\_\_\_ can stick around. If the other Members have any further questions they can ask you while you're on the panel.

MR. SADLER: Thank you.

CHAIR GUZMAN: Thank you.

MR. GARNEAU: The next testifier is Noelani Sugata, to be followed by Elaine Malina.

MS. SUGATA: Aloha, Chair Guzman and Committee Members. My name is Noelani Sugata and I'm the Executive Director for the Paia Town Association. We are in strong support for Bill EAR-36 relating to Special Improvement Districts, commonly known as SIDs. As an organization, the PTA is dedicated to creating a clean and safe environment that meets the needs of its residents and is welcoming to its visitors. We believe a SID is what Paia needs in order to provide services such as physical improvements, small business support, a community building, and advocacy for proper planning. I have worked with our board for a little over a year and we have completed many of our short-term goals despite being on a very limited budget. Currently, we are funded by membership dues and rely on a grant from the Maui County Office of Economic Development. For example, we have made physical improvements in our town. We have implemented a rubbish removal program, installed a new Paia place marker and painted a beautiful mural in the lower Paia parking lot. Long-term beautification projects could be to continue improving the lower Paia lot by creating curb appeal and providing an area for people to gather and sit. Also, the PTA provided small business support to our merchants. We use very simple, but effective marketing strategies to encourage our residents and visitors to shop local. Paia merchants have been in local and national publications and we have an active online presence. Advertising is changing and we have been able to keep up with the newest digital marketing trends. More importantly, we want our visitors and merchants to feel safe. A long-term goal of ours is to fund a hospitality and safety program. We would also like a greater police presence in our community and have

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met with our community police officers this year. Finally, SID funds in the long-term could be used to establish parking management for Paia. We have discussed different options; however, without long-term funding, it is hard to take the next steps to improve Paia's parking situation. Before I conclude, I would like to thank the Council for hearing my testimony time and time again. I once saw a movie trailer that said, can you do big things from such a small place? After working with the PTA and getting to know the community during my tenure, I'd like to think so. I humbly ask that the Committee support Bill EAR-36. Mahalo.

CHAIR GUZMAN: Thank you very much. Members, do you have any follow-up questions? Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you. And this is a real quick question. These couple of testifiers who came up said that you never or the association never got to them, never met with them. Have you had outreach to these various merchants?

MS. SUGATA: I have met with Michael and I have dropped off brochures to Mana Foods. I promote Mana Foods on our social media --

COUNCILMEMBER VICTORINO: Okay.

MS. SUGATA: --all the time and the information is on the front page of our, on the home page of our website, which is [www.paiamauic.com](http://www.paiamauic.com).

COUNCILMEMBER VICTORINO: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Any further questions? Seeing none, thank you very much for your testimony.

MS. SUGATA: Thank you.

CHAIR GUZMAN: Next, please.

MR. GARNEAU: Okay. The next testifier in the Chamber is Elaine Malina, to be followed by Sal Bodnar.

MS. MALINA: Aloha. My name is Elaine Malina. I'm the President of Maui Green and Beautiful and I really thank your time for listening to what's gonna be presented about Kanaha. We have major concerns with the new master draft plan that's gonna be presented by the Parks and Rec Department. It shows an unbelievable amount of new parking out there. Remember, this is a conservation area. It has wetlands, dunes, migratory birds, endangered species. It's one of those precious coastlines that really need to be preserved and protected. We're lucky on Maui to have this and we really need to take care of it. I just want to read something that, of the master plan that was done in 2004. The native plant restoration projects will leave the area with a low

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maintenance, highly ornamental landscape that is very cost effective to the County of Maui. The restored landscape will not only be an icon of community pride, but will be an invaluable asset to native and migratory wildlife seeking habitat in that area. I'm not gonna go on because I know we have a presentation on that, but I just want you to think about how special Kanaha is, and thank you for your time.

CHAIR GUZMAN: Thank you. Members, have any follow-up questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. You say that there's a 2004 master plan?

MS. MALINA: Yes.

COUNCILMEMBER COUCH: And have you been involved in the implementation of that at all or?

MS. MALINA: No. I've read it several times. I re-read it last night, just to refresh.

COUNCILMEMBER COUCH: Okay. Thank you.

MS. MALINA: But...yeah. Thank you.

CHAIR GUZMAN: Thank you.

MS. MALINA: Thank you.

CHAIR GUZMAN: Next, please?

MR. GARNEAU: The next testifier is Sal Bodnar, to be followed by Lucienne deNaie.

MS. BODNAR: Hello. Aloha, Committee Members, Chair, Mr. Goodman [sic].

COUNCILMEMBER VICTORINO: Could you speak in the mic?

MS. BODNAR: Sorry? Oh.

COUNCILMEMBER VICTORINO: Thank you.

MS. BODNAR: Aloha, Committee Members, Chair, Mr. Goodman [sic], I'm speaking regarding the Kanaha Park restoration or actually, it's not restoration as it's currently planned. My name is Sal Bodnar and I'm a member of the board of Maui Green and Beautiful. I have a Master's Degree in Biology with an emphasis on Ecology, the branch of Biology that deals with the relationships of living organisms with each other and with their environment. I have organically grown food and beauty in California where I grew up and in British Columbia, Canada, where I raised my family. We now

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live on three acres in Haiku almost to Huelo, on which we received a grant from the USDA Reforestation Hawaii Program to plant native plants and to eliminate invasive species as best we can. In California, I remember a governor, who famously said, seen one tree, seen 'em all, when people were working to save some redwood trees from becoming lumber. In British Columbia, several attempts to save a few tall trees in the middle of a cleared forest were thwarted by massive blow down because there were no brush lands to protect the tall trees from the wind. It is important to note that one tree, even a few trees, rarely survive alone, especially here where they have to compete with introduced species like Ironwood, Christmas berry, bamboo, cane grass, pothos vine and kiawe. I could go on for quite a while. The introduced plants have no unnatural enemies, so there's no natural balance possible. I have come here today to support the continued wilding, if I may use that word, of Kanaha Beach Park. In British Columbia, there are many parks like the one I see represented in this new plan, lots of grass, neatly mowed, concrete and gravel paths, barbecues and picnic tables and on the other hand in B.C., there are also forest parks carefully maintained as wild places. Acres and acres of trees and plants with bark mulch paths and wooden walkways. Trees fall down and are left there. These acres of wild parks are the most highly valued places for many tourists, especially German and Japanese people, whose parks tend to be highly civilized and maintained, manicured, beautiful, but not wild. In Kanaha Beach Park, I see a fantastic opportunity to preserve an enhanced, uniquely Hawaiian environment. In addition to the endangered species of water birds sheltered in the adjacent pond, there're insects and plants whose habitats are disappearing all over the island. Rare insects, at least one moth, a beetle, the yellow-faced bees just placed on the endangered species list only found in Hawaii. These insects have evolved in parallel with the plants they pollinate. For most of those partnerships, no other pollinator would work. I have a wish list. Minimize heavy equipment which requires years for recovery when it comes to native plants and the first colonizers are invasive and not native, for example, cane grass. That's my biggest one. My second one is garbage cleanup and the third one is closing of sand dunes to parking.

CHAIR GUZMAN: Thank you.

MS. BODNAR: So...

CHAIR GUZMAN: Thank you very much.

MS. BODNAR: Thank you.

CHAIR GUZMAN: Members, do you have any follow-up questions? Seeing none, thank you very much for your testimony.

MS. BODNAR: Thank you.

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MR. GARNEAU: Thank you. And next person to testify in the Chambers is Lucienne de Naie. She's actually asked to testify on two separate items here, EAR-19 and EAR-36, and to be followed by Ms. Michele McLean.

MS. de NAIE: Thank you. And nice to see you all, Members of the Committee. My name is Lucienne de Naie and for the matter of No. 36, I'll be testifying on behalf of the Haiku Community Association as its President. The association is very excited about this concept that small towns could use to have Special Improvement Districts. Of course, it should be done right. Of course, all the merchants should be involved. Of course, everyone should have a consensus that it's what they want to do, but it does give a tool to small communities to not just have to wait in line for some sort of appropriation for the County Council and duke it out with all the other communities. If there's a need for an additional parking area or for a sidewalk or a bikeway, it just would give an option. The community could always decide like, no, it's not worth it to tax ourselves extra to get this benefit, but at least they have the opportunity to do it. I speak from a little bit of experience. I lived in a very small town in California back in the '70's and we didn't have any sewage system and so we created a special district so that we could go beyond just having septic systems on our individual properties and we're very glad we did because it increased all of our property values. We all had to, you know, pay something and the merchants had to agree to it. The, this was a coastal, you know, resort sort of town, small resort town and, of course, the homeowners did at this time, too. So this is a little different since it's geared towards the merchants, but by everybody giving a little, we all got a lot and I think that that's the intention of this legislation. So fix it so that it's fair so that the right amount of people need to sign on so it's really meaningful, but do keep the concept. Thank you. Now I'll switch gears to Item No. 19, Kanaha Park and the master plan. I, too, am familiar with the former draft of the master plan from 2004. I'm speaking now on behalf of the Sierra Club Maui group. Sierra Club has been involved in Kanaha, geez, I don't even know how many years, 30 years or so, you know, it really involved even in promoting it to be a park and certainly for Linda Lingle to accept the dedication of the State lands as a County park to, you know, augment the lands that were already there. We've been very supportive of the efforts to restore the native plants. In fact, Mike Perry, who spent thousands and thousands and thousands of acres [sic] helping remove invasives and plant natives there, was our volunteer, got one of our, you know, chief volunteer awards about three years ago for his efforts. This plan that is coming up now, I went to the charrette, it seems a little confused. It just seems like it's an attempt to try to please everybody a little bit, but I think that although this is a very popular park and it has many, many competing uses, this plan is kind of overkill. It has elements in it that are probably too expensive to ever really happen and are going to be very expensive to maintain. And really, we're very supportive of the areas that have been planted and are thriving in the native plants and are serving as habitat for native creatures to be kept as the low-maintenance, low-cost area and the rest of the plan to be dissolved around the native plants, the wetlands and the dunes. So we feel confident that there can be a way that everyone can live with a master plan, but it isn't the draft that we have right now. Thank you.

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CHAIR GUZMAN: Thank you. Members, any follow-up questions? Seeing none, thank you.

MR. GARNEAU: Thank you, Chair. The next person to testify is Michele McLean, to be followed by Martin Brass.

MS. MCLEAN: Aloha and good afternoon, Chair Guzman and Committee Members. My name is Michele Chouteau McLean. I am the Deputy Planning Director and like Council Chair, Mike White, I serve as a County representative on the Paia Town Association Board. I am also a resident of Paia. I'm testifying on the Special Improvement District bill, EAR-36, and thank you for scheduling this bill for consideration again. The Planning Department supports the proposed bill and the Paia Town Association supports the proposed bill. It is just the first step in creating a SID, an enabling ordinance as we say, so this bill does not create a SID or establish assessments or define projects that will be financed. That will come with the next step. The Paia Town Association is anxious to take that next step, which we will do, once an enabling ordinance is enacted and certainly continued and improved communication and outreach with business owners and commercial property owners are needed. In FY '13, the Council approved funding for a one-year Small Town Grant Program and in the year since, the Council has funded similar grant programs for our small towns. While this funding has been generous and well spent, it's not enough for an organization like the Paia Town Association to fully function and coordinate services and events that Paia Town really needs, even with the membership drives and other grants that we pursue. One solution could be to increase County funding, but we think that's it's time for these activities to be self-funded. The SID will open the door to accomplish this. Our Department Small Town Planner, Erin Wade, submitted testimony to the Committee this morning, providing further information and support for the proposed bill. She mentions other initiatives that could be funded through a SID, such as regional beach nourishment. You probably recall discussing the Kahana Bay erosion problem? And the Council has supported funding to see if beach nourishment is a viable option for this region. If beach nourishment is undertaken, a SID would be a great mechanism for it to be self-funded by the property owners at Kahana Bay. Again, on behalf of the Planning Department and the Paia Town Association, please support the proposed bill. Mahalo.

CHAIR GUZMAN: Thank you. Members, have any follow-up questions for the testifier? Seeing none, thank you very much.

MR. GARNEAU: The next testifier is Martin Brass, to be followed by Jan Dapitan.

MR. BRASS: Aloha and good afternoon, Chair Guzman and fellow Councilmembers. My name is Martin Brass. I am currently President of the Paia Town Association, as well as a Paia business owner. I appreciate the opportunity to provide testimony once again regarding the proposed Special Improvement District legislation. On behalf of the Paia Town Association, we previously presented to you the merits of instituting a

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Special Improvement District in our community. I have listened to the comments to date and I'd like to respond to some of those. I believe certain points here are fundamental to the approval process which I respectfully ask each of you to consider in your decision-making. Firstly, the SID represents a powerful financing tool for the County and local communities alike. From a planning perspective, implementing initiatives without a consistent source of funding becomes very difficult. Sustainability, let alone self-sustainability is, I believe, a realistic SID goal. For example, the Paia Town Association is very grateful to OED for its on-going support; however, OED funding is typically renewed by grant application every 6 to 12 months. We are challenged to consider a longer term initiatives without the confidence funding will be available to support those. Secondly, the perceived divide between the have and have-not community should actually contract, not expand. I would expect by establishing a SID, SID funds may either as the case may be, free up otherwise allocated funds for other communities or supplement existing publicly-funded efforts. Two other counties in the State of Hawaii have SID legislation. By not approving our own SID legislation, we are placing our Maui-based communities at a disadvantage to those on neighboring islands. Thirdly, just as a reminder, the proposed bill being considered today is an enabling legislation. It's not specific to any one particular district. Any actual establishment of a SID would occur by a specific district petitioning and being approved by the County Council on its own. Certain concerns have been raised like administrative costs and disseminating information to SID members, depending on the size of the district, issues like these may be best handled or supplemented by the proposed district itself. I don't believe the integrity of approving this enabling legislation is compromised by leaving a broader latitude to address concerns like these within a specific district's bill. And lastly, in reviewing the history of what makes improvement districts successful, transparency is a fundamental requirement. The misuse of funds is our greatest risk and we should require transparency regarding budgets, allocation of funds and governance. And it's in transparency how the Paia Town Association has been acting for the last two years, so I'm amazed to hear some of the comments today from some of the other testifiers that notice hasn't been provided to any of them. Mr. Baskin, I know, attended the annual meeting that we had two weeks ago where I gave a 15-minute presentation on what the SID is. The SID has been posted on our website for two years, all the meetings, all the documents, everything that is being reviewed has been on the website for two years.

CHAIR GUZMAN: Thank you very much.

MR. BRASS: Mr. Thielk --

CHAIR GUZMAN: Excuse me.

MR. BRASS: --I apologize for you not getting information, but we...

CHAIR GUZMAN: Excuse me. Excuse me. Please address the Chair, please.

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MR. BRASS: Sorry.

CHAIR GUZMAN: And your time is up.

MR. BRASS: I apologize.

CHAIR GUZMAN: Thank you very much. Members, you have any follow-up questions? Seeing none, thank you very much for your testimony.

MR. BRASS: Thank you.

MR. GARNEAU: The next person to testify is Jan Dapitan, to be followed by Barbara Fernandez. And, Chair, Ms. Fernandez is the last testifier signed up in the Chamber.

CHAIR GUZMAN: Okay. Thank you.

MS. DAPITAN: Chairman Guzman, Members of the Council Committee, my name is Jan Dapitan, retired. Kanaha shoreline and beach park is unique. It is probably the last of this kind of ecosystem in the State of Hawaii. It is known throughout the State for its unique involvement in the link between the pond and the park and the shoreline and so close to developed community. It should be respected. The County of Maui has a responsibility to care for and protect the shoreline park, 88 acres. The management of the resources and the practice of conservation principles while inviting the public to use it is an awesome task. It also requires a lot of professional training and more than just the formal training, the knowledge of the ecosystems in our particular unique State. This park is a convenient site where local families relax. They pursue ocean activities and they share this with visitors from around the world. For more than 25 years, the protection of this park has been the volunteer effort of Mike Perry. The Native Hawaiian flora and fauna and that care is his prime priority, but his presence and his work with rangers and the DLNR staff, the Parks Department and the County Administration, he has been the pipeline to the County and you have file cabinets full of reports, pictures and recommendations from Mike. Instead of master planning features that are in conflict with carrying capacity, with climate change, with tsunami zones, ecological and geographic principles, I respectfully recommend that our efforts for this beautiful place be directed to more management, love and protection.

CHAIR GUZMAN: Thank you very much, Jan. Members, do you have any follow-up questions? Seeing none, thank you very much for your testimony.

MR. GARNEAU: The last testifier we have to sign up in the Chambers is Barbara Fernandez.

CHAIR GUZMAN: Did you want to submit copies for the Members? Staff, can you...receive...thank. You may begin.

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MS. FERNANDEZ: I want my three minutes back, please. Good afternoon and aloha, Chair Guzman, Vice-Chair Cochran and Committee Members. I'm Barbara Halai Fernandez of Waiakoa, Kula and I'm sharing my manao on EAR-19. I was honored to attend the World Conservation Congress in September in Honolulu with delegates from around the world. With all the diversity, the one common ground was wake up, educate and protect. From our Hawaii delegation, the content that was accepted was called, Navigating Island Earth. Malama Honua, as our Hokulea was present there. One of the commitments that stood out and really hit home here on Maui were one, threats of habitat loss, two, invasive alien species, and three, exploitation of lands that should be protected. This is Kanaha. Wake up, educate and protect. This needs to be done. Conservation lands, wetlands, this is Kanaha, full of native plants and critical habitat for many insects. I gave you the picture and others confirmed and established by the USFWS or established by United States Fish and Wildlife Service. Native insects alone such as the longhorn beetle is known only from being at Kanaha Beach and Kahului Airport, found nowhere else in the world. The Blackburn moth, designated by Federal Wildlife as endangered, and get this, due to lack of education, their home which the entrance of Kaa, the tobacco plant on the one side is one of 'em, especially their entrance to Kaa Point. Maintenance crews who aren't educated dig that up. No matter how some may change site names such as Keyhole, it still is Keyhole. It's a path. It's not a road. Educate and protect. Finally, how many parking lots, restrooms and showers does a place like this need? Educate and protect. A restaurant? Educate and protect. I highly suggest that the Committee with all of us do on-site visits. You just don't build stuff on wetlands and conservation. Educate, protect for our quality of life and the aina. Mahalo.

CHAIR GUZMAN: Thank you, Barbara. Is there any follow-up questions for the testifier? Seeing none, thank you very much.

MS. FERNANDEZ: Mahalo.

CHAIR GUZMAN: Thank you. Is there...that's...

MR. GARNEAU: No further testifiers signed up in the Chambers.

CHAIR GUZMAN: Did you...I guess we have one more testifier. Can we get your name and address...name and information after you testify?

MR. LAW: Good afternoon. Thank you for being here all you guys.

CHAIR GUZMAN: Please...

MR. LAW: My name is Jasee Law from Kula. It's spelled J-a-s-e-e L-a-w. My first sight of Kanaha...oh, that tax improvement district there, I'll bring it up to Waiakoa and float it by the, all the owners up there and see what they think about that. The Kanaha

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Beach thing, EAR-19, my first sight of Kanaha was 1976. I flew over from Oahu for the Boy Scout Camp and I had to look hard for the beach. I saw the big Wailuku and all the industrial stuff there from Maui Electric and while I saw the beach, I didn't get a chance to go there on that visit, but Kanaha is my first home on Maui, my first night back on Maui in 35 years was spent in that old washed out pavilion that used to have the orange construction fence around it. It was one of the best nights I had in 35 years. I heard there used to be a bunch of Hawaiians there long before I ever got there, and before the Navy got there. It used to be about 500 Hawaiians living there called Kaha or something like that. So, it's kind of sad to see the gates. Maui's changing fast. I'm glad I got here before they locked up the beach. I'm here mostly to speak up for the homeless people that used to camp there. I heard at the Maui Homeless Alliance meeting that most of the families in the camping area were being helped or at least attempted to be helped. Last week...sorry, I got my paragraphs mixed up, but last week, I saw one of the sailboarders urinating against a tree. I never saw any of the homeless people there urinating in public. Couple months ago, I was swimming where all the kiters are and some dude purposely flew his kite in front of me so that I had to block the strings. And he said to me, why are you walking here? And I told him, because it's a beach. One more thing, please put some recycle facilities around there. Thank you for your time.

CHAIR GUZMAN: Thank you very much for your testimony. Members, do you have any questions to follow up? Seeing none, that concludes, I believe, the list of those who want to testify.

MR. GARNEAU: Yes, Chair, there's no one else signed up to testify this afternoon.

CHAIR GUZMAN: Members, without objections, I'd like to close public testimony?

COUNCILMEMBER VICTORINO: No objections.

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

CHAIR GUZMAN: I did. Let me check with our District Offices. Lanai Office, I think they already had called in, but I'll try again. Lanai Office, are you still there?

MS. FERNANDEZ: Yes, I'm still here and there is no one waiting to testify.

CHAIR GUZMAN: Thank you very much. On Molokai, is there anyone wishing to testify?

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

CHAIR GUZMAN: And in Hana, is there anyone wishing to testify?

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

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CHAIR GUZMAN: Very good. So, Members, without objections, I'd like to close public testimony?

COUNCILMEMBERS VOICED NO OBJECTIONS.

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

CHAIR GUZMAN: Thank you. At this time, I'm going to take a brief recess to the call of the Chair, so that we can set the Chambers for a couple presentations. So, recess. . .(gavel) . . .

**RECESS:**           **2:24 p.m.**

**RECONVENE:**      **2:27 p.m.**

CHAIR GUZMAN: . . .(gavel). . . The EAR Committee shall now reconvene.

**EAR-36 SPECIAL IMPROVEMENT DISTRICTS (CC 15-165)**

CHAIR GUZMAN: Members, turning to our first item on today's agenda, EAR-36, the Special Improvement District. We are in receipt of the County Communication 15-165, from Council Chair Mike White, transmitting a proposed bill relating to Special Improvement Districts; No. 2, the correspondence dated May 13, 2016, from the Department of Corporation Counsel, transmitting a revised proposed bill entitled A Bill for an Ordinance Amending Title 3 of the Maui County Code, Related to Special Improvement Districts. The purpose of the revised proposed bill is to authorize the County by ordinance to establish a Special Improvement District to provide for finance, supplemental services and improvement. The status is as is reflected on the, today's agenda. Members, when we took up this matter back in May 17, 2016, the Committee had some concerns regarding the implementation procedures and cost to the County for establishing such a improvement district. For that reason, I have invited the Deputy Director of the Department of Budget and Fiscal Services of the City and County of Honolulu and the Deputy Director of Department of Finance from the County of Hawaii to tell us about their experiences and how they implemented the Special District. I'd like to introduce to you, Gary Kurokawa. He's the Deputy Director at the Department of Budget and Fiscal Services. He has 26 years of employment with the City and County of Honolulu and is presently the Department of Budget and Fiscal Services. He is a licensed, certified general appraiser and has served for the last 16 years as the Administrator of the Real Property Assessment Division and he's also a board member of the Waikiki Business Improvement Districts. And he's a graduate of UH. We also have Lisa Miura is the, currently, she is currently the County of Hawaii's Finance Department Deputy Director. Her current position, she has held other positions with the County of Hawaii, including Real Property Tax

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Assessment Administrator, a Senior Evaluation Analyst and a GIS Coordinator. She has also been with the County of Hawaii since 2002 and previously worked at the Utah County Records and Treasurer's Office. She has received her Bachelor of Science in Business Administration and has an active license for the State of Hawaii with a certified residential appraiser and remains active in the Ulumau Hawaii Island Leadership. She was born in Hilo, raised in Kona and currently resides in Waimea with her husband and three children. So, I'd like to go ahead and introduce them, as well as have them give opening remarks before they start their...I believe we're gonna, which one of you is gonna start first? Okay. So, Lisa. So, you may begin.

MS. MIURA: Good morning. My name is Lisa Miura and I'm from the County of Hawaii. I just want to clarify before we start that our county is, has two different sections in our Hawaii County Code, so I'm going to be speaking specifically at the request today regarding our Business Improvement District. We do have a separate one for Special Improvement Districts, so we are set up a little bit differently than how City and County of Honolulu is. And I'm glad to be here today. We're not speaking specifically necessarily in support or against it, but we'd just like to share from our perspective how the BID has worked out for our county.

MR. KUROKAWA: Good afternoon, Chair Guzman, Committee Members. Gary Kurokawa from Honolulu, Department of Budget and Fiscal Services, Deputy Director. Wanted to share our, you know, experience and I think one of the focuses we're here today to talk about maybe some of the implementation and some of the issues that we faced and maybe the administrative costs of our Business Improvement Districts. In Honolulu, we have three separate Business Improvement Districts and four Special Improvement Districts for sewer funds, but I'll go over that through the presentation. So, I'll turn it over to Lisa and I think she'll start with the Big Island first.

**... BEGIN PRESENTATION ...**

MS. MIURA: Thank you. Similar to what you have proposed, ours is located in Hawaii County Code, Chapter 35. It can be instituted by Council and, you know, I realize all of ours is very similar and I didn't know how much details we were supposed to go into, so I'll kind of go through this real quick because it seems like this is consistent among the State. But you do need a petition from the landowners that have a minimum of the 25 percent of the real property tax assessed value in support of this proposed district. You establish district by Council ordinance. The district term for us is five years. I believe your proposed is a little bit different. Ours automatically renews unless it is terminated. Bonds are allowed for supplemental improvements within the district and identified in ordinance establishing the district. And I'd like to state, first off, that we have not, in the Business Improvement District that we have has not done the bonds. The district association shall also be a nonprofit corporation and these parts of the county code is important for our Business Improvement District. As far as the billings and collections go which is usually the big concern as

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far as the county goes, our Real Property Tax handles the billing and collection of the Business Improvement District fees. But I just want to caveat that the Collections Division with the County of Hawaii is currently still with the Real Property Tax Office and I believe your Collections Office is with the Treasury Division. So we're a little bit different. We do have a Business Improvement District. There was two that were interested in going, only one went forward. So by just having the improvement district approved, it doesn't mean that everybody obviously, everybody who wants one is granted one. The current one that we have has approximately 1,000 parcels in it. There are two different zones. Each zone has a different tax rate or assessment rate, excuse me, added on. Collection sends to the BID a check monthly. The exception to that is per chapter, we are required to provide the check within 15 days of the due date, so for our county, it's due February 20 and August 20<sup>th</sup>. We do not charge an annual fee to the BID. We did do a set-up fee of approximately \$5,000 which helped us implement the change to the real property tax software. In our BID, there's, Zone 1 has approximately 169 parcels, which collects 450,000 annually. Zone 2 has 845 parcels, which collects approximately 313,000 currently. There are 44 non-taxable parcels and there are currently 10 parcels under appeal. As far as the resources required, how the year goes is first we confirm with the BID what the annual rate is gonna be. We provide them a parcel listing in the form of an extract and we verify all the parcel numbers are still valid. And in our area, you can go through consolidations or you might have subdivisions and so the parcel numbers do change, as well as some parcels might be, become tax exempt or they might end up having a homeowners' exemption. In this BID, there are some residential/condominium units. Also included in the spreadsheet, we break it out by zone. We provide the annual assessment, the BID collection amount, which is broken out into the two payment cycles, the amount in appeal or dispute because that greatly affects the BID's budget, as well as the parcels in the BID which are exempt from taxes. We also provide to them a map, that's updated annually for them and once the BID confirms the parcel listing, then we commit it into our system. In the beginning of the BID process, we did receive quite a bit of phone calls, especially from those that were not necessarily in support of the BID. The additional county resources required and it looks like this is consistent among the State is, there are non-voting members, so a member or the Director of Public Works or their designated representative sits on the BID. For the Director of Finance, I am the designated representative to sit on the Kailua Village Business Improvement District and I've sat on there for two years. And I also assisted with them in the creation of it a long time ago in my old position. There are voting members. The voting members include either the Mayor or the designated representative and a Councilmember of the district or the Councilmember's designated representative. Something else that we also take into consideration when anybody approaches the county, whether it's a SID or a BID, is that we run it through bond counsel because they do have the option to get bonds and it does deal with the county. We do have our bond counsel review it and this is an outside bond counsel. This isn't internal to us. We also, our Accounts Division sends the monthly checks out. As far as why encourage or support a BID, I realize not everybody's gonna 100 percent be supportive of any BID or SID that you do. BIDs are utilized to finance supplemental

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services and improvements and I'm gonna be honest to say that I think where people in the district feel like what the county should be providing and what the county is usually able to provide, there's always gonna be a difference. And we try and meet somewhere in the middle and work with the BID. But BIDs are not intended to replace the services that the county provides, so we're still doing our trash removal. There are some landscaping services that we provide that we do on our county roads. Where it became important for the success of the Kailua Village Business Improvement District is because the county wasn't maintaining it probably to the standard of which they wanted to see for tourism. A well-managed BID has a potential to increase commercial occupancy, raise business retail standards, review design guidelines, stimulate redevelopment and reduce homelessness done through program services, improving the public realm, having public/private partnerships, marketing, branding, promotions and special events. This next screen is straight from the BID, but it kind of gives you an idea of what has happened with their assessments and this is their tax collection efforts. In the beginning, they were close to collecting approximately 840,000. Obviously through the recession, it's gone down and they are just below \$760,000 and this is up to last year. This is how their, it also shows how their expenses are laid out. And so they do have quite a bit of expenses that they spend on streetscape to beautify the town area. As far as the success factors from the BID and county perspective, upon creation, Councilmember, the Councilmember for the area was extremely supportive. And that with the pushback from the residential condos I believe and Gary's gonna talk about this in a little bit that theirs does not include residential where ours does. The Kona-Kohala Chamber of Commerce was very supportive and they were the sponsoring organization. The President for that first year the BID was created also owns a restaurant in town and was going to be paying quite a bit more in taxes due to this assessment. The BID board direct strategies and initiatives, but they have a paid professional staff that carries out the directives from the board. And so while the board is that nonprofit and the group, it's been very helpful for the county to deal with one organization, which understands how the taxes go, they're responsible for working and answering all the questions and problems that come up with the BID. And it doesn't have to get dumped back onto the county. The volunteers are still good. They help with other areas that involve the BID and that's more with special events. The board composition is also important. They have landowners, commercial tenants and government members in the room when they meet. Our meetings are, this isn't on here, but our meetings are kept to one hour every other month and the person who runs the meetings is extremely good at facilitating so you don't feel like you're wasting your time. The BID works with county government. We're able to work with real property and who you pick at the tax office is important because they need to understand the billing, mapping and extracts so that we're not reinventing the wheel every year. The assessment formula needs to be fair and consistent. The factors to consider is and this has been what's come up from the businesses and the community, they never liked the name Business Improvement District, so it's probably good you not calling it that. Many of them feel it should have been called a Community Improvement District 'cause it enhanced the public space and it wasn't just for the businesses at the end of the day. Collection agency, so who

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within the county is actually gonna do the tax collection or the assessment collection, the time and the cost to the county. As I said before, we didn't charge the BID. If we could go back and do it, I was told that we would probably have to institute a small charge to help offset the cost. Can the county assist without the proposed BID needing to get supplemental funding? Honestly for us, we couldn't, even though it was a project in West Hawaii, they felt like they were paying majority of the taxes. The reality was, we couldn't provide them the additional services that they were asking for. And will that support continue from administration to administration? Our county is going through a big administration change and so I can't promise and guarantee what the incoming administration would do to support the BID and that was part of the reason they had gone through with their own. I think you do need a good contact as I said before within the Real Property Tax Department for the BID to work through so they can always have that one person to contact throughout the year. And that's the end of my presentation. I don't know if you have questions now or you just want Gary to talk and you can ask us things later?

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Members, would you like to ask a few questions on how Hawaii does it, County of Hawaii and then proceed to Honolulu? You may proceed. First of all, do you want to go down the line or what do you prefer, Members? Want to start, Mr. Victorino, if you have any questions?

COUNCILMEMBER VICTORINO: I guess because there's two of 'em and I really wanted to hear what both had to say.

CHAIR GUZMAN: Okay. Why don't we go ahead and proceed.

COUNCILMEMBER VICTORINO: But, you know, again, I don't know what the other Members, but I'd like to really hear what both have to say and then, my specific question to either/or.

CHAIR GUZMAN: Okay. Why don't we go and go ahead. Why don't we proceed with Gary Kurokawa.

MR. KUROKAWA: Okay. I will proceed. I'm gonna apologize ahead of time, you know, I little bit under the weather, so if you, my voice is a little cracky, you know, I apologize. You know, for Honolulu, our revised ordinance is in Chapter 36, you know, it's the provision for alternate method of financing supplemental services and improvements. It's very similar to, I guess, you know, the other counties because I think, you know, we were at one time with the State Tax Department and a lot of the ordinances passed through to the counties. Our, you know, Chapter 36 covers both, the Special Improvement District and the Business Improvement Districts. Just for some, you know, background, historical background, we do have improvement districts and basically, they're all for like sewer services that we've converted neighborhoods that

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decided that they wanted to convert from cesspools or septic systems to sewer systems, went through the process of creating their own improvement districts. And these were, you know, like, what we would do would be bond-funded, you know, projects that would be like a construction project for certain districts. We have four of 'em and they're very old. The last one, I think, was in 2006 that was created. More recently, however, you know, we have gone through Waikiki, you know, improvement district. We have three Business Improvement Districts in Honolulu. The first one is the Waikiki Business Improvement District. That was the first district that was created. You know, what the counties do for the districts is very similar to what, like, Lisa said. You know, there have to be a very good time with our Real Property Assessment Division and ironically, you know, we both, Administrators of the Real Property Division previously and helped set up some of these BIDs. You know, the property list that, you know, we submit to the district, the BIDs, very important because in Honolulu, we don't assess residential units. They have to be commercial or hotel resort in Waikiki especially. So what we do is we provide a list of TMKs. There's about 8,000 parcels that we do in Waikiki. We provide the list with the current assessments and then we send them supplemental list, which takes into consideration of our classification changes like going from residential to hotel or to commercial. So we have a list of those. We also give them a list of appeals, challenges that they need to be aware of because it will affect their rate if they're successful. And then the city does the collection. We, in our Treasury Department, we do our billing and collection for the Waikiki Business Improvement District. There is no cost to the district currently. It was something that we embarked on early on and decided to be a pilot and so there is no cost, even today for the Waikiki Business Improvement District. I guess, you know, if you know, you know, during busy times in Waikiki, you know, there's tens of thousands of visitors there on a daily basis and, you know, the city cannot provide all the services that is required. So the important part to recognize is this is just supplemental services. This is not replacing any of our city services. The city still goes in to do the trash pickups, you know, the cleaning, the security with the police. These supplemental services that are paid for by the businesses along the Waikiki Business Improvement District consist of things like we have a 24-hour bathroom that is open to the public, which the Business Improvement District pays half of it, the cost of that. We do a lot of landscaping contracts and the BID supplements that with their own contracts during the week. We also have information booths and the Waikiki Business Improvement District has their Aloha Ambassadors. What they do is they ride around and, you know, talk to the tourist, give 'em information about, you know, Waikiki in general. They also have added security on bike patrols. They do have additional trash pickups. You know, if you've been in to Waikiki, you see that the trash is pretty much picked up considering the amount of people that are walking in there. We also have a lot of studies that are done by the BIDs. One of 'em is a sea level change study that they're looking at in Waikiki and they also have emergency plans, you know, what to do with the tourism in case of an emergency that they fund. So, there's a lot of things that the Business Improvement District does that the city, you know, cannot provide and these are additional, supplemental services that they do. There's three districts within the Waikiki

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Business Improvement District with different rates. I guess it depends on your location in Waikiki. I guess if you know Waikiki, there's Kalakaua and Kuhio and the Ala Wai. So there's different amounts that each, you know, property owner pays according to their, you know, location within Waikiki and the property values. The other improvement district that we have is the Waikiki Beach Special Improvement District. This was just created, I think, in 2015. It's the same parcel list that the Waikiki Business Improvement District uses. There's about 8,000 parcels there. This one was set up, you know, to do beach replenishment in Waikiki. The ordinance was changed in Chapter 36 to allow for beach replenishment, which is sand replenishment. The parcels are the same. They tacked on their own rate, so someone in Waikiki, their tax bill could have three different lines, the city real property tax, the Waikiki Business Improvement tax and also, the Waikiki Special Beach Improvement District, so they might have three different lines. The cost, you know, since this was a new district that was created, there was a one-time startup fee of \$10,000 that was assessed to them, so that we could amend our real property assessment bills so that we could show their line. And on an annual basis, there's an administration fee of about 5 percent which is about \$30,000 annually that they pay to the city to administer this program. The third district that we have in Honolulu is called the Fort Street Mall Business Improvement District. Again, you know, it's a similar situation where the Real Property Assessment Office gives them a list of parcels that which they have identified under map that belong to the improvement district. We give them the assessments. But the difference with this Fort Street Mall Business Improvement District is that they bill and collect their own. There's no city involvement. The only thing that we do is send them the assessed values, which they use to, you know, assess their people. So this one, again, has no cost and it covers about 49 parcels if you're familiar with Fort Street Mall. The added improvements that they make is that they add 24-hour security to the mall to take care of some of our homeless issues that we have with the Fort Street Mall and they do sidewalk cleaning, supplemental to the city's cleaning. So they go in twice a week, where the city goes in twice a week, so almost every day they have some cleaning of the Fort Street Mall, which makes it a much better place to be. I have all the history and the facts about the different districts attached to my presentation in the appendix, so if you have time, you know, to take a look at 'em and those will provide you with some of that information that I just repeated. But we're open for any questions.

**... END PRESENTATION ...**

CHAIR GUZMAN: Thank you very much. So, Members, I'm going to open up the floor, including RPT, if you'd like to ask a few questions with, the resources are here as well. So, any...why don't we go ahead and start with --

COUNCILMEMBER VICTORINO: Why don't you start with Mr. White first?

CHAIR GUZMAN: --Mr. White, since he introduced the bill.

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COUNCILMEMBER VICTORINO: Yeah. Yeah. Please.

COUNCILMEMBER WHITE: Thank you, Chair. First question I had was for Ms. Miura. Is there any use of the Special Improvement District ordinance yet on the Big Island?

MS. MIURA: Yes, we do use the Special Improvement Districts. They've been only for sewer and water projects so far.

COUNCILMEMBER WHITE: Okay. So and you have one business improvement?

MS. MIURA: We do, the Kailua Village Business Improvement District, formerly became a Business Improvement District with the county and there was one for downtown Hilo that chose not to become a formal Business Improvement District.

COUNCILMEMBER WHITE: And then in the Business Improvement District, is there ways in which there is a cost-sharing if the Business District itself is not, if they come up with a project or the county comes up with a project, is there a way to do a cost-sharing between the county and the district itself or is it solely funded projects for the district?

MS. MIURA: It depends what the project is. So there was one that involved lighting and so the county did come in with the Department of Public Works under Traffic to improve the lighting on a certain specific street. There's other areas when signage comes in if it's county typical signage for an area, you know, like, do not park here between 2:00 and 5:00 and it's approved by a Council ordinance, that we come in and support and do. But if it's something where they want to do a special lighting or they want to do special effects that the county typically doesn't do for the rest of the island, then, they would have to do that themselves.

COUNCILMEMBER WHITE: Okay. I think both of you made it very clear that the county or the city on Oahu isn't removing themselves from the area. You're still providing the services you provided in the past?

MS. MIURA: Correct.

COUNCILMEMBER WHITE: So this is, yeah, this is just supplemental services. And then, I think, Mr. Kurokawa, your presentation was very clear on the no cost on the Waikiki Business Improvement District, but there is a cost for the collection on the Beach Nourishment Program. Is there a collection cost on the Special Improvement District where it's sewer and water or does that just go into the sewer fund or the water fund or Board of Water Supply fund?

MR. KUROKAWA: Yeah, there's no administrative cost that is attached to those improvement districts. It's just all part of, wrapped into the actual bond float that we did originally, but there's no administrative cost.

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COUNCILMEMBER WHITE: Okay. So the only administrative cost and setup fee is in the beach nourishment?

MR. KUROKAWA: Yes. You know, in, I guess in hindsight, you know, as we created this improvement districts, the pilot went well, so there was more, you know, districts that were looking to have their own creation. And, you know, I think for the people at the Real Property Assessment Office, you know, it's, takes a little bit of work to keep track of the parcels going in and out and working with them, so, I think the 5 percent administrative cost is going forward is something that we would like to implement as we develop these new districts.

COUNCILMEMBER WHITE: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Members, do you have any other questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, folks, for being here. We really appreciate it. You mentioned, I think, Ms. Miura, you, they have a potential to increase commercial occupancy and decrease homelessness. How does that work?

MS. MIURA: As far as the BID goes in Kona, I mean, I think every island has homelessness issues, so the BID has been extremely, they advocate quite a bit with the County Council and the county on our homeless issues in the area. Within the BID zone, there is a micro-unit housing project that is going up so we had a homeless shelter and the BID was very vocal about the homeless issues continuing to grow and so they created a micro-unit housing, the county did. But they do have, everybody that happens to be right around that area is also within the BID district, so they're very involved in providing input and letting us know what is and what is not working. And sometimes they do it either at the meeting or the chairman comes and meets with us and the Mayor separately to have discussions 'cause sometimes meeting every other month isn't gonna get that job done. So the homeless, when it comes to their area, they do have patrol officers or security on bikes, they call 'em, block by block and they do go around and they try to move the homeless on and out of the area. And they've worked with prosecuting attorneys because, I believe, there's a way to issue them something that keeps the homeless out of that area. From the county perspective, I mean, you're just pushing them into another area.

COUNCILMEMBER COUCH: Right.

MS. MIURA: I understand where that's helping maybe the BID because, you know, that's where the tourists go, so, the county has to work with them on that.

COUNCILMEMBER COUCH: Okay. And I think both of you mentioned added security. What kind of powers do they have? Do they have ticketing power? It sounds like...

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MS. MIURA: They work with, they do have some powers to ticket, but it's not quite the same as a police officer. So, we call them the Kona Metro, so they ride around on their bikes and they do try and move people along. If there're kids partying, if there's people doing graffiti, I mean, they'll call the police right away. But I think a lot of times it's helped in the sense just to have somebody there and a presence to know that somebody is gonna come around. They've, there's, KVBID did an annual report and it talks about, you know, how much trash they've picked up and I don't think they actually put in there how many tickets were issued, but they do work with prosecutors, as I said, to, I think it's called a district ban, to have people out of that area.

COUNCILMEMBER COUCH: Okay. And on both of you, in order to get it enacted, I'm looking at, you know, I've been going over our Code all this time and it basically says if we're going to, if the neighborhood wants to do it and we set up the district, then they come up with the taxes and there has to be a 50 percent protest. Is that the number you guys use as well or is it more of a situation, more of a proactive? This kind of looks like a, you know, we're gonna do it unless you guys protest as opposed to a vote for doing this.

MS. MIURA: The BID had, our Kailua Village BID had 25 percent, but the protest was if they want to not do it, then they do need the 50 percent. Was more, it applied more to the total value though, the assessed value.

COUNCILMEMBER COUCH: Right.

MS. MIURA: Yeah. So it wasn't 50 percent of the owners. It was 50 percent of the assessed value.

COUNCILMEMBER COUCH: Right. And that's what, I meant to say that. That was ours. So there really isn't, I mean, if we decide to set it up through the petition of the 25 percent of the assessed value, okay, and then we say, okay, let's do it through, I mean, we have to have a lot of public hearings. Do either of you do it the other way where you get, you have to get more than 50 percent, people coming and say we want to do it? It's more of a, it's gonna happen, if you get the 25 percent it's gonna happen unless we have 50 percent protest?

MR. KUROKAWA: I think, like, you know, initially, you know, the ordinance will be just to set up, you know, the tool, right?

COUNCILMEMBER COUCH: Right.

MR. KUROKAWA: And then the different districts will come in and at that point, we'll need the 25 percent to just get an ordinance for their own specific district. And from what I, you know, experienced, you know, the groundwork that is needed to pass an ordinance for a Special Business Improvement District is borne by the community

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actually, right, you know, and that's where all the work is, is the meetings and the town hall meetings and getting everybody involved I think. The last one that we had with the sand replenishment, you know, they did a lot of, you know, work before they even approached our Council. And I think, you know, if anything was to go forward, that would be the method, I think, the community would be key in getting this started.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Thank you. Ms. Cochran or Ms. Crivello, any questions? Ms. Cochran?

VICE-CHAIR COCHRAN: And thank you, folks, for coming all this way and sharing with us. And I actually, Chair, are we asking Real Property Tax, also, questions --

CHAIR GUZMAN: Yeah, you can ask them questions.

VICE-CHAIR COCHRAN: --or we just focusing on our presenters?

CHAIR GUZMAN: You can ask them questions.

VICE-CHAIR COCHRAN: Because it has a relation on Ms. Miura's last page, factors to consider and it does bring up the point in regards to a good contact at RPT and so I just wanted feedback from our Real Property Tax Division if they had a chance to look into this and, you know, comments, pro, con, what do you see as challenges or none at all?

MR. WALKER: Mr. Chair?

CHAIR GUZMAN: Yes?

MR. WALKER: Thank you. Member Cochran, yes, I think you're in receipt of a letter dated September 9<sup>th</sup> from Director Agsalog in which he had discussed this ordinance with staff and so I think you got two or three pages of questions and some concerns. In general, I think the Department is ambivalent. We think this is, you know, another tool in the financing toolbox, but we need to understand what the ramifications are gonna be on our operations and would ask, obviously, if this enabling ordinance moves forward, that you work very closely with our Real Property Assessment Division, as well as our Treasury to ensure that costs are kept as low as possible and that operations aren't interrupted. For instance, you know, we bill now for real property tax. If you were doing a SID, if it made sense, you would try to incorporate the same billing cycle so that you weren't sending out more than one bill a year or two bills a year, that kind of stuff. So I think that's our general comments.

VICE-CHAIR COCHRAN: Okay. Well, thank you for that.

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CHAIR GUZMAN: Did the, I guess, in Hawaii and Oahu, did you guys go through a transitional period where you faced these type of challenging, I guess, collections and identifications and, you know, I guess the same type of cautiousness or apprehension towards moving forward on these type of ordinances or special districts?

MR. KUROKAWA: Yeah. For Honolulu, I think that, you know, because, you know, it was part of our annual cycle, our same billing periods, you know, it wasn't too much of a concern for us at that point. I think the, you know, the setup work is where it's, creates the most groundwork for our people to make sure that we're identifying the parcels and making sure that if there's subdivisions or consolidations or any changes in classes and appeals that we get that all done upfront for the district. Once that is all done, I think, you know, for us, everything has been automatic. The bills go out, just like our real property bills and then you'll see, you know, they have their portion attached to it as a line and then we collect it and twice a year we just make a payment to the Business Improvement Districts. Just on a note now, if one of the properties, I guess, you know, I heard that people concerned about foreclosures on some of these properties that don't pay the improvement district fees, I think the county would be, you know, foreclosing on those properties and the cost of all that would be borne by the property owner at that point. Like any time we do a foreclosure, it goes and then we add it to the cost in escrow, you know, as we sell that property.

CHAIR GUZMAN: Ms. Miura, did you want to make any comments on that?

MS. MIURA: It's similar to what Gary said for City and County of Honolulu, except for real property tax. I mean, theirs is done through the Treasurer's Office, yeah, and ours is done through Real Property Tax and we pay monthly to the BID. When it comes to the Special Improvement Districts, like I said before, we do have 'em in two different chapters. The Special Improvement District is handled through our Treasury Division. It's not tied to our real property tax bill. They bill monthly and we charge, in the past we didn't charge and then they charged \$4 for the year and now it's \$1 a month just to handle the fee to make the bill and to process the payments 'cause the SIDs are paid monthly. So it is different. It's a very different setup for us.

CHAIR GUZMAN: I had, oh yeah, just one more question before I ask, turn the floor over to Mr. Victorino. You mentioned and I know Mr. White had brought that to our attention was the 5 percent assessed service fees in the Waikiki Beach Improvement District. How did you come up with the 5 percent and does that actually cover all of the cost for services to collect and send out and things like that? And new hires, did you need new hires to implement this?

MR. KUROKAWA: I think that, you know, the 5 percent was agreed upon, you know, with the district and the city. And that amount is usually what is, you know, deducted from most grants or other programs that we administer, there's administration fee and usually it's about 5 percent, so that was agreed upon with the Waikiki, you know,

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Special Improvement District and the city. As far as, you know, the personnel, it's probably about a half FTE, the amount that we're using the \$30,000 right, you know, because with benefits and everything, you know, you'll be well over \$30,000, but we didn't add any positions currently. We just absorbed that function as usual because it's very hard to get, you know, more, you know, employees. It's one of the hardest things to do, so we try to absorb what we can. But in the future, I guess, you know, if we have to do more of these districts, I'm sure that we're gonna have to set up, you know, more personnel to handle these Special Improvement Districts.

CHAIR GUZMAN: Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: Turn it on. Thank you very much. And thank you for all the information that you've shared with us. I think this really helps us get a better understanding on what these districts can entail. I think that's really important. What I'd like to do with, let's start with Kailua because I'm familiar with the area, just because I was born and raised there and I know the area well. Who determined the area itself? Who drew the lines for the Kailua Business District?

MS. MIURA: Prior to them coming to the county and doing a formal BID, they had met with the chamber and the president at the time was Eric von Platen Luder and they came up with some proposed areas. It did change.

COUNCILMEMBER VICTORINO: Yes.

MS. MIURA: And they had a larger area and they had to shrink it down because some of the condos on just the border were, did not want to be a part of it. And so those that, I think, for the majority of the area that felt like they were gonna benefit the most from it did become part of the BID. But there are some outlying areas, but it was a group and they had a lot of meetings and I want to say they met for at least a year or two prior to the BID going formally through the county.

COUNCILMEMBER VICTORINO: Okay. 'Cause that would be my first question because Kailua would be similar to what we'd look at either Paia or South Maui or West Maui, you know, similar. Wailuku already has a redevelopment agency which we had put into ordinance many, many years ago, which acts very similar to what this does as far as a special district is concerned, but this is really good for our other small towns and areas because I think it's time that they share. You know, they get the right to say what they want, but they share in the cost and now it really becomes ownership and I think that's important. Going to Waikiki and yourself, Gary, you mentioned Waikiki was really like in three different areas, you get Kalakaua, you get Kuhio and then, you get Ala Wai, which I understand really separates Waikiki and what Waikiki we know. How do you determine now who gets what and who sets up what, you know, I guess, the taxes and revenue because beach nourishment, I guess everybody would share with it, but the guys on the beach front would be the ones that would have the direct benefit, whereas somebody back in the Ala Wai might say, oh, cleaning up the Ala Wai

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might be more important for us than beach nourishment. So, how do you determine that and so when you divide that, how do you determine that?

MR. KUROKAWA: So for, you know, the Waikiki Business Improvement District, the one with the three tiers right --

COUNCILMEMBER VICTORINO: Yeah.

MR. KUROKAWA: --you know, the association met with a lot of the hotels and a lot of the HGEA people and, you know, had many meetings about, you know, where the district would start. And I believe it's like where the Ala Wai comes down on one side where, and then it all the way down to the zoo on Kapahulu side. So they have that boundary identified with those parcels. They had many discussions about, you know, who is to pay how much. And then, it's basically done on a percentage basis, like, you know, 33, 66 and 100 percent with those on the oceanfront, right. When it comes to the sand replenishment, everybody pays the same. They have just one rate for the whole Waikiki and I guess the thought was that they agreed upon was that everybody benefits from the beach, right, that is there. All properties, they going back to the Ala Wai, so they did it that way. Most of the time, you know, when they have the board meetings, that's when they go over the projections of what the revenues will be and then they decide at that point, there's a law that, you know, you cannot change more than 5 percent, the budgets annually. And you know, if that happens, you have to reduce the rate. So, there is a mechanism for a watchdog about how big the budgets can get. There's only a slight increase that you can allow it every year. And from there, they look at what services they need and then they set the rates accordingly at these meetings. There's a lot of discussion between the businesses. So, in the board, there's about 20, you know, members, there's city participation and the hotels and all the other major businesses are at the table discussing the budgets and the rates that are being set.

COUNCILMEMBER VICTORINO: So, and I'll stop here because I know there's maybe others who have questions, but the one other pressing question I had with the special improvement, your special improvement districts really started out more with the sewer issue which the City and County of Honolulu has been really having some extreme challenges and we won't even go into that discussion. But when you're talking number of parcels, you're talking all parcels now? You're talking residents, also, right, for the sewer?

MR. KUROKAWA: Yeah. The sewer is basically, you know --

COUNCILMEMBER VICTORINO: Everybody?

MR. KUROKAWA: --everybody in that area.

COUNCILMEMBER VICTORINO: Right. Right.

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MR. KUROKAWA: Yes.

COUNCILMEMBER VICTORINO: Because I know you said only commercial, right, for the Big Island? No?

MR. KUROKAWA: No.

COUNCILMEMBER VICTORINO: Oh, yours only.

MR. KUROKAWA: So, but for the Business Improvement Districts, right, like especially in Waikiki --

COUNCILMEMBER VICTORINO: Yeah.

MR. KUROKAWA: --all condos, residential are not included in the list.

COUNCILMEMBER VICTORINO: Oh, so that's the two differences right there --

MR. KUROKAWA: Yes.

COUNCILMEMBER VICTORINO: --with these special districts?

MR. KUROKAWA: Yes.

COUNCILMEMBER VICTORINO: If you have the sewer, everyone's included. If it's anything of what I call infrastructure improvements, everybody's inclusive --

MR. KUROKAWA: Yes.

COUNCILMEMBER VICTORINO: --but if it's special business...

MR. KUROKAWA: And I think the boards will decide, you know, who goes in and what parcels are involved, right, at the time they're setting up the district itself.

COUNCILMEMBER VICTORINO: And are these boards appointed or elected?

MR. KUROKAWA: I think that...I'm not sure. Some of 'em are elected, right, I believe and some are represented by the city.

COUNCILMEMBER VICTORINO: I got the city, yeah.

MR. KUROKAWA: And then, they're, I guess they're elected by the people within the district.

COUNCILMEMBER VICTORINO: Okay.

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MR. KUROKAWA: In, for Honolulu, it's basically all the big hotel owners are represented mostly in that board.

COUNCILMEMBER VICTORINO: But this is different than the neighborhood boards, right?

MR. KUROKAWA: Yes.

COUNCILMEMBER VICTORINO: I talking about Honolulu, you know.

MR. KUROKAWA: Yes.

COUNCILMEMBER VICTORINO: Because we already have community associations and I'd want to make sure that they weren't excluded from this process either because they need to be a part of.

MR. KUROKAWA: We have the Waikiki Neighborhood Board, also have a seat on our BIDs.

COUNCILMEMBER VICTORINO: Very good. Thank you. Thank you, Chair.

CHAIR GUZMAN: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I think it was Mr. Kurokawa that said that you foreclose? How often do you have to foreclose and what does that consist of?

MR. KUROKAWA: We haven't foreclosed yet. I think if you, you know, historically look at all the counties, you know, especially in Honolulu, the values are so expensive that, you know, that's something that we don't, just the threat of foreclosure makes people pay. So we haven't had anything, you know, we've had to send notices to people and then the payments come right back, you know. But the cost, if we had to do a foreclosure, I think, would be borne by the owners, right. There would be no added cost to the counties. We would collect and get a reimbursement from all the efforts that we've made to the property owner at the foreclosure.

COUNCILMEMBER COUCH: Okay. And...oh, go ahead.

MS. MIURA: I just want to clarify and for us, for our Special Improvement District, while it says we can foreclose after two months, we haven't had to foreclose either. And we have several Special Improvement Districts ongoing and two more coming on. As far as the Business Improvement District, we've requested that it be tied into our tax foreclosure within our county real property tax, since Real Property Tax is doing the collection. So right now by Code, it's every two years. We do foreclose. We haven't had to foreclose on any property in the BID.

COUNCILMEMBER COUCH: Okay. And then, when you talk about parcels going in and out,

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does that happen a lot or is it once you determine what the district is it's pretty much runs stable?

MR. KUROKAWA: So, for example, our Fort Street Mall BID, those parcels are static. There's about 48 or 49 parcels that are involved. That's all the properties that border Fort Street Mall. For the Waikiki Business Improvement District, what happens is that we have condominiums in this mixed-use areas, right, some of them are residential in use, some turning to be, you know, hotel use in a short-term stay, so, you know, every year, you know, parcels move in and out. And that's where we have a lot of, you know, cleaning to do, depending on what the uses of this mixed-use condos are. So, we do have in Waikiki, that's a little issue that we've spent a lot of resources on, keeping track of which ones are commercial and which ones need to be in this list of the BID, right, and those that have become residential will not be on the list. So within the map on the boundaries, everything in there has to be, you know, commercial. Anything that is residential won't be included in the list for the special assessment.

COUNCILMEMBER COUCH: And, Ms. Miura, do you have parcels going in and out? I know you said at one time you had residential, then you don't now or?

MS. MIURA: No, we do. So, ours is set up, and this can be set up, I guess, per the Business Improvement District, so this is gonna be when they come in for the ordinance. They're gonna have to clarify how theirs is gonna operate. So, in our, the BID we have for Kailua Village, there's two different zones, residential condos are included and residential are as well. The difference is if we have something in a homeowners' exemption and the homeowner exemption programs are different per county and so that's why it gets to be, this is the nitty-gritty part of it where it gets to be very specific. If you are getting a homeowner exemption, then you only pay the min tax if you're, even if you're in the BID. So they don't go above and charge a homeowner a lot higher. So that is those that are in Commercial, Hotel and every other rate will pay the higher assessment rate for them.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR GUZMAN: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. Thank you for being here. Should you have this Special Improvement or Business Improvement District and then there's a recommendation from Council to issue, I guess, Special District Bonds or whatever you may call it for any kind of improvement. Is the assessment for the district increase or is it based on what's actually for the issuance of bonds? How is that determined?

MS. MIURA: I wanted Gary to take that one. So how it's written in here is the improvement district would have to go for the bond and the code is pretty clear about what can pay

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for it, so the county doesn't pay for anything. That would all come from the special assessment. Our BID has not done a bond and I would venture to say they probably haven't done a bond because I think their, the percent they're gonna have to pay on is gonna be pretty high. While you're guaranteed so much money, you know, they haven't been established for more than ten years yet and so I think when they go in, their rating is probably not gonna be so good, so they haven't done a bond. But from what I've read, they would have to go and pay for all those fees themselves. The county doesn't pay for any of those fees.

COUNCILMEMBER CRIVELLO: So does...Chair, if I...so does that include, then, should that district needs improvements like we talk about sewer or wastewater or what have you, is, does that come from the assessment or and so that, is that what separates the special designation from county paying for all that improvement or the developer or what have you?

MS. MIURA: Okay. So I just want to clarify, I misunderstood. I was speaking totally of the Business Improvement District. For the Special Improvement District, you can go get a bond. You can get a SRF loan from the State which has a low interest rate. That does come, and that is how when we go through and figure out the assessment rate that Treasury is going to charge, is based on how many owners there are and what they're gonna pay to cover that amount. So, then, that would be covered by the Special Improvement District.

COUNCILMEMBER CRIVELLO: And just for my --

MS. MIURA: Sure.

COUNCILMEMBER CRIVELLO: --clarification, so, that comes out of the assessments?

MS. MIURA: Yes, well, it comes out of the fee that they charge for that assessment, yes.

COUNCILMEMBER CRIVELLO: Okay. Okay. For the fee that's --

MS. MIURA: Yes.

COUNCILMEMBER CRIVELLO: --included in the assessments. Okay. Another question if I may ask. So, if in this particular district, whether it's business or special district, if it's an existing district say, like, Paia --

MS. MIURA: Okay.

COUNCILMEMBER CRIVELLO: --and there are businesses that say, you know, I choose not to participate, who makes that designation? Who determines who can or who may or who may choose not to or is it just a collective, sorry, you're part of this district?

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MS. MIURA: When it was with the Kailua Village Business Improvement District, I know there were some that were in the center of town that did not want to be part of it. They set up the zones, they got the votes, they pushed it through.

COUNCILMEMBER CRIVELLO: I see.

MS. MIURA: And I, you know, I don't know a nicer way to say that, but to be pretty direct about it, I think...

COUNCILMEMBER CRIVELLO: Thank you.

MS. MIURA: Yeah. I don't know if you want to say anything to clarify the bonds, though?

MR. KUROKAWA: Well, so, you know, like the fee, you're talking about the assessment, yeah. So, the assessment and the taxes are one thing, yeah. But then, whatever, you know, it costs to do that improvement will be the added fee, I guess, or the tax that would be added to, you know, the regular assessments that they would pay. As far as carving out the district, I think that, you know, when they come in with the ordinance that describes, you know, the district, at that time, I think they can, you know, draw the line and talk about where the district is actually going to be, but once that is set up, all the parcels that are identified in there, then, you know, whether they voted, yea or nay, if it's gonna go through, they will have to participate in the Business Improvement District.

COUNCILMEMBER CRIVELLO: And if they go out of business, who pays? It's just a loss, is that it?

MR. KUROKAWA: The owner of the property.

COUNCILMEMBER CRIVELLO: The owner of the property.

MR. KUROKAWA: Mixed business will be, you know, coming in, but the owner will be the one that is paying.

COUNCILMEMBER CRIVELLO: Okay. Thank you.

CHAIR GUZMAN: Thank you. Members...does RPT have any questions you'd like to, burning questions, you have any? No? Okay. So, Members, I'm going to go ahead and, at this time thank our speakers that we have today as a resource, is very, very helpful. We were, we had many, many questions at our last meeting and so, we are going to take your information and we're gonna create a chart and compare it to what we have in our ordinance and see what is good and what we can use. And it's always helpful when other jurisdictions have attempted to do it or is using it. So you guys basically solved a lot of the issues that we may face. So, at this time, Members, I'm going to go ahead and defer this matter. At the next meeting, I'll bring this up, we can

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really get into the language that we have before us with some of the changes...

COUNCILMEMBER WHITE: Chair, I have just one quick question --

CHAIR GUZMAN: Yes?

COUNCILMEMBER WHITE: --for Ms. Miura. If you have the chance to go back and change from a monthly billing to a billing that goes out when your tax bills go out, would you change it back or would you continue as a monthly billing?

MS. MIURA: That one is handled under Treasury and I'm pretty sure the Real Property Tax Office would be very unhappy with me if I took on the Special Improvement Districts because those are with Water and Sewer. So they don't, because it's not tied to a percentage or the actual real property tax assessment at all, I think we keep it separate. They used to do it quarterly, but the reason they went to the monthly charge was at the request of those paying. They felt it was easier to break it up monthly.

COUNCILMEMBER WHITE: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Good question. Thank you. So, Members, I'm going to defer this matter without objections.

**COUNCILMEMBERS VOICED NO OBJECTIONS.** (Excused: GRH and MPV.)

**ACTION: DEFER.**

CHAIR GUZMAN: Members, we're going to take a quick recess at the call of the Chair, so, allow the next item to set up. Thank you. . . .(gavel). . .

**RECESS: 3:24 p.m.**

**RECONVENE: 3:33 p.m.**

CHAIR GUZMAN: . . .(gavel). . . EAR Committee shall now reconvene. Members, without objections, I'd like to bring forth on the agenda the third item for consideration, the EAR-66 out of calendar.

COUNCILMEMBERS VOICED NO OBJECTIONS

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**EAR-66 AUTHORIZING A GRANT OF LEASE OF COUNTY RECREATIONAL SPACE TO  
BOYS & GIRLS CLUBS OF MAUI, INC. (HAIKU CLUBHOUSE) (CC 16-170)**

CHAIR GUZMAN: So, this is the Authorization of a Grant of Lease of the County Recreational Space to the Boys & Girls Club of Maui, Incorporated (Haiku Clubhouse). Members, this was, basically considered at the Council meeting. It was passed out of our Committee in October 4, 2016 and during our last Council meeting, October 21<sup>st</sup>, the Committee report was recommitted. We are here today to further discuss the matter of the proposed resolution. The matter was recommitted on two reasons. No. 1, to allow the Committee to vote on the recommendation again. My understanding is that Councilmember Couch intends to recuse himself from the voting for the reasons that he is a board member of the Boys and Girls Club, and No. 2, to discuss Councilmember Hokama's concerns. During the October 21<sup>st</sup> Council meeting, Mr. Hokama had no issues with the nonprofit Boys and Girls Club or their mission, but was concerned about the use of the Haiku Community Center when the Boys and Girls Club was not using it. Evidently it is a problem on Lanai where many groups are competing to use the same facilities. Mr. Hokama stated that as he reads Exhibit "B," it is unclear if we are allowing the club to use a portion of it or the whole complex and he wasn't clear from the paperwork exactly what was being leased to the Boys and Girls Club. So, at this time, I'm gonna ask the Parks Department to clarify Exhibit "B" as to where on Exhibit B, Members, is the actual area that the, is going to be leased to the Boys and Girls Club.

MR. BUENCONSEJO: Chair, thank you, Chair. I don't physically have Exhibit "B" in front of me.

CHAIR GUZMAN: Oh. Let me get you a copy.

MR. BUENCONSEJO: Yeah. So, Chair, you see that dotted lines, I believe it's on the, depending on where you're looking on the paper, the upper-right corner or upper-left corner.

COUNCILMEMBER COUCH: Middle.

MR. BUENCONSEJO: Middle corner. That is the section that is actually where the lease is taking place. So they do have a separated spot. It's not the entire entity of the building. It is that dotted portion.

CHAIR GUZMAN: So it's just portions of the community center or is that in, is that part of the community center or it's outside the community center?

MR. BUENCONSEJO: It's under the same roof per se, but it's on its own portion. It's separated from the actual community center hall.

CHAIR GUZMAN: Okay. I guess the...and to follow-up on Mr. Hokama's question is, when

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that portion of the, is being utilized by Boys and Girls, will the rest of the area that is not being determined as part of the lease also be accessible to non, I mean, to the general public, excuse me?

MR. BUENCONSEJO: Chair, yes, it's already being utilized that way. It always has been. They come, they run their program. If you're looking at the building to the right, the whole community center is to the left of that and no operations on a Parks standpoint is altered by their operation.

CHAIR GUZMAN: Okay. So we'll clarify that in our Committee report if this passes out of this Committee to be presented to the Council. So at this time, the first issue was, Mr. Couch, on your, are you going to recuse yourself for the vote on this...

COUNCILMEMBER COUCH: Yes, Mr. Chair, I would like to request recusal from the vote, please.

CHAIR GUZMAN: Okay. And can you please state for the record your reasons why?

COUNCILMEMBER COUCH: Yeah. I am a, I am listed if you look at Page 24 of 37, I'm a board member of the Boys and Girls Club, have been for 12 years.

CHAIR GUZMAN: Okay. Very good. I will, so, Mr. Couch is recused on the vote. I will entertain a motion...

COUNCILMEMBER WHITE: Chair?

CHAIR GUZMAN: Oh, excuse me.

COUNCILMEMBER WHITE: No, no, I'm sorry, go ahead and do the motion.

CHAIR GUZMAN: Oh, Mr. White?

COUNCILMEMBER WHITE: No, go ahead and do the motion.

CHAIR GUZMAN: Okay.

COUNCILMEMBER WHITE: I've got a question.

CHAIR GUZMAN: We'll entertain, the Chair will entertain a motion to recommend the adoption of the proposed resolution entitled Authorizing a Grant of the Lease of the County Recreational Space to Boys & Girls Club of Maui, Incorporated (Haiku Clubhouse); incorporations of the revisions if appropriate; and also the filing of County Communication 16-170; and the filing of Committee Report 16-167.

VICE-CHAIR COCHRAN: Chair...you want to go?

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COUNCILMEMBER WHITE: So moved.

CHAIR GUZMAN: Moved by Mr. White.

VICE-CHAIR COCHRAN: Chair, second.

CHAIR GUZMAN: Second by Ms. Cochran. Any further discussion? Mr. White?

COUNCILMEMBER WHITE: Thank you, Chair. Mr. Buenconsejo, is it correct to say that the way that the Boys and Girls Club facility is handled at Haiku is the same as it's handled everywhere else where they have their own facility and its generally separate from the community center in the same park if there is one?

MR. BUENCONSEJO: Chair? Councilmember White, it's, they all have their special, unique areas. So, for instance, Haiku is connected to our community center, whereas War Memorial Wailuku has its own separate entity off of Parks property.

COUNCILMEMBER WHITE: But in each instance, they have control over their own portion that we're leasing them?

MR. BUENCONSEJO: Yes. Yes, sorry.

COUNCILMEMBER WHITE: Okay. Thank you. So we're not doing anything different in Haiku than we are elsewhere --

MR. BUENCONSEJO: No, not at all.

COUNCILMEMBER WHITE: --from that perspective?

MR. BUENCONSEJO: No, not at all.

COUNCILMEMBER WHITE: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Okay. Thank you. Any further discussion? Seeing none, all those in favor, say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no?" And one recused. So, four "ayes," one recused and two excused. Motion carries.

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**NOES:** None.

**ABSTAIN:** Councilmembers Couch.

**ABSENT:** None.

**EXC.: Councilmembers Hokama and Victorino.**

## MOTION CARRIED.

**ACTION: ADOPTION OF RESOLUTION; FILING OF  
COMMUNICATION; AND FILING OF COMMITTEE REPORT.**

CHAIR GUZMAN: Thank you. Members, moving on to the second item on today's agenda. We will take a really brief recess to, I guess, organize the panel. Please do not leave. Thank you. We're at recess at the call of the Chair. . . .(gavel). . . .

**RECESS:** 3:39 p.m.

**RECONVENE:** 3:42 p.m.

CHAIR GUZMAN: . . .(gavel). . . The EAR Committee shall reconvene.

**EAR-19 KANAHA BEACH PARK RENOVATIONS (KAHULUI) (CC 14-159)**

CHAIR GUZMAN: Members, turning our attention to Item No. 2, EAR-19, Kanaha Beach Park Renovations in Kahului. The Committee is in receipt of two County...oh, excuse me, the County Communication 14-159, from myself, regarding the matter of Kanaha Beach Park Renovations, as well as correspondence dated July 21, 2015, from Elaine Malina and Barbara Fernandez, Maui Green and Beautiful relating to problems arising from the Kanaha Beach Park Renovations. The Committee may discuss the matter as well as consider filing County Communication 14-159 and other related actions. We first have here today, Brianne Savage, the Deputy Director of Parks and Recreation, as well as the Planning Consultants, Michael J. Summers, with the Planning Consultants, Hawaii Incorporated, and the subcontractor, Planning Design Consultant, Bill Mitchell of Hawaii Land Design. We're going to hear a presentation from Brianne Savage, the Deputy, as, in regards to the update and further, I guess, proposed draft planning of the park itself. So, Ms. Savage, the floor is yours.

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**... BEGIN PRESENTATION ...**

MS. SAVAGE: Thank you, Chair. Good afternoon, Councilmembers. We also have our Director, Kaala Buenconsejo, here with us today.

CHAIR GUZMAN: Oh, I forgot. Sorry, sorry.

MS. SAVAGE: So to start off with, I'm gonna kinda do a brief intro to the Kanaha Master Plan project and then I'll hand it over to Mike Summers, who will run through kind of an overview of where we're at with the project, just a real brief, brief history of kind of why we're here and where we're at this point in the process. In 2004, there was a draft master plan that was never finalized and never implemented. And then, within the last, about four years ago, there were some proposed improvements for Kanaha and there was funding that was allocated with that and when there was movement to begin some of that work, there was a lot of concern from a lot of the different user groups and just some different levels of, again, concern and confusion that kind of came up. And so at that point, all work was stopped. At that point, it was in very preliminary kind of design and getting more information stages. Everything was stopped and there was a lot of discussion with the different user groups that really created a focus that we needed to go back, finalize an actual master plan so that everyone was collectively on the same page or at least the majority behind the document for us to be able to determine the direction to move forward in this space. And so that's what kind of moved us into asking for the additional funds from Council to be able to go back, do an update, have more community engagement and then be able to have a finalized document to be able to help the Department move forward. This is our, from a Parks Department perspective, there's the most user conflict at this location. There's a large variety of users, all that are there for different reasons and different purposes and that creates a really dynamic environment that we have the privilege of overseeing on a daily basis. And so that's been a big portion of this process that we've gone through up to this point is really trying to facilitate and really listen to each of the groups and the different concerns and the valid concerns that come to the table from all of the different perspectives and the variety of users. So, we'll kind of go through and highlight some of the information that's been arrived and concluded to throughout this different process. So, to start off with, the project purpose is really the development of an illustrative conceptual master plan and Environmental Assessment for Kanaha Beach Park. So, Environmental Assessment is one of the later phases of this master planning process. We move in next to just a brief overview of the actual site area. So, as you can see, it's 88.5 acres and that's just kind of again the footprint that we'll be talking about as we move through today. So, community planning Park, zoning Airport, you have your State land use, Conservation and Limited Subzone and Maui Island Plan Urban Growth Boundary. So this is kind of just a brief overview of again the process. So, starting within the master plan, looking at existing conditions and constraints, everything from the physical conditions, cultural, infrastructure, hazard, regulatory and socioeconomic. And after we move through that, we move into the stakeholder and community engagement

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portion where we're focused more on existing issues, future opportunities and potential solutions. From there, preparing a preliminary draft master plan, so looking at use areas, protected areas, facilities and circulation and, then, moving into stakeholder and community feedback. So the likes, dislikes, potential solutions from people being able to view that draft master plan at that point. And then the phase that we're in now is the preparation of a final draft master plan, so again, looking at use areas, protected areas, facilities, circulation and implementation. And so before we moved in, you know, we wanted to be able to come back to this body and provide an update and to get feedback in this forum as well as through the different vehicles that we've been getting community impact and participation. And so, with that, I'll hand it over to Michael Summers to continue.

MR. J. SUMMERS: Thank you, Brianne. I appreciate that. And aloha, Mr. Chairman, Members of the Council, my name is Mike Summers and I am a Land Use Planner and President of Planning Consultants, Hawaii and we, I guess, are the prime consultant on this project. And I'd just like to also note that we have a number of sub-consultants that are also working on this project. We have land use planners, community planners, public outreach experts, landscape architects, coastal planners, civil engineers, so, it's certainly a group of people that have a variety of different skills. Now, as far as my part of the presentation, I'm basically going to touch on four topic areas. First, I'm just gonna summarize the public input process that we went through and then, I'd like to discuss some of the key planning considerations and principles that have driven the planning process. I then will talk a little bit about the area of the park and speak specifically to some of the unique characteristics of the planning area and finally, I'll give you an overview of some of the key recommendations and present some draft plans. This diagram essentially kind of shows you the public input process and how that process feeds into the development of a master plan. This is a triangle, essentially. It's a triangle that basically shows you the three key elements that we used in this master plan process. We decided essentially that we wanted to use a variety of modes of community outreach and the purpose for using different modes is to be able to kind of triangulate the public input from each of the modes so that you can crosscheck the results to see if you're getting any aberrations. So we conducted a user survey at the park where we administered surveys to folks who were at the park during the weekdays and during the weekends. We conducted a number of stakeholder meetings with focus groups. These are folks that have a lot of expertise, a lot of interest in the park. And then we presented some draft recommendations to a community workshop which is open to the public where we could get a broader kind of net of input to feed the process. Now, as far as the user survey, we initiated that survey in July and August of 2015 and during the survey, we administered 244 surveys with a variety of questions and we conducted the survey in each of the core areas of the park, in the eastern area, the central area and the western areas of the park. And the survey was really designed to capture information about existing park uses, user characteristics, user satisfaction and user preferences. The advantages, one of the advantages of doing a user survey where you hand out a survey and people complete it is that these are folks that are just at the park on any given day and they

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can give you straight up what their opinions are. Some of the favorite park features that folks that completed that survey, the 244 surveys, they said what they really liked about the park was the natural beauty. That was the highest scoring element in the park. We received 75 responses. There were also a lot of folks that said, hey, you know, we love this park because of the kite surfing and the windsurfing. We had a lot of folks, 31 responses that said, this park is really important to us. We like this park because we can spend time here with our family and friends. And, of course, we received a lot of other input, but not in the same volume. Now what did survey respondents indicate about things that they don't like about Kanaha Beach Park. We did receive a lot of responses about homelessness. There was a concern that the park was being impacted by that problem. There was a lot of commentary about conflict among park users, whether it be, you know, kite surfers impacting fishermen or windsurfers impacting swimmers, that did come up in this user survey. And there were concerns about park facilities, et cetera. You know, for example, toilets and showers and things of that nature. And as you also notice, we had 27 comments regarding safety concerns. The other, you know, in the context of trying to determine which facilities were most desired at the park, the input that we got through the survey was very clearly an interest in more showers, more restrooms, more parking and more lifeguards. Those were really the key features that we kinda heard back from the folks that participated. Now, after doing the user survey, we summarized the results. We produced a report. We transmitted that to the Parks Department. We've used that to present presentations to the public, so after doing that, we transitioned into the stakeholder focus group process. And we essentially put together four focus groups and these groups met in October of 2015. And through that focus group process, we collected 453 total responses on a variety of issues. Now, the focus groups, you know, we essentially were curious about how these folks would look at the park in the context of being together within their own groups. The first focus group was a recreation orientated focus group. We had windsurfers and surfers and kite surfers. They primarily comprised this group. They were not commercial operators. The second focus group comprised commercial operators. These are folks that have a business at the park, whether it be, teaching kite surfing, teaching windsurfing or whatever it might be. Our third group, are also recreationist, but it included other recreation users, like, fishermen, paddlers, volleyball folks, you know, other people that engage the park for recreation purposes. And finally, our fourth group consisted of community members and environmental groups that have invested a lot of time and energy into the park primarily in the area of restoration of the natural ecology. Now, when asked a specific question about from their perspective, what were the most problematic uses and activities that were going on in the park, the highest amount of response, over 48 percent, related to homelessness and illegal encampments, that was kind of a common theme amongst the various groups. There was also some concern about kite surfing in the context of the impact that kite surfing has on the beach and there was quite a lot of concern about a lack of security. Those were the things that came up the most. When asked about what are your priority improvements, the groups, 61 percent, across the spectrum said, we would like to see more enforcement improvements. And there were a lot of concerns about the restrooms, the natural

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areas being protected and signage. Each of these groups had an opportunity to participate with the consultant team and with the planning...Parks Department staff to prepare their own charrette, in other words, to prepare their master plan, looking at what they felt were the current issues, what they felt were the immediate improvement needs and what the long-term needs were. And they actually worked off the same constraint maps that we use. The same kinds of environmental constraints, regulatory constraints, they had the opportunity to work with as well. We received from that process, seven different maps from all of the stakeholder groups and these were important for our own internal decision-making. Now the community vision workshop came, you know, was basically conducted in December 2015 and the idea there was to invite the public to give them an overview of the planning process and to present to them the draft recommendations. And we didn't want to just give a presentation at this meeting, so we wanted them to have the opportunity to provide a lot of input, so we had seven interactive stations. The first station was to allow these folks to help prioritize stakeholder improvements. The second station was to show them design concepts and to get their feedback on those design concepts. The third station was for natural area management, how might we manage the natural areas, fourth had to do with security perceptions and improvements. We also had the lifeguards that station the park at this event to talk directly to community members that showed up and we had the rangers available as well. And we had the Humane Society to present discussion, information and issues relating to the feral cats. Now the top issues that kind of came out of these three different modes of gathering public input included safety and security. That was a theme that came up again and again and again. The second was unauthorized camping, conflict among users, natural area and native habitat protection was another key area of concern. Also, inadequate facilities, parking, restrooms and showers and a lack of parking. And I might also say and it's not on this list, the feral cat issue came up quite a bit as well. And there were concerns about the impact of those cats on the native species and then the impacts on public health. Now, when you look at all of the stakeholder input, you know, when you kind of throw it out there, you get this, a pretty significant kind of array of feedback. And along the spectrum, we did hear a variety of voices. Now, on one extreme, and I wouldn't necessarily say it's an extreme, but on one side, there were voices and you heard some of them today, that have a very strong desire to essentially keep especially the central area and the western area as, shall I say, as natural as possible and to mitigate impacts to the environment. Almost to kind of create a nature preserve to limit access, limit parking and restore the ecology. Okay. So that was one series of voices on kind of one side of the spectrum. On the other side of the spectrum, we got a lot of comments about, hey, you know, this is an ocean recreation park. It's the best kite surfing and windsurfing in the United States and perhaps even in the world. We need to park close to the beach. We, in fact, even if it means, that we, you know, need to park in the shoreline setback area. We even had recommendations to provide vehicular parking and pedestrian access through the wetlands to support that concept. Now, again, these are kind of, you know, on the two sides of the spectrum there. Now as a Parks Department and as a consultant team doing this work, we're trying to look at a variety of different factors and those factors

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drive the planning process and the recommendations that are made. So, essentially, you know, we weren't prepared to prepare or we weren't hired to prepare a plan to address just today's existing conditions. We were hired to look at this park in the context of 10, 15 years, 20 years from now. So, one of the key drivers of that decision make is population growth. The population of Wailuku-Kahului is going to expand approximately 10,000 people between now and 2040. Now, that's a resident population of Wailuku-Kahului. If you look at the entire island, we're looking at about 61,000 people. And if you look at the de facto population, you're looking at 69,000 people. So that means you're going to have more interest in Kanaha Beach Park in the future. The other real important issue is to consider the multiple user needs. There are a lot of different folks that use this park, lots of different folks. Kite surfers, windsurfers, fishermen and a lot of families that use it for just gatherings and barbecues and events. There are significant infrastructure limitations at this park. Those need to be factored in. There are natural hazards that need to be considered, shoreline erosion, flood zone, flooding hazards, tsunami, all these things need to be considered. Regulatory requirements, this park is in the State Conservation District. It's heavily regulated. You have shoreline setbacks that cover large areas of this park and, then, you have environmental and topographic constraints. The park is long and it's narrow. Some areas of the park are very narrow. There are wetlands on this park and you shouldn't be developing in wetlands. You also have sand dunes. So, there are a lot of constraints on this park. And then, of course, the public input itself. What do these multiple user groups needs, what are their emotions, what are their feelings? Now, so in the context of all that, the Parks Department and the consultant team had to come up with some basic principles that would help them formulate recommendations. And I guess the first part is to, you know, respect the process that we've gone through. We've gone through a 16-month process. We've hired a number of technical experts and we've reached out to a variety of different stakeholders. We should respect that process. And in the context of the public input, listen to these different stakeholder groups and understand where they're coming from. It's very important. The second thing is following environmental best practice. You shouldn't develop in wetlands. In fact, if you develop in wetlands, you're going to go through a very rigorous Federal environmental review. Second thing is you shouldn't be developing in dune areas because dunes protect the shoreline from erosion. They also provide beach habitat and they provide recreation opportunities. And you shouldn't be displacing native flora and fauna. Those are just basic best practices. You should also plan for coastal resilience. In other words, you should try to strengthen the dune system so that they can help protect the shoreline from erosion and you should plan for population growth and that's the whole purpose of doing a study and, then, consider the multiple needs of user groups, be aware of the regulatory requirements and consider the cost of implementation. Now the park area, this is just kind of an overview where we connect the final master plan, but as you can see, it's a long and narrow park. And there's an eastern planning area that is very distinct from the central planning area, which is distinct--this doesn't show up too well for whatever reason, but--from the western planning area. Now the park is about 88½ acres. To put things into perspective, the eastern planning area is about 26 acres. Okay. Now,

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the western or the central planning area is about 47 acres and the western planning area is about 15 acres. Now, the eastern planning area has some environmental constraints. It's got a significant wetland, but it's largely already developed. This is the area that attracts the most users. Okay. So, we have paved and unpaved parking. We've got restrooms. We've got large grassed areas. We've got barbecues. You've got volleyball courts. You've got canoe hales. You have a, an area with park maintenance facilities. There's a, you know, this is a pretty developed park. Okay. Right in that section right there and you get a lot of use down there. On weekends, if you go down there, especially when there's good wind, that park is very, very full. You've got folks parking along, all along the driveways, parking informally outside of the park. You've got all the parking lots full and you've got bouncy castles and barbecuers everywhere. Okay. Now the central planning area is actually the largest planning area, it's 47 acres. Okay. Now, this is very important to understand. The central planning area has very significant environmental constraints in the context of wetlands and in the context of dunes, but it's very important to understand that this area is very heavily used in certain areas, very heavily used in areas where there is no infrastructure, there are no improvements and there are environmental constraints. So please understand that this is a very heavily-used area, but it's focused in a few key points. The central area is popular with kite surfers. That beach, it's got a pristine beach. It's a beautiful place and it attracts a lot of kite surfing activity. And I don't have my pointer here, but, 'cause it's, for whatever reason, it's not showing up, but there are, essentially, two areas where you can really access the kite surfing. One is from the camping area...or three, one from the camping area cutting into the west side of the park, the other is through what they call the Keyhole, which is a narrow, probably 14-foot wide unimproved dirt roadway and along the street, along Alahao Street. So, that's how folks get to the beach. And the problem with that, especially for those folks that are using the Keyhole and they're using the street is you've got these environmental barriers right in the middle of that area that essentially separate what these folks are seeking, which is the beach and the wind and where they're parking their cars. Okay. You have wetlands and dunes that are right there between that access point and that creates some issues. Now, interestingly, the central area of the park also provides the best area for future park expansion and I can't show it because I don't have my, my thing's not working on this, but there are about 15 acres of area that are relatively unconstrained by environmental conditions and those areas, and many of our stakeholder focus group charrettes they actually presented development scenarios in that area. But that is an area that has the potential for future park expansion. Oh, wow, great. Thanks. I don't know. I can't get it, seem to get it to work.

COUNCILMEMBER WHITE: No, it doesn't work on the screen.

MR. J. SUMMERS: Okay. We can survive without it. But, essentially, there is a very good opportunity on the eastern side of the western area of the park for future park expansion. Now the western planning area is definitely the most constrained area of the park from an environmental perspective and from a regulatory perspective. The

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shoreline setback covers most of this area. Most of the area on the western side of the park is dune area. There's been a lot of native plant restoration. It's a constrained zone. Now I'm just gonna kind of briefly, may not be too brief, but I'm gonna go through some of the kind of the key actions or recommendations. Some of these are park-wide and some of them speak specifically to certain areas of the park. Now, park-wide, in the context of the entire park, one of the key actions that is being recommended is to essentially restore the park's coastal ecology and support coastal resilience. And that's important because the wetlands protect the water quality, the coastal \_\_\_\_ protect from shoreline erosion and the coastal \_\_\_\_ support the beach and beach processes. So, good stewardship means protecting those resources. The second key action is to create a safer and more secure environment for park users, to make people feel safe within the park. And the third key action that affects the entire park is to improve pedestrian, bicycle and vehicular circulation as well as parking. Now, just to kind of go back to No. 1 here, just to go through some of the key recommendations, one of the actions would be to direct parking away from wetlands and coastal dunes to improved lots. And that's a pretty significant recommendation, but it protects the environment and in reality, it'll create more convenience for users. So and it's just best practices, just the most sustainable thing to do at a park like this. Second is to continue to use the existing volunteer programs, such as Malama Maui Nui to continue ecosystem restoration. And that's a great partnership and they've accomplished a lot at this park and there's a lot of expertise there. To provide informational signage to promote knowledge and stewardships of the park's ecosystems, including the wetlands, the dunes, the flora and fauna resources, the marine ecology, et cetera. Use wooden posts connected with barrier ropes to protect sensitive areas, especially the dunes and the wetlands. Because right now, you're getting a, like I said, you get a lot of activity in the central area and they just walk from the street right through the wetlands and over the dunes and onto the beach. It's better to manage that access. To add access and signed interpretive trails to the edges and overlooks of wetlands where appropriate and that's important because so much of this park is in a natural condition. And the idea that folks on Maui can get more educated and get a closer familiarity with natural areas is important and it's a form of recreation. And to work with the State nonprofits to address this feral cat issue. Now, I want to back it up, I'm sorry. Let me just back that up one slide here. Okay. So to speak a little bit to the safer and more secure environment, we had a lot of recommendations and we feel like they're good recommendations and will improve this park over the years and make it an important recreation facility and it is an important recreational facility, but to develop a park headquarters to include a ranger station. We received a lot of comments about having on-site personnel available for enforcement, to provide good information. The second would be to provide new staffed lifeguard stations at uppers and Kaa Point. That would increase the number of lifeguard towers from one to three. To expand the hours of a lifeguard stations to sunset because a lot of guys are out there doing their activities up until sunset, to increase signage, including emergency contact information, DLNR use areas and DLNR DOCARE rules, kokua rules and to install the gates that have been proposed to control evening access and unauthorized camping. Now the third action, again, that

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kind of covers the entire park, basically we're saying, hey, this is a long, narrow park. It's got a variety of conditions. And people should feel comfortable walking from one end of the park all the way to the other end of the park. I mean, that's, that would be a great opportunity for the people of Maui, so, we're talking about expanding or constructing an approximate ten-foot wide primary pathway from the east area all the way to the west area and including within that primary pathway, interconnecting areas of supporting walkways and trails. Developing a landscaped-grade separated bike path along Alahao Street and Amala Place. There is a significant section of the park that expands mauka of the existing roadways and we have heard and it would be a good idea to expand the North Shore Greenway and include a separated bike path because quite frankly, riding on the road the way it is is very, very dangerous and it would provide more access to this park. Another recommendation is to connect driveways and increase the number of parking stalls. And real quickly, I'll just speak to that. We are proposing in context of parking because we heard some representations that we're just developing all this parking, there will be an increase of about 542 formalized parking stalls. These are improved parking stalls. Now, there will be a decrease of about 349 informal stalls. Now these are places where people are parking. They're just parking all over the place. Okay. So you get a net increase of about 193 stalls. Now, these, just want to point out real quickly, these maps are being refined and updated pursuant to our most recent community outreach event, but they largely show what's being proposed and again, it's a little bit difficult without having a pointer, but essentially we're talking about having this primary trail network, you can see that in red. You can also see a red line on the makai side and then, you'll see a yellow line there, which is the shoreline setback and we are looking at the eastern area of the park. And, essentially, to protect the environment, it's good to direct traffic, okay, direct traffic away from the dunes in a managed way and direct traffic away from the wetlands. And to do that, it's best to have two series of trails, one on the makai side and one on the mauka side. Now, the key kind of action items for the eastern side that address a lot of these issues that were raised, one would be replacing the existing irrigation system and amending the soil to improve the condition of the existing lawns. There were a lot of comments that these lawns are not in very good condition, and also to improve the drainage conditions at the showers and at the faucets. These facilities create a lot of drainage problems, and also, to expand the two existing restroom facilities, to make them larger, to make them more comfortable and to allow them to accommodate population growth. The other key action item is to establish a centrally-located park headquarters and visitor's center and I don't know, maybe Bill could just get up there and just point to where that area is since I don't have a pointer? But that, this area that Bill's gonna point out is an area that's largely undeveloped and it's mauka of the existing parking area. And this would be a very good area for a ranger station. It has very good line of sight to the east, to the west and makai to the beach and we're talking about, you know, having this information center/ranger station permanent personnel. People could go there and get information about the park, et cetera. There would also be fixed facilities for park management and maintenance as well. The other key proposals for this eastern area include removing a very large section of Ironwood trees, which has essentially created

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its own forest. I think that area might be between two and three acres and replacing those with native species, shade trees, which essentially will do a better job of protecting people because those Ironwoods are very unstable. Protecting from shoreline erosion and creating a better environment for beach users and creating areas within that space for picnicking and barbecuing. Now the area that Bill pointed out where there was a ranger station, there's good opportunities on that approximate four acres for additional park facilities such as tot lots and picnic areas, et cetera. There's also a recommendation to create a formalized rinse pad and drop-off area for gear, for windsurfers and paddle boarders, et cetera, to add more volleyball courts and to increase and improve the parking areas, increase the number of stalls and improve the areas. Okay. Now, in the central area which basically is from the culvert to the camping area, you can see on this map, the areas in orange are areas that are proposed to be improved and the areas in that kind of lime color are areas for new, improved parking where it doesn't exist today. And again, the primary objective here because we're dealing with a very sensitive ecosystem is to manage the use that is there right now and to plan for the inevitable future increase in use that will take place over the next 10 to 15 years. And as I noted, there are environmental barriers between the beach and the shoreline. I mean, I'm sorry, between the beach and the street and those need to be addressed. So, primary recommendation is to pull this parking that's currently occurring along this unimproved Keyhole roadway and organizing that and getting it out of the wetland and off the dunes and into designated areas. Now, there were some comments about how far that area was. I think there was a representation that it was 600 feet, in fact, it's 400 feet and our consultant team did walk that area and it takes about 90 seconds to walk from the street to the dunes, just to put that into perspective. Now, we would create, I mean, essentially the proposal is to create improved parking areas, to direct and channel the folks that are using those parks, those parking areas through designated trails to mitigate impacts on the resources. And then there are areas on the makai side of the wetlands where you can have additional picnicking and maybe some barbecuing and passive recreation opportunities for folks. There would be a proposal to install a trailer restroom, so you don't have people urinating and whatever, you know, on the wetlands and in the restoring coastal dune habitats and wetland ecology. Now, further to the west at Kaa Point, this is an area where you have a lot of opportunity. As I mentioned, there's about 15 acres of area that is not constrained by wetlands. We've had our botanist walk those areas and this area would be appropriate for park expansion. So there's a recommendation to install a new lifeguard tower, to increase improved parking areas. You could easily, given the topography, create a natural amphitheater, restore a significant section of the beach and increase the actual beach park area right up in front of the beach by about a half-acre, create a gathering place where the parking is where you might have food concessions, you may have restrooms and showers. So, this is an opportunity to accommodate the existing congestion on the eastern side of the park and to plan for future population growth. Now this is kind of a rendering which might show what a future Keyhole would look like if the parking were removed from the existing unimproved access and boardwalks were installed and, you know, marked trails were created and areas near the shoreline where there

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weren't the environmental constraints, you might be able to improve of some picnicking areas. Now on the western side, again, this is a very constrained area from an ecology perspective. It's also really not all that large from a acreage perspective. It's about 15 acres. As you can see from the yellow line, most of this area is in the shoreline setback. Okay. And most of that area that's in the shoreline setback is in dunes and most of the area that's in dunes and in the shoreline setback area has native plants, so it's not an area that you really can penetrate. Now you can develop the area to the east, next to the culvert. And that's where you have that unimproved parking area where a lot of kite surfers are accessing the beach. And again, the western area, just like the Keyhole has a lot of use. There are a lot of users already there. So they're impacting this area in its existing condition. And this is a very popular place for kite surfing. It's a very, very popular place for fishing and it's where a lot of the schools do their instructing. Okay. So, the key here is to plan for the use in such a way that you respect the natural environment, you respect the regulations of the State and the County and you respect the needs of the various user groups. So, essentially, let me just zoom in here and I'm speaking to the area that would be to the west of the culvert and then I can go back to the east of the culvert. But we're taking that unimproved parking area, which is currently the red dirt area where everybody parks and we're moving that back closer to the roadway and, then, mauka of that area, we can create additional new areas for habitat restoration and for picnicking and for barbecuing and we can bring in sand and expand the width of the beach and manage the dunes to protect from shoreline erosion. It's a much more sustainable model than what we have today. Now, across the culvert, you'll see the amphitheater and the additional parking. Again, this is an area that can be used for future park expansion to address the existing over, I wouldn't say, well, it is actually overused on weekends on the eastern planning area. And with population growth, it's gonna become even more overused, but this area is unconstrained from an environmental perspective. And with that, I'd just like to thank you very much. I know it was a long presentation, a lot of information. Brianne, do you wanna...

MS. SAVAGE: So, again, just to summarize. There's been a lot of time and I think consultation with a lot of different groups of people and information that the Department's gone through up to this point, as well as the Department really going through a lot of the information and, you know, wrestling with, again, what is some of the directions, what are again the opportunities, what are some of our responsibilities for the different area. And at this point, we'd like to again be able to present to get Council feedback on these types of items or address any questions as it relates specifically to where we're at in the planning process currently. Thank you.

**... END PRESENTATION ...**

CHAIR GUZMAN: Okay. Thank you. I'd like to thank the Department, as well as Mr. Sumner [sic] and for the presentation. This is just basically an update of what has transpired so far. As the Department said, is that once they work through the next

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phase, they'll present a more fully completed master plan. At this stage, since we, I think most of us on the Council probably weren't able to attend some of these focus groups and some of these public hearings that were held, we invited as a Committee those who were part of those focus groups. I think each one of them have, represents one of the four focus groups since, so we would like to, at this point, have them give some input on the process. Now, we remember, let's respect the process. We've all gone through it, you know, it's very long and rigorous and the Council has put in a lot of money to pay for these planners, so we definitely need to respect the process and listen to the input and hopefully we can get through this and somehow make it a better plan or move forward from then, from here. But specifically, I'd like to introduce to you the members of the panel. We have Elaine Malina and she's currently the President of Maui Green and Beautiful, environmental nonprofit organization. The mission statement of Maui Green and Beautiful is caring for the aina through preservation, protection and education. Elaine has been involved in the landscape industry on Maui for over 30 years and currently landscape manager at a resort in Wailea. She's also served on the board of Maui Association of Landscape Professionals, including as the president of the organization and the past member of Maui County Arborist Committee. We have also Barbara Fernandez and she is from Kula. Barbara has several years served on the nonprofit and is an avid volunteer in the community. She is also currently serving as the third-term as the Vice-President of Maui Green and Beautiful. We have Patti Cadiz and she is an Administrator with HST windsurfing and kite surfing school, owner, owned by her husband as well. Their business has been in operation on Maui for over 31 years. Ms. Cadiz is also a member of the CORA Working Group. We have Sharon Balidoy, is the founding member of the Lae'ula O Kai Canoe Hale and serves on its board and is a coach and the canoe club has been at Kanaha since 1991. They have 270 active paddlers who are members and during the summer months, Sharon is at the club every day. At this time of year, there is recreational paddling four times per week. And also, we have Lucienne de Naie and she lives on a small farm in East Maui. She works as a consultant, grant writer, historical researcher and serves on many local, nonprofit boards, so Lucienne is frequently a presenter on historical and water resource issues. She's helped to cofound the Maui Coastal Land Trust, now the Hawaiian Islands Land Trust and is serving on a number of citizen-planning committees. Also, she is the, currently serving as the Maui Conservation Chair for the Sierra Club. We have Steve Sadler, a kite surfer and he's also a board member of the Maui Kite Surfing Community for seven years and has volunteered for many cleanups and projects, as well as worked on the development plan that helped negotiate Baldwin Beach's kite launch area. Members, before we start with the panel discussion, we have a presentation from the Maui Green and Beautiful. Hopefully, it won't take too long so we can get into discussion. Okay. Thank you. So, go ahead and present.

**. . . BEGIN PRESENTATION . . .**

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MS. de NAIE: I'm going to just start off. Just a second. Is this on? Yes. Well, as we have heard, Kanaha Beach Park is enjoyed by lots of folks, visitors, residents and as we've also heard, it is a very important habitat for native flora and fauna. What we haven't discussed is over \$125,000 of Federal fund have been invested in restoration activities for the 88 acres there and this is one of the flyers USGS has published. It is one of the USGS funding success stories. Another \$150,000 was raised to put up those barriers that you see along Alahao Road and Amala Road to keep people from just driving up onto the vegetated areas that have been restored. The U.S. Pacific Islands Coastal Program funding recognized the very unique habitat present at Kanaha. This is because there's over 30 species of native plants, many with traditional Hawaiian uses. Some are very rare and endangered. There is the wetlands, which the native water fowl use for their nesting. There's habitat for rare and endangered native insects we heard a little bit about in testimony. There's habitat for native shore birds and there's areas that are used for limu gathering and, of course, there's the reefs that are being protected by the wetlands and the dunes. Another, two main resources discussed a little bit, the Kanaha Beach Wetlands. These do protect our ocean water quality. They do provide the habitat for the native plants, birds, insects, fish, et cetera and they do include rare and endangered flora and fauna and, then, the other resource is the dunes. Of course, dunes are multi-faceted in the protection they offer. They protect the wetlands. They protect the reefs and they are very important cultural, recreational and aesthetic qualities. So, they also help remediate against sea-level rise, storms. They filter sediment. They provide a lot of services. So the entire Kanaha Beach Park was designated in the Limited Subzone of the Conservation District and the reason why is pretty obvious. It's land susceptible to floods and soil erosion and inundation by tsunami. So the whole place is a tsunami zone. And the objective of this subzone is to limit uses when natural conditions suggest constraints on human activities. Now, I believe none of us from the environmental side are saying there should be no human activities here, but I think we need to look at what nature is telling us about this place. Let's not invest in a lot of buildings or other things that are going to be subject to hazard conditions in the future because it is a hazard zone. So, the master plan, the former draft master plan which was done did recommend preservation of wetlands, dunes and habitat, just as this draft master plan does, but it also recommended that additional recreation parking users would be good to look at the State land across the street. So in the master plan, it mentioned that virtually all of the park is in the FEMA flood zone, except the area that was just shown that's outside the coastal zone, the coastal high-tide zone and that's that red circle area. That's the only area that'd be high enough to build anything and still meet the FEMA flood conditions and, but we wouldn't recommend putting a building there. It's just that it is an area with its limits. The coastal zone ecosystem restoration efforts have spanned more than 30 years and before volunteers started on these efforts, this place was just a trash dump. There were abandoned cars. There were a dump, trash. It was really a mess. A lot of families just stuck to the existing park and didn't want to go to the western end because it just was so unsightly and dangerous. Of course, now, it's a biological resource. This is part of the dune restoration that took place a few years back. This is a before and after. The before is the area that has no dune in place and

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the after is where the dune fences helped create the meeting of the two existing dune areas, filling in as an intact dune. So the new County Kanaha Park Master Plan does attempt to resolve user conflicts, the need for parking, restroom, ADA access, impacts of sea-level rise; however, we would like to see more about the actual carrying capacity of this area. We realize that the consultants are aware that there are constraints, but it just doesn't seem that the idea that maybe there is just a limit at how much recreation and how much use it can provide is being even considered. The Maui Green and Beautiful does support the park plan concept to block vehicle traffic from the Keyhole area where there's an existing dirt footpath that goes through the wetlands and the native habitat. Vehicles just drive right up to the dunes and park as this picture shows. It is convenient, but it's not a very good ecological solution. This is what it looks like as an overview, and back, a few years ago, I don't know if it was 2013, 2012, several members of Maui Green and Beautiful were down there and noticed that there seemed to be some work in progress to actually build something in that area. And when they checked, no permits had appeared to be in place and I think this is where the current master plan process started where Maui Green and Beautiful said, wait a second, what is going on here? You can't just pave this area and formalize it. It's between a couple of wetlands and leading to some dunes. Let's talk about this. So, that's where, what brought us to where we are now. And the footpath at the Keyhole is on a map from the current master plan display, but it does not indicate and nor did the maps that we saw in the earlier presentation where the mature native plantings from the restoration are located. And unfortunately, these are located right where the parking is planned, and I don't know, Elaine, do you want to take it kind of from here and ...*(inaudible)*...

MS. MALINA: Yeah. Anywhere there is a, Barbara and I walked the area and everywhere where there's new parking was native plants and so it worried us. I mean, it would worry you. There's no need for that parking. If it's such a small amount like you're saying, then, why couldn't it go across the street?

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

MS. MALINA: Yes. Current plans for Kanaha Beach Park show other restored habitat areas turned into new parking areas and that's what I basically just said. No discussion of addition, additional relocated parking on maka [sic], makao [sic] side of, I'm sorry, of Alahao Street as recommended in 2004 Kanaha Beach Park Master Plan concept. I mean, there's a lot of room there. And what's nice about on Kaa Street, is there's a gate and there's footpath that leads to the pavilion area. So you could park on the, both sides, cross the street, they do it all the time in Kihei. They have crosswalks, great things like that and they walk across and you're right to the beach. And that's where the ample parking is available on State land outside of flood zone. Other beach parks accommodate additional parking across the street. This is Kamaole Beach I. A grassy amphitheater and grassy picnic areas proposed in new master plan concept are impractical, costly to install and maintain. Maintenance of existing park is challenging. I mean, park, you, the Parks Department has a large amount of parks to

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take care of and I know they work very hard. I see that, but it's so hard to maintain it and you're adding more to that. And grass near native plants? That grass clippings are gonna spread. I mean, that's something that's well-known. And so you're gonna get grass invasion in native plant areas, high maintenance. Proposed clubhouse restaurant is located in FEMA flood zone. New structures in Kanaha Park should be portable such as proposed restrooms on trailers, that's an excellent idea. Proposed clubhouse restaurant site in red circle in relationship to existing delineate wetlands, blue circles and existing mature milo, naio, aalii, akiaki grass, et cetera, native plant habitat areas, green circles. I mean, you see what you're doing and you didn't point out at Kaa Point, there's parking. There's like room for 90 cars right along the canal there and you're moving the parking it right across, right in the native area. Hazard map, dark blue areas impacted by 1 millimeter rise in sea levels or meter rise in sea levels, park area, red circle, cross hatch, tsunami evacuation area and yellow line is FEMA, 100-year flood zone. I mean, you're putting things into an area that's gonna be under water. And the areas, there was a tsunami, the area's recovered quite well, except from where the dune was worn down by foot traffic and parking, but all those areas recovered.

UNIDENTIFIED SPEAKER: The native areas...

MS. MALINA: The native areas. Kanaha Beach Park ecosystems work in partnership with the Kanaha Pond System. I mean, yes, there's a road and there's a fence, but birds don't know that. And the water and the system, there's natural springs in the area. Parks' Conservation zoned lands serve as endangered species habitat. Provide a native seed bath, seed bank, the seeds were gathered for Kahoolawe restoration, dunes and native plants protect ocean and groundwater quality. Restoration area provides resiliency for effects of sea-level rise. Friends of Kanaha Park wants to work with County Parks to make sure the new proposed master plan does not impact the rich biological resources of Kanaha Beach Park. Plan should reflect input from conservation agencies, DOFAW, NRCS, et cetera, barge buffer areas and need along wetlands. Wetlands need to be properly mapped. Proposed new trail is not in an appropriate location, proposed clubhouse restaurant in flood zone. Parking area should be moved across the road to ensure adaption to sea-level rise. Conclusions/recommendations. Reorganize existing commercial lot at "School Beach," that's an area, you're moving it into an area that has so many really unique species of native plants and I would just leave it there. If it's gonna be underwater, the cars aren't gonna be there at that time with a tsunami coming. People are gonna evacuate. Gravel it, make it more user-friendly. Avoid high maintenance, grassy landscape areas, amphitheater, all those things, that's high maintenance, more cost. Do you really have the people to take care of that? I mean, it's a lot of work to do and why? You have native plants that could do the job easy. Direct parking expansion away from native plants and wetlands to across the street, support closure of Keyhole to vehicles, totally agree with you folks. Support trailer style restrooms, another good idea. Locate away, of course, from native plant habitat. Reinstate citizen patrols and add more park rangers. I mean, a park station, ranger station is nice, but get those

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guys, people out there. I believe if they're...the park rangers were reduced at one time and the size, bring 'em back. This is important for us, all of us and all the parks. And maybe food vendors, you had written that, maybe in the parking areas across the street, but you have food vendors, they're gonna keep an eye on cars. Clubhouse restaurant, not a good fit in conservation area. I thank all of you, really do. Thank you.

CHAIR GUZMAN: Thank you very much. We're getting close to about 5 o'clock, so I wanted to get to Patti Cadiz and, then, Sharon Balidoy as well as Steve Sadler. So if we can go ahead with any input or any comments from Ms. Cadiz, keep it quite brief because I want to make sure that our Members are out of here by 5:00. I apologize, we got kind of long-winded on the Committee meeting. Thank you.

MS. CADIZ: ...*(inaudible)*...

CHAIR GUZMAN: Yeah.

MS. CADIZ: Thank you.

CHAIR GUZMAN: Again, Ms. Cadiz is, been a part of the focus group with the windsurfing and kite surfing schools.

MS. CADIZ: Thank you. I'll add that you may not know, but my other advocation at least is beach nourishment and dune nourishment. So I've been involved in several North Shore projects to enhance the beaches and the dunes, so I'm actually on that spectrum, I'm kind of at both ends. And I really do appreciate the value of the dune to, that the dunes themselves are actually what help us maintain the beaches. The beaches at Kanaha are the reason the park is so valuable to the recreators. So to me, it is a spectrum and I recognize that, but to me, both things are very, very important and I believe in my heart of hearts that there's a way to balance the environmental desires with recreational access, things like dune walkovers are important for maintaining the health of the dune, but not restricting access. I think that small parking areas like the Keyhole are actually a benefit to the park. I disagree completely with closing those because for one, it provides very important vehicular access for safety vehicles. I was there one day when somebody was injured and the ambulance pulled right up behind the dune. They were able to deal with somebody who had a neck injury and transport them out of there and to carry them that extra whatever it was, 90 seconds or something, who knows, you know. If it's a burst fracture or something, like my husband had a couple years ago, that is not the something you need to be doing. Since these, basically, all the recreational uses at Kanaha are somewhat extreme because they do involve the ocean. So, it is important to remember that safe, vehicular access for the emergency vehicles is important. Also, that every single recreational sport, including picnicking for families is somewhat gear intensive. I mean, you got your picnic basket, you've got your cooler, you've got your tent to give shade for the babies, you've got all the things that you need to carry for picnicking and

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then think of all the sports, from big, standup paddle boards, windsurfing gear is very gear intensive, even kite surfing gear, there's a lot of stuff to carry. So, if you go to the park, the parking places that are closest to the beach are the ones that are taken first. And if you go to any other recreational destination in the world, they recognize that and they provide that safe, convenient access to the beach. So parking across the street, I mean, all parking's good parking, but parking across the street really isn't ideal for the recreational users. And then I'm just gonna hearken back to the mission state of the Parks Department, which is to provide, safe, satisfying, cost-effective, recreational access for residents of and visitors to Maui County. So, the object there is recreational access, that's the purpose of the park, number one. I understand we have to balance against the environmental needs, but not at the expense of the recreational access and, then, considering all those other aspects, safe, satisfying, cost-effective, so, safe, access for safety vehicles. I support the additional lifeguards, the longer hours for lifeguards, all really good. Let's see, the lawn is an appropriate and comfortable area for picnicking and for rigging of all the gear, so I understand the importance of akiaki grass on the dune, but behind the dune in the park area, I think the lawn is the appropriate choice. I spend a majority of the time that I'm at Kanaha either at the far east-end, actually outside County park boundaries up in the cove or at the Keyhole. The Keyhole dune is intact and healthy. The Keyhole is at the bottom of the central beach area that was shown there on the slide and that beach is one of the few accreting beaches on the North Shore. So most beaches are eroding, that beach is accreting several feet a year. I don't know if you, if you were down there several years ago, you might remember there was actually a pill box in the shallows. It's completely gone now, not because it was removed, but because the sand has moved out and buried it. So, the beach is accreting several feet a year. When we first started teaching kiting at that area, the wind or the water would come around flanking the landward end of the first groin, but no more. The sand is now covering the landward end of that groin, that beach is accreting. So, despite the recreational heavy use as you were told and I support and agree, that beach is very healthy. Even up at the canoe end where there's akiaki grass on the beach. The pathway doesn't go over the akiaki grass and people respect that and the beach is super healthy. So, that supports my claim that we can have recreational access and respect for the environment. Okay.

CHAIR GUZMAN: Next, we'll have Sharon Balidoy?

MS. BALIDOV: Balidoy.

CHAIR GUZMAN: Of the canoe club.

MS. BALIDOV: Thank you, Chair. Aloha. I just want to acknowledge the compassion everyone here has for Kanaha and thank everybody for all our manao. Canoe paddling, I like to get along with everybody and I was, I will say I was surprised to hear that this is the most user conflict area. It's like, whoa, that's sad. So, for the canoe, for Lae'ula O Kai, I'll recognize Jan Dapitan 'cause she's sitting here. That's why we're

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at Kanaha and Community Work Day and we've been cleaning the beaches since 1991. I think there's room for everybody. The beach is building up down below because the sand is moving from up top, so the beaches up top are getting smaller and the trees are falling in the water. So, just depends on the winter season and the waters and what it brings. I love looking for aukuu and all the birds and the wildlife. I would love to see those wetland areas in the park cleaned up. I've thought about volunteering to do that myself, so those areas within Kanaha Park, those are treasures and it's sad that they've been neglected. Parking is a concern. The bathrooms need to be updated. We do get a lot of, it's a local park, the local families, but the buses do come by with all the tourists as well when they're waiting for the airplane ride. So, I think Maui, we put our best effort forward, work together, make it beautiful. We're all on the same team. Yeah. That's all. Mahalo.

CHAIR GUZMAN: Thank you. Thank you, Sharon. And lastly, we have Steve Sadler and he's with the Maui Kitesurfing Community.

MR. SADLER: Thank you, Chair, and thank you all for putting all your time into this beautiful project here and I believe that I am 100 percent with you on keeping the place a beautiful, natural environment. One thing that we can't control is there are gonna be people using the beach and there's no legal way that we can prevent them from using the beach. So the most logical way that I can think of is to provide the access so that they do not trample the native plants, give them a pathway to where they want to go so that they don't need to veer off their path to make it more convenient to themselves. As I mentioned, there's very many people use this beach and will only get more and more used in the future. But the people that do use it, do come with a lot of equipment, you know. Kite surfing, windsurfing, even local families as Patti mentioned, they carry a lot of stuff with 'em to spend a lot of time at the beach. They're not just there for 15 minutes to take a look and get back on the tour bus and go see the rest of the island. They spend half the day or all day there, myself included. And it's, I don't believe it's that difficult to accommodate everyone's needs there and personally, I really like the idea of the two trails, one mauka and one makai of the dunes, that is the best way to enjoy the natural beauty of that park is just to walk it from one end to the other. And just a short criticism of it is that all the pathways, most of the pathways go parallel to the ocean whereas the people who want to use the park, want to go to the ocean, so we're not allowing a legal or environmentally friendly way for the people to get from the street to the ocean as there is no current pathways planned or not very many current pathways planned. Also, the infrastructure that is planned, parking and trails seem to condense people into a small area, whereas really nobody wants to be all packed into one little box. We want to spread out on the beach and have a little space to ourselves and find a place where it's not too crowded. As Patti mentioned, the foot traffic doesn't do any damage to sand. Sand doesn't move anywhere when you walk on it. You might see a lack of growth on the sand because the akiaki grass cannot grow where it's being walked on, but then again, that's our responsibility as planners, to give people a place to walk where they won't do damage to plants because people will walk there anyways.

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Parking is a big issue. As I mentioned, it's a very gear-intensive sport, as well as local families, if you go take a tour of the beach yourself, Kaa Point is one of the most I would say, popular places for local families to go to because you can pull right up to the barrier that prevents you from driving on the beach, which all parking areas have. Nobody can drive on a beach or a sand dune because it is physically impossible and managed by the County Parks. And they can watch their car, they can go out onto a picnic table and watch the action on the water, which is a beautiful site and I think things of that nature should be more encouraged. And whether or not the parking is on the street side or in the central, center part of the park itself doesn't seem, I don't see the point of restricting it because your, the native plants are everywhere. Some areas are gonna have to be adjusted so that you can park if you are going to accommodate the people that are using the park. I wish I had more time to show the improvements piece at a time, but I know we're three minutes from leaving, so I hope to look forward, I do look forward to working with you guys as a group and finding solutions for every problem that we have there.

**. . . END PRESENTATION . . .**

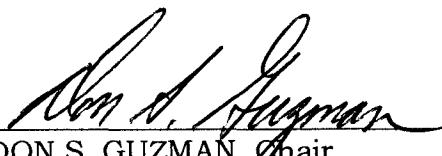
CHAIR GUZMAN: Okay. Thank you very much. And I'd like to thank the Department and the planners for coming forth at this stage as an update. And so, hopefully, we can work forward together and see what we can come up with the, in the next phase. So, at this time, Members, I'm gonna defer this matter.

**ACTION: DEFER.**

CHAIR GUZMAN: I know it's been a long day, long meeting so I thank you for sticking in there. I know we're at bare quorum. A lot of committees are facing bare quorum these days. Thank you very much and meeting adjourned. . . .(gavel). . .

**ADJOURN: 4:57 p.m.**

APPROVED BY:



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

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**CERTIFICATE**

I, Joanne Bista, 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 29<sup>th</sup> day of November, 2016, in Kahului, Hawaii



Joanne Bista