

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

M I N U T E S

Council Chamber

November 15, 2016

CONVENE: 1:37 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Don S. Guzman, Chair
Councilmember Elle Cochran, Vice-Chair
Councilmember Stacy Crivello
Councilmember Riki Hokama
Councilmember Michael P. Victorino (arrived at 1:52 p.m./left at
4:25 p.m.)
Councilmember Mike White (arrived at 1:41 p.m./left at 4:13 p.m.)

EXCUSED: Councilmember Don Couch

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
Scott Teruya, Administrator, Real Property Tax Division,
Department of Finance
Teena Rasmussen, Director, Office of Economic Development,
Office of the Mayor
Robert Parsons, Environmental Coordinator, Office of Economic
Development, Office of the Mayor
Jerrie Sheppard, Deputy Corporation Counsel, Department of the
Corporation Counsel

OTHERS: Lawrence Carnicelli, REALTORS® Association of Maui
Harry Eager
Diana Custer
Juliet Clark
Stan Chong-Kee

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Tiare Roberson
Martin Brass, President, Paia Town Association
Hugh Starr
Cody Wallace
Michael Stuart
Keoni Perkins
Jenny Harris
Malia Thompson
Nancy Roberson
Sam Small
Lisa Starr
Francine Aarona
Noelani Sugata, Executive Director, Paia Town Association
Richard Lucas, Program Manager, Friends of Old Maui High
School
Nic Timpone
Nicole Hokoana
John "Keone" Kneisler
Richard Michaels
Joyclynn Costa
Rosemary Robbins
Dick Mayer
Sutton Healy
Sid Damon
Coral DeCoite
Marla Owen
Ipe Sahagan
Allen Tabisola
Kolomona
Kualono Harvey
Kimberly DeCambra
Tiare Lawrence
Donnie Becker
Napua Hueu
Samantha Seriani
Joe Gardner
Graeme Kronewitter
Shaun Stodder
Terez Amato Lindsey
Mikiala Puaa-Freitas
Nick Saussy
Faith Chase
MaryAnn Pahukoa
Judah Garrison
Cristiane Martins

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Nicole Spalding
Jennifer Karaca
Ian Walsh
Kam Yai Paschei
Mark Chasan, Teach Development LLC
Jason Hobson, Teach Development, LLC
Plus (49) other people

PRESS: *Akaku Maui Community Television, Inc.*
Susan Halas, Maui Watch

CHAIR GUZMAN: . . .*(gavel)*. . . May the Economic Development, Energy, Agriculture, and Recreation Committee come to order? I'm Don Guzman, the Chair of the Committee. Before we begin, I'd like to remind everyone to please silence your cell phones. We're gonna go ahead and check in with the Members. Sorry, excuse me. We're gonna introduce the Members that we have on the floor today. Our Vice-Chair of the Committee, Elle Cochran.

VICE-CHAIR COCHRAN: Aloha, good afternoon, Chair.

CHAIR GUZMAN: Good afternoon. Stacy Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR GUZMAN: And Riki Hokama.

COUNCILMEMBER HOKAMA: Chairman.

CHAIR GUZMAN: Members, I'm a little bit under the weather today. So if I have to take a recess and Ms. Cochran fills in, then it's because I'm not feeling well today. Thank you. And so for our Staff, we have our Legislative Attorney, Sharon Brooks, as well as Pauline Martins. And we have for Administration, our Deputy Corporation Counsel, Jeff Ueoka.

MR. UEOKA: Good morning, Chair.

CHAIR GUZMAN: And we have our deputy from the Finance Department as well as our representative from Tax Property, Real Tax Division, thank you. So we'll go ahead and check in with our District Offices. In Lanai Office, are you there, are you present?

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

CHAIR GUZMAN: Thank you. Is there anyone wishing to testify?

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

CHAIR GUZMAN: Thank you, Ms. Fernandez. And on Molokai?

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

CHAIR GUZMAN: Thank you, Ms. Alcon. And in Hana?

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

CHAIR GUZMAN: Thank you, Ms. Lono. Turning our attention to the Chamber, please call the first testifier.

MS. BROOKS: The first testifier will be Lawrence Carnicelli, followed by Harry Eager.

. . . BEGIN PUBLIC TESTIMONY . . .

MR. CARNICELLI: Good afternoon, Chair. Good afternoon, Members. My name is Lawrence Carnicelli, and I am testifying on behalf of the REALTORS® Association of Maui on EAR-36. And I didn't realize there were so many people, you know, that passionate about Special Improvement Districts. But, no, I'm here to testify in Special Improvement Districts. And I appreciate, Chair, that you're bringing this forward because I believe that this is actually a really important tool that the County needs to start taking advantage of. RAM doesn't take a position on specific projects so I'm not here to specifically talk about the Paia one, or the Kahului Community Facility District. But Special Improvement Districts are just something that's real important, especially we start talking about, you know, the County having a AAA rating, and our ability to borrow money at a very cheap rate, and to use that to leverage to be able to improve our infrastructure. I think that that's really important to be able to do. When you just go to things like the Upcountry water meter list, this is something that potentially could be used for that. When you look at the cesspool issue that kinda popped up last year around Makawao, that's something that this could be used for. Obviously the Kahana Bay restoration project, that's something that is almost gonna have to be done with a Special Improvement District. So I think that this is actually a real important thing to bring forward. It's also something that's just done all over the country. It's not something that we have to, you know, reinvent the wheel. We can copy theirs. I did look at, yeah, you brought forward what they did in Waikiki in Honolulu. A little bit different, I think, just because the density is so different in Waikiki that, you know, the amounts...because sometimes these Special Improvement Districts, the first half million dollars can go to the attorneys. You know, and you're talking about, you know, assessing commercial owners in Paia, that, that's a heavy burden. So if we can kinda somehow streamline the process and make it easy, that

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would be actually a really good thing. And then to kinda go to community facilities districts, which you'd mention in your report to the Committee, I would actually not be in favor of that. Or RAM would not be in favor of that, solely because it's not a direct benefit to the people that are going to be assessed. Is I think when the State put that into the Code, into the law, that we, that the counties have the ability to do that, I think it was more of an urban viewpoint. You know, we're a little bit more rural. When you look at the Kahului Community Center, isn't just used by the people that live around the Kahului Community Center. You know, there's people from all over the -

MS. BROOKS: Thirty seconds.

MR. CARNICELLI: --entire island, would be an unfair burden on the people that live right in that particular area. So that would just be one distinction I think that I would like to see the Committee make. And I think that's it since my time is up. So thank you, Chair. Thank you, Members.

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

MR. CARNICELLI: Thanks.

MS. BROOKS: The next testifier will be Harry Eager, followed by Diana Custia [sic].

MR. EAGER: Good afternoon. My name is Harry Eager. I'm testifying on my own behalf. I'm familiar with the...I'm testifying on 63, the Old Maui High School. I'm familiar with that area. My wife worked there at NifTAL Project until it closed down. What this looks like to me is a windsurfer hotel on free land, and I'm opposed to that. If it should go forward anyhow, once the supposed educational component fails, which I'm sure it will, there should be a clause that the lease rent goes up to a market rate so that this for-profit entity does not make off with the public resource for nothing. Also, I have a question about the alleged rehabilitation of the administration building. I'm familiar with that building, and the County, or the people of the County, allowed the old arch that Dickey designed to fall in. I don't know if anybody remembers that. It was incredibly complicated and impressive piece of carpentry. I don't know that there's anyone who could reproduce that anymore. And I'd like to know whether they intend to reproduce that. That was the focal point and the most dramatic part of the building. And one other thing just as a historical item, you may remember when Linda Lingle was Mayor, and there were proposals to develop Old Maui High School. And she was firmly opposed to that on the grounds that it would cost too much to deliver County services out into that remote area. I was not, at that time...at that time I couldn't give my opinion because I was a newspaper reporter, but I had an opinion. I did not necessarily agree with her, but I did agree with her that it was gonna cost a hell of a lot of money. I did not think that that necessarily meant that you shouldn't develop out there. But it isn't gonna be easy. And in those days, there was a working

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well, and there was probably functioning electricity, and I doubt either one of those is still available. So there...plus you got a substandard road, so there's gonna be a lot of cost to get that up to any kind of condition that could it be used. I'm extremely skeptical of this proposal. I can't remember any example of a for-profit entity being given free public land. We've given it to nonprofits which I think is good.

MS. BROOKS: Thirty seconds.

MR. EAGER: Giving it to a for-profit? Seems very fishy.

CHAIR GUZMAN: Thank you. Members, I would like to acknowledge the presence of Mr. White. Members, do you have any questions, follow-up, for the testifier? Seeing none, I have one question. Did you mean by the fair market, the rent should go to fair-market value if it was subleased?

MR. EAGER: No, there's gonna be some sort of for-profit entity that will survive the supposed educational component and they will continue to be able to make money off of that. And if they get to do that without delivering anything to the public in the way of community benefit, then I think they should pay whatever any other hotel would pay for land in that position. That's a excellent location for a windsurfer hotel --

CHAIR GUZMAN: Okay.

MR. EAGER: --maybe.

CHAIR GUZMAN: Okay, thank you very much.

MR. EAGER: You just shouldn't get it for nothing.

CHAIR GUZMAN: Okay, thank you. Next, please?

MS. BROOKS: The next testifier will be Diana Custaya [sic], followed by Juliet Clark.

MS. CUSTER: Good afternoon, Chair Guzman and Councilmembers. I'm here today to speak about EAR-63, Authorization Grant of a Lease of Real Property to TEACH Development LLC (Old Maui High School Campus). My name is Diana Custer, and I'm speaking as an individual. After considerable research regarding Mark Chasan and his TEACH organization, I am in support of leasing this precious land to him. As you all know, myself and the nonprofit I am involved in worked for several years on the dream of being able to obtain a long-term lease of Old Maui High with the vision of full restoration of the property, restoration of all the buildings and protection of the beautiful old trees on the campus. Our dream was to benefit the lands, have Maui be a propagation of native plants, provide shelter for needy animals, and rehabilitation services for troubled youths, incarcerated people, the elderly, and more, using plant and animal welfare as a platform for change and restoration. After learning that

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TEACH and an off-island fellow had gotten approval for the lease, I was, of course, quite dismayed. I then set out about learning what I could about Mark, and after researching him, gave him a call. To my surprise, he returned my call and we spoke on several occasions and at length about each of our visions for Old Maui High. What I learned was that Mark is a man of many skills and resources that could be of great value to both Old Maui High and our community. Additionally, I found that Mark's vision is in alignment with ours, and he is more than willing to accept ideas and help on their process of restoring the campus for use by the community. I discovered that Mark is a visionary who also respects details, a rare trait, plus he has the considerable resources that'll be required to undertake the renovation of our beloved Old Maui High campus. Trust me, this is a daunting task. And I speak from the viewpoint of knowing the details and money required to complete the restorations. Once again I understand the need for a long-term lease for the undertaking of rehabilitating the Old Maui High. We were asking for a 99-year lease, and therefore I am in favor of approval of a long-term lease for TEACH for the rehabilitation of this beautiful campus so in need of the vision and capabilities of Mark Chasan and his TEACH LLC. I also look forward to our nonprofit being able to be involved in the restoration process moving forward with the ultimate goal of a fully restored campus that serves and supports our committee...our community. I'm sorry. Thank you.

CHAIR GUZMAN: Members, do you have any follow-up questions? Any...okay, thank you, Ms. Custer. Next, please?

MS. BROOKS: The next testifier will be Juliet Clark, followed by Stan Chong-Kee.

MS. CLARK: Hi.

CHAIR GUZMAN: Hi.

MS. CLARK: My name is Juliet Clark. I was born and raised in Kuau. It's very special to me. I now live in Haiku. I am testifying in opposition to the proposed resolution to authorize Maui County to lease Old Maui High School site, Hamakuapoko, to TEACH Development LLC. Maui has seen plenty of developers proposing and promising to protect and preserve the local culture and environment. TEACH LLC is paying lip service to farmers and nonprofits. Unless their promises are written into the lease, TEACH LLC is not required to fulfill loose commitments. At the very least, TEACH LLC should be required to pay market rent after 10 years. Their projected profit after 5 years are estimated at \$17 million. Why are we giving a private entity a 60-year lease for \$1 a year? It is a low rate for tenuous deliverables. For the record, Maui is not lacking spas, health centers, retreat centers, restaurants, and gift shops on the North Shore. Lumeria, a recently new business, can barely stay busy enough to form, from what I hear, and is operating at a loss. This area is lacking charter schools, maybe a Hawaiian immersion school would be very nice, and a truly public purpose and social services. I respectfully urge your Committee to defer further action on EAR-63 and

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ask the Administration to reconsider this private commercial land development proposal of our treasured Hamakuapoko. Thank you.

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

MS. CLARK: Thanks.

MS. BROOKS: The next testifier will be Stan Chong-Kee, followed by Tiare Roberson.

MR. CHONG-KEE: My name is Stan Chong-Kee. I was born and raised on Maui. I retired on Maui, and I will die on Maui. Things that happen here interest me, and in this particular case, it affects me. How many of those that have already given their testimony lived in the camps? How many had family or friends live in the camps? How many went to Paia School, Haiku School, Makawao School? How many remember Spreckelsville School? Kealahou School? Keokea School? All those schools are feeder schools to the Old Maui High. How many went to Maui High when there was only one Maui High, when it wasn't in Kahului? The previous testimonials were given by those who got their opinions and convictions by reading the TEACH's proposal, I assume, the newspaper accounts, and through discussions with others. I read their proposal. I read the newspaper accounts. I also discussed this with others. But my life here on Maui, too, fueled my decision. The lives of others who grew up here, went to school here, whose strongest memories are here also fueled my decision. Life goes on, time goes on. We have no control over them. But we can do something about the change that will happen. Change accompanies time and life. Be the change be tomorrow, next week, next year, 20 years from now, change will happen. But we are drawing up the blueprint for this change. We being TEACH, the County, and us. TEACH, through their proposal, will reuse, redevelop the 22-plus acres that Maui High rests on, and strive to self-sustain the learning, teaching, and hopefully, the gathering place for Maui. The County will ensure that these things are accomplished as per their promise, and we by physically, mentally, emotionally helping where we can, participating where we can. This is not an us-against-them. This is a we. We can discuss. We can decide. We can move on. Thank you.

CHAIR GUZMAN: Thank you very much. Members, do you have any follow-up questions? Seeing none, next please?

MS. BROOKS: The next testifier...

CHAIR GUZMAN: Those in the gallery, I know that it's a very contentious, or at least difficult issue to handle right now. And if you could please restrain from clapping, it would allow us the process to go a lot smoother. So I would appreciate it. Thank you. Next, please?

MS. BROOKS: The next testifier will be Tiare Roberson, followed by Martin Brass.

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MS. ROBERSON: Hi, my name is Tiare Roberson. Thank you, Councilmembers, for taking the time to listen to us today in our testimony. I am born and raised here in Maui, went to Paia School, went to Haiku School. And I just want to, first of all, say that there's a lot of people that wanted to show up today and couldn't because of kids, and work, and all of that. But from what I gathered from everyone I spoke to, the general consensus is they have no idea what's going on up at Old Maui High, and they are in the dark. And I believe that's because there has been no community outreach from TEACH LLC. I would like to start by quoting Mark Chasan on something that he has said in past, and it was, "this is not a wonderful and valuable piece of property." I have to disagree with that, and I think that most people here would disagree with that. And I also think that there are a lot of local nonprofits that would love to lease Old Maui High for \$1 a year; nonprofits that would conform to our EO, which says that they must provide a significant public benefit. I do not believe that TEACH LLC is such. TEACH LLC was a for-profit LLC that was formed specifically for this project. It is not an established LLC with any kind of history on Maui, or doing any kind of education, or other things that they propose. They have no rendering of their plan that any of the community has seen. They don't have proper water, and they have not conducted an EIS to my knowledge. In their proposal, they propose a 206,000-square-foot development. Paia town is only a 140,000 square feet. This is not some small little development. This is huge. Within this 206,000 square feet, they include restaurants, gift shops, spas, venue for concerts, and glamping for visitors. The document also states that the project will profit \$17 million in 5 years. Correct if I'm wrong, but that does not conform with the EO. That does not provide significant public benefit. They say they will provide services for our community such as educational programs, but what does that entail exactly? They have no details, no specifics. What kind of education programs? With who? Which schools? Have they reached out to the college? Where are the entities that --

MS. BROOKS: Thirty seconds.

MS. ROBERSON: --are involved? Who is their educational liaison? Who's their Hawaiian culture liaison? I don't see any established local organizations involved, and that is a huge red flag to me. I don't know how it got this far without a specific plan intact. Another part of the proposal that was very offsetting is the demands in Section F under contribution from the County of Maui that says basically that they want everything to be expedited. They want any permits to be expedited.

MS. BROOKS: Three minutes.

MS. ROBERSON: That sounds very demanding on their part, and truthfully, offends me as a local resident that just went through the rigorous process of a Special Use Permit. And I don't know why they feel like they deserve special treatment.

CHAIR GUZMAN: Thank you.

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MS. ROBERSON: Bottom...one...please. Bottom line, this sounds like a large-scale Lumeria which also presented itself as good for the community. But as we all know, it's just a high-end boutique hotel that none of us locals can afford. Just ask Jason Hobson, one of the partners of --

CHAIR GUZMAN: Okay, okay.

MS. ROBERSON: --TEACH LLC. And he just so happens to be Lumeria's lawyer as well. Please don't let this turn into another Lumeria. North Shore needs something for our community, not another tourist destination. Thank you.

CHAIR GUZMAN: Okay. I know that everybody...yeah, it was a very good testimony. Thank you very much. I know you all get excited. But please, like I said, refrain from clapping so that everyone has their time to testify, and we can have this discussion at a more efficient speed, so please. Please call the next testifier.

MS. BROOKS: The next testifier will be Martin Brass, followed by Hugh Shaw.

MR. BRASS: Aloha, and good afternoon, Chairman Guzman and Councilmembers. I'm actually here to testify on both proposed bills. Should I just do that back to back, or is that...

CHAIR GUZMAN: Oh, you'll have three minutes for one of the items --

MR. BRASS: And then for the other?

CHAIR GUZMAN: --and another three minutes for the other.

MR. BRASS: So I'm kinda wearing couple different hats. So I think firstly I'd like to speak to EAR-36, the Special Improvement District. I'm currently President of the Paia Town Association. I'm a business owner in Paia, a property owner in Paia. And I appreciate the opportunity to provide testimony once again before Committee. I know there's been several occasions in which County and public opinion has been provided. The important, and clearly there's some larger issues here that are being discussed, the important issue for me and for our organization is to ensure that today's decision is to enable this Special Improvement District legislation which allows Maui County to put that on the books, and to allow communities the option to put in place an improvement district. I think legislating such a framework as that allows our small towns and communities a means to raise funding on a sustainable basis to address specific needs and services. Two other counties in the State already have Special Improvement Districts. So in a way by not approving this type of bill, we're placing our own communities at a disadvantage. Certainly what we're asking for here is to make our communities accountable and responsible for the use of funds by sourcing the funds for those services. I know there's been some comments in the past about

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this particular legislation being specific to Paia, and imposing an assessment or a tax on Paia property owners or business owners. That's not the case. I think you all know that, certainly would like to make the gallery aware of that, and others who've testified in the past. This is enabling. There'll be a follow-on process where a specific community, and its members, and its constituents can speak to the benefits, supporters and dissenters, to the benefits of a SID for their community. And I believe by approving this bill, local communities will have the ability to determine for themselves what's best for them. So I think that's a good thing for Maui, and I respectfully request you to support the passing of the bill. That's 36. So 63, a little different hat. Even though I sit on the Paia Town Association, and I see a lot of familiar faces here, I'm not speaking today from a PTA standpoint. I'm speaking more as an individual, my own business experience, and my review of what's being proposed by the TEACH Development organization. You know, I first have to commend, or at least applaud, the efforts of the Council, the Mayor's Office, County departments. We have a lot of land like this, a lot of structures that are sitting idle and unkept, and something has to be done with it. I haven't read the proposal sufficiently to really be informed on what the merits are. I have some questions. I think it's very light on substance, and I agree with a lot of the comments that were made today. My reaction to what I'd read was the economics of the deal. And I don't understand how the County, when we live on an island in the middle of the ocean and land is one of our most valuable resources, is willing to give away a piece of property for a dollar a year. Setting aside what that property could be for, we can do better. We can create revenue, and we can help our communities, and whether it's to recognize our culture and our history, and the legacy that we have, particularly with Old Maui High School, we should be smarter on how we structure these deals. This is a classic public-private partnership, and we're getting the short end of the stick on what's being proposed. Just to put into perspective, 200,000 square feet of development, as it's been mentioned before, that's one and a half times the size of Paia. We're effectively creating another Paia five miles down the road. And the notion of long-term investment, I actually didn't read the proposal, see \$17 million a year, but I'm amazed they even put that on there because to me that is an outsized return for what should be a public benefit. And for them to be making \$17 million, or even what would be more commonly 10 or 15 percent return on investment, which for 60 million would be 6 to \$9 million. And we're paying a dollar, or we're receiving a dollar is a gross inequity and imbalance of returns and risks. Now if I look at this another way, you know, from a commercial real estate perspective, you have a 60-year lease here that's earning a dollar a year in rent. So typical cap rates right now are 5 percent. You should sell that property for \$20. Anyone here with a \$20 bill is providing the same economic benefit that the County's receiving --

MS. BROOKS: Thirty seconds.

MR. BRASS: --on the lease. So I think a better structure is to have something where, setting aside what the uses are and the purposes which clearly need to be understood, the County needs a catch-up. There needs to be some mechanism where there's a

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performance clause in the lease. There's no open-ended subletting which clearly allows the developer to flip this if they need to, and the returns that the County deserves can be realized in a meaningful way on a --

MS. BROOKS: Three minutes.

MR. BRASS: --short-term basis.

CHAIR GUZMAN: Thank you for your testimony.

MR. BRASS: I ask you to defer that, defer action on this.

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

MS. BROOKS: The next testifier will be Hugh Shaw [sic], followed by Katy [sic] Wallace.

MR. STARR: Good afternoon, Chair Guzman and Councilors. Hugh Starr, Makawao. My brother went to Old Maui High, H'Poko. I respectfully ask that your Committee defer any further action on EAR-63 until our North Shore communities have had meaningful opportunities to understand the meaningful, I'm sorry, the many potential implications of this significant proposed TEACH Development at our historical Maui High campus. I've attached to this testimony Attachment 19 of your County Communication 16-102. This August 5, 2016 correspondence from Maui County Corporation Counsel to Chair Guzman confirms that the State of Hawaii has authorized the County to permit TEACH to enter the campus before the proposed lease for the property is approved by the State Department of Land...Board of Land and Natural Resources. This means that Maui County is able to provide TEACH access to the campus immediately to commence its due diligence. Therefore, there is no requirement, there is no requirement for the County to first execute the lease. There's no requirement for the County to first exercise the lease. This is good news. TEACH may start its inspections of the property immediately, while our North Shore communities work to wrap their collective arms around the likely costs and benefits of this large, private commercial real estate venture at Hamakuapoko. I have also attached for your reference Page 49 of Committee Report 16-137, Recommitted. This list indicates the extensive environmental, structural and planning studies that have already been paid for by the County that are already available to TEACH for review at no expense. Thank you very much for your consideration of my comments.

CHAIR GUZMAN: Thank you very much, Hugh. Do you have any follow-up questions, anyone? Thank you, thank you for your testimony.

MS. BROOKS: The next testifier will be Katy [sic] Wallace, followed by Michael Stuart.

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MR. WALLACE: Hi, I'm Cody Wallace, and I'm speaking on myself. And first of all, I'd like to just thank the Council 'cause I heard because of you guys we actually have a chance. I'm speaking on the land above Hamakuapoko Point and TEACH LLC. I'm not for or against any development or anything happening there. I just think that if something were to go there, it really needs to fit the area and the people and, you know, benefit everybody. It really just sounds like there's a lot going on for a sleepy little town out there. And I would hate for see this to start a snowball effect to something where maybe we can't control in the future. You know, there's a lot of land in that area that's gonna become available. And who knows what the future holds? So, you know, for our kids and for just our future, I'd hate for it to fall into the wrong hands and go into the wrong path. That's all. Thank you, guys.

CHAIR GUZMAN: Thank you, Cody. Any follow-up questions? Seeing none, next, please?

MS. BROOKS: The next testifier will be Michael Stuart, followed by my Keoni Perkins.

MR. STUART: Hi. Thank you, Council and friends and family. I'm speaking here basically as one of those people from the community of Kuau and growing up at Hookipa. And that being where I grew up and Hookipa being a place where it means a lot to me. Someone not knowing basically anything about what we've been talking about and someone who just wants to be more educated. And it's a scary thought the talk that's been going around in the community about all this huge development that's been talking about that's been going on. And I'm just someone who's not very educated about the issue, but just a member of the community that I can represent others who don't know anything. And the fact that we haven't been given the chance to learn about the issue is scary. And I'm just representing the other people who haven't been given the chance to learn about it, and I think we should be given the chance to learn that. And just the thought of having more development up there is, it's gonna make our beaches more crowded, and I just don't know. I'm just speaking on behalf of someone who doesn't know, and I wanna know. So thank you.

CHAIR GUZMAN: Thank you very much. Members, have any questions? Thank you for your testimony. Please call the next testifier.

MS. BROOKS: The next testifier will be Keoni Perkins, followed by Jenny Harris.

MR. PERKINS: Hi, Council. Thank you, everybody, family and friends. I'm speaking on behalf of an individual, myself. Actually for the makaainana and the people of this land on Maui, the common people, more known as. We weren't informed. I basically coming in here with no vision on, or no hearing on what's going on. Hearing everybody else, kinda grasping finally what's been going on from hand to mouth, and ear to ear, a development and, you know, big businesses, corporations. And it's just very fishy, suspicious. I would like you guys to probably get a word out more to a lot of people, family, friends, public. Obviously not middle class, we're all very hard-working taxpayers, more than one job. I just, on behalf of everybody, kids, I'm a

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young age myself. Just trying to find feet, and how am I supposed to guide future and younger generations if I don't know where I'm going, and what to hear and think of this situation. Thank you.

CHAIR GUZMAN: Thank you very much. Members, have any questions? Seeing none, next testifier, please.

MS. BROOKS: Next testifier will be Jenny Harris, followed by Malia Thompson.

MS. THOMPSON: Aloha, I'm...aloha, Maui County Councils and Chair. My name is Jenny Harris, and born here, raised on Maui. I'm also a small business owner, have a day spa in Haiku. Speaking on behalf of the EAR-63. Continued growth, expansion and urbanization into our rural areas is not the long-term solution, which the population of Maui County should support. We live on an island where limited resources confine our ability to expand. Lack of water, land and food constrain our abilities as a community to support our current populations. With that said, we should respect our inability to grow and foster our current population, rather than expand our infrastructure to accommodate more. In a time where long-time Maui residents struggle to find homes, jobs, and resources, I feel our focus would be better spent nurturing our own rather than influx of business, transplants, and urban expansions. This opinion is in reference to the Old Maui High School land proposal, which I'm firmly against. Infrastructure alone should be a reason enough to squash this proposal. The Haiku and Kuau areas are unequipped to manage the influx in commuter traffic caused by this proposal. Even if additional schools and a bypass were created, it would still be unable to properly redirect traffic to support the area's needs. With all this said, I would like for our County to support our people. I feel that our aina is that we should value above all else. Our aina will provide if we give it the respect it deserves. I feel that this proposal goes against all that we as Maui County citizens fight so hard for. Let's preserve and respect this land for our keiki so that they can learn from our actions and foster our future. And gain, I defer this proposal. Mahalo.

CHAIR GUZMAN: Thank you. Ms. Harris, hold on. Any questions? Seeing none, thank you very much. Next, please?

MS. BROOKS: The next testifier will be Malia Thompson, followed by Nancy Roberson.

MS. THOMPSON: Hi, good afternoon, Council. I'm gonna start by saying I don't know much about the project. I don't think very many people do know much about what's going on. I really feel that if we're gonna use the land to build on and our resources, it should go back to the future, not towards, you know, tourism or people who are coming here spending money, yes, in Maui, but not really going towards the next generation. If they're gonna build, like they said, I know there's some sort of educational portion of it, I would love that. I definitely support that. I'd want that to be continued, but I'm really not too excited about, you know, more hotels being built.

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We already have Kaanapali. We already have Kihei. We have that. Why do we need more? You know, the North Shore is kinda an area, it's all our own. We don't have that everyday hustle and bustle. So in my opinion if they are going to do it, I'd like it to be more for education, more for the locals, not as a tourism, that type of thing. And definitely, please, you know, spread the awareness because I feel like I know a lot of people in Maui. And not...I mean this might be the only people who even know about it. Of everyone that I know, they have no idea what I'm talking about. They're, what is this? I have no idea what this is. So if you can help us share the awareness, that'd be great. You know, answer our questions. I heard a lot of questions from the testifiers, and I didn't hear any answers. I don't know where they'll get their answers from, or where we can. So if you can help us with that, that'd be great. And that's all I have to say.

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

MS. BROOKS: The next testifier will be Nancy Roberson, followed by Sam Small.

MS. ROBERSON: Good afternoon. I'm Nancy Roberson. I'm here today in opposition of the TEACH proposal. I did read the proposal. It was about a month ago. It was the day before the deferral, and I did send an e-mail at that time that it was deferred. I would've been better prepared today if I had known I would be able to testify. I didn't know that. So I just wrote down a few things. Some of my concerns are, number one, the overnight accommodating of 550 people, volunteer housing, and participants for meetings, think tanks, et cetera. Are these apartments? Hotel rooms? It looks like there's a large spa planned. Something about a shopping at kamaaina discount, which I don't really understand. I prefer to support local merchants and businesses. There's really nice spas. There's business people here. I haven't seen a rendering drawing. I believe the State wanted the property to be set aside for public education, or actually education, agriculture, and social services. To me, it seems like the State would want that for the public education, like a County social services situation. I don't think this TEACH project really fits that. There's something also about homeless people put in there, and I think they need a different kind of care. I'm not exactly sure, but I did read something about the homeless. I don't, you know, know if it was accommodations for them, but I know they need special care such as mental health services. Also, I heard about the glamping and the amphitheater. I don't think we need those. I wanted to come today to testify in person and have my voice heard. I'm asking for a deferment of this proposal. Mahalo.

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

MS. BROOKS: The next testifier will be Sam Small, followed by Lisa Starr.

MR. SMALL: Hi. Thank you, Chair and Council, for the opportunity to speak today on the Old Maui High School. You know, it seems obvious that more time and more

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discussions need to be had, whether that happens in this Committee, or whether it, you know, however you do it. You know, the community...many in the community are just learning of this. I don't know that that's necessarily, you know, TEACH's fault. I hope you don't hold it against them. You know, this is a process, and they are just learning. I'm here 14 years, and I'm just learning about, you know, what Maui really is. And I, you know, it's fascinating to me. I'm a storyteller. I'm a filmmaker and a storyteller, and this particular project brings all of the aspects of social change and what's going on on Maui into perspective in this one project. It's a fantastic vehicle for getting that story out. These folks are proposing a project that is in theory the kind of project that Maui needs. They wanna anchor it about regenerative agriculture. They wanna anchor it not in the form of a, you know, of a corporate hotel. That's not what it's about. They're taking a property that is derelict that no one in this community for 40 years has been able to figure out what to do with. And they wanna turn that into a positive sustainably-oriented operation. Now it has problems out there. There's no infrastructure. There's no water, there's no sewers. You know, the ground is polluted. It's costing the County now \$70,000 a year to maintain this derelict property. So someone coming in to take over that responsibility, remediation of the polluted soil, all of that is a great concept. Now the specifics, they gotta be worked out more obviously, because they community is unaware of what's going on. These guys were working with the Office of Economic Development. They were working with the Friends of Maui High School, two organizations that basically should know better to have plugged them into the community more to be able to have these discussions months ago, not now. But here we are today.

MS. BROOKS: Thirty seconds.

MR. SMALL: And so I don't hold it against them that their project is evil. They were misinformed I think. So moving forward, you know, like I say, it's a derelict property. The County's spending \$70,000 a year. I have...I've got a 30-year mortgage, so a 60-year lease that, you know, they need economically to be able to attract investors. They need a time span like that to be able to make the economics --

MS. BROOKS: Three minutes.

MR. SMALL: --work. So it's not so farfetched to me that it would be a 60-year lease. Now if they can gain access to the property before the lease is committed to, then that's a great thing. And that's a wonderful middle ground to be able to thread the needle and give these folks an opportunity to raise money. If they don't have a 60-year lease, it's a lot harder to raise money. All right but, you know, if they have access maybe they can get the resources to be able to conduct the studies. The first six months of their proposal is --

CHAIR GUZMAN: Sam?

MR. SMALL: --all fact-finding.

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MS. BROOKS: Three minutes.

MR. SMALL: Thank you.

CHAIR GUZMAN: Thank you so much.

MR. SMALL: It's all fact-finding, and I think they --

CHAIR GUZMAN: Thank you, Mr. Small.

MR. SMALL: --and I think they deserve that opportunity.

CHAIR GUZMAN: Hold on, hold on, hold on. Any questions that we have for the testifier?
Seeing none, thank you very much, Sam.

UNIDENTIFIED SPEAKER: Oh, I have a question.

CHAIR GUZMAN: No, no, no, you cannot ask the question, only us. Next, please?

MS. BROOKS: The next testifier will be Lisa Starr, followed by Sid Damon.

MS. STARR: Hello, good afternoon, Committee Members and Staff. Thank you so much for having this hearing right now. I really actually just wanna speak holistically about the future of the North Shore briefly. I've been around the North Shore for decades, and Paia Town used to be a sleepy little plantation/hippie town that people just drove through to get some place else. And now it's an international destination for visitors, for new people moving here, people seeking a sustainable lifestyle, and developers, and the opportunity that is possible for developers. With the closing of the mill, the HC&S plantation, Paia has always been surrounded by beautiful cane fields. And that's obviously going to be changing, causing a lot of changes that we can't predict. Much of it will remain in ag we know, and we hope it will go to good agricultural purposes, and the Agriculture zoning will protect it. But not all of the area around the North Shore is protected by Ag zoning. There's 339 acres just south of Paia Town that goes from Hana Highway up to the mill, and it has...significant portion of it is designated for small town expansion. And it's currently in escrow being negotiated for a purchase to a developer who, it's rumored, has the intention to develop small town expansion. The town itself in the last three years, if you've been around the town at all, you've noticed that there's a lot of new buildings there. There's four new, fairly significant retail structures that have been squeezed in. They all appear to have been built to their capacity, according to the zoning standards and Code standards. And there's a new project which you may already have heard of called the Paia Courtyard which is the infill between the Paia Post Office and the town itself proposing another 40,000 --

MS. BROOKS: Thirty seconds.

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MS. STARR: --square feet of retail and 65 apartments. The Paia Bypass which was...

CHAIR GUZMAN: Are you referring to our Special Improvement District? Are you...

MS. STARR: No.

CHAIR GUZMAN: No, no.

MS. STARR: I'm just speaking holistically.

CHAIR GUZMAN: Oh, no, no. We need to speak specifically to --

MS. STARR: Okay, I'll address EAR-63.

CHAIR GUZMAN: --the item. Yeah.

MS. STARR: Let's call it the EAR-63, a development project. So this is sort of in regards, holistically, to development on the North Shore. So a lot of --

MS. BROOKS: Three minutes.

MS. STARR: --redevelopment is slated for the future. And I think that...

CHAIR GUZMAN: And you have to at three minutes. Sorry.

MS. STARR: Yes, I understand.

CHAIR GUZMAN: Thank you.

MS. STARR: I would like to ask respectfully that everybody here, the Committee Members, Councilmembers, Staff, and those who are not here to take this day as a demonstration of how much the community of the North Shore cares about their future. And extend an invitation that in the future as plans come up, we find a way to be informed by each other and to work together for a very positive future for the North Shore.

CHAIR GUZMAN: Thank you.

MS. STARR: Thank you.

CHAIR GUZMAN: Thank you. Members, any questions? Seeing none, before we start with the next testifier, that was testifier number 18. We have 50, 51 actually, testifiers. So what I've heard so far, and I wanna let you know that I think that we really do need more outreach for the item for the Maui High property and TEACH needs to go out, do

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more community outreach and education. My plans are to defer this matter, so if there are...if you'd like to continue your testimony, you can still remain, and we'll receive it. But if you'd like to send it in, we'd also receive that as well. So at this point, we'll go ahead and continue with testimony, and you can call the next testifier, please.

VICE-CHAIR COCHRAN: Chair? Wait.

MS. BROOKS: The next...

VICE-CHAIR COCHRAN: Chair? Can I...Chair? Chair?

CHAIR GUZMAN: Yes, Ms. Cochran?

VICE-CHAIR COCHRAN: Can you just restate and reclarify exactly what the agenda items are?

CHAIR GUZMAN: Yes.

VICE-CHAIR COCHRAN: And that testimony needs to pertain to what the actual agenda items are.

CHAIR GUZMAN: Correct.

VICE-CHAIR COCHRAN: No.

CHAIR GUZMAN: I'll do that.

VICE-CHAIR COCHRAN: Can you state it publicly --

CHAIR GUZMAN: I'll state it on the record.

VICE-CHAIR COCHRAN: --openly and clearly, and concisely, please

CHAIR GUZMAN: Yes. We have the agenda item number EAR-36, is the Special Improvement Districts, and that is the...this is the correspondence for a proposed bill entitled A Bill for an Ordinance Amending Title 3, Maui County Code, Relating to Special Improvement Districts. Also, we have Item No. EAR-63, sorry, and that is the Authorized [*sic*] Grant of a Lease of Real Property to TEACH Development LLC. And that is in Committee Correspondence, Communication 16-102 and 16-103, transmitting a proposed resolution relating to a grant of leases to the County property at Old Maui High School Campus to TEACH Development LLC for the repurposing of the campus. Okay, and so those are the two items. And if you are here for both of them, or one of them, we'll just go ahead and continue the testimony. Next, please?

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MS. BROOKS: The next testifier will be Sid Damon, followed by Coral DeCoite. Okay, so following Mr. Damon, we will go to Coral DeCoite, followed by...oh, I'm sorry. Coral DeCoite passes, and we'll go to Francine K. Aarona. Francine K. Aarona, who will be followed by Noelani Sugata.

MS. AARONA: Okay, I figured I'd come up because I'm here for two testimonies.

CHAIR GUZMAN: Okay, very good.

MS. AARONA: And so I'll speak on behalf of the SID, EAR-36. And, of course, I've done testimonies here. You should all know me by now. I'm referred to Aunty Mopsy, but my name is Francine Kekahuna Aarona, and I live at 37 Ae Lane where I was brought up by my grandmother, Lily Kekahuna. Our ohana including myself has lived there for more than 80 years. On the map of Paia Town it shows Kekahuna subdivision. So it is my kuleana that I share an interest in helping the community deal with the many changes that they are facing day to day. With those changes, SID would be good for Maui, especially in Paia. It would provide funding for a person that would take care of coordinating services such as rubbish removal and maintenance, working with MPD on safety issues, et cetera. It would be nice if the County could purchase the Maui Electric parcel for community use if it hasn't been bought already. Our bus stop site is right in front of that parcel. It would create a safe area for people to wait for the bus, and also have a dual operation of a farmer's market that residents and our visitors could take advantage. As a member of the PTA board, I know the importance in having a paid person to be able to answer the concerns of the community. Currently the PTA is having to get creative to keep our current programs running. I'm sure that we can fulfill the needs of Maui, like Oahu and Kona. Mahalo for your consideration on the SID program. And since I'm here, and since I wrote this at 2:00 something this morning, I would like to share it on EAR-63. And of course, aloha, Chair Guzman and Councilmembers. I am writing in opposition to the proposed resolution to authorize Maui County to lease the Old Maui High School site, Hamakuapoko, to TEACH Development LLC. Maui has seen a lot of developers proposing and promising to protect and preserve the local culture and environment. I was disappointed in the community meeting that was held last Thursday, November 10th. I feel that TEACH developers did not reach out to the entire community of Hamakuapoko. Most of the people there were hearing their proposal for the first time. A project as important as what they shared had no physical information or handouts for us to look out or digest. As a kupuna of Maui, and believe me I'm a kupuna, I felt robbed of what this County can offer to the people, not the world projected by TEACH. We cannot stop development, but there is such a thing as smart development. The people of Maui would love to see the renovation of Maui High School. The alumni may not be here, but their children, grandchildren, great-grandchildren, and I believe even great-great-grandchildren are. TEACH spoke of historic grant funding. Why hasn't Maui County, or the Friends of Maui High, searched out these grants? I'm sure there are millions of historical money out there. Giving away 22 acres for a dollar a year for 60 years is much to ask of us. Only our

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Hawaiian people are given that privilege if it was ceded lands. I'm sure that there are others with more detailed information in these testimonies, but I respectfully urge your Committee to defer further action on EAR-63, and ask the Administration to reconsider the private --

MS. BROOKS: Thirty seconds.

MS. AARONA: --commercial land development proposed of Hamakuapoko. Mahalo for listening, and mahalo for the deferment, Chairman.

CHAIR GUZMAN: Members, do you have any follow-up questions? Thank you very much. Thank you for your testimony.

MS. BROOKS: The next testifier will be Noelani Sugata, followed by Marla Owen.

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. Currently, the PTA is primarily funded by a one-year small town grant which we have been awarded again, and we are very thankful. We are hoping to receive a grant from the Hawaii Tourism Authority, and will be doing another membership drive before the end of the year. We are also working on other creative ways to raise funds. We do what we can on a very limited budget. Enabling the ordinance provides an option for other communities that might need to raise funds for future projects not funded by the government. Typically business assessments are used for beautification, safety, and security. In our situation, current grant monies fund beautification projects, for example, the rubbish removal and maintenance program. We have six trash receptacles installed throughout Paia, one at the post office, one next to the Shell gas station, two at the Lower Paia parking lot, and two at the public lot between Paia Plaza and Mana Foods. However, we need more funding to keep the program operational. A SID would hold each business accountable for paying for services they all benefit from. It is a method to ensure all businesses in a district pay. Also, enabling the ordinance can get the ball rolling to discuss issues such as the budget, what services will be funded, et cetera. We do have a draft budget and proposal on our website that can always get changed depending on the needs of the district. I have met with other associations that are in favor of the PTA creating a SID, and view it as a pilot project. If we're successful, they might consider it for their area. I have met with other landowners in Paia who are in favor of the SID. I understand that not every business is gonna like the proposed bill, and we are working on addressing those concerns. Also, I have met with the merchants who want services, and after explaining that they come at a cost, they seem to understand. Furthermore, if for whatever reason the SID doesn't work, it can be terminated. A lot has happened in our government since the last time I was here. And I think more than ever, it's important to have a self-funding mechanism in place to --

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MS. BROOKS: Thirty seconds.

MS. SUGATA: --pay for services communities need. I humbly ask the Committee to support Bill EAR-36. Mahalo.

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

MS. BROOKS: The next testifier will be Marla Owen, followed by Richard Lucas. Marla Owen? The next testifier, then, will be Richard Lucas, followed by Nic Timpone.

MR. LUCAS: Good afternoon, Chair Guzman, Members of the Economic Development Committee. My name is Richard Lucas. I am the program manager for Friends of Old Maui High School. There are only two issues that I wanted to address here. First of all, I wanted to remind everyone that the plan that they're looking at, the proposal by TEACH Development, is not something that has been developed in the last year. In 2007, Friends of Old Maui High School went out into the community with the assistance of Chris Hart and Partners. And the question that we posed to the community is, what can we do with Old Maui High School? What is the best redevelopment of this site to benefit the community and to respect the history of this place? Dozens and dozens of people from the community participated in workshops, seminars, and focus groups. And it was the community that came up with an idea of a sustainability center to be built on the campus of Old Maui High School. That was what was put into the master plan that was presented to the County in 2007. The TEACH proposal is now the embodiment and activation of that master plan that we developed more than nine years ago based upon what the community said they wanted for that campus, and what would be most beneficial. The second thing that I would like to address is a nagging question of, how did these guys get a lease for a dollar a year? Well, I have to be honest with you. It wasn't negotiated between the County and TEACH. The \$1-a-year lease was set by the County in the request for proposal that they sent out. And they offered a lease at \$1 a year to anybody who would come in and undertake the redevelopment of this site, including bearing all of the costs of the redevelopment of the infrastructure. Why would the County offer a lease at \$1 a year if this property was so valuable? The reason is simple. Over the last nine years, I have talked to more than two dozen groups who have been interested in the Old Maui High School campus. Nonprofits, individuals, groups who have come forward and said, we have an idea for this place. And we have worked with each one of those groups to try to develop their interests, and try to develop a plan. Nobody, nonprofits --

MS. BROOKS: Thirty seconds.

MR. LUCAS: --for-profits, anyone else has been able to bear the cost of 2 million to \$3½ million to develop water, \$900,000 to develop a fire protection system, 200,000 to \$300,000 to develop a sewage system. That's before you can even start working on the

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buildings. Four million dollars to rebuild the administration building. It is a monumental task.

MS. BROOKS: Three minutes.

MR. LUCAS: This is a group who has the expertise and the funding to do this. They are the first group, they are the only group. And the ability to preserve the Old Maui High School campus is absolutely dependent upon finding a group with the money and the experience to come in and repurpose Old Maui High School. Without such a group, we will lose this beautiful, valuable campus, much to the loss of the alumni and all of the citizens of Maui. And I would ask you to take a long, hard look at this proposal, and consider what has gone into it and what the alternatives are. Thank you.

CHAIR GUZMAN: Thank you. Any follow-up questions? Seeing none...

VICE-CHAIR COCHRAN: No.

CHAIR GUZMAN: Yes, Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, and thank you, Mr. Lucas, for being here. So you said that TEACH was the only group...the first group, the only group. You mean as an RFP?

MR. LUCAS: No, I mean of all the groups that have come and expressed an interest, even before the RFP. We've had people come up to the campus with an idea; a large animal shelter, to have an elementary, a middle school, a charter school, a high school. We've had makers workshops asking to use the campus. We've had an idea presented to us for a film studio at Old Maui High. A number of groups, more than two dozen, have come up, and when they heard about the infrastructure lack, and the cost of bringing this property to a condition where they could actually even start redevelopment, every group has walked away, much to our sadness because we have been trying for nine years to find somebody who could partner with us, and save this campus. That has been our goal, has been the preservation of the Old Maui High School campus. And this is the first group that's actually come in with a plausible plan to do that.

VICE-CHAIR COCHRAN: Chair?

CHAIR GUZMAN: Ms. Cochran?

VICE-CHAIR COCHRAN: Quick follow-up, if you don't mind?

CHAIR GUZMAN: Sure.

VICE-CHAIR COCHRAN: So the Fred Baldwin Memorial Home that did what you're asking, did you folks ever correspond with them and how they accomplished that?

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MR. LUCAS: No, we were never contacted by them, nor did we contact them.

VICE-CHAIR COCHRAN: Thank you.

CHAIR GUZMAN: Okay, any other further questions, comments? Thank you.

MR. LUCAS: Thank you very much.

MS. BROOKS: The next testifier will be Nic Timpone, followed by Ipe Sahagan.

MR. TIMPONE: Aloha.

CHAIR GUZMAN: Aloha.

MR. TIMPONE: Thank you for the opportunity. I'm a resident of Haiku. I grew up on the North Shore of Maui. Couple things that stood out to me, and I don't have any previous knowledge of the...oh, I'm speaking about the Old Maui High. I don't have any previous knowledge to the proposal, but couple things stood out to me. One is, for sure, community engagement, there's a extreme lack of. Two, is it really going to serve the community, the local community? And three, is that gonna set the stage for further development in that area? Those are basically my concerns. So thank you for your deferral so we have more time to process and go through options.

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

MS. BROOKS: The next testifier is Ipe Sahagan, followed by Nicole Hokoana. Ipe? Okay, the next testifier is Nicole Hokoana, sorry, followed by Allen Tabisola.

MS. SAHAGAN: Hi, Ipe, and a lot of other people have exited. I remained just to say, like others have said, that I live in Maliko Gulch, just five minutes past Old Maui High School. I was so disappointed to not have heard more about this development which will directly impact myself and my family. A lot of you know about our traffic woes. Of course, we're all afraid of Hookipa and the North Shore becoming the next Kaanapali. All of us are anxious about what's gonna happen with the sugar cane, and the transition, upon its end. So I think the community is anxious and understandably so, and with our history of, I guess, I mean without any better way of saying it, with the history of corporations coming to Maui and the benefit that they reap from being here, I think we're all on guard. And it's understandably so, you know. So this is a mainland corporation that's coming here and proposing ideas, and we, you know, local people just don't believe it. We don't buy it. We wanna see what the real benefit is. I happen to be a nonprofit director in the area of child abuse and neglect. And I know that we need more family-friendly spaces and places that our families can go to so that we can be healthy. And the North Shore currently offers that. It's quiet, it's tucked

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away. Hookipa is a place where lots of local families frequent, and we don't...you know, we value our way of life, and we wanna protect our way of life, and that's very understandable. So I really wanna thank you all for listening, and I really appreciate you deferring the action so that we can learn more. I understand that there are complexities as was shared a little bit earlier, that there is cost. And finally, I wanna say, you know, I hope that with more information and more sharing of the costs, I hope that there can be a resolution to this situation. And I hope that we can find more solutions within ourselves. I think we're a community that is capable and intelligent, that we have the means within ourselves to find the solutions to our...to these difficult questions. And that we don't always have to look to the mainland for the answers. Thank you.

CHAIR GUZMAN: Thank you. Any follow-up questions? Seeing none, thank you very much for your testimony. Next, please?

MS. BROOKS: The next testifier will be Nicole Hokoana, followed by Allen Tabisola. Nicole Hokoana? All right, we will proceed with Allen Tabisola. Right.

CHAIR GUZMAN: Next.

MS. BROOKS: Not being present, we'll proceed with Kolomona. Kolomona?

CHAIR GUZMAN: Next.

MS. BROOKS: Okay, the next person will be Kualono Harvey? Kualono Harvey? Okay, the next person I'll call will be Kimberly DeCambra. The next person called will be John Kneisler. The next person called will be Tiare Lawrence. Okay. Oh, pardon me. Are you John?

MR. KNEISLER: John Kneisler.

MS. BROOKS: Okay.

MR. KNEISLER: I go by the nickname of Keone. I was actually given that name because I was planting coconut trees and ti leaves at a local organic farm. And one of the local elders gave me that name. So one of the reasons I wanna speak today is about...first of all, just thanking you for giving me the opportunity to speak. I'm a garden coordinator at the Ka Hale Ake Ola, it's a homeless resource center. And I teach the children there to grow food. And it's a very important thing for me to have sustainability for myself and for our community. And I'm concerned about what's happening to the sugar fields. And I think with the TEACH Development I'm seeing that they're helping to educate us. They want to educate us about sustainability and alternative forms of living. So I'm real excited about this, to find ways that we can use this land that would benefit the people to learn how to grow healthy food, and to learn better ways to remediate the soil so that the food is healthy for all of our families. So I

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think this...we only actually produce 20 percent of the food locally from what statistics I've heard. So that we could...one of the benefits of this is that we're learning how to grow food locally within our own communities. I understand that there's the challenge of not listening to the local people, and how can this company, TEACH Development, benefit us more locally. So anyway, I see that there's some benefits to it, and I'm excited about it. And I think there just needs to be more discussion of how this company can benefit all of us locally. Thank you.

CHAIR GUZMAN: Thank you. Thank you for the testimony. Any follow-up questions? Seeing none...

MS. BROOKS: The next testifier is Tiare Lawrence, followed by Donnie Becker.

MS. LAWRENCE: Aloha, Committee. Tiare Lawrence, and I wanna mahalo you for deferring today. And I just wanna thank Friends of Old Maui High School for all the work they've done over the years. I know they've tried really, really hard to find someone to get in there with the funding to pay for the infrastructure costs. I understand that it's not an easy task. But as a citizen and a resident, community member, I believe that this is something that the County should pay for. You know, because it's such a beautiful, special property to many of us in the community. This is something that I would like to see my taxpayer money be paid for. And I know a lot of people agree with me, just so that we can keep it in the hands of the public, and be able to allow nonprofit entities or schools be able to utilize this beautiful piece of property. And I just wanna mahalo Friends of Old Maui High School for everything they've done over the years. I just wanted to make a recommendation today that the Council pass this lease agreement onto the Commercial Real Estate Roundtable here on Maui for their review and comments regarding potential serious issues with the lease agreement, which seems to be insufficient or incomplete in many ways. I am very concerned that the lacking components within the lease agreement could become a serious liability concern for the County in the near future. I believe the Administration should foster collaboration with local nonprofits who are already established and understand the community's socioeconomic and cultural problems. Local entities should be utilizing this valuable and special property. Mark Chasan stated at TEACH's presentation last Thursday evening that he doesn't know Hawaii, and it is obvious with his lack of community involvement that he really doesn't care to know Hawaii until after he secured the lease. I was caught a little bit off guard because I know that the Committee meeting was about two months ago, and they had two months to really get out into the community. A friend of mine had reached out to him over Facebook to come straight to Hookipa, bring the meeting to Hookipa, and there was no correspondence there. But hopefully, you know, with buying more time that they'll get out into the community. And, you know, in reality we are the best stewards to protect this beautiful, historical gem. And I hope that the County will consider that. And I just also wanted to bring up another point that I had said on Thursday night is, you know, they've kinda mastered these historical preservation grants, and tax credits, and all of this funding out there. And I'm just curious to know if the County has ever

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really taken...has ever really tried to advocate for these funds. I know millions and millions of historical preservation grants are out there. Perhaps the County could hire a grant writer --

MS. BROOKS: Thirty seconds.

MS. LAWRENCE: --to access these funds. Just putting it out there, I try to always bring solutions to the table. Thank you so much.

CHAIR GUZMAN: Thank you, Tiare. Any follow-up questions? Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. And thank you, Ms. Lawrence, for being here. You mentioned something about bringing this lease to a roundtable group. What was that again? Can you explain a little bit more?

MS. LAWRENCE: I believe they meet every third week of the month, and it's comprised of a bunch of realtors that specialize in commercial leases. And they're a resource out there. I did reach out to one of them, and they had offered to take a look at it. And so I think this is something the County should consider 'cause it affects so much people on this island. We have so much professionals on here that have...can read through it and really tell us if it truly does benefit the community.

VICE-CHAIR COCHRAN: Okay. Well, thank you very much for your input. Thank you, Chair.

CHAIR GUZMAN: Thank you. Any other questions? Thank you very much for your testimony.

MS. LAWRENCE: Mahalo.

MS. BROOKS: The next testifier will be Donnie Becker, followed by Richard Michaels. Donnie Becker?

MR. MICHAELS: Good afternoon. I'm Richard Michaels. Donnie Becker doesn't appear to be here. Good afternoon, Mr. Chairman. Thank you for the opportunity to testify. I'll be very brief. I attended the presentation last Thursday, and it was...there was a lot of discussion about how people found out about it. I believe I got an e-mail from a friend, but it was quite clear that there...whatever the method they were using to communicate about having the presentation didn't work. And people were upset about that, so whatever future output there is should, first of all, consider kupuna for sure, and all surviving alumni from Old Maui High for inputs because it's a very complex project. The elephant in the room I thought Thursday was traffic. There was little or no discussion about the fact that a huge majority of people who might use this facility are gonna have to come through Paia, that's residents, visitors, whatever. We all know how trying that can be. So I think that you have to consider whether or not

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this can go forward without continuing a Paia bypass of some sort, or even a direct connection from Baldwin above the post office over toward the Old Maui High School, because to bring the extra traffic through Maui [sic] I think will discourage people from even using the facility. And, you know, then they could be in trouble. And finally, I wonder if the County has considered anything like a completion bond. We all know what's going on in Honolulu with rail when the cost overruns come in. We would not like to see this project start, and then run out of money or not be able to finish, or have skeleton buildings. So I would recommend that in the deferral of this, these are the things that you discuss. Finally, I'd like to take this opportunity, 'cause this may be my last, to say mahalo to Member Victorino for your service.

COUNCILMEMBER VICTORINO: Thank you.

MR. MICHAELS: Appreciate it.

COUNCILMEMBER VICTORINO: Thank you.

MR. MICHAELS: Aloha. Thank you.

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

MS. BROOKS: The next testifier will be Napua Hueu. Napua Hueu? The next testifier will be Samantha Seriani. Samantha Seriani? The next testifier will be Joe Gardner. Joe Gardner? Next testifier will be Joyclynn Costa, followed by Graeme Kronewitter. Sorry.

MS. COSTA: Good morning, Councilmember Guzman and Councilmembers. I haven't come in a long time, and it's good to see you folks all. I went to vote in Haiku, and I made sure to drive Upcountry and around because if I didn't do that, I wouldn't have gotten to the polls in time. The traffic was horrendous. That's the scope of what we're dealing with in Hamakuapoko, and Hamakualoa. I have a written testimony. I didn't make enough copies, but I'll leave what I have. And I wanna read it to make sure that I don't miss anything. I was contacted by Rob Parsons in the effort to reach out to the Aha Moku representatives of the North Shore. Although you may know, Aha Moku has a representative for both Hamakualoa and Hamakuapoko. The two mokus of Hamakua work in tandem with each other. We seem to complement each other, and find the families are connected in these two mokus. I've since gotten communication on the 11th by e-mail to the intention of TEACH to meet with Aha Moku. I can only find this to be a step in the right direction. Perhaps we can learn more of this organization, and in return they can learn more of the sense of place they are proposing to create a footprint. I found it odd as I clicked on the website provided by them, a moo appeared on the bottom of my laptop. He kept staring at the screen, the picture that they had created. As I read the introduction of this organization, I turned to the moo and asked, what do you think? His head actually turned in my direction

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and stared at me. I will have to think about that hoailona. As Aha Moku representatives, both Leona Nomura and I, would request to defer, mahalo for that, and any determination at least until we can have this meeting which will better our understanding, and give us an opportunity for well-informed comments. There are families that still live in the area, and they are there from generations. We would like the opportunity as an advisory to DLNR/BLNR to weigh in in the natural resources as well. I also wanted to add that, and I provided the e-mail that they're communicating to me --

MS. BROOKS: Thirty seconds.

MS. COSTA: --so they did let me know that they wanted to speak. And I appreciate the organization of Old Maui High. And I know that it's been years in the making. But as you can see within the gallery, there were many of young adults who were children at that time. They're now adults. Reach out to them. They found their sense of place on the North Shore, and they need a voice. They need an opportunity --

MS. BROOKS: Three minutes.

MS. COSTA: --to be part of the plan. Aha Moku will assist with that, and once we can get a meeting with TEACH, I would be more equipped to give comments and recommendations at this point. I also wanted to let you know that when they did send me this, I find it a little bit...anyway, it says here, once the lease is approved, TEACH anticipates that it will spend money, and within six months after the approval of the lease, and do the due diligence, organize community engagement and research and study including environmental, traffic, archaeological, flora, fauna. That's like after the fact. So I'm glad that they're reaching out to us 'cause I think that needs to be done prior to. You need to know where you're gonna be, before you step on it, yeah. Thank you.

CHAIR GUZMAN: Thank you. Thank you for your testimony. Any follow-up questions? Okay, how many testifiers are present? Can you...can we determine that? I know a whole slew of them left. Can we take a quick recess? I believe some of our Members need to take a recess, but while we're in the recess, can Staff figure out who's still remaining out of the 51 testifiers? Okay.

MS. BROOKS: Yes.

CHAIR GUZMAN: Thank you. Recess at the Chair's call. . . . (*gavel*) . . .

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RECESS: 3:04 p.m.

RECONVENE: 3:09 p.m.

CHAIR GUZMAN: . . . *(gavel)* . . . The Economic Development, Energy, and Agricultural Committee, Parks Committee as well, shall now reconvene. You may call the next testifier.

MS. BROOKS: The next testifier will be Rosemary Robbins, followed by Dick Mayer.

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

CHAIR GUZMAN: Oh, sorry, we already started our meeting. Thank you.

MS. ROBBINS: Hello, everybody. A quickie, we just did a quick check out there. There was nobody that didn't hear you say that, everybody who's here has already testified, or doesn't need to. Thank you for having said that you were gonna defer this today. This is a hot issue out there for people who are not accustomed to coming in and testifying on hot issues. So I did read that 335-page jobbie again from the last time that I had testified here. And I was glad to see that there was an amendment in there from the first round that the County would not be responsible for doing roads involved in that. So thank you whoever hammered that one out. Just would like to say this is new ground for a lot of people who are here with the best of intentions, and we need to acknowledge that their thoughts are very much deeply rooted within them, and heading back to their older generations who were folks that were at Maui High. So it's with good hearts that they're here. So having this little extra time that you're gonna be giving for them to be able to do more research, I think, is gonna be very helpful for everybody. So thank you for doing that. Thank you everybody for all your work on that.

CHAIR GUZMAN: Thank you. Thank you very much.

MS. BROOKS: The next testifier will be Dick Mayer, followed by Sutton Healy.

MR. MAYER: Thank you, Chair Guzman. My name is Dick Mayer. I'd like to testify on both items so I'd like the three minutes on each. First, with regards to the Special Improvement District, I think basically the idea of having an improvement district is an excellent idea. I saw communities in the mainland that were able to put it in various community facilities, swimming pools, et cetera, by charging the members of that area and being able to use it. But I do have a few things that I would just say caution lights on that you should be thinking about. One is will this in any way, create polarization in our community where certain well-off communities, let's say Wailea for example, or Kapalua, could begin doing things that make their community, their area, significantly better than other areas of the island. For example, they could

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put a gate around their whole community and charge everybody for it, and have security guards, and who knows what in an area like that. Is that the sort of thing we want on Maui as a special area? A situation where we have communities that really upgrade themselves to such a level that is really distinctly different than others. One of the benefits of Maui is that we're much more egalitarian. Second item of concern is that there'll be administrative costs that the County will have to bear on this. And what I would urge you to do is put a fee into the Special Improvement Districts. I'm not sure what the number would be, 3 percent, 5 percent, something like that, of the special fees collected for the County to administer these special districts. You put in, as you read the ordinance, special burdens on the Finance Director and other departments. They'll be reviewing things, periodically reviewing things and assessing the proper tax, et cetera, collecting it all. So I think the County should not put the burden to administer these things on people who aren't in that area. So I would urge you to have a fee consideration in there. And it can be adjusted each year as you do the County budget, what that percentage might be. There's also a possibility that a district may ask that in addition to physical facilities, let's say a swimming pool, or tennis courts, or whatever, they would want to hire people to do certain things. Security guards, lifeguards, whatever it might be for a swimming pool, and these people would become employees of that special district. What happens if down the road they decide not to have that district anymore, and they decide to dissolve the whole district? And yet the previous improvement district had given benefits out with like a pension plan, or long-term health benefits, or something else, who will pick up the burden for those kind of --

MS. BROOKS: Thirty seconds.

MR. MAYER: --employee benefits? Things that I would urge you to take a look at as you set up these improvement districts. There are some obligations of the County. I'd like to move on to the other item, and that is the TEACH proposal to take over the Old Maui High School. And I'll just put a personal note in there. I remember very fondly when I first started teaching at the college here, the students that I got from the Old Maui High School in H'Poko were significantly different than the students that I got from, let's say, Baldwin and Maui High...Baldwin High School downtown. They were open, friendly. They were country kids and very different. So I really have a fondness for the old school, and would love to see that atmosphere, that ambiance recreated out there. But I do have a couple of concerns, and I would like to express those. One is the 550 residents that they plan to house on the property, what kind of housing will that be? Will it be a hotel quality? Will it be...whatever, 'cause I would hate to see a resort-type setting created out there, like Lumeria did. Lumeria came to the County, and I think tricked the County, deceived the County, in what they did. And I would hate to see a duplication of that. H, excuse me, A&B came to the GPAC and asked for a development around the Old Maui High School in the GPAC process. GPAC didn't go with that, and ordered the County go with that. But there is a potential that A&B will say, okay, now we have this urbanized-type area here, we wanna urbanize areas around it and make a real town out of it, and pretty soon it'll grow into a real city.

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And I would hope...I would think that you may want to put some kind of a zone that nothing within a quarter mile, half mile, one mile of this site, if it's eventually approved, can be urbanized. The other thing is that I think this community which is, it's got concerns about it, will have very good opportunity to evaluate the project when the...if a contract were to be given out in the entitlement process. This entity that will be created will have to get County zoning. It will have to get a State Land Use Commission, have to get community plan amendments. All of these things will have to be done there, and in the process of doing that, they will be required to produce an Environmental Impact Statement which will go through the Environmental Impact Statement approval process probably at the Planning Commission and at the Council. This is by no means a done deal. So I would urge you to put in, if you do accept this contract down the road, that you put some conditions on there that it does go through all of these steps, and that the contract might be null and void if the full entitlements that they're asking for are not obtained. For whatever reasons that might be, water supply may be poisoned, traffic issues --

MS. BROOKS: Thirty seconds.

MR. MAYER: --through Paia, whatever it might be, that there be some conditions on that in that respect. Thank you very much.

CHAIR GUZMAN: Thank you very much, Mr. Mayer.

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you. I have a couple questions. You know, Mr. Mayer, you mentioned on, let's go on item number one, the Special --

MR. MAYER: Improvement District.

COUNCILMEMBER VICTORINO: --Improvement Districts, yes. Will you not think it's a good idea to have some kind of review period that every so often that the Council, as well as these districts, would be reviewed and see how this is working, and if changes need to be made, or maybe not following what their original intent was, and they need to be at that point in time, put a condition to say, hey, change needs to be done, or else?

MR. MAYER: Yes, I think, you know, a periodic report, and it may be, you may even want to make it on a scale, say, anything that's less than five acres, maybe every five years. If it's a larger project, maybe every two years type of thing, where you would have them file a report with the Planning Commission, probably would be the appropriate place, maybe also to the Planning Committee of the Council, Land Use Committee of the Council, that at least be checked up. And give the authority to the Planning Commission or the Planning Committee to say, you know, you're not following the

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rules that you were set up with. That it really become an effort to try to monitor what we're going _____. It may be a wonderful thing, you just might give it good gold star. But it may not be.

COUNCILMEMBER VICTORINO: Yeah, and then the same thing would hold true for number two, but more in the area of timeline for completions of the various phases. You know, we've sat in this Council and projects were promised when I first walked in, and no dirt has been moved when I'm walking out. So would a timeframe based upon their phases now be applicable as a condition so that we would know this has been followed through? And if they can't follow through on it, then why, and if it's legitimate, then whoever the Council sitting here at that point in time can say yea or nay to it. But if it's not legitimate, or they're just, you know, kinda stalling, hey, take the entitlement away. You know, I'm getting tired of all of this rhetoric of we're gonna do this, and nothing gets done. So would you agree with that? Something like that should be...

MR. MAYER: Very much so. And I would also add as an example putting it...looking very carefully at the contract down the road to see, for example, if they wanna transfer the lease. They're not transferring ownership, they don't own the land. But they could transfer the lease. And so let's say the present partners die, or wanna get out of it, do something else in the development industry, that if they transfer it, that you would have some authority to say, sorry, that comes right back to the County. You know, that you could cut the lease, say, okay, it cannot be transferred unless additional conditions are put in, and these are what they are.

COUNCILMEMBER VICTORINO: Maybe, Mr. Chair, maybe a non-transferrable lease would be what I'll be looking for. And I won't be here, but something to put down on the record that a non-transferrable lease may be the option. That way it can just never be passed onto somebody else without coming back to the Council.

MR. MAYER: I would think that would be wise, control that the County would have.

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

CHAIR GUZMAN: Thank you, Mr. Victorino. Thank you very much. Oh, do we have another questions, follow-ups?

MR. MAYER: No, okay.

CHAIR GUZMAN: Seeing none --

MR. MAYER: Thank you very much.

CHAIR GUZMAN: --okay, thank you.

MS. BROOKS: The last testifier in the Chamber will be Sutton Healy.

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MS. HEALY: Hello. Thank you for allowing me to speak and being a part of this. I've never spoken to the Council before, so I'm new at this. I kinda wanna speak on both because as I was sitting here, I learned about 36, and I came to hear 63. And I wasn't planning on speaking on the Old Maui High, but I am going to. And kinda what I've...actually the consensus, I echo a lot of the consensus about concern. And one of my biggest thing is accountability. So when and if TEACH does inherit this land for whatever agreement the lease amount is, how are they gonna be held accountable for changes that occur once the lease has been given to them? And I guess the concern is that, I've been here 22 years, and my kids are all born here, and I'm raising them on the North Shore, there's been so many developments that have said they would be one thing. And then right under our nose, they become something else. And we're calling the kettle black, like we've seen this before. And so we're taking this very, very seriously, it being in the area that is, it being our backyard, and we value it the way we do. And so I think accountability and making sure that they do what they say they're gonna do in terms of giving to the community and sustainability is...somebody has to be doing the checks and balances to make sure that happens if this goes forward. Now I have no idea...I haven't read anything about the SID ordinance, but I wonder if my concern falls under it. So I'm just gonna say what it is. My children frequent PYCC, and I think it's the gym of Paia. And there's a lot of very disturbing things that happen in the parking lot, in the park. And I don't know if these special ordinances protect areas like PYCC. There's a lot of mental health people that need mental health help that live in the beach, in some of the areas. And I get regular reports from my ten-year-old that he's seeing fights, he's seeing drug deals. Some of our parents have been attacked in the parking lot. And it is zoned a school district, and I don't think our MPD are up to speed on patrolling. So I don't know how much this SID ordinance covers that area, or what it stands for, but it is a really, really big concern of mine, so that I don't, you know, hear about these horrible things that our children are witnessing every day.

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR GUZMAN: Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah, thank you. And thank you, and I believe this could be incorporated. So, to answer your question --

MS. HEALY: Okay.

COUNCILMEMBER VICTORINO: --I believe it could. It would be dependent on the district and what they wanted to incorporate, okay. That's why it's called a Special Improvement District.

MS. HEALY: Okay.

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COUNCILMEMBER VICTORINO: Okay, so yes to your further. And can you tell everybody but PYC is? 'Cause you know...

MS. HEALY: Oh, I'm sorry, Paia Youth and Cultural Center.

COUNCILMEMBER VICTORINO: I knew that, you knew that, but the rest of the world might not know that.

MS. HEALY: Right, right.

COUNCILMEMBER VICTORINO: So thank you. And finally, the other part that you brought up about the Old Maui High School and what's happening, I think the outreach has been very negligible. I don't think they've done the job that needs to be done. So I agree with most of the testifiers today, Mr. Chair, and thank you for deferring it. 'Cause I could...I would not vote on it. I would vote "no" at this point in time because I cannot, with a clear conscience, and I won't be around again, so I won't be here to vote the next time around, but I couldn't because there's just too many unanswered questions, and I think that's what this is all about today. And it's too bad that they haven't done a better job, and I think that's one of the biggest problems with some of these developments. They come in, they think this is what the community wants. And Mr. Lucas and all of those people really understand what they want, but the public does not. And until they do, you're gonna have a hard time 'cause you're fighting an uphill battle.

CHAIR GUZMAN: Well, they just had their first public hearing, meeting last week.

COUNCILMEMBER VICTORINO: See, and you can't...that's not enough to bring it to us already.

CHAIR GUZMAN: Right.

COUNCILMEMBER VICTORINO: I'm sorry, Mr. Chair, but okay.

CHAIR GUZMAN: Okay.

COUNCILMEMBER VICTORINO: Thank you, Chair.

CHAIR GUZMAN: Thank you very much. Any other questions or comments? Okay, next.

MS. BROOKS: There're no further testifiers in the Chamber.

CHAIR GUZMAN: Okay, thank you. Members, without any objections, I'd like to close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS.

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

. . . END OF PUBLIC TESTIMONY . . .

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

CHAIR GUZMAN: Turning to our first item on today's agenda, EAR-36, Special Improvement Districts. As indicated in your agenda, Members, we are here to consider the bill to allow the creation of the Special Improvement District pursuant to Section 46-80.5 of the HRS Statutes. At the first meeting last May, we had concerns that were expressed about the cost of the County implementing any special district legislation, especially costs that were associated with the County collecting any assessments for the district. At the second meeting on November 1, 2016 the Committee received a presentation from Gary Kurokawa and the Deputy Director of Department of Budget and Fiscal Services and the City and County of Honolulu. And Lisa Miura, which is the Deputy Director of Department of Finance at the County of Hawaii, concerning their experiences, and also giving us a presentation on the implementation of the special districts in their counties. As described in the City and County of Honolulu under legislation Chapter 36, revised ordinance of Honolulu and its implementation by three Business Improvement Districts that was presented, as well as the Big Island's authorization legislation Chapter 35 of the Hawaii County Code, and its implementation, and the Kailua Village Business Improvement District. Both addressed the costs and responsibilities that they had undertaken to establish the Special Improvement Districts in their counties to help us...actually, that...their presentations helped us compare enabling legislation to those counties with the proposed legislation. I've asked Staff to prepare a chart and basically we have hand that out to you, summarizing the similarities and differences between our counties, as referred to in the handout under Special Improvement Districts Enabling Legislation in Three Counties. And so that is, you should have received that. As you can see the proposed bill is largely the same as the ordinances of the other counties, and the ones that is highlighted on the right-hand side, or any area that is highlighted in yellow, are the differences between the three different counties. As we look at the differences, you can...actually we can go over that afterwards, but one of the main differences here that we were looking at on the first page is the establishment. So it seems as though we have a stricter way in establishing the district which would be more than 50 percent of the total real property tax. So we're stricter than Honolulu and Hawaii on that. And then in terms of the terms, we're more, I guess, general in terms of being set...being actually in our discretion to set the specific calendar period. And that is the same with Honolulu, it looks like. Turning to the next page, we have the boards, how the board is made up. We're the same as Hawaii County, and also the assessment payments and collections. This...we're different in terms of we have the Director of Finance that collects that assessments, as opposed to the other two counties. The third page, what is most significant about the last page is the County

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fee for setup costs, and we don't have a provision for that. And I recall the two representatives that were speaking on behalf of their finance departments from the two different counties actually wanted that, more of a higher charge, if I believe that was the right, correct statement. But in our provisions, or at least in our legislation that we have before you, we don't have a setup fee provisions in there. And then for the County fee for collection costs, we're the same as Hawaii County. And so basically that's it. We're very similar. There's just very small, minute differences within...the most significant is the County fee setup costs. So I would like to have Mr. White, since he introduced the bill, to go ahead and either walk us through the bill, or say any comments that he may have regarding the bill, and the presentations that came before us.

COUNCILMEMBER WHITE: Thank you, Chair.

COUNCILMEMBER VICTORINO: Put your mic on, sorry.

COUNCILMEMBER WHITE: Thank you, Chair. I don't think there's a need to walk through the bill, but I do appreciate you bringing in the folks from the other finance departments. And we also had Marcy Martin here from Real Property Tax. And I think it is appropriate to establish a setup fee of the \$5,000 level. In talking to Marcy, she felt that the setup since it's, I believe, at this point about 60 parcels or thereabouts in Paia that would be involved. The setup fee would be...or the setup expense would be relatively small. I do think it would make it sensible to collect this through the RPT bill, as opposed to setting it up separately as Finance, or through Finance, because the process is based on assessments. And my sense was that the others...I believe on the administrative side, they wanted to keep it at a once-a-month billing. But my feeling is that if we were to just do it at the same time that we collect property taxes, that would be the simplest administratively. So I...

CHAIR GUZMAN: So would you be speaking more in terms of supporting language that would provide for that discretion to determine what the...I mean the exact fee cost would be...I mean, the setup costs would be specifically in the budget?

COUNCILMEMBER WHITE: Yeah, I think it's appropriate. I don't know what the cost is to set up the computer. But basically when you have to go and...if we have to go and have an adjustment to the program which may be necessary, I think \$5,000 is an adequate amount for that. But I would also include a percentage of the amount on an ongoing basis, a percentage of the amount collected. And I think 3 to 5 percent would probably be adequate there. But, you know, as I...as came out the other day when we were talking to the others, this is a method by which communities are able to contribute to the betterment of their area. And Mr. Mayer mentioned Kapalua, and Wailea, and so forth. Well, Kapalua, Wailea, Makena, and Kaanapali all have essentially the same structure. It was set up during the, you know, during the original subdivision of the lands there where in their codes and covenants, they require participation in...well, I'll use Kaanapali as an example. We have an

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equivalent of a SID to fund additional marketing and group marketing for the area to which our hotel contributes, I believe, in excess of \$60,000 a year. In addition to that, we have another equivalent of a SID that provides for the maintenance, security, and improvements for the roads, the landscaping, and as I believe I said before, we also have over the last eight to ten years set aside funds for a beach nourishment project. And the total there will be somewhere in the neighborhood of a 8 to \$10 million budget, half from us and half from the State, so no County involvement there. But our having the ability to do that allows us to go out and talk to the State about those kinds of things. And then we also have the ability to maintain all of our roads, maintain landscaping, and do other things that we feel are important to the whole. And this mechanism doesn't set up Paia as a SID. It simply sets up the structure. And that structure can be used by a variety of different community organizations to...I'm not sure if we need to adjust it to allow for beach nourishment as in the Kahana Bay area. But those are the types of things that I think this is very well-suited for. And one of the...and the thing that I feel is most important is that, for example in our area, because everyone has no choice but to participate, no one can take advantage of other people putting dollars in. And I think that's important in this area because if there are going to be improvements that everyone is gonna benefit from, then everybody should share a portion of that burden. So I appreciate you bringing the bill forward.

CHAIR GUZMAN: Thank you, Mr. White. On the...just getting back to the County fee for collection costs, you said 3 to 5 percent. So you're looking more like Honolulu where they have a set 5 percent per year. But currently in the bill that we have, it's more like...it's exactly like Hawaii County which gives the discretion to director to deduct whatever the director feels is the administrative expenses.

COUNCILMEMBER WHITE: I'm comfortable going either way.

CHAIR GUZMAN: Okay. So that's what we have currently. It's very....it's exactly like County of Hawaii. Okay, so and then for the setup fee provisions, we don't have any. And I guess I would have to ask the Department if they had a preference or suggestion as to what would we cost, or what we would charge for a setup fee charge. Looks like County of Hawaii charges 5,000 for a fee charge to implement the change to the real property tax software for billing. And then County of Honolulu charges 10,000, and that's a one-time fee to amend real property assessment bills to show a new line for assessments. Do you have any suggestions, Department?

MR. WALKER: Mr. Chair, let me defer this to our Real Property Administrator who has some thoughts on the subject.

CHAIR GUZMAN: Okay.

MR. TERUYA: Thank you, Chairman. Scott Teruya, Real Property Administrator. As far as the actual fee, obviously we haven't inquired to find out what the actual expenses

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would be. The other two counties who have done it, it really would probably be the best would be to defer it until we actually get the expense. We'll be able to pass on the expense over to the SID would be my recommendation, but it's really ultimately up to you on how you wanna fund it. So either way you choose, we'll just administer the program as it's stated.

CHAIR GUZMAN: Or we can put language in there that says that to be determined by the RPT later? Any suggestions?

MR. WALKER: Mr. Chair, I mean I would say, you know, rather than put a dollar amount, if there's a way to structure it, 'cause again this is just an enabling ordinance.

CHAIR GUZMAN: Right.

MR. WALKER: That the, you know, the Finance Director can determine what the cost is, and then we'd have to I would say prove that to the Committee or Council, whoever's looking at it. And at that point, that would be what the SID would pay.

CHAIR GUZMAN: Okay.

COUNCILMEMBER WHITE: And that may be different for each SID that's generated.

CHAIR GUZMAN: Right. So without having any formalities on a motion, is it...would be all agreeable to put in language to allow that to happen? Mr. Hokama?

COUNCILMEMBER HOKAMA: Chairman, thank you. Philosophically, I'm not comfortable with this proposal 'cause I think Mr. Mayer was able to vocalize some of my concerns regarding this enabling legislation. There's a reason why after the State created the statute that most counties didn't implement right away. And if you see what is implemented is basically regarding tourism improvement areas that is existing, not residential, not commercial, not business. It's about the visitor component. For me, I find it interesting that we have yet from the Department potential requirements to make this work. You need more positions? You need another software? What do you need to make this work? Because I'm assuming that the improvement thing is gonna pay for all that. I don't expect the General Fund for the general operations of the County to pay for that. And as I understand this proposal, it is secured on the future financing of the borrower by the real property assets within the district. So my question to you is, if for some reason there's a default, which properties do we sell off to recoup the money? 'Cause I don't expect the County General Fund and credit to reimburse that bond. So you folks have some comment you can share with the Committee this afternoon, please?

MR. TERUYA: Well...Chairman?

CHAIR GUZMAN: Mr. Teruya?

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MR. TERUYA: Just kinda glad that Treasury is now in charge of collections, so my Division would not be administering the collections part. But there would be questions to what are the guidelines of delinquency before you must foreclose? That is a question that you must ask because that would take the most resources. For the staff of Treasury, is...like in some CFDs, it's two months of delinquencies requires foreclosure. Do you have staffing to adequately hold those immediately, or not? I mean I think that would be the biggest labor-intensive part of the delinquent clerks to do. So that would be very difficult, especially with the twice-a-year collections if it happens to fall within those areas, are additional body or bodies needed to staff that? But other than that portion, the other questions are just more the communication of identifying from the SID to the assessment office, or the collections office what is that amount gonna be to the bill? I think, as you mentioned, Mr. White, about it would be most simple to have it twice a year similar to the billing cycle, so that you didn't probably have to go out and do another RFP for another print vendor. So that would just be a modification to the existing system to allow for a separate line item for the SID, or whatever vehicle you guys choose to use. But that would probably be the most simpler form. So there's other nuances that probably comes with it, but I think the most difficult question that you need to ask is more about delinquency, and who takes first position, and so forth. Pass it on to Treasury.

COUNCILMEMBER HOKAMA: This would still take some assessment requirements from your Division. Is that correct, Mr. Teruya?

MR. TERUYA: I still need to see the final details as to how we're gonna be putting it out because I know for us everything is sent by assessment notice. Does this amount need to be on the assessment notice to the owner? Is this something can be appealed?

COUNCILMEMBER HOKAMA: Oh, that was what I was gonna ask.

MR. TERUYA: Is...

COUNCILMEMBER HOKAMA: Do you want this to be appealable, or not to be able to go before the Board of Variance and Appeals, or I mean Real Property Tax Appeal Board?

MR. TERUYA: I would have to defer to Corporation Counsel. I'm not sure the appeal process, whether it is allowable, or not allowable to be appealed. It's not part of an assessment. It's separate from tax assessment. It's a special assessment.

COUNCILMEMBER HOKAMA: That's correct.

MR. TERUYA: But, like I mentioned, I would probably have to defer to Corporation Counsel. There's other questions as far as, you know, when properties transfer, what if the parcel is dropped? What if it is condominiumized? Those are little other things that you gotta consider when you're dealing with...

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COUNCILMEMBER HOKAMA: They're not little things, because it can be a big problem if you don't deal with it at the beginning. So, Chairman, if you would allow Mr. Ueoka, if he is able to give a comment at this time, to do so.

CHAIR GUZMAN: Mr. Ueoka, you have any comments in regards to this bill?

MR. UEOKA: Thank you, Chair. I guess I won't give general comments. I'll just try and respond to Mr. Hokama's issue regarding the challenges to the assessment. As Mr. Teruya mentioned, I don't think it would go in front of our Real Property Tax Review Board. My understanding is, I guess, the time to appeal or, you know, make your concerns known is at the time when the ordinance is established because it's gonna...it seems like the ordinance establishing the Special Improvement District should have proper protocol and stuff in there on how the assessments will be levied and, you know, the timing of it and everything, which is a very good point as to not increase costs greatly for collection...or I'm sorry, just even billing issues. Collections, I'm not sure. And so I'm not 100 percent sure if...what type of action someone could bring. There is language in the bill about how there is a limitation on challenges in 3.70.060, but as far as once you actually see what your assessment is, having an opportunity to appeal it, I guess you always have the court of law. Thank you, Chair.

MR. WALKER: Chair and Member Hokama, just to answer part of an earlier question you had as far as manpower. I know that the Big Island and Oahu both indicated that getting manpower was hard, just like it is here. And so I believe they were able to administer their program without any add to E/P, but I think I heard them say that they thought it was about a half body, or one of 'em had mentioned something like that. So, anyway, again that comes back to efficiency and how the program is set up as it relates to billing, and some of these other questions. But it appears that from a E/P count, it didn't seem like it was a huge endeavor anyway. Thank you.

COUNCILMEMBER HOKAMA: But do you know what the boards, like Waikiki Improvement Association, provides the City and County in return for some of this support?

MR. WALKER: No, I don't, to be honest. Thank you.

CHAIR GUZMAN: Mr. Teruya?

MR. TERUYA: Chairman, just a quick comment. I know every county is a little different. In the City and County of Honolulu, you gotta remember that Treasury consists of treasurers, or accountants. Hawaii County, I'm not sure which division exactly does it, whether it's under Treasury, or it's under the Collection staff. But just to note, Real Property Tax here, the Collections section there, they're either clerks, cashiers, or delinquent clerks. When you start adding another bucket for them to collect, you still need to maybe go through possible reorganization because their classification may not be able for them to collect multiple things, so to speak. Because in Honolulu, they do

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refuse, they do other buckets of funds, and they are higher rating than we are. So that's just to let you know that you may have to reclassify staff if additional workload goes on them. Thank you, Chair.

COUNCILMEMBER HOKAMA: Thank you. Thank you, Chairman.

CHAIR GUZMAN: Mr. White?

COUNCILMEMBER WHITE: Thank you, Chair. My recollection from the presentations that we received, I don't believe Mr. Hokama was here to listen to those, but my recollection is that they related that they had had no delinquencies. And I also believe that there have been no borrowing by any of the existing SIDs so that wouldn't create a...I don't know whether I wanna leave that avenue open to the SIDs or not. But that could be taken care of in each individual SID. The other thing is that we were talking about assessments just now, but the assessment on the property is driven by the normal assessment process. The term assessment for each of the properties involved in the SID is actually driven by rate. So it's not driven by a separate assessment, or an assessment of a separate value that this places on the property. The assessment is the assessment, the rate is the rate. So the rate is set by, I'm guessing, by Council at budget time. So I think we've covered most of the issues, other than Mr. Hokama's issue that we're creating a special ability for certain areas that other areas may not be able to afford. But, anyway, I guess I'm a little more comfortable with that at this point, than some others. So thank you, Chair.

CHAIR GUZMAN: Thank you. Well, without any objections, I would like to have language, at least the Staff to set in place, language for the County fee for the setup costs since we don't have that provision within our current bill. So I would suggest that if we could just have that provision in there, and leave it general to allow the Director, at least in Honolulu it's the Director that charges and determines it, so however we do it, just leave it open enough, or general enough, for a charge to be there if need be. What's that Mr. Ueoka? You have language...

MR. UEOKA: Thank you, Chair. In 3.70.190, Part D, the Director of Finance may deduct from special assessments collected the administrative expenses incurred in collection. I would feel that's broad enough as...

CHAIR GUZMAN: It's broad enough? Is that good enough for...

MR. UEOKA: But if you wanna make it clearer, you could put "and establishment of the district."

CHAIR GUZMAN: Yeah, I think that would be better if we put "establishment of the district" so that it gives a little bit more leeway, or at least...yeah. Okay, so that's...everyone's good with that if we add that? Yeah, Mr. Hokama?

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COUNCILMEMBER HOKAMA: Chairman, you know, Mr. White shared some good information, and if you would allow me to ask him a question for clarification purposes.

CHAIR GUZMAN: Yes.

COUNCILMEMBER HOKAMA: The one that I was interested in, Mr. White, was regarding KBOA that you say was like a...something like a SID. That was allowed by the property, or hotel operators, voluntarily they entered into this association? Or this was a requirement if you were an operator in Kaanapali? Can you give us some understanding?

COUNCILMEMBER WHITE: Yes, it was actually part of the codes and covenants at the original purchase, original sale of the property.

COUNCILMEMBER HOKAMA: In the '60s?

COUNCILMEMBER WHITE: So it has continued to be, some of the properties have been held to the entire time. So to put in perspective, we do about \$60,000 to the marketing part, and we contribute I believe over \$100,000 a year, just our hotel, to the maintenance and other set asides for capital projects and maintenance.

COUNCILMEMBER HOKAMA: Okay, so it can be done without this type of legislation then? Is that what I'm hearing, Chair?

COUNCILMEMBER WHITE: No, cannot because ours...I'm sorry.

COUNCILMEMBER HOKAMA: No, that's why I was curious.

CHAIR GUZMAN: Mr. White?

COUNCILMEMBER HOKAMA: Chairman...

CHAIR GUZMAN: Yeah, I apologize, Mr. Hokama. I should be doing a better job at that. I cannot answer that question, but Mr. White, you have the floor to answer.

COUNCILMEMBER WHITE: No, it's...if every...I'll just use Paia. If, when anybody sold property in Paia, they said if you accept this property, you accept with it responsibility for paying this amount to street cleaning, and this amount to landscaping, then that would work. But there's no legal way that they can do that as a group. And that's why it's unfair if we don't do it this way because then if they decide...if 20 out of 40, or 20 out of 60 decide that they really need to do something, then those 20 are gonna be carrying the load, and the other 40 are not gonna be participating. And I have a real problem with that. So, you know, we don't have any way out of it at Kaanapali, but I'm not sure I would choose to get out of it anyway because of the value it brings to the

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area in cleanliness, orderliness, and upkeep. And, of course, now we're moving in on a beach nourishment program that is gonna be very helpful to us. We're not in any imminent danger like Kahana, but we've been thinking about this for a long time, and we've taken the necessary steps to protect, you know, protect our resources.

COUNCILMEMBER HOKAMA: Thank you, Chairman, appreciate that.

CHAIR GUZMAN: Okay, is there any other questions or comments regarding this bill? So at this time, I feel it's a solid bill after having the four-hour, or five-hour discussion with the finance directors or finance representations from Big Island and Honolulu explaining how they implemented it. And seeing that our bill before us is very similar to what is positive on, in each of their counties. And we tweaked a little bit of this bill to actually benefit from some of the, I guess, negative comments that they had, which was very minor. So at this point I would, I guess the Chair will entertain a motion to recommend passage on the first reading of the proposed bill entitled, A Bill For an Ordinance Amending Title 3, Maui County Code, Relating to the Special Improvement Districts; incorporating revisions made on the floor and revisions that were done prior to the presentation; and filing of the County Communication 15-165.

VICE-CHAIR COCHRAN: Mr. Chair, so moved.

COUNCILMEMBER WHITE: Second.

CHAIR GUZMAN: Moved by Ms. Cochran, seconded by...excuse me.

VICE-CHAIR COCHRAN: Mr. White. Oh.

COUNCILMEMBER VICTORINO: Mr. White.

CHAIR GUZMAN: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Did you wanna add in Staff would be allowed to amend?

CHAIR GUZMAN: Oh, yes.

MR. UEOKA: Thank you.

CHAIR GUZMAN: And let me back track there. And allow Staff to make the appropriate amendments as presented on the floor. So we have a motion on the floor made by Ms. Cochran, seconded by Mr. White. Any further discussion? Seeing none, all those in favor, say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no?"

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COUNCILMEMBER HOKAMA: No.

COUNCILMEMBER VICTORINO: No.

CHAIR GUZMAN: Okay, we have, what is it, three, wait, four “ayes,” two “noes”, and one excused. Motion carries.

**VOTE: AYES: Chair Guzman, Vice-Chair Cochran,
 Councilmembers Crivello and White.**

NOES: Councilmembers Hokama and Victorino.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Couch.

MOTION CARRIED.

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

CHAIR GUZMAN: Yeah. So moving on to the next item.

COUNCILMEMBER VICTORINO: You were planning to defer that, Mr. Chair.

CHAIR GUZMAN: Oh, yes, thank you, Mr. Victorino.

COUNCILMEMBER VICTORINO: Yeah, let's not go there. Let's not go there.

**EAR-63 AUTHORIZING GRANT OF A LEASE OF REAL PROPERTY TO TEACH
 DEVELOPMENT LLC (OLD MAUI HIGH SCHOOL CAMPUS) (CC 16-102, 16-
 103)**

CHAIR GUZMAN: Mr. Victorino, I wanted to have Economic Development come to the floor to give us a presentation of what occurred at the first public meeting that TEACH had just to inquire as to what specifically they were going to do thereafter to resolve some of the public concerns, and getting more educated on the TEACH proposal. So, Members, we're on EAR-36 [sic]. This is, Authorizing the Grant of a Lease of Real Property to TEACH Development LLC. As we all are aware in regards to the proposed lease agreement for the 2 properties identified on Tax Map Key 2-2-5-004 (014) and

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2-2-5-004 (053), and approximately it's a \$1 lease per year for 60 years. And we've had...we did defer this matter to allow more explanation, or at least a public hearing on the matter for TEACH to go out in the community. We have before us I believe Mark Chasan is here, and is Jason Hobson here as well, represented by TEACH, and Mr. Lucas for the Friends of Old Maui High. And so why don't we go ahead and have the floor, Ms. Rasmussen, and tell us what had occurred at the most recent public hearing that you had last week.

MS. RASMUSSEN: Thank you, Chair Guzman, Members. I'm gonna say just a couple things, and then I'm gonna turn it over to Rob who's gonna kinda tell you what happened at the community meeting last Thursday. So the one thing I wanna preface all of this with is that the TEACH group did not just come to Maui and say we wanna take over Old Maui High School. This came from the Friends of Old Maui High School coming to OED 4 years ago, and saying we have been entrusted to take care of this property for the last 12 years and we have a problem. We are aging. We cannot take care of this property forever, and we have this wonderful master plan, and we need to find somebody to take it on. And so we engaged with them in a major way to try to come to some solution to solve this property which is, by the way, costing the County of Maui about 75,000 a year. And so coupled with the fact that there has been no property tax paid on the property for 40 years, it becomes basically a liability to the County to just continue taking care of it for no public purpose because there's no infrastructure there. So the RFP was put out in August of 2014, so we are already long-past the RFP time, and here we are about year and a half, more than a year and a half later. We are the ones that put the dollar per year in the RFP, and that was because of the millions it's going to take to fix the infrastructure. And as Rich Lucas said very eloquently, they've had dozens of groups that have come through there and with all great intentions and great ideas, any of which would be acceptable. But they have not been able to come up with the funding to do so. So TEACH Development has been...this is the third time we are before the EAR Committee, and the lease has been now revised three times. So I just wanted to let you know that basically the Council, this Committee asked them to...they wanted to put reporting requirements in, and they wanted put benchmarks in the lease, and that has been done. They were concerned about...you were concerned about tax abatements, the request. That has been removed from the lease. And that is coming through Budget and Finance Committee as a separate ordinance. So you no longer...it is no longer tied to the lease. That will be coming as a separate thing. So the Committee also asked for TEACH to hold a community meeting, and they did so as quickly as they could get one organized from our last time that we came before EAR. And that meeting took place last Thursday, and for all the people who said that they didn't hear about it, we had 75 people there. We had set up chairs for 50, and we counted about 25 people that were standing. So I think it was an excellent turnout, and I just wanted to let you know that. Now, I'm gonna let Rob talk about the kind of comments that we got from the meeting.

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CHAIR GUZMAN: Just one second before Rob steps forward. On the...I know that you just filed a new...I mean it was just posted last week, the new lease with the amendments to it. So basically the tax abatement is no longer in the lease at all?

MS. RASMUSSEN: That's correct.

CHAIR GUZMAN: So does that mean they no longer are requesting the five-year tax abatement?

MS. RASMUSSEN: No, they are...they're not...we're not tying it to you voting on the lease.

CHAIR GUZMAN: Okay.

MS. RASMUSSEN: So the tax abatement is coming as a completely separate issue. They are still asking for it, but it is no longer part of the lease. So you don't have to worry about it if you're voting for it...if you voted on the lease, that you would be passing the tax abatement.

CHAIR GUZMAN: Okay, so it would just be coming through on a separate ordinance --

MS. RASMUSSEN: Yes.

CHAIR GUZMAN: --through probably Budget and Finance.

MS. RASMUSSEN: Yes.

CHAIR GUZMAN: Okay. Mr. Hokama?

COUNCILMEMBER HOKAMA: Chairman, if you would allow me. So thank you very much. What Ms. Rasmussen just shared about is currently under our Budget Committee under BF-127. Chairman Guzman, it is a proposal that we would review Chapter 3.48. This would be specifically about Old Maui High School, and it's not an abatement, I guess, as Ms. Rasmussen stated. It's gonna be a...they'll pay tax. But it's gonna be based on freezing it for the first 2 years, and then a 25 percent per year after that ramp up, until they go back to the 100 percent of the future assessed values for taxation. So that would take care the concern about the dollar-a-year component. But I just wanted to say for the record that you have been very open, Chairman, through this Committee, taking comments from the Members, the community, and the different departments that now we have various components to address community concerns as we have heard this afternoon in testimony. So upon you giving us some direction of how you wanna proceed this afternoon, I'm already prepared, if need be, to post this for the second Budget Committee meeting in this month in a couple of weeks, Chairman, to move this forward if that is the direction this Committee chooses to move. Thank you.

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CHAIR GUZMAN: Okay, thank you. So after that being said, you can go ahead.

MS. RASMUSSEN: Could I add...I'm sorry.

CHAIR GUZMAN: Go ahead.

MS. RASMUSSEN: I'm gonna add one more thing. And thank you, Councilman Hokama, for that explanation because I did want everyone to know that when TEACH assumes the lease, they will immediately owe \$13,500 per year in property tax based on the current buildings that are there. Okay, so they will step in paying that under this ordinance that's going through. So in addition to that, the maintenance of the property will now...will then fall on TEACH, and that will alleviate the County of Maui paying an additional 75,000 per year. So it's almost a \$100,000 gain to the County of Maui where we have been paying out and the loss of property tax, and now that will be money that is recouped when hopefully we can spend it on, as people said today, other park lands, other open space projects that are sorely needing, you know, some development and some kind of planning. So we're trying to solve a problem here, a 40-year problem. And as you know, this County does have a lot of open space, a lot of park land. It all requires maintenance. It requires development and planning. I don't think that there's enough money in all of the County to make all of that happen if you don't take on some private partnerships. And I think this is a homerun, honestly, for the County of Maui because as Rich Lucas explained from the Friends that this project really develops about 95 percent of what the master plan of the Friends of Old Maui High had in it, with all of the community engagement that they took...that took place in. And the last thing I wanna say before I turn it over to Rob is that a lot of people in the community are thinking that this is...approving the lease is the end of the process. That is just the beginning of the process. They will still have to do all of their due diligence. They will still have to do an EA on the property. They will have to do a traffic assessment. They have to get permits for virtually everything they want to build. There's a huge process, and they had always planned to do a very robust community engagement process with that. But until they have a lease, they cannot raise the funds and get investors to fund something that they have no idea that they're ever going to get. So somebody suggested today that the entire EIS be completed before we give them a lease. Well, that is just not going to happen. That's, you know, maybe a 100,000, \$200,000 for no promise of, you know, a lease at the end of that. That's unrealistic. So, again, we're here trying to solve a problem. We have Friends of Old Maui High who have fully embraced this. We know there needs to be more community engagement. We're very, very open to doing that. Mark and Jason have said absolutely, they would do that. And now I'm gonna turn it over to Rob, for real, if that's...

CHAIR GUZMAN: Okay, Mr. Parsons?

MR. PARSONS: Chair, Rob Parsons, County Environmental Coordinator with the Office of Economic Development, one of the few of us on the team that went out last Thursday

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night. Also Kenneth Yamamura, our Ag Specialist, who's a graduate of Old Maui High was there. He's not available to join us today. He's at the dentist. But Teena asked me to characterize the public meeting. Many of you may have read the account in *The Maui News* written by Melissa Tanji, which I thought was a very fair and accurate assessment. But I wanted to add what I saw and what I heard, and I'll try to be concise. I know we're two and a half hours into this meeting, and with respect to your time, and you being a little under the weather, I'll just run through some of what I wrote down from what I heard that night. We had...there were around 75 or 80 people. It was a good cross section of ages, ethnicities, and geographical representation. I was surprised to see even some people from Kihei and Wailea, even one from Makena who came up just to learn about what was proposed. I helped set up the OED PowerPoint projector. And this is all taking place outside right in front of the C.W. Dickey Building, and before...while there was still light of day, Rich Lucas led a tour for all the people that were there, and really reminded people of the historical significance of each building, and also of what Old Maui High's part in trying to restore the property has been, and what led them to asking the County to find a partner that had financial wherewithal to move forward. And there were questions were asked during that time. Mr. Lucas and Mark Chasan both answered those. And then we came back to the front, and Mark and Jason Hobson, his colleague, introduced themselves, Jason as a Maui resident, and Mark said, I'm a haole from the mainland, I have a lot to learn, and he welcomed input from the group. They explained their visions and their goals through the PowerPoint, the same one that you have had the privilege of seeing in previous Council meetings when you've discussed this. After that, they opened to questions, and there were lots of questions from those who were gathered there. And the early questions I would say had a contentious tone. I think many, as you heard today, wondered why they were just hearing about this for the first time. And I credit the director and the representatives from TEACH that they didn't try to debate that point. They accepted it and, you know, over and over, whatever comment came their way, by and large they thanked the person for the comment, and invited more input. Teena explained the process that got us there, the 19 months, the RFP being open for seven months. Actually when we got three proposals for the RFP, Teena dropped them off in my office, and this was kinda my first involvement with the project. She's taken the lead. Kenneth is...Kenneth Yamamura has also helped her oversee the process, but she wanted me to see. She said, you know, we're moving forward, and tell me what you think. And I agreed that this proposal stood out from the three RFPs, and there were many elements in it that I personally thought were valuable. So Mark explained all the outreach that he'd done for the meeting. He can fill you in on that later. But clearly, the most common comment that was heard at the meeting is, you need to do more community outreach. And I think that that was heard and very clearly understood. Some say that there should've been flyers put at Hookipa and throughout Paia Town. Someone mentioned the Aha Moku Council representative not being present, and so the next day I contacted Joyclynn Costa as she told you earlier, and I asked if it would all right for me to give her contact information to Mark and Jason. They have made contact. She said, as she told you earlier, that she's Hamakualoa, where the County

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recently purchased property. She's the Aha Moku rep from there, but she works very closely with Leona Nomura, who is Hamakuapoko. And so I just put 'em in touch. I just said, okay, here's how you do it, and up to them to follow up. Some said this should not be voted on by a lame duck Council, at which point Mark said that they had met with two of three newly-elected Councilmembers, and that they were generally supportive of what they heard. In fact, yeah, in fact by and large, those who were at the meeting commenting said that they were kind of supportive of the ideas, but they just didn't know enough about it yet, and they didn't know the people. They said, we don't know you, so I think that's a learning process that, you know, will necessarily go forward for this to succeed, and really be embraced by the community. Auntie Mopsy, who I'm happy to see is still here, ended the meeting beautifully by bringing all of those who were present together for a pule, held hands and just invoked the spirits that be to help everyone who cares about this special place to come together and make it pono. And keep discussing things, and you heard the concerns. You can sift through those concerns. Also, a number of times TEACH, Jason and Mark, invited those who were asking questions and sharing concerns to be part of a citizens advisory group, and to actually provide the input on an ongoing basis. And that's my overview of the meeting. And I just wanted to add, take a minute to add my perspective. Next Monday will mark 39 years since I first arrived on Maui, and the first 5 years that I was here, I lived in Kuau. Many, many days I'd put on my running shoes and ran from Kuau, past Mama's Fish House, up to H'Poko and that was my turn around. So I've probably run up that hill at least a hundred times. I've played hours and hours of basketball in the gym, went to a number of presentations there, very sad to see that it burned down apparently at the hands of an arsonist. And so in this time, in this 38 years that I've been familiar with this property, I've worked with groups that have been temporarily housed there. Maui Invasive Species Committee had their baseyard there. About 12 years ago Community Work Day and Jan Dapitan, who's done so much with Old Maui High, had their headquarters there. But in this time, you know, the roof has fallen in, the place has been vandalized, graffitied, it's continued to deteriorate so, you know, I'm hoping that this renewed interest will result in, you know, a real positive outcome for the restoration. Also, I wanted to share that in 2003 and 2004 I was part of the County group that reviewed the giveback provisions. When the NifTAL project concluded, the University of Hawaii CTAHR project that was there for about 15 years, we had to do our due diligence as a County to accept the property back when they terminated their lease, and part of what I reviewed was a phase one Environmental Assessment. That's different than an Environmental Impact Statement. It looks at is there arsenic, is there lead-based paint, is there underground storage tanks, what's the soil contamination, if any. And so we reviewed that, and before we accepted the property back, we came to agreement with the University over who had kuleana to take care of things such as the underground storage tank. And from my memory of that, I don't have it in front of me, it was in some old files going quite a ways back, but what we found there was minimal. I was happy that there wasn't arsenic. There was not lead-based paint. And in conclusion, I mean, in my role as a sustainability advocate and Environmental Coordinator, many, many times, Chair, people have come to me and said, why can't

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Maui lead the way and really step into the sustainability arena, and have a sustainability center where we can show our community, and even those who are visiting our island, to be a model for the world? And when I review this TEACH LLC proposal, I said to myself, man, we've been waiting a long time for something like this. And so it's something that I personally support. I'm not here to sell it to you, or to the community, but that's my perspective. Thank you, Chair.

CHAIR GUZMAN: Thank you. Yeah, so why don't we hear from Mr. Chasan and Mr. Hobson. I basically got the same impression as well, that a lot of constituents that I spoke to really, you know, accept the ideas, the sustainability, the agriculture. But the question is to, for real, is how are they gonna do this? I mean, how is it legitimized? Or how you're gonna...and the trust hasn't been built yet wherein you're not connected with a nonprofit, established nonprofit here. You come in as an LLC, a for-profit company, and was basically established for the purpose of this RFP. So building that trust, it's, you know, I can understand where the community's coming from. So how do you intend to work on that? And is it possible to become a nonprofit, or to partner with some local nonprofits?

MR. CHASAN: Thank you, Chair Guzman and Committee, and community members. As I said, there's still a lot to learn about the land and the community, and we wanna do the right thing. We want this to be a project that is really, truly pono. And, you know, what we're asking for is an open heart, an open mind, and at least, you know, a level playing field. You know, rather than just coming in and, you know, opposing this, something that could be so good for the community, that we're just asking for the opportunity to collaborate. And we understand that we made a mistake, not intentional, but a mistake by not involving the community earlier on. And now we are involving the community. Now they are involved. And, you know, we want to work with nonprofits. We are considering cooperative models. All of these things are open for discussion with the community. Tiare Roberson and Tiare Lawrence sitting in the back there mentioned that some of the things we have in our plan and vision, it's really more of vision than a plan, like, you know, a gift shop, or glamping, you know, would not fly in North Shore. Well, we want to be able to discuss these things. This is a vision, this is an estimate that we actually can, in fact, make this work, and show to the world that regenerative innovation, social entrepreneurship, and doing good for the community actually can be profitable. And we can build a self-sustaining local living economy here that will really help the people. So that vision is not about tourism. It's not focused on glamping. It's not focused on overnight staying, and it will not be a Lumeria. And it will not be a theme park. I wouldn't be here. My heart and my purpose is to show that we can actually change the world. This world is toxic, and people are disconnected. We wanna reconnect people to the land and create local living economies, and show that we can be sustainable. Now, are we willing to talk to the community? More than willing. We are actually...this project, I don't think works without community involvement because it is about community. So the problem with nonprofits as a pure structure, however, Chairman Guzman, is that often they are not able to have the significant amount of administration necessary to really run a

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business. They require a lot of grants, and every year they're getting grants, and potentially one of the things that the RFP said is don't come asking the County or the State for money. You have to be self-sufficient. And so to be self-sufficient means, really, doing it as a for-profit, but also working with many nonprofits to help them with their causes within the community. And so it is a...it really is about how can we actually achieve our both ethical goals, our economic goals, and our sustainability goals. And really it takes I think a multi-headed structure to be able to do that. So we've heard the community. We want to engage with the community. We are asking for deferral until after the 1st of the year when the new Council is impaneled. And that it gives us a chance to really hear them, to work with them, to collaborate, to bring on somebody who is a cultural advisor, an educational advisor. And to be able to do those things that the community wants us to do. And also to do those things that are economically, socially and environmentally good and reasonable. And just in closing, one of the things that we're looking at is the approval of the lease unlocks financing. It allows us to do a lot of the deeper studies. It allows us to do really deep community engagement. It allows us to answer the questions. It allows us to do the virtual renderings, and the architecture, and the plan, and talk about the systems. And quite frankly, there is a lot of market feasibility, and market research, and community research that goes into determining what are the best ways to build this community center so that it provides the greatest economic, social, and environmental benefit.

MR. HOBSON: Yeah, Chair Guzman, thank you again for this, today's hearing, and Committee Members. But to kinda go back to the point of why are you not a nonprofit? You have a number of kind of charitable uses, or educational uses which would, I think, be perfect for a nonprofit. The primary reason is we are seeking, we have investors. And when you have a nonprofit, it's not an investment vehicle. Nonprofits are perfect for charitable and exempt purposes. But when you bring in outside money, you either borrow it as a debt or as equity. You can go to the bank and borrow some money. And then when you have equity investors, you're actually taking ownership or shares, which a nonprofit doesn't have. And so that's one kind of practical reason, and legal reason why we're not a nonprofit. The second is we're talking about, for the Dickey Building and the rest of the historic campus, using Federal tax credits and tax incentives. And that's something that a...Federal tax credits, the way the Internal Revenue Code works is nonprofits and governmental agencies, quite frankly even the County, cannot use Federal tax credits because you need taxable income. Nonprofits and governmental agencies are not subject to income tax. And so that's the other reason. And for the Administration Building in particular in the historic campus, that is the primary financing tool used around the country, are Federal tax credits. And that's the other primary reason, and then flexibility. It allows for collaboration. When you're a nonprofit, you have a number of...is this governmental agency, you have a number of restrictions, meeting notices, and certain other requirements. But to kinda go back to this question of...I think the word was accountability, or risk. And I had the pleasure of negotiating a lease with Deputy County Counsel Ed Kushi and Jerrie Sheppard, very capable lawyers, for the last year. And these were questions that were actually raised during these negotiations, of, you

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know, you have this proposal, how do we translate the things that you say in your proposal into this lease? And so that kind of reflects in the lease in a number of ways. The first are performance milestones. So there is an exhibit to the lease, there are performance milestones that need to be met. If we don't meet those, the County has the right to terminate the lease. We don't meet 'em, County gets to say, you haven't met them, we have a right to terminate. The other kinda most recent changes were including annual reporting and some compliance. And that includes certifying to all the reps and warrants that we're still in default...I mean, not in default, still in good standing, we're complying with all the provisions. And the third is, we can...this lease is actually you cannot assign this lease. If we assign this lease in whole, we need the County consent because you, this is a public-private partnership, and so you as the County, it's fair for you to require some form of consent if we were to sign the lease. And so that process, and we've revised the lease three times, has been...and that's something that...it's in the lease. It's a public document. But we really haven't talked that openly about, but that has been part of the process with working with the County Council's Office.

CHAIR GUZMAN: I have a question. In your presentation at the public hearing, did you explain that there are milestones and conditions that you are required to meet, and if you do not meet it, the County unilaterally can terminate the lease? Did you explain?

MR. HOBSON: I don't think we explained...in...what...there was a lot...there were a number of...and the beauty of that community meeting is we actually did hear...I did hear from the community. And I know Mark did, and I know folks who've been involved in this project. And there was tremendous value in that for me, and for the rest of the team, and I know that. We talked about performance milestones that there were certain protections. We didn't...we could've but it wasn't the necessarily the forum to really get into that level of detail. There was...it did start out...I think, Rob, that's a accurate characterization, it start...some of the initial questions were contentious. But it...

CHAIR GUZMAN: Well, the reason why I ask that is that, you know, if you heard one of the testifiers, they said, well, here we get these, you know, mainland companies come in and promise this and that, but they're really not what they say they are.

MR. HOBSON: Sure.

CHAIR GUZMAN: So these terms and conditions that I'm mentioning that are within the lease that you're describing, these milestones, and if you as TEACH do not achieve those or complete those, we can unilaterally terminate the lease.

MR. HOBSON: That's correct.

CHAIR GUZMAN: So these are accountability provisions. And so I think the public needs to know that as well. And I think more outreach, more education, more building of the trust for the community. You have a hard road, a tough road to travel, but it can be

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done. I think the ideas are there. The concepts are there. But you've got to establish that trust. And I think you're more than willing to do it, it sounds like. And does any other Member have any follow-up questions? Ms. Cochran? Ms. Crivello? Mr. Hokama?

VICE-CHAIR COCHRAN: Yeah, sure do.

CHAIR GUZMAN: Ms. Cochran?

VICE-CHAIR COCHRAN: Yeah, starting with Teena. You mentioned, because she's the only one, Chair, who brought up the RFP process, mentioned RFPs. 'Cause as I understand, one of those...we got three...I mean we got multiple I believe. But we need a minimum of three. I think...did you get three RFPs?

MS. RASMUSSEN: I got three.

VICE-CHAIR COCHRAN: Right, you gotta...that's the set number, right. And so as I understand, one of those three was incomplete. So now does that fulfill the three RFPs being gotten in order to fulfill that...

MS. RASMUSSEN: This was a request for proposal, and there's no statutory requirement to get three, right?

CHAIR GUZMAN: Mr. Ueoka?

VICE-CHAIR COCHRAN: Is this a Corporation Counsel question?

CHAIR GUZMAN: Yeah, excuse me. Mr. Ueoka? I guess the question is, if there was a requirement for three applicants. And if two of them were completed, but one was an incomplete application, does that satisfy the three requirement? Or if there is a three-limit requirement.

MR. UEOKA: Chair, I apologize. I'm not a procurement expert. I'm not aware of one though. But then again I'm not the expert on it. I'd assume since they worked with the Department of Finance through the Purchasing Division, and Mr. King, I would consider him an expert on procurements. So it would be my assumption at this time. But since I believe your intent is to defer this matter, perhaps OED could respond to the Committee in writing. Thank you, Chair.

MS. RASMUSSEN: I do wanna say we did work with Greg King, our purchasing, you know agent. And he certified these results. I mean it went through the procurement, and basically when you're talking about the County actually purchasing something, we're supposed to get three bids, kind of thing. This is a different thing. This is just a request for proposal. We also put in the RFP that the County of Maui may not accept any of them, that we're not obligated to accept any of them, because if they did not

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come to the table with the proper, you know, a proper proposal, we could've turned down all of them. So we, you know, we turned down two, and accepted one because it was an excellent proposal, and you have that in front of you. But Greg King never, ever mentioned to me that there is a requirement to have three complete proposals. That is not...

VICE-CHAIR COCHRAN: So, Chair, since there is a deferral, I would want...I want a legal, or wherever we need to get the concrete, solid answer in black and white on that.

CHAIR GUZMAN: We'll follow that up with a letter to get that inquiry.

VICE-CHAIR COCHRAN: And...okay. And in regards to the meeting, I have been quite the different picture of that meeting. No, I was not there. Yes, I read the paper of the public meeting. And yeah, and then you saw this entire Chamber stuffed full with people. Yes, they were there. But that was the first time they heard of it. So I've been here through all the processes here at this Council level and, you know, Friends of Old Maui High School has been in process for nine years. But...and I think Joyclynn Costa put it very, very eloquently. When you looked into this room, they were our younger generation who were still maybe in high school nine years ago. They're older now, they're grown, they're settled. They made this part of the island their home with their children, and now, yeah, they care about what's happening up and around them, getting built out and things. So now they're like, oh, wait, what was this? Huh? But to say that we've been in process for nine years, a decade ago, doesn't make it that it's okay to not be engaged with this current community. So, and I hear you folks. Yes, you're open to that. But I think that's where these people got in an uproar. And so fine and dandy, a lot of people got heads up. Social media, you know, really flows like wildfire, and they showed up. But, you know, the other comment and it goes to Mr. Parsons, you mentioned a lame duck. Someone said at that meeting a lame duck Council, called this body that. And then as I understand, Ms. Rasmussen repeated it in agreement.

MS. RASMUSSEN: No, no.

CHAIR GUZMAN: Okay.

VICE-CHAIR COCHRAN: That's what I've been hearing. So, anyways, maybe hearsay, Chair. But let me go back in outreach, there was a meeting that was asked at Hookipa, and that went unanswered. Did you not receive that invitation?

MR. CHASAN: I did, and actually I have talked to Tiare Lawrence, and I said thank you so much. We would love to do that, and we just...

UNIDENTIFIED SPEAKER: (from gallery) . . .*(Inaudible)*. . .

CHAIR GUZMAN: Hold on, hold on.

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MR. CHASAN: Are you talking about the Hookipa meeting?

VICE-CHAIR COCHRAN: I don't know. I just was hearing that there's a meeting that was outreached to you folks to please come and have a meeting at Hookipa Beach Park with the community. And that fell on dead ears. That was never followed up with. So I'm just seeing a pattern of not so much outreach.

MR. CHASAN: Actually...yes...

VICE-CHAIR COCHRAN: I guess you got the pressure here today that that is lacking. I hear you folks are looking to work on it. But, you know, this is such a huge project, and as you know, we've been talking about it here on this Council level. In the meantime, couple months later, all of this could've been happening. So that's why this isn't running as smoothly as you maybe planned it to be running.

MR. CHASAN: You're absolutely right. And, you know, we apologize for our ignorance and oversight here. And I did actually talk on, you know, to Tiare before this meeting, and she said maybe we could hold it at Hookipa. Other people said, well, maybe we should hold it just up the street from Hookipa, a mile away, at Old Maui High School where people could actually see it and be there with us to help envision what was happening there. And we've been asked to come back to Hookipa again for another meeting, and we've acknowledged that we will do that, and to provide two weeks' notice. And I thank both Tiare Lawrence and Tiare Roberson for extending that, for being, you know, a voice of the community, and also offering to help us get the right people on the beach who really need to ask the questions, and for us to listen. And as I said the night of the community meeting, right now we have a vision. And that we're actually gonna develop the answers for that vision together, because it's important that the community tell us what they need. And it's also important that we are able to do this in a way where we can bring the financing so that the community can actually spend the roughly \$3½ million of planning that's gonna be needed, the \$8 million of infrastructure and cleanup that's needed, the \$12 million of renovation that's needed just to get Old Maui High School back in shape, and to also prove what it's like to have regenerative systems. Now Tiare Lawrence has said to me, you know, why not make it a --

VICE-CHAIR COCHRAN: Sorry, Chair?

MR. CHASAN: --Hawaiian immersive school?

VICE-CHAIR COCHRAN: Chair, yeah, I didn't want that much detail.

MR. CHASAN: Okay.

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VICE-CHAIR COCHRAN: But I think the 20-page presentation you presented to us here, I guess would've been a nice thing to show to this community and the public so they could get a very clear picture of what your intentions are.

MR. CHASAN: We did that that night.

VICE-CHAIR COCHRAN: And what your ideas are of...you know, your plan and then get feedback on it, so.

MR. CHASAN: We actually did that, and showed that that night. We've got e-mails of everybody who came. We're compiling a list. We're sending that out to everybody who showed up.

CHAIR GUZMAN: Okay. Yeah, yeah I think Ms. Cochran's point is that more needs to be done. And, you know, one community meeting certainly is a start. And I believe Mr. Hugh Starr mentioned that, you know, there's a whole North Shore community that you guys can, you know, meet with individually, and in groups, and just establish that trust. And, you know, we just finished a whole election cycle, and on the campaign trail I heard a lot of this public-private partnership lingo. And I've been on the Council for four years now. I haven't seen a public-private partnership yet. So if you guys can make this happen, and I'm not saying you give us, the Council, the heavy work, or the lifting, the heavy lifting. 'Cause we are not gonna do your job to go out and make the community trust you. You've gotta do that. So if we're gonna make this partnership work, you've gotta gain the trust of the community and show that it's a legitimate purpose that you have, it's true intention, and we can move forward. But until then, I think you need more outreach. And I think you understand that as well, you know. And I think it'll work out as long as we keep working together and reaching out to the community. Okay, yeah. And then we're gonna wrap it up in about two minutes or so, so if you can, Mr. Lucas.

MR. LUCAS: Thank you, Chair. I just had one quick comment. Councilmember Cochran, thank you for your question. And I just wanted to clarify something. When I spoke about the development of the master plan back in 2007, the purpose of my comment was to just clarify the process that we went through in 2007 to come up with the idea of a sustainability center. And I apologized if I created the impression that I was saying that our community outreach is completed because we did that back then. In fact, at the meeting on Thursday, that issue came up, and I said specifically, you can never do too much community outreach. And I agree with you, and I agree with Mark and Jason, and certainly with the Council Chair as well that the community outreach that they've pledged to do is something that's necessary. And it's beneficial to create sort of a healing of the concerns that the community has over this project. And I strongly support that, and hope that we'll move forward with that.

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CHAIR GUZMAN: Okay, very good. And so I thank you very much, and I hope to see more community outreach. And without objection, Members, I'm gonna defer this matter.

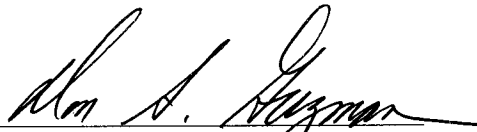
COUNCILMEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER.

CHAIR GUZMAN: Okay, thank you. The item is now deferred. We will adjourn and conclude this agenda. Thank you. Meeting adjourned. . . . *(gavel)* . . .

ADJOURN: 4:40 p.m.

APPROVED BY:



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

ear:min:161115:rk

Transcribed by: Reinette Kutz

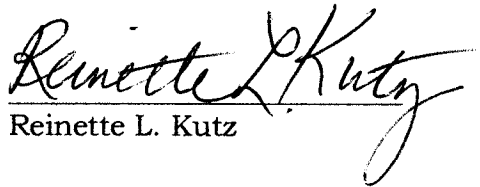
**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**
Council of the County of Maui

November 15, 2016

CERTIFICATE

I, Reinette Kutz, 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 this 8th day of December 2016, in Makawao, Hawaii.


Reinette L. Kutz