

HOUSING, HUMAN SERVICES, AND TRANSPORTATION COMMITTEE

Council of the County of Maui

MINUTES

October 17, 2018

Council Chamber, 8th Floor

CONVENE: 9:04 a.m.

PRESENT: VOTING MEMBERS:
Councilmember Stacy Crivello, Chair
Councilmember Robert Carroll, Vice-Chair
Councilmember Alika Atay
Councilmember Don S. Guzman
Councilmember Kelly T. King

EXCUSED: VOTING MEMBERS:
Councilmember Riki Hokama
Councilmember Mike White

STAFF: Saumalu Mataafa, Legislative Analyst
Leslee Matthews, Legislative Analyst
Clarita Balala, 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.: Edward S. Kushi, Jr., First Deputy Corporation Counsel,
Department of the Corporation Counsel
Gary Murai, Deputy Corporation Counsel, Department of the
Corporation Counsel
John Buck, Deputy Director, Department of Transportation
Seated in the gallery:
Donald A. Medeiros, Director, Department of Transportation

OTHERS: Louise Corpuz, ILWU Pensioners and Hale Mahaolu Board of
Directors

Craig Hirai, Executive Director, Hawaii Housing Finance and
Development Corporation
Dora Choy, Planning Branch, Department of Accounting and
General Services
(4) additional attendees

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

CHAIR CRIVELLO: ...*(gavel)*... The meeting of the Housing, Human Services, and Transportation Committee will now come to order. It is about 9:04 a.m., on Wednesday, October 17, 2018. Before we begin, may I please request that we all turn off or silence our cell phones or other noise-making devices. I'd like to introduce our Committee Voting members. I'm your Chair, Stacy Helm Crivello. And with us today is Committee Vice-Chair Robert Carroll.

VICE-CHAIR CARROLL: Good morning, Chair.

CHAIR CRIVELLO: Good morning. Councilmember Alika Atay.

COUNCILMEMBER ATAY: Good morning, Chair.

CHAIR CRIVELLO: Good morning. Councilmember Don Guzman.

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR CRIVELLO: Good morning. Thank you for being here.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR CRIVELLO: And Councilmember Kelly King.

COUNCILMEMBER KING: Good morning.

CHAIR CRIVELLO: Thank you for being here. Excused at this time is Councilmember Riki Hokama and Chair Mike White. With us today is Gary Murai, our Deputy Corporation Counsel.

MR. MURAI: Good morning, Madam Chair.

CHAIR CRIVELLO: Thank you for being here. And with the Department of Transportation, we have Deputy Director of Transportation, John Buck.

MR. BUCK: Good morning, Chair.

CHAIR CRIVELLO: Good morning. And with us also from Corporation Counsel is Mr. Ed Kushi.

MR. KUSHI: Good morning.

CHAIR CRIVELLO: Good morning. We also have the privilege of having with us today our Executive Director with the Hawaii Housing Finance and Development Corporation, Mr. Craig Hirai. They're in the gallery for the time being. Thank you for being here.

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And also with Mr. Hirai is Dora Choy from the Department of Accounting and General Services or what we call DAGS, with Hawaii State. At this time, we also have our Committee Secretary from our Staff, Clarita Balala. And our Legislative Analyst Saumalu Mataafa, and our Legislative Staff [sic] Leslee Matthews. Members, thank you for being here. Before we get into discussion, let's get started with public testimony. And assisting us this morning from the Lanai District Office is Denise Fernandez.

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

CHAIR CRIVELLO: Thank you. And from our Molokai District Office is Ella Alcon.

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

CHAIR CRIVELLO: Good morning. Thank you. And good morning, Dawn Lono, from our Hana District Office.

MS. LONO: Good morning, Chair. This is Dawn Lono in the Hana Office and there is no one waiting to testify.

CHAIR CRIVELLO: Thank you, ladies. And should anyone show up to testify, please e-mail our Staff here. So, for individuals who will be testifying in the Chamber, please sign up at the desk located in the 8th floor lobby, just outside the Chamber door. If you will be testifying from the remote testimony locations specified on the meeting agenda, please sign up with the Council Staff at that location. Testimony will be limited to the items listed on the agenda today. And pursuant to the Rules of the Council, each testifier will be allowed to testify for up to three minutes per item. At two and half minutes, the light will turn yellow, which is a signal for you to end your testimony. When testifying, please state your name and the name of any organization you are representing. Staff, please call our testifier?

MS. MATTHEWS: Yes, Chair, first testifier is Louise Corpuz, testifying on HHT-54.

CHAIR CRIVELLO: Thank you.

. . .BEGIN PUBLIC TESTIMONY. . .

MS. CORPUZ: Good morning, Chair and Council.

CHAIR CRIVELLO: Good morning

MS. CORPUZ: I'm Louise A. Corpuz, representing the Maui ILWU Pensioners Club and also the Hale Mahaolu on behalf of the Board of Directors. I am fully in support of the HHT-54 and the only problem is we have a long waiting list for all the people of Maui County trying to get in to affordable housing. Therefore, we hope that this bill will

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be passed and support all of our kupunas and our low-income families living right here on Maui. Thank you very much.

CHAIR CRIVELLO: Thank you. Any clarification or questions for our testifier? If none, thank you for being here.

MS. CORPUZ: Thank you.

CHAIR CRIVELLO: Do we have another testifier?

MS. MATTHEWS: That's all, Chair.

CHAIR CRIVELLO: Thank you. So, since we have no further testifiers either here in the gallery or at the District Offices, if there are no objections, testimonies will be closed.

COUNCILMEMBERS: No objections.

CHAIR CRIVELLO: Thank you.

. . .END OF PUBLIC TESTIMONY. . .

HHT-54: AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION AND DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
(CC 18-350)

CHAIR CRIVELLO: So, Members, we have one item on our agenda and this is HHT-54. It's authorizing the Mayor of the County of Maui to enter into an intergovernmental agreement with the Hawaii Housing Finance and Development Corporation and Department of Accounting and General Services. The Committee is in receipt of County Communication 18-350, from the Managing Director, transmitting a proposed bill entitled "*A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF HAWAII, HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION AND DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES.*" The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement with the State of Hawaii, Hawaii Housing Finance and Development Corporation and Department of Accounting and General Services, relating to the construction and lease of land for the new Maui Bus Hub. The Committee may consider whether to recommend passage of the proposed bill on first reading with or without revisions. The Committee may also consider the filing of County Communication 18-350 and other related actions. So, Members, the State of Hawaii and County of Maui propose entering into an intergovernmental agreement to allow the County to move the Maui Bus Hub from Kaahumanu Center to a portion of a parcel located in Kahului in exchange for the State's use of County property adjacent to the State Office Building in Wailuku. The State has made available \$2.5 million for the construction of the new Maui Bus Hub. The County

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has also appropriated \$650,000 for the design of the new hub. The Transportation Department is here today to talk about the proposed transactions. We also have Mr. Hirai, the Executive Director from HHFDC, and he's here on behalf of the State to answer questions as well as Ms. Choy. Mr. Buck, would you like to provide opening comments, a brief description of the proposed transaction, and the State's involvement? But before we go further, I'd like to invite Mr. Hirai and Ms. Choy to join us here in the Chamber. Thank you. Mr. Buck?

MR. BUCK: Thank you, Madam Chair. As everybody knows, by January of 2020, the Maui Bus Transit Center . . . the Maui Bus has to vacate the Queen Kaahumanu Shopping Center. So, with that in mind, the Department Head, were diligently. . . was looking for additional or other sites to move the bus hub to. And with the construction of the Catholic Charities project, which is a HHFDC project, and after the research we found that the proposed property was the most ideal site for the bus hub. One, because of its proximity to its current location so it would not affect the timing of the current services there being provided. And two, is because of the project that's going to be across the street where there probably be a need for people to ride the bus to various locations throughout Maui. And then also, the proposed property itself is designated in the future for HHFDC. So, with that in mind, working with HHFDC and the Legislators and there's a \$2.5 million appropriated for the construction of the bus hub, generosity of this Council, we'll receive 650,000 for the design of the bus hub. And this agreement basically is allowing us to come to an agreement for us to occupy the land for the transit hub for a dollar a year for 65 years in exchange for the post office property. Thank you, Chair.

CHAIR CRIVELLO: Thank you. I'd like to open the floor to Mr. Hirai if you have any comments or clarification.

MR. HIRAI: Good morning, Chair. I'm Craig Hirai, the Executive Director of the Hawaii Housing Finance and Development Corporation, in which capacity I'm also the Co-Chair of the Hawaii Interstate Interagency Council for Transit-Oriented Development. The TOD Council supported the bus hub relocation to the Vevau Street site, which is actually currently part of the Kahului Lani Senior Housing Project. It will need to be improved and subdivided and dedicated to the County as a part of this transaction. We are anticipating closing the Kahului Lani financing before the end of the year. We are . . . it's a Catholic Charities project but they're the landowner, but we are providing low-income housing tax credits and Hula Mae multi-family bonds for that project as well as rental housing revolving fund. And so, that's the Kahului Lani side of the transaction, which is pending imminent closing. On the old Kahului Civic Center site, we're in the process of getting the Executive Order transferred from DAGS to us, to HHFDC. The two and a half million CIP was made from the State to us and so, therefore, we had originally been asked by the County, but the Legislature had CIP'd it to us. So, the plan is to . . . for us to pay for and own the transit hub and to lease it to the County of Maui for a dollar a year. And we also have the Legislature also . . . we have an agreement with the Legislature to allocate 1.5 million of our DURF funding for the, for improvements to the . . . this portion of the Kahului Civic Center site – kind of the offsite improvements.

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CHAIR CRIVELLO: Thank you. Thank you very much. So, Ms. Choy, would you like to contribute anything to say in regard to this agreement, if you wish?

MS. CHOY: Currently, we are working on a Statewide Master Plan. And the main purpose of it is to reduce lease spaces and try to incorporate it into State office spaces and that could include renovation of existing buildings, new buildings, buying, you know, or leasing other new buildings. So, what's on the table now is the post office site and we are in the process of finishing up the master plan to determine how much State spaces we have for to bring in the lease spaces.

MR. HIRAI: Excuse me, Chair. Yeah, part of the transfer of the Executive Order from DAGS to HHFDC on the Kahului Civic Center site is it's supposed to be used for mixed use project. And part of the planning process for DAGS is to know how much office space they will need on the Kahului Civic Center site, which may be impacted by whether or not the lease goes through for the Wailuku Post Office site.

CHAIR CRIVELLO: Right. Thank you. Thank you. Members, I will now open the floor for discussion on the proposed bill and any questions that you may have. Councilmember King?

COUNCILMEMBER KING: Thank you, Chair. I guess the main question I have is, have you done the overlay of the sea level rise vulnerability report to make sure that this is not in that inundation zone?

MR. HIRAI: On the Kahului Civic Center site?

COUNCILMEMBER KING: Right.

MR. HIRAI: I think that the answer is we're just in the preliminary stages of planning at this point. Yes, I think it is part of the SMA, if I'm not mistaken. So, yes, that is a concern. But at this point, we're just concentrating on getting the bus hub built.

COUNCILMEMBER KING: Okay.

MR. HIRAI: And then we have . . . our Board has, the HHFDC Board has allocated money to do the planning for both the Kahului Civic Center site and presumably the Wailuku Post Office site. So, we're just starting, basically.

COUNCILMEMBER KING: Okay.

MR. HIRAI: But, yes, we're aware of that issue.

COUNCILMEMBER KING: Okay, yeah, I just don't, wouldn't want to get too far into it before and then find out that that's part, you know, that's in that inundation zone.

MR. HIRAI: Uh-huh.

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COUNCILMEMBER KING: We really need to start looking at not investing a lot in those areas that could be, you know, at risk. So, thank you.

CHAIR CRIVELLO: Mr. Buck, you want to comment on that inquiry?

MR. BUCK: Yes, Chair. According to the latest sea level rise documentation that was just released not too long ago, that area is not impacted by that sea level.

COUNCILMEMBER KING: Okay. Thank you for doing that check.

CHAIR CRIVELLO: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Yes, I just wanted some clarification on the lease agreement, oh, your understanding. You said in exchange for post office property? Mr. Buck?

CHAIR CRIVELLO: Mr. Hirai and then Mr. Buck after.

MR. HIRAI: That's contemplated to be a lease. It's not a . . . it's a lease for lease exchange.

COUNCILMEMBER GUZMAN: Oh, lease for lease exchange.

MR. HIRAI: Yeah.

COUNCILMEMBER GUZMAN: Okay, okay. So, can you explain that portion?

MR. HIRAI: We'll lease the bus hub to the County of Maui and the County of Maui will lease the old post office, Wailuku Post Office to DAGS.

CHAIR CRIVELLO: It's like we need the lease for a bus hub. They need to lease Wailuku Post Office parking --

COUNCILMEMBER GUZMAN: Oh, okay, okay.

CHAIR CRIVELLO: --to do their master planning for the Hawaii State.

COUNCILMEMBER GUZMAN: Okay, okay.

CHAIR CRIVELLO: So, it's . . .

COUNCILMEMBER GUZMAN: I just didn't know what the purpose was for the post office.

MR. HIRAI: It's not a land exchange per se.

COUNCILMEMBER GUZMAN: Right, right. Okay.

CHAIR CRIVELLO: Yeah.

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COUNCILMEMBER GUZMAN: That makes sense. Okay. Thank you.

CHAIR CRIVELLO: Thank you. Mr. Atay, any questions or comments?

COUNCILMEMBER ATAY: Yeah, thank you, Chair. Staying on the same line about the Wailuku Post Office so, it's a 65-year lease for dollar a year. The current zoning for that allows construction to go up to nine stories. And then the exchange we're getting in this . . . I kind of question if this is in the inundation zone? So, I'd like to get a copy of that report that Mr. Buck highlighted because I'd like to see that, that it's not because I know where it's located and with the sea level rise saying that it's going to be 70 feet, you know. But the exchange of use of land, the land use zoning from the Wailuku Post Office property of the current ability to go up and that value versus where we are in Kahului just a portion of that property only for the bus. I'd like to see a fair exchange.

CHAIR CRIVELLO: Mr. Buck, would you like to add to his question or comments as to why we're at Kahului and why we value having this lease . . . not exchange but, you know, it's like a one-on-one.

MR. BUCK: I can answer the first part of the question of Councilmember Atay's question. I can forward you the link for that. I just have to find it. But that was one of the concerns that we had. When I first came on board as a Deputy, I went into the _____ meeting in Honolulu and we were talking about sea level rise and then they introduced the report at that time. I think it was . . . I can't remember . . . but there was a report and that was one of my first questions is the relationship of where that area in regard to the sea level rise. The second part of the question I, hopefully, I can answer if not I would have to get back to you is that the location of Kahului is relevant, close to where the current bus hub is right now. So, there wouldn't be a lot of effect on the scheduling of disruption of services in changing schedules because everybody is kind of set on the schedules in close proximity. We did look at many other areas. In the final analysis that was the most ideal site. You're going to have the six-story affordable housing project across the street so, there will be a lot of people who probably would be real convenient to have that bus hub for them so that they wouldn't have to walk over to Kaahumanu or any other place, but that they'd be right there. I can't really say . . . I can't give a comment right now as far as the land exchanges is that there was interest on our part to go down to where the proposed location is. If everybody is aware, that's where MEO had their bus yard at one time so we're basically kind of just taking over where MEO once was. I know that there has been a lot of discussions that I haven't been involved with as far as the old post office site in regard to this MOU. You know, we've had a lot of discussions back and forth what we can and cannot do, and I'm basically here is hopefully to have this . . . see this MOU go through so we know where we are as far as giving the 65-year lease for a property that we want proposed. I hope I answered your question. If not, then I'll probably have to get back to you.

COUNCILMEMBER ATAY: Chair, if I may, I want to follow up. The reason why I inquire about the inundation zone area is, I remember that when that tsunami wave came, and that wave came all the way down to the corner of where Christ the King Church is at. That's

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how far that wave came. And that's before they're telling us going get sea level rise. So, my question is, that location is just across the street from Kahului Harbor so, with caution and in line with the same thought of Member King, is to bring that study forward and we need to be careful of investing millions near shoreline development or nearshore to where we're going to be exposing our facilities to an inundation area. So, that's one concern I have. The other concern is the same concern that the State has in addressing looking for space to construct office spaces so that they no longer have to lease other office spaces and consolidate their workers. That's the same dilemma we have. We're leasing office spaces out there. We need to also look at our properties that we have and how to bring in and build more office spaces so that we are not spending rent money outside but build our own facilities for us. So, I'm, you know, we . . . they're addressing a problem. I know a separate problem we had we were talking about how do we expand our County campus and now we're going to get rid of a property that doesn't allow us that. I'm . . .

CHAIR CRIVELLO: Thank you. I can appreciate your concern. I think too that I do believe that part of the master plan is to include the parking but not necessarily as an office space but as an existing parking area. And that was what the County's plan was also to build up with the parking, a parking lot space. I'd just like to add that the 65-year lease that we're having from the State through legislation allows us to receive also CIP money from the State and it's still our taxpayers' money, so I understand what your concerns are as well as, as Mr. Hirai stated, 1.5 million from our DURF, their DURF funding. So, we have appropriations at least \$4. million from the State Legislature and this is a collaborative effort that we know we cannot continue to have our bus hub at the Kaahumanu Shopping Center right now. But I would think that if . . . have any other suggestions that we can afford, you know, we'd like to bring that forward, you know, definitely. I'll ask Staff to follow up with requesting and assuring us that we'll have the report or the link to what the Department of Transportation have forwarded with that report for us, yeah. Any . . . yes, Mr. Hirai? Thank you.

MR. HIRAI: With respect to, I think, Councilmember King and Councilmember Atay's question about sea level rise and the inundation zone, the way the Legislature structured the financing on this was the CIP appropriation to HHFDC. And the DURF funds are our funds and the land will be . . . lands that by Executive Order transferred to us. So, basically, what we're doing is we're going to be building the transit hub, which is on a piece of land that's slightly bigger than the post office site and we will rent the facility, the structure and land, to Maui County for dollar a year because the Legislature basically paid for. But it's going to be our facility at least until we can transfer it to the County. So, basically, we're at risk as much as . . . the State paid for it, basically.

COUNCILMEMBER KING: Chair?

CHAIR CRIVELLO: So, what I'm hearing you say, Mr. Hirai, is that actually now the ownership is under the Department of Accounting and General Services. So, that land in Kahului will be actually transferred to your entity, which is HHFDC and upon completion of the facility with the \$4. million from this, we, the County, will be able to lease it for dollar a year?

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MR. HIRAI: That's correct.

CHAIR CRIVELLO: Okay. So, that also includes us allowing DAGS or the State to lease from us the Wailuku Post Office parking lot. Do I . . . okay, thank you.

COUNCILMEMBER KING: So, . . .

CHAIR CRIVELLO: Councilmember King?

COUNCILMEMBER KING: Yeah, so, can you clarify that? I think Mr. Buck was one that talked about \$600,000 for design. I thought I heard that earlier. Was that the County's spending? And why if, if it's being built by the State, why do we have to spend anything?

CHAIR CRIVELLO: Mr. Buck? Mr. Hirai?

MR. HIRAI: Could I explain maybe a little bit about the history of that?

MR. BUCK: Yeah.

MR. HIRAI: Originally, we were contemplating on the lease only at the Kahului Civic Center site to County of Maui and originally the County had gone in and asked for a I guess a CIP appropriation to the County of 2.5 million. And that's where, you know, they're asking you folks for the 650,000 of planning money. So, that was the original structure at the beginning of session. And as it turned out at the end of session, you folks had appropriated the 650, which was necessary for the design. And the Legislature had basically . . . the County's bill had died but they put the 2.5 million in the CIP, State CIP budget to us. So, that's why we have this funny structure right now. It wasn't the structure that was originally contemplated and that's why you folks appropriated. . . it's my understanding is that's why you folks appropriated the 650 because of your original structure that had been contemplated.

COUNCILMEMBER KING: Okay. So, are you saying that we don't need this 650 to go into that?

MR. HIRAI: I think at this point we do because they've already . . .

COUNCILMEMBER KING: So, we still have to put in 650,000 into the design --

MR. HIRAI: Yeah. Right.

COUNCILMEMBER KING: --and then you'll design it and build it.

MR. HIRAI: Actually, we're fine with them designing it and also designing Vevau Street too. We're just paying for it.

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COUNCILMEMBER KING: Okay. So, but if we design it, we're designing for that site and so if it comes back that we are in the inundation zone and we put this money into . . .

MR. HIRAI: Yeah.

COUNCILMEMBER KING: I mean, we're at risk as well so it's not just the State is.

MR. HIRAI: Excuse me. Yes.

COUNCILMEMBER KING: Yeah. Okay.

CHAIR CRIVELLO: Right. I think we recognized that when we approved and appropriated that budget to do the planning and design. We do take all this into consideration and it's a very unusual partnership that we have going on with the State Legislature and Hawaii Housing and Finance Development Corporation (HHFDC). So, I think it's a model that we can set forth. And as far as partnership and leveraging putting out 650,000 for us to come up with our design that would accommodate our equipment and what have you and then go further with us being able to lease the property for dollar a year and whatever else that comes with the capital improvements of the facilities, yeah. And then too part of it is with I think the groundbreaking will be before the end of this year is the Kahului Lani Senior Home for the lower income seniors that we have. And this is just added to for their accommodations also as well as those who would be traveling to the shopping center to do whatever needs to be done. So, but we have before you this agreement and this would be your call as to whether or not you'd like to support this bill or not. And we have all the questions and the inquiries that we need to follow through. Any more questions or comments, Members?

COUNCILMEMBER KING: Chair?

CHAIR CRIVELLO: Yes?

COUNCILMEMBER KING: Yeah, I would like to see that report, the overlay of inundation zone before you forward this. I would suggest we defer it and then take a look at that because, you know, we made a commitment to the recommendations in that report and, you know, I've heard many of us say we have to stop building near the shoreline because everything is going to be under water, you know, probably within our life time anything that's within the two feet. So, I would just . . . I would like to see that before, I mean, it doesn't make sense to me to say, well, we're going to look at that later and then we move forward with it already and put 600,000 into designing something that may be not a good place.

CHAIR CRIVELLO: Thank you for your recommendation. However, we recognize also that we would have to be out of the Kaahumanu Shopping Center within a year's time, I mean, close to a year's time. What is it, Mr. Buck, 2020?

MR. BUCK: End of January 2020, yeah. We're working on a contingency plan to . . . 'cause we know it's going to take a while to get all the permitting and the actual construction.

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We'll probably working with Kaahumanu Center see if we can do a month-to-month or whatever. But right now we did get a notice to vacate by the end of January 2020.

CHAIR CRIVELLO: Right. So, it is time sensitive for us and we're already are behind schedule and if, Members, if you can have consideration or concerns where else may we find lands that may be available. I don't know if the Department has a Plan B. And we have these appropriations from the State Legislature and I will . . . I'm sorry, we don't have full membership. We have five of us. I would prefer to have us, at this time, make a decision how we want to pursue instead of a complete deferral. But let me ask, how long will it take for us to have that inundation report that Members are asking for?

MR. BUCK: I probably give you the reference by tomorrow.

CHAIR CRIVELLO: Thank you.

MR. BUCK: I just gotta remember the . . . I have to go back to my notes and see what link it is. It's on . . . web-based so you can get it off of the web. We're talking about sea level rise?

CHAIR CRIVELLO: Right.

MR. BUCK: That was the main concern. We can get that later on today or tomorrow.

CHAIR CRIVELLO: Okay. Mr. Atay?

COUNCILMEMBER ATAY: Thank you, Chair. My main concern, well, there's several concerns but my main concern, I'm in full support for addressing the needs of our community especially our senior housing community. However, this location I am concerned about in protecting them that why I going build something if they're in danger of getting the big wave on them, yeah. And that's the offer we got? We can't move inland? We can't consider other locations for that? There are current facilities that are empty along Dairy Road, i.e. Kmart, i.e. what is that other mall there? No need wait for the permit process. We can go there, you know. Why we're not investigating locations little bit further? In fact, isn't the bus storage or the bus hub housing like where MEO's buses are? It's further inland closer to where Target is, right? Why are we only looking right across the street from the ocean to spend millions? So, you know, it's kind of like, yes, we gotta hurry but why we going build a place where we're going to endanger our people? Yeah, and this is the only option we're getting?

CHAIR CRIVELLO: Well, I don't know for sure this is the only option but when you mentioned Kmart it's privately-owned. It's not something that we would have to have an intergovernmental . . . If the County is willing to put out that kind of funding, then we may want to consider that, if we want to appropriate the full funding for us to be, as you suggest, maybe at the Kmart facility.

COUNCILMEMBER ATAY: Chair, but isn't Kaahumanu Center privately-owned and our bus service is there so, you know, I mean, --

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CHAIR CRIVELLO: Yes, yes.

COUNCILMEMBER ATAY: --we can approach people.

CHAIR CRIVELLO: Yes, it is. Yes, it is privately-owned and that's why we have to be away from there because we have no control on what the privately-owned landowner will determine in the contract or our lease for us to utilize that. But I hear what you're saying. I'm sure Department of Transportation also hears that. Any further discussion? Mr. Buck, will it be such an interference as far as deferring till we get something with the inundation report? Mr. Hirai, is this very time-sensitive as far as legislation funding and what have you? 'Cause the funding is just for this particular area.

MR. HIRAI: It's tied into the Kahului Lani Senior Housing development, which I understand has all of its permits --

CHAIR CRIVELLO: Yes.

MR. HIRAI: --at this point in time. So, I don't, I'm not . . . at some point, Vevau Street, as part of that housing project, will need to be dedicated to the County, and then we would like to . . . we prefer to proceed on it at the same time, which and we're providing financing for it to the developer of the Catholic Charities property so that we can get it built on a timely manner for the bus hub. But I'd like to say, Councilmember, at this point, the only thing that I'm aware of that's on the Kahului Civic Center site will be the bus hub itself. The housing has already been permitted and is scheduled to break ground this year.

CHAIR CRIVELLO: Right. I'm gonna call for a brief recess so we can do some follow-up with Staff on this. Call of the Chair. . . .(gavel). . .

RECESS: 9:43 a.m.

RECONVENE: 10:07 a.m.

CHAIR CRIVELLO: . . .(gavel). . . The Housing, Human Services, and Transportation Committee will reconvene from recess. Thank you, Members, for your patience. Because of our discussion, which is healthy, and allows us to instead of waiting for the report, Staff has gone into the site where this particular property as well as the Kahului Lani project is located also and is about the same level. So, I don't know is it Mr. Buck or Leslee, Staff, are you willing to explain something what's on with that? No?

MS. MATTHEWS: Okay. Good morning, Chair. So, we've located the Sea Level Rise Vulnerability and Adaptation Map and I've selected areas that we can see the sea level rise exposure area as well as, and this is the area . . . and I'm going to let him --

CHAIR CRIVELLO: Mr. Buck.

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MS. MATTHEWS: --Mr. Buck determine where the area is. And then also looking at, in addition to the sea level rise exposure area, I'll also select so that we can view the potential economic loss at 3.2 feet. And you'll notice that the area that we are questioning is outside of both of those areas and I'll let Mr. Buck show us on the map where those areas are.

CHAIR CRIVELLO: Thank you, Leslee. Thank you. Mr. Buck?

MR. BUCK: Okay. Basically, where the transit hub is going to be located – this is Vevau Street, this is School Street, the library is right here. You have some apartments over here and right about here where my finger is, is the location about basically where the bus hub is going to be. You have the lawn mower operation for DAGS right here in this corner here and then we're kind of right next to it. So, we're outside and, of course, just for reference, this is where the Kahului . . . the Catholic Church, this project is going right across the street in Vevau.

CHAIR CRIVELLO: Councilmember King?

COUNCILMEMBER KING: Could you scroll up to show I think there was something, a legend down there to refer to that red line up above?

CHAIR CRIVELLO: We'll have Ms. Matthews help us with that.

COUNCILMEMBER KING: If you can scroll up on that page. I think an earlier version I saw something that referred to what the red and green lines mean. The green line I think was vegetation. The red line . . .

MS. MATTHEWS: So, the red line is the coastal erosion, . . . which . . . so it's saying that cities of historical shorelines change using area photographs and survey maps. So, they surveyed beaches on Kauai, Oahu and Maui. And so it's looking at the . . .

COUNCILMEMBER KING: So, this is, okay, this is coastal erosion, so it doesn't really show, I mean, the water obviously is coming up above that.

CHAIR CRIVELLO: Are we able to . . . what are you looking for, Ms. King?

COUNCILMEMBER KING: Where the actual sea level rise. I mean, that shows economic lost, but I was looking for the actual sea level rise border.

MS. MATTHEWS: So, are you looking for the sea level rise exposure area?

COUNCILMEMBER KING: Right.

MS. MATTHEWS: Okay. So, if I put it up 3.2 feet here and then I'll zoom in so that we have the area . . . So, the sea level rise exposure area is up here in the area where they're wanting to build is right here.

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COUNCILMEMBER KING: Okay. That's a good . . . it's a better map and that shows where the 3.2 feet is.

MS. MATTHEWS: The 3.2 feet.

COUNCILMEMBER KING: What is the life expectancy of the transit hub?

CHAIR CRIVELLO: We're in an agreement, we're looking at a 65-year lease.

COUNCILMEMBER KING: Right. But I mean, how long do you expect it to last – the structure? You're going to build something that's going to last for 65 years?

MR. BUCK: We're hoping it'll last for 65 years. It should 'cause the design is going to be . . . the transit hub is going to basically it's going to be probably either concrete or block walls and then the concrete pad and then just kind of a roof over it. So, it should last the whole 65 years.

COUNCILMEMBER KING: Okay.

CHAIR CRIVELLO: So, the facility is quite simple and basic from what I understand – concrete pads or some sort of block concrete.

MR. BUCK: It'll look almost like a gas station with a canopy over the top and then two buildings. One building will be the ticket booth to sell the passes and they're staff there manning it, and then also they'll be a restroom facility. And they won't be together; it'll be little bit spread out so.

COUNCILMEMBER KING: Okay.

MR. BUCK: It's very simple design.

COUNCILMEMBER KING: And so is our County, is our County Public Works designing it and then the State's going to build it or is the State going to or we're paying them to design and build?

MR. BUCK: No. We are in a contract with Fukumoto Engineering.

COUNCILMEMBER KING: Okay. So, but we're overseeing the design contract and then after it's designed we hand that over to the State to build or how is that working?

MR. BUCK: From my understanding, we're going to receive the design and then we will be also overseeing the actual construction. The State and Craig can correct me if I'm wrong but that's what the original plan was. We're going to receive the design and then when it comes to issuing the contract for the construction, the County will be overseeing that.

MR. HIRAI: That's our understanding because we're not here and you folks are.

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COUNCILMEMBER KING: Okay. And then the State is paying for that?

MR. HIRAI: Yeah.

COUNCILMEMBER KING: Okay.

MR. BUCK: Basically, we're going to do the work and they're going to give us the money.

COUNCILMEMBER KING: Okay. And then can you just . . . so then this site at the Wailuku Post Office property that, did you say earlier that that's already permitted?

MR. HIRAI: No, it's Kahului Lani Senior Housing Project that's permitted.

COUNCILMEMBER KING: Okay. But what is, what is the intent for the . . . can you just reiterate what the intent is for the Wailuku Post Office then? Is that the trade off?

MR. HIRAI: I don't think we've . . . I can let DAGS speak to that, but I don't think we've gotten . . . it's just been the preliminary planning stages this question of whether it's available or not.

CHAIR CRIVELLO: I think what we've discussed earlier, Councilmember King, was that it's part of the preliminary planning for their master plan. And right now, it's for the County. The intent was to build the parking, yeah, six yeah --

MS. CHOY: Currently . . .

CHAIR CRIVELLO: --six levels or nine levels.

MS. CHOY: Six levels.

CHAIR CRIVELLO: Yeah, six levels of parking stalls.

MS. CHOY: The post office it will be office spaces in there plus 75 additional parking stalls.

MR. HIRAI: My understanding is that you folks are kind of open to discussing plans further with the County.

MS. CHOY: Yes, we are.

COUNCILMEMBER KING: Okay. But that's a State, that will be a State building? Okay.

CHAIR CRIVELLO: It's a 65-year lease also. We're not giving up the land.

COUNCILMEMBER KING: Right.

CHAIR CRIVELLO: Yeah. It's a lease.

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COUNCILMEMBER KING: But we do have to live with whatever they put there.

CHAIR CRIVELLO: Right.

MR. HIRAI: But I think they'll have to collaborate with you because they'll have to get permits and things from you. And there may be other collaborations that might be possible is my understanding.

COUNCILMEMBER KING: Okay.

CHAIR CRIVELLO: Thank you. Okay, any further questions or comments, Members? Mr. Atay?

COUNCILMEMBER ATAY: Thank you, Chair. I'm okay in supporting the move in Kahului. But I'm not okay in giving up our space in Wailuku. You know, we have a problem of need for our operations. We've been talking about expanding our Maui County campus here, which is right next door and, you know, I look at, you know, that's a valuable property, you know. And we're going to trade it even for even? It doesn't compute here, you know. We, we must, you know, I think interestingly I'd like to hear what Budget Chair would have on that because this is a big financial vote that we're giving up, you know. We have an opportunity to ourselves build a building that we can put our own County offices in, we no longer have to rent from, and or build this building and rent to the State for offices that they need. But we giving up this property is not a fair trade in my perspective of how I look at it. And now we're given this deal like, oh, you gotta get this but along with this get one line over here you gotta act, give up your Wailuku property. That's the other half --

CHAIR CRIVELLO: I hear you.

COUNCILMEMBER ATAY: --of this deal that I'm not ready to vote on without other considerations.

CHAIR CRIVELLO: Right. Thank you. I appreciate what you're saying. I don't look at it as . . . this is my opinion. We are in need of a bus hub. And if, I think we've exhausted different areas as far as the Department and working with the Department to try and locate as being part of our Committee, they've exhausted most, I would say, affordable avenues that we can provide for our public transit people. I think . . . I hear you from the fact that we need office space and so does the State. It's like they're also, we're leveraging \$4 million of capital improvement monies and then how much monies will it take us to build for our offices also. And I think it's, I think most important we've come up with a very collaborative approach in trying to provide for our people from both sides -- from the State's level as well as our local County level. So, if there are no further discussion, Members, anything further? Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. I just wanted to inquire as to when the four million CIP money was appropriated from the State, was the . . . was it already

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negotiated with a broker that there would be an exchange of the properties or the leases as part of the appropriation?

CHAIR CRIVELLO: Mr. Hirai?

COUNCILMEMBER GUZMAN: Or did that happen after the State appropriated the four million and HHFDC brokered that deal?

CHAIR CRIVELLO: Mr. Hirai?

MR. HIRAI: The CIP 2.5 million and the DURF were not tied to the Wailuku Post Office.

COUNCILMEMBER GUZMAN: Okay. So, then at what point did the . . . at what point were the exchange of the leases . . . when was that negotiated into this deal?

MR. HIRAI: That was because of the planning for the Kahului Civic Center site. As you may recall, it was previously under the control of DAGS and it's now being transferred to us so that was part of, right, that was part of that transaction and negotiation that we would see what is possible on the post office site. It's an ask.

CHAIR CRIVELLO: So, Mr. . . .

COUNCILMEMBER GUZMAN: This is a request.

CHAIR CRIVELLO: Right.

COUNCILMEMBER GUZMAN: It's not part of that. Is it my understanding is that, if we don't go, if we disagree with the Wailuku property, that's not, by disagreeing that's not a condition precedent to us receiving this yet the money?

MR. HIRAI: I don't know. I mean, I can give you my impression, well, I'll give you my impression and you can correct me if I'm wrong. *(Turning to Ms. Choy from DAGS)* It has to do more with whether, well, we need cooperation from DAGS to do the Kahului Civic Center site. And I think it goes in a broader sense to a question of whether to what extent DAGS should shift its attention away from Wailuku and perhaps, you know, maybe increase its presence and say, for example, the Kahului Civic Center site. It's a planning thing.

COUNCILMEMBER GUZMAN: Yeah, yeah. So, actually, the Wailuku property is helpful for the master planning in acquiring more lands so that you can fulfill or coordinate your entire master plan but it's not a requirement to have.

MR. HIRAI: Correct. I think part of the problem is, again, correct me I'm wrong, there's very little State land in Wailuku at this point for any kind of expansion. And the State does have land in Kahului and other places on the island so that's really the issue and it's a planning issue.

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CHAIR CRIVELLO: So, may I add to this? I think in prior discussions that we've had even when we talk in Budget is, do we want the judicial system to move out of Wailuku or economically is it a value to have the judicial system remain in Wailuku. So, they're saying, State lands is very limited here and if part of the master plan is for the judicial system or the State offices to remain in Wailuku, they need additional space whereby we also need the additional space in Kahului to move our hub. They have other lands where they can move to outside of Wailuku, you know. But I would think economically we would still want to have Wailuku be a vibrant town for us and the State offices contribute to part of that economics. If that's what I'm hearing is, the land that we're going to be leasing under HHFDC is really lands that belongs to the Department of Accounting and General Services or what we call DAGS. So, DAGS is saying, okay, we'll give this up and we, I guess after the fact, after the appropriations then can we have consideration for the Wailuku Post Office parking lot.

COUNCILMEMBER GUZMAN: I understand where you're coming from, Chair, or the explanation. Thank you for that clarification. But I was just trying to get at whether or not this exchange of leases was tied in to the four million CIP, which it's my understanding now, it's not. It was brokered after. So, that gives us the option to reject, I mean, I'm just saying that it's not, there's not a condition precedent that we enter into this exchange. We will receive the CIP money. So, it's just a give. You know, they're requesting the exchange and it's our determination whether or not we should grant that, you know. But there's no necessity to move forward with an exchange of leases. That's what I was trying to get at.

CHAIR CRIVELLO: I understand what you're saying. So, Members, at the call of the Chair, I'm going to call a recess, so I can have some consultation with Corporation Counsel as to how we will make this kind of determination with the intent of us including or removing the opportunities for us to do this exchange. So, I'm going to call a recess.

COUNCILMEMBER KING: Chair, before you do that, can I ask one more question? This is pertinent to, so I understand that the State intends to lease this bus transit hub to the County for a dollar. What is the lease that, what is the amount that the State is intending to pay for the post office property to the County?

CHAIR CRIVELLO: Dollar.

COUNCILMEMBER KING: So, what's the square footage then that we're . . .

MR. HIRAI: The lots actually . . . the bus hub site is slightly larger.

COUNCILMEMBER KING: Okay. So, but what's the zoning on both of those?

MR. HIRAI: I'm not sure --

COUNCILMEMBER KING: Value-wise.

MR. HIRAI: --at this point.

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COUNCILMEMBER KING: 'Cause I think that was one of the concerns that Mr. Atay brought up is what is the value of one versus the value of the other? So, if the bus transit site is larger, the value is based on the zoning probably.

MR. HIRAI: Probably.

COUNCILMEMBER KING: Yeah, so do we know what. . .

CHAIR CRIVELLO: Okay, again, I'm gonna call for a brief recess. Thank you. . . .(gavel). . .

RECESS: 10:27 a.m.

RECONVENE: 10:33 a.m.

CHAIR CRIVELLO: . . .(gavel). . . Thank you, Members. The . . . we'll reconvene the Housing, and Human Services, and Transportation Committee back to order from our recess. Members, I really appreciate this discussion. And I want to thank Mr. Hirai and Ms. Choy for being part of this. But, Members, because we have some outstanding questions that have come up from our discussion, I'm going to defer this matter. We'll look into the zoning, the land values in comparative ways and bring that forth as well as doing more research into the actual bill that we have had these appropriations for. So, Members, if there are no objections, this will be deferred.

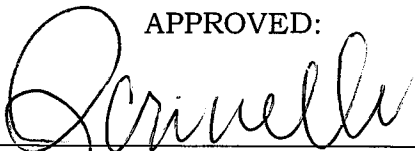
COUNCILMEMBERS VOICED NO OBJECTIONS. (Excused: RH and MW)

ACTION: DEFER PENDING FURTHER DISCUSSION.

CHAIR CRIVELLO: And I thank you for your attendance, thanking Staff - Saumalu, Leslee, and Clarita. Thank you, Corporation Counsel, and most especially Department, but more especially our partners from Hawaii State. Mahalo. Meeting is adjourned. . . .(gavel). . .

ADJOURN: 10:34 a.m.

APPROVED:



Stacy Crivello, Chair
Housing, Human Services, and
Transportation Committee

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Transcribed by: Jo-Ann Sato

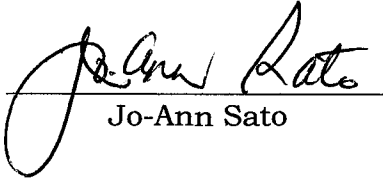
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CERTIFICATE

I, Jo-Ann Sato, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 29th day of October, 2018, in Pukalani, Hawaii


Jo-Ann Sato