

**MAUI REDEVELOPMENT AGENCY  
REGULAR MEETING  
JANUARY 24, 2020**

**A. CALL TO ORDER**

The regular meeting of the Maui Redevelopment Agency (Agency) was called to order by Mr. Frank De Rego, Jr., Chair, at approximately 1:01 p.m., Friday, January 24, 2020 in the Planning Department Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Wailuku, Island of Maui.

A quorum of the Agency was present (See Record of Attendance.)

Mr. Frank De Rego, Jr.: . . . to order. Yeah, we should have waited for our Corporation Counsel. Sorry about that. So, was there anybody signed up to testify? Okay, so...without objection, we have quorum. Let's close public testimony. Okay, new business, the discussion on County's Affordable Housing Committee review of 2.96 Residential Housing Policy, and I'm going to hand it over to you to do some background and explanation on this item, Erin.

**B. PUBLIC TESTIMONY - At the discretion of the Chair, public testimony may also be taken when each agenda item is discussed, except for contested cases under Chapter 91, HRS. Individuals who cannot be present when the agenda item is discussed may testify at the beginning of the meeting instead and will not be allowed to testify again when the agenda item is discussed unless new or additional information will be offered. Maximum time limits of at least three minutes may be established on individual testimony by the Agency. More information on oral and written testimony can be found below.**

There was no public testimony given.

**C. NEW BUSINESS**

- 1. Discussion on County Council's Affordable Housing Committee review of 2.96 Residential Workforce Housing Policy. The committee is currently determining the scope of the bi-annual required review of the policy. A suggestion to remove the Wailuku Redevelopment Area for the list of areas exempted from the policy arose during preliminary discussions. MRA board to discuss the applicability of the code requirements in relation to current market conditions. The board may direct staff to submit comments on behalf of the MRA to the Affordable Housing Committee for their February 5, 2020 meeting.**

Ms. Erin Wade: Sure. Thank you. It was brought to my attention by the Housing Committee Chair's staffer, Evan Dust, that this item came up on their agenda. So the -- every two years, the Housing Committee for the County Council is supposed to review the Workforce Housing Ordinance, and the time has come. I think it's past time. So they're taking a look at all portions of the policy. And one member of the Council brought up potentially removing the Redevelopment Area from the exempted areas of the Workforce Housing Policy. So, if you go to the draft that was sent out with your packet, and then in...let's see --

Mr. De Rego, Jr.: Do you want to explain just some background so we have it on the record exactly, just a short sentence, about exactly what the Workforce Housing Policy is right now, what percentage of housing needs to be?

Ms. Wade: Yes. So once a project includes five units or more, it's required to contribute. Also inventory units that are workforce housing affordable. And about --. So, it's a 25 percent ratio at that point. So with this new --. The most recent changes were in 2014.

Ms. Ashley Lindsey: . . . (Inaudible) . . .

Ms. Wade: I can't hear you.

Ms. Lindsey: This one that you -- we got which is ten or more.

Ms. Wade: Oh, I'm sorry, ten.

Ms. Lindsey: Okay. This one changes.

Ms. Wade: I apologize. Yeah, it went from five to ten -- that's correct -- in 2014. And in 2014, the MRA also provided testimony on the update that was being done, which is why I brought it back to you folks now. On the -- if you just turn the page from the cover, that page that you see, applicability, there's (A), section (A), section (B) is exemptions. Number seven of those exemptions is development within the boundaries of the Wailuku Redevelopment Area as defined by the Maui Redevelopment Agency pursuant to Chapter 53, Hawaii Revised Statutes. So the entire 68 acres of the redevelopment area right now is exempted from the requirements of this policy.

Mr. Keone Ball: . . . (Inaudible) . . .

Ms. Wade: Well, I don't know if it's a majority. I know that the issue was raised during committee as one of the things to consider. So what Evan Dust told me is what they're going to work on doing on the 5<sup>th</sup> is actually scoping to figure out to what extent they want to look at revising the ordinance. Or if they want to look at it all and what are their priorities for doing that. So this may or may not come up, but given that the board only meets once a month, I wanted to make sure that at least I was able to pass along the information in a timely way. And if there were things that you wanted some additional research done on that I've given you folk's time, and given myself some time to do that as well.

Mr. De Rego, Jr.: So just to remind the board there is a chance that we may want to make a statement to feed in that February 5<sup>th</sup> meeting as well depending on what our discussion is here.

Mr. Ball: So hypothetically then that, that -- how does that affect with like hotel or something like that? Would that --? They would have to get certain credits for housing with hotels or --?

Ms. Wade: Right. Yes. So they either build the units or they provide financial credits to build the

units outside of their project area.

Mr. De Rego, Jr.: And those are workforce development credits, correct? Okay.

Ms. Lindsey: There's a rental section in here that I was reading so I'm assuming that is --

Mr. De Rego, Jr.: You want to talk into the mic please. Thank you.

Ms. Lindsey: I'm assuming that the hotel is in the rental section or some kind of credit . . .  
(inaudible) . . . ?

Ms. Wade: Would you be able to speak to that Mike? Do you know if a hotel would be considered rental? Because this is all stuff I can also follow up on and get better clarification.

Mr. Michael Hopper: Well, for the purposes of triggering this or for the purpose of satisfying this? If they're talking about rental, I think their talking about using rental units to satisfy the requirements of the, of the ordinance, right? There's two things. One is what triggers it, and two is how you satisfy it. I think 2.96.030 on the third page, for applicability, it goes into when it applies. It doesn't apply for any building at all. It has to be one of these three things is my understanding. Ten or more lots, lodging units, timeshare units or dwelling units excluding farm labor dwellings. So ten or more lodging units, those would be hotels, so that would trigger it. And then two, a conversion of ten or more hotel units to dwelling units or timeshare units, that would trigger it. And in a hotel redevelopment or renovation project it increases the number of lodging or dwelling units at a hotel by ten or more. That would trigger it as well. And then there's exemptions, one of them is Wailuku area. And then I think the rental, the rental portion you're talking about is...which section were you talking about?

Ms. Lindsey: 2.96.040 (C)(2).

Mr. Hopper: Yeah, so they're talking about residential workforce housing requirements. This is what you have to do to satisfy the requirements when they apply. And one thing you can do is create rental units. That's what Pulelehua is doing, is planning to do right now, as an example that provided that the breakdown of the income for the affordable units has to be as follows. So you don't have to necessarily create fee simple sale units to satisfy the workforce housing policy. You can also, you know, build rental units.

Mr. De Rego, Jr.: Okay. Thank you. Erin, do you want to continue or --?

Ms. Wade: Sure. So the reason the MRA weighted in, the last time that this was brought up was the distribution of units and income within the 68 acres. So the majority of the neighborhood is commercial and doesn't have a lot of residential units. But what is residential is primarily subsidized housing. So, I did update the subsidized housing spreadsheet and provided that for you today. So there's 404 subsidized units today based on the market study, and that's, that's the three pages I gave you here. This was the market study that was updated in 2017. There's 264 market rate units, so that puts the distribution obviously much higher for the number of units that are subsidized. The other piece of this is it excludes a lot of the social service providers that have

temporary housing. So there's Mental Health Kokua. There's Aloha House that does transitional while folks are either in treatment, they're transitioning out of imprisonment. All of those types of housing facilities exists in the district. This doesn't count that because the count changes on a daily basis so that's not figured into this. But if you were looking at that obviously it would skew again more towards, not necessarily subsidized but social challenge, socially challenged population.

So that was the reason last time, in 2014 when this was getting updated why the MRA wanted to weigh in about the obligation to provide the workforce housing. Because the concern was it's our -- the district was already skewing towards an area of concentrated poverty. And if you remember too, at the time we also had really a lot of social service challenges that ended up leading us to create the clean and safe program, you know. Because -- and lot of the testimony too, at that time, was very negative towards the amount of social service agencies that are here in Wailuku and the burden that that places on the district. So, as a result the MRA provided the testimony.

So what I wanted to do was provide you updated information on the units in, in the context of the market study that was recently done. And for your folks, if there's any additional information that you feel you'd like me to research or any background you want me to provide to the Council related to the redevelopment area I'm happy to do that.

Mr. De Rego, Jr.: Gwen, go ahead.

Ms. Gwen Hiraga: So Erin, is it your understanding that, and you mentioned, maybe not necessarily all of the Council Members, but there is some interest in removing the exemption? Is that what it is?

Ms. Wade: That's what I was told by Evan, yes. That there is, was interest stated at the Council Committee meeting to potentially remove the redevelopment area from the exemption list.

Mr. Hopper: So this would make these projects that meet the triggers have to provide affordable housing, 25 percent, from the number of market units that they're creating.

Mr. De Rego, Jr.: Right.

Ms. Wade: Exactly.

Ms. Lindsey: Do you know approximately how many properties or in our district that would be, that could be affected by this based on the lot size maybe?

Ms. Wade: That's a really good question. Let me figure that out because if to create ten units, of course, it's going to have to have a certain amount of square footage for the land area. So let me do an analysis. I'm sure it's not more than a couple of dozen, honestly, at the most but --

Mr. Ball: Because that was the reason why it was put in here so it wouldn't have that burden of that requirement, right?

Ms. Wade: Yes.

Mr. Ball: And then revitalize . . . (inaudible) . . .

Mr. De Rego, Jr.: Could the commissioners please speak in your mics? You need to bring that closer to you, Ashley, okay? So, go on. Is that it?

Mr. Ball: Yeah.

Mr. De Rego, Jr.: Yeah, the thing that's concerning me right now is we're already taking the bulk especially in the district of the workforce housing development. And there's really nothing for families of other means who live and work in the district to be able to have an opportunity to live in the district. There's no opportunities for market rate housing at this point. And, you know, to be an inclusive neighborhood we have to have, you know, different income levels living in the district from my advantage point. And this is basically the way we're structured right now, it doesn't seem like we're -- you know, it's a goal for us I would imagine. But that's just my opinion at this point. It just seems we're, we're taking a large part of the workforce housing already, and it seems to me we need to kind of readdress the balance in terms of having more market rate housing in the district.

There's an interesting graph. You may want to talk about it from a report from 2014. Do you want to go through that?

Ms. Wade: Well what I -- the other two documents that I provided you were what was submitted by the last MRA to the County Council Committee on Housing and Human Services and Transportation. The one that also has the charts on it, it looks like this, the two charts show the similar, the similar graph that I made for you in now current today. So what are the Wailuku Redevelopment Area Housing unit split is, and then in comparison to all of the County's housing stock. So in Wailuku, in 2014, 61 percent of the housing stock was subsidizing housing. And this isn't, this isn't necessarily workforce housing. This is, this is much more extreme income restricted, and just typical workforce housing to be the subsidized housing. So, the Wailuku Redevelopment Area had 61 percent of subsidized, whereas the rest of Maui County had three percent.

So you can really see in terms of distribution the primary location within all of the County of Maui for subsidized housing is Wailuku Town. So that was the impetus. Again, for the comment is concern about...concentrations of poverty. And on the same, on the same submittal this quote, I think, that was poled from this one -- yes, at the top of the page -- "most housing professionals agree that concentrating assisted housing for low and very low income Americans in dense urban area is not effective use of scarce affordable housing resources. Over the past decades, professionals in the affordable housing industry have turned increasingly to mixed-use income housing as an alternative to traditional assisted housing initiatives."

So, that being said, I do know that the State Housing Authority is starting to look at more mixed income models, and hopefully the Wailuku projects will become a part of that. But, that's happening first on Oahu, and I think it's going to take a while for it to trickle to Maui.

Ms. Lindsey: Another question I have is, like, where does private homeowners, landlords fall into this because there are --

Mr. De Rego, Jr.: Can't hear.

Ms. Lindsey: -- multiple --

Mr. De Rego, Jr.: There we go. That's better.

Ms. Lindsey: There's like multiple owners, they moved out. I don't know. That's their old family house, whatever. But do you have information?

Ms. Wade: So if it's market rate it's addressed in the market study. So because it's not being provided as part of a subsidized program or as an application base where you have to prove a certain income it's not addressed. It's just captured as a general market rate housing unit.

But you can see too when you go through this market study, it also shows in terms of income characteristics and housing characteristics that obviously Wailuku's income is below average for the County of Maui and the price of housing is, of course, below average. And to me, I don't think that's our issue. I don't think it's problematic in any way that, you know, that it's more affordable in Wailuku. But the issue, in the past, as the MRA had characterized it is becoming a high concentration of poverty.

Mr. De Rego, Jr.: Poverty, yeah.

Ms. Wade: And, and if, you know, if what that means is we keep having to develop more and more programs to counteract the, the potential concerns of high poverty areas, and what the MRA's responsibility is for that.

Mr. De Rego, Jr.: Okay, so let me do some historical thinking here. When I grew up in Wailuku, there was a lot more housing on Wells Street. The County building used to be housing where we're at right now. There was much more concentration of housing. The buildings along Wells Street, those were all homes going back and they have parking lots now. You know, my contention has always been that part of redevelopment in the district has always been the idea of rebuilding the neighborhood. And what these figures are showing me is overtime we've been taking apart the neighborhood, you know, which is concentration of families and people, you know. And...and part of that, for me, is going to be infill density in, in Wailuku. You know, we don't have as much room -- smaller lots -- for single family houses anymore. All those were single family houses. So we're going to have to come up with a solution in the future. I'm gone in March, but this is something for future MRA's to be actually looking. How does this pencil out? You know, we've talking about height limits, yeah, but you know, what, for a developer or anyone making market rate as well mixed income housing, you know, how would that work for the district? Because we keep telling, in the community plan it talks about infill density. Go back and read the Wailuku Community Plan, it talks about infill density and it targets Wailuku. And, you know, if we look at our beautiful mountain, our mauna, Kahala Wai, look what we've got. We've got urban sprawl. So that's something that I'm concerned about environmentally. You know, just looking at the

mountain, right, Wailuku Heights used to be, remember, in just one corner and you had to go up that small road, right? Well, Wailuku Heights now is spanned all the way across the mountain. So, you know, there's a lot of questions, I think, we have to look at in terms of, you know, what kind of district do we want produce. You know, do we want to open it up to people who live and work in the district? You know, make it walkable, you know, for families. I know a lot of people don't want to do yards. I certainly don't want to do yards anymore. I'd move into Wailuku in a shot, right, if there was, you know, affordable market rate housing in, in, in the middle of town, you know.

So, yeah, these are just some of my reflections that this, from what I'm seeing, the figures are showing an imbalance in some way, shape or form. And that, we're already having research saying, and the State is moving in that direction as well in terms of trying to address this discrepancy. And, instead of pigeon holing the poor and moving them around, making them a part of our community, and being surrounded by other people. That's the goal of mixed income, I think, is to make it an inclusive community. But we always talk about inclusiveness, but we never put in the policies that make it happen. So, that's just my reflection right now.

In terms of what I would like to see, and this is something we can discuss, is some of this information going back to that committee, showing them what the facts are right now in terms of what exists within the district, and what the standards are slowly evolving in terms of how to alleviate a concentration of poverty that's been recognized. And, you know, there's lessons to be learned from other people even within the State on this issue, you know. And, it seems to be a problem that we have had ever since, as I put it, we've deconstructed the neighborhood. So, those are just my reflections. Anyone else?

Mr. Ball: Not really, I guess, but I, I, I echo your sentiments on that. And the sprawl is definitely evident, right, and so the challenge is the, the resistance of vertical construction, right. So it would solve the housing problem in a small area.

Mr. De Rego, Jr.: Right.

Mr. Ball: But that's for another board.

Mr. De Rego, Jr.: Board. Yeah, another discussion, yeah. Or, it's not this discussion, but I think, it's all tied in.

Mr. Ball: Yeah.

Mr. De Rego, Jr.: Gwen, it looks like you want to say something.

Ms. Hiraga: Again, is the committee looking for a recommendation from the MRA with regard to that specific exemption in terms of deleting or retaining? Is that, is that what you're looking for?

Ms. Wade: In terms of timing, it might not be critical at this point because as the staffer said, you know, they're just looking to scope right now. They're not actually taking up amendments at this time.

Ms. Hiraga: Okay.

Ms. Wade: But probably a commentary on whether or not the, the commission feels like it continues to be needed. Whether the exemption continues to be needed would be relevant.

Ms. Hiraga: Okay, thank you.

Mr. De Rego, Jr.: Is that, is that going forward or today, in terms of the statement? In other words, is it something that we can form in time when it finally comes to the committee?

Ms. Wade: Sure, I mean, if -- if what you would like me to do just based on the conversation and information, if there's additional research you would like me to provide, if you'd like me to draft a response to be brought back at the next meeting that you can review, and I can send that out then with the packets and we can discuss it prior to it getting submitted. I'm happy to do that too. I just wanted to make sure we had enough time in case you wanted to see something like that in advance. And so they will be taking it up in February. I don't think that the amendments are going to be brought in February, but probably, it could be by the second meeting in February or in March, so it's good to get ahead of it.

Mr. Ball: Was there a reasoning behind it? Is there anything put out?

Ms. Wade: He didn't explain to me the rationale.

Mr. De Rego, Jr.: Okay, so if these amendments come to the second meeting in February we'd be left out of the process. Correct?

Ms. Wade: We'd be left out at that meeting, you know. So again I --

Mr. De Rego, Jr.: I'm trying to understand the legislative impact of this in terms of not making a statement now.

Ms. Lindsey: I feel that we should make a statement.

Mr. Ball: Yeah, I concur.

Mr. De Rego, Jr.: Okay, that's my point. Thank you very much. I was wishing somebody else would chime in on this, and thank you very much.

Mr. Ball: That was a long way to get there.

Mr. De Rego, Jr.: Yeah, exactly. I don't want to be the only one saying things, so there we go. Thank you Ashley. So, so I'm guessing I'm looking for a motion at this point or is that what we need to do? Or do we need to --

Ms. Wade: I mean at this point you can direct me with the general content of what you feel like

the statement should include. And, again, if there's additional data or research you would like included in that, please give me directions on those things right now.

Mr. De Rego, Jr.: And then you can put, provide that as input to the --

Ms. Wade: Yeah. Correct.

Mr. De Rego, Jr.: Okay, that's fair. Okay, so can we just --? Can members just kind of give you an idea of what they're thinking at this point, you take that down and then --? Okay, because I think I've already said what I think is needed. I think a lot of this information, in terms of population characteristics, in terms of the housing stock, in terms of the concentration of poverty which still exists, you know. You know, just my position is what existed in 2014, I think probably existed in 2010, and 2005, and you know. So, the conditions still exists. The exemption should still exist simply because the situation hasn't changed.

Mr. Hopper: Because you're dealing with a body, you may want to, after you go through your comments have Erin review them with you and adopt them by unanimous consent as comments of the MRA.

Mr. De Rego, Jr.: Okay. That's good.

Mr. Hopper: That these are our comments. That's a good idea. Just in case there's a comment someone makes and you don't quite agree or want it phrased differently, maybe at the end, you can either unanimous consent. Or, if you need a motion, you can do that. But, I think it's a good idea to go on, get your comments and then see if Erin is, is clear on what you want to have sent to the Council. And then that can be put in a letter, and usually that's signed by the Chair, and then sent forward as the comments of the MRA if you want to do it that way.

Mr. De Rego, Jr.: Very good suggestion. Thank you very much. Anybody else want to chime in on this? Go ahead Gwen.

Ms. Hiraga: I share the Chair's comments, and I agree, you know, I concur with your statements. I don't think anything has changed. I think there is still a need for the exemption.

Mr. De Rego, Jr.: Okay.

Ms. Lindsey: My concern is that --

Mr. De Rego, Jr.: You want to --

Ms. Lindsey: My concern is that...the private rentals will also be sub, or kind of subsidized because I think there are more subsidized units than it says here even if it's subsidized by the landlord you can lower the rent because of the area. Like, I've worked in property management, right outside of the area for over 10 years, and I know that there are at least 10 units in my neighborhood that are under market and not on here.

Ms. Wade: Would you know how I could get better data on that?

Ms. Lindsey: No, not really.

Ms. Wade: That's a tough one.

Ms. Lindsey: Yeah, it is, but like, just people I know, people in the area, there's families who have been living in houses for 20 years and renting, and I'm sure they are not at market.

Ms. Wade: And they're family rented by in large, so they're not, it's not a property management company.

Ms. Lindsey: Yeah. Or because they're small family. Like, this is still the old families own most of the properties, or newer families who just bought and pretty much can only afford in Wailuku so that's why they're there.

Ms. Wade: Right. Which is great. I mean, it's great to have that here, but --

Ms. Lindsey: I don't know how to add that.

Ms. Wade: The piece that I heard you say too Frank was inclusive housing that, you know, the range of housing we have is all kind of at the bottom of the market right now, and there's not that --. There's a little bit of middle. What's, what's showing in that 264, a percentage of that is workforce, you know. But a very a low percentage of that is workforce, then probably like you're saying some of that is also below market. So, sort of that and the other piece that I heard you comment on Frank was that the, the jobs that we have in Wailuku are primarily white collar jobs and that's not the housing type that's being provided. So we're creating a commute distribution problem.

Mr. De Rego, Jr.: Yeah. Come here around 7:30 in the morning, and you'll find the commute problem. I mean, part of the congestion in the district, I think what you're saying is this in and out between 7:30 and 8:00, and then between 4:30 and 5:00, right? Everybody's barreling to get out of town.

Mr. Ball: Yeah, it's evident by the traffic. I think it would be helpful to find out the reasoning why they want to take it out, you know, why this was a proposal. Where's the background on that? And maybe they have a study on consequence of that. Because obviously the MRA researched this at the beginning to have it added it, right? We haven't changed anything. We're all in pretty much agreement on that. That, that the area hasn't changed, I should say, so why this change, right? We want more housing and encourage more housing being built, and if this requirement is taken out that might, you know, how much, how much housing is that taking away now? It's not adding anything yet you're --. The requirement is to add that but if they're not going to build it, then it doesn't add anything, right? It's zero now.

Ms. Wade: Well, I thought that was one of the most interesting graphics actually, on page nine here, was it showed the housing construction from -- this is on page nine -- housing construction

from 1939 to 2009 was relatively robust and then the adoption of the workforce housing ordinance came and it came to a screeching halt, you know.

Mr. Ball: Yeah.

Ms. Wade: And not, not just in Wailuku town, throughout the, the community. But I mean it's important to acknowledge policy doesn't necessarily lead to housing units.

Mr. Ball: Yeah.

Ms. Lindsey: I also think in order to build an apartment building, it is going to be cost more because you have to go up so the extra additional infrastructure, whatever beams you need or whatever, to build something that would hold ten units in it would be different than, like, a subdivision somewhere else where you're just building a road. You know, you have to put in elevators, access, and on those, that handful of lots, they're, you know, it's really going to affect the cost of doing it. So, I still want to make, entice people to make a housing project here without limiting them in building cost.

Ms. Wade: You're kind of, you're comparing the infill cost to the urban sprawl cost of per unit. It's, it's higher cost per unit to build infill than it would be to take up open space. Let me look. I know there's of tons of studies on that, so I'll look into what the most current study is on that data.

Mr. De Rego, Jr.: And these are the tradeoffs right?

Ms. Wade: Yeah.

Mr. De Rego, Jr.: What kind of community do you want to build, right? What's your vision for your community, right? I mean --

Ms. Wade: Would you like me to review the comments that I got?

Mr. De Rego, Jr.: Sure.

Ms. Wade: Okay. So that over the past couple of generations there's been a deconstruction of the neighborhood, and that the goal now is more rebuilding of the neighborhood. That the MRA would like to see a move towards more inclusive housing and not exclusively the low and very low income brackets. That...I can't read my writing on that one. That the demographics are the same. That both the income distribution, the housing and the income levels appear to be the same as they were in 2014, and therefore the conditions -- because the conditions are the same, the applicability of the policy is the same. That private -- and this is one I got to see if we can research -- that private rentals are somewhat subsidized and that the units in the neighborhood being provide are all in the low to -- I should say below market -- are in the below market category.

Ms. Lindsey: There's a high, a high chances if it's not newly rented --

Ms. Wade: Yeah.

Ms. Lindsey: -- that it's in or below.

Ms. Wade: Right. Yeah. Then the points that we kind of collectively made that it's primarily white collar jobs in the district, and we're creating a commute distribution problem by not offering -- and that's actually true -- workforce housing.

Mr. De Rego, Jr.: Yes.

Ms. Wade: That's, that's what's needed in Wailuku is a true workforce housing. What's the reason --? And then ask the question, what is the reason for removing this, and were there studies done to back-up the need to take it out of the policy. I'm sorry, did you have?

Mr. Ball: And just to add on to that, we have a history already of that policy of not working.

Ms. Wade: Oh, yeah, okay.

Mr. Ball: County wide, really. Well, island wide, I should say.

Ms. Wade: Yes. And then last one was --

Mr. De Rego, Jr.: Yeah, I think the comment there is, I think, what you do is you take the estimates of what housing in general is needed, right?

Ms. Wade: Right.

Mr. De Rego, Jr.: You know, and saying, you know, we're not even meeting that need at any income level, you know. Except for the very rich.

Ms. Wade: Right. But not in Wailuku.

Mr. De Rego, Jr.: Not in Wailuku, yes, exactly. So, but, yeah.

Ms. Wade: And then the last comment was that building multi-family housing and infill housing cost significantly more than urban sprawl style housing, and I'll see if I can get a reference for that.

Mr. De Rego, Jr.: Okay. So any comments on the comments? We have an infinite regression on comments. Okay, so without objection we'll forward those as the MRA's comments on this issue.

Mr. Ball: No objection.

Mr. De Rego, Jr.: No objections? Okay, thank you very much. Good discussion.

**Without any objections, the Agency requested their comments, as discussed, be forwarded to the Affordable Housing Committee.**

**2. Discussion on community outreach planning for the County owned property at the corner of Vineyard and Church and along the Church Street frontage – referred to as Phase 2 of the Wailuku Civic Complex.**

Ms. Wade: Great.

Mr. De Rego, Jr.: So number two, discussion on community outreach planning for the County owned property at the corner of Vineyard and Church Street.

Ms. Wade: Yeah. So I was going to pull up a website, but I know we have a ... Keone's got to leave at 2:45pm. So I guess I'll just explain that for Phase II, we, in talking with the administration, he, the mayor would like to move forward with a Phase II. But he's very open to taking a look at what other possibilities are out there for that site. So, the goal be then to kind of reopen the dialogue about reaffirming or, you know, or cancelling out some of the things that the community said they wanted there. And I was telling Frank I was at the blessing for the Lahaina Library lawn yesterday, and it was such an easy planning process because people knew very clearly what they wanted and didn't want. And at our site and our project it's been hard because people want everything. You know, we had cultural center, and community gathering space, and market, and county offices, and we sort of packaged it and threw it all in. Where I think this next phase has to be about really truly prioritizing and figuring out what it is that we're trying to accomplish with what gets built on that site, you know, very clearly fine tuning. What does, what does the site need to do for the neighborhood and for itself?

So the goal then moving forward is going to be kind of two prong approach of both...one on one, or I should say, in person interaction, and an online virtual platform for participation. So we're going to re-establish the advisory committee with new members, having some residents from the neighborhood on the board which we had one resident, but you know, making it more based on who's living in the neighborhood in addition to who owns property and a business. And then starting a visioning process that talks about what we're trying to accomplish with the site and the parameters that we can accomplish that. And then also providing -- what I was going to show you but it's relatively in depth and I'll send you a link and I'll make it available here too -- but the city of Sidney has a program -- Sidney, Australia -- has Sidney Your Say is what it is called. It's very -- they just won an award for public outreach. But what they do is they provide whatever the project is that's being worked on, all of the upcoming meetings that are going to be happening, and then format for participating. But the piece that I found most helpful is it directs you what type of participation is needed and when. So that once you're past the visioning stage, and you're moving into here's our three alternatives, people aren't going back to visioning, like, you know what we should do, we should get a bowling alley in there. You know, when we're trying to --. Now we're looking at what's the size and mass of the building, how many square feet is it going to be. Because we had some of that and it was such a big project that it was hard not to get pulled back into that. But I think if we more clearly define what phase we're in, what type of participation is appropriate and how people can be constructive. Because I truly don't think the -- you know, the majority of people providing participation wanted to be constructive to doing something positive for Wailuku. So how can we involve folks in a way that really does that? And very target -- letting them participate and targeted questioning. So I'll send you a link to the Sidney Your Say. And then we're going to roll out some dates for phase two, with the goal of being able to submit

a budget request for phase two, and start applying for grants in the fall of next year. So that's our time frame.

Mr. De Rego, Jr.: Can I make a comment on this? I think we don't negate any of the information that we received before. I think that's a very important thing is that we received a lot of information on which we did base, you know, a lot of our design decisions because, of course, everybody wanted stuff. Okay, so now we're kind of retooling in a certain sense, not negating that. That creates a foundation, in my sense, going forward. Because now we're doing kind of a, you know, I think you used the word a long time ago, fine tuning, right of this? And whenever you do make a decision, it's always a tradeoff, right? When you're trading off functions of what a property is going to be used for, or what a community decides what they want to be, you know, there's some things they're going to want, there's some things they're not going to want. I think now they're going to go back to that . . . (inaudible) . . . board that we go before, and they're going to have to be making decisions and deciding what the tradeoffs are, you know. And that's a much more difficult process because some people would value more functions than others, you know. So, so, this is actually a fine tuning of the decision making, providing a platform to do that. But at some point, you know, we've got to come to an end point, you know, of what, what that, that section of town is going to look like, right, is phase two. But I think this has a larger implications for the whole district in terms of vision and what the community we want there. This is sort of a micro-cause of a larger discussion that's going to have to occur. Oh, okay. Does anybody want to testify on this item? Okay. So, any other comments from the Commissioners?

#### **D. DEPARTMENT UPDATE**

##### **1. Update on the construction schedule for Phase 1A - Infrastructure and Roadway improvements on Church and Vineyard Streets within the Wailuku Civic Complex project area. (Brian Ige)**

Mr. De Rego, Jr.: Okay, so let's move on to Department updates.

Ms. Wade: Okay. I just quickly wanted to go over the CIP budget with you folks before Dan and Brian provide updates on where we are with the CIP. So, this is our four years of capital improvement funding. So all the first four years, or the first three years closed out in the past. This is all of the planning contracts, and studies, appraisals, property acquisitions, everything that's gone into the Wailuku Civic Complex. And the back page is the fiscal year 19 CIP we just closed out. So I wanted you folks to see 1A contract is encumbered, 1B contract was encumbered. That's the Hawaiian Dredging contract. And then we did our best to anticipate what is typically end of construction funds, like, water meter connections, the fiber optic connections all of those things. I've got this, I'll put them out here.

So just for your information, there will be a couple of end of construction cost. The security system, and the fire alarm system are both sole sourced contracts for the County of Maui that we can't, we can't lock ourselves into while it's in a sole sourced contract. So I couldn't put that money aside yet. But we did return \$473,000 to the General Fund out of that, so we're under budget with all of the encumbrances for both 1A and 1B.

Mr. De Rego, Jr.: Good.

Ms. Wade: And then Dan, would you like to give an update?

Mr. De Rego, Jr.: And can I make a comment here? And that's under budget in spite of the delay in the project. They could have charged us for the delays, right, because we had a contract?

Ms. Wade: Definitely, yes.

Mr. De Rego, Jr.: Okay.

Ms. Wade: And then Dan can give you an update on Phase 1A, where we are.

Mr. Dan Shupack: Hi. I'm Dan Shupack with the Department of Management. Yeah, the Phase 1A, improvements on Church Street received the work to perform permits for the County as well as the State. I believe they're still working out the traffic control plan for the State portion which is, you know, the Main Street improvements at the intersection of Church and Main. They're looking at night work for those improvements, and detouring the traffic on Main Street around down Market Street for the, I guess, it will be the mauka bound traffic, and up Vineyard and back down Church Street. And then, you know, kind of down Wells Street for the Makai bound traffic, Kahului bound traffic. So that's something that's being reviewed by DOT right now.

The ground breaking ceremony is set for February 3<sup>rd</sup>, a week from next Monday. And they're going to be -- the contractor, Mira Image Construction, is going to begin mobilization next week. So setting up, layout the job site and you know, getting their base yard and everything set up.

Ms. Wade: So we did put out a press release at the end of the week, last week, to let folks know they'll start seeing equipment in the neighborhood, and that's why they'll start seeing more paint on the road again. So, it is coming and --

Mr. Ball: And that intersection is going to be signalized, right?

Ms. Wade: Church and Main will be signalized.

Mr. Ball: . . . (inaudible) . . . this project, right?

Ms. Wade: Yes, that's correct. Are there any questions for Dan or myself?

Mr. De Rego, Jr.: Commissioners, none? I have none. Okay, Item two.

## **2. RFP for Circulator Shuttle – Published on December 10, 2019.**

Ms. Wade: Okay, the RFP for the shuttle, we ended up extending the deadline for that. We had gotten two kind of bites at it as the January 10<sup>th</sup> due date came close. And then folks realized, oh, they didn't have the equipment on island or they wouldn't be able to start up fast enough. So we extended the deadline until the 30<sup>th</sup> to see if we could get more people to potentially provide.

If we can't get people to submit offers for the shuttle as scoped, we'll probably have to rethink the vehicle types that we talked about. We were pushing for the electric vehicle to the extent possible. We wanted the type that's real easy for ADA accessibility, being able to get in and out. So we didn't want the sliding van door. We wanted the door like on a, on a rental car bus kind of, you know, so it's sort of the -- I don't know what it's called -- accordion door for accessibility purposes. And these are, you know, looking to provide the best possible product. But in reality, I think they're looking at our budget and wondering if it's doable especially when we're not proposing to own the vehicles. If we owned it, we'd be a different situation. We could find an operator; no problem at all. But we're also asking them to own, maintain the vehicles. So that means they have to up front this big capital purchase, and they're not sure how the service will be offered.

Mr. Ball: So it's a limited, right? I mean, it's going to end at some point. It won't be forever, so that's a tough one. That's a tough business call.

Ms. Wade: It's a tough business call. So we might have to sweeten the deal either by providing the vehicle up front, or by basically being willing to accept whatever is here on the island for now.

Mr. Ball: Because if we bought that vehicle, the County, being we, they could probably put that maybe into the bus service when we're done, right?

Ms. Wade: Right. Yes.

Mr. Ball: That would be the thought, right?

Ms. Wade: Yeah. But our operating budget as it is, we can't purchase a vehicle with our operating budget funds. So that's a, that's a future investment.

Mr. Ball: Would that be something we could work with the Department of Transportation with the County and saying we can partner with you in purchasing this vehicle but . . . (inaudible) . . .

Ms. Wade: So they have. That's the funny thing is --

Mr. De Rego, Jr.: That's a great partnership.

Mr. Ball: We'd just like to use it.

Mr. De Rego, Jr.: That's what I call collaboration.

Ms. Wade: So they do, and they have offered to kind of provide vehicles if it comes to that. But, you know, we're doing our best to brand it, to be fun, and interesting and different. And, you know, low emission and not so noisy, but we may well just have to go with the Maui mini bus. You know, the Maui Bus mini bus, for now.

Mr. Ball: Well, and I totally forgot about that ADA part of it too, right.

Mr. De Rego, Jr.: Yeah.

Mr. Ball: That changes the whole vehicle there.

Ms. Wade: Right. Yes. Exactly. It's a learning experience for us. Any more questions on the shuttle?

Ms. Hiraga: Did you say it was extended until the end of June?

Ms. Wade: I'm sorry, January.

Ms. Hiraga: January.

Ms. Wade: January 30<sup>th</sup>.

Mr. De Rego, Jr.: Okay.

Ms. Wade: Because it was scoped to start operation in April.

**3. Next Community Meeting – January 29, 2020 at 5:00 PM at the lao Theater.**

Mr. De Rego, Jr.: Okay, so anything else on this item? Next, update three.

Ms. Wade: And then we have a community meeting scheduled for January 29<sup>th</sup>, again, at the lao Theater. Because by that point folks will start seeing construction equipment. We figured good timing to give -- you know, it's now real all of sudden that, yeah, there's going to be some construction.

Mr. Ball: And what's going to go on at that meeting? Is it just an update on what's going on basically?

Ms. Wade: Yeah. I mean -- pretty much everything about the update that we told you today. We'll inform them about when the temporary parking at Wells will be made available, which is in June. So following the DOE's schedule, the DOE is done in May, end of May. We'll start construction on that temporary lot immediately in June. And then kind of what the succession will be. But this first impact is 23 stalls on Church Street. It's relatively minor impact. It's low volume so kind of a good way to ease into the construction phase.

**E. NEXT REGULAR MEETING: February 28, 2020**

**F. ADJOURNMENT**

Mr. De Rego, Jr.: Okay. Anything else on this? Okay, so the next regular meeting is on February 28<sup>th</sup>, 2020. No objection, I adjourn. Okay.

There being no further discussion brought before the Agency, the meeting was adjourned at

1:54 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO  
Secretary of Boards and Commissions II

**RECORD OF ATTENDANCE**

**PRESENT:**

Keone Ball  
Frank De Rego, Jr., Chair  
Gwen Hiraga  
Ashley Lindsey, Vice-Chair

**ABSENT:**

Jo-Ann Ridao

**OTHERS:**

Erin Wade, Maui Redevelopment Program Planner, Department of Management  
Michael Hopper, Deputy Corporation Counsel