

**MAUI REDEVELOPMENT AGENCY
REGULAR MEETING
MARCH 19, 2021**

A. CALL TO ORDER

The regular meeting of the Maui Redevelopment Agency (Agency) was called to order by Ms. Ashley Lindsey, Chair, at approximately 1:02 p.m., Friday, March 19, 2021, online via BlueJeans Meeting No. **446 498 452**.

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

Ms. Ashley Lindsey: Are there any testifiers waiting to testify? If you're on the phone, please let us know now if you would like to testify. We don't have anyone on the phone. Is there anybody waiting to testify?

Ms. Erin Wade: If you're on the phone, please just speak up. If you are online, please put your name in the chat is so we can organize the testifiers.

Ms. Lindsey: OK. I'm not seeing any so we can just continue; new business.

Ms. Wade: Chair, if I can interject. I wasn't sure if you were going to be participating in this meeting, and so we neglected to put the resolution for -- because you're the outgoing member this month. So I wondered if the board would entertain a motion to add the resolution for outgoing member Ashley Lindsey.

Mr. Keone Ball: So moved. Keone.

Ms. Gwen Hiraga: Second.

Ms. Wade: You have to say "all those in favor" even though . . . (inaudible) . . .

Ms. Lindsey: All those in favor?

Mr. Ball: Aye.

Mr. George Kaho'ohanohano: Aye.

Ms. Lindsey: Opposed? Okay, motion passed.

It was moved by Mr. Keone Ball, seconded by Ms. Gwen Hiraga, then unanimously

**VOTED: To add on the agenda the resolution to thank outgoing MRA member
Ashley Lindsey**
(Assenting: K. Ball, G. Hiraga, G. Kaho'ohanohano)
(Excused: J. Ridao)

Ms. Wade: Perfect. Thank you. So we just wanted to take a minute to honor Chair Ashley Lindsey for the time that she has contributed as a volunteer to the Maui Redevelopment

Agency. Ashley was appointed in 2016, and this is -- her term will be up as of the last day of March this year. She served as Chair for this crazy, chaotic 2021 year, 2020 to 2021, and has participated consistently throughout her term. The Redevelopment Agency hereby expresses its deepest gratitude and appreciation to Ms. Lindsey for her service for the past five years, and is hereby extend its best wishes for future endeavors. And then I will be forwarding this to all members for your signature, and then we will deliver it to Chair Lindsey.

Ms. Lindsey: Thank you. I would give you guys malasadas, but --

Mr. Ball: Oh, man.

Ms. Wade: The next time we reconvene.

Ms. Lindsey: It's a deal. Let me know, Erin.

B. NEW BUSINESS

1. Discussion with Mark Ritchie, Branch Chief, Business Support Branch of the Hawaii Department of Business, Economic Development & Tourism on Opportunity Zones in Hawaii and nationally. (No action – Information only)

Ms. Wade: Thank you for entertaining that. The next item of new business is discussion with Mark Ritchie from the, from DBEDT. He -- if you remember last, last meeting we discussed the potential for the use of opportunity zones (OZ) within the Wailuku Redevelopment Area. Mark, with the State of Hawaii, does work with folks interested and communities who are eligible as opportunity zones. So we've invited him to provide some information. And I'll let Mark take it from here on.

Mr. Mark Ritchie: Well, thank you. Thank you very much, Erin. And it's happy to meet all of you, and all the great work you do. The opportunity zone, it's not really a program. It's basically a tax incentive designed to, to your investing capital into economically challenged areas of the US. The State of Hawaii, when this law was passed, it was in the 2017, December 2017, the ACTS package and this was put in there. And it came to my division at DBEDT, to actually given the criteria, actually choose the opportunity zones working with the counties.

So on Maui, we work closely with Maui County and we were able to get Kahului and downtown Wailuku, and those are two different census tracks. And then also the whole island -- half of the island of Molokai is, is one as well.

So the way this program works is that for individuals or corporations that have capital gains, you can actually take those capital gains and create an opportunity fund. The fund is the investment vehicle. And you don't have to put your whole capital gain in. Anything that you would put on your taxes as a capital gain would be eligible. And so the opportunity fund has to come from capital gains. An individual can do this, a corporation can do it, groups of individuals can do this, so -- but you have to create that LLC or that corporate entity that would be the opportunity fund and then take this investment money from capital gains.

So why would somebody take your capital gains and put them into a fund like this? You still have to pay the capital gains on that money that you're putting in to the fund. However, if you put that money into the fund or a portion of that money, you have until 2026 to actually pay the capital gain on it. And then the real kicker is if you invest in an opportunity zone, take that capital gains, put it into an opportunity fund and then you invest in an opportunity zone and, you hold that investment for ten years, any appreciation if you didn't sell it after that, after ten years, any appreciation on that investment is free of capital gains at the State level and then also Federal level. So if you double the value of that investment after ten years, then you owe no capital gains. So it's trying to encourage investors to have a long-term strategy before they really see the benefit of this.

And, and by the way, when, after you form the fund, let's say you have capital gains, you really have six months from the time you realize the capital gain to create a fund to put it in. And then you have a couple of years, basically two years, two-and-a-half years, although they keep extending it with COVID to then deploy that fund in an investment. And 90 percent of the fund has to go into a tangible investment. And it's called real business property, meaning that you, it could be real estate business, real estate, let's say an apartment complex. It could, you could actually build if it's on an empty lot. It could actually be equity investment in a company as well. So there's, there's hundreds and hundreds of pages of sort of IRS rules around this. So you definitely sort of want to have a tax lawyer helping you. But the types of investments can be very straightforward, very simple. It can just be one individual with a capital gain wanting to create one LLC fund to put their money in and then buy one thing like a corner grocery store in an opportunity zone if they want to fix up and, you know, make it nice and add health foods or something. So that could be very easy.

But you can also have a hui, like, multiple investors coming into the fund, putting their capital gains in, and then somebody managing the fund, and then maybe just doing one investment. Or it could be much larger, almost like a mutual fund kind of thing where you have multiple investors and they're doing multiple investment.

So the State of Hawaii has 25 opportunity zones. I think you know where the ones are on Maui. If you look at all the rules around this tax incentive, it's very much geared to sort of urban locations where there's infrastructure and things like that. This is not geared to diversified ag out in the country somewhere. And the reason for that is that if, let's say you

have a million dollars and you buy that maybe rundown apartment complex, you can't just sort of sit on, sit on it for ten years and then sort of sell it at a profit and say, no capital gains. But they have a thing called substantial improvement clause in the rules. So you buy that rundown apartment complex, let's say for a million dollars, you're almost expected to put another million dollars in sort of renovating it, making it better. I mean, this whole idea is to try to improve neighborhoods, bring new services to neighborhoods, up-grade the housing stock, things like that. If you build from scratch, let's say it's an empty lot, then there's no substantial improvement clause because you're, you're starting right out at the beginning and actually then building, building something.

So downtown Wailuku, that kind of whole area, and I've been through there many times, and it's, it has such a historical -- it's a great area. I think there's such opportunity there. Is -- a census tract that was eligible and Maui County, they said there's lots of potential here. And this was a couple of years ago, they had to make the decision. So they wanted to sort of put this out there and as an opportunity.

Now, what, what type of opportunity is this really? This is all private sector. This isn't like somebody gives DBEDT an application or something for this. It's, it's basically, it's the private sector doing this. However for places where there's sort of a government entity or a state-owned land, different things like that, if you were looking at sort of public-private sector partnerships. And what you're really looking at if this is a financing, could be part of a financing mechanism, right. In the same way that you would be, oh, we're going to have to borrow this much money. We're going to have to bring in some housing income tax credits. We're going to do this grant. You know, you're sort of putting your capital stack together, offer an opportunity fund could come into it. I mean, of course, we would say private sector for money. But you would say, okay, why, why would we do this? Why would we sort of put this in the stack? It's because at the back end there's tax advantage. So they might accept or they probably will accept a lower rate of return. In contrast, just to the typical private sector investment where, you know, there's no sort of tax advantage to it and the kind of return they might be sort of expecting in it.

So that's kind of the program in a nutshell. For DBEDT's purposes, like, what is our role? This is all really private sector run, but what we've done on our DBEDT website, if you go to invest, dot Hawaii, dot gov, forward slash O, Z, is just have a whole web page on all of our opportunity zones, kind of what's there. We're sort of trying to market our opportunity zones to potential investors. And then we also have, DBEDT would like to be able to work with sort of community-based projects that might be interested in trying to bring in, you know, an opportunity fund and some sort of public -- either a public-private sector partnership or it could be completely on the private side, but there's sort of a community based economic development effort there.

I don't want to mislead you either that you could do a luxury housing. An opportunity fund could say we want to do exclusive luxury housing thing. And if they can find a place in an

opportunity zone, get a permitted, you know, get all of those other things done, then, you know, they could do that. I mean, now, mind you, this, an opportunity zone, it doesn't supersede any permitting, any other things that you normally have to do already. So it doesn't trump any of that stuff. But, so the reason I say that is DBEDT's role is we're looking for affordable housing. We're looking for community based economic kind of development sort of initiatives that, you know, we might try to, try to help with.

Also, I'd like to introduce my colleague, Ruby Edwards from our Office of Planning, who I see has joined us there. And Ruby has been helping us, particularly looking at places where there's sort of State or County owned land, and they're looking at trying to do public-private sector partnerships, or they're projects that are going there, maybe it's leasehold. But we're looking at sort of a community-based project of some sort where an opportunity fund may come in as part of the capital stack. And maybe it could sort of lower the cost of financing the project.

I gave you just a fire hose and I just wondered how many of you probably already maybe knew about opportunity zones, but just happy to answer questions now. And then Ruby would be happy to answer questions as well.

And I know you're looking at some, you know, making some decisions like what you're going to be doing with some of the things going on kind of in the downtown Wailuku there. And so the idea is to kind of just get you thinking about what, what might be some possibilities of things.

Developers also -- you know, if developer has already chosen who would chose maybe to try to use an opportunity fund as part of their financing. But if any RFPs go out and it's something that's in the Wailuku opportunity zone, you, you should probably make mention of the fact that this is in an opportunity zone so that somebody doing a proposal might bring in some stuff with how to use that. The fact that it's an opportunity zone on sort of the financing side and to, to make it work more, more doable because of the costs or something.

Mr. Ball: I have a question, Ash.

Ms. Lindsey: Keone, go ahead.

Mr. Ball: Mark, so I'm not sure if I heard it right or maybe it wasn't, but, so is there a benefit then to the, the land owner on that as well as the buyer . . . to the opportunity zone? Or is it just the, the new buyer now that is developing that?

Mr. Ritchie: Right. Usually there would be something transactional. So if the landowner is selling the land, then if anything, they're probably going to get a better price for it because of the opportunities because of the tax incentive. So it actually has raised slightly some prices

of parcels and things in opportunity zones, nationwide. I'm not sure specifically in Hawaii how much it's really done. But if there are opportunity funds that are really interested in it, you know, you might actually have -- you might have to pay a little higher price for it. So the landowner might actually benefit from this a little bit. But the real transaction after they buy it, the new owner, is the tax benefit they're going to get after ten years of holding it, and then kind of doing improvements and doing something with that piece of land or that property.

Ms. Ruby Edwards: Or access --

Mr. Ball: Sorry, go ahead, Ruby.

Ms. Edwards: Or access to additional funding from other investors that could help their capital stat. So it could, it could either be money for a real property improvements or a business expansion of a business. So which, I think -- I'm sorry I was late, Mark might have already mentioned. So there are different ways. I mean, if there's -- improves market ability for somebody who's trying to unload properties. It improves possibly your financability for a particular project. Or if the individual that is proposing a particular project creates their own OZ fund, it, they themselves could possibly shelter tax, capital tax gains that they've gained in other areas. So it's, again, the real, the real advantage to the program goes to the holder of the capital, the person with the capital gains, more so than directly to the property owner or the developer themselves. Does that help a little bit?

Mr. Ball: Yeah. And so would it be possible also in a leasehold situation?

Ms. Edwards: Yes, it could be, depending on, in that particular case, again, it depends upon the financability of the projects and the how attractive the project is in terms of what kind of returns it might give to an investor and how quickly they could, whether they could get their money out within the timeframe that they need. And depending upon which OZ where the capital is coming from. It could be a national OZ fund that wants to invest in Hawaii, or it could be a local fund, or it could be a self-created fund. It's really -- it's so -- there's so many moving parts to this, to this, to the use of this fund. But it's really hard to say it's X, Y, Z.

Mr. Ball: Right.

Mr. Ritchie: The idea, I think, is to make a pencil out so that, you know, if like, it's a 60 year leasehold, then, you know, after ten years, you know, there's still appreciation going on and things like that. But, you know, if you're right at the end of a lease, then maybe there's got to be a whole lot of appreciation.

Can I just introduce, I realize that Pili Yarusi is on the, on the call as well. And she is from the eastern US right now. And originally from Hawaii, Hilo, and they're looking at properties in the opportunity zones. And I don't know, Pili, if you want to say anything, Pili, but I asked her to go ahead and join this call, it's a public meeting, because they're interested in

investing in Hawaii's opportunity zones. So I thought this was a great opportunity to see kind of what the Maui Redevelopment Agency is thinking about downtown Wailuku which has, to me, as I said before, has a lot of kind of interesting opportunities there. Do you want to say anything, Pili?

Ms. Pili'alo'ha Yarusi: Aloha. My name is Pili Yarusi. I'm originally from Hilo, like Mark said. My family actually has land in Waihee, ancestral lands there, and I've always wanted to come back to Maui. I, I've, I've spent a lot, I spent a lot of years. That's where my parents met, so, yeah, I have a lot of connections there.

But yes, my husband and I live in Tennessee now. We are mostly in the multi-family syndication space. We have about 850 units across Tennessee and Kentucky as syndication. The -- I was actually just explained this to Jason. I was like the, the, word for syndication Hawaii is a hui. And my son has just joined us so I'm going to say aloha.

Mr. Ritchie: Thank you.

Mr. Ball: And I guess where I was going with that is my thought, and I have no idea if the County is even interested in this, but them, you know, holding the property and leasing it out to investors to put the building up and whatever use, right, is approved for that might be a win-win situation for both. So I just wanted to see if that was possible. It was where my question was coming from, I guess.

Ms. Edwards: I think the answer to that, the question, the short answer is yes. Where you have potentially where you're entering into a contract with a master developer for public lands similar to like, you know, they are with Aloha Stadium. That master developer still has to come, come up with a capital stack to pay for the development. And so they're going to -- so the --. In the case of Aloha Stadium, they are actually in an OZ as well. So for a project of that scale, if it moves forward as planned, there are some -- it could be very attractive to certain OZ investors who want to participate in such a project, and all of the ancillary mixed-use opportunities that are going to flow in association with the stadium redevelopment if it moves forward as planned.

So similarly, you, I believe, there is a private entity that's doing like a Hotel Wailuku. It's not Hotel Wailuku. What is that called? It's right in town there?

Mr. Ball: There's a proposal, yeah, for that.

Ms. Edwards: Yeah. So I mean, that particular person, whoever is developing that project, certainly, I mean, could be marketing themselves as saying, hey, look, I'm in an OZ zone, I want to do this to make this project work, and here's the payback or, you know, whatever. Or if that particular property owner has capital gains that they want to shelter, they just they

could create a fund and help kind of shelter at least. There's that with the tax advantages that don't actually contribute equity, but it reduces their, potentially reduces their costs.

Mr. Ball: And this might be a question for Pili. Is there -- or maybe you guys know -- is there a, like a central area, maybe a website or something where people go to to look for zones like --

Mr. Ritchie: Yes.

Mr. Ball: If we had an opportunity to do this, we would want to put it out to as many people as we could, right? And so we'd want to --

Mr. Ritchie: Yeah. If you go -- for the State of Hawaii, it's pretty much our DEBDT website. If you go to invest, dot Hawaii, dot gov, forward slash, O, Z, we have kind of the maps. There's GIS maps. You can get right down to kind of the street level so you could see where the zones are. Also given some of your questions if you're looking at the research section there, we've done a couple of large, or seminars, half day seminars here in Honolulu before the pandemic. Where we had maybe about 150 people I think at each one of these. And we had speakers from the mainland come over and, you know, do half day of sort of panel discussion on Hawaii's opportunity zones.

The power points from those sessions are on in the resources section, particularly the accounting firm Novaradac which is a mainland-based accounting firm. They do a lot of new market tax credits and things, but also now they're kind of like the experts from an accounting point of view on opportunity zones. And if you go through their power point, they, they go into a lot of detail on kind of how some of these investments could work from more of returns accounting point of view and some of the things that you might sort of think about.

I think for your purposes, a lot of this might be done, as Ruby said, more at the developer level trying to put that together. But the reason you might want to think about it is if you're trying to find a developer, this could be another carrot to try to get them thinking about how they could make this part of the capital stack and take advantage of the fact that downtown Wailuku is an opportunity zone.

Ms. Lindsey: Other questions, Gwen or George? No. Okay. I had questions for just clarification. So you're defer -- by taking advantage of this program, you're deferring for five years? I didn't get the terms.

Mr. Ritchie: Oh, yes. I think you're -- the -- your tax that you actually have to pay on the capital gains that you're putting into the fund because the fund is the investment vehicle, you don't have to pay that tax until 2026. And there was some tax incentives around that but it's just sort of a deferral for a couple of years here until 2026. The real kicker now, though --. And that's when the program ends. So unless the investments in place at the

end of 2026, this is all just theoretical stuff. You don't actually have to sell the asset after ten years. You could go, you know, 15 years, if the market's not good. You know, you can go all the way to I think, I think it's, like, 2047 or something before the tax thing doesn't apply anymore. So you can keep the thing as long as you want, but it has to be a minimum of ten years for you to sell it and then not have to pay capital gains on any of the depreciation.

Ms. Lindsey: Okay. And if you, like, do you guys also provide a place for hui to, like, link up with each other to invest together or --?

Mr. Ritchie: We -- actually right before the pandemic what we started on our website, which if you go there, you know, the invest, dot Hawaii, dot gov, forward slash, O, Z, we were working with sort of project developers or project owners who had a -- to help get the investment ready so that they're ready to actually talk with the fund. That was DBEDT's role. We had two projects. We had two projects up there. One is on Maui. So take a look at that one. And then the pandemic hit. We wanted to have like maybe 15 or 20 projects that are sort of community-based projects up there on our website. And then we have another section of the website where a fund that's interested in some of these projects, they could register with us and then we send them more information after they register and we validate that they're real. Then we actually can send, we were going to send them the contact information for that particular project so that they could actually contact somebody. Send them an email or have a phone discussion.

Because of the pandemic, all this sort of just sort of stopped because, you know, people can't fly, you know, can't get here, can't even look at stuff. We are now trying to start this up again. Maybe not to that detail. But I think Pili has dropped off. Maybe she'll come back. But we are being contacted by funds that are interested in looking at investments in Hawaii. So in addition to the two we're putting up, the reason we're talking to you is, hey, if you have something you want us to talk about, we're happy to do that when we're contacted by potential investors.

Now, on the -- as Ruby said, though, probably the, the entities that really be working with was is we have a developer that's going to take on a particular project. But maybe there's just a small component of something in downtown Wailuku where, you know, the project person that's doing it and they are looking for financing or, you know, to add to their capital stack and then that's where we can make referrals. After we do the referrals, then DBEDT, you know, we step back because we're not here negotiate a deal, do anything because it's all kind of private sector run, but we're just trying to make the connections.

Ms. Lindsey: Thank you. That's a good position to have at least some way that everyone can get together who wanted to invest in a larger project, for example.

Mr. Ritchie: Yeah. And also, you know, Kahului basically that's that huge area, it's around the airport, all the warehousing, the harbor that is all opportunities zone. So there could be

investments in companies there. There could be redevelopment efforts there that you might be interested in using an opportunity fund or to market to an opportunity fund to try to get involved in some of those things.

Ms. Lindsey: Thank you. Other questions? Keone, do you have any more? Oh, you're off.

Mr. Ball: I have one more question. How are -- are 1031 affected by this at all?

Mr. Ritchie: That's always the comparison that people bring up. This really isn't designed just for some of them kind of --. It's not exactly the same thing. And in fact, I think in one of those power points, I won't go into a lot of detail here because I'm not an expert on this. But in one of those power points, in our resources section, on the website, someone actually does a comparison and they say that's what the 1031 is and this what is an opportunity zone is. It is very different. You have to hold this for ten years. So you have to be a very patient investor. And also, you know, Hawaii residents that have capital gains I think are probably our first folks that we want to market to because if they can sort of see their investment over the years, you know, and it's on their island or whatever, that, that that might be something they want to do and kind of maybe is be a part of their retirement or something in ten years.

And, and according to . . . (inaudible) . . . in any year, there's almost up to, like, two billion dollars of capital gains declared on Hawaii tax forms. So there is a lot of money out there in capital gains if people were interested in taking some of those capital gains and putting into investments in Hawaii is opportunity zones.

Ms. Edwards: And certainly Maui has your fair share of high wealth individuals that visit, either visit the island or have some interest in some part-time residency. To go back to -- I'm sorry, is it Awakea or is it Ashley?

Ms. Lindsey: It's Ashley or Awakea. I go by both. I just, like, kind of leave it on there . . . (inaudible) . . . and my name and then it's confusing.

Ms. Edwards: Okay Awakea. I don't know much about the investment vehicles that are being used here so I can't, I apologize, I can't really speak to this, but I do know that there are, there are now, there is still some O, Z fund interest that is crowd sourced. So the capital comes from its, you know, individuals and a community. And I don't know how those are structured. I --. But they're, but they are emerging and there are examples of them that are starting up on the mainland that if you're thinking about the concept of an investment hui, then that might be a model that you folks could see can we cultivate that kind of thing for, for your communities?

Ms. Wade: To follow up on that, Chair, just real quick.

Ms. Lindsey: Yes. Thank you. Hi, Ruby. It's great to see you.

Ms. Edwards: Hi. How are you?

Ms. Wade: Good. Cute hair. I like your haircut.

Ms. Edwards: Thanks.

Ms. Wade: I wanted to ask if there's -- you kind of we're heading down there. There might be a role for us for the Redevelopment Agency specifically to potentially set up or create a platform for matchmaking is kind of what it sounds like, where, you know, one of the things that we have a lot of in Wailuku is family owned properties and their smaller properties. And now we have, like, the next generation is looking at we don't want this property to leave the family, but we're not sure what to do with it because we don't have the capital. So it feels like this could be a really nice opportunity to draw in folks who are willing to invest, but still allow those longtime families to retain ownership of some of the older buildings, do some historic preservation, and get whether it's new businesses or supporting the existing businesses that are there to stay. I mean, that's a huge part of the character. Everyone says they love Wailuku, but then the goal is not to totally change Wailuku. It's to, you know, ensure that it can remain viable with some additions and, you know, that kind of a thing. But we don't want to certainly just make a clean slate. So that's where I'm trying to find that middle ground for how do we retain what we love using this as a tool and not, you know, not just have folks try to come in and buy ten properties and pull them together and then build those big housing project. You know, how do we, how do we do these kind of set it up so there's opportunities for micro investment as well as, you know, more a few, there's probably a handful of larger scale properties that could . . . (inaudible) . . . also?

Mr. Ritchie: Can I take a stab at that? I think just people need to be clear if this doesn't prompt any permitting, zoning, all the stuff we have right now. So it's, you need to make sure you already have all these tools and what is it zoned as and that sort of thing. Maybe it can make a stab, and I don't know if Jason wants to do this or not. But since you guys joined the call, thank you very much. This is also Jason and Pili. We have Jason Yarusi.

If, you know, it might help this group because they're just being introduced now to sort of opportunity zones. But if Jason and Pili, if you could just maybe talk about your interests and also just kind of how you see deal sort of structured and things like that that that you might be interested in in Hawaii? No, no commitments here at all, but it just might give them a better idea from the potential investor side the types of things you're looking at.

Mr. Jason Yarusi: Sure. So thank you again, Mark, and we're very psyched to be here. I'm going to just touch on your question first and then I'm going to talk more to what we're really looking for. But the opportunity zones were really focused on business first. The real estate section is really the secondary piece that's been built into this. So there's a massive

advantage for businesses here to look at their core business. Because what they can do is they can basically have a way to predict how to grow their business within, with basically an equity influx, influx of equity with a determined exit where they can return, retain the equity on their company. So they can potentially say we're looking to bring in \$200,000 for the course of over this ten years. At that exit point, we're going to pay out \$250,000; all subjective numbers, right? And at that point, the investor is going to get their returns, but then that person who's the said business, or business owner, or business owners now retain 100 percent of their company, right? So it's, it's a way for them to grow their company, have investors be able to benefit, of course, from the growth of the great company including all the other benefits that come with it, come with the opportunity zone. And then for that said business to not lose out on their business, right. They're not going to be giving their business away because they have a predetermined exit.

On the opposite side where Pili and I really wanted to start this conversation, and I think started with Mark and team, which has been fantastic, is that we do multi-family investments across a number of states. We're, of course, in Tennessee. However, Pili is pretty much majority of her family are in, really live in Hawaii. So we've been very interested to find ways that we could, of course --

Ms. Yarusi: Help.

Mr. Yarusi: -- help -- yeah, I think that would be a nice word -- to find projects that that would align. What the opportunity zones do is they offer interesting narrative to provide projects that may be underserved, but also give a reason for investors to want to be involved, quote unquote, you know, formally. Of course, I think, Mark, I jumped to the call back, I heard you talk about you could do high end condo development. Sure. Everybody there's, there's groups that would love that in Hawaii, but the need is workforce, affordable housing, right. That's the need. No matter, that's never going to end. It's always the most underserved area. It's always the most underserved focus because it's hard to pencil those deals out, right. So you can push and go after putting on high end condos. That's going to have a much greater return. But then when subjectively, if you look back at projects that can help the community, where you can also get the benefits from where you could look at the opportunity zone, the advantage is from an investor standpoint, but also the ability to -- this is a stackable thing. So the opportunity zone or the opportunity zone fund is just thought of as an investor. So whether this was an opportunity zone or not an opportunity zone, it's just said investor. So this investor can benefit from the advantages of the opportunity zone, but the project level can also benefit from tax credits, historic credits. I mean, you can credit this back and forth to build layers to get the max out of this project.

So we're looking at this from two sides. One, how can we look at parts where there can be help from workforce housing, affordable housing projects, coupled with the other sector that we're very interested with is really renewable energy. A lot targeted at agro takes and we've been having a lot of different discussions carried. They could potentially be combined.

When we had a conversation earlier where there is a potential where that could be combined from a layer, but that is just one part of opportunity zones. So I think the business focus, if businesses can understand how they can serve it and a lot of the changes that have come out where that really hurt this approach when it first launched is that the opportunity zone business how to be doing its business in opportunity zones, right. And that, that, that limited so many businesses because you can think of it, right. Most businesses, especially if you're an ecommerce or another business, are making their money outside of the businesses. So if you have certain layers now in terms of, you know, the employees that work in this area or live in this area, you can now qualify and still do business outside.

From a business standpoint, this is a massive opportunity for businesses to really fine scale to grow their companies and not lose out where they have to sell out the majority of their company just to get that capital influx which so many half the times happen when companies are just at that new stage because their valuation is so low. So, you know, one dollar takes up, you know, 20 percent of their business, right. Instead of them getting value for their business to help their business grow, helping the investor side, it would also going forward.

Mr. Ritchie: I think also, to add to what Jason is saying, maybe less so for downtown Wailuku, although there could be some businesses there that can really benefit from this. But all of Kahului is basically an opportunity zone. And you have warehousing and all these, these companies sort of around the airport, and the harbor, and things like that that might want to expand, go into other businesses. You know, that's where you actually could have an interesting inflow of capital as equity investment into businesses on Maui.

Ms. Hiraga: Ashley?

Ms. Lindsey: Yes, Gwen, question?

Ms. Hiraga: Yeah, it's a question or comment maybe to Erin, or if there's any other County people on the call or joining the meeting. You know, I've heard of opportunity zones in the past, but I was just wondering how much of an effort has the County ever made to market opportunity zones in Wailuku, Kahului, and the island of Molokai? Because I don't hear very much about it.

Ms. Wade: Yeah --. Go ahead.

Ms. Hiraga: Yeah, I know they exist, but you never hear very much about it. I mean, the State seems to be on top of it. Hi Ruby. But, you know, I think that for me, I've lived here all my life. I lived in Wailuku pretty much all my life, and yet you never hear very much activity or the marketing of areas in the redevelopment area or Wailuku, you know, downtown

Wailuku. So just curious whether the County either through Planning or Office of Economic Development.

Mr. Ritchie: Erin, I could maybe jump in on that too.

Ms. Wade: Okay, go.

Mr. Ritchie: When this first came out, we worked very, very closely with the County, and they were very involved. They were helping promote things and they've been extremely helpful. But then we also, in 2018, at the end of 2018, we had a complete changeover, like, in administrations and things. And so a lot of new people are coming up to speed, and it unfortunately, sometimes even like our Enterprise Zone program and a lot of other sort of State programs we have to sort of start over and kind of build them up again when we have change. And that's a natural thing. We have changes in administrations on, you know, different islands. So I think people are coming up to speed. I mean, we send a lot of things. Like Karen Arakawa, we work with very closely. So we do work. We are working with people on Maui.

Also in terms of what other counties are doing. Oahu is very active on opportunity zones and also Hawaii Island. They've been, they've been doing a lot. They have a whole kind of stakeholder hui sort of formed to try to promote their opportunity zones in Hilo and Kona. And I'll let you jump in now, Erin. I just thought I'd give you that.

Ms. Wade: Well, I did attend your half day seminar in Honolulu and when LISC was participating as well, and shared with the group a playbook for opportunity zones that LISC had laid out. And I think our, the challenges that I'm trying to get my hands around right now is because, like you keep saying, it's private sector based. You know, the private sector kind of needs to find each other and determine what the project is going to be, with the exception of where County owned lands could be available. You know, and that's something that's our next agenda item is, well, what if we thought about opportunity zones for the build out of this particular parcel?

But I think we're, we're still trying to get our hands around to, you know, what role should the County play in seeking or recruiting the investment community and matching with the local community and making sure that we're not trying to push out the local community at the same time. You know, that we're it's an invitation to collaborate instead of changing out a guard kind of.

Ms. Edwards: If I could jump in real quickly here. What -- in just my own just kind of observations about watching how OZ is playing out both here and nationwide, where OZ has really taken off is -- are, are those localities, those local jurisdictions where they already had this network of organizations in place to foster and promote economic development and synergistic programming to, to just allow them to roll in OZ as part of their playbook. So

these were typically economic development agencies or often redevelopment agencies or so --. But it was a network of people with boots on the ground that, that -- it's a, it's a proactive, it's a proactive type of program. That means you have to be there when the opportunities arise, and you have to be very strategic and nimble. And, but, you know, too, I think you folks have to recognize that what the Maui Redevelopment Agency, they are moving in this direction. Of course, maybe they've got a long way to catch up. But I think these folks are starting to do things you need to do to create that. What you're trying to do is create an entrepreneur, an entrepreneurial environment for not only the public players, but the private players, so that you are providing that kind of playing ground, playing field for people to connect on an ongoing basis, bringing all the tools to the table. And that's where successful OZs get -- are -- go. The investments flow to those areas because an OZ will not of itself make a project financeable or attract investor interest unless you do a lot of things. And I think Jason kind of spoke to that. It has to still provide a return at some level even though the OZs were designed to really provide and uplift disenfranchised communities and create investments in those communities.

But -- so two things. The infrastructure to support this, you guys are building that. You're growing that as, as, as you speak, as you meet. You're growing at capacity. You just have to keep moving forward. You take a, take a page out of some of the other places that are already doing this. The marketing private and public properties, you can go to a lot of their websites and see what they're already doing. You can see who they brought to the table. So I think you guys are on the path, just not as far along as other places.

Mr. Ritchie: Can I just add? You know . . . (inaudible) . . . CB Richard Ellis, I'm kind of on their mailing list. And, you know, when they have properties in opportunity zones, they're marketing them as opportunity zone. You know, they let you know that it's in an opportunity zone. And so I tried to pass those on to certain investors and things that you might be interested. So some of the real estate companies are, you know, letting potential investors know that this is an opportunity zone property that some of these investors might be interested in.

Ms. Lindsey: Do you have any other questions, members?

Mr. Kaho'ohanohano: No, I do not.

Mr. Ball: I guess, in a nutshell, then, the benefit would just be the capital gains tax? Is that . . . pretty much it?

Mr. Ritchie: Well, the benefit, that would be for the investor. But then for the community, it would be sort of lowering, lowering the cost of capital a bit just because there's that back end tax incentive, along with other sorts of things you could put in the capital stack. So, so the idea is to make some of these projects pencil out. I think, as Jason was saying, that might be really close and then maybe this opportunity fund could sort of come in and then

make it work and make a pencil out for let's say, affordable housing or something like that in, in an area where it's really needed.

Mr. Ball: And so is there a percentage? So let's say there's a property owner now, right, and if somebody is coming in as an investor, let's say, in it. And they, do they have to be the owner of the property or can they be, maybe just a, now they're in partnership with the owner, or is there any requirements for that? I mean, maybe not because you can do leasehold, right?

Mr. Ritchie: And maybe Jason might want to speak to this, but if the investment vehicle is the fund. So if that fund that is, is doing the investment and that, the money in that fund, it can't be mingled with other money because you're going to have to track that because that on the back end is the thing appreciates after ten years and you sell it, it's only going to, the no tax capital gains tax is only going to be on that particular investment. So if you're bringing in sort of other moneys and -- you can't do that. You've really got to keep it sort of separate. And you can be real creative, but you really do need to be working like with a tax accountant or a tax lawyer on some of these deals, because there's hundreds of pages of rules that when you start reading through them. But none of it is -- a lot of it is sort of common sense, but --

Mr. Yarusi: Yeah, you're just serving as part of the capital stack, right. So you're just coming in from an investor layer. You're not coming in to buy the property as the fund. The fund is just coming in as a serving as, as like a limited potential partner of the deal, depending on how you have the deal structured. Where you're going to see a lot of runway with this is that a lot of conversation, you've heard of 1031 exchanges before, there's a lot of conversations where, where that could be on the chopping block. And there's a lot of similarities, but also a lot of differences, right. So you're basically rolling forward your gains on 1031. You have to take everything that you've had in the deal and roll that forward. Here, you're taking your capital gains only. So if you had your original debts, you're taking your gains to be able to put into this deal. So you're able to have that freedom for that point. And you also have -- you're basically looking at 1031 to your debt to pass it on to heirs, right. And so here, you have much more viability, with flexibility for how you're using this investment going forward. So it's going to, you're going to see a lot of money coming into this. And you had, I believe, in the first two months of 2020 more money targeted for opportunity zones than had been targeted for the two years prior because there was that much going into and then COVID, of course, really, really stop the narrative. So you're going to see this pick up a lot of steam again. And unfortunately, the government said to safeguard, it's a pretty complex amount of paperwork, right. And so typically, it, at this time, it's creating a confused mind, which also leads a lot of people to overlook it. And so people are trying to really understand how they can fit into this. And when you can really just break it out to it, you have the business side. That's one full angle, but you have the real estate side. But for real estate project, opportunity zone or not, it does have the potential to have viability without the opportunity zone. The opportunity zone gives -- it's almost like a project on steroids for the investors.

And because on the, on the other side most investors may not be looking for a runway to have their money involved for ten years or longer, right. And so, but when you look at this and then you partner with the advantages to this, that's why you get investors very excited to have their money put to work for such long horizons instead of typically a three to five-year whole period.

So from a seller perspective, on the opposite side, you're seeing sellers trying to make use of what they think this is worth to their project. And sometimes it's worth nothing, to be honest. And you see a lot of projects that won't get started because of the valuation put on a project being in an opportunity zone sometimes you're taking their project, which is maybe worth X and they're times it by two just for the quote unquote being labeled an opportunity zone. So we'll start to see some of that reality come in here because the opportunity zone from a seller perspective, it's a nice point, but it doesn't make their property worth double. It may give it a little more viability, but the deal absolutely has to work from an investment standpoint to walk in here and say, okay, this deal can have viability. And then now using the opportunity zone, it definitely allows for a longer runway for the project, which of course, from, from the group or the area that's it's going to serve the area better because you're not going to see so much roll over in the project of how it's handled. It's going to be looked at for a longer term horizon. So those projects are going to be able to create community, right. Because you guys, instead of being in this for quick, you know, a quick dollar, get in and out in a year, you're now saying, okay, we're going to be in this project where we can serve this. And from developers or builders, they could do anything, right. You could look to put green initiatives in, look to do things that maybe you want to be looking at for, from a perspective of the short haul because the return on investment on those would not, would not create enough value for such a short hold period. Does that make sense?

Mr. Ball: Yeah, totally. Thank you.

Ms. Lindsey: Jason, I had a question for you and Pili. I -- so how do you find -- I know you guys are focused on Maui because your ties, but how would, how would you typically connect with, like, a business who would want, you'd want to invest in? Especially being geographically far or in the time of COVID where you can't physically meet there? Like how could we as MRA link you to businesses on Maui? How does that happen, you know, between --because you've done it before some other places?

Mr. Yarusi: So from this perspective, and Mark touched on this on one of our prior calls, you don't want to forget about the local community because there's going to be the same effect with a lot of people there with capital gains that are going to be interested in this, and are going to be really self-serving for the community. So I think it's, what, where I see these winning a lot is that the branding and marketing coming from the projects that are going on needs to, to really have a ramp up. This needs to be brought up that these projects are happening, and its community outreach and build upon there because it's going to create more outreach for more people to understand that this is a great way for these areas to

come back. Because Hawaii, they want the community to grow, they want these areas to grow, so the more you get this out, that's going to bring more interest not only from people that are right there under our nose and then send . . . (inaudible) . . . us.

From a company perspective, it's for those companies that maybe are just lucky are in the opportunity zones. That's one facet. But for other companies that can look at an area where potentially they can get into a lease, you know, a cheaper lease, right, because it's an area that's not self-serve now and understand that this could be a stage for them to get their business, and get their business plan down, to understand how could capital come in. Because not every company --. Sometimes companies think that money is the key, but they haven't served their business plan and understand what the use of this money is going to be. So how could we be a benefit to them to help them create a great company that can serve this community for the long term, right? That this wouldn't be something that they're testing them out and they can go in there for a model.

So two ways. I think current projects need to be branded more, so more people are branded better or marketed better so more people are aware of them. Because that's going to bring the local community definitely there because there's a lot of people there on the islands that that have a lot of capital gains that would rather be looking locally, then targeting projects that are on the opposite side out here in Tennessee, right. And so, and so, so instead of looking where I am, they can look right there, you know, and that that would be a good feeling for everyone around.

And then from our side, for companies to look at what would be the good use for money for them, how would that be able to drive the company forward because it's money. It's a good thing, but it's not always the answer.

Ms. Yarusi: And then also for us, I mean, we want to, you know, as the, as the local girl story moves to the mainland, wants to come back to Hawaii and bring her knowledge. So, like, how can we help you is really the question. Like how can we help either bring capital or how, like, what do you, what kind of connections that we want to -- I think somebody said this earlier -- like keep this conversation going. I mean, I'm really, like Jason said before, we're really interested agriculture and bring agro-voltaic to agriculture and try to put that into opportunity zones if they exist. And then kind of just building out whatever needs the help. So any projects that come up that you think that we would be a great fit for, we would love to hear about and know about. Mark has given us a few. We're also -- I have major ties to the Big Island and then most of my family, like my mom, and my dad, and my, my sister and brother all live on Oahu. So we're, we're open right now and we're here to, like, serve and learn.

Mr. Yarusi: I think that's one of the biggest parts, is we're again on a learning side, too, to see what's going to best serve. And as we continue to have these conversations, we're

going to get better at our questioning, which is going to produce better answers, which is going to help us continue a fine line where we're going to find how to add the most value.

Ms. Lindsey: Thank you. That's -- I, yeah, I, I'm having a hard time understanding the connecting. Because people here drive through Wailuku, they're like, okay, my cousin's friend own that building. And then they go to the next one, oh, it looks like they're moving out. Did somebody die? You know, they know the story behind the buildings so they can kind of see them. But I'm not sure if kind of, like, money where the investment has the same vision for like Wailuku as a person growing up in Wailuku. You know, a lot of the capital gains come from people who maybe live in other areas, probably not Wailuku. They probably don't regular Wailuku often. Even Kahului, they go to Target, and Costco, and then they go back to where they live. So I think on island, I'm sure all of us have contacts with people who could benefit from something like this, investing in this. But is this -- how do we make it what they want to invest in, you know, other than living on Maui?

Mr. Yarusi: Okay. There's an investor for every point. So the best way to think when we talk to investors is to not think, right. It's to ask questions, to see how we can help, because you'll have two, two exact same, you could say two twin brothers that have completely different investor profiles. They live in the same area and everything else, and one is looking to invest in just a primary area. And the other ones wants to invest in tertiary areas. Because one may -- the primary area maybe, of course on paper, more safe, you know. Except on that front, you know, the coupon that they're going to get is lower, right, because it's going to be --. The valuation maybe that there's no cash flow and then --. But the eventual part is there could be a bigger payoff. Where on the other side, it could be a project that's s more of a tertiary market. You're not going to see much growth in the value of this, just on natural appreciation. But there's going to be cash flow, right. There's going to be cash there because they're going to have a lower base going into the product.

So there's always an investor subset. It's really exploring just to talk about the opportunities. So from our set, where we are, when we are growing our investor database, we're not thinking, you know, we're not perceiving like, oh, this person is this. We're having a conversation because we're always surprised about what they're looking for. Because for this, we typically, especially in multifamily, you have cash flow, you have forth appreciation, you have debt pay down, you have depreciation and tax advantages. And that's the glory of multifamily. And you'll have each of those five buckets where projects in certain areas, and certain projects will have, will be heavier in one of the five than the other, than the other four. And that goes crossways. So there is absolutely investors there, but it is about marketing, just letting investors know these opportunities exist.

Ms. Yarusi: And also letting, like, property owners and businesses know that, again, these opportunities exist to maybe they need like an influx of capital, and maybe they need, whatever they need, they just need to let it be known. You know, sometimes -- you know, sometimes when we, when we, when we need them help the most, we don't say it's.

Mr. Yarusi: Yeah.

Ms. Yarusi: So you just have to let these business owners know that, you know, they have to say something for anybody to know that they need help or, you know, if they're trying to grow their business, or if they have a business idea, it just really comes down to communication.

Ms. Edwards: To follow on the points made by Jason and Pili. You folks really have already started a really good brand already with the reWailuku. And is that what it's currently called. I can't remember. What little I know about what your plans are for the redevelopment area, you've, you've already started to create a vision for what this community could be, and how it could grow, and what kind of character you want, and the types of investments you're looking for, what you want to promote. You've already got really good bones for that. So part of what you do with rolling out that vision for reWailuku is, is putting it out there more so that, you know, we're in an OZ, come talk to us about this. Let us know, can you -- do you want to be a partner in bringing some of these things to, to bear to fruition? I think you've got a really, really good platform already kind of established, and you should really just use that and go forward.

Ms. Lindsey: Thank you. I wanted -- any other questions by the members? And Erin, did you have other questions? No?

Ms. Wade: No more questions. Thanks.

Ms. Lindsey: Thank you so much for sharing your information with us.

Mr. Ritchie: I'd like to just thank Jason and Pili for coming on this Zoom call. We really appreciate it. And your, your willingness to sort of ask all these questions, and to explore it, and kind of go on this journey with us, that that's really very much appreciated. So, so thank you very much. And also thank you, Ruby, for coming on as well.

I think I was going to drop off to get to another meeting, and probably Ruby, and Pili and Jason need to do that as well. But, Erin, is there anything else you would need from us at this point or we can let you continue on with your agenda?

Ms. Wade: I think we can continue on, but we would love to stay in touch. And, you know, we're going to brainstorm a little bit today on the next agenda item. And if you don't mind us, just continuing to keep everybody in the loop, we'd love your continued feedback.

Ms. Yarusi: And please, if you ever have any questions, please let us know.

Ms. Lindsey: OK. Thank you.

Mr. Yarusi: Thank you for having us, everyone. Thank you so much.

Mr. Ritchie: Thank you.

Mr. Kaho'ohanohano: Thank you.

Ms. Wade: Chair, I do think we need to open this item for public testimony before we move to the next agenda item.

Ms. Lindsey: Okay. Wait, you're talking about item B.2?

Ms. Wade: I'm talking about item -- sorry, I don't have my agenda item. The item we just finished.

Mr. Ball: Item one.

Ms. Lindsey: Okay. Item one. Okay. Can we open that for public testimony who's on the --? The chat is open.

Mr. Mike Williams: Hi, this is Mike Williams. I would love to testify briefly.

Ms. Lindsey: Okay. Hi Mike. Go ahead, you have two minutes, three minutes.

Mr. Williams: First of all, I want to thank Mark Ritchie and his whole crew for coming on and giving us all that information. I worked with Mark when I was developing the report for the Cost of Government Commission on the Wailuku parking garage. And he pointed me to all these other entities and they eventually asked us if we would pay a fee to get their advice. And of course, we don't have a budget for that. So we had to write the report without it.

But I think the garage is an obvious example of where the Mayor should be looking hard for private money to fund that business. But I also think you guys have got to back up and look at downtown Wailuku as a way to use --. If you use the cooperation of eminent domain and the property owners there to assemble these smaller lots into bigger lots, then you can build three, three-story apartment buildings with brand new stores, retail, restaurants, all on the bottom floor, and use all this opportunity zone subsidy from the federal government to do it. And you can work with the local owners who want to continue in business but let them be the ones that operate the business and lease it from the investor. So that's my thought. You need to step back and take a big look at downtown Wailuku. Thank you.

Ms. Lindsey: Thank you. Any questions by the members? Seeing none. Thank you. Is there any other testifiers? Erin, I can't see the chat so --.

Mr. Ball: Nothing in chat.

Ms. Wade: No. Nothing in chat.

Ms. Lindsey: Okay. Okay. So are we having more discussion on this or are we moving on to the next agenda item? That kind of threw me for loop.

Mr. Ball: Moving on.

2. Department of Management requesting comments from the Maui Redevelopment Agency regarding next steps for the Vineyard Street frontage of the Wailuku Municipal Lot (aka Phase 2 of the Wailuku Civic Complex) and implications of a potential partnership with an Opportunity Zone investor. (No action)

Ms. Lindsey: Okay, good. Item number two, Department of Management, Redevelopment Agency for the Municipal lot, phase two of the complex.

Ms. Wade: Yes, I am going to share my screen real quick. As you folks, you know, we designed for phase two, which is the portion of the project fronting Vineyard Street to have a three-story building at that site. And since, since the project moved forward -- well, we moved forward and brought the whole project to Council, and then Council determined that they would fund the parking structure, but not the building and plaza. So -- and so, therefore, since that time, the real property tax division, which is this, this was the floor plan that had been designed. Real property tax division has a new home. Now they're in the Maui Service Center on Hookele. So this whole floor is no longer needed as part of the, part of that site.

And then there is discussions about acquiring the Maui News building or another facility, and probably we now in the County will have enough square footage that a boards and commissions hearing room. And now with COVID, I don't know what we're going to need a - - we're using this virtual platform so regularly, I'm not sure if we're going to continue to need a boards and commissions conference room like we did before. So this, this whole piece that was previously designed in the project is also probably not needed.

But I wanted to -- what I wanted to do is discuss with you folks what elements of the project were you interested in continuing to maintain as we move forward. And frankly, you know, because at this time, the Council has said they're not interested in funding much on this portion of the property. Do we want to consider this as a potential, you know, identify hopes and dreams for this site and then put it out as a potential project to partner with an investment. So maybe it's an opportunity zone investor, maybe somebody else to develop this in partnership with the County. And maybe the County can still invest in some of the

public amenities. But the private sector is taking on some of the more the ground floor, which was the ground floor, was always designed as sort of an indoor farmers market, grocery opportunity. And we actually all that is right now is if you see this building outline here, this was the overhang and this was the interior of the building. Below this, essentially, below this outline is basically an open space for the ground floor, which was the grocery that we were intending anyway to seek a private partner to build out. So this just, this just potentially adds to that being able to create a development agreement with a private sector partner to build out more of the project than we had originally anticipated.

The other piece I wanted to add to that is that leaves us basically with a single-story building with potentially only a partial story upper floor if we keep the meeting room. And wanted to know, is there interest in adding housing to this? And to what degree would, would it make sense? Is there an interest in pulling that in as well? So, again, this is mostly a dialogue, and I can pull up additional graphics if you're interested, but I'll stop sharing for the discussion by anyone.

Ms. Lindsey: Comments by anyone?

Mr. Ball: Yeah, I'll start, I guess. I mean, I would love to see this as a public space, right? I love the public meeting rooms and all that. I'm happy that the, the County's office space, if you will, is, is going somewhere else. Because I think the original intent was that it was a public, you know, community space, right? And actually, if we had housing above this, that would be awesome. You know, I mean, yeah, it might be that opportunity that we were just talking about, right. I mean, we all want walkable towns, right? Well, you got to have places to live to be walkable, right? Because everybody's driving to work there and everybody lives --you know, we don't have a lot of residences, let's say, close by. But if we built housing here, I think that would be, that would be great, you know. I mean, that, that's, that's how you revitalize an area, is you have people that live there, and they eat there, and they go lao Theater there, and they have their community meetings downstairs or whatever, right. I mean, if that could work in a perfect world, yeah, that would be, that would be great. I mean, we just have to figure out how many stories it would be and all that, but -- and you would have it mixed, you know, a mix of affordable and everything in between, right. Everything above and below that. So, but I do like the community aspect. I like that little meeting theater, if you will. But I really would press to have it be open to the public like that instead of County offices, right, is my two cents.

Mr. Kaho'ohanohano: Yeah, okay, for me, you know, I, I passed by that Hookele office that the County have, and on the ground floor has been in operation right now, and they have no parking spaces already. And we have other County agencies going inside there. I'm just have a feeling where at this point, could we just cut this away, not knowing what that Hookele will present any problems? Because my son works for the Liquor Department and I don't see where their employees going to park their cars and the County cars and still have room for the general public. DMV is down there already, and it's --. I, I passed by two days

ago and there wasn't a parking stall available. So we got to be, we got to start realizing that it's great that they're developing this area. But we shouldn't just give this away until we know what's going to happen. That's my input. And I acknowledge what Keone put across. I just want that this is property that we have already that we have started to develop. We shouldn't just give it away, not knowing what the final outcome is on the other side. Because I don't believe all the County agencies can go down. And yet the County agencies for classes that they need to, to have, they go to a public facility to have it. I'm not sure. The Police Department has their only training class.

Ms. Wade: Yeah.

Mr. Kaho'ohanohano: What does, what are the other agencies have? If Finance have a meeting, where do they have their meeting?

Ms. Wade: Yes, Finance does have conference rooms built at Hookele. And, most, you know, ITS, Personnel, everybody's got smaller conference rooms, but there, there was an interest in the larger community space for more training. And that was, that was one of the purposes of this, this meeting room that could be used both for County, and then nights and weekends could be used for community.

Mr. Kaho'ohanohano: Yeah, it could be use also for the public.

Ms. Hiraga: Yeah.

Mr. Ball: Well, I mean, yeah, I agree with you George, because if you look at our planning conference room right now, right, I mean, talk about being a hindrance on the public. Any big thing that comes through, we have people standing outside. I mean, that's crazy, right? I mean, really, or we have to go to Council Chambers to have it. Like, this would, this would serve that purpose, right? I mean, sometimes we get no one, but sometimes we get hundreds, right.

Ms. Hiraga: Yep.

Mr. Ball: So, for the future, right, we want to plan ahead because --. Although now we're all on Zoom so.

Ms. Lindsey: Gwen, comments?

Ms. Hiraga: Yeah, you know, I, I still feel that we need to have this so-called public, public hearing, well this public hearing room, you know, for the County to use during the day, possibly open to the public for use at night or on weekends. And, you know, that being said, though and listening to what David had to say about opportunity zones, you know, maybe there is a possibility of housing. I totally agree with Keone's comments about possible, you

know, housing, multifamily housing in the area. And I also agree with George, you know, we shouldn't just give everything away at this point because we're just not sure. And at the same time, like Erin mentioned, you know, buying the Hawaiian Tel building, buying the Maui News building, you know, that's all for County offices. But I'm surprised to hear, George, that parking is already a problem at the service center in Kahului.

Mr. Kaho'ohanohano: Yeah, I pass by that almost once a week. And if find one or two parking stalls open at the time it's amazing. I don't know if it's employees and general public because I don't necessarily see any place where the employees park. If they have something it's not being advertised and it's not part of the County property that I know of.

Ms. Lindsey: They need Da Bee.

Ms. Wade: Just real quick for Hookele. You can't see the employee parking from Hookele. It's on the opposite side of the building. And then we actually own the two lots adjacent to it, which haven't been built out as parking. But the conversation has been there. It's just that, that -- that's where the budget ended, was just making the small employee lot behind the building. And then what happens next to that, we could potentially build more parking in that direction if needed.

Mr. Kaho'ohanohano: Because my understanding is also, you know, different agencies have their own cars, so they need a place to park the cars and then their private vehicles. So you're already doubling the parking spaces that you need. So, I'm just, you know, my biggest thing is that for us to have this segment of what we're developing, just put on the side as we don't need it. I don't think we can do that right now.

Ms. Lindsey: And my concern with the housing would be like, how many units would that be? Six families like --

Ms. Wade: Over the existing building footprint, it wouldn't be many. Maybe ten if you went kind of the smaller side units.

Ms. Lindsey: Like, is that, like worth the, like, potential public space that it could have, you know, or public, like, events, gatherings and stuff for six families? Like, I know every little bit counts, but it's hard to justify six. You know, you're talking about twelve people with kids like twenty people.

Mr. Ball: Yeah, I would. I would I was talking more about redevelop the whole thing and put up a tower, right. Not a tower, but, you know, multi stories, right. And then have the civic stuff downstairs, right, of it or whatever. Yeah, it would be a full revamp on this.

Ms. Hiraga: Not following, you know, the floor plan that we had before.

Mr. Ball: Yeah.

Ms. Lindsey: I like the mixed use. Everywhere I've been with the mixed use, like in re, revamped older neighborhoods that were redone, they're amazing what they did with those spaces. It also like called to a certain person, you know, like it's kind of city people who live in those kinds of mixed-use areas are local people. Any people like somebody who kind of live in an apartment and go walk downstairs, maybe not have a car like as much as we want to say that those people exist like --. Is that the local -- does it exist really, you know?

Mr. Ball: I think it does. Yeah.

Ms. Wade: That's you a little bit Ashley.

Ms. Lindsey: Yeah, but like my family . . . (inaudible) . . . and you know, like, we can't barbeque, right?

Ms. Wade: Yeah.

Mr. Ball: Yeah. Hence the revamped, right. They'd have to put like maybe a rec a deck or something with barbeques and whatnot to make it --

Ms. Lindsey: Like if it's possible and I like, I totally like that idea and what it would be. But I'm wondering how many people that would, actual local people who are here now would want, you know.

Ms. Wade: I think it --

Mr. Ball: Because maybe it turns into rental too.

Ms. Wade: . . . (inaudible) . . .

Mr. Ball: Yeah, maybe it turns into rentals too, right. Maybe it's not ownership.

Ms. Hiraga: Yeah.

Mr. Ball: Maybe rental project too so -- lots of potential, I guess there.

Ms. Hiraga: That's true.

Ms. Wade: I think we've had three past chairs now who are in the empty nester category who have all said they would be interested in a condo or an apartment right in the heart of town. And I think, you know, that's probably the demographic that you're looking for. It's not the family looking to have a big barbeque. It's, you know, folks who are either young

professionals and don't have the, you know, either connections or the interest in doing the barbeque or can go to somebody, a family member's house, or the empty nester who's kind of in the same boat. Probably not a family.

Ms. Lindsey: Yeah, the -- maybe newly retired professionals.

Ms. Wade: Right.

Ms. Lindsey: Yeah, I think -- and then they can just get all their services right there. If we had a grocery store and a hospital nearby. But I guess Maui Medical Group is right there, so that covers their need.

Ms. Wade: I'm just wondering then, do we want to -- do we want to explore both the options of a site build out, including housing, and like you're saying, just adding a couple of units above the existing footprint probably doesn't get us a viable project. If we wanted to include housing, it probably means we're looking at the entirety of the site for new, for housing, you know, ground floor retail, housing above. Or did we want to limit it so that we maintain the public open space on the ground level and keep the developable buildable focused to something . . . (inaudible) . . . ?

Ms. Lindsey: Erin, do you have a number like how many people live in the MRA area?

Ms. Wade: I know it's like 500 households total. I don't know people that is. It's just a household.

Ms. Lindsey: Yeah. Five hundred. That's good.

Mr. Ball: I mean, do we own that corner, the corner of Market and Vineyard?

Ms. Wade: We do not.

Mr. Ball: Okay. So it's just --

Ms. Wade: It has been offered to us, but we don't currently own it. So we'd have to go back to Council to request acquisition.

Mr. Ball: Because that --. I mean that --. I mean of course I'd love to see the open space because then that would benefit the, the area, right, as far as, you know, when the meetings take a break, people can go there or even the, you know, the residence of the of the, the building could use it. People that can go eat lunch there. I mean, a lot of possibilities, right.

Ms. Wade: Right.

Mr. Ball: So I would like to try to retain some of that. But, you know, as we all know, it's got a pencil out, right? So, but if we had that corner of Vineyard and Market in play, maybe that could happen, right? I mean, I'm just dreaming here. This is all just a dream, right. But who knows -- who knows what they want for acquisition costs of that lot. I mean, who knows, right. But, you know, I think that will be cool.

Ms. Wade: You know, . . . (inaudible) . . . for the last two years, so, I mean, it's a possibility.

Mr. Ball: Okay.

Ms. Lindsey: And was -- is planning staying in One Main Plaza?

Ms. Wade: We're still working that out right now, determining who's moving where. I mean, we're getting, as George was saying, the first part of the organizational shuffle started with the ground floor of the new county service center. Basically that is that whole second floor and folks getting pulled out of both the county building and properties that are being leased to move over there. And then the Hawaiian Tel Building we know Emergency Management is moving there. We're trying to determine the other departments that are going to work best in that space right now.

Part of it is parking. Kind of like George brought up, we have to make sure that there's either onsite parking or parking in the immediate vicinity to accommodate.

Ms. Lindsey: I'd definitely advocate for not renting any more from everywhere and just kind of consolidating everything. So that would need to fit, I would be for that. Whatever is not going . . . (inaudible) . . . down there.

Ms. Wade: Is that all? So it brings up, and this is just something to keep on your radar. This doesn't impact this decision we're making today -- or it's not even a decision -- but the dialogue of today.

But One Main Plaza, we occupy about 70 percent of that building. And when the County of Maui isn't the primary tenant in there, suddenly there's a lot of vacant office space which could either destabilize the office market in Wailuku or they're seeking potentially an opportunity zone investor to redo One Main Plaza into the condos or housing. You know, it's still -- it doesn't have to be what it's been for its life up until now. So I think there's going to be additional buildings in the area that are going to be reimagined. You know, for us, we're reimagining Hawaiian Telecom for County use. But as, as that shift happens, what's going to happen else -- as the County relocates, that's going to happen elsewhere. Cause kind of a domino effect or reinvestment opportunities as well.

So don't --. I, I think before now we kind of were thinking of this specific site as having to put all of our eggs in this basket. You know, we wanted to accomplish a grocery, an office, and

housing, and everything all at once. And now that this is sort of shifting in the County's investment is happening, I think that's going to create opportunities for, whether it's housing or retail or other things happening within the district in other places that wasn't on the table before. We didn't have the potential because the County was locked into those office spaces.

Ms. Lindsey: So we are just giving comments? No action.

Ms. Wade: We're at the point too in the design contract for what was originally termed the Wailuku Civic Complex. We're at the point where we're in construction on a portion of it. We have a portion of the monies left in the design contract to reimagine what this phase two is going to be. If it's something close, you know, whether it's just scaled down of what we had originally talked about, we probably have money to get into the permits, you know, towards getting permits for that. If we start reimagining totally, you know, I'm sending them back in conceptual design phase. It's -- I mean, it's not problematic. I just need to know which, which path are we going to -- should we go to?

Mr. Ball: I, I think at this point we need to do that, Erin. And I mean, if we're getting rid of all those offices, I'd hate to put some kind of thing together just because we have this sort of box already made, you know, with the potential of all these ideas that we all have. I mean, and we can get the community input back into this, right, and imagine something that they want instead of these offices for the County departments.

Ms. Wade: Yes.

Mr. Ball: I mean, we could have something pretty awesome here, you know, so I think it's kind of like back to the drawing board. I mean, as bad as the wasted money of the, of the already, you know, the plan that's already out there, but since it's such a dramatic change to that, I mean, I think we got to go back to square one. I hate to waste the money on the stuff, but that's my point.

Ms. Wade: Well, it won't be square one because, I mean --. I'm just going to put up this graphic real quick. This -- I think -- this newsletter. With this ground floor, all of the heights were set for Church Street and Vineyard Street. So this was a whole lot of engineering and topography work that was done to figure out how to fit a three-story building, which is the existing zoning height limit into this space, and be able to, like I said, put all our eggs in one basket with this building the way that it ended up being designed. But frankly, getting this engineering and setting these grade levels was, it was a whole lot of effort and work that I think is going to be you know --. It's -- it takes a lot of the, the questions off the table for our next conceptual design about what's possible. You know, now we know what we've set the heights for what Church and Vineyard are going to be, and we're going to have to work with that, whatever that is. But again, you know, we'll have all of this space and then we can

actually -- we can start talking about is the banyan tree lot also something that we want to consider pulling in?

Mr. Ball: Does, does the three-story height engineering lend itself to, let's say, six-story engineering high or ten-story engineering height? Or does it -- does it change per story as you go up or down?

Ms. Wade: Well, three-story is the zoning limitation.

Mr. Ball: Right?

Ms. Wade: I mean, right now, what we have done over here on Church Street is we've set the height of the road where, you know, before we've mostly matched the existing height of the road, but we've also considered, okay, how much width do we need here? At what point can the building drop down and how would that happen to be able to fit three stories right there off of Church. All of that, basically, the building platform potential has already been worked out and identified. So if you're starting to talk about more than three stories right here, it's not really an engineering conversation, it's a zoning conversation about --

Mr. Ball: Right. But I'm just saying, is that then lost in that or does it -- is it -- that the three or one hundred stories, right, once you set it. Do you know what I mean?

Ms. Wade: Right. No, no. I mean, the, the height of a building and the, the public's access to it are -- they -- those can be mutually exclusive.

Mr. Ball: Same-same okay. And I'm not advocating for one hundred story building, everybody. This is --

Ms. Wade: . . . (inaudible) . . .

Mr. Ball: Yeah, I wanted them to put something in the paper and saying that I want a hundred story building. But I, I'm just thinking because if the community wants, you know, if we put this back out to the community, they want housing here, it's got a pencil out, right, for whoever puts that building up. So it might have to go to rezone for a x-story building, right.

Ms. Wade: Right.

Mr. Ball: Structure. Okay.

Ms. Wade: Okay, well, that's, that's good direction. If the group agrees more or less that we should go back to . . . (inaudible) . . . start that process. Well, I think that's going to make this next item a lot easier, actually. Chair, did you want to take any public testimony on this item that we just discussed?

Ms. Lindsey: Is there anyone wanting to testify on item two or item three?

Ms. Wade: Item two the Vineyard Street frontage.

Ms. Lindsey: Item two.

Ms. Wade: And you can open it up for item three right now also.

Ms. Lindsey: Yeah. Can we -- if you'd like to testify for item two or item three please say so now if you're on the phone or indicate in the chat that you would like to testify. I will give you one minute. Okay, that was like thirty seconds. But, I don't think anybody is on the phone or wanting -- indicating in the chat.

Ms. Wade: Nobody is unmuting themselves.

3. Department of Management requesting comments from the Maui Redevelopment Agency on the "Road A" Improvements and potential for public art associated with the construction of the Wailuku Parking Structure (aka Phase 1B of the Wailuku Civic Complex). (No action)

Ms. Lindsey: Okay, we're going to carry on to item three.

Ms. Wade: Okay. I'm going to share my screen again, and Kelly McHugh White is also here to assist. So I'm going to sort of give . . . (inaudible) . . . design question we have, and Kelly will share a little bit about how that process can work.

So essentially, the original design, the original plan for the project looked like this, where the parking garage is here, which is still is. The access road is here, which it still is. And then the final phase, phase two, was plaza and building footprint like this. With the original design, the plaza basically flowed into this shared road space. So you can see many of these design elements the paving pattern flowed through this shared road space. And the intention was for it to feel kind of like a pedestrian promenade that both pedestrians and cars could, you know, would go -- cars would go very slowly as they felt like they were not the dominant use. It would be primarily for pedestrians, but it would be the access into the garage. That concept worked fine and was had support of Public Works Department and MPD. But then we didn't get -- when we put this out to bid with the pavers, we -- the budget came in too high and we had to take the pavers out of the project design. So we amended the project design. Which this is A.C. asphalt coming in and going this direction, and then colored asphalt in this light gray going this way. But it was defining space and use and Public Works had a problem with that because we no longer met the ADA requirements of access. So they much preferred the original design where the pavers and if you remember,

this is all single level. So it's, it's flat across from one edge of concrete or one edge of road to the other side. So what the proposal was in talking with Public Works, was instead to basically go back to the same design we had originally, except to use asphalt the whole way. The problem with just making this all black asphalt was it no longer was an inviting space to have First Friday or a Farmer's Market or whatever we wanted in terms of community gathering back here, because it would just be like a block of asphalt road. So the suggestion was that we use the public art concept and go from basically edge of landscape to edge of landscape to define the same type of experience that we were going for with a pavers.

My questions for you folks was going to be, what did you want the -- if we go this path and we do the artwork, what did you want the extent of this to be? And you have to please understand that this is just -- this artwork shown on here is purely illustrative. It's not -- this is . . . (inaudible) . . . Our architects just like pasted it on there like wallpaper for just for dialogue. But of course, this, this is the primary entrance. We do -- the architects have shown in terms of scope it going up to a walkway that comes out here to Main Street for directional purposes. And then coming back down here to American Savings where we're -- I was wanting to know, did you also want to include this access driveway and the rest of the fire lane? So -- and again, as we move forward with the previous conversation, this fire lane will have to remain here, whether we pull in this space for banyan tree or not. This is now the required fire lane for the garage. So that's another design parameter that we'll have to continue to work with. So the question being, what did you want the scope of this art to be? And then Kelly can kind of share with you now what --. Wait, did I have something else to share?

Oh, so this is, this is what the visual would -- is with just the plain asphalt. So you can imagine this becoming essentially a piece of art. One of the other places that we identified for art was this space here potentially, and then all of these sheer walls had the opportunity to become art. So we're kind of redirecting some of the art funds currently towards this space instead to make this more of an active and inviting space was the intention. You can see what that would look like from this direction as well. And this just shows, again, what this, what the palette is and what, what kind of color scheme we'll probably identify for whoever works with us. And, of course, you know, with the dialogue about the plaza always having been about water, the history of water, the importance of, of water in the economic viability of this space, we come up with a narrative . . . (inaudible). . . in the artwork. So that would be -- could be part of the parameters that we set for that.

So I'll let Kelly share with you. I'll stop sharing. I'll let Kelly share with you what the process for selecting artists is. And then after about -- if you'd like to move forward with this and how much of the space you'd like to include.

Ms. Kelly McHugh-White: Hey. Hi everybody. I'm Kelly. Nice to meet you again. Let me share my screen with you. Let me know if you can see my PDF document with 12 steps here.

Ms. Lindsey: Yes.

Ms. McHugh-White: Great. So this process has been built primarily over the past four years of our Small Town Big Art partnership, and alongside partners from other cities and small towns throughout the nation, and folks with Americans for the Arts, and National Endowment for the Arts, and our State Foundation on Culture in the Arts, etcetera. And this is what's worked for us really well. So when folks have been coming to Erin and I are asking how they might be able to replicate similar programmings outside -- programming outside of Small Town Big Art, this is my, my overview that I share with everybody just to let them know that it is a pretty intensive process that involves a lot of different stakeholders.

So our first step in any project is to set our goals. And are those health, economic, cultural goals? Are they social goals? For Small Town Big Art, we're trying to set the stage for cultural and economic growth. We're trying to foster a sense of pride and the community's shared heritage. We have all sorts of, of goals that we're really aiming for. And then we create measures just to ensure that we can evaluate and assess those goals.

Our second step is to identify a project team, your core project team. In our case, we have a municipal government representative, a cultural representative, and a public arts administration representative. And we've come -- we've become very close. And the balance of those three sources of expertise has come in very handy. We all have very different roles that we've played in this union.

Our third step is to define your criteria. So for us, that involves what do you want to see in these public art projects? And for us, it's professional public artists exhibiting excellence in their work through a community driven process. What we don't want to see is parachute programs with predesigned work is kind of cut and paste from a blueprint and then installed in the public. That's just the way that we kind of set out some of those criteria. You decide what level of experience you want the artists to have. Are they emerging or more established? We decide are community engagement activities required or needed? In our case, very much so. We prioritize the process and the product completely, equally. Will we - will you house the artist, provide transportation? Will you get them supplies? Do they need to source them themselves? Is there a specific theme that artists need to address in their proposals, et cetera, et cetera? And that all goes into the RFP?

Then you have to determine how you're going to share the opportunity to apply. For us because we're working with public funds and we were launched through federal public funds there were -- we could have no limitation on who we invited to be part of our process. So we had to build a website and mechanisms to distribute the RFP. We had to have an

email list server, put together a press list, social media pages, paid advertisements, flyers for folks that don't use the Internet, et cetera, et cetera, just to ensure broad accessibility and exclusivity.

From there, you have to put a panel together. And so for us, we cultivated expertise not only in those that can identify excellence in the arts, but also those that may be hosted the space. Those that are experts on the theme, et cetera, et cetera. Those that are experts in grant making and logistics. So we have a really healthy balance of panelists that decide based on the applications that they're seeing, who goes into the next level of project development.

Step six project development that's Erin and myself, sit down with the panel of recommendations and really comb through the budgets and the project proposals to determine which of these proposals can now become a community collaboration, right. Which of them is again, not that parachute program where someone coming in with a preconceived idea of what they want to create, but is showing us their excellence and, and - - as well as improving their ability to kind of be malleable and change their theme or their work as they continue to get feedback from the community. We contract them. That takes quite some time. Then we identify stakeholders. So this becomes the specific project team. And those might be, again, property owners, maybe someone from Parks and Rec, maybe some kupuna, you know, folks in the community that have a story to tell that's really going to deeply impact the work, the outcome of the work. We get those team players together and ensure ongoing conversations.

From there, we schedule community engagement activities. Again, one of our biggest goals is that there is community ownership over the works of art, that folks will protect it. This helps us avoid vandalism. It helps us ensure that when people are passing by and asking questions, there are other people right there in the community that can answer them. This is what that means. This is who that is. This is the piece I painted, right. We really want to make sure that there's community engagement happening with every project.

Step ten is the unveiling or the presentation, whether it's theater or visual art. Celebration is a real key component of any project management process, whether you're in marketing or development or planning or art. I mean, it's a really important part of the process.

From there, you measure your outcomes. You measure the goals that you set for yourself. In step one, how -- you know -- what did we accomplish? What did we miss? What are our qualitative and quantitative outcomes? And then you go ahead and refine your process from scratch and ensure that you're building a maintenance plan for that artwork. So much more detail comes with each of these points. But I just wanted to share a really brief overview of the process that's been working for us.

Ms. Lindsey: Thank you, Kelly. Any questions for Kelly? Nope. Okay, so thoughts on muralizing the drive walkway.

Ms. Wade: I'll share this again just in case.

Ms. Lindsey: I'm one hundred percent for it. I'm super stoked about it. It would be super.

Mr. Ball: I have a thought, too, on that.

Ms. Lindsey: Go ahead Keone.

Mr. Ball: You know, the entrance exits on Church Street, if that little area could match that too, and kind of tie the whole area in. You know, just that little spot there would just kind of be like, you know, people do like all this, all the same thing, right? Like, help them with finding the entrance to the garage, too. I don't know.

Ms. Wade: Okay.

Mr. Ball: Does that -- does that fire lane have an exit or is that just that dead end right there at the Vineyard?

Ms. Wade: Can you repeat that Keone?

Mr. Ball: Does the fire lane dead end or does it exit out of Vineyard?

Ms. Wade: Yeah, there's an exit. So this is a driveway actually. It will have bollards here so that, you know, your average person can't drive in. But the fire, we'll be able to remove the bollards if they need to get in this, this way.

Ms. Hiraga: I like it.

Ms. Wade: Was everybody thinking basically just what we're showing right now, plus maybe the Church street entrance and then --

Ms. Hiraga: And possibly the shared road, if it's . . . (inaudible) . . .

Mr. Ball: Yeah. I'm with Gwen. I think you tie the whole thing in, right?

Ms. Hiraga: Yeah.

Ms. Wade: Oh, this entrance next to American Savings as well.

Ms. Hiraga: Yes.

Ms. Wade: Yes. Okay. And leave this little segment of fire lane just asphalt for now until we figure out what we're doing with this bigger section?

Ms. Lindsey: Yeah, I don't want to say yes. It's just so that people know it's not like a place where they can take pictures for Instagram.

Ms. Hiraga: Yeah, there's a fire lane.

Ms. Lindsey: Yeah.

Ms. Wade: Got it.

Mr. Kaho'ohanohano: Yeah, I wouldn't mind putting it up there, but like I agree with you, until we can settle what to do with that area, . . . (inaudible) . . .

Ms. Wade: Okay, well, that was easy. So the process for this, we'll just utilize our same Small Town Big Art process then for artists recruitments. There's some budget from Hawaiian Dredging that was dedicated to public art. So we're going to see how much that can cover. I did send you folks that informational document about asphalt art and kind of price ranges. So we'll get -- we'll get our bids in from artists and then figure out the best way to pay for it. But definitely want to everything we've been doing with Small Town Big Art, and document with video and make sure we're including community where possible. If you folks are still okay with that same process.

Ms. Hiraga: Yes.

Ms. Wade: Stop sharing now. Okay, while we have Kelly on the line.

C. DEPARTMENT UPDATES

- 1. Church and Vineyard Street Improvement Project Status**
- 2. Wailuku Parking Structure Update**

Ms. Wade: So I think next item of business is updates. I don't have really a whole lot of updates since two weeks ago. We're making progress on 1A, 1B, and hoping to be able to open lower Vineyard in . . . (inaudible) . . . April, at the latest. So if you've been following Wailuku live, you'll see that the, the curbs have been poured, and the new sidewalk is in. It's beautiful, and wide, and the lighting is going in right now in Lower Vineyard, so it's pretty exciting actually. As soon as the lighting goes in, you can kind of -- you can really start to see how the whole thing is going to come -- and the curves are set, you can see how it's

going to come together. So it's been, it's been exciting. It's been an exciting week from that perspective.

3. Da Bee Wailuku Shuttle Update

Ms. Wade: We are -- we did move ahead for Da Bee to discontinue the Maalaea route. So today is actually the last day of pickup at Maalaea. We have added a Wells Street route, so I can show you that real quick actually. So the way that we're going to advertise it for the public and it -- I haven't been able to get this broken out yet into two routes. But the way we're going to advertise it for the public is essentially as if it was two separate routes. So I'm going to show you this real quick.

So the original Kehalani route was this. It comes out. It comes all the way around here, picks up at the Kehalani stop and comes back. Now after it comes back and stops at the state building, which is the Lehua stop, it's going to come around and then duck back onto Church Street, pick up here at Wells Park, do a loop, turn around and come straight back up and drop off. Then it will pick up the Kehalani route again. So we're actually going to extract this Wailuku -- or the Wells Park quick loop turn around and make it a Route C. Even though it's the same vehicle that's going to run B and C, it can do this in the 15 minute period. It can do both B and C in the 15 minute period. So we're going to advertise it as Route B. Because if you're actually getting on at Wells, you don't really care that that bus is going to go all the way to Kehalani next because it's very unlikely you parked at Wells with the expectation to go to Kehalani. So, yeah, the goal is basically just run Route C, which will be the Wells loop, up and back, and then it runs the Kehalani loop. So . . . it's a little confusing the way the map is shown right here. So this will -- this will end up becoming two routes. You've got questions on that?

Mr. Ball: I, I was trying to figure out the orientation first.

Ms. Wade: Okay. So this is -- so north is north on this. So this is north, and this -- I know we never think of it that way -- here's lao on this side. And here's makai, the ocean side. This is Main Street right here. And this is High Street right here. And here's Wells. So back and forth from County building to Wells, this shuttle will run every 15 minutes now. So it will run every 15 minutes and then it'll do the Kehalani route. And then run again every 15 minutes and do the Kehalani route. So basically, for folks who you know --. And we're going to plan it so that the Wells Park is basically the on, the on the top and bottom of the hour, on every 15 minutes. So if you're wondering, like, what time can I pick up at Wells? It's starting at 6:00 a.m. and then every 15 minutes. And then . . . (inaudible) . . . pushes a little bit.

We're working with dredging right now to get the stop painted for this space. But Public Works has already signed off for that stop pick up, so we're okay there.

4. Small Town Big Art updates

Ms. Wade: And I can let Kelly share about where we are with Small Town Big Art right now. Kelly, you still there?

Ms. McHugh-White: Sorry. I was talking to myself. I'll show you this pretty visual while, while I give you my update. Can you see the photos and the little statistics here?

Ms. Lindsey: Yes.

Ms. McHugh-White: Okay, great. So to date, the program has produced 11 individual public art projects, yielding 20 original works of public art in Wailuku town, in collaboration with 32 professional artists and arts groups. This includes four mural programs, three one-time only art experiences, two sculpture installations, a theater production, and a public exhibition. Of these 11 projects, three have included visiting artists. Each and every project is created in collaboration with local stakeholders and connected to . . . (inaudible) . . . No'eau which is carefully selected in partnership with Hale Ho'ike'ike at the Bailey House Maui Historical Society.

Right now there are three projects underway. Avi Molinas's legacy series, which were portraits of Wailuku icons that have been supersized and exhibited at First Hawaiian Bank facing Market Street. And this is enjoyed top, top web visitation. The most of all of our artists project Web pages. Leilehua Yuen is a kumu hula on Hawaii Island who currently working virtually with the group of our Wailuku community members to share her edutainment story telling art form. And the third is Kirk Kurokawa's mural at the Developing Maui County Children's Peace Center. And we will -- that piece will be completed on April 1st, which also launches Child Abuse Awareness Month.

Our 2021 recently convened to review 54 new applications, recommending a handful for the next phase of project development with our team. They met the criteria for artistic excellence, experience in creating communal or public art significance to Wailuku, and a proven track record of successful collaboration work.

Upcoming projects will include a mixed media installation at the Wells Park temporary parking lot, a collection of murals surrounding the Wailuku municipal parking lot while it's under construction, a shade sculpture structure at Kipuka Square, and pending next steps with our finalists, experiences and dance, life painting and a sculpture based scavenger hunt. We've got a lot on the horizon and we are thrilled by the momentum that we're seeing Small Town Big Art gain.

Ms. Lindsey: Yay. Thank you.

5. Upcoming agenda items

Ms. Wade: Okay. I think that's it for Department updates. In terms of upcoming agenda items, I don't know if Scott is still on. I don't see Scott. So he has forward me any permits for next month, so I will let you know if we have something coming up. I'm also going to regroup with the design team for phase two and create a schedule for alternative concept design for phase two. I'll get back to you folks with that. If we do have permits come forward, our meeting will be April 23rd.

D. NEXT MEETING: April 23, 2021

E. ADJOURNMENT

Ms. Wade: And for Ashley, who, this is her last meeting, so we will miss you, Ashley.

Ms. Lindsey: I'll miss you guys too for sure.

Ms. Wade: Enjoy Planning Commission.

Ms. Lindsey: Well, I'll take -- I'll remind you that you said that in a year.

Mr. Ball: In a month.

Ms. Lindsey: Thank you, guys. I will be following you on email lists and stuff and meetings and everything. And I guess we're adjourned.

There being no further discussion brought before the Agency, the meeting was adjourned at 3:04 p.m.

Respectfully submitted by,

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

RECORD OF ATTENDANCE

PRESENT:

Keone Ball, Vice-Chair
Gwen Hiraga
George Kaho'ohanohano

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Ashley Lindsey, Chair

EXCUSED:

Jo-Ann Ridao

OTHERS:

Erin Wade, Maui Redevelopment Program Planner, Department of Management
Keola Whittaker, Deputy, Corporation Counsel