

The departmental budget review reconvened on April 16, 2013 at 9:48 a.m., and proceeded as follows:

Planning Department

Honorable Tim Bynum
Honorable Gary L. Hooser
Honorable Nadine Nakamura
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Jay Furfaro, Council Chair

Excused: Honorable Ross Kagawa

Chair Furfaro: Aloha, good morning. I would like to call back from recess the budget meetings for the County of Kaua'i. Today we will be handling Planning Department operational budget in the morning and in the afternoon we will be doing Capital Improvements. Mike, you have the floor. Welcome, good morning. If you would like to bring up your staff, you can. I have one (1) announcement. Mr. Kagawa has an excused absence letter submitted for today. Go right ahead.

MICHAEL A. DAHILIG, Planning Director: Good morning, Chair, members of the Council. I am pleased this morning to go over our Fiscal Year 2014 budget proposal as part of the overall budget submittal by the Mayor. I will go over briefly what I will be talking about this morning. I always like to start this discussion with the Council by saying what our mission is, then we will go into our achievements to-date, where we are in our goal progress, and then laying out for the next fiscal year the challenges, goals and ultimately what our budget request looks like as part of the overall County budget. Now, here is our mission statement and based on some of the discussion that we did have last year in the budget hearing, we did make some adjustments to it. Mainly it is just to emphasize phrases like transparency and that we are also looking at it from a healthy a livable standpoint in concert with the built environment initiatives of recent. But it is something that is still an evolving and adjusting statement as we continue to look at the issues that our Department has to tackle for the community.

What we have done so far and just kind of briefly give you an overview and it is certainly notice a wholly inclusive list. But one thing we have been able to push through is the re-codification of the whole Comprehensive Zoning Ordinance (CZO) and thanks to the Council's passage of it last December, we were able to have that online and in fact we have just started the soft rollout of Phase 2. All of those documents are actually online right now, open for public comment and we will actually have a two (2) month comment period for the Phase 2 documents. So, that is on our website. We have also been looking at implementation of our Multi-Modal Land Transportation Plan as well as the Complete Streets Initiatives. My Long-Range Division has really taken the bull by the horns and presently we have Bill 2465 that is before the Council to discuss issues of how to better integrate our walk ability and bike ability initiatives across the island. We did welcome aboard our new Transportation Planner back in December. I am sure you have met Lee. He has taken a lot of these projects under his wing and his depth of experience as an architect and planner, especially when you talk about parks, these are the types of things he is taking. Bike paths, parklets, and these types of things, he has been taking initiative of. Then we did hire a Planner I formally. It is actually Judge Valenciano's daughter. Marissa is on board with us. She actually has her degree in urban planning from the

University of Oregon. She comes with a lot of experience in that realm as well and brings some of that kind of insight that she learned in another geographic setting to our Department. We have also been putting a lot of paperless initiatives and thanks to the Council's budgetary allocations in past, we have been able to almost completely transition our Planning Commission meetings to all Ipad uses. We have been able to cut out at least, on average our commissioner packets run between three hundred (300) to five hundred (500) pages of duplicative paper and so we have been able to eliminate packets for most of the Commissioners and the new Commissioners, we have already been training them on Ipad usage. We are rolling out Important Agriculture Land (IAL). I think that is something that has been a long time coming. We had our initial discussions with the Department of Agriculture as well as other external Agencies to the County after we did an internal review. The IAL document did get presented to the Planning Commission a couple of meetings ago and what we intend on this, is again, to go through a public process by having people come and give us more feedback on this before we publish the report. Ultimately what that comes to is the Council will be receiving, I guess, our draft petition for IAL reclassification before the Land Use Commission. So, that is our ultimate goal that we are pushing at this time. Then we are also working on Līhu'e Town Core Plan implementation and was passed by this body back in 2009, the Town Core Plan Ordinance has allowed us to be more creative with a lot of uses in the core. We have permitted our first loft on Rice Street as well as we are looking more eagerly at inviting and giving people options on the other corridors that are part of the plan. I think it is the direct result of the allowance of mixed use style zoning in the core districts. Hopefully, that is something that we can build upon as we enter the Līhu'e Development Plan process.

Based on some other things that we have able to do thus far, what I do and as I have for the past couple of years since I have been in the job, is that we layout a set of goals for the budget. Last year, just to re-brief the Council, we had four (4) general goals that we were looking at. One was innovating customer service, intake and digital records management, another was trying to push our Long-Range Plan initiatives. We tried to look at enforcement capacity building and then we also focused on education, trying to get our staff up to speed with a lot of the new innovative regulatory tools and planning tools that are available to people that do the similar work as us across the Country and across the world. So, just to give you some highlights in terms of where we are in this goal, like I mentioned earlier, we were able to go through a transition and try to become more paperless. We have our second batch of Ipad's that are currently going to be ordered for our staff now to use along with the Commission so that we are able to again, try cut down on duplication cost and be more earth friendly. We are continuing to work with the Information Technology (IT) Division as well as the other Departments as they begin to rolling out of Eplan review initiative. Our Department is trained, able, and ready for it. We are ready to standby once the switch is flipped fully on. Actually on Saturday, we launched the Līhu'e Development Plan. It was good to see you Councilmember Yukimura at the discussion and it was essentially a fair where we tried to show options about what the possibilities are. We had food trucks and we had actually a parklet scenario where we had a life sized chess piece play thing that our consultants brought over to emphasize some of the possibilities in the core. We had a lot of people come out and certainly more than we would get on a Thursday evening at the elementary school. We started and we are ready to go. We also had our first meeting of the Kōloa-Po'ipū-Kalāheo (KPK) Community Advisory Council (CAC) and yesterday we actually just had our second meeting of the Technical Advisory Council for our general plan technical studies. We are rolling on our Long-Range Plan Initiatives. We also did launch our impact fee study. We did retain the consulting services of Group 70 International and they have been on the job for four (4) months now. They have gone through a first set of interviews with the various County Agencies from

Solid Waste to the Department of Transportation to try to get information. What you will see later on as parts of our goals, is that we want to ensure that we get the study in a published form to the Council before the start of next year's budget because I think that potential revenue, I guess, picture, could aid the Council in its discussions on the budget. When you look at enforcement capacity building it is something that is a challenge for our department and we can go into more of that later. I think it really stems from some structural issues that I am more than happy to talk about with respect to our staffing levels as well as how we need to implement the Transient Vacation Rental (TVR) Ordinance and just the broader Ordinances as well. We have had some success. I mentioned to the Chair earlier, we did collect our first fine on Friday. It is a learning process and we are trying to figure out how to better use that tool to compel compliance. Then with respect to training, our staff went to Smart Growth again this year and this year we tried to focus on sending the lower level Planners that could use the experience. They brought back a lot of good ideas and we have been talking about potential policy snippets that we can add to our Long-Range initiatives.

Given some more progress on what we have done so far the past year, I do want to layout for the Council some of the challenges that we do have with respect to looking forward. It is something that I have brought up in the past, but we are limited by our office space. I do have Planners in three (3) different locations in the County, I store file in these five (5) different locations, and the inability to have a centralized and easily accessible area for filing really does inhibit our ability to do the type of data mining that we need to do. What has helped is that we have already changed our polices in-house that any class III and IV and other applications that come in have to be digital submitted now. So, at least we are making efforts in not having to store physical plans. But the big gorilla in the room is what do you with all the plans that are already there? So, not having my staff in one (1) centralized place as well as not having a centralized place for filing does provide us a lot of challenges. Looking forward, also because of the economy, and this was an issue we brought up before the Council last year, is that we will most likely again require direct matching to maintain our Coastal Zone Management (CZM) grant. We are not yielding the regular number of CZM style regulatory approvals that range from Shoreline Setback approvals to full on Special Management Area (SMA) Use permits. They are in but they are not quite at the levels that they were pre 2008. The Federal grants require a one-to-one match. So, that is potentially again a problem in the coming year. The transition to e-filing, like the implementation of any new system, is going to be something that will be a trial and error process. We have been pleased with the amount of training as well as communication that we have with our IT Division and the Building Division on anticipating potential areas. But there will be my troubleshooting that needs to occur and those are the things that need to make sure that we are on top of going into Fiscal Year 14. We do have a flush of Long Range studies. Hopefully, with the completion of IAL study in the next few months, we will be able to at least have something off the books. But at this time, we have nine (9) different projects that my staff of four (4) is essentially managing. It does pose us some challenges but they have been troopers in ensuring that these projects are making forward progress. Then the last one is, again, enforcement and civil fines. I clearly understand that the community demands continued persistence in this area and it really is a process of building up a ground up type of infrastructure both from a regulatory standpoint as wells a staffing standpoint. We have been amusing our Planning Commission rules to try to anticipate more contested case hearing as a consequence of more enforcement. We have gone out and actually had new definitions – sorry not new definitions, but the Planning Commission passed Administrative rules to clarify certain definitions within the Code. So, there are things that we are tinkering around with from an

infrastructure standpoint. But it is going to continue to remain a challenge given my staffing levels and the required legal machinery that needs to be in place for enforcement.

Given those challenges, this upcoming year I would like to focus on three (3) areas as part of how we crafted the budget. One is, again, persistence on our Long-Range project completion and focus on delivery. We have gotten things and getting to a point that we can get the ball rolling. There is a lot of good momentum that we have with our plans, but we have to ensure there is persistence. We have to make sure there is a continued focus on ensuring that we are meeting benchmarks, that our consultants are meeting benchmarks, and that we continue maintaining that oversight. The second one is ensure customer service eTransitions are built upon. As I mentioned earlier again, the Eplan initiative in the long run is going to be more cost-effective and more, I guess, more accurate with respect to enforcement across multiple Agencies when you permit the construction of something. But like anything, it is a revolutionary new initiative and we have to ensure that our Department is flexible enough and on top of the challenges to identify them and make the adjustments as to not inhibit customer service. The last one is that we do need to work on enforcement. It is an area that we are still trying to galvanize with respect to our in-house infrastructure. So, just to compare the goals from last year and the goals from this year, you can see the comparison that there are some of themes that we do have with respect to enforcement. But some of them are transitioning to a more implementation benchmarks rather than trying to fair out and create and try to study ideas.

Just to kind of breakdown our first goal, what we would like to do over the next year, again is to complete the IAL rollout and ultimately present this body with a petition for IAL before the Land Use Commissions (LUC). If we are on-schedule, we should be able do this and be the first County to do this in State. As I mentioned earlier, we want to implement the Impact Fee Study before the 2015 budget. Again, this information is critical, we understand for the policy makers to craft a revenue picture as well as an expenditure picture. We want to maintain our persistence on the general Plan Technical Studies and make sure that they dovetail with the General Plan update launch. I know this may be part of a separate discussion, but our one Capital Improvement Project (CIP) asked this upcoming budget year is for the full funding for the General Plan Update. We do want to maintain momentum with the Lihu'e and KPK plans. We have had a good starts on them and we want to ensure that what is going on over the next year and eighteen (18) months is a continued push to get that plan finished. Then what we anticipate is working with the County Council as the CZO update packages are submitted. The public comment deadline will end at the end of the Fiscal Year, the realtors have actually asked for two (2) months to look at the CZO update, Phase 2 packages. So, we have made that accommodation and so with our formal rollout should be in net ten (10) days or so. We anticipate that the comment period should end at the end of this fiscal year. Goal two is ensuring customer service eTransitions are built upon. Again, we need to engage my staff to fully implement the Eplan and then again be on top of any policy changes that need to be adjusted from an Administrative level or in-house operational level. We are part of the Phase in the ultimate digitalizing of our operations and so we want to continue our discussions WITH IT Department to find the appropriate land management system that we can have interfaced with Geographic Information System (GIS) to ensure that we can to the type of data mining that we need to do. We want to expand our paperless initiative, as I mentioned with the Ipad. This is something that I think is becoming clear in light of meeting some of the comments that I am hearing in the news today with respect to communication. Social media is being used more and more as a means of normal day communications, it is no longer a novelty. My staff has been eagerly looking at things with respect to How to Twitter, how to Facebook and these types of medium for getting our word out and trying to

solicit feedback on initiatives. Then the last one is to build on enforcement. I think one of the critical things that have been a challenge for us is staff capacity. Ultimately, the work product that my staff produces has to be used – the end user has to be able to rely on the integrity of that information. If we do not have the right training things that we need to ensure is in place before we can hand things off to either our County Attorney's Office or our Prosecutor in a civil or criminal enforcement scenario. We have systematic problems with respect to being able to cross reference our regulatory system with our enforcement system. It is something that we need our systems to talk to each other. Not having it in a digital form already presents challenges and then on top of that given the fact that everything is still paper based, we need to figure out a better way to track things by a single Tax Map Key (TMK) versus tracking things by different numbering systems. Then we need to focus on TVRs and I hear this and it is not something that our Department is purposelessly trying not making progress in. It is something that we have been continuously tinkering around with to try to understand how to best go after these violations. So, there are adjustments that we have and are making. But we are essentially trying to get ahead of the curve on it.

If you look at our overall budget, and I am sure this Council over the past two (2) weeks as been inundated with the budget discussion about budget picture. Our Operating Budget does reflect a deduction, a pretty drastic reduction, in operations. Overall, given the Departmental operations and Commission operations, we are looking at eleven percent (11%) decrease in Operating Budget. Just trying to give some highlights in terms of what it looks like, we did have to eliminate all Hearings Officers costs. This could be problematic as we engage in more enforcement from a civil fines standpoint that we may not have the necessary capacity to refer things to a Hearings Officer because we have no funds for it. We did have to increase our advertising budget to implement an audit recommendation. Typically what has happened in the past fees were deposited in a trust account and we paid advertising out of a trust account. I guess this trust account was created in the 1970s and so the Auditor a couple of years ago had flagged that as an item for potential change. We responded as part of the Auditor to say that we will in next budget, make the adjustments to deposit fees directly into the General Fund and then have an actual budget item to have advertising paid out of. We based this amount based on typical advertising demands over the past few years. So, there is a budget line item of nineteen thousand dollars (\$19,000) to cover advertising costs. But it is with the understanding that we are paying the fees directly into the General Fund versus the trust account. The budget does reflect dollar funding of the Records Management Analyst and the Commission Support Clerk. We are absent those two (2) positions and then we did have various reductions in our operating costs over the next year. Just from a graphically standpoint, what you do see is that again most of our budget is allocated to salaries and wages and just from a bar chart standpoint, you will notice the reductions across the board with respect to our budget. With that, Mr. Chair, that is my presentation this morning.

Chair Furfaro: Thank you very much, Mike. For the purpose of questions and answers (Q&A) as we go around, I am going to ask Councilmembers to follow the rule that we had setup earlier. We will allow questions around the table, one question at a time. If there is some expansion to that question, we will pause to get all the questions on that subject reviewed first.

Mr. Dahilig: Sure.

Chair Furfaro: I am going to start with the Vice Chair as the Planning Committee Chairperson. You have the floor.

Ms. Nakamura: Thank you for your presentation, Mike. I wanted to ask you, in the past, how many contested case hearings have we had? I know that the amount was pretty sizeable last year for this line item.

Mr. Dahilig: We average approximately one (1) to two (2) a year. We have just initiated one (1) this year with respect to the Summer's application on an amendment to his SMA and class IV zoning permit on the North Shore. We normally average one (1) to two (2) a year, but depending on the complexity of the case, the amount actually needed to facilitate the Hearings Officer's service depends on the subject matter. For example, we have had a Hearings Officer cost thirty-five thousand dollars (\$35,000) for one (1) TVR. But in other certain cases like with respect to Coco Palms we anticipate the bill to be under ten thousand dollars (\$10,000) given the amount of work.

Ms. Nakamura: Was it ten thousand dollars or one hundred thousand dollars (\$10,000)?

Mr. Dahilig: Under ten thousand dollars (\$10,000) based on how much the Hearings Officer actually need to read up on the subject. It varies, but numerically in terms of an actual case, it averages about one (1) to two (2) a year. Now, with respect to how enforcement triggers the need for contested case hearings, is that pursuant to Chapter 46 of the Hawai'i Revised Statutes (HRS), that if we levy a fine, the due process element is an actual hearing before the Planning Commission. Given some of the complex nature of violations, the Commission might feel that a referral to the Hearings Officer might be more appropriate and so as we see more of these civil fine levies, there is the potential to actually do more than what we have averaged in the past.

Ms. Nakamura: Right. My concern is year-to-date expenditures under other services, page 71 of the budget is three hundred sixty-six thousand dollars (\$366,000). Why that amount?

Mr. Dahilig: When Ordinance 904 was passed in 2010, one (1) of the provisos allowed for those on State agriculture lands to come in and apply for Special Use Permit pursuant to HRS 205. What we anticipated, given the first set of TVR approvals that had come in prior to the passage of 904, there was a lot of community concern about the approval of these permits and we had anticipated a large amount of contested case hearings to be initiated by the public once these applications came through, specifically through intervention. We had taken the perspective that potentially each of these contested case hearings could cost about thirty-five thousand dollars (\$35,000) a piece and had tried to approximately one (1) out of every five (5) may have gotten some type of intervention to warrant a contested case hearing. We had encumbered a contract with the current Planning Commission's Hearings Officer for approximately three hundred thousand dollars (\$300,000), I think it is a little bit over that, so that encumbrance is reflected in the budgeting. But in terms of what has been expended because the implementation of Ordinance 904 is still ongoing, we have not closed out that contract yet and so we are still maintaining the open contract in the event that certain contested case hearings could crop up because Ordinance 904 is still being implemented.

Ms. Nakamura: What was the source of the three hundred thousand dollars (\$300,000)?

Mr. Dahilig: It was General Funds. It was a contract that was encumbered two (2) years ago as part of the Fiscal Year 2012 budget, I believe.

Ms. Nakamura: I guess my concern is that we, the Council, passed a Civil Fine Ordinance and then subsequently we increased the amount of the fine to give you greater authority to enforce.

Mr. Dahilig: I understand.

Ms. Nakamura: And by not having this piece in place or by going from three hundred sixty-six thousand dollars (\$366,000) this year to twenty-nine thousand dollars (\$29,000) next year, will have you the tools to complete the enforcement process?

Mr. Dahilig: At this point, I do not know. It is certainly a concern given the reduction and the amount of funds for it. Given the budget instructions and our desire to not have to reduce in other areas to at least maintain a minimal operational level, especially in light of the fact that my Department is more human capital based than equipment based. When we are asked to cut a certain amount, it was either between reducing the Hearings Officer cost which is going to put more pressure on the Planning Commission itself or there was some concern that this may start to erode into other services like being able to buy paper and those types of things. That is where that cut was made.

Ms. Nakamura: Thank you.

Chair Furfaro: Any other questions on the Hearings Officer?
Mr. Rapozo and then Mr. Bynum.

Mr. Rapozo: Thank you, Mr. Chair. Mike, how do you plan on dealing with that?

Mr. Dahilig: Well, what we have right now is a contract in-house that we have money that is encumbered for the current Hearings Officer to handle general hearings. What we are hoping is to try to exhaust some of that first. Then the other option for us from an enforcement standpoint, is to push things to the Planning Commission and I hesitate to do that in the context of one, they are volunteers and to demand more of them to actually sit as Administrative Judges is a difficult ask considering already they come in twice a month out of their own time to do this service to the County. So, that is a fallback and stop gap measure. The other one is how we actually stylistically enforce and we had experienced this based off of something that you did bring up which was a complaint in Kapa'a. What we did in that scenario to try to avoid a contested case hearing is actually negotiated terms of a settlement as well an actual reduction in fine in something that was agreeable to both parties. So, there is an avoidance element that we can also do, Councilmember, with respect to still being assertive in violation, but trying to avoid a contested case hearing scenario where something goes to the Planning Commission. But at the end of the day, it is a right that is afforded based on the lawsuit to anybody found in violation of the law. We have to try to accommodate it regardless of whether or not we think that they should contest it.

Mr. Rapozo: Your funds that you have right now, that will expire at the end of the year because that is General Fund money.

Mr. Dahilig: Pretty much.

Mr. Rapozo: So, starting July 1st we will not be able to really have contested case hearings.

Mr. Dahilig: We will have to reserve the twenty-nine thousand dollars (\$29,000).

Mr. Rapozo: Yes, I know. But like Councilmember Nakamura said, so far this year we have already spent three hundred sixty-six thousand dollars (\$366,000), if I am reading this budget correct.

Mr. Dahilig: The amount that is reflected there is also reflective of encumbrance, but not what has been billed part of the other contract specifically for TVR contested case hearings.

Mr. Rapozo: What is the total now?

Mr. Dahilig: That is a good question. I do not know how much has been spent out of the TVR contract. As of this point, we have one (1) contested case hearing building pending that relates to the Coco Palms matter that I can get that information for you.

Mr. Rapozo: We know it is more than three hundred sixty-six thousand dollars (\$366,000)?

Mr. Dahilig: Over a two (2) year period, that is probably correct.

Mr. Rapozo: I am looking at year-to-date.

Mr. Dahilig: Again, as far as I understand how the budgeting and encumbrances systems work, is whatever contracts are open. But in terms of what has been billed through the contract, I am going to need to get that information for you.

Mr. Rapozo: Okay we know...

Mr. Dahilig: The full encumbrance is actually.

Mr. Rapozo: We know at least three hundred sixty-six thousand dollars (\$366,000) to-date. This was run on March 11th. It is safe to assume that that will climb and we are going to go down to twenty-nine thousand dollars (\$29,000). I guess, my concern and my question is, how will we be able to – in your goals and objectives, you are talking about beefing up the enforcement. But I do not see how we are going to be successful if we do not even have the funding in place to cover all of the components of enforcement and that is a very critical component.

Mr. Dahilig: I agree Councilmember. I agree. Given the limitation on Hearings Officers funding, I think what we are left with as back stops is either putting more pressure on the Planning commission or having to look at settlement as an option before actually trying to trigger a contested case hearing.

Mr. Rapozo: Well, and that is, I guess, my concern because now we are going to settle. I do not have a problem with compliance. I do not have a

problem with encouraging compliance, but I think that is a big problem. It is like you got to have the total pie to have an effective enforcement program.

Mr. Dahilig: I agree.

Mr. Rapozo: Okay.

Chair Furfaro: On the Hearings Officer, follow-up. Mr. Bynum?

Mr. Bynum: No, I do not have a question.

Chair Furfaro: Hearings Officer, no questions? You have a question on Hearings Officer, JoAnn?

Ms. Yukimura: Yes.

Chair Furfaro: Go ahead.

Ms. Yukimura: Your budget for last year or for this year was forty-six thousand dollars (\$46,000). Maybe Council Vice Chair asked that. But it went up in an adjusted budget to three hundred eighty-eight thousand dollars (\$388,000), so you transferred moneys or did you ask us for extra moneys?

Mr. Dahilig: I am sorry. I am playing catch-up here.

Ms. Yukimura: I am looking at budget page 71, other services. Is Miles coming up too? No? You show that your original budget was forty-six thousand dollars (46,000), but adjusted budget is three hundred eighty-eighth thousand dollars (\$388,000)?

Mr. Dahilig: Right.

Ms. Yukimura: How did we get there?

Mr. Dahilig: Again, in terms of the contracts that have been encumbered, from what I understand as the middle two (2) columns, these are running ledgers as to what under that particular account contracts are outstanding on. The big elephant that is a very large item is the open contract for contested case hearings for Ordinance 904.

Ms. Yukimura: Okay.

Mr. Dahilig: Thos were approved two (2) budgets ago, so the contract is still open.

Ms. Yukimura: It was encumbered, but it was not spent and it was the time where we had the big hearings on the Sheehan case?

Mr. Dahilig: No, these were the anticipated vacation rental cases.

Ms. Yukimura: I see. We have a contract with a Hearings Officer and we pay him as he performs?

Mr. Dahilig: That is correct.

Ms. Yukimura: But we have encumbered, that is, we can pay him up to that amount?

Mr. Dahilig: That is correct.

Ms. Yukimura: Depending on the cases that are coming forward?

Mr. Dahilig: That is correct, Councilmember.

Ms. Yukimura: Okay. What you are doing is saying that in light of well, both the need to cut and also maybe the – what is the word? The occurrences of contested cases so far, that you are unencumbering those moneys basically?

Mr. Dahilig: I guess.

Ms. Yukimura: Or else you are not asking for anymore. But that stays?

Mr. Dahilig: Yes. So, I guess, that carry over from two (2) budgets ago, I do not know the nuances of how it works.

Ms. Yukimura: We need to find that out because if you have that money encumbered, that is what you could use that for the fines, right, for the fines hearing?

Mr. Dahilig: When we went out for professional services back in 2012, the line item was specific for TVR related contest case hearings. So, even though the money is encumbered there had, if the contract was closed out, it would lapse and go back to the General Fund. Conversely, if we were to make an amendment to the contract, we could end up in a procurement issue scenario because when the initial professional services solicitation went out, it was specific for contested case hearings for vacation rentals. If there was a way to adjust it we certainly could.

Ms. Yukimura: Well, yes. If it is fines for vacation rentals should be in the impact zone or the scope.

Mr. Dahilig: Right.

Ms. Yukimura: You will come back to us with some accurate information about this?

Mr. Dahilig: What we can do is, because these only shows encumbrances, let me, I guess, and I suspect there will be a follow-up memorandum asking questions for us.

Ms. Yukimura: Right.

Chair Furfaro: There will be a follow-up memorandum and keep this to point, we want you to reconcile that encumbrance.

Mr. Dahilig: Understand.

Chair Furfaro: We want to know it quite urgently.

Mr. Dahilig: Understand.

Chair Furfaro: Because if there is money there for TVRS or not.

Mr. Dahilig: Okay. Will do.

Chair Furfaro: Okay. I am going to go to a new question.

Mr. Rapozo: I have a follow-up. Actually I have a follow-up for Steve, if possible.

Chari Furfaro: Steve.

Mr. Rapozo: Steve, this is a general question for the budget, but we will use this line item on 71. The adjusts budget is three hundred eighty-eight thousand ninety dollars (\$388,090, so that is what is in the budget, correct?

STEVEN A. HUNT, Director of Finance: Yes.

Mr. Rapozo: That is what is in the line right now?

Mr. Hunt: Yes.

Mr. Rapozo: The next line, year-to-date expenditures and encumbrances three hundred sixty-six thousand sixty dollars (\$366,060), that cannot revert back to the General Fund, right? That has been either spent or accounted for?

Mr. Hunt: It is a combination of two (2), exactly. It has either it is been spent or encumbered.

Mr. Rapozo: The only difference is what is between the adjusts budget and the year-to-date expenditure line that would possibly lapse. But it sounds like there is still going to be some more.

Mr. Hunt: Right. As you brought up and as Mike brought up regarding procurement, if it is a multi-term, that would be something that they have to look at too in terms of professional service.

Mr. Rapozo: Right. I just wanted to be clear.

Mr. Hunt: Pre-paid.

Mr. Rapozo: That is not a source of funds right now. It is not. Those moneys are pretty much gone. They are accounted for, right?

Mr. Hunt: They are accounted for, yes.

Mr. Rapozo: Okay. Thank you.

Ms. Yukimura: Question of Steve.

Chair Furfaro Go ahead.

Ms. Yukimura: It is possible that they are not gone however, right because if it is an open account, where a Hearings Officer but we have not spent that money, I mean he is obligated up to that amount to give services? But we have not spent that money.

Mr. Hunt: There are two (2) components. One is what we spent and one is encumbered. Encumbered is that there are funds are there, but you would have to unencumber them to free up those funds that would then lapse.

Ms. Yukimura: Or utilize them within a different definition if it fits in the scope of work of that contract?

Mr. Hunt: Yes.

Ms. Yukimura Okay. Thank you.

Chair Furfaro: You will cover that in the reconciliation, please.
Same topic, Mr. Hooser?

Mr. Hooser: Yes.

Chair Furfaro: Go ahead.

Mr. Hooser: It is the same topic and it might stretch a little bit, but let me know.

Chair Furfaro: Go ahead.

Mr. Hooser: The Hearings Officer is needed for contested case hearings for civil fines. Would that be against TVR owners who are operating without a license or otherwise illegally, right? It that correct, pretty much?

Mr. Dahilig: Potentially, yes.

Mr. Hooser: It seems to me there are two (2) classifications for violations from reading reports in the media. There are those unpermitted, ones we are talking about and then there are those that are permitted, perhaps inappropriately, that were permitted and then upon investigation found that the file was inadequate or maybe it should not have been permitted. Now, I would think there are other Administrative ways to enforce those by simply not renewing the permit on annual, after review. Is that being pursued or do you have sufficient budget for that that is outside of this other process but it is definitely an area of enforcement?

Mr. Dahilig: Councilmember, those are being pursued. As part of the scenario, let us say somebody has a certificate and was either issued it improperly or it was issued and now they have fallen identity of compliance, because it is considered potentially a vested right the actual act of revoke the permit then triggers a contested case hearing under Chapter 91. That is another avenue that still ends in a contested case hearing scenario because the landowner, and we have seen scenarios like this before, where the landowner wants to hold onto to his certificate, asserts constitutional property rights, and then launches a contested case hearing appealing my decision to not renew the certificate.

Ms. Hooser: Is the decision not to renew, is that separate from a decision to revoke?

Mr. Dahilig: Essentially it is one in the same, it is treated one in the same Councilmember.

Mr. Hooser: If it was not renewed, then it would force the landowner to then initiate some process rather than the County fining or what not. It would say you do not have a permit.

Mr. Dahilig: They have a right to do it. We do not go through the revocation process. We choose not to renew it was a choice of course because either they do not meet a technical or there are certain issues that they did not pay on time, these types of things. If they choose to contest by decision no not renew, they stylize it in the manner of a vested constitutional right and that is why they go through the due process.

Mr. Hooser: It seems like it would be easier administratively not to renew and then let the landowner to decide whether or not to pursue rather than it is easy then to pursue a civil penalty and just do not renew and let them act.

Mr. Dahilig: That is one facet how we have been trying to, I guess, one angle that we are trying to on the enforcement level on these TVRs. When they do come in now we are trying institute processes that include checklists that is...did you submit this? Did you submit on time $x/y/z$? If they did not submit on time, out, right? If they did not write check, out. So, as part of multi-layered effort because we understand the general policy is to minimize the effect of these in the community and so these avenues like you are talking about Councilmember, are things that we are looking at and are implementing.

Mr. Hooser: Okay. Thank you. Chair, at some point will there be discussion of the Prosecutor's position on TVRs?

Chair Furfaro: The Prosecutor is not available today, but he did send someone from his Office. So, I am sure we can breach on that later.

Mr. Hooser: I think we were going to ask the Director of the Planning Department whether his role working with the Prosecutor's Office?

Chair Furfaro: I spoke with him today when he first came in today to anticipate that discussion today?

Mr. Hooser: Okay. Do you want to have that discussion now or do you want him to leave?

Chair Furfaro: I would like to go around the table with questions and perhaps when someone raises that one, we will go into it.

Mr. Hooser: I will let someone else speak.

Chair Furfaro: Mr. Bynum, you have the floor. New question, right?

Mr. Bynum: Let me raise it now.

Chair Furfaro: Okay.

Mr. Bynum: I am very concerned about the implementation of Ordinance 904. There are very detailed reports in media about specific applications with lots of very serious allegations, some related to health and safety of occupied units in the flood zone. I want to focus on Ordinance 904, however, because some of the allegations are that the requirements of this Law have not been implemented by the Planning Department. I just was the author of 904, I worked very closely with the Planning Department and the County Attorney's Office to try to make that Bill as strong as we do under the United States (US) Constitution, and I will not read all of it. But I want to read this one (1) section in particular and there are other segments of the Law that addresses this in more detail. But it says, "the owner, operator, or proprietor shall have the burden of proof in establishing that the use is properly non-conforming based on the following documents which shall be provided to the Planning Department as evidence. Records of occupancy, tax documents including all relevant State of Hawai'i general excise tax filings, and all relevant transient accommodation tax filings, Federal and/or State income tax returns for the relevant time period, reservation list and receipt showing payment." What these allegations are is that there a number of things that the Planning Department does not have those documents, did not seek them, and under this Law, it would be highly inappropriate to send out a Non-Conforming Use Permit without those documents being provided as required by Law. I am very, very concerned about this because my credibility, our Council credibility for the majority that passed this law, the assurances that we were given by the Planning Department at the time, and the enforcement personnel that we added to the budget. We were very clear in the Council, if this is not enough, tell us right now because we were prepared to add additional personnel to make sure that this process was done appropriately. Was it? If so, why not? Are all of those allegations just false? I know I have asked for a staff assignment about what the Council's options are in terms of investigating these concerns? Whether it is through the County Auditor or through our own investigative powers. Our Legal Analysts are working on those options now. But I do not want to proceed with that kind of thing until we have this hopefully, robust dialogue about this today about did it happen prior to your tenure or during your tenure? We need to follow-up on these things?

Mr. Dahilig: To answer the question, Councilmember and in anticipation that this was an issue that would come up given the discussion with Justin last week. If I could just maybe have this – what I did was reconcile pretty much historically what the litany of Ordinance 864, Ordinance 876, and Ordinance 904 had had in terms of an effect on operations of the Department. In a nutshell, going back to your question, concerning whether what was appropriated and allowed was enough, I can tell you based on

my read of the situation after I came in as Director, that was probably not the right call. Even though there were two (2) Enforcement Officers that were allocated for the implementation of then Ordinance 864, I guess the passage of Ordinance 876 which required a physical inspection had a very tight period of time that physical inspections could be done. The legislation was passed in January of 2009 and then there was a period when all the certificates had to be issued by March 30, 2009. So, there were only two (2) Inspectors that were charged with essentially inspecting hundreds of TVR applications that had come in before October 15, 2008 and then post them online and then issue the certificates. Certainly any work product that is going to be produced during a period of time that short with this complex of a law, is certainly from least the way I can tell the documents in-house, is not going to yield the type of work product that when the public requests a document, is going to look like there was the type of – what was expected to be an intense physical inspection was done. The call was mad back in the day between this nine (9) week period to only inspect for lockouts, that is what I can ascertain Councilmember. The inspection reports as the reflect either compliance with the Flood Ordinance or even in the situation with the gentlemen that jumped off the deck that did not have a permit, these were things that were in the name of efficiency because of the nine (9) week inspection period was not looked at. I think it is a fair question.

Mr. Bynum: Can I interject here?

Mr. Dahilig: Yes.

Mr. Bynum: Because the public record is pretty robust on this issue because we went back and forth. What you just mentioned about physical inspections, one (1) of the areas that where that law has been criticized and I was personally criticized was that we provided that inspections were not mandatory. But if you look at the public record, what the Planning Department was saying is many of these properties, we have inspected two (2) or three (3) times and you are going to needlessly make us go out there and do a re-inspections when we need to really muster our resources to do the inspections where they are required or where it is necessary for us to have a complete picture. The law was very clear that owners have to allow inspections whenever in essence, even on annual renewals, to make sure. Then the Council was very, very clear. It is like, if you need more Ordinance people during this period of time, we are prepared to provide the resources to do that. I remember Councilmember Furfaro saying, “Be really clear with us. Do you need more? We want to make sure that you have the resources available to get this done.” Then in terms of lockouts is another discussion that I do not want to talk about right now. But the former Director is in writing say there is no law about lockouts in our CZO. We cannot apply laws that do not ask exist, the regulations that do not exist even though there was that history at the Planning Department prior to your tenure. But this is about the burden on the applicant. Provide me these tax things and so for the Inspector, it is just a matter of receiving those things and yes, they exist, and they are there. If we did permit where we did not even bother to look at the documents or there was some use in the 1970s because it says continuous use. These are also allegations that there are people who did not even apply one (1) year and then applied the next year. Well, under the Ordinance one (1) year of abandoning use, you lose the Non-Conforming Use Permit.

Mr. Dahilig: Right.

Mr. Bynum: You and I went – You were at the County Attorney’s Office at the time.

Mr. Dahilig: At the time, yes I was.

Mr. Bynum: And we went through this so many times.

Mr. Dahilig: Right.

Mr. Bynum: Then the Council was too diligent about making sure that we made those resources available. So, that the thing about limited time kind of does not work for me in those areas where it was just like the part I read, the burden is on the application, provide these documents, and if any permits were issued without any of those documents provided, I think they are null and void for whatever reason and we need to deal with. It is a mess, right? It is a mess. Do you agree it is a mess?

Mr. Dahilig: I think that is what by sharing this information, I think I can only explain why – this is the only explanation I can come to if the question is asked why are our files either in disarray or they have incomplete inspections or are – let me give you a scenario, Councilmember. When I started looking at this issue in terms of what is the state of the files? I had been relying on our database, thinking there was a degree of integrity what was being represented in the logs. So, what I thought was what is in the logs is reflected in the paper file. I pull out the paper file and I look and the log does not match the paper file. I think that is troubling. I agree. I printed this out to kind of give the Council an understanding of what ended up happening. This is our numbering system. Now if we have three (3) different ways of numbering files in the same system, we end up with duplication. We end up with things that are missing, and we ended up with things that are inputted under one record and then put somewhere else. This we have to clean up. To say that something may not be available, what we are finding in certain circumstances is that something is filed under one number and then when do you a sort using the online database, it show ups in another number. When we are relying on a web interface that I can only do so much data mining on, I made the call about a month and a half ago to say, no more entering into this log base. We are going to stop everything, reorganize the files, unify everything, and put it into an access database. If we put it into access then I can go ahead and start data mining. The web interface can only bring us so far to sort things alphabetically and then I can count. But other part of the picture is that the files have to be reconciled and unified and then we also have to make sure that when we are providing statistics, that the statistics are correct. We are in process rightly now of actually re-filing everything under one number. We are in process of actually going forward and auditing every single file, entering everything manually into this excel log and so we have put a stop to everything because I do not want to move forward on having people rely on that log online if it is not reflective of what our paper files are. I agree, it is a mess. It is a mess. We are trying to reconcile the system so that the system has a degree of integrity to then be relied upon by any policy makers or anybody who wants to use the information. But with respect to the things pointed out in the blogs, it is a fair assessment that some of these supposedly land use violations were overlooked as part of the inspection process. Those things were not looked at. I think what threw the Department a curveball in 2010 was Federal Emergency Management Agency's (FEMA) desire to have the Planning Department interface with the Flood Program. Traditionally both of these programs operated independently of each other and we are not talking with each other. FEMA through the audit process and took a look at twenty-one (21) Transient Vacation Rental that were permitted in a FEMA flood district and we had to go through the process of actually auditing. We had talked about this before a couple of years ago, in terms of how do we do this? A lot of what has been brought out as complaints with the Flood Program, FEMA is aware of. The outstanding seven (7) that were required by the FEMA audit to

actually have no TVR certificates renewed, have not been renewed. Fourteen (14) of the twenty-one (21) were resolved through some other type of action by FEMA. But in the end there is only seven (7) that through that the cross examination communication, the Department has to hold on the renewals. It did provide us a curveball, but it added another layer of regularity oversight for my Department that we were not prepared for. But my staff was not prepared for, at the time, flood compliance and to identifying flood compliance. That communication needed to be done. I do think a lot of criticism that was levied upon the completeness of files or documents are there or not there, I believe that there are explanations for it. They are not excuses. But what we are engaging in right now is a process to try to reconcile and rectify the systems because the systems are not accurately and adequately reflect what is going on.

Mr. Bynum: Mike, I hear all of that. I appreciate the comments. Just to look back at the history of this, the TVR's were identified in the 2000 General Plan as an issue. There was a year and a half of public hearings prior to my being on the Council, which is seven (7) years ago, while TVRs were proliferating. Then the Council passes laws. There were problems with the laws in terms of constitutionality. It had to be repaired. I cannot think of an issue that had more public scrutiny, more awareness and so speaking for myself anyway, it is like start reading these things in the blogs. It is like nobody came back to the Council and said we have these problems. We need additional resources. We have to deal with it. Again, I am just focusing on the permitting not even the flood zone issues which right now, visitors are staying in ground floor apartments that are health and safety issues for them in particular and talk about liability for the County if we have not performed in a way to ensure the health and safety of those individuals and God forbid somebody gets hurt or killed. That is a whole other aspect of this that had some interplay with your Department, but other Departments as well.

Mr. Dahilig: Right, I understand.

Mr. Bynum: I can think of a thousand questions right now, like how do we resolve this? Where do we get? What are the implications if we bogged this whole place? What is the implication for the owners? Where is the liability? Again, my point is that we anticipated all of this. We knew how difficult this was going to be. We put huge resources into the Department and we were prepared to do more to fix this.

Mr. Dahilig: I guess, when we had seen Ordinance 904 passed, what we had anticipated there was going to be a need for essentially the infrastructure that we had at the time which was only two (2) Inspectors and that was not going to be adequate to implement Ordinance 904.

Mr. Bynum: But Mike, you did not come to us and say hey.

Mr. Dahilig: But if you notice Councilmember, a lot of the complaints and a lot of the concern have not been with implementation of Ordinance 904. It has been with the implementation of Ordinance 876 and Ordinance 864. When you look at Ordinance 904. What we did was we made an adjustment and deployed an eighty-nine (89) day hire that was a high level Planner to oversee the implementation of the process and that process went smoothly. We asked for the resources at the time that I came in to implement Ordinance 904, at least for the special permit agriculture section, there have been virtually no complaints. The filing system is correct and the permits have been processed accordingly through the Planning Commission because they are special permit. So, we have fifty-nine (59) of them.

Mr. Bynum: Are you saying that the agriculture sector got all the attention and the other sectors were neglected?

Mr. Dahilig: That is essentially from a resource standpoint when we were looking at it back when I came aboard in 2010. I knew this was already going to be an issue that we had to handle very accurately and pay a lot of attention to it. What you seeing, with respect to a lot of the questions that are being brought publicly, it is a lag. It is a lag of a lot of the things that as far as where I am, I am uncovering now. I only had only a certain amount of staff that was able to focus on everything and because of the deadlines that were set forth in the Ordinance 904 as well as the interface with the mandatory deadlines for processing 205 Special Permits, if we did not do that correctly, we would be subject to a lot of lawsuits. All of our resources went to ensuring that agriculture special permits were processed correctly according to the law. On a normal basis, my Office only handles between four (4) to six (6) special permits a year. We had a bubble of sixty (60) come in at once.

Mr. Bynum: Fifty-six (56).

Mr. Dahilig: They came in all at once, right? It required a sustained effort where we had a temporary high level Planner come in as well as inspection staff and they just kept on it and on it and on it. We saw some success there. I hear loud and clear that the question was posed back in the day, do you need additional resources? If I was taking a page off of what we have been able to at least do with the Ordinance 904 implementation, I would a at a minimum a high level Planner would have been required to handle this smoothly three (3) or four (4) years ago. But what were left was two (2) Inspectors and I know the question was asked. But I cannot explain why more resources were not asked for. But certainly given what I have experienced with the Ordinance 904 implementation, even that alone already required two (2) additional staff members to at least implement that correctly according to the law as to avoid lawsuits on our end.

Mr. Bynum: I am hearing that a lot of the public attention was about TVRs on agriculture lands, but the law applies to all TVRs. I just think we are going to be dealing with this now and it was on purpose that we gave this one (1) year. This one (1) year was let us get this right in this one (1) year so we can get beyond this and get into some new norm.

Mr. Dahilig: I guess that is essentially my nieveness in terms of looking at what is required to do inspection. I think it is a broader question that I know dovetails into some of the things that the Prosecutor did bring up last week.

Mr. Bynum: But you agree that the law gave the Department the authority to have inspections whenever they felt they were needed?

Mr. Dahilig: That is correct. The problem was the resource end. When you look at Inspectors, Inspectors I would say is the equivalent to Police Officers. From a punitive standpoint, they can go out there, cite somebody, get the evidence, and get the information. But the Police Officer does not go to court, actually file the cases, file the paperwork, take the ball essentially from the Police Officer, and gets a judgment from a Judge. What is missing from my staff is essentially that equivalent and so when we were looking at very cognizant of the fact there is a high demand and a lot of pressure put on ensuring these TVRs are handled in some way, somehow, some fashion, Justin and I had begun discussions of ways to partner. We also had discussions with the

Police Department on this and because one of the limitations of my Department is that we do not have injunctive powers whereas Justin's shop is more adept to seeking the injunctive relief from the courts quicker than I can. It is just a limitation of the State law and so we did have those discussions. I can have any Inspectors produce the information, produce the evidence, and create a packet but the missing part is in-house, given the limitations of resources at County Attorney's Office as well as within my Department, we asked Justin, is this something that you would be willing to take a look at because I do not think I can process these things as expediently as probably you could because of your punitive criminal authority versus my civil authority? It was not meant as a means to have these discussions to toss the ball over to Justin and say you handle it alone. No, that is not the case. What we have done so far in terms of our Department staff is that Justin has started to train our staff and to try to get them up to speed and get them producing work product that you would see from a Police Officer that could withstand a criminal test in court.

Chair Furfaro: Excuse me, Mike.

Mr. Dahilig: Yes.

Chair Furfaro: On that note, because the item is very, very close to a number of members here on the Council.

Mr. Dahilig: I understand.

Chair Furfaro: What you just said and have I two (2) members with follow-up questions. If I put you on the agenda for May 8th you and Justin, Ginger I hope you are hearing me in the audience, we put this discussion in the Council Meeting, are you able to give us an action plan that you and Justin can agree on?

Mr. Dahilig: We can do it.

Chair Furfaro: I do not want to go later than that because I want an understanding of the plan before we go into budget decision-making and Justin is asking for staff assistance to work on this problem with you folks.

Mr. Dahilig: I want to be clear, Chair. We will be there. I will Justin a call back when he comes back and we will work on it. But I want to be clear, Chair, though that I did not ask him to ask for the additional resources. That was not something that...

Chair Furfaro: I do not mind him asking. We are back to the question that Mr. Bynum brought up three (3) years ago when I was a green Chairman. The fact of the matter I said, "Do you need assistance?" Not once, not twice, and I was told we have got control of it.

Mr. Dahilig: Right.

Chair Furfaro: If we want to manage this, we have got to appropriately understand. I mean if the resources for one (1) year or whatever it is to get us through this, we have got to do it right and you have to convey, the two (2) of you, that strategy and that action plan so that the Council can make a decision and we can make that decision before we get to budget final.

Mr. Dahilig: I will put it on my calendar.

Chair Furfaro: We have been talking a long time and not just today, a long time on this. I would like to do that and I would like to get a commitment from the two (2) of you to be an agenda item for May 8th.

Mr. Dahilig: Okay.

Mr. Bynum: Just let me finish up.

Chair Furfaro: Yes, go ahead and then I will go to Mr. Rapozo and Mr. Hooser on the same subject.

Mr. Bynum: Thanks for this dialogue. I did not go into all of the details of the Ordinance. But it says, "The Director will make a checklist, there will be a form." The part of that just fries me, is that if it turns out that these documents do not exist, that are required by the law, and it is not about inspections or having resources. I mean that is just like the box is not checked? There is a problem. It is that straight forward and we need to follow-up on this and I intend to. Part of the problem is the position that Justin is talking about to do enforcement here, to collaborate with your Department, is not in the budget. I mean that is part of maybe why the Chair wants to make sure that we do this before decision-making. My intention is to support that position and get to the bottom of all of this and the Council has some options as well that we are going to explore or at least I am and bring those before the colleagues. I do not want to do something dramatic that is unnecessary, but I want to do something that dramatically changes the situation. Thank you.

Chair Furfaro: To be clear, I want to see from the two (2) of you a strategy.

Mr. Dahilig: I understand.

Chair Furfaro: A strategy for control. Control and management and we will go to Mr. Rapozo. You have the floor, Mr. Rapozo.

Mr. Rapozo: Thank you, Mr. Chair. Mike, your staff was already trained by the Police Department and the former Prosecutor's Office, is that correct? They were. Let me just tell you.

Mr. Dahilig: It was before my tenure. But from what I understand, they did receive.

Mr. Rapozo: They got training and I verified that with the Police Chief. I just want to make sure. You are making it sound like they were not trained. But they have trained, so they have the tools. The Chair already talked about the resources. I was kind of getting the feeling that you were saying that we did not provide the resources. But I think the Council tried very hard to provide the resources.

Mr. Dahilig: I agree.

Mr. Rapozo: As far as the Office of the Prosecuting Attorney (OPA), and I will just right now, you need the money more in contested case hearings than

you do at the Prosecutor's Office. I can tell you right now. Definitely, because that is a huge component that is missing. I mean, your Inspectors are not the ones that go to court. They provide their report just like a Police Officer. All we need is exactly what you said they do, go out and collect facts, evidence you, pictures and I think Mr. Bynum talked about checklist. My gosh. You either have it or you do not. It is not something that requires any high level of investigative skill. It is you have it or you do not. You check it or you do not and that is what we are looking at because I think that is what the Ordinance provided for. I was not on the Council, but I sat through most of those hearings here or watched it on television (TV) and this Council was assured many things. I can remember hearing the Chair justifying his vote in support and it was based on reliances that were given that have disappeared. Then you stopped sending over the violation notices to the OPA?

Mr. Dahilig: That is correct.

Mr. Rapozo: Why was that?

Mr. Dahilig: There are two (2) reasons why. One was that given the recent passage of the civil fines legislation, we had tried to look at this as, we need to take more responsibility for these. That was one reason. Then we had publicly stated it. But there were concerns from my staff and the practice – just wore recap sake. The practice was that any time some kind of zoning compliance notice or some type of zoning notification was sent out, it was just by process and carbon copied over to the Prosecutor's Office. But the feedback I was getting from my staff was that process of actually carbon copying was being misrepresented as an affirmative ask by my Department of actually initiate a criminal enforcement proceedings. I wanted to essentially have a process where if we were going to ask the Prosecutor's Office specifically to prosecute something, we do an ask. It is not a routine. It should not be treated as a blanket ask, but is should be done in scenarios that were have a real egregious case that we needed criminal support backup on and that should not misinterpreted as such. That is why we had gone through that process.

Mr. Rapozo: But Mike, that call is not your Department's call. That call is the Prosecutor's Office call. Can you imagine if the Police Department went out and did all of their reports and said we will send this one and we will not send this one. I mean, that is not your call. Your call is to send it. You call is to say if it is going to go civil, you deal with the civil. Criminal is dealt with at the Prosecutor's Office.

Mr. Dahilig: Again, that was my – given the interface of the fact that, and generally philosophically, and I will just say this. This is based off of the law as well. These civil types of scenarios are to go through an education and compliance element and that is a philosophy that I believe is enumerated in State law when it comes to civil.

Mr. Rapozo: Civil, I am not talking about civil. Civil has its own track. I am not talking about civil.

Mr. Dahilig: I understand.

Mr. Rapozo: We are not talking about that. I am talking about the criminal side and that is not your call is what I am saying.

Mr. Dahilig: Well, I guess, Councilmember, I would respectfully disagree in the sense that we had a process on top of what was the carbon copy process to actually affirmatively ask for the Prosecutor to come in and support. I was concerned that that practice of sharing the information was being mischaracterized by the Prosecutor's Office as something that was an affirmative act by our Department to seek criminal penalties in a situation when that was not the case.

Mr. Rapozo: Well, interestingly, Justin was up here the other day and he was saying that he wanted the flexibility do it even without the Planning Department, on its own which totally contradicts what you are trying saying. That is what he said. I am not saying what is what you said. But that is what he said. That he wanted that person so they could initiate, they could investigate and they could prosecute separate from the Planning Department. I think you folks definitely need to talk and come up on the 8th, I guess, with a plan because it is confusing. The blogs that has been referenced. The first one came up on February 7th and that was regarding the house with the deck that was referenced earlier that the gentleman got hurt, that was the first one. Then what is now known as abused chronicles, the first abuse chronicles was February 19th a couple of weeks later and the last one was yesterday, and they are up to abuse chronicles number twelve (12). Has your Department taken an independent look or an investigation in any of those cases?

Mr. Dahilig: Yes.

Mr. Rapozo: What have you found?

Mr. Dahilig: As I mentioned in the discussion with Councilmember Bynum, and a lot of criticism that Joan has brought up in her blogs is fair given what has been presented. I had asked my staff based off of what was published in the abuse chronicles to go in and reconcile our documentation as well as take a look at whether there is a factual basis for some of these allocations or not? Which ultimately at the end of the day began to snowball where I started to understand that the files and a system that I had been relying on since my tenure as the Planning Department may not necessarily have the informational integrity that was needed. Hence, after we did the first four (4), I made the call to say, stop everything here, file the loose papers, get everything in order, reconcile the systems, and enter things on things that we can do data mining on before we do anything else. Even though we could have gone on the next seven (7) and tried to send out an Inspector, I did not want more information being inputted into a system that in my opinion, I did not have faith in and so we are aware of them.

Mr. Rapozo: I understand. Let us take a look at – you said you looked at four (4) of them.

Mr. Dahilig: That is correct.

Mr. Rapozo: The first one you looked at. Was there any validity to what was written?

Mr. Dahilig: Yes, there was.

Mr. Rapozo: Now what is being done to rectify that?

Mr. Dahilig: Especially that that one, and again I do not have the document.

Mr. Rapozo: I do not need to know the specifics. I am trying to figure out what is being done? Has a notice gone out? Has a notice to cease and desist gone out? What has been done to rectify these situations?

Mr. Dahilig: Until I can get the system in place...

Mr. Rapozo: What system?

Mr. Dahilig: Essentially the problems that are resulting of this.

Mr. Rapozo: I heard that part. But I mean, you have a file.

Mr. Dahilig: Yes.

Mr. Rapozo: You look at the file regardless of the system and the file says property "A" does not have this, does not have that, it was not a vacation rental, does not meet the requirements of the Ordinance, did we send them out a notice?

Mr. Dahilig: That is where we needed to reconcile and give me a second to try to understand why reconciling the system is important because from a physical standpoint as we started to do the mining through the files to try to reconcile what was laid out in Ms. Conrow's blog, there would be a comment that said this document is not here. Okay. When I look at file, the document is not there. But then I will get a comment from one of Inspectors who says it is in a box over here. So, even though the documents from a physical standpoint reflect exactly what may be in the actual system, which is the web based system, there is an actual document, but it is somewhere else.

Mr. Rapozo: But Mike, you said that there was validity.

Mr. Dahilig: So that was why with respect to actually taking what has been errant filed information or things that are loose, essentially the whole system had to be shut down in order to make sure everything is filed correctly and is where it needs to be. In terms of facially, if Joan were to ask me, give me this file, I want to see if it is in here? If you looked at the file only, the answer would be yes. You are correct. There is validity to that assertion there is nothing there. But the institutional knowledge that my staff had in terms of where things are, in terms of where things are filed in paper, there is an actual document that she is looking for, but it is not in the right place.

Mr. Rapozo: The four (4) that you looked at, are they in compliance or not?

Mr. Dahilig: Facially they are. They are not, they are not in compliance. But what in compliance in terms of what Joan has put in the blogs with respect to, let us say...

Mr. Rapozo: Take Joan's blog out of the discussion. I do not really care. In my view that is a complaint. The blog is a complaint. Now you get the information and I really do not care what she put her blog. But the blog is the source of

information that I believe, if it was my Department if that happened to the County Council and said Councilmember is doing that, the Clerk is doing that, and the staff is doing that and it is all over the blog and it is not true, believe me, I would dedicate staff to investigate and come out and say Joan, you are wrong.

Mr. Dahilig: That is exactly what we are doing at this point.

Mr. Rapozo: February 7th was the first one, February 19th, it has been a couple of months.

Mr. Dahilig: I understand. To understand the question whether there is a document or not, essentially everything had to be reconciled, everything. The hundreds files had to be audited, checked, and re-organized.

Mr. Rapozo: I am talking about four (4). She is up to twelve (12) now, but you said you looked at four (4). That is all that I am looking at.

Mr. Dahilig: But those four (4) rely on the information that is outside of those four (4) files. What we have is a paper document that has what Joan was looking at. But there are other files that are relevant to that particular application that are not in there.

Mr. Rapozo: Okay.

Mr. Dahilig: I cannot explain why. But in order to ensure that...

Mr. Rapozo: What file would not be with that file? What file are you talking about? Let us look at the tax files, the permit files, and the building file. I am assuming they got that out of public record.

Mr. Dahilig: That is exactly what she should have gotten from public record.

Mr. Rapozo: Right.

Mr. Dahilig: But in terms of when you look at something like a tax certificates, there is a stack of tax certificates in another box somewhere.

Mr. Rapozo: okay.

Mr. Dahilig: That is not filed where they should be filed.

Mr. Rapozo: But I would assume that a call to the tax office would get that answer quickly.

Mr. Dahilig: But I think it is reflective of – like you mentioned, since we are talking about that first chronicle.

Mr. Rapozo: Whatever, four (4), whatever you said you looked at.

Mr. Dahilig: Let us talk about the first one. That is something that if there is a representation saying there is nothing in the Planning Department's possession, that shows that they actually went through this check. There is actually something, but it is not in the file she requested. In the effort to try to reconcile and make sure that everything is where it is supposed to be and to answer the questions that were raised back in February, we had to clean house. We had to clean house and make sure that anything that was a box here or there, filed in somebody else's cabinet, everything was pulled out. We had all the files lined up in our hallway that stretched pretty much from my kitchen all the to Mile's Office. We went through and laid them all out there and said you put the paper where it needs to go. We are getting to answering the first abuse chronicle in terms of what is accurate and what is not. But I can tell you, if she were to only pull that file, yes. That does not reflect certain things. But in actuality, the files are there. But we had to make sure serving organized.

Chair Furfaro: Mike, I am going to intercede here. Mel, I hope you understand that I am going put a special item on the 8th.

Mr. Rapozo: I understand.

Chair Furfaro: I would ask you to prepare some questions for them so that they are prepared to answer some of the issues with process and so forth. We need to get back to the budget focus that this agenda is for.

Mr. Rapozo: Well, I would say that this has a lot to do with the budget. I will end right here and wait for the discussion. But I will say this and I know Mr. Bynum alluded to what the Council can do and now I have to add abuse chronicle number twelve (12). But I will be seeking a 3.17 council investigation on that whole process because I think I am impatient. I will just say that I look at your job it is relates to Code violations, zoning, TVR and all of that, no different then now I look at the Police Department enforcing a crime because it is a crime. I guess for me, I am disappointed that it has taken this long. Although the chronicles, Mike, and you know this for a fact, although the chronicles just started in February, my correspondence goes back quite a while.

Mr. Dahilig: I understand.

Mr. Rapozo: My specific complaints many of which are the same one that are in the chronicles went to you long ago. I appreciate your attempt to explain your Department's performance, but I am not satisfied. I am hoping that I can get this Council's approval to do a 3.17 because I think you are right, it needs to be cleaned up. But it needs to be cleaned up in one, what I will call a sweep, and it does. It has to because we need to get that thing squared away.

Mr. Dahilig: I understand.

Chair Furfaro: Mr. Rapozo, I would ask you to work with the Clerk for the contents of the May 8th meeting if I could ask you to do that.

Mr. Rapozo: I will.

Chair Furfaro: Mr. Hooser you have the floor.

Mr. Hooser: Thank you. I am going to follow-up a little bit on what Councilmember Rapozo and say that I support the direction that he is going in terms of doing a proper investigation and I understand the challenges. But really it is made a mockery of the County in terms of enforcement and TVRs and it is just and to this day, I have not been told, we have not been told, that there is anything incorrect about the allegations. Not one of those files apparently has the County been able to say, no, that is not true. It may not be true. There may be hidden here and there. But it is either incompetence, sloppiness, or corruption. I do not know what the answer is and I was not there. I do not know. But it is – I am impatient too. I have been here only five (5) months and it seems that we hear the same story over and over again. I see that the Mayor is here and I am glad that the Mayor is here listening and actually this is deeper than the Planning Department. This stretches to the entire County. The Council is part of it, the Department of Public Works, the Office of the Prosecuting Attorney, Planning Department and we are in a budget process and the budget process, as we have spoken about earlier, is a policy decision. When we decide what to fund and what not to fund it is a policy decision. I for one would like to see it clear from the Administration because I think it is clear from the County's perspective that dealing with this issue is a priority. It is a funding priority. It is my understanding that we could get fines. It is a hassle. It takes time. But we could get fines to help pay for this and we are only talking this last hour about half the quotient. The other half is all the other ones who do not have permits that are not being enforced. I would like to hear from the Administration either today or on this meeting that we have scheduled.

Chair Furfaro: It will be May 8th.

Mr. Hooser: I think it goes beyond you, Director, that we need to hear from, that there a commitment from this County to stop talking about things and start getting it done. You are welcome to respond. Have there been any of allegations from Joan Conrow's Kaua'ielectic blog that you have gone through one of them to say that she raises four (4) points and those four (4) points are not true?

Mr. Dahilig: We can do that on a count by count basis. I cannot do that in front of the Council right now. But it is certainly in the work product from my staff, when I asked them to do this data mining is there. I think one of the – just for clarity sake, when there are allegations in the blogs that say this has not been filed. But then there are other ones that say there was no citation for this land use violation so those are two (2) different questions and two (2) different buckets to handle because let us take for example...

Mr. Hooser: We do not have to go much further. I think we are going to do it later. But I just wanted to know, have any specific of those twelve (12) been gone through and refuted specifically point by point? That is saying Ms. Conrow you are wrong, it was not in the file, but we found it here. You are wrong on number two (2). It was not in the file but we found it over here. So, that file is actually complete, it was just done sloppily. Any definitive conclusions on any of those twelve (12) yet?

Mr. Dahilig: If I were to characterize it...

Mr. Hooser: Yes or no?

Mr. Dahilig: I do not believe that there was anything that gives me the belief there was complicity with respect to the work. It was very sloppy work

and based off of what I can ascertain from the files and based on what Joan has raised and it highlighted for me, that we were sitting on a foundation that was not there. That the work was – at least for my standards, unsatisfactory.

Mr. Hooser: But none of them have been gone through apparently. Not one of them has been cleared, if you would?

Mr. Dahilig: Not one of them has been cleared.

Mr. Hooser: We can talk more about it later. I just want to be clear on that point, not one of them has been cleared. I understand it is a complicated process. I understand that the filing system and I am hopeful, very hopeful that most of them are a result of misfile. I mean it is pretty sad when I sit here and say I hope most of it is because of sloppiness. That is not a positive statement. But in the sense, I think that is where I am right now. Thank you. Thank you, Chair.

Chair Furfaro: Let us leave it at that point, Mr. Hooser. I am making an exception to put this on the 8th as an urgent item. Members, I think it is only fair that we prepare how we want that communication structured and have the Planning Department and the Prosecutor's Office prepared to discuss that strategy to clean this up if I can use that term? It sounds as we need a strategy. JoAnn, we have forty (40) minutes left before we go to lunch to talk about the budget items.

Ms. Yukimura: Right. This is just a follow-up and it will not be long, Chair.

Chair Furfaro: Okay.

Ms. Yukimura: I just want to say some of these are, again, a management issue and the bad manager is not Mike Dahilig. It is a legacy of terrible management. But I want to just tell you one question that will be asked on May 8th, of the agriculture TVR cases, was the paragraph read by Tim Bynum applied to agriculture TVRs requiring all of the documentation of past rentals, etcetera? I do not expect you to answer that now, but I will be asking that on May 8th.

Mr. Dahilig: If you like, I could probably give you a two (2) sentence thing. We treated agriculture TVRs in two (2) systems. In order to have something valid, they have to meet the certificate requirements separately from the Special Permit requirements. We do not accept the Special Permit application if they did not meet the certificate requirements from the get go.

Ms. Yukimura: Have you a process for those certificate requirements?

Mr. Dahilig: That was the first gate that essentially that people had to go through before they could submit.

Ms. Yukimura: Did you develop it or was it already established when you came into the Office?

Mr. Dahilig: It was something that we had to establish.

Ms. Yukimura: Thank you.

Chair Furfaro: I am going to make a little housekeeping announcement here. On the 8th of May, I am going ask Councilmembers, I am not going to put anything more than what is already on the schedule for May 8th because this topic with both the Planning Department and Prosecutor's Office participating is a very serious one, a one that we need is to have a full discussion on. Please note, members, any additional requests coming in for May 8th, I will use my discretion as Chair to defer those to later dates. I want to have this healthy, full discussion so we can understand a strategy before we close out for budget. That is my intent.

Ms. Yukimura: Chair, procedural question?

Chair Furfaro: Go right ahead?

Ms. Yukimura: For May 8th, may I suggest that we post an Executive Session aligned with it because there may be some things that can be said only in Executive Session?

Chair Furfaro: So noted.

Ms. Yukimura: Thank you.

Mr. Rapozo: One more procedural request. Could you make that posting time specific?

Chair Furfaro: Yes. I have a few things that I have already approved for the May 8th agenda. But I will research that when I have time with The Clerk. Thank you for that point. We have thirty-five (35) minutes for his scheduled time to talk about the Operating Budget. I ended with Mr. Bynum that we started this on. Now JoAnn, new items, your turn.

Ms. Yukimura: First of all, regarding your report, I want to celebrate and thank you for the hiring of a great Transportation Planner. I want to acknowledge Council Vice Chair Nakamura for creating that position in the first budget. But it is given a huge capacity to the County and to good planning. Good job. Thank you for that. I am really pleased at the progress on the Long-Range Plans. I began to realize, as you spoke, that the Planning Department is actually becoming a Planning Department and not just a permitting Agency. You said you do not know how your Planners are going handle this huge burden of these very substantial planning processes, but it reminded me of this. Be careful what you wish for idea that the saying is when you are up to your neck is alligators, you forgot your goal was to drain the swamp. Our goal was to do more planning and we are actually moving in that direction. Thank you. Then lastly your paper initiative is really admirable and I am going to ask our staff if we can go and learn from you folks so we can make our Council Meetings paperless and maybe have that as a goal for this next year for us. My question is about the important agricultural land. I would like to request that we have a special briefing maybe in our Planning Committee on important agriculture lands before we get to the petition. I would really like to be briefed on where we are now and also would like to have the Council have some chance for input.

Mr. Dahilig: Certainly.

Ms. Yukimura: Before you finalize it.

Mr. Dahilig: Certainly.

Ms. Yukimura: But my question is even though it may seem to be an accomplishment to designate important agriculture lands, that as I have said over and over again, is only half or maybe not even half of the issue because the real issue is how are we going to regulate those lands? If we keep our existing agriculture subdivision laws, the designation of IALs is totally meaningless. My question is, do we have something in the plan to begin to develop those regulations?

Mr. Dahilig: Certainly I will work with the Chair of the Committee to set up a briefing and we can try to arrange, I guess, similar to what we did with the Planning Commission, an outline of what was going on with it. The plan does recommend at least from a preliminary standpoint, certain items that could be implemented. One is we are actually looking externally to the Department of Agriculture (DOA) and we have had discussions already with the Chair Kokubun. There is a legal overplay with respect to Farm Worker Housing and what we have been able to at least try to get agreement on principle is to try to have that element rather enforced by DOA in Honolulu, enforced by us so that we would have some kind of enforcement agreement from a DOA Planning Department standpoint. That is one thing we are looking. But from a regulation standpoint, there is a list of potential regulations that could be folded into potential legislation that we could talk about with the Council. From a fiscal standpoint, the recommendation areas lean on fiscal incentives simply from a budgetary standpoint, we can put all of these recommendations out there. But I think the concern was that if we say there shall be a tax credit for this, we are not tax people.

Ms. Yukimura: Excuse me, Mike. The whole idea of fiscal incentives is ridiculous.

Mr. Dahilig: I agree.

Ms. Yukimura: I am talking about what is in your *kuleana*, which is regulation of farm worker housing, lot size, and subdivision. All of those issues that are zoning and reform of State laws which are contrary to good agriculture on agriculture lands. That is what I am talking about. It is a huge amount of work. Condominiumization. I do not even see the beginning of it in this budget.

Mr. Dahilig: Again, most of what we are looking at is, like you mentioned, it comes from a regulatory standpoint. If you look at some of the proposals that we have as part of the Phase 2 of the CZO update, one thing we are proposing is actually creating two (2) classes of agriculture land. There is a Class 1 which is your normal agriculture land and Class 2 which is the IAL petition lands. What we are saying as part of the IAL petition lands you are limited to one (1) dwelling per parcel. I think given the heightened and scrutiny and heightened regulation for IAL, I think those are types things maybe that you are alluding to with respect to how do we treat IAL differently from our regular agriculture land and so...

Chair Furfaro: Let me allude to something here. We have already agreed that we are going to have this in the Planning Committee and dedicate it. This is our budget meeting folks. I am committed to give us as much time, as I just told you on May 8th. I am going to try and arrange the schedule so we have the whole afternoon to

deal with TVRs. But you have to understand, this is budget meeting and I think Councilmember asked about having work in front of the Council, the Planning Committee Chair has acknowledged it, so let us focus on budgeting issues please.

Ms. Yukimura: Chair, so...

Chair Furfaro: I just wanted to point that out, JoAnn.

Ms. Yukimura: Thank you. You just talked about the CZO update that is the direction I am looking for. But I guess I am looking for a comprehensive review of the regulatory system over important agricultural lands because that is going to determine whether these lands are going to be farmed and going to grow food for people. I am wondering where in the budget that is? I am not quite satisfied it is part of the CZO update and maybe it is something that you can in talking to the Planning Committee Chair, come back to us. We will make that as a question, to Planning Department.

Chair Furfaro: Vice Chari has a follow-up to that.

Ms. Nakamura: Mike alluded to that in his report that the first phase of the CZO update was done to work on the overall structure and now we have to get into the meat of it and the substantive changes and we have worked out a schedule where we break it down because the CZO is such a large and very complex document, to beak it down into sizable, doable chunks of work that they can present to the Council throughout the year. It is in seven (7) or eight (8) different phases. Phase 2 is really broken down into seven (7) or eight (8) distinct phases and what I would like for the Planning Department to do is to put the topics and the date in writing so that our Committee can review it and understand the approach that you are going to be taking. We had that discussion last year about were going to break it up, break it down, do the low hanging fruit and then address some of the more complex issues.

Mr. Dahilig: Right.

Ms. Nakamura: It is very esoteric subject matter. But my understanding is that you are working on the different pieces. You have assigned different pieces to different staff members and that you are proceeding. What I would like to do is we will make it a topic of a Planning Committee Meeting that we go over that whole CZO update strategy and the agriculture portion is part of that.

Ms. Yukimura: My question that you are planning to do this all in-house, this is a budget question, and you do not need any consultants, you do not need any in-depth research, legal or otherwise regarding the regulation of important agriculture land and is it a comprehensive approach that addresses state law as well as a local law, because it is a huge impact, State law is, on how we are able to regulate agriculture land?

Mr. Dahilig: That is a fair question, Councilmember. I think looking forward and based off of what you are seeing in the PowerPoint slide, the implementation piece of the IAL we are looking, it pretty much could be summarized as a petition. We were not looking at some of the other things that you are describing in terms of a secondary study or secondary work products a consequence of the IAL project. We have a remainder of funds available in the IAL contract with fee to help explain some of the – sorry the CZO update, with the University of Hawai'i, that when we actually do presentation there will be explanation on the methodology of these types of things. But

that is about all we have from a wrap up standpoint, is if the consultant available for wrap up? But to actually have the nuts and bolts of an implementation based off of some of the implementation recommendations, that we have not looked at yet.

Ms. Yukimura: I am going to ask to you come back and propose what budgetary needed you might have to do that.

Mr. Dahilig: We can do that.

Ms. Yukimura: Thank you.

Chair Furfaro: You can do that in writing.

Mr. Dahilig: Yes.

Chair Furfaro: Okay. Mr. Bynum has a follow-up question.

Mr. Bynum: The whole TVR situation is a great example of all of the changes that happen on the ground while we are discussing how we should regulate for years. It is the same case with agriculture subdivisions. In 2000 the General Plan called for to us regulates these, correct? Right now it is still ministerial. Anybody can take their agriculture land, chop it up with the existing density, and make it into agriculture subdivisions, correct?

Mr. Dahilig: I believe based on what is generally what you are describing, the only change made in the law is the agriculture open alignment.

Mr. Bynum: Right.

Chair Furfaro: I yield you the floor, Mr. Bynum. I want a budget question. We have twenty (20) minutes here and that is going to be covered in a new presentation.

Mr. Bynum: I will be done in thirty (30) seconds.

Chair Furfaro: Thank you.

Mr. Bynum: Well, I met with you and the Chairman last term about addressing this issue, 2000, 2002, 2008, and 2010, this Council failed to pass proposals to regulate. I do not think we can wait. Do you think we can wait for the CZO to be in place because changes can happen on the ground right now? I want this legislation to come forward soon, if not from your Department, then from this side. Is that reasonable? I mean changes are going to happen on the ground while we talk about it, even more, correct?

Mr. Dahilig: It is constantly a moving target. I agree. There are changes that certainly he we could look at in advance in terms of some type of a petition scenario that we are happy to discuss.

Mr. Bynum: Well, this was my position two (2) years ago and in two (2) years we have not – I have not either, I have to own it, have not generated a new attempt at new regulation. But I do not want for a year of discussion about the CZO before we implement it.

Mr. Dahilig: I understand.

Mr. Bynum: Thank you.

Chair Furfaro: We are about ready to go around the table one time. Can you believe we have only gone around one (1) time regarding budget. The floor now goes to Mr. Hooser and then to Mr. Rapozo. Questions on the Planning Department's budget items.

Mr. Hooser: Yes, I have a question. I want to just repeat what Councilmember Yukimura mentioned earlier, the Director I realized you were not the captain of the ship during the period where these TVRs were not managed properly in terms of the permitting. I just wanted to acknowledge that. The question is I have to turn it into a budget question because the Chair makes me.

Chair Furfaro: That is what is on the agenda, budget.

Mr. Hooser: Does the budget reflect the urgency that I feel should be there on this issue?

Mr. Dahilig: I say this with all due understanding that I am in the same canoe as everybody else when it comes to the budget. In terms of jumping out in front of somebody else to ask for a position, I want to make clear that is not what I am about to say because again, I am just one steersman in the canoe with everybody else. If I had to make this call back in 2008, what I would have asked for beyond the Inspectors is three (3) additional positions. I would have asked for a Clerk, I would have asked for a high-level Planner and I would have asked for a County Attorney. That really is what I believe would be able to do that. But I am very cognizant of the fact that we are in a budget limitation scenario. Hence, why we had these discussions with the Prosecutor's Office as to try to be creative in not spending additional funds and figure out how to address the urgency that everybody around this table is feeling. It is not what I am asking for. But if I were to look back on what happened between 2008 and 2010, as well as what worked for us when we were handling the agriculture TVRs, that is what I would say honestly that would have honestly potentially been at least the human capital that could support a program like this.

Mr. Hooser: Thank you.

Ms. Yukimura: Follow-up.

Chair Furfaro: I have a follow-up. I heard you. That question was asked before and I want to make sure that when you come back with the strategy, the high-level Planner that you are talking about and the legal support, make sure I understand is it one in the same with the one that Mr. Kollar is asking for? Make sure you are very clear on that because his position was about supporting planning on this item.

Mr. Dahilig: I will reconcile that discussion with him.

Chair Furfaro: Okay. I am looking forward to it on the 8th.

Mr. Dahilig: I understand.

Chair Furfaro: JoAnn follow-up questions?

Ms. Yukimura: Yes. If you were to have these positions, would you apply them to agriculture and agricultural planning and issues?

Mr. Dahilig: Well, again, I am looking at it from I guess doing a dissection of what happened a few years ago. When I say with those positions is that is a bare minimum. Given the number of TVRs that are out there, that we know of and we do not know as well as the more general enforcement elements and to maintain a sustained high degree of scrutiny for these particular approvals, that is all they would be consumed with, honestly.

Ms. Yukimura: You are looking at a high level unit to enforce TVRs?

Mr. Dahilig: Yes.

Ms. Yukimura: Then you need a Prosecuting Attorney. But I am looking at how you create laws to properly regulate agriculture land. That is a County Attorney's job, not a Prosecuting Attorney's job, although you have to have the feedback loop from enforcement.

Mr. Dahilig: The discussion with the Prosecutor's Office really was from angle of again, trying to take the limited resources that we do have and address what is a pressing need. In terms of Justin actually asking for the position, that was a call he made on his own.

Ms. Yukimura: He should. He is the one who runs that Department.

Mr. Dahilig: But in term of what we were looking at from utilizing their regulatory tools, in discussions that we had with him, that was something that we thought may be an avenue because support the civil element that we are limited on just because of human capitals. We are trying to do more with less, essentially. But I think that is a discussion, like the Chair said, we are going to have between the Prosecutor and I before we come back on May 8th.

Ms. Yukimura: Thank you.

Chair Furfaro: I want to make sure that we understand. The fact that we drift off into a discussion on TVRs and so forth, there is relevance. But all of the past history and so forth, it is very difficult as the Chair here, when the posting is budgetary. We are hearing that there are a number of needs there to make sure that we do not have the Planning Department taking the low road and the Prosecutor's Office taking the high road. You have got to be in concert. We will post it accordingly. But I wanted to make sure that you two (2) are in agreement what you present to us on May 8th.

Mr. Dahilig: I understand.

Chair Furfaro: On what it will take. Mr. Rapozo has a question.

Mr. Rapozo: It is kind of a follow-up. But Mike, your ability to generate revenue is in the civil process, not the criminal process?

Mr. Dahilig: That is correct.

Mr. Rapozo: The civil and criminal investigations must be done separately. It has to be. I mean, that is how I understand it to be in court. Certain things yes, you can use but...

Mr. Dahilig: I guess given the past request for our work product by the Prosecutor's Office, it was my presumption that the Prosecutor could take our work product and actually use it to file cases in the District Circuit Court.

Mr. Rapozo: That is their function.

Mr. Dahilig: In terms of the investigations being separate and the case file being separate versus one in the same...

Mr. Rapozo: Well, prosecution is separate.

Mr. Dahilig: The prosecution is separate, but in terms of the work product which is ultimately that.

Mr. Rapozo: Obviously, they rely on your work product.

Mr. Dahilig: I guess maybe I am misunderstanding the question because I guess my understanding of the question was...

Mr. Rapozo: What I heard you say was that Justin was going to pick up the slack on the civil side and that is not his function.

Mr. Dahilig: No.

Mr. Rapozo: That is what you said.

Mr. Dahilig: No. If I said that, if I implied that, that is not what I meant. I was trying to convey is that we are still maintaining the civil program. But because of the urgency of that matter and enforcement, that there are different angles of enforcement from the criminal side that could support the civil program.

Mr. Rapozo: Alright. I feel like it is like the tail wagging the dog. The Prosecutor is coming up saying that I need a Prosecutor of prosecute TVRs or violations and you folks are not really prepared to enforce them yet. I think that is my dilemma that I am in as I consider funding because I do not think throwing money at it is going to serve my purpose unless we get the cases, the investigations done first, and there is a structure for that and a process, and then we prosecute. But to go backwards and say no, we want the Prosecutor first and then I will work with Mike to figure out how to get some of those cases here, I think is premature. But that is just my comment. Thank you.

Chair Furfaro: I think I get a question. What are you doing about space planning?

Mr. Dahilig: Space planning?

Chair Furfaro: Yes. I mean we can get all of these people, but you have no place to put them. What is your role with the space planning?

Mr. Dahilig: We make do. I cannot say that my office space – the job of Planner is to be collaborative. In terms of the space that we have, and again, we have files in different places in the County. We have staff in three (3) different places. A lot of what we have in terms of space allocation for our staff members, I have had to gerrymander situations to make them at least somewhat Occupational and Safety Hazard Administration (OSHA) compliant. Again, we make do.

Chair Furfaro: Mike, I just want to tell you this. Let us you and I get together. We have storage in the basement of this building. If it makes sense for older records to be kept here that opens up wiggle room for you over there, maybe we can talk about that, okay?

Mr. Dahilig: Okay.

Chair Furfaro: But what I am hearing is right now there is no progress report to report.

Mr. Dahilig: I guess, well, let me just put it this way. We are waiting in line.

Chair Furfaro: Okay. Now I will go back around the table.

Ms. Yukimura: A Follow-up.
Chair Furfaro: A follow-up for storage. Okay.

Ms. Yukimura: Go ahead, Vice Chair.

Chair Furfaro: I am going to give her the floor next so you can go first.

Ms. Nakamura: I a follow-up, too. But she can go first.

Chair Furfaro: You have a follow-up, okay? You can go first.

Ms. Nakamura: This is tied into the whole space planning for the County offices. When the funds were diverted for Rice Street for the Pi'ikoi renovations, your project got moved back, pretty much and in our discussions with Larry Dill about the typing of this, it now looks like the focus is on Wastewater moving in, designing that space, constructing that space and then I think the Planning Department is next in line, but I am not certain. But if any event, it is five (5) years out, is based on what we discussed on the floor which I think is a little disturbing because I think we have all been down to the Planning Department. We know how crowded it is and having three (3) offices and five (5) different storage spaces for your work, we really need to find a way, I believe, to try to expedite the renovation of Pi'ikoi so the Planning Department can move out and the Department of Finance can expand into your space which is part of the overall plan. I know that you are not driving it. It is really the Department of Finance and the Department of Public Works that is driving it. We really need to have, I think, find a way to expedite that.

Chair Furfaro: I fully concur. But we need to get the plan and a handle on it because your situation is almost ridiculous.

Mr. Dahilig: I like to think of it as cozy. But it gets old after a while. But we deal with it.

Ms. Yukimura: May I follow-up?

Chair Furfaro: Yes.

Ms. Yukimura: Mike, I want to encourage you and I will support you in absolutely advocating for adequate space for your Planning Department because it affects your works and a manager, that is one of his roles, too. I mean, I have seen managers go and stage a sit-in because they did not have enough space. This is so important. You did not have enough space whether you moved into that place, actually. That is how bad it is and your Department has such a big portfolio to work on for the County of Kaua'i and of the people of Kaua'i. So, you need space and you need to be – I mean I will not be offended if you yell and scream for that space because it is so important to good work.

Mr. Dahilig: Again, I appreciate the concern and the comment. It is a challenge. I guess, I try to tell my staff, we do not use that as an excuse for why we cannot get our work done. But it makes things challenging for us. We make do with what we have and we work as much as we can.

Ms. Yukimura: I had a question related to all of this. What are your spatial needs for the next ten (10) years? You do not have to answer it. I am going to put it in writing.

Chair Furfaro: It is in the office plan. But the office plan kept as getting postponed.

Ms. Yukimura: Well, the office plan, I mean did you anticipate did that you were going to have a Transportation Planner or an enforcement sector or all of those things? Is that already calculated into the office space specifications that you have given forward?

Mr. Dahilig: That is a good question. I have to take a look at what was represented in the space plan. I was not involved in that process three (3) or four (4) years ago when that plan was developed and I guess given the discussion, it is probably a good time for me to repurchase my understanding of what that is.

Chair Furfaro: Follow-up by the Vice Chair.

Ms. Nakamura: I can just say that there were some very generous assumptions about staff increases for many of the Departments. I personally feel very comfortable about the assumptions made and the space allocations that went into the plan.

Chair Furfaro: Okay. Now we are back around the table. Vice Chair, you have the floor again for another question.

Mr. Dahilig: Thank you. I wanted to refer to correspondence that you received, the Council received, from the Wailua-Kapa'a Neighborhood Association and this directly impacts your budget. One of them is a concern asking whether the – I wanted to get your opinion on whether subdivision committee meetings should be webcasted because currently they are not.

Mr. Dahilig: They are not webcasted. We understand there is price tag to it. We did ask for an evaluation for Nyree to see how much that could cost give the two (2) meetings a month in approximately an hour of time. I do not necessarily have that figure. But there is a cost element because as far as what we understand, that is not part of our contract with Hoiike. Philosophically, I do not see an issue with it. I have not asked the Planning Commissioners their perspective on it. So, that might be something prudent for me to do between now and May 8th.

Ms. Nakamura: That would be helpful, just to get the cost figures and Planning Commission feedback on that.

Mr. Dahilig: Right.

Ms. Nakamura: The other issue in their letter of March 30th has to do with online access to Planning Commission agenda item documentation prior to meetings. Is that something that is possible to provide?

Mr. Dahilig: Yes. It is something that the Mayor and I have talked about this in past and that is a goal that we want to get to. I think what I have asked for is some time to normalize what is your paperless initiative to make sure that we move from a beta scenario to something that we can rely upon. Right now, the paperless initiative is working, but it is still what I would consider a beta process and for use to then normalize it I think we will be a point where we can provide a pdf with bookmarks normally on a bi-weekly basis to the Boards and Commissions Office to have that information public.

Ms. Nakamura: How many days prior to the meeting would you try to do it?

Mr. Dahilig: By State law we are required to have it available six (6) days and so that is what we are striving to get to.

Ms. Nakamura: So, you would have the agenda as well as the backup items.

Mr. Dahilig: The agenda as well as everything in a pdf format so we have the bookmarks and everything on there. I think what we want to ensure is that the Commission does deal with sensitive information at certain junctures and we want to ensure that there are enough safety measures in-house to ensure that things that are meant for Executive Session or that are sensitive is screened out from the public documents and that we need to come up with a process for that.

Ms. Nakamura: Okay. Thank you.

Chair Furfaro: Follow-up by Mr. Bynum. I want to remind everybody we have five (5) minutes before this session ends.

Mr. Bynum: We are not going until 12:30 p.m.

Chair Furfaro: No, we go in again at 1:00 p.m.

Mr. Bynum: I just want to acknowledge our County Clerk because we have implemented that in Granicus which you have access to has a whole system for uploading that as part of their system. It is not that difficult. I want to acknowledge our staff for being a model for that. I want to strongly encourage you to get to that point as quickly as possible. It serves the community and it is really pretty simple when it comes down to it. It means just a change of and actually the automation may actually save your staff money and time in the long-term, not so much money as time. Thank you.

Chair Furfaro: JoAnn.

Ms. Yukimura: I have a new question.

Mr. Bynum: I am next for new questions.

Chair Furfaro: He is next for the new questions.

Mr. Bynum: Before I run out of time. Thank you for the input in here about the Impact Fee Study. It is out. It has begun. What is estimated time for conclusion and does the scope include writing an Ordinance?

Mr. Dahilig: Oh, that is a good question.

Mr. Bynum: Yes, it is.

Mr. Dahilig: I think it does actually. But I have to double check on contract. I think when we wrote the scope of work we had a draft Ordinance as one of the deliverables for that particular project. What we did in the timeline is we anticipated I think it was a sixteen (16) month run. But we should already have deliverables before that. Our target and I am clear with the consultant on this we want it by the time this process begins next year to allow the Department of Finance as well as the other policy makers an opportunity to look at revenue. Steve has been peppered with questions by the consultant already. We anticipate some form of at least an initial draft of the Impact Study within the next two (2) to three (3) months. We are moving along. That is our goal, to get it before the next budget center.

Mr. Bynum: I have the same concern that I have been mentioning that changes on the ground happen while we contemplate implementing something. Our current impact fee is one thousand dollars (\$1,000). It is a joke and I want to give you a heads up. I am contemplating an interim measure to make sure that we do not get stuck on that. We kind of said we have time because of the economic downturn. We are unlikely to have a lot of new permits for the development. But that is changing rapidly. I want to ask, have you received any permits or have knowledge about any people moving forward with resort development of additional units?

Mr. Dahilig: There are many ways to answer that question, Councilmember. There are things that are moving forward that I would consider already permitted projects that have been coming in for very high amount of due diligence that

gives me the belief that they are probably going to be moving forward have some type of vertical construction. But those are projects that already had levies done in terms of impact fees or other types of...

Mr. Bynum: Had what done?

Mr. Dahilig: Have had the levies done in terms of other types of...

Mr. Bynum: Wait, excuse me. Are you telling me that the four thousand (4,000) units that we grandfathered in, no new impact fees can apply to them?

Mr. Dahilig: Some can, some cannot. I would have to break that down for you because some are already fully vested that are just waiting for building permit approval. Others are still going through the process of meeting exaction requirements and some of the exaction requirements say "shall pay a fee." So, there may be potential openings there. You are correct in some respect to say that some of these may be out of that window already, but others could be.

Chair Furfaro: If we sent a request in writing, could you prepare a schedule for us?

Mr. Dahilig: I can have someone from my Office to take a look at the files and try to discern from a condition standpoint what is and what is not. We can do that.

Mr. Bynum: I just have to do this math really quick. We are talking about the potential loss of eighty million dollars (\$80,000) of reasonable impact fees if we allow four thousand (4,000) units to be built on this island without any exaction for impact. That is how serious this is. I really want to look at that very closely. I think you know our current Impact Fee Ordinance of one thousand dollars (\$1,000) is a joke. I will predict right now that the impact fee that this study will come up with is closer to the twenty thousand dollars (\$20,000) range per unit. If we build all of these units out and do not get the resources to build police, fire, roads, wastewater and the things that will be impacted by that kind of development, we have really been asleep at the wheel. I am very interested in who could potentially be involved because our Ordinance right now could be challenged constitutionally because it is not based on any nexus, right? But who is going to challenge an impact fee of one thousand dollars (\$1,000) when everybody around table knows a more reasonable fee would be much, much higher than that, maybe twenty (20) times more. Do you agree with the things that I am saying?

Mr. Dahilig: Those are the exactly the types of things and the concerns that the consultant is trying to address in the report because it is...

Chair Furfaro: Please get us that list.

Mr. Dahilig: Okay, sure thing.

Mr. Bynum: Thank you. I am done.

Chair Furfaro: Yes, Steve? Did you have something to add to that or are you going to add it in your report?

Mr. Hunt: I was going to address a former question to save staff putting it in writing when it is ripe, which has to do with the question regarding the reconciliation of the other services for the Hearings Officer and accounts. I have that information.

Chair Furfaro: Oh you have that?

Mr. Hunt: Yes.

Chair Furfaro: Okay. Let us go rewind really quick. I am going to let you share that.

Mr. Hunt: Great. As far as the adjusted budget of three hundred eighty-eight thousand ninety dollars (\$388,090), that is correct. That is for the 3000 account other services. Of that figure sixty thousand nine hundred forty-nine dollars and twenty-eight cents (\$60,949.28) was actually spent, three hundred five thousand one hundred ten dollars and sixty-eight cents (\$305,110.68) is encumbered but not yet spent, and twenty-two thousand thirty dollars and four cents (\$22,030.04) is still available because the encumbered does not lapse, what is at risk for lapsing would be the twenty-two thousand thirty dollars and four cents (\$22,030.04).

Chair Furfaro: Well, thank you for doing that research for us. So noted in the record. We are going to go to a new question. JoAnn.

Ms. Yukimura: Thank you. This is regarding long-range planning, so I also just wanted to say that this past Saturday's kickoff of the Lihue Development Plan was very unique, different, and did involve a lot of people, more people than would turn out for a night meeting. Congratulations on. My question is that your proposed goals for 2014, goal one about long-range project completion. I see nothing about the – and maybe because it is the Multi-Modal Land Transportation Plan or about the Long-Range Land Transportation Plan that the State is doing. Even more challenging than a plan that is within our control is the State plan that has so much impact on land use on our island. I was hoping that that might be added on as something to track and to have goals about because the outcome of that Long-Range Land Transportation Plan will affect land use tremendously and if it is not aligned with our goals for Multi-Modal Transportation and otherwise, there will be a really big disconnect between two (2) very important Agencies and Planning Agencies and two (2) important documents and plans. It will very much affect our General Plan planning process.

Mr. Dahilig: We are participating in the State process and certainly we can add that as an item for us to keep on top of in terms of conveying what our policy/desires are instead of having it being overlooked in the actual Statewide process. We can have discussions on that further.

Ms. Yukimura: Very good. Thank you.

Chair Furfaro: Coming around again. Mr. Rapozo.

Mr. Rapozo: One last, this is a “yes” or “no” question. Consultant services a reduction, will that affect the Sea Grant position?

Mr. Dahilig: No.

Mr. Rapozo: Thank you.

Chair Furfaro: Good question.

Ms. Yukimura: Follow-up.

Chair Furfaro: Follow-up, go ahead.

Ms. Yukimura: You said something about CZM planning as being a challenge and I was not sure I understand that.

Mr. Dahilig: Just briefly CZM grant funds have been matched dollar for dollar either by direct or in-line match by the County. The way we do that is by logging time that is spent by our General Fund paid staff to actually process CZM related items such as developing the Shoreline Setback Ordinances, process SMA permits, Shoreline Setback things, and even going through training. These are the types of things that we can use and we can keep a log of each employee on an hourly basis and monetize that and use that as a direct match and because of the work load that we are in-taking from regular development types of functions, they are not at the pre-2008 levels that we were used to when we were able to meet the matches alone. We even go so far as to have Ruby's contract position be a direct match and we counted that as a direct match. I am just raising this as an anticipated deficit that we may be in going into the next fiscal year.

Ms. Yukimura: We used to have a CZM Planner, but we do not have that position anymore?

Mr. Dahilig: We are recruiting for that position, actually.

Ms. Yukimura: So there is – and that Planner's salary is paid for by the General Fund?

Mr. Dahilig: No, it is paid by the CZM.

Ms. Yukimura: Oh, by CZM.

Mr. Dahilig: Yes, it is paid from CZM. So, it is a limited term civil service position that is renewable annually.

Ms. Yukimura: And that is part of the match that we have to match?

Mr. Dahilig: Exactly, yes.

Ms. Yukimura: Thank you.

Chair Furfaro: Now the Administrative Assistant to the Mayor, the Deputy wanted to speak before we broke for planning. But let me go around. Mr. Rapozo had a question, JoAnn had a follow-up, and you have the floor.

Ms. Nakamura: I am done.

Chair Furfaro: You are done? You have the floor.

Ms. Yukimura: One more question about technical studies for the General Plan update. I want to know if we are going any legal studies for a no growth scenario based on existing entitlements?

Mr. Dahilig: That is a good question. I think what we are doing, there is probably a way to answer that in terms of what the study scenarios are for the contract and have that issue overlap. We have a Social Economic Study that is looking at growth projections and so in terms of just population and economics that data is there. We are also looking at it from another technical study which is Land Use Build Out in terms of what is entitled and what is not? What we hope, the question that you are asked is indicative of having a studies be the foundation for the actual General Plan, that question can probably answered by the interface of those two (2) studies that we would have that information. But at this point, there is nothing targeted specifically at looking at those two (2) questions being answered separately right now in two (2) separate studies.

Ms. Yukimura: I am just anticipating that will be a question that we have to address in the General Plan update process.

Mr. Dahilig: I understand.

Ms. Yukimura: And so that would be good to have this some of that preliminary legal inquiry done. If you do not have moneys to do that sort of thing, that will be a question I will follow-up on too. That is a question to ask. Thank you.

Ms. Nakamura: I have a follow-up question.

Chair Furfaro: Go right ahead.

Ms. Nakamura: Mike, what is the General Plan Technical Study, when do you expect to get them completed?

Mr. Dahilig: We actually have one (1) contract that is going on like now. The last two (20 are at purchasing for execution. All of these have a completion date as to anticipate potentially a year process of procurement for the actual General Plan update. So, that is what we see as a completion deadlines. They all have sixteen (16) month complete deadlines on them.

Ms. Nakamura: Sixteen (16) months? It could be sixteen months from next month?

Mr. Dahilig: Yes, wherever the contract us executed. Once the contract has been executed, we have been pretty on top of issuing a Notice to Proceed saying go ahead. So, that should follow shortly once those documents are executed.

Ms. Nakamura: Okay, thank you.

Chair Furfaro: Mike, after lunch, it is my intent to cover CIP projects. We have a rather large agenda dealing with the Housing Agency and their projects. Would you mind rather than rolling into this CIP it is relates to you, that I start off with the Housing Agency and then we will E-mail you across the street, text you, buzz you, or send drums to call you back? Is that possible?

Mr. Dahilig: I will probably have to have Peter Nakamura come in. I will be available to a certain point and then I guess once that happens, we will have Peter come over.

Chair Furfaro: Very good. Mr. Heu you wanted to come up.
Thank you Mike for today.

Mr. Dahilig: Okay, sure thing.

Chair Furfaro: We will send those questions over to you. Gary, you have the floor.

GARY K. HEU, Managing Director: Thank you, Chair. I wanted to make a couple of comments. I just wanted to make a couple comments. First off and certainly I do not want to revisit the discussion that already took place on the floor. But relative to some of the alleged TVR violation issues, I just wanted to assure the Council that Director Dahilig has been in contact with the Mayor's Office from the onset and we have been keeping abreast of the developments and the actions that Mike has been taking on those alleged violations. We do see whether they are in the form of a blog or an official written complaint to the Department or to the Mayor's Office, we do consider those complaints and we feel we have a duty to act once those types of things have been brought to our attention. I just wanted to assure the Chair and the Councilmembers that the Mayor's Office has been plugged in regarding this issue from the beginning. On another note, I know there was concern around table regarding the office space for the Planning Department. I wanted to say a couple of things relative to that. Number one the final Space Plan has not been established yet. I mean, it is a process, it is a work in progress and from the beginning of the initial space planning effort that we went through, the Planning Department was identified as a high priority office to be provided with additional space. I just wanted to let Councilmembers know that nothing is set in stone at this point in time. I know there has been talk about possibly Engineering, Solid Waste and Wastewater being allocated space and put first in queue. But like I said, nothing has been finalized yet and I have confirmed this with Mr. Dill because when I heard Vice Chair Nakamura say five (5) years, I was not aware there was a five (5) year window being set out there to address the planning space. As I was sitting there listening to discussions I was in communication with the Department of Public Works Director Larry Dill to assure that nothing had been finalized and that there was no representation that it would be five (5) years out for planning. If there was other discussion, if there were other things that were represented, I just wanted to assure you from me this morning that nothing has been finalized and nothing that says definitely that the Planning Department is going to have to wait five (5) years to occupy their new space. I know that there are concerns about where some of The Departments are located and the kind of space that they are located in right now, but I think one thing that we need to look at as we prioritize our needs those spaces may not be perfect. But do they have reasonable accommodations for the people who are working in them in? I think we all agree that Mike's situation, for anyone who has been done there and seen the type of cramped quarters that they are working in, in my mind we remain a very high priority. I just kind of wanted to share that with Councilmembers.

Chair Furfaro: Gary, I want to say on behalf of the Council, the five (5) that was given to us was given to us on the floor here. The Vice Chair did not – it was said on the floor. I think this just shows that we need to encourage some additional dialogue so that everybody is speaking from that same page.

Mr. Heu: Right. I just think that it is difficult to determine a timeline if you do not know the final plan is yet. Like I said, the final plan has not been established yet.

Chair Furfaro: Then the second part to my comment is I view the Department of Planning as the single most important Department in the County of Kaua'i. Our economic future is tied to it. Our nurturing of space is tied to it. Our preservation of culture and our economic benefits are tied to planning. So, that along with the discussion that we are going to have on the eighth of May, is why there is so much emphasis placed from the Council on Planning Department to have a healthy afternoon of discussion. How are we going to manage the TVRs? I kind of would like to end at this point. But I will yield the floor to you JoAnn.

Ms. Yukimura: I am worried that it is not definite yet because there is a commitment on this Food Hub that there is enough space over a period of time that we do not need that space. I do not have any assurance of that because I do not have any assurance that there is a clear plan for the expansion the next ten (10) or twenty (20) years for our existing offices. When are we going to have that?

Mr. Heu: Well, again, I think that is something that the Department of Public Works is currently working on.

Ms. Yukimura: Yes, but I know they are currently working on it. When are we going to have something that tells us these needs are being planned for?

Mr. Heu: I think as soon as we are done. I think there is acknowledgment that additional analyses have to be done. Once that analysis is done and a plan is developed, based on that analysis, we will be ready to share a final plan.

Ms. Yukimura: Okay, but I am not be willing to commit space to another entity that is not a core County function until we know that.

Chair Furfaro: Let us leave our commentary at this point. Did you want to say addition Nadine?

Ms. Nakamura: Since I brought this up, I just want to say I am glad we are having this discussion. I think we paid a lot of money as a County to get this space down by architects Hawai'i. It is a very good plan and I think it builds in a lot of contingencies for future employment expansion and because in the fast past few years we have been cutting back and not really adding staff to employment in the County building area, I think the plan accommodates that growth. I think we all need to take a good look at that plan and then set some priorities because what was represented on the floor here is very different from what you are saying, Gary. I am glad to hear that because I was hoping that it would be raised to be a higher priority. Thank you.

Mr. Heu: I mean, to have some of that discussion would tell me that we have finalized plan and to my knowledge we have not finalized the plan.

Ms. Nakamura: That is good to hear.

Chair Furfaro: Well, keep us informed of our navigating here. Obviously, from Council comments it is a very high priority. Mr. Heu, thank you very much for coming.

Mr. Heu: Thank you.

Chair Furfaro: To let everyone know, Mr. Heu, I want you to know that when we come back, we are coming back at 1:20 p.m. and we do want to start with the Housing Agency on CIP, followed by the Transportation Agency, and then we will ask the Department of Planning to come back whether it is yourself, Mike or Peter that is fine with us. All focused on CIP. We will get our question to you as soon as possible.

Mr. Hue: Then we will continue with the Department of Parks and Recreation?

Chair Furfaro: The Department of Parks and Recreation, then the Department of Public Works and road maintenance. If not, we are going to move some of those to Thursday morning.

Mr. Heu: Now, the Department of Public Works is Roads Division, right? Was there a broader discussion?

Chair Furfaro: We want a special discussion focused on roads. I can have my staff give you the agenda that I laid out.

Mr. Heu: I think I saw it yesterday afternoon and I wanted it confirmed that is was contained to Roads versus...

Chair Furfaro: I do not want to jump into two (2) areas. I wanted to talk transportation and roads with focus. On that note, we are back at 1:20 p.m.

There being no objections, the Committee recessed at 12:21 p.m.