

MINUTES

SPECIAL PLANNING COMMITTEE

October 25-26, 2017

A meeting of the Special Planning Committee of the County of Kaua'i, State of Hawai'i, was called to order by Mason K. Chock, Chair, at the Council Chambers, 4396 Rice Street, Suite 201, Lihu'e, Kaua'i, on Wednesday, October 25, 2017, at 1:34 p.m., after which the following members answered the call of the roll:

Honorable Arthur Brun
Honorable Ross Kagawa
Honorable Arryl Kaneshiro
Honorable Derek S.K. Kawakami
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Mason K. Chock

The Committee proceeded on its agenda item:

Bill No. 2666

A BILL FOR AN ORDINANCE TO AMEND CHAPTER 7, ARTICLE 1, KAUA'I COUNTY CODE 1987, AS AMENDED, RELATING TO THE UPDATE OF THE GENERAL PLAN FOR THE COUNTY OF KAUA'I (ZA-2017-3) (This item was Deferred to the November 8, 2017 Special Planning Committee Meeting.)

Committee Chair Chock: *Aloha* everyone and welcome to the Special Planning Committee for the Planning Committee, who is undergoing the General Plan Update. Today, we are looking at topics 3 and 4, which are plan sectors Housing, Critical Infrastructure, and also Transportation. As mentioned before, what we will do, and the process that we have in place, is to hear a presentation from our Planning Department, and then go through questions and answers for everyone. Then what we will do is we will completely have a discussion. There are some resource people, I think, for each one of the sections; I see some the consultants here as well that we will include in our presentations. But we will take each of the topics and fully vet them, and then we will have discussion on them and complete them. Just a note, tomorrow is when we have our public testimony starting at 8:30 in the morning, and after all of the public testimony is completed, we will then resume our Planning Committee Meeting with whatever topic we last left off from. We are scheduled for today, the rest of the afternoon until 4:30, all day tomorrow, and if need be, also Friday. We did really good last week by getting through the biggest part of the discussions of the General Plan, which included the structure, data, and so forth. These are three (3) big items as well this week, so I can anticipate that it might go overtime. You never know; it really depends on the answers, the questions, and the

discussion here that we have. My interest is really moving this body towards potential amendments that they would like to see come forth so that we can entertain them and have discussions about them in specificity, so what it is we can agree on where there is language that we want to see input. I want to thank this body; we have a quorum right now and it has been difficult to hold that quorum. I just want to thank everyone. Councilmember Kaneshiro is the new Planning Committee member, so we can trust that he will be here. In reference to that, I just want to remind all members, those who are here and those who are not here, that it is an important document, as was stated earlier. We do this every twenty (20) years, maybe thirty (30) years now, so it does deserve the kind of attention and respect throughout the process in order to see it through properly. With that, what I would like to do, if there are no objections, Members, is to get into our presentation. I will suspend the rules at this time and ask Planning Director Dahilig, who has laryngitis, by the way, so go easy on him, to do the presentation. Also coming up is Marie Williams from the Planning Department.

There being no objections, the rules were suspended.

MICHAEL A. DAHILIG, Planning Director: I will let Marie talk.

Committee Chair Chock: We wanted to hear from you instead anyway, Marie.

MARIE WILLIAMS, Long-Range Planner: Marie Williams, Planning Department. *Aloha* and good afternoon. To start off the presentation for the topic of "Critical Infrastructure" and "Housing," we have brought down our prime consultant for the General Plan Update, SSFM International ("SSFM"), and with us today, we have Dr. Cheryl Soon and Melissa White. I will allow them to start and also perhaps share a little bit more about their experience and credentials as well. With that, thank you.

CHERYL SOON, SSFM International: Thank you, Marie. Good afternoon, Chair Rapozo, Committee Chair Chock, and Members of the County Council. I am Cheryl Soon and I was the Principal for the SSFM, the prime consultant for the General Plan, and with me is Melissa White, who was the lead author of the report. I have been a professional planner for over forty (40) years. I have a Master's in City Planning from Harvard University and I have a PhD in Planning from the University of Hawai'i. I have worked on all counties in the State of Hawai'i and in certain cities on the mainland. For two (2) years in the early 1990's, I was Planning Director for the City and County of Honolulu, after which I was for eight (8) years the Transportation Director. So I have a lot of experience throughout the islands. But this is a particularly enjoyable project, because as Committee Chair Chock mentioned, it does not come up that often that you do a general plan, and yet, it is so instrumental in framing what can go on in a community. I have started this presentation with a slide that you saw last week, but it is important to always situate ourselves in what is going on, and the heart of a general plan is that vision statement. The vision statement, which has a number of components, but came from the community planning process with an emphasis on sustainability, on preserving what is unique for the County of Kaua'i, on being equitable and making sure that we have

a healthy community. Surrounding that heart is the policies. There are nineteen (19) policies in total in this plan, and following that, in the outer rim of the diagram, is the actions, which are organized into ten (10) sectors. Each sector has four (4) types of action: the first one is permits and code changes; the second one is the plans and studies that would be needed; the third is specific projects and programs; and the fourth is partnership needs. The last segment, which will be the subject of one of your future meetings, is on implementation and monitoring. While this diagram shows an arrow going from left to right, the arrow goes both ways. In looking at the actions that we take, we constantly pivot back and forth between the vision, the policies, and the objectives and actions. So that is your framework and that really was the subject of your last meeting. The two (2) policies that we will be focusing on today are the policies that relate to guiding of growth, the first one being policy number 2, to provide local housing, increasing the amount of housing available for local households by focusing on infrastructure in growth areas and eliminating any onerous regulatory barriers and by forming active public-private policies. The Housing Policy is actually implemented through the land use map, which also was the subject of your last meeting and to specific actions in the sections on housing, transportation, opportunities in health, and infrastructure and services. The infrastructure policy is number 5 and that is to make strategic infrastructure investments, that new government investments should support growth areas and include priority projects that are identified in the community plans. Infrastructure policy is addressed in a set of critical infrastructure sector maps and actions for each of the districts. The maps are included in the General Plan to show where we have existing wastewater, solid waste, water, and power plants.

So at this time, I will turn this over to Melissa White and she is going to focus on the housing policies for the next ten (10) to fifteen (15) minutes.

MELISSA WHITE, SSFM International: Thank you. My name is Melissa White and I am a planner with SSFM International and have been working as a planner in Hawai'i for the last ten (10) years and have received my American Institute of Certified Planners (AICP) credential. It has been a real pleasure to work here in Kaua'i over the last five (5) or so years, working on the Līhu'e Community Plan first, and then coming back to take an island-wide perspective. The Līhu'e Community Plan was a great primer to some of the issues that are driving growth on Kaua'i today. As we look into the housing sector, the housing sector is sector 2 in the General Plan, and to kind of set the stage for why we are looking at shaping housing policy the way that we are, the "housing crisis" and that term was assigned at some of the meetings that we had along the way, that, in fact, most of the housing on Kaua'i is not affordable to the majority of the population, with a median home price of over seven hundred thousand dollars (\$700,000). At the same time, almost half of the households on Kaua'i are already cost-burdened and are struggling to meet the costs of living. In addition, there has only been five thousand (5,000) housing units added to the current inventory over the last fifteen (15) years; however, the numbers projected show us that we need almost twice that many in order to meet the population and demand for housing that is projected and there is a current deficit of one thousand (1,400) units. So compounding all of that is the demand that there is for housing from outside of Hawai'i and outside of this island. So all of these factors come together to create a housing market that is constrained and out of reach of

many. Further, the Land Use Buildout Analysis that was prepared for this General Plan shows that over eighty percent (80%) of this residential development that is occurring is single-family homes occurring in Agricultural, Open, and R-1 through R-4 zoned land. So this is low-density development that exacerbates and leads to sprawl, which leads to other problems that we have been discussing over the course of this project.

The technical studies that have led to our understanding about the housing situation here includes the Land Use Buildout Analysis, which I just referred to, as well as socioeconomic projections developed by SMS research and the Land Use Buildout Analysis, what it shows us is that the island does not currently have enough Residential-zoned land to accommodate projected growth, and if current trends are allowed to continue, we are going to be seeing more of that low-density sprawl into Agriculture and Open-zoned lands. On top of that, the demographic projections in the SMS report show us that we are expecting population growth in the order of thirty-one point two percent (31.2%) by 2035, which is the horizon of this plan, and that in order to provide housing for all of the additional growth, some of which is natural or through in-migration, we will need about nine thousand (9,000) new homes to meet that.

In order to enact the Housing Policy that Cheryl described for us earlier, the General Plan outlines actions according to eight (8) subsectors. The first one is Affordable Housing. I will be going through each of these and talk about key actions for each. But just as an overview, we have Affordable Housing, Infill Housing, New Communities, Agriculture Worker Housing, Hawaiian Home Lands, Elderly Housing and Assisted Living Facilities, Houseless Population, and Impact of Resort Uses on Housing Inventory. Each of these has actions that describe how the policy can be enacted through permitting in code change, plans and studies, projects and programs, and partnerships.

The first of these subsectors deals with affordable housing and the intent is to create more affordable housing on Kaua'i and preserve what we have and ensure that future development is accessible to the residents of the island. We want to increase the housing opportunities for low to moderate income households as the stated objective of this subsector. That can be done and these are just a selection of some of the actions that we pulled out that kind of summarize how the policy is being addressed. The permitting actions and code changes include actions, like increasing the supply of affordable and multi-family housing. One of the ways we are doing that is by locating housing in or near existing job centers and also looking at how to remove impediments to the creation of affordable housing. Plans and studies can contribute to this also through exploring different mechanisms for preservation or existing affordable housing that can include a rent stabilization or rent control policies. Again, this is just one of the actions in this sector. Projects and programs include acquiring land in or near town centers for affordable housing development. When we get to the land use map, you will see that the neighborhood center designation is identifying those areas which can be targeted for this effort. Under each of these subsectors, we have highlighted which of the relevant policies in the plan this relates to and you can also find these icons in the document itself to tie back to the original nineteen (19) of the beginning of the plan. With Infill Housing, the objective is to

support mixed-use, higher density, and walkable development in existing towns. Before developing in new areas, we want to look at densifying and making more vibrant the existing communities across the island. We do that through permitting actions and code changes to incentivize and reduce barriers to infill development. I believe an article was circulated to the Council about how Portland is approaching some of these issues and encouraging infill of higher-density types of development, including missing middle housing, which is housing that is more accessible and more affordable because it is between single-family and micro-units, it is duplexes and townhouses, things that are more affordable to a work house type of population. So implementing that would involve updating zoning to facilitate these types of uses and allow for them. Also, allowing for multi-family dwellings and a variety of accessory structures in existing neighborhoods and residential areas. So projects and programs to implement this mean investing in infrastructure and facility improvements in town centers and prioritizing them in those locations over other areas.

So as we heard, the Land Use Buildout Analysis shows us that we do not have enough land that is purely zoned Residential and we are going to be focusing on existing town centers and designating them accordingly for growth. But still, even with that potential, there are going to be other areas that we need to identify for new communities, and rather than placing those new communities in agricultural lands or allowing more sprawl, we are going to be identifying appropriate locations for those communities and specifying through tools, such as form-based code; how to design them in a manner that will be walkable and create a sustainable community form that has a diversity of housing types. So we will be limiting these two (2) areas designated on the land use map, maximizing density within those areas to encourage affordability and minimizing the cost of providing new infrastructure and services to those areas, requiring that they provide a mix of uses, a diversity of affordable housing types, and safe pedestrian bicycle connections, which further take stress off of infrastructure. The partnerships that could be created around these would be public and private partnerships to encourage development in these new areas, particularly in Līhu'e, South Kaua'i, and Kīlauea areas.

Now, with regard to the subsector of Agriculture Worker Housing, this is in response to recognize need for agricultural workers to be able to have housing opportunities and this would be addressed through suggestions to improve the process of obtaining farm worker housing permits and removing barriers to participation, plus just providing outreach on this law to raise awareness and increase the participation in it.

Hawaiian Home Lands is another important sector. We have three (3) DHHL primary areas on the island and we want to support them in their mission to provide housing to their beneficiaries. To the extent possible, the proposed land use maps integrate the recommendations of DHHL plans and community planning and reflect those current plans that the State has presented to the different areas. The County has the opportunity to partner with DHHL on infrastructure projects to support development of both the counties and their DHHL's priority growth areas.

Finally, in terms of partnership, respecting and supporting the mission of DHHL to prioritize the planning for their beneficiaries—as we recognize that Kaua'i's population is aging and the number of people over sixty-five (65) is expected to more than double over the next twenty-five (25) years. The objective of the Elderly Housing subsector policies are to accommodate the needs of an aging population through age-friendly community design and existing living facilities. This means providing more housing and assisted living facilities, allowing multigenerational housing, which facilitates people aging in-place, integrating *kūpuna* needs into the planning efforts that are happening across the different planning agencies in sectors. Partnership needs include providing for increasing services to the elderly and their caregivers, including transit, nutrition, fitness and health, and personal care.

The Houseless Population as we heard earlier, many of the existing households on Kaua'i are already cost-strapped in terms of already having a hard time making ends meet in terms of the housing costs. In order to care for those that are already in the position of being houseless and preventing others, we are looking at permitting actions and code changes, including allowing managed micro housing developments or campsites, supporting the implementation and the update of the houseless solution summit plan, developing expanding shelters, and improving transportation access, providing resources for houseless families with children, youth, women, veterans, and people with disabilities. The final subsector is addressing impact of resort uses on housing inventory. We have heard a lot over this process about the impact that vacation rentals have had, particularly outside of Visitor Destination Areas (VDA) and eroding community character and a lot of concern about the need to enforce illegal Transient Vacation Rentals (TVRs) outside of the visitor destination areas. We also want to look at supporting attrition and amortization of nonconforming TRVs, especially in areas that are subject to flooding and other hazards and monitoring and enforcing laws against new types of transient rentals. That is the goal of this particular sector. Of course, housing has a lot of intersections with the other major policy categories in the plan. This kind of visually demonstrates how it intercepts with land use and you can see that in the text of the nineteen (19) policies, managing growth to preserve rural character, is a goal of the land use policy, and that includes prohibiting development not adjacent to towns and ensuring new development occurs inside growth boundaries and is compact and lockable. Transportation addresses connecting housing to jobs and providing a diversity of housing types and affordable transportation options, thereby, reducing the combined cost of housing and transportation. Infrastructure is mentioned in the Housing Policy as well. It talks about focusing on infrastructure improvements in growth areas to keep housing more affordable. Opportunity in health talks about providing housing for the various populations on Kaua'i that are in need of it.

The land use map is a key part of the implementation of the Housing Policy and it supports the Housing Policy by providing opportunities for a range of housing types, strengthening town centers, efficiently using land and resources by permitting infill, creating and supporting compact, walkable neighborhoods, and locating housing near jobs. We will take a look at how these designations support those.

First, I would like to give a little background on the different designations that exist on the land use map that are related to housing. Not all of them are areas where

housing on this list...where housing is appropriate. So the ones where we are looking at housing include residential community. Unlike the 2000 General Plan, in the proposed land use map update, these indicate areas of existing residential development. They are not intended to identify areas of future growth, so they are more to acknowledge where residential development already exists. Urban Center indicates existing urbanized areas that already have a mix of uses, and in the current land use maps, it is restricted to the Līhu'e District. Neighborhood Center is a new designation in this update and this is where it is indicated to be a priority area for infill and affordable housing development and these are drawn around the town centers that exist today, indicated for the highest density development and access to transit, commercial areas, and parks within walking and biking distance and it replaces the previous town center boundaries that were shown in the 2000 General Plan. Neighborhood generally encompasses an area within one-quarter mile of the boundaries of the neighborhood centers with some variation and it replaces the previous urban center outside of Līhu'e. It replaces areas that were previously designated a residential community in some areas as well. Homestead is also a new designation in this update and it acknowledges the existing low-density rural residential communities that were created under the 1895 Land Act, such as Wailua Homesteads. Again, it is not intended to be a growth tool. It is intended to acknowledge that these already exist.

Urban Edge Boundary is something that was introduced as part of the Līhu'e Community Plan and the idea was to put a boundary around the desired edge of where growth could occur in the Līhu'e District, both to identify that area as a priority for future growth and to curb development outside of that boundary to help offset sprawl.

I am going to run through quickly some of the visual changes to the land use map that are helping to enact the intent of the Housing Policy. So on the Waimea and Kekaha planning district map, the left side shows the existing designation 2000 plan and the right side shows the proposed designation. You will see here that there were two (2) residential community-designated tracts and what the update proposes to do is to remove those ones that were kind of out in the agricultural land, not surrounded by anything else, and to designate some additional area that is more adjacent to the town center of Waimea; again, pulling that development in, reducing needed investments to infrastructure, and keeping the development more compact.

In Hanapēpē/‘Ele‘ele, we are looking at these changes over here to the west of the existing residential area there. Those are made to reflect DHHL's plans in the spirit of working with them to ensure that the land use maps reflect their plans. To the right, this is to provide for future affordable housing development of Lima Ola. You will also see that Neighborhood General designation was added to Port Allen. It was changed from Urban Center to Neighborhood General to reflect a desire for mixed-use development in the future, including Residential and Commercial, as well as Industrial.

On the South Kaua'i Land Use Map, you will see that we added Neighborhood Center and General designations to acknowledge that there is a town center there and to encourage further densification; same with Kōloa—adding the orange is the

Neighborhood Center and the yellowish is Neighborhood General around that, acknowledging that center and directing more growth there. This area of residential community there was also kind of getting into agricultural lands that were farther removed from the center. So it was proposed to be removed back to Agriculture, and instead, a new community was proposed here. That was more adjacent to existing development and that could be identified as a future walkable/mixed-use area.

In Līhu'e, this was part of the Līhu'e Community Plan process where we looked at some of the residential community development that was farther out from the town core, and in the interest of directing more development within that town core and keeping it more vibrant and denser, we suggested removing that and making it Agriculture once again. Also, this part of the urban center was changed to University Zone, which is the new designation to acknowledge the existing of Kaua'i Community College (KCC).

On East Kaua'i, we acknowledge DHHL's plans for Anahola by putting a new Neighborhood Center designation there and surrounding areas of Neighborhood General. For the Kapa'a/Wailua areas, we changed it from just Urban Center to acknowledge nodes where there would be neighborhood centers and some other areas of Neighborhood General. This area of Neighborhood Center right here was slightly made smaller and tightened in so that it would be closer and in better proximity to the neighborhood center, and the new neighborhood center was proposed for here in Kapahi, to provide another community node for all of the homes that exist up there. Of course, the Homesteads were acknowledged through the Homestead designation.

Finally on the North Shore Planning District, the area *mauka* of the highway of Princeville was proposed to be changed from Residential to Agriculture to acknowledge that future residential development outside of centers is not desirable. So that is the conclusion. I will hand it back over to Cheryl for Critical Infrastructure. Thank you.

Ms. Soon: I have had the opportunity of listening to public comment, not only throughout the preparation of this plan, but also during your last hearings. So I would really like to start this presentation with a statement about Critical Infrastructure and what it is in the plan and what it is not? The General Plan is not a detailed strategic plan for infrastructure. The actual strategic plans will be done by the Department of Public Works for solid waste and for wastewater, for the Department of Water Supply for water. So this is not meant to be and should not be taken as a comprehensive look at the detailed plans, step-by-step, with what we call a "strategic plan." But the General Plan most definitely does give guidance to the infrastructure, planning, and developments, specifically what should be done to meet current infrastructure needs including upgrading to make sure that they conform to federal, state, or county environmental regulations, and we do provide guidance for improving the infrastructure to support new growth and how the preparers of the strategic plans would be able to align their facility plans with the General Plan. Hopefully that can eliminate some of the misunderstandings about what the Critical Infrastructure chapter is. We will be looking at four (4) different components: domestic water, wastewater, septic and cesspools, solid waste disposal and recycling, and then airports and harbors. The

transportation sector, which often does come under critical infrastructure is its own sector within the General Plan and a separate presentation will be made later by Lee Steinmetz.

In preparing the Critical Infrastructure section of the General Plan, we had two (2) technical studies done: one was done in 2015 by the firm of R.M. Towill, and they looked at the infrastructure analysis from a capacity perspective. The second study was done by SSFM with myself as the lead author, looking at the adequacy by the different sub-districts and what we might be able to expect needed to be addressed in future strategic plans. The base year has varied by what was available for each of the infrastructures. It was not always the same, but we are looking towards a future year consistent with the General Plan 2035, for looking forward. So with your indulgence, I would like to start with domestic water. The objective is to ensure a water infrastructure that is planned to accommodate domestic needs and to protect the public trust. This has often been commented upon that the public trust is an important doctrine for many things, but most certainly for water. The demand that we have now is going to be increased by 2035, and with that increase, we project that there will be a deficit of almost six point four eight million (64,800,000) gallons a day of production and supporting facilities. If we look to how water is regulated in the State of Hawai'i and in the County, we look first at aquifers and whether or not there is ample sustainable yield. On this island, there is ample, sustainable yield; having said that, the State is currently updating each of the County's water use and development plans—by the State, I mean...in this instance, the Council on Water Resource Management. That plan, which is by Fukunaga and Associates, for this island, will go to the commission and I understand that they have committed to make a presentation to yourselves. We are anticipating some adjustments in sustainable yield numbers, but those have not been finalized. After that, the County prepares the county water plan. The last time you did that was in 2001, so it is very old and very hard to rely on those numbers. They projection year was 2020, whereas we are looking for 2030 or 2040 forecast year. So clearly, one of the pieces of implementation where you need to keep people's feet to the fire after the General Plan is adopted is to make sure that as soon as possible you get a reasonable strategic plan for water prepared in the form of the water plan. However, there was a study conducted by Lewis Berger in 2015 for the Facility Reserve Charge (FRC), when fees were increased rather substantially, actually, and there was a lot of projection of forecasted needs done as part of that. So we go from sustainable yield being done by the Commission on Water Resource Management to the County's water plan, which will be looking at well productions, whether you need additional well; storage, you currently have thirteen (13) service areas with thirty-six (36) wells; to the pumping facilities and transmission lines. Certainly, one of the issues that was flagged in our technical studies is the age of pipes that are carrying the water. Some of them go back as early as 1920, when they were installed by the sugar companies. Then there seemed to have been a wave of additional pipes put in around the 1950's, 1960's, and then a few more were put in in the 1980's. But at best, we are dealing with pipes that are anywhere from thirty (30) to pushing one hundred (100) years old, which is going to need to be addressed in that water plan.

In addition to the municipal system, this island has ten (10) private water systems and these are regulated by the Department of Health. We have a number of

action items listed, but I have flagged what I considered to be among some of the key ones, rather than list all of them to you. The first one in the permitting action and code change area is to get that additional six and a half million (6,500,000) gallons per day production and supporting facilities to go with it to look at the future demands for domestic water. The second one, which in some ways would be my top priority if I were asked in plans and studies, is for the Department of Water to update the County Water Plan based on the General Plan growth strategies, so there is a consistency there. Partnerships with the community are essential in the area of critical infrastructure, so we are looking at continued water conservation and green practices, which have actually been occurring. The drop-in revenues at the Department of Water they attribute to people conserving water because of higher rates. So it is kind of a good news/bad news story. Then to encourage the use of non-potable water, R-1 water, and recycled water for golf courses and other irrigation possibilities. There are exceptions to that about whether or not it may be used for human consumption, but for parks and golf courses, R-1 is a good strategy to be using. The next slide, I would like to, if you can, if you are following with me...I am on page 34 and I want to point out something to you that was pointed out to me just an hour or so ago—we probably should have had lines between the districts. If you bear with me, to read this chart, the blue is wastewater and the pink is well water. What we are looking at here is a zero line. So if we have an excess of what the demand is, then it is going above that zero line, and if we have a deficit, it is going below that line. With Līhu'e in wastewater, we have an excess of point seven eight (78) mgds, but for well water, we have a negative one point zero three (-1.03). That is how you would read that first column. In South Kaua'i, we have a deficit of wastewater of one point seven eight (1.78) mgd and well water at two point one five (2.15) mgd. Hanapēpē is fairly close to the line, which makes it a little harder to read, but point zero nine (0.09) excess for wastewater and point five (0.5) excess for well water. This is where then, if I can call your attention, makes it a little harder to read. When we get to Waimea/Kekaha, the blue line, if it were there, is at zero. It throws off how you read the chart. Then the excess of well water of point one eight (0.18), so it is above the line. The next little smidge in there, which goes with North Shore, is point zero four (0.04) excess for wastewater, and then minus point eight five (-0.85) for North Shore. To help yourselves, if you were to draw a line between the pink and the blue, where the words "Waimea/Kekaha" go, that small little line is going with North Shore and the line between Hanapēpē/Waimea has a zero. That was not just a mistake. We probably should have put a dot or something to make it more readable. With that, I am going to move into waste water. Again, these are areas where updates of plans will become very important for their consistency with the Kaua'i General Plan. The design standards for sewer were actually developed in 1973 and they could certainly stand an updating. There are four (4) municipal facilities for wastewater. They are in Līhu'e, 'Ele'ele, Waimea, and Wailua. They each have a facility plan, which was mandated, but most of them are using forecast year of 2025. One actually has a forecast year of 2020. So those should be updated to be consistent with the General Plan.

In addition, there are a number of private waste water plants in Puhi, Kaua'i Beach Resort, Po'ipū, Princeville, and the Pacific Missile Range Facility (PMRF) and there are forty (40) beach resort package plants. The recommended actions are that all facilities meet updated water quality standards for plant discharge and there is

an issue that will need to be addressed by this Council in due time regarding the outfall and whether or not restrictions may be placed on the outfall by others. I have mentioned the plans and studies for the four (4) municipal wastewater facility plants, which we recommend be updated. Then, the projects and programs to both maintain and expand the wastewater treatment plants are recommended. For this last one, I need to pause on because it is big for you folks and that is for the number of cesspools on island. We all know that cesspools are no longer allowed, either by the Environmental Protection Agency (EPA) or by the Department of Health and they will need to be phased out, both the ones that are serving ten (10) or more units and those that are serving less. The Department of Health's website does list where they are all located, but there are a very large number of them that are located in the Wailua/Kapa'a area, about four thousand three hundred (4,300), according to their numbers, twelve percent (12%) of which are failing. There are over five thousand (5,000) of them, according to the website, which are within seven hundred fifty (750) feet of a water body, such as a stream, a coastal area, or a wellhead. Again, these are all areas that need that the State will be doing the monitoring, and in some cases, will be doing the...whatever sanctions are going to be taken. But what happens instead of a cesspool, whether it is a septic, which then becomes the individual responsibility of the homeowner or whether or not there becomes a request for wider municipal service is something that you will probably see in the next twenty (20) years or so. In the area of solid waste disposal and recycling, the objective is to provide environmentally sound waste disposal and collection services. I know this is a topic you have all spent a lot of time on and I applaud you on both your goals and your progress towards those. The amount of solid waste generation in 2010 was slightly over one hundred thousand (100,000) tons. By 2035, it is projected to be one hundred thirty-one thousand (131,000) or one hundred thirty-two thousand (132,000) tons; so a thirty percent (30%) increase, and you have addressed that very well by not only the curbside collection, but by looking at diversion and you had a forty-four (44%) diversion rate according to the last numbers that I had. You have eight (8) recycling facilities, five (5) green waste diversion facilities, six (6) bottle redemption centers, and four (4) refuse transfer centers. These are all important measures that the County has taken and you all know that more will be needed.

In terms of key actions, one of them that has been identified is reducing construction and demolition debris by requiring recycling in that segment of the economy. Plans and studies in addition to the ones that I have already mentioned is that you want to be...as part of your disaster preparedness work, you want to be looking at emergency debris management should there be another storm and I know you remember the experience from the last time that debris management was a huge issue. Then updating and implementing the Integrated Solid Waste Management Plan, which was last prepared in 2009. So continuing to increase your rates of diversion, your goal is seventy percent (70%) and you may be pushing up to fifty (50) or a little over forty-four (44) right now. But you are continuing to remain diligent and you need to partner with the community if that is going to be achieved.

Then, the final area that I will be mentioning is airports and harbors to support modernization and user-friendliness of Kaua'i's airports and harbors. Some of the permitting actions that we have identified is accommodating shuttles that would transport visitors to the resort destinations and we put in a policy not to expand

Princeville Airport, except as a parking hub or gateway to the north shore. The partnership needs are entirely with the State Department of Transportation, who is the owner of your two (2) harbors and your two (2) airports. The Līhu'e Airport Master Plan is dated and probably the State should be updating that and the Commercial Harbors Master Plan was last updated in 2001. So that also will be needing updating by the State Department of Transportation.

To finish off my part of the presentation on critical infrastructure, we really have a moral and a regulatory duty to protect the environment in our practices and outcomes. Infrastructure is a key sector, which helps to implement housing and growth management policies by putting priority on where you have upgrades and improvements in the areas that are designated for growth. All of the infrastructure plans should be updated to be consistent with the policies and objectives of the General Plan and progress on these actions should be monitored and reported regularly. That will be described when you have your session, Committee Chair Chock, on implementation and monitoring. That completes our presentation.

Committee Chair Chock: Thank you very much, Cheryl and Melissa. We appreciate your time and thoroughness on this presentation. What we are going to be doing is opening up for questions and answers from Councilmembers. Thank you, Marie, for joining us as well. Members, also to take note, we do see the coalition represented by the neighbored associations also have been focusing on specific amendments, which I would like to move towards sometime. It does not have to be right now. I think what we want to do is focus on question and answers here, but I wanted to let you know that we would be including that as we continue this discussion on critical infrastructure and housing. At this time, Councilmembers, do you have any questions?

Councilmember Yukimura: I have a process question.

Committee Chair Chock: Sure.

Councilmember Yukimura: Can we stay focused on housing for the discussion of that? If we go to infrastructure, too, it can really go all over the place. So would we be able to focus on housing first?

Committee Chair Chock: I appreciate that and thank you for clarification. I realize that our consultants are traveling from O'ahu, so they were able to get two (2) in, which I think is important so that we do not have to come back tomorrow. So I appreciated doing it that way. Why do we not do that? I think on the agenda is housing first, so let us have housing questions followed by infrastructure questions. Councilmember Yukimura, do you have a question?

Councilmember Yukimura: Yes.

Committee Chair Chock: Are you sure?

Councilmember Yukimura: Yes. Well, I think I have more than one.

Committee Chair Chock: Any questions from all Members, but you can have the floor.

Councilmember Yukimura: We needed a laugh. I would like to start with the housing policy, which is on...

Committee Chair Chock: I am sorry for interjecting, but I did not realize that we also have Kanani and Lyle for infrastructure later on.

Councilmember Yukimura: Where is that housing policy statement? On page 39. So "provide local housing"—Can you define "local?"

Ms. Williams: Yes. You are right, housing policy number 2 of the General Plan is specific to housing and the heading is "Provide Local Housing" and what we refer to as we are meaning to increase the amount of housing available for local households. By that, what we are doing is acknowledging that through studies previously done, close to fifty percent (50%), I believe forty-four percent (44%) of home purchases are made from somebody with an address off of Kaua'i. So what we are trying to accomplish through this plan is due to our housing crisis, trying to ensure how we can increase the housing inventory to serve those who live on Kaua'i and who work on Kaua'i, rather than people from Kaua'i.

Councilmember Yukimura: So I think we all agree with that policy. We want to provide it for families and individuals who live and work on this island.

Ms. Williams: That is correct. I think you are correct that we do not explicitly define what "local housing" is. So I do understand how it could possibly be a little confusing and perhaps that is something we could clarify.

Councilmember Yukimura: Thank you. I just want our policies to be really clear as to what we are talking about. The next statement says, "Increase the amount of housing available for local households by focusing infrastructure improvements on growth areas, eliminate onerous regulatory barriers, and perform active public-private partnerships." Is this statement meant to articulate how we are going to provide local housing?

Ms. Williams: Policy number 2, as with all of our nineteen (19) policies, they are a little bit more high-level and what they do is they provide guidance for the actions in the sector. So to understand how we implement this, I would really go to the actions in the housing sector.

Councilmember Yukimura: But actions are very disparate actions. I am looking for a strategy. We need to be strategic. We are not looking for just a list of things to do; we are looking for what are going to be the "trim tab." I am assuming you are familiar with Buckminster Fuller's term "trim tab." Well, the "trim tab" is a little device that controls large ships so that when you turn the trim tab, it moves the ship significantly. That is what we are looking for. We have limited resources. We are looking for those actions that are going to bring us to our goal, and "provide local housing" ...if you say, "increase the amount of housing available," if you just have five

(5) houses built in the next twenty (20) years, that is increasing the number of housing available. What is our goal with respect to providing housing? Is it providing nine thousand (9,000) housing units in the next twenty (20) years?

Ms. Williams: The nine thousand (9,000) homes that is basically assuming that we are able to meet what the projected demand is for new homes, it would be nine thousand (9,000). We acknowledge that in this General Plan, but in terms of getting to the strategic plan and to achieve that number, we really will have to take it down to our community plans. As we did with the Līhu'e Community Plan and the South Kaua'i Community Plan, we did look at the specific forecasted growth and looked at the zoning, even going parcel by parcel in some areas to determine what the potential buildout could be, what new zoning we need, even implementing form-based code in the South Kaua'i Community Plan, and then contrasting that with the infrastructure as well. A lot of the more specific work will have to happen at the level of the community plans.

Councilmember Yukimura: So you said that the projected demand is nine thousand (9,000) units in the next twenty (20) years. How did you determine that?

Ms. Williams: That was done through the Socioeconomic Analysis and Forecast by SMS and we had one of their consultants speak to us the last time we met on the General Plan. They did complete the study and about 2015 and what the consultant did is he actually forecasted out our population growth, and then of course looked at household growth, the persons per household rate (PPH). He actually, instead of just doing an islandwide figure, he forecasted out per planning district, so he acknowledged that every planning district has a different persons per household rate. For example, we have some planning districts that more people live in the average home. In some areas, like Po'ipū, for example, where you might have a smaller household. I am not too sure why, but then he forecasted that out, and then the housing unit growth was a function of the total number of new households that would be created.

Councilmember Yukimura: Why would you do that?

Ms. Williams: I think that is pretty standard in forecasting out housing unit demand.

Councilmember Yukimura: But what you seem to be doing then is to say, "Well, Po'ipū-Kōloa has smaller families because they tend to be a lot of people...they have wealthier...it is harder to live in Po'ipū/Kōloa because the prices are higher and therefore, you might have smaller families; so therefore, that is what is going to be the future of Po'ipū for the next year. Likewise in 'Ele'ele, they have larger families, and therefore, that is how we are going to project the need out."

Mr. Dahilig: I think a lot of it, too, is considering the demographics that are underneath each roof. We know of stories where in some households you have multi-generals underneath the household, like grandkids, kids, and parents. So what I think Marie is trying to articulate is that the actual unit demand that comes as a consequence of the characteristic that is found regionally

that SMS was identifying could, for example, say that if you are looking at one (1) household that has multi-generations, they could necessitate a higher demand, then let us say in other areas of the island do not necessarily have multi-generation types of people living under one (1) house.

Councilmember Yukimura: I know, but that may be a function of the fact that all the affordable housing was put there and that is why you have that particular kind of demographic, when in fact, if we want Līhu'e to be the place where you are going to have all kinds of different families, why are we limiting or guiding the growth based on old patterns?

Mr. Dahilig: It is not necessarily a growth based on old patterns; it is a growth based off of what we know are existing conditions. For example, your mention of affordable housing. We know in many affordable areas who can live in that unit is regulated based off of guidelines. So it is not a clean characteristic to say that because you have more affordable housing in one area, you are going to have more multi-generational households. That may not necessarily be the case. The best we could get from our consultant was that there was a recognition to try and pair-down deeper as to the unit demand per household, rather than using a simple formula by dividing it, using a regular kind of statistic that comes from the United States Census Bureau.

Councilmember Yukimura: I am not asking for a clean framework; I am asking why did we use that as a basis for determining the number of units of allocating the nine thousand (9,000) units? It just seems like a pretty arbitrary method.

Mr. Dahilig: We could have that disagreement, but I think we feel confident that SMS's methodology in trying to get us more of a characteristic...

Councilmember Yukimura: Okay, well, I am glad you are confident in it. I am just trying to understand the methodology by which you made the allocations and trying to see if there is a rational basis for it that makes sense. So if I can see Figure 1.4 on page number 27?

Mr. Dahilig: What we can do, because we do not have the SMS consultant here, is we can bounce the question over to the consultant to answer that specific question and be able to explain the methodology behind the allocating that you believe you have some concerns about.

Councilmember Yukimura: This is the reflection of the SMS study. Is that correct?

Mr. Dahilig: Yes.

Councilmember Yukimura: If we are saying that...you are saying that growth should be here, here, and here, and it should be these number of units and I asked what is the method by which you determined that there would be twenty-six percent (26%) of total growth would be in South Kaua'i, nine percent (9%) in

Hanapēpē, forty-seven percent (47%) in Līhu‘e—what was the methodology in what I heard, correct me if I am wrong, is that SMS took the type of household and the number of households in each district and I do not know what they did with that, but they based it on that.

Mr. Dahilig: So I guess in response again, because this is a complex question to answer, let us take it to the consultant to actually get the specific algorithms that they used for each of the different sectors and we can provide that as a response to explain how they went about for each of the different planning areas and what algorithm they used for each one.

Councilmember Yukimura: Okay. I have other questions, but I would like to let other people ask first.

Committee Chair Chock: Sure. Members, do you have other questions regarding the presentation? I actually would like to get any questions that SFFM can answer. Again, I know that they have to travel, so I would hate for them to have to come back tomorrow for just one question or two questions. If we can, can we focus on any of those that are in the presentation within their scope, knowing that we will have planning here also tomorrow. Any other questions? If not, Councilmember Yukimura.

Councilmember Yukimura: Thank you. You said that the projected demand is nine thousand (9,000) units. This is project demand for local houses of families, right?

Ms. Williams: Forecasting housing unit growth is a function of population growth. So the first thing you are looking at is how our population is growing, which of course, there are many drivers related to that, natural increase and migration, and I think we presented about that previously, so all of those components do factor into creating new households, which in-turn, drive housing unit demand.

Councilmember Yukimura: So you are saying that based on the projected population growth, we are going to have nine thousand (9,000) new households that we are going to need to provide for in the next twenty (20) years.

Ms. Williams: Slightly less household growth and housing unit growth is not the same, but yes, it is basically what the nine thousand (9,000) is, is that if you were to meet the needs of the population growth by 2035, that demand would be nine thousand (9,000).

Councilmember Yukimura: Okay, so then our goal would be to provide nine thousand (9,000) homes by 2020?

Ms. Williams: I am sorry, 2035.

Councilmember Yukimura: Yes, 2035. Okay, so then we have...I think there was a breakdown...I think it was SMS's study that showed what kind of families needed those nine thousand (9,000) units, right? So can we have that up? It

is not...I think it should be in the housing study, but it is not and I asked Scott if he could...or maybe Kanani has it.

Committee Chair Chock: What are you asking for?

Councilmember Yukimura: There is a chart that SMS did that shows of those nine thousand (9,000) units, how many families are in the one hundred twenty percent (120%) median income, how much are in the eighty percent (80%). I think eighty percent (80%) of the need is one hundred twenty percent (120%) of median income and lower.

Committee Chair Chock: I remember seeing that previously. Why do we not hold that question while they look for the chart because I think it is important to see it?

Councilmember Yukimura: Okay. It shows approximately that the bulk of the need of these nine thousand (9,000) units are going to have to be affordable to families that are one hundred twenty percent (120%) of the median income and lower. So my question is if we are going to provide that, what is the strategy for providing that? How are you going to protect it against the demand for second homes? How are you going to protect it against price...how are you going to get it to that price for those families? What is our strategy for getting housing that price?

Mr. Dahilig: As we mentioned, if you look at even the way that the housing section is set-up, it is a cross-section of many different sectors. So while we are...I understand the concern is specifically on affordable, but the definition of what is an affordable product ranges by definition.

Councilmember Yukimura: That is the other issue. How do you define "affordable housing" correctly? You are defining "affordable housing" as the houses that the County Housing Agency provides.

Mr. Dahilig: So there is that...

Councilmember Yukimura: I think our Housing Ordinance defines "affordable housing." It is entitled "workforce housing" and one of the suggestions from the Affordable Housing Task Force that I was working with was that we changed and I think a consensus of the task force that we change the wording to "affordable housing" rather than "workforce housing" because we wanted to include the elderly and we wanted to include people with disabilities...many more than just the people who work, although we wanted to include them, too. I think we need a working definition of affordable housing.

Committee Chair Chock: Let us take one of the questions at a time. There are two, maybe even coming on three.

Councilmember Yukimura: Sure.

Mr. Dahilig: Okay, so as I was trying to articulate, if you look at the different sectors throughout the housing section, you have “affordable housing,” you have “infill housing,” you have “new housing,” and you have a number of housing subsectors. So the strategy is and has always been that it cannot be a focus on one type of housing that has to be pushed, because if you look at between sixty (60) to eighty (80), eighty (80) to one hundred (100), and one hundred (100) to one hundred twenty (120), the actual housing type varies. Also, the type of land tenure varies, so it could be rentals versus fee-simple. So what the collective eight (8) sectors do is it takes a look at many different strategies to: one, diversity the housing product-type; two, focus on where to put it. To answer your question that you pose initially, you have to look at sectors one and sectors two in tandem, because the infill housing is meant to address the missing middle, where we are looking at smaller homes, smaller footprints, and those types of things that cannot necessarily be subsidized to meet the nine thousand (9,000) units, but also is within obtainability for those that are, let us say, between the one hundred (100) to one hundred eighty (180) AMI to be able to start building equity through our fee-simple regime. That is why as much as the numbers can be cut one way or the other, one hundred twenty (120) and below, yes, there is a large portion on the island that needs that affordable housing, but the affordability, again, in the housing type ranges from whether you are providing subsidized affordability with rentals...I am trying to explain here...subsidize affordability with rentals versus subsidize fee-simple opportunities, versus fee-simple opportunities that are...

Councilmember Yukimura: That answer is not satisfactory because what you are saying basically, from what I read, is that smaller is cheaper. You know those missing middle in Portland, they are going for eight hundred thousand dollars (\$800,000). They may be smaller, but they are actually, for the millennials...those who have wells, they are wonderful. They are in walking/biking communities, they are really cool...I have been in them...they are energy sufficient...they are just fabulous and they are eight hundred thousand dollars (\$800,000). So this thing of smaller is cheaper, I questioned that in an island where the demand is coming off-island. I do not concur. I think that if we go with a housing policy that just says, “Just build more and make them smaller,” I do not believe we are going to address the needs of those families that cannot afford anything that is more than two hundred fifty thousand dollars (\$250,000).

Mr. Dahilig: Let me explain that ability, in terms of earning your income potential and what it can translate in terms of what you can buy on the market. The problem that we are seeing is that there is nothing left from an entry-level type of fee simple product out there. So why that is important is because the entry-level fee simple product allows families to start building equity. If the goal is to try and keep *keiki* home, then we have to move them from that rental regime over to a fee-simple regime where they can, in turn, start to build equity and also being able to build that in a manner that when they want to flip that home, they can upgrade into those larger units. Right now, when you look at the market, we do not have anything out there that has been built recently in large quantities that allows for entry-level of our young people.

Councilmember Yukimura: Excuse me, Mike, but you are still assuming that the entry-level cost will be low enough for people to afford. For the families that are one hundred twenty percent (120%) of median income and lower, most of the options that are actually viable are not fee-simple. If you are in just a fee-simple market and mindset, now limited equity (inaudible) is ownership and that might work, but let us get real.

Mr. Dahilig: When you are getting to that level, it becomes a policy question as to whether you start getting into options of shared appreciation for these things.

Councilmember Yukimura: No, shared apprecaiton...

Mr. Dahilig: If I could respond, in terms of shared appreciation—what this is, is a land policy plan that talks about the type of housing product and where to put it. At the end of the day, that is what we are trying to address through the General Plan. What we are saying is that we see one side of the equation being the product that is made available; however, to go through the rezoning actions that you, through the Council, would have to enact to implement some of these objectives...writers like that that you are describing or whether or not something should be shared appreciation or something that is zero appreciation or there are snapbacks or buybacks are better implemented, like you have been consistently over the last twenty (20) to thirty (30) years be creating writers on each of these ordinances that actually rezone these areas.

Councilmember Yukimura: You are talking about changes in the law and that is what needs to be identified perhaps as an action to keep things perpetually affordable so that they do not go into the market continuously, but you are not familiar with the history of housing on Kaua'i. We rejected the shared appreciation at least ten (10) years ago when I asked Ken Rainforth, "If we go through a shared appreciation policy, will the amount we get back from shared appreciation build the replacement house that we have to build?" He said, "No. There is no way it will do that." That is why the Housing Agency, under Mr. Rainforth, moved to leaseholds. So the leasehold is a way of controlling the inflation and none of this is really addressed in this policy here.

Committee Chair Chock: Councilmember Yukimura, there are some other questions around this as well.

Councilmember Yukimura: Okay.

Committee Chair Chock: I think we are talking about affordable housing...

Councilmember Brun: Chair, I do not think I have a question, but Mike is trying to answer her question and we just keep on interrupting him. Let him answer the question. He is trying to give you an answer and you just keep on going and interrupting him. Why do you not just explain the whole General Plan? Why do we even have Mike folks up here? It is kind of getting out on control already. Chair,

I wish you would kind of stop it. Mike is trying to answer her question and he cannot even finish his answer because she keeps on interrupting and just going off on it. If we want answers, give the person a chance to answer.

Committee Chair Chock: Councilmember Kaneshiro.

Councilmember Kaneshiro: For me, it is more of a comment to just bring it back. I do not think this is to make the rules or come up with the silver bullet. I think our General Plan is to kind of give us an outlook on, "These are the things we are going to look at." As far as housing goes, there is no one single housing that is going to solve it and I think they identified it as affordable housing, infill housing, which infill housing, I am sure, includes affordable housing. It may be elderly housing. They have identified all the different types of housing, and then when it comes to policy stuff, I think policy stuff ends up on our hands eventually. They give us permitting actions, code changes, and things that would help push these housing initiatives along. As far as us coming up with a silver bullet policy right now here, I do not think we are going to do it. I think the General Plan kinds of give you the general outlook, "Hey, these are the types of things we want to do." Then it is up to us after to try and say, "Hey, how are we going to fix affordable housing," and we come up with a policy that maybe it is Councilmember Brun's housing group, but I do not think we are going to come up with the answers here, and if we do, I think this meeting is going to go on forever.

Councilmember Yukimura: Chair?

Committee Chair Chock: Let me respond to the concerns. They are no different than what we have been experiencing in our meetings. I would like for this period to be exactly what it is, which is question and answer in order to get clear a bit about how it is you would like to move on specific things, as Councilmembers, to provide amendments that we can entertain. If we are moving into what your belief and perspective is on what is missing or what needs to be in there, then I would ask you to actually move those to the discussion phase in the context of what it is that you plan to change in this plan.

Councilmember Kaneshiro: Just a quick follow-up to what I was just saying—Councilmember Yukimura, if you have an idea as far as how an implementation or policy idea that you want to see in the General Plan, maybe if the discussion went towards, "Are you folks okay with us putting it into so and so's section permitting actions and code changes, I think this might be a way to address affordable housing? Are you folks okay with that?" Then maybe bring it up a later time as far as that is the amendment that is going to go into the plan, but as far as nailing down an exact way to solve our problems, I think we are going to have to do that at another time at a different venue, not in the whole General Plan venue.

Committee Chair Chock: I think that when we can commit to having that discussion in the right time and right place, then it opens the door for all of us to contribute, so I would ask that we do that. Can we move back towards that process?

Councilmember Yukimura: I appreciate all of the feedback. I am asking questions because I feel a policy does give us guidance and strategy and I cannot find it...when you say, "Go look at this section and look at this section," it does not give any direction. I do not know what you are referring to look at this section. So my question is how are we going to achieve...I want to understand what is this policy provide local housing and what is the strategy for achieving that? I am asking you because that is what I understand and it is not a silver bullet. A policy is a combination, identifies what the problem is, what is the source of the problem, and how to address that, and gives us key priorities. If we just go scatter our efforts and follow every single action that might take us a little bit towards solving the problem, we are not going to be able to get there. It tells us what are the key actions we are going to take and a cluster of actions that we can take together that support each other that really get us to this very challenging goal. Our goal is to house our families.

Committee Chair Chock: Councilmember Yukimura, I think what you are doing is exactly what we are asking you not to do right in the moment.

Councilmember Yukimura: Well, I am explaining why I am asking my questions.

Committee Chair Chock: I think that people understand how complex this plan is.

Councilmember Yukimura: Okay, then I will wait for the answer then.

Committee Chair Chock: Yes, state your question so that we can get an answer. If your answer is not sufficient, I would ask that if you need more time for it, I believe that these people have been open and willing to discuss it even further personally with you and offline.

Councilmember Yukimura: No, I think it needs to be community process.

Committee Chair Chock: It is a "JoAnn process" right now is what it is. I am just saying let us stick to the process. I am not saying that you do not have a chance to discuss it further and voice what it is that you believe is missing and should be looked at. I am just saying that what you are trying to do is get clarity here in the question and answers period. Thank you so much.

Councilmember Yukimura: Thank you. Can you please tell me what onerous regulatory barriers you have identified as a source of the problem?

Ms. Williams: Yes, if you do not mind going to Chapter 3, which really tries to clarify how the policy will be implemented through what the role of the General Plan is, which is to basically guide how we update our development standards, which include our zoning code, our subdivision code, and our development plans, and also on future permitting as well, not just with our Class IV permits, but with zoning map amendments. If you go to the permitting actions and code changes sections in Section 2, the housing sector, and some examples are found within that and I can point you to those or read them. A lot of this is coming from what we heard

through our two-year process of doing outreach and getting a lot of testimony and a lot of feedback about what the barriers to even increasing our housing inventory is. If you go to page 117, Action (A)(4), and this is the Infill Housing subsection, it says, "Streamline permit approvals for infill development and housing rehabilitation by removing barriers such as administrative delays." Not many people felt that the length of time it takes to go through our County permitting process was just simply too much, and in fact, turned many small potential developers away. We took that to heart and acknowledged that and put that as an action in this plan. If you move onto the next action, Action (A)(5), "Incentivize infill development by reducing or eliminating tipping fees, waste water, and water facility..."

Councilmember Yukimura: I am sorry, what are you referring to?

Ms. Williams: I am still on page 117, Action (A)(5).

Councilmember Yukimura: I see, okay.

Ms. Williams: "Incentivize infill development by reducing or eliminating tipping fees, waste water and water facility charges, permit review fees, and park and environmental assessment fees." Of course, this is in relation to how we simulate and incentivize infill development in those neighborhood center areas that we identify in our future land use map as potential growth areas, where we really want to see more housing and a diversity of housing types be constructed.

Councilmember Yukimura: Who is going to pay for the facilities' system charges?

Ms. Williams: That is a really good question. Definitely, a lot of this will lead to further studies and further discussion as well. As we have said before, this is not a strategic plan for every single subject, but it guides us at what we need to look at. It identifies the problems or at least the problems that we have heard in creating affordable housing and just housing in general from the public.

Councilmember Yukimura: How do you know that it is the administrative delays that are really causing the...actually, you are streamlining permit approvals because that is going to allow more houses to be built or less costly houses to be built.

Ms. Williams: Many people have told us that our permitting system is a barrier in and of itself.

Councilmember Yukimura: Is it?

Ms. Williams: I think it is...

Council Chair Rapozo: Yes, it is and we all know that.

Ms. Williams: Yes.

Councilmember Yukimura: I think the analysis showed that it is really the fact that there are two (2) levels of land use, the State and the County, that these very long, long (inaudible) to get the entitlements, that is really where the delays come in and the additional costs come in. So you are talking about administrative delays that sound like the little permits and stuff. Are you really identifying the key delays?

Ms. Soon: Can I add to Marie's answers and partially address the question you are asking? When the Līhu'e and South Kaua'i Plans identified areas for expansion with the intention of trying to incentivize some lower-cost housing, one of the recommendations was that the application for any State land use change be actually done by the County. That would be a large incentive to potential developers that that would be a good three (3) years, however you want to count it, cut off of their part of the process, and that would be one method that we feel could be very helpful.

Councilmember Yukimura: How do you propose keeping the integrity of the planning process at the same time?

Ms. Soon: The integrity is totally intact because it had been identified through the community planning process where the best areas for both would be because you are adjacent to existing areas and services and it would be less expensive to expand the infrastructure. So I think the integrity is totally intact too if the County were to choose to be the sponsor of changes to the Land Use Commission in those areas in the community plans.

Councilmember Yukimura: So if we go to the your land use maps that show...let us see...in Hanapēpē/'Ele'ele, if we can go to slide number 24, page number 12 of the handout...so you are showing in the proposed designation a doubling of area for residential growth that is not fully disclosed because of where the boundary line is between South Kaua'i and 'Ele'ele...so how is all of that going to provide only eight hundred thirty (830) units of new housing units in that area?

Ms. Soon: I am not sure I understand your question. You are saying that because there was a cutline between the two (2) districts...I am not following you...

Councilmember Yukimura: I think thanks to Vice Chair Kagawa, we are going to move the boundary line so it is going to go back, and if so, you have to include all of the area that is actually covered up in slide number 13...sorry, page number 13, slide number 25...that is it...you see the proposed designation for the South Kaua'i, you see the lower left-hand corner? I do not know how many acres that is.

Ms. Williams: This is on page number 231 of the General Plan.

Councilmember Yukimura: Thank you.

Ms. Williams: When it comes to...

Councilmember Yukimura: I have a request that you do these maps according to where we are going to put the boundary back so that we can really see the full impact. You will see that this is the South Kaua'i map. This goes from Port Allen to Numill. Can we bring that up on page number 232?

Ms. Williams: Councilmember Yukimura, I believe the provisional agriculture area is below Numill and runs from Wahiawa Bay or the gulch, all the way to Port Allen.

Councilmember Yukimura: It is hard to read these maps. The 2000 General Plan was based on topographical maps and that was a whole lot easier when you had the topo lines. You need to go back...page number 231, please...which is where you were maybe...do we need a pointer?

Ms. Soon: Councilmember Yukimura, perhaps this will assist a little bit in moving in along, but the maps that were developed were based on planning district lines and we have just recently become aware that you wished to shift one of the lines, so we were asked by the Planning Department to begin to prepare an adjusted map, so we just do not have it today because we just got that request since your last meeting.

Councilmember Yukimura: So what I am trying to ask that with all of the provisional agriculture, which is proposed "urban" basically, then if you go back more west to the map before that...

Mr. Dahilig: Councilmember Yukimura, if I could be clear, did you just say that that was proposed "urban?"

Councilmember Yukimura: Yes.

Mr. Dahilig: Okay, as we mentioned in the previous meeting, that is not the intention of provisional agriculture.

Councilmember Yukimura: Well, it is to say that we might want to change it to urban.

Mr. Dahilig: We did not say anything. What we...

Councilmember Yukimura: Okay, then say about that...what is it?

Mr. Dahilig: As we have said many times, going through even the South Kaua'i process three (3) years ago and with this particular process at the last meeting, we, through the planning process, reached certain junctures where we are unable, from a professional planning standpoint, to actually say, "This is what we think the public is wanting." So what we are trying to leave this up to is a regional planning process, as you have seen from the bond proposal, as I mentioned at the last meeting, that we want to go through a West Kaua'i process to determine whether these lands should or should not have some type of up-zoning or not.

Councilmember Yukimura: Then why do you not wait until to the regional planning process?

Mr. Dahilig: As explained at the...

Councilmember Yukimura: You have put it in as a designation. So my question is if you are putting in as a designation, that is a proposal. So if you take into account...look at your...

Mr. Dahilig: I guess there were three (3) questions there.

Councilmember Yukimura: Okay, then I still want to say how much if all of that is urbanized, what is going to be the population potential of that area?

Mr. Dahilig: Again, our intent is not to go through a process of urbanization. What we are saying is that we have...

Councilmember Yukimura: I understand...

Mr. Dahilig: If I could respond, what we had as an issue with the South Kaua'i Plan was that there were areas that were in agriculture that got put into something of the higher use in agriculture; however, in order to be consistent with 46.4 of the state statute, General Plan has to be aligned. Now what we have gotten predominantly as a concern from the public has been that when plans are put into place, they need to be implemented as soon as possible. As we are going through that process, what we do not want to have to do is go through a regional planning process then come back to the Council and go for a General Plan alignment, because what that does is it punts implementation of a regional plan two (2) to three (3) to four (4) years down the line again. At that point, we are halfway through the planning horizon to 2035. What we are trying to do is outline it in a manner that allows for more home rule in the implementation of a regionally developed West Kaua'i plan and we recognize the desire to move the boundary—as a department, we are going to support that move—but we think that anything that is named as “provisional,” we are saying that a regional community process has to be able to ferret that out. We do not want to make a recommendation that is affirmative one way or the other. They may say, “Leave it alone.” They may say, “Put it in Important Agriculture Lands (IAL).” They may say, “We just want a small little area to expand Numilla.” We do not know. We know that Alexander & Baldwin, when they came through our community process, had identified that area for future types of development, but we need to go through a community process to do so on a micro-level and that is what we are saying is provisional. So we are just trying to align the provisional designation so that if the Council duly adopts, by its vote, the policy of a regional plan through West Kaua'i, that it aligns with the General Plan so that we are not having to come back here and delay implementation of the regional plan two (2), to three (3), to four (4) years after the regional plan is applied.

Councilmember Yukimura: So it is...

Committee Chair Chock: What I would like to do is move this questioning to Housing, specifically.

Councilmember Yukimura: I am, thank you. Whatever your plans are, I want to know if this area were developed—you said the timeline is by 2035—that is why you worried about a four-year delay—if you are going to have housing built there by 2035, how many units are going to be potentially there? I do not think you know, but I would like to get that. Do you know right now and can you tell me it is only going to be what your map shows, eight hundred eighty (880)?

Mr. Dahilig: If I could ask a clarifying question, if you are asking us to do a Geographic Information System (GIS) calculation on what the area of that entails and multiply it by a Euclidean zoning type, we can certainly do that. I think for us, if we were to be able to ferret down a little deeper, because when you talk about how many houses can you build there, it is incumbent also on a zoning type and we would need to understand, are you looking at from R-6 standpoint, an R-20, R-2 standpoint, etcetera?

Councilmember Yukimura: You tell me what the average mix will be? You folks are the ones proposing these designations. That is just my question. I do not need any more discussion. I just want to know what that is. I also want to know if we can go to map 229.

Committee Chair Chock: Do you have a question?

Councilmember Kaneshiro: Mine is more of a comment. I am just trying to move this along, but from my understanding, this area is an area that they said they are going to leave it to the west side community to say what they want it as and Mike has been saying for a long time that we do not want to make that determination because we are getting mixed emotions from the west side. Rather than holding up the entire plan and waiting for an entire west side plan to come up, which who knows how long that will take, they are saying, "We are going to do it as a provisional. When the west side folks do their west side plan, they can figure out what they want with this." From a forty thousand (40,000) elevation, I think it is a good idea to be able to get the plan going knowing that, "Hey, we could not get consensus on this. We are going to make it a provisional and be able to move on with the rest of the plan," rather than have an area like this hold up the entire General Plan. Then we are holding up the General Plan for a west side plan and it may be another twenty (20) years before our General Plan that is supposed to be done already is completed.

Councilmember Yukimura: Thank you. I understood what Mike said.

Councilmember Kaneshiro: I heard that question a lot of times already, so I am just trying to move it along.

Councilmember Yukimura: My next question is on this map, could you tell me how much housing is zoned for or general planned for? I am asking a housing question and I want you to include the provisional part, too. With and without the provisional part, I would like to know estimate projections for housing units.

Ms. Williams: The housing unit forecast is already in the plan. But you want us to contrast the forecast with what the potential buildout could be on what is designated through this General Plan?

Councilmember Yukimura: Exactly. Thank you. You said it much better than I did.

Committee Chair Chock: Further questions? It is about 3:15 p.m. right now and we have a caption break coming up. I just wanted to check in with you on how many questions you think you might have as it might relate to the rest of the day until 4:30 p.m. I know that we do actually have people in here that have been waiting for a long time for this housing discussion. I wanted to see from you how many more questions you might have to see if we could fit them in at the very least to hear from them on this? How many questions do you have?

Councilmember Yukimura: I can hold my questions.

Committee Chair Chock: Do you have many more questions?

Councilmember Yukimura: Yes.

Committee Chair Chock: That is what I thought. Let us take a ten-minute caption break right now, if that is okay. We will take a few more and catch them before they leave. Thank you.

There being no objections, the meeting recessed at 3:16 p.m.

The meeting reconvened at 3:30 p.m., and proceeded as follows:

Committee Chair Chock: Here is what we are going to do, we are going to continue with our questions. The consultant will be here only for today and the rest of the questions that Councilmember Yukimura has reflect the presentation by our consultant. So we are going to get back and that means I am ahead of time, apologizing to some that I thought we would be able to get to today. We will come back to it if we do not get to it by 4:30 p.m., which are some of the amendments that I know that community coalition has been discussing. Councilmember Yukimura.

Councilmember Yukimura: Thank you. On your slide number 10, your key finding is that "the island does not have enough residentially-zoned land to accommodate projected growth." Can you tell us the basis of that conclusion?

Ms. Williams: Yes. Along with our socioeconomic analysis and forecast, kind of a partner technical study we did was to look at our existing zoning districts, and not just that, not just county zoning, but also our State Land Use Districts (SLUD) as well and kind of assess where we are in terms of our raw supply of lands where you can develop. This was done through a GIS analysis. There was a special system that our consultant PBR Hawai'i used to actually do this buildout. It was quite complex, but it was also more accurate because it was actually

able to kind of pull in our existing tax map key data as well and then factor in things like setbacks and so forth, unique to the zoning district, and then assess what the potential build-out could be. We looked at that per the six (6) planning districts as well. Yes, I will be honest that it is quite complex and it is included in the study, which we provided you a copy. I would also like to clarify that we did all of our technical reports as part of a community process where we had a technical advisory group, not necessarily lead the research and analysis, but they were there to be part of the process. Our consultants came down frequently to present to them and kind of show, "Well, these are the assumptions. This is the formula I will be using. These are the raw results. Does it feel right?" We wanted to ensure that these reports were done in a transparent way as well, but yet be done independently through experts also. So basically, one of the key findings that was really surprising to us was that our development pattern, when we looked at our building permit inventory and we were able to get that up to 2009, that we were, in fact, building in areas where we did not necessarily want to build per the policy of our General Plan to kind of focus growth in Līhu'e, in Wailua/Kapa'a, as well, in our urban center areas and that we were actually really building out in kind of the zoning districts that were less dense, R-2, R-4, Open, and Agriculture zoning districts as well. A lot of that development was occurring on the North Shore and East Kaua'i, rather than Līhu'e.

Councilmember Yukimura: But I am not talking about towns or areas. I am talking about the whole island. You have figured out that we do not have enough zoned residential land to support nine thousand (9,000) units.

Ms. Williams: Well, it is a little more complex than that because we did look at the raw zoning as well, but we also had to factor in...if you are asking how we got to the policy in the plan, we did not just take one technical report. But it is also going out to the community, having the public process, and we also pulled in from the Līhu'e Community Plan, which is adopted policy and the South Kaua'i Community Plan as well.

Councilmember Yukimura: So where in this report is the documentation that the island does not have enough residential lands zoned to accommodate projected growth?

Ms. Williams: Well, I definitely do not want to misinterpret the study just to get to the specifics, since this is a highly technical report. Is it possible that this is a question that we can follow-up with and even consult with the consultant?

Councilmember Yukimura: Yes. In your slide number 22, Future Land Use Maps, you show the future land use map designations for areas of housing. So you show residential community number one it says, "Indicate existing areas of residential development not intended for new growth areas which are required to be mixed use." However, our Additional Rental Units (ARU) Bill would apply there, right?

Ms. Williams: That is correct.

Councilmember Yukimura: In areas that are sewerred, there is the potential...it may not happen in the next five (5) years, but in the next twenty (20) years, like I have seen in Honolulu in Kaimukī, the densities are increasing quite a lot. So why would you not...this is as infill as you can get. So I mean in coming to the conclusion there is not enough residentially-zoned lands, and if this was the assumption then this was overlooked.

Ms. Williams: That is a good point that the technical report was done prior to the development of the policy work. If we did a new analysis based on the potential update of this plan and what the zoning might be, it could be a different result. But in terms of where we support infill, what we have come to find, at least our experience in the three (3) years since adopting the Līhu'e Community Plan and the South Kaua'i Community Plan, is that even though those plans support infill, and in the case of South Kaua'i, where we actually implemented form-based code in Kalāheo and Kōloa as well, that it is very hard for people to do infill. We are not seeing that there is action, but it also takes a lot for infill to occur. So we already know that it would probably be a false assumption that all of our projected growth needs could be met in infill areas.

Councilmember Yukimura: The difficulty in Kōloa is that there are no sewers and that is a question for infrastructure, all these small sewage treatment plants in Po'ipū/Kōloa is a major bomb waiting to happen and I hope that is mentioned in our plan. If infill is the goal, then I would think that one of your policies would be how to make infill happen and I would like to know what the obstacles are. Our South Kaua'i Plan is three (3) years old. To just judge by three (3) years, we are looking at a twenty-year span, and like I said, I have advised somebody to check Honolulu and Kaimukī and how it is being done there, but I am guessing that it took about twenty (20) years for it to start what I see now when I drive around there. This is a twenty-year plan, so I am hoping there is this kind of reconciliation or integration of these various policies with our projections.

Ms. Williams: To clarify our infill housing policy and actions, a lot of where we explicitly support infill is in what we identify as the neighborhood general in the future land use map, and if you look at that, you will see that it is within one-quarter mile of what we call "the neighborhood center areas," which are basically our town cores and what we are saying is that infill really needs to be encouraged, not only in our town cores, but in a walkable distance around these cores for many reasons.

Councilmember Yukimura: If that is the case then I do not recall seeing any talk or discussion about the potential for infill in the old Hanapēpē town, which has many vacant buildings and much of it is state-owned land, which means there is more control than if it were privately owned, and it would be fulfilling a mixed-use, actually going back to historical old Hanapēpē Town, which was really a mixed-use town. Why was there no discussion of that and why is there an outward growth with that huge area of provisional agriculture and all of that, but even without the provisional agriculture, a huge area around Port Allen without also addressing Hanapēpē as prime infill?

Mr. Dahilig: Again, it goes back to the discussion that the General Plan is not prescribing density. Density still has to be permitted by a zoning amendment or zoning action by the Council. Again, these are just conceptual areas that we are saying to look at infill potential, but as to what the density looks like has to be consistent with the form and character of that area. For example, if you are looking at these small lots in Hanapēpē, I am sure that if we in this plan said “provide for mass infill,” they would be very upset if we were coming in allowing permissiveness to this plan for people to go up to ten (10) stories and have twenty (20) units.

Councilmember Yukimura: Mike, that is not what I am suggesting. I do not appreciate you putting words in my mouth.

Committee Chair Chock: You have to let him finish.

Councilmember Yukimura: I know, but those are outrageous statements and a major distortion.

Mr. Dahilig: Again, I was trying to use that example as illustrative to say why we need to go through a form and character process through our regional plan.

Councilmember Yukimura: Well, you could have said that and say, “We should look at infill.”

Committee Chair Chock: Do not answer for him.

Mr. Dahilig: If that is how my words are being interpreted, then I apologize for implying that you would want to have a large building in Hanapēpē. I would just like to say that we have to go through these form and character discussions on a regional level community by community, because we, through this planning process, did not go through that. That was not the intent. When you go through these form and character discussions, it has to be normalized with density. That is why, if you notice, Councilmember, why we have been very reluctant to specifically saying what density things are is because it has to go through a separate regulatory process with this Council. The Council can only bestow the amount of units per acre.

Councilmember Yukimura: I am not talking about any density increase and you could say that you could explore infill housing and do the kind of cultural analysis that needs to be done. Thank you.

Mr. Dahilig: Yes.

Councilmember Yukimura: I am going to go on. The next slide number 9, please. Accordingly to the Land Use Buildout Analysis, over eighty percent (80%) of residential development is single-family construction that occurs in Agriculture, Open, and R-1 through R-4 zoned land. I would like to know if you have a breakdown, how much was in Agriculture, how much was in Open, and how much was in R-1? R-

4 is where it should be. If you put it all together, it does not give us a very clear...if it is Open, R-1, and R-2, I can see the point. When you put R-4 in there, R-4 means come develop.

Committee Chair Chock: Let him answer the question.

Ms. Williams: Yes, we can definitely provide that breakdown.

Councilmember Yukimura: Thank you. Back to slide number 22, your definition of "urban edge boundary" says, "designated within the Līhu'e District to indicate the primary urban center where development should be focused." As I recall, that boundary is all of Līhu'e. Is that all urban center? I am remembering wrong.

Ms. Soon: Yes. The urban edge boundary was not the full Līhu'e District. It is a proportion of outside of the downtown area, which...I do not think it was more than one (1) mile, if I remember correctly, but no it is not the entire Līhu'e District.

Councilmember Yukimura: What use is it then?

Ms. Soon: The use is to say inside that boundary, you develop; outside of it is an absolute no. It is a firm line.

Councilmember Yukimura: That is like an urban growth boundary.

Ms. Soon: Correct.

Councilmember Yukimura: But the urban growth boundary that I understand does not just go around an urban center, it is actually around the basic whole urban development with enough land to accommodate the growth that would be needed for the next planning period, but usually that is a fairly long-term period. So community plans and general plans are the logical place to use urban growth boundaries.

Ms. Soon: Correct.

Councilmember Yukimura: The reason I am asking is because I think one of the policy suggestions is that every community plan, given the goals of this General Plan, would have urban growth boundaries.

Ms. Soon: Each one could consider that as whether it is an appropriate technique, and the Līhu'e Community Plan, which has been completed and adopted now by this Council was considered appropriate and it was adopted.

Councilmember Yukimura: Yes. In Oregon, the Land Conservation Development Commission (LCDC) mandated every town to do that. So it is a planning tool that allows you to define compact growth, which is one of the goals of this plan.

Ms. Soon: Yes, but the Oregon example was a statewide mandate for every metropolitan area. To create one, there is no state mandate in Hawai'i for them and we adopted the tool as appropriate in Lihue during that community plan process.

Councilmember Yukimura: Could it not be an appropriate tool for an island to implement if they want to promote compact growth around towns and not sprawl onto agriculture lands?

Ms. Soon: I would only say that it is a tool that can be considered with each community plan and that the compact growth is definitely a policy in the General Plan.

Councilmember Yukimura: So you would not recommend it as a General Plan implementation to implement the compact growth policy?

Ms. Soon: It may not fit every community plan area.

Councilmember Yukimura: And why not?

Ms. Soon: Some of them are much more rural in nature.

Councilmember Yukimura: But if you want to keep the urban areas from sprawling out, would you not...

Ms. Soon: In time, it could prove that every community planning area does adopt it, but we did not choose to recommend that it be mandated through the General Plan process.

Councilmember Yukimura: You considered it?

Ms. Soon: We looked at that.

Councilmember Yukimura: Okay. Thank you.

Ms. Williams: Councilmember Yukimura, we can look at possible language to amend or strengthen the recommendation related to that.

Councilmember Yukimura: Okay. Thank you. I have questions about infrastructure, so I guess we have to jump that subject line now.

Committee Chair Chock: If it is for them.

Councilmember Yukimura: Yes, it is off of their PowerPoint, but we said that we would focus on housing.

Committee Chair Chock: I would suggest that they are here today and they will not be here tomorrow that if you have a question for them now, they will not be here to answer it again.

Councilmember Yukimura: Okay. The issue of Po'ipū and sewers, is that addressed in the General Plan?

Ms. Soon: (Inaudible).

Councilmember Yukimura: The fact that there is just a lot of private sewer treatment plants for a major resort area that individual plants are not usually recommended for a region because of safeguards, like environmental management and all kinds of reasons. There are questions about where all the injection wells are going and water quality and stuff like that.

Committee Chair Chock: Councilmember, just one interjection in terms of getting us on the page here.

Councilmember Kaneshiro: Page number 141 has projects and programs, C, number 3, "Plan for and implement regional wastewater treatment solutions for South Kaua'i and Kīlauea." Page number 141.

Councilmember Yukimura: Thank you. Is that the recommendation then that Po'ipū become a regional sewage system?

Ms. Soon: We did not make that recommendation.

Ms. Williams: I would just like to clarify that when it comes to the guidance that are adopted community plans, bring into the General Plan, that the South Kaua'i Community Plan did really look hard at this and acknowledge that as a real obstacle to growth, so it is flushed out in more detail in the community plan. Yes, it did—the South Kaua'i Community Plan does call for the creation of a regional wastewater treatment plant, possibly and most properly done by the private sector and in concert with the new growth area, identified through that plan.

Councilmember Yukimura: So that new growth area will bear the burden of creating a regional sewer plant for everybody?

Ms. Williams: I do not know the details of how that would work out, but what we anticipate is that moving something like that along would probably spur the development of some sort of solution related to the wastewater treatment needs for Po'ipū and Kōloa.

Councilmember Yukimura: Why would they not just do it for their needs? It is so expensive.

Ms. Williams: It is expensive.

Councilmember Yukimura: I do not know. It does not seem very clear as a solution. What about the towns of Kīlauea, Kalāheo, and Hanalei where there are no sewers and there is a major limit to commercial and other development. Have we addressed that?

Ms. Soon: We have addressed the deficiencies without...we have named the deficiencies without naming the solution, because that would be with the wastewater department.

Councilmember Yukimura: Okay. On slide number 33, Domestic Water, you are saying that we need six million eight hundred thousand (6,800,000) gallons per day of water or we actually have a deficit of six million eight hundred thousand (6,800,000) gallons.

Ms. Soon: Six million four hundred sixty thousand (6,480,000).

Councilmember Yukimura: Yes, six million four hundred sixty thousand (6,480,000), given the projected growth?

Ms. Soon: Correct.

Councilmember Yukimura: Is this allocated by towns, too?

Ms. Soon: We did do an allocation, and if you look at the table on page number 34, we show, by community plan area, the amount of anticipated deficiency.

Committee Chair Chock: On the slide.

Ms. Soon: On the slide, sorry.

Committee Chair Chock: The same page that you are looking at.

Councilmember Yukimura: So Līhu'e does not have a deficiency? This is just water capacity, it is not a transmission.

Ms. Soon: That is correct. The blue bars are wastewater and the pink bars are well water.

Councilmember Yukimura: Okay.

Ms. Soon: What I stated in the presentation that when the County does its water plan, it will need to address both source the well water as well as storage, as well as transmission.

Councilmember Yukimura: Okay. Thank you. But the blue is wastewater? We had the question earlier about source of water and there was an

assertion that seventy percent (70%) of our potable water came from surface water sources.

Ms. Soon: Well, I did not say that, but during the break, someone who has studied our reports in the plan asked me a question and I would like to bring to your attention that in both of the two technical reports, both the one done by Towill and the one done by SSFM, it identifies that there is some surface water used in the areas of Līhu'e, Pūhi, and Hanamā'ulu, which comes from the original Grove Farm system, which is now owned by Aqua Engineers and some of that capacity about three (3) mgd does into the treatment facility, and then becomes part of the municipal water source.

Councilmember Yukimura: But that is not seventy percent (70%) of our total water source?

Ms. Soon: No, I do not know where that figure came from.

Councilmember Yukimura: Three million (3,000,000) gallons per day is surface water.

Ms. Soon: Correct, and there is a capacity for four million (4,000,000).

Councilmember Yukimura: What is the total million gallons per day potable water for the island?

Ms. Soon: Hold on.

Councilmember Yukimura: Just so that we clear that up anyway.

Committee Chair Chock: Mike, did you have Kirk on the list to come tomorrow also? Yes, okay, so we can ask Kirk that question tomorrow.

Ms. Soon: Thank you.

Councilmember Yukimura: Okay.

Ms. Soon: It is about fourteen (14) I think.

Councilmember Yukimura: So you say that in your policy intersection, slide number 38, that infrastructure is a key sector which helps to implement the housing and growth management policies by placing priority on upgrades and improvements in areas designated for growth. I guess the question is how do you ensure that the infrastructure is used for providing local housing and not for second homes?

Ms. Soon: That would not be possible to restrict it in that manner. The housing policy is putting a priority on the provision of local housing,

but the water could not be restricted to non-second homes. If I may, someone has handed me a note, and if you do mind, if I can clarify one of my earlier answers. Aqua Engineers apparently bought the wastewater system only, but not the surface water system that is still with Grove Farm. I would like to have that corrected on the record.

Councilmember Yukimura: Okay, so back to the question, you are saying it is not possible to restrict the use of potable water or give priority to affordable housing?

Ms. Soon: No, that is not what I said. I said it is not possible to prohibit it, going to second homes.

Councilmember Yukimura: But how about giving priority?

Ms. Soon: It is really not the kind of way the decisions are made at the Department of Water. Someone comes in for an application if they have met all of the criteria, they either get it or they do not. It is not segregated according to whether it is local housing or second home housing.

Councilmember Yukimura: Because that is how we do it now, but is there another way of doing it? Have other communities done it in another place?

Ms. Soon: Not that I am familiar with.

Mr. Dahilig: What can be done is say, for example, if the Council or let us say the Department of Water would have come in and make an investment in expanding the system, they could receive FRC credits that could be used for its affordable housing projects that are meant for local housing. There are many paths to try to do this, but as Cheryl explained, the intake system in the way that the Department of Water handles it does not discern one way or the other, but there are methods to meet your objective.

Councilmember Yukimura: What about Davis, California's system where they have a growth management system so they only give out so many permits for the next three (3) years. They say, "We are only going to have so many houses in Davis, California and we are only going to give out so many permits for housing." Then they say, "All you developers, you come and bid for these permits," not by price, but by points so the developments that have more affordable housing that have energy efficiency, that have bikeways and so forth, they are the ones who get the permits by this competitive system. If you then insulate the housing from speculation and resale into the market, would that not be a way to direct the resources to affordable housing?

Ms. Soon: It would seem to me that if it is on a bid prices that the locals are probably are going to be at a disadvantage.

Councilmember Yukimura: It is not bid prices, it is points based on the things that are important to a community.

Ms. Soon: So far, the types of applications that the Department of Water has been receiving, generally one house at a time, they are not getting a larger scale request.

Councilmember Yukimura: For our Rice Camp Senior Housing, that was a big water permit thing. What is the name of that Hanamā'ulu triangle project?

Mr. Dahilig: The Hanamā'ulu triangle has about a couple of hundred units, but in...

Councilmember Yukimura: Right, so you do have those massive...

Ms. Soon: But not every month and not even every year.

Mr. Dahilig: So they meet a demand of...

Councilmember Yukimura: Well, they are going to be if we actually embark on a major housing production system so we can get to nine thousand (9,000) units in twenty (20) years, right?

Mr. Dahilig: Well, I think that again goes back to the initial question in the housing section, is what is the strategy behind trying to meet these deficits. What is clear is you cannot put all the eggs in one basket that there has to be a range of housing types of options that we are trying to chase to try to meet that instead of looking at just having these large tract developments as being the only means of obtaining that goal.

Councilmember Yukimura: So I asked the question last time to...and you may be in the process of answering it, but I wanted to see all of the proposed additional zoning or General Plan designations that are going to add to the potential buildout. Did we get the answer to that?

Ms. Williams: Yes, I believe that the response might have been delivered yesterday or today.

Councilmember Yukimura: Okay. Thank you. I will look it over tonight. If we go to map number 26, there is that edge of coastal rim slated now around Hanamā'ulu Bay for Residential. That is a new proposed designation and I do not think we are going to get affordable housing there, so can you explain why it is being proposed there? Mike, I know you tried to say that we do not have a choice, but I could not understand how you were explaining it, so maybe you have to do it again.

Mr. Dahilig: The reality is that what is underlying that area along Hanamā'ulu Bay is Urban. It is State Land Use Urban; it is not County zoning. Because of the State Land Use Urban designation, there is already a default amount of density that has to be allowed because of the State requirements. That is why as I described in the last meeting is that what these maps are also meant to do is describe the moving parts that are going on beyond what is within County control, that is why we also include the DHHL designations so that everybody knows that is

going on. What we do know is that there is development potential as a consequence of that being Urban State Land Use Designated, but we are not in and of itself promoting that as a means for more development.

Councilmember Yukimura: If you put a General Plan designation and it matches with the State Urban designation, then you are promoting it, because now they can come in for zoning.

Mr. Dahilig: Well, it is right for a discussion point if you feel like it should be taken out, but we are also trying to be realistic in demarcating what are the development potentials that are out there that are beyond the County's control.

Councilmember Yukimura: It is not a development potential...if the County designation stays Agriculture, then it is not going to be a development potential.

Mr. Dahilig: Not necessarily. Again, that is...

Councilmember Yukimura: How can they get it without a County General Plan and zoning?

Mr. Dahilig: Because the base layer is State Land Use Urban.

Councilmember Yukimura: I do not understand.

Mr. Dahilig: Yes, so I would refer you to Chapter 205 that talks about Urban.

Councilmember Yukimura: I would like to have our County Attorney.

Committee Chair Chock: He is not here.

Councilmember Yukimura: Can we do that as a follow-up question to the attorney so we know what the choices really are?

Committee Chair Chock: In regards to an amendment for this map?

Councilmember Yukimura: No, just to understand if we are going to leave it there, what we are doing and what is the consequence of it.

Council Chair Rapozo: I am just curious, what was the question?

Committee Chair Chock: A legal question on the interpretation on 205.

Councilmember Yukimura: Mike is saying that even if we do not put it in as Residential in our General Plan that they can urbanize it anyway and I do not understand that. I do not know if that is legal.

Mr. Dahilig: There is a certain level of urbanization that is allowed because of the State Land...

Councilmember Yukimura: So let us have our attorney explain that.

Ms. Soon: That is also what is reflected in the Līhu'e Community Plan that was adopted by the Council in 2015.

Councilmember Yukimura: Okay, so that is an inconsistency...it would be an inconsistency between the General Plan and the community plan if we did not change it.

Council Chair Rapozo: It would be a consistency...

Councilmember Yukimura: If we did not change it.

Council Chair Rapozo: No, if you...

Ms. Soon: If you do change it, it is an inconsistency.

Council Chair Rapozo: Right now, it is consistent.

Councilmember Yukimura: Okay, if we changed it from what it is right now, as proposed.

Ms. Soon: Two (2) things, just for clarification: what is shown on the screen right now is the existing General Plan compared to the proposed General Plan.

Councilmember Yukimura: Yes.

Ms. Soon: The proposed General Plan now is identical to the adopted Līhu'e Community Plan map.

Councilmember Yukimura: Yes.

Ms. Soon: If we changed it, it would be a change from the existing General Plan, correct. But if we changed it, it would become inconsistent with the community plan.

Councilmember Yukimura: Right.

Committee Chair Chock: Any further questions on infrastructure? Members? No more questions? Okay. Thank you so much for being here, all of you. You folks can probably leave and you folks probably may not. You are here for the long ride. I do not care if you lost your voice. Here is what I would like to do, we have about half an hour left or less. As I mentioned before, part of what I wanted to do is get us a little more focused on amendments as much as possible. The majority of the

intention and focus has been from a community coalition who have presented already have shown that there are some amendments they would like to move towards. I would like to give them some time, and then go into questions and answers with them just for the remainder of the day. At this time, we will keep the rules suspended. We have housing advocates for that group that I would like to bring up. I believe they are Taylor Reid and Jim Edmonds. Can you come up please?

Councilmember Yukimura: Chair, while they are coming up, could I just have Scott put this on the screen so that people can see the spread?

Committee Chair Chock: Is that the one you asked for earlier?

Councilmember Yukimura: Yes.

Committee Chair Chock: Okay. They have a presentation, too, so it might conflict.

Councilmember Yukimura: Okay. We can do it afterwards.

Committee Chair Chock: I have asked for a resource from the coalition since I get a little more focused, rather than the testimonies that go all over the place. I am asking for your indulgence in this, please. Do you folks have a presentation? Yes, okay. I believe this is a short presentation, about ten (10) minutes or so. Do you have something printed as well?

TAYLOR REID: *Aloha* County Council. Thank you for accommodating us today and for all of your continuous hard work, patience, and attention, especially today. My name is Taylor Kaluahine Reid. This is Jim Edmonds and Greg Crowe. We, along with the Community Coalition Kaua'i (CCK) are currently working on amendments for the 2035 General Plan and today we would like to present some concepts and policies to consider regarding the housing sector. I am not expert, but a twenty-six (26) year old resource, born and raised on the north shore, and a graduate from the University of Hawai'i at Mānoa. We all know that there is a housing crisis here on Kaua'i and gentrification continues to increase worldwide, and before Jim and Greg get into some of the ways we can bring solutions in both micro an macro ways to the housing crisis, I am ultimately up here to introduce myself, represent those in the community who are affected by housing costs, especially friends of mine with good, steady jobs who were bought out of their house and are now opting to live in their car until something else comes along, and to show there are young and eager local people like myself who deeply care about Kaua'i and I strive each day to come up with creative ideas and actions that could help with this housing crisis. Thank you.

JIM EDMONDS: I am Jim Edmonds. We are going to try to make this as efficient for you as we can. Mostly everyone in this room knows the problems. We hope to be able to help you bring solutions. I do not have to run through what causes homelessness, but we are just wondering if this island is going to be able to avoid what most of the world is facing right now. It is going to take a lot of planning and a lot of consideration and you folks are working really hard on it and we

appreciate that so much. Are there good options that would work on Kaua'i? We believe there are. We believe that by using careful planning, smaller homes and tiny homes in various communities, we can go back to the plantation communities that everyone...anytime I speak to people about plantation communities, they usually put their hands over their heart. The General Plan 2000 identified affordable housing as a high concern, but the problem is, is that it did not provide any strategy or measurable goals and the results of that is our affordable housing stock has actually declined. It has turned from a problem into a crisis. What we are trying to avoid is having the General Plan 2017 also just identify affordable housing as a high concern, but to offer no strategy, no goals, and no funding or monitoring. So unless we can identify more effective approaches, we are concerned that we are going to be stuck into a crisis. What are truly affordable housing solutions? You can all read affordability as a complex situation; we know that. It requires these steps and it requires these steps to be...as far as we are concerned, mandated through the General Plan. Now, we all know that the General Plan is supposed to be regulatory. We are going to discuss that a little further down. Let us talk about some of the solutions. You folks are looking at infill solutions every day and we do not need to tell you about those options, but we do consider them to be one of the most important things that we can look at very carefully. These are just examples of what other communities are doing with infill, taking elegant old commercial buildings and developing them into tiny apartments, micro apartments, and things like that. So what are other solutions? A lot of people are trying to solve this problem all over the world, all over the country: multi-storied apartments in towns of course requires greater zoning for higher density; new truly affordable communities, we are going to offer some suggestions for that; tiny homes and micro apartments, we know we are all talking about that and hopefully we will be able to make some progress on that lane; then of course, state-of-the-art construction techniques. It looks as though they are going to change history very soon. These are different suggestions of ways to actually begin to implement these. We are going to give you these in writing tomorrow and I am sure you will all memorize them and get ready for our pop quiz. But how in the world do we pay for all of this? Well, we are working on that really hard and we would like to say to you that if we can identify...we are working to identify projects and we are working to identify the way to finance them. Social capital investment is often known as "crowd funding." It has kind of gotten a bad name, but it is actually working really well in terms of providing funding in various towns and we will have some examples for you...we wanted to keep this short...obviously grants and other sources. I wanted to take a minute just to talk about a four-letter word, the word "bond." I know most government people go, "Okay, how are we ever going to repay these bonds. We do not want to get into them. We cannot increase the debt of the island." If bonds are used for infrastructure and many of the various functions that we have to use them for, it just becomes an outlay; it just becomes a total cash dream. With housing, in my experience, I am a minor developer, but I do have a lot of experience with it. I have learned that there is enough profit in housing that if the government is able to use bonding to provide housing, there could be enough profit there to pay it off fairly quickly, and short-term loans do not cost nearly as much. So basically our goal is to work with the Councilmembers, and hopefully the County Attorney, to design an amendment to the General Plan that will set specific goals and priorities and compel action regarding the affordable housing emergency. We know that this is controversial. We understand that the General Plan is thought not to be a regulatory

document, but Hawai'i Revised Statutes (HRS) Section 226.58 states that not only general plans be formulated with the general public, but in B(1), they will contain objectives to be achieved and policies to be pursued and all other matters necessary for the coordinated development of the County in regions within the County. They will contain implementation priorities and actions to carry out policies. We do not want to be controversial. We do not want to push the envelope. What we want to do is get the ball rolling. We want to figure out what will work. The only thing we want to do is what will work. Some of the items that we are considering to offer as an effective amendment to the General Plan. For example, the current GPU first objective says, "To increase housing opportunities for low to moderate income households. We suggest that that be written, "The County of Kaua'i shall place as its highest priority the development of truly affordable housing to increase housing opportunities for low to moderate income households. The County shall ensure the development of no less than eight hundred (800) units of truly affordable housing by 2021 and eight hundred (800) more units by 2025. These numbers will be reevaluated and increased. The County will develop and/or facilitate the development to provide at least seven thousand five hundred (7,500) more housing options for low to moderate income households by 2035. Again, we do not want to be controversial or push the envelope, but we just need to get the ball rolling. When we say "you will do it," we are hoping that we can help you figure out how to do it and you will open it up to the community for suggestions. Here is another sample amendment that we will provide very soon...we are working on this, but we probably have one hundred (100) or more suggestions to the General Plan Update, so we did not want to bring in something that was half-baked. We want to hopefully run it by some of you and run it by the County Attorney before we finish it. This is a way to instead of going to increase housing opportunities for low and moderate income households, we will develop and/or facilitate building "x" number of houses. Put a fine point on it, so there cannot be any misinterpretation. We know what has happened. I was part of the effort to put together the General Plan 2000, which in the terms of affordable housing, sort of became a joke. So these are some of the suggestions. Like I said, this is several among at least a hundred that we have. I point to the yellow wording near the bottom there...we are not working to try to build houses on this island that can be flipped or houses that can turn into a cash machine for investors. We are forming a nonprofit...we are working really hard to figure out how we can control the future sales prices of these homes. How we can target them or prioritize them for local residents and how we can work to make sure that everything works for our local community. It is hard to define "local residents." Of course, we all struggle with that, but right now, we are playing with like ten (10) or fifteen (15) years of residency on the island, current, or those who grew up here and are trying to return from the mainland, because everybody on this Council, I would be very surprised if you have not heard the stories that I have heard about the people who cannot live here now. One guy I talked to said, "I have three (3) sons and they all make really good money, but none of them can afford to live here." We have all heard the sad stories of the people who spent a year trying to find a place to live and ended up living in a friend's garage at one thousand three hundred fifty dollars (\$1,350) a month, guesthouses being rented now for over two thousand dollars (\$2,000). It is scary. We call it a "gradual tragedy" and we know forty-five percent (45%) of the homes are being bought by off-island people. We just have to figure out a way to manage this crisis. One of the things we are suggesting is that we create a task force that is made up of members

of the various departments and including citizens, and we will figure out how we can do this. We are willing to work with the County Attorney, but that task force will have behind it, if not the force of law, at least some very sharp teeth, to make things happen, to meet deadlines, to be completely transparent to the public, and meet regularly. Can we get this done? If so, how? As I said, we will soon present to you a practical mindful amendment to the General Plan, but that will include certain things, like a workable law that requires developers to contribute their own fair share of building affordable housing in a win-win manner and supporting the truly affordable housing developers in their efforts to help, working to work with them, and form partnerships with them; rather than put restrictions on them, encourage them and inspire them. You guys can read the one that I would emphasize here would be the last two (2): a housing-first approach; if we continue to make housing a priority, but then nothing happens on it then we are going to be in the same situation in twenty (20) years, only in a lot worse shape. When I first moved to Kilauea, I think it was thirty-two (32) years ago, I was on the Kilauea Neighborhood board for many years and every time we tried to do anything, people would stop it and I finally just said, out of frustration, "If we do not do something, you folks are going to be spending one million dollars (\$1,000,000) each to buy these tiny little homes on Lighthouse Road." Guess what? We are within two hundred thousand dollars (\$200,000) of that right now. The cheapest house in Kilauea right now is six hundred thirty thousand dollars (\$630,000) and that has been the case for the last year. The local people are being shut out and we have to do something about it. We really appreciate your time. We are working to identify and complete truly affordable projects on the island. If you can help us find land or projects, we will do everything we can to help you find the funding and we really appreciate all of your efforts and we are willing to answer questions.

Committee Chair Chock: Thank you. We have ten (10) minutes left. I just wanted to check in with you, but thank you for putting that together. I am going open it up for questions for Councilmembers. Councilmember Brun.

Councilmember Brun: As far as the task force, we have that already going. We are just waiting for some legal opinions so we can continue.

Mr. Edmonds: I am on that committee and there are a lot of reasons we could be meeting besides the legal...

Councilmember Brun: Yes, but we are not. I have another question. You said that you were a minor developer. How much affordable housing did you folks develop over the last twenty (20) years or so?

Mr. Edmonds: I would have to go back to my records, but we did some...mostly what we do is develop land. We did represent and sell the affordable housing subdivision in Kilauea. That was forty-eight (48) units. I think probably around one hundred (100) units, some on Hawai'i Island and some here.

Councilmember Brun: No, I am just talking about Kaua'i.

Mr. Edmonds: Yes.

Councilmember Brun: Over ten (10) years?

Mr. Edmonds: Yes, about fifteen (15) years.

Councilmember Brun: I just got on the Council, but I think we pretty much did the most, our County Housing Agency did the most affordable units in a long time here recently.

Mr. Edmonds: It is amazing. I am so excited about the work you folks are doing. I do not mean to find fault or judge at all. We just want to try and help move it along further.

Councilmember Brun: I understand. I will keep my comments for later on.

Committee Chair Chock: Is there any questions? The presentation was a little broad, in terms of amendments and my hope is that we get to be clear so that if there are things that are surfacing where our community can meet with the Council, then we can have those discussions, if at all. Some of those things you mentioned are in different directions.

Mr. Edmonds: Yes.

Committee Chair Chock: Let me just open it up for questions.

Mr. Edmonds: We added a lot more specific until Council Chair Rapozo told us that there were millions of people watching.

Committee Chair Chock: Council Chair.

Council Chair Rapozo: If you could just go back to the second to the last slide. I just had a question on the first bullet point. It is about the mandatory...the workable law requiring a developer contribute their fair share of resources to build affordable housing in a win-win manner, supporting truly affordable. I guess just clarification on that, because I understood from the coalition that they were not supporting any development, so I see a little conflict there.

Mr. Edmonds: There are different opinions on the coalition.

Council Chair Rapozo: Okay. I see Anne shaking her head, but that is what I heard last week or two (2) weeks ago, was that there was no resort development...correct me if I am wrong...

Councilmember Yukimura: There was a moratorium that exempted affordable housing.

Council Chair Rapozo: Right, but that is exactly what was said, except affordable housing. But this is saying, "Requiring developers to contribute

their fair share.” I do not know how a developer of affordable housing is going to contribute their fair share of affordable housing. What do you mean by that I guess is what I am trying to get at? What do you mean by that?

Mr. Edmonds: What we are doing is we are trying to change the paradigm of development. It is not an easy thing to do and we do not have all of the answers. But to set it up so that the County and the developers are working together to identify projects and make them happen, rather than waiting for the developers to bring in projects that they can make huge amounts of money and do as little affordable development as they can.

Council Chair Rapozo: We have a thirty percent (30%) requirement now.

Mr. Edmonds: Right.

Council Chair Rapozo: So I am not sure what you mean by that.

Mr. Edmonds: Basically, that thirty percent (30%) has pretty much...

Council Chair Rapozo: Should be more?

Mr. Edmonds: Excuse me?

Council Chair Rapozo: Should it be more?

Mr. Edmonds: No.

Council Chair Rapozo: I am not trying to be difficult. I am just trying to understand.

Mr. Edmonds: I understand and like I said, this is not expert testimony, this is us trying to help. Basically, if any of us were experts in affordable housing, we would not be in this situation, if anybody were on this island. Basically, we are looking for answers, and with the developers, there are ways to inspire them to work with us and to give them support, rather than to give them a mandate. There are people who do one hundred percent (100%) affordable housing and if you can get them to do it, then we basically should give them everything that we can to support them and encourage them.

Council Chair Rapozo: I think Mr. Crowe has some wonderful examples. I met with him the other day and there are some great possibilities and opportunities. For me, the confusion was regarding the developers.

Mr. Edmonds: Right.

Council Chair Rapozo: Because what I heard was that there was a moratorium of what was being requested until we finish what is already in the books. We can clarify that later.

Mr. Edmonds: Yes. It did not have to do with affordable; it was mainly for resort, right?

GREG CROWE: If I may respond a little bit...

Council Chair Rapozo: I asked the question two (2) weeks ago about residential development and the response I got was that the moratorium was going to be across the board. That is the response I got. Whether that was miscommunicated or not, I am just saying what I heard, so it was conflicting kind of with that position. I got it and I tend to agree that that is really the way we have to go. Thank you.

Committee Chair Chock: Thank you, Chair. Councilmember Kaneshiro.

Councilmember Kaneshiro: It is just a comment. It would be easier if you put it in a format similar to the General Plan as far as permitting actions and code changes. When it comes to an amendment, do we want it in here or not? I think a lot of these are kind of addressed already as far as working with landowners or getting affordable housing units out of it. It may not necessarily be using that language and just saying, "Yes, we agree. The language accommodates for it."

Mr. Edmonds: We will have a complete amendment before too long.

Committee Chair Chock: Thank you. Councilmember Yukimura.

Councilmember Yukimura: I just want to put this graph up, if I might?

Committee Chair Chock: Is that your only copy?

Councilmember Yukimura: No. Yvette, do you have it? I did do the calculation, too.

Committee Chair Chock: As they put it up, let me just say that we will be meeting back tomorrow with public testimony at 8:30 a.m. and continue with questions in housing, and then continue with questions in infrastructure before we move to transportation.

Councilmember Yukimura: Thank you.

Mr. Crowe: If I may, as that is being put up, may I finish answering to Chair Rapozo's point? Just to clarify, the Community Coalition did say that it was not just across the board, flat moratorium. There were exemptions for certain things like affordable housing and a couple of others that were listed,

specifically. Then as he mentioned, he and I met last week about some other innovative ideas that are working elsewhere where it is a partnership between government, private for-profit corporations, and nonprofits, including the local developing crews and trade unions who all cooperate together to do innovative projects to create a lot of affordable housing. So it is not saying in the form that has been used previously of an exaction of thirty percent (30%) from commercial developers that they have to fit in somehow into their high-end developments. This is bringing them in in other ways and the win-win scenario for their other incentives that can be done, including the good community service and the public relations that get valued, like many of the corporations do very wonderful, charitable works because it is part of their mission and also frankly just part of their public relations that they do. There are places that are doing it, including for example, one example of that is the City of Seattle, who has implemented many of these strategies and they now have a track record proven where they are creating more affordable housing units year-by-year instead of losing affordable housing units as we have been doing here. Even larger cities and on a percentage basis, their problem is about the same as our problem is here. So it is working there for them and it can work here for us.

Committee Chair Chock: Thank you. Councilmember Yukimura.

Councilmember Yukimura: I just want to call your attention to this chart, which I believe was done by SMS. It just shows where the housing need is. If you add it all up, it is about nine thousand five hundred (9,500) units and if you add up the one hundred twenty percent (120%) of median income and lower, that is four thousand three hundred twenty-three (4,323) units over a total of five thousand two hundred eighty-seven (5,287). So eighty-two percent (82%) of the housing need is at one hundred twenty percent (120%) of median income and lower. That is where the greatest need is. You look at the fifty percent (50%) and lower and that is what feeds into the homeless and houseless. If we are going to use government resources and so forth, we need to really address that. So your emphasis on low and moderate income, I believe, is a good one, and it is, in fact, our existing General Plan. It is not to say that we could not address the others one hundred twenty (120) and over, but rather than build units, we might look at buying down interest, like my sister and brother-in-law did in Seattle. The Seattle government helped them with financing and other things, rather than building units for them.

Committee Chair Chock: Okay. I have to stop us here. It is 4:30 p.m.

Councilmember Brun: Can I have a copy of their presentation?

Mr. Crowe: We will have it for you in the morning.

Councilmember Brun: Okay. Thank you.

Committee Chair Chock: Thank you everyone. I appreciate your time today and also thank you to our consultants and Planning Department. We will recess at this time and be back at 8:30 a.m.

There being no objections, the meeting recessed at 4:30 p.m.

10/26/2017
SPECIAL PLANNING COMMITTEE
MINUTES
ON BILL#2666
(GENERAL PLAN UPDATE)

MINUTES

Special Planning Committee

Honorable Arthur Brun
Honorable Arryl Kaneshiro
Honorable Derek S.K. Kawakami (*present at 2:11 p.m.*)
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Mason K. Chock

Excused: Honorable Ross Kagawa

The Committee reconvened on October 26, 2017 at 8:35 a.m., and proceeded as follows:

Committee Chair Chock: Good morning everyone. Welcome to the Special Planning Committee Meeting. We will call this meeting back to order from its recess. At this time, Thursday morning, we are going to start with public testimony on the topic items that we have on the agenda for today. Those topic items are: Critical Infrastructure, Housing, and Transportation. Clerk, do we have anyone signed up for public testimony?

SCOTT K. SATO, Deputy County Clerk: Yes, we have two (2) registered speakers. The first speaker is Glenn Mickens, followed by Kathy Valier.

Committee Chair Chock: Mr. Mickens, you are up.

There being no objections, the rules were suspended to take public testimony.

GLENN MICKENS: Good morning, Councilmembers. You have a copy of my testimony and I hope you pay attention to it, and whether you agree with it or not, I hope you will give me your input someplace along the line. This update of the General Plan includes housing infrastructure and transportation. For me, these are two (2) of the issues that must be addressed: for transportation, we are still beating on a dead horse, to raise our General Excise Tax (GET) to pay for more buses and to pave our long deteriorating roads. I said it before and I will say it again—find out where the waste is in our system. Where is it going? Then we will not have to raise our taxes. As Councilmember Kagawa said, “Stop going after the bells and whistles,” like the Hardy Street project and so many others, and use the time and money for our priority needs. Councilmember Yukimura recently said that we have sources of money other than GET, like the gas, the weight, the registration fees, and utility taxes designated for our roads. This is very true. But of the seventeen million dollars plus (\$17,000,000+) we are taking in from these sources, Ed Renaud and his crew are getting about one million two hundred thousand dollars (\$1,200,000), so let us find out why the bulk of those funds are not going to our roads, where they are supposed to go, and give him what he needs to properly pave these roads. Again, please carefully read that five hundred nine (509) page report we had done for two

hundred thirty-three thousand dollars (\$233,000), as it does not just recommend streamlining our existing bus system, but greatly expands it and will cost millions of dollars to implement. Until those in authority in the public involved with the long-range General Plan Update admit that the private vehicles will continue to be used over any other means of transportation and must be paramount in our traffic solutions going forward. The problem will remain and only get worse. The majority of the people who live here will continue to use their vehicles and the mass of the visitors will rent cars, so all of that and cane haul roads must be opened if corrections are to be made. It has been said that doing nothing about traffic is our best option since wider lanes and alternate roads will only bring more cars to these roads. For eighty (80) years, we basically had one (1) road going around Kaua'i, doing nothing but building more roads and the problems of traffic is here and vehicle usage increases. The lack of building them was the cause. We cannot stop people from coming here and living here as long as we live in a democratic society, but we can put a moratorium on large multi-units being built until infrastructure is first put in place to handle it. We failed to put infrastructure in place years ago and that is why we have the traffic mess we have today. We do not need more studies and plans of what needs to be done, but just actions to do them. Again, I hope you will be good enough to read this carefully or listen to me, and somehow by phone, E-mail, or whatever, give me answers. If I am wrong, tell me I am wrong. If I am right, then say, "Hey, we will do something about trying to it." Thank you.

Committee Chair Chock: Next speaker, please.

Mr. Sato: Our last registered speaker is Kathy Valier.

KATHY VALIER: My name is Kathy Valier and I am from Wainiha. I was one of the millions that were watching yesterday from Wainiha in between work, so I know what a long day you have put in. I was born and raised on O'ahu. I have lived here since 1979 and my educational background is in Environmental Planning. I think most of the things that I want to say about critical infrastructure today are based on just common sense and my experience, which is probably where most people come from. Domestic water, on page 137 of the plan, is encouraging alternatives for non-potable water usage such as rainwater catchment and gray water recycling and I just want to point out in my experience, and I did confirm this this morning with Ed Doi at the Department of Water, that there are no dual water systems allowed on Kaua'i right now. So if you are on a water meter, you cannot have catchment. That is something that I think could be improved. Another thing that I talked about and confirmed with Laurie Better this morning was that for gray water for individuals, you have to have a tank and leach field, which is basically the same as a septic. So it really is a disincentive for people to recycle their gray water, rather than have it going to any kind of waste system. On wastewater and septic systems, the plan calls for wastewater solutions on Kaua'i, Kilauea, but Hanalei and Hā'ena are not mentioned. I talked to Maka'ala yesterday and she said that they have their own plan for the Hanalei water area, but because it is so low-lying and is on sand, it is a real problem and I think that needs to be addressed, ideally because the effluent goes right out into the bay. I talked to Carl Berg and he is saying that the levels of pollutants and people indicating bacteria are way beyond what the State Department of Health allows that it does not make sense to allow any

building permits in Hanalei, given the current situation, until the sewage system, and the same is true in Hā'ena, until the current situation with treatment can be remedied. I also suggest that the building permits not be allowed where septic systems are going to be rendered not functional in the next time period, once sea level are going to go up five (5) to six (6) feet. In solid waste, I would really like to see that facility down in Līhu'e used for making materials available to the public, reusable building materials, and work with partnership with private people, like the restore in Kapa'a and also in Hanapēpē that actually can take materials out of the waste stream. Thank you very much.

Committee Chair Chock: Thank you. We did receive your written testimony as well.

Ms. Valier: Okay. Good. Thank you.

Mr. Sato: The next speaker is Felicia Cowden, followed by Annie Frederick.

FELICIA COWDEN: I have hoped that the staff person...Felicia Cowden, for the record...I had asked to have page number 121 put up, but you folks can turn to it. That is on the houseless population. There are many issues I care about, but I have a high focus of this now. If we look at the action items on the right-hand column, there are two (2) action items that I think under-addresses how much of a crisis this problem is. So I would like to see, perhaps, two (2) more action items on that page. Action item 3, which has been discussed by the Council, is to create regional safe zones. I think if there were three (3), preferably four (4) safe zones—a little bit higher up on page number 121, just a little bit higher, under A action item—that safe zones could be there, like Vidinha Stadium, that area near Lydgate, near what they now call the "Bynum Bridge" is a good area because there are nice showers and quite a lot of space there. I would like to see that parks have like a nighttime person that actually works these. You could arm them with a guitar or something like that. Arryl, are you listening?

Councilmember Kaneshiro: I am listening.

Ms. Cowden: Okay. Well, you are on your cellphone. I think that would be a good way to be dealing with some of the problems that we are having. Item number 4, I think, would be something that would also couple in with a partnership, and that is to allow for Good Samaritans in neighborhoods. I live right on the pathway of the houseless, so I end up with people in my garage for one (1) or two (2) months and they are always decent people. I sit there and live in fear of having them in there that somehow it is going to adversely impact me on my tax base. I have never rented to them. I think that it would be really good if there was some way that the County could work with an organization where people can be somewhat Good Samaritans, because people are living in parks throughout there in the dumping rain. Most of them have just had a setback and they are not bad people and I think that we can work with people in communities that are willing to have them in there for three (3) months, and then you help the homeowner as well if there is a

limit. There can be either a financial match or there can just be some sort of element in there that helps the homeowner. Anyway, I can go deep on it. Thank you.

Committee Chair Chock: Thank you.

Mr. Sato: The next speaker is Annie Frederick.

ANNIE FREDERICK: Good morning. Annie Frederick, for the record. In regards to the transportation sector of the General Plan, I would like to summarize some feedback from participants in the recent Community Coalition of Kaua'i (CCK) meeting. While the transportation sector of the General Plan does a good job to incorporate many of the recommendations from the multimodal plan, it does not prioritize targets for achieving some of these goals as clearly and as explicitly as the multimodal plan does. The multimodal plan and recent technical update set forth clear targets for decreasing single-occupant vehicles and increasing other modes of transportation. Currently, these goals are buried in the actions of the plan, rather than serving as policy objectives to drive actions. In addition, goals for reducing greenhouse gas emissions found from land transportation should be included in the sector for consistency with the goals and the energy sustainability sector of the plan. Wherever possible, we should also strengthen language around increasing safety for all modes of transportation. Our group is in the process of finalizing some proposed amendments for the transportation sector and will submit those shortly. Thank you for your consideration.

Committee Chair Chock: Thank you.

Mr. Sato: The next speaker is Tim Kallai, followed by Hope Kallai.

TIM KALLAI: *Aloha kakahiaka*, Tim Kallai. Great to see you here. Thank you so much for doing this once again, always. I am here to basically talk about one topic only and that is about the inclusion or wishing to have included in this document, the General Plan, pertaining to the Department of Hawaiian Home Lands (DHHL) and the properties of Wailua Nui A Hō'ano and how basically it has been overlooked in the document and I think it should be inclusive of this. DHHL has been working on this plan since 2010 and I am not quite sure whether they have that here. You have one thousand six hundred (1,600) Native Hawaiians who are on waitlists, seven hundred (700) of which could be placed onto the *āina* there at Wailua. If you look at the amendment down below, it basically says it, "Work with DHHL to ensure that that regional plan is inclusive in our General Plan." I think that is a very simple thing to look at and to also incorporate and please have acknowledged. They have been working extensively on two (2) exploratory wells, trying to get water for them so that they can develop this area. I think it is quite important that we do this. Of all and if any of the priority being set forth, I think that the host culture, *kānaka maoli* should have a preferential priority with this. They have been waiting for decades to help this. I think that we can ensure that they have a place to reside on this island of Kaua'i. I believe that is why people such as tourists come. They want to still see and have that feeling of what is still left throughout Hawai'i Nei, as to the feeling and seeing what it is to have that breath of *aloha* and I think that we can

simply put that out there for them. It is the most preferred residential home-staying place that they have there; to secure a water source, that is critical and vital. With that in mind, too, it is evident that when they do start developing this, and as they do that, they will also have issues that that will overlap or get into transportation elements as well, too, like infrastructure. How are we going to deal with that when there is only one place that comes out onto the highway? With that in mind, please, just take a look at this and have it included. It will be greatly appreciated. Thank you.

Committee Chair Chock: Thank you.

Mr. Sato: The next speaker is Hope Kallai.

Committee Chair Chock: We did get a response from DHHL and we will be preparing some of the amendments based on their response for that area.

HOPE KALLAI: That "B" thing can be inserted as an amendment to "A." There was only "work with DHHL" and "B" is to just put the Anahola or the Wailua 2009 in the bibliography and insert it in the plan. It is easy. Just include it. This is the water one. This is my personal one, right? These are my three (3) minutes, right?

Committee Chair Chock: Yes.

Councilmember Yukimura: Can you please state your name?

Ms. Kallai: Hope Kallai. This is my personal testimony, not the coalition's. What I am asking for is these two (2) documents to be inserted—there are two (2) on the right—to be inserted into the plan on the left. The top one on the right is the Infrastructure Assessment that I believe was SSFM's one, too. The bottom one is the Department of Water, Water Use Development Plan Update that I cannot seem to find the status of. The Department of Water came to KNA in 2015 and did this presentation, so everything that has a blue background is from that. Their goals and objections, I totally honor, but it is the gap between the sources and the planning document that is being prepared now. All land use planning is so dependent on water. These are from the Department of Water and they presented actually two (2) different timelines from the preparation of this document, all of which have passed. I think that the General Plan needs this Water Use Development Plan inserted into it, because our Water Plan 2020 is seventeen (17) years old. You folks would not buy a seventeen (17) year old car without having somebody look at it. Come on. So the underground aquifers...this one is going to get kind of tricky. The pink is what I am most concerned about, because the development future is planned for Wailua, Hanamā'ulu, Kōloa aquifer hydrologic units on this map, the bottom three (3) pink ones. Let us see...right now, we have thirteen (13) disjointed water service areas, nine (9) of them are County, the other ones are private ones, and if you overly the hydrologic units...if I can make this work...can you make it advance? It is stuck. There. Got it. There is one (1), two (2), three (3), four (4), five (5) hydrologic units in what is called the "Līhu'e Aquifer." Commission on Water Resource Management (CWRM) has updated the...

Mr. Sato: Three (3) minutes.

Committee Chair Chock: Sorry, it looks like you have a long presentation here.

Ms. Kallai: Actually, I only have a couple more, but what I wanted to talk about was the Waiahi Surface Water Treatment Plant, because I keep getting banged on that one...

Committee Chair Chock: We have other opportunities for you. I am sorry that you ran out of time on this one.

Ms. Kallai: Okay. Can somebody else finish?

Committee Chair Chock: People can sign up for public testimony, as it is their three (3) minutes. I would encourage that if you have more to share, then we can keep a copy of your presentation and we can also meet separately with all of the Members.

Ms. Kallai: I wanted to address Councilmember Yukimura's question about Waiahi. This is from the infrastructure assessment.

Committee Chair Chock: We can do that separately. We cannot do that in public testimony. If I start to allow you to have additional time to...

Ms. Kallai: Okay. This was the source.

Committee Chair Chock: Okay.

Ms. Kallai: She asked me where I got those figures and it was from this page in the infrastructure assessment that the three million (3,000,000) gallons serves fifteen thousand (15,000) people and I just think it is important enough to be included in the General Plan.

Committee Chair Chock: That is an infrastructure question. We can bring that up later.

Mr. Sato: The next speaker is Joe Rosa.

JOE ROSA: Good morning, Members of the Council. For the record, Joe Rosa. In the General Plan, there are things that...I do not know...you have people in the Planning Department that have no foresight. Already there is talk of noise at the Molokoa Subdivision because it comes up when you have the County Fair, football...there is not enough parking space as it is over there. I am on the subject to get to the main topic—they talk about housing. I emphasized previously among my testimonies, "Where are they going to put housing in the area where the refuse collection station is?" They might have an odor problem from the plant coming out there. Secondly, the noise from those planes coming in and taking off. It is a

problem with the Hanamā'ulu people. These people do not know that there are problems out there and they are going to shove things in an area where there are problems. Are they going to move the Līhu'e Airport away from that because of noise? No way. They do not have people that think and have foresight. I have lived here eighty-five (85) years and these are the things that I have lived and learned from. A lot of these people...I do not know...they do not even think about it. I always say that I worked in the State and all kinds of things used to come up in our office. People complain. It is a problem, yes, but they do not do anything because they do not set their priorities around the place here. They make a general plan, but where is the priority? What is the priority? Right now, I see priority in one of the things and it is infrastructure. It is a State problem. The County should work with the other legislators in the State and have Department of Transportation people here. They should be at these meetings and stuff. Where are they? How can we solve problems? What is the major problem for all of you seven (7) Members of the Council? Is it not infrastructure you are hearing time and time again? It is not the bike paths or anything that set the County back ten (10) years on the road system and they are talking about it again—it is going to set back another ten (10) years? That road system is not even completed from what I know from people. How can they do such things? You Members of the Council should get those people in the Planning Department and ask them what they are doing. Like I said, sixty-five (65) years ago, the *mauka* arterial structure was planned by the State, along with Kapule Highway...sixty-five (65) years...I started working sixty-five (65) years ago...

Committee Chair Chock: Thank you so much. Three (3) minutes.

Mr. Rosa: Each individual Member of the Council, it is a top priority.

Committee Chair Chock: Thank you.

Mr. Rosa: Work by your priorities. Thank you.

Committee Chair Chock: Thank you.

Mr. Sato: There are no further registered speakers.

Committee Chair Chock: Is there anyone in the audience that would testify who has not yet? Now is the time to come up. We will be going back into the individual topics, so this is your last chance. I think everyone has spoken here. We will call the meeting back to order. Yesterday, Members, we were on Housing. We had presentations from consultants as well as the public, and we are on questions and answers. I would like to wrap this question and answer period up. If there are any questions for anyone else? If not, we will move towards discussion on housing. Housing questions? Councilmember Yukimura, did you have questions? Just while you prepare, I do not see the Housing Director here. We have the Planning Director and I see Mr. Edmonds here from yesterday as well. Just one comment that our Housing Director did make yesterday is that in the consultant's plan, there was a clear guidance as to what the plan should include and what it should not. From the Housing Director's perspective, a lot of their plan and the things that they think they

are working on is within their scope of oversight. She said that she could have that provided as well. If that is an interest to you, she could have that over in writing, is what she said. I just wanted to offer that to you as well.

There being no further registered speakers, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: In response to that, Chair, I think the Housing Agency's plan needs to be essentially aligned with whatever is in the General Plan, so it would be important for us to at least know what the Housing Agency's plan is?

Committee Chair Chock: So I guess you want that and that is what she said she has.

Councilmember Yukimura: Yes.

Committee Chair Chock: Okay.

Councilmember Yukimura: She should be here to present it so that we can hear it and ask questions about it.

Committee Chair Chock: Okay. Why do you not ask your questions and we can make a request for her to be here if you have specific questions for her.

Councilmember Yukimura: Okay.

Committee Chair Chock: Go ahead.

Councilmember Yukimura: Okay. Good morning. I would like to talk about the homeless issue, which is on page number 121 of the General Plan. "Support Implementation and Update of Kaua'i Houseless Solutions Summit Plan." Is that an actual document?

MARIE WILLIAMS, Long Range Planner: I think it is. I know that it is basically the results of the summit that was held, I think, two (2) years ago, that there were a list of ideas that came about from that, and because it was the first time the County did something like this, there was thought that it is something that is so important that we could bring all of the partners, including the County, together to continue looking at this and that would be a positive future plan.

Councilmember Yukimura: A list of things is not a plan and it is read as though it is a document. If it is a document, it is something that I think everybody should be able to look at. Can that be made available?

Ms. Williams: Yes, we can clarify that.

Councilmember Yukimura: Okay.

Council Chair Rapozo: I have a follow-up on that.

Committee Chair Chock: Sure.

Council Chair Rapozo: Do we know if that exists?

Ms. Williams: Off the top of my head, I do not have that answer, but if it is in the plan, I am pretty sure that there is a document we are referring to.

Council Chair Rapozo: Okay, because I participated in the summit and I do not recall...I think it is exactly what Councilmember Yukimura said that it was a lot of discussion and really kind of just informal discussion. Committee Chair Chock was there, too. I do not recall it ever being finalized or formalized into an action plan, which is disturbing, because it was a lot of discussion on who can help and it was two (2) days. If there is one, maybe the staff can check if we received one, but I do not recall seeing it and I do not recall participating in that part of it. I would agree that if that does not exist and if it is just the notes and the minutes or the summary from that informal summit, then I do not think it belongs in the plan and I think we should probably focus on some action items that we can set goals and actually work towards. Maybe I just never received it or maybe I forgot, but staff can follow-up on that. I agree that if it is not a study or a plan then it should not be in the General Plan.

Committee Chair Chock: The Housing Director is on her way. She might have more insight on that. I know her department was able to speak to that when we brought the agenda item up here.

Council Chair Rapozo: Thank you.

Councilmember Yukimura: There has been a lot of discussion about Housing First, and that approach, it is known by the federal housing agencies as the best practice and it is actually enabling cities to have the goal of ending homelessness by a specific date. I think we saw a podcast about Salt Lake City actually ending homelessness of veterans. I think they actually achieved it. My question is would the Planning Department be amenable to including that as part of the action plan for homelessness?

MICHAEL A. DAHILIG, Planning Director: I think if you look at Section C.2., it implicitly recognizes that the time spent being houseless does have an effect on that. If you would like more pointed language concerning what is referred to, as you were saying, the Housing First approach, that certainly can be either amended or another paragraph could be added to focus on Housing First.

Councilmember Yukimura: What is your understanding of the Housing First approach?

Mr. Dahilig: Well, it is that "housing first" provides stability. If somebody is trying to stabilize their household life or their home life, the

ability to be able to be under a roof and not have to be exposed to what can accompany not being under a roof allows you to focus on other elements. So by providing that ability to either have a wet house or a dry house to be able to get the services they need for other elements of their life. That is what the philosophy has been behind Housing First.

Councilmember Yukimura: What is “wet house” or “dry house”?

Mr. Dahilig: A “wet house” is, for instance, if somebody is houseless because of substance abuse issues, they are able to get into a house without any qualification, as where in a “dry house” there are certain other restrictions concerning that. There is a variety of Housing First types of approaches, but they all fall under the general umbrella that you give somebody stability from a shelter standpoint and they can work on other elements in their life that they need to work on.

Councilmember Yukimura: So I believe you summarized it well. The stability part is the key part and that is through 24/7 support services, because it would be hard to find landlords to accept these homeless without knowing that if they went off or failed to pay rent or whatever it is, that the landlords would have to deal with that issue.

Mr. Dahilig: We agree and I think that is why the phrase “continuum of safe and affordable housing opportunities and supportive programs” is an effort to recognize that not one (1) glove to help somebody that is houseless fits all. Some may require family counseling. Some may require substance abuse, like I mentioned earlier. These are varied programs. So that phrase “supportive programs” is meant to recognize that our nonprofit and other state agency community that looks at these issues are able to tailor a specific continuum of supportive care for these individuals that are trying to get their life back together.

Councilmember Yukimura: You can have this partnership needs thing and say generally what happened; the question is who initiates and organizes this? Is that a responsibility of government?

Mr. Dahilig: I think that is a policy question for the Council to discuss. I think for us that is why we put it in Partnership Needs, because what is clear is that everybody has a stake in it, both from our private sector and our public sector and in terms of how things like our faith-based community, our nonprofit community, as well as our County Housing Agency, everybody has a hand in it. We did not take the approach that we needed to focus responsibility on one particular agency, rather recognize that this is a partnership that needs to be initiated.

Councilmember Yukimura: We could also, as a policy matter, state that the government, the County, needs to provide to that because it may not happen otherwise. Really, one of the powers of the County is its ability to convene and organize. So we could consider it as a major part of the policy statement, perhaps?

Mr. Dahilig: We are happy to review an amendment if you wish to make it more pointed in prescribing the role the County has in contributing to this issue.

Councilmember Yukimura: Good, because giving clear guidance and direction is really, I think, the function of the General Plan, so we will work on that.

Committee Chair Chock: Council Chair.

Council Chair Rapozo: Mike, single-resident occupancy unit, is that like a tiny home? Or is that a Housing question?

Ms. Williams: The SRO project refers to what might in the past have been a boarding house and you are seeing these more in cities, like San Francisco where they might convert an old hotel for example and basically it is a larger building where people can rent a single room and there might be a shared kitchen and shared shower area, but it is kind of meant to support those and getting them off the street and getting them into more permanent housing.

Council Chair Rapozo: And that is not allowed right now?

Ms. Williams: Well, we would want to look at the code and see that it is something we can encourage or what obstacles are in our zoning code to allow it.

Council Chair Rapozo: Just one more real quick, I think Mike and maybe even Kanani, have met or spoken to Mr. Crowe...I know Mr. Crowe is here somewhere. I do not know if you had a chance to meet with him. Have you folks had a chance to meet with him?

Mr. Dahilig: We have talked with him on many topics.

Council Chair Rapozo: Okay. I met with him one (1) week ago and he provided some documentation on projects that are going on on the mainland, which are very attractive that I would like to pursue. I am not sure where that fits in to the General Plan and I am assuming that we are going to see some amendments forthcoming, but I do not know...from what I read and what I have seen and a few communications that I sent out to these jurisdictions, it seemed to work really, really well. I am just wondering is that something we need to address in the General Plan itself.

Mr. Dahilig: If there are ideas that you would like us to take a look at to help craft amendments...

Council Chair Rapozo: Well, that is what I would like you to look at with Mr. Crowe because I think it is doable, number one, and I think it something that can be done relatively quickly if we choose to.

Mr. Dahilig: Okay.

Council Chair Rapozo: It does not take a huge amount of resources, I would say, but I do not know the Housing laws like you folks do. That is one option that I would like to see explored. If, in fact, we need to address that in the General Plan, I would ask that you help me with some language.

Mr. Dahilig: I would be glad to.

Council Chair Rapozo: Thank you very much.

Committee Chair Chock: There was an earlier question regarding B.1. and that is why we asked Kanani to come over, regarding the Kaua'i Houseless Solution Summit Plan. We have not seen it or I think I saw a summary, so I was just wondering if there is a document and how valid its inclusion is, because we have not seen it. I know you had given a report on what you folks are working on, but is there a document?

KANANI FU, Housing Director: So the Kaua'i Houseless Solution Summit Plan, what came out of that was the objectives and then actions.

Councilmember Yukimura: Can you speak a little louder?

Ms. Fu: Excuse me. There is no "report." There is a summary of what came out of the Homeless Summit. Is that what you were referring to?

Committee Chair Chock: Yes. It is in the plan and the question is, should it be in the plan if there is no real "plan"?

Ms. Fu: What has happened in the last year, and it is transpiring really fast as it pertains to homelessness, is that the Department of Housing and Urban Development (HUD) has actually come down with a lot of different requirements and a lot of parameters of the Housing First model. Though that was on the radar when we got together and did the Homeless Summit, it was not as in-depth or detailed as it is now. So we are trying to use...what we are having to do is adjust those objectives to fit within the HUD box and we have not completed that particular plan, I guess.

Committee Chair Chock: I do not know if that answers your question.

Council Chair Rapozo: No, that answers my question and that is exactly what I thought. So I think, in this case, with Councilmember Yukimura's comment as far as it is not a true plan yet; it is still a work progress. So how do we amend B.1. to basically say what it really is? I really believe that we need to work on that process and come up with a plan. If we are going to use the Housing First model...I do not think we should put a plan...I should not say that...I do not think we should put language in there referencing a plan that does not exist. I guess that is the easiest way to put it. I would love to support that and I think this Council would love to support it. Maybe that is something that we have to work collectively to get a

draft on this Council floor so we can basically adopt a plan and the language should reflect that...I do not know how...I am not a very good wordsmith... "Pursue the Kaua'i houseless solutions." I know it is *manini*, but yet for the general public reading this, they are going to ask for that plan and it does not exist.

Ms. Fu: If I could suggest, one thing that perhaps you may consider with the amendment is that every year we are obligated to do that point in-time count and perhaps that could be a priority for us to facilitate... Councilmember Yukimura talked about how the County's role is to bring people together and I think part of that point-in-time count, the County could perhaps be the lead to facilitate that point-in-time count, which we have discussed one (1) month ago, which we felt was inaccurate and missed a lot of people. So the more partners you have involved during this data gathering, I believe, we would have a better cross-section of understanding our houseless needs. What we recognize with the houseless situation right now is what works today, the methodology may not necessarily be the model that we will follow two (2) years from now, so we are constantly evolving.

Council Chair Rapozo: The reality of this entire General Plan is that what we bring up today may not be...

Ms. Fu: Yes, we want to keep it as broad as possible, I guess.

Council Chair Rapozo: So with a snapshot in time, I think that when we make a statement in the plan, it needs to be accurate, and right now, it is not. I would suggest that with Councilmember Brun's Committee and this body, Housing, and whoever else that we really come together and come up with a plan that has some action items that are tangible so that we can strive for something. Right now, again, it was a lot of discussion at the summit and a lot of people wanting to help, which is a good thing, but what we are missing are those action items that says, "Okay, you are going to do this and you are going to that, and we, as a County, are going to do this..." That becomes the plan and when that becomes available and ready, then the General Plan should reference that. At this point, I think it is premature, but I think it is something that we really have to work on. That is just my opinion. Thank you.

Committee Chair Chock: Questions? Councilmember Yukimura.

Councilmember Yukimura: Thank you. Just to piggyback on what the Chair has said, there has been this running conversation on Facebook with Felicia about this woman who is homeless, and there is, as the Chair said, everybody who wants to help, but there is no framework in which to help. People might open up a room if they could be assured that there is 24/7 service and if they know there is somebody to contact who can help them connect with people who need homes. There is all this random desire to help, but no structure and that is what I believe, as you recognized, Kanani, the County is in a position to provide. So a clear plan would really help to do that. I want to go on to the issue of affordability. I had a chance to read this article that SSFM, our consultant or Mike sent about Portland's anti-mansion compromise? One of the highlighted quotes was, "Conclusion:

Portland's main housing problem is that even its cheap homes are no longer cheap." It does help to go smaller and it is amazing to me that it is actually restricting the size of houses that people are able to build. There is an anti-mansion and that forces them to actually break down a large lot where they want to put up a mansion and make it into four (4) houses. It is a very interesting approach, but the question still remains, how do you get to the affordable level? So that is what my question is about this whole housing element in the General Plan Update—there is a lot of talk about how housing is so expensive on this island, but very little talk about how we are going to provide housing that people can afford. One of the things that came forward yesterday from the citizen input was to insulate the houses at least that the County provides from the market, not allow it to be resold into the market. I do not see any language about that and I was wondering if you would be amenable to some language about that.

Mr. Dahilig: On page number 115, Section A.5. We recognize that the preservation of the affordable housing stock is a key element to ensuring at least we have a base coverage for this type of product. If you feel that A.5. needs to be expanded upon further, then we can certainly explore broadening that language, but I think we were trying to provide it as broad as possible to say, "Look, we recognize that the current stock needs to be preserved," and how that is interpreted, I think, we want to leave that as a broad interpretation. If that needs to be narrowed, we can certainly help craft that language.

Councilmember Yukimura: Well, it is very important that we have something effective that does not have unintended consequences. If you go up to "plans and studies," you actually see that you have B.1., "Expand and preserve existing affordable housing stock through methods such as rent stabilization and rent-control policies." That is a very controversial methodology. There has been a running conversation in Hawai'i Business Magazine about that. I actually do not concur with this as a solution, so I do not really feel we should put that in if it is not a viable solution. What are the viable solutions? I think so far, the County has actually hit on and is using several techniques and they need to be highlighted so that we ensure that they are used. One is the leasehold. Whenever we require single-family homes, we do not resell them as fee simple; we sell them at leasehold, which means that people can purchase them for two hundred fifty thousand dollars (\$250,000), approximately. That is one. They come back if a family moves or gets market housing, because they are only paying thirty percent (30%) of their household income for the mortgage and they get into the market, then the home remains to be re-leased to another qualifying family. Then there is buyback, but thirty-year buybacks...well, let us take Kilauea...across from Kong Lung, they were ten-year buybacks and families bought them for two hundred fifty thousand dollars (\$250,000)—now, they can sell them for six hundred fifty thousand dollars (\$650,000).

Committee Chair Chock: Councilmember Yukimura, can I just clarify your question here; is your question about whether or not to keep this in or the liability of keeping this in, and if so, if there is an argument to what the specifics are that need to be addressed within this?

Councilmember Yukimura: I want to know if it is not to be kept in, what are the alternatives.

Committee Chair Chock: Thank you.

Mr. Dahilig: So Section B.1. is under the "Plans and Studies" section, so we are not recommending that it is or is not a viable solution. What we are saying is that something that needs to be developed as something to be reviewed. We are not trying to foreclose the possibility of any means to stabilize the affordable and workforce and entry-level housing markets. We are just saying that this is a technique that has been employed. In extreme circumstances in many jurisdictions across the United States, it has been found to be legally tenable; however, whether from a policy standpoint or not, we feel that more research is needed before we think that any type of action like that could be acted upon. To add to the second question concerning buybacks, leaseholds, or restrictive land tenures as a means to also keep things within the market, I think those are things that ultimately also have been employed and if there is language that you feel would help expand that scope of how the Housing Agency for County-purchased types of affordable housing projects would be better suited to be directed on how to handle the land tenure situations. We can certainly work with Kanani and her shop to help you with that.

Councilmember Yukimura: So you are amenable to amending? I agree with the intention, which is to expand and preserve existing affordable housing stock or availability and that we might expand or clarify possible ways to do that.

Mr. Dahilig: Certainly.

Councilmember Yukimura: Okay.

Council Chair Rapozo: I have a follow-up on that specific issue of rent stabilization. Is that something that we have explored? Is that something that is...I guess it is more of an attorney question...

Mr. Dahilig: We just know it is a technique that is employed. I do not know whether the Housing Agency or departments past have looked at this. We have not, from our department's standpoint, looked beyond just understanding that it is out there and has been used.

Council Chair Rapozo: It has been challenged...

Mr. Dahilig: Yes.

Council Chair Rapozo: We can just do it in writing and get the response, but again, if it is not something that we can do or not something we are willing to move forward on...I know there has been a lot of interest from constituents, a lot of information we have received, or I have anyway, regarding municipalities that have implemented these types of strategies. In some places, they work and in some

places they get sued. I guess it is something that we probably want to have the attorneys take a look at.

Mr. Dahilig: Sure thing.

Council Chair Rapozo: Thank you.

Committee Chair Chock: Next question.

Councilmember Yukimura: So just a follow-up, it is really not an issue of legality, it is really an issue of policy and impacts that—Kanani, do you want to say something?

KANANI FU, Housing Director: I wanted to be kind of clear. We separated and I think we purposely did not include within the Housing part during the comment period...the Housing Agency is currently negotiating with a contractor to complete what is called the “Residential Nexus Analysis Study.”

Councilmember Yukimura: What?

Ms. Fu: “Residential Nexus Analysis.” It is a study. So the City & County of Honolulu was the first to do it within the State and we are following suit and it will provide us with two (2) things—it will truly show the relationship between market housing and development and resident and resort development and the impacts it has on affordable housing. It will provide us quantitative data and a baseline for how we decide to move forward with amending our current Housing policy. In addition, we are asking for exactly what Council Chair has brought up, to look at case studies throughout the nation of instances where rent studies have been implemented in municipalities and the results, what can we do to protect ourselves from future lawsuits or litigation, and even going so far as to talk about impacts on leveraging different types of taxes on home sales and conveyance taxes. Until we get quantitative baseline data on all of these things, we are merely throwing darts in the dark and we needed to engage in the study so that we would have an understanding of what the true impacts are for this County. We are about nine (9) months from having the draft.

Councilmember Yukimura: I am sorry?

Ms. Fu: It will be six (6) to nine (9) months before we have something tangible in draft form for us to review, and then we go through the process of our affordable housing task force with Chair Brun and Councilmember Chock, in addition to the members and the public.

Councilmember Yukimura: Okay. Who is doing that study for you?

Ms. Fu: We currently selected them, we need to finish the procurement process for it and it is the firm KMA...I cannot tell you...hang on...I will get that for you.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Do you have more questions?

Councilmember Yukimura: Yes.

Committee Chair Chock: Okay.

Councilmember Yukimura: One of the things that is existing in our housing approach, which I am very proud of, but nothing is mentioned here and maybe it is because it is assumed, but is the homeownership courses, which trains families in budgeting and fiscal literacy...I know that was initiated through the work of former Housing Director Ken Rainforth with work across the State on it, because we have been putting people in affordable homes for purchase, fee simple and now leasehold, and they have been losing their homes because they have not been able to manage their budget. Kanani, correct me if I am wrong, but we require that before they get on our list as eligible families for purchase, they take this course, right?

Ms. Fu: Yes, you are correct.

Councilmember Yukimura: So I am just wondering if we can make it clear in this housing element that that is a very important part of getting people into homes, because then they also qualify for loans because they are able to keep their homes. Can we add that, too? I do not really like the four (4) action categories because you have to fit that in there, and that is why in a policy statement, addressing that issue of capacity of potential homeowners is a way you could just put it in a policy statement rather than an action. On page 115, number 4, "Establish a ratio for housing needs for workforce elderly and disabled," B.4. up there, I was not clear what that was moving toward to trying to say it is an action to take.

Ms. Williams: Part of this is related to the fact that as a County, we are starting to age and the number of households that will be sixty (60) to sixty-five (65) plus is going to increase and there will be different housing needs that we need to meet, so it is just acknowledging that we really actually have to dive a little deeper into this and see how new types of households that will form and acknowledge that they are going to need different housing types. Then from that, we will possibly need to amend certain plans or factor it into plans and possibly amend some existing laws, if need be. It is definitely pointing to a gap that we have and an area of study for the future.

Councilmember Yukimura: Maybe this example might help explain it. When we opened the elderly housing at Rice Camp, because we had a very active person on the Affordable Housing Task Force, Ellen Ching, who worked at that time for Easter Seals and she was concerned about housing for people with disabilities. I said, "In our elderly housing, did we set aside a few units for people with disabilities," and at that point, we had not and I was told we would maybe do it with our next project. Is that what you mean?

Ms. Williams: Yes, it could definitely lead to something like that where we have a better understanding of how to meet these different groups and perhaps develop targets in the future as well. Basically, it would inform how we do our future plans and projects.

Councilmember Yukimura: Okay, so you would be open to some amendments clarifying that?

Ms. Williams: Yes.

Councilmember Yukimura: Okay. Yesterday, one of the issues raised—I think it was by the community presentation—was the issue of capital. I was wondering where that is addressed in your housing element?

Mr. Dahilig: I guess as you said previously through the discussion last week, we have tried to abstain as much as possible from pre-committing our budgetary considerations as a means to direct how the budget appropriation process goes before the Council. I understand that inasmuch as a lot of this does depend on moneys that come in, we do not have the capacity to be able in the plan say, “The County shall outlay a quarter of a billion dollars in bonds for housing and housing infrastructure.” I understand the bonding question that you had yesterday was to consider the borrowing capacity of the County, but we have not gone through an analysis, nor did we think we needed to in the Land Use Plan, to be prescribing what financial means for the Council to actually employ as part of its appropriation discretion. We have not gone down the path of doing that. Whether it is or is not an option, I think that is certainly tenable what they are proposing, but whether it belongs in the plan as a means for meeting affordable housing and other housing types of needs, certainly if the Council wants to include that as part of one of the action items, we can certainly take a look at it, but I think we have tried to abstain from stepping into that realm of charting out what should be the budgetary prerogative of the Council.

Councilmember Yukimura: So we are doing a policy statement here, we are not doing an ordinance that says “you shall” or anything like that, as you have pointed out. The cost of a house, on the average, the cost of building a house is four hundred fifty thousand dollars (\$450,000). That has been verified over and over again as an approximate, pretty fairly estimated average. Eighty percent (80%) of our families are in the one hundred twenty percent (120%) of median income and below. So that means that if you were talking fee simple, they could afford, say, a two hundred fifty thousand dollar (\$250,000) house, which means you have to subsidize it by two hundred thousand dollars (\$200,000), right? Times nine thousand (9,000)...well, I guess nine thousand (9,000)...

Ms. Fu: Times it by two thousand three hundred (2,300)...

Councilmember Yukimura: Actually, I think it was four thousand (4,000)...four thousand (4,000) was the one hundred twenty percent (120%) and below.

Ms. Fu: You are correct. Excuse me, the GP goes off of a 2035 year and the housing statistic you presented yesterday in the chart was 2025, so the timeframe was ten (10) years short of...we, the Housing Agency, goes off of the Hawai'i Housing Planning Study, which took us only to 2025. There is a ten (10) year discrepancy. So perhaps four thousand (4,000) if we are adding those ten (10) years.

Councilmember Yukimura: So if it is four thousand (4,000) times two hundred thousand (200,000), that is the amount of capital we will need to meet our goal.

Councilmember Kaneshiro: Eight hundred million dollars (\$800,000,000).

Councilmember Yukimura: Eight hundred million dollars (\$800,000,000)?

Mr. Dahilig: He is the accountant.

Councilmember Yukimura: Okay.

Councilmember Kaneshiro: Two hundred thousand (200,000) times four thousand (4,000).

Councilmember Yukimura: Okay. Thank you. If we are serious about meeting our goal—eight hundred million dollars (\$800,000,000)—in the bond float that we approved in the Committee yesterday, there was not a single amount going to affordable housing.

Ms. Fu: Six million dollars (\$6,000,000) for Lima Ola.

Councilmember Yukimura: Sorry. Thank you. So six million dollars (\$6,000,000). So where do we get the rest of the capital?

Mr. Dahilig: I think that is the question. At least this side of the plan is trying to, from a land use standpoint, address that we know that bundled into the ultimate price of a development of a unit, you have the land costs and you have the infrastructure costs. So whether we look at it from a direct subsidy standpoint or an indirect subsidy standpoint, I think, is where the approach towards bringing the price towards an attainable level has been the discussion. Obviously, what you are seeing with Kanani's work and what they are doing is a lot of direct subsidy grants, County-purchase lands, etcetera; however, as you are getting up there in AMI brackets, to those other brackets that may not necessarily qualify for these types of subsidies, we have to look at whether infrastructure can be brought down as a cost to be able to reduce the amount of indirect costs bundled into the ultimate price of a home. For instance, those are things like trying to locate things closer to existing road networks so as to not require more construction of roads and looking at our existing water system and try to locate it close by, these types of things. Whether or not from that standpoint, investments by both the Department of Water, Department of Public Works, or other state agencies to develop infrastructure in a

cogent pattern to reduce that footprint, I think, is where we are ultimately saying that becomes the indirect subsidy to the price of the home.

Councilmember Yukimura: Correct. So inclusionary zoning, we built Pa'anau next to Kōloa Elementary School on land that was donated by developers. Koa'e is also an inclusionary zoning. As a condition of Kukui'ula's development, they are providing the land and offsite infrastructure. Kālepa Village was provided with using a portion of the forty million dollars (\$40,000,000) that was given to Kaua'i County after the hurricane, and that forty million dollars (\$40,000,000) in capital, thanks to the really careful stewardship of the Housing directors, from when I was mayor to now, lasted until two (2) years ago...one (1) year ago...

Ms. Fu: We still have some of it and we still use it as a leveraging tool for our projects.

Councilmember Yukimura: Right, and it was done through leveraging, matching, recycling, etcetera, but how many units did we provide with that forty million dollars (\$40,000,000) and where we will get the next forty million dollars (\$40,000,000) or whatever it takes to do this work is the question that needs to be addressed in an affordable housing policy statement.

Mr. Dahilig: Towards the end of the discussion yesterday, the Chair brought up, in response to the coalition's question, regarding how inclusionary zoning has a trickledown effect on being able to provide the housing product at the lower ends of the AMI that we certainly are sure have to be subsidized. Ultimately, to have projects like Pa'anau or Koa'e or these types of things, you hit it on the head—it requires there to be other development paired with that. That becomes a double-edged sword because the inclusionary zoning process is premised upon that you are going to be subsidizing it through the development of higher-end product. How that balance is struck, I think, is really a question for how the current housing ordinance is being deployed and whether or not adjustments need to be made, but what is clear is when you look at inclusionary zoning, it is symbiotic with high-end development...it has to be...in order for that subsidy to be trickled down, because unless the County is willing to upfront the money in and of itself to provide the subsidy, if the subsidy from inclusionary zoning is relied on higher-end development, then you have to also be permissive of that type of development as well.

Councilmember Yukimura: We are not looking for a silver bullet, so we need multiple sources of this capital and some can be that contribution from the developer and our job is to figure out what is the fair share...they have been doing it and some of it has been too much. Grove Farm did a sixty percent (60%) inclusionary zoning and that was really onerous, but it provided Puhi, which is the home of many, many families. It is the reason why people can live here today. What is that really fair place where developers contribute something that is doable and where do we get the rest?

Committee Chair Chock: Can I just chime in here? I appreciate the discussion. It is a really important discussion and I think we are getting deep into the housing issue. As it relates to the General Plan, what should be included and

what should not be at this point, is where...and I understand the variety of mechanisms that we are talking about. So I would be interested in actually moving towards what is feasible of both of you at this point to move us through this question. Thank you.

Councilmember Yukimura: So perhaps that is something we can work on in terms of a provision, somewhere in the element about financing and capital to do the work that we have to do. Kanani, thank you for reminding me that the chart we were looking at had a total of five thousand plus (5,000+) units. But for the twenty (20) years period that we are looking, it is nine thousand (9,000), which means actually eighty percent (80%) of that would be seven thousand (7,000) to eight thousand (8,000) times two hundred thousand dollars (\$200,000) per unit is more than eight hundred million dollars (\$800,000,000). Thank you. So we will work on that.

Committee Chair Chock: Any other questions?

Councilmember Yukimura: I have one. Your opening paragraph on housing on page 112...I guess the last sentence, "The complexity of the housing crisis must be addressed on multiple levels if Kaua'i is to achieve its vision and become a place where housing for all ages and income levels is integrated into all communities and located close to work," and "recreation" is the question. I know that a policy to locate housing close to work is very, very important to prevent the kind of traffic that we are seeing because people have to commute long distances. But to say that it is a policy to put housing close to recreation just does not make sense to me, because our recreational areas are everywhere around the island. If it is to say we need parks and playgrounds in every place, that is fine, but we also want to locate them close to services. So as a guiding principle, it just does not make sense to say that we have to make sure that housing is close to recreation.

Mr. Dahilig: If the word "services" is a more appropriate word then we believe that could fit what we are trying to achieve.

Councilmember Yukimura: "Services," okay, I appreciate that. In terms of the third sentence, "New development and an inclusionary zoning ordinance have not improved the situation"—the existing housing ordinance, Ordinance No. 860, was adopted in 2008, I think, which was just before the big recession. So there were actually no housing proposals except maybe a few custom houses that were not affected by the recession. Even the climb-out has taken almost to this day, so to blame the ordinance, I do not know if we even had much of a chance to apply it. It does not seem to be a real solid conclusion. It does not mean that amendments are not necessary, indeed, our work for two (2) years trying to work on amendments and one of the learnings from our housing experiences, instead of turn-key, let us have them give us land and offsite infrastructure, which cuts their cost almost in half, and then we do the building but then we get perpetual affordability in owning the land. It is not to say that amendments are not appropriate now, but just blaming the ordinance because there has not been any affordable housing produced from the ordinance does not seem to be fair because of that impact.

Mr. Dahilig: Councilmember, we are just looking at it from a standpoint of the statistics at this point. I think what is clear to us not is not that we are playing to place blame on whether something is or not working. I think the broader picture that we are trying to articulate is that just new development and inclusionary zoning cannot be used as methods for leading this broader issue, and that has been the theme of this section, which has been trying to diversify the means to get many types of housing on the product and not just affordable housing or new development, but things like infill, etcetera. So if there is softer language that you believe would better characterize what I think we are trying to explain is that we know that these two (2) methods alone are not moving the needle per se, then we can certainly help wordsmith that.

Councilmember Yukimura: Okay. Thank you. On page 113, the first full paragraph says, "Compounding the problem is population growth that continues to outpace housing supply. Since 2000, Kaua'i's population increased by over ten thousand (10,000), yet only five thousand (5,000) units were added to the housing inventory." Are we not talking about apples and oranges? Is it not households rather than people that we should be looking at?

Ms. Williams: Yes, we could definitely clarify that what we are speaking about is household growth.

Councilmember Yukimura: Okay. Thank you. I think I asked yesterday but you will give us the breakdown...it is actually the last sentence on the page, eighty percent (80%) of residential development is single-family construction that occurred on Agriculture, Open, R-1 through R-4 zoned lands—you are going to give us a breakdown of that, right?

Ms. Williams: Yes.

Councilmember Yukimura: Okay. Great. On page 115, on top of page 6, under "Permitting Actions and Code Changes," "Design affordable residential projects with civic spaces, shade trees, pedestrian and bicycle amenities to enhance the equity and safe transit options." That is a beautiful paragraph. I do not know that it is in "Permitting Actions and Code Changes" because much of it is just how Housing puts out its Request For Proposals (RFPs). What is missing is energy efficiency, because as we are starting to be more discerning, we have started to look at housing costs, not only the cost of the mortgage or rent, but also the cost of transportation, if you are located way far out from services and jobs. We have also looked at electrical/utility costs because that is a cost of housing as well, and I am very proud of the Housing Agency that until a couple of years ago, we have insisted on solar water heating on our homes and other similar sorts. I am worried that the last two (2) housing projects we did were not solar water heated; they are gas heated, which is better than electricity, but is oil-based, nonetheless. Some language about energy efficiency and utility costs of housing perhaps might be appropriate.

Committee Chair Chock: We have a follow-up question as well. Also, Council Chair, a lot of the amendments or changes are more wordsmithing and so

forth, so I think that if you can just confirm, I think what we were planning on doing is coming back with a matrix on those kinds of less substantial changes.

Mr. Dahilig: Yes, I believe that is what we have been working on with Council Services.

Committee Chair Chock: Council Chair?

Council Chair Rapozo: Thank you, Councilmember Chock. How do we balance all of these things out? We talk about affordable housing, fifteen (15) to twenty (20) minutes ago, we are talking about the subsidies and how we are going to pay for all of these projects, understanding that when we develop an affordable housing project, we love the amenities and we love all of these nice things, but somebody has to pay for them. Like I said, I am a realist and we are talking about designing a project and I understand the beauty of the shade trees and the beautiful sidewalks and medians, but that stuff costs money. How do we balance that? When we are going forward, we want to get a Cadillac for the price of a Kia. I want to be real, I want this plan to be real and tangible, not just stuff that we want to see and we want in a perfect world. We have to be real. When we are talking about affordable housing projects, I am not saying to build a "slum" area. Obviously, we want to build a very good home, but a little while ago we were talking about how we are going to pay, and then in this statement we are saying, "Hey, we want to make this a really plush neighborhood." Who is going to pay? I think we have to be real in this document. There is no sense in talking about these things...remember earlier, I said, "Let us have an action plan, some action steps that we can actually do." Otherwise, it is just a dream and I hate to be the party pooper, but that is the reality. You put out an RFP and I want the shade trees, medians, all of these bikeways and walkways, and do you think that house is going to be affordable? That is a question.

Mr. Dahilig: Like you mentioned, it is a question of balance. As we are seen the progression of the Housing and Urban Development product that has been developed since the '60s, '70s, and '80s, what has been clear is that there needs to be a balance between stigmatizing it as affordable housing versus having it being integrated. So how paragraph 6 was meant to try to bundle in is how to seek that balance. It is not prescriptive, but we have seen failed projects across the nation, even KPT is an example in Honolulu of something that needed to be rehabilitated. We have learned lessons from that, but on the flipside, like you said, otherwise we are building Cadillacs, so where is that balance between providing that subsidized housing that is integrated without stigmatizing it as being a project. I think that is what we are trying to articulate in paragraph 6.

Council Chair Rapozo: It is a great paragraph, like Councilmember Yukimura said; I love it, but is that something that we can do? If we do, who is going to pay for it?

Mr. Dahilig: Yes.

Council Chair Rapozo: Again, I feel awkward and it sucks to have to say these things, but you have been around a long time and we know that you put an

extra amenity in there, it just costs money. It is great, it is wonderful and looks good, and makes a great plan, but is that something that we can really provide?

Mr. Dahilig: When we look at what Kanani has done with Koa'e and also with the plan for Lima Ola, in terms of a side plan. I think that is what we are trying to encourage, is that striking a balance where we are not looking at the expensive playground equipment and these types of things, but things that are just open spaces that are passive, but yet provide that feeling of inclusivity. It is all in the design. I think what we are after are things like what they are doing in Housing right now where they are balancing, like in Koa'e for example, there are a couple of play areas that are within the development that does provide that gathering space or that feeling that it is not just a box. I think that is where the phrase "design" is really meant to do that. Whether we can soften it more by saying, "Design balanced or amenities," and those types of things, I think, we can try to be clearer that we are not after here, like you describe in that analogy of trying to build Cadillacs for everybody, but at least provide some livability.

Council Chair Rapozo: Do not get me wrong, kudos to the Housing Agency. I think what Kanani and her team has done with the projects, with the creative financing, with the partnerships that they have established, I think is fabulous. What that opportunity arises, absolutely, we take those opportunities, but if that is going to be the standard for an affordable housing project that the County is going to pay or the County is going to have to subsidize, I just want to be cognizant that these things are not free and it is not cheap. As much as we would like to make the affordable housing look like the Princeville housing—sometimes, we just cannot. I am not saying to build a "slum" area, like I said earlier...I am not saying to build a KPT...that was disaster—I am not saying that. I am just saying let us be real and when we put things in this plan, make it something achievable and not something that is so far out that we cannot.

Mr. Dahilig: We can look at including words like "encourage" and "where possible" as a means of trying to temper it and point it in that direction a little more.

Council Chair Rapozo: Thank you.

Councilmember Yukimura: Is it not true that it is our standard already, because not only what Kanani is doing, but Kālepa is a stunning example of something that is really aesthetically nice, well-planned, close to a school and a bus stop, and federal officials have come and looked at that housing and said, "Wow, how did you do this?" Pa'anau is pretty good, too. Actually, it is a standard. My housing Director went and tied a ribbon around the Banyan tree over there and said, "Do not bulldoze."

Mr. Dahilig: I think we are hearing that balancing question again where at the end of the day, what needs to be prioritized is the house. We have to be able to provide the house at an affordable level that can be maintained over the long-term that does not require much operating costs. I think that is the balance between that and what you are seeing as "over-amenitizing" something. At

the end of the day, Kanani's job is to make sure that these things pencil right. If these types of things can be included as a way to enhance the livability of an area and destigmatize these developments as "projects" per se, I think that flexibility should be built into the plan somehow, somehow.

Council Chair Rapozo: Pa'anau is an established community, low-income community, and it is beautiful. It was a great project, compared to the State neighbor, which is horrible. The County does that right, but it is not separated amongst a general community. That is a project that was created specifically for affordable housing. I do not think that is bad. Also, some of the projects that I talked about earlier, and Mr. Crowe shared with me, would not fit this. So is this going to be a limiting factor for the County to provide some housing, understanding that we have to put up some units? If the standard is so high that it will not allow some of these nonconventional projects to happen, although these nonconventional projects will get people in homes, whether it is a starter home, whether it is an emergency temporary transit shelter, or whatever it may be, I want to make sure that this plan does not exclude certain types of nonconventional efforts. That is all.

Mr. Dahilig: Certainly, that is not the intent, so I think we should work on that.

Council Chair Rapozo: Thank you.

Committee Chair Chock: Thank you. Any further questions for any of the presenters? If not, we will be moving to discussion and then taking on infrastructure. Did you folks have more to say on infrastructure in terms of the presentation? Thank you so much. I will call the meeting back to order. It is 10:05 a.m. now, why do we not take a ten-minute caption break now and we will come back for a discussion on housing.

There being no objections, the meeting recessed at 10:05 a.m.

The meeting reconvened at 10:20 a.m., and proceeded as follows:

Committee Chair Chock: Welcome back everyone. If you could please take your seat, we are going to continue. This Council is now in discussion and deliberation of the housing topic. So Members, any discussion on this topic? Councilmember Kaneshiro.

Councilmember Kaneshiro: From my perspective, and this is kind of in general for the whole General Plan, but I think the Housing section did a good job of identifying different types of housing and the opportunities that we have for housing. Again, the way I look at it is this General Plan is our forty thousand (40,000) foot view of what we are going to do and what the future looks like. Then our twenty thousand (20,000) foot view would be our community plan, which kind of details a little more the sections of the island, what you want to see. This is my opinion. Then I would say our ten thousand (10,000) foot view would be the plans, studies, projects, and programs that we try to implement on the island. Then we have our "on the ground," which is policy-making and implementation. A lot of times, I hear the

conversation that we are trying to come up with the solution in the General Plan, but for me, it is kind of like, "We should take a step back. This is the forty thousand (40,000) foot view," and we are not going to be able to find the solution. Again, it is not going to be one (1) solution either. It is going to be a whole bunch of things. I think the General Plan does a great job of identifying different opportunities, and then it is up to us to go down to the twenty thousand (20,000) foot view, the ten thousand (10,000) foot view, and then the policy and implementation to resolve. I do not think it is our time here to solve it in this General Plan. If it is, I think we are never going to pass this General Plan because there are a lot of different options that can be implemented for housing. As far as coming up with a policy or whole solution, that may take a long time. We are still trying to figure out how to solve affordable housing. I would hate to have to wait for the actual solution to be able to pass the General Plan. I think the General Plan does a great job of providing actions that we should take or ideas that we should look at, ordinances that maybe we should modify, to try and ease our housing woes. Again, I think it is our forty thousand (40,000) foot view, so that is why I am happy with it. Councilmember Yukimura did come up with things that maybe could be added into projects and programs, talking about buyback program and leasehold program and just identifying stuff that we are currently doing. Again, it is not to say that the leasehold program needs to look like "this" or the buyback program needs to be "this." It is the forty thousand (40,000) foot view, so I am happy with it and that is the way I look at the plan. When we start going into major details, I kind of have a hard time because those conversations can go on for a very long time as far as us actually trying to get a solution, get a policy, or reword a policy in this venue. For me, I think it would be in a different venue. That is my opinion on the General Plan. For me, we go in and out. We look at the forty thousand (40,000) foot view and what we can do at each level, what we have to do as far as implementing. A lot of times, I just take a step back and say, "Does this get the gist of it? Are there certain things that need to be changed in here or added?" Like Councilmember Yukimura's suggestions on what we are actually doing. Other than that, as far as resolving the problem, I do not think it is going to come out of the General Plan. That is just my opinion.

Committee Chair Chock: Thank you. Any further discussion on housing?

Councilmember Brun: For housing, if you look at the history, we are not in a crisis over the last two (2) years, and all of a sudden everybody has every solution on what we should do for affordable housing. What happened twenty (20) years ago? Ten (10) years ago? Some people have been in office for forty (40) years and nothing happened. We are not in this problem because of today. It is the same thing with homelessness. It did not happen yesterday or the day before; it has been going on for twenty (20) to thirty (30) years. All of a sudden, we have the great solution because the General Plan came out and we are trying to crucify this General Plan because we have all of the great ideas. It did not happen. Where were these people twenty (20) years ago making these solutions and making these suggestions? We go to O'ahu and talked to this big-time developer, Stanford Carr, "Hey, when are you coming to Kaua'i?" "There is no way I am coming to Kaua'i. There are too many restrictions and it is horrible. We cannot develop on Kaua'i." That is what has been going on for the last twenty (20) years and these folks are proven winners. They do

not want to come here. Everyone is staying away from Kaua'i because we have made it so hard. What has our Housing and our Planning done over the last two (2) to three (3) years? How much affordable housing do we have now? More than we did in the last twenty (20) years. It is what has been going on for the last couple of years. We have to give them a chance. There is a lot of stuff here and we just try to pick on them and crucify them because we have all of the great ideas—where was that? Nothing ever happened for so long. Now, all of a sudden, we have the silver bullet to fix this whole housing problem? Give these people a chance. Like Councilmember Kaneshiro said, this is an overview from forty thousand (40,000) feet above. It is a suggestion of what we should do going forward. Things can change. It is hard to sit here and just hear it, hear it, hear it, "You have to do this, you have to do that." We are trying. What they have done over the last two (2) to three (3) years is just the most we have ever seen in a long time. So give them a chance. Let us work with this and move forward. Let us not try to change the whole General Plan. It has been worked on for how many years already, so let us move forward. We are trying to change a word here and word there. It is not going to happen. Let us work with them and let us get this done. We are working on our Affordable Housing Committee and we are going to move forward and we are going to get stuff done, but we cannot keep on putting obstacles in the way of things getting done. That is the part that is hard to grasp. We try to nitpick on everything and we make more obstacles. We will never get anything here. What we are dealing with today, we will deal with that ten (10) to twenty (20) years later if we do not try to work together and get things done. If not, we are going to be in the same position, maybe even worse in twenty (20) years. So we need to start working together instead of trying to put what we want to do, it is what we can do. Thank you.

Committee Chair Chock: Any other discussion? Councilmember Yukimura.

Councilmember Yukimura: It is very inaccurate to say nothing has been done over the last forty (40) years. We have produced at least two thousand (2,000) affordable units using that forty million dollars (\$40,000,000), being very creative; the work that Ken Rainforth, Gary Mackler, and many others have done. The theater right here on Kūhiō Highway is an elderly home. Kālepa Village is providing so many needed units for families. Pa'anau is the same thing. The Kalāheo elderly housing, Wai'ale'ale Estates. I do have a list of that and I will make that available. We need to learn from our experience of those fifty (50) years. Who provided the affordable housing for most of the plantation years? It was the plantation. They not only provided housing, they provided healthcare. That is why some of my generation grew up, even though we were poor, we had the essentials taken care of. When the plantation went out, what housing has tourism provided? Employment is creating population. That is what keeps people here or makes people leave, if you remember, after the hurricane, many people left. We are striving to find new ways of doing something that is basic to a good society that we need in order to keep our families healthy and here on Kaua'i. We need to look back as well as look forward and thereby craft really important policies. A forty thousand (40,000) foot view is not just a list of things; it is a plan. This is a general plan and if we can pull up the General Plan Ordinance, the guiding ordinance that is guiding this process says it is a policy plan through text and graphics that shows strategies and implementing actions. The

reason you need a plan is we do not have the resources to do things by trial and error, “Oh, I have this good idea. It is going to get us to affordable housing. Let us try it.” No, we think it through first in order that we can be strategic. In this plan, it says, “Strategic investment for infrastructure.” My question is going to be, “What do you mean by strategic infrastructure planning? How do you do that?” You do it by looking at what is the most cost-effective way to achieve something and it often is not one (1) silver bullet. It is a lot of things that have to be coordinated. They have to come together. If you forget to train our families in fiscal literacy, they are falling out of affordable housing as fast as you are putting them in. Thank you. This is the guiding ordinance. This is the law we are supposed to be following as we do our General Plan. It is direction-setting. You have to have some specifics and some direction. You cannot say, “Try these.” The maps and texts policies are intended to guide the County in specific types of actions. You need a clear vision of where you want to go, and then you want to map out a way to get there. We can go through those actions...they are listed there. It is going to guide us to how we do our land use. Do you want to give me the clicker? Thank you. Maps and text, policies—Policies are a statement of what is and how to get to where you want to be and how they relate to each other; so a map and text are intended to guide in specific types of actions. So we are supposed to use this General Plan when we make revisions to land use and land development regulation; when we decide on zoning changes; when we prepare our development and community plans and our public facilities; and when we adopt our Capital Improvement Plans. So it is not just a list of things and it is not one solution, but it has to tell you how to get together and do it, get it done in terms of sequence. Like when you are building a house, you do not build everything before you put on the roof. There are just certain sequences that you have to do. When we did our Solid Waste Management Plan, we had to go to Pay As You Throw before we started...we had to get our containers before we went to Pay As You Throw. Anyway, you all know that you have to do certain things in certain order or it does not work. You have to have all elements together in a recipe. You cannot just make it with some of them and not all of them. That is what a plan is all about and that is what we are trying to do. Affordable housing is an extremely complex issue, which is why we have to use words carefully and explain relationships between the costs of housing, how you are going to subsidize it, who is going to subsidize it, and how we are going to do it. I just want to say that I appreciate the conversation that we have had today. I appreciate all of the work that has been done up to now and the input that we are getting from the citizens. I am hoping from this process that we can integrate all of this to come up with a really clear policy statement and list of implementing actions that will guide us over the next twenty (20) years and get us to the actual goal of making homes that our family can live in and have thriving lives on this island.

Committee Chair Chock: Okay. Thank you. I want to talk about the process just a little bit here. Everyone has input on a plan and they want their thing to be acknowledged. I want to first acknowledge the Planning Department. They have really stuck to their guns in terms of wanting to find that balance in this plan, yet there are still other things to be looked at and that is where it sits with us. I would encourage this process to continue that that is what this is about. A plan is only as good as we engage in it, so for us to continue to do that...I have heard some good things that we could change, make some suggestions, and amend. I think that the Planning Department is amenable to what it is this Council’s interests are. I

guess what I am also hearing is some people would like to see it...at least the more small kind of wordsmithing stuff, if that can be done ahead of time, maybe you can submit it together so that they can look at it and agree to it and we can have one (1) discussion on it. It might make things a little smoother for those who say, "That is not really my thing, I do not want to look at those things." Certainly, the bigger issues are things that we should be discussing here, because they will have a significant impact on us. I think everyone in the room understands that eight hundred million dollars (\$800,000,000) is not going to just come from the County. It has to be multi-sourced and that we have to look at multiple ways to address this, this means everybody when it comes to housing. I am really open. The only way we get to those kinds of outcomes is with some of the creativity, some of the innovation that is standing out there. We have people and models to look at. We did not get those amendments from some of the community members that were here. I am looking forward to that so that we can continue to work towards something that we can present. Amendments are coming up soon, at least the first round and opportunity for amendments, as soon as December. I would like to focus on those. I think my intention has always been, "Let us focus on amendments here that we can..." I think we have already passed the bridge of saying, "This plan is not going to go back." It is not going to happen. We are going to do as much as we can and make it the best plan that we can so that everyone has some buy-in into it. Let us move on. We have lots more to do. The other thing that I want to say is we have infrastructure and we have transportation and we are trying to get it done as soon as possible. In light of the fact that we only have four (4) Members tomorrow, so quorum will be an issue tomorrow if we do not make it through today—so knowing that, I would ask you to help me get there and I want to offer to him as well the chance. Go ahead.

Councilmember Yukimura: I have a process question. Do we have a specific date when the amendments will be coming up?

Committee Chair Chock: I think we have a date scheduled tentatively. Of course, that is subject to change based on what it is we get through. I think it is December...I need glasses...

Councilmember Yukimura: You created it.

Committee Chair Chock: Here we go. December 13th, everyone, is when we are looking at amendments. For public testimony, you will have a chance again to talk about the specific amendments that are being introduced. You need a Member to introduce those, just so you folks know.

Councilmember Yukimura: A Councilmember?

Committee Chair Chock: Yes, a Councilmember, not any "member." I have kind of opened this up so that it is more engaging in terms of the community really getting some input, but we have to agree to it. That is what you folks are tasked with.

Councilmember Yukimura: So December 13th?

Committee Chair Chock: December 13th, yes. At this time, I would like to move us to Critical Infrastructure. I understand that Planning is done as well on this. Did you folks have any specific questions for the Planning Department? We have some resource people here as well, from the Department of Water, Kirk, and we also have a list of amendments that have been printed out that I know Hope Kallai from the coalition, particularly the Kilauea Neighborhood Association would like to share, and I would like to offer that time as well. Let us go with questions for Planning or the Department of Water at this time.

Councilmember Yukimura: Yes, can we have the Department of Water?

Committee Chair Chock: Yes, we had some questions for the Department of Water yesterday. Can you come up?

Councilmember Yukimura: Do you think we could get Wastewater, too, for a couple of questions?

Committee Chair Chock: I saw him here.

Councilmember Yukimura: Ed Tschupp?

Committee Chair Chock: No. Jason was here. The department head is here. Do you remember your question from yesterday on water?

Councilmember Yukimura: Yes.

Committee Chair Chock: Okay.

Councilmember Yukimura: Hi Kirk. Thank you for being here. Have you reviewed the General Plan section on water?

KIRK SAIKI, Manager and Chief Engineer: Yes. It has been a while ago.

Councilmember Yukimura: We just wanted to clear up one factual issue, which came up early on: what is the percentage of our potable water that comes from well sources and percentage that comes from surface water?

Mr. Saiki: In general terms, nice, round numbers, eighty percent (80%) is well and twenty percent (20%) is from the surface water plant.

Councilmember Yukimura: The twenty percent (20%) is mainly in the Lihu'e area because the surface water plan is here in Lihu'e.

Mr. Saiki: Yes.

Councilmember Yukimura: What is your total number of users?

Mr. Saiki: We are about at twenty-one thousand (21,000) customers.

Councilmember Yukimura: Okay. I know that Hope was showing figures that said fifteen thousand (15,000) came from Līhu'e.

Mr. Saiki: With that, I have to look at the distribution.

Councilmember Yukimura: But even the surface water is not for all of Līhu'e is it? It is just for portions of Līhu'e?

Mr. Saiki: Yes and we also moved that water towards Wailua.

Councilmember Yukimura: So it provides some Wailua water and some Līhu'e.

Mr. Saiki: Yes and I think she had a number of three million (3,000,000) gallons listed. That is the capacity of the plant. We currently use about two million two hundred thousand (2,200,000).

Councilmember Yukimura: Okay.

Committee Chair Chock: I have a follow-up on that. When do you anticipate to reach capacity on this one?

Mr. Saiki: Capacity?

Committee Chair Chock: When do you anticipate?

EDWARD DOI, Chief & Water Resources Planning: That would depend on developments occurring.

Mr. Saiki: For Koheha Loa, they are not looking at additional source for just Koheha Loa building now.

Councilmember Yukimura: Koheha Loa is the development in Hanamā'ulu that is breaking ground right now.

Mr. Saiki: Yes.

Councilmember Yukimura: Their first increment.

Mr. Saiki: Yes.

Councilmember Yukimura: And you are saying there is enough source for that development completely?

Mr. Saiki: Yes.

Councilmember Yukimura: There is not complete availability of transmission.

Mr. Saiki: No, we have other issues of storage and stuff that they have to do, but in terms of just the source side, I believe we are good.

Councilmember Yukimura: I think we used part of the forty million dollars (\$40,000,000), which we got after the hurricane to build the water source. We put it into building the water source, it was before your time.

Mr. Saiki: Yes.

Councilmember Yukimura: But we did use that money.

Council Chair Rapozo: I have one follow-up. Thank you for being here. So three million (3,000,000) gallons capacity or maximum and we are at two million two hundred thousand (2,200,000). So the point eight left, how many more...

Mr. Saiki: Houses?

Council Chair Rapozo: Yes.

Mr. Saiki: Three hundred fifty (350) per gallons per day.

Council Chair Rapozo: I am sorry.

Mr. Saiki: Seven hundred fifty (750) gallons per day per household, single-family home.

Council Chair Rapozo: Okay, hang on. So point eight, eight hundred thousand (800,000)...

Mr. Doi: About one thousand (1,000).

Council Chair Rapozo: Yes, there we go...pretty close...divided by seven hundred fifty (750)...one thousand sixty-six (1,066) homes before you reach capacity.

Mr. Saiki: Yes.

Councilmember Yukimura: So follow-up question to that, is that already designated for Grove Farm?

Mr. Doi: No, Grove Farm developed the master plan and they were required to do...

Councilmember Yukimura: Maybe you can state your name.

Mr. Doi: My name is Eddie Doi. Grove Farm did a master plan and they are required to provide the storage and transmission to develop their master plan.

Mr. Saiki: Or buildout...

Councilmember Yukimura: So buildout the lands here in Līhu'e, from the hospital all along there and around Molokoa, right?

Mr. Saiki: Yes.

Mr. Doi: The lands that they own, yes.

Councilmember Yukimura: Right.

Mr. Doi: They own most of the land.

Mr. Saiki: They have a plan that is going to require more source, more storage.

Councilmember Yukimura: And they are not obligated to do any more affordable housing because their affordable housing requirement is supposed to be met by Koheha Loa. You do not know?

Mr. Saiki: No...if there was water...

Councilmember Yukimura: We are going to ask that question of Housing and Planning, but that is my understanding. This is the interface with affordable housing here. If Koheha Loa is Grove Farm's affordable housing contribution, when is it going to get done?

Mr. Saiki: We do not know.

Committee Chair Chock: Can I just have a follow-up on that one, too? In terms of developers or Grove Farm's plan and our Water Plan 2020, is that integrated at all?

Mr. Saiki: Our Water Plan 2020 does include some of what we call "expansion," but typically what it does is it looks at areas where we are coming up to capacity limits, whether it is pipes or storage or wells. It also looks at the conditions, so replacement and repair of the system. It does not look at whether we need to build two (2) miles of twelve (12) inch pipe to serve proposed subdivision somewhere. It is essentially the existing system and fixing and beefing that up.

Committee Chair Chock: So in terms of the General Plan, your 2020 plan does not go all the way to that 2035, right? Do you have any more input in terms of what the gap is that we need to be addressing?

Mr. Saiki: Well, we have in the budget now is to update our 2020 plan and the question is, is it 2040 or 2035?

Committee Chair Chock: Right, so nothing right now?

Mr. Saiki: No.

Committee Chair Chock: Does there need to be some verbiage that needs to state what it is we need to...like we talked about the summit plan...that we need to pursue the completion of that plan in order to actually validate the needs within the General Plan.

Mr. Saiki: That was previously stated. It was talked about, the Water Use and Development Plan. That actually determines based on gross areas of land use and zoning and available water.

Committee Chair Chock: Is everything up to date on our Water Plan? Are we on track with everything?

Mr. Saiki: Water Use and Development Plan?

Committee Chair Chock: Yes.

Mr. Saiki: We are drafting it now, so it is being written now.

Council Chair Rapozo: I think he asked about the Water Plan 2020.

Mr. Saiki: Are we up to date in terms of the projects? Yes and no. We are behind, but we also added something close to one hundred (100) projects to it also. It is kind of a goal, a guide on how we are going to proceed.

Committee Chair Chock: Thank you.

Councilmember Yukimura: Are you still following up?

Committee Chair Chock: Sorry...

Council Chair Rapozo: Just because the Water Plan 2020 came up, the projects on the Water Plan 2020—I guess (inaudible) recently that some of the projects got canceled, one being the water tank, the storage where the Safeway...

Mr. Saiki: Yes.

Council Chair Rapozo: Why was that project...that one is funded and ready to go, right?

Mr. Saiki: It is designed, yes.

- Council Chair Rapozo: As far as the funding is available?
- Mr. Saiki: Yes.
- Council Chair Rapozo: Why would that have been taken out?
- Mr. Saiki: Because when we looked at it again, we did not have the source to fill that tank and the service area was relatively small. I guess you can blame me because I asked the stupid question, it has been offline for several years, nobody has complained, we have not had service problems or fire flow problems, "Do we need to build it right now?"
- Council Chair Rapozo: I am not blaming anybody, I am just curious as that project was in the plan...
- Mr. Saiki: When we look at projects, we start the design years ago and we follow through on the design. Partway through, like up in Kalāheo we had a fairly large tank up there...I forget what the size was, but we downsized it considerably because of water use.
- Council Chair Rapozo: As far as the tank, when would you anticipate needing that storage?
- Mr. Saiki: When and if we develop more source *mauka* of the tank.
- Council Chair Rapozo: Is that in the plan at all?
- Mr. Saiki: No, it is in the plan, but it will probably require a surface water plant because it is tunnel water that was supposed to feed that tank and the tunnel was deemed by the Department of Health that it was under the influence of surface water, which means we have to treat it.
- Council Chair Rapozo: Was there a tank there prior?
- Mr. Saiki: Yes.
- Council Chair Rapozo: Was that being used?
- Mr. Doi: It was being used.
- Council Chair Rapozo: Okay. That is where I am a little concerned. How much did we spend that project in planning design?
- Mr. Saiki: I do not know offhand.
- Council Chair Rapozo: Real significant?

Mr. Saiki: Yes, a couple hundred thousand maybe. I do not know.

Council Chair Rapozo: And that it would be cheaper to build a tank today than it would in the future, right?

Mr. Saiki: Yes.

Council Chair Rapozo: If we were using that tank, would we not be able to use a new tank?

Mr. Saiki: Yes, potentially, but what happens is it becomes an operational problem with the disinfection, because now you have this wide spot...I mean really wide spot in the line, so if the water sits there, we lose disinfection and either we have to add more disinfection and then let it dissipate, and then go to the system or we are going to have to re-disinfect. So it becomes kind of an operational headache.

Council Chair Rapozo: When do you think that need will arise and that tank will have to be built?

Mr. Saiki: Right off the top of my head, I do not know.

Council Chair Rapozo: Five (5) years? Ten (10) years? Two (2) years?

Mr. Saiki: It is based on demand. It is who builds what, where.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Chock: Council Chair, maybe we can have an update on the plan.

Council Chair Rapozo: I think so. At some point, we have to go forward and get that Council briefing. I understand there are other projects as well and I am not going to bring it up today, but there are other projects that were canceled and it was ready to go. That is a little concerning, knowing that this Council has no jurisdiction over the Department of Water. I think those questions need to be asked. We will set something up. Thank you.

Committee Chair Chock: Councilmember Yukimura.

Councilmember Yukimura: There were two (2) plans that the Department of Water is responsible for, right? One is the Water Plan 2020, which is going to turn into Water Plan 2035 or 2040—that is your long-range facilities plan. Is it not?

Mr. Saiki: Yes.

Councilmember Yukimura: Actually, the timing is probably good because we are doing the General Plan and your facilities plan is supposed to be in accordance with the General Plan.

Mr. Saiki: Yes.

Councilmember Yukimura: So the decisions we make about the design and shape of growth are going to affect the design and shape and cost of your facilities plan. If we do a spread out growth, it is going to be an expensive plan. If it is more compact, it is going to be a cheaper plan. Then there is another plan you are working on, which is called the...

Mr. Saiki: Water Use and Development Plan.

Councilmember Yukimura: The Water Use and Development Plan, and what is that about?

Mr. Saiki: Basically, if you look at the land use and the zoning, it takes the growth areas and determines what their water use is based on...

Mr. Doi: Existing zoning or land use.

Mr. Saiki: Yes, and our standard gallons per acre allocation. What that does is it compares it to what information we know of in terms of how much water we have. In other words, sustainable water, sustainable yield.

Councilmember Yukimura: So it is looking for a capacity, what the sustainable capacity is?

Mr. Saiki: It is comparing...if we totally build-out all areas, like Agriculture, Commercial, and Residential—how does that compare if we allocate water to it to our water resources? Hopefully what happens is that the water resources is above the demand of the development. If it is the other way around, then we have to make modifications one way or the other.

Councilmember Yukimura: Then you are in trouble.

Mr. Saiki: No, then we cannot develop everything. There is no trouble because we are not going to allocate water more than what we have.

Councilmember Yukimura: That is true. If all the wealthy development gets in first, then there will not be water left for affordable housing.

Mr. Saiki: That is kind of a policy question, but yes, we do it first come, first served.

Councilmember Yukimura: First come, first serve. Are you familiar with this Land Use Buildout Analysis that was done for the General Plan?

Mr. Saiki: I did not go through that.

Councilmember Yukimura: Maybe it will help you do your Water Use and Development Plan. What is your timetable for your Water Use and Development Plan?

Mr. Saiki: Well, right now, where we are at is we drafted a section of the Water Use and Development Plan for one of the water systems that we are looking at and the Commission on Water Resource Management (CWRM) is reviewing that and once that is done then we are going to...

Councilmember Yukimura: So CWRM, which is the Commission on Water Resource Management, a State agency, which is I guess guiding, like good state agencies should, the local government process of doing a Water Use and Development Plan, right? Are they kind of overseeing it?

Mr. Saiki: There is the State Water Use Plan, the Agriculture Water Use Plan, and all of these come together to form the Water Use and Development Plan. The Department of Health does their Water Quality Plan. So there is like about half a dozen different reports that all have to...

Councilmember Yukimura: It is a comprehensive water plan.

Mr. Saiki: Yes.

Councilmember Yukimura: Okay.

Mr. Saiki: It is more like a comparison of development to sustainable waters.

Councilmember Yukimura: Yes, it looks like it is looking at our capacity with respect to water.

Mr. Saiki: Yes.

Councilmember Yukimura: But it is not keeping surface water and potable water separate. It is looking at it altogether?

Mr. Saiki: Well, surface water can be potable water.

Councilmember Yukimura: Correct, which is probably why they are putting it altogether.

Mr. Saiki: What they are looking at right now is everything is being based on the sustainable yield for the groundwater.

Councilmember Yukimura: Okay, so the principle is sustainable yield.

Mr. Saiki: Yes.

Committee Chair Chock: Councilmember Brun has a follow-up.

Councilmember Yukimura: Sure.

Councilmember Brun: Like you said, first come, first served when she was asking about the big developers building; so how long, average, does it take for you folks to approve if you are going to give water to a developer?

Mr. Saiki: It all depends on how big the development is, but I am not sure what you mean by "approve."

Councilmember Brun: A year?

Mr. Saiki: It takes a while. Say you are a developer and you have one hundred (100) acres you want to build houses on and you come in to the Department of Water—well, hopefully you come in and talk to us and say, "What do I need to do?" We will ask you to do a water master plan, which...

Councilmember Brun: I guess my question I am trying to get at is if a developer comes in and affordable housing comes in one (1) month later, are we going to make sure that this developer gets all what he wants first before we work on the affordable housing?

Mr. Saiki: No.

Councilmember Brun: That is my thing...I hope we will...it was said, "first come, first served," but will we do everything in our power to help this affordable housing, which is going to help locals here on the island, instead of a developer that is going to sell million dollar homes that they do not even live here anyway?

Mr. Saiki: Tom is back there. Sorry about that. The bottom line for us, like when Lima Ola was being planned, we got involved early on. If we get involved early on, we can help defer some of the costs. We are doing the improvements so Phase I can be built. It also allowed us to go to the Legislature and get money to do those improvements. So not our customers are not impacted. Say if it just falls on us and say, "We want to build next month..."

Councilmember Brun: So you folks are willing to work...

Mr. Saiki: Yes.

Councilmember Brun: As far as us, we have no say over the Department of Water, so...

Mr. Saiki: You have some power over us.

Councilmember Brun: You folks are your own separate entity, so I just hope that we will look as hard as we can on affordable housing and try to help the local housing first.

Mr. Saiki: The bottom line is we have to be fair though.

Councilmember Brun: Yes, that is why I said legally.

Mr. Saiki: Yes.

Councilmember Brun: Mauna Kea is here.

Council Chair Rapozo: I have a follow-up real quick and maybe it is for Mauna Kea, but is there a way...how can we...can we give preference to affordable housing projects as it relates to infrastructure and water? If you are not prepared, this is all on the fly, so I can respect if you need more time, but it just seems to me that I think the County would have some legislative authority to restrict or to allocate somehow. Regardless if the Department of Water is semiautonomous, they still have to follow the County Code. Is there a legislative option for us to secure water source for affordable?

MAUNA KEA TRASK, County Attorney: For the record, Mauna Kea Trask, County Attorney. When you say "affordable housing"—this is to kind of understand the question—would that include things like homeless facilities and other programs to address homelessness? Is that part of it?

Council Chair Rapozo: I do not think the type of housing matters; I think it is more on the legislative authority of the Council. Can we state in an ordinance that certain water sources be held for affordable? When I say "affordable," I am not talking about one hundred forty percent (140%) and below, I am taking about eighty percent (80%) and below.

Mr. Trask: The only reason why I say this is because we are kind of piggybacking on the discussion earlier when we were talking about housing and homelessness. The reason why to orient myself is that the prime authority in the State for that is the State Department of Human Services, but I am not going to get into that. With the specific authority that the County does have under Hawai'i Revised Statutes 46-1.5(25), "Any county mayor, by executive order, may exempt donors, provider agencies, homeless facilities, and any other program for the homeless from real property taxes, water and sewer development fees, rates collected for water supplied to consumers and for sewers" and anything else. So we do play an important secondary role. It would just depend upon what we are talking about affordable housing...you are right...I do not think that may or it may not, but include one hundred forty percent (140%) plus, but definitely lower-end type of stuff, we definitely can address in some way, shape, or form. That is part of our power.

Council Chair Rapozo: But as it relates to the Department of Water because of their semiautonomy—rather than "first come, first served," can we introduce or pass a bill that would restrict a percentage of the water source to

affordable housing projects of eighty percent (80%) and below? It is harsh, but you know what that does...

Mr. Trask: Water is difficult, only in that no one is really guaranteed water in the State of Hawai'i. Water is always conditional. Like was stated earlier, at the General Plan, you have a certain perspective that it is broad and you can look at. So these types of ideas...

Council Chair Rapozo: Okay, let me ask you in a hypothetical...

Mr. Trask: Okay.

Council Chair Rapozo: There are eight hundred million (800,000,000) gallons available based on the two million two hundred thousand (2,200,000) used and three million (3,000,000) cap—Could this Council pass an ordinance saying of that eight hundred thousand (800,000) gallons, forty percent (40%) will be reserved for affordable housing projects? That is the question.

Mr. Trask: I do not think so, only because it would depend on where the source is from, how it is allocated, if it restricts streamflow, you would have to get CWRM involved.

Council Chair Rapozo: No, but we already know the source. We have eight hundred thousand (800,000) gallons available right now that is not being used...

Mr. Trask: In the tank?

Council Chair Rapozo: In the tank, I guess...wherever they are keeping it. I do not know. I am assuming it is in some tank. I do not know.

Mr. Saiki: For the surface water plant? It is in the reservoir.

Council Chair Rapozo: Well, wherever, I am just saying that...I am using his scenario where a big developer comes up and says, "I want to build a project, I need 'x' amount of water," and you have an affordable housing developer coming up and says, "I need 'x' amount of water." Let us say there was an ordinance restricting the percentage of the available water to the affordable housing project. So the big developer needs six hundred thousand (600,000) gallons and the affordable housing developer needs six hundred thousand (600,000) gallons—you only have eight hundred thousand (800,000) gallons. In other words, if we say, "You have to reserve a percentage of that source for affordable housing," is that discriminating? That is the real question.

Mr. Trask: I cannot answer that right now. Based upon that hypothetical, it is like that point in the movie where the guy is trying to figure out the math problem and it is just a bunch of letters in front of his brain, that is where I am at right now, so I do not know. Is it an additional resource? If it is a reservoir...water is not owned, but the distribution system is owned. So then if you

are taking it away, does that constitute a taking? Is that a property interest? You would have to look at all of these things. At this point, I cannot answer. I would have to go research.

Council Chair Rapozo: But you said that water is not guaranteed.

Mr. Trask: That is true.

Council Chair Rapozo: That is not right. If we say, "Hey, forty percent (40%) of whatever is available is going to go to affordable housing and the developer needs more," is it constitutional for us to say, "Sorry, you can have this much, but the rest we have to reserve for affordable housing"?

Mr. Trask: It would depend.

Mr. Saiki: We do now. Our systems, we have "x" amount of capacity in what we have in the ground now. If a developer comes in and wants more than what we have in our system, they go and build it and then convey it to us.

Council Chair Rapozo: They build the system?

Mr. Saiki: Yes. Kukui'ula did wells, tanks, and transmission lines. They built a whole water system and conveyed it.

Council Chair Rapozo: If a developer comes up and says, "Hey, we have a project. We are going to need 'x' amount of water, but the buildout is not for five (5) years"—Are they assured that water for five (5) years and no one else can have that source?

Mr. Saiki: No.

Council Chair Rapozo: It is not...

Mr. Saiki: So if all of these single-family homes show up one at a time...

Council Chair Rapozo: They will have access to the water?

Mr. Saiki: Yes.

Mr. Trask: That has come up in relation to wastewater systems in the Wailua corridor. We had tried to say in the past that you could not use capacity that had been reserved for other developments and the court said, "No, you cannot do that." The capacity is there and available now. When those other ones get serious, then you may have to get more capacity, but you cannot really reserve.

Council Chair Rapozo: Cannot reserve? Okay, thank you.

Committee Chair Chock: I know allocation is kind of a hard thing to tackle. The Board of Water Supply can do the reserve charges and all of that. I guess the question that we are trying to find out is can the Council, in any way, supersede that? Is that through the Charter or is that through an ordinance that might oversee some of these things that we are looking at from a broader picture?

Mr. Trask: The Board of Water Supply and the Department of Water operate the waterworks of the County, so that is it. It is a semiautonomous unit and they are not subject to political control of the Office of the Mayor and the County Council. That is how the Charter was framed. To change that, you would have to change the Charter. But like the Water Manager said, they work with...everything is part of the...or the Water Plan is part of the General...not part of the General Plan, but it informs each other and they work together. So these differences do not necessarily...it is not necessarily true or accurate or beneficial to look at how are we separate, but it is more how can we work together? There are arguments to keep it semiautonomous because you do not want that pressure on the Department of Water. That is what Tony Kunimura said back in the day.

Committee Chair Chock: We already have affordable housing discounts on the reserve charge.

Mr. Saiki: Correct. Just to give you an idea, it is going to be several million dollars that Lima Ola gets discounted at buildout.

Committee Chair Chock: How much is reserved for discount?

Mr. Saiki: What is that?

Committee Chair Chock: Per budget, how much is reserved in discount for affordable housing?

Mr. Saiki: Right now, nothing until we know what it is going to look like.

Committee Chair Chock: So something has to be on the board before you folks budget it is what you are saying? There has to be an affordable project that you need to identify before you folks start to budget the discount.

Mr. Saiki: Well, what it does is in our budget, say if we know we are going to lose two million dollars (\$2,000,000) with the subsidies, then we will take a two million dollar (\$2,000,000) project and defer it to next year or something.

Committee Chair Chock: I see. Thank you. Councilmember Yukimura.

Councilmember Yukimura: How much are the improvements you are giving to Lima Ola?

Mr. Saiki: I believe it is going to be several million dollars worth of...

Councilmember Yukimura: Can you provide me with a figure?

Mr. Saiki: Sure. I think we brought that once the last time we came here when we were talking about the FRCs and we had all of those tables. I know there were more tables...

Councilmember Yukimura: You overwhelmed us with information.

Mr. Saiki: I am an engineer, I like tables.

Councilmember Yukimura: Staff, can we find that? When you do that, you are taking from your budget for your Water Plan 2020, so you are saying that you have to defer projects.

Mr. Saiki: Basically, we have two (2) revenue streams: our FRC impact fees...

Councilmember Yukimura: Facilities Reserve Charge.

Mr. Saiki: Yes.

Councilmember Yukimura: Which, when a house is built, it is not just the water system for the house, but it is all going back to the source and everything...

Mr. Saiki: Your share of the well, yes.

Councilmember Yukimura: Your share of the system cost.

Mr. Saiki: Yes, and then your water rates. So every time you use water, you pay us that rate. Those are our two (2) sources of funding.

Councilmember Yukimura: Your water rates basically pay your operational costs.

Mr. Saiki: Yes.

Councilmember Yukimura: So the FRC pays your expansion or your system costs...

Mr. Saiki: Yes and no. FRCs can only be used for expansion, but water rates can also subsidize that, which is why when you look at Honolulu, their FRC is very low. They just never changed it. It is just that the water rate subsidizes it.

Councilmember Yukimura: So their policy is that their current rate payers pay for their system cost, not for the future users?

Mr. Saiki: Versus the new users pay for their share.

Councilmember Yukimura: Okay. In your case, when you give two million dollars (\$2,000,000) or three million dollars (\$3,000,000) to Lima Ola...

Mr. Saiki: We just do not have that revenue, so we need to cut back.

Councilmember Yukimura: On your overall project capital?

Mr. Saiki: And it is FRC, so it is...

Councilmember Yukimura: It is a capital expansion.

Mr. Saiki: Yes, an expansion project.

Councilmember Yukimura: Okay.

Mr. Saiki: It is kind of a double-edged sword, but we are trying to balance it.

Councilmember Yukimura: But it is also for future affordable housing projects. You cannot keep doing that and implement your overall plan for the future either. Can you make that a policy and say, "Every affordable housing project, we are going to provide all of the water capital that is needed for the water facilities"? That would be one way of subsidizing affordable housing.

Mr. Saiki: Yes, that would be one way, to change our rules of the Department of Water...the rules and regulations.

Councilmember Yukimura: So what about this idea—you said when a big developer comes in and says, "We need water." You say, "Okay, the system has this much, but you are asking for more than we have, so you pay for the balance." What if you just tell them that they pay for everything, they do not get anything from your existing system and they just pay for everything that they need?

Mr. Saiki: Again, we are getting into that if we have water, we have to provide that water. Say we have a system that is just built and only ten percent (10%) is used and a developer comes in and wants to build—what you are saying is, "Go build a brand new system and leave this ninety percent (90%) alone."

Councilmember Yukimura: Exactly.

Mr. Saiki: The problem with that is operationally, like we talked about the last time, having a system that is not being used becomes a water quality nightmare for us. We like the water moving around and not staying in a system for long periods of time.

Councilmember Yukimura: That is why planning is so important because you want to have the water system come on board about the same time that your houses are coming on board so that you do not have those big downtimes.

Mr. Saiki: Then you run into problems like Kulana, where we have a water system and it has not been used.

Councilmember Yukimura: Right.

Mr. Saiki: A lot of times, we are reactionary. People plan and they are committed, and then...

Councilmember Yukimura: But we are taking the risk for them somehow. We are not putting the risk on them.

Mr. Saiki: We are. That is why we are going to ask the developer to develop the water system if there is not enough capacity.

Mr. Trask: It is a legal analysis under exactions. It is pretty much what it comes down to. If there is a development, you can require them...if they need water, then there is a nexus, so they have to develop water. Then what you can require out of them has to be roughly proportional to the impact of that development upon the water. The problem you run into is if there is a bunch of water and you are saying, "We want you to develop a new water system," we have gotten sued before saying, "Well, there is water." Although there will be a nexus and the (inaudible) water, there is a ton of water. The fact that you are having us pay for a future development when it is available, there are constitutional problems with that.

Councilmember Yukimura: Why do you not say, "You are taking this future capacity from us, so we will give you the water now, but you pay us to build the next water that we need for the affordable housing projects"?

Mr. Trask: It is not a question of whether or not the Office of the County Attorney or the Department of Water is not saying anything, it is what the United States Supreme Court says and trying to fit into that analysis. Your hypothetical requires more specifics, but generally in answer to your questions, that is generally the answer. Those are the issues.

Councilmember Yukimura: Let me pose the question in another way: we have three thousand seven hundred plus (3,700+) hotel rooms, resort rooms that are already zoned for; do we have enough water to support that?

Mr. Saiki: Well, if they have not come in to us, then we do not know about that. We probably would not have water for them.

Councilmember Yukimura: You do not have water for them?

Mr. Saiki: I do not know. It depends where they are at in our system and if they have come in to talk to us about their water needs, then we evaluate. If it is just zoned, then we...

Councilmember Yukimura: Okay, so it is just zoned and the economy starts revving up and then they come in for the water and they use whatever capacity we have, then we have an affordable housing project come in and then the affordable housing project either cannot go forward or they have to pay for the water, which makes it unaffordable.

Mr. Saiki: Yes.

Councilmember Yukimura: That is how it happens?

Mr. Saiki: Yes.

Councilmember Yukimura: Something is wrong with that picture.

Mr. Trask: It is a complex question.

Councilmember Yukimura: Why could you not say, "As a condition of getting zoning, people have to pay for their water"? Then you do not need a "use it or lose it." They either have to be really ready when they come in for their zoning, or else they lose that money because they dally for whatever reasons and they do not build in time. So you are accumulating...I do not see that the courts would have any problem with that because that is just making them pay for their cost.

Mr. Saiki: Well, we are doing a form of that right now because we have people who have come in twenty (20) years ago and have purchased a meter, but never installed it.

Councilmember Yukimura: Okay.

Mr. Saiki: So they have this capacity in the system that is never being used. They were maintaining the system without them paying anything into it, so what we have done is we have put a deadline on when...after three (3) years, if you purchase a meter and do not install it and activate it, we will take the meter and return your money. What we do not want is people banking water.

Councilmember Yukimura: So we could do that with zoning...we could say, "You come in for zoning. If you do not build in three (3) years, we will take it back. You pay us for those three (3) years while we were holding your water capacity." Could we do that?

Mr. Saiki: I would rather stay with the meters and not zoning.

Councilmember Yukimura: Yes, that is because you only have to worry about water, but we are worrying about unused zoning capacity that lingers on and

gets to be over-zoning. In the meantime, other people come in and ask for zoning and it just keeps accumulating like we have today.

Mr. Saiki: I understand.

Committee Chair Chock: The question is directed to water...any more questions for the Department of Water? I have one. There was some testimony about page 137, A.3., "Encourage alternatives for non-potable water uses such as rainwater catchment and gray water recycling." I know that if the groundwater is there then you have to use that as opposed to...it is one or the other and you have to use what is available, right? This kind of moves us in a direction of us possibly having access or availability to use both. How do we do that? How is that achievable?

Mr. Saiki: Well, we started thinking about that more and more recently and when you talk about catchment, it depends how people define that. You have the people who define "catchment" as just rain barrels, so they can scoop out water and water their potted plants, then you have Hawai'i Island catchment. The issue we have right now is with cross-contamination. So what we would probably do or what we are thinking about right now is do we want it two (2) separate systems with the backflow preventer or just one (1) system with a backflow preventer at the property line, right after the meter? That is a possibility. Once you start talking about water reuse, gray water, and all that, now you start getting into the health issues, because gray water is actually everything except what goes down your sink and toilet and that can be a nuisance.

Committee Chair Chock: So the gray water and the catchment is all under your purview and not the State Department of Health?

Mr. Saiki: It is not under our purview.

Committee Chair Chock: Okay.

LYLE TABATA, Acting County Engineer: Lyle Tabata, Acting County Engineer. It is the Department of Health.

Committee Chair Chock: Okay. So you folks are working on it?

Mr. Saiki: We are considering...because more and more we have people coming in, talking about catchment, so having a private well, but wanting backup from our system. Just to be honest, there are two (2) things: the biggest item is the cross-contamination. We do not know how we are taking care of their water system. The other is whether or not they are actually using their system versus our water system.

Mr. Tabata: Let me correct myself, actually the regulation of gray water systems has been handed to the counties.

Committee Chair Chock: Okay.

Mr. Tabata: So if you have a gray water system you want to implement in your home, you come to the County plumbing, in the Building Division in the plumbing section, but we have not adopted the new Plumbing Code yet, so we really cannot implement it.

Committee Chair Chock: So the Plumbing Code is holding this back?

Mr. Tabata: Yes, part of it. The gray water can only be used for ground water irrigation and the person who comes in...we have some...even though the State Department of Health created the policy, it has been handed to the counties to implement and regulate.

Council Chair Rapozo: How does it work on Hawai'i Island? How do they operate their catchment system? They use this for potable, right?

Mr. Saiki: Yes.

Council Chair Rapozo: How do they do theirs?

Mr. Saiki: If they have a dual system, they have a backflow preventer.

Council Chair Rapozo: Okay. Do all of them have a dual system?

Mr. Saiki: No. The other thing and it is either the county water or private truckers. Say you do not have enough water in your tank—they truck water to your...

Council Chair Rapozo: Right, so what prevents us from allowing that to happen today? If somebody wants to build a home in an area that has sufficient rainfall, are they allowed to do that? Do we have anything prohibiting them from doing that?

Mr. Saiki: They can do a catchment system, but they cannot be tied to our water system right now or they are going to be tied to our water system but not have a catchment system.

Council Chair Rapozo: Right.

Mr. Saiki: We allow...say for agricultural lots, they will have irrigation wells solely dedicated...in other words, a whole separate water system, but their house is connected to our system.

Council Chair Rapozo: Okay. I heard you say you are exploring it and I am assuming that because it is in the General Plan that you folks were participating in this discussion.

Mr. Saiki: Yes.

Council Chair Rapozo: What would it take to allow landowners or homeowners to utilize the dual system? I heard you say backflow preventer, but what would allow that? Is it an ordinance? It is your rules?

Mr. Saiki: It is our rules.

Council Chair Rapozo: So that would be your purview?

Mr. Saiki: Yes.

Council Chair Rapozo: I heard you say that you are looking into it, but is that something that you are considering?

Mr. Saiki: Yes.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Chock: Councilmember Yukimura.

Councilmember Yukimura: So that is the catchment system that is on its way to some regulation that will enable it on Kaua'i?

Mr. Saiki: It will probably be simpler than that and it will just be addressing dual water systems and dual potable water systems.

Councilmember Yukimura: So you are going to allow catchment, but it just will not be allowed to connect?

Mr. Saiki: We are thinking about it.

Councilmember Yukimura: But what you are thinking about is likely to be two (2) separate systems?

Mr. Saiki: We do not know yet, whether it is two (2) separate systems and one (1) system and a backflow.

Councilmember Yukimura: Right now, it is not allowed, but you are moving toward allowing some form of a catchment system.

Mr. Saiki: Yes, we are considering that.

Councilmember Yukimura: Okay. With respect to gray water, I thought gray water, by definition, does not include sewage water.

Mr. Saiki: No, that is what I said. Anything that goes down your toilet and sink is basically your laundry water.

Councilmember Yukimura: Landry water... and there are no regulations... Lyle, there are no regulations in the Plumbing Code right now to allow it?

Mr. Tabata: We do have regulations.

Councilmember Yukimura: I think we do. That is really good news because if people can use that water to water their lawns, they do not have to use potable water, which is like using a Cadillac to go to the store, right?

Mr. Saiki: Yes. There are a lot of headaches associated with gray water.

Councilmember Yukimura: Like what?

Mr. Saiki: Just the lint that is involved.

Councilmember Yukimura: The what?

Mr. Saiki: All of the lint that you get off your dryer, that is also in your water that goes out in the gray water.

Councilmember Yukimura: Is that a public health issue?

Mr. Saiki: It is a system issue. It clogs pipes and makes the gray water system a maintenance...

Councilmember Yukimura: Hopefully the plumbing regulations will allow for some kind of filter or something.

Mr. Tabata: So a licensed professional will have to design the system, which will have to meet certain criteria of being able to settle solids out of the water.

Councilmember Yukimura: Yes. So the point of moving to this seven hundred fifty (750) gallons per day that you allocate for single-family homes. If you can reduce this seven hundred fifty (750) gallons per day, you could have more water for more homes.

Mr. Saiki: Yes.

Councilmember Yukimura: Correct?

Mr. Saiki: Yes.

Councilmember Yukimura: So that goes to low flush toilets, waterless urinals, and those kinds of things that are now being incorporated into what they call "LEED design houses" or "more sustainable houses," and that then frees up more water for hotels and affordable housing to compete for.

Mr. Saiki: Yes.

Councilmember Yukimura: Do you have a plan to reduce the seven hundred fifty (750) gallons per day figure?

Mr. Saiki: We have a conservation plan, but what we have noticed over the last several years, maybe five (5) years or so, is that consumption has been dropping.

Councilmember Yukimura: Is that good?

Mr. Saiki: That is good because basically what the...Eddie here is in charge of water resource planning, so we are discussing the possibility if we need to lower our design standards.

Councilmember Yukimura: Very good. Already your design standards require less water per multi-family unit or do you use the same standard for multi-family as you do single-family?

Mr. Saiki: It is less.

Councilmember Yukimura: So like for our Rice Camp Housing, what...

Mr. Doi: It is five hundred twenty-five (525).

Councilmember Yukimura: So it is five hundred twenty-five (525) gallons per day. If we were to incorporate other water efficiency requirements in our Building Code or Plumbing Code...

Mr. Saiki: Well, it would not be just what is in the Code, we actually have to see a drop in our consumption and once we have comfort that it is going to remain low, then we will seriously consider lowering the design standard.

Councilmember Yukimura: There was a question about dual systems for reuse of water and I think even Grove Farm is looking into that. I think Waimea is doing that with our sewage treatment effluent because it is going to be now R-1 quality. Līhu'e also?

Mr. Tabata: I can answer that. We presently have upgraded the Līhu'e Wastewater Treatment Plant. For Waimea, we are still in the process of getting Waimea to qualify for sustainable R-1 quality.

Councilmember Yukimura: Some neighborhoods can actually be built with dual systems so that...

Mr. Tabata: We would have to then install a water storage system and a distribution system to the users and the system piping that you would see would be the purple pipes, so the reuse water out in various communities is the

purple pipes and we have some private. For our County, with water that we send to the Wailua Golf Course is in purple pipes and what we use in our own facilities, recycling water, are the purple pipes so that the employees know the distinction between potable and non-potable. So we have R-1 in Līhu'e, R-2 in Wailua, and we are still are R-2 in Waimea and we are working towards R-1.

Councilmember Yukimura: Okay. For planning purposes, what we are envisioning in the long run are dual system neighborhoods that can reduce this seven hundred fifty (750) gallons per day probably substantially because people now can use the...

Mr. Saiki: Well, that is per household. The house itself has to reduce that water use.

Councilmember Yukimura: Right, but I am talking about neighborhoods where each house has a dual system so...

Mr. Saiki: If they irrigate with the R-1 water, then yes.

Councilmember Yukimura: Right, so that could lower the standards for those neighborhoods and make potable water.

Mr. Tabata: They need to be separate, distinct systems.

Councilmember Yukimura: Yes.

Mr. Saiki: As the Department of Water, when we look at what process gives us the most bang for our buck in terms of water conservation, if the Department of Public Works does (inaudible) water, because it is a gallon for gallon savings versus rain barrels and all of that; yes, they do help.

Councilmember Yukimura: It is really recycling because it comes as potable water and then it gets circulated to sewage, which then goes to reusable.

Mr. Saiki: And groundwater recharge.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Council Chair Rapozo.

Council Chair Rapozo: I have to ask this question and we do not get you folks here often, so now I have to take advantage of you folks being here—as it relates to the Department of Hawaiian Home Lands, what is the relationship between the County and entities like DHHL? Do we provide them water like everybody else or do they have a preference?

Mr. Saiki: We are working with them up in Anahola now because they are developing a new housing tract and they have not decided whether they are going to convey...really, they do not convey their facilities to us. We do a

different kind of agreement and we operate and bill their homeowners, but we work with them.

Council Chair Rapozo: In particular in Wailua, I know they had some problem with water in Wailua in where they want to buildout in Wailua.

Mr. Saiki: I do not know. I know they have comments to an Environmental Assessment (EA) that was for the cane haul road where they were concerned about water for the development. Again, if they have not come in to talk to us, we...

Council Chair Rapozo: I guess what I heard was that they had requested water and were told that we did not have enough water for that project in Wailua.

Mr. Saiki: Yes.

Council Chair Rapozo: And that they would be forced to build their own wells. I am seeing today that we do have water. I am just curious as far as the relationship between DHHL and the County as it relates to water. Do they have a preference? Are they entitled to water? Maybe Councilmember Chock can answer this, but I am not sure. As far as you know, there was never a request made for water for Wailua.

Mr. Saiki: Eddie can answer.

Mr. Doi: DHHL, on the Līhu'e side of Wailua River...

Council Chair Rapozo: Yes.

Mr. Doi: So they came in and it is basically not in our service area. So they were required to do the soft storage and transmission. They were required to the soft storage and transmission.

Council Chair Rapozo: Why, when we have water?

Mr. Doi: Why would we?

Council Chair Rapozo: No, we have water available.

Mr. Doi: Yes.

Council Chair Rapozo: They have land and they can build the homes, but why would we not provide them the water?

Mr. Saiki: The misconception I think you are having with the two million two hundred thousand (2,200,000) and the three million (3,000,000) gallons is that right now, we have the luxury of sending water towards

Wailua and Kapa'a. The long-term...that is just the emergency connection...the treatment plant from Hanamā'ulu to Puhī will essentially just serve the Līhu'e area.

Council Chair Rapozo: Well, I guess I am getting confused. I do not know if it is misconception, but I heard you say, "First come, first served" and I heard you say that we have eight hundred million (800,000,000) gallons per day available.

Mr. Saiki: Yes.

Council Chair Rapozo: And we have DHHL asking for water to build...to put Hawaiians in homes, but you are saying that we would not give them the water and that they would have to provide their own source, transmission, and storage.

Mr. Saiki: It is kind of like the Lāwa'i-Kalāheo area. We can move water from Lāwa'i to Kalāheo. We do not on a daily basis. When we lost the two (2) wells in Kalāheo, we were able to at least bring some water to Kalāheo. So operationally, we do not do that every day.

Council Chair Rapozo: But you do going to Wailua?

Mr. Saiki: For now. That is not the ultimate plan. The plan is the treatment plant that is for the Līhu'e area.

Council Chair Rapozo: What is going to happen in Wailua? I live in the Houselots and my water comes from Līhu'e.

Mr. Saiki: Yes.

Council Chair Rapozo: We have wells up in Wailua that we are not using, right?

Mr. Saiki: Yes.

Council Chair Rapozo: I am just trying to figure out why would we not have provided...if we have an opportunity for Hawaiian Homes to put up some houses, why would we not provide them the water?

Mr. Saiki: I need to talk to Eddie more on that.

Council Chair Rapozo: Is it just a "no"?

Mr. Doi: It goes back to a system planning where you start off with a system and you design things to accommodate your service area and if somebody comes and wants to build another same amount of development, that would leave our system with no water for people that the system was designed for.

Mr. Saiki: If it is outside of that system.

Mr. Doi: Yes.

Council Chair Rapozo: Wailua is not in the service area of the surface water treatment plant, right?

Mr. Doi: If Wailua is...

Council Chair Rapozo: And Kapa'a? It is not a trick question.

Mr. Doi: Okay, so it is a service area.

Council Chair Rapozo: It is a service area?

Mr. Doi: Yes.

Council Chair Rapozo: For the surface water treatment plant? I do not understand. Maybe I do not understand what "service area" is. What do you mean by "service area"?

Mr. Doi: I guess "service area" is an area where it is zoned for development that we take care of.

Council Chair Rapozo: Okay. We have an opportunity to provide homes for Hawaiians and all we needed to do was provide them water. I guess that is where I am kind of surprised to hear...I should have known that, but I do not, about the water that we have available that we would be able to provide. Is that a policy issue?

Mr. Doi: I guess it is policy, because like Kukui'ula, they came in...they are next to Kōloa and Po'ipū, but they were building out the big service area and they were required to...not building out a big service area...they were doing development that was outside of our plan service area.

Council Chair Rapozo: Right.

Mr. Doi: When the General Plan comes up, we are going to look at...maybe the service area is going to expand or maybe not, but we still have to deal with the issue of getting water or infrastructure.

Mr. Saiki: We recently changed or modified that policy to say if somebody does build outside of the...the service areas are based on the existing General Plan, so if you are outside, you are really outside. You are not counted in for what we are planning for service. We have changed that policy, like Lima Ola is really outside of the General Plan area, but we said, "We have water and if they are willing to build the infrastructure to get the water from us to them, then we can sit down and start talking."

Council Chair Rapozo: Is that the same discussion we had with Hawaiian Homes?

Mr. Saiki: That time, the policy had not changed, so if you were outside, you were outside.

Council Chair Rapozo: So if that discussion was to happen today then we would be able to help them in some way?

Mr. Saiki: It would probably be a lot more positive, potentially, not knowing exactly where their facilities...

Council Chair Rapozo: We know where the land is, right? We talk about low-hanging fruit and I think this is one of them. I am glad we are having this discussion today because we do not usually have this opportunity and more and more we discuss things, more and more it comes up and that is a low-hanging fruit. That is them, Hawaiian Homes are going to build the homes, not the County. I only worry about Kanani and her creative financing. We just have to give them water and that we have, so I would encourage that discussion to continue. It is what it is and we are over here struggling, wondering where the next penny will come from and we have an opportunity and have the water, but we are just not taking advantage. We did it for Lima Ola, why not do it for Hawaiian Homes? I just think we need to move down that direction. Thank you.

Committee Chair Chock: Thank you. I have a follow-up. Just in terms of this discussion here, is there a need to expand on service area under this current General Plan? The conversations about expansion of the service area in order to include potential growth, and that is what guides you folks in the General Plan, right? Is there a need for that to occur in an amendment here for this General Plan?

Mr. Saiki: No, because we (inaudible)...

Committee Chair Chock: Because you have addressed that on your side. Thank you. Councilmember Yukimura.

Councilmember Yukimura: So if you do that, you will not have enough water for Līhu'e when that builds up?

Mr. Saiki: That is what I was trying to explain. The treatment plant (inaudible) Līhu'e area.

Councilmember Yukimura: Okay. That is all I wanted to hear. That is the tradeoff. So Mayor Baptiste once suggested that we work with Hawaiian Homes and move that density to Līhu'e and that would solve the problem without distorting our planning or depriving the Līhu'e area of water if we move the development. That development has a lot of problems because the drainage, flooding, traffic, and all of that...if it could be moved closer to Līhu'e, say even Koheā Loa, then you would just get a lot more compact development. It would meet our compact development criteria. That is another way to address that problem. Is it not?

Mr. Dahilig: We actually researched the ability for us to do land swaps with the Home Lands to facilitate that type of situation you are talking about and we have been advised by counsel from the Department of Hawaiian Home Lands is that it would actually take an act of Congress to actually do so. So that type of facilitation...unless the land is given gratis to the Department of Hawaiian Home Lands, they cannot remove lands out of their corpus that has been distilled upon them through an act of Congress.

Councilmember Yukimura: That is what I was thinking of.

Committee Chair Chock: There is one more follow-up here.

Council Chair Rapozo: To address the concern about taking water away from Līhu'e, we have source in Wailua that could service Wailua. Correct? I do not know who to ask.

Mr. Saiki: Yes, we are approaching capacity in some areas, so like I was saying, it depends where and what our facilities' capabilities are, where they want to develop.

Council Chair Rapozo: What I am saying is if we use the Līhu'e source for the Līhu'e-Wailua and use the available sources for Wailua-Kapa'a...right now, you have Līhu'e water going to Kapa'a.

Mr. Saiki: Yes.

Council Chair Rapozo: Is there no other source in Kapa'a?

Mr. Saiki: No, there are other sources.

Council Chair Rapozo: Right. If we use the Kapa'a source for Kapa'a, the Wailua source of Wailua, all of that water—this is to answer Councilmember Yukimura's question—is for Līhu'e, right?

Mr. Saiki: They just need to come in again.

Council Chair Rapozo: We should be reaching out, too. We are the ones in a crisis. I am not talking about you, specifically, and the Department of Water, but all of us together. It is just only now I am thinking about these things, but those are the kinds of fruits we have to pick.

Committee Chair Chock: Great. Any further questions on Critical Infrastructure? Councilmember Yukimura.

Councilmember Yukimura: So this figure on 3-7 "Projected Wastewater and Domestic Water Capacity by District"...

Committee Chair Chock: Page number?

Councilmember Yukimura: Page 138. Actually, I think it was in the consultant's presentation yesterday. Do you see it? It shows a deficit of well water in South Kaua'i of two million (2,000,000) gallons per day, the pink line under South Kaua'i, that is well water deficit, right? Over two million (2,000,000). What does that mean? That means compared to what land is zoned for and what water there is right now?

Mr. Saiki: Well, I believe what this says is this is what we have now, and then at buildout, based on the General Plan, what the water demands are going to be. In 2035, I would not be surprised if we have areas where we need to expand.

Councilmember Yukimura: What is going to be the cost of that? Look at East Kaua'i. You just said you have a lot of water in Kapa'a.

Mr. Saiki: No, I did not say that we have a lot of water in Kapa'a.

Councilmember Yukimura: You said you had surplus water in Kapa'a.

Mr. Saiki: In some areas, we do have meter restrictions in Kapa'a.

Councilmember Yukimura: But it looks like negative three million (-3,000,000) for that area. So would you not transfer water amongst Kapa'a areas if you have a deficit in one place and a surplus in another?

Mr. Saiki: We have projects where we are looking at developing source, storage, and transmission in the Kapa'a-Wailua area.

Councilmember Yukimura: This is just a source document. It does not tell you the transmission capacity.

Mr. Saiki: Yes.

Councilmember Yukimura: But that is what it means. It means that we do not have existing...

Mr. Saiki: It has been a long time since I actually looked at that table, so I would have to actually look at it and figure it out.

Councilmember Yukimura: Does Planning know what it means?

Mr. Doi: I think it is the projected total water demand you are going to need in that area based on the area zoning.

Councilmember Yukimura: Okay, so it is basically what Kirk said, compared to buildout, if you assume full buildout, that is the deficit, right?

Mr. Doi: I would think so, yes.

Councilmember Yukimura: Okay. You folks are water, but the blue shows wastewater deficit, too.

Mr. Doi: I think looking that far out ahead, you are probably going to be in a deficit, so along the way, (inaudible)...people who need the water who are going to try and get funding is either going to be the County or a joint effort.

Councilmember Yukimura: But the thing is if there are more proposals for development on top of what is already zoned, it will just add to the deficit or to whatever we have to build and plan for, right?

Mr. Doi: If you are going to add more then you are going to need more water.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Any further questions on the Critical Infrastructure?

Councilmember Yukimura: I have the question for Wastewater about Kalāheo and Hanalei.

Mr. Tabata: I am here to answer.

Committee Chair Chock: Can Jason come up, too?

Mr. Tabata: Jason just took over as the Chief of Wastewater, so the long-term...these questions you have...

Councilmember Yukimura: Did Mr. Tschupp retire?

Mr. Tabata: Yes. These questions are long-term solutions that you are seeking and so we are prepared to talk about what it would take to build a new facility and put in the collection systems and pumping systems. We are talking some sizable quantities of money. So go ahead and fire away.

Councilmember Yukimura: I just received concerns both from Kalāheo and Kīlauea where the lack of a sewage system is a restriction and limitation on commercial activity.

Mr. Tabata: We have received the same.

Councilmember Yukimura: They are similar to what I used to receive from Kapa'a before we put in the sewer line in Kapa'a. What we do know is that sewers do boost capacity for economic development and the question is...and also

address public health as well because of the “iffy-ness” of independent, small wastewater systems.

Mr. Tabata: We agree; however, all of these outlined areas have their own individual systems, either Individual Wastewater Systems (IWS) or cesspools.

Councilmember Yukimura: “IWS” is?

Mr. Tabata: “Individual Wastewater Systems (IWS),” which are the septic systems of today and cesspools.

Councilmember Yukimura: Okay.

Mr. Tabata: The Department of Health, as was stated earlier by Planning’s consultant, has all of the statistics of where these cesspools and septic systems are on the island because everything that is installed had to be previously approved by them.

Councilmember Yukimura: I am just talking about those two (2) areas.

Mr. Tabata: In anticipating these questions, I had Jason prepare some estimated costs, because we are looking at expansions all of the time and we did our facility plans and we are doing things to just upgrade our plants. As Councilmember Brun has mentioned many times about Wailua, we are trying our best to plan for the future, and at the same time, keep the infrastructure that we have operable and able to meet the regulatory conditions we are put under. Just for rough numbers, cost per gallon, per thousand (1,000) gallons to build a wastewater treatment plant, can range from fifteen thousand dollars (\$15,000) to thirty thousand dollars (\$30,000) per gallon, just for the treatment plant. Say from one million five hundred thousand (1,500,000) gallons per day the wastewater treatment plant that we will produce, we are saying the standard today is R-1 only. We are not going to produce anything lower than R-1, which is reusable. It can be air-applied, meaning sprinklers within fifty (50) feet of a home. For something, say, in the size of one million five hundred thousand (1,500,000) gallons per day, we are talking twenty-two million dollars (\$22,000,000) to forty-five million dollars (\$45,000,000), plus we have to have land. We need property to build it, and then we can build it. We have to go through the entire EA process, HRS 343 for our State. Costs to install collection systems from each home, so we are going to put a (inaudible) line down a street, everybody’s lateral is going to connect, and then we hopefully use the topographic information we have of a subdivision or an existing...like Kalāheo, lots of hills...

Councilmember Yukimura: Actually, Kōloa, too.

Mr. Tabata: We are talking anywhere from one million dollars (\$1,000,000) to two million dollars (\$2,000,000) per mile to install a collection system. Pump station—anywhere from two million dollars (\$2,000,000) to eight million dollars (\$8,000,000) to accommodate the one million five hundred thousand

(1,500,000) gallon wastewater treatment plant per pump station...like in Kalāheo, it is so "hilly."

Councilmember Yukimura: I am not talking about all of Kalāheo. I am just talking about the town area.

Mr. Tabata: Even at that. If we come, they will have to connect. It does not pay for us to build a small five hundred (500) gallon treatment plant because of all the regulatory needs to meet, install it, or bring a facility to a town. We would do a feasibility study to see what critical mass needs are and weigh the costs to be affordable.

Councilmember Yukimura: Okay. Thank you. I really appreciate the research that has been done.

Mr. Tabata: So some of the things that I can tell you already from the South Kaua'i Community Plan, and we have heard it, and in speaking to the Department of Health...so if we can focus on the South Kaua'i needs, you saw the needs up there on the wall for South Kaua'i for wastewater and you talk about the...I believe twenty (20) something package plants that they have along the coast. I used to maintain half of them when I worked for Aqua Engineers. We are embarking and working with the Department of Health because they have concerns...they definitely have concerns with injection wells out there on the coast, and then the quality of water that the Clean Water Branch has tested in the ocean. We are working with them to figure out how the County can get State Revolving Funds (SRF) to create some kind of study of that area; working with the private developers, private landowners, we have a couple of large wastewater treatment plant operations there; working with all of them to figure out what is there and what would it take to do a regional plan and what would be the cost to pump water and shut down all of the small treatment plants to get to the regional plant.

Councilmember Yukimura: That is very good that you are working on that.

Mr. Tabata: We have not started it yet, but we are in the talking stages with the Department of Health to get an SRF loan, which is one and a half percent (1.5%) interest to see somebody...we feel somebody needs to step-up and start the process. The Administration has concurred that yes, we can do that step-up. It is not going to be our service area. We are not servicing anybody, but it is something that I believe the County should lead at least to get the data.

Committee Chair Chock: Members, before we continue, I have to take a caption break, so here are the options...I do not know how many questions you have left or if this is it, but I think there is an interest to try and get to infrastructure. I think we can get through infrastructure before lunch. If we just take the caption break and break at 12:30 p.m., at least I know one (1) Member is willing to do that, unless someone has to leave right away.

Councilmember Yukimura: Unless we break now and come back and finish the infrastructure discussion after.

Committee Chair Chock: Here is what I think we should—we should try and finish it.

Councilmember Yukimura: Okay.

Committee Chair Chock: Thank you, gentlemen.

Council Chair Rapozo: What about Solid Waste?

Mr. Tabata: I am here to answer for Solid Waste.

Council Chair Rapozo: I just have one question.

Committee Chair Chock: Okay. Councilmember Yukimura, any more questions?

Councilmember Yukimura: Not on sewer, for Wastewater.

Council Chair Rapozo: This is on page 143 of the plan. We are talking about solid waste and the landfill and it says that right now, "Kekaha will be able to accept waste only up to 2020 without approvals to expand it. If existing proposals to expand or improve, the Kekaha Landfill will likely reach capacity by 2028." I guess my question is what happens if it does not get approved?

Mr. Tabata: You do not want to roll the dice. I am going to tell you exactly where we are; we are in the process of getting to the point of being able to permit the lateral expansion, the final expansion that we speak to, to get us to 2028. We are very close.

Council Chair Rapozo: When do you expect to get that approved?

Mr. Tabata: It is imminent as we speak. We are working very diligently. We are in constant communication with them. On my schedule here, get concurrence with them by early 2018 and have a final completed design to permit by August 2018. These things take time, so for me, that is imminent. We are really close.

Council Chair Rapozo: I am just reading this thing and it is scaring the hell out of me.

Mr. Tabata: I agree. We are working very hard. We hope that by September 2018, we go out to bid for construction and we are not going to do that without permit in hand, and then award by November 2018, the lateral expansion.

Council Chair Rapozo: That is just for the expansion, right?

Mr. Tabata: Yes. That will get us to 2028, like you mentioned.

Council Chair Rapozo: When would you expect that lateral to be ready? Right now, we have until 2020.

Mr. Tabata: By November 2019, we get Department of Health certification that the construction has been met and then we start putting in material soon after.

Council Chair Rapozo: Okay. Then that takes us to 2028.

Mr. Tabata: Yes.

Council Chair Rapozo: When is the anticipated date of Ma'alo?

Mr. Tabata: I have that.

Council Chair Rapozo: Are you talking eight (8) years?

Mr. Tabata: We expect Ma'alo to be operational by 2024, giving us a four-year buffer.

Council Chair Rapozo: Seven (7) years from today?

Mr. Tabata: God-willing, a lot of things have to fall in place. I have a whole schedule here that I can share.

Council Chair Rapozo: Okay. Just one last thing, there is nothing in here, and I do not want to get into a whole debate...I am just curious as to why...This plan takes us to 2035.

Mr. Tabata: Yes.

Council Chair Rapozo: But there is no mention of any potential alternatives besides landfilling. Was that the intent of the Department of Public Works?

Mr. Tabata: For the intent of the General Plan?

Council Chair Rapozo: Yes.

Mr. Tabata: I believe so, yes. We are constantly looking for alternatives.

Council Chair Rapozo: But there is no mention of it in the General Plan?

Mr. Tabata: We should...

Council Chair Rapozo: I am asking...

Mr. Tabata: We are always looking.

Council Chair Rapozo: Is that intentional or was that just...

Mr. Tabata: I have to revisit with them.

Council Chair Rapozo: Like I said, I am not going to get into the debate of the alternatives or options, but I am just saying, are we going to rely on the landfill or are you looking at options.

Mr. Tabata: No, we are always looking at options.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Chock: I am at the point where I have to take the caption break already, so I was just wondering if anyone from the coalition have amendments (inaudible). Do you folks think you can get through that in about ten (10) minutes?

Councilmember Yukimura: I have a follow-up question for Lyle on Solid Waste.

Committee Chair Chock: Why do we not just take the break and come back to it and do as much as we can.

Councilmember Yukimura: Sure.

Committee Chair Chock: Okay. Ten (10) minute caption break.

There being no objections, the meeting recessed at 12:10 p.m.

The meeting reconvened at 12:21 p.m., and proceeded as follows:

Committee Chair Chock: Welcome back from our caption break. We are going to try and power through this section here. We have some Solid Waste questions. Councilmember Yukimura.

Councilmember Yukimura: Lyle, you were saying that the Ma'alo Landfill, i.e., the new landfill, is going to be ready by when?

Mr. Tabata: The timeline is 2024.

Councilmember Yukimura: 2024, that is seven (7) years from now?

Mr. Tabata: Yes.

Councilmember Yukimura: So are you going to build a Materials Recovery Facility (MRF) after that?

Mr. Tabata: Yes. The primary concern right now based on Chair Rapozo's questions—we have a finite timeline at Kekaha and we need to have something ready. That is the plan, but the Administration now, we are charged with ensuring Kekaha's life and getting us to an end for Ma'alo.

Councilmember Yukimura: The reason why we are in that corner is because we have never taken the time and money, much, much less money, than needed for the landfill, to boost our recycling efforts, which the more we divert, the longer the life of whatever, whether it is temporary landfill or the new one. The Chair's question, too—our Solid Waste Management Plan is not this single purpose landfill plan; it is a diversion plan that is going to move us from unsustainability to sustainability. We are neglecting this whole piece that is going to move us to sustainability.

Mr. Tabata: I do not want to debate with you. I believe that our Administration has been doing everything in our power to meet the needs of our community with the plan as our guide, the Solid Waste Management Plan.

Councilmember Yukimura: You are not following the plan.

Mr. Tabata: We may not be following to a "t," but we are using it as a guide. The evidence is that we are leading the State in our efforts to divert. We had forty-four percent (44%). Nobody else in the State is even close to that. At the same time, we are weighing all of the costs. We have to be cognizant of costs. The costs to do this is limited by what our budget will bear and I believe that has been brought forward at all of our budget sessions and I believe we are doing the best we can under the circumstance. We have looked at alternatives to landfilling and even diversion and we have run into...I might get scolding for saying this, but it is all about critical mass on this island. We are too small. It is the same thing that we are facing with wastewater. It is about critical mass and what our community can bear in costs.

Councilmember Yukimura: It did not stop us from putting in sewers. What is the cost of the landfill, this program that you are doing now, the lateral expansion of the old landfill and the new landfill?

KEITH SUGA, Executive Assistant: To answer your question, related to Cell 2 lateral expansion, the cost estimate right now is about fifteen million dollars (\$15,000,000) for the lateral expansion. For Ma'alo, we have projected for the initial cell, like Lyle was talking about getting permitting and constructed initially, as well as roadways...we were looking at...I believe the latest was just under seventy million dollars (\$70,000,000) for Ma'alo.

Councilmember Yukimura: Seventy million dollars (\$70,000,000). So that is eighty-five million dollars (\$85,000,000) we are going to spend on a dead-end

technology and how much will it cost for the design of the MRF if we were to do one quickly at the airport.

Mr. Suga: I believe the rough estimate for design for the MRF at that particular location was five hundred thousand dollars (\$500,000).

Councilmember Yukimura: To actually construct, roughly, how much would it cost?

Mr. Suga: We had various estimates, so it could...

Councilmember Yukimura: You could take the maximum.

Mr. Suga: Again, based on the Lihū'e Airport location, because I was looking at a semi-retrofit, it could be anywhere around twelve million dollars (\$12,000,000).

Councilmember Yukimura: Twelve million dollars (\$12,000,000)? I thought it was more like six million dollars (\$6,000,000). Okay.

Mr. Tabata: The most recent revised...

Councilmember Yukimura: So it is seventeen million dollars (\$17,000,000) versus eighty-five million dollars (\$85,000,000) and we cannot even put five hundred thousand dollars (\$500,000) into a design.

Mr. Tabata: Some of our findings, even if we implemented curbside recycling with a MRF, it would not make enough of an impact to our waste diversion that would not necessitate us pursuing the lateral and the new landfill significantly enough to divert us from the charge of the lateral and citing the new landfill. We do not have enough staff.

Councilmember Yukimura: Okay. You have enough staff to do the landfill, but not enough staff to do the MRF. It is true—we are still going to need to do the lateral and Ma'alo, but you are going to amortize this cost much better because the more you divert, the less cost overtime...you are going to stretch out the time that the cost will be spread over. You are continuing a polluting technology that is wasting huge resources. Basically, this plan right now in the General Plan, you are going to have to revise the Solid Waste Management Plan because you are not doing any real expansion of recycling and you are going to just make it basically a landfill plan.

Mr. Suga: As Chair Rapozo mentioned earlier, we are always looking at opportunities for waste diversion, in addition to landfilling. Landfilling is something that we know that we have to do, no matter what technology, what diversion that we pursue or comes about. So that critical schedule that we are on with Cell 2 and Ma'alo, we need to stay on that obviously and we need to make sure that we expedite as quickly as possible, and in the meantime, continue to explore any type of waste diversion opportunities that come about. We get calls at Solid Waste all of the time regarding people that have different ideas and solutions and

they want to meet and talk story; we are definitely welcome to that and want to engage and explore those opportunities. I feel what is written in the General Plan, in a sense, we are still trying to follow that in terms of the Solid Waste Integrated Management Plan and explore these opportunities that may be now...maybe in the future that come about based on different technologies and different type of solutions. We definitely want to continue to engage and explore all opportunities for waste diversion.

Committee Chair Chock: We have other questions from other Members.

Councilmember Yukimura: Let me just ask, what is the target goal for recycling for the next twenty (20) years?

Mr. Tabata: A few years ago, we targeted seventy percent (70%) by I believe it was 2025 and the condition of the market for resale value today is right now, presently, not conducive to allowing us to push forward with new programs. Let me just stop at that.

Councilmember Yukimura: Okay, so our goal is forty-four percent (44%), where we are right now?

Mr. Tabata: I cannot answer that. It depends on the market.

Councilmember Brun: For this MRF, where are we going to be sending all of these recyclables to? If we go into this whole MRF, let us recycling...China just pulled out one (1) month ago and China was the biggest...

Mr. Tabata: That is what I was referring to, that the condition of the market has been regressing and we continue with our partners to seek, and Keith is more day-to-day with our partners, to seek alternatives, so I will let him continue.

Mr. Suga: With regards to what you are asking, Councilmember Brun, there still are opportunities for a commodity market related to recyclables. Again, what is going on in China greatly impacts it; there is no doubt about it. When you look at overall, there are still opportunities; however, if we are looking at a MRF model, that just makes the MRF model a lot more challenging to balance out and collect the revenues that you need to make that operation run.

Councilmember Brun: So on top of that seventeen million dollars (\$17,000,000), we would have to add...for storage space, we would have to buy land. If China does not take it...they were the biggest taker of all of this reusable stuff...if they do not take it, we are going to end up storing this anyway, just the same as we would with a landfill.

Mr. Suga: We would have to do something with it, obviously. With the storage, it does come with permit regulations that would have to run through the Department of Health to be able to stockpile for that type of material.

Councilmember Brun: China is going to have a big impact on us.

Mr. Suga: Correct.

Councilmember Brun: Should we push forward with this...maybe not at this time because I feel that we are going to be stuck with all of this, no matter what. It is either going into the landfill or it is going in someplace that is going to look like a landfill here on the island. No matter what way we look at it, right? We need to look overall how we are going to get rid of this stuff. Right now, this stuff probably cannot go anywhere. We are going to be stuck with it for another ten (10), fifteen (15), to twenty (20) years. We have to look at everything. Thank you.

Committee Chair Chock: Councilmember Kaneshiro.

Councilmember Kaneshiro: Again, looking at it from a forty thousand (40,000) foot view, I think it is inevitable that we need the expansion and it is inevitable that we will need a new landfill because we cannot possibly get rid of every single material on the island. Then the plan addresses, "To further reduce solid waste volume through new technology, programs, and reuse," and then a goal of diverting at least seventy percent (70%) of solid waste. The plan does address it. Again, we are getting into the details. We can talk about details all day. For us to say, "Let us do a MRF," of course we are going to need to do the same thing we did with the landfill; we are going to have to get all of the numbers, we are going to see who we are selling it to, and what it is going to cost us to operate. I think the plan keeps it open, "Yes, we are going to look at any technology, even if it is a MRF." From the forty thousand (40,000) foot view, for me, I feel like I am okay with it.

Committee Chair Chock: Any more solid waste questions?

Councilmember Yukimura: Yes.

Committee Chair Chock: Councilmember Yukimura.

Councilmember Yukimura: Is the problem with China not mainly one of plastics? Is that not what they are taking?

Mr. Suga: It is actually more than plastic. It has to do with mixed paper as well.

Councilmember Yukimura: Mixed paper actually has a value to even this community if you could get an economies of scale, which you are right, Lyle, that we are ahead of all the other counties, which is not saying much, given where they are, but if Honolulu were to change, then the economies would shift. We are not making any money from our landfills, right? We are going to spend eighty-five million dollars (\$85,000,000) to build that. We could build our recycling facility for seventeen million dollars (\$17,000,000); we could expand our composting for local soil conditioner, which we could use here on the island; and we could try to find ways to develop more products from this internally. We are not asking the landfill to make a profit.

Mr. Suga: I just want to mention, in agreement with Councilmember Kaneshiro, in terms of...again, the MRF is always going to be something that is a waste diversion opportunity that we need to continue to explore and evaluate. When we talk about the rough cost that we mentioned today with the construction and the potential design, that really just covers the capital portion; there is an operational portion and an asset investment that needs to happen. We are not just necessarily talking about seventeen million dollars (\$17,000,000), there are other things that come with it. I do not want to get into the full details here going through that.

Councilmember Yukimura: That is true of the landfill, too, right? Eighty-five million dollars (\$85,000,000) is not the operating cost.

Mr. Suga: Correct, but we currently do operate Kekaha with staff, keeping the operations going.

Councilmember Yukimura: What is the cost of that?

Mr. Tabata: It is roughly about five million five hundred thousand dollars (\$5,500,000) to seven million dollars (\$7,000,000) a year.

Councilmember Yukimura: A year, operations?

Mr. Tabata: For our own people, and then we have the contract with Waste Management.

Councilmember Yukimura: Okay, so is that another five million dollars (\$5,000,000).

Mr. Suga: No, about one million two hundred thousand dollars (\$1,200,000).

Mr. Tabata: But it varies, depending on the amount of waste delivered.

Councilmember Yukimura: So that is six million two hundred thousand dollars (\$6,200,000) operating.

Mr. Tabata: Yes, just under seven million dollars (\$7,000,000).

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Councilmember Kaneshiro.

Councilmember Kaneshiro: Again, I know we have a presentation that the community members wanted to do. I think we are getting back down into the details

again. We are all on the same page because this addresses a MRF in the General Plan. I am just trying to move it along.

Committee Chair Chock: I think that is it. I am going to ask Hope to come up because I want to distribute the amendments that she has. Hope, can you come? After? Okay. She is not ready now. We are going to come back after lunch, but I want to wrap it up as soon as we can because we have until 4:30 p.m. today. It is 12:40 p.m. and we will be back at 1:40 p.m.

There being no objections, the meeting recessed at 12:40 p.m.

The meeting reconvened at 1:42 p.m., and proceeded as follows:

Committee Chair Chock: *Aloha* and welcome back from lunch. We are on Critical Infrastructure and actually rounding it up here. At this time, I would like to offer some time to look at a few amendments being submitted by the Community of Kaua'i Coalition. There is in front of you I think four (4) amendments here for the subsections on specific pages here. What I would like to do is ask Hope to walk us through them briefly. Again, these are just amendments from the community and some of it needs to be vetted with Planning and with legal counsel in order for it to move forward. I believe that is what the intention is. I think to have it upfront for everyone to look at, gives us some forward movement rather than having to meet individually. Why do we not do that real quickly, I will suspend the rules at this time.

There being no objections, the rules were suspended.

HOPE KALLAI: Hope Kallai. This is kind of a collaborative effort from the Community Coalition, not all my *mana'o*. So what we did was just go through the General Plan. The words are from the Planner in the middle are in black and what we have suggested is in red. Following the first one on water is on two (2) pages and then following is just insertions of our *mana'o*. I will go through them really quickly. Part of the problem was it seems like all of our eggs are in one (1) basket and we are one bridge away from...if we lose one (1) bridge, we cannot get from "Point A" to "Point B." Our storage and distribution systems need to kind of be sectorized and not just one (1) major plan for the whole island, like water going from Wailua all the way to Lāwa'i, if we have to; that it should be more sustainable by sector and we should not be counting on transferring water out of the basins and that we need to work on our sources of non-potable water so we can replace for irrigation and agricultural purposes, not use our drinking water for that; incentivize water savings through conservation and education; and figure out how much we are dependent on surface water and how much our future is going to be based on that. The General Plan addresses expanding the surface water treatment plant to perhaps six million (6,000,000) gallons per day to supply...we need six million (6,000,000) more gallons so that would kick it up by about three million (3,000,000) gallons. Our group thought that somehow we need to address shipping drinking water off-island—the drinking water production companies that are bottling water and shipping it off-island—until we are sure that all of our domestic water needs are met. I do not know how it was ever determined that we have a surplus of water that we can ship off-island. In the plans and studies, that we need the Kaua'i Water Use and

Development Plan incorporated into this General Plan Update on the front end. The Water Plan 2020 is seventeen (17) years old. It was developed or was put out in 2001, so they started working on it in the late '90s. We have had a lot of changes since 2000, like we got zip lines, TSA, and the (inaudible) and none of those things existed in 2000. We really need to incorporate the Water Use and Development Plan into this General Plan. We were told the draft was out in 2015, so it should be spellchecked and available by now. The 2016 Kaua'i Kākou Infrastructure Assessment that was prepared by SSFM needs to be incorporated into this General Plan also. The USGS and CWRM are working on updating the sustainable yield of our aquifers and they have been working on this for a while and have some preliminary estimates that we need to exercise caution in developing these water plans if our sustainable yield is reduced. So they are really scary numbers. They were in the program that you should...that I was going to present this morning that I got timed out on, that information should be in there for you folks on how much they have revised the sustainable yield estimates. That is all they are, just estimates. We have a real serious situation here with the planning districts, the underground hydrologic units, and the surface water units. We have three (3) different kinds...like the people were saying this morning, it is not the service area, but our planning districts need to overly...the service areas need to overly...it needs to all make sense and having all of these different boundaries...that is what number 5 was addressing there. The County is in a purchase program of the Waiahi surface water treatment plant and we need to incorporate that into this plan. I believe the County is going to own it by 2019, so it needs to be in this plan. If we are going to be dependent on that water source, it needs to be considered now in this plan. I believe there are some drought conservation and zero-scape things implemented by the Department of Water, but if we could make those more readily available and shine the light on them on the front-end of development...there is a typo on number 4, it should be "shall," not "seal." That mainly is if developers, large resorts or something, have a choice of landscape, if they could do zero-scape, low-water needs, that is what number 4 addresses there. The next page is just with all of those suggestions inserted as an amendment. So basically that was water. The main thing was to get that Water Use and Development Plan inserted into this General Plan Update.

Wastewater was the next section. Part of it is subdivision and resort developers, if they could put in a recycled water availability, some kind of a dual system for irrigation. We have to stop using our drinking water for irrigation. Wastewater treatment tertiary systems that could produce more utilizable water need to be explored. Number 3 addresses sedimentation run-offs and other storm water into the drains, if we could have a way just to keep our water cleaner. Develop and implement best management practices for ongoing maintenance and operation. A lot of people are just clueless how much...like when we have a day like Monday and everything is flooded, everything has been put on the lawns go into the ocean. So a little bit of education about that is a good idea. Number 8...geographic areas that I did not know we had so many cast-iron pipes left and they are going to have to be replaced pretty quickly. One thing that is not addressed in our new General Plan Update is the bacteria loading of our nearshore ocean water. We need to talk about that and how we can...we have a health issue when our beaches get shut down. It is going to be an economic issue and we need to monitor the nearshore...number 2 is monitor the nearshore bacteria counts. The Department of Health has made Tier 1

and Tier 2 beach priorities, but our kids paddle in the stream mouths. The State monitoring does not really coincide with our community uses. That is kind of what number 2 is addressing is that we do bacteria monitoring. There are options for wastewater that include natural filtration systems. We used to have thirty-eight thousand (38,000) acres of *lo'i* on this island that filtered the water before it hit the ocean and there are really efficient bio filtration systems that are in place other places. So we just have to look out of the box at our wastewater situation. We have to relook at Wailua. In the General Plan, it only addresses moving the Wailua Wastewater Treatment Plant to the DHHL land. It needs to get out of the tsunami zone, but bringing the wastewater from Hokua Place over Wailua River to a relocated wastewater treatment plant does not make much sense. Bringing all of that wastewater down into the tsunami zone, and then pumping into a plant out of it—we have to look at that and maybe keep it more localized and not pump it so far. We have a lot of injection wells here and there is not too much monitoring going on, on the wastewater injection wells next to a drinking water well. As a community, we need to be aware of that and take a look at that and get those cesspools out. If there is a way we can work with getting funding, like Hanalei did, that nobody jumped on, to get cesspools out of there. The cesspools have to be removed. It is an eventuality. They are going to get replaced, so we should do it now rather than later.

On the solid waste recycling, we are really in a corner, as we heard before, earlier this morning, and we have to reduce from our waste stream. It seems like everything we are doing is increasing it and getting the demolition debris out of our waste, making sure that we have a way to collect green waste. Our green waste should not end up in our landfills, and unless you have a truck, people actually break up their branches and stick it in their rubbish cans. That is getting into the landfill. If is a way we could do once a week green waste collection and really keep the green waste out of our landfill, to number 6, refrain from expanding the waste stream until we can accommodate. We were talking earlier, like it might be interesting to know how much waste is generated by each person a day, and if there was a little card when the visitors arrive, "You are going to be here for two (2) weeks, well, in one (1) day you generate 'x' amount of plastics, 'x' amount of paper, and 'x' amount of aluminum. Think about that and make sure you do something responsible with your rubbish while you are here." Front-end, if we could make the tourists aware that we live on a finite space and have to deal with everything here. One thing we do not have is we are kind of planning on status quo and if we get another big blow and have to do emergency demolition and tsunami debris, where are we going to locate that? How are we going to deal with that? That is a pretty serious concern. Zero-waste planning needs to be a key word. When we rent the pavilions, if we could put a little thing down on the rental agreement, "zero-waste would include doing this recycle...being aware that your event is going to generate rubbish and deal with it appropriately and responsibly," something like that, to divert that seventy percent (70%) out of our waste stream. I know I am going really fast.

For the airports and harbors, we need to make multimodal transport available at our airports. This is one of the only airports that I know you cannot take a bus to or from. It is really pretty difficult to arrive here without a car, unless you are in a resort shuttle. One of the things was to not expand Princeville airport, except for parking hub. I could not understand that because I do not think we need to lose

Princeville Airport. I think it is important for emergency medivac. Yes, we do not have adequate hospital services on the North Shore and we do not want to lose that heliport for medivac transport. Our group decided that launch ramps are small boat harbors and that they deserve consideration and they are very important to our community, not just the big harbors, but the launch ramps are, too, for fishing and recreation. We do need adequate funding to maintain the existing launch ramps and small boat harbors, but maybe not necessarily expand them, or do not expand them exceeding our infrastructure capacity. We have gotten ahead of ourselves with our infrastructure not catching up to our population base. There was consideration to relocate Burns Field...I do not think Burns Field is a good place for an airport and it needs to be out of the tsunami zone. We need to work with the community to see if and where they would want an airfield relocated, but not by the Salt Beds. That is it.

Committee Chair Chock: Thank you very much. First of all, thank you. I like this format. It is helpful for us, so I appreciate that. Members, before we go kind of crazy on this, I think that what I wanted to do mostly is to receive this so that you folks can have this ahead of time and start to consider. As I said before, I think there is some vetting that needs to be done with Planning and the legal side on some of the questions or amendments that are being proposed. If there are general questions that you would like to ask right now, I will allow that to occur right now.
Council Chair Rapozo.

Council Chair Rapozo: I do have a question and it is with one of the last proposals regarding that airport. I would like some explanation of what was the thought process behind, "Do not expand the Princeville Airport, except for use as a parking hub and gateway." From Planning or whoever proposed that, that is private property, right?

Mr. Dahilig: The area surrounding the airport is private property. I think what we heard throughout the community process was a concern that the runway was going to be lengthened and the lengthening of the runway could trigger County-level permits, so we wanted to respond to that community input that we received concerning lengthening that runway up at Princeville.

Council Chair Rapozo: What do we own over there?

Mr. Dahilig: We do not own anything, so it is more an issue of it triggering any of our permitting processes.

Council Chair Rapozo: To expand the runway?

Mr. Dahilig: To lengthen the runway, yes.

Council Chair Rapozo: I do not even know who owns that right now. Is that Princeville Corporation or Princeville Land Company?

Mr. Dahilig: I am not entirely clear on who owns what. I know it is used for general aviation.

Council Chair Rapozo: So where did we get the information that there were plans to expand the runway? It is just rumors?

Mr. Dahilig: Well, it is what we have gotten through the community process, and whether substantiated by rumors or not, I think we do know that the runway is not long enough for your typical (inaudible) or gulf stream to be able to land in there. We do know that as a fact and the ability for those types of jets to actually now start utilizing the airport, we know that we have also gotten complaints about helicopter noise and all kinds of other things from that particular airport already being used at its level. We were just responding to what we received from our community process.

Council Chair Rapozo: Okay. Then this parking hub and gateway? What is that? Number one, that is not our property.

Ms. Williams: Yes. In the discussion draft of the General Plan, we actually had an action that said, "Look at expanding the Princeville Airport," and part of the thinking behind that was that if we have so many visitors that come to Kaua'i, primarily to stay on the North Shore, there was a means of getting them there without them having to be on our highway system. Apparently, it was a pretty bad idea and we got a lot of pushback from people living on the North Shore saying, "We do not support this at all and if it is going to be used then it should help with the congestion." (Inaudible) for that location to possibly serve as a park and ride hub or some type of shuttle transit hub. We amended that and that is the thinking behind what you see in that action today.

Council Chair Rapozo: Okay. It is a great asset. In a time of disaster when the North Shore is blocked off from the rest of the world, the people calling to stop the airport is going to be saying that we should have kept the airport. We have to be rational. That is a valuable asset in the event of a disaster or something like that. I am not suggesting 747s coming into Princeville, but I am saying that that is a resource, if in fact, the North Shore gets blocked or cut from the rest of the island. Thank you.

(Councilmember Kawakami was noted as present.)

Committee Chair Chock: Councilmember Yukimura.

Councilmember Yukimura: So would Planning object to an amendment similar to what is said here, "Preserve Princeville Airport for community resilience." I am thinking that it might be clearer if it says "for emergency purposes." I do not know what else was anticipated under community resilience and maybe Hope and others can elaborate over time. Thank you.

Committee Chair Chock: Any other questions?

Councilmember Yukimura: I just really want to thank Hope and the Community Coalition. This represents a lot of work and thinking and at least is a good launching point for thinking about amendments.

Committee Chair Chock: I would also like to clarify the process again. I think what would be good is to sort of...now that the Members have it, if we need to vet with Members to see if they would be willing to move forward on amendments, because I would hate for this whole thing to go to Planning and Mauna Kea without having some support prior to review. I think that there is a little bit of that that can be done. They are going to get piled with a lot of amendments right now as we move through this. Again, it takes us a step closer, so I appreciate that. If there are no more questions, I am going to ask if there is any final discussion on Critical Infrastructure before I move to Transportation. Councilmember Yukimura.

Councilmember Yukimura: The one thing that is very apparent from the presentation and discussion is that we are either at maximum or deficits in terms of supporting future development of this island. That raises the question of how we are going to handle any development that is already entitled, not to mention something that is not entitled and still pending. The question of equity comes up in terms of how are our infrastructure resources are used—Will it be used primarily for resort development and second homes or other investment properties, rather than for homes for people who live here? How do we actually achieve those four (4) things in our vision, which is economic justice, equity, preserving our rural character, and being a sustainable island? Our solid waste proposal right now is far-off from a sustainable system. I believe this General Plan is the place where we discuss how we move towards our vision, even if it is a forty thousand (40,000) foot level. To me, that kinds of shapes the rest of our work in terms of asking the question, how do we develop the policies for use and development of infrastructure in a way that meets those four (4) vision statements.

Committee Chair Chock: Thank you, Councilmember Yukimura. Anyone else on Critical Infrastructure? If not, we will be moving on to Transportation. I just want to make a note that we will be taking a caption break at about 2:40 p.m. because there is an event happening with the afterschool programs and the Boys & Girls Club. They will be walking through and across our property. We are taking a break then to support them. If you have your shirts, you have to wear them. So we will take a ten-minute break at 2:40 p.m. At this time, I will suspend the rules again and call up Transportation. We have Lee Steinmetz here to speak on it. We also have Larry Dill from the State Department of Transportation. I also see Kalawai'a from our County Transportation Agency and Michael Moule from Engineering. Please come up.

LEE STEINMETZ, Planner VI: Good afternoon, Committee Chair and Members of the Council. We have a presentation for you and hopefully you have copies of that. With this title slide, I just want to acknowledge that that is something that has come up before in the Planning Commission approval that included the word "multimodal" in this Policy No. 7, so it really should read, "Build a balanced multimodal transportation system." We just want to acknowledge that as we move forward. Thinking about transportation, this is definitely one of the big issues that

a lot of people had comments on during our community meetings and I think there are a lot of reasons for that. One is it crosses so many areas and really includes all of the goals of the General Plan or has implications for all of the goals of the General Plan. If you look at the policies of the General Plan, you could argue that it maybe covers all nineteen (19) policies, but for sure, sixteen (16) of the nineteen (19) policies have a relationship and have implications with transportation. I want to provide this presentation through the lens of what we heard the most in all of our community meetings when it was related to transportation, and that is congestion. We hear that loud and clear that people are really concerned about the level of congestion on our roads. I want to provide this presentation from the perspective. We heard earlier about this being a forty thousand (40,000) foot level plan, but how do we address real issues that people are facing today at a General Plan level? So we are going to try to address that today. I want to mention, too, that we hear a lot of people, and this is absolutely true that most trips today are in single-occupancy cars, and that is the primary way that people get around and we fully acknowledge and accept that. What I would like to challenge is that it has always been that way. I think if we look historically on our island and really throughout the nation and the world that from a historical perspective, the car, as our primary means of transportation, is relatively new in a historical perspective, maybe the last fifty (50), sixty (60), seventy (70) years. This has been a really radical transformation in terms of the forms of our cities, the infrastructure investments in roads that has happened over this time, and not to be romantic about the plantation era, but I really think that was a different time when people lived much closer to their work, and when their school, dispensary, and shops were all pretty close and within walking distance, and a lot of people actually did walk or bike previously.

Looking towards the future, I want to read this to you because I think we also have to think that things are going to change in the future and we have to be aware of that. Of course, our planning for twenty (20) years needs to take this into account. This is from the white paper that was prepared by Jim Charlier as a sub-consultant to SSFM. Just to give a little bit of background, I want to make sure that the Multimodal Land Transportation Plan that was prepared in 2013 was intended to be the General Plan...the transportation element of the future General Plan and was written for that purpose. However, because it is already a few years old, as we develop the General Plan Update, we really want it to take time to validate what was in that plan...we had a few years of experience, to look at what was working, look at what perhaps needed to be modified, take into account the comments that we were getting from the public, and also look at what is new in transportation. Anyway, this quote from Jim Charlier, I think, is important: "Surface transportation in the United States is changing more rapidly today than any time since the early 1900s. A range of technological innovations, as well as economic and cultural trends, are shifting travel behavior and demand in ways that will profoundly impact transportation policy on Kaua'i." Some of these trends are listed in the General Plan and we can talk about that more as we go through this. What a lot of people think is that revolution that we saw over the last fifty (50) or seventy (70) years with automobiles, we are at the cusp of another revolution in transportation at this point where people are ordering their cars on their phone app, something that we did not see ten (10) years ago, but we are seeing now. We are just starting to see Lyft and Uber come on Kaua'i. Things like people actually choosing some other mode of transportation so

that they can text instead of having to drive and autonomous vehicles. A lot of these trends, we are really not sure what their implications will be in a more rural place like Kaua'i than in an urban place, but we have to at least be aware of these trends and think about them and what the implications of them are.

So going back to this issue of congestion that people face today, I would like to talk a little bit about how can we address this and I am going to talk about this from two (2) perspectives—when we think about any issue, we can sometimes think about it as a supply or a demand issue. What I mean by this is by a supply issue, we can look at expanding our roads, expanding our travel lanes, that is one way to address the issue of congestion, is by adding supply. The other way to do it is to look at reducing demand. Can we actually reduce the demand of single car trips that we have as a way of addressing congestion? When we go back to that statement of building a balanced multimodal transportation system, that that balance might be also looking at both of these and if there is a sweet spot somewhere in the middle where we can do some of both and address congestion in the most efficient and effective way possible.

First of all, I want to look at the supply side and one of the best documents that we have for that is the July 2014 Federal Aid Highways 2035 Transportation Plan, which was developed by HDOT. This document was a long-range planning document that looked at our growth and basically projected if we look at the current amount of car trips that we have and we project growth and we assume that all that growth will be accommodated by future car trips, what does that look like for our transportation system? These are quotes from that plan that basically if we look at all of our road needs, including capacity, which capacity would be adding those lanes or adding new roads, that we are looking at a need for three billion one hundred million dollars (\$3,100,000,000) in roads to address it from a supply side alone. This was looking at up to 2035, so pretty much the same timeframe as our General Plan. As you can see, there are different categories here and capacity is by far the largest. I also just want to mention that this is just looking at the Federal Aid Highway system, so these are roads, both County roads and State roads, that are eligible for Federal Aid funding. This does not include our smaller County roads, like our residential streets, that we have to be responsible for with just local funding.

If you look at funding distribution historically, we could assume that we are, over that same timeframe of a three billion one hundred million dollar (\$3,100,000,000) need...we are going to get about six hundred thirty million dollars (\$630,000,000) if you look at federal funds and local funds together. What that means is we are only having about twenty percent (20%) of the funds that we need in order to look at supply only as a solution to our congestion issue. You were doing some math earlier on some other issues, but basically, we have a two billion five hundred million dollar (\$2,500,000,000) unfunded balance if we look at this projection of future need and estimated funding. If we take that and divvy it up over twenty (20) years, we are looking at one hundred twenty-five million dollars (\$125,000,000) per year just to look at road construction and maintenance of the entire system if we only look at a supply solution. Just for perspective and comparative purposes, the County Operating Budget for one (1) year, looking at 2017, is right at about two hundred million dollars (\$200,000,000) to two hundred one million dollars (\$201,000,000). We

are over half of the entire County Operating Budget in terms of a funding need. If we look at the County's CIP Budget, that was thirteen million dollars (\$13,000,000) for this fiscal year, so we are looking at ten (10) times the entire County CIP Budget for one (1) year to address it through this approach.

HDOT has come to the realization that this is just simply not a sustainable system and I want to mention that this was not a problem just for Kaua'i County and not just a problem for the State of Hawai'i; this is a problem throughout our country that every county in every state comes up with. The leadership at HDOT has really set this policy that they gave to the State Legislature that we simply cannot build ourselves out of congestion; therefore, HDOT is focusing its resources toward making the system that we have work better. With the bulk of funding going towards safety and maintenance, we will not be able to afford projects that widen freeways and highways. Instead, HDOT will be looking at solutions that will bring congestion relief at lower costs with shorter lead times.

Now, I want to move to another project. That first project was coming to the realization of the issues that we have in terms of the financial reality of addressing our congestion issues. Next, I want to look at a project that was developed also by HDOT with collaboration of the County and community members called "Kapa'a Transportation Solutions." This was a realization that some of the big silver bullet, large projects just were not going to get done, so how could we actually do some shorter-term quicker solutions that could address congestion, looking at Kapa'a as the area of focus. There were certain projects that rose to the highest level; they were evaluated for how effective they would be at addressing congestion and other things and there were priority projects that were identified. I want to mention that the draft General Plan supports the completion of these Kapa'a Transportation Solution priority projects. They are listed here. I will not go into detail of what these are, but again, in question and answer and discussion, if you want to go into more detail, we can certainly do that. Larry Dill is here from HDOT to be able to also address HDOT's approach to addressing these issues.

I also want to mention that while Kapa'a might be the poster child for congestion on our island, there are a lot of other areas that have congestion as well and we heard that loud and clear...we have heard that from you and through the General Plan process. A couple of those areas are really in Lihu'e, going west in the afternoon and evening time and also coming from the south and west into Lihu'e on Kaumuali'i Highway. The General Plan also addresses that there is a need to really look at each of these corridors and develop corridor management plans, which what we are calling our "least cost planning solution." Instead of going after the multimillion dollar project that takes ten (10) years or twenty (20) years to get through environmental, what can we do more quickly? Sometimes this is called "lighter, quicker, cheaper," and Mr. Mickens in the past in his testimony has mentioned the project at Kapule Highway and Kūhiō Highway where the delineators were put to create a through-lane going through, without having to stop at the signal. That is a great example of a "lighter, quicker, cheaper" project that can be done really quickly, address congestion, and not have a lot of cost and environmental associated with that. That is where we are looking at identifying. We have already started

doing this with HDOT, working together on what could be some lighter, quicker solutions, for example, on Kaumuali'i Highway to address some of these issues.

So some of the other policies that are in the General Plan or ideas are that, and this is very similar to HDOT's approach, that we also have this backlog of repair and maintenance of existing roads. Before we start building new roads, we ought to really address the repair and maintenance of our existing roads and make that a higher priority. When we do decide to build a new road, we should not be building a new road just for the sake of building a new road; it should really be addressing the idea of connectivity, so providing people on an alternative route when there is an accident or something is happening, or better connecting neighborhoods so that neighborhoods have options of ways to get in and out of their neighborhood, and also looking at resilience. If we do have a tsunami, we have some kind of natural disaster that there are alternative routes for people to use.

Also in the General Plan, in the map section on pages 272 and 273, there is a list of potential road projects that really come from other plans that have been developed and also some bikeway projects. Again, we can go through this list and what those are. There is an index to what the list of these roads are and I am not going to do that as part of a presentation, but we can certainly talk about those more if you would like. I also want to mention in looking at the financial realities that it is quite likely, I would say that it is probably for sure, that we will not be able to build all of this within the timeframe of our General Plan, especially if we put maintenance of existing roads as the highest priority. That leaves that question of how do we decide what to do first? One of the things that we are looking at, which is included in the General Plan, and this is something we have really been working on over the last year with HDOT, is the concept of performance-based project selection. So we choose criteria that we want to make sure our roadways address and we establish priorities for those projects based on how well do they address these issues. These are some of the ones we have thought about: safety, of course, which is a concern; system preservation, which we have talked about; congestion management, which we have talked about; but also the concept of access, like how does a roadway or transportation project improve access to jobs to services, which was talked about earlier today? Also, making sure that we are reducing environmental and cultural impacts as we work through transportation projects.

That is a bit on the supply side and looking at capacity and expanding the supply of roadways. Now I want to look at the demand side; is it possible to actually reduce some of the car trips that we see today through different types of strategies and what that might look like. The first report that I want to bring to your attention is one that you just accepted recently, the Short-Range Transit Plan. This really sets a fantastic blueprint for moving forward with transit as a component of our transportation system on Kaua'i. There are two (2) aspects. There is a lot to this report so I am not going to go into detail, but there are a couple of things that I want to mention that were included in this report: one, is thinking about how do visitors get around our island? As was just mentioned, eighty-nine percent (89%) of our visitors that come to our island, when they come to our island, they rent a car, and they rent a car for the week or however long they are staying here. Of course, that is always going to be an option, but can we provide other choices? Is it possible to have

a system, a public and private system, that is not all operated by the Kaua'i Bus, but a system where people can get from the airport to the resort area using a shuttle. Then within their resort area, are there shuttles that can move them around? Can they get around by walking and biking? A lot of people come here and they want to hang out in the resort for maybe three (3) to five (5) days of their week and spend two (2) days driving around. Can we accommodate them without having to rent a car for one (1) week? Then for that one (1) or two (2) days that they want to explore the island, can we have shorter-term car rentals that are available within the resort areas? This can be a strategy to take some of those visitor cars off the road that is contributing to congestion. This can also be a transportation option for resort area employees to make sure that these resort buses...that there is convenient connections between these resort shuttles and the main line service so that people can get from their home to the resort area, and that the schedules of these shuttles and these main line buses are synced with the shift times at the resort, so this really become a viable option. Of course, it is not going to work for all resort area employees, but perhaps some of them can use the system.

Included in the General Plan and also included in the Short-Range Transit Plan is the concept of what modifications to the main line system and these shuttles might look like. Again, I am not going to go into any detail, but this is something that we can discuss, if you want to.

I think the other really important part of this Short-Range Transit Plan is looking at efficiencies, efficiencies in our transit system and both the fixed route system and the paratransit system and how those cost-savings could be applied to actually improve and expand service. Anyway, this is something that is also in the General Plan, coming out of that plan.

Another important need, if we are going to look at transit as part of our transportation solutions, then we need to make sure that we have long-term funding sources and really recognize that this is not something that is necessarily going to be funded just by the County, but are there funding mechanisms where we can look at public/private partnerships to help make this happen.

The other area of congestion that I wanted to talk about is around our schools and this is something that many people have noticed, and perhaps you have noticed this, but this is by Kapa'a Elementary School and Kapa'a High School and is kind of a typical morning pick-up, what it looks like at pick-up and drop-off times. We see the same congestion around a lot of our schools. In fact, it is kind of interesting that if we look at congestion on our island, with the exception of some areas like Kē'e Beach and some resort areas that the congestion that we see on our highways is way less when school is out of session. Those happen to be our peak visitor times at Christmas and summer. So we know that a lot of the congestion that is being caused is local traffic, not visitor traffic and is related to people dropping their kids off at school. Of course, a lot of people live too far from school where it is just not possible for their kids to be able to walk or bike to school. They need to get there in some kind of vehicle, whether it is a school bus or a car. There are a lot of people who do live close enough and if we can improve and make it safer for kids to be able to walk or bike to school, not only is that healthier for them, but it also can reduce that congestion that

we see around our schools at those pick-up and drop-off times. That is another way that we can look at the demand side of reducing the demand by focusing on improvements around our schools to make it safer for kids to walk or bike.

Of course, another part of the demand side is looking at the relationship of land use to transportation and where we locate housing, and locating housing and jobs close to each other, this idea of supporting vibrant town centers so that we are reducing the length of trips between home and work and also making it possible for people to potentially, for some of those trips, to be walking and biking instead of getting into a car or making those trips be available through transit.

Another part of the General Plan Transportation section that was not in the multimodal plan is looking at parking management. We have heard through the community involvement process that a lot of people were concerned about parking both in terms of congestion at places like Kē'e Beach and other places, but also having access to some of the destinations and places that are important for local visitors. We have included a section in the General Plan on parking management and how we might address some of these issues that were brought up by the community.

I think this is a point that has been brought up throughout the discussions, how a lot of these elements of the General Plan, a lot of these sectors are related to other things. But it is difficult to look at transportation as just an issue of the roadway system or the infrastructure. It really relates to all of these various issues that I have talked about, like safety and health and resilience. Another one is equity as recognizing that we need to make sure that our transportation system is for everyone who lives here. So these are important factors of how we need to look at our transportation system and how we evaluate projects moving forward.

Again, looking at the future, some of the things that we have really become aware of is this idea that we need to really be thinking about how people get from "Point A" to "Point B," and getting from Point A to Point B might involve a walk, a car, or it might involve getting from one place on a bike and then hopping on a bus. So we have to be thinking about all these modes and how they interrelate with each other and the seamless transitions that need to happen, not just between modes, but between jurisdictions. When we talk about congestion on our roads, people do not really care if it is a HDOT road or a County road. They see it as "a road." Our network really works together, so we have to think about just working together, the jurisdictions working together to address some of these issues. Again, the idea of making investment decisions based on some performance measurements and actually evaluating projects to see how they do and do they succeed? Lastly, this idea of the important role of the transportation network and not just moving people, but enhancing the vibrancy, safety, and health of our communities. Thank you.

Committee Chair Chock: Thank you very much. We are going to open it up for questions at this time. I see that Councilmember Brun has his hand up.

Councilmember Brun: I have a question since you were talking about parking and stuff here. My question is after we redid this whole street by Elsie H. Wilcox Elementary School and we lost a lot of our parking—the evaluation of that

was that a good idea by doing what we did? It looks like we lost a lot of parking by putting in all of those trees because those were all parking spaces that we lost. Are we going to do more of those and lose parking as you see down by Kē'ē Beach where it is just full with cars on the side of the road?

Mr. Steinmetz: I did not bring the numbers with me of what the before and after counts were on Hardy Street, but what we did before we did that project is...and one of the things that is in the plan is we did a parking audit where we counted all of the parking spaces within the Civic Center and on Hardy Street and on Rice Street...we actually used that for the Rice Street project as well, and we looked at vacancy rates are those parking spaces and looked at are they full? When are they full? We realized that we actually had a capacity of parking spaces. Michael, I do not know if you remember what the counts were on that. Anyway, we recognized that we have enough parking spaces to be able to make the improvements that we did. I want to mention for Rice Street and the improvements that are proposed there, we are actually going to increase the number of on-street parking spaces pretty significantly through that project. So really we do not have a cookie cutter solution. We are not looking at doing the same thing that was done on Hardy Street and other places, but really evaluating each project on its own merits and evaluating the parking in a detailed way to make sure that we are accommodating the necessary parking that is needed for each particular situation. Just to bring up the Kē'ē Beach thing, there was a question about the airport and parking there and I want to mention that that really comes from the concept of a north shore shuttle that would run from Kīlauea Point National Wildlife Refuge to the end of Kē'ē Beach and have staging areas along that where people can park their cars and instead of having to drive all the way, they can hop on a shuttle. We are looking at the airport at one of those potential staging areas, so that is the reason that there is a comment in the General Plan about possibly adding parking at the airport to be one of those staging areas...

Councilmember Yukimura: You are talking about the Princeville Airport.

Mr. Steinmetz: Yes, Princeville Airport, I am sorry...letting the Princeville Airport be one of those staging areas to serve and reduce the parking demand at Kē'ē Beach by having alternative ways to get there.

Councilmember Brun: You brought up Rice Street and I know that is something that is going to go forward. So we are going to increase parking, but will we also increase...we are going to decrease in lanes going so there is going to be more traffic in there, right? It is going to be slower to get through town?

Mr. Steinmetz: I think that is an entirely separate presentation, but to give you a short answer, we did a traffic analysis that we are using the lanes more efficiently by separating out through-traffic from left turns. What happens now is that you are in the inside lane or the left-turn lane and someone is turning left and you want to go through, but you are stuck, so you weave over to the right lane and then there is a parked car in the right lane so then you have to weave back to other lane. Although we have four (4) lanes, they are not very efficient. What we are doing is having dedicated parking that is not sometimes parking and sometimes travel lane; it is just parking, a dedicated through lane for people that

want to go through, and dedicated left-turn lanes so that we are separating out that traffic. Our analysis is that it will accommodate the same volume that there is now, but at a slower speed, which is what people wanted so that people are not zooming through there at a high speed.

Committee Chair Chock: Council Chair Rapozo.

Council Chair Rapozo: Thank you. I will use the airport as an example as well talking about using the airport for a parking hub. Also, in your slide 25, which is talking about frequent shuttles within resort areas, private shuttle from the airport, shorter-term car rentals at resorts—these affected entities, like whoever owns that airport in Princeville, as well as the resorts and rental car agencies; do they participate in the discussions?

Mr. Steinmetz: Yes, so there has been discussions with Princeville Airport, and in fact, for one of the pilot north shore shuttles, they offered to use their parking as their parking area for that. We have been working a lot with the Kaua'i Visitor Bureau and the various resort areas. We have been giving presentations to the various resort districts. So they are all aware of these plans and what we are talking about and they are very much involved with that.

Council Chair Rapozo: So the rental car companies do not have a problem...I do not know what a short-term car rental is...is that half-day? Is that something that they are willing to do?

Mr. Steinmetz: That piece is something that...quite honestly, we have not had a lot of discussions with the rental car companies, but we have seen that rental car companies adapt to models and adapt to what is being done. There are some resorts that do have rental cars at their resorts, so we know that it has been done in the past and is something that could be done.

Council Chair Rapozo: Well, not short-term rentals. I know they have car rentals, like you can rent a car for twenty-four (24) hours, but I do not know about...it sounds like shorter-term car rentals, you are talking about one (1) day or two (2).

Mr. Steinmetz: Right, I am talking about one (1) day or two (2) instead of one (1) week.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Chock: Members, I am not sure if you want to take a break now and go downstairs for that procession, and then we can come back to Councilmember Kawakami. Is that okay? We will take a ten-minute caption break now and come back in ten (10) minutes.

There being no objections, the meeting recessed at 2:38 p.m.

The meeting reconvened at 2:54 p.m., and proceeded as follows:

Committee Chair Chock: Welcome back from our caption break. We had a request to respond a little further to Council Chair Rapozo's question, and then we will go to Councilmember Kawakami when he comes in. Go ahead, Lee.

Mr. Steinmetz: Chair Rapozo, I just wanted to clarify a little bit on this idea of short-term rentals at hotels and there are two (2) aspects to that: one being kind of the traditional car rental, but for a shorter period of one (1) or two (2) days. There is also the idea of car sharing, which kind of gets into that technology issue and is offered by companies like Zip Car, and really some of the rental car companies are doing it now where you can rent a car for an hour or two and return it. Actually, our motor pool at the County is based on that system where you have a card, you are in the system, then you put your card on the windshield and you have access to that car and it is all electronic. That is an example of the application of current technology to how we might change the way people get around.

Committee Chair Chock: We can go to your question and then we can come back to Councilmember Kawakami.

Councilmember Yukimura: My question? You mean my "questions." First of all, Lee, I want to thank you for an excellent presentation of the transportation element of the General Plan Update. It was clear, cohesive, and integrated so that we could actually discern a policy approach. You gave us good explanations for the proposed policies, so I really appreciated it. So you are saying that we do not have the money to just do our conventional approach, which is basically just adding lanes and making bypasses. Even if we did have the money, there is this other issue of the rural character, right? For your performance-based idea of projects, how is that implemented or articulated in the transportation element? I think I saw it...is it on page 126?

Mr. Steinmetz: Yes, it is on page 126.

Councilmember Yukimura: Can we show that?

Mr. Steinmetz: It is expressed a little bit differently than the words that I used in the presentation, partly because it has been evolving and something that we have been working with HDOT and the County on. The words that are in the presentation are what we have been collaborating with. Really, the State and of the counties have been collaborating on this idea. On page 126 under C.1., it says, "Establish transportation priorities based on the following criteria..."

Councilmember Yukimura: Right.

Mr. Steinmetz: That is where this idea of performance-based measures is in the General Plan.

Councilmember Yukimura: Right. I really like where your refinements are getting to. Which slide is that? You had four (4) criteria?

Mr. Steinmetz: Slide 22.

Councilmember Yukimura: Slide 22...okay...so "Performance-Based Projects, Selection, Scoping, and Evaluation." Five (5) bullets: safety, system preservation, economic development community access, congestion management, and environmental/cultural impacts. So when there are several projects that we have to decide on to do in the next year, in order to pick the top priority, you would look at all of them in terms of how they improve safety?

Mr. Steinmetz: The way this would work is let us take our State Transportation Improvement Program (STIP), which identifies projects over several years.

Councilmember Yukimura: For the near term though basically, right...implementation?

Mr. Steinmetz: Right. We have a long list of projects, all of the projects that are in here and other projects, and there are State projects and County projects. So we could take all of those projects and evaluate them based on these criteria. This is at the policy-level what we are thinking, but how we actually do it needs to be worked out. But we would come up with some kind of point system based on these criteria and we would evaluate these projects based on this point system.

Councilmember Yukimura: I see.

Mr. Steinmetz: As another part of that, there might be a project that we realize, "Oh, it could get more points if we added a certain scope item to it." So not only would we use it to evaluate the projects, but we would use it to scope the projects...

Councilmember Yukimura: To design it.

Mr. Steinmetz: Yes, to make sure that we are doing what we want to do. A simple example of that is that there might be a system preservation project that is basically resurfacing, but maybe we realize we need a bus stop on this transit line, so added to the project is a bus stop. Now, we have added that access and that project would score a little bit higher. We can use it for both of those things.

Councilmember Yukimura: Okay. Can you explain the two (2) bullets "Economic Development/Community Access" and "Congestion Management"? I know that our goal is to reduce congestion. How would you frame or articulate the criteria? Does it reduce congestion?

Mr. Steinmetz: Yes, so we might look at commute time and it might be something that we evaluate; we might look at what is sometimes called "person throughput" of how many people are getting through within a particular time; and we might look at delay time within a particular corridor, and is that improved or not? So those could be some of the things that we use to evaluate that.

“Community Access” is really quite a new thing within this area of performance-based management. There is actually some new GIS software that one of them is called “Sugar Access,” which honestly, we are just learning about this, but the basic idea is you can map a transportation improvement, map land use decisions, and you can see how they interact with each other, and does this improve access by how much? You can do it to jobs, services, and other non-employment types of access. Economic development is a very tricky one because it is very difficult to isolate the transportation benefit to economic development because there is so many other variables in that. We would probably look more at the access side than the economic development aspect of that.

Councilmember Yukimura: Well, the access side does greatly influence economic development—I think that was in the Charlier report...thank you for using and integrating that report—I think job access is a very big issue for communities, especially when we are at such an employee shortage. People may not be available as employees because they cannot get to work, but if you can enable them to get to work, then all of a sudden they are part of the supply of employees that employers have.

Committee Chair Chock: Councilmember Yukimura, are you staying on the same question? We have other questions.

Councilmember Yukimura: Yes, I am ready to leave this question. I just wondered if you would be willing to update the wording in what you have here, given all that has transpired since it was first written.

Mr. Steinmetz: Yes.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Councilmember Kawakami.

Councilmember Kawakami: Thank you, Mr. Chairman. Thank you for the presentation. Have we ever done an internal assessment here at the epicenter of County government on how much of an impact our County workers contribute to the traffic problem, meaning have we done a study to see how many workers are coming in at the same time from outside of Lihue in and how many workers are leaving at the same time out?

Mr. Steinmetz: I am not aware of any study, but I would like to say that that is another aspect of the reducing demand side is what is sometimes called “transportation demand management.” So what can you do in terms of just patterns of behavior and when people drive? Staggered work times, as an example, is a solution and I have noticed that Elsie H. Wilcox Elementary School and County work time is all pretty much at the same time and it definitely contributes to congestion. So if it is possible to stagger work times or do other things then that becomes a policy-level decision that how that affects County operations and things has to be evaluated, but that concept of transportation demand management is another way to address congestion.

Councilmember Kawakami: There are very innovative things happening and the workplace environment is changing constantly. So we keep on doing the same things, but it has shown that some of these big companies that have high employee morale and extremely high productivity are not necessarily “9-5 workplace”; they are utilizing concepts such as core hours where you might have some departments that can all dedicate certain hours to be in the office together, but they may be telecommuting and working from remote locations, and with technology, all of these things are possible. I know it requires a level of getting people to the table in some sort of agreement, meaning I am sure that collective bargaining would come into it, having the unions buy into this type of concept. But when you take a look at some of these workplaces that are retaining workers successfully, they are sort of utilizing these new concepts. I was wondering, have we begun to at least try to survey our own workers on whether they would be open to the idea of some kind of pilot project to see what our impacts would be if some of our departments utilized core work hours? It has been proven to increase productivity and increase teamwork, because now your worker is not frustrated trying to get their kids to school and being stuck into traffic, and then the first thing they do is walking into the office with having a negative experience. Can we at least try to control what is in our reach first and start by maybe surveying our workers, “Hey, would you be open to some kind of concept like this?”

Mr. Steinmetz: Absolutely. I will mention that our Director Mike and our department has flextime and I am sure the directors could provide more input on how that has worked from various departments, but that absolutely something that can be further explored.

Councilmember Kawakami: Okay. Just another quick question dealing with traffic—I see Mr. Dill and his predecessor worked closely with us during my time at the legislature and we were going over some traffic solutions for the eastern corridor and one of the things that became apparent that I did not see being emphasized is the impact of the “*aloha* spirit” and traffic and it may sound silly, but when we had traffic experts study driver behavior, one of the major reasons why we have traffic is because people will spend a lot of time getting up to the stoplight, and for some reason, when that stoplight turns green, they take forever to step on the gas. That, in itself, causes traffic. Also, the “*aloha* spirit” by stopping and letting people make turns is not only a traffic problem, but is becoming a public safety hazard. Culturally, I think it is something that is hard to move away from, because for some reason, if we do not wave somebody in, it almost feels like we are lacking the “*aloha* spirit.” Where does that driver education factor into at least the low-hanging fruit of solving some of our traffic woes?

MICHAEL MOULE, Chief of Engineering: Good afternoon, Councilmembers. Michael Moule, Chief of Engineering. I am going to address that question or try to at least. I think it is absolutely something that could affect change. We do not have any current plans for doing driver education about that. I observe it myself. I drive or bike-in from the south side every day and the congestion that occurs to the west and south and coming in and back, especially going out in the afternoon, the congestion that occurs every day. Just west of Puhi Road is not caused by the

merge...you think it would be, but it is caused by the driveway at Kaua'i Nursery and the entrance at Kīpū Road, in part because of that activity, people stopping. I see it every day and several times a week I see people stopping and letting people in and that causes this chain reaction. It has been shown in many transportation traffic studies around the world that when you have a fairly full roadway, when it is nearing capacity, it does not take a whole lot to slow it down. As we talked in other documents, the Multimodal Land Transportation Plan, it talks about trying to add to capacity and that is a potential solution, but getting back to that supply versus demand that we were talking about earlier, one way to address the congestion besides just providing more supply of roads is to do these little quick fixes and "lighter, quicker, cheaper" could be not even a physical fix, but potentially a behavioral switch. For me, what I do for that...my wife kind of gets mad at me if I do not let somebody in sometimes, so what I do is just leave a gap. If you leave a longer gap in front of you, that driver will have the opportunity to make that turn, but I am not slowing down suddenly. Even though I might have slowed down from the car in front of me, because it was not abrupt, it does not cause that same chain reaction of sudden stopping that takes a long time to get going again. A series of those chain reaction activities is what contributes significantly to some of the congestion we see on the island. The same thing occurs on the east side traffic. People are turning off Lanikai Road there, just north of the traffic signal at Haleilio Road into the houseslots, right there across from Brick Oven, right? People are pulling in there and letting them in and it contributes to the congestion that backs up all the way back into Kapa'a Town. We all understand that spirit of *aloha*, and I am new to the island relatively speaking, but it is something that does create a challenge and some sort of public education would be helpful. We have not looked into that at this time, but it is something that could potentially address some of the issues. I have talked with Larry Dill with the HDOT about, are there things that might discourage some of that by having lanes to turn into and that sort of thing, a little post to keep you from cutting across? It is not an easy solution, but I think it is definitely part of the problem. It is a challenging aspect because you do not want to discourage *aloha*.

Councilmember Kawakami: For full disclosure, if I do not let you into traffic, I am not being a jerk, I am just solving our traffic problems. Thank you.

Committee Chair Chock: Councilmember Yukimura.

Councilmember Yukimura: That is why it will be impossible to do.

Councilmember Kawakami: I know, we are losing votes.

Mr. Moule: I should add real quick that part of it is that you are giving *aloha* to the one person you are letting in, but you are not giving *aloha* to the fifty (50) to one hundred (100) people who are behind you. They are all slowing down for that. That is how I look at it. I am still giving *aloha*; it is just not the person that I can see and look me in the eye, it is the people behind me. When you see someone face-to-face, that is when you want to be nice, but if you really think about it, the nicest thing for the collective group is to just keep moving or leave that gap so that they have the space, but not suddenly slow down to let people in. I definitely see

the safety aspect. I see people stop on high speed roads out of the blue and they are going to get themselves killed doing that. It is scary sometimes.

Councilmember Yukimura: That is why structural changes are probably more practical than trying to educate people not to let other people go in traffic, so that is why you have recommended that the State look at the roundabout policy, because the roundabout does avoid that stop/go thing that is psychologically upsetting and it allows people to just keep going, but slowly, and it keeps the movement. So that is good. I wanted to follow-up on Councilmember Kawakami's first question about the County as a source of traffic congestion elements in terms of more drivers in cars and the idea of transportation demand management; I think it is a very creative idea that Councilmember Kawakami has thought about. The short-range transportation plan actually talks about a simpler traffic demand management solution in talking about the purchase of bulk bus passes. Not "online" but in one of my meetings with the consultants and Celia, they said that the County was definitely one of the entities they had in mind as a possible implementer of that bulk purchase idea, as is the hospital, which has about one thousand (1,000) people going there every day, employees. So I was wondering if we could add that in as one of the potential...either study...I love the idea of a survey of our employees to see how many are coming from where and that could lead to a possibility of solutions, which could be this core work hour, and the other might be bulk purchase of bus passes. Could we include that, too?

Mr. Moule: Sure.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Any other questions?

Councilmember Yukimura: I do.

Committee Chair Chock: You may continue.

Councilmember Yukimura: On page 125, it says "Permitting Actions and Code Changes"—number 2, "Require that transportation impact analysis reports..." I know that in California, they do regional traffic reports which often lead to a requirement of permittees or rezoning applicants to do demand management programs. I was wondering if we could do that, because the traffic impacts are not just at the closest intersections, but they are actually many of them for large developments, regional impacts.

Mr. Steinmetz: Are you asking if Transportation Impact Analysis Reports can include a regional analysis? Is that what you are asking? Are you asking that we do regional analysis?

Councilmember Yukimura: No, I am asking that the idea of a transportation regional impact study be part of a zoning applicant's requirement, just as the Traffic Impact Analysis Reports (TIARs) are. You have the localized traffic congestion and they make intersection improvements and things like that. I am not

suggesting that we not do that, but in addition to that, also require a regional impact study, because all of the time, we do not ever look at that.

Mr. Steinmetz: We can evaluate that. Just from a regional perspective, what I do want to mention is I think the South Kaua'i Community Plan was good example of a community plan that also included a transportation analysis at a regional level and that is something that we are recommending that community plans going forward include a transportation analysis. That is a little bit different than what you are proposing, but I just want to mention that we are anticipating looking at regional traffic analysis as part of community plans, but we can certainly look at something that looks at a project-level what the regional impacts are and what that might be.

Councilmember Yukimura: Thank you. That is exactly the distinction to do that at a project-level, which TIARs are done, so all we are saying is that at a project level, they would also be required to do a regional analysis as well. I am so glad to hear that you are incorporating the idea that all of our community plans would be land use and transportation plans like our model of our South Kaua'i plan. That is great. Thank you.

Committee Chair Chock: Any further questions?

Councilmember Yukimura: Yes. In our Short-Range Transportation Plan and actually even before we did that plan, we have been very conscientious making sure that our fee schedule is constantly updated and that we are not leaving our bus fees low, and then ten (10) years later, having to increase them tremendously. I was wondering if we could do that also with the roads system and make sure that the user fees, which are in the form of fuel tax and vehicle weight taxes are incrementally updated or at least that we look at that every year. In terms of transit, I think there is a rule of thumb or a percentage to make sure that the fees are not too high that they discourage transit usage, but that they do their share, that there is a share of the costs that users do bear on an updated basis. It is not like you do it once and then forget about it. It seems like we should do that also with our roads systems and our road users. Could you look at a policy statement like that?

Mr. Steinmetz: I mean, we can, absolutely. It seems like that is part of the annual budget process...it seems like maybe not every year, but fairly frequently, the Council looks at vehicle weight tax and various taxes and how those might be adjusted. So I guess I would just be hesitant about having a policy that gives too much limitation to the Council when they are going through their budgetary process.

Councilmember Yukimura: For one thing, we did not increase the vehicle weight tax for twenty (20) years until recently and we only do it when we desperately need money. We have never done it from a standpoint of, the users should bear a certain cost and we need to update it incrementally, not only to make sure that our system is sustainable, but also as a favor to the users so that we do not come to a point where we have to raise it dramatically and they have this huge increment to

handle. You look at it and if you do not have to do anything then you do not do anything. It is a discipline that we do with the bus system.

Mr. Steinmetz: I think it is something we can absolutely look at. Like I said, I just would not want to have the language restrict the Council's options as part of the budget process, but it is certainly something that we can look at.

Councilmember Yukimura: You will never restrict the Council because they make the final decision. They say yes or no.

Committee Chair Chock: Members, we are about an hour out from our scheduled time for today. I just wanted to check in in terms of questions and discussion for this topic, just so we can plan for our captioner and if we need to come back tomorrow or if the interest is for this body to wrap up our discussion on transportation today.

Council Chair Rapozo: Is that a question?

Committee Chair Chock: Yes.

Council Chair Rapozo: I would suggest we go as long...if we can finish up today and relieve our stress...I mean our staff of having to do this tomorrow...if we can wrap it up today and get the information that we all need, I would suggest we do that.

Committee Chair Chock: I am in agreement.

Council Chair Rapozo: That is just me.

Councilmember Yukimura: I am in favor of that. As I mentioned at the beginning of the meeting today, Chair, there are some questions I have on the answers that were given to us. As long as there is a place to discuss it, I can do follow-up questions and get the answers in writing, but if there is a time where we need to discuss it as part of the policy and policy discussion, then I would like to make sure there will be some time at some point.

Committee Chair Chock: What I would suggest is that as long as it is connected to some change in the plan that you are intending to affect, there will be other opportunities. In fact, we have a whole day scheduled for amendments. I think that there will be other times. These subject matters are connected, so I think you will see some overlap in terms of questions. I would encourage that your inquiry goes to something in writing, that way we can all receive it, and actually, I prefer that way because it is much clearer in the response and we have something documented.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Chock: Do you have more questions at this time?

Councilmember Yukimura: I do.

Committee Chair Chock: Okay. Please continue.

Councilmember Yukimura: Page 129 on "Plans and Studies" for Transit, this has to be adopted since we just adopted the Short-Range Transit Plan. In fact, B.3., which is, "Complete the North Shore, South Shore, and East Side transit feasibility study..." I believe if I understood our consultants correctly, the next step is do we hire a consultant to help us work on RFPs or designing the north shore shuttle, the Wailua-Kapa'a shuttle, the Līhu'e shuttle, and the south shore shuttle? That is what needs to be articulated.

Mr. Steinmetz: So the north shore, south shore, and east side transit feasibility study was actually brought together with the Short-Range Transit Plan and became one plan, which we can absolutely update this to reflect that. I think I would like to ask Kalawai'a to come up in terms of your question of what the next step is in terms of that. The routes have been determined, but I guess I am not sure what you mean by the design of those routes, but maybe Kalawai'a can speak to that.

JEREMY KALAWAI'A LEE, Program Specialist III: Jeremy Lee, for the record. Can you please restate your question?

Councilmember Yukimura: I know you were not in the conversation on when we talked about it. What are the next steps to implementing all of the shuttles? That is where we want to get to, operating shuttles in these areas. I was hoping for operational plans, but there are none right now. The next steps as I understood it from the consultants and maybe you can confirm that is, one, we need to do an enabling ordinance to allow for cost-sharing or for a revenue source for these shuttles, and the other is we need to talk about the routes real specifically, so that you are able to go out with an RFP and it is all kinds of things that the hours of operation...where you start and stop...all of those things are going to have to be thought through; the buses, the kinds of buses or vehicles you are going to use and the fact of Americans With Disabilities Act (ADA) support and how that is going to be addressed. At least under plans and studies, that is not a twenty (20) year plan...it is like in the next five (5) years, but it is really critical.

Mr. Lee: I believe you are trying to get at the idea of operating shuttles through a "BID" or "Business Improvement District." The concept of that is to couple with private partners in the environment that the shuttle needed to be operated in to have them develop a business consortium to be able to put forth an idea, like operating a transit system as part of the improvement district.

Councilmember Yukimura: Well, the thing is that you cannot leave it just to the visitor industry to determine those shuttles because those shuttles have to also serve a public purpose. Not just for the visitors, but especially in Wailua-Kapa'a, you want it to integrate well with the public system. It is going to be a public system, right?

Mr. Lee: Your point is well-taken. I believe that the County and the community need to be engaged in the process with them.

Councilmember Yukimura: Right, so I think the design will not be left to them and the consultant said it is a really appropriate role for the County to play in convening them, and also, I think it is a daunting task for them to think about doing it. So lending our expertise and help to help them and work with them very closely is truly an example of public/private partnership.

Mr. Lee: Well said.

Councilmember Yukimura: Just articulating that.

Mr. Lee: Sure.

Committee Chair Chock: I have a follow-up on that. Is that how it was done on Hawai'i Island and O'ahu?

Mr. Lee: I believe the consultant did bring up a case that was in Kona. So in the historical Kona town, there is a BID that had been formed and one of the actions that they did take was to operate a shuttle system down in that area.

Committee Chair Chock: And the County was actively facilitating that?

Mr. Lee: I am not too sure about that. I can follow-up on that.

Committee Chair Chock: I was just wondering as to what degree it was practiced.

Councilmember Yukimura: In Ka'anapali, which is solely an operation within a privately-owned resort area, they pretty much determined it. But in places where they are part of the community, like Kapa'a-Wailua, you have much more of a public interest in how that system operates. I think Po'ipū-Kōloa as well, because we want our kids to be able to jump on that shuttle and go to Po'ipū Beach and things like that, and also the employees, which was mentioned earlier, also being able to use the shuttle.

Mr. Lee: Committee Chair Chock, the example in Kona was actually done by a private shuttle operator by Roberts who set it up and worked with the resorts. In that particular case, the Business Improvement District, they do not operate it, but they see the value of it, so they contribute to the operation of that system.

Committee Chair Chock: Further questions?

Councilmember Yukimura: Yes, on the same page, "Determine feasibility of accommodating..."—I love this— "...surfboards on buses." I have been talking about it for a long time, too, but how about also luggage?

Mr. Lee: So one of the realizations that we made working with our consultants on the Transit Feasibility Study is that to be totally honest, the Kaua'i Bus is maybe not the best carrier to really handle large luggage that private operators, like Speedy Shuttle, Roberts, and these folks that operate these shuttles, they know how to do it. They have special buses and places to put the luggage. So really, what we are looking at again is a public/private partnership where those trips from the airport to resort areas...that maybe also used by locals, that those trips are operated by a private shuttle as opposed to trying to have the Kaua'i Bus do it all, that there are certain things that really maybe are best provided by private operators.

Councilmember Yukimura: I think that could be true and I guess what you would need is a study or something like that. I know that Bobby Kubota's sister from Pono Market used to live on O'ahu and she used to commute from Kapa'a to the airport and not have to park a car. There are potential of those kinds of trips and maybe our policy right now works, I guess, if they can fit it on their lap and I think the City & County of Honolulu has a policy where it accommodates some luggage, so it is just a matter of looking and seeing where we can accommodate. If you are going to put surfboards, there may be a way to also design some other attachments or something.

Mr. Steinmetz: I think the current policy is carry-on size is allowed, but large luggage is not.

Mr. Lee: The dimensions is basically a carry-on size luggage, like Lee was just mentioning. We do have the caveat that we train our drivers on, which is to allow people to come on if it is not an impediment to either safety or access of other people to the service. So if they can keep it on their laps or if they can keep it in the seat in front of them and not impede access to the seat next to them or the aisleway where people need to walk and if it is not a safety concern, then we will allow it on.

Councilmember Yukimura: That is a good, flexible policy. So if it is at 8:00 p.m. or 9:00 p.m. and it is a virtually empty bus, then they can put it on the seat in front or whatever.

Mr. Lee: Within reason. We leave that judgment up to our well-trained drivers.

Councilmember Yukimura: Yes.

Committee Chair Chock: I have a follow-up on this particular question.
Council Chair Rapozo.

Council Chair Rapozo: So the intent is to determine the feasibility of accommodating surfboards, but not luggage? I am not sure where that came from.

Mr. Lee: I am sorry, Chair...

Council Chair Rapozo: So you were saying "Determine feasibility of accommodating surfboards," but the last discussion about luggage was that that was troublesome, but where would you put the surfboards?

Mr. Lee: I do not believe that we have any plans right now to accommodate surfboards or other items that might be hard-edged and might cause a potential danger to other people. I know that in part of the learning process about whether or not we should or could accommodate it, we did research a number of other transit operators that are along coastal areas and then also along resorts, so like ski resorts and they have exterior mounted racks for things like skis and snowboards, but in no case did we find that there are operators of public transportation that allow things like surfboards on their vehicles.

Council Chair Rapozo: I am just reading it from the plan and it says, "Determine feasibility of accommodating surfboards on buses," and that tells me that we are actively going to...

Mr. Lee: Our state is very unique. We are an island-state and I think there are a lot of people that have commented about the desire for us to look at stuff like that, so in response to feedback, we are looking at it.

Council Chair Rapozo: I think in the discussion we had earlier about tourist visitors renting cars and all of that, I think it would make more sense to me that the population of ridership on the bus that we would like to see would really be having them carrying luggage/baggage instead of a surfboard. I think that would make sense.

Mr. Lee: I agree with you. I do not believe that the statement was that we were going to not look at luggage policies or practices.

Council Chair Rapozo: That is just not in here. The surfboard is in there, but not the luggage, which leaves me to believe that that was a priority. The other thing, too, I do not think you can have luggage...we will allow you to bring your luggage if space is available because you are going to leave some tourist stranded. I think you either accept it or you do not. If you are going to accept luggage, we have to start looking at getting different buses that can accommodate baggage. If we want to get tourists out of rental cars, we have to provide the buses that can take luggage before we get a bus that can take a surfboard. That is just my opinion.

Mr. Steinmetz: I think we can clarify the language in here and address those issues. Again, I think the idea was that we are probably looking at private operators providing that trip, but we can still mention the importance of being able to accommodate luggage whether it is public or private. Just the issue of surfboards, as Kalawai'a mentioned, was looking at some kind of outdoor rack with

the idea that we have a lot of local kids on this island who surf and want to get to the beach to surf. Boogie boards are allowed on the bus, but not surfboards, because again, they are soft and smaller. But how many car trips is that of parents having to drive their kids when there was a bus, and we do have a lot of bus stops that are close to beaches, that that might be an opportunity for our youth to be able to access that sport without having to have their parents drive them. So that was where that came from and that actually came from the multimodal plan, but I think we can make this more clear so it is more obvious to everybody.

Councilmember Yukimura: So I heard that Santa Cruz has buses that carry surfboards, so we might want to start there and investigate. Somebody actually volunteered to design racks. I have to look at my notes somewhere.

Committee Chair Chock: We have more follow-up on the infamous surfboard issue.

Councilmember Kawakami: You are talking about surfboards...it may not fit into our current bus system, but I can tell you what the City & County of Honolulu does, is they utilize parks and recreation and Enterprise services and they actually have surfboard lockers at some of their more popular beach parks. In a sense, it does a dual purpose: one, for these kids and these people that cannot get from "Point A" to "Point B" to their surf spot with their surfboards, their surfboards are safety secured over there; and two, that is an innovative way for the City & County of Honolulu to draw some sort of revenue that goes back into park maintenance. That is just something to think about moving forward. Thank you.

Councilmember Yukimura: Piggy-backing on that, if our shuttle goes to, say Black Pot Beach, we are going to need lockers where people can store things because cars are not only a method for getting to places, but it is storage. You lock your things in your car, so that is just another wrinkle that is going to be part of encouraging people to use the bus.

Committee Chair Chock: Any further questions?

Councilmember Yukimura: In the multimodal plan, it has roads, transit, and pedestrian bicycle, and as you said, it did not have parking management, but it did have land use. That is not a section here. I know that under Permitting Actions and Code Changes, which is kind of a weird place, you have, number one, page 125, "Coordinate transportation planning with land use to minimize the impacts of growth on congestion..." I am just wondering whether transposing it might make it a more accurate statement to say, "Coordinate land use with transportation planning," because the way I read it, you are saying, "Okay, let us make the bus go everywhere we have houses, everywhere we put new subdivisions," rather than, "Let us put our subdivisions close to town cores so that we can really have an efficient bus system and have people close to the bus stop and the bus routing."

Mr. Dahilig: I guess that is where this balance of how specific you want to be with the Permitting Action and Code Changes versus how broad you want it to be. We know that we have already articulated this to the Council

in terms of our philosophy of wanting to create more compact development patterns from a spatial standpoint. So by using the phrase, "coordinating transportation planning," it is meant to be all-encompassing, not limited to just one (1) mode. Whether you feel that the modes needs to be spelled out specifically, that is something we can look at. But when you use the phrase "transportation planning" under the general section, we are trying to articulate that it encompasses everything that moves people, not just one (1), or two (2), or three (3) modes.

Councilmember Yukimura: Do you see the distinction though?

Mr. Dahilig: I do see the distinction and I think it ultimately is a question of how prescriptive or how broad you want to be. I think our suggestion in the language has been to try to make it as broad because of the high-level policy element here, but if you feel that is something that needs to be more prescriptive from a specific modes standpoint, then we can certainly evaluate proposed language if that is what you are aiming for.

Mr. Steinmetz: I think what you were saying was just change it to say "coordinate land use with transportation planning" instead of "coordinate transportation planning with land use," right?

Councilmember Yukimura: Right. The idea that we are planning our land use with transportation in mind and in creating a viable, sustainable transportation system...that is the concept that there is disconnection between land use and transportation that if we have a spread-out land use design or form that it is going to be really hard to service with a multimodal transportation system.

Mr. Dahilig: Ultimately, if it is just simply a syntax change, then that is one thing. If there is more, in Hawaiian language, the word is "*kaona*," behind what you are trying to imply here, I would suggest broader language. But I think if what you are suggesting is a simple syntax construction issue, then that is not...

Councilmember Yukimura: I think it is a syntax issue.

Mr. Steinmetz: I just wanted to mention that the other thing that is a little bit different from the multimodal plan is this whole general section, which really focuses on the relationship with HDOT and one of the things in the multimodal plan, it says upfront, is that is only addresses County roads; it does not address State roads. So we wanted to make sure that our General Plan really brought out the importance of the relationship between the County and HDOT. Anyway, that is just another difference I wanted to point out.

Councilmember Yukimura: Could we have Larry Dill up since we are mentioning HDOT.

Mr. Lee: I will get out of the way for Larry.

LARRY J. DILL, P.E., State of Hawai'i Department of Transportation
Highways Division District Engineer: I was happy to sit back there all day.

Committee Chair Chock: I know you have a specific question for him.

Councilmember Yukimura: I do?

Committee Chair Chock: Yes, please continue.

Councilmember Yukimura: Hi Larry.

Mr. Dill: Good afternoon.

Councilmember Yukimura: It is nice to have you back.

Mr. Dill: Nice to be back.

Councilmember Yukimura: I wanted to ask you about the HDOT's shift that was embodied in the quote that Lee showed, I think it was slide 6...wait...Lee, what slide is it?

Mr. Dill: Slide 16, I believe.

Councilmember Yukimura: Yes, slide 16, that HDOT is focusing its resources towards making a system that we have work better and that the funding is going towards safety and maintenance. I think we have seen the implementation of that in the pretty extensive repaving that you have been doing for the last three (3) years maybe, most recently in Kalāheo. It has not been just the simple resurfacing, you have actually reconstructed it seems, part of the road.

Mr. Dill: For the record, Larry Dill, District Engineer. First of all, I wanted to say thank you to Lee who has done a great job in representing HDOT, as well as the County, but that is representative of ever-enhancing communication between the County and the HDOT on Kaua'i that my predecessor started and I hope I have continued. You are right, it has been our policy, since before my time—because of limited resources, we focused our attention on preservation of our system. When we do preservation though, we strategically look for opportunities to add components to the system, multimodal components. You will find that when we do, for instance in Kalāheo, we talked about should we stripe a bike lane in there? Because there was not continuity and connectivity to other bike facilities, what we did is we widened the shoulder to allow for bikes and improve both pedestrian and cyclists' opportunities, but not necessarily stripe it as a bike lane. Nevertheless, it does improve opportunities for cycling and other multimodal forums, and sometimes when we do have that continuous bike lane along there, we will stripe it as a bike lane. So we are making little steps that may not be so obvious, but nevertheless are the building blocks for improving the multimodal aspects of our system. So when we resurface, we look for changes to striping that are low-cost improvements, as well as safety improvements and operational improvements like we have been talking about.

Councilmember Yukimura: It feels like you are doing, and you can either confirm or deny, but you seem to be on a more sustainable repaving schedule for your roads on Kaua'i than we are with our roads with the one hundred million dollar (\$100,000,000) backlog—are you fairly sustainable? Do you have enough money to do repaving on a sustainable basis?

Mr. Dill: The short answer is no. Our entire focus is our roadway system, whereas the County's Department of Public Works is much broader than just the roads.

Councilmember Yukimura: Right.

Mr. Dill: All of our efforts go into maintaining our system and we do not have sufficient resources right now to do adequate maintenance on our roads. Unfortunately, you can drive our system and find out where we have neglected our roads, due to lack of resources mainly. We are fortunate that recently we were able to statewide receive an additional forty-one million dollars (\$41,000,000) in Federal Highways funding because the feds do an annual August redistribution as federal funds that approach the end of the year that are going to lapse otherwise. So our strategy at the district has been, and I say kudos to our staff there, that have got shovel-ready projects on the shelf, ready to go, in the event that funding shows up. Our strategy, because we have limited resources that we regularly get, is in case sources of funding do arrive, we can pick that up and put out extra projects. That is something that we...we picked up forty-one million dollars (\$41,000,000) from the State and we have eight million dollars (\$8,000,000) coming to Kaua'i, so that has been a great thing for us that we try to keep up with our maintenance needs.

Councilmember Yukimura: But it is still a one-shot grace kind of...

Mr. Dill: Every year is a new deal.

Councilmember Yukimura: Which is like it is for our buses in using federal funds and buying our buses.

Mr. Dill: Right.

Councilmember Yukimura: So it is not something you can really rely on for a long-term kind of thing. Then switching from maintenance to capital improvements or capacity building—everybody is really concerned about the Kapa'a-Wailua traffic—you have the Kapa'a Solutions Plan, which we are including in our General Plan. Can you give us the status on where that is?

Mr. Dill: Sure. A little background, and everybody is probably familiar with this to some degree, is that several years ago, the State had been pursuing a separate Kapa'a relief route as a bypass road in Kapa'a, and that involved a new bridge across the Wailua River. Unfortunately, that project grew and grew in budget until it was approaching six hundred million dollars (\$600,000,000) or something, which in reality was just not something the HDOT would be able to do. But what came out of that were some other smaller projects that looked like they

were achievable, so as a follow-up after the Kapa'a relief route was put on the shelf, the Kapa'a Transportation Solutions Study was done and the County was a participant in that process and identified a number of projects, I think sixty (60) odd projects, in the Wailua-Kapa'a area that would have potential positive impacts on traffic to the entire transportation network without regard to whether it was a State road or a County road. Out of those, we have prioritized five (5) projects, so the number one project is what we call the "Kūhiō Highway Short-Term Improvements," which is a project that has been on the books for a while, as we know. That is the widening and adding a lane from Kuamo'o Road up to the southern connection entry exit of the Kapa'a Bypass. That project has had an interesting history of its own and its own challenges, but right now, in a nutshell, I am guessing that we will be able a Notice to Proceed to the contractor in the first quarter in 2019. So that one is pretty positive and happening. We are still working out the final electrical design with KIUC.

Councilmember Yukimura: 2019 means that we wait all of next year and then they will start construction in the first quarter of 2019.

Mr. Dill: Correct. The other projects that we are pursuing that are in the very early phases, so you will not see construction for some time, is we are just starting the scoping work on a congestion management project of Kūhiō Highway from Kapule Highway, up to the Wailua River. That was originally looked as a widening project and that is one of the options that we are looking at on the table, but we are looking now with other opportunities that might be "lighter, quicker, cheaper," as Lee mentioned earlier to see if there is a way we can address traffic congestion in that stretch without possibly widening. But widening is one of the options we are looking at in that stretch.

Councilmember Yukimura: What about the...

Mr. Dill: Contraflow?

Councilmember Yukimura: No, not the contraflow, but making the bypass road now one-way from the north to the south...that is part of the Kapa'a Solutions and I thought that was a higher priority than the Kapule Highway one.

Mr. Dill: Oh, so you are talking about the temporary bypass from Olohena up to the highway?

Councilmember Yukimura: Right.

Mr. Dill: I am going to get to that one. That one we are doing at the same time. So we are pursuing both of those projects.

Councilmember Yukimura: At the same time as?

Mr. Dill: At the same time as the widening of Kūhiō Highway from Kapule up to the river. So we are pursuing both of those.

Councilmember Yukimura: Okay, so the start time of 2019 will include that project?

Mr. Dill: No, those two (2) projects, we are just at the scoping stage. We will not see construction for those projects probably for five (5) years of those two (2) projects.

Councilmember Yukimura: Well, good thing it is part of the long-range plan.

Mr. Dill: Yes, those projects never came off the ground until the Kapa'a Transportation Solutions.

Councilmember Yukimura: Okay. You are looking at the fourth bullet, "Kūhiō Highway Congestion Management," that you are going to do that before you do the second and third bullets?

Mr. Dill: Let me speak to the four (4) bullets up there then: the first bullet is the one I talked about. Notice to Proceed to the contractor, we are anticipating first quarter 2019. That is the widening in front of Coco Palms. The two (2) that we were talking about, "scoping in the near future and starting off with the planning and environmental work" are the second and fourth bullets.

Councilmember Yukimura: And we do not have money for it yet?

Mr. Dill: We are only starting the planning and environmental. The construction is probably five (5) years away, so that money is not even on the radar right now.

Councilmember Yukimura: Do we have money for planning?

Mr. Dill: Yes. The third bullet, "Kūhiō Highway signal optimization and left turn restrictions"—we are planning on doing that NTP in 2018. So we are looking at a project...as we have been sort of opportunistically as we have gone through our signals, we are upgrading them, upgrading the electronics of all of those so we can communicate better between the signals, and ultimately build a traffic management system so that we can coordinate and optimize all of those signals together so that they will work a lot better.

Councilmember Yukimura: That is actually coming the soonest?

Mr. Dill: Yes, that is the soonest.

Councilmember Yukimura: That is coming in 2018.

Mr. Dill: Correct.

Councilmember Yukimura: Of course, as you get traffic through one section faster it then clogs up wherever the next congestion point is.

Mr. Dill: That is why this project is intended to optimize and coordinate all of our signal systems, so our entire signal light system.

Councilmember Yukimura: Okay. So it will get people from Kapa'a to Wailua Bridge, but then what happens?

Mr. Dill: After Wailua Bridge now, we are talking about project number four there, but that is not going to be coming for a while. In that specific area at the bridge, our significant improvement will be adding the southbound lane from Kūhiō Highway from the bridge up to the bypass. So that should help in that area.

Councilmember Yukimura: The fourth bullet?

Mr. Dill: No, the first bullet.

Councilmember Yukimura: Okay. Thank you.

Councilmember Kawakami: I have a question. That first widening and the additional lane, we had appropriated funds for that previously and that money had been moved and we ran into issues. So that money that was earmarked for that project ended up at the Mill Bridge project, right?

Mr. Dill: Correct.

Councilmember Kawakami: Have we addressed any of those concerns that popped up previously so that when 2019 comes, we are not facing this lapse of funds and moving this money to another part of the island. Have we addressed those concerns?

Mr. Dill: Yes. That is the short answer.

Councilmember Kawakami: Thank you.

Council Chair Rapozo: I have one.

Committee Chair Chock: Council Chair.

Council Chair Rapozo: This is really kind of off the subject, but I have to ask because we have you here, Larry, but I understand it is going to be a while before you widen Coco Palms. Is there any way you can get people to go past that...that thing is bad and I am more concerned about the safety issue. What is happening now is that people come, and I do this every day, sometimes several times a day, and they are coming and that little pedestrian way or walkway by the wall; the people that drive that road every day knows exactly where those holes are. So they are around. But I am concerned that they are going to go around to avoid the hole and they are going to hit someone, a pedestrian on that road, especially at night. I do not know what it will take to go there and patch those...

Mr. Dill: Thank you. That was recently brought to our attention as well and I have directed our maintenance guys to go there and do some...it will be sort of some interim band-aid measures. We anticipated this project would come along a lot sooner, so we have not resurfaced there and I apologize that it has taken this long to get that done. Thank you. I will respond to that.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Chock: Any more questions for Larry?

Councilmember Yukimura: Yes. In the testimony, there has been talk about this Hanalei to the Tree Tunnel powerline trail road—does that have any feasibility at all at this point?

Mr. Dill: I know that was looked at by the HDOT some years ago and the feeling on that is that it would be probably the same order of magnitude as the Kapa'a relief route, several hundred million dollars, as well as even more significant environmental challenges. It does, from an engineering perspective, provide a lot of value. I just do not think that we have a budget for that. It is not going to happen, at least in the near future.

Councilmember Yukimura: Okay. So we have to look at other alternatives then.

Mr. Dill: Yes.

Councilmember Yukimura: Okay.

Committee Chair Chock: Councilmember Kawakami.

Councilmember Kawakami: Could you propose any policy changes to help expedite some of these projects that are priority for traffic management in the future? I know that we have kind of contemplated policy changes to help expedite some of these projects where there is existing roads and bridges to help fast-track these things. Maybe in the future you can, as part of the General Plan, while we start building policy from your end if there are ways that we can help, please help us find those solutions.

Mr. Dill: Okay.

Councilmember Kawakami: Thank you.

Councilmember Yukimura: Has the State thought at all about an impacts fee for development?

Mr. Dill: Yes and our Right-of-Way Branch has been working through that process for a little while now. I do not know the exact status of that, but I know that it is something that they are working to address. We had some

issues in the past with making sure that the fees and conditions that we apply to developers had a solid nexus to the impacts. Perhaps that nexus was not as strong as it needed to be in the past, so our Right-of-Way Branch is working on a solution for that now.

Councilmember Yukimura: That is really one of our options as well and it is related to the regional impact study that would...I think California does it all the time where you actually put back on the developer the cost that is being caused on the transportation system to expand the transportation system. Otherwise, it is all of us who are paying for it.

Mr. Dill: Yes.

Councilmember Yukimura: So we might want to look at that idea.

Mr. Dill: Sure.

Councilmember Yukimura: Thank you.

Committee Chair Chock: Any questions?

Councilmember Yukimura: Larry, did you by any chance get a copy of this technical study that was done for the General Plan called "Integrating State and County Transportation Policy"?

Mr. Dill: No, I have not seen that.

Councilmember Yukimura: It is a Charlier study that was done specifically for the General Plan Update, so I will give this to you.

Mr. Dill: Okay. Thank you.

Councilmember Yukimura: I think that is it.

Committee Chair Chock: Is that it?

Councilmember Yukimura: Probably not, but I cannot think of anything right now.

Committee Chair Chock: They will respond in writing, I am sure. If there are no more questions, I want to thank you folks.

Councilmember Yukimura: The Kapa'a Transportation Solutions was supposed to be a multimodal solution. The four (4) that you put up there are not multimodal. Way down on the list was some vague thing about the transit and the walking and biking. Is there a way to link our Kapa'a-Wailua shuttle into that being part of that scheme, which it was conceptually, but we have never developed it anywhere beyond that. "Removing short trips by cars in the Wailua-Kapa'a area through bus, walking, and biking." Can we include that also?

Mr. Steinmetz: In the description of the Kapa'a Transportation Solutions you mean, in the General Plan?

Councilmember Yukimura: That, but also in terms of future actions and steps to remedy the Kapa'a-Wailua congestion.

Mr. Steinmetz: We can look at the language on that.

Councilmember Yukimura: Which is also why we have to be involved in designing that shuttle, because it really has a very public purpose besides serving the tourist industry, which we want to do and they are part of the traffic. Thank you.

Committee Chair Chock: Council Chair Rapozo.

Council Chair Rapozo: I just have a real quick comment.

Committee Chair Chock: Sure.

Council Chair Rapozo: We cannot forget the drivers. I understand multimodal is the buzzword, but the reality is that there is always going to be the majority of people that are using their vehicles on this island, the way this island is spread out. So we cannot forget about the people that have to drive, the people with two (2) or three (3) jobs, like myself. I cannot catch the bus. It does not fit my schedule and it does not fit a lot of people's schedules. I think as we look down the road, twenty (20) years to thirty-five (35) years or whatever it is, we have to remember that there is going to be a lot of people that still rely on their vehicles, and that is not just here on Kaua'i, throughout the country. I heard a lot of discussion about multimodal, multimodal, multimodal, and multimodal, and maybe a little bit from the highways from the State. At the end of the day, we have to take care of the people that drive, too. I just wanted to make that comment. Thank you.

Committee Chair Chock: Any further discussion?

Councilmember Yukimura: I want to reassure the Chair that the drivers of cars are a really key goal in the multimodal plan, because as you get more people into the bus, you are helping to clear the roads. So I think we have everybody in mind and I do acknowledge and support the vision that shows most people will still be driving in 2035.

Committee Chair Chock: Would anybody else want to comment or have discussion on transportation as it relates to the General Plan? I guess what I would say is there are some...I think some amendments also from the coalition that will be coming. I do not believe they are ready today or will be presented, but they will be forwarded to everyone via E-mail, I am sure. From my perspective, with the completion of Short-Range Transit Plan and also sort of the direction that I am seeing things going and opportunities arising, I feel a little more comfortable and at-east that we are headed in the right direction, although I know it is still painful and there are issues that we have to address. If there are things that we need to clean up in

the General Plan, I understand and I look forward to any feedback and amendments that are coming from anyone.

Councilmember Kaneshiro: My comment goes along the same line of the amendments. As we go through this plan, the word that comes to my head is "tolerance." It is a very big plan and if the change is to change a word and it really does not change the substance of the thing, I guess I am putting it out there that I am not going to be very likely voting in favor of the amendment. A lot of people have looked at this plan and if we are just wordsmithing to wordsmith, it all boils down to your tolerance on the amendments. I have seen a ton of amendments that possibly could come through and I know there is going to be a lot of amendments coming up and I hope people keep in mind that sense of tolerance where you may not like the whole thing, but it kind of fits, so maybe let it go. But to cross everything out and redo everything, I may have a very difficult time voting on it just because the plan has gone through so many eyes already. If people, as they do their amendments, have a sense of tolerance on the amendments. I guess that is just my comment.

Committee Chair Chock: Just before Councilmember Yukimura continues, I think I am going to start to move directly into looking at how it is that we format these amendments so that there in a way that we can actually have that flexibility for how Councilmembers want to participate or vote on them. I will meet with Jenelle and we will start to compile them so that we know if we have to take them ad seriatim or what have you. I will try and at least combine some of those that are smaller amendments versus the bigger ones and take them all separately and we will move that way. Councilmember Yukimura.

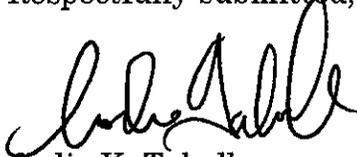
Councilmember Yukimura: I agree that we should not be doing wordsmithing for wordsmithing, but I think where we can bring clarity, because this plan is supposed to give direction, that that would be my goal, to make things clear so that it is not ambiguous. I also want to just say that in D.1. and we do not have to put it up, but under "Partnership Needs," we have a goal, as a percentage of total trips, increase transit trips by so much and bus trips by so much. That makes no sense as an action item under "Partnership Needs." It really should be stated at the beginning as part of our goal. So if we could take a look at that. Then also a definition of "least cost planning and practical design," which I agree with, but I need a little bit of explanation what that is or a citation where people can refer to so they understand what the process actually is.

Committee Chair Chock: Any further discussion? If not, in a moment I will ask for a motion to defer to November 8th. We will have a break and come back to Topic 5, which is the "Economy, Shared Spaces, and Heritage Resources." I want to thank everyone who has been here today to provide some feedback and answer questions, and also the community, who has stuck it out and also contributed as well to the process. If there are no more discussion, can I have a motion to defer to November 8th?

Councilmember Brun moved to defer Bill No. 2666 to the November 8, 2017 Special Planning Committee Meeting, seconded by Councilmember Kaneshiro, and carried by a vote of 6*:0:1 (**Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kawakami was noted as silent (not present), but shall be recorded as an affirmative vote for the motion.)(Councilmember Kagawa was excused).*

There being no further business, the meeting was adjourned at 4:30 p.m.

Respectfully submitted,



Codie K. Tabalba
Council Services Assistant I

APPROVED at the Committee Meeting held on November 29, 2017:



MASON K. CHOCK
Chair, PL Committee