

## COUNCIL MEETING

APRIL 6, 2022

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Arryl Kaneshiro at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, April 6, 2022, at 8:32 a.m., after which the following Members answered the call of the roll:

Honorable Bernard P. Carvalho, Jr.

Honorable Felicia Cowden

Honorable Bill DeCosta

Honorable Luke A. Evslin

Honorable KipuKai Kuali'i

Honorable Arryl Kaneshiro

Excused: Honorable Mason K. Chock

### APPROVAL OF AGENDA.

Councilmember Kuali'i moved for approval of the agenda, as circulated, seconded by Councilmember Carvalho.

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Are there any questions or discussion from the Members?

The motion for approval of the agenda, as circulated, was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

### MINUTES of the following meetings of the Council:

March 23, 2022 Council Meeting

March 23, 2022 Public Hearings re: Bill No. 2845, Bill No. 2846, Bill No. 2847, Bill No. 2848, and Bill No. 2849

Councilmember Kualii moved to approve the Minutes, as circulated, seconded by Councilmember Cowden.

Council Chair Kaneshiro: Is there anyone in the audience or on Zoom wishing to testify?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: None. Are there any questions or discussion on this item from the Members?

The motion for approval of the Minutes, as circulated, was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

#### CONSENT CALENDAR:

C 2022-68 Communication (03/18/2022) from the Housing Director, transmitting for Council consideration, a Resolution Authorizing The Filing Of The Kaua'i County 2022 Action Plan (Community Development Block Grant) With The Department Of Housing And Urban Development, United States Of America, For A Grant Under Title I Of The Housing And Community Development Act Of 1974 And 1987 (Public Laws 93-383 And 100-242), As Amended.

C 2022-69 Communication (03/22/2022) from the Director of Finance, transmitting for Council information, Period 8 Financial Reports – Statement of Revenues, Statement of Expenditures and Encumbrances, Revenue Report, and Detailed Budget Report for February 28, 2022, pursuant to Section 21 of Ordinance No. B-2021-877, relating to the Operating Budget of the County of Kaua'i for Fiscal Year 2021-2022.

C 2022-70 Communication (03/23/2022) from Councilmember Kualii, providing written disclosure of a possible conflict of interest and recusal relating to Bill No. 2851, the Mayor's Proposed Operating Budget for Fiscal Year 2022-2023, regarding the appropriation to Sexual Assault/Domestic Violence Community Program in the Office of Economic Development – Administration, Grant-In-Aid, as he is the Director of Operations for the YWCA of Kaua'i, a potential applicant for these funds.

C 2022-71 Communication (03/23/2022) from Council Chair Kaneshiro, providing written disclosure of a possible conflict of interest and recusal relating to Bill No. 2851, the Mayor's Proposed Operating Budget for Fiscal Year 2022-2023, regarding

the appropriation to Kaua'i Soil Conservation in the Department of Public Works – Administration, Grant-In-Aid, as he is the Director for the East Kaua'i Soil & Water Conservation District.

C 2022-72 Communication (03/23/2022) from Council Vice Chair Chock, providing written disclosure of a possible conflict of interest and recusal relating to Bill No. 2851, the Mayor's Proposed Operating Budget for Fiscal Year 2022-2023, regarding the appropriation for Leadership Development & Training in the Office of the Mayor – Administration, as he is a volunteer and facilitator for the annual Leadership Kaua'i adult class. Additionally, Leadership Kaua'i and his company, Kupu a'e Leadership Development, are partners in leadership initiatives on Kaua'i.

C 2022-73 Communication (03/24/2022) from the Housing Director, transmitting for Council consideration, a Resolution Authorizing The Filing Of The Kaua'i County 2022 Action Plan (Home Investment Partnership Program) With The Department Of Housing And Urban Development, United States Of America, For A Grant Under Title II Of The Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625), As Amended.

Councilmember Kualii moved to receive C 2022-68, C 2022-69, C 2022-70, C 2022-71, C 2022-72, and C 2022-73 for the record, seconded by Councilmember Cowden.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience or on Zoom wishing to testify?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Are there any questions or is there any discussion from the Members?

The motion to receive C 2022-68, C 2022-69, C 2022-70, C 2022-71, C 2022-72, and C 2022-73 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

#### COMMUNICATIONS:

C 2022-74 Communication (03/16/2022) from the Housing Director, requesting council approval to receive and expend additional funds in the amount of \$2,260,000.00, from the State via the federal American Rescue Plan (ERA2), which will be used to continue the emergency rental assistance program that provides rent and utility assistance for Kaua'i households economically impacted by the COVID-19 emergency.

Councilmember Kualii moved to approve C 2022-74, seconded by Councilmember Carvalho.

Council Chair Kaneshiro: We received no written testimony, no one is in the audience, and we have no one who signed up virtually. Okay. Is there any other discussion from the Members? Councilmember Cowden.

Councilmember Cowden: Good morning, Director Roversi. Can you give us an overview of this, does this come out in installments, and what it is a continuation of?

There being no objections, the rules were suspended.

ADAM P. ROVERSI, Housing Director (*via remote technology*): Good morning, Chair. Adam Roversi, Housing Director for the County, for the record. If you recall back in 2020 we received a total of twenty-two million dollars (\$22,000,000) to standup an emergency rental and utility assistance program. That program was dubbed ERA1 by the Federal government to designate where the funding was coming from. As of March of this year, we have expended all of the ERA1 program funds, distributing approximately twenty million dollars (\$20,000,000) in rent and utility assistance, and this request is for the first installment of what the Federal government is dubbing ERA2 funds. It is an additional pool of money intended to continue the same rental assistance program that we have been operating since March 2020. This is Federal funds coming to us via the State, so we received an initial subaward notice from the State in the amount of approximately two million two hundred sixty thousand dollars (\$2,260,000), then after we submitted this communication to Council, we received a second notice from the State that additional funds should be expected, but they are unable to tell us the specific amounts of the future installments or the absolute total, because the amount of funding that will be allocated to each state, is going to depend on each individual state's ability to spend down the funds by various timelines, and we have not been provided with what those timelines are, very clearly from the Federal government. This is our first confirmed allocation of ERA2 funds, but we are expecting additional funds.

Councilmember Cowden: Thank you. For people who might be listening, that is for rental assistance and utility assistance, correct?

Mr. Roversi: Correct. This program is administered by Kauai Federal Credit Union.

Councilmember Cowden: That is [www.kauairenthelp.com](http://www.kauairenthelp.com). This was designed for COVID-19 emergency, so it is good that we are moving past that. What do people need to have to still qualify and how long will this assistance help any particular household?

*(Councilmember Evslin was noted as not present.)*

Mr. Roversi: The program is broadly setup to assist people with up to twelve (12) months of rental assistance. They have to be able to demonstrate that they have suffered economically during the COVID-19 emergency and have to be able to provide evidence of that loss wages, loss unemployment, loss of hours, things like that, and they have to be able to document that via tax returns or letters from employers; there is an array of different types of documentation they can provide that is listed on the [www.kauairenthelp.com](http://www.kauairenthelp.com) website.

Councilmember Cowden: This is a subtle question. This is my final question. In this window of time that has been impacted by COVID-19, a secondary layer is that rent has gone up incredibly for many people. Rent has gone out of reach, maybe it was one thousand seven hundred dollars (\$1,700) a month, and now a place might be three thousand dollars (\$3,000) a month. Is there anything that helps people pay a certain amount and they will bridge the rest, or is that beyond the scope of this particular assistance?

Mr. Roversi: The program is currently set up with a rent cap of four thousand five hundred dollars (\$4,500), so it can assist someone in rent up to four thousand five hundred dollars (\$4,500) as long as they can demonstrate the economic loss during the COVID-19 emergency.

*(Councilmember Evslin was noted as present.)*

Councilmember Cowden: Okay, thank you. That is a good amount of rent, so that will help some of these people that are deeply impacted. Thank you.

Councilmember Kualii: Before we move forward, can I make a correction to the motion?

Council Chair Kaneshiro: Yes, so if you can withdraw the motion and the second.

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

Councilmember Kualii withdrew the motion to approve C 2022-74. Councilmember Carvalho withdrew the second.

Councilmember Kualii moved to approve C 2022-74 in the amount up to sixteen million dollars (\$16,000,000), seconded by Councilmember Carvalho.

Council Chair Kaneshiro: Are there any further questions on this item from the Members? Councilmember Cowden.

Councilmember Cowden: What is the window of time? Last time we had a year to spend the twenty-two million dollars (\$22,000,000), what is the year before there is a claw back where we would lose some of that funding?

There being no objections, the rules were suspended.

Mr. Roversi: The absolute deadline for the expenditure of the ERA2 program funds is September 2025, so it is quite a ways out. That said, there are continually changing guidelines from the Federal government as I have alluded to before, different moving deadlines to expend certain percentages of your allocation, and if you are not hitting those deadlines...our sense is there could be claw backs prior to 2025 for any states, again, they are not analyzing what the County of Kaua'i does, they are analyzing what the State of Hawai'i as a whole does. If the State as a whole is failing to meet certain benchmarks, we could see funds pulled back sooner than 2025, but we do not have clear guidance from the Federal government about that.

Councilmember Cowden: I want to express gratitude that there is some help out there for people who need assistance.

Council Chair Kaneshiro: Are there any other questions from the Members on this item? Is there any final discussion?

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion to approve C 2022-74 in the amount up to sixteen million dollars (\$16,000,000) was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

C 2022-75 Communication (03/24/2022) from the Chief of Police and Bryson Ponce, Assistant Chief of Police, Investigative Services Bureau, requesting Council approval to receive and expend Fiscal Year 2021 Stop Violence Against Women (VAWA) Formula grant, in the amount of \$64,919, and to indemnify the State of Hawai'i Department of the Attorney General, project award No. 15JOVW-21-GG-00576-STOP, to continue to provide program support of Sexual Assault Nurse Examiners (SANE) exams, supportive funding, and DNA analysis, for the anticipated period of June 1, 2022 to May 31, 2023.

Councilmember Kualifi moved to approve C 2022-75, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We received no written testimony and no registered virtually to testify.

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: None. Are there any questions from the Members? Councilmember Cowden.

Councilmember Cowden: Assistant Chief Ponce, thank you so much for continuing to work to get this funding. I know this is a continuation of a very good program. For the benefit of people who are watching, especially for victims of violence, can you explain very briefly what the SANE nurse program is? A lot of time people do not know that this is there, so I want people to understand what the Police Department is offering for victims of sexual assault, and how they access it.

There being no objections, the rules were suspended.

BRYSON PONCE, Assistant Chief of Police, Investigative Services Bureau (*via remote technology*): Let me go back a little bit in history. When we had victims of sexual assault prior to the program being embedded in Kaua'i Police Department (KPD) and having a private room, victims would have to wait in the Emergency Room (ER) most times for hours, and sometimes because of trauma and triage with different types of cases, sexual assault exams was on the lower priority for being seen by physicians. People would go and it is a small island and say, "Hey, what is going on? Are you okay? What happened?" Back when Chief Freitas was here and this new station was being built, one of the thoughts was to have our own SANE room to conduct exams. The SANE room in-house here with our trained nurses has really been a good venue for privacy, for connection with the prosecutors, with the YWCA with our detectives, with our Sexual Assault Response Team (SART). We know that sex assault cases are underreported and we work with the Office of the Attorney General (AG) to try and get education out there to have people report—there is a safe avenue. The AG office has this [www.ag.hawaii.gov/projectmalamakakou](http://www.ag.hawaii.gov/projectmalamakakou). If you folks recall back in 2016, the Hawai'i State Legislature passed Act 207, which formed the Hawai'i Sexual Assault Kit Initiative (HISAKI) group, a multi-disciplinary group to engage in a comprehensive reform of Hawai'i's approach to sex assault cases and including providing testing of untested sex assault kits. Back in 2012 when we first applied for the VAWA funding, it was really for testing untested kits, and also for compensation, training, equipment, and standby pay for our nurses, and what we always try to do is try to perpetuate the program because of the benefits it has; taking it outside of the hospital setting.

Councilmember Cowden: If people have this challenge, do they call the YWCA, or do they call KPD if someone is sexually assaulted?

Mr. Ponce: It can be reported either way. The most conventional way would be through dispatch.

Councilmember Cowden: Okay.

Mr. Ponce: The YWCA, as our partners, also has a hotline that can be called, and we will be notified. Those are the two (2) reporting avenues.

Councilmember Cowden: Thank you for explaining it for any new person who might not understand that this service is out there. Actually, when I talk to women, most do not have an idea that is a service that exists, and it is not just women, it is more women that get injured. Thank you for reteaching our community and for what you all do.

Mr. Ponce: Thank you.

Council Chair Kaneshiro: Councilmember DeCosta.

Councilmember DeCosta: I wanted to ask you, how important is it to have that standby nurse? Did I understand that correctly, a standby nurse?

Mr. Ponce: Yes.

Councilmember DeCosta: In case there is a case that comes in and there is a lady who is violated, a lot of times when they are given twenty-four (24) hours of think time, and they go home and are not tested that night that the trauma happened, sometimes they will come back the next day and say they do not want to file any charges, does that ever happen? I want you to explain to us, how important is it to have that nurse test that most likely female that night when it happens versus giving them time to think about it? Can you explain that to us?

Mr. Ponce: Yes, absolutely. It is always a best practice, when you look at those cases that we refer to as acute sexual assault exams, and acute sexual assault exams is when a sexual assault happens within one hundred twenty (120) hours of being reported. In the one hundred twenty (120) hour period is a period defined is when physical evidence such as semen, saliva, other type blood evidence that can be recovered and maintained in a forensically sound way, and we always try to make sure that anyone within that threshold is offered an exam. So, having a nurse on standby and being able to conduct these acute sexual assault exams are really important to the program and the victims.

Councilmember DeCosta: Thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: It says this program has been in there...your resolution of these types of cases has gone up substantially, I cannot remember the



number, but it was almost all cases get addressed, and sometimes to the benefit of the accused, because it can basically exonerate the accused. What is the number of closed cases now?

Mr. Ponce: That is a good question that you brought up. It ties hand-in-hand...back in August 2014, we specialized in training a group of detectives to specifically handle both adult, child, male, and female sex assault investigations in line with the SANE program, the specialty detectives in place, and with our partners at the Children's Justice Center at the YWCA of Kaua'i (YWCA). We saw an increase in case solvability and closure. Prior to 2014 it was about thirty-five percent (35%), then after August 2014 it jumped up to over sixty percent (60%) case closure.

Councilmember Cowden: Thank you.

Council Chair Kaneshiro: Are there any further questions from the Members? Is there any final discussion from the Members?

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion to approve C 2022-75 was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

### CLAIMS:

C 2022-76 Communication (03/21/2022) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Carmenia Montano, for damage to her vehicle, pursuant to Section 23.06, Charter of the County of Kaua'i.

C 2022-77 Communication (03/21/2022) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Martin Hoffman, for damage to his vehicle, pursuant to Section 23.06, Charter of the County of Kaua'i.

Councilmember Kualii moved to refer C 2022-76 and C 2022-77 to the Office of the County Attorney for disposition and/or report back to the Council, seconded by Councilmember Cowden.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience wishing to testify on the claims? Seeing none, is there anyone on Zoom wishing to testify?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Are there any questions or discussion from the Members?

The motion to refer C 2022-76 and C 2022-77 to the Office of the County Attorney for disposition and/or report back to the Council was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

COMMITTEE REPORT:

COMMITTEE OF THE WHOLE:

A report (No. CR-COW 2022-03) submitted by the Committee of the Whole, recommending that the following be Approved on second and final reading:

“Bill No. 2844 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5, ARTICLE 4, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO COUNTY TRANSIENT ACCOMMODATIONS TAX,”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Carvalho.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience wishing to testify on this item? Seeing none, is there anyone on Zoom wishing to testify?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Are there any questions or discussion from the Members?

The motion for approval of the report was then put, and carried by a vote of 6:0:1 (*Councilmember Chock was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

RESOLUTIONS:

Resolution No. 2022-15 – RESOLUTION AUTHORIZING THE FILING OF THE KAUA‘I COUNTY 2022 ACTION PLAN (COMMUNITY DEVELOPMENT BLOCK GRANT) WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, UNITED STATES OF AMERICA, FOR A GRANT UNDER TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 AND 1987 (PUBLIC LAWS 93-383 AND 100-242), AS AMENDED

Councilmember Kualii moved for adoption of Resolution No. 2022-15, seconded by Councilmember Cowden.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience wishing to testify? Seeing none, is there anyone on Zoom wishing to testify? Seeing none. Adam, if you want to give us a brief description of the Resolution for the Community Development Block Grant (CDBG) funds.

There being no objections, the rules were suspended.

*(Councilmember DeCosta was noted as not present.)*

Mr. Roversi: This action plan is a Federal requirement that we file every year laying out the proposed projects under our CDBG program. We receive approximately seven hundred thousand dollars (\$700,000) each year for various economic development programs. We have a public application process that we published around the first of the year to solicit any organization on Kaua‘i interested in submitting an application, we have a review of those applications, and finally recommendations to the Office of the Mayor, and then to Council as to what projects to fund for the project here. Through that application process, we have proposed four (4) separate projects; some upgrading work at the YWCA’s domestic violence shelter, additional renovations at Hale Ho‘omalua Family Center, Americans with Disabilities Act (ADA) improvements at Waimea Canyon Park, and lastly, some additional funding for the project visions HiEHiE Trailer, which is a mobile shower trailer, which provides a mobile shower trailer along with eye exams and some other services primarily to the homeless population at various sites around the island.

*(Councilmember DeCosta was noted as present.)*

Council Chair Kaneshiro: Are there any questions on the projects from the Members? Is there any final discussion from the Members?

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

Councilmember Cowden: Again, I want to express gratitude for the efforts of getting funding to these valuable functions and to acknowledge the work that goes through the Housing Agency, and all our team for providing social services.

Council Chair Kaneshiro: Is there anyone else? If not, roll call vote.

The motion for adoption of Resolution No. 2022-15 was then put, and carried by the following vote:

FOR ADOPTION:	Carvalho, Cowden, DeCosta, Evslin, Kualii, Kaneshiro	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Chock	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Six (6) ayes, one (1) excused.

Council Chair Kaneshiro: The motion passes. Next item.

Resolution No. 2022-16 – RESOLUTION AUTHORIZING THE FILING OF THE KAUA'I COUNTY 2022 ACTION PLAN (HOME INVESTMENT PARTNERSHIP PROGRAM) WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, UNITED STATES OF AMERICA, FOR A GRANT UNDER TITLE II OF THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT (PUBLIC LAW 101-625), AS AMENDED

Councilmember Kualii moved for adoption of Resolution No. 2022-16, seconded by Councilmember Cowden.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience or virtually wishing to testify on this item?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Are there any questions or discussion from the Members? Adam, if you want to give us a brief description of this money.

There being no objections, the rules were suspended.

Mr. Roversi: The HOME Investment Partnerships Program (HOME) grant we received from the Federal government is primarily for

affordable housing home construction. We receive it on a rotating basis with the other neighbor islands every three (3) years, so 2022 is Kaua'i's year to receive HOME funds. Typically, we pair these grant funds with other available funds to assist our development partners in qualifying for additional funding through the State Hawai'i Housing Finance Development Corporation. This year, we are proposing to provide the HOME grants to two (2) of our projects at Lima Ola; a 45-acre affordable housing rental project, and across the street, a 40-unit senior housing rental project. This is a project that we hope to break ground around October, and these funds certainly are not enough to construct either of the projects, but the subsidy that is provided by these grants allows the project to "pencil out" and be able to offer the units at lower rents that would otherwise be possible. By providing these funds to this project, it would typically...in a normal project here it would boost their scoring for other State funds. Actually, this project is not going to be required to apply for the State competitive funding, because for the first time, we are going to be offering our own bond issuance to fund these projects. Therefore, these funds will work hand-in-hand with the bond financing and the tax credits that go with that financing to make these two (2) housings projects possible.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I understand this is in a mosaic of funding, so between this and the bond funding, are we set to start and finish to completion? Do we have enough funding ready to go? Are we all good when we break ground? When do you think it will be complete?

Mr. Roversi: We expect construction to take approximately a year from groundbreaking, so as long as we can keep on track and break ground in October of this year, we would expect October or November of the following year, we would have completed units ready for move-in. To answer the funding package, whether it is complete or not, there is sufficient funding in place, which is largely, or at least partly, because we also received eight million five hundred thousand dollars (\$8,500,000) in Federal earmarks specifically for the senior housing project, so that paired with the bond financing paired with tax credits, and a small private financing that the developer gets through regular banking system is sufficient to get the project done.

Councilmember Cowden: Great, thank you.

Council Chair Kaneshiro: I have a question when you mentioned lower rents; are the rents in those units determined based on the construction costs, or is it based on some type of United States Department of Housing & Urban Development (HUD) calculation, or a percentage of income once they are actually in those units?

Mr. Roversi: When you utilize HOME money for a project, the units in the project that are HOME-designated units are required to be rented at eighty percent (80%) or sixty percent (60%) of Area Median Income (AMI) and below. You determine the number of HOME units in the project by the total project financing costs and that is a calculation that our office performs that HUD approves when we have the final budget nailed down in our development agreement, so we have a preliminary budget, then the total number of HOME units will be determined when the final budget and development agreement is executed. I will have to verify with Steve Franco, our HOME Coordinator, but I think it is typically around twenty percent (20%) of the units, but I can clarify that and get back to you.

Council Chair Kaneshiro: Okay, no, that is good information just to see how the HOME loans work into it and what the requirements are when you are actually using it. Thank you for that. Are there any further questions? Councilmember DeCosta.

Councilmember DeCosta: Adam, you mentioned construction might break in the next year, is that correct?

Mr. Roversi: Groundbreaking is scheduled for October of this year.

Councilmember DeCosta: When do we start actually building these units—the construction part of it?

Mr. Roversi: That will be in October, so they will begin with the civil engineering laying out the construction pads and foundation work and so forth, then we should see vertical construction not too long after that, hopefully by January, we will see framing start to go up.

Councilmember DeCosta: The reason I ask, Adam, we all know that labor costs to build these homes have escalated. I did research and it is currently three hundred dollars (\$300) to four hundred dollars (\$400) a square foot. I was worried if we can still do this project within this budget? Are we going to be okay with the increase in lumber costs?

Mr. Roversi: I believe so. Our development partners have a great deal of experience. They have built multiple projects on Kaua'i and to-date have always successfully brought their projects in on-budget and on-time.

Councilmember DeCosta: Where do we get our lumber from?

Mr. Roversi: That is up to the developer. The Ahe Group is the developer that was selected for a Request for Proposal (RFP) process to build

these units. It is up to them to source their materials with their contractor. I do not have that information.

Councilmember DeCosta: I was just wondering, because we have a local lumber industry here on the island, Pacific Hawaiian Hardwoods, and they are doing board feet now, two by four (2x4), four by eight (4x8), and they even have twenty by twenty (20x20). I am wondering if the prices work out for us to buy our local lumber here or is it cheaper buying it from the mainland? That is what I figured. Could we build more homes for less if we buy our wood locally, or is it still cheaper to bring in wood from the mainland?

Mr. Roversi: I would have to look into that and talk to our partners. I do not have the information about the lumber prices.

Councilmember DeCosta: Okay, thank you.

Council Chair Kaneshiro: Councilmember Carvalho.

Councilmember Carvalho: Good morning, Adam. Just a quick question on the senior housing. Can I get an update on that particular part of it?

Mr. Roversi: Sure. One (1) of the lots at Lima Ola has been designated for senior housing project and that will be forty (40) units, primarily serving low-income seniors sixty-five (65) years and older.

Councilmember Carvalho: Okay, thank you.

Council Chair Kaneshiro: Are there any further questions from the Members? Councilmember DeCosta.

Councilmember DeCosta: Adam, what is the overall number of units? I know forty (40) was just for the low-income seniors, but what is the overall number of units?

Mr. Roversi: There will be forty-five (45) in the workforce rental project, forty (40) senior rental units, and as we have mentioned in a recent Council Meeting, also in Phase I, we are going to have thirty-eight (38) single-family homes, and we will have a twenty-six (26) unit supportive housing project modeled after the Kealaula project here in Līhu'e. All together, I think it comes out to one hundred fifty-five (155) units.

Councilmember DeCosta: Thank you, Adam.

Council Chair Kaneshiro: Are there any other questions from the Members? Is there any final discussion? Councilmember Cowden.

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

Councilmember Cowden: I just want to make a comment of this first group of the Lima Ola project, I want to recognize how we are hitting each different group, whether it is seniors, people who are houseless, people that are gap-housing and are ready to buy a home, or just needing to rent a place. Again, I want to acknowledge the balance in this project.

Council Chair Kaneshiro: Is there anyone else? For me, I want to say, it is an exciting project, it is probably going to be one of the biggest development projects on the westside in a long time, and all of it is going to be affordable. I think it is a great thing. I am very excited for it. It was very exciting when they did the groundbreaking for the infrastructure. Again, this is only Phase I of the project, so there is going to be future phases on this with additional housing. Is there any other discussion from the Members? With that, we will take a roll call vote.

The motion for adoption of Resolution No. 2022-16 was then put, and carried by the following vote:

FOR ADOPTION:	Carvalho, Cowden, DeCosta, Evslin, Kualī'i, Kaneshiro	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Chock	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes, one (1) excused.

BILL FOR SECOND READING:

Bill No. 2844 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5, ARTICLE 4, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO COUNTY TRANSIENT ACCOMMODATIONS TAX

Councilmember Kualī'i moved to approve Bill No. 2844 on second and final reading, and that is be transferred to the Mayor for his approval, seconded by Councilmember Carvalho.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience or virtually wishing to testify?

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



There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions from the Members on this? Councilmember Cowden.

Councilmember Cowden: Reiko, thank you for having made this clear. I just want to acknowledge that this is the first time we have *The Garden Island Newspaper* in the room. Can you simply state the reason for wanting to emphasize other entities than the owner just so people understand what this is about? It says, "...or other taxpayer who receives gross rental proceeds." Can you clarify that and how it affects the purpose of this Bill for localized Transient Accommodations Tax (TAT)?

There being no objections, the rules were suspended.

REIKO MATSUYAMA, Director of Finance (*via remote technology*): Basically, the reason why that language is in there is because it is now reflected in Hawai'i Revised Statutes (HRS). State law put this language in there effective January 1, 2022, so we are just copying it. What the State found was that there were loopholes. Say someone set up a little kiosk outside and was selling accommodations, they were saying they were exempt from TAT, so the State was just closing the loophole to make sure that if you are furnishing a transient accommodation rental, then you would have to pay TAT.

Councilmember Cowden: Thank you.

Council Chair Kaneshiro: Are there any further questions from the Members? Is there any final discussion from the Members? Roll call vote.

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

The motion to approve Bill No. 2844 on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR APPROVAL:	Carvalho, Cowden, DeCosta, Evslin, Kualii, Kaneshiro	TOTAL – 6,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Chock	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes, one (1) excused.

Council Chair Kaneshiro: We will read the Executive Session in first and take it later.

EXECUTIVE SESSION:

ES-1071 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), on behalf of the Council, the Office of the County Attorney requests an Executive Session with the Council to provide the Council with a briefing and to request authority for a possible settlement proposal in a claim filed by Neil and Michelle Young and related matters. This briefing and consultation involve the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

Councilmember Cowden moved to convene in Executive Session for ES-1071, seconded by Councilmember Kualii.

Council Chair Kaneshiro: We received no written testimony. Is there anyone in the audience or virtually wishing to testify?

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

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none. We will take this item at the end of our meeting.

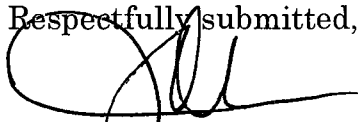
The motion to convene in Executive Session for ES-1071 was then put, and carried by the following vote:

FOR EXECUTIVE SESSION:	Carvalho, Cowden, DeCosta	
	Evslin, Kualii, Kaneshiro	TOTAL - 6,
AGAINST EXECUTIVE SESSION:	None	TOTAL - 0,
EXCUSED & NOT VOTING:	Chock	TOTAL - 1,
RECUSED & NOT VOTING:	None	TOTAL - 0.

Council Chair Kaneshiro: That concludes the business on our agenda. Not seeing or hearing any objections, this Council Meeting is now adjourned. We will move into our Committee Meetings.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 9:09 a.m.

Respectfully submitted,  


JADE K. FOUNTAIN-TANIGAWA  
County Clerk