

COUNCIL MEETING

MAY 18, 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, Lihu'e, Kaua'i, on Wednesday, May 18, 2022, at 8:34 a.m., after which the following Members answered the call of the roll:

Honorable Bernard P. Carvalho, Jr.
Honorable Mason K. Chock (*via remote technology*)
Honorable Felicia Cowden (*via remote technology*) (*present at 8:37 a.m.*)
Honorable Bill DeCosta
Honorable Luke A. Evslin
Honorable Arryl Kaneshiro

Excused: Honorable KipuKai Kuali'i

APPROVAL OF AGENDA.

Councilmember Carvalho moved for approval of the agenda, as circulated, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting 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 agenda, as circulated, was then put, and carried by a vote of 5:0:2 (*Councilmember Cowden and Councilmember Kuali'i were excused*).

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

MINUTES of the following meetings of the Council:

May 4, 2022 Council Meeting
May 11, 2022 Public Hearing re: Resolution No. 2022-10, Bill No. 2851, and Bill No. 2852

Councilmember Carvalho moved to approve the Minutes, as circulated, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting 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 5:0:2 (*Councilmember Cowden and Councilmember Kualii were excused*).

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

CONSENT CALENDAR:

C 2022-102 Communication (04/28/2022) from the Director of Human Resources, transmitting for Council information, the May 1, 2022 Vacancy Report, pursuant to Section 24 of Ordinance No. B-2021-877, relating to the Operating Budget of the County of Kaua'i for Fiscal Year 2021-2022.

Councilmember Carvalho moved to receive C 2022-102 for the record, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members?

The motion to receive C 2022-102 for the record was then put, and carried by a vote of 5:0:2 (*Councilmember Cowden and Councilmember Kualii were excused*).

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

COMMUNICATIONS:

C 2022-103 Communication (04/20/2022) from Councilmember Chock and Councilmember DeCosta, transmitting for Council consideration, A Bill For An Ordinance Amending Chapter 8, Kaua'i County Code 1987, As Amended, Relating To Campgrounds, to allow Educational Camping in the Agricultural District for campers eighteen (18) years of age or younger via the Use Permit process.

Councilmember Carvalho moved to receive C 2022-103 for the record, seconded by Councilmember Evslin.

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

There being no one present to provide testimony, the meeting proceeded as follows:

(Councilmember Cowden was noted as present.)

Council Chair Kaneshiro: Are there any questions or is there any discussion? We will see this as Proposed Draft Bill (No. 2859) later in the agenda.

The motion to receive C 2022-103 for the record was then put, and carried by a vote of 6:0:1 *(Councilmember Kualii was excused)*.

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

C 2022-104 Communication (04/20/2022) from Councilmember Carvalho and Councilmember Chock, transmitting for Council consideration, A Bill For An Ordinance Amending Chapter 8, Kaua'i County Code 1987, As Amended, Relating To Guest House, to increase the allowable square footage from 500 square feet to 800 square feet and to require that one off-street parking be provided for each Guest House.

Councilmember Carvalho moved to receive C 2022-104 for the record, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We received no written testimony. This is just a communication. Is there anyone in the audience or on Zoom wishing to testify? Kurt, you may want to testify on the Bill that is going to come up soon. This is just a communication.

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

KURT BOSSHARD: What I have to say will carry through, so if that is okay?

Council Chair Kaneshiro: You will have three (3) minutes.

Mr. Bosshard: Yes, that is fine. I submitted written communication, but that is referenced to an item later in the calendar. I spoke to many of you over the years about similar issues. I will not go through everything I wrote in my letter. In looking at the statistics of the real estate world today, it is bleaker than what I can express in terms of affordable housing and vacant properties. Subdivisions do not exist anymore along the lines of when you folks grew up and with what is happening in Wailua Homesteads, Kawaihau, Kalāheo, et cetera. We do not

have vacant lots available; we are not going to. The theory of the General Plan more or less is that people should live in the apartment buildings in Līhu'e. When I was on the committee about the General Plan, I expressed similar sentiments as I am here today. The local culture is in the country. Right now, we have units, but the units are becoming more and more illegal rather than legal. We all have family or friends that have units. We know about them; they are a fact of life. I am not asking for it to be enforced, we cannot afford to have enforcement, but there will be more homeless people. There are people who want to be legal in modest housing. The positive step was made to allow the guest house to become a legal dwelling. With that came expenses in the modern society we are in and the reason many people are illegal is because you have to convert to a septic system, pay the Department of Water ten thousand dollars (\$10,000), and other cover charges. For a five-hundred-square-foot structure, that could be forty thousand dollars (\$40,000) before you break ground. People are not going to be legal and build that way when square foot cost is eighty dollars (\$80) before you break ground. I want to be legal, but I would not build a five-hundred-square-foot guest house because it does not make economic sense to do that. It is not fair to the people who might be occupying it either. Five hundred (500) square feet for a single person works, but for anyone who has a child or a couple who has a child, you need to have a bedroom or two (2) and this would allow that. You are not going to have a lot of these being built because the cost of building is so high and there is not much available land. It would be a positive thing and allow people like me to be legal, or other people to convert who are getting in trouble for not having legal structures. As far as I am concerned, there is no harm, and it is a positive thing. That is it.

Council Chair Kaneshiro: Thank you, Kurt. Is there anyone else wishing to testify on this item now? We can add it the testimony to the Bill when it comes up later.

MACKY DESILVA: Good morning, Councilmembers.

Council Chair Kaneshiro: Good morning. Please state your name for the record.

Mr. DeSilva: Macky DeSilva. I think Mr. Bosshard summed it up as far as upping a five-hundred-square-foot guest house to eight hundred. It makes sense. We desperately need housing on this island. I am in the same situation. I have land, it is zoned for two (2) homes and a guest cottage, but the guest cottage is five hundred (500) square feet. Upping it by three hundred (300) would make a big difference. To me, it is only a small bump, but it would make a big difference. Like I said, I am in favor of Mr. Bosshard's speech. Thank you. Do you have any questions?

Council Chair Kaneshiro: There are no questions from the Members. Thank you for your testimony.

Mr. DeSilva: Thank you.

KEOLA WONG: I am in favor of what Kurt wants to do with the increase of the square footage. That is all. Thank you, folks.

Council Chair Kaneshiro: Thank you. Is there anyone else wishing to testify? If not, anyone on Zoom wishing to testify?

There being no further 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? This Bill will come up later on the agenda.

The motion to receive C 2022-104 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-105 Communication (04/25/2022) from the Housing Director, requesting Council approval to receive and expend funds from the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF), in the amount of \$5,000,000.00, which will be used to provide emergency rental assistance, housing stability services, or other related eligible services to County of Kaua'i residents.

Councilmember Carvalho moved to approve C 2022-105, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We received no written testimony. I will suspend the rules and have Adam explain what the money will be used for and explain how the previous money we got was spent.

There being no objection, the rules were suspended.

ADAM P. ROVERSI, Housing Director (*via remote technology*): Good morning, Council Chair. Adam Roversi, Housing Director, County of Kaua'i. A little quick background might be appropriate. You are probably all aware that midway through the COVID-19 emergency, the Federal Government enacted an Emergency Rental Assistance Program. In 2020, we received twenty-two million dollars (\$22,000,000) in what is dubbed as an acronym ERA1 funds, Emergency Rental Assistance One. That was the first tranche of Federal funding for our Emergency Rental Assistance Program, which has been successfully operating through our partner the Kaua'i Federal Credit Union. In March of this past year, we successfully expended all the ERA1 funds. ERA1 is finished.

The Federal Government has a second Emergency Rental Assistance Program nationally that is funded through the State with passthrough funds to the County. In the ERA1 Program, the Federal Government and the State gave the counties single large lump sum. We received the entire twenty-two million dollars (\$22,000,000) at once, and we doled it out as necessary to the credit union. The Federal Government, for the second round of ERA2 funds, is not handing lump sum piles of money to the state. They are giving it out in tranches and future funds are dependent in each state's ability to spenddown their first issuance of funds. The State of Hawai'i received its first allocation of ERA2 funds. Those funds were divided amongst the counties. The County of Kaua'i quickly spent down all of our ERA2 funds. We received a smaller tranche than most of the other counties. I believe we expended all our ERA2 funds about one week and a half (1 ½) ago. We were the only county in Hawai'i that expended all of its ERA2 money. We were faced with the prospect of needing to temporarily shut down our Emergency Rental Assistance Program until the second allocation of Federal funds came in. That was not dependent on our performance, but it is dependent on statewide performance.

The State offered to provide us five million dollars (\$5,000,000) in American Rescue Plan Act (ARPA) funds from the State's allocation of ARPA funds. Essentially, this is bridge-funding for our Emergency Rental Assistance Program until the second tranche of ERA2 funds arrive. This will allow us to continue our program without significant interruption to the members of our community who need it. Also, it allows the credit union to keep their current staffing levels without having to lay off people and rehire folks to reboot the program. I think it is critically important. It has taken the credit union a good deal of time and effort to build the system to take applications, build the website, train their staff, et cetera. We really do not want them to have to let people go while we are waiting for additional funds. This five million dollars (\$5,000,000) in ARPA funds is intended as gap funding until additional ERA2 funds arrive to the State and are passed through to the County. At that time, we will be allowed to then potentially use any remaining ARPA funds from this five million dollars (\$5,000,000) for other housing-related purposes. Then, we began to use the ERA2 funds for our Rental Assistance Program. In the current moment, they are intended for the Emergency Rental Assistance Program, but they may be available in the future for other housing-related purposes if we do not spend it all down with emergency rental assistance. We will not know that until...it is unknown when the ERA2 funds will be available or even exactly how much will be available. There are lots of questions that we will not be able to answer at this point until we see the rate of spenddown and we learn more about the future availability of funds. That is it. I am happy to answer any questions.

Council Chair Kaneshiro: Are there any questions from the Members?
If not, I will call the meeting back to order.

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

Council Chair Kaneshiro: Is there any discussion from the Members?
Councilmember Cowden.

Councilmember Cowden: I want to first thank you, Director Roversi, for doing a great job at having as many opportunities as we can for our houseless. I will be supporting this action. I am coming in from the National Association of Counties (NACo) Western Interstate Region (WIR) meeting and I just have to say that I was happy to see notice of funding opportunities for several new housing items that are just coming up. There are good size tranches of money for the different layers. I really like this rental assistance as a part of our portfolio of solutions to our critical challenge of housing. Thank you. I am supportive of all that you are doing.

Council Chair Kaneshiro: Does anyone else have any discussion? If not, the motion on the floor is to approve. Is there anyone in the audience or on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to approve C 2022-105 was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-106 Communication (04/26/2022) from the Chief of Police and Mark Ozaki, Acting Assistant Chief of Police, requesting Council approval of unbudgeted equipment purchases using unexpended salaries, in the amounts of \$109,504.94 and \$19,423.19, respectively, for ten (10) Motorola Model APX 7000 portable radios and a Codan Portable Repeater, which are critical to improve police operational efficiency and fundamental to employee safety and accountability.

Councilmember Cowden moved to approve C 2022-106, seconded by Councilmember Carvalho.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members?

The motion to approve C 2022-106 was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-107 Communication (05/02/2022) from the Chief of Police, requesting Council approval to receive and expend funds from the Hawai'i High Intensity Drug Trafficking Area (HIDTA) Program, in the amount of \$161,400.00, for the payment

of overtime, renting of vehicles and aircraft, training, replacement of old equipment, and the purchase of new technology.

Councilmember Carvalho moved to approve C 2022-107, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: Are there any questions from the Members on this item? I will suspend the rules. Councilmember Cowden.

Councilmember Cowden: Thank you, Chief Raybuck. We had something very similar to this at the last meeting. Can you tell us what is unique about this particular funding compared to the funding from the last meeting?

There being no objections, the rules were suspended.

TODD G. RAYBUCK, Chief of Police (*via remote technology*): Good morning, Council Chair and Honorable Members of the Council. Thank you, Councilmember Cowden, for the question. The request for these funds is actually the annual allotment that the Kaua'i Police Department (KPD) receives from HIDTA as a member of the High Intensity Drug Trafficking Area program. This is similar to the request that we get every year. Each year, the Federal Government passes a budget through the Office of National Drug Control Policy to fund HIDTA regions throughout the country. This is our share of the State of Hawai'i's HIDTA funds to support our broad drug trafficking programs.

Councilmember Cowden: At present your highest focus is Fentanyl, methamphetamine, and heroin, is that accurate?

Chief Raybuck: Yes. We continue to focus on those drugs that are impacting our community at a high rate.

Councilmember Cowden: Thank you and to your whole crew for what they do.

Chief Raybuck: Thank you.

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

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

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Is there any further discussion from the Members?

The motion to approve C 2022-107 was then put, and carried by a vote of 6:0:1 (*Councilmember Kuali'i was excused*).

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

C 2022-108 Communication (05/02/2022) from the Director of Finance, requesting Council approval to accept the standard Indemnification, Services, and Default Administration terms as stated in the Standard Agreement with Stericycle, Inc. for records disposal services.

Councilmember Carvalho moved to approve C 2022-108, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: Are there any questions from the Members on this item? I will suspend the rules. Councilmember Cowden.

Councilmember Cowden: Renee, can you give us a very brief explanation. Is Stericycle a new vendor, or are we already using them?

There being no objections, the rules were suspended.

RENEE YADAO, Accounting Systems Administrator (*via remote technology*): Good morning, Council Chair, Council Vice Chair, and Councilmembers. Stericycle is the parent company of Shred-It. We have Shred-It services currently; however, due to the number of services that we needed, we have to acquire an additional contract for the shredding. We had previously submitted a Records Disposal Request through the Council on August 4, 2021.

Councilmember Cowden: Thank you.

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

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

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

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to approve C 2022-108 was then put, and carried by a vote of 6:0:1 (*Councilmember Kuali'i was excused*).

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

C 2022-109 Communication (05/04/2022) from the Director of Finance, transmitting for Council consideration, A Bill For An Ordinance Amending Chapter 5A, Sections 5A-3.4, 5A-6.1, 5A-6.4, 5A-12.1, 5A-12.3, 5A-12.7, and 5A-12.8, Kaua'i County Code 1987, As Amended, Relating To Real Property Taxes, requiring appellants to file with the County Board of Review before appealing to the State Tax Court.

Councilmember Carvalho moved to receive C 2022-109 for the record, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: Are there any questions from the Members on this Communication? We received no written testimony. Is there anyone in the audience or on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Is there any discussion from the Members?

The motion to receive C 2022-109 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-110 Communication (05/04/2022) from the Director of Finance, transmitting for Council consideration, A Bill For An Ordinance Amending Chapter 5A, Section 9.2, Kaua'i County Code 1987, As Amended, Relating to Real Property Taxes, a housekeeping measure regarding assessments of golf courses, removing the requirement of the Real Property Assessment Division to account for "imparted value."

Councilmember Carvalho moved to receive C 2022-110 for the record, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We received no written testimony. I have a question from Councilmember Cowden.

Councilmember Cowden: This is for Reiko. I just want clarification on why this is called a "housekeeping" measure. This is where this wording is used. I think that that phrase should be reconsidered because it seems rather significant. It could have the potential for high impact. Housekeeping to me means correcting some verbs or something very insignificant in terms of the implications of the ordinance. Can you explain why this was called a "housekeeping" measure?

There being no objections, the rules were suspended.

REIKO MATSUYAMA, Director of Finance (*via remote technology*): Sure. You are correct, Councilmember Cowden. In hindsight I probably would not call it a "housekeeping" measure. There are certain aspects of...like the appeal item...that are housekeeping. I would keep those separate. The reason why in our head that it is housekeeping, and I will get into this a little later when we discuss it, is because it is not changing anything that we do. Content-wise, for us, in our office, it is not changing anything that we do. You are right, that I probably should not have called it a housekeeping measure. From our standpoint, though, that is why it was called that.

Councilmember Cowden: Thank you for that clarification. It probably would not change anything that the Real Property Tax Assessment Division does, but the implications on land use and potential movement of properties is likely rather significant. I just wanted that on the record that it might be accurate housekeeping in terms of the effort in the office, but I think we could reconsider what that is. This is just wording on the Communication. I just wanted to clarify that now. *Mahalo*.

Council Chair Kaneshiro: Okay, thank you. Are there any further questions from the Members? Is there anyone in the audience or on Zoom wishing to testify?

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

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

The motion to receive C 2022-110 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-111 Communication (05/04/2022) from the Director of Human Resources, transmitting for Council consideration, the cost items for the Hawai'i Government Employees Association (HGEA) Bargaining Unit 2 for period July 1, 2021 to June 30, 2025, pursuant to Hawai'i Revised Statutes (HRS) Section 89-11 and Kaua'i County Charter Section 19.13B. The terms of the Collective Bargaining Agreement were recently ratified by the employees Bargaining Unit 2.

Councilmember Carvalho moved to receive C 2022-111 for the record, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to receive C 2022-111 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-112 Communication (05/04/2022) from the Director of Human Resources, transmitting for Council consideration, the cost items for the Hawai'i Government Employees Association (HGEA) Bargaining Unit 3 for period July 1, 2021 to June 30, 2025, pursuant to Hawai'i Revised Statutes (HRS) Section 89-11 and Kaua'i County Charter Section 19.13B. The terms of the Collective Bargaining Agreement were recently ratified by the employees Bargaining Unit 3.

Councilmember Carvalho moved to receive C 2022-112 for the record, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to receive C 2022-112 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-113 Communication (05/04/2022) from the Director of Human Resources, transmitting for Council consideration, the cost items for the Hawai'i Government Employees Association (HGEA) Bargaining Unit 4 for period July 1, 2021 to June 30, 2025, pursuant to Hawai'i Revised Statutes (HRS) Section 89-11 and Kaua'i County Charter Section 19.13B. The terms of the Collective Bargaining Agreement were recently ratified by the employees Bargaining Unit 4.

Councilmember Carvalho moved to receive C 2022-113 for the record, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to receive C 2022-113 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-114 Communication (05/04/2022) from the Director of Human Resources, transmitting for Council consideration, the cost items for the Hawai'i Fire Fighters Association (HFFA) Bargaining Unit 11 for the period July 1, 2021 through June 30, 2025 based on an arbitrated award and in accordance with the procedures contained in Chapter 89, Hawai'i Revised Statutes (HRS), pursuant to HRS Section 89-11 and Kaua'i County Charter Section 19.13B.

Councilmember Carvalho moved to receive C 2022-114 for the record, seconded by Councilmember Evslin.

Council Chair Kaneshiro: Are there any questions from the Members on this Communication? We received no written testimony. Is there anyone in the audience or on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to receive C 2022-144 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

C 2022-115 Communication (05/04/2022) from the Director of Human Resources, transmitting for Council consideration, the cost items for the Hawai'i Government Employees Association (HGEA) Bargaining Unit 13 for period July 1, 2021 to June 30, 2025 pursuant to Hawai'i Revised Statutes (HRS) Section 89-11 and Kaua'i County Charter Section 19.13B. The terms of the Collective Bargaining Agreement were recently ratified by the employees of Bargaining Unit 13.

Councilmember Carvalho moved to receive C 2022-115 for the record, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: Are there any questions from the Members on this item? We received no written testimony. Is there anyone in the audience or on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to receive C 2022-115 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

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

CLAIMS:

C 2022-116 Communication (05/04/2022) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Timothy L. Oga, for damage to his vehicle, pursuant to Section 23.06, Charter of the County of Kaua'i.

C 2022-117 Communication (05/05/2022) from the County Clerk, transmitting a claim filed against the County of Kaua'i by David Booth, for damage to his vehicle, pursuant to Section 23.06, Charter of the County of Kaua'i.

Councilmember Carvalho moved to refer C 2022-116 and C 2022-117 to the Office of the County Attorney for disposition and/or report back to the Council, seconded by Councilmember Evslin.

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

There being no one present to provide testimony, the meeting proceeded as follows:

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

The motion to refer C 2022-116 and C 2022-117 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 Kualii was excused*).

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

COMMITTEE REPORTS:

PUBLIC WORKS & VETERANS SERVICES COMMITTEE:

A report (No. CR-PWVS 2022-03) submitted by the Public Works & Veterans Services Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2853 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 14, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE PLUMBING CODE,”

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

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

There being no one present to provide testimony, the meeting 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 Kuali'i was excused*).

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

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

A report (No. CR-FED 2022-03) submitted by the Finance & Economic Development Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2845, Draft 1 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, SECTION 5A-11.26, AND SECTION 5A-9.1(a), KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Tree Farm Development Exemption*),”

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

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

There being no one present to provide testimony, the meeting 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 Kualii was excused*).

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

RESOLUTION:

Resolution No. 2022-17 – RESOLUTION APPROVING THE PROPOSED FISCAL YEAR 2022-2023 OPERATING BUDGET FOR THE HAWAII STATE ASSOCIATION OF COUNTIES

Councilmember Carvalho moved for adoption of Resolution No. 2022-17, seconded by Councilmember Evslin.

Council Chair Kaneshiro: We received no written testimony on this item. It sounds like we have an amendment.

Councilmember Carvalho moved to amend Resolution No. 2022-17 as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 1, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: Councilmember Chock, was this amendment requested by you?

Councilmember Chock: Yes. Based on the last Council Meeting that we had, I had a discussion with our Executive Committee on some of the challenges with how the budget was reading. In response to that, we revised the way we were presenting the budget for you to consider. What you will see is an amount that is the total revenue that incorporates what was called the “starting reserve budget,” previously. At the very bottom, what you will also see is what will be both projecting at the end of the fiscal year and what we intend to have as a net at the end of 2023. I think those changes were as a direct result of the questions that arose at the last meeting.

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

Councilmember Cowden: Is it possible for someone to send me a copy of the amendment via E-mail?

Council Chair Kaneshiro: Yes, we have someone working on it right now.

Councilmember Cowden: Thank you.

Council Chair Kaneshiro: Basically, they just took out the starting and ending reserve, correct? It does not look like any of the other numbers changed.

Councilmember Chock: That is correct, Council Chair. None of the numbers have changed in terms of the budget and the proposed budget. The only thing that changed is looking at the starting reserve. Ultimately, what you will see is that the projection is that we would be at an approximate fifty-thousand-dollar position at the end of that fiscal year.

Council Chair Kaneshiro: Should we take a quick recess for Councilmember Cowden? Councilmember Cowden, we will take a quick recess for you to be able to get the amendment to look it over. I do not want you to have to vote on it if you have not seen it. Let us move to the next item and then come back.

There being no objections, Proposed Draft Bill (No. 2859) was taken out of order.

BILLS FOR FIRST READING:

Proposed Draft Bill (No. 2859) – A BILL FOR AN ORDINANCE AMENDING CHAPTER 8, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO CAMPGROUNDS (*Kauai County Council, Applicant*)

Councilmember Carvalho moved to refer Proposed Draft Bill (No. 2859) to the Planning Commission, seconded by Councilmember Evslin.

Council Chair Kaneshiro: We received no written testimony on this item. Are there any questions from the Members on this item? Who is the introducer on this? Councilmember Chock, did you or Councilmember DeCosta want to give a brief overview of this item?

Councilmember Chock: Sure, thank you, Council Chair. Yes, this campground item is back. What we previously talked about was a notion that we wanted to ensure that youth camps were protected and continue to have a means to sustain itself. We thought this was feasible in discussion with Planning Director Hull. What is before you is to include educational youth programs. As you can see, the program would allow up to the age of eighteen (18) years old. There was a housekeeping piece added that exempts County parks. I will turn it over to Councilmember DeCosta to add any additional comments.

Councilmember DeCosta: No. Councilmember Chock, you summed it up real nicely. We want to be able to protect our youth educational camps for ages eighteen (18) and below. That was our main motive for this.

Council Chair Kaneshiro: We will ask the Administration if they are in support of the Bill.

There being no objections, the rules were suspended.

KA'ĀINA S. HULL, Planning Director (*via remote technology*): Good morning, Council Chair Kaneshiro, and Councilmembers. Ka'āina Hull, on behalf of the Planning Department. We worked closely with Councilmember Chock and Councilmember DeCosta on the draft bill. Ultimately, there are concerns about further transient accommodations coming through the guise or auspices of campgrounds as we have seen in previous proposals. In working on this with the Councilmembers, it was clear that there is a need to ensure that educational camp youth can still be a possible avenue. In our estimation, with keeping this age bracket, it will not necessarily turn into a full transient accommodation open willy-nilly to any visitor, really. As I said, we are tentatively supportive. We need to wait for the Planning Commission for the review and action before we send it back to you.

Council Chair Kaneshiro: Are there any questions? Councilmember Evslin.

Councilmember Evslin: Thank you, Ka'āina. I agree with the premise, and I appreciate the work that you folks did. If a camp comes through and they are applying for a permit with mixed ages, if they say the focus is under eighteen (18) years old, but it is also including older people, over time, it will transition to an all-ages camp even though they originally advertised as a "youth camp." How do you make that distinction and are the camps exclusively for under eighteen (18)? Are all ages allowed or not allowed? Is there a gray area and how do you determine that?

Mr. Hull: The way we would interpret this is that the campers themselves would be under eighteen (18). Staff that is associated with the camp could be part of the program. Non-staff members over eighteen (18) will not be permitted to be on the campsite. That is the way we interpret this as it is drafted and if there are policy concerns about that, at the Commission level or when it comes back to Council, we will be open to discussion. As drafted, all campers must be under eighteen (18).

Councilmember Evslin: Great. Thank you.

Council Chair Kaneshiro: Are there any further questions from the Members on this item? Is there anyone in the public or on Zoom wishing to testify on this item? Is there any final discussion from the Members? Councilmember Evslin.

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

Councilmember Evslin: I would like to say that I support this. As it came up during the original glamping Bill, I think we all recognized the need for youth

educational camps. I appreciate the work that the Planning Department, Councilmember Chock, and Councilmember DeCosta did to allow this in a limited fashion. As Ka'aina said regarding policy concerns for under the age of eighteen (18), for me, I think it is important to strictly limit to that age. I do not want to see this open to all ages as I think it would create an avenue for potential abuse of the intent. If someone comes in with a for-profit campsite, advertises it for "youth," and it ends up being for all ages. Focusing on youth helps to ensure that this will not be abused. I appreciate the work here and will certainly be supporting this.

Council Chair Kaneshiro:

Councilmember Cowden.

Councilmember Cowden:

I echo what Councilmember Evslin said. One resistance I had to the Bill we passed earlier that focused on eliminating camping for high-end visitors was the loss of this opportunity. I am supportive of this. I want to open up one (1) or two (2) little caveats even though I am in full support of this. We have camp programs such as Camp Agape, which is run through the Kaua'i Community Correctional Center (KCCC). This program is for people who are almost out of incarceration and allowed to camp with their children. There are family camp programs that are therapeutic and positive, and they need to figure out a place to do this and do it differently. There are private campgrounds that already do this. I wanted to acknowledge that there are great therapeutic family camping programs. I am supportive as is.

Council Chair Kaneshiro: Is there any further discussion from the Members? If not, I will take a roll call vote.

The motion to refer Proposed Draft Bill (No. 2859) to the Planning Commission was then put, and carried by the following vote:

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

Ms. Fountain-Tanigawa:

Six (6) ayes.

There being no objections, discussion on Resolution No. 2022-17 proceeded as follows:

Council Chair Kaneshiro: We will go back to Resolution No. 2022-17. Councilmember Cowden, did you receive the amendment?

Councilmember Cowden:

Yes.

Council Chair Kaneshiro: Are there any further questions from the Members on the amendment? If not, is there any discussion on the amendment?

The motion to amend Resolution No. 2022-17, as circulated, and as shown in the Floor Amendment which is attached hereto as Attachment 1 was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

Council Chair Kaneshiro: Back to the main motion as amended. Are there any further questions from the Members on the HSAC Budget as amended? We received no written testimony. Is there anyone in the audience or on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Is there any final discussion from the Members on the HSAC Budget? Councilmember Cowden.

Councilmember Cowden: I want to thank Councilmember Chock for the work that he does, and Councilmember Carvalho for being part of the HSAC team. Thank you so much and I appreciate the work that you are doing. Being at a NACo event right now, it is so valuable for the peer networking that occurs.

Council Chair Kaneshiro: Is there anyone else? For me, I would like to say thank you Councilmember Chock. I appreciate you going back to revise the budget. I want to note that as we do HSAC, if we want HSAC to continue as an organization, there is sponsorship, fundraising, or conference income that needs to be made each year for HSAC to survive. If you look at it now, they are running at a loss of fifty-five thousand dollars (\$55,000). They have approximately one hundred thousand dollars (\$100,000) in the bank. If we do not raise money, there will be no funds for HSAC in the next two (2) years. Typically, in the past, we budgeted for a certain amount. Most times, counties have exceeded the amount that was budgeted, which has been able to keep the HSAC fund alive. This continues to allow people to go on trips for NACo, paying for NACo Members, HSAC traveling, et cetera. It is really important that the counties know that when you are the host of the HSAC conference, you need to be cognizant of your expenses, how much money is in the HSAC account, and trying to push for money to go into the HSAC account if we want HSAC to continue. Councilmember Chock.

Councilmember Chock: Thank you very much for those comments, everyone. Council Chair Kaneshiro, I appreciate highlighting the position HSAC is in due to the past few years and not having the ability to move forward on fundraising events such as our annual conference. I feel very confident that we can leave HSAC in a better position this year. I think those things are forthcoming. I wanted to shoutout that we have the September 28-30 HSAC conference on Hawai'i Island. There are fundraising opportunities there if you can join us and participate. I think it will be good. Following suit, the HSAC conference will be on Kaua'i the following year. It would be good for those coming on board with HSAC to attend, get a taste of what that is like, so that we can prepare for our turn. Thank you.

Council Chair Kaneshiro: Councilmember Carvalho.

Councilmember Carvalho: I wanted to *mahalo* Council Chair Kaneshiro for your comments and what you said overall. I think we are in a good place, and it is understandable where we are at right now. Councilmember Chock, for your leadership and revising the entire budget process. Having the discussion statewide brought us to a good place in understanding the outline of the budget and that we need to fundraise. The effort of bringing everyone together, that is the big part that makes a difference for all of us. I look forward to continuing in and following the leadership that continues to make this happen. *Mahalo*.

Council Chair Kaneshiro: Lastly, I want to say how valuable HSAC is. Not only for all the counties to lobby the State regarding what County Council's want throughout the State, but with the HSAC conferences, you get to meet the other Councilmembers and network. A lot of times at the conference, you hear issues that islands are having. You will see that we all have similar issues. At times, we do not always communicate problems or type of solutions people are doing. It is a good opportunity for Councilmembers to get together, listen to what is going on, hear from their department heads and solutions they look at to resolve problems. I think it is a very valuable experience and networking experience for all the Councilmembers to meet, get to know, and bounce ideas off each other. With that being said, I think HSAC is valuable, and I want to see it continue. Unfortunately, we need to work hard to fundraise. We have an Executive Assistant for HSAC, which should make it easier for each County because it will bring consistency. In the past, it was either up to the Board or the island that is doing the conference. Information gets passed through all the counties...having this Executive Assistant provides continuity for HSAC. Having to pay that position means you need to fundraise harder each year. I think that we can and that we should keep HSAC going. Is there any further discussion? Councilmember Evslin.

Councilmember Evslin: I am sorry. I have a few questions on the budget. I am a little confused. The amended budget includes a fund balance line, which seems to be included under total revenue. If you look at total revenue 2023, total revenue is two fifty-four (254), which includes fund balance. Could you explain what that fund balance is referring to and why it is included as revenue.

Councilmember Chock: I am sorry. I missed your question, and I closed the budget. I need to find it again.

Council Chair Kaneshiro: Councilmember Chock, I can answer. The fund balance is the estimated cash balance that the association will have at the beginning of the year.

Councilmember Evslin: That is what I assumed the fund balance referred to, but why is it not included as revenue. Part of the reason I am asking is because if you look at what we had before, it shows HSAC losing fifty-two thousand dollars (\$52,000) in 2023. Now, because the fund balance is included as revenue, it shows us netting fifty-four thousand dollars (\$54,000) in 2023. From my look at it,

nothing fundamental has really changed in the budget other than accounting for the balance as revenue.

Council Chair Kaneshiro: How I look at it is when you look at the beginning fund balance which is one hundred seven thousand dollars (\$107,000) and the net is fifty-four thousand dollars (\$54,000), that means we are losing fifty-three thousand dollars (\$53,000) worth of cash if they do not fundraise. I think we used to have a sponsorship line item before, but a lot of it comes down to the conference and making money there to sustain the budget.

Councilmember Evslin: Okay, I get it. You are the Certified Public Accountant (CPA) and I am not, but is that typical to include the beginning cash balance as revenue for the year?

Council Chair Kaneshiro: Not usually, but historically all the budgets have done it and they kept it consistent by doing that.

Councilmember Evslin: Okay. My other question along those lines was if the one hundred seven thousand dollars (\$107,000) is the starting balance in the fund, the previous budget had a starting reserve of one hundred seventy-three thousand dollars (\$173,000). None of the numbers match up to our fund balance compared to the starting reserve in the previous budget. Were those starting reserve numbers inaccurate and is this correcting that?

Councilmember Chock: Yes, I believe so.

Councilmember Evslin: Okay. That was my only confusion.

Council Chair Kaneshiro: I believe they tried to true up the fund balance or get as close as they could by putting in the line for budget projections of what we have and what else is remaining.

Councilmember Evslin: Okay, that is all. Thank you.

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

Councilmember Evslin: I appreciate the work that went into this, the work that goes into HSAC, the many meetings you attend, all the work to try and get the finances in order, and to ensure that HSAC continues to be a sustainably well-funded organization—as Council Chair Kaneshiro alluded to. That is work I have no desire to do, and I appreciate you folks spending so much time doing it. Thank you.

Council Chair Kaneshiro: Councilmember DeCosta.

Councilmember DeCosta: I would like to echo that thank you. Being that we will be losing our current Council Chair and Council Vice Chair, it is a little cumbersome trying to take on this task as a younger Council. At HSAC, not only do

we network, but what I found out is that some counties “envy” what Kauaʻi is made up of. When we were in Washington D.C., they mentioned how well we get along with our staff, how much our staff does for us, how we get along with the mayor, and how we get things done. Kauaʻi is at the forefront of being a leader in HSAC with how we run our County Government. I wanted to give that a shoutout. It was made apparent to us by Maui County Councilmembers and Mayor, Hawaiʻi Island—they see the logistics of how Kauaʻi operates and they are very impressed. Politics does not have to be argumentative, politics can be working together and solving things together for the betterment of our community. I am proud to be part of that and I am proud to have the staff that we have here on Kauaʻi. Council Chair and Council Vice Chair, thank you. Councilmember Carvalho, thank you for stepping up, being part of this, and chosen to do this next year. Thank you.

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

The motion for adoption of Resolution No. 2022-17, as amended to Resolution No. 2022-17, Draft 1 was then put, and carried by the following vote:

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

Ms. Fountain-Tanigawa: Six (6) Ayes. Motion passes.

Council Chair Kaneshiro: Next item.

Proposed Draft Bill (No. 2860) – A BILL FOR AN ORDINANCE AMENDING CHAPTER 8, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO GUEST HOUSE (*Kauaʻi County Council, Applicant*)

Councilmember Carvalho moved to refer Proposed Draft Bill (No. 2860) to the Planning Commission, seconded by Councilmember Evslin.

Council Chair Kaneshiro: Could we have an overview of this Bill either from Councilmember Chock or from Councilmember Carvalho. It seems simple. It just increases the size of a guest house.

Councilmember Chock: I can start, unless you wanted to introduce it, Councilmember Carvalho.

Councilmember Carvalho: Introducing this Bill, it was obvious to me and working closely with Councilmember Chock, the purpose of the Bill is totally aligned with the General Plan. Housing is at the forefront and this is just another opportunity to bring it to the forefront for our people of Kauaʻi. In addition to the General Plan, the purpose again is for guest houses, tenants, or owners of that particular property to have

that option. Those are the top three (3) reasons overall as we continue to move forward. As you heard in Mr. Bosshard's testimony, it is important. Again, it is just another opportunity for us to provide housing for our local families. That is the bottom-line for me. Any time we can address it and work on it...I think even working closely with the Planning Department in trying to make sure that we come to a place where we can agree...getting it to the Planning Commission, that to me is a big part. For us proposing this and for the chance to have mom and dad stay in the back house possibly and having the kids stay in the front house, however it pans out...that is the bigger picture. When we got to this point and vetting everything out, I feel we are at a good place, and we need to move forward.

Council Chair Kaneshiro:

Councilmember Chock.

Councilmember Chock: Thank you, Councilmember Carvalho. As most people know, the Council revisited guest houses years ago and allowed for kitchens, thus opening the opportunity for long-term housing options for our community. At the time of passing that proposal, there was a strong request from the community to increase the size of the guest house, but because it was a significant change, we could not do it and amend it within that bill. We promised that we would come back and revisit it. It has taken a lot of time. Since then, a lot of the discussions have been about the concern of sprawl and the impact on our agricultural properties, which are all valid concerns. We believe that this outcome has resulted in a minimum increase of three hundred (300) square feet and given the climate of our housing crisis, would provide much-needed support. It does also come with the need for one (1) off-street parking per guest house. Not everyone can get a guest house, as you know. If you have that right and you are on a condominium property regime (CPR) property, then this is hopefully an option for you. Hopefully you can assist the whole community by creating the much-needed housing that we are looking for. Thank you.

Council Chair Kaneshiro:
this Bill? Councilmember Evslin.

Are there any questions from the Members on

Councilmember Evslin: I have a question for Planning. Ka'āina? I appreciate the work that went into this. I recognize the need. I know that Planning has, for the most part, held the line in some sense, against things that would increase density on agricultural land. I know that technically this does not increase density, the density is there for a guest house. I think in practice, it will. For some of the reasons that Councilmember Chock said, Planning has been at least hesitant on measures like this. Ka'āina, if you could just explain what has changed in your calculus, because I assume that you support this Bill.

There being no objections, the rules were suspended.

Mr. Hull: Thank you, Councilmember Evslin. To that point, I think the Planning Department has been hesitant whenever we are looking at increasing density across-the-board, like in all zoning districts, Residential, Agricultural, and what have you. Excuse me. We have gone robustly in increasing density in the Residential and Urban areas but have been hesitant about increasing density in the Agriculture and Open area's. That is not just from a form and character

standpoint or even a preservation of agricultural land standpoint, but the overall picture of suburbanization of open lands and the effect it has on our infrastructure requirements and maintenance are astronomical. I think I can respect the fact that it is easier for people on agricultural land to build additional units, but from a large fifty-thousand-foot picture, the management of our resources, and the infrastructure it takes, we do have concerns about the further suburbanization of Agriculture and Open lands. When this was really being spun up and Councilmembers Carvalho and Chock were approaching us, we are hesitant about increasing density, but in looking at this Bill, it is not increasing density, right? The guest house with a kitchen is already permissible across-the-board in all Residential, Agricultural, or Open Districts. This is just what we see as a nominal increase in the square footage. We do not see this as increasing density, it just provides another option instead of saying that a single person or a couple, which primarily would be the main tenants occupying a guest house, now they can open it up to smaller families at least. That is where we interpret this Bill in looking at it and we tentatively support it. Also, guest houses cannot be CPR'd much in the way that additional dwelling units (ADUs) are able to be CPR'd. We saw the speculative aspect of the market invade our agricultural lands to a certain degree. With those two (2) measures, that is where we are coming out as tentatively supporting it. I use that phrase because ultimately it goes to the Planning Commission for their review and action before it is going back to you. We are tentatively supportive of the Bill.

Councilmember Evslin: Okay, thank you. The one (1) off-street parking stall. Previously, there were no off-street parking required for guest houses.

Mr. Hull: Yes, there never has been an off-street parking requirement. There was no previous requirement for off-street parking. I think where this comes from is the fact that guest houses on agricultural lands absolutely can accommodate the parking. I think some of the discussions that we had around additional rental units (ARUs) and ADUs within the Urban areas, there is a concern about the overcrowding of the streets and off-street parking. This measure goes to the fact that these are also permissible and an option within the Urban areas as well. Those in the Urban areas will have to make sure that they are able to accommodate any vehicular traffic associated with the unit.

Council Chair Kaneshiro: How does that affect existing guest houses?

Mr. Hull: Technically, existing guest houses would not be required to update their site to have an off-street parking. It would pertain to any guest house moving forward.

Council Chair Kaneshiro: Okay, thank you.

Mr. Hull: I would also add that with the Planning Department providing tentative support, we also did brief the Mayor on this and there is tentative support behind that as well.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Just to clarify, Ka'aina, if the increase into the ability of this Bill passing, or if the increase of the eight-hundred-square-foot be enacted, the parking would be implemented. There are a lot of existing guest houses that I think are looking into wanting to put that kitchen in and wanting to increase the size at the same time.

Mr. Hull: Yes, correct. Sorry about that. If there was an increase proposed made to...if this Bill were adopted tomorrow as-is, if there was an existing guest house that existed prior to the adoption of the Bill, they would not be required to update their parking stall requirement. If they alter it in that they increase the size and/or if they decide to put a kitchen, then it would have to be brought into conformity.

Council Chair Kaneshiro: Councilmember DeCosta.

Councilmember DeCosta: He answered my question.

Council Chair Kaneshiro: Okay. Councilmember Evslin.

Councilmember Evslin: If somebody is coming in for a permit assuming this passes, and somebody comes in for a permit for a five-hundred-square foot guest house, they would still need to put in the extra parking stall where they would not have had to otherwise, correct?

Mr. Hull: Correct. Any new guest house, if the Bill is adopted, any new guest house after the Bill is adopted, whether it is eight hundred (800) square feet or two hundred (200) square feet with or without a kitchen, would now need to have that additional parking stall off-street.

Councilmember Evslin: Okay, thank you.

Council Chair Kaneshiro: Are there any further questions from the Members on this? If not, while the rules are still suspended...we actually did receive written testimony on this item. We do have a testifier, Steve, if you want to come up. You can sit here on the chair. There is a microphone there. You will state your full name for the record, you will have three (3) minutes to testify. The light will turn green when your three (3) minutes starts. It will turn yellow when you have thirty (30) seconds left, and red when your three (3) minutes is up. If you need an additional three (3) minutes, we will check if anyone else wants to testify and if not, you will have another three (3) minutes at that time.

STEVEN MAFSHUN: Thank you all for your service today. The main purpose of this Bill is to relieve housing. It is a big problem on the island. It will put a dent in it if it passes. It will not relieve...it will not be a major thing, but it is a baby step forward. The biggest thing with moving the size to eight hundred (800) square feet, it will afford single parents to have more rental options to them. Just by having a bigger house or another bedroom for multiple kids, et cetera. A single mother with two (2) kids can suddenly rent an eight-hundred-square-foot house and have a normal, successful family participation. I think it will help quite a

bit. The other thing is having more space for an Auntie to do her quilting or having Grandma to have a little dining room. It is not a lot of space, but three hundred (300) square feet is quite a bit for something that is less than five hundred (500) square feet. I believe it becomes more of a home where people can entertain a little bit and have their grandkids come over to visit. It really is a bonus where you do not have to put up a little carport where everyone runs out into the carport to do their visiting, because you cannot fit more than four (4) people in the house. I just think the quality of life will improve. That is pretty much it. It is mainly the relief of housing. When we are talking about building these days, something smaller than five hundred (500) square feet, you do have to pull wires for electric, pulling the water lines, et cetera, it is not as easy and affordable as it used to be, certainly. There are added costs. Whether it is eight hundred (800), five hundred (500), or two hundred (200), you would still have to pull the wires and bring in the water. That is it. Thank you.

Council Chair Kaneshiro: Thank you, Steve. Does anyone else in the audience wish to testify? If not, is there anyone on Zoom wishing to testify? I will call the meeting back to order

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

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

Councilmember Cowden: I am definitely supportive of this, and I think this has been needed for some time. I am very appreciative that it includes the one (1) off-street parking space. As discussed, that is where it becomes a big impact on the neighbors. I value what Planning Director Hull said in terms of trying to do the fifty-thousand-foot view from the infrastructure or planning perspective. I want to bring something up from the cultural perspective that I think Kurt Bosshard testified to. This is a better match for a rural lifestyle than many of our apartments. Our apartments work well for people who have more office living. Where people have tools, animals, ocean equipment, and mud and sand on their bodies, we will really need more this agricultural way of coming in. Even if it is in the neighborhood where you can put your kayak, surfboards, or whatever you might be able to have. I do not think that we are much of an urban or suburban community as we are a rural community. It is very important that we retain our rural people, because they are critical to a lot of the work skills that we need and the contributions to running our island effectively. I am supportive. Thank you all.

Council Chair Kaneshiro: Thank you. Councilmember DeCosta.

Councilmember DeCosta: I am dumbfounded that we did not move on this a long time ago. I have two (2) boys already in college and I am pretty sure that Councilmember Carvalho can testify to this, or Councilmember Chock could testify to this being a Kamehameha dorm guy who lived in a four-hundred-square-foot room. When you get a dorm room, dorm rooms are about four hundred (400) to four hundred fifty (450) square feet. They want you to almost be on top of each other, so you get along

with your roommate. I do not think there is a husband and wife that could spend that much time together in such a small, confined space. When I did the math here, for our local people watching today, an eight-hundred-square-foot space, would allow for you to have an 8x8 bathroom, which would be sixty-four (64) square feet, a 10x10 kitchen, which would be one hundred (100) square feet, a living room of three hundred (300) square feet, which is 20x15, which is a pretty big living room, and you could still have two (2) bedrooms 12x12. When you do the math, it still comes out to under eight hundred (800) square feet. I think this would accommodate a husband, wife, and even a child or two (2). I am going to be supporting this and I hope that everyone else does. This is a good thing for Kaua'i. Thank you.

Council Chair Kaneshiro:

Councilmember Evslin.

Councilmember Evslin: I am supportive of this today. I will say that I think it is important to recognize why this has not happened yet and what potentially some of the concerns have been traditionally. As Ka'aina expressed, and as Councilmember Chock expressed, even though technically, as Ka'aina said, it is not increasing density on agricultural land, in practice, the whole point of it is to make it easier for families to build a unit on agricultural land. That is why I am going to be supporting it. We have this insane housing crisis, and we need to do everything possible and in a perfect world, possibly we would not have to go down this route, but I think that the housing crisis is bad enough that we do. If the result is that more people are able to build a guest house for their families, then I think the impact on the housing crisis is enough to get me to support it today. The concerns are that if it is encouraging home construction, I think in practice it will increase density on agricultural land by ensuring that more homes are being built on agricultural land. As Ka'aina alluded to, we have this insane infrastructure crisis on Kaua'i. We have a three hundred-million-dollar backlog in our road maintenance and deferred maintenance. Every time we add houses in faraway places, it costs the County more to maintain services in these areas. Not to mention the impact on the price of agricultural land. If all of sudden you can have a second full house there, then that land is going to sell for more. It is part of the value of the land that you can have that second home there. A five hundred-square-foot home will not necessarily add that same level of value. I think as Ka'aina said, you end up with the suburbanization of our agricultural lands. In practice, it is one (1) house per two and a half (2.5) acres, which is in some sense a suburban neighborhood rather than rural agricultural land. I think from my understanding the concerns that Planning has expressed for a while along these lines. Those are things that I had similar sentiments towards. As I said in the beginning, the housing crisis is bad enough right now that if by holding this line we are pushing families off of Kaua'i, pushing people into overcrowded households, or forcing people to work seventeen (17) jobs just to afford a house, that is a bad enough outcome here that we do need to...this is the relief valve. This is part of the relief valve here. I support this relief effort going forward. My one maybe request when it gets to the Planning Commission is to possibly look at the option of if someone were to choose to stay under five hundred (500) square feet, that they do not have to put in that additional parking stall. In some sense, it is increasing the requirements for someone wanting to do that small unit. If you are building a five-hundred-square-foot unit, maybe that is a true guest house. You are not adding occupancy into that house. You just want something available. You possibly do not need that parking stall. My hope is that we would not

be necessarily increasing requirements on those who choose to stay small. I hope that is at least something the Planning Commission can deliberate on or maybe we can when this gets back to us. With all that said, I appreciate the work here. I do think it is important and I am supporting it, because I do think it is a positive step in the right direction even given my concerns. Lastly, I want to add that there has been a couple of statements about pushing people into apartments. There is nothing in the General Plan that says they should get pushed into apartments. We have thirty thousand (30,000) single-family homes on Kaua'i. It is just saying that when we are adding homes, we should do so near jobs. There are all our steps forward in our Zoning Code in allowing ARUs, easier to build duplexes, et cetera on residential land, those are not necessarily apartments. You can have a one-half (0.5) acre lot and now you can do four (4) units on that. Those are still smaller houses on a lot that I think in some sense provides a rural atmosphere still. It is not necessarily saying that everyone has to live in apartments. I do not think we have seen that result yet. It is just saying that we should do everything that we can to provide more housing options to people, some of which might include smaller units such as apartments. Anyways, with all that said, I am supportive today. I appreciate the work and looking forward to this coming back to us after it goes through the Planning Commission.

Council Chair Kaneshiro:

Councilmember DeCosta.

Councilmember DeCosta: I had a small discussion point for Councilmember Evslin. You mentioned something about selling of the agricultural lot with the larger square-foot home being more attractive. That is only one (1) market. The other market includes all the local families who own agricultural land who really benefit from this. We have to make sure that we touch both sides of that category. Yes, I see where you were going with it. I do not believe that the families who are going to be building this for the *kupuna*, in-laws, or daughter coming back from college and want to get married, I do not think they are going to be selling. I do know that maybe people from the mainland who want to speculate, this may be a benefit to them. I am hoping that we have something in place that that does not happen. Thank you.

Council Chair Kaneshiro:

Councilmember Carvalho.

Councilmember Carvalho: I just wanted to bring to the forefront again, from our discussion this morning listening to Mr. Bosshard and Mr. DeSilva...we all agree this is opening the door for housing. It is also good for agriculture and tying into families really growing things together and livestock. I see all of that too as positive things to have them live on the same property and have that opportunity to do agricultural work. I know that for our family and for other families that we connect with. Councilmember DeCosta knows what I mean. I just wanted to touch on that again one more time. The other item about infrastructure regarding water or a septic system...the cost whether it is a five hundred (500) or eight hundred (800) square foot sized home is pretty much the same. We want to open the door there too. Working closely with Councilmember Chock and in numerous discussions on this, I think we are at a point that it is another opportunity not only for housing, but for agriculture as well. That is where I am at. *Mahalo*.

Council Chair Kaneshiro: Does anyone else have final discussion? For me, I will say that it probably has only come to us as it was only just recently changed

that you can allow a kitchen in a guest house. Prior to that, guest houses were not allowed to have kitchens, so there was no need to provide additional space. It was basically a sleeping area with a bathroom and a living area. Once you added the kitchen on, then I think people started saying that once they added the kitchen, it got a little tighter and they wanted a little more extra space for a bedroom. That is why it probably took a while for the additional space to come through. With that, this Bill will be referred to the Planning Commission. The motion on the floor is to refer to the Planning Commission. Let us take a roll call vote.

The motion to refer Proposed Draft Bill (No. 2860) to the Planning Commission was then put, and carried by the following vote:

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

Ms. Fountain-Tanigawa: Six (6) ayes.

Proposed Draft Bill (No. 2861) – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, SECTIONS 5A-3.4, 5A-6.1, 5A-6.4, 5A-12.1, 5A-12.3, 5A-12.7, AND 5A-12.8, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAXES

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2861) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Finance & Economic Development Committee, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We received no written testimony. I will suspend the rules. Reiko, if you want to give us an overview of the Bill, please.

There being no objections, the rules were suspended.

Ms. Matsuyama: Good morning. This Appeal Bill proposes to change several different sections within Chapter 5A. We are just doing three (3) things, and the rest of the changes are basically to make the language in Chapter 5A consistent throughout. The first thing we are doing is really and truly a housekeeping measure. It does not affect any content or change any current processes. The basis to appeal a tax classification and dedication was never reflected in Section 12, which is the appeal section of Chapter 5A. It was only codified within the sections that established them. We are adding them to Section 12 so that all the ways to appeal are reflected in the appeals section of Chapter 5A. This change affects Sections 6.1, 12.3, and 12.7. The next thing we are trying to do is cleaning up the confusion on the deadline for appealing a notice of corrected assessment. Our assessment notices go out every December 1st and taxpayers have thirty (30) days to appeal making the normal annual deadline to appeal December 31st of every year. The confusion lies with notices of corrected assessment, which established a new thirty-day clock. These

are not as common, but they can be sent out at any time during the year. We would like to just amend the language to reflect the start date of the thirty-day clock for those circumstances, which we felt was a little confusing to some taxpayers and appellants. This change affects Sections 3.4 and 12.1. That could potentially be Mike Hubbard waiting in the lobby because he is calling in from Indianapolis. The last thing we would like to do with this is to require all appellants to first appeal to the Board of Review before going to State Tax Court. We are modeling this after the County of Maui, and they have seen a lot of success in reducing the amount of State Tax Court appeals. Basically, the Board of Review is the primary vehicle for disputing the Real Property Assessment Office. Some appellants prefer skipping the Board of Review process and filing directly with the State Tax Court. The State Tax Court is...for the most part is more costly, time consuming, and not just for our office, but for the Office of the County Attorney, and for the appellants. In addition, the State Tax Court has one (1) judge that hears everything. They have historically experienced delays in scheduling hearings, and it causes a bunch of the trials to get bunched up together. All the years will get bunched into one (1) hearing, so it makes things really complicated. It also causes delays, right? You know that we tie up moneys that are appealed in a Special Trust Fund. The longer that the State Tax Court takes in producing a decision or even getting to trial, the potential General Fund money is tied up in an escrow account basically. On top of that, with this, once they go through the Board of Review process, if they are still unhappy with the decision, they can then go to State Tax Court. It just makes them go through the first step before they go to the State Tax Court. We think it is good to reduce the amount of appeals going to State Tax Court. We think that we can weed out some of the less complicated ones at the Board of Review. That part of the change affects Sections 3.4, 12.1, and 12.8. With that, I will open it up to questions.

Council Chair Kaneshiro:

Councilmember Cowden.

Councilmember Cowden: Thank you, Reiko. For the most part, this makes good sense to me. Something that would be helpful for me in our Committee Meeting would be if you could give me a sample of what the notification would look like. That is where I find problems occur with the constituents. They are not in the business of looking at and understanding these documents that they get from the Department of Finance. I want to be sure that it becomes really clear to them what it is, what the change is, and how it is laid out matters to me. I just want to make sure that they are successful. I imagine that the Department of Finance wants them to be successful at understanding. I think sometimes I just do not think the unfamiliar understand what comes from our departments. Is it possible to give us a copy of what it might look like?

Ms. Matsuyama:
Notice of Corrected Assessment?

Just to clarify, you are talking about the

Councilmember Cowden:

Yes.

Ms. Matsuyama:

Okay.

Councilmember Cowden: When somebody gets something, I want to see that there is a box that says respond within thirty (30) days, this is how you respond, and this is what the difference means. This is the difference in your tax rate, et cetera, so that they understand it.

Ms. Matsuyama: I will say that for the most part, if they are getting a Notice of Corrected Assessment, it is probably because you have been in communication with our Office already. You will know that it is coming, not that that is an excuse for doing anything to hide the fact that there is a thirty-day window, because we do not that. Yes, they will know that a communication is coming, and they will have been told about the thirty-day window and that it exists. Again, we are not changing anything. It exists now, but we are just clarifying it in the Code.

Councilmember Cowden: I still do want something where it is very evident. Sometimes there are multiple owners of properties. Sometimes the notice goes to one (1) owner and not all owners. I just want to know what the process is. If you have been speaking to one (1) owner and then the other owner gets it and they do not really grasp, I just want to be sure that it is a clear document. If we could get that before the Committee Meeting, that would help me.

Ms. Matsuyama: Okay.

Council Chair Kaneshiro: Are there any other questions from the Members? If not, while the rules are still suspended, is there anyone in the audience wishing to testify? Is there anyone on Zoom wishing to testify?

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

Council Chair Kaneshiro: Is there any final discussion from the Members? If not, we will take a roll call vote.

The motion for passage of Proposed Draft Bill (No. 2861) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Finance & Economic Development Committee was then put, and carried by the following vote:

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

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Kaneshiro: Motion passes. Next item.

Proposed Draft Bill (No. 2862) – A BILL FOR AN ORDINANCE AMENDING
CHAPTER 5A, SECTION 9.2, KAUAI COUNTY CODE 1987, AS AMENDED,
RELATING TO REAL PROPERTY TAXES

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2862) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Finance & Economic Development Committee, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We received written testimony for this item. I will suspend the rules. Reiko, can you give us an overview of this Bill, please?

There being no objections, the rules were suspended.

Ms. Matsuyama: This piece of legislation is being requested by the Real Property Assessment Division. It is basically needed to reduce the complexity of golf course assessments and enable Real Property Assessment to focus more on the sales comparison approach to try to get to fair market value of all properties. The language that is being proposed is taken directly from the City and County of Honolulu's Ordinance. They received a judgment in State Tax Court that stated that their assessment for that certain property lacked uniformity and equality, because it used an erroneous method for calculating imparted value. The judge forced them to either promulgate rules for imparted value or remove it from their law. They spent years trying to promulgate rules, but they were unsuccessful. They ended up just removing the language and that is what we are trying to mimic here today. Imparted value is a concept that basically says that a golf course is developed as an amenity for the surrounding residential areas and when those residential areas are sold, they take or impart the golf course value with them. The value of the golf course and the attached clubhouse, spa, et cetera, are now imparted onto the surrounding lots that are sold. We want to get away from imparted value. I will get more into that later. We would like to stick to comparable values (comps) to determine property value and not have to use imparted value as a factor in determining value. I just want to make a few things crystal clear...the changes that we are proposing will not impact the County's assessed value for golf courses. It will not impact the County's assessed value for surrounding lands of golf courses. The proposed changes will not raise anyone's taxes, because we do not use imparted value right now. We just want to take out of the Code that we have to consider it in determining value. We will continue to value golf courses and the surrounding properties as we always have and this change basically...our values are not changing, but it will help us in defending those values to the Board of Review or at State Tax Court. Because this would not increase anybody's value, it should not impact business decisions of golf course owners, as there is not going to be any impact for them. With that, I will open it up for questions.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Thank you for that explanation. Can you help me understand, when you talk about removing the imparted value, does that affect the houses around it? It is a golf course, right? When you remove the imparted value, the imparted value reflects only on the golf courses and not the houses, is that correct?

Ms. Matsuyama: Basically, the argument of imparted value is saying that when a golf course sells or when the developer sells a lot on a golf course, that they actually take some of the value from the golf course and now it is sitting on that residential lot. We do not use that in any of our assessments. It is all based on comps.

Councilmember Cowden: The assessment of the houses or the assessment of the value of the golf course?

Ms. Matsuyama: Both.

Councilmember Cowden: Okay. I have a question here. When we look at Section 5A-9.2 and if we look at golf course use means, the actual use of property for the sport of golf and its related and incidental activities...you gave the example of maybe the spa, the grill, or maybe the tennis courts...where do we acknowledge these other pieces that are affiliated with golf courses? This would include the essential land management function which includes being a retention basin, detention basin, aquifer recharge, effluent field, et cetera. I am sorry, it is not effluent, but it takes what comes out of the wastewater treatment plant and helps to clean that up as well. There are maybe ten (10) extra functions of golf course that has nothing to do with golf or any of the amenities that might be purchased. It is the birds on the field, it is the sense of allure of our environment, including view planes. I do not see that reflected anywhere in here in these new definitions. I will probably be putting an amendment that will be acknowledging that. Where do you see that is acknowledged in what you have here? The value of the golf course, as I have been learning, is not even the golf that is played on it, it is the retention of the open field and how it manages the water runoff, flood mitigation, and having a recharge area rather than more built properties on it. That is not reflected in this paper. Where would I find that in here.

Ms. Matsuyama: We realize that golf courses serve more purposes than just being a golf course. There are, like you mentioned, effluent fields, and other purposes as you mentioned, and important ones at that. When we value a golf course, we take all those things into consideration. I was talking about comps and you probably know, there are not a lot of comps here on Kaua'i. We do not sell golf courses here all the time. When we look at a comp, we do take those kinds of things into consideration, including the ancillary functions of the golf course. They do play a factor into what the value of the golf course would be.

Councilmember Cowden: I guess what I am requesting or asking is the best that I can tell, more important than the golf that is played on the golf course, or anything that generates money, is the function of what it really holds and how the water moves in that whole area and many of these places where there is a golf course designed, it was an essential piece of the master plan of how the neighborhood was set up. I am very worried when we have lost that emphasis here. I cannot support this Bill at all the way it is written, because the value of the golf course is not the value of the golf that is played on it. It is how that land is designed into the larger neighborhood and area. I do not feel in any way that this is acknowledging that, especially when it is sometimes a little line in there like incidental activities. It is

not incidental. Those are essential functions of land management. That is a big challenge here for me. I think we saw maybe five (5) or six (6) letters that had different elements, from someone who lived on the golf course, an environmental perspective, a legal perspective, et cetera. We had maybe five (5) letters. Did you see them?

Ms. Matsuyama:

I did.

Councilmember Cowden:
the letters?

Can you speak to what they are asking for in

Ms. Matsuyama: For me, I would disagree with you that those functions are the primary reason for the golf course. I like to golf, and I think that the golf use is the primary function of the golf course. With that being said, it does provide a lot of important services to the surrounding properties, right? Like you said, that is one of the reasons for the golf course. It is basically there to help the development in some way. I live on a golf course. I like to play golf. I would not consider myself a golfer. I am not doing this to raise my property taxes, because this is not going to raise anyone's property taxes. I just want to clarify for the record, this is not going to do any of that.

Councilmember Cowden: Are you aware that there is a national trend that once these developed and planned communities are developed and sold out, the whole property gets sold to another buyer and then there is a trend towards trying to repurpose the open space that is the golf course. There is a trend on that. It is happening throughout the country, and it is a concern. It is a concern on some of the specific golf courses here. We know there has been an effort to do development on the golf course here. I think it is a real concern. When there is the word "incidental" and we can update that to "important," but to me those are essential functions. We see golf courses are not functioning for four (4), five (5), or six (6) years and still they keep it as a golf course, not just for tax reasons, but they need that needed function. I think we are being careless, because we have not gotten a consultant perhaps on the application of land use relative to golf courses. I think we are at risk. This makes it a little closer to risk. I think I said enough. I really want you to contemplate that. I know we have discussed it several times and I did not see any of what we discussed reflected in this change. It was like we never had the discussion.

Council Chair Kaneshiro: Councilmember Cowden, I have a question for you. In relation to real property tax assessments for a golf course, are you saying that the assessed value should be greater for the golf course, because of these other activities or less, because of these activities? All of this is related to determining an assessed value of a golf course to tax it at a certain rate. I am trying to understand what all these activities would do to the assessed value.

Councilmember Cowden:

Are you asking me or Reiko?

Council Chair Kaneshiro:

I am asking you.

Councilmember Cowden: Okay. My thing is, is that these areas or planned open spaces that are important pieces of how we handle flood mitigation...I went and looked at the one at Kukui'ula, there are really huge areas where that is designed to take control of the water that is sheeting off of the developed areas. I do not want to do anything that causes a different use of this land. I am saying that these are essential public services...the function of the golf course. It is mitigated by selling golfing to people that helps to bring up the cost of running a golf course to hopefully neutral, but many of them lose money.

Council Chair Kaneshiro: Councilmember Cowden, this Bill is relating to how Real Property Assessment is assessing a golf course. I am trying to understand...you mentioned flooding mitigation and all these examples. All the golf courses do that. Are you thinking that is going to increase the assessed value of the golf course or decrease the assessed value of the golf course?

Councilmember Cowden: That it might increase the assessed value, or it might change whatever protections that are there. I will own that I am influenced by direct conversation with a series of people who are experts in this field. That is their concern and they have taught me to see where this is possible, long before this was proposed.

Council Chair Kaneshiro: Right now, Reiko is saying that by getting rid of this imparted value, there is no change to real property tax assessments. They are already using comps. You are saying that you want them to increase, because of all this flood mitigation and other services that come along with golf courses, you want them to increase the assessed value of the golf course, which would increase their taxes.

Councilmember Cowden: No. Absolutely not, and I do not know how that could be interpreted. I am wanting the acknowledgment that...

Council Chair Kaneshiro: You just said it would increase the value of the golf course.

Councilmember Cowden: We had a golf course on O'ahu sell for twelve million dollars (\$12,000,000). Many golf courses are being sold and turned into housing. This is a step towards that direction. I would like to see, if we are going to adapt golf course assessments, that built into it is the acknowledgement of the essential land management functions such that there is extra protection on the golf course. I feel this does not acknowledge that. There is no place on this that even acknowledges the essential function of that open space. It does not protect the open space. It is a change that makes me nervous.

Ms. Matsuyama: As the Council Chair was saying, we are not trying to change policies on tax incentives, and we are not trying to change tax valuations on golf courses or anything like that. We are just trying to remove the verbiage that implies imparted value out of the Code so that we can better defend ourselves, because we do not use it anyway.

Councilmember Cowden: I am hearing that. What I guess you are not hearing from me is what I would really like...I will work on this for the Committee Meeting...is that we need to have something that actually acknowledges the essential land management functions and maybe there is something where a golf course would need to hit so many different criteria to be able to have an additional protection on it, but this document does not acknowledge the main contributions to the larger community and the non-golfing community. The golfing community is a very small portion of the broad community. There is nothing in this that acknowledges the essential functions that the golf courses provide. I believe this is an inadequate document. It is an inadequate Bill. I want that change.

Council Chair Kaneshiro: Okay. You can bring an amendment up at Committee. For me, Reiko, going along those lines, do we assess commercial or industrial any different based on the type of activity that they have in there?

Ms. Matsuyama: No.

Council Chair Kaneshiro: Councilmember DeCosta.

Councilmember DeCosta: I am trying to understand and follow what you are trying to say, Councilmember Cowden. I am trying to give you as much in-depth thought, but you lost me. I thought the Department of Finance and Reiko did a really good job as far as letting us know what this Bill addresses. I do not understand where you are going with this.

Councilmember Cowden: Are you asking me a question?

Councilmember DeCosta: I am so confused by what you are saying. It does not even apply to this.

Councilmember Cowden: It very much applies. We need to protect this function and when Council Chair Kaneshiro asked the question about whether we do this for commercial or industrial applications, most commercial or industrial applications do not provide any sort of function like that. It is not part of their function. They do not provide an essential public benefit in the same way. It is not a fair comparison.

Council Chair Kaneshiro: I would disagree. There is a plethora of different types of commercial or industrial activities that benefit the public. I am trying to get back at seeing how you are intending this to affect the assessed value. Ultimately, they are trying to say that we want to assess all the golf courses consistently. I am trying to understand how what you are bringing to the table is going to affect the assessment of a golf course. They are saying that they are using comps on each golf course. I believe in conversations that I had with Reiko, they look at how many bunkers, the type of holes, how long the course is, and that is how they come up with assessed values for the golf course. I am trying to understand when you mention the golf course having other values of being open space, how is that affecting the assessed value? It seems like you want it to decrease the value of a golf course because it creates open space and is used in flooding mitigation, and it

increases the value of the golf course. Right now, Reiko is saying that by getting rid of this imparted value, it is helping them be way more consistent. If they had to rely on imparted value, they do not even use it anyways. Why should they use imparted value in having to determine how much the houses around it are affecting the value of the golf course?

Councilmember Cowden: I am saying that this is inadequate. This is an inadequate set of definitions. I will add some definitions to it. It is very important. This makes it look like a tennis court is to tennis. There is much more underneath that golf course. My worry is that this opens the door to separating the golf course from the value of the entire master plan, which then helps the golf course to be sold out for a different purpose. It just becomes land. It should not just be land, because the neighborhoods around it are designed for it to be there. It is like a culvert and services like a culvert.

Council Chair Kaneshiro: Councilmember Evslin, and then we will probably have to take a caption break.

Councilmember Evslin: Sorry, I am trying to frame this as a question. Some of this is bordering on discussion. I am acknowledging what Council Chair Kaneshiro is saying. Regarding commercial, I go to Kukui Grove three (3) times a week with my kids, not to shop, but for my kids to play at the playground there. Kukui Grove provides an essential community function in a way that is not considered in its property tax assessments. I think that is like lots of other commercial uses along with what you are saying. I think the reason from my understanding that Kukui Grove provides opportunities for kids to play and parents to talk to each other in this community function is not taken into its assessed value in that there is no way to do it in a fair and replicable manner in the same concern with the golf course. I think that the legal challenge that Reiko is talking about, the court said that the reason that imparted value for Honolulu in the way that they were doing it, was against...their assessed value was thrown out in court, because the judge said it was inconsistent, arbitrary, and subjective, and that they had no real clear methodology for doing imparted value. Honolulu's imparted value was objective and arbitrary. I do not see us coming up with a better way to do it. As Reiko has said consistently, in that it is not being used anyway, I want to recognize your concerns Councilmember Cowden in saying that we should not value golf courses for its highest and best use. We do not want golf courses to get developed into housing. It is a good thing that it is not. In the County Code currently, it is being assessed as a golf course and not what it could be. There are no changes being proposed along those lines. When you said that your concern is separating the value of the golf course from the value of the surrounding area and its other uses, that is not happening, because they are not doing it anyway. To wrap that up, I want to say that I recognize your concerns about not wanting to increase values on golf courses. I think we all probably share those concerns, but this Bill would not do that, because it is not changing the way that they are assessing the value of a golf course. The reason we have to go in this direction is that there is no clear and reliable way to do imparted value. To wrap that into a question, you mentioned that your primary concern is separating the value of the golf course from the surrounding areas...if you could elaborate on how you feel

that this particular change at removing imparted value would do that so that I can better understand your concern?

Councilmember Cowden: I will try to frame it again. I would like to have a skilled legal opinion on this that understands this particular industry. Let us say that there is no problem with the imparted value, I still will want this golf course definition to really recognize what the golf course brings. I appreciate the playground of a shopping center, but that is not the same thing as flood mitigation and aquifer recharge. It is like a Public Works property. It is very different. I am hearing you say, Reiko, the imparted value we do not use it anyway now. You do not see how this will impact or leverage a sale or open the door. You do not see where this might happen. I hope that is correct. I do not have enough experience in the golf world. I am just hearing serious concerns from a range of people within that development community. What I care about as a Councilmember is that we do not do anything that will put at risk these essential functions of land management inadvertently without intention by making a change. Expect a change from me prior to the Committee Meeting. It should not hurt your goal to just protect the extra function. That would be my hope. We need to have an attorney look at that who understands the subtlety. I will try to find that.

Ms. Matsuyama: I do not want to discount all the things that you were saying about the need for the golf course and what functions they play. I do not want to discount that. I do think it is outside the scope of valuation. If I remember correctly when we were drafting this Bill, these definitions are straight from the City and County of Honolulu. We basically copied and pasted the City and County of Honolulu's Ordinance. I am not saying it is right or wrong. We will definitely look at whatever you are proposing to amend.

Councilmember Cowden: Thank you.

Council Chair Kaneshiro: Are there any further questions? If not, is there anyone in the audience wishing to testify on this item? Is there anyone on Zoom wishing to testify?

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

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

The motion for passage of Proposed Draft Bill (No. 2861) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Finance & Economic Development Committee was then put, and carried by the following vote:

FOR PASSAGE:	Carvalho, Chock, DeCosta, Evslin	
	Kaneshiro	TOTAL – 5,
AGAINST PASSAGE:	Cowden	TOTAL – 1,
EXCUSED & NOT VOTING:	Kuali'i	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Five (5) ayes, one (1) no.

Council Chair Kaneshiro: The motion passes. We will take a ten-minute caption break and we will be back.

There being no objections, the meeting recessed at 10:34 a.m.

The meeting reconvened at 10:44 a.m., and proceeded as follows:

Council Chair Kaneshiro: Welcome back. Next item, please.

Proposed Draft Bill (No. 2863) – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 2 BETWEEN JULY 1, 2021 AND JUNE 30, 2025

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2863) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members? I will suspend the rules and if Annette or Janine want to give us an overview of this collective bargaining item.

ANNETTE L. ANDERSON, Director of Human Resources (*via remote technology*): Good morning, Council Chair Kaneshiro, Councilmember Chock, and Councilmembers. The next set of proposed bills reflect the collective bargaining settlement agreements and one (1) arbitration award, which sets forth the terms over the four (4) years, as well as the costing involved. I do want to point out that except for the arbitration award for Bargaining Unit 11, which is Fire, all the other bargaining units, the value of the increase over the four-year period is the same. When you look at them, they appear different. You will see different percentages for across-the-board. You will see some that have step movements, and some do not. You will see some receiving one percent (1%) lump sum at the beginning. You will see some one percent (1%) lump sum. You will see one (1) unit has some increases in uniform and meal allowances. Basically, when you take all of that together over the four-year period, it all equates to the same increase, which is essentially a 14.35% increase. As I mentioned, I will get to it if you have questions, on Bargaining Unit 11 a little bit different as it was an arbitration award. With that, if you have any questions, I would be happy to answer them.

Council Chair Kaneshiro: Okay, thank you for that. Are there any questions from the Members?

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

Council Chair Kaneshiro: Is there any final discussion from the Members? If not, we will take a roll call vote. Sorry, one moment. Councilmember Cowden.

Councilmember Cowden: I was going to make a comment for all of these bills. In general, I am in support of these collective bargaining increases. I think we are going to have inflationary turbulence in the coming year where we need to take care of our people. It is important for everybody to thrive and for us to retain our team. I am basically speaking for all these proposals that I am in support.

Council Chair Kaneshiro: Does anyone else have any final discussion? If not, roll call vote.

The motion for passage of Proposed Draft Bill (No. 2863) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole was then put, and carried by the following vote:

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

Proposed Draft Bill (No. 2864) – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 3 BETWEEN JULY 1, 2021 AND JUNE 30, 2025

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2864) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members? We will take a roll call vote.

The motion for passage of Proposed Draft Bill (No. 2864) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole was then put, and carried by the following vote:

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

Proposed Draft Bill (No. 2865) – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 4 BETWEEN JULY 1, 2021 AND JUNE 30, 2025

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2865) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members? If not, roll call vote.

The motion for passage of Proposed Draft Bill (No. 2865) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole was then put, and carried by the following vote:

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

Proposed Draft Bill (No. 2866) – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 11 BETWEEN JULY 1, 2021 AND JUNE 30, 2025

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2866) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members? If not, roll call vote.

The motion for passage of Proposed Draft Bill (No. 2866) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole was then put, and carried by the following vote:

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

Proposed Draft Bill (No. 2867) – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 13 BETWEEN JULY 1, 2021 AND JUNE 30, 2025

Councilmember Carvalho moved for passage of Proposed Draft Bill (No. 2867) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole, seconded by Councilmember DeCosta.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members? If not, roll call vote.

The motion for passage of Proposed Draft Bill (No. 2867) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for June 15, 2022, and that it be referred to the Committee of the Whole was then put, and carried by the following vote:

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

BILLS FOR SECOND READING:

Bill No. 2845, Draft 1 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, SECTION 5A-11.26, AND SECTION 5A-9.1(a), KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Tree Farm Development Exemption*)

Councilmember Carvalho moved to approve Bill No. 2845, Draft 1 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Evslin.

Council Chair Kaneshiro: We received no written testimony on this item. Are there any questions on this item?

Councilmember DeCosta: I have an amendment to circulate.

Council Chair Kaneshiro: Councilmember DeCosta. Is there a second?

Councilmember DeCosta moved to amend Bill No. 2845, Draft 1, as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 2, seconded by Councilmember Evslin.

Council Chair Kaneshiro: Can we be sure to E-mail it to Councilmember Chock and Councilmember Cowden.

Councilmember DeCosta: At the prior Committee Meeting we had, when the effective date was changed to July 1, 2022, the grandfathering language was inadvertently deleted. This amendment simply would add it back in.

Council Chair Kaneshiro: Got it. Are there any questions from the Members? I think when we first did the amendment, they erased the whole section and it read that it would take effect on July 1, 2022, not taking into consideration the existing dedications. This would fix that. Councilmember Evslin, do you have a question on the amendment?

Councilmember Evslin: No.

Council Chair Kaneshiro: Okay, if there are no questions, is there any discussion on the amendment?

The motion to amend Bill No. 2845, Draft 1, as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 2 was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

Council Chair Kaneshiro: The amendment passes. We are back to the main motion as amended. Do we have any questions on the Bill? Do we have anyone in the audience wishing to testify on this item? Is there anyone on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Is there any final discussion from the Members on this Bill? If not, roll call vote.

The motion to approve Bill No. 2845, Draft 1 as amended to Bill No. 2845, Draft 2, on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and resulted in the following vote:

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

Ms. Fountain-Tanigawa: Six (6) ayes.

Bill No. 2853 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 14, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE PLUMBING CODE

Councilmember Carvalho moved to approve Bill No. 2853 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember DeCosta.

Council Chair Kaneshiro: We did receive testimony earlier on the Plumbing Code. Is there anyone in the audience or on Zoom wishing to testify?

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Are there any questions or is there any discussion from the Members? If not, roll call vote.

The motion to approve Bill No. 2853 on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and resulted in the following vote:

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

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Kaneshiro: The last item is Executive Session.

EXECUTIVE SESSION:

ES-1074 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session with the Council to provide the Council with a briefing and request for settlement authority on the issue of attorney's fees in the matter of Roy Gal vs. County of Kaua'i, et al., Civil No. 20-00011 (United States District Court for the District of Hawai'i). 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 Carvalho moved to convene in Executive Session for ES-1074, seconded by Councilmember Evslin.

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

There being no one present to provide testimony, the meeting proceeded as follows:

Council Chair Kaneshiro: Seeing none. Is there any discussion from the Members?

The motion to convene in Executive Session for ES-1074 was then put, and carried by the following vote:

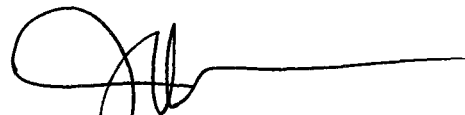
FOR EXECUTIVE SESSION:	Carvalho, Chock, Cowden, DeCosta, Evslin, Kaneshiro	TOTAL – 6,
AGAINST EXECUTIVE SESSION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Kuali'i	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Kaneshiro: The motion is carried. That concludes the business on our agenda. Not seeing or hearing any objections, this Council Meeting is now adjourned.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 10:56 a.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA
County Clerk

:ks

(May 18, 2022)

FLOOR AMENDMENT

Resolution No. 2022-17, Relating to the Proposed Fiscal Year 2022-2023 HSAC
Operating Budget

Introduced by: BERNARD P. CARVALHO, Jr. Councilmember (By Request)

Amend Resolution No. 2022-17 by replacing Exhibit "A" with the attached
Exhibit "A."

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EXHIBIT "A"

Hawai'i State Association of Counties Fiscal Year (FY) 2023 Proposed Operating Budget					
1		FY 2021 Budget (Jul' 20 - Ju' 21)	FY 2022 Budget (Jul' 21-Jun' 22)	FY 2022 Budget Projections (as of May 4, 2022)	FY 2023 Proposed Budget
2	REVENUES				
3	Membership Fees	\$43,680.00	\$43,680.00	\$43,680.00	\$60,000.00
3a	Honolulu Membership Fee - Capacity Building	\$40,000.00	\$0.00	\$40,000.00	\$0.00
4	NACo Dues				
4a	Hawai'i County	\$0.00	\$0.00	\$0.00	\$3,452.00
4b	City and County of Honolulu	\$0.00	\$0.00	\$0.00	\$19,064.00
4c	Kaua'i County	\$0.00	\$0.00	\$0.00	\$1,342.00
4d	Maui County	\$0.00	\$0.00	\$0.00	\$2,893.00
5	Conference Income	\$0.00	\$10,000.00	\$0.00	\$60,000.00
6	Interest Income	\$35.00	\$35.00	\$35.00	\$35.00
7	Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00
8	NACo Prescription Drug Marketing Fee	\$500.00	\$500.00	\$500.00	\$500.00
9	Fund Balance	\$130,671.67	\$96,998.61	\$96,998.61	\$107,209.63
9a	TOTAL REVENUE	\$214,886.67	\$151,213.61	\$181,213.61	\$254,495.63
10	EXPENSES				
11	Executive Committee (EC)				
12	EC Travel	\$28,600.00	\$28,600.00	\$5,187.78	\$19,750.00
13	EC Auditing/Professional Services	\$6,000.00	\$6,000.00	\$1,984.37	\$6,000.00
14	EC Meeting Supplies	\$1,730.00	\$1,730.00	\$0.00	\$200.00
15	EC Subscriptions & Software	\$900.00	\$900.00	\$894.00	\$1,400.00
16	Special Committees				
17	Special Committee Travel	\$500.00	\$500.00	\$0.00	\$500.00
18	Special Committee Miscellaneous	\$100.00	\$100.00	\$0.00	\$100.00
19	NACo				
20	NACo Board Travel	\$14,000.00	\$24,000.00	\$3,526.70	\$24,000.00
21	NACo Steering Committee Travel	\$8,000.00	\$8,000.00	\$0.00	\$4,000.00
22	NACo Events & Outreach	\$7,676.00	\$7,676.00	\$0.00	\$7,500.00
23	NACo Dues	\$27,268.00	\$27,268.00	\$27,268.00	\$26,751.00
24	WIR				
25	WIR Travel	\$12,000.00	\$12,000.00	\$1,347.69	\$12,000.00
26	WIR Events & Outreach	\$1,000.00	\$1,000.00	\$0.00	\$1,000.00
27	WIR Dues	\$3,804.00	\$3,804.00	\$0.00	\$3,804.00
28	Other				
29	HSAC Promotion and Outreach	deleted	\$14,855.00	\$464.50	\$14,855.00
30	HSAC Consulting Fund (Lobbyist)	\$27,894.00	\$30,000.00	\$20,765.50	\$25,000.00
31	HSAC Executive Assistant (EA)	\$0.00	\$40,000.00	\$12,565.44	\$48,000.00
32	HSAC Executive Assistant Travel	\$0.00	\$0.00	\$0.00	\$5,000.00
33	TOTAL EXPENSES	\$139,472.00	\$206,433.00	\$74,003.98	\$199,860.00
34	Total Revenue	\$214,886.67	\$151,213.61	\$181,213.61	\$254,495.63
35	Total Expenses	\$139,472.00	\$206,433.00	\$74,003.98	\$199,860.00
36	Net	\$75,414.67	-\$55,219.39	\$107,209.63	\$54,635.63

HSAC Budget Justifications

FY 2023

1. **Membership Fees** to increase from \$10,920 to \$15,000 for each county.
The increase is to support the new roles that have been created to help strengthen and bring stability to the association.
2. **Conference income:** \$60,000, divided by 4 = \$15,000 from each county.
 - The host county is primarily responsible for generating conference revenue. Other counties are encouraged to support via sponsorship, the golf tournament, and registration.
3. **Interest Income** will remain the same.
4. **The NACo Prescription Drug Marketing Fee** revenue will stay the same at \$500.
5. **EC Travel** is decreasing from \$28,600 to \$19,750. The number of in person meetings has decreased from 12 to 3 per year and the amount per trip has increased to accommodate for one overnight per year for EC members to attend state legislative meetings during session.
 - Travel includes: Air, Ground, Lodging, Registration
 - Neighbor island travel to HNL estimated at \$3,750.
 - Two days of travel including one overnight stay = \$650 which includes two day car rental (\$200), hotel (\$300), and a round trip flight (\$150).
 - One day travel = \$300 which includes car rental (\$100) and round trip flight (\$150).
 - 3 members will be traveling, as 1 member remains on island
 - Proposed budget includes 2 in person day trip meetings per year for HSAC EC and 1 overnight visit for state legislative meetings. Total of 3 visits per year, for 3 members.
 - $(3 \times \$650) + (6 \times \$300) = \underline{\$3,750}$.
 - EC travel for all 4 members to mainland conferences estimated at \$16,000.
 - \$2000 per member according to the by laws.
 - 2 conferences annually on the mainland out of the 2 NACo and 1 WIR.
 - $2 \times \$2000 = \4000 annual allowance per member
 - $4 \text{ members} \times \$4000 = \underline{\$16,000}$
 - Total for EC Travel = \$16,000 + \$3,750 = **\$19,750**
6. **EC Auditing/Professional Services** will remain the same.
7. **EC Meeting Supplies** will decrease from \$1730 (in the past this included the website fee which is being moved to a new line item "subscriptions") to \$200.
 - \$100 per meeting x 2 meetings per year in State = \$200
 - Meeting supplies include but are not limited to items such as coffee, tea, water, and snacks.

8. **EC Subscriptions & Software** includes but is not limited to squarespace website fee, domain purchase, zoom account, google drive storage.
 - Including the \$900 annual fee for Quickbooks.
9. **EC Quickbooks Fee** of \$900 will remain the same. This line item is being deleted and rolled up into "Subscriptions & Software."
 - $\$75 \times 12 = \900 .
10. **Executive Committee Miscellaneous** line item - has been deleted.
11. **Special Committee Travel & Miscellaneous** remains the same.
12. **NACo Travel** remains the same.
 - Travel includes: Air, Ground, Lodging, Registration
 - \$2000 for each of the 4 board members, 3 meetings per year.
 - $3(\$2000 \times 4) = \$24,000$
13. **NACo Steering Committee Travel**, budget of \$8000 decreased to \$4000. \$4000 has been reallocated to support the Executive Assistant travel, see below. Currently there are no steering committee members but the budget line remains to accommodate if those positions are filled.
 - Travel includes: Air, Ground, Lodging, Registration
 - \$2000 per steering committee member $\times 2 = \$4000$
14. **NACo Events (prior name "NACo Promotional")** will decrease to \$7500 from \$7,676.
 - Includes but is not limited to AV or room rental for hosting events at the conferences, as well as food and refreshments for these meetings.
 - 3 events annually, estimated at \$2500 per event = \$7,500.
15. **NACo dues** included as revenue; each county to remit assessed amounts to HSAC for payment to NACo. HSAC is now collecting additional funds pro-rated for each county based on population for the NACo dues. Previously NACo dues were paid from HSAC revenue which meant that each county split the total cost evenly. The new approach is to allow for each county to pay according to their population size.
The table below shows the total request being made for each county including their NACo dues along with the HSAC membership fee of \$15,000.

COUNTY	2022 DUES AMOUNT	HSAC DUES	TOTAL REQUEST FROM EACH COUNTY
Hawai'i County	\$3,452	\$15,000	\$18,452
City and County of Honolulu	\$19,064	\$15,000	\$34,064

Kaua'i County	\$1,342	\$15,000	\$16,342
Maui County	\$2,893	\$15,000	\$17,893
TOTAL	\$26,751.00	\$60,000	\$86,751

16. NACo and WIR Miscellaneous. These items are being deleted as they have not been used for consecutive years.

17. WIR Travel. Remains the same.

- Travel includes: Air, Ground, Lodging, Registration
- Budget for \$12,000 = (\$2,000 x 2 Board members x 3 meetings).

18. WIR Events & Outreach. Previously used to be "WIR Promotional." This line item remains the same.

- Includes but is not limited to AV or room rental for hosting events at the conferences, as well as food and refreshments for these meetings.

19. HSAC Promotion and Outreach. Remains the same.

- These funds are to help cover costs related to communicating HSAC activities and reports to its members, other government officials, and the public.

20. HSAC Consulting Fund. Decrease to \$25,000.

21. HSAC Executive Assistant. Increase of \$8000 for the Executive Assistant role to include greater scope of duties including strategy and planning in line with the HSAC mission.

- \$5000 allocated for reimbursement of travel expenses to attend NACo & HSAC events.
 - Cost of the flight not to exceed the amount to travel from Honolulu to the conference venue.
 - Travel includes: Air, Ground, Lodging, Registration

(May 18, 2022)

FLOOR AMENDMENT

Bill No. 2845, Draft 1, RELATING TO REAL PROPERTY TAX (*Tree Farm Development Exemption*)

Introduced by: BILL DECOSTA, Councilmember

Amend Bill No. 2845, Draft 1, SECTION 7, to read as follows:

“SECTION 7. This Ordinance shall take effect **upon its approval, on July 1, 2022,** provided that the repeal of Chapter 5A, Section 11.26, Kaua‘i County Code 1987, as amended, shall not affect any application that has been approved by the Director prior to the effective date of this Ordinance.”

(Amended material is highlighted.)

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