

PUBLIC HEARING

MAY 7, 2025

A public hearing of the Council of the County of Kaua'i was called to order by Mel Rapozo, Presiding Officer, Finance & Economic Development Committee, on Wednesday, May 7, 2025, at 5:00 p.m., at the Council Chambers, 4396 Rice Street, Suite 201, Historic County Building, Lihue, and the presence of the following was noted:

Honorable Bernard P. Carvalho, Jr.
Honorable Felicia Cowden
Honorable Fern Holland
Honorable Mel Rapozo

Excused: Honorable Addison Bulosan
Honorable Arryl Kaneshiro
Honorable KipuKai Kualii

The Clerk read the notice of the public hearing on the following:

“Resolution No. 2025-21 – RESOLUTION ESTABLISHING THE REAL PROPERTY TAX RATES FOR THE FISCAL YEAR JULY 1, 2025 TO JUNE 30, 2026 FOR THE COUNTY OF KAUA'I,” and

“Bill No. 2949 – A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2025 TO JUNE 30, 2026 (*Fiscal Year 2025-2026 Operating Budget*);” and

“Bill No. 2950 – A BILL FOR AN ORDINANCE RELATING TO CAPITAL IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2025 TO JUNE 30, 2026 (*Fiscal Year 2025-2026 CIP Budget*),”

which were ordered to print by the Council of the County of Kaua'i on March 25, 2025, and published in The Garden Island newspaper on March 28, 2025.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: The first registered speaker is Billy DeCosta.

BILL DECOSTA: Honorable Council Chair Rapozo, Councilmember Carvalho, Councilmember Cowden, and Councilmember Holland. I

come here tonight...first of all, my name is Billy DeCosta, for the record. I come here tonight on behalf of all the constituents that are driving home in traffic, having to make dinner for their families, having to pick up their kids from sports, those who do not have the time to come and question how we need to be fiscally responsible with our tax dollars. The one area that I want to talk to you folks about is your funding for personal staff. I sat in that chair, I have done many bills, I have worked with Councilmember Carvalho and Council Chair Rapozo, and I believe we have done all the bills and resolutions without any personal staff. I would like to comment, and Chair, I am going to direct the comments to you, but it is apparent that seven (7) of you are here and that money will benefit the ones who are asking for staff. Right now, I know Councilmember Holland has done excellent work with Councilmember Kaneshiro on the Agricultural (Ag) Bill, which I heard earlier today, which was with our current staff. I do not believe there were any personal staff working on that Bill. I know Councilmember Cowden has two (2) staff members for the past two (2) terms, and I do not think she has crafted one (1) bill with her staff. I want to know how staff can personally benefit you folks when we have nineteen (19) staff members here for seven (7) of you to use. We have two (2) lawyers, we have the County Attorney, and many of our Council Services Staff with college degrees. I want to know how the personal staff members will engage in more competent and efficient work that our Councilmembers are going to do. We have never had personal staff, as far back as, I believe, County Clerk Jade Fountain-Tanigawa has been here, there has never been personal staff. I believe it is a waste of our tax dollars. If you folks cannot do the job by yourself, you should not be elected. I want to know the criteria for hiring the personal staff. Do they come with a college degree? Do they have clerical experience? We crafted a couple of bills and Councilmember Carvalho knows this, because he has been a mayor for ten (10) years, and when you sat as mayor, did you ever approve on your budget for Council to have their personal staff? Council Chair Rapozo, you have served for eighteen (18) years, you have done tremendous work, have you ever done it with personal staff? What worries me is that we are setting a precedent moving forward. We need to be fiscally responsible with our taxpayers' money, and we are not. Two (2) years ago...

Council Chair Rapozo: Go ahead and finish your second three (3) minutes, and then we will provide Bridget with her full six (6) minutes.

Mr. DeCosta: Two (2) years ago, we decided to give our Council Services Staff a raise because we felt that they were very competent and efficient at their job, and I voted on that. Two (2) terms ago, I voted against giving our County Councilmembers a raise. I believe Councilmember Cowden voted "yes" and I believe Council Chair Rapozo voted "yes," but I voted "no," because we felt that this was a hard job to do, we needed more money, it was a full-time job, and we were very much overworked, so we got a raise. It is like we are asking for another raise when you bring in personal staff. What are they going to do? Are they going to answer

your emails, check your calendar, follow you to an event, possibly help you promote your next election? I am asking you folks to please self-reflect on this ask for personal staff. You folks know that at the Department of Education (DOE) in the classroom, we have what we call an “EA”—that is a personal staff. When we have trouble teaching our really difficult children, we ask parents to come into the classroom and help, and they do not get paid. Your parents are your constituents. I have worked on bills with North Shore people, with Westside people that come to our office and craft bills with us. That is your personal staff. The constituents on Kaua‘i. Please reconsider this. It is a foolish way to spend our taxpayers’ money. Thank you.

Council Chair Rapozo: Thank you. Is there anyone else wishing to testify? This is a public hearing for the budget. You will have your full six (6) minutes, because there is no one else here to testify.

BRIDGET HAMMERQUIST: Thank you. Good evening, Members of the Council. It is nice to be able to be here before you again. My name is Bridget Hammerquist. I live in Kōloa. I try to spend time to help, and I have a few comments tonight that I thought would be worth making and hopefully will be helpful. With regard to the issue that was just discussed about assistants for Councilmembers, I would offer that I am in favor of it. I think that we are getting to be a fairly hefty operation, two hundred forty million dollars (\$240,000,000) per year, operation at a minimum, and it is a difficult job. There is a lot of “irons in the fire” at the same time, and to do the research and have the knowledgebase, it is really helpful to have a smart assistant. So, I wanted to offer that, personally. On the real property tax, I have been hearing and studying, and I would offer that we have a real difficult situation on this island because we departed from taxing based on the zoning of the property, and we went to apparent use. I believe when I heard Mr. Hunt testify sometime ago before you, he mentioned that happened about 2014. I could not find the ordinance that did that, and I do not know the legalities of going from using the tax table or the tax formula on land based on its zoned status versus based on apparent use. I am not an expert in that area, but I would just offer that I think it is made for a lot of confusion for a lot of people, and it leads to a lot of arbitrary results, because it depends on who is looking, when you say, “apparent use.” I testified to this last year, and I said at the time...Grove Farm would not expect me to testify on behalf of Grove Farm, but I think it is happening to a lot of agricultural landowners that if they have worked with or have been approached by communications, companies that need a place for a cell tower, the property owner may give up one hundred (100), one hundred fifty (150), two hundred (200) square feet, but then they find that one thousand three hundred (1,300) acres of their property have been rezoned...not rezoned, they are not rezoned, but reclassified as (inaudible 11:33) Industrial. I am seeing that more and more. We found a recent map that had a lot of tax classifications on it that do not match the zoning classification, and I do not know how much longer the island can sustain that, because I do not think the landowners know what to rely

on in that regard. It seems like, as I have said, it leaves too much to the arbitrary decision making of one (1) or two (2) people as oppose to actually relying on in the agricultural area in particular, I know I recently have sent in some material in to Councilmember Holland, and I am happy to make it available to all of you, if you are interested. We have a unique situation on Kaua'i that is not used in other islands or in Honolulu, and so I think it is really leading to a lot of confusion and a lot of difficult, but more importantly, it means we have a lot of appeals that are filed when people get their tax bill. That "clogs" up...and there is an actual record of how long it takes to get something through the tax appeal process. I would offer that maybe we might want to go back to the actual taxation based on the zoning. If not, what we are doing when we allow the use characterization by use or taxing by use, are we not circumventing the requirement to otherwise have a district boundary amendment or zoning change, if we are going to say that if you use a property a certain way, then that property is (inaudible) Industrial, then what happened to the need to change the property and make it (inaudible) Industrial and give the community and the people, and we have that and I would like to take a minute to discuss that it is still going on in Kōloa. Hawai'i Planing Mill, Ltd., (HPM) is still operating a lumber operation building trusts, modular walls, and planing mill operation in the old mill, in Kōloa. I know we talked to the State of Hawai'i Historic Preservation Division (SHPD) about the fact that it is a historic site, it is one of the few sugar mills still standing, it is registered. It is part of a registered historic site, and the County Planning Department did give them permits to operate on land adjacent to those permits were "struck," so then they moved into the mill, and they have no permit to operate in there.

Council Chair Rapozo: Ms. Hammerquist, your time is up.

Ms. Hammerquist: Oh, it is.

Council Chair Rapozo: Yes, I am sorry.

Ms. Hammerquist: Oh, that is okay.

Council Chair Rapozo: I should have let you know when the light...I will give you another thirty (30) seconds.

Ms. Hammerquist: Just to wrap that last point up. If you can help us look into some of these areas that we have complaints about and have no response from the County, it would be very helpful. We still have an issue with big trucks rumbling through Kōloa where children walk to school, and it is just not safe and it is not legal. It is a restricted use on agricultural land, it is not supposed to be permitted, and the County does not seem to be doing a good job with that. Thank you.

Council Chair Rapozo: Thank you very much. If there any no other speakers, this public hearing is adjourned. Thank you.

(Note: Jeff Lindner walked in and wanted to testify.)

Council Chair Rapozo: We will take your testimony. Mr. Lindner, we will give you the entire six (6) minutes, as we did for Mr. DeCosta and Ms. Hammerquist.

JEFF LINDNER: Jeff Lindner, for the record. I wanted to see what is the revenue from all of the agricultural land when you classify it into the use tax. I went to the...they were very helpful with the information, they got it done, and the questions...if you look, it is broken out and if you just take 2025, you will see the break out a total market value. When you take that, with the use classifications and compare it to what the budget is, that you folks produce, you will see that the revenue from what you are producing shows eleven million five hundred thousand dollars (\$11,500,000) from the tax, and this shows thirty (30) and that was because of the use, Vacation Rental, Commercial, and Industrial. I thought that was good, but it turns out that I did not get it all because there is an Open zone that is showing up that the agricultural land...here says, "Urban, Agricultural, and Conservation zoned land is putting it in Open category." I did not get that category, I will have to go back, I am going to have to see that...but you can see the revenue. The reason, I guess, I think that is valuable is because you can see how much money coming in and it is like if there is so much more is coming to agriculture, then maybe you do not do sidewalks in Līhu'e, you do water. That is why I think it is good to look at it. The question is, what is Open zone? I gave you a couple things here. But I think you sort of know. Open zone, you are sort of protecting open space for things, but Article 9 here states that it is preserving, but they are also sort of enhancing. It is like that. If you look at that Open, but again, they took ten thousand (10,000) acres of Conservation land and switched it from the Conservation zoning to the Open zoning. What would be more protective than Conservation? All you can do is build one (1) house. Again, it appears that they are giving that zoning like they are going to do something with it, right? Then, it was thirteen thousand (13,000) acres of agriculture that was switched to Open and then that has Industrial classification, then there is two thousand (2,000) acres which is still zoned Agricultural. The question of what is Open? I gave you a picture...I do not have it, but it shows...the map says Open zoned and when you look at that map, that map shows Open on it. It looks like it is coming from the Comprehensive Zoning Ordinance (CZO) and it shows the gray is Open, and I wondered if that was the drainage area that was usually used, but that was under Agricultural, and that is not a tax classification. When (inaudible) as Open as zoning but it is not one of the State's zones, right? State zones are Rural, Urban, Conservation, and Agricultural, that is all there is, so now, I am trying to figure out what does that mean. When you look at the tax map key (TMK)...that map has

agriculture, but if you look around Līhu'e, there is a little gray area, but yet they have twenty-four thousand (24,000) acres of land around Līhu'e zoned Open. We used to be agricultural, it used to be Conservation, now it is called Open, which implies that it is some sort of plan. It is like how do you put Open on Conservation, because it is like you do nothing, you have to protect it. But the other thing is that there is a very little, small area of gray, but yet twenty-four thousand (24,000) acres, you go up to North Shore Preserve, it is like a huge amount of Open, but it is zoned Agricultural. I do not know what Open means? It is not a legitimate zoning thing. They have already switched the thing from...so, we have lost the State...it is like the County is doing their own thing. It is like they are making their own zoning up. I guess I missed the meeting to ask questions earlier, but the thing says you have to do the State district at the very beginning, you add up how much money comes from each district zone. That was typically set up by the State. Is that six (6) minutes?

Council Chair Rapozo: Yes, that is your time.

Mr. Lindner: Okay.

Council Chair Rapozo: Thank you. I will definitely follow-up on this.
Thank you.

Mr. Lindner: Alright, you bet.

Council Chair Rapozo: With that, the public hearing is now
adjourned.

(Note: No one from the public testified on the Resolution and Bills via written testimony or oral testimony taken at the beginning of the meeting via the Zoom remote technology platform.)

There being no further testimony on these matters, the public hearing
adjourned at 5:22 p.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA
County Clerk

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