

**MAUI REDEVELOPMENT AGENCY
REGULAR MEETING
JANUARY 23, 2015**

APPROVED 03-27-2015

A. CALL TO ORDER

The regular meeting of the Maui Redevelopment Agency (Agency) was called to order by Mr. Don Fujimoto, Vice-Chair, at approximately 1:01 p.m. Friday, January 23, 2015, in the Planning Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Island of Maui.

A quorum of the Board was present. (See Record of Attendance).

Mr. Don Fujimoto: Call the meeting of the Maui Redevelopment Agency to order. It's like, what, 1:01 p.m. And...in attendance we have Mr. Starr.

Mr. Jonathan Starr: Hi.

Mr. Fujimoto: Mr. Fairbanks.

Mr. Thomas Fairbanks III: Hi.

Mr. Fujimoto: And excused Chairman Mitchell and Ms. Ball. Public testimony -- yeah, maximum time limit is...is three minutes and you can testify now or later at the...when the agenda item comes up. Anybody for public testimony? Close public testimony. Approval of the minutes of November 21st. Do I have a motion or any, any changes, revisions, amendments?

B. PUBLIC TESTIMONY - At the discretion of the Chair, public testimony may also be taken when each agenda item is discussed, except for contested cases under Chapter 91, HRS. Individuals who cannot be present when the agenda item is discussed may testify at the beginning of the meeting instead and will not be allowed to testify again when the agenda item is discussed unless new or additional information will be offered. Maximum time limits of at least three minutes may be established on individual testimony by the Agency. More information on oral and written testimony can be found below.

**C. APPROVAL OF THE MINUTES OF THE NOVEMBER 21, 2014 MEETING
(transmitted to members via e-mail)**

Mr. Starr: Do I have the minutes?

Ms. Erin Wade: It was e-mailed to you.

Mr. Fairbanks: I move.

Mr. Fujimoto: Moved by Mr. Fairbanks. Second by Mr. Starr. All in favor? Aye. Motion passed. Public hearing. You want to go over this?

It was moved by Mr. Thomas Fairbanks III and seconded by Mr. Jonathan Starr, then unanimously

VOTED: to approve the November 21, 2014 meeting minutes as presented.

Assenting: T. Fairbanks III, D. Fujimoto, J. Starr

Excused: C. Ball, B. Mitchell

D. PUBLIC HEARING

- 1. Michelle Cockett - Representing Sprint requesting an MRA Use Permit to upgrade an existing rooftop wireless antenna facility located at 2200 Main Street, Wailuku, HI 96793, TMK (2) 3-4-014:007 (MRA 2014/0003). (Action may be taken)**

Ms. Wade: Thank you. We have one public hearing today. It is for the Sprint telecommunication facilities on roof top of the One Main Plaza facility. Here today to present the project is Michelle Cockett.

Ms. Michelle Cockett: Good afternoon. Happy Friday everyone. I'm here to actually present our request to replace existing panels and GPS antennas as well as the battery cabinet on top the One Main Plaza Building. These are existing structures that are already there, but they're really based on the fact that we all have one of these. And we depend upon them, and we depend on their technology and we expect certain things from them. And the difficulty is that this particular Sprint facility is 15 years old. It's still on 3G and we are almost on 5G so these need to be replaced as soon as possible. So the intent is that it is six panel antennas, one GPS, and one battery cabinet which is to upgrade the equipment only, change some fiber optics and hopefully get us all running a lot faster. Questions?

Mr. Fujimoto: At this time I'd like to open...the proceedings for testimony for public hearing. Anybody? Okay, we'll close it. Closing the public -- closing the testimony. Staff report?

Ms. Wade: Sure. I'll go over the staff report.

Mr. Starr: Yeah, do staff report and then I've got some questions.

Ms. Wade: The staff has recommended approval of the request with a couple of conditions. First, that the final construction, of course, be in accordance with the plans that were submitted. Second is the requirement for liability insurance. Third is the compliance with governmental requirements. And the fourth is that, is one that we've done, by standard with the upgraded telecom facilities, that it be painted a color consistent with the remainder of the existing facility so that it doesn't stand out beyond what's there today. That's it and the Department recommends approval.

Mr. Fujimoto: Any questions?

Mr. Starr: Yeah, I, I have a few questions which are sort of...come out of my, my own interest in techy stuff and I'm curious to learn a little bit...as part of this process. What kind of batteries are, are you using now?

Ms. Cockett: That is an interesting question and I honestly am not an engineer or am I capable of answering that question. However, I do know based on the building permit requirements, the Fire Department has required that the cabinets all be fire protected. So they are of the state of the art. And they are intended to be used for the next several, like, five years. So I can't say specifically what they are. . . (inaudible) . . . But I can certainly get that information for you.

Mr. Starr: Yeah, I'd be interested to know. You know, are this lithium ion, are these traditional lead stuff, or there's a few other...things out there. The GPS antenna is that for the...the low -- is that putting out a signal for the localized...GP, GPS?

Ms. Cockett: Where you're at. It's specific for reception. It's not to transmit.

Mr. Starr: It's for --?

Ms. Cockett: To receive. The transmission. It's not to actually send out any signals. It's to receive.

Mr. Starr: Okay, so it's receiving the satellite positioning and then it's correcting...correcting for that location on that given time.

Ms. Cockett: And it's actually very small. It's maybe about . . . (inaudible) . . .

Mr. Starr: Okay. And what's the...what's the ERP on the signal?

Ms. Cockett: It's very funny that you ask that question because I -- the person, who is unfortunately not here, Charles Fortner, he's more apt to be able to respond to that. I am not, like I said, an engineer, so I don't have the capability of answering that question. But I can certainly find out the answer.

Mr. Starr: Yeah, I, I do want to have that on our record both what the ERP, Effective Radiated Power, at the site is and what the transmission signal density is at the nearest publically accessible point at grade. And I don't need that today or before decision making, but I want to have that on record.

Ms. Cockett: . . . (inaudible) . . .

Mr. Starr: Thank you.

Mr. Fujimoto: Any other questions? No? That's it. Chair, will entertain a motion.

Mr. Starr: Okay. What is the recommendation? Just approve with standard conditions? And there's no specific -- specific conditions?

Mr. Fujimoto: There's four, there's four conditions that staff recommended.

Mr. Starr: Okay, so I'll make the motion. I move to -- okay -- approve as recommended with standard conditions and four project specific conditions per January 23rd recommendation.

Mr. Fairbanks: I second.

Mr. Fujimoto: All in favor? Aye. Motion passed. So you'll get back to us on that. Thank you.

It was moved by Mr. Jonathan Starr, seconded by Mr. Thomas Fairbanks III, then unanimously

VOTED: to approve the department's staff and recommendation reports as presented.

Assenting: T. Fairbanks III, D. Fujimoto, J. Starr

Excused: C. Ball, B. Mitchell

Ms. Wade: Thanks Michelle.

Mr. Fujimoto: New Business.

E. NEW BUSINESS

- 1. David Johnston of the Maui Academy of Performing Arts (MAPA) to present the history and background of the non-profit, its short-term and long-term goals and their intent to apply for the National Endowment of the Arts, Our Town grant in the coming year to build a new performing arts facility.**

Ms. Wade: Today, we have David Johnston of the Maui Academy of Performing Arts, and several of his staff to present the history -- I'm sorry, and Board -- to present the history and background on the non-profit, its short-term and long-term goals and their intent to apply for NEA's Our Town grant in the coming year to build a new performance facility. David, would you --? I don't know who's going to start the presentation. Okay, great. Please come to the podium.

Mr. David Johnston: Thank you. I feel so formal here. I'm David Johnston the Executive and Artistic Director of Maui Academy and Performing Arts. I have my back up people with me today. Peggy Harmon is our Development Director. Dr. Virgie Cantorna is one of our board members, and she's also been involved in productions with us. She's got an incredible gift of

a beautiful voice and a wonderful balance that she brings to the stage. And also a huge family whose also participates in our programs. Adam Burke is the, is the Chair of our board, and he also is a wonderful performer and . . .(inaudible). . . two children in our, in our academy program also.

So, thank you for having us here for allowing us to make this presentation today. I want to start off with three quotes. They're kind of my warm up act for, for you guys.

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."

"The life of the arts, far from being an interruption, a distraction, in the life of nation is very close to the center of a nation's purpose...and it is the test of the quality of a nation's civilization."

"I have seen the critical role that the arts play and stimulating creativity and developing vital communities. The arts have a crucial impact on our economy and are an important catalyst for learning, discovery and achievement in our country."

I present these quotes today because I think they're germane to our project and the work we do at MAPA. And I think you'll see how they weave in to the presentation as we move forward.

As an artist and an arts organization, we are the story tellers of our community. We create opportunities for people, participants and players to come together and share the issues of our heart and soul, and share the hopes and dreams, the struggles and the triumphs, and to celebrate our shared humanity. And indeed to remind us of our purpose as John F. Kennedy said, of our purpose as individuals and a society.

In that spirit I would like to share one more quote that I just stumbled across a few days ago that I think is really germane to our presentation today. It's from a book called *Building Communities, Not Audiences: The Future of the Arts in the United States* by Doug Borwick. The quote -- the premise of the, of the book is, is looking at the arts as a powerful force for building better communities and improving lives. He says:

"It is from community that art develops and it is in serving communities that the arts will thrive. Communities do not exist to serve the arts, the arts exists to serve communities."

That quote really parallels our mission of enriching individuals, building communities, and connecting our world through the performing arts. And this project that we're talking about today is the very heart and essence of MAPA coming together in partnership with the County, with the private sector and with the community to achieve those, those ends. To develop a home for us in Wailuku that also, it's not just for us, it's for building the community and realizing the hopes and dreams of this community.

I am so excited about the potential of this project. And in the course of many years, I've had discussions on and off with Erin. We as an organization have been kind of a vagabond organization for much of, for much of our existence with the exception of our, our time period, at the Old Puunene Clubhouse way back in 80's. We have not really had a home to provide all of our, our services, our performances, our classes. And it's been kind of scattered and all around the island, in different facilities, schools, community centers, parks. Wherever there was an empty space that we could put up a show or engage a class we, we've probably been there.

So, I was excited over the course of the years, we kind of, as an organization settled in Wailuku. And we came there after our stint at the Maui Arts -- Maui Arts and Cultural Center, which was to be our permanent home. But when that didn't work out, we found ourselves once again homeless. So we moved our, the base of our operations, basically our offices, to Wailuku and started rebuilding our organization from there. We were lucky enough, in the late 90's, to acquire the Old National Dollar Store, and that was going to become our permanent facility housing all of our studio spaces, class rooms, space for props and set construction, and a theater. Well, as we worked our plans through with that, and as we made attempts to realize that, we kept growing as an organization. And we had a couple of false starts to, to run capital campaigns to fund the plans for that building. We had a beautiful design that was created in conjunction with the Moscow architects out of Boston, and that was hopefully going to be our last effort to get our building up with a theater facility in it also.

We weren't able to realize that capital campaign, and in a way it was a blessing because we outgrew what that facility was very quickly. It was about 19,000 square foot facility that we had planned, and now, today where we are with our programs and productions, we need about double that. We need between 38,000 and 40,000 square feet to accommodate everything that we have now, and leave a little room for future growth.

So, in talks with Erin, we were looking at optional space -- different options around the, around the island for our home. And remember Erin coming in one day to my office and she said what will it take to get you to stay in Wailuku. And I said, well, here are our needs. And she said, well, let's, let's work on that. And that's been several, several years back that we've done it. And slowly an evolution has happened, and now there seems like there's an opportunity for us to bring a partnership together to realize, realize this.

Really quickly, one of the catalyst for that is a program from the National Endowment for the Arts. It's called Our Town. And the basic thrust of that, of that grant is to provide seed money to begin developing for our projects. And the criteria is that there has to be a relationship between an arts organization and a County government entity. Those two players have to be a part of it. And then as many other people as we want can be, can be included in the, in the grant and in the, in the project. But it's that key thing of a, of a government entity and an arts organization.

So that kind of escalated our conversations with Erin, and we began really seriously looking at the possibilities. We wanted to stay in Wailuku. We got the feel that Wailuku wanted us to be there, that the County was encouraging us to remain in Wailuku. And we began to identify a particular place that this might happen in Wailuku. And it's right across from our offices which

is . . . (inaudible) . . . North Church Street -- right across from those offices, and along the Vineyard stretch from Church to Market. So that's kind of where this, this vision is kind of brewing right, brewing right now.

So what I want to do, for the rest of the day, is to just bring you kind of up to speed on who we are, what we're doing, what our needs are, why we're doing this, and how we want to, to help the community realize some of their goals also. I know there's been a lot of work done in terms of the reWailuku and the identification of the needs for an anchor kind of tenant, if you will, in that project. And further the identification in that project that the arts are a key player in the revitalization of Wailuku. And very honestly, we want to be a part of that. We believe we can bring something to that, that we can be part of an exciting opportunity to change the face of Wailuku and, and really to be key players in a revitalization. We, we cherish that idea of that partnership and that opportunity.

Mr. Adam Burke: And, and I'll mention we do have copies of this available as leave behind so you'll have all of this available.

Mr. Johnston: I've the been the artistic side so I don't . . . (inaudible) . . . very well, so Adam's here to help with that. We are a 501(c)3 non-profit organization. We've been serving the community for 40 years. We were founded in 1974 as the Maui Youth Theater. Some of you may remember that, and that was under the direction of Linda Takita. And it was started really with Linda and then Director of Parks Jan Dapitan pushing that idea across and they realized that really the first kind of the organization.

In that time period since 1974, over 1.3 million visitors and residents have participated in MAPA programs as audience members, performance students, teachers, volunteers, donors. And today, we have grown into one of Hawaii's largest educational performing arts organization. We offer three key areas, core areas, in our program -- MAPA School Partnerships, MAPA Academy and MAPA LIVE, and we'll go in more details with each of those.

The MAPA School Partnerships -- these are outreach to the, to the community in terms of going to the schools and working with the kids in classrooms, with the classroom teachers, in developing programs. We also have a component in there of tours. We take 40 minute shows to the schools. They deal with all sorts of different -- some social issues, some just more on the entertaining side and, but all, hopefully, with good messages of about building character, friendship, integrity. We have a show out right now called Stella Luna. Some of you may, who are parents, may know that story. It's about the fruit bat who gets dropped into a bird's nest and doesn't understand why things aren't working. And it's about differences. The differences in people and the similarities in people. It's a wonderful message. That's in schools on Maui right now. We also have study guides that go out with those programs linked to the common core standards.

The nationally recognized Voices Program uses drama as a means to improve literacy and reading comprehension for over 3,000 Maui elementary school students each school year in residencies of six to 16 weeks. That's the program where we actually go in to each classroom and we work with the students and the teachers and develop and using the materials that

they're studying and developing ways for them to experience that material in different ways. So if you're, if you're a person who's an kinesthetic learner, you get an opportunity to experience the story you're working on through your body instead of just trying to intellectualize the process. So it's reaching out and taking all those different modalities of education and making an active, interactive, educational process.

MAPA's Arts Infusion Program works with individual schools and teachers to provide multi-week programs, performing arts programs for students of all ages in their classrooms.

Mr. Burke: And, and one thing I'd add is we have a wonderful staff member, Carolyn King Wright is our Director of Programs, and she actually has a Master in Elementary Education so this is being developed not just from the artistic perspective but from someone who knows common core standards who knows what it takes to work with the schools. She has that background professionally.

Mr. Johnston: MAPA Academy. A lot of you who work and live in Wailuku I'm sure have seen our kids walking up and down the streets in the after school hours or on Saturdays. This is, this is our program and our facility at 2027 Main. This where they come to take dance, music and drama classes, and we have more than 2,200 children involved yearly are, are participating in the program. And we currently have 100 classes every week through the academic year that we offer, including Lahaina. We are offering programs in Lahaina also.

We have week long and multi-week camps in dance and drama, and some of those are offered during the school breaks and in the summer months. And then we have in our summer, we have our month long theater camps for youth and teens. And that usually culminates in a production.

MAPA LIVE are our community productions. This is an area that, that we're evolving and developing. We kind of put our community productions on hold for many years because of a lack of theater space. We just -- there just wasn't available space to do shows and we put it on hold. But then decided that we needed to bring this back because it's kind of the culmination of all of our training that we're giving the students and all of that. The idea is to have an exemplary of the arts that they are inspiring to attain. And so we thought, well, we better do that, you know, we better give that back and make that a priority, so that's what we did. And in the last two years, I hope many of you were able to see our productions of Les Mis and Miss Saigon at the Maui Arts and Cultural Center. Those are kind of the culmination of that.

We also do shows at the Stepping Stone Playhouse in the Kaahumanu Center. We've been in that facility since about 2005, and we're there...we're there just at the grace of the, of the owners of the, of the center. It's...it's basically we're on a month to month arrangement with them. So at anytime if they, if they get a tenant who wants to come in and take that space and use it for something else they can boot us out within 30 days if, if they want to. So it's a pretty tenuous situation there. Saying that, we've been there for 10 years, almost, so, but it's, like, when's that shoe going to drop is always the question. And it sort of limits us in terms of what we can invest in that facility and invest in the programs while they're in that facility.

Each year MAPA LIVE reaches 10,000 Maui residents and visitors. And during the last 40 years, MAPA has brought over 500 live productions to the Maui community. And again you can see where we've been. The Old Puunene Playhouse, Maui Tropical Plantation, KBH with Tom years ago, the Maui Arts and Cultural Center, the Kahului Community Center. I mean, we've been just about every where you can be. Some about -- we talked about that. We tried to present challenging new works and three new ideas to the community also. And I'm going to turn this over now to Adam.

Mr. Burke: Well, again, thank you for not just for the opportunity today. I can tell you, first of all, just on a personal level, MAPA has had just a profound impact on our children and I think it's a great privilege to serve the organization. Part of the reason I think I was asked to do part of the presentation is I have a pretty traditional business background and marketing operations, finance and strategic planning, so I'm always looking at the nuts and bolts, and thinking very pragmatically about what we're trying to get into. So we thought to get some context to this, it would be helpful to talk about what we've already done as work because we've been very intentional about this process and where we're at today.

So, don't worry about trying to read this. We'll have leave behinds and I'll show some of the highlights, but something that we thought would lend helpful context is to talk about the economic impacts of the arts and our community. That's one of those things that's not discussed often enough because there are huge economic engines for communities. We're very fortunate because just in the past couple of years there was a study commissioned by the Hawaii Department of Business, Economic Development and Tourism, along with the Hawaii Arts Alliance that specifically evaluated the economic impact of arts and cultural organizations in the Hawaii community. So some of the key things we wanted to highlight. First of all, you're looking at annual industry expenditures Statewide of almost \$160 million. Those organizations support over 4,400 full-time equivalent jobs in the State which generates more than \$126 million in household income, and over \$17.4 million to State and local governments. About 3 million attend these annually, who spend over \$70 million excluding the price of admission to those events and activities. That's purely incremental \$70 million above the cost of the ticket or admission.

And we also wanted to share a very direct example of it. So we went back and we looked at the past two years of productions at the MACC -- Miss Saigon and Les Miserable -- and what it did for Maui economically. Total combine audience, over 10,000 people saw those two shows during their run. And again, excluding the ticket price, this is just purely ancillary revenue, the local audience, non visitors, generated over \$200,000 in income to the Maui economy in conjunction with that show. In addition to visitor audience spending almost an additional \$50,000, and you can see how that's calculated. The study we were referencing talks about the average expenditure in conjunction with an event or show ex of the ticket price. So you're looking at over \$250,000 in incremental revenue above the admission.

And another way of looking at it is we're very fortunate to have a facility like the MACC here. The reality is for the quality of shows that we want to bring to the community, we're really fortunate in our small community to have a world class facility where we can really do justice to shows like Les Miserable and Miss Saigon. And as part of that partnership, it also generates

significant economic benefit to the MACC. We thought we would take a look at quantifying maths. So over those two shows, the MACC received over \$148,000 in facility fees from Maui Academy of Performing Arts. In addition to that, there are some soft benefits to include, number one, really utilizing the facility during a slow time of year for them. So they're able to put a significant audience and revenue into the MACC at a time where typically they're not booking major acts. Above and beyond that we rely heavily on the MACC staff to supplement our own technical staff. And I have to say, I mean, they have a world class team there. They're a pleasure to work with. Really, they could be working on Broadway and we're fortunate to have them here. But we're keeping those people employed during the runs of these shows. Obviously also creates incremental opportunities for food and beverage sales. People are coming to the shows, they're going to the courtyard and the food and beverage providers are earning revenue as a result. And obviously it has to fray the ongoing facility operating costs of the MACC. And that's just another economic benefit to bringing those shows to the MACC it generates for the community.

We also then want to specifically look at our economic impact. And one of the things we realized when we took a step back from this is that MAPA because we really chosen to use Wailuku as our home base, we become a significant economic contributor for Wailuku town. When you look at it, more than 350 families are coming to Wailuku every week during the academic year because of our academy programming. Now one of the challenges, and we've talked to Erin a lot of this, is we would like this to even be a more captive audience because there's only so much they can do in Wailuku while they're here. We don't want to keep losing them to Kahului or other places. We want them to come, drop the kids off and have every reason to stay in Wailuku, not just while their kids are in class, but even doing something in the evening and afterwards. So I think there's a huge revenue upside to what we can do with the planned facility.

Beyond that we have more than 25 regular team members between our office staff and our teaching artists at the Academy Program, and we also have up to 40 plus seasonal employees who work in conjunction with the different productions, which makes us one of the largest employees in Wailuku. And lastly, that number swells. When we're doing a major production like the Miss Saigon or Les Mis, you'll typically see any where from 50 to 100 additional people coming five or six days a week for three to four months on end coming directly to Wailuku for the rehearsal process and spending money at Chevron, at Wailuku Coffee Company, you know, at Subway.

And our goal with the new facility would be to really partner with the County not just to do the specific programming we currently have available, but also work with the County to provide ongoing programs in the evenings and bring literally thousands of additional people into Wailuku. So at the end of the work day there's a compelling reason for people who work here and live here to stay in Wailuku. And also for people from other parts of the island to come to Wailuku because it will really be a vibrant arts district.

So we wanted to share with you what we've done historically. David has alluded already to the work that we've done in 2000 and it was very intentional work with Moskow Architects to take a look of what would really be involved in building out the 2027 Main Street location. At that

time, and we're now talking 13 years ago, the base building cost us about \$3.5 million. That project, as David said, did not materialize, but it gave us the terrific foundation to understand would 2027 Main be a viable site for us to house everything now? And if not, what would parameters will require. This gives you a little bit of a better idea of why what we were looking at in 2000 no longer will fit the organization's needs. And as David said the need is now 36,000 square feet or more. If you look at just something like classrooms and studios, 5,600 square feet back in 2000, we now need 8,000 plus square feet to accommodate just the current demand and there's opportunity to grow that program even further. And you can see how that breaks down. And again you'll have that in the leave behind.

We also wanted to share what we've done in our interim basis as really stop gap measures to try to continue to support the programming. So we realized there's a significantly under served population in Lahaina. So we've rented space there so we can offer regular programming and dancing drama on the west side. The challenge I will tell you is that we have kids who get to an advanced level and because the more advanced teachers are here in our Wailuku location, we have a lot of kids who are making the trek from the west side into Wailuku during the school week because it's where they can get that quality of instruction. So we keep trying to do what we can on the west side, but it tends to skew to the younger students.

A minor point but actually something that's not well understood in terms of the expense of running a program like this. We had to install two more sprung dance floors in our academy building. And what that means is for dancers, particularly as they get more advanced, you have to have a very specific sub floor. It's called a sprung dance floor. So that when they're doing leaps and jumps and they land it's easier on the joints. It absorbs that energy. And without a sprung dance floor, cantilever leaps is not safe for the students as they progress into those more advanced levels. We have four studios over at our academy building. Only two of them have sprung dance floors. So for us to be able to accommodate the demand particularly as those kids progress, we had to install two more floors and it's not an inexpensive process.

We moved into a larger administrative office over on Church Street. We actually established a separate administrative office over at the Academy Building because there's such demand and because parents have questions or administrative things that needs to be address without having to go to a separate facility. We've made improvements to the student lounge. We have a lot of kids who will take five, six, seven -- our kids...our kids, between the two of them, take 14 classes a week. They come from school, that's where they're doing their homework. That's where they're spending that time, so we enhance that lounge. So when they come they have a practical place to spend time with each other and get homework done in between classes.

And we've also, unfortunately, had to make some adjustments to our class schedule. I can tell you we're at a point now where we had to literally had to eliminate some classes because we haven't had the capacity to absorb those. And we've continually tweaked it to really accommodate the classes that have the greatest demand. We've recently rented additional warehouse space right across on Main Street. We use that for rehearsal space for Miss Saigon. And it's also used now to offset some of our costumes and props because we need to utilize 2027 Main as a rehearsal space for our main production. And we've also had a site evaluation by Dorvin Leis and I'll talk more about this in a second, but one of the key issues with

the Main Street building is the air-condition.

We've talked already about what's really driving the need for the increase space. You've seen the growth of the program. Back in 2001, we had 50 classes a week. That's more than doubled. But the second thing that David mentioned, this is tenuous at best. I have talked regularly to Joan Langes LaSalle and Windward Management about Stepping Stones because over the past few years they've continually showed the space. And they're very understanding about us calling every few months and saying, okay, we need to plan the summer youth program, will we be able to be there? It's timely and a little bit alarming but I've talked to them this week and as of Wednesday they said, we think you're fine. As of Thursday, they called me back and say there's a very active conversation. Obviously no guarantee, but there is the distinct possibility that Stepping Stones may not be available as of May. So we're already looking at contingency plans right now because that would displace about 80 kids, youth and teens, for their summer drama program. So at a certain point for this to be viable, we have to find a location that we have control over instead of being at the behest of the mall. And as I've said, they've been very good about it. We have a very good deal with them, and obviously they're about maximizing their revenue per square foot. Looks like that may be happening sooner rather than later, so it's become more urgent.

We also have huge cross utilization of the existing facility. A lot of the kids are shuttling back and forth between Wailuku and Stepping Stone Playhouse at the mall because they participate in both of those programs. And that's challenging particularly for kids who don't drive or when they have to try and shuttle back and forth between the locations.

We talked about youth theater camps. For rehearsal space, when we get into a major production at the MACC, we get into a very practical issue. Typically we are going in five days before we open a show at the MACC to build all the sets, and we get everyone used to operating in that space. I can tell you anyone who's in the theater world think we are out of our minds because to go from rehearsing without sets and then to within five days bring 80 to 100 people into a venue, build up the entire set, start rehearsing, getting lighting and sound done, the reality is there's a cost associated with it. So for every day we're in the MACC there's an additional cost and that directly impacts our ability to go in. So two years ago we were fortunate to have Maui Film Studios. If they're not using the space, they graciously donated the space for us to go in and rehearse. This year that wasn't available, so we're always kind of scrapping together rehearsal space for a large production. That also includes the costumes and sets. Restrooms, as my wife keeps telling me, it's a great injustice of the world that there are never enough restrooms particularly for women. And increase administrative space needs. We really don't have adequate conference space for board meetings, planning meetings, committee meetings.

I will tell you we looked very intentionally at where we should be. Was it going to be Wailuku? There was a big faction within the board and committee members who wanted in Kahului because it would be more convenient to some of them geographically. Since people felt we could return to our roots at Puunene Playhouse. We looked at it all, and bottom line is we had decided that Wailuku is really where we need to be. And part of that is because we want to be a part of the fabric of the community. If you're in Kahului, it's much more of a commercial area.

There's something unique about being a part of Wailuku town and being part of the community.

We also looked at the viability of a single site versus a multi-site solution. Would it be possible to use 2027 Main and maybe one or two other locations? And you get into the same logistical challenges of moving kids and materials back and forth between multiple venues.

Air-conditioning is a huge issue, and we had Dorvin Leis come out. One of the biggest issues, it's a big warehouse space and they said this is an easy fix. Essentially, we installed two large compressors, we vent it out four ways, we're done. We said, great. Will that work for a live theatrical space. They said, wait a minute, you want to do shows in here? The noise level and the type of dancing you would have to do to make that type of HPAC system work is hugely expensive. So one of the consideration is if we were to find you something at 2027 Main, is HPAC a viable solution because obviously you can't put 350 people in a theater without adequate restrooms and without HPAC.

Parking, you guys have lived that nightmare for far too long. I don't to belabor the point. Street visibility and access. One of the things we're hoping to do is really create vibrancy for the community so for people who are coming into Wailuku, there's something that keeps them there. And candidly the marketability of the studio building. If we were to sell it, what's the market for it? Is there something where it can reasonably generate seed money for a capital project? And if we were to sell the space, the opportunity for the lease back so we can continue our academy programming uninterrupted while we start with the new facility. Cost associated with new construction versus renovation. The availability of appropriate land. Our ability to raise those supplemental funds for capital campaign. These are all the considerations that we've been looking at very intentionally over the past year. We've had a facility committee that has spent a significant time on it, and we wanted to be very transparent with you and share with you where we're at economically. When we bought the building it was purchased with a USDA Department of Ag loan, rate cost of money. We had to re-evaluate it for liability purposes. From an insurance perspective they valued the building at a \$3.7 million replacement value. We also asked for an independent building assessment based on market value, which came at almost \$2.8 million. Today we owe about \$350,000 on that building. So for us we think it's a huge opportunity because under the right circumstances, it could comfortably generate more than \$2 million in seed money toward a capital project. And we wanted to very up front with you about the value of the building.

The bottom line for us, having looked at everything, we believe that a single site solution is the optimal one in terms of being able to provide the right programming for the community, providing a safe environment for the kids where they can come to one place and not have to shuttle back and forth between multiple locations. As an integrated part of what the MRA is doing, we really passionately believe that MAPA could be a huge economic driver for the area and really help with the continued revitalization. And to be honest it's really much more in keeping with our DNA and organization. We want to be part of the community, and we think there's a huge opportunity for a public private partnership.

The last thing really sums up what David had said at the outset. We're really not looking for a facility, we looking for home. So we just appreciate your -- the opportunity to present to you and

hopefully to partner with, and we wanted to open it up for any questions you might have.

Mr. Fujimoto: Thank you very much. Any questions? Jonathan?

Mr. Starr: Thank you and thanks for a really good presentation. And also thank you for a great vision for...arts and youth culture in Wailuku. It's all really good and so thanks for that. Couple of questions. For clarity...I just want to...understand. You're looking to build one facility and then leave the...old...I forget the address of the Main Street location, and also leave the, the location where your offices are, is that correct?

Mr. Burke: The location would likely stay where it is because it's right across the street from the parcel. So from an administrative standpoint that's very viable. But yes, our intention would be that in a perfect world we would be able to sell the asset at 2027 Main, do some type of a lease back so that while there's construction beginning on the new facility we can continue the existing programming particularly the academy programming, and then eventually have one location for the academy programming, rehearsal space, performance venue. It will be able a 350 seat black box theater. It would also be concurrent with a public performance space that's part of the plan so that we would be able to help program that space for Wailuku. And essentially it would create an art's corridor from the Historic Lao Theater all the way up to our office, so that corridor on Vineyard between Market and Church really becomes the arts district.

Mr. Starr: The Main, the current Main Street facility, do you own that free and clear or do you still have a...USDA or other loans and mortgages on it?

Mr. Burke: The loan has about \$350,000 remaining.

Mr. Starr: Okay, and how big is that property?

Mr. Johnston: . . . (inaudible) . . .

Mr. Burke: Yeah, 13,000 square feet or so.

Mr. Starr: Okay. Something I, I've wondered for a while and kind of hope for and...is...to...see some operational synergy between MAPA and Maui On Stage. Is there a way to...build some of that into the concept? Because they have assets and also operational needs that are unmet, and it always seems like, you know, there's a lot of opportunity there.

Mr. Burke: Yeah, I'm glad you asked that because that's actually a point we should have made. You know, we're very fortunate there's already a lot of cross utilization among the performing arts organizations in, in Maui. They share actors, they share technical staff, and our warehouse and costume and prop shop has become really one of the biggest sources for all of the community theaters to utilize. So we've borrowed things from Maui On Stage. They use some of our things. So I think there's a huge opportunity in terms of potentially utilizing some of the operational elements that can serve both of those organizations. Do you want to --?

Mr. Johnston: Yeah, one of the, one of the things that would be really exciting to make a

component of this project if there were enough money and space is to develop kind of a community warehouse if you will so that we could put a set construction, costume construction, storage facility in there, and have an entity that generally employing additional people but it's working not just us and Maui On Stage, but for the other theaters and the other needs in the entertainment industry also. So that would be an exciting piece.

In terms of doing -- using space for facility and stuff, Maui On Stage has a booked programming plate already and so we, we've tried to figure out ways that we might do performances there. But it, it just doesn't work out, time wise logistically with, with what's going on there. And the other aspect of that, if, if we had enough money to build that warehouse kind of facility is to put extra rehearsal space available to the community in, in there also, so that it could be opened up to, to -- because everybody is always looking for stuff. The community choirs. They're always coming and asking us if we have space. We get stuff where just meetings for people and things like that. So there's a need for, for more facility in that regard.

Mr. Starr: I know specifically what Maui On Stage because Iao Theater is right on the...across the street on the same super block. Their limitation has long been that they don't have either off site facility or any way to build off site facilities so that they're not jammed up 24/7, 7-days a week to house their set building and rehearsal space. So it really limits the utilization of the theater space there. And I know, you know, as a community member I would want to see some way if we're going -- if the community is going to support building facility for that facility to be able to serve the non-performance needs of both houses. And that opens up Iao Theater for a lot more performance and community use so --. Even if that space had to be expanded but then it becomes a, you know, a more flexible and larger...you know, I don't quite know what you call it. But if they call for rehearsal and for building, building sets and so on, I feel like it would...it would serve our, our performance and our district better than if...you know, just keeps the two separated. So I really, you know, look for you to dream large here and find a way to...to work...work so both, both entities really can, can flourish and then, you know, the lights will shine bright on Market Street.

Mr. Johnston: That's, that's very insightful comments there and that is, that would be the ideal vision that we would like, would like to pursue with it. Yeah, if we can open up performance spaces in both venues so that we can have more opportunities for all sorts of entertainment aspects, not just theater, that would, that would be the best use of what we would want to do with the facility.

Mr. Burke: Yeah, and there's also a very exciting opportunity that we're in the process of we've been developing informally over the past years which is starting to create vocational training because there's a lot of students who won't necessarily, you know, either leave the island or go off to college and who are looking for marketable skills. And what we're finding is because between Maui On Stage and MAPA, Pro Arts Theater, the MACC, there's a need for the kind of technical skill sets that, you know, we have kids who come out of it as performers but increasingly learning the back stage stuff and are learning lighting, or learning tech, or learning set building, and that becomes a very marketable skill for them. So in association with this broader warehousing and kind of...something that serves the broader community, it also gives us the opportunity of more vocational training and create marketable job skills.

Mr. Starr: I know as a musician in Wailuku, I, you know, I was always looking for opportunities for music and, you know, kind of a music institute that becomes part of...part of that as well. And I know one of things that excites me about the potential project is to have a, an additional venue in terms of the upper deck...which becomes a big outdoor --. What? Yeah, of the parking. That becomes a big additional type of venue. Are you thinking on lines of being able to utilize that for big stuff?

Mr. Johnston: Yeah. And one of the, one of the talks and sketches was the, was to create a, kind of an amphitheater space there so you could close off for certain events Vineyard Street and just open that whole thing up, that whole plaza up to performance opportunities.

Mr. Starr: Yeah, I'm a denison of Broadway. I don't know if you know, I, I built a lot of the original sets for Miss Saigon. You know, installed the helicopter and did the chandeliers for the Phantom of the Opera, and just about all of the neon that existed in the Broadway shows and the marquee, so I kind of grew up with that. But I also understand that the theater and other entertainment uses function economically when in synergy. There has to be a few of them to, to draw people. And a lot of times if there's two or three things happening, then they're all successful. And if there's one, or there's two that are competing against each other, it's less so.

Mr. Johnston: That's the idea is creating that arts core, they're there -- where there's multiple activities going on, and it's mutually supportive.

Mr. Burke: Yeah, and, and it's amazing. We're so fortunate. I mean, you know . . . (inaudible). . . musician, there's such a huge talent base here on Maui. The challenge is the lack of space to provide the opportunities. I mean, think about musicians, actors, dancers, any number of the entertainment. The more venues are available, the more programming we'll be able to do for the community.

Mr. Johnston: Just as quick side note in the future years as soon as it's available again for, for amateur production, I may want your services for the chandeliers.

Mr. Starr: Well, I don't have my cranes and stuff. What, what...one question. Operating in...in the MACC, I know I've heard that becomes financially a real challenge to put on a big show. You know, you mentioned a, I guess, I'm not sure if it was gross sales of around \$150,000. I mean was that...did that work out financially? Could you talk a little bit about how that, that worked in dollars?

Mr. Johnston: Sure. It's really, it's really tricky, I mean, because it is a, it's a huge expense. We budget usually in the neighborhood of \$200,000 for expenses for those productions, so all of our -- what we have to do is raise that money through tickets sales and any other fundraising projects that we do. So we do have a big fundraiser specifically for that show which generates us somewhere in the neighborhood of \$40,000, \$50,000, \$55,000. But the rest is all covered through the ticket sales. And then we get into the issue of having to price the tickets to be able to cover the expenses but not the prices us out of the market for Maui. So it's, it's a real tricky operation there. We've been very fortunate with both shows. Les Mis, of course, had a bigger

name and much bigger draw, so did a little bit better for us, in terms of numbers and things. But we've been able to, to come out okay on both of those productions, either breaking even or maybe just a little extra to carry away. They're aren't, they aren't huge, huge profits centers for us.

Mr. Starr: So, so what I think I hear is that there was each like about \$100,000 show, of which about \$75,000 ended up in the, in the facility?

Mr. Johnston: They're about \$200,000 shows.

Mr. Starr: Each, each one?

Mr. Johnston: Each one, yeah, and then, yeah, \$75,000 to \$80,000 stays with the facility.

Mr. Fujimoto: Any other questions?

Mr. Starr: Did Carol have any questions?

Ms. Wade: Carol Ball had e-mailed in a few questions. I sent her your presentation in advance, but everything that she asked was covered. The only thing that she asked that didn't get covered which I don't know how you would know this now, but was what are your parking needs going to be? And I -- you know, that kind of fits in to what we've been planning with the larger parking facility. She did ask how much of the \$2.2 million would you be willing to commit to the future site if you know that, you know, of the value of the existing building.

Mr. Johnston: It would -- we would commit all of it, yeah.

Mr. Burke: And I guess as a follow on to that, part of what I think helps from a parking perspective is if it's people who we want to stay in Wailuku when they're bringing their kids to the academy programming, there's incremental revenue helping offset some of the costs of what would be involved in parking. And then obviously in terms of evening programming, the great thing is it goes against with the traffic pattern currently is. So our goal would be to drive traffic where there's incremental revenue to offset cost, and, or to drive traffic when there isn't a parking issue to begin with.

Ms. Wade: Could I just add, approximately what time do the kids start arriving for activities in the afternoon?

Mr. Burke: About three o'clock. And then it typically it runs until -- our last class ends as late as 8:45 p.m., 9:00 p.m.

Mr. Johnston: And rehearsals go till 9:30 p.m., 10:00 p.m. And it's pretty much -- it's six solid days a week, and there are activities on Sundays also.

Ms. Wade: Well, that gives me an indication we might want to start monitoring the municipal lot now around like 2:30 p.m. to 4:00 p.m. time and finding out what the, you know, the availability

of stalls is. I know, I go get coffee almost everyday about 3:00 p.m. and I walk directly through that. And so that's kind of the time there is a transition in that flow, but maybe more formalize monitoring to -- it there's an influx at that time. Because what I normally experience is the parents are dropping off and then driving away, right? So you're not having those parents park today. The students walk, right, I've seen the students walk around quite a bit. But nobody comes -- very few people are coming and staying where we would want that as an opportunity. So, thank you for that.

Mr. Fujimoto: Anything else? Jonathan?

Mr. Starr: I would like to know what...would be a reasonable expectation...to have if everyone works together to help get this built and it's tailored built for MAPA that there will be a...long term presence if the longevity is assured for x-number of years. I think the biggest fear would be that it happens, it gets built, and then MAPA goes through a down cycle or, you know...organizations do that and then it ends up being a blight instead of a great attraction.

Mr. Burke: Yeah, I can speak directly to that from when I joined the staff. When I joined the staff, I was on staff for a couple of year as the Director of Operations and Marketing. And one of the first things I wanted to know was really the economic history and viability of the organization. So I went back and I actually did research, primary research about what happened during the recession. You know, we were looking at one of the biggest down turns, and then at that point, I think, David and the staff were anticipating that there was going to be a significant drop off in the academy enrollments. What we found was actually the reverse that even in the face of the recession people still were committing to the activities for their children. And one of the main things that really was the main state for MAPA during the downturn was the growth of the academy program. Had it not been for the fact that David and the Board at that point had the vision to purchase that building and have the space to grow the academy it would have been much more challenging. The academy is what has continued to grow exponentially over time. One of the things I looked at was the average profit and loss of arts and humanities and non-profits during the recession. And the average non-profits lost about 20% of its revenue base during that three year period. This was going back from 2002 to 2005. MAPA declined by 2% versus 20%. So in essence, even during one of the worst recessions we've seen when non-profits were shuttering their doors, MAPA pretty much managed to stay break even.

Mr. Starr: I mean I know it's -- I know how long and how successful it's been going. I used to be a frequent...audience member in Puunene . . . Joel August and a lot of great performances back then. I just think that part of the business plan should be something to help create a feeling that there is going to be continuity. And perhaps a mechanism for that might be...out of, you know, the property sales from the Main Street location, an endowment that could...cover the not in good times and bad, and I would think that would probably help the organization as well, rather than just...plugging all the cash into...into program or facility and then be dependent on...on the operations and the economy.

Mr. Burke: Yeah, I'm glad you say that. We actually we have a very robust finance committee, and one of the things we've done over the past four years was aggressively look to retire debt.

So extensively other than the note on the building, the organization is debt free. We have revolving line of credit that we use for seasonal liquidity needs. But there's a real intentionality behind saying if we're going to seriously entertain the long term vision for capital campaign, we want the organization to be unencumbered in terms of debt. And above and beyond that, you're exactly right. One of things we've talked about is how do you build a sufficient endowment that, you know, you can cover operating costs on an ongoing basis.

Mr. Starr: Yeah, I think that would really create a credibility and a lot of solace to those who are saying a long term commitment made on...on helping to build it.

Mr. Johnston: Just an additional note to that end, several years ago, we made the decision to bring on a permanent development director and AV, so we've, we've got a very highly qualified and very confident person in there. And part of the plan in going forward is to develop the kinds of planning, gift giving programs that will allow us to create those opportunities for endowment, so we're on the same, same page with you and we're slowly evolving that.

Mr. Fujimoto: Okay. Thank you very much. Oh, I'm sorry.

Dr. Virginia Cantorna: May I ask a question?

Mr. Fujimoto: Sure.

Dr. Cantorna: This is for Mr. Starr. I'm curious if we answered your questions about --. I'm curious if we answered your question about the financial relationship between MAPA and the MACC, and...and your thoughts about that and perhaps about the formula wherein much of our \$200,000 show, much of the intake does go to the MACC. So I'm just curious about your, your thoughts on that.

Mr. Starr: Well, I love the MACC. You know, I'm a, I'm a contributor. I also know it's, you know, it's a high, high overhead facility, and, you know, it might be in a perfect world, MACC would be hosting MAPA or like program. And I think that was, you know, maybe some of the original intent. I mean, I'm really happy to have it in Wailuku, and I'm really happy to, you know, see it happen. I'm a little concerned over the potential of creating another high overhead venue that becomes too expensive for a lot of type of performances to...to utilize. And I don't really -- I haven't had any direct experience with the numbers, you know, of operating a theater. But I know it's a daunting task.

Mr. Burke: I'm actually glad you say that because that's one of the things we spend a lot of time talking to Erin about is, you know, what's the nature of the relationship between MAPA and any other arts organization and the MACC. And the answer is they're very complimentary. That the reality is that there are certain shows like a Les Mis, like a Miss Saigon, but to truly to do them right you have to do them at a venue like the MACC. And we will continue, even with a facility like this, to bring those shows to the MACC. And interestingly, you know, we are one the MACC's biggest repeat customers. This year, we will do four shows at the MACC because we had our big show, like, Miss Saigon. We have our annual Spring Recital. We did Nutcracker Sweets. And, you know, so, so we're there probably more than any repeat organization. So

we'll always going to use that facility for those types of shows. The theater that's envisioned for this venue is really more of a 350 seat black box theater where it's much easier to make a return on investment for the show because you don't have to sell. For example, for a MACC show, we have to conservatively sell at least 6,000 tickets to make sure we covered just the net amounting the show. So the notion would be to build a facility that compliments what's at the MACC rather than competes with it, and allows us to serve the community where we know that we can fill that house without it being an undue burden. And particularly since the academy program is so robust, a significant percentage of the square footage would be dedicated to academy programming.

Mr. Johnston: . . . (inaudible) . . .

Mr. Burke: I was thinking 6,000 seats. So 60%? Okay, do you want to -- so we get it on record. . . (inaudible) . . .

Mr. Johnston: Yeah, let me explain. You know, what we budget at for the shows there is, is 60%, selling 60% of the house for the running of the show. So that -- I can't -- it's a 1,200 seat house basically, so whatever 60% of that is. It's usually somewhere in the neighborhood of \$4,000 to \$4,500. It's in that.

Mr. Starr: That's looking at...what is that four shows?

Mr. Johnston: When we go in there, we do, we do six shows over two weekends. Yeah. Yeah. And that's one of the things too, it's hard to get that space at the MACC, to do an extended run like that. But we found on this island that in order to get an audience you have a lot of word of mouth so that second weekend it becomes super important. We use to go in and do one weekend and pray that we would get the audience, and it also just about killed us to do it, so, yeah, it gives us a little breathing room.

Mr. Starr: You know, kind of to wrap up, I think what you're taking on your shoulders is a noble task, but it's a very large task because I think to be successful you're going to have to really create and flourish the culture that Maui is a place for arts performance. And it's going to have to be strong enough to not only build your own organization but also to build, you know, help build the MACC and help build Maui On Stage and Iao Theater and then something in Lahaina if you're talking about doing that. I think that's a, a noble task. It's a very, a very, very large task and I really hope it happens because...we and future generations will see nothing but benefits if you're able to succeed.

Mr. Johnston: Thank you.

Mr. Fujimoto: Thank you.

Mr. Johnston: Thank you very much.

Mr. Fujimoto: We look forward to any future updates.

Mr. Johnston: Sure. We'll be glad to.

Mr. Starr: Do we need any action or –

Mr. Fujimoto: For information.

Ms. Wade: Yes, the point was, you know, as they are correct. After the Market Based Plan was done, and the recommendation was to expand the dining and entertainment district, I sort of pulled a group of folks together from the arts community and we were talking about something more like an art at . . . (inaudible) . . . kind of a facility. And then it quickly to came like that wasn't going to -- there was no way that that was going to come together. And then I started showing up at David's office, going, why are you going to the Tropical Plantation. Is there something we can do to, you know, keep you in Wailuku? And then we just occasionally checked in on each other, and where the plans are headed. So I wanted to make sure that even though I've talked with David all this time, and now we're starting to talk bigger and with more people that you guys heard the whole back stories I've already heard, and that you had the opportunity to ask some of the questions that, you know, over the past few years, I've been asking. And you had a whole lot more too so that was great.

Mr. Starr: A great presentation. Thank you.

Mr. Burke: Thank you for your time.

Dr. Cantorna: May I say something? I guess what we really want to know . . . (inaudible) . . . We'd really like to ask for your consent in, in partnering with you so that we can go for the grant that David described.

Mr. Starr: I don't know if we have that authority. If we do I'd be all for it. Let's put...let's put our Corp Counsel Deputy whose paying rapt attention on the spot.

Mr. Michael Hopper: If you're going to do something, I don't know of the MRA being able to do that. I think the County of Maui itself, through the Mayor, and, and perhaps the Council action would need to be aware of something like that. It would be a co-applicant on a grant. I think that's something that would need to be reflected in the County's budget as well. I think we need to look at that more. Certainly this meeting, that's not an action that I think could be taken, or could the MRA do that without...without involving the actual, you know, the County. Because the County Charter talks about who has the authority to enter into contracts and things like that. If the Council had authorized it through the budget or something like that, maybe. Then we could look at that as further action because you do have a budget authorized in the -- you have a budget authorized by the Council. So those would be potential issues. And of course, not knowing exactly what all the terms of the co-application would be, that would definitely, at the very least, need to be reviewed and approved.

Mr. Starr: Mr. Chair, would a motion of an expression of support from the MRA be in order?

Dr. Cantorna: That would be lovely.

Mr. Hopper: I mean, it wouldn't be binding on the County, but it could be a statement that you make as a, as a Board.

Mr. Starr: Okay, Mr. Chair, I move that the Maui Redevelopment Agency express our support for the...the concept of...of MAPA's plans, the -- what is the grant called? The Our Town Grant proposal and theater in Wailuku in general.

Mr. Fujimoto: Is there a second?

Mr. Fairbanks: I second the motion.

Mr. Fujimoto: All in favor say aye? Aye. Motion passes.

It was moved by Mr. Jonathan Starr, seconded by Mr. Thomas Fairbanks III, then unanimously

VOTED: to express support to MAPA's concept, the Our Town Grant proposal, and theater in Wailuku, in general.

Assenting: T. Fairbanks, D. Fujimoto, J. Starr

Excused: C. Ball, B. Mitchell

Dr. Cantorna: Thank you so very much.

Mr. Starr: And I wish we could do more at this time.

Dr. Cantorna: Thank you.

Mr. Fujimoto: Onward. Oh, I'm sorry. Yeah, sure. Thank you.

Mr. Fairbanks: Thank you very much.

Mr. Burke: Have a good weekend.

Mr. Starr: Can, can we recess to take a minute or two to take a stretch?

Mr. Fujimoto: Yeah, five minute recess. 10 minutes? Five.

(The Maui Redevelopment Agency recessed at approximately 2:17 p.m. and reconvened at approximately 2:23 p.m.)

2. Discussion on concept of creating a Community Development Corporation for the purpose of redevelopment as discussed in the Wailuku

Redevelopment Area Market Based Plan (2010).

Ms. Wade: Okay, the second item of new business, discussion on the concept of creating a Community Development Corporation for the purpose of redevelopment as discussed in the Wailuku Redevelopment Area Market Based Plan. Bill and Jonathan requested this, so maybe I'll let you explain a little bit about why.

Mr. Starr: Looking at some of the functions that will need to be served if we really can move Wailuku to real redevelopment status, and replacing infrastructure and streetscapes and programs to maintain it. It appears as though those...those towns and part of towns that have been truly successful have utilized the tools of either community development corporations or business improvement districts or CDCs. There are number of other things. I forget what they call them in Chicago, the neighborhood...groups. And they are entities that are generally 501(c)3 or similar type organizations. And a lot of times the boards are made up of community members, property owners, some governmental people typically, you know, Director of Public Works or, or something like that, and they're able to raise money, they're able spend money a lot easier than a direct governmental entity which is what we are. We're basically a branch of County government, and currently, the Department of Planning. So, I know one of the top recommendations from the Market Based Plan was to move into an organization like that which is in someways, at least socially cross...cross connected with, with the MRA, but doesn't have the constraints of being part of government. And in a redevelopment area that's achieving success, there are quite a few tools that can be utilized for doing programs like the Clean and Safe, or for doing major infrastructure, you know, TIFF which we're not quite ready to implement here but might be something we might in the future want...want to implement or for property owners to...contribute to...the function of improving the streetscapes, planting flowers and whatever. And this is probably the direction we will need to head if we want to have greater success. The MRA can continue to do that which is directly in the purview of a, of a government agency in terms of zoning and...and so on. But, my understanding is we should or we might want to move in the direction of helping create and support the framework for this organization that overtime will, will become an entity that can do a lot of the heavy lifting. And I think Erin can probably express this better and with more clarity than I have, so –

Ms. Wade: Well, I'm glad you gave the background. I've worked with about 17 downtowns in the past, and ranging from like a 5,000 person town downtown which had only a downtown development authority to quite a bit larger downtowns that had both the downtown development authority which is our version of the redevelopment authority, and a private sector entity that was, you know, not for profit, 501(c)3, with...most often frankly it was a Main Street organization set up like the national Main Street structure to be the partner, but functioning as a community development partner. But in a lot of cases and when the Market Based Plan was done, they evaluated a handful of different comparable community development corporations that we could use. It was a little challenging at the time when we had an existing Main Street Association that didn't really want to really fill the roll of being an actual community development corp. So now that it's just the Redevelopment Agency and then we have the Community Association, partnering becomes cleaner and more collaborative in terms of the opportunities out there.

Generally in my experience the work for a downtown, the conversational level planning and visioning and programming and all those kind of things happen at the CDC level. And then the MRA becomes more an action agenda where there's contracts to approve, there's permits and projects to approve, and that kind of a thing. But there doesn't need to be -- you know, this kind of a presentation would have occurred with MAPA at the CDC level, and then the package would have been proposed to the MRA, and the MRA approves kind of a path. So that people who are really interested or passionate about certain areas, whether it be parking, or clean and safe, or the economic revitalization, can participate in the committees of a development corporation. And then those recommendations get passed up to the MRA for funding and action. That's generally how it works. And because the activity of redevelopment is...requires so much flexibility, you know -- and readiness to kind of jump that opportunity and also to change direction when you see something, and the market place has changed because it is changing all the time. Having a partner that isn't tied to...you know, the noticing requirements, the public hearing process and all that just for the more conversational types of things, is a whole lot easier in terms forward progression.

So...I, I think I passed out to you what was -- or included in your packets what was drafted as part of the Market Based Plan, and then happy to, if you have questions, I might not be able to answer them all today, but to be able to take those back and even provide more information to you at the next meeting. And certainly the structure that was envisioned in 2010 wouldn't be relevant today, but that, I think it's clear we can adjust that pretty easily.

Mr. Fujimoto: Any other comments? I have a comment. I don't know, maybe you should research this stuff and then come up maybe we can do like a working session with everybody, you know, whoever. I guess, on this it says County, us and...I guess, somebody else who takes the places of Wailuku Main Street...but interested parties, and then --. So, sort of set the parameters and seek interest or...you know, we can move on from there right? And that can fold into the task force or whatever it is. Initially it's a working workshop kind of setting where you can introduce the concept and...kind of move on from there. You know that -- I mean...whenever, whenever you're ready. We could bring it up before the full board when everybody's here and see what everybody says. But, in the mean time, you know, maybe work at it from that side. Jonathan?

Mr. Starr: I know, I'm a little bit reluctant...at the idea of having to create a completely new non-profit organization with a new cast of characters to -- you feel a need or a vacuum because, you know, it's just sometimes having more than, more organizations than you need you end up kind of shooting yourself in the foot.

Mr. Fujimoto: Right. Yeah, so that's why I said, you know, we kind of figure out where we want to go and then maybe if set up a workshop and or whatever it is.

Mr. Starr: I know, you know, for discussion purposes -- and I'm glad to see Yuki Lei Sugimura is here -- you know, we, we had knocked around the idea of Wailuku Community Association kind of filling that role. You know, because, theoretically it could but it would have to broaden its own scope and be willing to do, you know, kind of more far ranging thing. I know my preference would be to, you know, adapt that or another existing organization to do it rather

than to have to kind of have to start.

Mr. Fujimoto: That's, that's fine. But, you know, I mean, we need to get started somewhere.

Mr. Starr: I mean, I'm happy to get some ideas and, you know, listen, listen to Erin's suggestions and maybe even do a conference call with Brad and then come back with that in a workshop format and try to get some more of the Market Street folks and community association folks to come in an informal workshop setting.

Mr. Fujimoto: Okay.

Ms. Yuki Lei Sugimura: I'm Yuki Sugimura. So I'm very interested in this because I think this is a very important next step for Wailuku. So I'm curious just structure. I'm mean, I understand the MRA, and I understand because it's County of Maui there's restrictions as it pertains to government. And if the CDC is to work and inclusive, I like the idea of bringing -- I mean, activating really the Wailuku Community Association because it's really now a small merchants. It's a very small group. But it needs -- it could do a lot, you know, in terms --. And it's an existing organization and I don't think we need to start, you know, creating a whole another. But how does that fit into the CDC? I mean, can it be the CDC or --? Because the CDC is just the name and then the active part would be the WCA?

Ms. Wade: Well, we talked about this a little bit in Saedene's office. The challenge of morphing WCA is they would have to adjust their mission a little bit. So right now, it's 96793, you know, we talked about, and they would have to be more Wailuku town focused. And...you know, be willing also to take on the accounting, the staffing, the programming, all of the things essentially that fulfill the mission of the redevelopment plan. So, they're sort of your action body, and if --. And if the WCA -- and I don't know, you know, I'm not real familiar with the mission statements and the bi-laws and things like that, but you would want to make that adjusted so that it can do, you know, the functions of a normal Community Development Corporation do. But it's certainly possible and legal to adjust those things.

Mr. Starr: Let me comment a little bit because we form the Wailuku Community Association in my office, and Helen and I actually paid for the 501(c)3 and, you know, got...got it going and a few of us...either Rippy -- I'm trying to remember who else was there at the time -- wrote the --

Ms. Sugimura: Lloyd Poelman.

Mr. Starr: What?

Ms. Sugimura: Remember Lloyd Poelman was our . . . (inaudible) . . .

Mr. Starr: Yeah, Lloyd Poelman. Yeah.

Ms. Sugimura: He's now a judge.

Mr. Starr: Yeah, you know, we wrote the mission statement and we were just kind of pulling stuff

out of thin air. You know, and it was like, what should be our purview, and you know, 96793 sounded like a good idea, you know, but it was just, you know, kind of something to get it started, you know. I'm wondering whether it's possible for a...an entity -- and I don't think it matters so much what's called -- to be able to have say a dual function where it can serve as a, you know, more of kind of a community association over an area. And the community association basically serves mostly the residents, and it can serve as a merchant association of the business streets. And then it may -- it also has a function, you know, more of, kind of a business type function as a CDC or...or a business improvement district. I'm wondering is that an unusual concept to try to fulfill a few different levels of stuff? Because I'd hate to have a lot of organizations because ultimately they're going to conflict with each other.

Ms. Wade: Right. Having a residence sort of community association has a really different priority set than having -- than focusing of a business district. And if you are eventually intending to add in the tool of using a business improvement district -- it should be fundraising mechanism -- it has legal requirements for how you set that up also. So, because that board becomes the controller of those funds and things and those funds are funneled through the County's system. So that -- it -- it's definitely more complicated if you would retain also the role of serving the residential community. If anybody knows how to do it it's Brad. I mean -- and if it's been done before he'll know how. So we could certainly ask the question.

Mr. Starr: And I -- you know the other kind of question is...it's been a while since I've on the board or even attended a board meeting of the Wailuku Community Association...and I'm wondering if it isn't already serving kind of the urban business type function rather than what a classic community association does now. Yuki Lei could you...comment on that? I mean, does it -- you know what it's like . . . (inaudible) . . .

Ms. Sugimura: I think I know what you're asking. So, I'm not sure because I'm not on the board either, but I was just looking that the WCA is an entity that's there and maybe it's something we can look at. I know that when it was originally set up it was 96793 because we wanted it to be for everybody. But I hear what Erin is saying that, you know, something that's as gray and cloudy as it is -- and I think this looks gray and cloudy so it probably needs to be cleaned up so that it can serve the purpose that would fit this and maybe, maybe it's not the WCA. You know, if WCA is too ingrained in being the bigger than 96793 well, it, it can, and then maybe we just need to have another cleaner focus for, you know, to, to serve this purpose.

Mr. Starr: Or maybe there's a willingness to change the name and, and name, name of WCA and the, you know, kind of the Charter of it to serve this function if that's what...the membership...and feels consistent with what's actually happening. Maybe it really isn't a community association. Maybe an urban doesn't really need to be there.

Ms. Sugimura: It really is. I think it's more focused on doing that than, than the name exists. Because they don't, they don't take plans. Nobody does assessments, you know, the way a Main Street organization may have done in the past. I don't think so. But...

Mr. Fujimoto: So can we leave it up to Erin? To come up with the parameters and then maybe we can talk about it the next time?

Ms. Wade: Yeah, maybe what we could do, I mean, because Brad came earlier in the Spring, last Spring, is tell him, you know, now we're, we're kind of getting serious about an organizational structure that's going to allow us to implement some of the recommendations, given that some changes have occurred and we have this existing community association, can you provide us some guidance? Because what he did say is one of, at least one of the towns that he suggested we look at as a comparable has since they've morphed their organizations since too so. If we -- we'll maybe talk with him and then come back and, and set up what -- because what I'd like to talk with him about is if we were going to set up a work session like you're suggesting, kind of run me through what an agenda should look like for that. You know, what should we make sure to cover in terms of bringing everybody into the tent and making sure that we're not leaving folks out that want to be involved, but also that we have the right people who are -- who could participate too. So if we did that and then came back to you for a recommendation then. Obviously if there's more than two of you folks going to be there it still going to have to be a regularly agendized MRA meeting.

Mr. Fujimoto: That's fine. OK. Budget?

F. BUDGET (attached)

Ms. Wade: Budget. So that was included in your packet and posted with the agenda as suggested by Corp Counsel. The one of the contracts which was on your last budget that doesn't show up on this one is the Maui Nui Botanical Gardens. It's only because they, they have an annual billing. They just bill us one time and that didn't get paid yet, so unfortunately that still needs to be on there, which is a \$2,300 total, which brings your total of remaining funds from \$6,400 down a little bit more, to just \$4,100 is your actual total there.

Mr. Fujimoto: Okay.

Mr. Starr: Could you explain to me what that -- what Maui Nui Botanical does? I, I just don't know.

Ms. Wade: Yes. So they maintain the planters, both the ones down Market Street and the ones that flank the sidewalk between the Lao Theater and the...and the restrooms. And then they maintain the whole irrigation system for the street so as batteries run out of timer switches and stuff, they come take care of all that for us.

Mr. Starr: So these are planters in, in, in Wailuku town and not just adding to our funds?

Ms. Wade: Oh, no. No, no, no. They're doing our streetscape maintenance basically. Yeah.

G. DIRECTOR'S REPORT

1. Open Application Report

Mr. Fujimoto: Okay. Director's Report.

Ms. Wade: Director's Report is it looks like Toma Drayson variance application is going to be able to move forward now, so you'll probably be -- you won't be seeing that next month because of the public hearing notice requirements, but the following month I'll bringing that to you.

H. NEXT MEETING DATE: February 27, 2014

Mr. Fujimoto: Okay. Next meeting date, February 27th. Any other announcements?

Ms. Wade: There's lots of new business in Wailuku. We should walk around some time soon. If you haven't been to Aria that's a great place to eat and there's lots, lots of new stuff to see.

I. ADJOURNMENT

Mr. Fujimoto: Motion to adjourn?

Mr. Starr: So move.

Mr. Fairbanks: I move that we adjourn the meeting.

Mr. Fujimoto: Second. Whatever, third. Meeting adjourned.

There being no further business brought forward to the Agency, the meeting was adjourned at approximately 2:47 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

Members Present:

Thomas Fairbanks III
Don Fujimoto, Vice-Chair
Jonathan Starr

Members Excused:

Carol Ball
William Mitchell, Chair

Others:

Michele McLean, Deputy Planning Director
Erin Wade, Small Town Planner
Michael Hopper, Deputy Corporation Counsel