

Infrastructure and Public Facilities Needs Assessment Project for Hawaii County

Ordinance Issues Stakeholder Workshops
March 8, 2006 – Kona
March 10, 2006 – Hilo

COMPILATION OF DATA

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Infrastructure and Public Facilities Needs Assessment (IPFNA) Project
March Stakeholder Workshops in Kona and Hilo
Compiled Data

The Dot Tally

KONA:

1. Are you in favor of establishing an impact fee system to benefit Hawaii County?

YES: 27

NO: 0

NOT SURE: 1- Benefits residents NOT County.

A. IF Are for County roads, parks, Fire, Police, Solid waste & Wastewater facilities.

AGREE: 24

DISAGREE: 1

SUGGESTIONS: 1

- Why not schools?
- Water flood channels, low-income housing, SK Police station, underground utilities.
- Plus cost of community planning process.
- Public Parking & public transportation

C. IF should be assessed at the time the building permit is issued.

AGREE: 30

DISAGREE: 1

SUGGESTIONS: 1

- The question is slanted,
- Developer should pay IF.

D. Developers who have paid fair share contributions or made in-kind contributions should have IF reduced or eliminated.

AGREE: 17

DISAGREE: 10

SUGGESTIONS:

- Not sure, too many “deals” have been made in the past

E. If developers dedicate land or make eligible improvements for IF facilities after the effective date of the ordinance they should be reimbursed from IF’s.

AGREE: 12

DISAGREE: 8

SUGGESTIONS: 1

- Up to Impact Fee amount only.

F. All fees should be calculated Countywide & be assessed with a uniform Countywide fee schedule.

AGREE: 14

DISAGREE: 5

SUGGESTIONS: 10

- Use sliding fee schedule based on value/ size
- Fees should be assessed by benefit district

G. Fees should be spent on the side of the island (west or east) in which they were collected (two benefit districts) Park fees should have five benefit districts (fig. 2)

AGREE: 22

DISAGREE: 11

SUGGESTIONS: 1

- Until infrastructure ‘equilibrium’ is reached between east and west sides then island wide uniform application
- What about north and south- 50% in one district, 50% in other districts

H. Rather than waive fees for affordable housing projects, the County should appropriate other funding to pay the impact fees for such projects.

AGREE: 17

DISAGREE: 1

SUGGESTIONS: 1

- “Affordable” doesn’t work, use “low income”

I. Single family fees should vary by the size of the dwelling unit to reduce the fees for smaller units

AGREE: 23

DISAGREE: 15

SUGGESTIONS:

- Also based on home value. To be based on number of occupants

K. Effective date of IF ordinance will be one year after the adoption date, during which fair share contributions would continue. Once ordinance is in effect, fees could be gradually increased.

AGREE: 11

DISAGREE: 13

SUGGESTIONS: 2

- Need longer time frame to incorporate new system

HILO:

1. Are you in favor of establishing an impact fee system to benefit Hawaii County? -

- Post workshop

YES: 12

NO: 2

2. Are you in favor of establishing an impact fee system to benefit Hawaii County?

- Pre workshop

YES: 25

NO: 1

NOT SURE: 11

A. IF Are for County roads, parks, Fire, Police, Solid waste & Wastewater facilities.

AGREE: 27

DISAGREE: 0

SUGGESTIONS:

- Public Transportation
- State roads
- Schools
- Public housing

C. IF should be assessed at the time the building permit is issued.

AGREE: 21

DISAGREE: 5

SUGGESTIONS: 1

- Grace period

D. Developers who have paid fair share contributions or made in-kind contributions should have IF reduced or eliminated.

AGREE: 20

DISAGREE: 2

SUGGESTIONS: 1

- Need to be paid the difference or be credited as such

E. If developers dedicate land or make eligible improvements for IF facilities after the effective date of the ordinance they should be reimbursed from IF's.

AGREE: 16

DISAGREE: 8

F. All fees should be calculated Countywide & be assessed with a uniform Countywide fee schedule.

AGREE: 20

DISAGREE: 7

G. Fees should be spent on the side of the island (west or east) in which they were collected (two benefit districts) Park fees should have five benefit districts (fig. 2)

AGREE: 10

DISAGREE: 17

SUGGESTIONS: 5

- Districts should be based on the system needs/ operations
- Have different districts for different infra/ services
- Ditto

H. Rather than waive fees for affordable housing projects, the County should appropriate other funding to pay the impact fees for such projects.

AGREE: 15

DISAGREE: 7

I. Single family fees should vary by the size of the dwelling unit to reduce the fees for smaller units

AGREE: 16

DISAGREE: 10

SUGGESTIONS:

-Based on zoning or number of bedrooms

K. Effective date of IF ordinance will be one year after the adoption date, during which fair share contributions would continue. Once ordinance is in effect, fees could be gradually increased.

AGREE: 14

DISAGREE: 3

SUGGESTIONS: 3

- This is 2 questions: I agree with part one, but not with part two.
- Option to have fees paid over a specific period of time (Use improvement districts)
- Depending on type of applicant; graduated

EVALUATION FORMS COMPILED

KONA:

1. Based on today's discussion, are you in favor of establishing an impact fee system to benefit the County of Hawaii?

Yes: 21 No: 2 Not sure: 1 Did not answer: 1 Other: 0

Comments:

- With some revisions to the report as it stands now

2. Did this Stakeholder Workshop provide you with helpful information to understand the County IPFNA Project?

Yes: 21 No: 1 Not sure: 0 Did not answer: 2 Other: 1

Comments:

- Not enough

3. Was the venue convenient and appropriate?

Yes: 13 No: 11 If not, why? Did not answer: 0 Other: 1

Comments:

- Ka'u resident.
- Bad traffic to/from site.
- Very noisy.
- A venue in Kailua-Kona would have been more convenient. Yano Hall was also very noisy (highway traffic).
- Hot and noisy room.
- Far too much noise and crowding.
- Not good for hearing! Noisy.
- 40 miles one way?
- It was help during normal working hours making it difficult to attend for me and impossible for many others. Also, geographically, having one in the north and one in the south would have been more convenient and more people could have attended from those regions.
- Too noisy, too little time. Wrong place, wrong time, not big enough.
- Too noisy outside, otherwise okay.
- Marginal for driving distance.
- Too far from Kailua and noisy!

4. Is there any Impact Fee-related terminology that you do not understand or need further clarification on?

- Priority 1 and 2 improvements – these could be spelled out (or be required to be spelled out) in conjunction with adoption of the ordinance.
- Most of it was clear.
- H...”Appropriate other funding to pay the impact fee for such projects.”
 - Affordable housing mean income of \$52,000 is not affordable most low income workers make less than \$20,000.
- Yes, (H) affordable Housing Project
 - Multi units
 - Define more, etc.
 - Single-family low income housing
 - AHP Elderly individuals with limited government fund or income earned.
- Per law, impact fees will be based on existing facility levels but West Hawaii area levels are so poor...how can we ever expect equity of facilities and still pay the...share of taxes all the while?
- All impact fees should be embarked to a special fund infrastructure. Money or fees cannot be borrowed or used for any other purposes.
- Use of “affordable housing” terminology doesn’t work and the federal formula doesn’t work. We need “low income housing (rentals and for sale).”

5. How could we have improved this Stakeholder Workshop?

- Larger room so tables not so close. We had to shout to hear over the other table.
 - Larger screen or closer so back of the room could read smaller print.
 - Have runners to take questions to be answered instead of having to wait till someone came to out table.
- General Q&A time so group could benefit from discussions at other tables.
- Hold in a room that provides more quiet for each group.
- Facilitators should have had training and notification earlier and been in the budget. We want more respect and prep time!
- Quiet environment and more time.
- Different location.
- Impact Fees should not into the general fund. Should be assigned to the benefit district.
 - Facility too noisy.
- Less participation by consultants at our table, have a runner to them if info needed, who comes back with a concise answer. This gives us more time. Also, for each issue to first state what the issue is [re?] what’s wrong with today’s fair assessment fee system? So we know in what light to look at the proposed answers!
- More time, less confusing. Better notice/advance newspaper info, larger meeting room/quiet environment, held in evening so more residents could attend.
- Uncertain. It was well organized.
- It was a good workshop but subject is very complicated for even this amount of time. Thanks for doing it! Thoughtful process.
- Given the “rules of engagement” beforehand. Ex: 1.) express ? 2.) discussion 3.) consensus of group.
- Two more workshops
- The “Dot” process good except it was missing input from group discussion.

- Page 7 of policy analogies; HRS46-146 “If shall...preceded”...but as usual corp. counsel interprets “shall” as “may” (discretionary).
 - Continue to dialog. Everyone needs more education on issue.
-

HILO:

1. Based on today’s discussion, are you in favor of establishing an impact fee system to benefit the County of Hawaii?

Yes: 17 No: 1 Not sure: 5 Did not answer: 2 Other: 3

Comments:

- Still depends how commercial/industrial developments are treated.
- Need much more work re: rational nexus.
- Will support impact fee if it:
 - Complies with statute
 - Meets requirement of needs assessment study
 - Must be predictable
 - Must be reasonable, fair share and proportionate
 - Must show nexus
 - Must stay in the “region”/”community” that contributions are made contribution district = benefit district
 - Impact fees should be supplemented by other government-funding source thereby making fee reasonable
 - Must have an implementation plan
- Much more research necessary and time to incorporate PCDDP into this concept.
- Yes, generally. Not sure about the details.
- Yes, but not sure nexus and fair share still uncertain benefit districts. (?)

2. Did this Stakeholder Workshop provide you with helpful information to understand the County IPFNA Project?

Yes: 27 No: 0 Not sure: 0 Did not answer: 1 Other: 0

3. Was the venue convenient and appropriate?

Yes: 26 No: 1 If not, why? Did not answer: 1 Other: 0

- 35 min. one way

Comments:

- Too noisy
- Not enough parking!

4. Is there any Impact Fee-related terminology that you do not understand or need further clarification on? No: 3

- I learned many new terms today – Thank you!
- Effect of impact fees on commercial areas! I'm particularly concerned about downtown Hilo which is under onerous development regulations, has plans (sanctioned by resolution of envision Downtown Hilo 2025) to develop "2ns floor living" and is seriously/strongly considering a B.I.D.
- Has been explained
- Not exactly sure how impact fees differ from fair share.

5. How could we have improved this Stakeholder Workshop?

- This issue needs to be related to the larger issues of service level needs, maintenance and support cost/funding, and system needs and operations.
- More time is needed- issues are too critical
 - Better explanation/clarification re: COH/Public Sector contribution
 - Clarify nexus between CDP/General Plan and Impact Fee
 - Process- consultants told us that the Impact Fee process (analysis) is not a planning based process.
- A connection with CDP planning process would help some of us participating in both, but would help in "wrapping minds" around the topics/issues that need addressing so impact fees could be implemented.
- A little more clarity in Q/A section (materials)
 - Ex: Using bullets, rather than imbedded info
 - Ex: Proofing carefully (alph) and being consistent with presentation slides, etc.
- Clarify what types of development will pay such fees before the issue of waivers is discussed.
- More time
- Better explain the methodology (maintain existing level of service) as opposed o methodology used on Oahu for the Ewa example. Why is it better?
- Seminar was positive. However, questionnaire seems so focused, why even bring up the other points if that isn't going to be really discussed?
- It was well don't/informative. I felt like the idea of impact fees on commercial development or redevelopment was purposely moved under the rug.
- Clarify commercial and residential I.T.
- I thought it worked really well. Thanks!
- More publicity about it. I wouldn't have known I could participate.
- More discussion on cost recovery. How COH island wide impact fee compares with Ewa highway impact fee on Oahu.
- Should have responded to participant [questions] before doing small group discussions.
 - Should have allowed "comments" to be incorporated as part of feed back in addition to adding solutions and voting on solutions.

KONA:

ISSUE A: TYPES OF FEES

Kona Group 2

Summary of discussion: Is there a better method to supply water to those who do not have access except catchment? Can impact fees remedy this if charter were changed, or what could be done? Agree that we need the fees. Would like to include water but we don't know how.
FINAL POLL: Group checked "Yes" but no number of how many polled. Would like to include water (see above)

Kona Group 4

Summary of discussion: Can Impact Fees cover public buildings? Can we include water systems in the Impact Fees? Impact Fees to cover new flood channels and flooding issues? Parking lots? Underground utilities? But lots of options discussed we had a different idea about covering flooding. (Did not do Poll)

ISSUE B: EXISTING LOTS OF RECORD

Kona Group 1

Summary of discussion: Why exclude Puna and Ka`u- they are lacking in infrastructure and should be included. We agree they **SHOULD BE INCLUDED**. We agree possibly have a share cost with County for low-income owner.
Option 5: Treat everyone equally, with some subsidy to low-income homebuilder on single-family lots. One year to implement – grace period during which time fair share assessment would still apply.
FINAL POLL: Zero for Options 1 – 4. No written number on poll on Option 5 except as noted in discussion above.

Kona Group 2

Summary of discussion: Discussion of existing lots and how to assess them. There is a consensus that we decide to add #5 that all existing lots should be assessed an impact fee to be collected at the time of pulling building permit.
Option 5: We have a consensus that we want to add alternative #5. All existing lots should be assessed an impact fee to be collected at time of pulling building permit. (Did not do Poll)

Kona Group 3

Summary of discussion: Puna & Ka`u don't have service? If not going assess fees in Puna & Kau where is money coming from? If more lots zoned than houses #1 without paying fee (if #1) double. Why shouldn't everyone pay? What affect on affordable housing does everyone pays have? How can we assess three options without knowing what is wrong with current system? Are these options mutually exclusive? No rationale for exempting.
Option 5: Fees same across the line. All new buildings pay impact fees. Adjustment for lower income. Progressive schedule.
Option 6: Existing lots of record with existing owners of record with a grace period of 2-5 years to build without impact fee.

FINAL POLL: 3 for Option 5; 1 for Option 6

Kona Group 4

Summary of discussion: Exclude Ka`u and Puna means no services. Reject #4

Why is there no option #5 that says we charge full fees for development? Why would Puna and Ka`u be excluded? The poor should not have to pay impact fees for their housing. This fits in at time of permits.

Option 5: We charge full fees to everyone (residence, commercial, industrial, multi-family) at building permit level.

FINAL POLL: Zero for Options 1, 2 and 4. 1 for Option 3; 4 for Option 5.

Kona Group 5

Summary of discussion: Most of the group felt that the unintended consequences associated with an exemption or exemption period would create negative impacts. Most of the group voted to have NO exemption. Most of the group would like to have the no exemption approach coupled with a sliding scale based upon the size (square footage) of the residence. Questions arose as to what was included in the counted lots (were ag. lots included?). A question was raised as to whether social engineering was behind the impact fee policy.

Option 5:

- a. No exemption for existing lots, but provide a sliding scale based upon home size (Sq. Ftge.)
- b. No exemption and no sliding scale

FINAL POLL: Zero for Options 1, 2 and 4; 2 for Option 3; 6 for Option 5a; 3 for Option 5b

Kona Group 6

Summary of discussion: What is the magic of a 5-year period? What is the nexus?

Does 2-5 year period provide an advantage to developers vs. local residents?

Option 5: Bonafide farm dwelling (2nd house for workers) should be exempt and not give time advantage to big any developer over local residents.

FINAL POLL: As written: Option 1 No Option 2 No Option 3 Mixed Option 4 unconstitutional best if can include option 5

ISSUE C: TIME OF COLLECTION

Kona Group 1

Summary of discussion: When fees collected

- a) Agree with recommendations collect at time of building permit.
- b) Will impact fees lead to more non-permitted (illegal) construction
- c) More site inspections for illegal buildings to collect impact fees/taxes

(No "FINAL POLL" printed on worksheet) Group checked "Yes" and noted "with above recommendations"

ISSUE D: PRE-ORDINANCE CREDITS

Kona Group 4

No reimbursement of fees? If the fair share is less than the impact fee does the developer get charged more?

FINAL POLL: Confusing question.

ISSUE E: ORDINANCE REIMBURSEMENTS

Kona Group 5

Summary of discussion: Question/Comment was made that while the proposed (Raleigh) approach may be easier for administration, but it may not be fair to the developer. Comments were made as to the benefits of the CFD process, including fairness to the developer and spreading out the impacts of fees on residents. Adjustments should be made under the Raleigh approach for the time value of money.

FINAL POLL: No Vote.

Kona Group 6

Summary of discussion: After ordinance date, why should developers who paid for eligible improvements be reimbursed from impact fees? Developers should be exempt.

(No "FINAL POLL" printed on that particular section of worksheet) Group noted: needs clarification

ISSUE F: ASSESSMENT DISTRICTS

Kona Group 5

Summary of discussion: May be unfair if same schedule used around the island. (recorder drew arrow with this noted to point to underneath "Final Poll")

FINAL POLL: 4 Yes; 3 No

ISSUE G: BENEFIT DISTRICTS

Kona Group 1

Summary of discussion: We agree that there should be 9 districts.

The majority of fees kept in their respective districts, with just a % to island-wide fund rather than split East/ West.

FINAL POLL: Group checked "No" but no number of how many polled. Responded to "If NO, how many?" with: 9 as noted above

Kona Group 2

Summary of discussion: Divide into East-West first, then after a period of 2 years perform a mandatory review to determine if this is a fair and workable plan.

(Did not do poll)

Kona Group 3

Summary of discussion: Benefits should be based on needs. How does benefits district help? Puna & Ka`u will be isolated.

FINAL POLL: [ALICE NOTES: this is confusing...they have written 11 for Yes, agree with 2 benefit districts then they wrote under that and circled "abstain" then there is what looks like a tally with hash marks – three hash marks with "4 or 5" after them and 1 hash mark with "4 – 9" after it]

Kona Group 4

Summary of discussion: Can we expand and benefit districts from 2-4? Can we create sub-districts within Benefit Districts? Can we list different infrastructure needs and level of service by Judicial District? Can 50% of fees in Judicial District be spent there and 50% within district?

FINAL POLL: "DISAGREE UNANIMOUS"

Other Option: 50% of fees in Judicial District be spent there and 50% within district

Kona Group 5

Summary of discussion: Most participants would like to have the resources generated in the area kept as close to the impact as possible. Most of the group wanted at least 2 benefit districts, and if only 2, that they should be segregated East/West. Most of the group, however, would like to see more than 2 districts. Five members of the group voted to have the districts established by existing districts (e.g. a district for Kau, a separate district for S. Kona, a separate district for N. Kona, etc...) Three member of the group voted to see the benefit districts conformed with the Five proposed park districts.

FINAL POLL: see below

Other Options: 1 for North/South; 5 for East/West; 3 for 9 Districts; 5 for 5 Districts (based on park districts)

Kona Group 6

Summary of discussion: Proposed park districts seem to be a fairer spread in relationship to infrastructure needs --- based on population density but might inadequate (there should be different maps for the different services -police, fire, etc.) but proposed east/west districts. Fig. 1 relates better in subsidizing to what actually exists. All services are not equal.

FINAL POLL: Do you agree with the recommendation of *EAST/WEST* benefit districts *per figure 1*?
YES with equity and level of service.

ISSUE H: AFFORDABLE HOUSING

Kona Group 3

Summary of discussion: Rational nexus. Need, benefit, fair share-everybody pays.

Capacity enhancing

Inequity created--everybody pays.

1. Legal Implications

2. What is wrong with existing system- not broke why fix?

Current system- before I.F. act- legal defensibility issue. Fairness issue-commercial. All not zoned not paying? Renewal issue- not getting money. County exempted commercial.

FINAL POLL: 6 agree with recommendation; 0 do not agree

ISSUE I: PROGRESSIVE RESIDENTIAL FEE

Kona Group 3

Summary of discussion: Should fees be based on distance from urban core? Higher level of fees- some do increase with distance- trip rates and trip length- Fees can be used. Can be variable- more complicated- second generation fee.

Boundaries can be changed-lineal cash increases with distance.

Benefit district/assessment fee-

Impact fee capacity enhancing new development

Charge same for every home- progressive fees.

Socially regressive fee- rational nexus = supply and demand.

Create a need = need to pay. Made a gesture toward affordability.

FINAL POLL: 5 agree with recommendation; 1 did not agree

Other Option: Add value.

Kona Group 6

Summary of discussion: How does this relate to multi-family? (Ohana) Should be different issue from single family.

FINAL POLL: Group checked “No” but no number of how many polled.

Why? Flat fee would reflect reality of island living verses square footage up to 4,500 sq. ft.

Other Option: Suggestion: No fees for units up to 4,500 sq. ft.

ISSUE J: COST RECOVERY

Kona Group 1

Summary of discussion: Impact fees can be used for studies for water, sewer, police, fire, and PARKS, community plans purchasing easements for public access. 100% adoption is okay- Yes.

Exception where county subsidizes lower income single family lots.

FINAL POLL: Group checked “Yes (with option)” but no number of how many polled.

Other Option: 100% with exception of lower income/county subsidizes

Kona Group 2

Summary of discussion: Suggested to charge maximum 100% at least as we begin until we see how the system operates. We have a large shortfall on infrastructure now, we need to catch up.

FINAL POLL: Group checked “Yes” but no number of how many polled. Noted “100% Charge.”

Kona Group 6

Summary of discussion: What will the actual cost impact fees? Won’t there be a disparity/inequity of services. East Hawaii vs. West Hawaii? Hello!

FINAL POLL: Group checked “Yes” but no number of how many polled. Noted “See issue G”

HILO:

ISSUE B: EXISTING LOTS OF RECORD

Hilo Group 1

Summary of discussion: Generally, group concerns were the exclusion of fees for existing lots and national nexus for exclusion?

Concurrency

Resource assessments

Consistency with CDP’s general plan

Option 5: Everybody pays

FINAL POLL: Zero for Options 1, 2 and 3; 1 for Option 4 with condition “Support Option 5 if beginning point is concurrency”

Hilo Group 2

Summary of discussion: Want rational nexus! What is the definition of “impact”? What kind of facilities would be built? Is this discussion premature? Impact fees vs. improvement district. Is there

a constitutional issue is asking fees for existing lots? How did we get to the 64,000? How many of those are owned by “State of HI” residents?

Option 5a: Everyone pays with a credit to “substandard” subdivisions

Option 6: Long term residence (sic) don’t pay fee unless they are sell (sic) (speculator) (like state 10 year plan)

Option 7: Needs more work

FINAL POLL: Zero for Options 1, 2 and 4; 3 for Option 3; 5 for Option 5a; 6 for Option 6; 6 for Option 7

Hilo Group 3

Summary of discussion: Very complex issue; see option #5.

Option 5: All previous lots pay, with an offset for low income owner-occupants based on a sliding scale in accordance with affordable housing policy.

FINAL POLL: We all agree that Option #5 should be considered.

Hilo Group 4

Summary of discussion: Option 4 not viable vs. creating improvement districts

Assessment districts

Already built lots

BI owners v. off-island/out of state owners- why not have everyone pay?

Option 5: Impose impact fees to all lots in existence from date of ordinance. (against grace period because it potentially benefits the wrong people/penalizes the wrong people). No waiver period or exemption for 1 SF unit.

FINAL POLL: Zero for Options 1, 2 and 4; 2 for Option 3; 4 for Option 5

Hilo Group 5

Summary of discussion: Lots of confusion about if commercial development was included in the discussion. How are mixed used property handled? Eg. a store with residential above. Can we factor in residency/non-residency in the charge of I.F.? Are we getting all the property owners (in and out of states) voices heard?

Option 5: Existing lot owners will not get assessed impact fee, if lot gets transferred, new owners get assessed impact fee.

FINAL POLL: Zero for Options 1, 2 and 4; 2 for Option 3 with condition: “2-5year”; 3 for Option 5 and 1 abstained

Hilo Group 6

[ALICE NOTES: very difficult to decipher this report – some notes but not good recording]

FINAL POLL:

Option 1 – 3

Option 2 – 0

Option 3 – 2

Option 4 – 1

Option 5 – 3 Collect upon 1st sale of developed property

Option 6 – 1 Each district will determine its own treatment of existing lots

ISSUE C: TIME OF COLLECTION

Hilo Group 2

Summary of discussion: Time of assessment/collection at the time of building lots. Yes – 8, No – 1
Option 1: Incremental payment over time for current owners of existing lots. Yes – 6, No – 1 [an arrow was drawn from this option in the summary area to option area]

Hilo Group 5

Can it be assured after completion, so mortgage can include it? Instead of at the permitting?
(Group did not poll)

ISSUE D: PRE-ORDINANCE CREDITS

Hilo Group 4

Summary of discussion: 1. Will real property taxes be calculated into impact fee credits? *yes, studies being conducted now to ID hard numbers. 2. Is there any method to determine whether a previous owner has already paid impact fees for a particular lot. *fees paid recorded with land (? w/ land) and not owners.

FINAL POLL: Group checked “Yes” but no number of how many polled.

ISSUE F: ASSESSMENT DISTRICTS

Hilo Group 1

Summary of discussion: Assessment districts and benefit districts – needs to be connected? Why not related to needs?

FINAL POLL: [In response to “Does your group agree or disagree with the recommendation?” this group polled zero for Yes and 7 for No.] with comment: “Similar to comments for G.”

Hilo Group 5

Summary of discussion: West side costs more for infrastructure so East side cost less, so different fee structure should be placed.

(Group did not poll)

Hilo Group 6

FINAL POLL:

4 for single district for assessment

1 for nine districts

1 not sure

Idea: Zip codes per benefit district

ISSUE G: BENEFIT DISTRICTS

Hilo Group 1

Summary of discussion: Group questions rational nexus for impact fees assured in Kohala (for example) and road improvements in Puna? Group questions why 5 districts for parks and not everything else? Consensus is that group felt inequity due to East/West distinction for districts only. Answer: Make more districts?

FINAL POLL: Two benefit districts? Zero for Yes, 7 for No

If no how many? Make more districts. 9 judicial districts. More specific about impact. Looking at level of service differences.

Hilo Group 2

Summary of discussion: N. Kona and S. Kona should be grouped together with Kau as separate district. How are “lock box” managed? Should multiple types of districts be rationalized (eg.

Benefits, representations, census, judicial, parks, etc.). Districts “value” vs. “needs”

FINAL POLL: Zero for yes; 9 for No; Comment: Needs more work

Hilo Group 3

Summary of discussion: Perhaps we should look at benefit districts with a systems approach

defining each district with respect to infrastructure categories. (Roads, park, fire, police, wastewater)

FINAL POLL: Group checked “No” but no number of how many polled.

If no how many? 7

Hilo Group 4

Summary of discussion:

1. Will east/west benefit districts foster more divisiveness between east HI and west HI? No - may help W. HI to know they are paying their own share.
2. Too broad - just East v West doesn't have adequate nexus.
3. Do judicial districts have to be basis of benefit district area? Benefit district boundaries need to adequately reflect situation/community relationships (volcano)
4. How flexible are benefit district boundaries as system evolves?
5. What factors determine district boundaries initially?
6. Why should people in an already established neighborhood pay for new growth?
7. Can benefit district be decided by up code?
8. Is there a way to differentiate fees for different types of services that benefit entire county (parks, fire, med) and those that are regional (roads)?
9. Ex: Kapolei charges flat rate fee per permit pulled to support roads.
10. Have improvement projects already been identified for proposed benefit districts?

FINAL POLL: 5 for Yes; 1 for No; 1 Doesn't want to foster further animosity between E. HI and W. HI.

Hilo Group 5

Summary of discussion: Why are the benefit districts so large? If it's too small, there won't be enough \$\$\$.

Concerned about money collected in a benefit district gets used in that area?
2 districts - Some districts can share benefit i.e. regional parks, roads that are shared any 2 or more benefit districts.

FINAL POLL: Unanimously No; Suggestion: Follow park districts

Hilo Group 6

FINAL POLL: Group checked “No” but no number of how many polled.

2 districts - 1

5 districts - 0

3 districts - 4

9 districts - 1

Comment: eliminate language “V.S.” from all presentations.

ISSUE H: AFFORDABLE HOUSING

Hilo Group 4

Summary of discussion: 1. What is the source of affordable housing fund? *unknown at this time
2. Will developers be assisted a fee to pay into affordable housing fund *no
FINAL POLL: Group checked “Yes” but no number of how many polled. Comment: But not sure where money would come from.

ISSUE I: PROGRESSIVE RESIDENTIAL FEE

Hilo Group 2

Summary of discussion:
Progressive residential fees: Yes-0, No-7
Needs more study: Yes-0, No
Wrong measurement (family unit): Yes-8, No-0
Flat Fee: Yes-6, No-0
FINAL POLL: Do we agree with the recommendation? Zero for Yes; 7 for No. If no why? Needs more study
Other Option: Flat Fee: Yes-6, No-0

ISSUE J: COST RECOVERY

Hilo Group 1

Summary of discussion: 1) Where is public sector/county share? 2) What is total cost of improvement and how much does county pay? 3) Impact fees that pay for everything is a tax
1) Define public/county share: existing level of service
2) Ewa model. Calculate what you want, how funded. (i.e. impact fees, tax, etc.)
3) Current LOS (?) by tax revenues. Future improvements by impact fees
4) Are all fees expected to pay for all improvements in the future.
FINAL POLL: Do we agree with the recommendation? Zero for Yes; 6 for No

ISSUE K: PHASE-IN PERIOD

Hilo Group 3

Summary of discussion: We feel there should be a phase-in period.
FINAL POLL: Group checked “No” but no number of how many polled.
Other Option: Payments over time, with various financing periods.

Hilo Group 4

Summary of discussion: If there is a phase-in period, how does that guarantee timely construction of improvements? *phase in to address county preparation for implementation fair share payment will still continue to be collected until I.F. becomes effective.
(Group did not poll)