

**COUNCIL OF THE COUNTY OF MAUI**  
**LAND USE COMMITTEE**

May 4, 2001

**Committee**  
**Report No.**

01-77

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Land Use Committee, having met on April 3, 2001, makes reference to County Communication No. 00-225, from the Planning Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE FOR CHANGE IN ZONING FROM INTERIM DISTRICT TO H-1 HOTEL DISTRICT FOR PROPERTY SITUATED AT KAUNAKAKAI, MOLOKAI, HAWAII" and other related documents.

The purpose of the proposed bill is to grant a Change in Zoning from Interim District to H-1 Hotel District for property comprised of approximately 5.89 acres of land located at the corner of Oki Place and Seaside Place in Kaunakakai, Moloka`i, identified for real property tax purposes as TMK: 5-3-006:028, 5-3-006:029, and 5-3-001:039.

Your Committee notes that the Pau Hana Ohana Community Foundation requested that the Council initiate a proposed Change in Zoning for the site of the Pau Hana Inn (currently owned by Molokai Ranch, Ltd.) in order to operate the hotel as a community-based economic-development project. Your Committee notes that, on April 7, 2000, the Council initiated the proposed Change in Zoning by adopting Resolution No. 00-45, entitled "REFERRING A PROPOSED BILL RELATING TO A CHANGE IN ZONING IN KAUNAKAKAI TO THE MOLOKAI PLANNING COMMISSION". The purpose of the proposed resolution was to transmit to the Moloka`i Planning Commission a proposed bill for a Change in Zoning from Interim District to H-1 Hotel District for the subject property.

Your Committee further notes that the Moloka`i Planning Commission held a public hearing on the proposed Change in Zoning on May 24, 2000. At the hearing, one person testified in support of the request.

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Your Committee further notes that the Moloka'i Planning Commission, at its meeting of May 24, 2000, voted to recommend approval of the proposed bill after reviewing two pertinent memoranda from the Planning Director, dated May 17, 2000 and May 23, 2000, respectively.

Your Committee further notes that the recommendation of the Moloka'i Planning Commission was based upon the following findings:

1. The proposed request meets the intent of the general plan and the objectives and policies of the community plans of the County;
2. The proposed request is consistent with the applicable community plan land use map of the County;
3. The proposed request meets the intent and purpose of the district being requested;
4. The application, if granted, would not adversely affect or interfere with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway and transportation systems, or other public requirements, conveniences and improvements;
5. The project site is located within the Special Management Area (SMA), and any proposed development would be subject to review in accordance with the SMA Rules of the Moloka'i Planning Commission; and
6. The project site does not involve the establishment of an Agricultural District.

Your Committee further notes that County Communication No. 00-225 was referred to the prior Council's Land Use Committee at the Council meeting of August 22, 2000.

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By memorandum dated August 28, 2000, the Council Chair transmitted a letter dated August 24, 2000, from the Planning Director, transmitting the metes and bounds description for the subject property.

By letter dated October 3, 2000, Moloka`i resident DeGray Vanderbilt of Pau Hana Ohana Community Foundation, provided background information in the form of numerous documents relating to the Pau Hana Inn and the proposed Change in Zoning.

By facsimile letter dated October 4, 2000, Kekama Helm expressed support for the proposed Change in Zoning, but requested deferral of the matter pending a site visit and additional input.

At its meeting of October 5, 2000, the Committee met with the Planning Director and a Deputy Corporation Counsel.

The Committee received oral and written testimony from Moloka`i resident DeGray Vanderbilt of Pau Hana Ohana Community Foundation, who requested that the Committee consider the proposed Change in Zoning at a meeting on Moloka`i.

The Committee expressed concern over the practice of the Council initiating land-use changes. The Committee also expressed concern about the ability of Pau Hana Ohana Community Foundation to execute the proposed community-based economic-development project for Pau Hana Inn. The Committee decided to defer the matter pending further discussion.

At its meeting of November 16, 2000, the Committee recommended that County Communication No. 00-225 be referred to the Council Chair for the term beginning January 2, 2001, for a recommendation as to referral or other disposition.

At its meeting of January 12, 2001, the Council referred County Communication No. 00-225 to your Land Use Committee (County Communication No. 01-21).

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By memorandum dated January 12, 2001, the Chair of your Committee transmitted a facsimile letter dated January 11, 2001, from attorney Todd K. Apo of Starn O'Toole Marcus & Fisher, requesting a status report on the proposed Change in Zoning.

By letter dated March 30, 2001, Moloka'i resident DeGray Vanderbilt of Pau Hana Ohana Community Foundation testified in support of the proposed Change in Zoning.

By memorandum dated April 2, 2001, the Chair of your Committee transmitted a facsimile letter dated November 30, 1999, from Melveen Leed to James Mozley, Chief Executive Officer, Moloka'i Ranch, Limited, in support of the proposed Change in Zoning.

By facsimile letter dated April 2, 2001, attorney Todd K. Apo of Starn O'Toole Marcus & Fisher testified in support of the proposed Change in Zoning.

At its meeting on Moloka'i, your Committee met with the Planning Director and a Deputy Corporation Counsel. Your Committee received testimony in support of the proposed Change in Zoning from Harold Edwards, Vice President, Molokai Ranch, Ltd., and Moloka'i resident DeGray Vanderbilt of Pau Hana Ohana Community Foundation. They noted that Molokai Ranch, Ltd. was in the process of selling the property to an entity that intended to renovate the Pau Hana Inn and continue its traditional operations as an affordable hotel.

After discussion among its members and with the Planning Director, your Committee voted to recommend approval of the proposed Change in Zoning, subject to the conditions that time share operations not be allowed at the hotel and that existing banyan and hou trees be preserved.

Your Committee is in receipt of a revised proposed bill entitled "A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM INTERIM DISTRICT TO H-1 HOTEL DISTRICT (CONDITIONAL ZONING) FOR PROPERTY SITUATED AT KAUNAKAKAI, MOLOKAI, HAWAII", incorporating the conditions recommended by your Committee and technical amendments (including an updated title). The purpose of the revised proposed bill is to conditionally grant a Change in Zoning from Interim District to H-1 Hotel District for property

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comprised of approximately 5.89 acres of land located at the corner of Oki Place and Seaside Place in Kaunakakai, Moloka'i, identified for real property tax purposes as TMK: 5-3-006:028, 5-3-006:029, and 5-3-001:039.

Your Committee is also in receipt of an agreement entitled "Unilateral Agreement and Declaration for Conditional Zoning" executed by Molokai Ranch, Ltd., reflecting the conditions included in the revised proposed bill.

Your Land Use Committee RECOMMENDS the following:

1. That Bill No. \_\_\_\_\_ (2001), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM INTERIM DISTRICT TO H-1 HOTEL DISTRICT (CONDITIONAL ZONING) FOR PROPERTY SITUATED AT KAUNAKAKAI, MOLOKAI, HAWAII", PASS FIRST READING and BE ORDERED TO PRINT;
2. That the County Clerk RECORD the unilateral agreement; and
3. That County Communication No. 00-225 be FILED.

Adoption of this report is respectfully requested.

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**ALAN M. ARAKAWA** **Chair**

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**DAIN P. KANE** **Member**

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**PATRICK S. KAWANO** **Vice-Chair**

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**MICHAEL J. MOLINA** **Member**

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**ROBERT CARROLL** **Member**

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**WAYNE K. NISHIKI** **Member**

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**G. RIKI HOKAMA** **Member**

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**CHARMAINE TAVARES** **Member**

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**JO ANNE JOHNSON** **Member**