

**MAUI PLANNING COMMISSION
REGULAR MEETING
AUGUST 8, 2006**

A. CALL TO ORDER

The regular meeting of the Maui Planning Commission was called to order by Chairman Wayne Hedani at 9:02 a.m., Tuesday, August 8, 2006, Planning Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Wailuku, Maui.

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

Mr. Wayne Hedani: – the meeting come to order. At this time, I'd like to open the meeting up for public testimony on any agenda item, in order to accommodate those individuals who cannot be present at the meeting when the agenda items are considered by the Planning Commission. Public testimony will also be taken when the agenda item is taken up by the Planning Commission. Maximum time limit on individual testimony is three minutes. And a person testifying at the beginning of the meeting will not be allowed to testify again when the agenda item comes up before the Commission unless new or additional information will be offered. At this time do we have any members of the public that would like to offer testimony?

The following persons testified at the beginning of the meeting:

Ms. Kay Ghean - Item B-1, Royal Lahaina Resort, SMA & SSV
Mr. Thomas Scott - Item B-1, Royal Lahaina Resort, SMA & SSV
Mr. John Blumer-Buell - D-1, Hana Community Health Center, DBA & CIZ

Their testimony can be found under the item on which they testified on.

B. PUBLIC HEARINGS (Action to be taken after each public hearing item.)

- 1. ROYAL LAHAINA DEVELOPMENT GROUP, LLC requesting a Special Management Area Use Permit and a Shoreline Setback Variance for the proposed Royal Lahaina Resort Revitalization Project consisting of a new master plan and mixed-use concept made up of up to 330 luxury hotel units, approximately 125 condominium hotel villas, and related resort improvements at 2780 Kekaa Drive, TMK: 4-4-008: 007 and 013, Kaanapali, Lahaina, Island of Maui. (SM1 2005/0038) (SSV 2005/0005) (J. Hunt)**

Mr. Michael Foley: Mr. Chairman and members of the Commission the first public hearing this morning is an application by the Royal Lahaina for a Special Management Area Use Permit and a Shoreline Setback Variance for their proposal at Kaanapali, and the staff report will be presented by Jeff Hunt.

Mr. Jeff Hunt: Good morning. The applicant is requesting a shore line variance, shoreline setback variance and a special management area use permit in order to demolish several buildings and to make exterior modifications and to construct 126 condominium-hotel units. I believe the agenda had a 125. And also to construct related improvements. The only reason they're asking for the shoreline setback variance is because that's necessary to demolish buildings within the shoreline setback. No new buildings are being proposed within the setback.

A little background. On May 23, 2006, the Planning Commission voted to accept the final environmental assessment for this project. And also on July 10th, the Planning Commission conducted a site visit, at the site of the Royal Lahaina. The property is approximately 26 acres, and it's located makai of the Honoapiilani Highway. The State Land Use District is urban. The Community Plan is Hotel and Open space. The zoning, there's several zoning portions to it. The mauka portion of the site is H-M Hotel. The makai portion is H-2 Hotel, and then there's two small portions of A-2 Apartment. One in the south-west corner and one where the access road enters the property. It's also within the Special Management Area and the tsunami evacuation zone.

The demolition within the 150-foot shoreline setback would be of six cottage buildings, a restaurant, a three-story hotel structure, retail complex, a portion of the Alii Ballroom, and several beach access chairs which the County proposed that those beach access chairs be removed, not the applicant. The applicants indicated that they're okay with that. The proposal also includes a pedestrian path that will start at the public parking area near the entrance and run along the south property line to the shore and then connect to a lateral public beach path that would run from the south property line to the north property line.

On page 22 of the staff report, on the bottom paragraph, the property could accommodate and we want to update that 1,493,000 square feet of density. And the proposal is for 620,000 square feet or 42% of that which is allowed.

Mr. Foley: Jeff could you repeat that? Where are you? 23?

Mr. Hunt: On the bottom of page 22.

Mr. Foley: Oh.

Mr. Hunt: The third line from the bottom – accommodate 1,493,000 square feet of density, and then the last line, total of 620,000 square feet of density or 42%. They're still well under the allowed density. I'm just trying to be precise.

In regards to agency comments, the applicant has met with Housing and Parks officials. The Parks contribution will be necessary only for the condominium units, not any hotel

units. There's no housing contribution required, but the applicant has stated that the combined parks and housing contribution will equal well over \$3 million. We also noted that it's likely some sand may be encountered during the excavation, and because there's been a recent study questioning of the longevity of the Island of Maui sand, that we've crafted a condition of approval that any excess sand should be transported to a County storage facility if one is available. However, at this time, we haven't identified one.

In regards to traffic, the applicant stated that the project anticipates a decrease in traffic due to the reduction of units from 583 to the proposed 456. DOT has requested subsequent traffic count, subsequent to the completion of the project and possible fair share of contributions if those traffic counts indicate a problem. In regards to school, the project is not anticipated significantly affecting existing educational facilities, and DOE did not require any fair share contribution. And I'd be happy to answer any questions. Otherwise the applicant is prepared to make a short presentation.

Mr. Hedani: Question from the Commission for staff? Commissioner Starr?

Mr. Jonathan Starr: At the site inspection there was some discussion about the small pool. Do you know – I was kind of expecting in the documentation to see if the applicant was going to comply with that – is there anything that has happen? As far as the small pool?

Mr. Hunt: I'm sorry, I forgot to mention that. We did craft a condition. It's condition #24. I wasn't sure if the consensus of the Commission was to move it or – it just wasn't clear, so we crafted a condition that would give you the ability to either require the pool to be removed completely outside of the setback or be relocated but within the setback. The problem or the issue with that is that we feel that it would need a supplemental environmental assessment. The third option is just leave it in it's current location with a condition that no hard improvements be made to protect it. That's 24, a, b, and c; and we can delete or amend that as the Commission desires.

Mr. Hedani: Any other questions for staff? Seeing none, the presentation by the applicant.

Mr. Rob Iopa: Good morning Commissioner, Robert Iopa, WCIP Architecture. Being that you've seen this presentation a few times, we're going to try and make it as brief as possible. We've provided a packet of the complete presentation, and have upwards of 90 slides should you wish to get into detail. Briefly the revitalization team includes the Royal Lahaina Development Group; Munekiyo & Hiraga; WCIP Architecture is the Architect; Michael Wright and Associates, Construction Manager; Wilson Okamoto Corporation for civil and traffic engineering; Belt Collins for Landscape; and C Engineering for coastal engineering.

We'll start with the vision. As presented the project's envision to revitalization which is low

in density, perpetuates the sense and place and legacy of the property. Kamaaina architecture preserving the rich history and culture while maintain simple and subtle elegance, creating timelessness. This has been a vision that's guided us through the process.

As far as community meetings and reviews, our concern that we've all been through an extensive list groups and presentations, including three presentations with the Kaanapali Operations Association. Meetings with West Maui community. We have been in front of this Commission for a draft EA. West Maui Taxpayers Association. Had an unanimous approval at the Urban Design Review Board. Have meet with Maui Kaanapali Villas at their annual owner's meeting. Was back in front of this Commission for final EA approval. And most recently on July 10th, at our workshop out on site with your Commission.

We have described in the past and have added a few items here, speaking of the changes that have come through the project as based on comments both from the community, the Planning Department, and this Commission. Number one is that there has been an agreement made for voluntary contribution to the affordable housing element. As well as an agreement with Parks and Recreation as far as dedication, contribution towards the West Maui community tennis facility. We have, as originally proposed, increased our tennis courts from two up to four courts. We have increase public beach access parking initially at 12-stalls up to 26, which includes the opportunity for free valet parking for public beach goers at our new lobby building.

We have added a pedestrian lateral beach point connecting the southern properties near the golf course with those to the north. And have added vertical pedestrian beach access path along, in conjunction with the neighboring property owner, the golf course on this southern side. We have installed permeable surfaces in many cases, but in, as far as our fire access lane and have relocated a bunch of parking that had primarily been on surface and pushed that underground for the purpose of the condominium requirements. Thus creating more open space and greenery at grade level.

And lastly as part of this, decrease our building. The building on the northeastern section of the site, down from originally six-stories to a building that's now four-stories, stepping up to five in the middle. And lastly we've proposed and as directed, looked to reconstruct three beach access stairs as part of the project.

As Commissioner Starr had alluded to – one of the biggest elements that came up during our site visit was this one pool. The existing pool located near the shoreline, certified shoreline and within the 150 shoreline setback area. Based on the July 10th meeting, we were presented with three options. The first, keeping the pool in its current location, and its as is condition with some modification to decking surface only. The second is to take the pool and relocate it somewhere further away from the certified shoreline but within the

150-foot shoreline setback area. And the third was to remove the pool altogether and place it somewhere mauka of the 150-foot shoreline area. If we understood correctly the desire of the Commission was to look for a way of moving it away from the shoreline and potentially keeping it – although potentially keeping it within the shoreline setback. Should that be the desire that would be a preference of ours, although it's been relayed back to us that the difficulties could be brought in with regards to having to apply for an additional environmental assessment, and an additional shoreline setback variance for this issue alone. This being the case and for your consideration our proposal as it stands today is to propose that the pool remain in its existing location, and we look forward to your comments on that.

As a brief summary and I believe you're all aware of the facts, but we'll quickly go through this. 26.875 acres, zoned H-2, HM and A-2. Current units are 583. Proposed units are 456. Allowable density is just under 1.5 million. The proposed density is just over 600,000, or 42% of allowable density. We are proposing to demolish nine structures within the 150 shoreline setback, including an equivalent of 101 guest room units. We are looking to preserve the view plains through the site, with the inclusion of low rise buildings. Primarily two, three and four-story with the one building on the mauka eastern section of the site at four and five-story. As we've proposed from the beginning, the intention is to keep the resort in operation. I think the Hogan family has created a promises to their staff and to the community for that the resort will keep in operation, and that's still part of the proposal. And the commitment of retaining all employees, both during construction and in its final restored state.

Few more points include the new lateral beach access that we've discussed. So again lateral beach access along the shoreline setback area. The 24 proposed beach parking stalls. Our traffic calculation show that we are decreasing traffic through the lowering the number of units on property. Our calculations for water usage show that we will decrease our water usage by 12%. That the amount of storm water generated by the project is decreased by 10% due to the introduction of more permeable surfaces. And that sewer volume will decrease by almost by 40%. So substantial decreases in utility requirements. We have a demolition and recycling plan that includes donation of (phonetic), fixtures, furnishings and equipment to local charities. That program is already in place and as part of the existing renovation to hotel tower and we look to extend that through the demolition plan. The specifics of the demolition plan are part of your packets. Water is always an issue, and as this project we have adequate water meters already present on site to satisfy the demands water services for the project. We will not be asking for any new meters, and as highlighted before water usage actually goes down 12%. Also as part of this project, we will be installing the R-1 irrigation lines, so the ability for use of reclaimed water when that water becomes available through the sewage treatment upgrades that are planned for the north beach area.

I'm going to end today just on the site plan and the components of the site plans. There's lots of information that we can get into but I'll leave it to you to direct me in what you're interested in. Again entry drives, lobby building, existing tower to remain. Three and four story buildings on the north side. Two, three and four story buildings on north side. Our parking structure – significant parking structure located underground. The one building at four and five-story, and a recreation and back of house function located on the mauka side near Honoapiilani Highway. Thank you for your time.

Mr. Hedani: Questions for the applicant from the commission? Commissioner Starr.

Mr. Starr: You're removing a number of affordable housing units that were on the property and so the west side which is so critically short of housing is losing a number of affordable units that have been available for decades. I'd like to know what remediation you're going to do to provide equivalent units in that same area?

Mr. Iopa: Well there is an affordable housing contribution so as part of the project there has been an agreement made with the Department of Human Concerns for the affordable housing contribution. In addition to that we believe that although the units on site are used for housing of managers that the intention was never quite to provide the affordable component or affordable housing on property. I think there's a difference in definition but aside from the definition aspect there is a contribution as part of the project.

Mr. Starr: How much is that contribution and how many of the housing units that community members have been living in you're taking away? Thirty-some odd units?

Mr. Iopa: 1.5 plus million as the affordable housing contribution, and there are currently 30 units that are available for rental, mostly primarily for managers on property.

Mr. Starr: And do you have any plan to replace those 30 units that you're taking out of the community housing pool?

Mr. Iopa: Not on site and not in addition to the 1.5 million plus contribution for the affordable housing component of the project.

Mr. Hedani: Any other questions? Commissioner Freitas?

Ms. Suzanne Freitas: Hi. Is that donation required or is that a contribution or what?

Mr. Iopa: It's a voluntary contribution.

Ms. Freitas: It is. So what is it you meet the affordable housing requirements and that your contribution because you're not required to do anything?

Mr. Iopa: We believe we have satisfied the affordable housing contributions based on past, based on the original construction of the site. The documentation of creating or proving that, that affordable housing contribution had been met in the past is quite frankly very difficult to attain. We've gone back and searched through many records. We have spoken to previous landowners and in those conversations have been told as part of the development of these areas that affordable housing was built as part of the initial development of the Kaanapali area. So we believe that to be the case, but the documentation to actually prove that this development was done as affordable housing for Royal Lahaina is something that we haven't been able to attain. In response to that and with the understanding that affordable housing is a significant issue in west Maui, the owners have provided an affordable housing contribution of over 1.5 million.

Ms. Freitas: And so when you met with Housing, and I suppose that would be Alice Lee?

Mr. Iopa: Correct.

Ms. Freitas: And you folks discussed this, was this – so how did that go? Did you come up with that okay you're not required to do anything and you said you know what we'll just contribute this?

Mr. Iopa: It's something –

Ms. Freitas: I know it's implied. It's not like Alice said, hey you have to come with units or you did –.

Mr. Iopa: I think her ruling was that this project would not be required to provide any affordable housing contribution.

Ms. Freitas: Okay, that's what I thought.

Mr. Iopa: And that was the stance through most of the project actually, and through most of the reviews. Through the continuing discussions and realizing the need for affordable housing both from Department of Housing and Human Concerns and from the owner's stand point, there's been negotiation to determine an acceptable affordable housing contribution and that's what being proposed currently.

Ms. Freitas: Thank you.

Mr. Iopa: Thank you.

Mr. Hedani: Any other questions for the applicant? Director Foley?

Mr. Foley: Robert the site plan shows the parking structure up pretty close to the highway and there are also some other facilities along the highway setback. Could you describe the landscaping proposed and how adequately that will screen the various structures from the highway?

Mr. Iopa: I think as you may recall we spent a bit of time up here, in this mauka section of the site during our site visit. There is a grade change that occurs here of approximately 18 to 20 feet between highway height and then where we're proposing our structures and our underground parking facilities. This is an illustration or photograph of the current landscaping along the mauka eastern edge, or the northeastern edge of the site. So we've got the existing large banyan trees and then some of those shade trees continue down as we travel south. This is a proposed view of that area with our building – you can see only a section of it popping up through that existing tree line. This is not enhanced with proposed landscape as well – so this is only showing existing landscape. Our intention in our landscape plan calls for monkey pods through the entire stretch of the north or the mauka section of the site along Honoapiilani Highway. So our intention is to provide canopy, shade canopy along that area. The photograph as we show here is one that looks at that area as if you're driving north on Honoapiilani Highway. Again the large banyan trees that you're seeing are further on the northern edge of the site. We've got some smaller shade trees. But our intention again would be that we'd provide new monkey pod trees to create this continuous shade canopy along the highway. While this does show a little bit more of the structure, as proposed building seven on the northeast side of the site. Once we plant our canopy of monkey pods along there, I think that will be disguised much like the previous photo. Building seven is our largest building in that area. The parking structure is two levels underground, with one-story structures on top. We believe even with its current landscaping, none of the other structures should be visible from the highway.

Mr. Hedani: Commissioner Freitas?

Ms. Freitas: Not speaking for my fellow Commissioners but the way I see it, the only thing that I'm concerned about is how we adjust this pool? The small pool? And I think you said that of course "c" would be what you would prefer is just keep it in place? Are the other two would require additional like hearings and things? Is "c" the only one that you wouldn't have to appear again or reapply or anything?

Mr. Iopa: There's two, I guess, out of the three options that we're proposing that we would not have to have any additional public hearings for. Two items. I'm sorry I don't have the –. As it reads here in 23 a, b, and c, the proposals that would not require any additional public hearings or commission ruling, I believe would be both "a" and "c." So if we choose to move the pool outside the 150-foot shoreline setback, that would not require any hearings.

Ms. Freitas: Okay.

Mr. Iopa: If we were allowed to stay – if you approved in its existing location, it would not require any additional hearing.

Ms. Freitas: Okay, so if you were to do “a,” you wouldn’t have to reapply, and why can’t you do it?

Mr. Iopa: We feel at this point that it would be detrimental to the project in terms of some of the units along that section of the beach.

Ms. Freitas: Why too close?

Mr. Iopa: Yes, it’s too close and we’d have to significantly reconfigure that southern section of the site. It would require those buildings to be moved back. The crescent would require some significant architectural treatment, kind of shrink that crescent area to allow for separation between the pool area.

Ms. Freitas: How important is that pool to you?

Mr. Iopa: Pretty important.

Ms. Freitas: But when we were there, there were hardly any people there, and I remember the statement being said that it wasn’t a busy pool. It was supposed to be a more, you know, kind of laid back kind of pool. You didn’t want to make it fancy, which I thought was a good idea, so those were the kind I liked. If it’s not used that much, you know, I just wondered how important it was.

Mr. Iopa: I think and forgive me, you know I told the story before but we have the concept of the Maui Moimoi story where one side of the resort was active and playful in nature, and the other was quiet and passive.

Ms. Freitas: I agree. I totally vote for that.

Mr. Iopa: So we have the resort pool with the slides and all the activities that happens on the north section. And our intention was to have a pool that would be subtle and subdued on the south section of the site to equate to the Moimoi and the historian. So it would be more passive. The usage would be, what we feel just by size would be less than the active pool but still important component of the –.

Ms. Freitas: Okay, well that’s why I guess I wonder why you can’t move it because if it is, you know, a quiet pool and it’s going to be smaller, maybe it wouldn’t be so bad being a

little bit closer to some of those units. But anyway I guess that's my feeling.

Mr. Hedani: Commissioner Guard?

Mr. John Guard: Regarding the pool, I guess the overall construction period is about a three-year period? So in that time you have one year to get the permits. So we're looking at possibly three years to try to get a permit or the new EA just for that aspect of it to possibly move the pool into "b." If it's out of convenience, I just don't know if the long term effect is just – to let it stay there when there's a possibility – it seems like the steepest section of the beach during the site visit – to possibly have three years to do as part of this permit.

Mr. Iopa: I think the timing would allow for the processing of the permit. Our kind of internal discussions are one of whether or not the – quite frankly the public scrutiny of allowing for an application solely for a pool within the shoreline setback would be something that your board would entertain, or the Planning Commission. We're stuck in a hard place. We aren't trying to be difficult here. Where obviously the project feels that the pool is a significant feature of the site, and a significant feature of what the improvements will be. We do want to at least put for your consideration the fact that we'd like to maintain operations of the pool and maintain operations we feel and are only proposal that presents itself to us now in its existing location.

Mr. Hedani: Commissioner Guard?

Mr. Guard: I guess I can see the benefit because there's that little restaurant, a bar there, to keep it active in the interim. But I would feel better that while it was open, say for three or four year period, that possibly they're given the time to move forward with everything else in good faith, I guess on both sides, Commission as well, to say, hey we'd like to see this pool moved during that time but not to hold up the rest of the project based around that and to be able to use the pool for x-amount years. I don't know what other people feel on that note.

Mr. Hedani: Commissioner Amorin?

Ms. Johanna Amorin: Thank you Chair. Aloha.

Mr. Iopa: Aloha.

Ms. Amorin: Good morning. Again on the pool. Thank you again for allowing us to do the whole site visit, but the pool, how long has it been in existence? That small pool?

Mr. Iopa: Probably over 40 years – since the early 60's.

Ms. Amorin: It's been there for a long time then.

Mr. Iopa: Yes.

Ms. Amorin: And then also have you had any negative incidents at that small pool area?

Mr. Iopa: With regard to water infiltration or, you know?

Ms. Amorin: Anything to do with the maintenance of the pool? With injury to your guests or anything?

Mr. Iopa: No. I appreciate your question. I think if you remembered back to our site visit and Mark Erickson from C Engineering, our coastal engineer is here and can describe this better than I. But we presented this annual erosion rate chart, and virtually stalled erosion at – the pink line is actually approaching 60 years out? 50 years out? So in 1912 the (phonetics) or the area of beach was actually shorter than it has been in more current years. Obviously the way of measuring that has changed from 1912. But the lines in through here and all the various colors show that primarily the beach has not been eroding over the course of the past 40 -50 years. It's the data that's available. This one comes out of the County, the County shoreline area information. So our proposal is one that states – we believe the pool is safe. We have provided all the information that's out there today to show that it is safe. We understand the concern and we would actually be in favor of moving the pool within the shoreline setback if that were allowable in today's hearing. We're just concerned that might not be opportunity to do if we have to reapply in future.

Ms. Amorin: Thank you.

Mr. Hedani: Commissioner Starr?

Mr. Starr: I have some very strong feelings. I wonder if we should have the public hearing first before getting more into our feelings?

Mr. Hedani: We can take other questions from the Commission.

Mr. Starr: Okay. When we did our site inspection that pool is already being undermined and being threatened by the ocean. The high water mark is, you know, probably within a couple of feet of the walkway around the pool. And you know, it's virtually, you know, there's no slope. So it seems that our responsibility especially in light of the ruling that came out about a week and a half ago on the Big Island where the County is responsible for maintaining the integrity of the shorelines and beaches and the environment. I take that very seriously. And if becomes very difficult to support a project where, you know, you're trying to maintain a pool that's already being undermined, and we're doing it. I would really

like –. My question is, I'd really like you to consider that, your stand that option three is the best option because I don't think it is. I think it's completely wrong, and that would be asking us to not do what we're responsible to do in terms of being the shoreline authority. So I'd like your consideration on that.

Mr. Iopa: Thank you.

Mr. Hedani: Commissioner Freitas?

Ms. Freitas: I'm not sure what that question was, but my thinking is that if you try to come back on separate application just for the pool in the shoreline setback area, you're not going to get. Because I don't believe any Commission is going to allow you to put a pool in a setback area. So forget it. I don't even see that being an option. The only thing I can see is if you move it, you have to move it outside the shoreline setback area. It's just the way it has to be because that's what we're protecting, is the setback. So the only thing that I can do is you move it, which may or may not work. Or leave it there and if it deteriorates to nothing so be it, you're out of luck. You know, like everything else that is in the shoreline setback area right now up and down the coast.

Mr. Iopa: Okay.

Ms. Freitas: I would just really hate to see anything go sour on this project because it is such a great project. So please don't let a pool especially it's a secondary pool. Don't let that, you know, hang you up on this project, especially when the public loves it so much. Don't let them then say, oh yeah, then they also, like everybody else, when in crisis – I just don't think that this pool – I know it is important, I'm not saying it isn't, but you know, overall project.

Mr. Iopa: Thank you.

Mr. Hedani: Any other questions from the Commission?

Mr. Guard: Yes.

Mr. Hedani: Commissioner Guard?

Mr. Guard: I guess regarding the pool, Bruce just brought it up, did anyone respond to exhibit 19 on Zoe Norcross-Nuu's letter? Talking about the potential hazard of that pool?

Mr. Mark Erickson: We did respond to that –

Mr. Hedani: Could you step to the microphone and identify yourself please?

Mr. Erickson: I'm Mark Erickson with C Engineering, and we did look at those comments and the response was that in the 40 years –. My comment was in the 40 years that it's been there, there's been two episodes of back shore flooding, and ground personnel have reported that sand was washed into that pool area. The data shows that the shoreline has recovered – always recovers from these shoreline episodes. That's not to say it will in the future. We can't predict. So bottom line, in the 40 years that it's been there, there has not been noted in incidents where it's been significantly damaged. There has been back shore flooding but the erosion has not been to an extent did that pool interfered with shoreline processes, that it was under cut to such an extent that lateral sand transport was affected or the debris from, construction debris from the pool, or construction materials were washed in the shoreline. So it is close and potential does exist in the future, but through hurricane Iniki and Kona storms that have happened in the past 40 years, it has not presented a problem.

Mr. Iopa: Obviously it's an end issue to be dealt with. And in response to Commissioner Freitas' comment, that not wanting to jeopardize the good of the project by trying to hold on this pool, I think we'll let the pool go at this point. Thank you.

Mr. Hedani: Any other questions from the Commission? Commissioner Guard?

Mr. Guard: These are – well hopefully not smaller issue. Your daily demand of irrigation water projections, do you know what those numbers are now?

Mr. Michael Terry: Hi my name is Michael Terry, I'm the landscape architect for the project. I'm with Belt Collins. The existing irrigation water is metered. They do meter it. The amount of water that's used presently on site is, I don't have figures with me, but it's very similar to the projected irrigation demand. We are adding more landscape area when we take out the parking. So there will be more irrigated area there that's being created but we're going to be bringing in much better irrigation control system. And zoning our irrigation such to use water more efficiently. So we don't see a demand resulting from the finish product that's very different than what we're using right now even though we're creating more landscape area.

Mr. Guard: It's like turf – has anyone looked into brackish water, I guess turfs that are little more resilient? Less fertilizer so less run off into the water. We talked about this two weeks ago so I'm trying to stay on that note to try actually start cleaning up the ocean, and I think it's obviously any hotel's interest to be the front runner on that.

Mr. Terry: Actually you brought up a couple of very good points. It's our understanding that the reclaim water from the waste treatment plant may be available at some point for use. It will be pressurized properly and so forth. Because we know that that possibility exists the irrigation system will be designed to accommodate reclaimed water. That's the first part

of your question. The second part, relative to the use of plants and the way the landscape is managed, that has a lot to do with environmental impact of the landscaping that's put on the property. We are going to look at different ways of minimizing fertilizer and pesticide usage especially in the shoreline areas. We've talked about emphasizing the use of natives there which require less irrigation, requires less chemicals. In fact it's bad for them. And so a part of that is a disciplined maintenance scheme that governs the application of chemicals and cycles of irrigation water and so forth to minimize these types of problems.

Mr. Hedani: Any other questions from the Commissioners? Commissioner Iaconetti?

Mr. Iaconetti: Having been there when the original hotel opened, and realizing what a great project this is, I would really like to congratulate the developers. I think this is wonderful. I think there should be more project where we diminish the number of rooms available and thereby diminishing hopefully the traffic that we now have. I very strongly in favor of this. Thank you.

Mr. Hedani: Commissioner Starr?

Mr. Starr: I also feel positively about and I'm very happy to hear that you're moving away from those type of planting that require a lot of nitrogen and fertilizer. I want to thank you for that. Increasing the landscape area, it's kind of a mixed blessing because on one hand it does allow greater retainage of runoff, on the other hand a lot of time it would add to the use of fertilizer. So I thank you for that. And I just ask in your planning, wherever possible, to try to retain as much runoff in a 50-year event as you possibly can. I know you're decreasing the runoff, but as much as you possibly can, keep that in mind. And it seems you're already are and you're already doing it right. So I thank you that.

Mr. Terry: We will do so.

Mr. Hedani: Are there any other questions? If not we'd like to move on to the public hearing portion of the meeting.

a. Public Hearing

Mr. Hedani: There were two individuals that indicated a desire to provide testimony when this item came up before the Commission. Dennis Winning?

Mr. Winning: (Inaudible. Did not speak in the microphone.)

Mr. Hedani: No comment? Thank you. Charles Ridings?

Mr. Charles Ridings: Good morning Commission Chair and members of the Commission.

My name is Charlie Ridings and I am the Executive Director of Maui Economic Concerns of the Community. And I've indicated to you when I was here last, we are responsible for the daily operation of the Ka Hale a Keola homeless resource center in Wailuku, the Hale Makana O Waialae affordable rentals in Wailea, and the Hale O Wainee resource center in Lahaina.

I'm not going to talk to you specifically about the project itself. As I did the last time when I was here, really talk to about the benefits resulting from the project. And going through a brief history, and I won't go through all the details that I went through the last time unless there's specific questions on it. I think as you know, historically, Maui County has done a very bad job of getting the developers to be able to build affordable housing. It's not a criticism, it's just a fact. With this administration and specifically with Alice Lee, they've developed an approach to be able to get the developers to make contributions of either land or funds to be able to take care of the affordable housing. And that is not being dependent upon a developer to actually build it within generally a more upscale development area, but providing that money or that land to nonprofits to be able to build that affordable housing in the respective region.

Just to clarify how the procedure works – basically the developer will go to the Department of Housing and Human Concerns and that's Alice Lee who is the Director, and there will be a calculation of what are the requirements. We do not – we as the nonprofit do not get involved in that particular calculation or those discussions. Alice makes a determination as far as what the contribution should be and she also makes the determination as far as what nonprofit or nonprofits should be responsible for building the affordable rentals, or the affordable housing in the respective area. As I understand the project has reached an agreement with Alice as far as the calculation. The calculation came out to be 38 affordable units – that would be the credit that they'll be receiving for a contribution of \$1,520,000. The \$1,520,000 would be contributed directly to Maui Economic Concerns of the Community.

We've done this several times with previous, other developers, and basically what we would be doing is using that for an expansion of the existing Na Hale O Wainee resource Center. We're currently on five-acres of land. We have – on that five acres of land which by the way was donated by Amfac Pioneer Mill and partial satisfaction on one of their affordable housing requirements. We have on the five acres, we have 48 emergency transitional units for homeless and we 30 affordable units that have a monthly charge of \$550 a month, and there are restrictive covenants that run with the land that will limit the people who are able to live at the facility to earning 50% or less of the median family income, and those restrictive covenants run in perpetuity.

At our last blessing that we had – she's giving me the hook here – I'll wind it up really quickly. At our last blessing we had on our final building for the contribution we received

from the Canadian developer at Na Hale O Wainee, Alice has indicated that she was working on additional land contribution, land that would be contiguous to our existing facility in Lahaina. And she asked me how many units we could build on that? The best estimate is that – she's looking at potentially a donation of 20 acres of land that would be contiguous to our facility. It would run from our facility toward Lahainaluna Road, and I estimated that we could probably build approximately 325 affordable units. Now to give you an idea of the facility in here in Wailuku has 200 units, and that's on 12 acres of land.

But essentially what we'd be doing is we have the same restrictive covenants, 50% or less of median family income in perpetuity and we would have a mix, like we have in Wailuku of studios, two-, three- and four-bedroom units that we would build. And this would be for the expansion of the affordable housing piece. And the \$1,520,000 again, I think I gave you the example last time, if we had to go and borrow that \$1,520,000 at 6% for 30 years, we would have to add on just to cover the debt service, \$236 per month, per unit, for 30 years in order to repay the \$1,520,000, we would have to repay \$3,270,000. So the donation of a \$1,520,000 without any debt service related to it is a significant contribution from our stand point because it allows us to be able to use the rentals that would charge for the day-to-day operations as oppose to repaying debt service. So the contribution of \$1,520,000 is contingent upon the issuance of the permits. Once the permits are issued, then the money will be paid either to Maui Economic of Concerns or put into an escrow account that the money will be dispersed from, and that will be at the option of the developer. So basically we wanted to come up and just provide you – and by the way, the development agreement, they're called a co-development agreement that will be circulated to our board at our August 15th board meeting for review and approval and it is essentially the same language that we've used for previous projects. So I'm not speaking for my board, but I don't anticipate any problem as far as getting approvals on our portion of the development.

Mr. Hedani: Any questions for Mr. Ridings? Commissioner Freitas.

Ms. Freitas: I just like to make a comment at this time that during the – now that we're on it, in the Director's Report I would like to bring up that I think the commission should take a site visit and go and see all of these different affordable housing projects so we can see when we ask for the money, the money comes in, where it goes and what these places are looking like, a suggestion.

Mr. Hedani: Any other questions for the testifier? Commissioner Iaconetti.

Mr. Iaconetti: Can we assume that the money being contributed will be utilized solely on the west side for the low cost housing?

Mr. Ridings: Yes, as part of the agreement we have there is a specific clause in there that

first of all it can only be used for the development of the project on the west side. That is standard with the development or the contributions from the developers. If the developer's on the west side then the building of the affordable of the housing has to be in the west side as well and that is specific in the development agreement that we have. I don't know if it's in the agreement with the county, but I'm assuming it probably is. And the answer to your question, yes sir it does.

Mr. Hedani: Any other questions? Director Foley.

Mr. Foley: Charlie, first of all, thank you profusely for the work you do. The 20 acres that you referred to that is between your existing facility and Lahainaluna Road, is that part of the Wainee project and if so, what's the status of that 20 acres because that project hasn't been reviewed at all by the county.

Mr. Ridings: To be honest with you I don't know the status. Alice is the one really responsible for taking care of that so I would rather defer the answer to her as opposed to guessing what it would be.

Mr. Foley: The reason I bring this up is that while that's an excellent project it may be years before that 20 acres is available and this money might be available a long time before the land is available.

Mr. Ridings: Again, I would ask you to direct the question to Alice because I don't want to speculate or guess.

Mr. Hedani: Any other questions? If not, thank you Charlie. And Charlie again, you know, from my perspective I think what you do and how you do it are very impressive.

Mr. Ridings: Well, thank you very much and thank you for your time. And if the commission does want to take a look at any of the projects, we would be more than happy. Just let us know and in one of your – I'm full of a lot of things but I'm full of stories. I made a presentation to the Housing Chair for the House of Representatives about a year ago and it was a presentation that had all three facilities in it. They were looking at building affordable housing on Oahu. And I had pictures of all three of the facilities that we had gone through and we had about 60 people in the room and I asked them, I showed the pictures, it was about a third of the way through without identifying which of the projects and I said, tell me which of the projects are one-year-old, which project is eight years old and which project is 14 years old. And there was silence and I said that's exactly the answer I want. Because what we've done and this is why last time when I was here that I was talking about that the development of affordable housing and/or rentals needs to be developed locally and it needs to be run by the people who have actually built it as opposed to putting management companies in there because you want the heart and the passion

to be there. And when we do that tour, I would also ask that I take you by Kahekili Terrace and show you what public housing looks like and show what the housing we have built or any other affordable rental, our developers would build as well and I would ask you then to make your decision on who you want to run the facilities.

Mr. Hedani: Thank you.

Mr. Ridings: Thank you all.

Mr. Hedani: Are there any other members of the public that would like to offer testimony at this time. If so, please step to the microphone and identify yourself. Seeing none, the public hearing is closed.

The following testimony was received at the beginning of the meeting.

Mr. Hedani: First person to testify is Kay Ghean. Please step to the microphone. You have three minutes.

Ms. Kay Ghean: Good morning. Good morning Chairman Hedani and Commission Members, and Planning Director Foley. It's good to see you all this morning. Thank you for time. Thank you for this tremendous amount of work you do on this Commission. It must be one of the most difficult and I do appreciate it. I also appreciate that you allow us to testify early. I have a doctor's appointment I must get to. So, I'll be brief. My name is Kay Ghean. I am a resident-neighbor of Royal Lahaina, and I'm here to testify about the Royal Lahaina proposed redevelopment. I live at Halalei, Kaanapali, which is also known as Maui Kaanapali Villas. I'm on their Board of Director's and I'm also a Director of the Kaanapali Operations Association. But for purposes of this testimony, I'm testifying as an individual for my own reasons, and because I really support this project.

It's a pleasure to come before you and talk about a project that I believe is one of the most responsible improvements I have seen for Kaanapali and for West Maui in the period that I lived here. So I am pleased to be here and give you my thoughts on it. Royal Lahaina has been a good neighbor. They were a good neighbor before this development and they have preceded to be a good and constant neighbor always in Kaanapali. They have involved our Kaanapali Development, or our AOAO, our owners group for Hale Kaanapali. They have involved Kaanapali Operations Association. They've had individual meetings with me, with other members of our Board of Director's, with individual owners who have requested meetings, and they have taken a great deal of time to make sure that they not only show us what is planned, but listen to the input from the people. So they have just been extremely responsible.

Now as far as their development, I must tell you that seeing a development that reduces

density in the west side is a novel experience for us. And so we're very pleased to see this. Not only does it reduce density but it is a rich improvement for Kaanapali. It's a thriving enrichment and we're happy see this. Finally something that restores the quality that belongs in Kaanapali. They are keeping important things such as the Alii Room, which is, for those us who live on the west side, we see this beautiful plantation style room. So they're keeping important features, adding new ones, and making the best use of the land in our view. They are not planning time shares, and I am very pleased that the Hogan Family is taking this as their own personal responsibility. And so with their involvement, with a commitment of no time shares, I want to tell you I fully support and applaud this and I want to thank the Hogan Family, and I hope you will consider their request. Thank you.

Mr. Hedani: Thank you very much Kay. Director Ghean. She's a member of my Board of Director's. Thomas Scott.

Mr. Thomas Scott: Good morning, and aloha Chairman Wayne Hedani, Planning Director Mike Foley and members of the Maui Planning Commission. My name is Thomas Scott and I'm here this morning to speak in favor of the Royal Lahaina Resort Revitalization Project. I lived on the west side for the past 28 years. As you know we have seen a lot of changes. I have lived above the resort in Kaanapali Hillside with my family for the past 10 years in house we own. I am and have been the chairperson for Relay for Life, American Cancer's Society signature fundraising event in Lahaina, of which the Royal Lahaina Resort has supported for many years by providing meeting rooms, food and relay teams. This year we raised \$131,000 for cancer research in Lahaina. Thank you Mr. Hogan.

This is especially dear to my heart because my 13-year-old son is in remission. I can remember in 1978 flying into the airport in Kaanapali beach, having a cold drink in the wind (phonetic) lounge – I see that smile – boy have things changed. How fortunate we are that the Hogan's have decided to keep the property, did not sell to those that will build out to it's maximum density timeshare project. Instead they have proposed to build on only 46% of allowable density based on current zoning and 64% of the allowable lot coverage, actually cutting back the number of rooms available. That's truly amazing. We're pleased that the resort owners reduced the size of the building on the north-mauka corner of the property from six-stories to a four-story with a step up to the fifth-floor, barely peaking over the trees by the highway, Honoapiilani. It is good to know that these low rise, low density residential condominiums are not going to obstruct our views in the hillside area.

I have three children and I appreciate the resort will continue to allow public access, beach access, and are proposing to build a beach walk, an additional beach access. There are 26 proposed designated public beach parking stalls, ten self parking, and six, excuse me, ten self parking and – 16 self parking and 10 is free valet. It's a pleasure to see that the over all development will not dramatically change from its current look. I understand that Mr. Hogan has pledged funds to create a new tennis facility, working with the Parks and

Recreation. I know my children and many others will benefit this tennis court. In conclusion, I would like to thank Mr. Hogan and his development team for proposing a responsible and conservative Kaanapali project and support their every effort. Mahalo.

Mr. Hedani: Thank you Mr. Scott.

This concludes the testimony received at the beginning of the meeting.

b. Action

Mr. Hunt presented the Recommendation.
Condition 24 it should read that the existing pool shall be completely removed. Does that sound good.

Mr. Starr: I think we eliminate C.

Mr. Hedani: Commissioner Starr.

Mr. Starr: I think we just want to eliminate C.

Mr. Foley: I think you want to eliminate leaving it where it is too. That's A isn't it? I think the commission needs to decide whether you want to allow them to move it outside of the setback or whether you just want to remove it period.

Mr. Starr: My feeling is we should just eliminate C and leave A which is give them the option of being relocated completely outside this setback, shoreline setback or be placed in accordance with a supplemental environmental assessment that is conducted.

Mr. Guard: As part of this EA do they need to show plans to have it removed? Like do we need to give them a window of opportunity to reapply? I don't know – because now that's not part of what's been turned in right? Because now they're actually doing construction on something that wasn't discussed that removed the pool.

Mr. Hunt: There's two processes – The first EA addresses demolition. We feel that this pool is small enough in terms of the other demolition that we could just simply dovetail this in. In terms of the SMA or if, again, if they relocate it within the setback that's a separate process.

Mr. Guard: Right.

Mr. Hedani: In consulting, for your information, in consulting with Corp. Counsel on who they would have to go for for any variance applications in the future it's this commission.

Commissioner Starr.

Mr. Starr: I have a question on Item 12 which is energy conservation measures. Why aren't we using the wording that we've been using on other projects which states that solar water heating shall be utilized where applicable, something like that?

Mr. Hunt: I'll amend that appropriately.

Mr. Starr: Okay, thank you.

Mr. Hedani: Commissioner Freitas: Okay, I just would like to be clear again on how 24 is going to read and when you state how it's going to read I would like to know how the applicant feels about it.

Mr. Hunt: As I understand it, Condition 24 remain as it is except Item C will be deleted.

Mr. Hedani: Is there any objection from the commission to that? Seeing none –

Mr. Hunt: The applicant's okay with that? I'm getting an affirmative head nod from the applicant.

Mr. Hedani: So leaving A and B in there would be acceptable?

Mr. Hunt: Correct.

Mr. Hedani: Commissioner Guard.

Mr. Guard: On 22, this may be towards the applicant as well, I guess if there's the opportunity to just leave that sand on the same beach to do a partial beach replenishment as needed instead of taking it to a county baseyard might be a better option.

Mr. Starr: Yeah, leave it in the back.

Mr. Guard: Yeah, instead of sitting a quarry in the dust fields. If it's high quality to use it on site.

Mr. Hunt: Bear with me a little bit. This condition's fairly new and we're kind of struggling with it but we're trying to address this new issue that's arose. When we discussed this with the applicant they said they wanted to make sure they could utilize any excess sand on site. So we put in that phrase, "the sand shall be utilized for the project." I think we could use that as kind of a broad term to say if you got replenishment right on site go ahead. That's our intent.

Mr. Guard: But versus being taken to the county baseyard.

Mr. Hedani: We just didn't want to see it go to Olowalu.

Mr. Hunt: But again, perhaps we could refine this condition as we go along.

Mr. Guard: It sounds like they're going to use it.

Mr. Hedani: Any other comments?

Mr. Starr: Ready for a motion.

Mr. Guard: Yeah.

Mr. Starr: Move to approve the recommendation with the addition of the new standard language in 12 and the amendment we've made in 24.

Ms. Freitas: Second.

Mr. Hedani: Seconded by Commissioner Freitas. Discussion? The Chair will not be voting on this because I have a conflict. The applicant is a member of my Board of Directors so it's amongst you six people. Any further discussion?

It was moved by Mr. Starr, seconded by Ms. Freitas, then

**VOTED: To Accept the Recommendation of Approval of the Special Management Area Use Permit and Shoreline Setback Variance, as Amended.
(Assenting - J. Starr, S. Freitas, J. Guard, B. U'u, W. Iaconetti, J. Amarin)
(Excused - P. Eason, D. Shepherd)**

Mr. Hedani: Carried. Thank you.

A recess was called at 10:20 a.m., and the meeting was reconvened at 10:35 a.m.

Mr. Hedani: Commission is back in session.

C. NEW BUSINESS

1. **S & F LAND COMPANY requesting an Environmental Assessment Determination on the Final Environmental Assessment submitted in support of its application for a Community Plan Amendment from Light Industrial to Heavy Industrial for the proposed Heavy Industrial Uses on approximately 13 acres at the Central Maui Baseyard, Mokulele Highway, TMK: 3-8-005: por. of 001 (Lot C) and por. of 019 (lots 49 and 221), Puunene, Island of Maui. (EA 2005/0009) (CPA 2005/0006) (CIZ 2005/0005) (K. Caigoy) (R. Loudermilk)**

The Chapter 343 HRS trigger is the Community Plan Amendment.

The public hearing on the Community Plan Amendment and Change in Zoning requests will be scheduled for a later date after the Chapter 343 process has been completed.

Mr. Starr: I have a procedural question before –

Mr. Hedani: Jonathan before you start, I'd like to recognize Commissioner Freitas.

Ms. Freitas: Yes, I'd like to let the commission know I'll be recusing myself from this agenda item.

Mr. Hedani: Commissioner Starr.

Mr. Starr: Point of order. First of all, we received the I'm not sure, an EA or an EIS, I think it was an EA for this in a piecemeal fashion and we didn't receive the last piece of it until 7:30 this morning by email. And although I do have to compliment Clayton from the department for – I mean, he was running around handing out copies of the amendments and the amendment to the amendment and then email, but that's not the way to do business. We got some more sheets today at the meeting so I don't see any way that we can hear this today because we've not had time to examine the EA document and also I'd like to request a site inspection because it's a major project before we hear it as well.

Mr. Hedani: Other comments, Commissioners? Commissioner U'u.

Mr. U'u: I will agree with Commissioner Starr more so to the fact that I wouldn't mind taking a site visit there, seeing what it entails, you know, get something visual in my mind prior to voting on it.

Mr. Iaconetti: Do you need a motion to that effect then?

Ms. Caigoy: Mr. Chair, can the applicant have a moment?

Mr. Hedani: Please, go ahead.

Mr. Glenn Tadaki: Good morning Director Foley, Chairman Hedani, Members of the Maui Planning Commission. My name is Glenn Tadaki with the landscape, architecture and planning firm of Chris Hart and Partners.

In response to Commissioner Starr's comments, I would like to note that the information that was recently distributed by the Maui Planning Department's staff is information that's already contained in the supplemental final environmental assessment. This information is included in the applicant's response letter to the Maui Planning Department's comments on the supplemental draft EA.

The Planning Department from what I understand provided hard copies and I believe also had sent emails with regard to this change. I apologize for the inconvenience this inadvertent omission of some of these pages from the supplemental final EA has caused. However, as I said, the information is already in there in the copies of the supplemental final EA that you've received in the form of our response to the Maui Planning Department's comments. The copies that I handed out to you this morning, the same information that the Planning Department staff had previously distributed. For ease of convenience to show the changes between the supplemental draft EA and the supplemental final EA I've noted those changes in blue text. In the transmittal letter which is attached to these pages, I note the corresponding sections of the Maui Planning Department letter to which these changes address and apply to. So in that respect, I ask that the commission consider proceeding with the hearing for today's supplemental final EA.

I also ask that the commission consider holding the site visit in connection with the processing of the community plan amendment and change in zoning request for which we'll be coming back to you hopefully the later part of this year.

Mr. Hedani: Commissioners? Commissioner Starr.

Mr. Starr: Mr. Chair, I move to defer pending resubmission of the paperwork and the site visit.

Mr. Hedani: Is there a second? Motion dies for lack of a second. Why don't we just proceed with listening to what they have to say today?

Mr. Starr: I will be say that I'll probably be challenging this action.

Mr. Hedani: That's fine. Kivette.

Ms. Caigoy: The department did transmit the changes to the final environmental

assessment for the Central Maui Baseyard project to the commission. The proposed action does require a change in zoning and community plan amendment. Those have been filed with the department and are being held in abeyance pending the 343 process.

I don't have much left of the staff report for me. I'll turn it over to the applicant, who's got a power point presentation for you.

Mr. Hedani: Okay.

Mr. Tadaki: Thank you Kivette. Some of you have already seen this power point presentation or earlier variations of it during the review of the supplemental draft EA and the County Special Use Permit application review.

My name is Glenn Tadaki as I previously stated with Chris Hart and Partners. With me today, is Chris Hart of our firm and Earl Stoner of S&F Land Company, the applicant of the community plan amendment and change in zoning request for proposed heavy industrial areas at the Central Maui Baseyard which – the trigger of which is the community plan amendment and that in turn activates the environmental assessment review process.

The Central Maui Baseyard is located midway between Kahului and Kihei. Excuse me while I fumble for my pointer. Okay so this is the general vicinity of the Central Maui Baseyard. The baseyard occupies an area of approximately 50 acres. It's located on the east side of Mokulele Highway. Access to the baseyard is currently provided via a signalized intersection of Mokulele Highway and old Waiko Road.

The community plan amendment and change in zoning request involve Lot 1C which approximately 9.8 acres, Lot 59 which is 1.3 acres and Lot 221 which is about 1 acre. All three lots are within the state urban district. They're all designated for light industrial use by the Kihei Makena Community Plan. Lot 1C is currently in the – designated for agricultural district uses by Maui County zoning while Lot 59 and Lot 221 are both designated for M-1 Light Industrial uses by County zoning.

A 2.6 acre portion of Lot 1C toward the south end of the site is currently being used by SOS Metals as a metal recycling facility. The County Special Use permit for this facility was granted in September of last year. Lot 59 was formerly occupied by Maui Auto Wrecking who has since terminated their operations. This site is currently undergoing the clean closure process for remediation. Lot 221 is occupied by or utilized by Maui Tow and Transport for the storing of abandoned vehicles.

This slide shows the summary of the land use history of the lands underlying the Central Maui Baseyard. This information is also contained in the supplemental final EA that you have. Prior to World War II the lands underlying the baseyard was used by HC&S for sugar

cane cultivation. From World War II to the present time, these lands have been used for various industrial type purposes as you can see. From 1984 to the present time, the Central Maui Baseyard has been home to about 99 local businesses involved in building and service related construction activities.

This slide depicts the key land use approvals and environmental reviews for the Central Maui Baseyard. Detailed description of the slide is included in your copies of the supplemental final EA. Back in February of 1984, the State Land Use Commission granted S&F Land Company a special permit for storage uses. Back in November of '96, the State Land Use Commission granted incremental state urban district approval for about 41 of the baseyard's 52 acres. The remaining 11 acres would be automatically reclassified to the state urban district upon substantial completion of improvements to the baseyard's initial 41 acres and the filing and acceptance of a change in zoning application by the Maui Planning Department for a change in zoning to light industrial at the time.

Back in November 1997, there was a final EA and FONSI determination that was in support of a community plan amendment for light industrial uses for the baseyard's 52 acres. Subsequently Ordinance 26-41 established light industrial uses for the baseyard's entire 52 acres. This was part of the Kihei Makena Community Plan update process. Subsequently in November 1999, Ordinance 29-15 established light industrial zoning for approximately 41 of the baseyard's 52 acres. It's similar to the State Land Use Commission approval for the state urban district lands.

More recently, in August of last year, we prepared a supplemental draft environmental assessment which basically addresses the incremental changes between the light industrial use and the requested heavy industrial uses for the proposed heavy industrial areas. In addition, on behalf of the applicant submitted a request for community plan amendment to heavy industrial and a change in zoning to the M-2 Heavy Industrial District on behalf of S&F Land Company. This was for Lots 1C, 59 and 221.

Back in September of last year, the Maui Planning Commission granted a County Special Use Permit to provide for the development of the metal recycling facility. Okay then October 8th, the notice of availability of the supplemental draft EA was published in OEQC's environmental notice. A few days later, the planning commission met to provide on SDEA which brings us to today. At which time we're here to review the supplemental final EA and hopefully the planning commission will issue the or authorize the filing of the supplemental final EA and declare a finding of no significant impact.

These are some photos of the Central Maui Baseyard. This is Lot 1C which borders Mokulele Highway. This is the location of Lot 59, Lot 221 and Lot 1C. This is a photo of Lot 59 which was formerly occupied by Maui Auto Wrecking which has since closed. This is a view of Lot 221 with some of the abandoned vehicles that are stored on site.

In the supplemental draft EA we included a preliminary site plan for the metal recycling facility. At that time, the site was proposed for approximately three acres included a preprocessing building and processing building as well as a office trailer. The preprocessing and processing building are pre-engineered buildings. Since the publication of the supplemental draft EA there have been some changes to the proposed action. As I mentioned, Maui Auto Wrecking vehicle processing operations on Lot 59 have terminated and the site and operations plan for the metal recycling facility was modified in response to interim and long term operational needs. So the key changes or modifications are the reduction of the site area from three to 2.6 acres and consolidating the facilities internal operations into one pre-engineered building of approximately 9,600 square feet instead of the two separate preprocessing and processing buildings that were originally proposed. Another key change is to conduct interim operations until such time that the pre-engineered building is completed. Another change also being the relocation of the drainage basin from the southwest corner of the site to an area by the northwest corner.

A very important development which occurred since the publication of the SDEA has been the State Department of Health's approval of the solid waste management permit for the metal recycling facility. This occurred in November 2005. Subsequently, May 20th of this year, the DOH approved the modifications to the solid waste management plan to provide for the interim operations of the facility.

This is the interim operation site plan for the metal recycling facility. This is also included in your copies of the SFEA. This is a site operations plan for the long term permanent operations for the metal recycling facility with the 9,600 square foot processing area, office area, operations center and the existing concrete slab with storage areas.

These are photographs of the existing interim operations. These photos are also included in your copies of the SFEA and I'll be more than happy to schedule a site visit for you in connection with the community plan amendment change in zoning review process. On the left is the Enviro Rack which is a device to remove fluids, tires, batteries, liquids, any other types of materials from vehicles prior to crushing. On the right you see the crusher/baler which is basically compacts and reduces these derelict vehicles into compact sizes for storage in shipping containers. This is another view with the Enviro Rack and the sierra baler. This is the relocated drainage basin which was originally intended for the southwest corner of the site. It's now in the northwest corner of the site. This is a emergency access only ingress/egress for the metal recycling facility. This is the primary access road which extends from the end of Nakiki Place to the metal recycling site. On the left, you see bestill planting which were installed recently. Upon maturity they'll help screen the metal recycling facility from views.

This is the graded catch basin within which is a oil/water separator which is used to capture any alien particles, fluids, basically pollutants to keep it from infiltrating into ground water.

These materials are then stored separately and then disposed of by a qualified fluid or disposal service. The clean treated water is then discharged into the drainage basin.

After the publication of the supplemental final EA and the finding of no significant impact, the Maui Planning Commission will meet to provide recommendations to the Maui County Council on the community plan amendment and change in zoning request. As I mentioned, at that time we'll be more than happy to schedule the site visit for all of you so you can view these proposed heavy industrial areas as well as take a look at the metal recycling operations.

After the Maui Planning Commission meeting, the Commission's recommendations will be provided to the Maui County Council for deliberation. There are two council meetings which will occur after the Council's Land Use Committee has provided their recommendations to the council. After the second and final council reading, the Mayor will hopefully sign the ordinances adopting the community plan amendment and change in zoning request.

At this time, do you have any questions or comments? I've got Mr. Stoner here of S&F Land Company that's available to respond to them. Thank you for your attention.

Mr. Hedani: Thank you very much Glenn. Questions from the Commission? Commissioner U'u.

Mr. U'u: Good morning Mr. Stoner.

Mr. Earl Stoner: Good morning.

Mr. U'u: I had questions about your – wasn't there a building that's supposed to be built on site?

Mr. Stoner: The building for the SOS Metals operation?

Mr. U'u: Yes.

Mr. Stoner: It's a 9,600 square foot metal building with two stories on the north end and one story on the south. A portion of it would be open to the Haleakala side which is the side away from the highway to provide access for cars coming into the crusher/baler which will be installed in that building. But the other side will shield the visibility from the highway.

Mr. U'u: When is it planned to be built?

Mr. Stoner: The building is supposed to arrive this month. I wish I could tell you a specific date, but the permit has been filed for as I understand it and it's a matter of processing the

permit. My guess is the building should be – assuming there's not a problem with this, it's a straightforward building, I'm guessing that probably prior to year end, the building should be up.

Mr. U'u: When does your permit expire?

Mr. Stoner: The current permit expires I believe September 30th, but they are filing an extension of the interim permit at this time. They should be filed probably by the end of next week to extend their interim operation until such time as the building could go.

Mr. Hedani: Any other questions from the Commission? Commissioner Amorin.

Ms. Amorin: Thank you Chair. Aloha. This is such a important facility. I mean we need to have it yesterday, but as far as your operations could you give me just a quick synopsis, you get the car, you take it from one end and where does it end?

Mr. Stoner: The SOS operation is – I should point out first it's more than just a car facility. It's car, white goods and heavy metal scrap, ferrous and nonferrous, but the Sharrow family who own SOS Metals in California expressed a desire to start up some time back because of the car problem on Maui. I give you that just for brief background. They have pretty much delivered on everything they've said they would do. The situation with cars coming on site, and the effort is to create as efficient an operation as possible so that we don't end up with a pile of cars that 400 high, and you know, wide. Cars come into the site that have been generally preprocessed or are in need of minor final processing that is removal of liquids and related items. They are stored briefly on the site for that purpose. They go through the Enviro Rack which you saw the picture of with the top on it where the car was up in the air. That Enviro Rack removes all of the fluids. The fluids are separated in that machine into separate barrels or containment items, used oil, radiator fluids, lubricating oil, used gasoline and the Freon is also separated from the air-conditioning and is removed by one of the air-conditioning companies locally that has a license to remove that. All of those items go and are processed by operators that are authorized to dispose of those fluids. The car is then moved into a pile adjacent to the baler logger unit which is the crusher. They are lifted into that unit by a crane. Generally when they are operating in the building they will be lifted into that unit by a separate crane item from outside the building which will place it in the logger unit and it will be crushed into approximately 18 inches high four feet wide and the length of the original vehicle whether it was 15 or 20 feet. It will compact depending on that length. Those units are then lifted out of the baler by the crane that is on the baler that you can see it's had a four prong unit on it that lifts it then into a marking area where it is marked for shipment with its weight so that they don't overload the container because the container can only take approximately, I think it's 22 tons. They can take about 11 cars per container in crushed format. The reason for weighing it is so they don't go over the weight limit in a 40-foot container and then after it's weighed it will be out

there with perhaps 25 or 30 other crushed units which will be placed in the containers and removed from the site at that point. The efficiency it would normally be if a car came into the site, it should be out of the site within about three days maximum.

Ms. Amarin: So when this crate is removed, where is it removed to?

Mr. Stoner: The container?

Ms. Amarin: Yes.

Mr. Stoner: It goes to the dock, and then it is shipped. As I understand it, presently they are shipping to the entity in Honolulu, HMR, that operates their metal facility in Honolulu, but in the future they intend probably to ship to China on the Matson service to that area.

Ms. Amarin: That's great to hear because there's not a second holding area, you know. Three days and it's out to the dock.

Mr. Stoner: That's the hope for turnover on it. They seem to be achieving that at this point.

Ms. Amarin: And then also my question on your drainage, why are you moving it from southwest to northwest?

Mr. Stoner: The reason we did that is because we originally had it at a location adjacent to Pulehu Stream, but when the County installed the highway drain under Mokulele, it's located approximately 600 feet to the north of this facility and our intention is that in addition to that ponding area which is roughly a half acre foot that we would pond along our internal roadway, the one that he showed serving the property, and if it overtops that roadway it would then go to a ponding area along Mokulele Highway which is parallel and then through that drain. So the likelihood of any fluids escaping our site and going to the canefield across the road which it used to do freely is very limited. Essentially Mokulele Highway is now the Central Maui dam.

Ms. Amarin: And my third question to you is, a certified company, and you have that separation of the oil and the water, where is that taken? Does it remain here on Maui?

Mr. Stoner: Yeah, the oil that comes out of that separator, the oil separator unit would go to the same entity that would collect used motor oil from the Enviro Rack. Because there's like – there's I believe two possibly three licensed facilities on island. Unitech is one of them, Pacific Supply or something is one and I'm not sure of the third. But they are the only authorized parties to take that liquid material and dispose of it under proper governmental regulations.

Ms. Amorin: Thank you for all your comments. Thank you.

Mr. Hedani: Commissioner U'u.

Mr. U'u: Good morning again, I think this is one of the projects we're not going to be requesting for a view plain. But aside from that, I was looking at your graded catch basin it drains into your drainage basin. At what point does it exit the drainage basin?

Mr. Stoner: At what point does it access the drainage basin?

Mr. U'u: Exit. As far as your catch basin, your drainage basin, what part does it exit out onto the drainage.

Mr. Stoner: Well, it goes in right where your finger is. It goes into what would be the southeast corner of that basin. It's an eight-inch PVC line and that's only water that goes in there because the oil separator is in that grate.

Mr. U'u: I'd be really interested in looking at how it works on the site visit.

Mr. Stoner: Okay, I'm sure that Bruce Mizel who's running the facility can show you and give you – explain better than I how that operates.

Mr. U'u: Thank you.

Mr. Hedani: Any other questions from the Commission? Okay, if not, thank you Mr. Stoner. Your facility from my perspective is very well needed, just the processing of abandoned vehicles is an important process and it looks like, you know, all of the concerns that would normally be addressed have been addressed. So your efforts are appreciated. Since the Department of Transportation cannot solve our traffic problems is it possible to remove vehicles that are not abandoned as well through your facility?

Mr. Stoner: Absolutely.

Mr. Hedani: Thank you very much.

Mr. Stoner: Thank you. We look forward to having a site visit. Probably I think Glenn is right in conjunction with the zoning and the community plan amendment time would be timely for that. I think that the SOS facility will be running more efficiently because they're going through their start up situation right now and they are getting more efficient virtually daily. So I think that would be a good time to see it and hopefully by that time whatever worms exist will be worked out and it will be fully operational. And I'm sure that as I say, Bruce Mizel who runs the facility can answer specific questions with respect to its operation.

Mr. Hedani: Thank you very much.

Mr. Stoner: And we'll make sure he's available. Thank you.

Mr. Hedani: Kivette.

Ms. Caigoy presented the Recommendation.

Mr. Hedani: Any questions for staff? Commissioner Starr.

Mr. Starr: Yes, how – I understand that a portion of this was only received yesterday and transmitted to us today. How are you able to examine – were you able to examine it after yesterday and base your opinion on that or where you basing it on information previous to the final submission which is dated August 8th?

Ms. Caigoy: What actually happen was – I received what I call like draft final EA and I take a look at that document to see that all the information is contained as required in the Administrative Rules. So the version I got did have those pages. What happened was when we made the copies for the commission, my understanding it was a printer error. Those pages were accidently omitted. And so we caught at the last moment actually. Glenn caught it over the weekend and we tried to get it out to you as quickly as we could. But what I reviewed, I had a copy of it when I reviewed it.

Mr. Starr: I'd like to ask Corp. Counsel a question on whether there's any wording in the ordinance regarding EA that the body considering it for a FONSI receive information in a timely fashion or whether an hour before decision making is considered timely. I mean, I feel we're in the shell game here.

Mr. Giroux: I don't know as far as in the ordinance. I mean, it's up to you to determine how complex that information is and how much time you need to absorb it. The staff has had ample time to review that information. If you need more time to review that information or if it's merely additional information that can be gleamed from the information that you already had, I think that's something for the body to determine.

Mr. Starr: And I see this is a section regarding potential impacts and mitigation measures from environmental solid waste. I don't see how we can judge it. You know, it's aside from the merits of it. I'm not complaining about the merits of the project. I really think Corp. Counsel should step in, but you know, we need to have an opportunity to examine these things. I mean, Mr. Giroux am I wrong on that? I am off base that 10 minutes is not enough to examine the merits of an EA?

Mr. Hedani: Commissioner Starr, I received my – I don't know if you received an email on

it. I received my email on this yesterday at about I guess it was in the afternoon, 4:30 or 5:00 in the afternoon.

Mr. Starr: I checked my email last night.

Mr. Hedani: And the comment was that an additional copy would be provided to us today, this morning.

Mr. Starr: I received mine at 7:30 this morning. I had to check my email at 10:00 last night.

Mr. Hedani: Was this sent out to everybody at the same time?

Ms. Caigoy: Yes, it was sent out by email yesterday on the 7th.

Mr. Hedani: Okay, any other discussion? Are there significant changes in the pages that were omitted from the draft? Maybe Glenn Can address that.

Mr. Tadaki: Hi, this is Glenn Tadaki again with Chris Hart and Partners. As I mentioned at the onset, the information in the blue text that's in the handouts and the email distribution that you received is already included in the copies of the document that you have. If you refer to Appendix O in the supplemental EA which is the section that deals with supplemental draft EA comments and responses, if you look at the applicant's February 27, 2006 letter which responds to the Planning Department's October 3, 2005 comments, you'll see that the blue text on page 38 and 39 which you have address Comment 2F of the Planning Department's letter regarding visual resources. Similarly the blue text on pages 40 and 41 address the department's Comment No. 3 regarding historical and future use of regulated hazardous materials. Also, the blue text on pages 45 and 46, address Comment 2E dealing with fire prevention while the blue text on pages 49 and 50 address comments 1C, hazardous materials and 2C, spill prevention. So this information is already included in the document and it was included in our letter responding to the Planning Department's comments. So if you've gone through the document from beginning to end you would have seen that information in the applicant's response letter to the Planning Department. What I did to – not because I was required to but I thought it might be helpful was to replicate that information from the Planning Department – to the Planning Department's comments and move that forward into their sections of the supplemental final EA. So it's basically copying that material or information and then pasting them in the corresponding appropriate sections of the supplemental final EA just to facilitate your review.

Mr. Hedani: Commissioner Starr does that suffice?

Mr. Starr: No it doesn't because I don't see this blue language in here. All I see is the questions that these answer in here. I'd like him to show me where that wording is in the

SFEA document because all I see are the questions that are being answered by that blue wording. And even still this is a shell game. I feel like it's so confusing that without – that we cannot be expected to –

Mr. Tadaki: 38 and 39 ...(inaudible- not speaking into a microphone)...

Ms. Caigoy: I think if you look under the colored sheet labeled, "Substantive Comments and Responses." You'll see the different comment letters on the department's letter head. Following our comment letters is the applicant's –

Mr. Starr: Where?

Ms. Caigoy: Response and it's 12 pages long the response.

Mr. Starr: Oh, it's not verbatim – he just told me that it's not verbatim, it's similar information.

Mr. Tadaki: The information, the core, the basic information is –

Mr. Hedani: Glenn you need to go on the record.

Mr. Starr: This wording is not in the document, I'm sorry. There's different wording that seems to say something similar.

Mr. Tadaki: The core language is included. So it may not be verbatim word for word, but the core language which imparts the – what was said in our response to the Planning Department's comments was brought forward and installed in the appropriate sections of the supplemental final EA.

Mr. Hedani: Okay, additional questions for staff? My personal comment on this is I think, you know, it still needs to come before the commission as well as the Council. It's basically a recommendation that we'll be making to the Council. There are several more periods of review that are going to take place with both the change in zoning and the community plan amendment. So unless you have major questions that haven't been answered by the presentation or the information that we have, we should make a decision and move on one way or another.

Mr. Starr: We just heard that the wording that was added today to the EA is not in the document that was provided to us. It's different from the wording that was in there. I would like to see this project move ahead, but having this EA challenged will not move it ahead but will slow it down. So really suggest that board members take that into account.

Mr. Hedani: Commission members what's your pleasure.

Mr. Guard: I'm sure what the main questions are for Commissioner Starr, some of it talks about the pre-engineered building. Some of them seemed more beneficial to have this here. What pesticides were used by HC&S in the past. If there's something I'm missing that shows a reason to not go forward. I don't know if you can flip through the recreational facilities, police and fire, if anyone is –

Mr. Hedani: I think my point is that if the applicant hadn't come forward and told us the pages were missing we would never had known.

Mr. Starr: Excuse me Mr. Chair. I take this as a very serious process issue.

Mr. Hedani: Right.

Mr. Starr: That we're being asked to rule on a document that we haven't seen before. And if we allow that to occur in this case then we're basically saying, you know, that we don't need to review these documents, that all we're doing is rubber stamping them. So here we have a case where we have something presented to us today that's different from what we were given and, you know, if we're saying well it's insubstantial we're basically saying, you know, they can provide us anything in a book and then provide us something at the last minute that's different then –

Mr. Hedani: All I'm saying Commissioner Starr is that the applicant has made a good faith effort to provide us with the information as quickly as they could when they determined that it wasn't available to us. Commissioner Iaconetti.

Mr. Iaconetti: Would it be appropriate to say, take a half-hour recess at which time we can go over the transmittal that's in question and then come back.

Mr. Starr: That won't my satisfy my feeling that we have ...(inaudible)... going on.

Mr. Hedani: Okay.

Mr. U'u: Just to make a point. I understand what Commissioner Guard was saying into what is really important here. I know the bulk of the information was give to us and I've looked it over. I've read more than half of this right now and I'm trying to look at the important. I understand what you're saying Commissioner Starr, we need this prior. That instead of stalling, I think we should read it or I have been reading or I'm looking at the importance of this and I know everything is important, but I mean like you said before, the core information is in the book. Yeah, the core, granted it's not word for word, granted we should have had this prior to the meeting which we did, but I don't see significance in

waiting.

Mr. Hedani: Commissioner Amorin.

Ms. Amorin: Thank you Chair, just my own comments. What was a good faith effort, it's not intensive information. As we're sitting right now and looking through it I don't see any negative impacts to the project and I have all respect for Commissioner Starr's comments, but you know we have as a body, I think the majority of us have gone through the project with the applicant and I agree we need to move forward. Thank you.

Mr. Hedani: Any other comments?

Ms. Freitas: Can I say anything?

Mr. Hedani: Of course, Commissioner Freitas.

Ms. Freitas: Even though I'm recusing myself. I guess the only thing I have to say is, as much as we all know how desperately and anxious we are to have this go forward, and I do also, even if I'm not supposed to say that but, I guess my fear is and why I'm really for the commission doing a site visit is we ran into a very scary and difficult situation with the Apana dump and I would have to anything move so fast that we don't check it to make sure that we're not creating another nightmare like we're trying to correct now because of that nightmare. So, I can totally respect Mr. Starr's concerns because this is extremely important and this is going to be one of those that once it's done, we can't go back. I mean, we're trying to correct one now and we see we can't. So I just hope that everybody does read it very thoroughly that votes on it and that we just do go and check it out and make sure that they are in accordance with what the permit is.

Mr. Hedani: Okay, we don't have any motion on the floor, is there any –

Ms. Caigoy: Public testimony. Do you still want to take testimony?

Mr. Hedani: You need a public hearing for this at this point?

Ms. Caigoy: No, but you still can accept public testimony because it's an agenda item, the public can testify on any agenda item.

Mr. Hedani: Okay, I mean, we can open it up for public testimony at this point. Are there any members of the public that would like to testify on this agenda item please step forward and identify yourself? Seeing none, the public hearing is closed. Commissioner Starr.

Mr. Starr: I move to deny.

Mr. Hedani: There's a motion to deny by Commissioner Starr. Is there a second? Motion dies for lack of a second. Is there any other motions to consider? Commissioner Amarin.

Ms. Amarin: Thank you Chair. I move to accept, but as a Commissioner, I'm in favor of the site visit.

Mr. Hedani: Okay, there's a motion to accept. Is there a second?

Mr. U'u: I'll second.

Mr. Hedani: Seconded by Commissioner U'u. Discussion? Commissioner Starr.

Mr. Starr: I think we would be making a mistake in accepting this on the basis of a process. I think we would be making a statement that we don't need to be given a documentation ahead of time. That's a very bad precedent.

Mr. Hedani: Thank you. Commissioner Guard.

Mr. Guard: I agree with the precedent, but I do believe either this company or any of the other companies between Chris Hart and other ones that come before us, I don't think this is going to become a policy for them to try to do this, that it's not a project – everyone knows we need the project, it's not like they're trying to slip something by us. But I do agree with Commissioner Starr that we don't want this to become the normal method of bringing stuff in here 7:30, 8:00 in the morning for us. But to kill it on the doorstep over that right now, when they do have to come back I think could be a mistake. But on the precedent, the protocol of how we do things, we do need to address that.

Mr. Hedani: Any other comments, discussion? You ready for the question?

It was moved by Ms. Amarin, seconded by Mr. U'u, then

**VOTED: To Accept the Accept the final EA and issue a FONSI determination, a Findings of No Significant Impact. Also, to do a Site Visit.
(Assenting - J. Amarin, B. U'u, J. Guard, W. Iaconetti, W. Hedani)
(Dissenting - J. Starr)
(Recused - S. Freitas)
(Excused - D. Shepherd, P. Eason)**

Mr. Hedani: One nay, Commissioner Starr. Motion is carried. Thank you.

Ms. Caigoy: Mr. Chair, just a point of clarification, so you're issuing the FONSI

determination which allows the department to go ahead and proceed with publishing that with OEQC and then we'll schedule the site visit before the other permit applications come before you?

Mr. Hedani: That's correct. I'm sorry, the Corp. Counsel is asking if the Chair voted. One, two, three, four, Chair votes aye, motion is carried.

Ms. Caigoy: Okay, thank you.

Mr. Tadaki: Thank you very much.

A recess was called at 11:30 a.m., and the meeting was reconvened at 12:46 p.m.

Mr. Hedani: Planning Commission is back in session. We have several members of the commission that are still in the restroom right now, but we're going to proceed without them just so we can see the expressions on their faces when they walk in and we've already convened. What we'd like to do is we'd like to give – I believe there are some people from Hana that are here to testify on the Hana Advisory Committee's recommendations.

Mr. Starr: Mr. Chair, we don't have a quorum.

Mr. Hedani: We're going to proceed without a quorum unless there's objections from the members that are present.

Mr. Starr: I do object.

Mr. Hedani: You do object.

Mr. Starr: Yes.

Mr. Hedani: Okay, in that case then we won't proceed. We'll just wait. Otherwise, what we would have done is take testimony from the people in Hana because I know they have a long drive back to the other side and the Hyatt has consented to allow them to precede them on the agenda in order to accommodate their schedules.

Mr. Iaconetti: I agree with Jonathan. I don't think we ought to proceed without the commissioners.

Mr. Hedani: Okay, we'll wait five then we'll ask staff if they can reach them on the phone and crank it up.

Mr. Starr: We just need one more.

Mr. Hedani: My apologies to the applicants and the members of the public. Okay, we have a quorum. What we're going to do is, we're going to go ahead and proceed to take public testimony but before we do that on Item D-1, we're going to have introductory remarks on Item 2, C-2 by the Hyatt Regency Maui. So Chris, you want to introduce?

2. **HYATT REGENCY MAUI requesting comments prepared in support of the Special Management Area Use Permit application for the Hyatt Regency Maui Timeshare Project at TMK: 4-4-013: 008, Kaanapali, Island of Maui. The proposed action involves the development of 121 timeshare units with 24 lock-out units for a key count total of 145. (EIS 2005/0002) (SM1 2006/0001) (K. Caigoy) (J. Hunt)**

The proposed action does not trigger Chapter 343, HRS. The EIS is being prepared voluntarily by the applicant.

The public hearing on the Special Management Area Use Permit will be scheduled for a later date after the Chapter 343 process has been completed.

Mr. Chris Hart: Thank you Mr. Chair. My name is Chris Hart, Chris Hart and Partners and I'd like to introduce to you today, Frank Lavey, who is the General Manager at the Hyatt Regency Maui Hotel and he has some scheduling problems because he has to go to the mainland tomorrow and he would just like to make some comments about the luxury hotel and the continued operation of the hotel and its facilities. Frank.

Mr. Frank Lavey: Ladies and Gentlemen of the Commission, thank you for seeing me and allowing me to proceed in the order. As Chris stated, my name is Frank Lavey, I'm the General Manager at the resort and more than anything wanted to express our support for the development and our excitement about the development because we see it as an enhancement and a compliment to the existing product that we have. And that product will not change in any. We'll continue to operate a full-service four-star luxury property that would include all of food and beverage facilities, our spa, all of the recreational activities, and as I mentioned, we see this as an enhancement to the product being that the hotel customer, and the time share customer are two completely different market segments. And so, again, it would be an additional amenity that would provide additional recreational spaces for our hotel customers and the time share customers would also have the benefit of utilizing all of the amenities and services within the hotel portion of the resort. So I welcome any questions that I may answer regarding that project.

Mr. Hedani: Questions from the commission? For the commission's information, the Chair is going to recuse himself from this particular item also because the Hyatt is also a member of Kaanapali Operations Association, Inc., and an employer. So Commissioner Amarin,

question?

Ms. Amarin: Thank you Chair. My only question right now, is the tennis courts. You're removing the tennis courts to accommodate your project. Are you going to relocate the tennis courts or just abandon them all together?

Mr. Lavey: No, as it stands right now there would be a reduction in the number of courts. Currently we have five courts, and I can tell you quite honestly that I've been at the resort for a year and a half and I have never seen more than two in use at any given time. So we think with the three that would remain, we would have more than enough to accommodate our guest's demands.

Ms. Amarin: Thank you.

Mr. Hedani: Any other questions for Mr. Lavey? Commissioner Shepherd.

Ms. Shepherd: I don't know if this is for you or for somebody else on the team, but how are you going to keep your guests off the roads? The worst problem the west side has is traffic and we need to see a concerted effort to try to keep people out of rental cars. So what are you planning to do about that?

Mr. Lavey: Well, I may defer that to Mr. Hart.

Mr. Hart: If we could, we'd like to defer discussion of the traffic issue, and I might add though that Mr. Lavey has been talking with people in the union and so on about busing employees and it's something that is being discussed and that's about all I can say about that.

Ms. Shepherd: And he takes the bus too?

Mr. Hart: I think he lives there. He lives on property. But that issue is something that we'd like to talk about in the context of our presentation. Thank you.

Mr. Hedani: Any other questions for Mr. Lavey at this point? Seeing none, thank you very much.

Mr. Lavey: Thank you very much.

Mr. Hedani: Commissioners that just arrived, what we'd like to do is we'd like to take out of sequence any public testimony that might be brought forward from people from Hana because they have a long drive back. So at this point, what I'd like to do is skip over to Item D-1 and maybe we could – you want to do an introduction to that Director Foley?

Mr. Starr: Mr. Chair, just information. So we're going to take up Item D-1 before we – and then go back afterwards and take up –

Mr. Hedani: Right. We're just going to take public testimony on item D-1.

Mr. Starr: Oh, we're not going to take the item itself?

Mr. Hedani: Not the entire item.

Mr. Starr: May I suggest we take the item so that people who are here from Hana can actually be part of the deliberation?

Mr. Hedani: If that's the pleasure of the commission.

Ms. Shepherd: It makes sense.

Mr. Hedani: Does the Hyatt have any objection to that? No. No objection. Okay, we'll go ahead and conclude item D-1.

Ms. Caigoy: Mr. Chair, the staff planner for that item isn't here right now. He took lunch.

Mr. Foley: We can start with the testimony.

Mr. Hedani: Okay.

D. COMMUNICATIONS

1. **MS. KAUI KANAKAOLE, Chairperson of the Hana Advisory Committee to the Maui Planning Commission transmitting the Committee's comments on the following applications from MS. CHERYL VASCONCELLOS of the HANA COMMUNITY HEALTH CENTER, INC., requesting the following approvals for the Hana Community Health and Wellness Village Project at 4590 Hana Highway, TMK: 1-4-003: 022 and 024, Hana, Island of Maui (J. Alueta):**
 - a. **A State Land Use District Boundary Reclassification for the State Agricultural District to the State Rural District on approximately 12.106 acres of land. (DBA 2005/0005) (public hearing conducted on May 18, 2006)**
 - b. **A Change in Zoning from the Interim District to the P-1 Public/Quasi-Public District. (CIZ 2003/0004) (public hearing conducted on March 10 2005.)**

The Maui Planning Commission might make recommendations on both of these land use applications to the Maui County Council.

Mr. Hedani: Are there any members of the public that would like to bring testimony forward on Item No. D-1 which is the Hana Advisory Committee to the Maui Planning Commission's report on the Hana Community Health Center? Please step to the microphone and state your name.

Mr. John Kahalehoe: Hi, good afternoon Commissioners. I'm John Kahalehoe. I'm just here to answer some questions or any questions that you may have pertaining to the rezoning that we want to have you folks approve on it.

Mr. Hedani: Okay, so no public testimony at this point?

Mr. Kahalehoe: No, not at all.

Mr. Hedani: Okay, any questions from the Commission? No questions. Thank you very much.

Mr. Kahalehoe: Okay.

Mr. Hedani: Any other members of the public that would like to offer testimony on this subject? No, I guess I was wrong. Okay, Director, you want to introduce it?

Mr. Foley: This is an application from the Hana Community Health Center for a health and wellness project in Hana. There are several different applications related to this project. One is a State Land Use Boundary Reclassification for the 12 acres from agriculture to rural, and a second would be a change in zoning from interim to public/quasi-public. We have had this project reviewed by the Hana Advisory Committee and we have in the staff report a description of their review. You also have a copy of the minutes of the Hana Advisory Committee meeting of May 18th. So, Joe if you're ready. Joe Alueta will introduce the project to the commission.

Mr. Alueta presented the Maui Planning Department's Report.

Mr. Hedani: Commissioner Iaconetti.

Mr. Iaconetti: Joe, I wonder if you could clarify as this is on leased land that belongs to the State is that correct?

Mr. Alueta: Yes.

Mr. Iaconetti: And the original medical facility was under the auspices of the corporation that now runs the Maui Memorial as well as all of the other state hospital?

Mr. Alueta: I can't give you that kind of background of how Hana Health Center came about and that whole history of that. I do not have that information. I can turn that over to the applicant to explain how this organization came about and all that.

Mr. Iaconetti: That's fine. My question deals with the fact that they were able to get out from under the corporation that runs all of the other state facilities. How did they do that? I know for a fact that Maui Memorial for years had tried to get out from under that same corporation and have been unable to do so and I'm wondering how they were able to get out from under the corporation's overview.

Mr. Alueta: My understanding is that it was basically turned over to them from the State Legislature passed a law, but I'll let the applicant explain that more.

Mr. Iaconetti: Please.

Mr. Alueta: But if you have questions as far as the analysis regarding consistency with the community plan, zoning or anything like that or anything within the context of the staff report that was presented, we can –

Mr. Hedani: Any other questions for staff at this point? If not, can we hear from the applicant?

Mr. Mich Hirano: Good afternoon Chair Hedani and Commissioners, my name is Mich Hirano with Munekiyo and Hiraga. Our firm is assisting the applicant Hana Health Center with the applications before you this afternoon. Dr. Iaconetti I'd like to respond to your question but first I would like to just give some information to the information and then I would ask Cheryl Vasconcellos, who is the executive director to give a little bit of the history of the health center.

The concept for the Hana Community Health and Wellness Village was developed through a series of telephone interviews of Hana residents and focus group meetings to establish community needs and health facility priorities for the community. And environmental assessment was done and prepared for the development. The final EA was published in the December 2004 bulletin under the State Chapter 343 and the federal EA was published in August 2005. It's anticipated that there will be federal funding for this facility and that's why a federal Environmental Assessment was carried out.

Three meetings were held on the application by the Hana Advisory Committee in March and April of 2005 and in May of 2006. And during the Hand Advisory Committee review

the project was amended and modified in response to comments from the community. It should be noted that the Hana Advisory Committee vote on the application was unanimous and many of the committee members commented that they commended the Hana Health Board for listening to the community and to thank the board for reviewing their plans and program priorities in response to the comments. So as Joe mentioned, there was a cloud of controversy I think because of some history with the process of the I guess the independence of the Hana Community Health Facility and as a result of that, in working with the community through these series of public meetings that were held with the Hana Advisory Committee I think the plans have been modified and reflects input that has been received from the community.

The project proposal is basically one that is a proactive approach to health and health services within the Hana community. There's as well opportunities for jobs and services to a under served community, an isolated under served community. I think the features of this particular proposal is that it provides opportunities to retain medical health professionals in a very remote community that is very difficult to attract health professionals. And it also provides training, on the job training for local residents so that they may be able to provide employment opportunities and provide essential health services to the community.

I'd just like to review basically what the proposal calls for. This is Hana Highway, further about half a mile beyond to the east is the Hana community. The health center is currently on two acres adjacent to Hana Highway. There's a driveway into the site and the existing health center is approximately 4,000 square feet.

The proposal calls for a number of new facilities on the property. This particular health center site is two acres and behind the health center is a approximately 12-acre site in the "L" shape.

The proposal calls for kupuna housing and right now the Hana Health Services provide Meals on Wheels and meals to, nutritional meals to kupuna and senior residents in Hana. There's also a nutritional training center. This will be providing nutritional training or training and nutrition and food preparation and as well, providing the kitchen facilities to provide the meals for the kupuna.

There's a conference and technology center proposed, an administrative center – integrated with an administrative center in this particular portion of the site. The conference and technology center is to really facilitate remote learning, long distance learning activities for health professionals that are providing services to the Hana community and also is a feature that may provide benefits to retaining professional staff if they have access to technology and training needs. So that's an aspect that the health board felt was important to the basic plans for their village health center.

There's a physical therapy facility which would be developed for the community and physical therapy.

There's also wellness cottages that will provide accommodations for training programs and I think they're called resident kind of health programs that require intensive 24-hour kind of training and modeling on looking at addictive – breaking addictions and these difficult health kind of services and positions that people find themselves in. So the kupuna or the resident housing is for people who will be attending programs within the health center. There's also up in the far corner of the site, there are some facilities for in-house housing for staff. So that will be staff housing. That's basically the component of the Hana Community Health and Wellness Village.

So if you have any questions, I'll take questions and at this point I'll also ask the executive director to perhaps give the response to the question about the development of the health center.

Mr. Hedani: Questions for Mr. Hirano?

Mr. Foley: Mich, could you explain a little bit more about the different types of housing and the duration of people living there and the numbers. Like you know, how much is staff housing, how much is kupuna housing, how much is patient housing.

Mr. Hirano: There are five units in this area for staff housing, kupuna housing there are 14 units in this particular area for kupuna housing and it will be developed in phases but there are five units per kind of block of kupuna housing. The wellness cottages there are 10 units in this particular portion of the site for resident program housing facilities. Cheryl would you come and up?

Mr. Hedani: Commissioner Starr did you have a question?

Mr. Starr: Well, I really do want to hear Dr. Iaconetti's questions answered and I think Harry Hasegawa is here. I think I'd like to hear a little bit from him because he can give history even before Cheryl came in. He's been at this a long, long time and you know, added to that I want to have a real explanation of what services they provide especially in emergency type and what – I don't know what they do with the dialysis and other kind of care for the people of Hana, you know, that they provide now and how that will be affected by this.

Mr. Hirano: Okay, thank you. Start with Harry Hasegawa and Cheryl Vasconcellos.

Mr. Hedani: Sure.

Mr. Harry Hasegawa: Mr. Chairman, Commissioners, thanks for giving me the opportunity

to say something. I think first, I'll go after with your question and your said that how is it that Hana Community Health Center could get out of the state's community hospital system whereas Maui Memorial wanted to do that for many, many years according to what you say, but couldn't. And my answer to that would be very simple, if you had a medical center that made money would you let it go? Maui Memorial was that way. Hana Community Health Center was a money loser and was a tail end of the Maui Memorial system. As a result, anybody who said they wanted to take it over, I think was right to take it over. And we, very naively said okay, we'll try it. And fortunately, we had a wonderful executive director who carried us through and we immediately – well, Hana Medical Center was getting something like \$1.5 million a year to run it. Then when we were independently run it was reduced to about \$750,000 and boy, that was tough. But we have since then adjusted and Cheryl can tell you more about that little – not the little, but the big things that she has done and provided the services.

One of the mandates of the law was yeah, you can take it on but you got to provide the same services that you had previously. We didn't know they were going to say we're going to take away \$750,000 from you, so \$1.5 less \$750 and you got to do it. It was tough. I hope that answers your question.

Mr. Iaconetti: Yes.

Mr. Hasewaga: Are there questions on history or anything like that, Jonathan?

Mr. Starr: Can you kind of give us an encapsulated bit of history, you know, from how it got here, maybe going back to Dr. Howell and when he first started and what it is now?

Mr. Hasegawa: Well, Jonathan mentions Dr. Howell, and he was like a godsend to the small little community. He was a real, to me, a country doctor. For example, I run a store and in those days we didn't open on Sundays and we had a gas station. My wife was sick. He came on his own on that Sunday and said, let me just take a look at her, but before I come up there, there's a guy down there who wants gas, you want me to fill it up for you? Of course not Doc, come see my wife, I go take care of that. But that was the kind of doctor, Dr. Howell was, but he doesn't last forever. And the whole medical profession changes. You have suits coming up and all kinds of things happen. You have a change in population and you know what that brings in. So when Dr. Howell left we had a turnover of different doctors. We also had Queens Hospital and Kaiser in there running the show but it wasn't something that they – was appetizing for them I guess. I guess they found that you can't make money there. So they filtered out and we started to do the thing with Cheryl. Does that help?

Mr. Hedani: Okay, maybe we can hear from Ms. Vasconcellos?

Mr. Hasegawa: Sure. Thank you.

Ms. Cheryl Vasconcellos: Is there a specific question you wanted me to respond to?

Mr. Hedani: Commissioners? Dr. Iaconetti.

Mr. Iaconetti: Could you enlarge upon the medical facilities that are there now compare them to what Dr. Howell had when he was there and what you expect to accomplish by your development?

Ms. Vasconcellos: I think historically the medical center basically was all things to all people. It was the only facility in town and I think to the same extent it's exactly that way today. We're sort of all things to all people. I think historically it was a primary medical care center that provided whatever urgent care they could under the circumstances. They are not and we still are not an emergency room and we're not a hospital and we were not a hospital – well, at a point in the history there was a hospital there but there were also 20,000 people working the sugar plantation and now we're down to 2,500. So there's a huge difference in terms of the population. So historically going back 30 years medical care was provided and urgent care was provided and the goal was still to transport people to the other side for emergency and hospitalization if it was needed. We do the same thing today. Our job is to provide primary medical care for the people who live in the district and to be available 24/7 for urgent and emergency care. It is our job to stabilize patients and get them to the other side of the island as soon as possible.

Given the size of the population I don't expect that scenario to change very much. There is almost no way to support or fund a full-blown emergency room and hospital which is what's needed in order to really provide emergency care. However, with the addition of the air ambulance, we're able to transport people much quicker than we were in the last year and that's been really helpful and we're using as much new technology as we can and have our doctors trained to handle, you know, whatever walks in the door. So in terms of how that will change, unless there is a lot of money from some place to fund a full-blown emergency room given the small size of our population, it's unlikely that we'll be able to do more than continue to see patients 24/7, stabilize them and get them over to Maui Memorial Hospital.

However, we also have another focus that really didn't exist before. And we're trying to prevent emergencies from happening. Now we're never going to stop people from falling off cliffs and doing things they think they can do when they're on vacation. So we'll always have that. But in terms of chronic health conditions, high blood pressure, diabetes, heart disease, we are really working to prevent the onset of those conditions in the first place with health and wellness programs. Diet and nutrition, fitness programs, health education and training and really trying to emphasize prevention at the front end to prevent the need for

hospitalization and dialysis on the back end. So that's I think the big change and focus is on prevention while still providing all the primary medical care. Dental care, we do have dental care that didn't exist before. We have behavioral health services with a psychologist that did not exist before. So we have been adding a lot of new services as we're able to.

Mr. Hedani: Dr. Iaconetti.

Mr. Iaconetti: Could you enlarge a little bit about the actual medical staff that's available over there?

Ms. Vasconcellos: There are two full-time physicians that are on staff and although the population is small, in order to cover 24/7 we need to be able to divide the week up. So we have two, board certified family practice physicians on staff, a nurse, a full-time dentist, a full-time psychologist, and we have support staff a number of whom we have trained in front desk medical reception work, medical billing. We also have a medical assistant who does blood draws and we work closely with the State Emergency Medical Services. So we have the cottage with the ambulance personnel on site who provides support service as to us also 24/7.

Mr. Hedani: Dr. Iaconetti.

Mr. Iaconetti: Do you have laboratory or x-ray facilities there all?

Ms. Vasconcellos: We have x-ray and the doctors are trained to actually take the x-rays. We don't do MRIs or anything like that but we can x-ray for breaks and fractures and those kinds of things. We have mostly ...(inaudible)... laboratory testing. Anything more sophisticated, we've tried to do there and the equipment is just not where it needs to be for us to really do all of that and how. So we do the blood draws in-house and we transport the specimens to the labs on the other side of the island and get results that way, but we do a lot of in-house, simple in-house testing.

Mr. Iaconetti: Are you able to sew up wounds, set minor fractures that sort of thing?

Ms. Vasconcellos: Yes, we do all of that.

Mr. Hedani: Any other questions? Commissioner Starr.

Mr. Starr: I know there's been quite a bit of discussion in the community over this project revolving around the large investment that's being made and sort of why isn't it being made in creating an emergency room and dialysis facilities and I want to ask you why you're doing – building, spending millions of dollars to build kind of a conference center instead of building a dialysis and emergency room complex that would really take care of the sick

people in Hana.

Ms. Vasconcellos: First of all, we're not investing millions of dollars. I think one of the misnomers about this project is that we somehow have \$26 million and we're going to be building all of these facilities and that's our plan. In fact, for every step of the way we need to raise the money for each component of the project that we intend to put in place. We need to do a business plan and we need to generate the dollars to actually do the construction. So there aren't millions of dollars. We need to raise millions of dollars to do all of this. That is not to say that we're also not trying to raise millions of dollars to provide other services. For example, kidney dialysis. We actively lobbied at the legislature this past year to secure the funds needed to set up a dialysis facility in Hana. And unfortunately a number of the people in Hana who had wanted the service actually lobbied against that money coming to the Health Center and so the bill died. We were looking at dialysis at least two years before it made the news. Patient's family came to the board and asked if we could consider doing this. The board agreed to explore it. We did a feasibility study and knew that it would cost us \$200,000 a year given the fact that there were three people in Hana who needed this service to keep it operational, break even is 12 patients. But we attempted to raise that money. We don't have \$250,000 to just provide that service without impacting our ability to provide medical care. So, we're attempting to do that. We're attempting to raise money to meet that need as well. We also attempted when the privatization took place to have the state contract us to provide a full-blown emergency. They refused to do that. I have files of documents on how we tried to convince them that an emergency room was needed in Hana and they just were not buying. So we can do everything if there's money to do it. The reality is that there's not money to do everything, but we're still going to continue to attempt to try to raise money for all of those priority services.

Mr. Starr: Is there locations in this footprint earmarked for an emergency room and a dialysis center?

Ms. Vasconcellos: There is an expansion of the medical center to be almost the twice the size. I think going from 4,000 to over 10,000 square feet. So there will be space if there is funds. It's not so much the space, it is going to be the personnel. It's not just having an emergency room, it's having board certified emergency room physicians available 24/7. We transport 52 patients a year to the other side of the island for emergency services. That means we would need to have two E.R. doctors available to cover 24/7 shifts to see on average two to three emergency patients a week. That is a very tough sell to funding sources. We continue to attempt to do that and they continue to tell me to go away. So yes, there is room to do it. There is no money to do it in terms of staffing.

Mr. Starr: We're dealing with space and foot print here. So where would that expansion be? Could you show me?

Ms. Vasconcellos: The expansion is the dark area. The white area here is the existing medical center and the dark area is the addition.

Mr. Starr: I know, I mean for me to feel comfortable with this, I want to believe that you do have plans that somewhere in the future you're moving in that direction. I mean, are there plans and are you going to continue to seek funding for this?

Ms. Vasconcellos: We have been. We've been fighting for our life since the privatization. You know again, we were – we started off with half the money that the state provided and we're continuing to build our funding base and our plan is to be able to provide these services when funds become available. I think this year's program plan which hasn't been to the board yet addresses the feasibility study for the expanded medical center and what that's going to involve. So we've done two feasibility studies on kidney dialysis, we've been lobbying for that money. So we've taken this very serious. We all live there. The board lives in Hana. I live in Hana. I want to have access as well as everybody else but we're dealing with the realities of money.

Mr. Hedani: Any other questions for Ms. Vasconcellos? Seeing none, thank you very much Cheryl.

The following testimony was received at the beginning of the meeting.

Mr. John Blumer-Buell: Aloha Planning Commissioners and Chair Hedani. My name is John Blumer-Buell and I've come over from Hana this morning to speak on agenda item D, which is regarding the Hana Community Health and Wellness Village. Just as a background I want you know that I was one of the community members with the Hana Community Association that helped facilitate the transfer from the Hana Medical Center, which was a State run facility to the community. Starting in 1993 we had our first meetings. So at this point after all these years, I'm here to testify against the passage of the proposed Health and Wellness Village, and I've submitted eight pages to you that I hope you'll have time for look at. I submitted my testimony to the Hana Advisory Committee. You should have virtually everyone of the six attachments from the Planning Department, and you should have the 40 page report, Hookuikahi. And you should have the 200 name petition asking for reinstatement of the community membership elected Board of Director's. If you don't have those things, you don't have a lot of the record.

I want to take care of something that is not comfortable for me, but I would like to request – make a request for Planning Commissioner Patricia Eason to recuse herself from the subject item. And I say aloha Commission members, I am making a formal request that Commissioner Patricia Eason recuse herself from the subject item. I am making this request after struggling with the issues involved. It's a difficult request to make because Patricia is a friend and a neighbor. However I believe the request is in the best interest of

both Patricia and the Hana community. Let there be no misunderstanding, Patricia Eason is a respected and loved member of community. This request is in no way should be taken to be a questioning of her character or honesty. And then I go into why I make the request, and I think Corp. Counsel may have to look at this, but if you go to page two, in the letters that are bold, and I apologize in my haste to get out here this morning, I copied the original page two instead of the one that I revised, so I'm going to read you the bold print, part of it.

This has to do with the Hana Maui Trust, and members of the Hana Maui Trust included President Harry Hasegawa and Robert Carroll. They were both members of the Hana Maui Trust Board and the Hana Community Health Center Board at the same time. And owner Valerie Kalaniopiu Cooke may have served or be serving in a dual capacity. On one hand Hasegawa and Carroll solicited money and I'm talking about hundred of thousands of dollars in the name of the Hana Community controlled, Hana Community Health Center. On the other hand, they were responsible for a eliminating the community membership. They have steadfastly refused to try to resolve and make right the unhealthy and destructive situation. Owner Kalaniopiu Cooke and Eason have all participated in this situation to some degree. I asked for public accountability. For this reason I am requesting the United States Internal Revenue Service investigate the Hana Maui Trust and investigate the relationship between the Hana Maui Trust and the Hana Community Health Center, now Hana Trust. I do not know if Patricia Eason took an active role in any part of the problems I've described. However her name is on the letter from Harry Hasegawa. She may still be serving on the trusts. There is the appearance of a conflict of interest. The financial dealings of the Hana Maui Trust and the Hana Community Health Center are issues and information that need to be publically and fully disclosed as part of this process. I will also be requesting that Council member Robert Carroll recuse himself from any participation in this subject matter. It's too bad that pushes come to shove with the subject application. Many community members have actively and peacefully tried to resolve this situation within the community for many years, and unfortunately that has not taken place. Thank you very much.

Mr. Hedani: Thank you very much Mr. Buell. Just for your information, Patricia is not going to be present at today's meeting.

Mr. Buell: Okay, I felt badly because I wanted to go to – I've been calling Patricia and wanted to speak with to her in person, personally before coming to this meeting. I did leave her a long phone message describing my concerns. And if it's okay with the Chair, I would like to leave the corrected page two with your secretary?

Mr. Hedani: Sure.

Mr. Buell: If that's okay?

Mr. Hedani: That's fine.

Mr. Buell: Page one is fine. Page two, I will leave that with your secretary.

Mr. Hedani: Thank you.

Mr. Buell: Thank you very much.

This concludes the testimony received at the beginning of the meeting.

Mr. Hedani: Staff.

Mr. Alueta presented the Recommendation.

Mr. Hedani: Any questions for staff? Thank you. Commissioner Starr.

Mr. Starr: Mr. Chair, I have a disclosure to make and kind of a question for Corp. Counsel. Just for clarity I control a small, a private foundation and we have in the past contributed to this organization. I don't think that should prohibit me from being able to participate, but I do want to disclose that. Mr. Giroux?

Mr. Giroux: Putting me on the spot here. I don't have the facts as far as, you know, what the extent of the participation –

Mr. Starr: Just a contribution from a foundation that I control.

Mr. Giroux: Is this an ongoing contribution or are you still on the board?

Mr. Starr: Well, I'm on the board of the foundation. Actually we haven't given for a few years, but we did.

Mr. Giroux: Oh, okay. I mean, it sounds like – it doesn't seem like to be an ongoing participation so thanks for the disclosure.

Mr. Hedani: Commissioners what's your pleasure?

Mr. U'u: Recommend Approval.

Ms. Amorin: Second.

Mr. Hedani: Motion for approval by Commissioner U'u, seconded by Commissioner Amorin. Discussion? Commissioner Starr.

Mr. Starr: I assume that the motion includes the recommendation of the Hana Advisory Committee to the Maui Planning Commission.

Mr. Hedani: That's correct. Any discussion?

It was moved by Mr. U'u, seconded by Ms. Amarin, then

**VOTED: To Accept the Recommendation of the Hana Advisory Committee to the Maui Planning Commission to Recommend Approval of the District Boundary Amendment and Change in Zoning, with Conditions.
(Assenting - B. U'u, J. Amarin, D. Shepherd, J. Guard, S. Freitas, W. Iaconetti, J. Starr)
(Excused - P. Eason)**

Mr. Hedani: Carried. Thank you. Thank you very much for the Hyatt for your deferral for this group.

Mr. Hirano: Thank you very much commissioners.

A recess was called at 1:35 p.m., and the meeting was reconvened at 1:40 p.m.

Mr. Hedani: Planning Commission is back in session.

- 2. HYATT REGENCY MAUI requesting comments prepared in support of the Special Management Area Use Permit application for the Hyatt Regency Maui Timeshare Project at TMK: 4-4-013: 008, Kaanapali, Island of Maui. The proposed action involves the development of 121 timeshare units with 24 lock-out units for a key count total of 145. (EIS 2005/0002) (SM1 2006/0001) (K. Caigoy) (J. Hunt)**

The proposed action does not trigger Chapter 343, HRS. The EIS is being prepared voluntarily by the applicant.

The public hearing on the Special Management Area Use Permit will be scheduled for a later date after the Chapter 343 process has been completed.

Mr. Hedani: Next item that we have on the agenda is the Hyatt Regency Maui and we'd like to thank you for your deferral of your position on the agenda to accommodate the Hana community members.

Mr. Chris Hart: You're welcome Mr. Chair. My name is Chris Hart. I guess Mr. Foley should read the agenda item.

Mr. Foley: The next item on the agenda is a request by Hyatt Regency for comments on the Environmental Impact Statement regarding the request for a Special Management Area Use Permit for their project at Kaanapali. So we do want to clarify that the item on the agenda today is the EIS not the SMA. The agenda appears to have a line missing, but the second paragraph under number 2 does indicate that the EIS is on this agenda and that the third paragraph clarifies that the SMA public hearing will be at a later date. So we do need to concentrate on the EIS which is being prepared voluntarily. There's no State Chapter 343 trigger for this EIS. The applicant decided to do the Environmental Impact Statement voluntarily. With that, I believe Kivette already said basically the same thing. We're looking for comments from the commission and the public on this EIS today.

Ms. Kivette Caigoy: I guess one correct I would like to make to the department's transmittal was that we extended the comment period to September 22nd.

Mr. Hedani: I'm sorry can you repeat that Kivette?

Ms. Caigoy: One change on the memo transmittal dated August 8th from the department to the commission, Item 2b, the comment period has been extended from September 7th to September 22nd. That's the only change.

Mr. Starr: Mr. Chair, I have a procedural question.

Mr. Hedani: Commissioner Starr.

Mr. Starr: To my understanding is that their requirement was to prepare an EA but they didn't even need to prepare an EA?

Ms. Caigoy: That's correct. There's no trigger.

Mr. Starr: So if an EIS is being prepared voluntarily, are we an accepting authority or is there – does it just get prepared and no one officially accepts it.

Mr. Foley: The Maui Planning Commission is the accepting authority because they're applying for an SMA permit. It basically goes to the first agency with a discretionary permit authority and that's the planning commission. But there isn't a trigger for an EA or an Environmental Impact Statement. They decided to do one in order to use that mechanism for assembling information and analysis regarding the project's potential impacts.

Mr. Hedani: Commissioner Iaconetti.

Mr. Iaconetti: Mike, maybe you can explain to me why there wasn't a need for a EA or EIS.

Mr. Foley: I'll take the first shot at that. Kivette can explain it in more detail. But basically there are series of triggers in state law in HRS, Hawaii Revised Statutes, Chapter 343. The ones that we see the most often, that triggers are the applicant needs a community plan amendment or the applicant is using state or county land. Those are the ones we see the most often but there's some others. In this case, they don't need a community plan amendment. The community plan and the zoning has been hotel for years. They're not using any state or county land. Another trigger is the need for a shoreline setback variance and there's no proposal in this project where they would need a shoreline setback variance. Those are probably the three most common. There's some other more less common triggers that you have seen occasionally.

Mr. Iaconetti: I would assume that the environment is important in an Environmental Impact Statement. I mean that's what it stands for and transportation is certainly an environmental issue especially here. And so I don't understand why that did not in itself trigger the need for this.

Mr. Foley: Well, the Hawaii State Law outlines these triggers and in this particular case none of the triggers existed for an environmental assessment or an environmental impact statement. But when we meet with developers proposing large projects that could potentially have an impact on the environment whether it be traffic or schools or housing or shoreline we often advise them that it would be a good idea to prepare an environmental assessment or environmental impact statement. We have had a couple of others in the last year that voluntarily prepared environmental documents and I can't remember offhand, the Westin, Jeff said the Westin did.

Ms. Caigoy: The Residences.

Mr. Foley: The Residences at Kapalua Bay also. So we do, in this case, we do have the applicant voluntarily preparing an EIS. The reason that we often recommend it is because it's a very good document to have a lot of the facts put together in terms of describing the project, describing the existing environmental conditions and outlining the potential environmental impact and it also gives you an opportunity to look at project alternatives and project mitigation for any potential impacts. So it's a good document for providing information to the decision makers. In this case, the decision makers are this planning commission, but in a lot of cases the document also is available for other groups like the County Council.

Mr. Hedani: Commissioner Starr.

Mr. Starr: I'm trying to understand the difference between this project and the Royal

Lahaina. In both cases, it's an existing project with buildings and other things inside the setback and they're building something new that's not in it. I guess the difference is that there they're doing demolition in the shoreline. Is that the difference?

Ms. Caigoy: Yes.

Mr. Foley: Yes. Demolition within the shoreline setback requires a shoreline setback variance because you're going to be doing activity that potentially could result in runoff into the ocean. I mean, that's not the only potential problem but that's probably the primary concern and in this case, there aren't any facilities in the setback that are proposed for demolition.

Mr. Hedani: Commissioner Freitas.

Ms. Freitas: So being that it's voluntary, are they bound by any decisions made by this commission?

Mr. Foley: The environmental impact statement in all cases is an informational document that your decision on this project will be related to the SMA application not the EIS. When they apply for an EIS and they go through that procedure they are bound by the procedure adopted by the State and by this planning commission for how we process and EIS. They couldn't basically go part way and then change their mind. Once they start, agree to do an EIS and start the process, they have to fulfill the procedure that you've adopted in and they're doing that by having this hearing today. But your only decision in this particular case is whether the EIS is complete and whether ultimately a FONSI which is a Finding of No Significant Impact –

Ms. Caigoy: No. The final decision on the EIS document won't be a FONSI. It will be either one to accept it or not accept it.

Mr. Foley: Yeah because the FONSI is what triggers the EIS and in this case they've skipped that step and gone directly. So it will be just whether the EIS is adequate.

Mr. Hedani: So if this is approved then we as a commission are saying that there is no – the FONSI is okay, that there is no –

Mr. Hedani: There is no FONSI.

Ms. Caigoy: There's no FONSI.

Mr. Foley: What you would be saying is that the document is okay. You wouldn't be approving the project. You'd be saying that the EIS document is complete. It adequately

describes the existing environmental, the potential impacts and provides enough mitigation to reduce impacts below the level of significance. It doesn't mean that you couldn't still deny the project for some other reason or even use the EIS to deny the project, but your action on the EIS it just relates to the adequacy of the document.

Mr. Starr: Say that we received a document like that this and it showed that something very terrible and very – with great impact was going to be done, but they stated it clearly in the document, but still it was going to, you know, do terrible damage and have impacts. If they state it so that it's clearly stated, then do we accept it or does the fact that we feel that it's going to do terrible damage give us a reason to not accept it?

Mr. Foley: No, you would – using that hypothetical example, you would accept the document as complete and accurate and then you would use the document, the information in the document to – to prepare your findings for denial based on the terrible thing that was going to happen that was outlined in the EIS. So the acceptance of the EIS is merely acceptance of the completeness of the document. It's an informational document and you use it to approve or not approve the project. But the EIS is just about the adequacy of the document.

The EIS also does provide you with the opportunity to have experts identify mitigation. The goal of those experts would be to mitigate the impacts to the point where they'd no longer rise to a level of significance and that level of significance is very tough for you and the laws to determine how significant is significant. But you have quite often mitigation measures in the EIS that for instance a bus system reduces the traffic impact or sound walls reduce the noise impact. There are lots of different mitigation measures that you're accustomed to seeing in these documents that are used in the conditions of approval for a project to reduce the impacts.

Mr. Hedani: Commissioner Freitas.

Ms. Freitas: So is this though the time like lets say we accept this as being complete but in – just for example, traffic or something we want additional information. This is where we ask for it?

Mr. Foley: Right.

Ms. Freitas: So we can say okay, it's good, it's complete, however, see this traffic report I would like it extended so that when they do come back the next time then they have what we want.

Mr. Foley: Yeah, an example of that would be if you decide that the traffic report doesn't include enough projects. That's one of the things we've debated in the past is how large

the area that should be examined in terms of cumulative traffic impact. And that's something that we'll look at very carefully and this report is whether or not they've included all the projects. That's an extremely difficult task because the projects are changing, in number and function and new projects are coming up all the time. So it's very hard for the traffic engineer to take a picture in time of what projects are going to be reviewed and exactly how they're described and not be trapped six months later with a new project that wasn't anticipated. So when we ask Phil Rowell in this case, you know, which projects were analyzed, we can determine whether or not that's enough projects or not. And in West Maui you know, we're dealing basically with a long cul de sac and we have a large number of projects of all different kinds that impact the traffic.

Mr. Hedani: Commissioner Freitas.

Ms. Freitas: You know, the comment about it being difficult to track and do a traffic study I don't buy that because with computers you can enter all this data and believe me, it can figure it out. So I don't think it's that difficult. I'm wondering why and not on this one but you know like for maybe look in the future is that if a project does come in and they say that they're going to go to time share you know that the people are going to go from the airport to the place. Why isn't the traffic study including from the airport to the destination? Maybe that's crazy, but you know, I think that they could really figure that out and that that would be helpful and then we would really see some things because we're not getting the full effect of the study.

Mr. Hedani: Any other questions for staff at this point?

Mr. Iaconetti: Well, this is for Mike again. If we feel, I realize that this is not a finding of no significant impact but if we feel that the studies that they have done again, concerning traffic, are inadequate, erroneous, not actually showing what is there now and what this development will add to the problem that we have now, if we feel that this document does not show that then we can say, no it isn't an adequate?

Mr. Foley: Yeah, you can ask for more information specifically from the traffic engineer. You can ask Phil Rowell – can be asked you know, which projects did you consider and you can say, you know, I don't understand how you could possibly come to that conclusion, so you need to do a lot more explanation about how the traffic works from the airport to the Hyatt and how these other projects, you know, affect the traffic. You know, for example, the DOT has very recently in the last few weeks synchronized the nine signals through Lahaina and I'd notice the difference.

Mr. Iaconetti: So did I.

Mr. Foley: And that's a significant improvement. But school started a few days ago and

that was a significant deterrent. If you're in the wrong lane, you're stuck for two blocks and fortunately you and I know to get out of that left lane. But there are little intricacies like that, like traffic signal synchronization and schools starting that drastically effect the traffic when it's a very high capacity. But anyway, yes, if there's something that you want more information about, whether it's traffic or storm drainage or whatever, this is the opportunity to tell the consultants that and ask for more information and they'll bring it back.

Mr. Iaconetti: And not accept this.

Mr. Foley: You say –

Ms. Caigoy: Well, actually if I can add to that? Since it's the draft Environmental Impact Statement this is your opportunity to outline what deficiencies you feel there are in the traffic report so then the consultant has an opportunity to get that information together and put it in the final EIS. If the final EIS comes before you and still feel it's inadequate that's when you can make the determination not to accept it. But you're making the determination not to accept the whole document.

Mr. Hedani: From a clarification standpoint, at today's meeting what they're asking for is comments on the EIS?

Ms. Caigoy: Just comments on the draft Environmental Impact Statement.

Mr. Foley: Right.

Mr. Hedani: Right, and that's all.

Ms. Caigoy: That's all.

Mr. Hedani: Okay, we're clear. Do you want to proceed with a presentation from the applicant?

Ms. Caigoy: Yes, the applicant has prepared a power point so I'll just go ahead and turn it over to Chris.

Mr. Chris Hart: Thank you very much Mr. Chair and thank you Kivette. My name is Chris Hart of Chris Hart and Partners and we have quite a group of consultants here today that I would like to introduce to you. First of all, presenting the owners, Jerry Haberman who is the Vice President of Host and you met, Frank Lavey who is the General Manager of the Hyatt Regency. He had to leave unfortunately. But I appreciate the opportunity of letting him speak about the importance of maintaining the existing successful and luxury hotel, the Hyatt Regency Hotel. Also we have Norman Hong and Tom Young who are presenting

Group 70 Architects. We have Phillip Rowell who is our traffic engineer. We have Wes Toyota who is our civil engineer. We have Jim Danamiller who is representing SMS research and Matt Slepik who is the planner, the assigned planner to this particular project and myself. With that I'd like to begin our short power point.

What I'm going to do is to go through the power point to a certain point that where we'll have Norman Hong present the architectural portion of the project on boards to you and then we'll come back and Matt's going to discuss some of the issues that we were just discussing one being traffic and then we'll be open to questions before the commission.

Again, this is a Hyatt Regency Maui time share addition. The Hyatt Regency Hotel is an 18-acre site. It's about 476 feet in depth. It consists of actually three properties, one being the oceanfront portion and the second one being parcel no. 4 which is located in the golf course and parcel no. 5 which is also in the golf course. I will say one thing at the beginning, parcel no. 4 is the location of all of our tennis courts. They're not located in the area where the time share towers are being proposed on the north end of the property. So the replacement of the tennis courts actually is in order to facilitate additional surface parking for the project.

The Hyatt Regency was built back in 1979, and as a result it's been really one of the really important luxury hotels here on Maui and at Kaanapali Resort. And as part of an ongoing evolution in the visitor industry, it's become apparent in the context of Host together with the operator, Hyatt Regency, Hyatt, that there's a need for this diversification to provide a luxury time share tower. Our firm was involved all the way along in the discussions, in the master planning or in terms of feasibility of doing this project and it's always been with the understanding that the Hyatt Regency luxury four-star hotel would be preserved and that anything that happened in the context of the time share tower would not detract in any way from the operations or the ambience of the Hyatt Regency Hotel.

I'd like to mention at the very beginning also that all of the amenities of the Hyatt Regency in terms of the luau facility, the ballroom facilities are all going to remain intact and be fully operational together with the diversification to allow for the time share residences on the property.

Again, these are the three sites. This being the 18-acre Hyatt Regency Hotel site, the ocean being at the bottom. Honoapiilani Highway and the golf course with parcel 4 and parcel 5. Parcel 5, again, also is being used as a parking area. It's really primarily being utilized by the Westin for their employee parking. There is however, some other parking in that site and as part of this project the site will be improved with landscaped planting be enhanced.

New 12-story time share building is adjacent to the existing 8 to 12-story hotel. The area

that where the time share tower is going to be constructed is currently being used as a surface parking lot. The proposal is for 121 rooms with 25 lock offs, a total of 145 keys. This is the site plan. This would be the entry. Nohea Kai Drive. This is the Marriott tower on the southerly portion of their site. This would be our new tower. This would be the Napili tower which is a 10-story structure and the main portion of the Hyatt Regency which is 12 stories.

There is no work as was indicated. This would be the shoreline setback line which in this case is a 119 feet from the shoreline, the certified shoreline. The shoreline in front of the Hyatt Regency is a very stable shoreline. You may recall in the past that we were involved with the Marriott and that property at the northerly end did have an area that was unstable as far as the shoreline. But essentially this shoreline has been stable and there's no proposals for work within the shoreline setback as has been stated.

This is the elevation of the, the makai elevation of the tower and Norman Hong will be presenting more detail and of course, explain to you the architectural design of the building. And I might add also that as was indicated by the Chair, we have been in contact with the Kaanapali Operations Association and they have reviewed, made initial review of our project.

The project summary, we're expanding the parking on the valet parking lot and removing three of the five tennis courts. We're also improving the employees parking lot which I mentioned to you. This shows the enhancement of the employee parking lot. This would be parcel no. 4 shows the remaining two tennis courts. This is the drainage lagoon. The golf course. This is the actual landscape improvement of the mauka, parcel no. 5 that's being used for employee parking.

The land use controls, the tax map key for the two parcels that are mauka is 4-401-013: parcels 4 and 5 and again, they've been used as valet and employee parking. The state land use district boundary in this particular case is urban. County zoning is BR Resort Commercial which allows two story and the West Maui Community Plan is business. I might also add that when the resort was originally developed and zoned, these parcels were actually zoned residential, R-3 residential. But back in the '80's there was a proposal to do – Amfac had a proposal to do something called the Hawaiian Sea Village which was going to be a theme park like a cultural park. And at that particular time, the zoning was changed to BR Resort Commercial.

Tax map key for the hotel site is 4-4-13: parcel 8. The state land use district is urban. County zoning is H-2 Hotel which is the maximum hotel zoning or the most intense and the West Maui Community Plan is hotel and open space. The proposal of course is to build within the zoning designation and I might add that the zoning has been identified – is identified as H-2 Hotel on the zoning map going all the way back to 1962. That was when

the resort was actually conceived and planned.

These are the basic zoning or community plan and state land use district and the county zoning showing the H-2 and the BR Resort Commercial and around, outside of course, the perimeter is golf course.

The project is compatible with the H-2 high density zoning restrictions. The 12-story height is the allowable height and the 12-stories is proposed as part of this project. 35% lot coverage is our allowable lot coverage. We're proposing 14.27%. This will be after subdivision and the 150% floor area ratio and we're proposing a 130% floor area ratio for the subdivided lot.

Regulatory context. We're voluntarily participating in the environmental review process pursuant to Chapter 343 Environmental Impact Statements. And also, – and the reason I would like to say is that, you it really is important from our perspective. This is a very important project for Host and also the Hyatt Regency. In conversations with the Planning Department and also in conversation, you know with our clients it was felt that it would be more appropriate for us to go through this process than to just come to you and propose an SMA permit even though there was no trigger. It just felt like it was the appropriate approach to take to create a sound informational document that could be shared by everyone including agencies throughout the State of Hawaii. Also, in terms of our regulatory requirements, Chapter 205A, Hawaii Revised Statutes, our Coastal Zone Management, and Maui County Special Management Area Rules.

The regulatory context again, Section 19.36.030 which is our Maui County Code location involving offsite parking. We will have to be asking for a offsite parking approval. A certain amount of our parking is going to be provided onsite, but for the time share tower, the parking will be valet and a majority of it will be offsite.

Also, our Urban Design Review Board presentation will be part of our of SMA process and also as I indicated to you we've already approached the Kaanapali Operations Association concerning our project design and we will be requesting approval of the KOA.

Early consultation. We have had meetings with the Planning Department. We had two. One on August 25th, and the second, November 8, 2005. We've also gone to the Urban Design Review Board. We really felt that it was important to do that in order to present the project and to get their comments. It's a professional board and we felt that it was a positive for us to be able to talk to them and to get their feedback and generally the comments were positive regarding our project.

We also met with the Kaanapali Vista residents which is a subdivision, residential subdivision mauka of Honoapiilani Highway. It's about 2,500 feet from our parcel. But we

meet with them and we had a meeting and we continue to be in contact with them through the EIS prep notice, the publication of our draft EIS and we will continue to basically interface with them. And also I indicated to you that the Kaanapali Operations Association meeting was May 19, 2006.

With that I'd like to have the lights again, and I'd like to ask Norman Hong to continue on with the presentation. And of course, all of us will be available for questions after this is complete.

Mr. Norman Hong: Thank you Chris. Director Foley, Chairman Hedani, Planning Commissioners, thank you for having us here today to present this. Before I even start I'd like to just commend the commission for their action in the last project, the Hana. It really shows a needed facility there and it was a lot of good action. So I speak from that just personally.

I'm going to present from the boards because I think it's – then we can see multiple boards at the same time, and some of these you've seen on the slide show. Chris has already oriented you to where the site is, this is looking at it from the opposite way. The project site is, the Hyatt project, the Hyatt Resort is here in this location. The Marriott is next door. The parcels 4 and 5 are here with the existing five tennis courts, actually six tennis courts which are there now. The actual project site for the time share is in this location here which is currently an existing parking lot.

As was stated earlier, Hyatt is committed to continuing its resort hotel operation without any kind of conversion to time share unlike next door where the Marriott basically has gone through a series of conversions of existing hotel facilities and rooms into a time share. Hyatt is retaining that and adding the time share building. As part of that direction, there is an existing special function deck here which is used for a number of activities related to their convention and hotel functions and that is going to remain even with the time share addition.

This site plan Chris showed you. What I'd like to do is talk a little bit about the parameters that we went through as we started the design of this project. First of all, we agree that we should not do anything in the shoreline setback. We believe that was sacred, that should be kept. The existing function lawn will be retained as I mentioned earlier. We also establish some view corridors for both the neighboring Marriott project as well as for the Hyatt existing hotel project. For the Marriott we drew a view corridor line from the – what they call their oceanfront unit which is here to the corner of the Napili tower. So we said, lets keep this proposed building back of that line to preserve their views. We also drew a line from the existing Napili tower of the Hyatt hotel to the corner of the new time share that Marriott is putting up. So we said lets say out of there. It did a number of things. One is it preserved views for both the Hyatt guests as well as for the Marriott buyers. But it also

gave us a large area right here in the middle for the a pool that could be quite a nice pool with a lot of deck area. The currently, the Hyatt pool which is there now, is good pool but we believe that we needed to have a very nice pool for the time share so that gave us that area.

We also wanted to respect setback. We have a setback here, it's along the property line between the Marriott and the Hyatt. We've met the setbacks there. We're also preserving an open corridor here through the existing Napili tower of the Hyatt and the proposed time share of 115 feet.

The project as Chris mentioned is 12 stories and as I go through the elevations a little later you'll see that we've tried to tier the buildings so that we try to avoid one large massive building. The entry to the – one more thing I wanted to add, there are currently 20 public beach parking stalls in this location here. We will be retaining those and in fact, improving those. Right now the way that they work is that the grade there is a little lower. In fact it's about three to three and a half feet lower than the adjoining property where the beach access actually is. When we develop this project, that will be raised so that that will be actually at the same grade as that walkway. So now the public does not have to go around the corner or hop over that wall that currently exists there. So that will be improvement. We will be retaining those 12 public parking stalls there. Just for information, on the other end of the Hyatt site there are, 20 public beach parking stalls on the south end. So those are being retained.

The way the entry works, the entry that is currently there will be modified to allow the beach parking to access in this direction here rather than going all the way through the parking lot as it currently does to get those stalls. The entrance to the time share will be a separate driveway coming off of the main driveway leading to the Hyatt. So it will have its sort of a separate driveway leading up to a porte cochere and to the lobby level of this proposed time share.

Parking will be, we have a basement that has some parking, but most of the parking for this project as well as to replace what is currently there now will be on the adjoining parcel 4. That will be accessible through these driveways here. We are going to be continuing to –

I'm going to quickly walk you through the floor plans just to show you what we have on these various floors of the building. The ground floor will be the lobby. There will be a check in area, there will be what we call a country store which is a kind of a informal place where the owners can pick up some food and some snacks.

The elevator lobby is here. We have I think it was five ground floor units facing the pool area and we also then have back here a health club and then there's a back of house and mechanical finishing up the rest of the lobby level.

As we go up the building, the floors two through ten, we have 11 units per floor and one thing that we've done here is go with a single loaded corridor instead of a double loaded corridor. I think many, many if not most projects today go with a double loaded corridor. It's more efficient. However, we believe it was important for several reason that we go with a single loaded corridor. What does that mean? I'm sorry. Usually what happens you have a corridor coming off of the elevator and you have units on both sides. We have units only on the ocean side. That's what I mean by the single loaded corridor. It does several things. One is that it enables us to have natural ventilation. We're concerned about energy conservation. This will allow those units to be naturally ventilated which is not possible with a double loaded corridor. So we believe that's a good feature. You'll see on the elevations it also helps soften the elevations so you don't have rooms or units facing both directions. I'll get back a little later on the energy conservation because we've incorporated quite a few things there.

As we get up to the 11th and 12th floors, the end units drop off and so we then have nine units per floor at the top two floors and this enables the building to tier down and have a much more gracious elevation when seen from both the mauka and makai views.

Getting into the building elevations, this is a view of the building from the mauka direction. And after a number of experiences and meeting with Kaanapali Operations Association as well as with the Urban Design Review Committee there is now a direction of the resort to go with what we call a kamaaina style of architecture. As most of you know if you go out to the Kaanapali, most of them are just these buildings with flat roofs and the whole direction of quality resorts are going with what we call a Hawaiian roof and so that's what we're proposing here. Hyatt has a certain quality level that they want to maintain. And so what we you see is we have a building that is articulated not only by the dropping of the end units and I'm going to – this one doesn't show it because the drop is sort of around the corner at the angle. But what we're doing is we are articulating the building quite a bit to break the scale of the building. These are the single loaded corridors but you'll see that they're broken up by trellises both horizontal as well as vertical. We have some glass railings there. The porte cochere down below is a lower roof. We also take great care in terms of breaking the building mass up so that it's not one continuous mass from the ground floor to the top floor. So you see there's a – the lower floors are treated as a base, the middle floors are here and then the top two floor are treated very special with a significant band separating it.

The makai elevation, basically it's a series of lanais. The makai elevation or basically a series of lanais here. In terms of the energy conservation, what you see on the plan is that, I believe it was 95% of this facade which faces the south end is shielded by these lanais, eight-foot deep lanais. So we see that there's a lot less heat gain into the units themselves. So those are the two elevations.

This shows the building section cut through the porte cochere through the lobby and then on down through the pool area. I have a basement plan and I can refer to that a little later. We do have a basement that's at elevation seven above sea level, that's basically an underground structure. We have 18-foot floor to floor at the lobby level. And then we have 11 floors of units at 10 feet floor to floor and then capped off with the Hawaiian pitch area. The pool drops incrementally from the lobby down to the elevation approximately 14.5 and we have multiple levels of the pool. And the existing function lawn is back here. That's existing.

We have here a plan that shows a more detailed pool layout with landscaping. It basically shows similarly how the existing function deck remains. The pool is back, the pool and its deck is back from the shoreline setback. The pool is multi-level. There's a lot of deck space, a lot of landscaping to soften that experience.

We are looking at the entry side of having some special paving pattern that will highlight the entrance to the time share.

In the Kaanapali Resort Design Guidelines, there are certain view channels that are prescribed and I'm going to show you views that we did. Their guidelines have as affecting this site three views that they're looking at. One is along Honoapiilani Highway about that point, midpoint. What you see here is a before and after, an existing and after. Here's a view from that point along the highway looking towards the site and then here is the proposed time share. Right now as I mentioned it's a 128 feet high and then in addition to that there's a roof of 16 feet which takes it up to a 146 feet.

The second view prescribed in the Kaanapali Guidelines is from the intersection of Honoapiilani Highway and Kaanapali Parkway and here is the view as it currently is today and here is the view when the time share is added. What has happened over time is that the landscaping throughout the resort has matured quite a bit. And because of the relative flatness of that portion of the resort, the views towards the shoreline have been pretty much affected by the maturing landscape. So the impact of this proposed building from the view plains really is not that drastic.

The last view is midway between the intersection of Honoapiilani Highway/Kaanapali Parkway and Kaanapali Parkway and Nohea Kai Drive in this approximate location. Here again, you see the before and then the after. Again, the landscaping that's currently there obscures a good portion of the building.

One other view that KOA, Kaanapali Operations Association has indicated to us as being something we need to look at is a view from the 16th tee up on the hill. And so this – and that's up in here. It's a quite a distance from the project site, but you see here the existing situation with the main Alii Tower of the Hyatt, the Napili wing, the new Marriott wing, the

existing Marriott buildings and then this one shows where the time share will be.

As was mentioned before we've had a number of meetings with the various entities including the Urban Design Committee. They have looked at this and the issues that they have raised were the – one was, of course, parking. How is that going to be handled? The architecture, they're going to be looking at it continually as we develop the plans.

We've met with the neighboring property, the Marriott specifically and they've looked at this. They've recommended a number of modifications which we are taking under consideration. With that, next.

Mr. Matt Slepik: Good afternoon Commissioners, my name is Matt Slepik. I'm with Chris Hart and Partners. And I'd just like to conclude our presentation today by briefly returning to the power point and highlighting just a few issues that might merit some special attention and again, these are covered in greater detail in the EIS. The relevant consultants are available here if we have questions at the end.

The first is traffic issues, a traffic impact assessment was performed for the project by Phillip Rowell. He studied anticipated traffic in 2010 both with and without the project. The results of that analysis as you can see are that the project is expected to generate very little of the traffic that would exist in 2010. Approximately 2% of the a.m. traffic and 1.5% of the p.m. traffic. That's at the intersection of Kaanapali Parkway and Honoapiilani Highway. We can break that into somewhat into real numbers with about 20 trips in the morning and one in the afternoon. There is no estimated impact to analyze levels of service. That is whether the project is built or not, the levels of service in 2010 are anticipated to be the same.

The second would be view issues. The proposed structure is consistent with the applicable restrictions on view impacts which are obviously of consideration in this part of Maui. The coastal zone management rules as represented by the SMA permit that we'll be seeking as consideration of visual resources and impacts to those. The project is not expected to have any impact in that regard. And as Norman was discussing, there are some specific Kaanapali Resort guidelines for impacts to views which the project is also consistent with. And just sort of brief demonstration, this was included in your EIS is a Maui Coastal Scenic Resources Survey done several years ago now. We've located the project if you could just see it a little yellow dot, that would be the proposed time share. It's not within an identified area where it would provide any impacts. And again, you've seen this from Norman's but just to highlight it again, this is from the highway. The tower being simulated right there.

Finally we come to some issues under development because we are at the draft stage of the Environmental Impact Statement, a large part of the reason why one would undergo this process is to get comments back from agencies, from private individuals and anyone

else. That means the project is not in a finalized state. It's not set in stone. We're looking for areas where there might be some changes based on comment or other thoughts and so there's several areas that are still under development at this point. One of them would be the final design and unit count. We've got a conceptual plan that Norman presented, but there's thought ongoing as to that. For instance, the issue of the lock off units whether they would be present or not. That's still something that's being considered.

The exact nature of the traffic mitigation at Nohea Kai Drive and Kaanapali Parkway according to the traffic impact, the traffic analysis, that's one area where there would be a need for traffic mitigation from the project, Nohea Kai Drive being the access to the Hyatt and the Marriott and several of those projects there. The traffic reports had made several suggestions as to what kind of mitigation might be provided, whether that would be a signalization of that intersection, provision of all way stop or possibly a traffic roundabout. That's still under development.

Affordable housing, the exact manner in which the project would be assessed for affordable housing is still under development. That is whether the project would be assessed under 2.94 of the Maui County Code for hotels or if the County Council adopts the residential workforce housing policy at some point prior to this project's SMA approval that would supercede that. In either case, the assessment would remain essentially the same but the manner in which it's assessed might change.

Water demand and source, Hawaii Water Service Company is a private company that provides potable water to this area of the island. At this point in time, they have given us assurance that they will be issuing a will serve letter for the project. That has not come out yet however, but we have every reason to believe that it will. At the same time, the applicant is also investigating various measures to conserve water usage at the existing hotel to reduce the overall demand by the existing hotel and the time share. So between a combination of water conservation measures and new allotment from the Water Company, we would expect to find our water source there. And just a couple of examples of potential water conservation measures would be using reclaimed water for the irrigation. Irrigation makes up a considerable portion of the water usage for a property like this. The existing hotel is at this point testing and studying methods to use reclaimed water for laundry services as well. Laundry is the, really the second big water user for this kind of property. So that's undergoing and that would be expected to apply to the time share as well as to the existing hotel. And then inclusion of low-flow fixtures would reduce water usage as well. And the EIS goes into more possibilities.

Finally, various energy conservation measures are being considered for the hotel. I think Norman's presentation went into some detail on some of those involving the orientation and shading to reduce the need for air conditioning which is a major draw on energy for this sort of property. He discussed the use of single loaded corridors for ventilation purposes,

energy efficient lighting would be a strong possibility. And then there's some looking right now into using heat recovery from the air conditioning to heat the water on property as well.

Again, these are all issues under development and consideration. They haven't been finalized yet. We're still in the draft phase, but we are looking for comment.

And then finally just to conclude, this is going to be last slide of our presentation. The project is an appropriate project for its location. It's compatible with the existing land use controls as we discussed earlier on. It's compatible with the existing Kaanapali Resort uses. It's a diversification of the existing hotel rather than say a replacement of it. It's an area of adequate infrastructure in terms of water and drainage and utilities.

I want to conclude off slide, just to clarify a point made earlier. Among the other permits we would be seeking, we mentioned the off-site parking approval. That's to say that some of the parking will be provided on those parking lots in golf course. Those are Hyatt properties. They're not somebody else's properties, but they're not on the same lot as the existing hotel. Thank you very much.

Mr. Hedani: Questions? Commissioner Freitas.

Ms. Freitas: Wish I had a rewind button. Three things. First of all, the slide before the last you said finally. First of all, I didn't catch your name and who you're with.

Mr. Slepín: Matt Slepín. I'm with Chris Hart and Partners.

Ms. Freitas: Oh you are. And then you said something on the slide when you were on traffic, and I'm not even sure it's on there I don't have my glasses on, but you said something and I got to hear it again from you. You said something, and did you say something about 2010 it's not going to be any different or something? Like no traffic increase?

Mr. Slepín: Probably the cleverest thing I could is just ask Phillip Rowell to stand up.

Ms. Freitas: Okay, but I think the Doc has something first. Yeah, we want him.

Mr. Hedani: Do you want Phil to answer your question?

Ms. Freitas: But I have more for Phil too, but the Doc I think had something for that guy.

Mr. Hedani: Doc, you have another question on traffic?

Mr. Iaconetti: Yeah, as a matter of fact. Phil, when did you conduct the last survey in this area? I believe wasn't it Westin that you worked with?

Mr. Phillip Rowell: No, sir that was someone else.

Ms. Freitas: Or did you do the Marriott?

Mr. Rowell: We did new counts for this project. We did these counts in December of last year. December of last year.

Mr. Iaconetti: These counts here, but prior to the last development that you were requested to give information on, when was that?

Mr. Rowell: Prior to this study? Probably about a year before that.

Mr. Iaconetti: Which development was that?

Mr. Rowell: We did the traffic counts for the Pulelehua project and we did the new set of counts for the Lanikiha (phonetic) project.

Mr. Iaconetti: Do you, and most recently you've done this one when?

Mr. Rowell: The most recent counts were done in December of 2005 last year.

Mr. Iaconetti: And I assume that you've been on the roads there, the highway recently?

Mr. Rowell: Yes I have.

Mr. Iaconetti: Do you feel that the surveys that you did for Pulelehua and this one projected in the future do you feel that you still have the same feeling that –

Mr. Rowell: Of representative or?

Mr. Iaconetti: Yes.

Mr. Rowell: The answer to your question, yes. I think your question is not whether the volumes represent, but I think your question is are the level of services that we're showing representative?

Mr. Iaconetti: Whatever.

Mr. Rowell: Because the volumes mean one thing to me, and the level of service is what

you experience when you go out there and you drive the roadway. The levels of service we're showing that we calculate are over a longer period than maybe what you're sitting there looking at that intersection. We look at one-hour period and apply peak hour factors that are based on the actual counts to kind of skew that number up a little bit. So in answer to your question, yes, I think the levels of service that we're showing as existing conditions are pretty accurate.

Mr. Iaconetti: And you don't feel that this project is going to add any more traffic to the area?

Mr. Rowell: No, we didn't say it wouldn't add any more traffic what we're saying –

Mr. Iaconetti: Obviously ...(inaudible)...

Mr. Rowell: What we're saying the report, in the traffic report is that we're not adding enough traffic to change these levels of service. Now it doesn't mean that if we have a level of service E on this particular intersection that the average vehicle delay doesn't increase. It may increase three, four, five seconds which pushes it a little bit more further in the level of service E, but it was never enough to go from E to F or D to E or C to D or anything like that.

Mr. Iaconetti: Well, I'm sorry. I realize you do this in a very scientific manner, and I'm a real layman when it comes to the manner in which you determine levels of service. But from a layman's standpoint there's been a horrible difference in the last year and even more so in the last few months in the traffic load, the level of service in that area.

Mr. Rowell: I have heard that.

Mr. Iaconetti: I'm sure you have because it exists and for someone that drives it frequently you will notice it. But perhaps the method by which you determine level of service is accepted but it certainly is not accepted from the standpoint of someone who is using that road. It's way out of line. I mean, when it takes us three quarters of an hour to go three and a half miles.

Mr. Rowell: You have a problem.

Mr. Iaconetti: Yeah, you have a problem.

Mr. Rowell: I hear you loud and clear.

Mr. Iaconetti: And I can't see how this determination is correct. I'm sorry. I can't.

Mr. Rowell: Let me just, I don't want to go back into ancient history or anything like this, but one of the things – there are a number of packages to do level of service analysis. There are some very simple packages like Commissioner Freitas said that you pop in a number and it pops out an answer and that's the end of it. But the standard or accepted methodology is put out by the Transportation Research Institute called a Highway Capacity Manual, it's a manual like this and there are procedures in there that we follow and the reason that's important is that we have consistency from one report to the other that we use the same methodology, we use the same assumptions and we may not necessarily agree with that but we have to be consistent so that we can quantify what the impacts of a project are. For instance, we can go in and we look at separate methodologies for signalized and unsignalized intersections. If we use one method for the existing and another method for future then we will get totally different answers because of the way the system works. So we use the same methodology so that I can look at this particular intersection and tell this movement that project generated traffic is going to cause an additional five seconds of delay. Now whether that changes the level of service depends on what it is to begin with. I hear – it's very difficult a layman to understand.

Mr. Iaconetti: The only consistency here that I see is that it is becoming consistently more intolerable. And granted your scientific estimations may be right along according to the book but they're not helping the people driving on that road at all. We've got a consistently bad and getting worse problem. I can't possibly accept this as the final answer as to the level of service because the level of service is poor to begin with. It's getting worse and there's – I don't see how anything is going to improve it by putting a 145 new units in this area. That wasn't a question.

Mr. Rowell: I would like to tell you that there are a number of movements that we're showing as overcapacity. I assume you have the full traffic report. For existing conditions we're showing some of those movements are F. In fact looking at one we got a VC ratio of 1.23. That's telling us that we're 23% over the capacity of that intersection right there.

Mr. Iaconetti: So we're going to make it worse?

Mr. Rowell: Slightly. May I also say that you have to look at each individual movement. The analysis here doesn't – it looks at the overall intersection but it also looks at particular movements and so we look at each ...(inaudible)... movements so that when we try to mitigate this project we're looking at the right places.

Mr. Iaconetti: I think the term movement is an overstatement. There's very little movement.

Mr. Hedani: Commissioner Freitas.

Mr. Rowell: Where would you like to start?

Mr. Freitas: Well, you know, actually it's very interesting everything that you said because exactly what you said is why we have the problem. You know, we look at all this stuff and it's all really about you. You've been doing these for so long and they keep saying it meets, it meets and they keep passing and look at what you've done. You've made a mess of things. It's terrible out there. So my suggestion is just like on page 29, when you give your conclusion, the last line is like, yeah, it causes a problem but too bad. You know, even reading these I don't know why in all of your years of doing this you can't come up with some help.

For instance, why aren't there things in here like, if they put motorcycle cops back on the street it would help. Why don't it say things like if these time shares building on the west side provide their own rent a cars and shuttle these people, it will take some off the road. There's nothing. There's nothing. It's just well, it adds it from D to F or whatever. But we're getting nowhere. You know what, you're going to start making a lot of money, you know why? Because I think that this commission, I'm going off, you're lucky, but this commission I think is going to say these traffic reports don't go any more. And maybe we do need the analysis from the airport to the project. They'll make a lot of money, but maybe then we'll have some real answers.

I'm coming through Lahaina and here are these guys that give surf lessons have their big you know units, SUVs or whatever they are and they're parked right there on the road picking up their people and their surf boards. Do you know what that did to the traffic, you know how long we had to wait because these guys were doing that? I wonder how long – how much that goes on. You know, nobody's patrolling this. It's like I can't believe that in all this time you reviewing these you're not coming up with some solutions. I understand you're just doing your job, but we need it bigger now because that is the problem. The traffic is the problem so lets fix it. This is a gorgeous time share project. But because of the traffic it's junk because you can't get from here to there. How can the people enjoy themselves when they have to go through that? And the money that – I'd like to know, they're probably already sold, but I'm wondering what they're sold for already, you know what I mean? And those people are going to pay all that money and go through all that traffic and I think that honestly Phillip, you've been doing it for years, we've been – five years I've been seeing these reports and now some of that stuff is getting built and it's problems.

Mr. Rowell: Again, I don't know where to start with a response to that.

Ms. Freitas: Well, no but suggestions in your reports. I mean, I know you have to see that if we had motorcycle police out there it would help. You know. Things like that.

Mr. Rowell: I hear your frustration.

Ms. Freitas: Oh, total.

Mr. Rowell: I've been here enough to recognize it and I mean that nicely. First of all, I think we have to separate between what is being done as a traffic impact or a traffic impact analysis for a particular project. Plus what you have is your regional or your subregional transportation plans. And I don't know if we've discussed this or not, but there is a master plan for Maui County. There is a Long Range Master Plan that addresses those issues that you and everybody else has brought up about Honoapiilani Highway between Lahaina and Kahului and all the way to the airport. And that is supposed to look at your regional impacts and those impacts about widening those highways.

In fact, in this particular traffic report, I included a table in the first chapter that is some guidelines on what elements should be looked at in a particular traffic study based on the number of trips being generated and we still go beyond that. We still kick that up to the next level. Projects that should access it, design and review we go out and look at an assessment. And those that should be an assessment we look up as an impact analysis. So we're kicking those on up.

We've also discussed how big the study area should be and it's like it's the same issue, how does the traffic impact study mesh with the regional study and I don't have the answer for you. I do know that I sense a lot of frustration, I hear it, and not only hear the commission but when I go to the public meetings about why aren't these improvements or these projects that are recommended in the master plan implemented? If those could start moving then some of this frustration I hope would go away then we could focus on what the traffic impact study is doing, but it is simply not possible to do a regional transportation study because a project this size doesn't have the resources to implement any of those improvements that should have been done on a regional basis. The only part this project can do is their pro rata share. And I give you a very good example, and we were talking about. The very first project I did in Maui in '95 was out in Kahului and they said, well, you can assume the airport access road will be in, it will be built in the next two years. Here we are 10 years later, we're still waiting on it. And that's why I think you're getting very frustrated is the projects are not moving forward and why they aren't is a whole list of reasons.

Ms. Freitas: And so why in your reports aren't you saying that? Your reports come in like everything's fine, pass it.

Mr. Rowell: I don't think so in this one because we came in and we said, a number of mitigation measures ..(inaudible)... project and on the adjacent to the side, there were some that we didn't have specific recommendations for so we said they're on a state highway, the state will – the project will do their pro rata share. We did recommend some improvements from a safety sense standpoint but granted we didn't go beyond Honoapiilani

Highway at Kaanapali which is whole other discussion.

Ms. Freitas: So basically you're saying that you have your – you have what you do in your study and that's it. And everybody's supposed to figure it out from there. Or because you meet whatever the state code is or whatever then what happens is after that we have to come in and say, you know what, you're going to have to take your study larger than that area?

Mr. Rowell: This is unfortunate and I think we've talked about this before is there is no established standards. There is no document that I can go to that says this is what DOT wants, this is what Maui County or Oahu or any of these counties. There are no established standards that say this is what the study area is going to be. This is what's going to be in the report. There are none.

Ms. Freitas: Well, if there are none, then how come you give them to us?

Mr. Rowell: Because –

Ms. Freitas: You created them?

Mr. Rowell: I'm sorry?

Ms. Freitas: Who created them?

Mr. Rowell: I defer to what the Institute of Transportation Engineers recommends.

Ms. Freitas: The what, what?

Mr. Rowell: The Institute of Transportation Engineers. That is the organization that provides for the trip generation data.

Ms. Freitas: Do they live on Maui? They should. They'd change it.

Mr. Rowell: They're national. You know I've been up here many times saying well, I'd like to see a standard. I'd like not only to see a standard for the study, but I'd like to see a standard for what significance impact is. We've gone through that time and time again.

Mr. Hedani: Okay, other question for Phil? Commissioner U'u.

Mr. U'u: Just clarification for myself. I know you give grades on traffic. So what does a "E" entail and could you show me or explain to me what would be a level A or B so I can have something for?

Mr. Rowell: A what?

Mr. U'u: As far as level of service. What would be a good level of service? What does "E" entail? Like F is failure what is E? You know what does E? You know, you're giving me this letter grades? And I'm wondering.

Mr. Rowell: You're asking me or staff?

Mr. U'u: I'm asking you.

Mr. Rowell: Again, it was something I was talking about this morning. The reality is it's relative. If you're working in an urban area, densely developed area, typically what you want is an overall intersection level of service of D or better.

Mr. U'u: You would want a D or below?

Mr. Rowell: D or better.

Mr. U'u: D or better. Okay.

Mr. Rowell: It could be A, B, C or D. When you reach level of service A technically, you're between 90 and 100% of the capacity of the intersection. The reason we pick that 90 is that is 90% is pretty much consistent with a standard that they've been using in how we design since the '20s and the '30's which is the 30th highest hour. That seems to be a pretty well accepted criteria. However, I've been in some areas where they will not accept anything lower than a C. If you're in a very rural area, not much traffic, you might have a road that has 500 cars a day, that community would be very upset if you recommended level of service D. They would want to see C. Then you start working down from the overall intersection down to the individual movements. There are some communities that say can't have any movement lower than level of service D. And there are some communities that will say, well you can have overall level of service D or better and some of your smaller movements can operate at level of service E. The reason for that is if you have a signalized intersection that has a left turn phase, that left turn will probably operate at E no matter what you do because the signal has to go through so many steps till that left turn gets a chance to go. So I don't know if I helped you or not.

Mr. Hedani: Commissioner Starr.

Mr. Starr: Yeah, if I were to ask you to step back a little bit, take the magnifying glass down and kind of look into your crystal ball and visualize that area of Honoapiilani Highway through Kaanapali and into Lahaina and how would you characterize it you know, in one word? Would you say it's adequate, would you say it's honky dory, would you say it's

crisis, would you say it's emergency? What term would you use? Would adequate be?

Mr. Rowell: I would turn the question around and say, which side of Honoapiilani Highway are you talking about? I mean, I think the traffic conditions south of Lahaina are totally different from the conditions north of Lahaina.

Mr. Starr: I'm talking about from Kaanapali to into Lahaina. I'm talking about particularly in the afternoon.

Mr. Rowell: I would say it was level of service D overall.

Mr. Starr: Because I see here it's at four Fs including through traffic on Honoapiilani Highway after–

Mr. Rowell: That is particular movements.

Mr. Starr: F being a total breakdown with stop and go operation. I see 4 Fs, and then I also see two Es, – three Es which are severe congestion with standing lines and critical approaches. I mean, to me that's crisis.

Mr. Rowell: Now, are you talking about intersection? You know, the intersection we're saying in Kaanapali operates at F during the afternoon overall not just the movements.

Mr. Starr: I mean, is F ever considered acceptable? I mean, outside of maybe Bombay or Calcutta?

Mr. Rowell: The answer to your question, the simple answer is yes.

Mr. Starr: F's acceptable?

Mr. Rowell: And again, we're going to go back to something we talking about earlier of what are your standards for significance. There – some are larger urban communities, I won't say I agree with it or not, have said, we're going to have level of service F now. We've got it now, we're going to have it in the future so what we do is we measure projects on what the incremental change is an F. And you could have the VC ratio is .2.31 but if it changes to 1.232 it would be ruled as an insignificant impact.

The other thing I think that you should be aware of, you know, whatever it says here, existing, when we get into the later sections, we're dealing with projections. We're dealing with what we think is going to be the background growth. We've done all these other related projects and tried to estimate well, how much traffic is coming out of that. So we are dealing with projections and some of those projects will not happen. So what we think

we're showing here is future conditions. It is a conservative estimate. Now we may not like the levels of service but that's the ...(inaudible)...

Mr. Hedani: Commissioner Iaconetti.

Mr. Iaconetti: What level of service do you have below F? If you already have an F how bad can it get? Do you have other letters than one of those?

Mr. Rowell: No sir. Again, we go back to what kind of methodology we're using. The methodology I used does not have anything lower than an F. But there is a methodology that has a H and a G and on down the line.

Mr. Iaconetti: But some areas F is an acceptable level and then you don't have anything below that so it can get more unacceptable as we go.

Mr. Rowell: Correct. And that's why we don't just look at the level of service. We look at the change and the VC ratio and a change in delay because those are you ...(inaudible)...

Mr. Starr: Sounds like a definition of Hades.

Mr. Rowell: I beg your pardon?

Mr. Starr: Sounds like a definition of hell.

Mr. Hedani: Commissioner Freitas.

Ms. Freitas: Who is it in the department, that you know, everything that comes in drainage, blah, blah, blah, everything gets checked by your engineers. Who is it that checks the traffic stuff? And I Phillip I apologize probably because this is probably where the problem is. No, but the traffic.

Mr. Mike Munekiyo: Yeah, the primary road you're speaking of is State Department of Transportation's responsibility but generally all of the studies that come in we have our traffic engineer that reviews it and makes comments on it. And we're still in the preliminary stage and we're making comments on this report so we haven't –

Ms. Freitas: Is there one guy? You have a traffic guy?

Mr. Miyamoto: Currently we have a Traffic Engineering Division, not division, section. Right now there's three people in there.

Ms. Freitas: Three. And so one would be assigned to this project?

Mr. Miyamoto: Generally yes we have - usually it's the section head will review it.

Ms. Freitas: And they take Phillip's information and they check it just like they would if it was a drainage ditch?

Mr. Miyamoto: Pretty much to that degree. You know, obviously your concerns over the conclusions and everything, we also review the conclusions and see if we agree with them and primarily the - the primary corridor of congestion is Honoapiilani Highway and because it's the State DOT's responsibility the County really doesn't comment too heavily on the State's responsibility.

Ms. Freitas: Yeah, you know, I'm wondering if maybe in things like this we shouldn't have the traffic engineer here when we hear these things so that we have somebody that we can ask questions to or try to figure out what's going on. Because we hear Phillip all the time, but you know we never get anything from the County, not really. And yet we're all suffering like this and there's nobody that we can get to. You know, I'd like to have a name, you know, and has he been there a long time? I mean, is this the same group like - you guys go for years. Do the traffic engineers change much?

Mr. Miyamoto: No, they're civil service employees that remain there until they obviously if whether they want to move onto other positions, opportunities -

Ms. Freitas: Oh, they're hired.

Mr. Miyamoto: So they remain and just the Director and Deputy pretty much change.

Mr. Iaconetti: I'm sure Phillip would like to have him here too.

Ms. Freitas: Yeah.

Mr. Hedani: Any other comments for the traffic engineer? Commissioner Starr.

Mr. Starr: Yeah, are we ready to make a comment regarding this EIS document regarding traffic?

Mr. Hedani: What they're asking for right now are comments on the entire document. Any comments that you have relative to any portions of the -

Mr. Starr: Can I make that comment at this time?

Mr. Hedani: It's what they're asking for right now.

Mr. Starr: Okay, I want to see how this project is going to mitigate the LOS to D or above as part of their project.

Mr. Hedani: At what specific location?

Mr. Starr: At all locations from Napili to Lahaina.

Mr. Hedani: From Napili to Lahaina?

Mr. Starr: Yes.

Mr. Hedani: In the northerly direction?

Mr. Starr: Well, certainly from Kaanapali to Lahaina. Maybe Napili is pushing it a little bit.

Mr. Hedani: Any comments from the applicant on that?

Mr. Chris Hart: You know, obviously if the traffic is level of service F today or E today, what you're saying is that this project has to be responsible for all the cars and all the traffic that's being generated by all the projects in West Maui and decrease the level of service down to D is that what you're saying?

Mr. Starr: Yeah, for me to be comfortable, yes.

Mr. Hart: And that's it?

Mr. Starr: That's the beginning.

Mr. Hart: That's pretty charitable.

Mr. Hedani: I think what he's asking Chris is to try to quantify what it would take to get from a level of service F to D in the overall and what proportionate - you know, a proportionate share of that at some point in time might be something that we look at later.

Mr. Hart: Well, you know, we're in a situation that's critical infrastructure lag. I mean, the bypass has been something that's been in the planning stages since 1986 when I became Planning Director and never - we used to have regular meetings to try to see if it couldn't be implemented. And of course, the houses were condemned in Kilauea Mauka in the right of way and so, but the road never happened and then of course, this year we get a notification from the State Department of Transportation that it might happen in the next 12 years. So given that, you know the issue is that we have a highway corridor that's inadequate today in the context of the amount of traffic. And the only way in the context of

that corridor that the level of service is going to decrease to something like D is if the community has the will, and I mean, the labor force together with the visitors, together with the residents to begin using alternative modes of transportation that are going to decrease the number of automobiles on that corridor at least by 30%. But that's not the responsibility totally of this project.

Mr. Starr: Maybe that will be right time to build more time share at the nexus of our traffic problems.

Mr. Hart: At the nexus?

Mr. Starr: Yeah.

Mr. Hart: I see, okay. What about all the other projects that have been approved? I mean not to - you know, to look at it - I mean, this is a 121-unit project. There have been a lot of other projects that have been approved since 1990 and we're suffering the results of it. And I think that it's a collective problem that involves not just this particular project, not this particular landowner, this particular hotel operator, it involves Kaanapali Resort, it involves the unions, it involves the residents of West Maui, it involves the State Department of Transportation, Federal Highways Administration. I mean, it is at crisis and we are in an infrastructure lag, but that's not something that 's never occurred before in any other jurisdiction.

Mr. Hedani: Okay.

Mr. Hart: Okay.

Mr. Hedani: I think basically what I'm sensing is that the traffic problem is getting to the point where and because it's not capped yet, North Beach isn't totally built out, other projects are scheduled to come on line, so the vision is that it's going to get a heck of a lot worse before it gets better at this particular point in time.

Mr. Hart: In the context of what we're doing in terms of this draft, we are going to be presenting mitigation measures based on the comments that we received and you'll receive those. But we are in clear conscience in the context of fair play, moving forward with the project. Whether we can meet the demands or the suggestion that's being made I'm not sure and I doubt it.

Mr. Hedani: Commissioner Iaconetti.

Mr. Iaconetti: I've not been on this commission very long but I've heard this same argument Chris several times that you can't expect this developer to take care of the whole problem.

Mr. Hart: That's right.

Mr. Iaconetti: But at some time this commission is going to have to say, stop we've got a problem and we don't want to add to it. Now I agree with you we can't expect this developer to take care of the whole problem but the problem exists and it's not going to get better by having more development.

Mr. Hart: Okay.

Mr. Hedani: Director Foley.

Mr. Foley: I just wanted to add that for the last six months I've been attending meetings of the organization called Lahaina Bypass Now and this is a large group of West Maui citizens that is divided up into six committees and they've been meeting, we've been meeting with State Department of Transportation who's actually responsible for this corridor not the County. And they've come up with a large number of recommendations to basically reduce the traffic situation while we wait for the State to build more highway improvements which as we was pointed out earlier is still a long ways away.

The first phase of the bypass is scheduled to be constructed within the next 12 months. The second phase is scheduled for six years from Launiupoko to Lahainaluna Road and the third phase is 10 or 11 years and the area from Launiupoko to Ukumehame is probably 10 or 12 years out at least. We haven't even talked about the problem going through the Pali.

So this Bypass Now committee is coming up with a lot of recommendations and they concern using the cane haul roads, expanding the bus system, synchronizing the traffic signals which has already been done, the Mill Street extension which is a parallel road through Lahaina and a lot of other projects. So what I wanted to mention was that we also had a transportation consultant from Boulder, Colorado named Jim Charlier, come and advise the committee several times and he gave us a lot of interesting advice about what's causing the problems and what some of the solutions would be. And I would suggest that this document analyze or include the mitigation that's being suggested by Lahaina Bypass Now and address some of the issues, and let me give you a couple of examples.

The projects at North Beach are funding the Mill Street extension and analysis of the feasibility of using the cane haul roads from Olowalu to Lahaina. And the hotels and resorts throughout West Maui are being asked to create bus systems for their employees or to subsidize the County bus system. And the County bus system has increased. The ridership now is the same for each month as it was for the whole entire year last year. So the bus system has dramatically improved and the number of trips, the roundtrips possible now for employees working in West Maui is or has just recently doubled. So you could ride

from Central Maui or South Maui and get to work in Kaanapali at 7:00 or 8:00 in the morning. And so the hotels such as the Hyatt are being encouraged to get their employees to ride these buses. One of the things the transportation consultant told us was that it's far easier to get employees in those buses than it is visitors. And one of the reasons is because the visitors have a lot of luggage and they also have kids with them, they're not just going to work and they want a car because they think they need one to go to Haleakala and Hana. So another suggestion is that there be a lot more rental cars available at the hotels so that they don't rent the cars for nine days, they rent them for the day they want to go to Haleakala or Hana. That's also being done, the number of rental cars in Kaanapali has increased recently and they're now renting cars at the Maui Prince in Makena and other hotels.

So to make a long story short or to summarize what I'm saying, there are a lot of very good recommendations coming out of the Bypass Now committee and those should be evaluated in this EIS and in every environmental document for West Maui. Because a lot of them are germane to mitigating the traffic impact. They're not going to reduce it from level of service F to D, but Mr. Charlier told us that we might get a 10% improvement from the bus system, we might get a 10% improvement from the cane haul roads and the Mill Street extension, and so we might get 20 or 30% improvement from what it is now. But this situation is going to get a lot worse before the Federal 80% share comes to the State and the State builds the highway from Maalaea to Honokowai. That entire project is still at best 15 years away. So there are a lot of band aids being proposed in the meantime.

And my comment on the EIS would be that all of those mitigation measures be evaluated for this project especially the ones about busing the employees from South Maui and West Maui to the Hyatt and the Westin and the Marriott and all the other resorts. This is being done by some of the hotels already, but it needs to be dramatically expanded.

Mr. Hart: Can I just say that you know, I just appreciate that positive approach and I honestly in the context of the process this being the draft and you know, hearing your comments and wanting to move forward to basically prepare the final document that we want to be part of the mitigation that needs to happen. I sincerely believe that Hyatt Regency as a major, and the largest hotel in West Maui, you know, it desires of actually participating. There is some initial work being done by the - that was basically indicated to us by Frank when he was here as the General Manager. So it's something that we want to participate in.

Mr. Hedani: Commissioner Shepherd.

Ms. Shepherd: I'm not going to talk about traffic. They've already done that. But I do have two questions for you. One is, how are you going to mitigate the impact of rising sea level because the basement is just about at the water table. And as we know, sea levels are

rising, the water table is going to go up and the basement's going to be in the drink?

Mr. Hart: Well, Commissioner Shepherd, you know, as I indicated to you before when we - you know, we've been here, you know we're basically designing the building and - in the context of the basic constraints that exist today, you know, whether it's the base flood elevation as recommended by the Federal Flood Insurance Rate Maps or whether it's the shoreline setback.

Ms. Shepherd: But you'd have to take into account the rising water table. I mean, that is something that you should be putting in your EIS.

Mr. Hart: Okay, all right. We'll look at that definitely. All right, I agree.

Ms. Shepherd: And then my other big question is, why do we need another time share here. We don't need more people on this island, we need less.

Mr. Hart: Well, I think of it, you know, in the context of our industry. We don't have a Ford Motor assembly plant here on Maui. Maui is - our industry, our primary industry is the visitor industry. And the Hyatt Regency is a major hotel operator throughout the world. And the industry itself is evolving and it's diversifying. In some cases, like for instance was mentioned by Norman Hong, the Marriott felt that it was important to convert. Hyatt Regency doesn't see it that way, but the Hyatt Regency does feel that it, and Host Marriott that it's important to have a variety of visitor opportunities where the visitors that are going to continue to come to Maui.

Maui does not have any more undeveloped hotel zoned land that I'm aware of, at least that I'm aware of, could be others, could be some small parcels. So you're essentially going to see the redevelopment and the basic build out of these properties. Now the property is a tremendous property at Kaanapali. Kaanapali Resort is a tremendous resort and the process of redevelopment has gone on for quite a number of years now since the Sheraton I think. And I feel that they're quality projects and they're going to make, continue to make our visitor industry the number one industry here on Maui. And I think probably Maui to be one of the most desired destinations in the world.

You know, I totally agree that there are other issues that could let's say tarnish the visitor experience like the traffic issue. I totally subscribe to that idea, but the concept that time shares shouldn't be allowed, it doesn't - I just don't understand it. Because time share, I mean, it's - if people decide that they would rather have a sense of ownership in a unit here on Maui that they could enjoy as opposed to paying rent to sit in a hotel room, you know, that's just something that seems to be a desire that has a marketability throughout the world now. Once you have a Maui time share you have the opportunity of trading up wherever else you want to go, London or some place else. You know, it's just the way it

is. It's something that's happened in the industry. The thing that I'm really excited about is the fact that, you know, that the Hyatt Regency and Host don't see this project as an opportunity to convert from hotel to time share. I think that in balance there should be time share development and so I think that's why we need this time share tower at this particular property.

Ms. Shepherd: Well, we're often reminded that back when Maui looked at the visitor industry the decision was to go for quality and time share does not have the reputation for quality. Time share is low class. So how is this going to be any different?

Mr. Hart: I beg to differ with you, if you see -

Ms. Shepherd: I mean, you look at that stuff at North Beach and it's horrendous. I mean they're just packing them in like sardines. I mean, and you know, you point out all these projects that have been approved and I'd like to point out that I have voted against all of them. So yes, I mean, they shouldn't be there. They're causing a problem and the more people we bring in as visitors, the more people we bring in as workers and so here we're facing all these infrastructure problems which are essentially overpopulation problems.

Mr. Hart: Well, you know, overpopulation is like Phillip Rowell says, it's relative. You know, I believe that if the infrastructure was there and you know it was comfortable, that we wouldn't be saying the things that we're saying. I kind of like to feel that the time shares that we've been involved with as a firm are quality time shares and I can't really speak for some of the others. But I'm sure that this is going to be a quality time share and the people that buy them are going to be people that, you know, are individuals of means.

Mr. Hedani: Commissioner Freitas.

Ms. Freitas: Actually that is what saves all your time shares is because you do wonderful projects and I do - actually hearing you today, you know, it sunk in differently as we fight for affordable housing that yes, the visitor industry also has to have different levels too.

Mr. Hart: It does.

Ms. Freitas: Okay, I get it. Although I don't like vacation rentals, but whatever. Now going with that and you can't solve the traffic problems, although I'd like you to, but what this, what about like you know, when you bring projects in and we say to you, okay, you have to keep all your additional drainage on site. It's yours, you keep it on site. You imposed. What about if you do look and I know you're going to, at like the traffic measure, calming measure like having your rent a cars there, busing your tourists there, let them pick up their cars and go from there, I don't know if you have the room, you probably do, and that would be keeping your traffic problem like on site, almost like drainage and other problems.

Mr. Hart: Well, honestly I'm committed to work with our client and to come up with some meaningful mitigation measures that would fit with the vision that Mr. Foley spoke about. And you know, that we will be in communication with the Planning Department as we prepare the EIS and we'll come back and propose some meaningful mitigation measures to you.

Mr. Hedani: Commissioner Guard.

Mr. Guard: Mr. Hart, just taking like the general comments, then are we off of only traffic?

Ms. Freitas: We've been off it.

Mr. Guard: Okay, I guess beach parking has always been a big concern of mine at the Hyatt. I don't know when the last time anyone in this room has been able to park at the most southerly beach parking spot.

Mr. Starr: Never been able to park there.

Mr. Guard: In the Hyatt parking lot right. Beach parking signs are covered up with all of the luau and extra storage area. So I think we need to either improve all of the beach parking because you're going to have - we're going to lose that main access from being able to walk through there to get to the beach. There's almost no beach in front of where they're proposing the beach parking any more. It's all down at Canoe Beach. So all summer long you're going to have a few people wanting to go paddle their canoe and use beach parking to get there and we can't do it because there's convertibles in them and maybe even start trying to keep out tourists from parking in the beach parking area if they're coming in late at night and taking those stalls for day time users.

And then the other, probably maybe not the best timing that you're right behind the Royal Lahaina revitalization but they put a lot of parking underneath their tennis courts. So even if you went down three or four feet there, and put even one, just one level of parking underneath, you'd still have natural daylight and ventilation and be able to put the tennis courts up with about six feet above natural grade now. And from all the heights, it's the highest building in the area. So I don't know if we can maybe try to reduce the size of the building. It's the highest one there. So if someone's in the ocean looking up at it, that will be a new thing to see. If it tilted over, it would fall into the ocean. I think from the setback it's a 120 feet from the ocean, but it's a 145 feet up.

Mr. Hedani: Commissioner Starr.

Mr. Starr: I see the thing as a monster. I mean, look at it it is the biggest, densest thing in

Kaanapali. I just see this as a really terrible time to try to add it. So the real question is, how is this going to benefit the community to a point where it's going to make up for all of the harm it's going to cause between traffic, between, you know, adding more people onto that beach, between adding more run off, between, you know, all the other impacts. To me the balance sheet is very, very steeply tilted toward no, us needing this kind of thing at this point. So I challenge you to find positive ways, positive things to add into it that would make it worthwhile since it's using water, it's using electricity, it's using those valuable commodities. It's going up the view plane. I mean, there has to be some positives. I haven't seen one positive yet. You know, I challenge you to find some that this project can do that will make our place better to make up for the impacts that it's going to have.

Mr. Hart: Okay, thank you.

Mr. Hedani: Commissioner Amarin.

Ms. Amarin: Thank you Chair, you know, just adding my comments and asking a question. I remember there's that whole parking area in front of the Hyatt and it was used for the rental cars, is that still being utilized that way? Because that helps you know to have all the rental cars in the area. And I can understand, Phillip your position that you take, it's for the project and not for the region but the accumulated negative impacts upon the community is horrendous today. I enjoyed listening to our director here that the mitigation with the community and the things that will be done, but it's not happening as soon as we want it to and the people should not be subjected to, you know, living in community and me, my mind said I was there maybe a month ago, 5:00, 6:00 p.m. trying to get from the Royal Lahaina Hotel to Lahainaluna Road and it took me 40 minutes. Of course, I wasn't smart like some of the commissioners and they went down the lower road to bypass all of that congestion. But yeah, you know, but again, I'm sorry, I got off track and just putting in my two cents because I feel for the community and I can understand your project and it's a great project. But as far as the parking for the rent a cars, will that still be available for them?

Mr. Hart: You know, I have to - I'm not sure what parking you're talking about. There's the parking on parcel no. 5 that where the Westin people park and there could be some parking, rent a car parking there. I'm not sure.

Ms. Amarin: Well, if you come out of the Hyatt, the main lobby and you're looking I guess mauka there's that whole area in front there that was utilized for the rent a cars.

Mr. Hart: Well, whatever, you know, was there, it's going to be continued to be there. It may not be in that location right where you're talking about. You know, I subscribe to the concept that Director Foley put forth that you know obviously it's not really most efficient to have our visitors renting cars at the airport and having the cars sit in the parking lot for

three or four days while they enjoy the amenities of the hotel, and then you know, go out use their car. It makes more sense to have them somehow bused to the hotel and then call for a rent a car at concierge and go to Hana for a day that way. So that kind of thing we can be talking about it.

Ms. Amorin: It's everybody helping you know, making the difference.

Mr. Hart: You know that's the way I see it. You know, obviously this lag infrastructure has gone on since, at least I know since I was Planning Director in 1990. So it's still here and we want to be part of the solution. That's the bottom line.

Ms. Amorin: I hope we are.

Mr. Hedani: Other comments? Commissioner Freitas.

Ms. Freitas: I just would like to at this time make sure that at future meetings we have our traffic engineer here.

Mr. Hedani: Any other comments for -

Ms. Freitas: I'd like to follow up on that. I'm sorry. No, it's just that we're always asked - you know I hear us attacking the developer all the time and I'm not saying that it isn't warranted but you know, a lot of it is is they go by what they're given. You know, if they say these are the rules and they go by the rules what more can they do. So I think us as a commission needs to maybe lean on the department a little bit. If we don't like something what's going on in traffic, lets - how many times have we called the traffic engineer in here? Anybody? Not since I've been on this and I'm almost off. What is that? Where is he? So I think these are some of the people that we need to lean on too. So anyway next time I want the traffic engineer.

Mr. Hart: I'd like to point out one thing just in terms of what Commissioner Freitas said. I think that, you know, we do honestly try to be consistent with the plans, the zoning, the community plan and the zoning. Now that zoning again has been in place Kaanapali Resort since 1962. You know when the projects were initially built they didn't build out their sites. And so what you have is just a natural process of coming back and redeveloping, but the zoning hasn't changed. We're not at 36 stories like Honolulu, we're at 12 stories. Obviously the popularity and the population of West Maui has grown. Infrastructure hasn't been approved, but the plan is still the plan and the zoning is still the zoning and we're not deviating from it.

Mr. Hedani: Any other comments for the applicant? Commissioner Amorin.

Ms. Amarin: Thank you Chair. Just one more thing, looking at the landscape, what is the tallest structure there today? How many stories, would you know?

Mr. Hart: 12 stories.

Ms. Amarin: And which structure is that?

Mr. Hart: That's where, at the Hyatt.

Mr. Hedani: Center tower.

Mr. Hart: Center tower.

Ms. Amarin: Okay, thank you.

Mr. Hedani: Any other comments for the applicant?

Mr. Miyamoto: Mr. Chair, if I may ask for clarity regarding the request for traffic engineering services. The majority of the concerns are with State DOT Roadways. Is it primarily that you want State DOT here also because they're the ones that have to answer for their roadways?

Mr. Hedani: Commissioner Freitas.

Ms. Freitas: Okay first of all, I'd like our traffic guy here regardless if it's State or County and this is why. I think part of our problem is there is no communication. So if he's sitting here and we're talking about State roads maybe connecting to County or whatever I want him to start getting together with the State guy. And if we need the State guy here too, fine. But we have to start - look how long it took to get the lights synchronized and stuff. You know, and we're yelling at them about traffic. Five years they've been talking about synchronizing the lights. Big deal. So yes, I want him here. We'll see if we want the State but we got to start some communication going. So yeah, just our guy first.

Mr. Miyamoto: It's our standard practice whenever we review a traffic study to discuss our comments with the State because it's primarily with their State highways. Generally we don't have jurisdiction over the State highways. We can share our concerns with them but generally they have jurisdiction so.

Ms. Freitas: Yeah, but you know what Mike too, what happens is how many times do we get these reports back that goes no comment, no comment, no comment. You know.

Mr. Miyamoto: I think if you ask Phil, the last one we gave him had 35 comments on it. So

it's not that we're not reviewing. We are reviewing these. Another consultant we gave him 45 comments, different comment statements which we worked out. So you know - they're addressing those comments.

Mr. Hedani: Those comments were copied to the commission?

Mr. Miyamoto: No these are - a lot of these are prior to - that they're coming here and that they're addressing them at that point.

Mr. Hedani: Maybe that would be a suggestion for those comments to also be copied to the commission. Any other comments for the applicant at this point? I have a few. First comment I had Chris is on Page ii in your introduction which says that the construction period is going to be over a 60-month period. That must be a typo right? That's five years.

Mr. Hart: It's a typo, yes. It's going to be 18 to 20 months.

Mr. Hedani: 18 to 20 months, so that's a typo.

Mr. Hart: Yes. Sorry about that.

Mr. Hedani: Okay, the second comment that I had was on page 18. In the middle of the page it says, "if passed the proposed legislation would be applicable to the time share addition project. They applicant may then be required to provide up to 44 affordable units or a ...(inaudible)... cash contribution. " And that's based on your discussions with the?

Mr. Slepín: With the Director of Housing and Human Concerns, yes.

Mr. Hedani: Okay, that was just a clarification. On page 30, on the first paragraph at the top of the page where you say there's a 10.3% of the projected increase during the morning peak hour volume and 9.4% of the projected increase in the afternoon peak hour volume these percentages represent the project's share of improving the intersection as described in the Maui Long Range Transportation Plan. Can you quantify that for me in terms of vehicle trips or what that's relating to because I can't relate that to the 20 vehicles trips and the 2% and the 1.5%, you know, on your graphic that's up on the board. Is it 10% or is it 2% is the question?

Mr. Slepín: I think we're discussing in a sense two separate things here but again, maybe in issues of traffic it's cleverer for me to let the traffic engineer answer than myself. If you give me just a moment.

Mr. Hedani: You don't have to answer it now Phil, as long as it's addressed between now

and the final.

Mr. Rowell: I'm sorry what was your?

Mr. Hedani: The question is on page 20, I'm sorry page 30. It talks about 10.3 and 9.4% on the top of the page. I can't relate to what that's talking about.

Mr. Rowell: I'm going to refer you to my traffic report. On page 30 of the traffic report there's two tables there and the top table basically is all right in the future we're going to have existing traffic, we're going to have background traffic, we're going to have project traffic. That table kind of is the percentage of project trips that are in that total. In other words, that top line of the total trips that are in that intersection there are only 2% of those are project trips. The second table where he's talking about the 10.3% is what is this project's pro rata share of the growth.

Mr. Hedani: I see. It's share of the growth.

Mr. Rowell: Right.

Mr. Hedani: I see.

Mr. Rowell: So it's probably not distinguished very well and it's very hard to explain in the table titles. But –

Mr. Slepín: If I could just jump in, maybe we can just clarify the language a little bit.

Mr. Hedani: Right. On page 31, on paragraph E, it talks about the relationship between local short term uses of humanities environment and the maintenance of long term productivity and I couldn't quite figure out what the heck that meant. Are we talking about humanities environment as in the whole world or?

Mr. Slepín: I think that's to distinguish from the natural environment.

Mr. Hedani: It should be what? Something other than humanities.

Mr. Slepín: All we're talking about if can ask the question is the title of it?

Mr. Hedani: Right.

Mr. Slepín: As in whether that's – what it's attempting to describe.

Mr. Hedani: Right, I mean, you lost me there.

Mr. Slepín: Yeah. Possibly it would be clearly if the title were simply rendered short term uses of the environment and we just left it at that. Yeah. I agree.

Mr. Hedani: Next comment that I had was on Exhibit A16 where you have a description of the off site parking, the evolution of this particular parcel the roadway lot that connects from the parking lot to Nohea Kai Drive that traverses the golf course, the historical evolution of this particular parcel was that when the project was originally intended to be the Hawaiian Sea Village, it was intended to be separate from the hotel properties. So they wouldn't have to traverse the hotel property to get to the parking lot. And that's why you have that strange curly-q driveway that leads out across the golf course and it seems like that actually is not really necessary at this point. I don't know whether or not you want to look at consolidation resubdivision with the golf course or just taking the traffic directly to and from the project as opposed to queuing up and going over the driveway that leads through the golf course into Nohea Kai Drive. And that's just a comment because from an operational standpoint what happens is overflow parking is queued along both sides of the driveway and there's no screening landscaping so it's visible from all the surrounding properties.

Mr. Slepín: Okay, thank you.

Mr. Hedani: On page A17, where you have the future paved employee parking lots I really like the landscaping that's been incorporated into that design. The question that I had was whether or not there would be screening landscaping that would screen the view of the cars from the surrounding golf course so there's no impact to the golf course itself.

Mr. Slepín: Yes, that's what we're investigating now.

Mr. Hedani: The last comment that I had was on the shoreline evaluation of the Marriott Hotel which is part of your Appendix C and I was wondering if that was just a typo where they picked up the Marriott report or whether or not it was intended to refer to the Marriott report.

Mr. Slepín: No, this study was the study that was commissioned and undertaken for the Marriott, yeah. But because they're essentially right next to each other we thought that the study, the scope of the study was applicable to this whole stretch of south Kaanapali.

Mr. Hedani: So it's applicable to both properties?

Mr. Slepín: Yeah.

Mr. Hedani: I see.

Mr. Slepín: Since it's essentially studying the whole of the beach there not just fronting say

the parcel of Marriott.

Mr. Hedani: And the last comment that I had was on page 5-3 of Appendix G, at the top of the page we have that design criteria 3, where it talks about design buildings to run mauka/makai with the buildings built parallel to the highway would block coastal views. And my only comment was that it was being ignored in this particular case because the buildings are not running mauka/makai. I don't know if there's a solution to that given the design constraints that you folks have established.

Mr. Slepín: Yeah, I think as part of the maybe the issues under development the exact orientation of the building is something that's still out for discussion. And so I think we can address that.

Mr. Hedani: And as a general comment I would say, the good things about the project is that the establishment of this particular parcel for time share use if it precludes a conversion of the entire project to time share use would be a giant step in the right direction and then it's architecturally well done.

Mr. Slepín: Thank you.

Mr. Hedani: Any other comments for the applicant? Commissioner Freitas.

Ms. Freitas: Last comment and I know that – well, I don't know but you probably can't do anything about this. I'm proud of the commission for putting forward the tax on time share and talk about the giving back and what do they contribute and everything, my only problem with that is I don't believe it's high enough. And so I'm hoping that there will be support in the future to raise that tax because I think that that would make it easier for everybody to swallow if they really felt like they were doing something and not just taking.

Mr. Hedani: I think you know, some of the comments that we heard today just as an observation for Phil's edification I think a lot of the frustration that the driving public has noticed over the last six months more than anything else is a combination of a couple of things. One is not having to do with traffic per se, it's the County Water Department that's tearing up Front Street and they've closed it completely on both lanes. So where Honoapiilani Highway normally turns from two lanes to four lanes it stays two lanes until you get past Shaw Street. I don't think they even open it up after they finish work at the end of the day and I've asked them on two separate occasions why they don't put plates down and let traffic through while they're working and it was committed to twice that they would do that on the subsequent Saturday which was about six weeks ago, so they still haven't opened up Front Street to traffic and that's causing the load to shift back to Honoapiilani Highway.

And the other thing that I think actually could be a significant help although some people don't believe it is if Phil or someone could do an analysis on that signal at Launiupoko Park. Because the State in its wisdom has expanded the parking on the mauka side of the highway and say if you put a thousand stalls there each one of those people are going to press that little button in order to get across Honoapiilani Highway and if they forget their suntan lotion it's going to double. I think that's what's causing the back up that currently stretches all the way to Maalaea Harbor. That's how bad it is right now.

Mr. Foley: That little parking lot is a County Parks Department project not the State. We can't blame the State for that one.

Mr. Hedani: Oh so we did it to ourselves.

Mr. Foley: The one other comment that I meant to make earlier and I forgot was that those of us who travel from Napili to Wailuku every day through this entire area noticed that a high percentage of the traffic in the morning coming into Lahaina is construction related. There are a phenomenal number of very large trucks. They're so big you can't tell whether they're full of dirt or they're going to pick up dirt. But there's a lot of dirt hauling going on and there's a very high percentage of the vehicles that are pickup trucks with tools all over them. So one of the things that we should look at in this traffic impact is the construction traffic. Where are the trucks, where's all the construction traffic going to come from to work on this project and what can be done to mitigate that. There's been a lot of discussion about the feasibility of having ride sharing from Central Maui or South Maui to West Maui arranged by the contractors and they did it for the Westin. They carpooled from Keawe Street for six or eight months. So maybe they could do it a little longer. But the construction traffic and the construction parking is something that we definitely need to look at in this report. We've had some major challenges at North Beach and in Wailea concerning the hundreds of construction workers that show up every morning to work on projects. And in both cases, we've had to come up with some very creative locations for construction workers to park because otherwise they park at the beach parks. And that's very unpopular with the locals to have the beach parks full of construction vehicles. And so we need to look at that.

Mr. Hedani: I think actually if Phil could solve the Launiupoko signal problem that was would be worth as much as synchronization of the nine lights. Could you solve that for us Phil? I've thought about tying a chain to the signal and tearing the signal down myself to see if it would improve things. Any other comments for the applicant? Seeing none, thank you very much.

Mr. Slepik: Thank you very much.

Mr. Hedani: Thank you for being patient.

A recess was called at 4:00 p.m., and the meeting was reconvened at 4:05 p.m.

Mr. Hedani: The Commission is back in session.

- 2. Matters related to a planned site inspection of the Island of Kahoolawe by the Maui Planning Commission as the Commission will be dealing with the General Plan Update and the Kahoolawe Community Plan Update in the future:**
 - a. Determination that the site inspection must be conducted as a limited meeting pursuant to the provisions of Section 92-3.1, HRS) because it is dangerous for an open meeting to be held on the island due to possible dangers to public health and safety from the presence of unexploded ordinance on and around the island.**
 - b. Selection of possible dates for the site inspection.**

Mr. Foley: Basically all the commission needs to do is vote to say that they want to go to Kahoolawe and that the site inspection must be a limited meeting pursuant to HRS Section 92-3.1 because it's possibly dangerous location for an open meeting. There are possible dangerous public health and safety so the meeting should be limited. And then the second thing you should do is select a few dates or just agree that we'll poll you to try to come up with a date where everybody could go.

Ms. Shepherd: So move.

Mr. Hedani: Moved by Ms. Shepherd.

Mr. Starr: Second.

Mr. Hedani: Seconded by Commissioner Starr. Question from Dr. Iaconetti.

Mr. Iaconetti: Recently the Maui News had a picture of the Hawaiians landing on Kahoolawe planting their flag. Does that mean now that we have to get their permission too?

Mr. Foley: I think they're gone. They were arrested.

Mr. Iaconetti: And secondly if Susan should happen to unfortunately step on a sand bomb over there or a land mine is the County responsible at this point or who is?

Ms. Shepherd: We sign a waiver.

Mr. Iaconetti: Do we?

Ms. Shepherd: We are.

Mr. Iaconetti: You didn't mention that.

Mr. Hedani: The last time I was there Doc, they found a 250 pounder beneath the stairs that leads to the kitchen.

Mr. Iaconetti: And we're going to spend the night there is that correct?

Mr. Foley: No.

Ms. Freitas: We should spend the night there.

Mr. Foley: You can spend the night but the rest of us are coming back.

Ms. Shepherd: And so are there any days that they prefer?

Mr. Foley: I don't remember. Shall we just do a telephone poll?

Ms. Shepherd: Not October 16 to 27.

Mr. Starr: Email poll.

Mr. Foley: Yeah, we'll do an email poll. We'll suggest a bunch of dates and see.

Ms. Freitas: But it will be soon, yeah.

Mr. Foley: We have to send this action to the State Attorney General and the State Attorney General has to agree that you can have a limited meeting. But they just did that recently for someone else and so we expect it to be approved but it might take a few weeks. So it's not going to be immediately.

Ms. Freitas: Will it be before I leave?

Mr. Starr: I assume it will be a weekday.

Mr. Foley: Yeah it will be a weekday.

Ms. Amorin: You don't know a time schedule on it?

Mr. Foley: No, we'll do a email poll.

Mr. Iaconetti: For Corp. Counsel are those waivers that are signed does it really hold any water. There are all kinds of waivers people sign that they don't hold water.

Mr. Hedani: If a 250 pounder goes off Doc, you won't have to worry about it. And the road that we were driving on I saw a crater that was about the size this opening over here after people had driven over it.

Ms. Freitas: Is this going to be like when we get there we're going around in vehicles or is this a walking trip.

Mr. Foley: We'll probably get a tour, a guided tour.

Mr. Hedani: Going to be in a truck. There's a place called Sailor's Cap that we have to check out.

Ms. Freitas: And we're going to have a meal there? I hear they have a great chef.

Mr. Hedani: Clayton.

Mr. Yoshida: Yes, I was talking to Michelle McLean with the Kahoolawe staff and they can provide a meal. It will take about six hours because they would transport about four of you at a time accompanied by a staff member of the Island Reserve Commission.

Mr. Guard: The whole trip will take about six hours?

Mr. Yoshida: Yes, because they have to wait until all of you get to the island before they can start.

Mr. Foley: I think she said it would be probably something like 10:00 a.m. to 4:00 p.m. So it will be all day one weekday and there will be lunch in the middle and it costs us \$200 or \$300 a person.

Mr. Hedani: Do they have vision Clayton of what they envision that would like to share with the commission?

Ms. Freitas: Like what are we going to see?

Mr. Foley: The commission has a plan that they just adopted.

Mr. Hedani: I'm just wondering if KIRC has a plan for the island.

Mr. Foley: Yeah, they do. We'll distribute that before the trip.

Ms. Freitas: I thought that they took those ..(inaudible)... those helicopters that hold like 23.

Mr. Guard: They don't have those anymore.

E. MINUTES OF THE JUNE 11, 2006 REGULAR MEETING, MEETING OF JUNE 13, 2006 RECONVENED ON JUNE 19, 2006 and JUNE 28, 2006 SPECIAL MEETING

Mr. Hedani: Okay, next item on the agenda is the minutes of June 11th, June 13th, June 19th and June 28th. If not, the minutes will stand as circulated.

2. Matters related to a planned site inspection of the Island of Kahoolawe by the Maui Planning Commission as the Commission will be dealing with the General Plan Update and the Kahoolawe Community Plan Update in the future:

- a. Determination that the site inspection must be conducted as a limited meeting pursuant to the provisions of Section 92-3.1, HRS) because it is dangerous for an open meeting to be held on the island due to possible dangers to public health and safety from the presence of unexploded ordinance on and around the island.**
- b. Selection of possible dates for the site inspection.**

Mr. Giroux: Did you vote on already? On Kahoolawe?

Mr. Foley: Did you vote on Kahoolawe.

Mr. Hedani: Oh sorry, back up. Kahoolawe.

It was moved by Ms. Shepherd, seconded by Mr. Starr, then

VOTED: The Commission would like to go to Kahoolawe and that the site inspection must be a limited meeting pursuant to HRS Section 92-3.1 due to its possibly dangerous location for an open meeting.
(Assenting - D. Shepherd, J. Starr, J. Guard, S. Freitas, J. Amorin, W. Iaconetti)
(Excused - P. Eason, B. U'u)

Mr. Hedani: Unanimous. Thank you.

F. DIRECTOR'S REPORT

1. EA/EIS Report
2. SMA Minor Permit Report
3. SMA Exemptions Report

No questions on the above reports.

Mr. Hedani: Commissioner Starr.

Mr. Starr: I had sent an email about a possible future agenda item was that received and noted? Did you get that? Actually I had sent it directly to you. I'll resend it.

Mr. Hedani: Oh, if you could.

G. NEXT REGULAR MEETING DATE: August 22, 2006

H. ADJOURNMENT

The meeting was adjourned at 4:15 p.m.

Respectfully submitted by,

CAROLYN J. TAKAYAMA-CORDEN
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

Present

Wayne Hedani, Chairperson
Diane Shepherd, Vice Chairperson
JB Guard
Bruce U'u
Suzanne Freitas
Johanna Amorin
William Iaconetti
Jonathan Starr

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Excused
Patti Eason

Others
Mike Foley, Planning Department
Clayton Yoshida, Planning Department
James Giroux, Department of the Corporation Counsel
Michael Miyamoto, Department of Public Works and Environmental Management