

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

September 21, 2010

**Committee**  
**Report No.** \_\_\_\_\_

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

Chair and Members:

Your Land Use Committee, having met on September 1, 2010, makes reference to County Communication No. 05-151, from Councilmember Jo Anne Johnson, transmitting a draft resolution entitled "REFERRING TO THE MAUI PLANNING COMMISSION A BILL TO CHANGE THE ZONING FROM A-2 APARTMENT DISTRICT TO PK-4 GOLF COURSE PARK DISTRICT FOR PROPERTY AT KAA NAPALI, MAUI, HAWAII".

The purpose of the draft resolution is to refer to the Maui Planning Commission, the draft bill, which is attached as an exhibit to the draft resolution, entitled "A BILL FOR AN ORDINANCE TO CHANGE THE ZONING FROM A-2 APARTMENT DISTRICT TO PK-4 GOLF COURSE PARK DISTRICT FOR PROPERTY AT KAA NAPALI, MAUI, HAWAII". The purpose of the draft bill is to change the zoning from A-2 Apartment District to PK-4 Golf Course Park District for certain parcels of land, identified as TMK: (2) 4-4-13:003 (Parcel 3); TMK: (2) 4-4-08:009 (Parcel 9); TMK: (2) 4-4-08:010 (Parcel 10); and TMK: (2) 4-4-08:014 (Parcel 14) in Kaanapali.

Your Committee notes that the Council's Land Use Committee (2007-2009 Council term) recommended that a proposed resolution entitled "REFERRING TO THE MAUI PLANNING COMMISSION A DRAFT BILL TO CHANGE ZONING FROM A-2 APARTMENT DISTRICT TO PK-4 GOLF COURSE PARK DISTRICT FOR PROPERTY SITUATED AT KAA NAPALI, MAUI, HAWAII", be adopted. As noted in Land Use Committee Report No. 08-66, Parcel 3 was previously zoned R-3 Residential District (not A-2 Apartment District), and it was determined that the parcel had been rezoned to PK-4 Golf Course Park District as a result of Ordinance No. 2031 (1991). Accordingly, the draft bill attached to the proposed resolution omitted Parcel 3, and referenced only Parcels 9, 10, and 14, comprising approximately 39.647 acres, 31.946 acres, and 1.009 acres, respectively.

At its meeting of June 20, 2008, the Council adopted the proposed resolution (Resolution No. 08-48).

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Your Committee notes that Parcels 9 and 10 comprise a 71.6-acre portion of the Royal Kaanapali Golf Course. Both parcels are currently owned by Royal Kaanapali Holdings, LLC, whose sole member is the State Employees' Retirement System (ERS). Parcel 14 is across Kekaa Drive from the golf course and is currently owned by Kaanapali Land Management Corporation.

Your Committee further notes that both landowners filed written protests to the Change in Zoning, pursuant to Section 19.510.040(B), Maui County Code. The Department of Planning advised your Committee that, as a result of the written protests that had been filed, a vote of seven members of the Council would be required to approve the Change in Zoning.

The Planning Director transmitted the Maui Planning Commission's comments and recommendations on the draft bill. The Maui Planning Commission recommended that the draft bill be denied.

Your Committee received a proposed bill entitled "A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM A-2 APARTMENT DISTRICT TO PK-4 GOLF COURSE PARK DISTRICT FOR PROPERTY SITUATED AT KAA NAPALI, MAUI, HAWAII" from the Department of the Corporation Counsel, approved as to form and legality.

Your Committee also received a revised Land Zoning Map No. L-995 from the Planning Director, incorporating a revision to the referenced acreage.

As noted by the Department of Planning, the proposed rezoning to PK-4 Golf Course Park District would provide consistency with the existing Community Plan designation of Golf Course for all three parcels. The parcels are in the Special Management Area (SMA), and to process an SMA permit, the land use designations must be consistent.

Your Committee received numerous pieces of written testimony opposing the proposed Change in Zoning from active employees of the Hawaii Government Employees Association, Maui Division, and beneficiary members of the ERS, stating that the golf course is a valuable asset of the ERS and that the Change in Zoning would limit the potential value of the properties.

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According to representatives on behalf of landowner Royal Kaanapali Holdings, LLC, leaving the properties zoned A-2 Apartment District would “provide future flexibility for ERS to comprehensively plan the lands to meet West Maui’s future community needs”.

Your Committee discussed the concerns expressed by property owners in the immediate vicinity of the Kaanapali golf courses that their views and property values could be diminished by development of the properties beyond their existing golf course use. Your Committee also discussed the competing concerns expressed by individuals who “rely on the investments of the ERS” for their current and future pensions, urging that the value of the ERS investment portfolio be maintained.

Your Committee voted 5-1 to recommend filing of the communication. Committee Chair Baisa, Vice-Chair Molina, and members Kaho’ohalahala, Medeiros, and Pontanilla voted “aye”. Committee member Johnson voted “no”. Committee members Mateo, Nishiki, and Victorino were excused.

Your Land Use Committee RECOMMENDS that County Communication No. 05-151 be FILED.

This report is submitted in accordance with Rule 7 of the Rules of the Council.

  
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GLADYS C. BAISA, Chair