

**ECONOMIC DEVELOPMENT, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

MINUTES

March 1, 2012

Council Chamber

CONVENE: 9:06 a.m.

PRESENT: VOTING MEMBERS:
Councilmember Mike White, Chair
Councilmember Elle Cochran, Vice-Chair
Councilmember Gladys C. Baisa
Councilmember Robert Carroll
Councilmember Donald G. Couch, Jr.
Councilmember Joseph Pontanilla

EXCUSED: Councilmember G. Riki Hokama

STAFF: Carla M. Nakata, Legislative Attorney
Tammy M. Frias, Committee Secretary

ADMIN.: Glenn T. Correa, Director, Department of Parks and Recreation
Roxanne Teshima, Special Events and Grants Coordinator, Department of Parks and Recreation
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Daniel Ornellas, District Land Agent, State Department of Land and Natural Resources
Shirley Ann Kaha'i, Executive Director, Friends of Moku`ula, Inc.
Kimo Falconer, President, Board of Directors, Friends of Moku`ula, Inc.
Stanford Manuia, Esq. (pro-bono outside counsel)
Anabelle Paet, Office Assistant, Friends of Moku`ula, Inc.
Karee Carlucci, Vice-President, Board of Directors, Friends of Moku`ula, Inc.
Reverend William Albinger, Member Board of Directors, Friends of Moku`ula, Inc.
Caroline Egli-Belsom, Member, Board of Directors, Friends of Moku`ula, Inc.
Phil Johnson, Project Manager, Friends of Moku`ula, Inc.
Jenny Worth, Friends of Moku`ula, Inc.

PRESS: *Akaku--Maui County Community Television, Inc.*

CHAIR WHITE: . . .(*gavel*). . . Good morning, everybody. This Economic Development, Agriculture, and Recreation Committee meeting shall come to order. It's March 1st and it's a little after 9:00

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a.m. And this morning before we begin, I'd like everyone to please turn off their cell phones or other noise making devices. And I'd like to welcome Committee Vice-Chair Elle Cochran.

VICE-CHAIR COCHRAN: Aloha, good morning, Chair.

CHAIR WHITE: Bob Carroll. Mr. Carroll? Oh. Good morning, Mr. Carroll.

COUNCILMEMBER CARROLL: Good morning.

CHAIR WHITE: Good morning, Ms. Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR WHITE: Don Couch.

COUNCILMEMBER COUCH: Good morning.

CHAIR WHITE: Good morning. And Joe Pontanilla.

COUNCILMEMBER PONTANILLA: Good morning.

CHAIR WHITE: Thank you for joining us. And today, Riki Hokama, the other voting member is excused. And joining us today we have Glenn Correa, the Director of Parks and Recreation.

MR. CORREA: Good morning.

CHAIR WHITE: Jeffrey...yes, we are very honored to have the Director here with us today. Jeffrey Ueoka from Department of the Corporation Counsel.

MR. UEOKA: Good morning.

CHAIR WHITE: And backing up Mr. Correa is Roxanne Teshima, Special Events Grant Coordinator. And joining us later, we have a number of folks from the Moku`ula organization. And the ones that will be involved in making the presentation will be Kimo Falconer, and he will be joined by Stan Manuia and Shirley Kaha`i. And from DLNR we have District Land Agent, Daniel Ornellas who will be here in case anyone has any questions related to the State's involvement in Moku`ula. So with that, Members...oh and we also have Legislative Attorney Carla Nakata and our Committee Secretary, Tammy Frias joining us. So we do have some public testimony, Members.

MS. FRIAS: No public testimony.

CHAIR WHITE: Oh, we don't.

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MS. FRIAS: We don't.

CHAIR WHITE: Okay, I was told we have two people signing up, but they must have just been clearing things out of their purses. Okay, Members, since we don't have anyone signed up for public testimony, I guess I don't need to open...or should I just close?

MS. FRIAS: Close, with no objections.

CHAIR WHITE: So without objection, we'll close public testimony.

COUNCIL MEMBERS: No objections.

CHAIR WHITE: Thank you.

**ITEM EDR-23: LEASE AND LICENSE OF COUNTY-CONTROLLED PARCELS TO
FRIENDS OF MOKU'ULA, INC. (LAHAINA) (CC 11-304)**

CHAIR WHITE: Members this morning we have just one item. And that item is the Lease and License of County-Controlled Parcels to the Friends of Moku'ula, Inc. in Lahaina. Authorizing a proposed resolution entitled Authorizing the Continued Operation of a Parking Lot Concession by the Friends of Moku'ula, Pursuant to the First Amendment to Lease dated May 3rd...I'm sorry, May 1, 2003. The purpose of the proposed resolution is to provide the Friends of Moku'ula, Inc. the continued authority to use the County-controlled parcel located at Lahaina, Maui, as a parking lot concession on TMK: 4-6-07:001. The two-acre parcel is owned by the State but under the County control and custody by Executive Order 3430 and is subject to a 35-year lease commencing January 2, 2002, to Friends of Moku'ula, Inc., as amended, for \$1 per year in rent. We also have a proposed resolution Authorizing the Continued Operation of a Parking Lot Concession by Friends of Moku'ula, Pursuant to the First Amendment to the License dated May 1, 2003. So, Members, we will start off this morning's hearing with a presentation by the Friends of Moku'ula. And so with that without objection, I would like to recess, set the Chamber for the presentation.

COUNCIL MEMBERS: No objections.

CHAIR WHITE: Thank you, we stand in recess. . . .(gavel). . .

RECESS: 9:11 a.m.

RECONVENE: 9:12 a.m.

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CHAIR WHITE: ...*(gavel)*... Members, we're back in session and I'd like to welcome Kimo Falconer, the Chairman of the Board of Friends of Moku'ula to make their presentation. Mr. Falconer.

Note: Computer-generated presentation.

MR. FALCONER: Thank you, Mr. Chair. My name is Kimo Falconer. Good morning, Members of the EDR Committee, members of the County staff and members of the community. I'm a resident of Lahaina, I am the current serving Board President for the Friends of Moku'ula. I am here to present today, an update on the restoration plans for Moku'ula and the Mokuhinia Ponds. For the benefit of those who do not understand the importance of this project, the photo you see before us is a very common photo of the rendering, actually not a photo; it's a rendering that was done many years back of what our vision is of the former place of royalty smack in the middle of Lahaina. It is bordered on the makai side by Front Street, on the south side, Shaw Street and on the east side, you have Waiola Cemetery and on the north side is Mokuhinia Drive. And there you see Lahaina Harbor, the Lahaina beaches, everything like that. The importance of though...of this particular site is very far reaching. Somebody said that most of the powerful, most powerful sites, sacred sites throughout the world are notable simply because they persist. That was actually a quote taken out of the book written by Christiaan Klieger. And that's true, even though you can't see this particular thing today, it's actually buried underneath the ground; it is a persistent, actual entity that was once the most important site in all of Hawaiian culture. Moku'ula is the mystic center of the Hawaiian people and a greater Hawaiian nation. It dates back to the 14th century, and the 16th century was the home of the Great Chief Pi'ilani and the Mo'o lineage, the 'aumakua to the royal family. It is the home of the Mo'o goddess Kihawahine, who is the daughter of Pi'ilani. Today she lives under the fish ponds that you see there, that...just off the island there in a place that is known as Kalua 'o Kiha also translated as the "pit of Kiha". In later years, the Mo'o lineage is so important to the Maui line because of their pio marriages to keep that...create the power and the mana and to protect that mana that the Mo'o actually protected them. And this is the site that they chose to reside and rule over the Hawaiian Kingdom. Kihawahine was their guardian, their 'aumakua. Kamehameha I, to gain that power and that reverence, married into the Maui line, to actually invoke that power, so that he could continue on his conquest to conquer the rest of the Hawaiian chain. He was married to Keopuolani through an appeal marriage and he had three children - Liholiho, Nahienaena and Kauikeaouli, who was the Kamehameha III, who was the last residing Great King of Hawaii. And it was there that he ruled; he actually built a mausoleum on the island itself. And on that...in that mausoleum, many of the, you know, Chiefs and Ali'i nui were considered, were interred there and possibly buried there. Later on after he left for Honolulu, those remains were interred over at the Waiola Cemetery which is on the east side. But it is unsure, that maybe, there's a great possibility some of the iwi is still on the island. Moku'ula, it was a great and vast wetland back in the 200-300 years ago. The water you see in this particular picture does not do the area justice; in fact, this is just a portion of what it looked like. The water was...the water came through Kaua'ula Valley into a tributary known as Pauhumanamana Stream which no longer exists. The water actually flowed through this lake and it fed many of the other lo'i areas all around this area. There's several other particular lo'i that were noted for fish ponds, kalo

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cultivation and it was a stream of life for the island itself. The sugar plantations moved in the late 1800s, that water flow stopped so that they could use the water to irrigate sugar cane. It became a swamp. So if you fast forward to today, 1990, current times, plantations have now come to a close, almost to an end in the year 1990. When the founder of Friends of Moku`ula in 1990, Akoni Akana--who we're coming up on his one year anniversary of his death--began the rediscovery through the Po`okela program of the staff at the Ka`anapali Beach Hotel and our esteemed Chair, Mr. Mike White. And at that point they...Akoni, who was an historian and understood the history of the site, began talking the story about the possibility of the island actually existing. In 1993, that was confirmed with the first archeological inventory taken by the author of the book Christiaan Klieger and Drs. Boyd Dixon and Susan Lebo. In 1995, Friends of Moku`ula was actually incorporated and its first Board of Directors were established. In 1997, they received their 503(c) non-profit status and the site was actually placed on the National Register of Historic Places. Rather ironic when you look at it now, it's basically a vacant field that is equal to some of the most important historic spots throughout the nation. In 1998, the Friends opened their first administrative office. In '99, they opened a research center and gift shop, and the Phase II archaeology began when they actually, using remote sensing data and subsurface verification, found the actual outline of the...of the actual island of Moku`ula, which we'll see on later slides. In 2000, the Maui County granted the land lease so that we begin...so we can begin studying. This included part of the parking lot and part of the old baseball field. And also that year the Maui Nei Cultural Tours program, walking tours to educate people of the area that began in 2000. Two thousand two, 2003 there was a grants awarded to Friends of Moku`ula to start their restoration project. I will also go into that a little bit later. And today's meeting, we're talking about the actual parking lot concession which actually funds our administration and our ability to go out there and seek grants that was in 2003. This is an aerial view of the site. Try to get this pointer here. Again, this is Front Street bordered by Shaw in the south, Waiola Church, Waiola Cemetery, Mokuhinia Place on the northern boundary. The parking lot in question is this current parking lot, right here, which is directly across the street from 505 Front Street. Currently, the funding that we get on the parking concession is mostly from businesses that use 505 Front Street and the beach and what not. Using this...noting this area here though, this exactly...what the previous picture showed is historic wetland. And the wetland extended out into the northern, the more makai areas and definitely south of Shaw Street. There's difference ahupua`a, there's Waine`e, there's Waiokama, a lot of different areas that were actually used to...that were boundaries of different areas. And the question is why is it taking so long? Why does Friends of Moku`ula persist, we are spending a lot of money, why haven't we been able to see anything. This slide is an overlay of the same picture you saw before. And what I've done is to point out all the different projects that have to occur before we actually start excavating the actual island. This is the jewel; this is where everything...all the interest takes place here. But I've identified several different projects that actually have to occur before we can actually start doing this. I noted that the existing parking lot, which we call Project 1 in this slide, it actually isn't a construction project or anything like that, but we note it as a project because it became a funding resource for us. And it is a project in itself because you notice here that the island is actually underneath part of the parking lot. This is not exactly accurate but some of the island, it goes actually below here. Likewise, on the lot that's currently

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to the east of it, is the Salvation Army location. That site there is a third-party ownership, owned in fee by the Salvation Army. The remaining areas...all of these are all either owned by the County or the DLNR, State. And this is what we were able to move forward with. But to do anything, the Salvation Army's going to have to be relocated and the land purchased. Back to Project 1, that is the parking lot, so to be able to excavate the island we're going to have to relocate that. We also need a spot to begin to have our meetings and our traditional events and things that will actually educate more people. It's a place to gather. And that what's this phase...the County calls and we call it Phase I. In this slide, it's called Project 3. And this is what we're currently been working on for about the last four years. In this area here, this is going to be a parking lot and an area of traditional hale and landscape area which I have plans to show you. And that will actually be the ability to move out of the parking lot here into this area here, so that we can begin working on this. The point of this whole particular thing is to be able to do this; we have to have a clean canvas. To clean the canvas, you see we have these massive projects that have to take place. Following P3 is Mokuhinia Ponds; this is probably the largest portion of the entire project. We are lucky enough that we partnered with the Corps of Engineers. They have done designation, done lots of studies to determine that this is indeed a wetland. And in this particular slide, what doesn't really show here, but this line or surrounding this area, is actually the pond of Mokuhinia. It's covered by some other projects that we have, but that pond is going to take the most time to excavate. It's a lot of unknowns, there is going to be a process that's going to have to take place that every question that will come up from the community will actually be addressed and answered. Project 5 of course, is a smaller one in scale but probably not to the community and that's the relocation of the basketball court, the tennis courts, we have tennis courts on the backside. Those will also have to be removed. Project 7 is this tiny little thing right here, we call the Lift Station. It's actually a sewage lift station and an old bathroom for the park that actually sits right on the causeway, the entrance to the island itself. That will have to be removed so that someday when you're driving down Front Street, all you see is water and the island and looking mauka, so it's basically transporting you to looking at what it looked like back in 1830. Now we get to the nitty-gritty. What are these going to cost? This is actually two slides. So Project 1, when we get to the actual building of the new construction and that's probably the new parking lot, the demolition of the existing parking lot which will be around 200,000. We have to acquire the Salvation Army parcel. We estimate that to be about \$2.5 million and that does not include money needed to actually rebuild their facility. Project 3 is two bullets here, which is actually the parking lot, the landscaping, the grading, roughly 2 million, and if you join it together with the Hale construction and the traditional gathering area that we want to do another 2.1, so roughly 4.1 altogether. Project 4 which is the "big daddy" the Mokuhinia Ponds wetlands restoration through the U.S. Army Corps of Engineers, DLNR, County of Maui. This is a possibly 10 or 15 year project. We're in it about 4 years already, \$10-\$20 million. The good thing about that is a lot of this will be funded federally. Project 5, of course, is the removal of the Parks and Recreation facilities. And then Project 6 and 7, we're looking at...well Project 6 of course, the, is the archeological and the restoration of the island itself. And we consider that a priceless...you know something that's going to change the face of Lahaina. So it's hard to put a number on it, but we have to put a number there so that's why we had this. But very important that we begin the archeological outline of the island and

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start working on it, and that decision making process will involve all of the stakeholders in the Hawaiian community, the cultural practitioners, the lineal descendants, et cetera. And then Project 7 of course, is the removal of the sewage Lift Station which includes having to move all the utilities. All told, this thing could be anywhere between \$50 and \$70 million over a period of about 10...roughly ending around 2022. That's the best case scenario. I'm going to change directions just a little bit. What this slide shows is that we don't just rely on the County for all of our money. We actually write grants and this is just grants that we are writing this year. This is for fiscal year 2011, it's still fairly early. It's a quick slide to show you that we have all these particular agencies that we're appealing to for money; and in fact, since we wrote this or did this slide, we've actually have another one that we're working on. So, roughly 1.1 just for this year alone that were trying to achieve, and of course, we don't know if that's going to be...we're getting that money or not yet, so it remains to be seen. Based on the parking lot concession, that's what this slide addresses, from the bottom of the legend down below you see 1,493,392. This is the...100 percent of the funding that has actually come over the period since June 30, 2003 to the ending of 2011, roughly 9 years. And \$1.493 million has been our income from the parking lot concession. And this is the breakdown of where those funds go. We have to do a lot of things, this keeps our office going. It roughly staffs us 2 to 3½ full-time persons, depending on what time of the period Friends of Moku'ula you're looking at. Write the grants, get out there, educate people, travel to, talk to people about possibly funding, anything that involves the administration of keeping the ball rolling and raising the flag for Friends of Moku'ula and the project. This is operated through the parking lot concession. And this is what the money is actually giving so far. This is where we stand and what we've actually given back the community with this. We don't have an island to look at, but we have educated nearly 10,000 residents with free educational tours through the Maui Nei program. About 8,000 crew ship visitors have experienced and guided tour of Maui Nei as well as 4,000 independent travelers. About 50,000 Hawaii residents, through our conferences and events, have learned about Moku'ula restoration. A hundred...1,000 volunteers have contributed over 5,000 hours. We have started our archeology field program with the UH Maui College where we have 110 participants. And so that so far today, it employed roughly 75 students or residents of Hawaii. Woops. Okay, I am going to go forward here, so I can show you. Now we did talk about this concession and I'm going to go to this slide here, because not just the concession, this is the grant money that the County of Maui granted us in 2001-2002. It's roughly 500,000 split into two different grants. One of them, this larger grant is about 425,000 that is for the construction and design of the parking lot. That is what I noticed...I notified you earlier about which is Phase I. And then the other 75,000 is a grant for the traditional hale construction. What we've accomplished to get there so far, basically we received the license to occupy. We have applied and received the SMA Permit for the Phase I. Applied and received the first Grading Permit to actually grade the parcel. And we applied and received our NPDES Permit. Applied and received our second Grading Permit. We've completed the architectural plans for Phase I, very important thing there, that's the bullet there, which is ready and upstairs on the 9th floor right now. We've submitted complete plans for the Phase I review, which again, what we're saying. We've been working long and hard with the Corps of Engineers who are now moving forward, the SHPD, Maui County Burial Council and some other agencies to identify the specific

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problems. These are this...the time consuming things that take place to try and get to a point where we can actually start do to something. Now I have to go back. This is what we consider...it's Page 1 of the plans that were submitted, this is Phase I, this is the new parking lot. This is what we have basically ready for permitting. This is the project...this is it here. Broken into two pieces, this is the parking lot; this is the traditional gathering area or our hale construction which will be the area that is fully landscaped. This particular plan also includes showing where we estimated the pond boundary to be which moves right down to Shaw Street. This is Shaw Street here, and it includes, if you show these two parcels, these are the Salvation Army parcels right here. But the actual Mokuhinia Pond is going to pick that up. So it goes right all the way to Front Street there. Better view of that is this one that takes out the Salvation Army, but you can still see again this is the boundary, the pond, but this is a better view of the landscaped version of what we're looking at in the parking lot. Showing roughly 80-90 parking stalls with bus parking here and some handicapped. We have entry and exit off of Shaw Street, and then of course the back part of this is going to be completely landscaped with indigenous plants, our native...our traditional Hale Halawai here and our Hale Pohaku for services, restrooms and a kitchen, and this for...to accommodate any kind of events that we can do. We have a wall proposed to go between these two so that you have contemporary parking here, but you don't want a parking lot on such a sacred site. We want to be able to transition that, so we have a traditional hale entrance way through this wall that when you transport you...when you go through here, you're now looking right at the pond and the island itself. This slide is actually a Photoshop version, it's a little dark, but if you look at the bottom here, this is what it looks like today. You're standing on Shaw Street looking to the west. You can see the...some of the recreational facilities, the tennis courts here, the old baseball park. This is the basketball and tennis courts back here these trees represent, this is the Salvation Army, so those will have...those will be gone. But if you take this and what we did do on this particular Photoshop, we put in pavement. We didn't put the landscaping trees in this particular feature only because we want to be able to see what it looks like. And when you're going through this traditional entrance way into the hale area where you can actually...you know this is where you get transported and you actually see the pond itself and you'd be actually...are at that time period. And this is a vision what the walls are going to look like, like a dry-stack type wall, anyway. I've already done this one. I'm going to move to the Corps of Engineers. This is their slide but...this is the typical flow chart for how the Corps of Engineers are going to work. This is for the Mokuhinia Pond. So now we're talking...we're not talking about the construction anymore of the parking lot, this is the pond itself. My pointer is dying on me. But we've got this area here which is 100 percent Corps of Engineer work, 100 percent funded. This is where they actually go out and delineate and designate the wetland, find out all the information they have so that they can talk about it in D. C. and do all those kind of things, reconnaissance, core drillings to determine if there's anything underground that...this is all of their work here. This is about approximately four years of work right here, that they have been working on. Then we get to the point where they have to do feasibility. We are right about here, right about the "f" in the word feasibility. Just beginning, that was funded already, it's about \$2 million, expected to take two years. The feasibility is going to trigger a lot of different things. One of them will be public hearings, public meetings where they actually get out there to determine what is the things they

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need to know about that they can work it into their plan. After the feasibility study, they will be going forward to the design stage--my pointer's dead--the design stage which is down on your left above their icon, which is also funded, that's a \$3 million project which is going to take another three years. So the feasibility and design phase themselves are about a five year period roughly 2017 but that is moving, so they're working on this now, and we're going to have to get in line with that time period. They're...if you look at the clock and they say, at this date and this time they expect that to be done at that time. At that point, they'll be asking for more funding, matching grants and stuff like that to actually move into the next phase. But it also triggers, if the feasibility and design phase work well together, they're going to go to Washington, D.C., then they'll ask for Congressional approval to actually do the next phase which is the construction of the pond. They estimate that to be five to ten years. So we're looking at from this particular project anywhere from five years just to get through design to another five to ten years to have the pond actually taken care of. Then you have the operation and maintenance which is all 100 percent non-Federal. This slide basically is an overview of looking down at the site, but this is what we we're ready to do in 2012. Of course all of it is contingent on funding. On County approval of architectural plans, permits were prepared to request for proposals and send out to bid for contractors. This is for the parking lot and the hale construction. On receipt of funding, proceed with Phase I site improvements and the parking lot construction. On receipt of funding, proceed with the construction of Hale Halawai and Hale Pohaku. And on County approval, we were going to take steps to acquire Salvation Army. We have had some meetings with Salvation Army, we've had meetings with the Mayor, several people to begin discussions on how to proceed with that. And we will continue to outreach for community briefings, public meetings that involve all the stakeholders. This is a timeline with costs included...2012, I mentioned earlier that's \$4.1 million for Phase I construction and improvements. We get the money and we can start on that this year. In 2013, we're going to need about 2.6 to relocate the Salvation Army, that's just to acquire the parcel and the demolition of the parking lot. We could also do that year, but that...this year but I think 2013 is a little more realistic. Two thousand fourteen, I have three bullets because those particular items kinda can go in concert with each other just...it's the beginning of the Mokuhinia wetlands restoration as well as the...we would like to see in simultaneous action the actual beginning of how we start to excavate the island itself, and then the demolition of the Parks and Recreation, of the courts. Two thousand fifteen through 2017, the beginning of how we actually restore the island itself as well as moving the sewage Lift Station. And coming to a conclusion of the presentation here, we know this is taking a long time and we understand that everybody's concerned. Everybody basically supports the project. How can you help? You can help by talking to more people. We are trying to engage other people to help us find the bigger money. Obviously, a small nonprofit like the Friends of Moku`ula, moving forward, it will be a long time if it's us by our self. So we are looking for recommendations on how to do this and how we proceed and how we acquire this. We perceive that the Friends of Moku`ula will be morphing itself into something bigger. If you look at the...some of the similar things but certainly not as sacred, for instance, City of Refuge is a National Park. This certainly could meet that standard, although, we don't know if that's the proper or appropriate thing to have. But we will still be the flag bearer, we will still tell the message, we will still get out to the public to try and engage people to understand what this

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project is, how important it is, how important it is to the Hawaiian people, how absolutely sacred the site is, and how it will completely benefit our island and the importance of our history. I'm going to leave you with this vision, this is another old picture that we . . . rendering that we have of what we think this should basically be. There's Moku'ula Island in the center, the Kalua `o Kiha Ponds, the mausoleum on the far left and the vision of Kaua'ula Valley in the back. With that, I will end my presentation and I guess we will take...we will move forward to the question and answer period. Thank you.

CHAIR WHITE: Thank you, Mr. Falconer. Committee will stand in recess for about five minutes to reset the Chamber. . . .(gavel). . .

RECESS: 9:41 a.m.

RECONVENE: 9:46 a.m.

CHAIR WHITE: . . .(gavel). . . The Committee on Economic Development, Agriculture, and Recreation will come back to order. To start with, I'd like to ask the Director of Parks and Recreation if he has any opening comments?

MR. CORREA: No...no, none at this time.

CHAIR WHITE: Okay, thank you, sir. Members, I'd like to open it up for your questions.

COUNCILMEMBER PONTANILLA: Chair.

CHAIR WHITE: Mr. Pontanilla.

COUNCILMEMBER PONTANILLA: Thank you. Thank you, Kimo, for providing us this overview. You know your vision is really, really great, trying to restore this island. You know on your Phase I...2012, \$4.1 million to build the parking lot as well as the hale. In regards to revenues at your...you already generated, how close are you to doing Phase I, financially?

MR. FALCONER: Financially, we have to raise quite a bit more money to actually build it. I believe that once we have the entitlements and get through some of these types of meetings, that we just have to be very aggressive in getting out there and seeking that funding. But yes. And we think of it possibly as an incremental. We currently have...there's some of the original grant or if we half the original grant left, all the hale construction grant has not been used yet. We have seed money to begin but we don't have the full 4.1 obviously. We still need to find that.

COUNCILMEMBER BAISA: Chair.

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COUNCILMEMBER PONTANILLA: So how much you got?

CHAIR WHITE: Yeah, could you. I'm sorry. Could you start the statement over? We couldn't quite hear.

MR. FALCONER: Okay, sorry.

CHAIR WHITE: Thank you.

MR. FALCONER: To repeat myself, we don't have the funding to actually do the construction yet. We do have some of the original money of the original grant funding still left for seed money, but we need to go on a very active campaign to actually seek the...to get those...that particular money done.

COUNCILMEMBER PONTANILLA: As far as entitlements, to build the parking lot, do you have that already?

MR. FALCONER: We have submitted the plans and once we have that, those signoffs, we'll be ready to pull the permits. And in terms of the entitlements for, as far as NPDES, SMA, all of those things, we have all those.

COUNCILMEMBER PONTANILLA: Couple more questions, Chair.

CHAIR WHITE: Sure, go ahead.

COUNCILMEMBER PONTANILLA: In regards to the parking lot that is there right now, I understand that you generate revenues to keep the office running and that's about it.

MR. FALCONER: Well, no, we...certainly part of it was to keep the office administration working. We have other programs, Maui Nei, where we have the tours, trying to get the educational. It's just more or less keeping the momentum going so that we can...somebody has to keep writing the grants; we have to pay people to do that kind of thing. So basically that is our basic money to work and to get these kind of things going, but at some point we could actually be using some of that money to actually do some of this work. We're at that point now where we can start doing that.

COUNCILMEMBER PONTANILLA: Okay. So your request this morning is to continue to...I guess operate the parking lot concession for the Friends of Moku'ula.

MR. FALCONER: That's correct.

COUNCILMEMBER PONTANILLA: And...okay. Thirty-five year lease?

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MR. FALCONER: Yeah. At this point, it's probably...one of the comments we heard from some of the Council members...there's actually two parcels there on that...you have two items on your agenda. There's Parcel 1 which is the parking lot, which is 35 years, and then there's a Parcel 2 which is actually the area where the new parking lot will be built. That's a 20 year lease. There's possible comments that maybe...a suggestion would be to make them consistent.

COUNCILMEMBER PONTANILLA: Both 35 years.

MR. FALCONER: Yeah, that would help for everybody's sake.

COUNCILMEMBER PONTANILLA: That would make sense.

MR. FALCONER: Yeah. So other than that, but yeah that's the 5-year...what do you call...where we have to come before reviews is this year. We'll be doing that more often.

COUNCILMEMBER PONTANILLA: Okay, fine thank you. Thank you, Chairman.

CHAIR WHITE: Mr. Pontanilla, if you look in the binder, there's a map that shows the relationship with the leases and the licensed areas. So each of you Members can take a look at that, and it shows the area, the Salvation Army, the County license, it covers the parking lot and a portion of the baseball field reaching up to Waiola Church's boundary and then the lease which is the area in which they projected construction will take place. So those are all noted on this map. Okay, thank you, Mr. Pontanilla.

COUNCILMEMBER PONTANILLA: Thank you, Chairman.

CHAIR WHITE: Mr. Couch.

COUNCILMEMBER COUCH: Thank you. Just, Mr. Falconer, just curious how is this Salvation Army in, as far as in negotiation with you guys? Are they amenable to moving or...and selling their land?

MR. FALCONER: Early in 2011 we met in the Mayor's Office and we basically began the discussion of how we would proceed.

COUNCILMEMBER COUCH: With the Salvation Army in the room?

MR. FALCONER: With the Salvation Army, yes. They were participating in that. We've actually had several meetings with the...that included the Salvation Army. And they are...they would like to actually...best case scenario they would like to move. They feel that they're in the position where there at now doesn't necessary serve the best...but not just for themselves but for the community. They also understand the importance of Moku'ula and so they're willing to do something. We've had discussions with other landowners and possible donors of land for them

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to possibly move too as well. So of course, that is not committed just yet, but I mean...we're still a bit early, but we've had, we've had some good determinations on where we would go with that.

COUNCILMEMBER COUCH: And just curious, why wouldn't you do the Salvation Army acquisition first just in case...I mean if things fell through and they couldn't sell their land or they couldn't move somewhere then you got them stuck right in the middle of your whole project.

MR. FALCONER: I know, I know. Well, it was identified that to actually tell the story better and to actually have a place to meet and to actually be on Moku'ula, to actually have that...the haies and the meeting, the traditional meeting spot first. Yeah, that does present a very important point that...yeah, it would be nice to get hold of that land sooner than later. But again, you got to pick your battles, right, you're going to figure out what do we want to do first. And we think being on the land itself and this is it, look at this, but there is no pond here. So now let's go out and get the pond and there's the island underneath; different from any other sacred site. You might see a heiau or you might see a pyramid or something, but this is underground, it's there, and so to actually be on the land to understand it. We're pretty assured that is a great possibility that we would be able to do that so a high percent is that we would be able to acquire the land.

COUNCILMEMBER COUCH: Couple more questions for Mr...

MR. FALCONER: Sure.

COUNCILMEMBER COUCH: When you move...well first of all, how much a year do you get for parking? I know it's in here somewhere, but I just did not want to wade throughout...

MR. FALCONER: I think it's roughly \$120,000? No. I'm sorry.

CHAIR WHITE: One forty.

MR. FALCONER: \$140,000 and that changes because...I only...I kinda hesitated is...we get...because of the economy that changes sometimes.

COUNCILMEMBER COUCH: Okay. When you move the parking lot to the back and then demolish the existing parking lot, are you going to be charging for parking in the back or is that going to be a lost revenue stream?

MR. FALCONER: That will be...that's the intention is to charge as well. It's a little bit...to demolish the existing parking lot and lose that facility is kind of a big deal for 505. And I think there's a lot more discussion. If the new parking lot is built and we don't have the funding to say...maybe the pond restoration is far off. We would probably keep a portion of the parking lot in place. I mean this ideally...that would be something that we'd try to get better location and...but that is eventually slated to be under water.

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COUNCILMEMBER COUCH: All of it or just that...the portion?

MR. FALCONER: All of it.

COUNCILMEMBER COUCH: Oh, okay. On the new parking area, have you put any kind of consideration of possible making it covered parking with solar panels? I know it may not look as nice but that could save you lot of fixed expenses or...

MR. FALCONER: We discussed doing on some of the...like Hale Pohaku inside of the area where maybe we could save on utilities. But again, it's about trying to control funding and trying to control expenses, and that is still an opportunity for us. If it is something that the community would like to see us research, we could do so.

COUNCILMEMBER COUCH: Just another way to save expenses. Yeah, it'll cost a little bit upfront but then throughout the life of the project.

MR. FALCONER: Correct.

COUNCILMEMBER COUCH: And lastly, you have \$4.1 million that you are trying to raise. How much of that are you expecting or requesting from the County?

MR. FALCONER: Right now we're not requesting any extra money. The County has been very generous in what they have given us to date. We do write our grants and we have applied with some of the more obvious agencies, OHA, Kamehameha Schools, things like that where we haven't had a...State grant-in-aid, Legacy Lands, things like that. But we just need to step that up in terms of the aggression and how we move forward with it.

COUNCILMEMBER COUCH: Okay.

MR. FALCONER: As far as the County, right now we're not asking for money.

COUNCILMEMBER COUCH: Okay. Thank you, Mr. Chair.

CHAIR WHITE: A follow-up on the parking...the, one of the Chair's concerns is that the proximity of the current parking to 505 Front Street to me is much more of a revenue generator than the parking would be...that extra distance in between. Have you run any projections on what you feel you'll be able to generate in the parking in the back? And then how does that coincide with trying to attract people to Moku`ula to learn about it if you're charging for parking?

MR. FALCONER: Yeah, I think the two parking lots would ultimately compete with each other. So I think we need to determine whether or not the current parking lot is...actually needs to be removed right away. Maybe a portion of it to access the islands the better way to go. But in

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terms of revenue projections, any revenue projection that we've done is based on the old parking lot actually being gone. So in terms of the timeline that the Corps of Engineers have presented, we were thinking that it could be 10 to 15 years before that particular area of Mokuhinia Park or of the pond itself...excuse me...is actually constructed. So I think that parking lot would stay in place, at least a portion of it at least...a good portion it maybe for the very near future, going forward for the projections and how do you get people to the new parking lot. It's just basically going to be a function of need and having a parking lot and no competing parking lot elsewhere.

CHAIR WHITE: Yeah, I think I'm probably not alone in noting some concern that the revenue generating security of that parking lot is going before it really needs to because of the Corps of Engineers isn't going to be going in there until quite a ways down the road.

MR. FALCONER: No, agreed.

CHAIR WHITE: Okay. Ms. Cochran.

VICE-CHAIR COCHRAN: Thank you, Chair, and thank you, Kimo, for the presentation and being here. Yeah, about the parking lot, was it ever discussed to just not even be on the site at all being that it is part of the whole restoration? I mean if you are removing it, the back end isn't just some scrappy thing either, that was part of the wetland. So I know you stated to me in my office that that was just a dumpsite for Pioneer Mill. But I kind of beg to differ with that comment. So, I'm just curious, you know, just use...have it completely away from the whole site and restore it to its complete full glory.

MR. FALCONER: That was discussion. We're talking many, many years back when probably before my time when Akoni fully believed that if there's an area to actually have these meetings and conduct ritual ceremony and be able to accommodate that type of activity, there needed to be a parking structure or some way to get people to the site. I mean, at the end of the day, when you look at it, this is going to be a huge impact on Lahaina. And we identified the fact that...good or bad or right or wrong, there was a need...there is going to be a need for parking. And even though historically it was part of the wetland, it was the area...this was determined by people who understand the area and some of the people who actually have families that live there. This was an area that was the least impactful [*sic*] and so...that said...that was the decision.

VICE-CHAIR COCHRAN: I mean, cause there's parking across the street by Kamehameha Iki, there's parking around the corner down Mokuhinia Road currently. So, to me, I see options, but I think the questions that I've been gathering from the community is basically this has been in the talks since 2000 or 19...yeah, 1990, and you know here we are today 2012, and when I look at the site and people who've been around since the beginnings look at the site, they sort of wonder. And I know that is why you're here and you're explaining to us how your group is going to move forward and why you need the continued lease for the concession on the parking. But yet I haven't really been satisfied with what had occurred prior...maybe that's crying over spilled milk, but you know what, that's the money that were crying over too. So those are...I'm looking

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at minutes way back to the 1990's here and there's some history going on. So, again, I commend the group for wanting to move forward and I feel you're...that you want that to happen and we all are wanting to see that same goal occur. But I got to just say that I still am not satisfied. I'm still am not completely, 100 percent confident that the way it's being run is the way it needs to continue to be run basically. So, I just want to state that and I do have some other way more detailed stuff, but Chair I don't really want to rehash and stuff. But when I...I'll defer and then I'll think out some key points that I might want to bring up. Thank you, Chair.

CHAIR WHITE: Thank you, Ms. Cochran. I think that we all agree that...we feel that there should be more that...might have been done. But again that is crying over spilled milk and I think we want to focus our energies on seeing how this can move forward and how we can assist in getting the process moving a little more rapidly. And I realize that there are certain elements when you're dealing with the Corps of Engineers that you're simply not going to be able to move them any faster than their structure permits. But as you can see, this is a significant...significantly important area, and it's a very complex project because you're involving wetlands, involving the Federal government, Federal funding, State funding, State-owned parcels with County control, you've got cultural issues, community issues with the park facilities that used to include two baseball diamonds and the four tennis courts and a basketball court. And now we're looking at eliminating some or all of those, so there's...this is probably one the more complex projects that could be undertaken by any organization. So the Chair's interest is to see what we need to do to help the organization move forward and possibly add some gas to the tank or add some help, so. Ms. Cochran, I mean not Ms. Cochran, Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. I'm trying to simplify something that is very complicated. Complicated and as you mentioned multifaceted, there's many, many folks involved in this and much history. I knew Akoni really well in his early days and I believed...he communicated that dream and that vision so well. And I think he did it so well that we're here today at this point. And when you look at the folks that have supported it this far and the people that have been involved, it's the State, it's the County, it's the Feds, it's many, many groups, cultural groups, everybody, the whole community has supported it. It appears to me that there's no question that this is a very difficult thing to do, it's a very expensive thing to do. And the reason it's crawling along...the biggest reason of course is money. Because if they had \$73 million, I am very sure that we would see this in quick order. But when you are a small nonprofit trying to attract this kind of money and this kind of leverage and getting...working with the Corps of Engineers to say okay, priority, let's get this done, it's not that simple. And so when I think about all of that involvement before me sitting here trying to make a decision on whether or not to continue letting them use the property or a lease, or whatever it is or, and the parking lot and whatever, it feels like a very tiny part but yet a very critical part that we need to do if we're going to allow them to go forward and also to have some source of money. Because we cannot come up with all the money that is needed, so we need to be a part of trying to help and enable them to get the resources they need. So I look at the business before us today, it seems that a decision has been made quite some time ago that this is a very important, worthwhile effort, and so I don't wanna get into all of that, but I am trying to focus on the business before us today