

**MAUI PLANNING COMMISSION
REGULAR MINUTES
APRIL 10, 2012**

A. CALL TO ORDER

The regular meeting of the Maui Planning Commission was called to order by Chairperson Kent Hiranaga at approximately 9:06 a.m., Tuesday, April 10, 2012, 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.)

Chair Hiranaga: Today is Tuesday, April 10, 2012 and this is the Maui Planning Commission meeting. First agenda Item is Introduction of New Members. Deputy Director?

B. INTRODUCTION OF NEW MEMBERS - WAYNE HEDANI and MAX TSAI

Ms. McLean: Thank you, Chair. We're very pleased to welcome two new Members to the Commission. First, we have Wayne Hedani who has served on the Commission in the past. Would you like to say a few introductory remarks?

Mr. Hedani: I generally talk too much, so no.

Ms. McLean: And also, Max Tsai, welcome.

Mr. Tsai: Thank you.

Chair Hiranaga: Okay, next agenda Item C, Election of Officers for the 2012-2013 Commission Year.

C. ELECTION OF OFFICERS FOR THE 2012-2013 COMMISSION YEAR

1. Chairperson

Chair Hiranaga: I'll open the floor for nominations for Chairperson. Wayne, Commissioner Hedani?

Mr. Hedani: I'd like to nominate Kent Hiranaga.

Ms. Domingo: Second.

Chair Hiranaga: Motion to nominate Kent Hiranaga for Chair by Commissioner Hedani, seconded by Commissioner Domingo. Any other names for nomination of Chair?

Mr. Freitas: Move nominations be closed.

Mr. Hedani: Second.

Chair Hiranaga: Seeing none. Commissioner Shibuya, discussion?

Mr. Shibuya: Discussion. I think this happened last year and I think we need to at least have another name on this ballot so that, you know, we have very capable people serving here and I think we need to spread it around. Thank you.

Chair Hiranaga: Are you presenting a name?

Mr. Shibuya: Not really, but I could if you want, but I'll leave it up to the rest of the Members.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: I nominate Wayne Shibuya.

Chair Hiranaga: Warren Shibuya?

Ms. Wakida: Warren Shibuya.

Chair Hiranaga: Is there a second?

Mr. Giroux: You technically don't need a second.

Chair Hiranaga: We don't need a second. So nominated by Commissioner Wakida. Commissioner Shibuya would you like to say a few words?

Mr. Shibuya: I only hope that you can share this type of leadership amongst the Members and that there's opportunities for everyone who is very capable, and I look around and they've been leaders in the community and this is a good opportunity to provide this leadership for this group too. Thank you.

Chair Hiranaga: Thank you. I guess I'll say a few words. Thank you for the nomination. This is my last year on the Commission. It's unusual, but it will be my sixth year on the Commission. I also served on the Board of Variance and Appeals as a member and a chair. I also served on the Board of Water Supply as a member and chair. And if elected, I look forward to serving this Commission once again for my final year. Thank you. If there is no further discussion, I will call for the vote. All in favor of Kent Hiranaga as Chair, please so indicate by raising your hand.

Ms. McLean: Five ayes.

Chair Hiranaga: All in favor of Warren Shibuya for Chair, please indicate by raising your hand.

Ms. McLean: Two ayes.

Chair Hiranaga: By majority, I guess I'm reelected as Chair. Thank you.

Upon being put to a vote, Kent Hiranaga was voted as Chair.

Kent Hiranaga - Five votes (D. Domingo, J. Freitas, I. Lay, M. Tsai, W. Hedani)

Warren Shibuya - Two votes (P. Wakida, W. Shibuya)

Chair Hiranaga: Next agenda item is C-2, Vice-Chairperson.

2. Vice-Chairperson

Chair Hiranaga: I'll open the floor to nominations. Commissioner Wakida?

Ms. Wakida: I nominate Warren Shibuya.

Chair Hiranaga: Thank you. Any other nominations? Commissioner Shibuya?

Mr. Shibuya: I nominate Ivan Lay.

Chair Hiranaga: Ivan Lay's been nominated by Commissioner Shibuya. Any other nominations? Seeing none, Commissioner Shibuya would you care to say a few words?

Mr. Shibuya: No, I think I've said enough. I served in various voluntary capacities with the Renewable Energy Alliance as well as with the National Science Foundation. As well as with the Board of Variance and Appeals. I've also helped with the Auwahi Restoration Project and also with the--as a docent to the A&B Sugar Museum. Thank you.

Chair Hiranaga: Commissioner Lay would you like to say a few words?

Mr. Lay: First of all, it's an honor and thank you. I've been on the Cost of Government so I have an understanding of what's going on Maui and thank you for the nomination.

Chair Hiranaga: Is there any further discussion? I will call for the vote. All in favor of Commissioner Shibuya as Co-Chair or Vice-Chair, please so indicate by raising your hand.

Ms. McLean: Three ayes.

Chair Hiranaga: All in favor of Commissioner Lay for Vice-Chair, please raise your hand.

Ms. McLean: Five ayes.

Chair Hiranaga: Commissioner Lay, you are--congratulations, you are the Vice-Chairman.

Upon being put to a vote, Ivan Lay was voted as Vice-Chair.

Ivan Lay - Five votes (D. Domingo, J. Freitas, I. Lay, M. Tsai, K. Ball)

Warren Shibuya - Three votes (W. Hedani, P. Wakida, W. Shibuya)

Chair Hiranaga: Moving onto agenda D, Unfinished Business. Deputy Director?

Ms. McLean: Thank you, Chair. Under Unfinished Business, the first item is a withdrawal of intervention requests by the terms of written Settlement Agreements dated March 21, 2012 and there are two of those. One, Mr. Isaac Hall, attorney for several individuals. The other is Dana Naone Hall, intervenor pro se. Both submitted Petitions to Intervene on the application submitted by Pyramid Project Management requesting Step 1 Planned Development Approval, Step

2 Planned Development Approval and Special Management Area Use Permit for proposed renovations and expansion to the Grand Wailea Resort. Ann Cua is the Staff Planner. Glenn Kosaka was selected as the mediator and before the Commission on these two items is acknowledging receipt of the withdrawal of the intervention request.

D. UNFINISHED BUSINESS

1. Withdrawal of Intervention Requests by the terms of written Settlement Agreements dated March 21, 2012:

- a. **MR. ISAAC HALL, attorney for SHAWN HORWITZ, TERRI ZAGER, CRAIG ZAGER, TIM CONNER, KENNETH HAWKINS, ROBERT LEE, GILA WILLNER, RANDY BOWEN, JOHN SALINAS, JAMES L. PAYNE, JOSE FIGUEROA, JEFFREY MANDELBAUM, NINA S. YOSHPE, ANDRE MAGNINOT, R. TYLER WHANN, DEBORAH CROSS, and MURRAY JAFINE with respect to ROBERT LEE, GILA WILLNER, RANDY BOWEN, JOHN SALINAS, JAMES L. PAYNE, JOSE FIGUEROA, and MURRAY JAFINE submitting a Petition to Intervene dated September 8, 2009 on the applications by MR. WADE FISCHER, Vice-President of Resort Development, PYRAMID PROJECT MANAGEMENT LLC requesting a Step 1 Planned Development Approval, a Step 2 Planned Development Approval, and a Special Management Area Use Permit for the proposed Renovations and Guestroom Expansion at the Grand Wailea Resort and Spa at 3850 Wailea Alanui Drive, TMK: 2-1-008: 109, Wailea, Island of Maui. Improvements include renovations to hotel public areas, cultural garden, and landscape improvements, expansion of pool activity areas, and 310 additional guest rooms housed in eight (8) extended and detached buildings throughout the hotel property. (PD1 2009/0002) (PD2 2009/0001) (SM1 2009/0006) (A. Cua) (Public hearing on SMA Use Permit was conducted on September 22, 2009.)**

The intervention request was granted at the November 23, 2010 Maui Planning Commission meeting and Glenn Kosaka was selected as the Mediator.

- b. **MS. DANA NAONE HALL, Intervenor Pro Se submitting a Petition to Intervene on the applications by MR. WADE FISCHER, Vice-President of Resort Development, PYRAMID PROJECT MANAGEMENT LLC requesting a Step 1 Planned Development Approval, a Step 2 Planned Development Approval, and a Special Management Area Use Permit for the proposed Renovations and Guestroom Expansion at the Grand Wailea Resort and Spa at 3850 Wailea Alanui Drive, TMK: 2-1-008: 109, Wailea, Island of Maui. Improvements include renovations to hotel public areas, cultural garden, and landscape improvements, expansion of pool activity areas, and 310 additional guest rooms housed in eight**

(8) extended and detached buildings throughout the hotel property. (PD1 2009/0002) (PD2 2009/0001) (SM1 2009/0006) (A. Cua) (Public hearing on SMA Use Permit was conducted on September 22, 2009.)

The intervention request was granted at the November 23, 2010 Maui Planning Commission meeting and Glenn Kosaka was selected as the Mediator.

Ms. Ann Cua: Mr. Chair, Members of the Commission, before we go into the procedural matters of accepting various documents I just kinda wanna let you know what you have in front of you because you have a lot of information especially four members, the two members that are, are new and then the other two members who weren't around from when this item first came to you. So, in addition to the report that we're gonna go over with you today and the recommendation, you have a set of documents that is labeled Grand Wailea such as this, and this is all of the reports, Planning Commission reports of 2009 as background information and basically what we did with today's report is we updated your 2009 report that went, that came before you and when you conducted the public hearing and we've taken that information and we've updated all the information for you based on the Settlement Agreements. And then you were given booklets with colored plans. These are all the updated plans that are being proposed by the applicant based on the Settlement Agreements.

Just to give you, summarize some background information. These applications were submitted to the Department back in March 25, 2009. On September 8, 2009, a Petition to Intervene was filed by the Wailea Beach--Protect Wailea Beach Committee, in you reports known as WBV Intervenors. Also, by a group of individuals known as the Hoolei Intervenors and also by Dana Naone Hall. September 22, 2009, the Commission conducted a public hearing on the SMA application and the Planned Development Step 1 and 2. At that meeting, you denied the Petitions to Intervene and that report, that September 22, 2009, is in the report packet that I mentioned earlier. And then on October 13, 2009, the Commission accepted the Decision and Orders denying the Petitions to Intervene and voted to defer action on the project until October 27, 2009. You have that report dated October 13, 2009. October 27, 2009, the Commission issued Findings of Fact, Conclusions of Law and Decision and Order denying the Petitions to Intervene and the Commission granted Pyramid's SMA Use Permit, Step 1 and 2 Planned Development Approvals on that day as well and that report is also part of your background information. On April 8, 2010, there was a Stipulation for Dismissal with regard to the Protect Wailea Beach Committee and so that removed them as intervenors in this matter. On September 15, 2010, Honorable Joel E. August issued Findings of Fact, Conclusions of Law and Decision and Order which reversed the Commission's denial of the Petitions to Intervene, Reversed, Vacated and Voided the various permits and approvals granted by the Commission and the Department and remanded the matter back to the Commission. On November 23, 2010, the Commission granted the remanded Petitions to Intervene. January 12, 2011, there was pre mediation conference. The mediator that you selected in this matter was Glenn Kosaka. The mediation sessions occurred on November 15 and 16, 2011, and reports were given on February 14, February 28, and March 13 to the Planning Commission just letting you know the status of the mediation. On March 20, 2012, Settlement Agreements were signed by both parties. The Hoolei intervenors and Dana Naone Hall. March 21, 2012, the signed agreements were received by the Planning Department and those signed Settlement Agreements were distributed to the Commission members. At your March 27 meeting, your last meeting, you

were updated about the receipt of the signed Settlement Agreements and you were further informed that you would be taking up this matter at today's meeting.

So with that, you have the Settlement Agreements and I believe acknowledgment, some type of acknowledgment of these Settlement Agreements are in order at this time. And we do have the attorneys present on both sides.

Chair Hiranaga: Let me interject here. I forgot to offer the opportunity for public testimony on any agenda item. So let me take a step back and--is there anyone here that wishes to provide public testimony on any agenda item? Seeing none, public testimony is now closed. Go ahead, sorry.

Ms. Cua: So I believe as I mentioned that some kind of acceptance of the Settlement Agreements are in order at this time.

Chair Hiranaga: Maybe Corporation Counsel you may wanna provide a brief explanation of what's happening at this point?

Mr. Giroux: Okay. Because they went into mediation, your rules, 12-201-68 regarding Settlements, states that these Settlements have to be disclosed to the Commission. So basically you don't have authority to overrule them or anything like that, but the idea is that transparency, you actually get to see what the parties agreed to, their terms, conditions and such. Ultimately the authority to grant the permit is in your purview. So their contract is a private contract between the parties, but all you have to do is acknowledge that you've received it and that that is the actual settlement that is going on between the parties. Because the outcome of that is what's on your desk is the withdrawal of the intervention and then you acknowledge that because that changes the process of how you are going to process the rest of the permit.

Chair Hiranaga: Thank you. Commissioner Ball?

Mr. Ball: Are we able to ask questions also? I mean, I know we're just kinda ...(inaudible)... it?

Chair Hiranaga: Actually reserve that for the discussion portion.

Mr. Giroux: Possibly if you want to bifurcate that. It's a matter of order of the Chair. I mean, if you request that from the Chair, the Chair can rule on that.

Chair Hiranaga: Yeah, I guess since it's before us, we can open it for questions for clarity. Anyone have a question? Commissioner Shibuya?

Mr. Shibuya: As a procedural thing here, first, do we acknowledge receipt and withdrawal of the intervention request and then have a discussion or do you want the discussion before you acknowledge receipt?

Chair Hiranaga: Right now it's open for discussion.

Mr. Shibuya: So, it's not answering the question. The question was --

Chair Hiranaga: I just answered it. I said, it's open for discussion then we'll acknowledge receipt.

Mr. Shibuya: Normally you receive it first, right? Before you make a --

Chair Hiranaga: Are you making a point of order here?

Mr. Shibuya: Yes.

Chair Hiranaga: I'm not an expert on points of order so we'll have Corporation Counsel express his opinion.

Mr. Giroux: It could go either way. It's just that, your rules say that you--I mean, technically the fact that it's on your desk, the parties have done their part. It's just a matter of formality that you acknowledge it on the record because we are keeping a record and so, once there's something on the record that says, not only have they put it on your desk but you've seen it and such, then they've fulfilled all of, you know, the requirements of the rule. Other than that it's just, you know, a matter of order. If you want to discuss it before you acknowledge it, if you acknowledge it and then discuss it, it doesn't change the fact that in our minutes, somebody can read the minutes and say, oh yeah, the parties did do what the rules say they should do. They disclosed their settlement.

Chair Hiranaga: Thank you, Corporation Counsel. Commissioner Hedani?

Mr. Hedani: I move to acknowledge receipt of the --

Chair Hiranaga: Actually the floor is open right now for questions on clarity of the settlement because --

Mr. Hedani: Because we're going through a discussion--you know, because we're going through a debate over whether or not we've actually, you know, we're actually acknowledging receipt, I'd like to go ahead and make the motion to acknowledge receipt and then go to discussion once the motion is on the floor.

Chair Hiranaga: So noted, but the Corporation Counsel just said that it's at the discretion of the Chair. So I've made my determination. I don't know why we are spending so much time on this. Commissioner Ball?

Mr. Ball: I have a question on this Item 27, and maybe Dave can answer this?

Chair Hiranaga: Is that part of the Settlement Agreement or is that part of the recommendation? We're talking about the Settlement Agreement.

Mr. Ball: Then I'll wait.

Chair Hiranaga: Yeah, yeah, that's going to come much later in the agenda. We're talking about the Settlement Agreement between the private parties, the intervenors.

Mr. Ball: Okay, then I don't have a question.

Chair Hiranaga: Any other questions? Commissioner Wakida?

Ms. Wakida: Well, to Ann. I was just aware of two recent interventions and so this James Payne one, was that one--that apparently was an intervention that was sort of left over from...

Ms. Cua: Maybe I'll have the attorneys explain 'cause they're basically, there were two sets of intervenors.

Ms. Wakida: Right, but we got three.

Ms. Cua: Right, so I would defer that to them.

Ms. Wakida: All right. Thank you.

Mr. Isaac Hall: Somebody asked me a question? I mean, Mr. Chair, do you want me up here?

Chair Hiranaga: The question was who is Mr. Payne?

Ms. Wakida: No, the question was I came in on the middle of this whole deal as a Commissioner in 2010. We have been dealing with two sets of interventions, yours from your side and from Dana Hall. There are three withdrawals and I'm just asking about the James Payne if he's just somebody left over from way back when because I didn't see him as one of the main intervenors here.

Mr. Isaac Hall: Good morning, Mr. Chair and Members of the Commission. My name is Isaac Hall. There's a separate withdrawal from James Payne. He was one of the Hoolei intervenors but prior to the mediation he sold his unit so he's withdrawing separately. That's why there's a separate document for him.

Ms. Wakida: Okay.

Mr. Hall: He's not a settling party. He's not listed in the Settlement Agreement because he'd already sold his unit prior to the mediation. So this just reflects that he's withdrawing separately and then the parties who are the parties to the Settlement Agreement, the Hoolei intervenors, they are withdrawing separately based upon Pyramid's compliance with the Settlement Agreement.

Ms. Wakida: Okay, so Mr. Payne was part of the original intervention then?

Mr. Hall: He was part of the original intervenors who this Commission denied intervention to. Joel August reversed this Commission's denial of intervention based upon your attorney's advice that you should deny the intervention and--but he sold his unit prior to the mediation.

Ms. Wakida: Okay, thank you.

Chair Hiranaga: Any other questions regarding the Settlement Agreements? Seeing none, I'll open the floor to a motion to acknowledge receipt of the Settlement Agreements. Commissioner Hedani?

Mr. Hedani: Move to acknowledge receipt of the request for withdrawal of intervention.

Ms. Domingo: Second.

Chair Hiranaga: Seconded by Commissioner Domingo. Any discussion? Commissioner Shibuya?

Mr. Shibuya: Clarification. For all three of these interventions?

Chair Hiranaga: Yes.

Mr. Shibuya: Thank you.

Chair Hiranaga: Any discussion? Seeing none, all in favor say, "aye."

Commission Members: Aye.

Chair Hiranaga: Opposed? None. Motion carries.

It was moved by Mr. Hedani, seconded by Ms. Domingo, then

**VOTED: To Acknowledge Receipt of the Withdrawal of the Intervention Requests of Dana Naone Hall, the Ho`olei Intervenors and James Payne.
(Assenting - W. Hedani, D. Domingo, J. Freitas, I. Lay, M. Tsai, K. Ball, P. Wakida, W. Shibuya)**

Ms. Cua: So I believe with that we can proceed to the actual applications, is that correct?

Chair Hiranaga: Yes.

- 2. MR. WADE FISCHER, Vice-President of Resort Development, PYRAMID PROJECT MANAGEMENT LLC requesting a Step 1 Planned Development Approval, a Step 2 Planned Development Approval, and a Special Management Area Use Permit for the proposed Renovations and Guestroom Expansion at the Grand Wailea Resort and Spa at 3850 Wailea Alanui Drive, TMK: 2-1-008: 109, Wailea, Island of Maui. Improvements include renovations to hotel public areas, cultural garden, and landscape improvements, expansion of pool activity areas, and 300 (formerly 310) additional guest rooms housed in eight (8) extended and detached buildings throughout the hotel property. (PD1 2009/0002) (PD2 2009/0001) (SM1 2009/0006) (A. Cua) (Public hearing on SMA Use Permit was conducted on September 22, 2009.)**

Ms. Cua: So again, we're working off of the April 10, 2012, 3rd Addendum Report for today's meeting. The proposed work that is identified as part of this project that is within the shoreline setback area triggers compliance with Chapter 343, Hawaii Revised Statutes relating to Environmental Impact Statements. By letter dated March 19, 2012, the Planning Department

issued an Environmental Assessment Exemption for proposed improvements within the 150-foot shoreline setback area. At this point in time, we'd like to, I'd like to introduce the applicant and have them go through the updated description of the project. We have plans that have been collated in a booklet for you all dated March 2012, Exhibit 95 to 113E that reflect the most current plans for this project as a result of the Settlement Agreements and that's this booklet here and I believe this is what the applicant is gonna be taking you through in detail at this point in time.

In terms of your report, how this report was prepared, this description of the project was taken out of your September 2009 report. The first report that you had where you conducted the public hearing. And we've taken exactly what was mentioned that the project was at that time, put it in this report but updated all of the new information in red. So it will be very, very easy for everybody to see what has changed as a result of the Settlement Agreement. So with that, I'd like to introduce, Mich from Munekiyo and Hiraga's Office and he will take you through the presentation.

Real quickly before Mich starts, you're pretty much all familiar with the SMA permit process. I just wanted to very briefly, and you're gonna get training on this today, but the Planned Development process because Wailea in the '70s was approved as a Planned Unit Development pretty much any project that gets developed in Wailea needs to come through the Planning Department to get a Planned Development Step 1 and 2 application. It is an overlay type of a permit to existing zoning unlike Project District that is actually a zoning district. So in addition to the SMA, you need to grant this Planned Development Approval. The one point I wanna make about that is, that Planned Development process does allow applicants to come in and have greater densities provided they maintain a 20 percent open space. A lot of the times that is not even used and in this particular permit it's not used. They're not asking for extra densities. It's just because they are located within a Planned Development which is an established Planned Development of Wailea they have to get these permits. So if you have any more questions, we can go over that later. Okay, Mich.

Mr. Mich Hirano: Thank you, Ann, and good morning Chair Hiranaga and Commissioners. My name is Mich Hirano with Munekiyo and Hiraga. Congratulations to Chair Hiranaga and Vice-Chair Lay, and welcome to new Members.

We prepared a Power Point presentation and because I believe there are quite a few new Members who have not heard the project in detail, we are going to spend time going over the project elements as well as the changes that were made as a result of the intervention. For those of you who have heard it before I just request your patience as we go through it because this presentation will be about half an hour.

There's been a lot of background to this project. It had come before you in 2009, and at that time, you know, a SMA Permit was approved and then later as you heard voided. But there were conditions that were attached to that which the applicant, Pyramid Project Management had endeavored to meet as far as practicable as well as negotiating the Settlement Agreements with the intervenors. So we would like to give you a project update to review the project not only in terms of what is being proposed but some of the changes that were made to the project as a result of the Settlement Agreements.

Today with me, are the members of the project team. The applicant is Pyramid Project Management and Ed Riley and Wade Fischer are here today to answer any questions that the

Commissioners may have at the end of the presentation. The hotel operator is Grand Wailea Resorts and Spa, Hilton Worldwide, Matt Bailey and Rob Hoonan are here representing the resort. We are the entitlement consultant. The architect is Shimokawa and Nakamura and we have Colin Shimokawa who is the lead architect on the project. Civil engineer is Wilson Okamoto and we have Matt Fujioka from Wilson Okamoto to talk about any civil matter that--and questions that may come up. We have the archaeological consultant, Archaeological Services Hawaii, Lisa Rotunna-Hazuka is here. And the cultural consultant, Kahu Lyons Naone, E Ola Pono is here. And Kahu Lyons is as well the Chair of the Cultural Advisory Committee of Elders for the resort and the area.

In terms of just the orientation of the property and surrounding properties. This is the map of the Wailea Resort and just to give you an orientation this is Piilani Highway and as you come down into Wailea Resort you come down Wailea Ike Drive and at the bottom of Wailea Ike Drive by the Shops of Wailea, if you turn south there's the Grand Wailea Resort just next to the Shops of Wailea and the neighbor to the north, the Wailea Beach Villas. The Grand Wailea Resort property is approximately 36 acres and it's on the makai side of Wailea Alanui. On the east side of the Grand Wailea, the Wailea Golf Course. And as well, the Hoolei Resort which is adjacent and across the street from the Grand Wailea. And then to the south of the Grand Wailea is a beach access, public beach access that's owned by the County of Maui that goes down to Wailea Beach which fronts the resort. And then to the south of the resort is the Four Seasons Resort.

This is the overview of the site plan of the Grand Wailea. You have the as well all the slides and the project plans in your pamphlet and I'd like to just walk you through just the overview of the master plan and then we will get into the specific elements of the renovation project. As I mentioned, this is Wailea Alanui Drive. There are three driveways into the resort. This is the main driveway into the lobby. And to the south across from Hoolei, this is a signalized intersection and this driveway into the ballroom. And then further south there is another driveway into the resort which goes down into the loading zone and employee parking area.

Proposed improvements as we walk around the resort and I'll go in a kind of a counter clockwise direction. There will be improvements to the entryway. Again, it would be to just formalize and reinvigorate the entry. There will be changes to the surfacing and landscaping to the entry way and that comes down into the main lobby and porte cochere. The parking lot is on the north side of the property and the project will be putting--the parking lot currently is three levels and the application is proposed to add a fourth level to the parking lot and that would provide a 158 more parking stalls for the property.

This is the main area of the resort. You have the lobby, the front entrance, Botero Bar and then there are kinda four wings to the property. This is the Wailea wing on the north side, on the northeast side. On the northwest side this is the Chapel Wing because there was a, there is a chapel. The wedding chapel is there in this location, and so this is called the Chapel Wing. And moving back up to the south side of the resort, the third wing is called the Molokini Wing and then further the west or makai of the Molokini Wing is the Lagoon Wing. So I'll be referring to these wings as we move through the property.

The first part of the improvement would be to add a new structure adjacent to the Wailea Mauka Wing as it's referred to and there will be a seven-story structure with seven units across on the structure providing 49 additional units in this location. And this has been modified and I'll just move

forward on--we've provided another exhibit because that exhibit that we provided in the pamphlet didn't accurately reflect the negotiations and settlement with the Wailea Beach Villas and so we've provided another handout for you for the record. But as we mentioned, as I mentioned earlier, it's seven units across and seven stories high. Originally it was--there were nine units in it, in this wing and two were taken out as a result of the settlement with the Wailea Beach Villas.

This is the Haleakala Wing, and the Haleakala addition is a 72-unit addition, and it faces east to Wailea Alanui and the Wailea Golf Course. This is the Haleakala Ballroom room and there are 24 units that are being proposed in this new structure that will be on top of the ballroom which you can see the roof outline of the ballroom and there'll be--this will be a four-story structure with six units on each level providing 24 units.

We move to the Molokini Wing, this part of the Molokini--this is the Haleakala Wing and then this is the Molokini Wing and there will be a extension of the Molokini Wing. From here, this is the 300-foot shoreline setback on the property. And below it is the 150-foot setback, and I refer to those setback lines because the Molokini Wing is kind of broken up into two sections. The first section that extends from the existing Molokini Wing was originally a six-story structure and then it dropped down between the 300-foot setback to the 150-foot setback to a two-story structure. Just for orientation for those who have been to the property this is where the Humu's is, the Humu Restaurant is located. With the renovation, that restaurant will be demolished and this new wing will be added. As a result of the Settlement Agreement with the Hoolei and the Wailea Beach Villas, this extension from the existing Molokini building, Molokini Wing to 300-foot setback which was originally a six-story is reduced by two stories and is now a four-story structure. And then between the 300-foot and the 150-foot setback it drops down to a two-story structure. There will also be roof landscaping on top of the second story and on top of the fourth story. The reason for that is these other buildings are much higher or higher than these two extensions and so people will be actually looking down on the roofs from the upper stories. So they wanted to soften the visual, I guess, renovation by landscaping the roof.

There's a back of house enclosure. This is an existing open area and it's just going to enclose the back of this area, the back of house just to provide more back of house rooms for the property. This is the Lagoon Wing. And there will be 33 units added in this location which is part of the cultural center renovation. This water feature will be revised and as well there's an old Tsunami Night Club, I don't know if you've been there, but it's been closed for a few years. But that will be converted into a cultural center and that's where the cultural advisory group will come in to start developing cultural programs at the resort. There are two additions here, it's the Chapel Wing lookout and they're on the, both on the Lagoon Wing and the Chapel Wing and there will be--this is kind of an infill area right now. It's sort of on top of the existing guest rooms. It's a grass area that's used for outdoor functions and there'll be kind of an infill and there'll be providing 16 units in total in this particular location.

Moving now to the makai side of the property there will be expansion of the family pool. This is a very active area. And as you know, the Grand Wailea is known for its water features and pool activities and so there'll be an expansion of the family pool and as well, on this side there will be a new addition up in this area and it will be a quiet--what they refer to as the quiet pool. So that there'll be options for the guests to have either family-oriented, you know, very active pool or a quiet pool. Here is the Molokini--the Volcano Bar and the Molokini Bistro. There'll be improvements

done to these restaurants.

And then there's the Lagoon Wing, and there'll be eight units that will be built around this lagoon. And then finally, there will be an outdoor wedding venue. A very small quiet functional area for weddings because part of this renovation will remove the chapel which is currently in this location. So the wedding functions will be occurring in this new space. Well, that's kind of an overview of the project and we'll just go into the--each part of the development.

This is the Wailea Mauka Wing and as you can see down below is kind of a key that shows the wings that I just mentioned, and you know, the overall, sort of outline of the building and then we've circled in terms of a key just to give you a--the Commissioners an idea of where these improvements are located. Just a quick reference. So this is an elevation of the, the Wailea Mauka Wing and as you can see it's seven stories and/or seven units across. And if you just look at it on the floor plan this is what it would like. So what they call right now, the hotel wing single-loaded that is there's a hallway at the back of the rooms and then you enter into a--it's an open hallway and then you enter into the rooms and all the rooms have water front views. And then this would double-load that hallway and have some mauka views. And the idea is to really get a, I think a matter of choice and a broad selection of room types and room categories in the hotel and to broaden, I guess the opportunities for different room layouts and views for the property.

This is the Haleakala Wing and there's 72 units and this is a building that starts off at six stories and drops down to four stories so there's a height difference just to break up the massing of this particular building. This is the plan view looking down onto the Haleakala Ballroom Wing and this is a section looking across from the south to the building. So as you can see it's just adding one row of rooms to an existing wing and as you look at the section this is what it would look like and the rooms will actually sit on top, look like it be sitting on top of the ballroom. And again, there will be some lattice work that will be done on top of this ballroom that would help, again, soften the visual appearance of the roof top from the existing guest rooms.

This is the, I guess, a section, an elevation of the Molokini Wing. And the Molokini Wing expansion is in the light blue. So we have the existing resort here. This would be the ballroom expansion rooms. 'Cause you would look at it from the top of the ballroom. This is the existing Molokini Wing and then this is the addition. So this is the four-story addition and then the two-story addition. And then if you look at it from the other orientation, the other section looking at it to the north, you would see the same thing, the four-story addition and then the two-addition.

These are the interior Lagoon Wing and again, there will be two, sort of buildings that would be adjacent to the existing Lagoon Wing and there will be 33 units that would be provided in this particular area and you can see that, where that is in the key plan.

And then these are the what we call the Chapel Wing units and the Lagoon Wing is the similar--the Lagoon Wing. And there are the infill units that I mentioned. I think the idea is that these would be kind of more loft units providing views, but again, providing a different room selection opportunity for the guests.

This is the interior of the resort between the Haleakala and Molokini Wing and the Lagoon Wing. And this is the cultural gardens and the cultural center which is the old Tsunami. So there will be

a very interactive cultural program that will be developed for the property in this particular location stressing the native heritage, the native Hawaiian heritage and the cultural practices of native Hawaiians to the guests. So there'll be programs, a very active, interactive area of the cultural center. And then again, just the back of house improvements. It will just be an enclosure of an existing space.

Just some other elements that will help circulation and also expand areas within the resort. This is the Kula Café and there's kind of a sundry and takeout foods, sort of a deli and food court in this area. The idea is to actually improve the circulation in the resort. The resort is a very large, as you can see from the site plan, it's a very large resort by the buildings. And currently, you know, there's quite a bit of space in between where the, you know, moving vertically up and down the property from going to the elevators or stairwells, and so to improve its circulation two kind of main areas have been improved and this is at the Kula Café and it's actually extending out from the existing walkway just a larger area for seating and eating and then as well, building two stairwells to improve the circulation within the resort in this area so that people can move up and down easily from the grounds up into this level of the resort. This is just a little bit out of place, but this is the way we've arranged the slides, but this is an elevation or a site plan, floor plan as you will of the top of the Molokini Wing extension. This is the existing building and this is the four-story addition and then it drops down to the two-story addition and so because people will be looking down on these areas they've been improved with landscaping and as well, making it somewhat of an active area and there'll be a pool on the second story of the Molokini Wing extension and some lounge area, grassing and landscaping area and as well, on the four-story addition on top of that there will be some landscaping improvements and features just to soften the look of that from the top of the story.

This is the existing restaurant. This is just at the west wide of the lobby as you walk through you come into the porte cochere and into the lobby. The desks--the check-in desks are on the north side and you walk through this whole area is a grass area and they're going improve this because Humu's will be demolished, other new improvements will be carried out for--on the food and beverage side and also providing a three-meal restaurant and right now this is very--there's very limited use of this area. It's a beautiful space on the west side of the lobby, on the water side, beautiful views, but it's so exposed to the sun right now that it gets very hot and isn't used all the time. So the idea would be to provide some shading in this area and to be able to have this part of the hotel used I guess more efficiently to have a three-meal restaurant in this area. So that's part of, as well, part of the improvements both exterior and interior. The other part of this as well will be to--and this is on the second level right below this area are the spas of the hotel, and it would, again, to help increase circulation from the main floor, the grounds of the hotel to move up with these stairwell extensions and coming up into the upper floor of the lobby and into the restaurant, so it's again, to improve circulation within the resort.

The resort is over 20 years old. It was built in 1991-92, and it's the time when resorts really need to be refurbished and renovated to keep pace with the trends and the tourist industry. And this is what you, you know, what we're going through is a major, major renovation at this resort. And this is a front elevation of that area so this is the back of the main building and it's a matter of putting more trellises and shades on the front side of it and the stairwells and increasing the circulation and providing a more functional area.

I neglected to talk about the Lagoon Bungalows and these are the Lagoon Bungalows. This is just a floor plan of the Bungalows. There'll be eight Bungalows that will be in the Lagoon area. This is the Molokini Bistro. This is the existing Molokini Bistro. The idea would be to just renovate this area, another restaurant, food and beverage outlet. Just putting in new roofs on the restaurant and just expanding a bit of the patio out of that to provide more seating area for the guests. This is just, again, just a detail of the car park. Parkade improvements, and this will be a four-story, one additional level to this parkade and providing 158 stalls.

And then just winding up, wanting to just be thorough in terms of the presentation for the record, so this is the family pool. The existing pools are in this area and the family pool will be expanded. The Shoreline Setback Approval that Ann had mentioned earlier is just really for this pathway improvements. There's a boardwalk along all the front properties, the waterfront properties in Wailea, and it's a matter of just increasing access into the property from the boardwalk. So there are going to be new pathways to join in this area. Again, this is just a detail of the landscaping improvements and resurfacing of the entrance driveway and renovation of some of the water features at the porte cochere.

And then this is the family pool expansion, just a detail of the family pool expansion. And then a detail of the quiet pool expansion. It's just to provide more water opportunities, water feature opportunities and activity areas for the guests. And then this is the wedding chapel area. So one thing I'd like to just mention was that the Lagoon Bungalows in terms of the negotiation and settlement with the Wailea Beach Villas, this particular unit was moved back behind the 300-foot setback line.

So that was kind of the main elements of the project. Now, I'd like to just talk about sort of the process and how the applicant had gone through and met some of the earlier conditions of the SMA and just bring the Commissioners up to date with that component of the application. As we mentioned, as Ann mentioned, you know, and as you can tell from the staff report there was a long history of meetings and events that lead up to where we are today. So the property owners, Pyramid Project Management has actively been meeting with the neighbors throughout this process not only during negotiations and settlement, but also at the very beginning at the conceptual sort of level of developing the plans a number of meetings of were held with the neighbors and with the Wailea Community Association. Also, met with the neighboring properties, the Four Seasons Resort and the Wailea Beach Villas. There were a number of public and individual meetings that were held with the community at the resort. The Settlement Agreements were, are evidence of, you know, the work that, the neighbors and the applicant had put forward in terms of meeting some of the concerns and issues that were identified during this process. And then as well, Wailea Community Association has been very active in the review of this project. They have a Review and Design Committee and this has been going before the Review and Design Committee not only before the application came in 2009, but most recently last Thursday, the renovations and the results of the negotiations with and settlement with the intervenors was presented and the plans were reviewed and accepted by the Wailea Community Association.

So moving to just some of the proposed conditions and I'd like to just highlight some of those. There are 34 proposed conditions recommended for this application and as I mentioned, the applicant has been addressing those as they've been moving their project forward. And so I'd like to just bring the Commissioners up to date with the, with that. And also mention some of the

conditions, some of the features of the project that reflect some of the conditions that are proposed.

There are a number of energy conservation measures that are being proposed for the property. The efficiencies have been evident. They started in 2009, and continue and there will be other major initiatives and energy conservation that will be carried out as part of this renovation project. The property will be developing the photovoltaic component of the project and there will be a number of photovoltaic panels and energy sources that will be developed throughout the property. Just as an example, over the additional car park. On the forth level of the car parkade there will be solar panels for the voltaic panels that will be erected on top of the new parkade. Wherever practicable they're looking at putting solar panels throughout within the existing building on top of the roofs. And then on top of the employee parking area or the southern parking lot there will be some more photovoltaic panels that will be developed in that area.

In terms of traffic mitigation the applicant will be provide the fair share contribution towards the widening of Piilani Highway, entering into a co-development agreement and ...(inaudible)... agreement with the property owners and developers in South Maui. That would be Makena, A&B Wailea and Wailea 670.

Then we talk about the Grand Wailea Resort Transportation Management Plan and some of the features of that plan. Looking at airport shuttles, inter-resort transportation, there's a lot of shuttling going back and forth from the resort to the Shops of Wailea and as well to Hoolei which is across the street and then there are private shuttles that go to the golf courses and take their guests to the golf courses. Looking at employee carpool incentives, public transit, and company sponsored shuttle. The Transportation Management Plan has been developed for the property. If you have more questions on that, Matt Bailey is here to discuss it. But really the idea of the Transportation Management Plan is to offset the projected increase in traffic from the guest room expansion, the 300 units. Just in terms of a breakdown, since 2011, the shuttle service has been in place at the Grand Wailea. About 63 percent of the guests in 2010, 2011 came by car rental. That had been reduced to 59 percent in 2011 and currently they're running I believe at around 59 percent of the guests coming in by private rental car. So the shuttle program has really offset a lot of the guests coming by private vehicles or rental vehicles.

Affordable housing is also a condition and it's a requirement, you know, as part of the expansion of the project. Forty percent affordable housing requirement is required by ordinance for the property. Though the 300 rooms are added to the property and the affordable housing requirement is a 120 affordable housing units. Grand Wailea or Pyramid Project Management has been meeting with a nonprofit organization, Maui Economic Opportunities and they are looking at doing a co-development with the MEO for the affordable housing component.

Grand Wailea or Pyramid Project Management, as well, will institute a daycare program for the employee's children. So they'll be contributing above and beyond the affordable housing requirement for a daycare and helping to get that off the ground at the affordable housing project.

The recreation is a proposed Condition No. 21. This is a picture of the new playground, the children's playground that was built by Pyramid Project Management, the Grand Wailea. This was built in February 2011, and it's a very beautiful, active, innovative playground and it's well-used by the residents of South Maui. This is kind of a soft asphalt kind of surface. There's kind of a whale,

you know, play area. These are bars and climbing ropes, and then a little tree house and it's a very well-used facility. And this is done through volunteer labor by the Grand Wailea and Pyramid Project Management. Pyramid Project Management had undertaken the design, landscape design for this playground and then provided the hard cost for the equipment. And during the playground building period it was a one-day effort and we had about 30 volunteers come. There was a blessing carried out and then, you know, as you can see the equipment was assembled on site. The manufacturer of this playground I think they're located in Minnesota and actually a manufacturer's representative came out with a crew and helped build and put the structures together with the volunteers.

There's a proposed drainage condition that as represented by the applicant, the project shall retain a 150 percent of project generated storm runoff and in addition, it amounts to approximately 4.8 percent of predevelopment storm water runoff conditions. We have just a little table of what the volumes and storage requirements are. For the 50-year, one-hour storm the increase in runoff is approximately 3.16 cubic feet. The volume of that is--translates into 7,191 cubic feet and the storage volume that will be provided will be 10,787 cubic feet. These will be underground chambers that would retain the storm water. There's also other environmental features that will be incorporated into the drainage system. There will be pollution control devices and filtration in the drain inlets. There'll be a number of bioswales that will be developed to carry the storm water runoff from the surface into the retention chambers, so the idea would be to make sure that pre pollution prevention and water quality is maintained throughout the property. This is the conceptual drainage plan and this is the 150-foot setback area and these are the underground chambers that will be developed to capture the rainwater, storm water runoff, and as well, there will be bioswales and mauka drainage retention to capture the water up slope of the chambers as well.

Parking analysis. Currently there is existing 1,287 parking stalls. What's required with the build out, they'll be 300 rooms. The Code requires one stall per two rooms or half a stall per room. What will be provided with the build out will be 1,445 parking stalls overall in the property. There'll be 81 excess parking stalls. Part, as well, of the parking improvement will be to reallocate some of the employee parking to distribute the parking--the I guess, the employee parking to provide more--even parking availability for the guests at the south part of the property and in the northern portion of the property. So there's going to be some redistribution of existing property--existing parking.

Beach parking was also another proposed condition for the property. There was a requirement--there will be a requirement for 75 new beach public parking stalls, 34 of those stalls are onsite beach parking stalls will be on the Grand Wailea Resort property, 20 parking stalls will be within the County beach access road just south of the property there's the Wailea--there's the County-owned access and parking, comfort station just south of that Grand Wailea that goes down to Wailea Beach. So 20 new stalls will be added in that area. And then 21 additional stalls was being proposed at Keawakapu Beach at South Kihei Road and I'd like to just give the Commissioners a little update on that particular project. Before I do, I'd just like to go over some of the beach parking and parking area onsite. So again, this is the resort buildings. This is Wailea Alanui, the light blue, grayish area is the Wailea Beach access road, and then it goes into the darker green into a turnaround and then there's the park and access to the beach. There's parking in the greenish area and in the blue area. So there'll be 20 beach parking stalls that will be developed along this area of the existing beach access road and then 20--there'll be additional stalls that will be built in the existing parking areas of Wailea--of the Grand Wailea Resort. The 21 beach parking stalls in terms

of the Keawakapu Beach update, there are 21 stalls that were required and the County of Maui and Wailea Community Association have a joint project to develop 21 parking stalls on South Kihei Road and in December 2010, Wailea Community Association started the project. However, construction was halted shortly thereafter, by a lawsuit by a neighbor who didn't want the beach parking to be developed in that area. Had raised procedural matters, and by agreement, he withdrew the lawsuit and the County and Wailea Community Association agreed not to build those without further consultation and maybe some redesign of the project.

As a result of that, and you know, with these conditions, I'd like to point out the practical nature of these conditions and how they affect the project is that before we start construction, before we have the building permit we have to do a preliminary compliance report and show compliance with all the conditions that are proposed or that are approved for the project. Before you have Certificate of Occupancy, you have to do a Final Compliance Report which needs to be approved by the Planning Department, and in that Final Compliance Report you have to show how you've complied with all the conditions. I think that the 21 parking stalls might be a problem to fully meet and it could jeopardize the applicant's ability to get a Certificate of Occupancy for the project. So because of that, the applicant is requesting the Commission consider as an alternative revision to the particular condition so that it could meet the condition fully as it pursues the project. So we've made some changes to this and as a result, I'd like to just walk you through it. And what you have in your package was a proposed revised condition that was going to allow the applicant to provide either to construct or cause to be constructed, so we added this new clause, "cause to be constructed" the 75 new parking stalls, and specifically when it came to the Keawakapu Beach 21 parking stalls, in your package you have it going to the Wailea Community Association because they were, you know, co-, I guess, developers of this. However, Wailea Community Association was really concerned about them having the obligation to that and we were very fortunate to have access and discussion with the Director of Public Works, David Goode, because it is a County project and it is a County roadway, but would the County be amenable for the applicant instead of providing the funds to Wailea Community Association provide them directly to the County? And as soon as they do that, provide the \$80 thousand to the County of Maui, Department of Public Works for the beach parking improvement and they've met that condition and that's what we are requesting consideration for.

So we've changed this language that you see, and we just added that original cost were estimated for this project to be about \$100 thousand. When the process started, there was \$20 thousand was spent on the project and some improvement has been made, there's gravel parking in that area. I think it provides about seven new stalls. But still not completed and finalized. So \$80 thousand, we are proposing that the applicant contribute \$80 to the Department of Public Works, County of Maui, which shall be used by the Department of Public Works to construct that minimum of 21 parking stalls along South Kihei Road or in a location selected by DPW in the vicinity of Keawakapu Beach or other beaches in the Wailea Resort. So we wanted to give as well flexibility to the Department to be able to do some parking improvements and then we noted that the applicant has already contributed \$20 thousand to the Wailea Community Association for the work that was done to provide beach parking along South Kihei Road, and therefore will be contributing, you know, a total of \$100 thousand, \$20 thousand already spent and then in the future \$80 thousand to the Department of Public Works, and then that would fulfill that condition.

We're getting close, I'm just wrapping up, and I thank you for your patience. But this is a very

complex and thorough and large project. There were some archaeological concerns with the project when it was first brought forward and it was also a part of an intervention. There were a number of conditions that were recommended that dealt with the archaeological resources. And during that time, and during I guess, 2000--from 2009 to 2000--today, 2012, today, archaeological work has been going on at the property. And there will be new archaeological work as a result of the Settlement Agreement as well. So there'll be two, there'll be a level 1 and a level 2 testing that will be done on all the new--on the improvements especially with respect to the drainage improvements and the Molokini Wing expansion. But a number of the conditions that were previously proposed have been met already by the applicant. There was a Condition, No. 35 about a Archaeological Inventory Survey and that was carried out in September 2010, and it was accepted by SHPD in November 2010. There was an Archaeological, what they call an Archaeological Inventory Survey Plan which showed it was done before the Archaeological Inventory Survey to just tell the SHPD how the Archaeological Inventory Survey was going to be carried out, and that was reviewed and approved by SHPD. As well, there was a requirement to take it before the Maui Lanai Islands Burial Council and then that was done as well. It was presented three times before the Maui Lanai Islands Burial Council. There was some archaeological work that was done in--No. 37 there was--before the 2010 Archaeological Inventory Survey was carried out there was an attempt to do Archaeological Inventory Survey, however, that attempt was curtailed because there were a lot of utilities that were being impacted by this work. And so, that Inventory Survey was abandoned and this was in consultation with State Historic Preservation Division as well. But part of this condition was just was just to--housekeeping item was just to document that effort and so that was done. It was documented by Archaeological Services Hawaii.

Previous to this there was, I guess, what they call the multi-scepter installation and this was on the southern portion of the property. This is like a large grease trap. It was a large, three-story grease trap, very large installation about \$10 million. This is where there were problems with the burials, there were archaeological features and burials that were impacted in that project. The applicant or at that time, Grand Wailea Resort abandoned it. They didn't go through with the multi-scepter. They did not want to impact those archaeological features and they abandoned the project. They spent about \$3 million but they abandoned it. And they're proposing to do smaller grease trap units throughout the resort and not one large facility. So this was to do a monitoring report for that particular project so that was done in 2010. And then as well, there were some burials that were found so there was a burial component of the preservation plan and that was submitted by Archaeological Surveys to--Archaeological Services to SHPD. And SHPD accepted it in December 2009. So a lot of work had been carried out in terms of the archaeological and cultural resources on the property just to make sure that in the future they will not be impacted.

There is a new condition, however, that's being proposed it's archaeological Condition No. 44, and this is a result of the Settlement Agreement and there'll be two levels of Inventory Surveys being carried out specifically in the areas of the drainage, where the drainage improvements will be and the Molokini Wing expansion.

So that's it as far as I'm concerned. That's a description of it. I'd really like to thank you for your patience and before we finish our presentation, I'd just like to ask Matt Bailey, the Managing Director at the Grand Wailea to just speak of the project and how the property and the Resort sees the project and then I'd like to as well, introduce and ask Ed Riley the Executive Vice-President of

Pyramid Project Management just to provide the Commissioners with an update with Pyramid Project Management and how they see it moving forward. Matt?

Mr. Matt Bailey: Aloha, Mr. Chairman, Commissioners. I'm Matt Bailey, I'm the Managing Director of Grand Wailea, a position I've held for the last five years. As I'm sure you are as aware as I am, the business that we're in, resort operations is very competitive. We compete not only amongst ourselves here on Maui, but in the State and then globally as well. It's imperative for projects and properties like Grand Wailea to continually maintain and reinvent themselves. This project will address some of our current needs. It will add some new features to the hotel that will allow the hotel to remain a vibrant part of the community. I'm sure you're also aware of this, but Grand Wailea employees have almost 1,500 team members. We're the largest private employer in Maui County. We produced between County, State and Federal tax almost \$23 million in tax revenue. that's pumped into the economy. It's been a tough few years for us. In 2007, Grand Wailea ran 90 percent occupancy at a \$425 average rate. We have fallen tremendously from those, from those that heyday, although we're starting to climb back. And so right now, is a perfect time for us to contemplating a project like this because by the time business comes back, we will be prepared to accept it in a grand fashion that we've been known for. We try to be a good neighbor in the community. Grand Wailea contributes in excess of a \$1 million in cash and in-kind donations to both local, state and national charities and just a little pitch, we're getting ready for the Visitor Industry Charity Walk and are hoping to uphold our record setting contribution and allow Maui to beat Oahu once again. So I'd be happy to answer any questions if you have any. Thank you all.

Mr. Ed Riley: Good morning. My name's Ed Riley. I'm with Pyramid Project Management, Senior Vice-President of that group and headed up, you know, my Vice-President here, Wade Fischer handles this on a day to day basis. I want to speak to you about a few things. The scheduling, I know there's a lot of questions that people had about the status of the resort, what we're planning to do, when we're planning to do it, so I'll touch on those, but a couple of historic notes just to let you know. Matt talked about occupancy and rate. Candidly we think we have one of the best management teams on any of our resort here. They do a tremendous job and they've recovered this resort extremely well, and I think it speaks volumes to the people that work there and the commitment that they have for the property. Because of that we can talk about a project like this and we know that it's gonna go forward.

We spend at this resort somewhere in the neighborhood of \$7 to \$8 million a year in maintenance and capital projects. Some of those projects are energy related. It's to reduce consumption and natural resources and to get our costs under control and be more efficient and better stewards of the, you know, basically the resources that we've been given here. Since we've become involved in this resort and I think a lot of people don't realize that we spent \$25 million of ownership dollars to go out there to renovate the rooms, to renovate public spaces and to move forward with various items to reposition the resort and give the tools for that management team to succeed. We're finishing right now a \$2.5 million restaurant renovation that will be opening within the next couple of weeks. We hope you all come out and experience that and see what the new restaurant on Maui has to offer. From where we stand right now there's several projects that were put on hold or held back on because of the interventions and they primarily go around guest experience, the food and beverage components, they touched on the three-meal restaurant, the Volcano Bar, Grill and water features. Obviously when it's very crowded out there, there isn't a lot of places to sit and be around water. We need to address that. We also need to address our restaurants. A lot of the food and

beverage outlets have not had a major refresh, major renovation since this facility was open, so they're in dire need of that. So that's what we'll be doing that. And those will be the first projects that we'd like to get going on. And with ownership on this and Pyramid represents the ownership of this Resort on an asset management basis. We've worked together on a capital plan. This capital plan will start to infuse more cash in as soon as we get out of the bankruptcy which we all know it's out there. I anticipate that the bankruptcy we'll exit from that some time in the late second, early third quarter of this year and that be giving us an infusion of cash to do some of these projects that quite frankly have been put on hold for the last three to four years based on where the economy is going.

So we've already written some of those plans. We've already started to set up some of the consultants and hope to get going as soon as the board acts on this and approves it hopefully to move the process forward and to get some of these projects in, let's say the portfolio of this Resort. We're pleased that we're back here in front of you. We're pleased that we got the intervention process done. It was a little painful at times but I have to thank the intervenors and their attorney for, you know, negotiating in good faith in helping us. And I'd also like to thank the Planning Commission and our consultants for all the time and effort they put in to do this. So with that, thank you very much.

Chair Hiranaga: Thank you.

Mr. Hirano: Thank very much Matt and Ed, and we're available to answer any questions. So thank you.

Chair Hiranaga: At this time, I'll call for a ten-minute recess. Thank you.

A recess was called at 10:30 a.m., and the meeting was reconvened at 10:45 a.m.

Chair Hiranaga: ... I'd like to add before I open up the public testimony?

Ms. Cua: Just one thing based on what Mich presented, I wanted to make one clarification. When Mich was discussing this slide and work within the 150-foot shoreline setback area he mentioned that we issued the Shoreline Setback Approval and we actually did not. I mentioned to you at the very start of my presentation that--which is on Page 5, No. 38, Point No. 38, what we issued is a Environmental Assessment Exemption. Okay, so work within the shoreline setback area triggers compliance with Chapter 343. So the very first thing that we have to do is issue that Chapter 343 Exemption for work that qualified as an exemption. The work within the shoreline setback area needs to address Chapter 343 which we did. It needs to get Special Management Area Permit approval and Planned Development approval which you may or may not grant today. And then it also needs a Shoreline Setback Approval which is an administrative approval by the Department which we will do after and if you grant the permit today. So I just wanna make that clarification. Other than that, you know, there's--because of the way my report was done in terms of the analysis we did highlight the sewer, water numbers. I'm not going to go through that, they're all--they've all decreased as a result of the decrease in the amount of units. So I don't think we need to spend any time doing that. I think I'd rather have you take public testimony and then we can go onto questions and answers and recommendations.

Chair Hiranaga: Thank you. At this time, I'll open the floor to public testimony. Is there anyone here that wishes to provide testimony regarding this agenda item, please come forward? Please identify yourself and limit your comments to three minutes.

Mr. Bud Pikrone: My name is Bud Pikrone, General Manager of the Wailea Community Association. Just wanna say that we've obviously been here before for this project. We approved the project previously. We have looked at the most recent iterations of the project and have accepted the changes that are being made. We find them fitting for what they're trying to accomplish and fitting for the community. They have been, the Grand has always been a very active member of our community and assisting us in keeping our resort very viable and assisting the homeowners and all the businesses in the resort through many different efforts whether it's participating as a board member or in committees or just activities for the residents of the island and of Wailea and we see this as an opportunity to really help the Wailea Resort Community. Thank you.

Chair Hiranaga: Questions, Commissioners? Commissioner Wakida?

Ms. Wakida: Thank you, and thank you also for all of your service and dedication to community causes. I know it's very time consuming. I have a question about the addition here to the beach parking. It says in this new condition that the applicant has contributed \$20 thousand to the Wailea Community Association for work that was done to provide beach parking along South Kihei Road. Is that the work that was halted by the lawsuit?

Mr. Pikrone: Correct. Correct. We were able to get some, there was some gravel parking area that was put in before the paving could be completed and some excavation work and some other work that was done there. So that was--that's what was done at this point, so that's what the money was spent for, yes.

Ms. Wakida: So is there--does that--did that result in any beach parking?

Mr. Pikrone: Yes, there is some gravel, like I mentioned, some gravel spaces, parallel spaces that were on the makai side that were dug out and gravel placed in before we could pour anything. But that has resulted in some additional parking, unfinished parking at that point, yes.

Ms. Wakida: Okay. Approximately how many?

Mr. Pikrone: Wow, there's probably around 15.

Ms. Wakida: Okay.

Mr. Pikrone: It's probably around 15.

Ms. Wakida: Okay, thank you.

Chair Hiranaga: Any other questions for the testifier? Seeing none, thank you. There is a Larry Clark that signed up?

Mr. Larry Clark: Bud was speaking on my behalf as well.

Chair Hiranaga: Okay, thank you very much. Anyone else that wishes to provide testimony regarding this agenda item please come forward? Seeing none, public testimony is now closed. I'll open the floor to questions from Commissioners? Commissioner Ball?

Mr. Ball: I guess I'll go back to that Condition 27, the parking. Okay, so there's roughly 15 parking stalls that have been created. What's gonna happen to those? They're unfinished right now.

Ms. Cua: They're gonna stay the way they are.

Mr. Ball: ...(inaudible)...

Ms. Cua: Well I, we don't know. I mean, the way the condition is worded today is that there could very well be 21 paved public beach parking stalls at Keawakapu Beach area in the future if an arrangement can be worked out with the neighbor that objected. We just don't know where that's, where that's gonna be in the future. And what--the way the condition is worded now is that the remainder of the \$100 thousand that Pyramid was gonna put towards developing beach parking in that area would go to Public Works and they would make that a project and pursue that at some point in the future and maybe Dave Goode can help me a little bit in terms of, you know, his plans for that.

Mr. Ball: So follow up to that 80 thousand that's gonna go to Public Works and maybe Dave wants to answer this, so is that gonna be a line item that stays there and just gonna be put into the General Fund of the Department or earmarked just for this or how is that money accounted for?

Ms. Cua: My understanding, and I'll let Dave respond but it would just be earmarked for this. We don't want it to go just straight to the General Fund. It needs to have this specific purpose.

Chair Hiranaga: Director of Public Works, David Goode, you wish to comment?

Mr. David Goode: Thank you, Chair and for Commissioner Ball, yes, the monies will be set in a special account specifically for parking on South Kihei Road in the vicinity of Keawakapu Beach. I think this Commission in the past has required other projects to contribute certain funds towards your infrastructure or studies. I think some of the airport beach projects have that, and so those funds go into distinct accounts. They come up regularly during financial audits. Council Members see them and the fact that we'll have that there as a project helps us to reinforce that we have this project which we done plans, our engineers have already done plans. Now those plans weren't acceptable to some folks down there so we're gonna have to redesign and go through a process, but we're committed to do the project one shape or another and we, we really appreciate the donation. Thanks.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: And this would be for David also, I believe. Is there a time limit gonna be set on this, new funds?

Mr. Goode: No, these types of funds don't--they'll go into a special account so they won't have a clock ticking and it's a normal budget appropriation.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: According to this addition on Condition 27, it says that this is a construction of parking stalls or other beaches in the Wailea area. What other beaches are under consideration or would be included in that?

Ms. Cua: I'm not exactly sure what was in mind. The applicant is asking for this amendment. I think what they mentioned in the Power Point presentation is within proximity of where this beach parking was proposed to occur. And I think this was written partly in this manner to allow Public Works the flexibility to be able to move on wherever they felt the 80 thousand could be best spent and when they could get a project through.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: Well, I can understand that, but in light of a previous Commission meeting a year ago, it seems that this particular area is in great need of beach parking. And I would like to see this money spent on beach parking there and not scattered up and down. That seems to be the real hot spot. And also, I would like to see some kind of time limit put on it so this doesn't get postponed for years and years because this is something that's taking care of local people.

Ms. Cua: Is it okay Chair if I respond to that?

Chair Hiranaga: Actually you could propose an amendment to the recommended conditions with specific, specifics that you are suggesting when we have a motion on the floor. So at this time it might be more appropriate since you have heard the concerns of Commissioner Wakida that you take an opportunity to come up with something or start preparing for something that may come up.

Ms. Cua: I think, and you know, I would like to confer with my Deputy is that I, you know, part of the reason why this condition was amended is because we didn't want to have a condition imposed on the applicant that they might not be able to be satisfy. And you know, when you start to put in a time or a specific location, especially a specific location--you know, part of the problem, they had a plan, they went through an SMA permit process. They did everything by the book to try and get these 21 stalls put in this location where the need is and we all saw what happened. And so we don't know what's gonna happen to the rest of that story. We don't know--you know, another plan can be drafted but we don't know what the response is gonna be. They can go through their permit approval process, we can approve it, but we don't know how the neighbors are gonna react to that and that's why you know, there's language built in into this condition to give some other options.

Chair Hiranaga: Ann, some of the Commissioners were not here with the original application and really not understand the background and history of this particular issue how it was I guess so mandated by Council action that there be parking and then the proposed parking is within the County right of way and it was some type of a lawsuit objecting so, perhaps you need to provide more in-depth background about this particular issue?

Ms. Cua: Do you want me to do that? Okay. So, my understanding is--when the project came forward to the Planning Department, the documents referenced that the applicant would be providing additional beach parking and as we went through the process, the Commission, the Department, a Council Member got very involved in the, you know, really looking at the beach parking requirement for not only this project, but it was the Renaissance Wailea project which was going at the same time, both hotel projects and so we took a look at some past history in terms of what has the Planning Commission done in the past in terms of requiring beach parking, you know, because we tried to get some kind of a formula and so we looked at South Maui and we looked West Maui and we've kind of found that it was all over the place. There wasn't like a specific formula you used. And so you know, we had that discussion with the Planning Commission in terms of different options, you know, you could look at a percentage, you can look at a percentage based on land area, room counts and so, at the end of the day, we got for this project down to 75 parking stalls. The reason why the Keawakapu area was, was considered by the applicant is because there was already an ordinance that talked about public parking, a County ordinance that talked about public parking in this area. So, you know, that is why that location was selected and the applicant had tried to pursue that and went--actually it was I believe the Wailea Community Association who pulled the permit. They pulled a permit through the County, a Special Management Area Permit, it got approved and they started the work, and then there was a complaint and the work stopped, lawsuit, and the project pretty much was put on hold--an agreement to put on hold so that the lawsuit would be dropped. So then when we, you' know, we're trying to look at the recommendation for today, and basically this recommendation document is the same recommendation document that you dealt with when you approved the project in 2009, and you know, the red inserts are the updates. And one of the updates that the Department felt needed to occur, needed to happen was that Condition 27 because if it stayed in the same format that it was when you approved it originally, we thought that there would be problems or could be problems because we don't know what is going to be outcome of parking stalls in that area.

Chair Hiranaga: Commissioner Ball?

Mr. Ball: So, the County's conceding then to this one individual. It's stopping this parking, not looking at the greater good of the area for parking. Seems a little bit off to me because you're gonna create 20 stalls there for numerous amount of people to go let's say during the week, even during the day. It seems like the County is giving up on that thing because I agree with Penny, that we're looking for more parking. I'm not saying that the Grand Wailea has to pay for all this stuff, but I'm just talking General Plan that the County needs to looks at that and just in principle they're stopping this whole thing because of one person says, oh I don't want that across from me.

Ms. Cua: I would not say that the County has given up on that location and that is why the Director of Public Works is open to receiving the funds and I think he can comment better than me.

Mr. Goode: Mr. Chair?

Mr. Isaac Hall Chair, may I be recognized? I represented the ...(inaudible)...very quickly?

Chair Hiranaga: You may, Mr. Hall.

Mr. Isaac Hall: Mr. Ball, I just wanna clarify what happened. The--actually. Mr. Pikrone agrees with

me on this, the County passed an ordinance. There was a huge house built at the beginning of the road there and the construction workers were parking all over the road and so the Council passed an ordinance that said that there was no parking on that portion of the road. No signs ever got posted, but the reason why the Council passed that was because all the construction workers parking on the road. After the house was built, the construction workers stopped parking on the road, but in fact, there is lots of beach parking going on. If any of you ever go down there, there are people parked along side of that road all over the place. So there's really plenty of beach access parking going on. The problem is that technically there is no parking allowed. And so when the lawsuit happened it wasn't one person who was saying I don't want beach parking. In fact that person was saying we ought to have more beach parking and that's what happened. That there was an EA and an SMA Permit--or not an SMA Permit, SMA Exemption that got issued. It were challenged and the goal was to get more parking particularly along the Wailea Ekahi side of the road where if you go down there people are parking there right now. And so what they were saying was let's do what's necessary so that that parking can continue so the goal would be to go back to the Council and change the ordinance so that no parking provision in that ordinance is deleted so that parking is allowed on that side and so that there's no problem with all the beach access parking that's going on there now. I think that's one of the solutions we're all talking about. And in fact, during the last recess, Mr. Goode, Mr. Pikrone, and I had a little session about what we can do to facilitate it. Nobody reached any final agreements or made any commitments, but we're all committed to having this de facto parking that's going right now legitimized and that's what I think is necessary. There's not one neighbor there that's saying I don't want beach parking. That was never what was going on.

Chair Hiranaga: Thank you.

Mr. Hall: Thank you.

Chair Hiranaga: It was unusual to allow Mr. Hall to provide comment at this time. It appears that there's another individual in the audience, Mr. Pikrone, who wishes to comment and if the Commissioner wishes to ask that person a question, I'll allow him to speak? Is there a Commissioner that wishes to ask Mr. Pikrone a question?

Mr. Freitas: Yeah, I will.

Chair Hiranaga: Thank you. Commissioner Freitas?

Mr. Freitas: Mr. Pikrone, approximately how many stalls would be provided if that ordinance was removed? How many parking spaces?

Chair Hiranaga: Please identify yourself?

Mr. Bud Pikrone: Bud Pikrone, Wailea Community Association. The original ordinance as it was set up to eliminate parking on a portion of the road to allow for pedestrian traffic because the way--as was mentioned, the way vehicles were parked there previously, people had to walk in the street because there was quite a bit of parking being there whether construction or beach. The ordinance called for no parking in a section and the County put together plans for 21 parking stalls that would be on the makai side parallel and parallel also on the south end, on the mauka side. Discussions

have been made since then or at the hearing in that there could possibly be more parking because of the way people park now. However, that would require angled in parking and that would need to be worked out by the County as was we've discussed for safety reasons. Parallel parking obviously in the road, narrow road is preferred because of safety reasons, but there is quite a bit of right-of-way on either side of the road. So that there is a possibility that that could be done or some alternative could be done and still provide safe walking area also on one side of the road or the other. So there are some possibilities there, but the original ordinance that was passed by the County in that, in plans that were worked out back in 2004, actually, called for just 21 stalls.

Chair Hiranaga: Commissioner Freitas?

Mr. Freitas: My question is about how many stalls if they would remove that all and do the angle parking, about how many more parking spaces you think you would have?

Mr. Pikrone: No, that would need to be worked out by the County. It could increase it. It would definitely increase it.

Mr. Freitas: Higher than 20?

Mr. Pikrone: I can't --maybe.

Chair Hiranaga: You may want to direct that question to the Director of Public Works.

Mr. Pikrone: That would be something Public Works would need to work out for safety reasons. There's a number of driveways along there and they'd have to take all that into consideration. But it would increase, probably increase the parking that is in the existing plan.

Mr. Freitas: But not to the number of 28?

Mr. Pikrone: I would be higher than the 21.

Mr. Freitas: Okay, thank you.

Mr. Pikrone: Better ...(inaudible)...

Chair Hiranaga: Okay, thank you. We're sort of leaving protocol here and we should limit our questions to Staff and the applicant. So we'll go back to that. Commissioner Ball?

Mr. Ball: Another question for David probably. In a perfect world what are we looking at for stalls in that --

Chair Hiranaga: Speak in the mic please, Commissioner Ball?

Mr. Ball: In a perfect world what are we looking for--what are we looking at as far as stalls in that area? Realistically is it gonna be 10, is it gonna be 50?

Mr. Goode: When you say, "that area" where are you referring to?

Mr. Ball: The Keawakapu area that we're talking about, the 21 stalls.

Mr. Goode: Our plan right now which is probably the least amount of stalls they could do is 21. Okay, depending on how we can get this ordinance modified and perhaps even get this angled parking in, it's just gonna go north of 21.

Mr. Ball: Okay. Thank you.

Chair Hiranaga: Commissioner Lay?

Mr. Lay: I have a question again. So what we're hearing right now is, this lawsuit, they're not concerned about the 21 stalls 'cause they're thinking there could be more, right? They're looking for more. So can't we initiate the 21 proposed and whatever more we get is bonus round?

Mr. Goode: Mr. Chair?

Chair Hiranaga: Director, Public Works Director?

Mr. Goode: The purpose of this, the way this is written is for the applicant to give us the money to help, help get the project built. We need to go through a redesign process and work with the residents there, work with the WCA or with the Council Member from the area who's very interested in resolving all this, and \$80 thousand is going to go a long way to get getting that done. And again, having it in our budget just puts a spot light on it so that we do get it done. So, you know, right now it says 21 stalls. You could say a minimum of 21 stalls or something if you're interested in, you know, providing some umph, if you will, for us to do more. We wanna do more. We know that the area's impacted especially on the weekends and so the most amount of stalls that we can do and do it safely is what we want to do.

Chair Hiranaga: Commissioner Tsai, you had a question?

Mr. Tsai: Yes, I do. Just to clarify, the 21 stalls you have planned--close it enough, thanks. The 21 stalls that's in the plan is that fringing on the County ordinance that's in place. You guys have the--is that what we're discussing right now?

Mr. Goode: No, the 21 stalls accounts for the ordinance as it exists now which is restricting parking on the mauka side, you know, from the entrance of that portion of the road to the driveway at Ekahi. So if that ordinance is removed, we're just gonna add even more stalls. If we do angle parking in any portion, it's gonna add more stalls. So the 21 to me is the minimum.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: David, ...(inaudible)... speaking if this \$8 thousand was a line item in your budget, how long do you think it would take to get completed? I realize we're talking maybe a year or two or...

Mr. Goode: Yeah, I think we're--well, first of all, it's \$80 thousand, I think you misspoke and said 8, it's \$80 thousand.

Ms. Wakida: Eighty.

Mr. Goode: And it would probably take, I'd say a year just to get through this consultation process and your redesign, possible ordinance change, and then we would initiate the construction process, go out for bid, etc. Or maybe we can do it, some of it our self with our new paving machine. So we're looking at a year, two years probably max.

Ms. Wakida: Okay, so it's a project that could be addressed in a fairly timely manner?

Mr. Goode: I think if things go well, we'll have it done before the Grand Wailea is completed with their improvements.

Ms. Wakida: Yes, okay. Thank you very much.

Chair Hiranaga: Commissioner Domingo?

Ms. Domingo: Thank you. I'm not sure if this is for Ann or for Mich and I looked at Condition No. 27 and you mentioned this is 75 new public parking stalls. So what is in existence and if you can identify where they are?

Mr. Hirano: Commissioner Domingo was that existing beach parking or existing parking? Just existing beach parking?

Ms. Domingo: Yes.

Chair Hiranaga: I'll ask Colin Shimokawa, who really helped with the parking analysis on this area.

Mr. Colin Shimokawa: Hi, my name is Colin Shimokawa, architect with Shimokawa Nakamura. Coming down this existing beach driveway here, there'll be 10 stalls allocated in the, what was called the Grand Wailea vendor parking area. In addition, along this area there'll be a total of 30 additional stalls. I believe there's 16 existing stalls now. So there's an area--there's two areas in this location.

Mr. Hirano: So as Colin mentioned, existing there's 16 stalls.

Ms. Domingo: Sixteen, 1, 6?

Mr. Hirano: Sixteen, 1, 6, yes.

Ms. Domingo: And where are they located?

Mr. Hirano: In this area, just on the beach access road and then I believe there's some right here.

Ms. Domingo: Is that on the Grand Wailea or...

Mr. Hirano: This is County property. This is the access road to Wailea Beach.

Ms. Domingo: My understanding in the prior SMA when the hotel was being built they were, you're supposed to have onsite, onsite beach parking.

Mr. Hirano: My recollection of the file, 'cause we weren't involved in the prior SMA, but the property was originally 40 acres and as part of the SMA application 4 acres and I believe 40 stalls were provided by the Grand Wailea. I believe there are either mingled with the Four Seasons stalls or in this area here. But when--and as well, when the Four Seasons and the Grand Wailea were built, they were built together. I don't think that there was a beach access road. So part of that improvement could have been, you know, developing that beach access for the Wailea Beach. But as I say, we weren't involved--I'm not too clear. I know that there were--that 40 acres--4 acres was subdivided from the original parcel as part of the condition and that included beach parking. Bud, do you have any? May I ask Bud Pikrone from Wailea if he had any more history on that area?

Mr. Pikrone: You've gotten them all.

Mr. Hirano: That's what we have in terms of the background.

Ms. Domingo: I just have one more. So you're saying onsite, you have 16 stalls?

Mr. Hirano: No, oh I'm sorry. Right now, there are no beach stalls onsite on the property now. But as part of the condition there will be 34 provided.

Ms. Domingo: Okay, 'cause I'm just reading the proposal. So you're not giving us 75 new public parking stalls?

Mr. Hirano: Yes, 75.

Ms. Domingo: So you don't have onsite, so you're providing 75 stalls.

Mr. Hirano: Yes, yes. We're providing 34 on the property, 10 in the vendor parking area and 24 in the this blue area that will be part of the--which is now part of the employee parking. So those will be new beach parking stalls that are not there now available for the public. And then they will be developing 20 more new stalls along the beach access road. And then the 21 at Keawakapu Beach.

Chair Hiranaga: Commissioner Ball?

Mr. Hirano: The condition reads that there will be 34 onsite at the south side of the property. So those are new beach, public beach parking stalls. And there'll be 41 offsite, 21 located on the north side of Keawakapu Beach is what we've been discussing and then 20 within the County right of way along that beach access road. So 20 here, and then 34 on the property. So they are new, they are new public parking stalls.

Chair Hiranaga: Commissioner Ball?

Mr. Ball: A question on, still on parking. What is the--my concern is about employees using the new parking to park there. So how are we combating that?

Mr. Hirano: Well, you know, I think that the challenge, Commissioner Ball, as well the concern with the applicant is to make sure that the beach parking isn't co-mingled with the employee parking that there's separation for security purposes. And I think that security purposes would work to keep the employees in the employee area and the beach parking separate so that there will be public access to the parking area as well as to the access, public access road and not have a security, breach of security by having the public park on the public parking stall. To answer your question as well about whether, you know, how do you police the beach from the hotel employees parking in here? Wailea Community Association has a parking patrol. There is a parking patrol and I think they monitor that if I'm correct. So I think that there is a level of monitoring that will be carried out.

Chair Hiranaga: Just a follow up comment to that. Does the applicant have an employee parking policy whereby if an employee is found to be parking in beach parking areas that there be some type of beach reprimand or suspension?

Mr. Hirano: I'll ask Matt Bailey if he could respond to that?

Mr. Bailey: Matt Bailey, Managing Director of Grand Wailea. Yes, right now we do not currently have beach parking on property, but as an example, we have vendor parking. All employee vehicles need to be registered and then they have to park in designated employee parking spots and we have an active patrol that makes sure that they're not double parking, they not parking in vendor spots and so on, and I would assume that that would continue with beach parking as well.

Chair Hiranaga: How about just a policy stating that employees while on duty shall not park in County beach parking stalls?

Mr. Bailey: We could certainly consider that. It's not our purview to enforce where they park off property. You know, we tell them not to park at The Shops at Wailea because they'll be towed and we cooperate with The Shops if we have employees parking there. We would do the same with the Wailea Community Association if we had employees parking in public spots as they shouldn't be.

Chair Hiranaga: Yeah, well I think a policy might be effective even though there's really no enforcement because we do have a lot of laws, they're not enforced, but they are on the books.

Mr. Bailey: We can certainly consider it.

Chair Hiranaga: Commissioner Lay?

Mr. Lay: Relevant question with that. Okay, you're one of the largest--well, you are the largest private employer and I wanted to know more about your worker's transportation. You guys have a transit system?

Mr. Bailey: Part of the transportation plan has been implemented, part of it has not. We currently have a carpool incentive and have dedicated spaces for those team members of three or more who elect to carpool. We have worked with the County on bus schedules and so on, but anything beyond that has not yet been implemented.

Mr. Lay: Do you have plans on some kind of bus system for your employees?

Mr. Bailey: We have plans to subsidize the current County system because our employees live all over the island, it wouldn't be practical to run a wide variety of buses to different areas, but because the County does that pretty effectively, we would contribute to their bus passes.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: I believe this question is for Mich. I want to go back to parking and I don't want to beat a dead horse here but I do want something clarified. Where the new 34 beach stalls are going is the development carving out new land to put these on or are they just reassigning existing parking stalls in that employee parking?

Mr. Hirano: They will be reassigning existing parking stalls. Most of the area in the south is developed. So there is no new land to, you know, take that out. Well, with on the property. The 20 stalls on Wailea Beach access road, the County road, it will be kind of carving out new land, like there will be some grading that will be carried out to provide and widen the access road to provide that beach parking. So that's kind of a new area. But on property, it will be taking and kind of restriping some of the area and dedicating an area that is currently used for employee parking dedicating that or other uses because there's vendor parking, employee parking, there's access roads and whatnot throughout, and some storage areas. So they're reconfiguring this whole blue area and freeing up an area of 34 spaces to be able to meet this condition.

Ms. Wakida: So they could do that without--

Mr. Hirano: Impacting their --

Ms. Wakida: --yeah, taking away from the employee parking and there are other necessary parking.

Mr. Hirano: As we mentioned, there's 81 surplus stalls, so it would come out of that area. The employee parking is accounted for in the formula for the onsite parking requirement. It's part of the ratio. And so, it will be dedicating existing parking that's used for employees or other purposes for public parking. There will be another level, 58 more new stalls created for--as a result of the SMA application.

Ms. Wakida: Right, but that's guest parking.

Mr. Hirano: That's guest parking, yeah. And as I mentioned too that there's a bit of an imbalance between the north and south parking and that's--is what is available and how it's used. So there will be some reallocation of employee's probably to the north to free up more parking on the south. But there's a fixed amount of parking and the requirement for the onsite parking will take from that fixed amount.

Chair Hiranaga: Okay. Commissioner Wakida?

Ms. Wakida: I would like to add, let's see, this would be for Mr. Bailey. Add to what Commissioner Ball had brought up about employee transportation, I would like to see more aggressive efforts made to address this such as I know that other companies have had employees

meet at a certain area where they all are picked up together. They leave their cars in a secure area so that area would need to be secure, a central area, and then they all go to their destination. I know that works for some employees in West Maui hotels, and I would like to see the hotel be more aggressive and maybe look at more options to help employees with their transportation needs.

Mr. Bailey: Okay, thank you.

Ms. Wakida: Aside from just plugging into the existing bus system which is fine, but I think that more could be done.

Mr. Bailey: Okay, thank you. Take that under consideration.

Chair Hiranaga: Mich, do you have a transportation management plan? Maybe you should elaborate on that? And these I guess would be implemented upon completion of the project.

Mr. Hirano: There is a condition, Commissioner Wakida that has--the project transportation management plan and that involves developing the airport shuttle which you heard has already been instituted. There's inter-resort transportation, employee carpool incentives, employee vanpool assistance. Matt had mentioned employee public transportation subsidies and company sponsored shuttles. So that transportation management plan will kind of incorporate those elements. There is also a requirement under Condition 19 that there'll be annual updates to the transportation management plan and that will be submitted for review and acceptable to the Department of Planning. So there will be as well, monitoring and accountability for the implementation of this transportation management plan to see how effective it can be and how effective it is and if there can be any changes to make that even more effective. So there is not only the, you know, identifying what initiatives will be carried out but also the requirement to monitor that by the Planning Department.

Chair Hiranaga: Commissioner Shibuya?

Mr. Shibuya: In defense, Mich, can you talk about the workforce housing? Now these are in place type of employees that won't be transiting on campus so to speak. They will be living onsite, so you would have a reduction in transportation requirements would you not?

Mr. Hirano: Commissioner Shibuya, the employee housing will be developed in South Maui not necessarily onsite, but you know, it will be closer obviously than--you know, and allow people maybe a shorter commute, but it will be in South Maui not particular onsite.

Mr. Shibuya: And you mentioned a shuttle, right?

Mr. Hirano: Yes. That might be an opportunity to do that.

Mr. Shibuya: That's what I was alluding to.

Mr. Hirano: Yes.

Chair Hiranaga: Commissioner Lay?

Mr. Lay: Maybe going a little further with that, maybe an offsite parking nearby where we have a shuttle service for the employees that's somewhere mauka where we don't have all the cars going in and out of the Grand Wailea where you have some parking above the area.

Mr. Hirano: The Grand Wailea doesn't have property off the site where they can do that, but certainly if there was some initiative where that can be possible, you know, I think that that might be a possibility.

Chair Hiranaga: Commissioner Ball?

Mr. Ball: Trying to get away from the parking here and move on, culture. You mentioned the cultural aspect of the hotel.

Mr. Hirano: Yes.

Mr. Ball: And developing that area of the hotel, the Tsunami night club and all that. Is any of that going to be open to the public?

Mr. Hirano: Yes, the idea is --I'd like, Ed...

Mr. Riley: Ed Riley, Pyramid Project Management. Our goal in programming that space was to have an interactive both with the community and with the guests and sort of bring them both together. That's the task that we've charged, and also to have it interactive with the school district here so that it would be a place where you could bring kids in on a school bus, walk them through it, there would be people there both on the inside of Tsunamis which would have more or less type of a museum/interactive display type arrangements to walk people through along with a lecture area and the like. But then also outside in the garden area that we had discussed before, actually take that and transplant some of what you're learning inside to the outside and have staff there and people man that so that you can actually see things, you know, in process being cultivated, being built, et cetera. So yes, it's always been and it's gonna be both the guests and the public and the residents here melding together.

Mr. Ball: Thank you.

Chair Hiranaga: Commissioner Shibuya?

Mr. Shibuya: I would like Ann, if you or perhaps maybe Wade Fischer can explain or summarize some of the advantages and the gains in terms of energy conservation, energy--renewable energy power production as well as for water, water reuse and water savings. Also include some of the savings because of this renewable power you have in terms of your--the size of the distribution line coming in to supporting this huge amount of increase in facilities?

Ms. Cua: I would like to ask the applicant to address that they've been actively upgrading their property for over a year, maybe a couple years now.

Mr. Shibuya: That's correct.

Ms. Cua: And continue, plan on continuing to do that, and so, yeah, I would --

Mr. Shibuya: Yes, you have it written here, but the audience and Akaku do not have it.

Mr. Hirano: Thank you for that question, Commissioner Shibuya. I'd like to, and the reason I thank you is that the Grand Wailea has been very active in looking at conservation measures and, you know, I think that they need to be applauded for their efforts. I've asked, and we'll answer it in two parts, since 2000--and probably 2006 on, the property has instituted a number of conservation measures in the property that save both energy and water. I'd like to ask Rob Hoonan, the superintendent of infrastructure and facilities to talk about what has been done in anticipation of this type of question. We've also asked our consultants. We have two consultants with us today. We have a mechanical engineer, Glenn Karamatsu, who has done the water conservation measures and they'll take about what's being incorporated in the future plans. And then EFC--ECF Consultants has also looked at overall energy conservation measures and the future plans. And so, I'd like to ask Glen to speak on that. So I'd like to ask Rob Hoonan right now to come forward.

Mr. Rob Hoonan: Aloha ka kou. Rob Hoonan, Director of Facility Management at the Grand Wailea. Wanted to mention some of the things that we've been doing on a regular basis since 2006, and we've been very aggressive and been supported greatly by PPM through these initiatives. We have gone through our irrigation systems. We have converted some 17,000 linear foot of regular, original irrigation heads, the conventional type that you've seen to drip irrigation basically reducing from a head that consumes about 1.5 gallons per minute to a head that a point does actually produces about a gallon per hour. What we do is by having these heads underground at the root systems, we eliminate evaporation from wind and sun. We balance our ability to distribute the water in our irrigation system which is a very large one for 22 acres worth of property and we don't lose that water. It actually goes straight to the roots, very effective and it's been very successful. We've incrementally done this aggressively since 2008 throughout the property. We still have another 4,000 foot to go, but we have tackled 17,000 linear foot of irrigation there. We have plans to upgrade our systems to weather stations. We have automatic rain shutdowns currently that we implement as a policy. We're gonna have a weather station linked to satellite technology that will allow us to shutdown immediately whether we're there or not. It can track it remotely. These are systems that exist and we'll be implementing.

As far as electricity, we are very aggressive in this area. I think all of us on Maui have a need to do this and we, from a business sense, as well as sustainability perspective have been fortunate to have investment and projects and initiatives developed there that have saved us great amounts of electricity specifically over the last few years. Our demand is down dramatically. We are-- basically have gone from 62,000 kilowatt hours a day in 2009, to now, right now currently tracking ...(inaudible)... 12 months, we're down to 59,000 kilowatt hours per day and we're going aggressively after the--with technology that will enable us to have greater savings in this large structure. So that's a couple things that we've done there. We also have experimented in some cutting edge technology. In fact I believe we were the first to put in a backwash system on our pool, our formal pool area that was a media-based backwash system that got away from the conventional backwashing, and if any of you have done backwashing, you had to flush your filter, reverse the flows, flush your filter to get rid of the particulates that were gathered. We now have a media-based system there that basically captures everything and is evacuated one time during the month. There is no backwashing, and so we're saving great amounts of water there also as well as chemicals that

are added there because you're not losing those chemicals and chlorine and such. We've also implemented some great pool measures that eliminate acid or chlorine. Basically we use CO2 to balance our PH levels. That's simple carbon dioxide and saline systems to generate chlorine for those systems. So we have a very, very eco-friendly pool. Byproduct is a--pool when you get out your hair feels like it's soft and everyone loves that. So there's some great advantages to all that. That's just a couple initiatives that we've done down there and we have many, many more planned. Questions?

Chair Hiranaga: Commissioner Tsai?

Mr. Tsai: On the subject of energy with the renovation, addition of 300 rooms and all the other additions, obviously there's gonna be a jump in the energy demand. And I understand you're gonna put PV systems on the roofs and so forth. Is there a plan in terms of how much energy you plan to save or percentage comes from renewable like a PV system or such?

Mr. Hoonan: Glen will be speaking to that in a minute, but yes there are plans for that. Any other questions for me? Thank you.

Mr. Glenn Karamatsu: Hi, I'm Glenn Karamatsu, electrical engineer from ECS. Your question about PV is very good. We plan to put in 200 kW PV panels up on the roof at five different locations. We calculate that we'll be able to generate on site 329,000 kilowatt hours per year. To pay for--to provide enough energy for the building program, we have instituted or plan to institute a series of energy conservation measures. They include the PV, and adding VFD drives on pumps. We're adding landscape lighting using LED fixtures and lamps. Reducing the guestroom ventilation exhaust fans, and replacing chillers with more efficient units. We calculate that we will be able to save or generate 48 percent of the kilowatt hours needed for the building programs. So we'd be able to offset roughly half of the energy use for the 300 rooms and all the restaurant improvements that are being planned. I don't know--does that answer your question?

Mr. Tsai: Yes, thank you.

Mr. Hirano: Thank you, Glenn. And then I'd like to ask Keith Chan to just talk about the water. He's the mechanical engineer for the project.

Mr. Keith Chan: Good morning, Commissioners. My name is Keith Chan. I'm a mechanical engineer with Notkin Hawaii. We did look at and contribute to the report on the water conservation initiatives. Without any initiatives, we calculate 733,303 gallons per day which would be used. With water savings initiatives we are able to reduce by about 100,000 gallons per day. The number that you see on your report corrected 638,064. Actually Rob Hoonan went over a lot of these already and he's onsite and familiar with the backwash, the defender system which is a media-based system. There's other initiatives he didn't mention, water closets, urinals, people are familiar with water saving technologies that they have available now that will be implemented. There's also laundry equipment improvements that will be done. There's irrigation savings which Rob mentioned which we put the numbers to basically. Not sure how much detail you'd like me to go into with the numbers, but you know, I'm available for questions basically.

Chair Hiranaga: Thank you. Any other questions, Commissioners? Commissioner Tsai.

Mr. Tsai: I guess this question's for any of you guys. Mich, perhaps. With the newest iteration, what does that do the overall estimated cost of the project?

Mr. Hirano: Again, maybe ...(inaudible)...Ed?

Mr. Riley: As far as the overall construction costs, our costs are concerned because of the reduction in some of the program based on what we agreed to with intervenors and balancing that let's say against where we stand with inflation which we've been lucky it's relatively minor, but we still see some --we don't think it's going adversely affect things. It's not going to throw it out of kilter and make it, you know, a lot more expensive. We think the numbers will hold pretty much where they are and maybe a little bit less under the 250 million range in terms of where that's gonna be. And I wanted to say one other thing about, if I could, I apologize, about the energy conservation issues. Just so you know, ownership on this resort has basically undertaken a study with a group out of Colorado that also works with the Federal government on solar and cogen. plants, package plants. We have paid them for the first phase of their study which came back very positive to us. We're gonna be going through the second portion of that and actually having them putting together specifications to implement both the solar program that you heard from the ownership side and also a cogen. package which we can also get there and we've been talking to the local power company to about that to reserve our rights to sell the excess power back to us.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Wakida?

Ms. Wakida: Yes, this question is for Ann. She answered the question for me before the meeting, but I would like her to answer it publicly maybe in terms of what is ...(inaudible)... allowed within a 150-foot setback normally? Is the 150-foot setback ...(inaudible)... and I think the words, some permission before, they never came to us.

Ms. Cua: Yeah, now based on the rules, you can get an administrative approval to do minor improvements like landscaping, walkways, pavers, things like that. You can't--maybe some very minor small structures, you know, any major structure would need a Shoreline Setback Variance which would need to come to the Planning Commission for approval.

Ms. Wakida: Because the pool is in the 150-foot.

Ms. Cua: Right, right. You know, a large pool now wouldn't be something that you could get an administrative approval for. But prior, in past rules, a pool was something that was considered a minor improvement. So that's how you have hotels that have, you know, large pools or certain kind of structures that may have been permitted at one time that may not be permitted administratively based on the rules.

Ms. Wakida: Thank you.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Hedani?

Mr. Hedani: Ann, what kind of timing are we looking at in terms of the construction that would take place with this particular project?

Ms. Cua: I don't know. I'd have to--I forget the...

Mr. Riley: Ed Riley, Pyramid Project Management again. As discussed previously, we're looking at some of the improvements related especially to the Bistro on Molokini, the restaurant that's there, Volcano Bar and Grill, combining those and expanding those because they really haven't been touched since the resort opened and then need to be done relatively quickly. We do have some issues as far as water surface is concerned and deck surface and the pools, we'd like to ...(inaudible)... that right off the bat. So we've actually programmed and I've been talking to ownership and presenting basically within the next 12 to 14 months starting both the Bistro project, also the Volcano Bar relocation and the enhancements to the pool deck almost immediately and then the planning on the other areas will follow right after that.

Chair Hiranaga: Commissioner Hedani?

Mr. Hedani: Follow up question on that. As far as hard construction on the 300 units, what kind of timing would you be looking at on that?

Mr. Riley: I would say the earliest you'd see anything on the hard construction on the units would probably be about 30 months before we're into plans and go through it. That's probably the earliest you would see plans submitted and put together on that aspect. Again, given where we sit with the economy right now, given the demand, and you know, brought down a little bit in occupancy. We're not as taxed. You heard Matt indicate before that we were running, you know, really above 90 percent occupancy at this hotel when we first came in here. That is a tremendous stress on the hotel and the physical characteristics of it and it showed. That's why we put in the money, the 25 million for the rooms and the renovations accordingly. Now we don't have a much of a stress so we have a little bit more of a buffer to it, but we still have a lot of different options, and I think what you heard in Mich's presentation was, we have a lot of rooms that are very similar, but our competition has rooms that are different, different experiences such as lofts, et cetera. I would say that you would probably see the lofts, for instance, the infill units that you saw on either side of the gaps, you'd see those sooner than later. I'd also think looking at, you know, where the existing chapel is and that lagoon experience, that is programmed for families that wanna come in and let's say you've got three kids that are married with their families, you're going to have a reunion that's what that compound is. It's place for those type of sales so that ...(inaudible)... as a say, that the resort can go sell. So if you're looking at all the rooms being done at one time, doubtful. I think especially you've got an existing resort that Matt would probably not like me very much if I decided tomorrow I was going to tear up this whole grounds and build all this at one time. So it will be phased in and brought in over time and where we can get immediate effect and give them a better experience and better product, that's where we're gonna concentrate on right off the bat.

Mr. Hedani: Thank you.

Chair Hiranaga: Commissioner Wakida?

Ms. Wakida: Follow up question, sir. So according to the standard, the recommended conditions here, if you're starting construction now say on the Tsunami area, it says that you are supposed to complete the project within five years. So are you--you think you can meet that deadline?

Mr. Riley: I don't know to answer your question specifically, I don't know. I would say that the majority of the project could be completed within that time period, but I very well may be here with some of these folks in a few years saying we may need another year, another year and a half. I don't want to commit to that. Again, if I was building in an open field with no guests there and that I could say, yeah we could do that, but that's not the case, that's not what we have.

Chair Hiranaga: Commissioner Tsai, did you have a question?

Mr. Tsai: ...asked it, but my other question is that are you, so I assume you plan to keep the hotel operational during this time?

Mr. Riley: Yes, definitely have to keep the hotel operational, and in doing that just as an expansion as far as timing, we have to do it in such a way that there's restrictions on hours, there's restrictions on traffic when things can come and go and that's also within the Wailea community itself. So we've committed in our discussions with them that we weren't just gonna go willy-nilly and tear up the whole place and run trucks and stuff, you know, 24-7. That's not the case. We can't do that. The entire guest experience not just for us, but for the community has to be taken into account.

Chair Hiranaga: Any other questions, Commissioners? I have a couple questions. Regressing a little bit, back to the Settlement Agreement with the Hoolei intervenors on Page 4, could you just elaborate on what the so-called rental agreements are with Hoolei and what the Kulana Club Membership is?

Mr. Riley: Just wanna say, they told me I wasn't gonna have to talk today. As far as the Hoolei agreements are concerned it's a rental club agreements. We have agreements with the owners of these specific units at Hoolei to basically rent, put guests in, and to maintain their units. So people would check-in at Grand Wailea or check-in at Hoolei. The people that clean the room, et cetera would be folks from the resort. The resort sort of ...(inaudible)... them and they also get for that, they get the ability to use the resort the same as the guests that were staying in the resort property. So what's happening in this is that the intervenors that were, that are stated in the agreement are being readmitted into that system along with the people that are currently in there. As far as the club membership is concerned, that's the ability of people that own those units to basically use the facilities at Grand Wailea. So they're a little bit different in terms of one is a paid guest that you're dealing with and the other is, it's a nonpaying guest that has the ability to go use the Grand Wailea, the pools, et cetera, all the way down.

Chair Hiranaga: Okay, thank you. I have one more question, I guess maybe we could cover it in five minutes. Could you just explain again the drainage plan? I know at the previous meeting you agreed to do some additional improvements beyond what was originally proposed and just for a better understanding especially on the 4.8 percent of predevelopment storm water runoff condition. Is that--when you say predevelopment is that prior to the original construction?

Mr. Hirano: Yes.

Chair Hiranaga: If you could just briefly...

Mr. Hirano: Matt Fujioka from Wilson Okamoto talk about the drainage. He's the civil engineer.

Mr. Matt Fujioka: Good morning, Matt Fujioka, Wilson Okamoto, civil engineer. With the 4.8 retention that is a predevelopment amount that we're gonna retain onsite. Might be tough to see from there, but by retention we have these--I guess Mich mentioned it before, we have these retention pipes throughout the site. We have--you know, I think maybe four or five major drainage systems throughout the site. Each one has its own retention pipe or retention basin attached to it. They're sized to retain that 4.8 percent or 150 percent of the additional runoff generated by the improvements. So I think in Mich's slide earlier he showed, when we had about 7,000 cubic feet, 7,200 cubic feet of runoff that was generated by the improvements. The 150 percent would bring that up to 10,800 cubic feet. So all of these retention basins shown here and on the bottom of the site and also up here further up, you know, make up that 10,800 cubic feet of retention.

Chair Hiranaga: So the County Code requires 100 percent of post development?

Mr. Fujioka: Correct.

Chair Hiranaga: Retention.

Mr. Fujioka: On any new--you can't--I guess you can't discharge any more than the existing condition.

Chair Hiranaga: So you're doing 50 percent more than what the County Code requires?

Mr. Fujioka: Correct.

Chair Hiranaga: And that was accomplished by additional--is that the underground perforated drainage pipe that were added?

Mr. Fujioka: Yes, of course, I've added additional capacity to the underground retention pipes to achieve that.

Chair Hiranaga: And the balance of the storm runoff that leaves the site is all gonna be treated prior to discharge?

Mr. Fujioka: The balance, you mean?

Chair Hiranaga: Whatever you're not retaining.

Mr. Fujioka: And by treated you mean?

Chair Hiranaga: Filtering.

Mr. Fujioka: Well, I guess, I'm not sure if we can quantify that, but --

Chair Hiranaga: I guess there's certain surface runoff that's coming off of grassed areas that you couldn't really intercept.

Mr. Fujioka: Right. So like, you know, he mentioned bioswales, you know, things like that where

the runoff will flow through landscaped areas to hopefully filter out as much you can before it enters the drainage system. You know, once it enters the drainage system we have drain inserts to capture the petroleum products that might be in the runoff before it gets into the system. And also, the retention system themselves, you know, they hold the water in there, the basins slow the water down, a lot of sediment to filter out to the bottom before it gets through the system. But you know, if you have a big, if you have a big flow, I mean, you can't really -- we designed it for a design storm. We can't, can't go beyond that.

Chair Hiranaga: Thank you. Any other questions, Commissioners, before we break for lunch?

Ms. Cua: You don't wanna just...

Chair Hiranaga: I don't think it's gonna be a couple of minutes. I get irritated if I start getting hungry. One thing I'd like to just give you guys--actually, I'll do it later. So if there's no objection, we'll recess for lunch and reconvene at 1 o'clock.

Commission Members: No objection.

A recess was called at 12:00 p.m., and the meeting was reconvened at 1:01 p.m.

Chair Hiranaga: At this time, we're still in the questions to the applicant or Staff? Any other questions, Commissioners? Questions, Commissioners? You have a question?

Ms. Domingo: Yes.

Chair Hiranaga: Commissioner Domingo?

Ms. Domingo: So Ann, I'm looking at the workforce housing--

Chair Hiranaga: Could you speak into the mic please?

Ms. Domingo: Sorry. Ann, I see--I have a question on the workforce housing. Could you give an update on what that is and have they complied?

Ms. Cua: No, they haven't complied yet. I believe they're trying to work with a private entity. I'm not sure exactly who, maybe you wanna ask the applicants, but I think that's what they mentioned in the presentation that they are looking to kind of partner--if they can comment?

Mr. Hirano: Commissioner Domingo, Mich Hirano with Munekiyo and Hiraga. I'd like to ask Wade Fischer, who's the Vice-President of Resort Development for Pyramid Project Management. He's been working with Maui Economic Opportunities on the affordable housing component.

Mr. Wade Fischer: Good afternoon, Wade Fischer with Pyramid Project Management. Just to answer your question, we have been working with MEO for quite some time. We have a non binding letter of intent to go to them with a development, co-development together once we get through, get through an SMA, your approval, and get our timeline established. At that point in time we will then reinvest and reset a timeline with them to keep moving forward. So that is a

partnership we want to continue with to do our affordable housing project with. So did that kind of answer your question or not?

Ms. Domingo: I have another question.

Chair Hiranaga: Commissioner Domingo?

Mr. Fischer: Yes?

Ms. Domingo: Thank you. So what is the value that you're contributing to with MEO?

Mr. Fischer: I'd have to go back and double-check the value of that. If you give me a few minutes, I can come back and give you what that number is? Because I have to go back and do a little research on that. But it's--120 units ...(inaudible)...We gave them, we gave them some seed money originally for them to go ahead and secure some of the land. They were going to go ahead and move forward with that and then the total value was for more than a 120 units which our requirement is, I think we're up to 250, 300 units total is what we're gonna have plus a development center with--associated with that. So we're talking in the millions of dollars by the time it was all said and done as to what our contribution would be to do that. I'd have to go back and verify exactly what the amount was.

Chair Hiranaga: Commissioner Lay?

Mr. Lay: On some of our projects that come up on the affordable housing concept some are done before, during or after. When do you see this affordable housing portion of this project being done?

Mr. Fischer: We are planning on timing it with when we actually start doing the guest rooms. So once that takes place, and once that's part of our phasing for construction, is when we would also do that concurrently with that.

Chair Hiranaga: Commissioner Freitas?

Mr. Freitas: In what area are you folks purchasing the land? Do you folks have any idea on --

Mr. Fischer: We haven't tied down as to what exact parcel of land at this point, but what we're targeting is the Kihei area because that's where the majority of our team members are currently residing. So we felt because of that proximity that's who we'd like to best serve.

Chair Hiranaga: Commissioner Ball?

Mr. Ball: So what's the involvement then? Is it just financial or it sounds like you're gonna get more involved in it or am I...

Mr. Fisher: Yes, we'll get more involved from our--they will be taking the lead on the development, but we will also be giving our expertise as part of the development of plans, work with them on the consultant teams and actually get the drawing and specifications up so we--we're offering our expertise as well to get this thing developed to both of our liking.

Chair Hiranaga: Commissioner Domingo?

Ms. Domingo: And I appreciate that, you sharing ...(inaudible)... and I think that it should be explained in some kind of--memorialized in a document that it is your project as well partnership and because we want to see it's for the workforce itself. I wouldn't like to see where you just draw the plans, hand over the money, and you guys walk away because the whole concept of workforce housing means for the workforce itself. So if you guys are committed it's going in that direction. You know, you should have it memorialized.

Chair Hiranaga: Commissioner Lay?

Mr. Lay: Under the workforce housing, for the prequalifications where do they sign up in case people are interested on this? You know, they have at least a heads up or time frame on where to go and when to do it?

Mr. Hirano: Commissioner Lay, on the workforce housing is I guess governed by Chapter 2.96 of the Maui County Code, the Workforce Housing Ordinance. So that will be followed in terms of developing the workforce housing as well as the categories of the income levels who will be qualifying and going through. So it will be done pursuant to Chapter 2.96 of the Maui County Code.

Chair Hiranaga: Any other questions, Commissioners? Commissioner Lay?

Mr. Lay: One more question on the parking. This is pertaining to parking. Public access, self-parking in the Hyatt is that available? Or at the Grand Wailea, excuse me?

Mr. Hirano: What was the question Commission Lay?

Mr. Lay: Public, self-parking.

Mr. Hirano: Right now the property is instituting a 100 percent valet parking. So as I understand it, it's all valet at this point. And I think that's part of the parking management plan to provide valet parking that way.

Chair Hiranaga: Any other questions, Commissioners? I just have one more question. That Kulana Club, what is the annual membership fee?

Mr. Riley: Ed Riley, Pyramid Project Management, 2,750, \$2,750.

Chair Hiranaga: And has that increased over time or is that a set fee?

Mr. Reilly: As long as we've been involved in ownership, it stayed pretty much the same. So I don't--can't speak for the future, but it stayed where it is.

Chair Hiranaga: That's a pretty generous concession, ten years.

Mr. Reilly: In terms of, you know, the club itself and utilization, yeah, but we've also offered that to the neighbors on the other side when they first ...(inaudible)... came into at Wailea Beach Villas.

They had a similar type of an agreement, so--where when they first were sold and brought in, they also could get a membership at a discounted rate.

Chair Hiranaga: Thank you. If there's no further questions, we'll --

Ms. Domingo: I have one.

Chair Hiranaga: Commissioner Domingo?

Ms. Domingo: I think this question is for Mich. Mich, you said that there is a wing that you're building where the existing Humuhumu is?

Mr. Hirano: Yes, that's the Molokini Wing expansion.

Ms. Domingo: Are you guys planning--are they planning to move the Humu somewhere or they're --

Mr. Hirano: No, the Humuhumu will be demolished and then they are developing new restaurants as you know, the Molokini Bistro will be upgraded. It will be the three-meal restaurant that will be on the lobby side, the makai side of the lobby. They're reinvigorating the old Kincha Restaurant right now. That will be an Alan Wong Amasia Restaurant and will be opening very soon. So there really, I guess, adjusting and refurbishing the food and beverage venues within the resort and Humus will no longer be in existence.

Chair Hiranaga: Commissioner Tsai?

Mr. Tsai: Thank you. Just a follow up to your question to your--regarding Alan Wong's restaurant, is this part of this--you hear about he's putting a restaurant. That's not contingent --

Mr. Hirano: That's not part of--this was--it's an interior renovation that was exempted from the SMA because it was just interior, and then there was a small minor outdoor improvement which received a SMA Minor. So this--the concept of, I think, Alan Wong's restaurant came after all these plans were developed. So it was kind of a recent new opportunity for the resort.

Chair Hiranaga: Any other questions, Commissioners? Seeing none, ready for the recommendation from Staff.

b) Action

Ms. Cua: Thank you, Chair. You've all been distributed the green handout. The Department's recommendation dated April 10, 2012. Again, as I reiterated before, these are the same conditions that when you approved the project the first time, we included as part of the project, I'm just--so I'm not going to go over all of them. I'm just gonna point out the changes and they are in red.

Chair Hiranaga: One second. So is there any objection to Staff only reading the changes? As some of the Commissioners were not present in '09.

Ms. Cua: Oh, that's right.

Chair Hiranaga: Unless there's no objection, she will just--Ann will just go over the changes.

Ms. Cua: And I should, I should indicate that although they were not here, they all have received copies of the previous recommendations. So anyway, with that--first of all, let me say the Planning Department is recommending approval of the Step 1 and 2 Planned Development applications with no conditions and the Department is recommending approval of the SMA Use Permit subject to the following conditions. Condition No. 1, the only change to that is that construction of the project be initiated by April 30, 2015.

Condition No. 4, final construction shall be in substantial compliance with preliminary architectural plans dated March 2012. And so all of those plans have been updated. Some of them say amended on there because those were amended to reflect the Settlement Agreement. Some do not say amended on there and those are the plans that have not changed but they've all been dated March 2012 so that it's just easier for us to have a handle on what is the project as of today. And I believe you also received one additional exhibit to replace Exhibit No. 95 with 95A. So that is all part of how this condition would read, "Plans dated March 2012 and approved by the Planning Commission on April 10, 2012".

We're now on Page 7. On the beach parking condition, I would like to replace the condition as it's worded in your recommendation to substitute, "Wailea Community Association" with the "Department of Public Works." So I'd read the condition, That the applicant fund and construct or cause to construct 75 new public parking stalls including 34 onsite at the south side of the property in the vicinity of the County Wailea beach parking area, and 41 offsite parking stalls with 21 located on the north side of Keawakapu Beach and 20 within the County beach access on the south side of the Grand Wailea Resort. Construction of the 20 beach parking stalls within the County beach access on the south side of the Grand Wailea Resort and 10 onsite beach parking stalls in the area of the existing vendor parking shall be completed prior to the receipt of the first Certificate of Occupancy for the project. The 24 additional beach parking onsite stalls shall be located in the graveled employee parking area on the south side of the hotel property and shall be completed to the first Certificate of Occupancy for the new hotel guest rooms. Applicant shall be deemed to satisfy the construction of the 21 new beach parking stalls at Keawakapu Beach on the date the applicant contributes \$80,000 to the Department of Public Works, County of Maui which shall be used by DPW to construction a minimum of 21 parking stalls along South Kihei Road or in a location selected by DPW in the vicinity of Keawakapu Beach or other beaches in the Wailea Resort. Applicant has already contributed 20,000 to the Wailea Community Association for the work that was done to provide beach parking along South Kihei Road and will therefore be contributing a total of \$100,000 for the construction of the 21 parking stalls.

And the final addition to the recommendation is the addition of Condition No. 44 which reads, That the applicant shall conduct a supplemental inventory level testing within the area of further archaeological study in two stages as follows: The first stage testing will be conducted in the areas within or around which the drainage improvements and dry wells including 48-inch wide underground perforated drain pipe and the Molokini Wing addition outside of the lagoon that surrounds the Humuhumunukunukuapuaa Restaurant will be constructed; and the second stage testing will be conducted in the areas within which the foundation, footing, caissons, and/or pilings

for the Molokini Wing addition will be constructed underneath the lagoon that currently surrounds the restaurant. So this condition is a result of the Settlement Agreement with Dana Naone Hall. The amended plans are a result of all of the Settlement Agreements for this particular project.

In consideration of the foregoing, the Department recommends that the Planning Commission adopt the Planning Department's report and recommendation report prepared for the September 22, 2009 meeting, the addendum report and recommendation prepared for the October 13, 2009 meeting, the second addendum report and recommendation report prepared for the October 27, 2009 meeting, and the third addendum report and recommendation report prepared for the April 10, 2012 meeting as its findings of fact, conclusions of law, and decision and order and authorize the Director of Planning to transmit said decision and order on behalf of this Commission. Any questions?

Chair Hiranaga: Questions, Commissioners? Commissioner Shibuya?

Mr. Shibuya: No, I was just going to make a motion.

Chair Hiranaga: You have a question, Commissioner Ball?

Mr. Ball: Yes. Keawakapu Beach doesn't that run from Mana Kai to let's say Ekahi, Wailea Ekahi?

Ms. Cua: Approximately.

Chair Hiranaga: The Five Palms Restaurant.

Mr. Ball: In the north side, wouldn't that be like the part that we were talking about wouldn't that be the southern east side of Keawakapu not the north? Because the north I would think would be more like by Mana Kai, Five Palms. So we might wanna change that to say the southern side or the southeast side of the Keawakapu Beach.

Chair Hiranaga: Good catch.

Ms. Cua: Okay, yeah. Thank you.

Mr. Ball: The other one here, I'm not sure if we wanna strike in the highlighted, underlined section after Keawakapu Beach which is, "or other beaches in the Wailea Resort." I thought we discussed that there will be 21 or more in that little area down there so if we strike that then it will stay down there, it won't move around like some of the concerns of the Commission--just a suggestion.

Ms. Cua: I think that's something that if the Commission wants to do that, we wouldn't object to that.

Chair Hiranaga: Any other questions? Seeing none, I'll open the floor to a motion. Question, could you just explain again what is Step 1 Planned Development and Step 2 Planned Development? For the new Commissioners and for some who have forgotten.

Ms. Cua: The Planned Development process is a three-step process and I'll read the purpose just so you understand. The purpose of the Planned Development is to encourage desirable design

and land use pattern, protect natural environment, minimize traffic congestion and enhance living and working conditions. It is deemed desirable to provide for tract development of land in planned developments. So what it allows is, it allows someone to do possibly a higher density type of development, you know, add maybe additional units per acre provided they can meet a required open space amount. And the entire Wailea area came through a Planned Development back in the 70s. So as I mentioned for this particular project just because of where they're located, they have to come in for these permits regardless of if they want to use an additional density bonus. In this particular case, they're not asking for any additional unit density type of bonus, but because they're in an existing Planned Development, they have to come and get Planned Development permits. Is that okay?

Chair Hiranaga: Well, can you explain Step 1 and Step 2?

Ms. Cua: Oh, I'm sorry. Okay, the Step 1 Approval is basically a concept plan. It's just, you know, conceptually what do we want to do? Step 2 is a sketch plan which is more like SMA level type of plans where you have site plan and elevations and things like that. The Step 3 is like your construction drawings. So Step 1 and 2 has to come before the Planning Commission. We're taking them together, and Step 3 can come administratively with the Planning Department and that would be before we--before they get a building permit.

Chair Hiranaga: Okay, the floor is open for a motion. Commissioner Shibuya?

Mr. Shibuya: I'd like to make a motion to approve Step 1 and Step 2 of Planned Development application. Also recommend approval for the Special Management Area Use Permit subject to the following conditions as noted and as amended.

Mr. Freitas: Second.

Chair Hiranaga: It's been moved by Commissioner Shibuya, seconded by Commissioner Freitas. Discussion? So for clarity, you did change Condition No. 27, third line, north side of Keawakapu?

Ms. Cua: Yes. Yes, to southeast.

Chair Hiranaga: And should we insert the word, "minimum" before 21 parking stalls in the last line because you know, there may be leftover funds.

Ms. Cua: Actually, there's one place where it is inserted. If you look on the second line that's underlined, it says, "minimum 21 parking stalls," but we could insert it in two more places. Where "\$80,000" begins, the line right about that references 21 new beach parking stalls. We could say "a minimum of 21", and then on the last sentence, we could add it as well.

Chair Hiranaga: Yeah, because you're unsure if you're gonna spend a \$100,000 for 21 stalls and you only spend \$75,000 so you can spend more and make more parking stalls, right?

Ms. Cua: Chair if I could? I know there was a suggestion, but there was no vote and the Department didn't amend its recommendation on whether or not you want to take out--where it says--on the third underlined line, "selected by DPW in the vicinity of Keawakapu Beach or other

beaches in the Wailea Resort.” So you wanna leave that in or keep it out?

Chair Hiranaga: Did you want to amend your motion or you want someone to make a amendment?

Mr. Shibuya: No, we can amend it.

Chair Hiranaga: To strike, strike the words, “or other beaches in the Wailea Resort.”

Mr. Shibuya: It’s a friendly amendment, I accept.

Chair Hiranaga: So strike that wording.

Mr. Shibuya: Yes.

Chair Hiranaga: Okay.

Ms. Cua: Okay, got it.

Chair Hiranaga: Any other discussion? I guess one concern I have is there is no so-called deadline placed on the Public Works Department to complete this project. Once the monies are paid by the applicant, they are released of obligation, but there’s no finite time frame placed upon the Public Works Department to complete the project. So I’m just wondering if any of the Commissioners have concerns about that? Commissioner Wakida?

Ms. Wakida: I believe I initially raised the concern. Although I honor what the Director said, Mr. Goode, I think it would be prudent if we put in within two years, and then if they for some reason can’t meet that deadline then they come for an extension.

Chair Hiranaga: You’d be placing the obligation on the applicant. The applicant has no control over the Department.

Ms. Cua: Right.

Ms. Wakida: True. I was saying the--

Chair Hiranaga: But he doesn’t need an extension. He’s the Department of Public Works. Maybe for the record, the Director of the Public Works could give us some warm, comforting assurances that he’s gonna work on it, that it’s important to him.

Mr. Goode: Well, at some point we’ll gonna need some kind of SMA action whether it’s a Assessment or Minor, probably not a Major, but you know, what’s before you is regarding the Grand Wailea and they control--this is on our right-of-way and so I’ve made previous representations how we’re gonna pursue it and by having those monies in our budget, I mean, it’s--that’s a marker that tells our Staff the project has to get done. If it would assist the Commission, maybe we could work with the Deputy and the Director of Planning, we meet twice a month on issues of mutual concern. We could find out--figure out a way to advise the Commission on the status of the project on a six-month basis or something like that and that way, you’re getting communication from our Department

related to the status. I don't see how you can put that into this actions before you, but we can certainly work with the Director and Deputy, do something along those lines.

Chair Hiranaga: All right. Thank you. Commissioner Shibuya?

Mr. Shibuya: I see a variable in this. Is the Council Members perhaps even considering amending their ordinance?

Mr. Goode: Mr. Shibuya that would, that would only increase the number of stalls. So we're comfortable with the 21. That's the bare minimum. If we're able to amend the ordinance we'll do even more.

Mr. Shibuya: Understand. Thank you.

Chair Hiranaga: All right, so any further discussion on the motion on the floor? Seeing none, I'll call for the vote. I'll have the Deputy Director repeat the motion.

Ms. McLean: Thank you, Chair. The motion is to approve the recommendation as presented by Staff with the amendments to Condition No. 27 related to parking, to correct the location of 21 parking stalls to be on the south side of Keawakapu Beach; to delete, "or other beaches in the Wailea Resort"; and to add, "at a minimum" in two other locations for the 21 parking stalls.

Chair Hiranaga: All in favor of the motion so indicate by raising your hand.

Ms. McLean: Eight ayes, Mr. Chair.

Chair Hiranaga: Motion carries. Thank you.

It was moved by Mr. Shibuya, seconded by Mr. Freitas, then

**VOTED: To Approve the Step 1 Planned Development Approval, Step 2 Planned Development Approval and A Special Management Area Use Permit, as Recommended by the Department with Amended Conditions.
(Assenting - W. Shibuya, J. Freitas, D. Domingo, I. Lay, M. Tsai,
W. Hedani, K. Ball, P. Wakida)**

Ms. Cua: Thank you.

Mr. Hirano: Thank you very much, Commissioners.

Ms. Cua: Can we have five minutes, Chair, to set up for the training, orientation?

Chair Hiranaga: Yeah. We'll take a five-minute break.

A recess was called at 1:30 p.m., and the meeting was reconvened.

F. ACCEPTANCE OF THE MARCH 27, 2012 MEETING AND REGULAR MINUTES OF THE FEBRUARY 14, 2012 MEETING

Chair Hiranaga: ... agenda to Item F, to Accept the March 27th meeting minutes and regular minutes of February 14, 2012. Is there a motion to accept?

Mr. Freitas: So moved.

Mr. Ball: Second.

Chair Hiranaga: Moved by Commissioner Freitas, seconded by Commissioner Ball. Any discussion? Seeing none, all in favor say, "aye."

Commission Members: Aye.

It was moved by Mr. Freitas, seconded by Mr. Ball, then

**VOTED: To Accept the Action Minutes of the March 27, 2012 Meeting and the Regular Minutes of the February 14, 2012 Meeting.
(Assenting - J. Freitas, K. Ball, D. Domingo, I. Lay, M. Tsai, W. Hedani, P. Wakida, W. Shibuya)**

Chair Hiranaga: Now that we are ready to start our orientation workshop, we'll begin with the Deputy Director's comment.

E. ORIENTATION WORKSHOP NO. 1

Ms. McLean: Thank you, Chair. On the agenda there are 20 items listed under Orientation Workshop. Actually we're gonna separate those into two sessions. So today, we'll get through Items 1 through 9, and then resume the Orientation on May 22nd. And the orientation we do with all of our Boards and Commissions when we have new members onboard, and it also serves as a good refresher for returning Commissioners.

1. **Director's Comments**
2. **County Policy Against Discrimination**
3. **Powers and Duties**
4. **Meeting Schedule**
5. **Rules of Practice and Procedures**
6. **Land Use Regulatory Framework in Maui County**
7. **Zoning**
8. **Country Town Business Design Guidelines - Paia-Haiku, Makawao-Pukalani-Kula, and Hana Community**
9. **Chapter 343, HRS, The EA/EIS Process**
10. **Flood Hazard Districts**
11. **The Sunshine Law**
12. **Ex parte Communications**

13. **Discussion of Boards and Commissions Booklet Distributed by the Office of the Corporation Counsel**
14. **Ethics**
15. **Recent U.S. Supreme Court decisions on takings issues.**
16. **Public Access Shoreline Hawaii (PASH) v. Hawaii County Planning Commission**
17. **Hawaii Supreme Court Decision regarding the Topliss case (SMA)**
18. **Hawaii Supreme Court Decision in the case of Paulette K. Kaleikini v. Laura H. Thielen, in her official capacity as Chairperson of the Board of Land and Natural Resources, Board of Land and Natural Resources, and the Department of Land and Natural Resources.**
19. **Other Relevant Hawaii Supreme Court Cases**
20. **Intervention and Settlement Agreements**

The Commission's workshop consisted of presentations and Power Points on Items 1-9 and Items 11-14 by Planning Department Staff and Deputy Corporation Counsel, James Giroux.

The following Planning Staff presented the following items:

County Policy Against Discrimination - Allan DeLima

No questions were brought up by the Commissioners

Planning Framework - Jeff Dack

No questions were brought up by the Commissioners.

General Plan Update Process & Activities of Long Range Division - Kathleen Kern.

The following questions were brought up by Commission Members in regards to the General Plan Update:

Mr. Freitas: When is the General Plan being completed because it's been at Council for a while now?

Ms. Kern: That's ultimately up to Council's schedule. My understanding was they were just starting to review Chapter 8, the Directed Growth Strategy Chapter before they went into Budget, and they will pick it back up again after they're finished with Budget. And my understanding is they anticipate finishing by the end of this year.

Mr. Freitas: End of the fiscal year or the date year?

Ms. Kern: The date year.

Mr. Hedani: Kathleen, where are we in terms of the community plan process?

Ms. Kern: We're currently, Staff within Long Range have been working on the Molokai and Lanai Community Island Plan for the past almost two years and we expect to finish our draft recommendations in the next couple of months. The Lanai CPAC, Community Plan Advisory Committee, their nominations or requests for nominations went out in November and were closed in December. So that's actually up at the Policy Committee. The Policy Committee will hopefully soon in the next couple of months appoint a Community Plan Advisory Committee for Lanai and we'll start reviewing the Lanai Community Plan. As for the community plans on Maui island, I think we'll have to wait until the Maui Island Plan is finished and complete and approved by Council before we could start on the Maui island community plans.

Mr. Hedani: So you need to wait until the General Plan or the Maui Island Plan is approved before you can actually move on the community plan?

Ms. Kern: Probably. We're also understaffed at the moment. So we don't have a lot of staff to be able to work on any new plans right now.

Mr. Freitas: Community plan should be about two years away then, on the community plan? It's gonna take to end of the General Plan, so you're looking probably another year before the community plan even ...(inaudible)...

Ms. Kern: For those community plans on the island of Maui, it's likely we won't start working on some of them until 2013.

Mr. Shibuya: Kathleen, I know you may not be able to answer this, but maybe you can give me your opinion, and this is relating with the General Plan that was drafted by the GPAC, also reviewed and passed by this body, was sent forwarded and then headed by the Long Range Plan and the Director, and taking some severe revisions or approaches there. Why is this being changed in the last minute because it's supposed to be from the bottom up type of information. All of a sudden you have a top down type of change?

Chair Hiranaga: I guess Deputy Director would like to answer that question?

Ms. Kern: That's probably, yeah exactly, a question for the Deputy Director.

Ms. McLean: Thank you, Chair. The process does allow for changes in recommendations to be offered. It does start with the General Plan Advisory Committee, and then the Maui Planning Commission, and the Planning Department, and so that's the process, and all of those recommendations do get transmitted to Council. So Council does not only see the Department's recommendations, they see everything that was forwarded to them. And so it's ultimately is the Council's decision of which recommendations to adopt and the Council could very well, adopt their own language and their own policies beyond those that were presented to them, by those other three, in those other three steps.

Chair Hiranaga: Commissioner Shibuya?

Mr. Shibuya: Just a followup. I understand the Department had 30 days to review. How long did they take to review and input?

Ms. McLean: I can't answer that. That was before this Administration came in. So I don't know how long it took the Department back then. If I could make one clarification to the presentation. There are nine community plans. I think the slide indicated eight, so just to clarify we have nine.

Zoning - Candace Thackerson

The following questions were brought up by the Commissioners:

Ms. Wakida: Can you tell me briefly the difference between, and I don't mean the process, 'cause I could see that on here, a Conditional Permit and how is the permit itself different and a, what's the other one called, County Special Use Permit?

Ms. Cua: I can cover that for you. A County Special Use Permit-- well they both permit uses that are not outrightly permitted in a given use zone. But in any zoning district, any zoning district will list a permitted use section and then they would list a section that says special uses. And if someone comes in with a proposed use that is not a permitted use nor listed as a possible special use, then a Conditional Use Permit would be required. A major difference in the two permits is that the County Special Use Permit requires the approval of the Planning Commission and the Planning Commission is the authority. The Conditional Permit, the Planning Commission holds the public hearing for the Conditional Permit, but the County Council is the authority. Both require public hearings.

Ms. Wakida: All right, so the main difference is the County Special Use Permit, one of the special uses is listed?

Ms. Cua: Yes. And if I could Mr. Chair, make an additional comment? Just a minor clarification on what Candace covered within Planned Developments, the change to the legislation that was made within the year was not on Project Districts, it was on Planned Developments whereas as I mentioned to you for the Grand Wailea, now that's a Planned Development. It's basically kind of an overlay to the basic zoning and the Step 1 and Step 2 process--previously the law required that Step 1, 2, and 3 all have to come the Planning Commission. And now with the amendment that passed, Step 1 and 2 has to come to the Planning Commission, but Step 3 becomes an administrative process and so with the Grand Wailea which you just reviewed today, you approved the Step 1 and 2 application which is the concept plan and the sketch plan that Candace talked about and then when they come in for the construction drawings as part of their building permit application, the Department would accept a Phase 3 application--Phase 3 Planned Development that we can approve administratively. It doesn't have to come before this body.

Mr. Shibuya: Ann, maybe you can also elaborate on Project Development and Planned Development? Project Development such as let's say Kula Lodge, it's part of the community plan.

Ms. Cua: Yes, as I mentioned very briefly when I was doing the Grand Wailea project, Project District and Planned Developments are two very different things. Project Districts are actual zoning, zoning districts like Kula Lodge. Kula Lodge is a Project District. It has its own set of rules and regulations. So even though it allows, for most of you who are familiar with Kula Lodge, it allows hotel-type uses and restaurants which would normally be allowed in like a Hotel District or a Business District. They have their own Project District which has subdistricts that would allow for

things like, you know, hotel units, restaurant facilities, various commercial, but it's its own ordinance and lists standards, permitted uses and everything. Planned Developments on the other hand it's not a zoning district. You have existing zoning. You can do a Planned Development in the Residential District, you can do it in the Apartment District, I mean, it's all listed in Chapter 19.32. But it does not replace the zoning, the underlying zoning of the property. What it does is it allows the ability for the Commission to grant like an overlaying approval possibly granting additional density bonuses for the project. But the underlying zoning still remains.

Mr. Hedani: For Candace or Ann or Michele actually, if the Interim Zoning plan was put in place in 1958, and the Comprehensive Zoning Code was put in place in 1960, how come we still have Interim and Interim zoned properties within the island? And the second part of the question is like in the case of our community plans, is there any plan or requirement or implementation mechanism that causes the community plans to become zoning at some point?

Ms. McLean: Thank you for the question. When the Comprehensive Zoning Ordinance was enacted it created zoning districts but it didn't establish zoning for properties. It said, these are the zoning districts that we have in the County, but it didn't designate parcels of land to be zoned. And so, comprehensive zoning maps were adopted for some areas of the County at that time, but there were still many areas that were not comprehensively zoned. What happened over the years is for example, when the Rural Zoning District Bill was revised in the late 90s, when the Agricultural District Ordinance was enacted in the late 90s there were comprehensive zoning components to those bills so vast areas of the Ag and Rural and zoned. Also, when the community plans were updated the last time around in the Urban areas of those community plan regions, the Department proposed comprehensive zoning and that was literally a parcel by parcel effort to make sure that the existing use matched the community plan designation so that by establishing zoning, everything would be consistent. Otherwise, you could have mismatches. You could have zoning that didn't reflect the use. Now with technology available to us, we have our GIS system, we have the databases that we've developed, we're in a much better position after the community plans are updated to propose establishing zoning to implement the community plans. We still need to be mindful that those community plan designations and any existing uses would still be compatible with what zoning is proposed because we could be doing disservice to those landowners if we create nonconformity, for example. But we're in a much better position to really try to come close to eliminating Interim Zoning.

Mr. Shibuya: Are we planning to have maybe the Planning Department coming up with different definitions of agriculture and agriculture use? For example, as we get less water available, we have more lands that are actually without water meters. And when these lands are subdivided by families, all of a sudden now you have lands without water meters. ...(inaudible)... they're not conservation, they're ag, but they're not productive ag. Is there a distinction between ag that's productive and ag that's not productive, and how the taxing and assessing of those result?

Ms. McLean: I'm not going to answer the tax part of it. In terms of the definitions, in Title 19, there are definitions for Agriculture and Agricultural Land Conservation. To allow for legitimate agriculture for fields to lay fallow, for example, or transitioning from one kind of farming or ranching to another. Also, in the Maui Island Plan, there has been discussion of different Agricultural overlays. So I think it would be responsible for us to wait and see what happens with the Maui Island Plan and then work on implementation of that to see that any further definition of agriculture would be consistent

with what ultimately is adopted for the Maui Island Plan.

Mr. Shibuya: 'Cause I can see several problems here in Makawao per se. They get a lot of rain so it's okay, and they go ahead and put cattle on it or horses, whatever. But then you get the dry area in Kula and you have cactus and it's really nonproductive and yet the assessment is different, and the uses are very different.

A recess was called at 2:39 p.m., and the meeting was reconvened at 2:50 p.m.

Mr. Freitas was excused for the remainder of the meeting.

Country Town Business Design Guidelines - Paia-Haiku, Makawao-Pukalani-Kula, and Hana Community - Erin Wade

The following question was brought up after the presentation:

Ms. Wakida: On the Design Guidelines and the Architectural Guidelines how are those enforced?

Ms. Wade: Well, the majority of in fact all complaints to the County are by complaints. So the majority of the time the County is not going out and taking a look to see whether or not things are in compliance, but we do receive complaints. And when we receive a complaint that as an example, somebody painted their building a really gaudy color then we go out and the Zoning Enforcement Officer will give them a Notice of Warning.

Ms. Wakida: And if they say, I don't care. I want my building pink, what consequences are there?

Ms. Wade: That's a good question. So we go through the whole Notice of Warning process which, you know, and then they actually get a Notice of Violation because technically if you're going to make a change to the exterior of the building, you're supposed to come in for a Country Town Business approval, permit approval. So basically if they made an improvement to the exterior without the permit and then it's the violation process. So they fined.

Ms. Wakida: They get fined. Yeah, okay.

Chapter 343, HRS, The EA/EIS Process - Joe Prutch

Mr. Ball: The question is, and it's not really--well, it's more of a jurisdictional question, I guess. When does the County get involved with things from the vegetation down to the ocean? Let's say State land, right, like beaches or State land, could we ...

Mr. Prutch: I'm not sure. If it's a State project, I can't think of an example, if the State's gonna do something within their State-owned land, we may not--we may be a commenting agency. An EA may come forward for a State project. The County may just be, we may be--a commenting agency just like Public Works or Police would be a commenting agenda. The Department becomes a commenting agency. We make comments to the State and then it's their job to take our comments and hopefully respond to them. And incorporate that into the project, but that's all I can think of--

Mr. Ball: ...(inaudible)... necessarily gonna happen? Let's say like a beach replenishing project, right? Does the County have any say in that or is that all State or like you said, they have a comment section?

Ms. McLean: There are a couple of approaches to answer where I think you're coming from. And one is that EAs and EISs sometime come to the Planning Commission to be the accepting authority and sometimes come to the Planning Commission for comments. So the Commission isn't always the accepting authority for an EA or an EIS that it reviews. The accepting authority is if it's an agency action like what you're describing, DLNR wanting to initiate and conduct a sand replenishment, a beach replenish --

Mr. Ball: Or a --

Ms. McLean: --or a private entity. In that case, they would need a Conservation District Use Permit which is granted by the Board of Land and Natural Resources. So the Board of Land and Natural Resources, the permitting agency is typically the accepting agency for an EA. So if you're doing an action that requires some kind of a permit and also have an EA trigger, the agency that gives that permit would be the accepting agency for the EA or EIS. They'd be the ones to issue the FONSI. Oftentimes the one that--the projects that you guys see they need an SMA Permit and so you would hear the EA or EIS and then you do the SMA Permit. But not every project needs an SMA Permit or it might need a permit in addition to the SMA and that permitting agency ends up being the one who accepts the EA. So it would depend on what the trigger is in the first place, and permits might be needed? Does that answer your question?

Mr. Ball: Yeah. Thank you.

Mr. Giroux: Chair, can I make a comment from legal?

Chair Hiranaga: Corporation Counsel?

Mr. Giroux: Joe, you know, we had the State agencies come over, OEQC, I guess, and part of the conversation was that our--when we're the accepting authority the EAs are looking so thick that they might as well be EISs. The idea is that we want to get to the point where we have sufficient information to understand that there a significant impact. And that was a reaction from applicants coming to the Commission and just getting beat up on the issue of sufficiency. And so the reaction was well, we don't wanna get beat up so let's give them the maximum that we can get. So there's this pendulum that's moving and the idea is that this Commission sometimes, you know, you receive an EA document, you know, three volumes thick and it's like, this doesn't help us at all. This is--you know, and the idea was is that, 343 was supposed to create a process where the applicant would be able to identify those areas of the project that would possibly need mitigation and that the agencies that are reviewing those permits would be able to have the evidence that they need to create mitigation for those projects.

So I just want to put that out there because when you see an EA document, the issue is going to be of sufficiency. Sufficiency of does this have the information that you, as a Commissioner in the future, who is going to review a project is going to need to say that you can identify those areas of the project that will need mitigation or impact conditions. And that's how you should be reviewing

those documents when they come in as--'cause they're asking you for a FONSI, Finding of No Significant Impact. But that doesn't mean that there is no impact. It means that these impacts are identified and are they sufficiently identified for you, as Commissioners, to then feel comfortable that you could process the permit that's coming after it.

And this Commission is, again, it's the SMAs and a lot of the majority that you get are Community Plan Amendments and you have to be aware that when people are changing the Community Plan Amendment or making a Community Plan Amendment, it's either the County who's trying to get the zoning and community plan to be, you know, consistent or that the project once it gets its Community Plan Amendment will actually have to go through a zoning process in and of itself. So you have to be aware of that when you're looking for sufficiency in order to determine, you know, how thick of a document does this need to be? Because it's gonna go through layers, and layers, and layers, and layers of permitting, but be aware of what does that document need to have in order to help you to make those decision making? Because we really don't want the applicant to be giving us these huge documents that, you know, at the end of the day, if it's too big, nobody reads it, but we want it sufficient so that we know what those impacts are. So we have to strike that balance. And as your legal counsel, I'm just putting that out there because the State is realizing that we, we have been part of that backlash because we have been demanding, you know, do this study, do that study, do that study, but there's no evidence that there's impact in that area. So we have to start with ...(inaudible)..., you know, are finding the impact in that area in order to say, oh, that might be a substantial impact. So, just a caveat..

Mr. Hiranaga: Commissioner Wakida?

Ms. Wakida: This is for Joe and James and Michele. Apparently there's a number of bills before the House and Senate that are attempting to exempt a number of State agencies from having to do an EIS and I wondered if you had--knew anything about those and have any comments on that?

Ms. McLean: Okay, everyone's looking at me. We are tracking those bills. There's one bill that we did submit testimony in opposition to and that bill has continued to move on. It's a--it puts the Department in a challenging position because on the one hand, of course, we support full environmental review of projects. On the other hand, you know, statewide there is a concern for permit streamlining and getting projects off the ground and so forth, and that the 343 process can be a long one. Oftentimes the same studies that are required for an EA or EIS are required for an SMA Permit or some other type of permit so by excluding the 343 process or exempting a project from a 343 process, doesn't mean that those studies don't get done, doesn't mean that other permitting requirements don't apply. It's just--it's one of the steps that gets removed from the project. So again, we don't want environmental review to be cut out, but oftentimes a lot of those same issues will get covered through the permitting process. The projects they're talking about too, are public projects. They're transportation projects, they're State projects for the benefit of the public. So we also give consideration that okay, these are taxpayer funds going towards these, that's you know, a lot more money and a lot more time that wouldn't have to be spent if the project were exempt from 343. So we can see both sides of it. We are tracking them, but we've been cautious with submitting testimony.

Ms. Wakida: Yeah, I think for example, for the Lahaina Harbor, if they didn't do an EIS that would be a grave mistake.

Ms. McLean: I believe they would still have to do a Conservation District Use Permit so there would be a permitting process with the Board of Land and Natural Resources. So it would be left up to the Land Board to insure that issues were addressed. You know, I can't talk about that one specifically, but it's--we can see both sides.

Ms. Wakida: Yeah, I think, you know, a lot of environmental protection has been put into place and I would like--I hate to see it, you know, overturned.

Ms. McLean: It doesn't mean that any environmental laws or rules get bypassed. It's just that review process doesn't need to happen. But if there are water quality or other statutory requirements, those still need to be met. It's just the 343 disclosure document doesn't get prepared. But still it is, it is a concern that's maybe exempted.

Process for Applications that Require Council Approval - Gina Flammer

The following were questions raised:

Ms. Wakida: Gina, can you go back to the previous slide please? The top line, would you said that that top line applies to let's say somebody wants to come in for a minor thing like enclose a carport or reroof, is that top line still the same up there?

Ms. Flammer: What would trigger someone coming in for that would be whether or not they're in the Special Management Area. Otherwise, you don't need Planning Department approval. You just may need a Building Permit from Public Works.

Ms. Wakida: Actually what I'm getting at and I'm looking at the line that says, the applicant--you sent them a letter stating deficiencies and if you don't get an answer back in a certain length of time they get closed out.

Ms. Flammer: Oh, that's for anything. So even if you do an SMA Assessment and we're missing information, we'll ask for more information.

Ms. Wakida: And how long do you give people to respond or to?

Ms. Flammer: We give them 30 days typically. Like I said though, it depends on the project, and it depends on the applicant.

Ms. Wakida: Because I'm specifically thinking about those 15 pages of SMA Minors that we get every two weeks and why we've got all this from 2008 hanging over. Why those people aren't just said, good bye, you're wasting our time, start over?

Ms. Flammer: Well, come people are very good at submitting a little bit of information. So if we get a little bit, we don't close out the application. So we'll try to walk them though. We'll try to walk them through and get what we need, but we really try to give applicants a fair shot to get what they need and then sometimes ...(inaudible)... consultants need to do some work, you know, to get that information to us. They may need to hire an engineer and that could take a little bit of time.

Ms. Wakida: Yeah, but some of them I mean, it said four years they've been on this list. I'm wondering if they're just dead wood.

Ms. Flammer: We are encouraged, I think quarterly we get a copy of our project report, we sit down with our supervisor and we're asked to update. We don't want people just hanging in the wind too.

Ms. Wakida: Thank you.

Chair Hiranaga: Any other questions? Commissioner Hedani?

Mr. Hedani: I'm not sure who this question is for. Everybody relates to SMAs basically. When I was in the confirmation process before the Council they asked me a question as to whether or not I had an opinion about whether the Council should take over the SMA approval process? My response was that I didn't think about it and that's not something that, you know, I had an opinion on, but to me was indicative that they had a problem with the process. Does anybody know what that is or why that would be suggested other than maybe the Council not having enough to do?

Ms. McLean: I think the Council has plenty to do. I know City and County of Honolulu, the Council there is the SMA authority, not the Planning Commission. And Kauai and the Big Island, it is the Planning Commissions like on Maui. But in City and County it is the Council. I haven't heard anything in our senior management discussions that Council would like to take over that authority. ... (inaudible) ... that they asked you that question. I know that they have very full agendas. So happy to ask around a little bit and find out what their dissatisfaction is.

Mr. Hedani: Forewarned is forearmed.

Mr. Ball was excused at 3:50 p.m.

Sunshine Law, Ethics - James Giroux

Commissioners had no questions.

The remainder of the Items is scheduled for the May 22, 2012 agenda.

G. DIRECTOR'S REPORT

1. Follow-up item(s) from the prior meeting on March 27, 2012:

MR. JOHN RAPACZ, attorney for SVOP, INC., submitting SVOP's 2012 annual report of its disbursements of funds to intervener West Maui Preservation Association and to the West Maui Community Benefit Fund pursuant to the Lot 3 Settlement Agreement between the Applicant and the Intervener as a required by Condition No. 44 of the Special Management Area Use Permit for the Kaanapali Ocean Resort Villas - Lot 3 project at TMK: 4-4-014: 005 (por.), Kaanapali, Island of Maui. (SM1 2006/0018) (P. Fasi)

Ms. McLean: This is a follow up from the last meeting relating to SVOP's annual report of its disbursement of funds to intervenor West Maui Preservation Association. You were given copies of a letter that Lance Collins, the attorney for the West Maui Preservation Association wrote to me in response to a follow up email I had sent up to him and a telephone conversation that we had. Essentially it seems that roughly every two to three years, the Commission asks generally the same questions, ask the questions that this Commission asked at the last meeting. And so when I called him and emailed with a handful of questions, he called back and said, you guys keep asking the same thing like every two or three years, maybe when the Commission changes, these questions keep coming back around, and so in his letter he provided copies of prior correspondence that explained four payments and when they were made and, or excuse me, explained the developers payments when those were paid and the terms of the Settlement Agreement. So that's provided as written testimony related to this agenda item.

I did do a little bit of research because there were so many questions from the Commission. A nonprofit files 990 tax forms every year, and so I was able to find on line the 990s for the last three years for the West Maui Preservation Association and the West Maui Community Benefit Fund. So for the Commission's information based on 990s, the Officers of the West Maui Preservation Association are President Sharyn Matin, Vice-President, Jeffrey Jones, and Secretary/Treasures Linda Ngai and it seems that they were organized no later than 2004. So this is prior to the SVOP intervention. They were an organization before that time. The 990s I got only go back to 2008, but they show revenue going back to 2004. So in 2004, the West Maui Preservation Association had roughly \$110,000 in revenue. In 2005, they had a \$137,000 in revenue. So that's prior to this intervention and the payments the developer is making as part of the intervention.

The Commission asked if the \$75,000 donated to the West Maui Preservation Association as part of the Settlement Agreement has been spent. Looking at the 990s in that same time period roughly \$69,000 was spent in 2008 and 2010 on North Beach water quality testing. So that's one of the expenses that they listed in their 990s.

I checked with the attorney for SVOP and asked if the \$75,000 to West Maui Preservation Association and the \$27,000 for their attorney fees were the extent of their financial settlement. The answer is no. The terms of the Settlement Agreement within 30 days after receiving the SMA approval and the building permit for Lot 3, SVOP shall pay the West Maui Community Benefit Fund, not the Preservation Association but the Community Benefit Fund, \$425,000. Within 30 days of the first temporary Certificate of Occupancy, SVOP shall pay the West Maui Community Benefit Fund, \$750,000. In addition to that, the owners association, once the project is developed and there's an owners association established. They shall pay the West Maui Community Benefit Fund \$10 for each time share interval and they estimate there to be just over 20,000 intervals, so that's another \$200,000. Then in terms of the --

Ms. Wakida: Is the West Maui Community Fund --

Chair Hiranaga: Why don't you let her finish?

Ms. Wakida: I just wanna ask if it's more ...(inaudible)... to the Honua Kai West Maui Community --does it go by two names?

Ms. McLean: The name is the North Beach West Maui Benefit Fund according to their 990s.

Ms. Wakida: Thank you.

Ms. McLean: And lastly, the Commission asked the status of the building permits. SVOP is working with the County Department of Water Supply and the County Department of Environmental Management to finalize an agreement that they're currently negotiating and the main building permit can't be issued until those agreements are made. The SMA requires completion of construction or request for a time extension by February 2016. So there is still a bit of time before they would be coming back to the Commission for a time extension. I did also pull up the 990s for the West Maui--excuse me, the North Beach West Maui Benefit Fund which has also been in existence for quite a while and it shows donations going back to 2008, ...(inaudible).. revenue going back to 2008 of more than a million dollars. And so this is prior to the--more than a million dollars the SVOP will be paying them when those different triggers are hit according to the terms of the settlement agreement. So that's the follow up information that we put together for you.

Chair Hiranaga: Okay, thank you very much. Any discussion? Seeing none, moving onto agenda Item G-2. Deputy Director.

2. Planning Commission Projects/Issues

a. Revising the SMA Boundaries

Ms. McLean: Chair, we have nothing to report on the revising the SMA boundaries.

Chair Hiranaga: Item G-3, 4, 5. You may want to explain what this report is for the new Members.

3. EA/EIS Report

4. SMA Minor Permit Report

5. SMA Exemptions Report

Ms. McLean: The Commission is provided with a report of approved SMA Minor Permits and SMA Exemptions. It's also provided with an open project list for SMA Assessments. SMA Assessment could result in the issuance of a Minor, the issuance of an Exemption or in some cases, the recommendation that an SMA Major be obtained and then that would come to the Commission. And the reason that the approved Exemptions and Minor permits are given to the Commission, those are administrative approvals and in accordance with your rules. If anyone wants to appeal, those administrative decisions, they have 10 days to do that from the day that the Commission is notified. So starting today, these approved projects, today would start a 10-day clock ticking for anyone who wants to file an appeal. So that's why they're put on the agenda and you're given that report. And also with these, and with any open projects if Commissioners have questions they can either provide that at the next meeting or if an individual Commissioner has a question, we can follow up by phone or email to provide more information on a project.

Chair Hiranaga: Any discussion? Seeing none--Commissioner Tsai?

Mr. Tsai: Just one quick question. So the approved SMAs here on the first page I'm noticing that it's got a permit completion date of March 14 and March 28. So this is only for that period of time I assume. So nothing else...(inaudible)... that window. Nothing current or less current than the 14th to the 28th? Is that correct?

Ms. McLean: Permits approved or completed prior to March 14th were on the prior report, and then permits approved since March 28th will be in your next report, and that's for so we can generate the reports and get them to Carolyn so that it can be put in your packets and all that would go in from...(inaudible)...

Mr. Tsai: Thank you.

Chair Hiranaga: Any other discussions? Seeing none, Item G-6.

Mr. Shibuya: Mr. Chair?

Chair Hiranaga: Mr. Shibuya?

Mr. Shibuya: For the newcomer, on these items if you have a question and you email it early to Clayton or call it in early, Clayton will be able to provide you with some answers.

Ms. McLean: At the meeting.

Mr. Shibuya: At the meeting. I had several and I emailed it earlier and he gave me the responses.

Mr. Tsai: Okay, thank you.

Chair Hiranaga: Item G-6, Deputy Director?

6. Discussion of Future Maui Planning Commission Agendas

a. April 24, 2012 meeting agenda items

Ms. McLean: Thank you, Chair. Clayton prepared a memo dated April 9th noting two items for the next agenda, one Public Hearing item, one Communication item and one Director's Report item.

Chair Hiranaga: Any discussion? Seeing none, if there's no objection, this meeting is adjourned. Thank you.

H. NEXT REGULAR MEETING DATE: APRIL 24, 2012

I. ADJOURNMENT

The meeting was adjourned at 4:20 p.m.

Submitted by,

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

RECORD OF ATTENDANCE

Present

Keone Ball (excused at 3:50 p.m.)
Donna Domingo,
Jack Freitas (excused at 2:39 p.m.)
Wayne Hedani
Kent Hiranaga, Chairperson
Ivan Lay, Vice-Chair
Warren Shibuya
Max Tsai
Penny Wakida

Others

Michele McLean, Planning Department
James Giroux, Department of the Corporation Counsel
David Goode, Department of Public Works