

## Meeting Summary - Lāna`i CPAC Mtg. 3

January 24, 2013 / 6:00 – 9:00 PM

Lanai Senior Center, 309 Seventh St. Lāna`i City, Lāna`i, HI 96763

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**Attending: Community Plan Advisory Committee**

*Chris Costales      Deborah Yooko de la Cruz      Joe Felipe      Butch Gima*  
*Caron Green      Matt Mano      Ron McOmber      Stan Ruidas*  
*Alberta DeJetley      Charles Kaukeano*

**County of Maui – Planning Department**

*David Yamashita, Long-Range Planning      Kathleen Kern, Long-Range Planning*  
*Mary Jorgensen, Long-Range Planning*

**Consultants**

*Jen Maydan, Chris Hart & Partners*

**Absent:** *Jeffrey Baltero      Jarrod Barfield      Ernest Magaoay*

**Public:** *Lisa Kanilu, David Green, David Tanoue, Kurt Matsumoto, Pat Reilly, Cary & Walter Treilu, Steven Luliti, David Embrey, Pam Aland, Nancy Rajaei, Michelle Fiyie, Jason Gill, David Gardner, Sue Murray, Henry Clay Richardson, Sally Lim Clemens, Kathy & Stu Marloile, Ron Gingerich, John Stubbart, Doug Williams, Natasha Inaba, Don Jackson, Judith Stilgenbauer, Mark Sacco, Chris Andrus, Jessica Smith, Anthony Pacheco, Sherri Williams, Simon Seisho*

### A. CALL TO ORDER

Butch called the meeting to order at 6:02 PM.

Butch noted that the CPAC had quorum and provided an overview of the meeting agenda. Ron stated that he is concerned about public testimony being offered at the beginning of the meetings. He stated that it should be provided at the end of meetings to be relevant to the subject matter.

### B. PUBLIC TESTIMONY

*Pat Riley* stated that the current community plan has valuable components in it, so don't throw the things we want to keep out material away. He recommended including Item 9 on Page 41 concerning maintaining Dole Park's historic character in the community plan update and on page 49 concerning creating a historic district. He also recommends creating a special district for Lāna`i City to avoid the hassle of going to the Board of Variances, etc. He stated that decisions need to be made regarding historic designation for Lāna`i City and individual buildings.

Joe asked if Pat thought that all of Lāna`i City or just a particular area should be designated. Pat stated that a special ordinance to retain the rural character (street widths, etc.) should apply to all of Lāna`i City but historic designation should be applied to just certain areas and buildings. Ron stated that he agreed with Pat.

Natasha Inaba stated that she was speaking for the youth of Lāna`i in support of recreation opportunities, in particular developing a skate park. She noted that there are three playgrounds for younger kids but recreation opportunities are needed for youth 12 to 17 years old. She asked the CPAC to consider including a skate park within the community plan update. Alberta thanked Natasha for her testimony and asked her if she is currently working with any youth groups. Natasha said no. She stated that she is a mother of five and her oldest son has benefitted by learning to skate. She stated that kids need recreation opportunities outside of school sports. Butch asked if she thought the County Department of Parks and Recreation should provide the skate park facilities. He noted that the County has recently provided facilities in Hana and Lahaina. Joe stated that Lāna`i used to be known for its sports and recreation activities. Natasha stated that skating brings all ages together. She noted that she could do some research and present it to the CPAC.

Public testimony closed.

### **C. REVIEW AND RECOMMENDATIONS: DRAFT COMMUNITY PLAN UPDATE**

Kathleen provided a summary of the January 23 meeting and stated that the CPAC asked staff to develop guiding principles for their review. Kathleen read the guiding principles:

#### **Lana`i CPAC – DRAFT Guiding Principles – January 24, 2013**

We are Lana`i – People that care. Lana`i is the Pineapple Island. *We cherish our sense of ohana, in which people know each other, share, sacrifice, and take care of each other. We deeply value our rural lifestyle of being close to the land, a life spent outdoors. It is the history of our land and people that make Lana`i different from other places. We honor and take care of our kupuna and nurture our children in a safe and peaceful place. We value and cherish our environment and natural resources<sup>1</sup>.*

This is the way Hawai`i used to be and our hope for the future.

- Diversify the economy to provide opportunities and resiliency through time.
- Protect our water and provide efficient, effective, and environmentally sound infrastructure and services.
- Establish trust to create a collaborative and respectful relationship.
- Preserve the historic character of Lana`i City and honor the Hawaiian culture through preservation of cultural sites.
- Maintain the rural lifestyle with its slower pace, open space, and connection to the natural environment.
- Ensure a healthy community that is supported by a full array of health care services for all members of the community.
- Provide opportunities for the island's keiki to live and work on Lana`i.
- Expand educational opportunities to nurture children and inspire adults.

- Provide a variety of social and recreational facilities and opportunities for all ages.
- Protect and restore the environment – malama aina.
- Preserve the subsistence lifestyle through traditional access for gathering, hunting, and fishing.
- Establish Lana'i as a model sustainable island – known for its bold integration of innovative green technologies into the traditional rural community.

Mary noted that the text in italic is from the Hawaii Alliance of Community Based Economic Development (HACBD) survey. The guiding principles and pineapple island text (first line, non-italic text) came from the January 23<sup>rd</sup> CPAC meeting discussion.

David noted that the guiding principles could be used as a check list for evaluating ideas and projects. David presented a diagram to accompany the draft guiding principles and described the idea behind the diagram:

- The past is important - Lāna`i is the pineapple island;
- Working together to build a sustainable future;
- There are 5 general themes of issues/opportunities:
  - Economy;
  - Environment;
  - Historic and cultural resources;
  - Infrastructure;
  - Social – health, education and recreation
- There must be collaboration, communication and respect between the community, Lāna`i Resorts and the County.

Butch asked the CPAC for comments and questions. Caron asked who the relationship is between in the diagram. David answered all entities, community, company and County. Joe stated that the guiding principles were good and requested that the concept of a “multi-cultural community” and “ God loving community” be added. Alberta disagreed with placing religion in the plan. Debbie stated that she is comfortable with the guiding principles for the time being, knowing that they are subject to amendment. Alberta stated that they should be preliminary draft guiding principles.

Kathleen did a summary presentation on the findings of the Land Use Forecast. Kathleen presented a summary of the Land Use Forecast for the Island of Lanai that was developed for the Maui General Plan. The report is authored by Long Range Planning along with John Kirkpatrick of Belt Collins. The report analyzes the land required compared to the land available for residential, commercial and industrial developments for the period 2010 – 2035. The analysis suggests that lands currently available for visitor units and industrial space will be sufficient to meet demand to 2035, but that demand for housing for residents and for commercial space will likely exceed the available supply. **Resident Housing:** there will be demand for some 454 units by 2035. The Lāna`i City area includes spaces planned for some 383 additional housing units – a deficit of 71 units. **Non-Resident Housing:** The Project Districts could include 1,026 more units than had been built out as of 2010. Anticipated demand for these units by 2035 amounts to 200 units (based on historical rates of absorption).

This analysis is based on population and employment projections, as well as an assessment of current entitled lands and project districts. The current population forecast is for a population of 4,020 by 2035, that is based on a projection of 3,463 for 2020 and the 2010 population of 3,135.

There are some complexities of the land use analysis that bear mentioning: much of the land available for new residential units is largely in the resort project districts of Manele and Koele, however these lots will likely not meet the needs for local, full time residential units. Secondly, Lanai saw a significant decline in wage and salary jobs from 2000 to 2010, which resulted in some out-migration, and a decline in the population forecast, from earlier forecasts. And thirdly, the direction, pace and emphasis of new development could dramatically change, depending on new plans and projects by Lanai Resorts LLC.

Jen did a summary presentation on the findings of the Economic Development Issue Paper that was produced by John M. Knox & Associates. She summarized that the purpose of the report was to identify and analyze Lana'i economic development challenges and opportunities. The report was completed in June of 2011 and even though the situation has changed given a new major landowner, the report still is a valid source of information. Key points from the report are that Lana'i should remain rural, quiet, and small-scale for whatever development may occur. The need for economic diversification includes the need for independent business ownership. The key challenges are transportation, particularly shipping and air, water supply, and more skilled workers. The report identifies key strategies to diversify the economy in the tourism, agriculture, energy development, and small business development sectors.

Caron asked about the date of the data in the Land Use Forecast and noted that it was missing the recent sale of the island. Kathleen stated that the report was authored by the County and Belt Collins and that the sale of the island is too new to include any specific plans or data in the forecast. Butch asked if the Economic Development Issue Paper made mention of Urban Growth Boundaries (UGB). Jen responded no and Kathleen stated that UGB are not required for Lāna`i. Butch asked how the CPAC should use the reports. Kathleen responded that they should be used as a resource for understanding Lāna`i's economic situation and future land needs. Butch asked if the staff had a recommendation for a population projection. Kathleen responded that staff does not have a recommendation at this time but some research points to 5,000 for an ideal size for a community. She stated that staff will do more research. David stated that there is no magic number but the community will need to realize that an increased population will be necessary to support a diversified economy on the island. Ron stated that the number will come from Kurt. He noted that the island needs more resources (housing, water, etc.) because they don't currently have the infrastructure to support 5,000 people. He noted that water is the primary limiting factor. Caron noted that the current plan forecasted 4,968 people, and the updated forecast is less. Butch noted that Lana'ians for Sensible (LSG) also stated that long-term economic development would require population growth.

Butch called for a 10 minute break at 7:07 P.M.

The meeting resumed at 7:19 P.M.

Kathleen stated that the County has a website for the community plan update and CPAC. She noted that public testimony can be provided at the meetings or via email.

## Kurt Matsumoto Presentation

Kurt greeted the CPAC noting that it was a privilege to be presenting to them. He noted that he was here to present the thoughts and vision of Larry Ellison. He stated that the vision is not so much a plan as a bunch of intentions and that it is not set in stone. He noted that a lot of things still need to be worked out.

### *Basic premises include:*

- Implementing actions to achieve a sustainable Lanai
- Respect the people in the community
- Respect the natural beauty and simplicity of Lana`i
- Preserving the sense of place of Lana`i
- Learning from the past to protect the future – growth and change must also benefit the residents.

He acknowledged that the past lessons will be needed to protect the future. During the plantation days Lana`i was an isolated but somewhat self-reliant community. Residents felt empowered to care for `aina and took responsibility to care for their community and each other. Any growth and change must benefit the community.

First steps have been to communicate, share, invest in maintenance. Lana`i Resorts don't own the best ideas.

### *Ideas for Building a Sustainable Lana`i:*

- Improve the performance of the hospitality industry – learn from the last 20 years
- Improve both Manele and Koele
- Add a third destination
- Expand market
- Increase length of stay
- Provide diversification to visitor experience

Need to have mountain resort and ocean retreat in combination. Keep Manele a hotel but build a third hotel – a smaller boutique hotel at Halepalaoa, where the former Club Lana`i hotel was located. Koele will continue to have life as a hotel. Koele would get an upscale renovation. In addition to being a hotel, they could partner with TIM School (Travel Industry Management) at UH to offer completion of degrees / internships and provide research and learning facility.

### *Transportation:*

Lanai resorts would like to improve the experience of flying to Lanai by adding a second runway, improving harbors and support facilities. A second runway – in the direction of Haleakala rather than town) would have some problems to solve – e.g. noise.

### *Water:*

Lanai resorts intends to invest in desalination – up to 5 MGD (million gallons per day) and they hope to implement as soon as permit process will allow. Best location seems to be at Manele. It will then be possible to talk about growth on the island with confidence. They will also manage the watershed to improve water quantity and quality of the aquifer. They will promote conservation and re-use of water.

Solar PV will be used to generate power for desalination. And beyond – Solar/PV to provide more power to the island. More power would permit bringing back agriculture. More than just preservation of the watershed but also restoration: control deer population, remove invasive plants and animals, and expand forest coverage in the watershed.

*Energy:*

They will invest in ways to bring low-cost energy to Lanai, focusing on needs of Lanai residents. They will look at smart grid technology.. They will start installing charging stations and converting the company's fleet to electric vehicles.

*Commercial Agriculture:*

Bring commercial Agriculture back

-intention of feeding the island, or at least make a dent in how much food is imported.

They will look at agriculture for export – no idea what crops yet. They will look into creating a dairy on the island, for local eggs, also hogs.

*Education as a priority:*

Work with community to create the best school in Hawai'i. work with UHMC to improve their presences on the island

*Research & Development :*

Would like to set up a world class institute, not just a field school, with full time faculty to study sustainability, endangered species.

Also create large conservatories and areas – such as try to do things such as restore the shoreline at Keomoku.

*Health Care:*

Work with the community to improve health care. Improve peoples abilities to live their lives on Lanai and get their health care needs met on the island. A broad range of care options for the elderly, including hospice care, and emergency transportation to off-island hospitals.

*Housing:*

Collaborate with Maui County to bring more affordable housing and assisted living options to Lana'i. Continue growth of Lana'i City. Develop more 'location options' for residents outside of Lanai City – moderate priced homes, maybe with a sea view (say, at south end of island, above Manele), but also Kaunalapau Harbor, or the Leeward Coast.

*Conservation:*

Increase and do real scientific work, create conservatories to study preservation of endangered species. Land Stewardship.

*Preservation:*

Work with business owners around Dole Park, preserve the look and feel of Dole Park. Repurpose Base Yard – turn it into a large museum. Work with cultural experts to id. Protect and preserve the native Hawaiian sites on the island. Have a representation of pineapple/pineapple plantation somewhere on the island, near Lanai City.

*Small Business Development Growth and Support:*

Preserve Dole Park and town -- Lanai resorts will retain ownership of most properties fronting Dole Park in order to help preserve the look. They want to create a second commercial area with land available for sale or lease. Diversify the economy. Lanai Resorts will provide small business support (HR, marketing, etc.)

*Legacy:*

Create a group responsible for providing orientation to new residents. Knit the community back together. Revive social activities for community to see each other and build new businesses. Hunting, fishing, and foraging activities continue for future generations. Diversify WHO works here: more than just hospitality industry – people working in conservation, education, agriculture.

**Questions from CPAC:**

Alberta asked where Miki Basin and the road are in relation to the proposed second runway. Kurt responded that at this point the plans are preliminary and a feasibility study and FAA EIS will take into consideration all issues.

Debbie asked if he had a population projection. Kurt responded that they don't know yet, but that they will be mindful of carrying capacity of the island – of not taxing resources and not affecting the sense of place.

Ron stated that he is happy that the company wants to continue hunting. He noted that hunting is an important revenue source for the community and hunters help to control the deer. Joe asked what kinds of improvements are planned for Koele and Manele. Kurt stated that Koele will be renovated and will continue to have an important role in the island's hospitality industry. Koele will continue as a hotel and other additional roles may be explored, including: 1) partnering with TIM (UH School of Travel Industry and Management); 2) compliment to UH; and/or 3) entry training for new hotel employees. They also plan to revitalize the golf course.

Joe supports the idea of moving the industrial area to Miki Basin and creating a museum at the labor/base yard. Alberta stated that Koele is very special to Lāna`i people – like an “old-fashioned grandmother” – and should not be made to be too modern. Christine stated that she is excited to continue work on conservation, bring in new researchers, and the possibility of establishing a research center. Ron stated that conservation efforts on Lāna`ihale are starting on the wrong side – they should be starting on the hard side, the windward side. Butch asked if a timeline has been established for the short-, mid-, and long-term. Kurt said no timeline has been set yet, but he can say that hotel renovations and building new homes will take place first. Butch asked how this transition will be different than the transition in the past with Murdock. Kurt replied the biggest difference is the intention of the owner. Murdock's motive was profit whereas Ellison's primary motive is sustainability. Butch asked what will be the management style and will staff have autonomy. Kurt replied that they will be building a brand new culture. The situation is one person funding their activities, not necessarily a company. There is no board, bank or investors to answer to. Butch asked about state and county government contact pursued. Kurt said not a lot of contact has been made yet because plans need to be solidified more. The governor and mayor have been supportive and receptive. Kurt noted that they took the second runway idea to the governor and an RFP for a feasibility study as recently been issued. Butch asked how they plan to mitigate the

social impacts from the increased construction work. Kurt said they will learn from past mistakes. They will establish a group to initiate new hires on community issues. They are also open to other ideas. Butch asked Kurt to comment on Ellison's recent purchase of Island Air. Kurt had no comment. Debbie asked how the proposed ideas will be funded in the long-term. Kurt stated that he is not certain at this time, plans will be made - for example an endowment will need to be established for the proposed university. Caron thanked Kurt for presenting the plans and she noted that the plans touched on the problems and opportunities from the CPAC's last discussions. Chicky (Charles) stated that he has worked at Koele since the beginning and he thinks that it needs to be expanded in order to service locals and guests.

Questions from the audience:

Bruce Harvey stated that he provides off-road tours. He stated that Club Lāna`i looks good and asked if it is open to the public now and do they plan to pave the access road. Kurt said traditional access is available while the area is cleared and developed and the beach will be open to the public in the future. He is not sure if they will pave the access road and he noted that they will use a different location than the existing government road.

Michelle Fujia stated that she is a math teacher. She sees positive responses to the island's challenges. Although she can't agree with all of the plans, she encourages continuous communication. She wants to see opportunities for the residents to get involved so that it is not a top-down process. She said children feel that their voice is not being heard so she recommends including them in the process. She wants to be involved in education transformation plans. Kurt stated that to improve education there will need to be collaboration between the community, company and DOE. He suggested that maybe a charter school would be appropriate. He stated that he would love to get kids involved in the process.

Sherry Williams stated that she is the Koele HOA Board president and on the Art Center Board. She asked if there is a timeline for renovating the golf course and if more lots will be made available at Koele. Kurt stated that the golf course improvements need water and therefore will take time. No additional lot sales are planned at Koele at this time.

Gweny stated that she was a paramedic for 22 years and did homecare. She asked how big the airplanes will be that will be landing on Lāna`i once the runway improvements are completed. Kurt stated that the planes will be the same size as Hawaiian Airlines' interisland jets and eventually flights from the mainland will be accommodated.

David Gardner asked why Larry Ellison is so committed to the island. Kurt responded that Larry saw potential to implement great sustainable ideas. How to create an island that would be sustainable? He gets satisfaction not from profit but from the accomplishment, the successful implementation.

**D. NEXT MEETING DATE: February 6, 2013 at 6:00 PM at the Lāna`i Senior Center**

Butch asked if anyone would not be attending tomorrow's meeting. He noted that they would have quorum.

**Action:** Adjourn meeting.

**Motion:** Butch

**Second:** Caron

**Vote:** 10 ayes. Motion carries.

Meeting adjourned at 8:48 P.M.

Note: Meeting Summaries, Presentations, Agendas and Background Meeting Materials can be found at the following link:

[HTTP://WWW.CO.MAUI.HI.US/INDEX.ASPX?NID=1685](http://www.co.maui.hi.us/index.aspx?nid=1685) and then click on agendas and minutes link.

Or at the County of Maui website: [Home](#) > [Departments](#) > [Planning Department](#) > [Division - Long Range Planning](#) > [Long Range Planning Section](#) > [General Plan 2030](#) > Lanai Community Plan Update 2013. Then click on agenda and minutes link.

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