

**LANAI PLANNING COMMISSION  
SPECIAL MEETING  
MAY 29, 2013**

**APPROVED 07-17-2013**

**A. CALL TO ORDER**

The special meeting of the Lana'i Planning Commission (Commission) was called to order by Chair John Ornellas at approximately 6:01p.m., Wednesday, May 29, 2013, in the Lana'i Senior Center, Lana'i City, Hawaii.

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

Mr. John Ornellas: Alright. Thank you all for coming. It's May 29<sup>th</sup>, Wednesday, 6:00 p.m., a couple of minutes after and we are the Lanai Planning Commission. First up, can I get a motion to, for the approval of the minutes of the April 17<sup>th</sup> meeting, 2013?

**B. APPROVAL OF THE MINUTES OF THE APRIL 17, 2013 MEETING**

Ms. Beverly Zigmond: Mr. Chair, that would be with amendments. I sent around some corrections. I sent them to everybody.

Mr. Ornellas: Yes you did. Leilani, did you get those? Okay. And those are mostly just typographical if I'm not mistaken. Okay, good. Any other, any other changes that somebody might have, the members? Okay, if not then can I have a motion to accept the minutes as corrected? Can I get a motion from somebody?

Ms. Zigmond: I so move.

Mr. Ornellas: Can I get a second?

Ms. Kelli Gima: I second.

Mr. Ornellas: Okay. It's seconded by Kelli Gima. If there's no more discussion, all in favor say aye. Any nays? So pass.

**It was moved by Commissioner Beverly Zigmond, seconded by  
Commissioners Kelli Gima, then unanimously**

**VOTED: to accept the April 17, 2013 Lanai Planning Commission  
meeting minutes with the corrections as submitted.**

**C. COMMUNICATIONS**

**1. MR. WILLIAM SPENCE, Planning Director requesting concurrence from the**

**Lanai Planning Commission pursuant to their Special Management Area Rules, as amended, that a Special Management Area (SMA) exemption can be issued for the following:**

**LANAI RESORTS, LLC submitting a Special Management Area (SMA) Assessment for renovations at the Four Seasons Resort at Manele Bay of the existing 236 guestrooms, repair and replacement of exterior architectural elements, privacy screens, upgrading and replacing plumbing and electrical systems and fixtures, replacement and upgrade of HVAC systems, interior upgrades of kitchen equipment at 140 Restaurant, installation of sushi bar and two teppanyaki stations at Nobu Restaurant, and convert existing storage area to a computer room at TMK; 4-9-017:001, Manele, Island of Lanai. (SMX 2013/0168) (Valuation: approximately \$27 million) (J. Prutch)**

**The Commission may take action on this request to concur or not concur with the recommendation for SMA exemption.**

Mr. Ornellas: Okay, let's go on to Communications, number C. *(Chair Ornellas read the above project description into the record.)* Any --? Let's go to the audience first. Anybody have any questions or want to testify on this particular item? Yes sir, Pat. Yes sir?

Mr. Clayton Yoshida: . . . (inaudible) . . .

Mr. Ornellas: Sure, if you're going to provide more, if you're going to provide more information that's not on here, yes. Yes, after the presentation.

Mr. Joseph Prutch: Okay, I'm the planner, Joe Prutch. I'll go ahead and just give a brief kind of a presentation of why this is here and what the SMA is and the exemption. I don't think you've seen one of these in a few years. Because Manele Bay, obviously the resort, is in the SMA and they're doing some development, construction, they had to apply for an SMA Assessment. Our job in the Planning Department is review their assessment, and either process it as a Minor or a Major Permit and go through the process there. Or, if there are certain criteria that allow an exemption to the SMA, then we issue the exemption. That's the document that shows, that's a permit essentially that shows that the SMA has been taken care of, that it's exempted and it no longer needs to go any further. Well, with the Lanai SMA rules --

Well, let me first off say that we did do the assessment and we determined that the proposed project is not a development, and I'll explain what that means. According to the Lanai SMA Rules a proposed project is not a development and may be exempted from the SMA Rules provided the use, activity or operation does not have a cumulative impact or significant environmental or ecological effect on the SMA. And further it says, it, it, it defines what is not a development as far as what's being exempted, and there's two criteria that, that this project falls under that makes it not a development. One of them is repair, maintenance or interior

alterations to existing structures. In this case is what you read, a lot of it is interior renovations to rooms or to the hotel, storage room, et cetera. It also includes what makes it not a development is non structural improvements to existing commercial structures. So in this case they're proposing some non structural improvements to some of the outside exterior arches, I believe some roof tops, around the pool, et cetera, they're doing some different renovations.

Ms. Zigmond: Joe, can I ask you a question?

Mr. Prutch: Yeah. Sure.

Ms. Zigmond: Is this proposed renovation or is it things that have already happened?

Mr. Prutch: No, this is proposed renovations. My understanding is they want to try to get started, I believe, it's October, on the renovation stuff. And, and Mich Hirano is here for the applicant. He will give you a good presentation of what they're proposing to do. What I'm going to try and just mention is what the SMA is what we did as the staff, and what we're asking you to do. And then I'll let Mich go ahead and present what they're, what the renovations are, so you'll understand that.

So essentially with the SMA Rules, what the Rules say, is that all proposed actions within the SMA that are recommended exempted shall be placed on the agenda for review and final determination at the next Lanai Planning Commission. So that's why we're here for that. So the Lanai Planning Commission shall make a determination and notify the applicant within 30-days. So if you concur today, I will send out the letter tomorrow, and we're finished up with that. You guys can either exempt. You can either find this project exempted from the requirements of the SMA because it's considered not a development, which is what the staff is proposing. Or, you can say that it's not exempted. The Department, of course, is recommending the Commission make a determination to concur with the Department's SMA exemption for the renovations at the Manele Resort.

I think for now, if you have questions, I'll answer them. If not, I think I'll hand it over to Mich and let him show you what the renovations are. Yes?

Mr. Stuart Marlowe: . . . (inaudible) . . . in as much, if I understand what is being presented. There's no footprint change. They're not expanding, they're not adding another four floors, et cetera, so to have it exempted should be exactly what you've presented?

Mr. Prutch: Yes.

Mr. Marlowe: And I'm sure that it's going to add beauty to the already existing hotel, and apply to something that should be exempted from . . . (inaudible) . . .

Mr. Prutch: And you'll see it's a lot of interior room renovations that need to be updated. Some of the rooms might be combined to make like a suite type room, interior work. Some of the arches on the outside of the lanai are just being changed to be a little more modernized. It's

not a structural thing. And then of course, within the restaurant. The restaurant size still stays the same, but maybe you take out the seats and you put in a teppanyaki station or you put in a bar area or something within the confines of the what the restaurant is now. So, you know, things are changing inside, but not overall.

Mr. Marlowe: Sounds like it's going to be wonderful and good luck.

Mr. Prutch: I'll also mention too – I believe you guys got it – we did get a, a, a testimony from Fairfax Reilly. I was just reading through it a little bit ago. Looks like he's recommending concurrence. He has some clarifying issues that maybe we'll go through. I haven't had a chance to read the whole thing yet, so I'll look at this while Mich is going through his, his spiel. So if everybody has – if there's no questions, I'll go ahead and turn it over to Mich and let him present.

Mr. Ornellas: Go ahead Mich.

Mr. Hirano: Thank you Joe, and good evening commissioners, Chair Ornellas. My name is Mich Hirano with Munekiyo & Hiraga. And we've been working with Lanai Resorts for a number of years. And this evening we're going to present the renovations that are proposed to the Four Seasons Manele Bay Hotel. I have a power point presentation and just wanted to briefly go over the scope of work and answer any questions that commissioners may have. But I thought it would be of interest to the commissioners and the community that the, the work that is going in at the hotel, the upgrades that are being made and just what is going to be, you know, coming down in terms of changes at the hotel with respect to the decor of the interior spaces.

I wonder if we could have the lights. It's – maybe it's a little hard to see. This is a little better, but just to give the commissioners an idea of the layout of the hotel. This is the main driveway into the hotel, and this is the lobby area. And the rooms are kind of on the east side of the hotel and on the west side. And there are a number of buildings that are connected by exterior breeze ways or walkways, and the idea is basically to upgrade the interior finishes of all the rooms in the hotel, as well as do some housekeeping items that would bring the hotel up to the current code. There are some fire regulations in terms of interior fire separation that needs to be done in the attic of all the buildings so those are being proposed. There's also some ADA requirements that the company would like to carry out in terms of making the hotel more accessible with the American with Disabilities Act Regulations. There's a few interior improvements at the Nobu Restaurant and I40, 140 restaurant to just make a different dining experience and some kitchen modifications and upgrades. There's, in the pool bar, is to upgrade the ceiling on the pool bar and just put a grass or a synthetic material to make it somewhat of a Hawaiian architectural style. And then some exterior improvements to just, I think, modernize the look of the building. And all these improvements are non structural. They're mostly cosmetic and interior decoration type improvements. Outfitting all the interior rooms with timer controlled air-conditioning systems for energy efficiency as well as upgrading all the, I guess, the plumbing fixtures, low flow, making them all more very water efficient. And then, as well, just making the interior, just upgrading and modernizing the interior look of the

hotel.

So there are 10 different room types in the hotel, you know, from single, single rooms to what they call junior suites. There's a royal suite. There's a presidential suite. And we have floor plans on, on all the rooms, so this is basically the first level floor plan. So you'll see a series of floor plans in the hotel, and this is how the plans are laid out in your SMA application. The different room types are color coded and they show how they're going to be improved. And we had an existing floor plan, and this is a proposed floor plan. So most of the work will be within the existing buildings and upgrading the rooms.

Again, this is another second level floor plan, the second floor of the building. And some of the, you'll see some of the larger suites in the building. The idea is, like right now, there's approximately 236 rooms. Some of these rooms will be combined to make a larger suite. You know, they're make one room out of two existing rooms. I think the overall number of rooms will go down by about 17 rooms. They will be some combinations of making larger suites from the existing single rooms. And then this is again the upper, upper level, you know, just the types of rooms, floor plan that's going to be renovated. So the plans that have been presented right now are focusing on the rooms, and the upgrades to those rooms. And a lot of that is very minor interior alterations. Sometimes, in terms of making two rooms out of, out of – I'm sorry, one room out of two rooms, they will close one of the doors and then open up an interior wall and, and have those rooms then joining one another. And then there will be sort of layout, different layouts to the, to the wash rooms. And again, so we go through in our SMA applications to show what is existing in terms of the floor plan, and then we do a typical floor plan, and then we provide in a bit of detail the room renovations throughout the hotel. And it's organized through the – these rooms are all at different elevations and so the architects have selected and described the, I guess, the levels of the hotel by their elevations and so they have, I think they were on four levels. Each of these wings, though, are only two levels. They're only two story structures. But because the hotel is quite, is quite a bit higher on this side of the – this the mauka side of the hotel, this is the ocean side – there is quite a bit of, of a drop in elevation so there's a slope down to the ocean. And so the, you know, the rooms and the buildings are kind terraced up the hillside, and so the plans are organized by the different levels of each of the buildings.

This is again, then, what we're proposing or what the company is proposing with respect to the room renovations. And if you look in your plans you have the existing rooms on the left hand side and how they're going to be upgraded and changed on the right hand side. And you know as you can see the basic interior layout is pretty much very similar. You know the entrance ways, the bathrooms, and the bedrooms are pretty much laid out the same. A lot of the changes are the type of cabinetry that are going to be introduced to the hotel, the type of wall finishes and, you know, the color, the carpet, all those are going to be changed out. So I think it will be a very, a very modern looking renovation. A lot of wood finishes that are going to be applied to the rooms. And again you see in this particular situation there is, there are two rooms here on the left hand side and they're going to make a larger room, a suite, on this side, so they've closed this entrance to the room on the right hand side. They closed that entrance and provided one entrance into the hotel, or into the hotel room. This is a, what they call, I think a

junior suite. So they have a sitting area, and a table in this area, and then the bedroom is in the, you know, one of the other suite so it's a much larger suite. And there will be about 17 of those that will be done.

So that's kind of idea of the rooms. And then with respect to the, the exterior finishes, right now the exterior, this is kind of the exterior finish on the back side. They're going to put glass, opening up the rooms frontages down below. See how these are arches, they're making them pretty much straight across, just to clean, making it more of a clean, contemporary, I think, line along the building, opening up which would open up the lanai off of the guest room. And then they would have, on top, as you can see an existing elevation, they have steel rails along, along the front, and they're going to change them out and have the glass rail. So, you know, that's kind of the change in the exterior that you'll see. Again, this is the back side of the hotel. The exterior corridors for the hotel. And they're just cleaning those up somewhat as well. And as you can see from the second floor lanai, they'll just make them, again, more of a great clean line and cleaning up the open corridor areas.

Again, some of the interior renovations. This is at the pool bar. They're just going to put in a, a more natural looking roof right now. I think it's a, it's a metal and sky lighted glass roof so they just want to soften that look and make it a little more natural looking. The – this is kind of shows the, the attic spaces. You know, if you look at it in terms of a cross section of a building, these are the rooms below, the ground floor rooms, second floor rooms, and this is the attic. In the plans that we are proposing show that there will be a new air-conditioning system that would be put into the room, in the attic. So all this will show the mechanical details and what will be changed out. And what we're looking at are more of a concept plan. These aren't the building permit set. The building permit set has a lot more detail to it, but we just wanted to show the scope of work, the character of the renovation, and to verify that there are not structural changes to the building, there's no expansion of the building, and that we feel that it meets the exemption criteria of the Lanai Planning Commission SMA Rules.

This is a floor plan of Nobu Restaurant, and what is being proposed for the Nobu Restaurant is a sushi bar. Right now, I think this is a wall, and so they would just open up that area. It's storage in the back right now, but they'll just make a sushi bar and have a stool there as well as sushi bar here. Two teppanyaki stations that will be sort of built out. And they're also looking at proposing a bar, about a 10 by 10 foot bar, to bring it more into the open and have, you know, the bar service. Not only does it provide, you know, services to the customers, but it also creates an ambiance, I think, of interest that they wanted to introduce into the Nobu Restaurant.

So that's basically, you know, just sort of going over the, the scope of the project. I thought it might be of interest to the commissioners and the public just to know what, what's going on. And, you know, hope you'll be able to come down and take a look at it when it's finish as I think it would be quite a beautiful renovation project. The, the plans are to build it in two phases starting with the west side first, and the east side in the second phase. The hotel will remain open during renovation project. However sections of the hotel will be closed that are being worked upon and renovated so that it wouldn't disrupt and impact the guest experience. Thank

you.

Mr. Ornellas: Thank you Mich.

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Yes, Bev?

Ms. Zigmond: May I ask a question?

Mr. Ornellas: Yes you may.

Ms. Zigmond: Okay. Thank you for that. I have no objections to any of those renovations, but I do have some questions please. Number one, how much water do you anticipate will be needed for this?

Mr. Hirano: I think that the actual demand overall with this renovation project will be reducing the water use because there will be more water efficient fixtures that will be put in all of the rooms, all the guest rooms. Low flow shower heads, you know, low flow toilets, energy efficient devices with respect to the climate control. So I think there will be some conservation and, you know, savings of energy and water to the project.

Ms. Zigmond: That would be great, but about how much will you need for the construction and the renovations?

Mr. Hirano: While it's being constructed? I don't, I don't really have that figure. I don't think it would be extraordinary in terms of the construction. Most of the construction is interior. I don't see water being used for any, like, dust control or anything like that, so I think it would be minimum in terms of that.

Ms. Zigmond: Okay, and just a couple more. Start and end dates?

Mr. Hirano: Yes, thank you commissioner. Right now the idea is to, you know, go through the building permit process. They hope to be under construction in June and complete first phase in October, and perhaps, you know, work out and have everything completed within about an eight month period.

Ms. Zigmond: What are you gonna do with the equipment and furniture and such that you are replacing?

Mr. Hirano: That is a really good question. I don't think – you know I think that's a really good question. I don't know what those plans are. You know, that detail hasn't been really discussed. I think everyone is so busy trying to figure out what, you know, the plans are. But I, I will certainly bring that up with the team because I think that would be great –. I can't speak for the company or for the hotel.

Ms. Zigmond: Okay. It would help that it wouldn't end up in the landfill, but –

Mr. Hirano: No, no. I mean, you know, the furniture in the hotel is beautiful furniture, existing furniture, and I'll talk to them to see and what would happen.

Ms. Zigmond: Okay, thank you, and one last one, regarding the workforce. About how many? Where are they coming from?

Mr. Hirano: I see. Right now Penco is the contractor that's doing our room renovation project and I don't know if they'll be the general on the project. It will obviously go out to bid. The, the work force for the hotel renovation will be . . . (inaudible) . . . And you know, the numbers, I don't have the exact numbers for that right now, but I would think that in the first phase it would be, you know, 80 to 100. The company right now is looking at, you know, ways in which housing can be accommodated. A lot of the workers will be probably staying in the rooms as they're being renovated as well, you know, the closed sections, as they're working on it. Those details are, are still being worked out. But the, you know, the whole thing about workforce housing, worker construction housing, is a concern that the company is working on in terms of providing an adequate facility for construction.

Ms. Zigmond: I, I understand that. I was wondering how many of these folks are going to be from off island because it brings up a whole of things which may not be your kuleana. But I just wanted to put it out there. Like, like I said, where are they gonna live, if they're going home on the weekends – somebody brought this to my attention. We have . . . (inaudible) . . . limited amount of ferry, excursions, and airline excursions. And you know to have 100 or 200 more workers using those same facilities is really jamming everybody up, so I'm just curious about this.

Mr. Hirano: No, those are, those are all very legitimate questions, and questions that, I think, that there are and will be answers to. Right now it's very early in this planning stages on this. And as the workforce gets ramped up, you know, for the construction, there is some lead time to be able to do that. But I, I think that it would be very important to allow and let the, you know, public know how this is going to be handled, what impacts it may have on this community as you say with respect to ferries, with respect to going to the grocery store. You know, it's just day to day type of things which, you know, sometimes we over look, you know, and it's really good to get this kind of input.

Ms. Zigmond: Us old timers remember, I think, charter flights when the hotels were being built.

Mr. Hirano: Yeah, all options are really being looked at on that one.

Mr. Ornellas: Okay Bev, you alright? Alright, anybody else have any questions for Mich or Joe? I do. You're going to be ripping out the A/C units in the vent, right?

Mr. Hirano: Yeah.



Mr. Ornellas: Are they gonna make sure that there's, there's adequate mitigation for possible mold and mildew that's possibly growing in that, in those vents?

Mr. Hirano: I'm sure that they will, you know, That hasn't come up what I've heard about it, but, you know, we're part of the planning side, there's a very intensive design group that's been looking at these things. I'll pass that information on, and, you know, I think that that's a concern of every, every architect and engineer as they go through these, you know, in terms of replacing the air-conditioning systems, and, you know, the volatility of mold, so I'm sure that that will be checked out thoroughly.

Mr. Ornellas: Okay. When you start you're going to start with the west side, right, this west building?

Mr. Hirano: Yes.

Mr. Ornellas: Will the neighbors across the gulch be notified in those single family homes?

Mr. Hirano: Yes. Again, you know, these are all the details that are very good point. They will be. Yeah.

Mr. Ornellas: You're gonna have people that come in for maybe just a week or two and they're breaking down walls, on, you know, and they might just get a little perturbed.

Mr. Hirano: Yeah, most of the work will be interior, and at the very, you know, at the very most on the lanai. But, definitely there will be notification going out.

Mr. Ornellas: And Bev, Bev mentioned work force. She looked at the inbound of construction workers. What about – maybe this is not your, your bag – but what about hotel workers. You're reducing the number of rooms.

Mr. Hirano: Yes.

Mr. Ornellas: Will that correlate to a reduction in hotel workers?

Mr. Hirano: I don't – I haven't heard and I don't, you know, I can't speak for the company on that. But, there are only 15 rooms to be reduced over all in this stage. I don't think that the workforce will be impacted. You know, it's a very high level room to the employee hotel, or guest to employee type hotel. I think that they'd want to make the standards and maintain the standards at the hotel, so you know, I think with the restaurant, Nobu Restaurant, that they'll probably be gaining more employment with it. But, you know, these are questions that, you know, I haven't been – it hasn't been a concern within the group because I don't think that there will be an impact on the labor force and it hasn't been discussed in terms of the types of . . . (inaudible) . . .

Ms. Lynn McCrory: I'm Lynn McCrory with Lanai Resorts. Mich was not at some of the

meetings that I was at, so the hotel workers size is, the number of workers are based on occupancy and they haven't been to the full occupancy in quite a while, so the reduction of 17 rooms isn't going to make a change in the work force I can tell you that. Also in terms of the neighbors being notified, yes, they will definitely be notified. We're very clear on those pieces. And are workers going home on the weekend? We are looking at a lot of options including charters, both through the ferry and in planes. We're just not final, as Mich said, on any of the details.

Ms. Zigmond: Mr. Chair, can I ask one more question?

Mr. Ornellas: Yes.

Ms. Zigmond: Thank you. Will Lanai workers get priority?

Ms. McCrory: As much as possible.

Mr. Ornellas: Mich, you kind of glanced over the water usage. Don't you guys do a projection as far as gallons possibly used by the increase of the –

Mr. Hirano: Not at this, at this level right now. We haven't had the civil engineering group as part of this process yet. You know, as I mentioned, they're going through the design phase on this. But the water use, just, you know, based on my background involvement in the discussions is that the fixtures, you know, they're changing out all the fixtures. They're not increasing. There's nothing in the, the project that is new that would involve an increase in water usage. So, the fixtures are being replaced and those fixtures are more water efficient than the ones that are there now.

Mr. Ornellas: Okay. You know, I mean, maybe not an increase, but you could also show us the . . . (inaudible) . . .

Mr. Hirano: Yes.

Mr. Ornellas: That would help too because, you know, you've been here long enough to understand that we're very, very hot to trot on water.

Mr. Hirano: Yeah. And, you know, I think that, that the whole analysis of the water will be carried out and that is information will be provided too.

Mr. Ornellas: Thank you Mich. I have a question for staff. Can we make stipulations? Oh, attorney. You guys all look the same to me.

Mr. James Giroux: In light of the exemptions, if it's not found to be a development there's no per se conditions that can be put on. However, as part of the process of getting the exemptions, the representations that are made are usually taken to be a part and parcel of your determination of whether or not it is an exemption or not. So there's no, there's no, in the rules,

there's nothing in there that talks about stipulations or things like that or conditions being . . . (inaudible) . . . But it's part of the representation that it's part of your analysis is whether or not it's a development or not.

Mr. Ornellas: Alright lawyer, yes we can or no we can't?

Mr. Giroux: It's not a, like I said, it's not a condition. You're not placing conditions on an exemption. What your determination is whether or not this fits within the parameters of 205A and whether or not it is or is not a development. That's the, that's the criteria that you're using today. And your rules in terms of how the director has come up with that determination, as far as the factors that he has to look at to determine whether or not this is a development.

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Go ahead Bev.

Ms. Zigmond: I, I – what I'm thinking is that because it's not, like when they were building the luxury homes we could place certain conditions. But hopefully that, with all integrity, our concerns will be heard. Is that what you're saying James, sort of?

Mr. Giroux: That's correct.

Mr. Ornellas: Go ahead.

Mr. Bradford Oshiro: You know, I work for the post office. I'm the post master here on Lanai. The thing that bothers me is that, right now, the hotel workers are not getting housing. They still living in the hotel. I mean, I know because I have a lot of general deliveries. And before Four Seasons – before Mr. Ellison bought this place there was a lot of homes. You know, that they had enough homes where they could fit everyone. And if you talking about bringing a 100 people then you still cannot house your employees that work down, down at the Four Seasons, both, both hotels. I mean, it concerns me because right now we don't have any housing. There is no housing that's up for sale. Most of it is bought. There's nothing left. I mean, anybody that does a search of markets over here, there's nothing except for million dollar homes. So, you know, I'm just worried about that part with excess people coming on the island. Everybody heard about the drugs and everything like that, so it bothers me.

Mr. Ornellas: Lynn, would you like to –

Ms. McCrory: I don't know how many hotel workers are living in the hotel at this point. We'll take a look at that see what needs to get done. I spent time meeting with a few people in the community already, talking about when larger construction project comes through, what we're looking at. We've also met with the union and talked with them about drugs. So we have agreed that we will drug test everyone before they come on the island. If they are not . . . (inaudible) . . . they don't get to come. We're talking about buying the mouth swabs. I don't know what they call them. Is that it? Okay. We're using this immediate testing into someone's

mouth which shows they are, if they are, they can walk the island. We are putting together a whole series of what I'm going to call policies and rules that will go into the construction contracts on how the contracts, how the workers can behave sort of speak. So we're working, as much as possible. I'll talk with anyone in the community. If you would like to sit down, I'll be happy to do that, just to go over what issues that you might have seen in prior experience because it was not good. We don't intend to repeat that. That's why we're doing the discussions now and trying to make sure that what we're looking at in going forward is not a repeated in the same situation. This is how we function. So, if you have any specific examples or things that you want, let me know, so that I can either address them with the rest of the management or we can, at least, look at what the alternatives might be. Thank you.

Mr. Ornellas: Thank you Lynn.

Ms. Zigmond: Mr. Chair, can I ask one other question, please?

Mr. Ornellas: Go ahead.

Ms. Zigmond: Since you brought up the workforce housing, is there going to be an EA done for that? Because that's ag land, yeah?

Ms. McCrory: Yeah, it's ag land, and I don't, I don't think there's a nexus for that at this point. There will probably an EA done on some of the other areas, but we can look at it. Or possibly, at least, in some of the components of it. Your flora and fauna, your cultural. I don't think it would be a bad situation to do in advance so that we know what we have and don't have out there.

Ms. Zigmond: It's a big thing, I think, again, is water.

Ms. McCrory: And water is the other issue. Always the issue.

Ms. Zigmond: I guess that will be coming before us anyway, so we can asks those questions then.

Ms. McCrory: It will. Yeah.

Mr. Ornellas: Thank you Bev. Thank you Lynn. If nobody else has any further questions. Lynn, just one little thing. You don't have answer. It's just you're hearing the concerns, okay. So, you know, we've had a lot discussions since you've been here, so most of us have a good feeling about you. And most of this stuff that you're writing down will get to the proper ears. Thank you. And no other questions here from the commissioners? Thank you. We'll open this up to testify for the community. Pat?

Mr. Fairfax "Pat" Reilly: Aloha, Pat Reilly, 468 Ahakea Street. You may notice by my testimony, point one, when they said this project had not started that surprised me because I go to the Blue Ginger and drink coffee every morning, and we have a lot of painters and people coming

through several months ago. So I don't have any problem with that. The issue I'm trying to bring to the Planning Commission is that you have one of the most important roles and authority to approve the SMA Permit within those boundaries. You can set the boundaries. You can move those boundaries back, but ultimately be sure you look at those rules. It took me 30 minutes to go through the rules this afternoon, and there's about 14 categories. And, that you are the ultimate authority, anything that happens in the shoreline, up to the limited boundaries. Take that one seriously.

We fought very hard to create the Planning Commission in 1993 or somewhere around there, so, man, if we didn't have you guys, I don't know what would be happening now. What I'm trying to do is get a coordination between the Planning Commission, the Planning Department, and the developer to assure that everything comes to you in the proper time, in the proper form, and you have sufficient time and the authority to do it, clearly. So that's my clarifying issue, again, as you see in my A-point, I'm just trying to protect the Planning Commission so that you don't lose any of your rights to make these decisions. Now the activities listed, it's been initiated, they say no. And there has been other activities, down, around Manele, but that's apparently not included in B. And so you'll see one of my things is what if they present – this is not a negative – but what if you represented a series of small applications that had a major impact? I would rather see, in other words – cumulative – what the law says is you've got to look at cumulative impacts. So I would, within the project district, you know, I think the County created that project district on purpose.

As far as I'm concerned, they can do anything within this project district that's within the SMA rules. You guys get to say. And this project today except for – I saw a number of \$500,000, so when I saw that \$27 million, I thought, well, automatically this is a development. But apparently the Planning Department as you looked at it before, doesn't agree with that. That's fine with me. But I'd like to know – okay, they explain it here in exhibit four why they decided it needs – it qualifies for an exemption. That's fine. As long as you guys understand and concur. I also raised the question can you put conditions? Well, as James indicated, if you're exempting it, there's no conditions to put on. Right, because they're not approving it, anything within the SMA, you're saying it's an exempted project. So my intent here is not to slow anything down. It's to ensure that the Planning Department, the developer and you guys get a fair shot of stuff going on within the SMA. And I would want to know, and I'm sure other people are weighing it up. I mean, we know there's trees cleared, there's vegetation cleared. There's a lot of things going on within the SMA, but somehow it never gets to you. So you would ask the question so that you all can go weigh in it or at least having a little bit of understanding of how best the process works for all of us. Thank you very much.

Mr. Ornellas: Thank you Pat. Any questions for Mr. Reilly, commissioners? Thank you Pat. Next up, Ron.

Mr. Ron McOmber: Well this thing . . . (inaudible) . . . answers a lot of the questions that we've been asking in the community. I hear rumors all the time about people coming in, bringing in labor force. And one of the things that I've heard recently was that somebody has contacted Expeditions, and they're gonna rent their boat, one of their boats, for \$500 to \$700 a trip. Now

that's a lot of people to be moving. This is to answer a lot of those questions why they're looking at that. Because if they're gonna bring them to Maui, I would prefer everyday bring them in by boat, put them there, and let them work, and let them go home. If that's what the conditions are, so be it.

You know, we hear rumors in this community folks. Everybody does. It's hard to do something in this community and not have an impact. What I don't understand is part of this SMA should have been all those trees and vegetation that was taken down prior –. We asked them what they were going to do. All once we felt baldhead hill, we saw all the vegetation ripped out down at Manele. If we had a tropical storm, during that time, all of that would have been in Hulopoe. Even . . . (inaudible) . . . would have been in there. I see now they've corrected some of that and they've dug their vegetation. It seems like they did an awful big area all at once. Taking a big chance. And that little high surf that we had a couple of weeks ago, did you see what it did to the, the collection pond in the middle? Draw all the sand, but they haven't see it yet folks. They haven't seen it. There's ones of us who have been here for 40-years that has seen that thing flooding, and it doesn't take much to flood it.

The other question I'm going to put to the company because a couple of years ago, Four Seasons was recommending to put in another swimming pool in, down below, for the adults and keeping the upper pool for the keikis and the, whatever. Do they still have that on, on their mind, in this, in this particular project? Or has that not been brought up that you've heard? I'm asking you, have you heard that?

Mr. Ornellas: Ron, that's – I know what you're saying, but that, that's not the point right now.

Mr. McOmber: It is the point. The point is, the point is, this is why LWAC keeps saying that this kind of oper – this kind of thing should be brought to LWAC. LWAC should see the water allocation. You guys shouldn't be here and have to ask it. You should have an LWAC member or the member that sits on LWAC that has that answer already. This is, this is the justification for having LWAC. I'm going to beat this thing to death that that's why. If LWAC had been a party to this at the beginning, you can say that there's not going to be any – there will probably be a reduction in water. But along with that is this pool that they might want to put in, and I'd like to know if that's part of this plan. If it is – remember we had a presentation from Four Seasons to LWAC, and it was very forth right and forth coming with how much water, what it was going to be and we approved it right off the top because they had given us all the details. This is what we'd like to see now. And I don't see anything on here, you know, that really changes the foot print of this hotel. They want to spend \$27 million to do that, so be it. Their money, it's not mine. But, we are concerned about the influx of, of labor coming in here because we are tight right now. Very tight. So thank you very much and just keep it up guys.

Mr. Ornellas: Thank you Ron. The pool, the pool is not part of this application and I understand. I understand what you're getting at, and you know what, I will mention that to the Planning Department and see if they have anything. I know I do remember, I do remember that, that it was approved by the previous Planning Commission. And I – but there's got to be, there's got to be a sunset clause on that work. We need to bring it back before the Planning Commission

to, you know – it should, it should dry up and go away, and then bring it back to the Planning Commission to go through the process again because a lot of changed since, since that, since that approval. Any Lynn you're nodding. Thank you. Is there anybody else that would like to testify? Yes.

Mr. Hokama: Chairman, Commissioners, thank you. Riki Hokama. I would –. You know I've been part of this development process activity since the 1970. I'm well aware of the plans in the 1950s the original Hawaiian Pineapple Company, the original Jim Dole, Castle & Cooke, the Murdock era, and now we're in the Ellison era. So, I believe I have been fortunate enough to follow the development since my high school days here. I would tell you I am in support of the improvements to remain a competitive destination area for our community. It is part of our economy. It's a critical employment generator. And I think the improvements keeps us competitive. The issue is doing it the right way. So therefore, commissioners, I think it's within your purview and your responsibility because this will not come to Council that you need to ask the appropriate questions. And I think Mr. Reilly brought up a good point about cumulative impacts because if the potential Miki Basin housing proposal is part of the employment for the housing alternatives to deal with the improvements, then you should be told that. And I don't know why the Director's report will say that it's part of the consideration in how he reached his determination of what he's recommending to you this evening.

And I think some of the other things that is pertinent I think, you know, I'm happy to hear the commission's questions earlier. But you also need to ask how is this relating to the zoning ordinance that allows this development, Project District, Manele Project District. Is there any requirements regarding phase two, or phase three approval that you need to be aware of that impacts your decision tonight? I think either the department or its Corporation Counsel should be assisting you. Have they made their selection of a contractor? What is the requirements of that kind of agreement to perform? And whether or not that information can assist you in making your determination tonight, or if you chose to defer until you see enough information to make that final determination which is appropriate.

It is interesting to me when I read the director's report under letters D, E, and F that he carry, takes those comments. Because I think one of the things under letter E is that we should be as community members is, with this project, does any of our local merchants have a disadvantage or advantage regarding their businesses? Will they have some of the economic gains of purchasing through their businesses whether it be Pine Isle Market, Internationals, or Richards? Or Nita's Salon regarding personal care? What is the advantages for our community businesses of this request? I think that's good questions that you may want pursue.

Regarding commitment for larger actions, I can tell you now, the Police Department is already looking at increasing the need and asking me for appropriate funding support for vice and under cover, so I know how the Director of Planning can say there's no further commitments of other larger resources.

Do not just look at the small scope that is right before you. Your job is to look at the big – how this little thing impacts the whole picture. Because we are dependent upon the nine of you to

make the very responsible decision on behalf of this whole community. I think members, you have a hard task, and as one of your councilors, you know, you have legal responsibilities because if something goes wrong you're gonna come to my committee asking me to indemnify you from legal action. And so please take your role seriously because under the Charter you are now an officer of the County, and you have to fulfill your obligations as part of the officer of the County, so that we, as an councilor, in case delegation occurs, and have no problem providing you the immunity and legal representation that the County requires of its employees and officers. And Mr. Corporation Counsel can verify that to the Charter.

So I just ask you to think about these things. I think it's critical that you understand, if any, the role of the conditions of approval of Manele Bay Project District. And does that have any concern or impact regarding what is proposed to you tonight? What Council and the previous commissions approved is now a variation of what is presented to you this evening. Many of you may not have been through that 1980s portion when we went through approval of this project. Some of you were with us, some of you, I don't know if you guys were born yet, but the responsibility of the improvements is critical. I just ask that you ensure the process, provide the integrity of the process, and then also when you get to the next item which is after-the-fact. You guys know my position, I get very irritated about after-the-fact. So, members, I just present those comments to you for your review and consideration, and we trust in you to make the best responsible decision on all our behalf. And you have a greater responsibility. The City and County of Honolulu has chosen not to let their Planning Commissions make this kind of call. It's left with the City Council. Okay. So each County does it slightly different. On Lanai, the nine of you have chosen to take that responsibility and we count on you to make the best decision for all of us. Thank you.

Mr. Ornellas: Any questions for Councilman Hokama? Members? Alright. Thank you ma'am. Thank you councilman.

Ms. Zigmond: Mr. Chair?

Mr. Ornellas: Go ahead.

Ms. Zigmond: You know, it's been a couple of years and I don't remember. I mean, I remember hearing about phase three approvals. I can't remember all that. Is there any way we could get a little bit of an update on that? A little bit of, to refresh my memory and maybe for those who aren't, who are new, that might not know what that all means?

Mr. Ornellas: Let me – let me see if I get your drift here. Are you asking for a deferral so that way we can get this information?

Ms. Zigmond: If we can't get it all now, yeah.

Mr. Ornellas: Alright, okay. Anybody else who wants to testify? Elijah, you okay? Alright. So we're going to close public testimony. Okay, let's –. Joe –. Do –.



Mr. Prutch: You know, what exactly is the questions here? To explain the phase two, phase three process? Okay, for the project district, the phase two is approved along with the SM1 originally way back in, I don't know, how a long ago was this? Quite a long time ago. And then the phase three is basically construction drawings. When we get a phase three project in we review it to the phase two approval drawings. And essentially if the construction drawings match what was approved in the phase two, the phase three gets approved, I believe it's administratively, but I'm used to all Maui projects so I'm not sure if it's different on Lanai. I'll have to refer to Clayton if I'm wrong. But essentially the phase three construction drawings can get approved by us administratively if they're not what was approved at the phase two. Clayton, do you have anything to add? Is that correct on Lanai too? I'm going off on Maui.

Mr. Yoshida: Yes, that's correct pursuant to Chapter 19.45 of the Code, the Project District processing, phase three is approved by Planning Director.

Mr. Ornellas: Joe, was –. I mean you wouldn't –. Were there any exceptions or conditions placed on these, on these phases? I mean, I mean, you're talking something that happened in the 90s so.

Mr. Prutch: Well, there would've been conditions of the phase two and the SM1. Yeah, there would've been conditions at that point. At this point, with an exemption, an exemption doesn't have any conditions. When they apply for building permits, they will have to apply for the phase three as well, and that, according to Clayton, we would approve administratively, that it meets the construction drawing plans. And if Clayton has anything to add to that, but I haven't seen a phase three application yet. I think Mich has an idea of when they're going to submit or not.

Mr. Hirano: You know, there, there have been a number of Project District Phase Two approvals throughout the Manele Project District. The phase two that we're discussing is the hotel. That came before the Maui Planning Commission with a Project District Phase Two and an SMA probably some time in the early 1990s when the hotel was built. We've applied for the Project District Phase Twos in the Manele Project District for other projects like the adult pool, additions to the hotel that were made such as the convention center that was made, you know, after the original hotel was built, the main part of it, all the residential projects that have come before the Lanai Planning Commission. So, you know, that has been – there's been a series of phase two approvals for the street projects within the project district. The project district phase, where nothing in this application and this project affects the project district phase two approvals. They're all in compliance with what has been approved at the phase two level. That's why it's an SMA and that it doesn't alter the projects that was approved in the phase two in terms of its footprint and the magnitude of the hotel, what was, you know, approved and the conditions. Those were all fulfilled when the hotel was built.

The applicant will be coming forward with the Project District Phase Three for these improvements, and that will be during the building permit process. That there will be an application, a Project District Phase Three application, to the Planning Department, which would include the building permit's set of drawings, and that would be reviewed to see if and to confirm that what is being built conforms to what had been approved in the phase two. So that's the

relationship between the phase two and the phase three.

Mr. Ornellas: I understand, but as Mr. Reilly said and Councilman Hokama said, if the cumulative of all of these little, little projects. What does – you know, we have to see what the whole, the whole picture of how it's going to fit to each other, you know, five years from now, 10 years from now, 20 years from now. So I understand where, where Mr. Reilly and Councilman Hokama's coming from and –. But I also want to also know what are the conditions on previous, previous approvals, so that way we understand if something happened back then. I mean, I, I, I really don't have, I really don't have trust in the Director's signature if he looks at everything so he can put his signature on, on the application.

Mr. Hirano: With respect to the conditions of approval, and I, you know, I have to admit I haven't reviewed those, but the process – and I believe they've been met and this is why I say that. When you get an approval from the Planning Commission and the Department, the SMA approval and the Project District Phase Two approval for the hotel were concurrently processed and approved. With that SMA condition, Project District Phase Two condition, there is a requirement that a compliance report be provided to the Planning Department during the development process so that the applicant has to provide a preliminary compliance report prior to building permit issuance that the project complies with all the conditions of approval. At the during construction and when construction is completed, and before the certificate of occupancy and final construction approval is provided to the project, there is a final compliance report that's provided to the Department by the applicant. And that final compliance report identifies all the conditions of approval, and how those conditions have been fulfilled by the applicant in, in development of the project and completion of the project. The Planning Department signs off on that before the certificate of occupancy is issued. So that had all been done when the original hotel was built and opened, that it's complied with all those conditions. Otherwise they wouldn't get the certificate of occupancy.

Mr. Ornellas: Are there any, any compliance that are still, that are still being maintained on a yearly or semi-annual? Some sort of –. I mean, is there a continuation over the years that some things have to be met?

Mr. Hirano: In some cases, not that I'm aware of in this particular application. In some cases, there are conditions where you have to provide annual reports, you know, update and annual reports, but there are no conditions like that with, with the hotel that we're working on with respect to the SMA and the Project District Phase Two. Otherwise those conditions would have been reported to the Commission, you know, on an annual basis, semi-annual basis. You know, it depends on how the conditions were worded. But there was no requirement to do that.

Mr. Ornellas: Okay, thank you. Any more questions commissioners? Bev, you sound like, you seem like you've got one.

Ms. Zigmond: I don't really have a question. I'm just still really struggling with the influx of workers. And when I think about it in terms of cumulative effects, I mean, there's no way that it's not going to affect us, and I'm not sure. I don't know. I'm just – I'm struggling with that right

now.

Mr. Ornellas: Okay. Clayton? There will –. I mean –. Joelle?

Ms. Aoki: Mr. Chair? I, I concede with Bev. And I'm curious to know if it's possible to have information provided by the, by the resort, in retrospect to, not necessarily, not necessarily the contractor agreement, but stipulations and/or inclusions to the contract, details about the contract that would address some of the concerns here tonight relating to the questions from the commissioners. And then also taking into consideration Councilman Hokama's suggestion about what advantages would there be affecting our businesses, our private businesses, of the Lanai community. I'd like to see this. I'm requesting if that's all possible. And this may help to provide us more information moving forward, and alleviate some of your uncertainties amongst the commission members.

Mr. Ornellas: Can – can we – I mean, can we ask for that Clayton? Because, you know, Councilman Hokama also stated police and fire. You know, I mean, wherever you're going to put this, this group of people, 100 plus people, there's going to be a need for police and fire. Maybe even medical services. So, we would need, we would need to – I mean, that should be part of this, this application to the SMA.

Ms. Zigmond: Mr. Chair, and water too. Water's huge, and that's one of the things about, you know our –. Here, it says water system right here.

Ms. Aoki: In addition to water there's, there's numerous impacts – social services. I mean, we could go on and on. But I think just having some basic information about these items it might help us with making a better decision and planning and moving forward in making suggestions, not necessarily conditions.

Mr. Ornellas: Joe, is there, is there a deadline on this stuff?

Mr. Prutch: Well, there is a 30-day. Yes, you're correct. There is a 30-day time limit according to the SMA Rules. Let me see what it says, what it says there. It says that all proposed actions within the SMA recommended exempted shall be placed on the agenda for review and final determination at the next commission meeting. The Lanai Planning Commission shall make a determination notifying the applicant in writing within 30 calendar days after an application is reviewed by the commission. So, yes, you do have a 30-day time line ticking as of, I guess, today. The one thing I'm looking at here is there's kind of two things. It sounds like there's a lot of suggestions for the applicant, and I see her scribbling down notes over there. That's one thing. On the other side with the SMA and the exemption, it's more or less – I don't know how to say it – it's more or less it's, it's exempted or not. It's, it's –. You see it as it's a development or it's not a development. Because of the interior renovations, no, yes there are issues with where, where are the construction workers going to be and this is, that is an issue and those are suggestions that I think that they're gonna have to deal with. I don't – I guess I'm not sure if it's part of the SMA. I guess it can be a part of the SMA, yes. And I guess we're looking at it as, is the development part. Are interior renovations and are non structural improvements a

development or not a development? It's a question for the exemption. I guess if you don't concur we'd have to move on from there and figure out what to do at that point. But I see it as two things. Is it a development or not a development. And then the suggestions to them to, you know, what you guys are concerned about and what they're gonna try and do about that stuff. But Mich –

Ms. Zigmond: But, but Joe this is –

Mr. Prutch: Yes?

Ms. Zigmond: When we're looking at it now and really thinking about it, it says the SMA Rules considering the significance of potential, environmental and ecological effects. In other words we're not necessarily agreeing with this report, so if we don't agree with that what happens?

Mr. Prutch: I will defer that part to Clayton as to what happens if they do not concur with the staff recommendation.

Mr. Yoshida: If you do not concur with the determination for an exemption, then you have to come up with your findings of facts, and conclusions of law to support your position which you'll sign and can be appealed – I guess the – because it's a decision. Every party has a right to appeal it to the court. If you say it is a development, then, based on the evaluation, they'll have to go through a major permit process.

Ms. Zigmond: I don't know that, that the question is really is it a development or not, as much as, as some of the specific findings of the department here. But I guess that's all part of whether or not it's a development. I don't know. I'm confused. Can we have more time?

Mr. Ornellas: Let's go with Mich. Lynn.

Mr. Hirano: I'd just like to say I think that, you know, there's this particular action and we're also talking in the context of what you're thinking of larger actions. I think that the project in itself, it meets the criteria for exemption and that it's non structural, that it is not enlarging the footprint. The project scope, the construction for this particular project is about an eight month period, so, you know, it's not, when we talk about the wrapping up of the workforce it's over a very short period of time, and it's, I think, very manageable in that context. There are larger issues that the company is discussing with respect to, you know, how to deal with, with lots of plans, you know, that have been disclosed to the commission, to the community planning group, in terms of the long term plan and the vision for the island. I think those things are the long lead times that you're discussing in terms of the dialogue of how do we deal with a continuation of that type of construction, the influx of workers on that basis. And I'd like to turn that over to Lynn to just maybe elaborate on that.

Ms. McCrory: Yes, we are looking at a long term situation where we will have construction worker's facility at Miki Basin which will come in front of you. And we are in that process of looking at all range of issues, from security to interaction with the community, to health issues

in terms of safety. How do we make sure the worker are safe. How do we provide activities for them. And we're still in that process. This one is a short one. This is not looking at that big long term one and that's the one I've been talking to people in the community about already. Because it is long term. It is how are we going to do these pieces.

In terms of what you're looking for, I think we can put most of this together for you. In terms of I can probably put most of the pieces that are going into the contractors. But these will be the bigger contractors if we're talking about long term. But you'll still see what's coming in front of it. Impact to local businesses on the short run, I think we can put some of that together too. Because if nothing, they're going to at least, workers will either be in the hotel rooms or they might actually be in the city. And I know that some of the contractors have made calls to people who had rental homes to ask would they rent them. So if they're located in the city, then they're obviously going to use some of the city's facilities. They'll be at the grocery store. They'll be at the restaurants and so forth like that. So there will be probably increases in that sense.

In terms of police and fire, that's going to be part of the policies. We're going to hope that there isn't, but there is certainly a possibility if there is. And the biggest piece is the drug piece. That's the one that I think scares, certainly scares me the most. I think it has the longest range impact into the community because I'm hearing third generation impact. And that's three generations from one instance is not what you want to see happening here. So we can look at that. I think in terms of the water issue, I think you're going to have less water usage. But what I've made a note, and primarily because you won't have hotel rooms open. So whatever would be normally used in the hotel rooms isn't going to be used. If what you're doing is painting and you're removing things from inside of a hotel room and you're putting new things in, you're going to have washing of new materials in terms of sheets and the coverlets and everything else that goes in. And they'll have cleaning of windows. But that's much less, and it's basically a one time situation versus every week where you're washing the sheets and the coverlets every week, or you're washing bathrooms every week. So I think you'll actually end up with less water use. But your, I think, in the end of all of this is we should be able to tell you that. And what I've made a note is that when we are coming in front of you we'll include that in our presentation going forward. So that we'll have done some work that says where do we think the water issue is going to be? Is it going to be an increase or decrease? In this particular case, I think you're going to actually see a decrease.

And then with the future use in terms of the low flow fixtures and those types of things, once again, it will be a reduction. I know it's a reduction. I think your question is how much. And at this point we can't answer that.

And in terms of housing or other transport options. Yes, we know people have – some of the contractors have talked with Trilogy, have looked at bringing the people over. And if they do that I think everybody would be happier other than maybe the local businesses won't be quite as happy because they won't have some additional revenue coming in. But it's a way to have people come and go. It's kind of what that little bumper sticker says on some cars that I see – come visit, go home – to the tourists that are driving by. You know, we'll take your money, but, you know, don't stay too long.

So let – I will put some of these things together. I don't know if I can get you exact water usage or reduction. But I can probably get you what the fixtures are going to be reduced from normal usage which at least will give you some comfort level. And we can probably take a look at the average usage at the hotel. I don't know if they keep it by room, but maybe we can come somewhere close by getting an estimate of number of rooms for occupancy for that month based on water usage. So we might be able to come up – we should be able to come up with an average of the room. So we'll do that. And going forward, we will add to what we give you – water usage or reduction, impact to the local businesses and public services. We mean basically police, fire, ambulance.

I know when I was flying over this morning I was sitting next to one of the ambulance drivers, that we had met earlier when we were making the rounds of the healthcare facilities. And so we're talking about the construction workers' housing. And we started talking about well how are going to deal with safety and how are we going to get the ambulances, and where are these going to go. So we're all set that I'm going to go meet with him and get some more information that's gotta go into this housing. And that's really the point of meeting and talking with people now. Let's take a look at how we figure this out now ahead of time and not, okay, here we are and we're going to build it. When we come back in front of you with that piece we want have all the answers for you. We want to have as many as we can so I'm going to talk to as many people as I can to get the ideas and see if we've missed something. I hadn't thought about it until I was talking with him so –. And I'll have it for you as quickly as I can get it to you, the information.

Mr. Ornellas: Before the next meeting?

Ms. McCrory: I'll have it before next meeting.

Mr. Ornellas: Thank you sir.

Mr. Giroux: I just wanted to comment really quick about the timing. It's in your rules, 12-402-13.1. It's a, it's a little strange because section B it says the commission shall make a determination and notify the applicant in writing within 30 calendar days after the application is reviewed by the commission. That the proposed action is either exempted or not exempted. But then there's also a subsection D that says if the commission does not make a determination and notify the applicant in writing within 60 calendar days as provided in subsection B, the proposed action shall be deemed exempted. So there's a little bit of a disconnect. I don't think that 30 days is hard and fast because you're actually are given up to 60 days. If you miss the 60 day deadline, then there's an automatic exemption clause. And so in this case you are asking for additional information, so I would hope that we can get this wrapped up within 30 days. But just so you know that, that there is that, that kind of disconnect as far as, you know, you have to make a determination, you have to review it, you have to notify. And if all of this isn't done in 60 days then there's an automatic exemption.

Ms. Aoki: So James for clarification. So our next scheduled Planning Commission is June 19<sup>th</sup>. Considering that if our Planning Commission meeting is not canceled, we would be within the

30-day period to take action. Provided we have the information provided by Lanai Resorts which I trust we will.

Mr. Ornellas: Thank you Joelle. Clayton? Would this be –

Ms. Aoki: No, so that was a questions for James. Question mark. Or Clayton, please.

Mr. Yoshida: Yeah, I guess you have 30-days to make a determination from today.

Ms. Aoki: Correct. So 30-days from today would bring us –. Well, 30-days from today, but our next scheduled Planning Commission meeting is within 30-days at June 19<sup>th</sup> is what it's scheduled for. And if that Planning Commission meeting is not canceled, we would still be within that 30-day period and have the ability to take action.

Mr. Yoshida: That's correct. But I guess if the Commission, you know, defers today, you probably should be specific on what additional information, all additional information that it would need to make a decision at the next meeting.

Ms. Aoki: Okay. And I'm sorry Clayton, could you please repeat that one more time?

Mr. Yoshida: Should the commission defer the matter today and consider it at the next meeting, which is scheduled for June 19<sup>th</sup>, then they should state all of the additional information that it would need for the applicant or whomever to provide, the department, or whomever to provide in order for the commission to be able to make a decision on June 19<sup>th</sup>.

Ms. Aoki: Thank you Clayton. So please, Lynn, would you mind repeating what you will provide for the Planning Commission, and if that is to our approval. If not, then please, could we have the commissioners communicate what additional information they may want in addition to what Lynn is providing, saying she's going to provide for us at the next meeting. Thank you.

Ms. McCrory: Okay. You're looking for stipulations on the policies and rules that we're talking about and putting into contracts with contractors in terms of how workers behave, our drug policies, and those type of things. You're looking for a write up on the impact to local businesses. Will there be a benefit? Will there be a detraction? Will there be both? A write up on that. You're looking for the same thing in terms of public services for police and fire situation. You're looking for where do the 100 people go. Where is the housing that's going to house them. You're looking for an estimate of water usage, both in terms of, on, when the hotel close – they'll close those rooms, what the usage would estimate to be. And then also in going forward when the new fixtures are in place, what that would be. And then also – and then back to the housing and where would the 100 people go – if there's also an option for them going off island. So it's a combination of housing, off island, helicopter, plane, charter, whatever, combination.

Mr. Ornellas: Any, anything else for Lynn?

Ms. Aoki: Thank you Lynn.

Ms. Stacie Koanui Nefalar: Lynn, could you also – I, I'd like information on how many local Lanai workers you'll be using or will they all be off island? That way if you're using local workers, then no where – no use in finding housing.

Ms. McCrory: I don't know that I can – I don't think the contract has been met. Mich? The contract has not been met, so I don't know that I can answer that question for you.

Ms. Koanui Nefalar: Thank you.

Ms. McCrory: I'll ask it.

Mr. Hirano: Obviously, I think that would be a first choice and because it would reduce the need for housing.

Mr. Ornellas: Also Lynn on proposed, the housing down at Miki, I also want to know what the water usage, estimated water uses they use for that. If you're gonna put a 100 people down there.

Ms. McCrory: We aren't going to put 100 people at Miki. That Miki Basin site is a larger expansion, a larger construction.

Mr. Ornellas: Okay. So we'll ask that question when you come for a permit for that.

Ms. McCrory: Yeah, you're probably a year plus away from that.

Mr. Ornellas: Okay.

Ms. McCrory: We've got lots of time to figure that one. That's why I'm –

Mr. Ornellas: The time flies when you're having fun, you know what I mean?

Ms. McCrory: Well, that's why I'm running around now asking people questions. There we go.

Mr. Ornellas: Any other questions for any of our testifiers? Okay. We're okay? So – until the next meeting. Okay. Clayton, you would need this information? If we, if we ask for a deferral, and, and, do you want that part of the discussion what exactly you, that you're asking for? I mean, this is a good start, but there's some other things too that we may want to add to it that the County may have to come up with. Would you want it part of our discussion or after the, after the vote?

Mr. Yoshida: Right now, well, the commission is the decision maker on whether it wishes to concur or not with the exemption determination, so I guess it's whatever information the commission needs to make that decision.



Mr. Ornellas: Okay, we'll do it after the, after the vote then. Okay, we'll do it during discussion. Alright, so I will entertain a motion to defer this to the next Lanai Planning Commission meeting, the 19<sup>th</sup>, June 19<sup>th</sup>.

Mr. Yoshida: That's correct.

Mr. Ornellas: Okay, so you can't cancel that meeting. So, so our next meeting is scheduled for, would be scheduled for June 19<sup>th</sup>? Okay. Okay, alright, okay. And Clayton, you can't cancel this meeting. Otherwise, we're gonna lose this window. Yeah, we're going to have quorum? Anybody is gonna go vacation or holo holo? Nah, we'll be here. Okay, let me get a – somebody gonna make a motion to defer until the next meeting?

Ms. Zigmond: Mr. Chair? I so move.

Mr. Ornellas: Okay. Do I have a second?

Ms. Aoki: I second.

Mr. Oshiro: I'll second that.

Mr. Ornellas: Okay, Brad, you second?

Mr. Oshiro: I'll second.

Mr. Ornellas: Okay. Any discussion –. Let's go through the discussion here. Let's, let's –. We heard what we're gonna – what Lynn's going to provide. If there's anything else that we want her to provide or let's, let's now make the list up for the County. I would like to see the –

Ms. Aoki: Mr. Chair, I thought the conditions are already met.

Mr. Ornellas: Well, yeah, but we're asking for information.

Ms. Aoki: Then it's just information, right?

Mr. Ornellas: That's all it is, is information.

Ms. Aoki: So based off of Lynn McCrory's testimony, documented in the minutes, could we utilize that or do we have to repeat it again?

Mr. Ornellas: No, we'll use what she – we'll use what she said she was gonna provide, but there's – that's rep – she represents Lanai Resorts LLC. What I'm looking for is there anything that we would request from the County to provide information for us to make a better, a better decision on June 19<sup>th</sup>. So is there anything, anything that we request from the County to provide as far as information? Bev?

Ms. Zigmond: Were you asking for what the conditions were in the Phase 2?

Mr. Ornellas: Yes. I wanted to know what the previous conditions, conditions for Phase 2 so that --. I mean, I want, I want, I want us to follow Pat and Riki's lead as far as the cumulative effects. Let's see what it looks like over the years, and where we're headed for. Because I don't want us to worry about, you know, say, damn, 10 years, 10 years down the line, man, we shouldn't have made that decision. So, I want us to make sure that it, that it, that's coherent all the way through. And it's just, it's just for our information. It's, it's -- that's all it is, it's just to make a better decision.

Mr. Prutch: Well, and us, in the Planning Department, we can easily get you the conditions of approval that were made. Well, hopefully we can easily get those conditions from 20 years ago. But we should be able to pull that SM1 and PD approval letter together that would have all the conditions so you can see what was done 20 years ago. I can either e-mail that to you before the meeting or we'll bring it the day of.

Mr. Ornellas: No. Before, so that way we have a chance to read it and review it.

Mr. Prutch: Okay.

Mr. Ornellas: It, it should be written. If the County's got it listed. If the County's got it listed, that's all, that's all they can go by or all we can go by. Oh, okay, well, we'll use you for a reference. Thank you.

Mr. Prutch: So yeah, we can provide, we can provide that final compliance report that essentially, essentially gave a letter to the applicant saying, okay, we reviewed, the conditions have been satisfied, go build your hotel. So that letter can be right. It's the conditions of approval with the response from the applicant that says how it was satisfied.

Mr. Ornellas: The conditions would be listed on that compliance? Okay. Alright. Great. That's all I'm looking for. Yeah. Go ahead Joelle.

Ms. Aoki: This is going back to our conversation, and forgive me for digressing. But just as a note for those who are not familiar to why, and I'll speak for myself is that why I am concerned about the impacts in our communities is for those of who aren't aware that during prior to construction of the prior, previous, of the original construction -- excuse me -- of Manele and Koele, prior to the construction, there was 1,200 calls up to 911 for service, various reasons. At the peak of the construction, there's 12,000 calls into 911 in a one year period. That tells you the impact on this community and why the community was very concerned about how this will affect each and everyone of us and the multiple generations that Lynn McCrory had brought to our attention as well. And -- which she is now aware of as well. And so just so, for those of you who are not familiar to why we're asking these questions is because of the impact socially, economically and psychologically on our families here in the community is detrimental to the well being of our community and why we're asking for these questions.

Mr. Ornellas: Thank you Joelle. Any other questions? Any other request for information from the County? No? We're all, we're all okay with that? Okay. And you will provide – you County will send that also to us prior? Give us a couple of weeks. Or, okay, how about a week? Is that okay? Can you guys –? A week before our next meeting? Bev says yes, so we'll go with that. You know, I'm asking –. Leilani, can you get that?

Mr. Yoshida: We'll try to include it with the agenda packet.

Mr. Ornellas: Pardon me?

Mr. Yoshida: We'll try to include it with the agenda packets that's distributed.

Mr. Ornellas: Yes, that will be fine. You know, preferably on the internet, I mean, on the computer, that way I can print my own and –. But it's up to –. If you want to include it as part of the packet, that's fine. I'm not going to complain. Not loudly.

Okay, so now that we –. The question – I'll bring the question that we're gonna defer this to the next meeting, and we've – it's been brought up by Bev, seconded by Brad, and so I'll call for the vote. All those in favor of deferring to the June 19<sup>th</sup> meeting, please raise your hand. I understand that, but I'm gonna clarify that. It's unanimous, all in favor. Everybody agreed with that, alright, so, so we'll move this to, to be discussed and voted on at the June 19<sup>th</sup> meeting. Thank you Councilman Hokama. Thank you Pat Reilly for bringing some of those ideas because I didn't think of any of that, that you guys were saying, so thank you. Okay let's move on down the road here. Thank you Mich. Thank you Joe. I tell you what, let's take a short five minute break. We'll get back together at 10 to eight. Thank you.

**It was moved by Commissioner Beverly Zigmond, seconded by Commissioner Bradford Oshiro, then unanimously**

**VOTED: to defer and requested additional information.**

**(Assenting: J. Aoki, S. Barfield, K. Gima, S. Koanui Nefalar, S. Marlowe, B. Oshiro, B. Zigmond**

**Excused: P. Felipe)**

*(The Lanai Planning Commission recessed at approximately 7:45 p.m. and reconvened at approximately 7:55 p.m.)*

**2. Alleged “after-the fact” permits for Lanai Resorts, LLC - Lynn McCrory, Vice-President of Governmental Affairs, Lanai Resorts, LLC**

**This is for information only. No action will be taken.**

Mr. Ornellas: Alright, let's continue. Everyone come back yet? Looks like it. Next up is number C2, alleged after-the-fact permits by Lanai Resorts, Lynn McCrory, Vice-President of

Government Affairs, Lanai Resorts, LLC. Alright, your presentation, go ahead.

Ms. McCrory: Okay. Well for all of you who wondered where all the trees went in Manele, the after-the-fact permit has been filed. They actually went in about two weeks ago, and there are three areas that were grubbed. The trees were removed. These were on the order of the former person who was in charge here before Kurt came on board. And what convinced me that we had an issue was listening to John last Planning Commission meeting, and hearing things that were being said that we had done something wrong and I'm going, okay, this is it guys. So we put out this very large notice that said what did we do that there is something that we should be issuing an after-the-fact permit? And I had a whole range of things come in so it was like, we did all that? Okay. Alright. So let's work our way through the various things that came into me and I can tell you what we filed, and last week we found one more, so there will be more to come.

The first pieces. The first three, and they are three separate gulches in Manele where they literally cut the trees out. And there's pictures of them, and believe it or not, the kiawe is, the stump is here, there's green stuff about a foot up already. It's absolutely amazing how quickly this is coming. So it is coming back. That is not how you do things. So we've applied for the grubbing permits for all three sites. We received the grubbing permits. We've also applied for a Project District Phase III because that is an alteration. And we've also applied for an SMA Minor. These are all administrative permits. You won't see them, but I'm here to tell you about them so that you do understand. Now I have some picture if you wanna see the pictures, but I have a feeling you probably have all gone down there at some point or another and looked at it.

We also gave a training seminar to all of the managers on what's an SMA. Where's the line. What's a Project District. Where's the line. What is grading and what is grubbing. I'm sure we'll have it all over again, at least one or two more times just because new questions come up. But we can see the difference already in the questions that are coming back to us. You know, do we need a permit for this? So we're, we're moving forward.

There were a number of other issues that people brought up that I wanted to explain why we aren't applying for an after-the-fact permit on them. And the first one that came up for the multiple number of people was the old Club Lanai site. We went in and we removed the tree branches and some Hao bushes, and they just cleaned the site. We went back to Planning. We wrote up what we did because we used machinery in picking up the leaves and things like that. But we didn't grade the land. We didn't grub the land. We didn't use it to rip things up with. And that is – it fits into a category that I'm going to use a . . . (inaudible) . . . term and say it's cleaning your back yard. We went in to clean the site to get some idea of what it was gonna look like so that doesn't require a permit. That's gonna be done fairly regularly as we're looking at things. We're gonna go back in, in the future and do a certified shoreline so you're gonna see surveyors down there to put marks into that sand. So we know where the high water mark is, we know where our land is, and that we're not, we're not creating a problem on state land because the state owns up to the high water mark on the beach. We don't want an issue with the, you know, having to run in and get CUPs for issues, after-the-fact, on those. Those are not

fun either. So that one is one.

The other one that came up was the police station, the old police station. We went in and we painted it and we re-roofed it. And I think we received calls coming back saying, what in the world is going on? Are you tearing it down? You can't tear it down. It's a historic building. Number one, it's not a historic building. But number two, we were only painting and re-roofing. Council Member Hokama, who left us, I guess, in talking with him today, he said, no, what your issue really was, was that, why did you get to do that so easily but the church had so many problems doing theirs. This is one of those little exceptions to the rules. And this is where if a commercial building is not used for commercial use for a year it resorts back to being a residential. So there isn't a requirement for if it's over \$5,000 you go in and get a building permit for. You don't get a building permit to re-roof your house or re-paint your house. And that's what this reverted back to. So it's an exception in the rules.

The other concern, one, was – let me see if I can . . . (inaudible) . . . – the old laundry mat or launderette. One is a laundry mat and one is a launderette, and I keep getting them confused. But the old, not the new one. And the old one is re-roofed and painted. We had applied for a permit, building permit, on it. We didn't get the building permit until April 3<sup>rd</sup>, but they went ahead and did the work anyways. And then, on top of it, they put on shingles and not the metal roof. So we have gone back in, now that we have the permit, and we have put on the metal roof on top of the shingles. So, you know, you pay the price because you did the work you weren't suppose to do it, so you get to do it all over again and you get to do it with the right materials.

So those are the pieces that came up initially in our discussion. And what I said to the managers was, okay, your time is up. There isn't anymore that's gonna come back some where and you say, I didn't know. Because you've now had all of these permitting uses explained. We've now gone through why we're going in with after-the-fact permits. I'm going to sit in front of the Planning Commission, and I'm going to say what we did and I'm going to say we won't do it again. We don't do this. And so there aren't any other reasons like pointing a finger and saying it was the other guy before me. That doesn't work. That's not okay. There isn't anybody before you now. The line has been drawn in the sand. It's you.

And then we found one more permit that we have to apply for. And this was in – this one is coming through. This will also not be in front of you as far as I know. I believe it will be an SMA Minor. And apparently what they did down at the beach park, that drainage area, where the grass is, they took all the grass out and then they raised the drainage basin and then they put grass down again. Well, we will go in and get another after-the-fact permit. And I will commit to you that if we go in and get any more after-the-fact permits I will come back in front of you and tell you we are doing that. My hope is and my belief is that at this point with the explanation to the managers, and with the number of phone calls that we're getting, we shouldn't have that occur. We have enough projects that are gonna be coming in front of you that, I believe, are really positive projects for the island. And coming in front of you, talking about the negative stuffs that we didn't do right and we're now coming in afterwards is not where I want to be. We want to talk about the changes that are going to be coming, how we're addressing them. And as I committed to you earlier, we'll add pieces that will go in our submittal to the Planning

Department so that you have that information when it comes to you in your packet. And if it appears that we need to hold a community meeting ahead of your meetings we'll do that.

We have a – we have applied – we are in the process of applying for a permit for the Hawaii five cent recycling. And we have to move that from behind the central area into the baseyard. because the baseyard is the only one with light industrial zoning. And we have to do that before December. We have an extension to December. We don't have to do a community meeting on that. It's not required. We are gonna to do one on June 24<sup>th</sup>. We've sent out the letters to the people within 500 feet. We're gonna put up some posters, in town, just like, you know, this tree is coming down or this is happening. So we're gonna put the posters up so that if anyone wants to come. We've had already some comments coming back from people. We had one comment that actually said, well, how noisy is this gonna be, and, you know, can you maybe move it a little further in? So, yeah. We did. We already moved it further in. We gotta do a new site plan that will go in with the permits. But we're going to do the community meeting before we even file the permit. So that if there are any other things that we should be considering, we will have heard some of the pieces from the community.

And then we got one phone call today and we asked the person to send us a letter because her concern was rats and mice and flies and noise. So they can't make the meeting, but I can address that with the return letter back to them to say this is what we've done that will address those pieces.

So my apologizes to you that I have to sit in front of you and tell you we've found things. I suppose I could have just ignored the whole thing, but I don't think that would have been a good thing to do and it certainly wouldn't show you our level of integrity and what we believe is important in going forward and working with the Lanai community and working with the Planning Commission or any other government departments. You have to be able to believe what we're saying to you, and if we can't do it for some reason we have to come back and tell you that and give you a good explanation as to why. So if anybody wants to see pictures I have them. They're also – they're also really clear on best management practices now too.

Mr. Ornellas: Thank you. Thank you Lynn. We have any questions for Lynn? Go ahead Bev.

Ms. Zigmond: Lynn, could you tell me – I don't know if you know this but what is the difference in the quote, cleaning your back yard, what you did at Club Lanai this time as opposed to the time, last time, when Castle & Cooke was fined for many days in a row for cleaning that same area?

Ms. McCrory: My guess is that they probably did some grading or grubbing would be my quick guess because that's what you can't do. You can't move the dirt. And if you're moving more than an acre of dirt, you need a new permit called an NPDES permit out of the Department of Health. So my guess is that's probably it. And I would bet that it was probably a Department of Health fine because they are real sticklers about everything. They are very, very – right? They're very, very cautious in what they do, and they follow up. So, that becomes one of them.

Mr. Ornellas: Joelle?

Ms. Aoki: Thank you very much Lynn for coming and sharing that with us. It's such a change of the type of communication we have been accustomed to in the last two decades. I can't even remember, remember at this point – three decades – thank you. And I see here that on number two on the agenda that this is for information only, no action will be taken, and, and I'm glad to see that because you have come forward and told us about and we're very grateful. I would like to ask something of the Planning Department, please, which is that, you know, this, when administrative approvals for SMAs are conducted by the Director, I personally feel that it is very important that that information is shared with the Planning Commission in order to prohibit, in order to prevent the disfunctionalism and the chaos that occurs in small communities like Lanai because it allows the commissioners the ability to respond appropriately to comments and questions from the Lanai community. It also prevents the land owner from having undo stress and grief by allowing our representatives which is the Lanai Planning Commission to be able to have the knowledge that it is an administrative approval and just the fact that we know what's going on. So I don't know how that can be done, but Clayton, could you comment on that please?

Mr. Yoshida: Well, I can pass that information on to the director. There is a, I guess, another consideration in that if the director makes the decision then the appeals body is the commission. The commission starts dealing with the application thoroughly when they're the appeals body. Then I don't know how that could jeopardize the appeals.

Ms. Aoki: Well, if it's an administrative decision, then it is the ability, it is within legal realms of the Director. Am I correct, James? He has, the director has the ability to do that. But all I'm asking for is some type of communication whether it is he passing that on to the Planning staff so that they can share that with the Planning Commission. Because the repercussions that occurs from administrative approvals within the Lanai, the island of Lanai, reeks havoc when we, as Planning Commissioners, are not able to respond appropriately or have no knowledge of it. And that's what I – you know, and moving forward I have experienced a level of transparency and the effective communication from Lanai Resorts, and in order to, in order to take advantage of that building of a relationship between a community and a land owner which is not existed for decades, we need to somehow recognize the disfunctionalism and the communications within the community, improve upon that so we can get better at performing as a community.

Ms. McCrory: I think I can solve the issue. I don't have any problem coming in front of you at every commission meeting, and talking about whatever we have put in for a permit.

Ms. Aoki: Thank you Lynn. However, I believe there are other individuals that may own land around Lanai that would have that same – that we may experience that same – there are other land owners that have, besides just Lanai Resorts, so I can think of two. So I don't know how you want to address that.

Mr. James Giroux: I just want to point out that there is a list of ongoing projects that is

disseminated. And what happens is that by looking at that list that's kind of how things can kind of get highlighted as far as what kind of, you know, minor permits or activities that have either been asked for have been granted. The only caution and I think Clayton was getting at is that in the SMA you're the final authority as far as the appellate process, so you don't want to be making comments on, on things that, that may, maybe either -. Just because somebody applied for a certain SMA permit, doesn't mean that we want the commission automatically be talking about it because the director actually might deny that permit. And if he denies that permit, then you're the appellate party body that would review it. And so - and part of my training it would be covering how to, how to protect the commission in its appellate authority to remain objective and impartial. Because you don't want to be making comments, you know, for or against a permit or a project where you have the appellate authority if it's going to be appealed to you as far as a decision making process. So that's the only caution. But that can be, that can be vetted, you know, by just looking at the list, you know, to say, oh, well, that, that permit was granted. If it was already granted, then we can talk about it. If, if it's still in the process of still being processed, and we know that you're the appellate authority, we're gonna need to hold off on that until the director does make a decision.

Ms. Aoki: So quick question. On the appeals, what's the time limit on the appeals that you mentioned?

Mr. Giroux: I believe - off the top off my head, I would guess 30 days.

Ms. Aoki: From the approval of the director?

Mr. Giroux: No, from the disapproval.

Ms. Aoki: From the disapproval of the director. So if we're not hearing about it within 30 days because our meetings have been canceled, then that's all I'm, I'm trying to get at is we just would like to have more communication from, from, you know, the director because we've had numerous meetings canceled, and just to be up to par on what's going on. And I understand what you're saying and I agree. Thank you.

Mr. Ornellas: Okay. You know, I mean, I've, I've been on other boards and commissions, and, you know, if the director denies it. I mean I'm still pursuing us to be, to be part of the not of the decision making, but to be part of the communication as Joelle said. And if the - I understand . . .(inaudible) . . . is coming from as far as James is coming from as far as, as far as litigation. But, if the director disapproves then he could ask us to declare an ex-parte that we cannot discuss that with anybody?

Mr. Giroux: I think we'd have to look at it a permit by permit process. You know, what, what, what the director can and cannot do with that specific permit.

Mr. Ornellas: Okay. But, you know, again, Lynn mentioned there's gonna be some, some minor SMA permits coming through that which we're not gonna see. Well, I wanna see em. I mean, I get - and the reason and I explained to you during the break, Clayton, that the reason why is



when people on Lanai look for answers, they don't go to you. They come to us. And if we can't answer those questions or give them a, a somewhat coherent answer then we look like idiots. What the hell you guys doing on the Planning Commission if you don't know what why they're doing this, and why – did they get a permit for that? And we can say, yes, they did get a permit for that. And the director signed it. It was done by administrative, and the director signed it. Now if you have a problem with that, go file, go file a complaint with the director. But that's what we are tasked here on Lanai is we provide a funnel of information to this community. And if we not part of the process of communication then we are basically shirking our responsibilities to this community.

Mr. Yoshida: Well, again the –

Ms. Aoki: Mr. Chair?

Mr. Yoshida: – exemptions are made, determine – well, concurrence is made by the commission so those would come to you. The majors will come to you, and we can notify you of minor permits that are issued.

Mr. Ornellas: Go ahead Bev.

Ms. Zigmond: Mr. Chair, just to piggy back on that. It was at the Commission's request a few years ago to get this open projects report. So I think we're just wanting something similar regarding the SMA so thank you for doing this and thank you for your agreeing to do the new thing. Thank you.

Mr. Ornellas: Go ahead Lynn.

Ms. McCrory: And that really was my suggestions. Just put the closed ones or the ones that have been approved on the same list. And, you know, maybe one more column or just down below and say these have been approved. I'll be here to talk about anything you want with pictures or whatever because I'll have those. So at the point that you get the list, I'll be here. Can't help some of the other people or the other two that you might be concerned with, but –

Mr. Ornellas: Is that a problem Clayton?

Mr. Yoshida: One thing with the open application list, we can generate an approved permit list for Lanai. So at least you know that, oh, they got a landscape planting approval. They got a Country Town Business approval.

Mr. Ornellas: And that's what we're looking for. I appreciate – thank you Leilani. Alright, the pilot is looking at me saying, come on, gone funnit, 8:30 is almost here.

Ms. Koanui Nefalar: Lynn, I just wanted to make a suggestion of possibly putting a proposed project list somewhere posted in the community, so not necessarily their approved, but just maybe ideas of things to come so people aren't shocked when, when it's happening.

Ms. McCrory: I can tell you that we had initially planned to do another community meeting and we'll do them throughout the year that when we, we believe CPAC was going to be finished in June, June 26<sup>th</sup>. We were doing our community meeting on June 27<sup>th</sup>. And we were going to put up the final plans as we were looking at it and lay that all out, complete with stations where you could go to talk about the desalination plant or go to a station where you could talk about Miki Basin, or go to a station where we were going to have the various pieces and components and then we have a sustainability expert that's suppose to keep us all on track to make sure everything integrates correctly. So we will have those, and we'll have them on a fairly, I would say, four times a year basis. And please at any point in time – I'm here almost once a week. At least so far I've been here once a week, and probably one to two days a week. I'd be happy to sit down and talk with anyone that just wants more information on the overall plans. We're not hiding anything. We're bringing them up at CPAC. Kurt did the first presentation, I think, even in January, as kind of an overall plan as to the various components of it. So hopefully that will do it rather than just putting everything in writing, and it gives you explanation and all the other pieces. But we will have some overall, kind of, island maps, I guess, that will show the various areas. That will also come out of CPAC. And that will come to you for six months. So you will then have six months with which to look at that, see if you're okay with the various pieces that are in it. And then after that it goes to County Council and they have one year to look at it, to see if there's any changes they want to make.

Ms. Koanui Nefalar: Yeah, I just suggested that because I know a lot of people who don't go to community meetings, and just listen to side talk and may end up getting wrong information. So that's why I suggested it.

Ms. McCrory: Okay.

Ms. Koanui Nefalar: My next comment is just for the Planning Department. How often are after-the-fact permits – I mean, is it something that occurs a lot and if so, or, if it does, is there any penalty for after-the-fact permits?

Mr. Yoshida: Well, after-the-fact permit fees are set in the budget. Say 15 years ago, there was no distinction. About 12 years ago, we imposed like double the fee. Like the building permit process they imposed double the fee. But the fee was only like \$50, so \$100 instead of \$50. Now it's sort of on this tiered system. \$55 to \$165 depending on the valuation. We have currently have an after-the-fact fee of \$1,000 plus up to 50% of the project valuation. Now, Corp Counsel has warned us that the fee must be directly proportional to the amount of time, additional time, that it takes to process the application because it is after-the-fact.

There's another system called fines, and, you know, that is appealable to the Board of Variances and Appeals, and probably Corp Counsel can advise you a lot about that because he handles the Board of Variances and Appeals. But, you know, it has to proportionate with the additional time spent by staff in processing the application because it is after-the-fact. But the minimum is \$1,000.

**D. UNFINISHED BUSINESS**

- 1. January 2013 Semi-Annual Report submitted by Lanai Resorts LLC regarding the project irrigation demand associated with the Residential and Multi-Family Development at Manele, TMK: 4-9-017:001, 002, 003, 004, 005, and 4-9-002:049, Manele, Island of Lanai. (95/SM1-015) (95/PH2-001) (J. Prutch) (Comments made by Lanai Resorts, LLC at the April 17, 2013 meeting.)**

**The Commission may provide its comments on the report.**

Mr. Ornellas: Alright thank you Clayton. Thank you Stacie. Thank you Lynn. I appreciate it. We're gonna move on, down to D1, and I'd ask, I would ask the commission to defer that, D1, the semi-annual report for Lanai Resorts. Not only are we running out of time, John Stubbart is not here who is going to do the presentation. Any objections?

Ms. Zigmond: No, not at all. But I just might also add, I think it's really important that we get our questions answered because my understanding is that this five-year extension is coming to a close and they're probably going to come up with another request for another extension so we really need to get our answers questioned. I mean, our questions answered on this. Thank you.

- 2. Completion of Orientation Workshop No. 1 conducted on April 17, 2013 on Legal Issues. (J. Giroux)**

Mr. Ornellas: And so we'll put it on the next meeting's agenda. Thank you. Also, D2 since, since James is long winded, we're gonna delay D2, the completion of the orientation workshop, so we're going to defer that. Any objections? Okay, we'll go to Director's Report. James is off the hook. Director's Report, open Lanai Report. Any questions? Everybody had a chance --? Oh, go ahead.

**E. DIRECTOR'S REPORT**

- 1. Open Lanai Applications Report**

Ms. Zigmond: I have a question on the open projects please. The very last one. There's another special SMA Exemption which is a new dwelling by Adam Waterous. Could somebody please speak to that? Where is that? What is it? What's going on with that?

Mr. Yoshida: It's in the Manele, Manele residential area. It's a single-family dwelling. We're assessing it the same as we assess today's application as to whether or not it's a development relative to the SMA criteria.

Mr. Ornellas: Is there a – I mean, you have, you have the name, but you don't have an address. Is there an address that can be attached to this, so if we have – if we're running down there we can go to the site and look?

Mr. Yoshida: . . . (inaudible) . . .

Mr. Ornellas: Great, I've got one in my car.

Mr. Yoshida: We can get, we can get that.

Mr. Ornellas: Thank you. Also, and members we received this in the packet, the listing we asked for last month, and I figured it was just going to be a dozen or so abbreviations, and it turned out it's three pages long. And the first one I checked was RFC and of course it's not on here, so Clayton is gonna make sure that it's on there and updated.

Mr. Yoshida: Yeah, yeah RFCs are request for comments.

Mr. Ornellas: Thank you. Anybody else have any questions about the, about the projects? Go ahead.

Ms. Aoki: Mr. Chair, I noticed on Palawai Lane there are about three on going projects which I believe is considered permitted projects, and I maybe incorrect. But I just wanted to check on them. Do you have any open projects on Palawai Lane? Some of those are two Lanai Resorts and one private.

Mr. Yoshida: Those, well, one is a –

Mr. Ornellas: Single family homes.

Mr. Yoshida: – request for comments and one is a Country Town Business design review. The CTB –. Well, you're talking about the –

Mr. Ornellas: No. This, this, this is commercial. But the ones that Joelle is talking about is residential, single-family homes on Palawai Lane.

Ms. Aoki: Just curious because I don't know if they require permits or not, but just taking notice of ongoing projects that have structural.

Mr. Ornellas: Lynn, can you do a drive by on Palawai Lane?

Ms. McCrory: I'm not going to do it today, but I can find out what they are. They may already be issued, the building permits.

Mr. Ornellas: Okay. Yeah. Okay.

Ms. McCrory: It would be my quick guess.

Ms. Aoki: Thank you.

Ms. McCrory: If it's a housing, it's probably a building permit that already been issued.

Mr. Ornellas: Okay.

Ms. McCrory: Do you know, do you know what cross street to Palawai that is?

Ms. Aoki: There's a private home. One or two private homes there too.

Mr. Ornellas: Palawai Lane is not, is not that big so –

Ms. McCrory: Okay, I'll find out.

Mr. Ornellas: Thank you. And what else here?

Ms. Aoki: So Mr. Chair?

Mr. Ornellas: Yes.

Ms. Aoki: I'm most concerned about that private one. I believe that Lanai Resorts had a permit on those. But the private on Palawai and Twelfth. On the corner or one from the corner? One from the one corner, Palawai and Twelfth.

Mr. Ornellas: Okay. Alright, Kelli, can you get the address and kind of e-mail to Clayton? Or e-mail to me, and I'll send it on to Clayton? Okay. Thank you because I think it's her neighbor. Okay, E2, Lanai Planning Commission membership as members to the American Planning Association.

## **2. Lanai Planning Commission membership as members of the American Planning Association**

Mr. Yoshida: Mr. Chairman, I discussed it with the director and I think for commission members the fee, annual fee is, membership fee, is \$150. So I think what we might start off with would be to get a membership for the chair and he can share pertinent information with the commission.

Mr. Ornellas: If the County can only come up with \$150 for this, for this important, important association, then we'll start off with that. But I'm going to be pushing because I think everybody needs to be a part of this so we can understand our jobs better to administer this position. Thank you Clayton.

Mr. Yoshida: Okay, I'll pass that along.

Mr. Ornellas: Thank you very much. Alright, then we go on to the agenda items for the 19<sup>th</sup> – well, we've already – June 19<sup>th</sup> – we've already started. Clayton is promised that, since it's already on the record now that he won't cancel that meeting, so thank you very much Clayton.

### **3. Agenda items for June 19, 2013 meeting**

Mr. Yoshida: Well, I guess we're gonna have the Four Season, the matter deferred today on the Four Seasons.

Mr. Ornellas: The water, yeah.

Mr. Yoshida: And then the semi-annual report.

Mr. Ornellas: Yes, and James. Training.

Mr. Yoshida: And James. We were possibly going to have a coastal zone management workshop but that's too much.

Mr. Ornellas: Okay. Well, if doesn't then we'll just defer. You know we'll just bump Giroux that's all.

Mr. Yoshida: Well, I'm bringing staff special to do the –

Mr. Ornellas: To do what?

Mr. Yoshida: – Special Management workshop.

Mr. Ornellas: The management workshop?

Mr. Yoshida: Yeah, we're gonna have it on the 19<sup>th</sup>. I'm bringing in two planners to do the workshop.

Mr. Ornellas: Okay, but the CPAC is not going to be finished in June.

Mr. Yoshida: To talk about coastal management.

Mr. Ornellas: Okay. Alright. Go ahead and put it, go ahead and put it on there and then we'll just kick Giroux off to the following month or so. His is easy. Okay, so you, you'll make, make adjustments to the agenda and let me know please.

Mr. Yoshida: Yes.

Mr. Ornellas: Thank you. And then July 17<sup>th</sup> there's a public hearing that we're gonna have here on Lanai?

**4. July 17, 2013 Public Hearing on the following matter:**

- 1. Mr. William Spence, Planning Director, transmitting a Bill for an Ordinance amending Chapter 19.27, Maui County Code, and repealing Chapter 19.615 relating to Park Districts. (J. Alueta)**

Mr. Yoshida: Yes, the department is going through, systematically going through to update the zoning section of the county code so we'll be dealing with the parks districts, amendments to the parks districts. And we also have another item on the definition of a wet bar because for short-term rental homes it's caused us unbelievable grief as to whether it's a second kitchen, second, third or fourth kitchen, or not. So those are the two public hearings that we have scheduled. So we won't cancel the July 17<sup>th</sup> meeting.

Mr. Ornellas: Alright, then our – so our next meeting, June 19<sup>th</sup> is established. Can I have a motion to adjourn? Unless somebody has a question for anybody, for the pilot? Gassed and ready to go?

**F. NEXT REGULAR MEETING DATE: JUNE 19, 2013**

**G. ADJOURNMENT**

Ms. Aoki: I motion to adjourn.

Mr. Ornellas: Alright. What?

Ms. Aoki: I motion to adjourn.

Mr. Ornellas: Anybody else? Everybody okay with that? Alright, then the meeting is adjourned.

There being no further discussion brought forward to the Commission, the meeting was adjourned at approximately 8:34 p.m.

Respectively submitted by,

LEILANI A. RAMORAN-QUEMADO  
Secretary to Boards and Commissions II

**RECORD OF ATTENDANCE**

**PRESENT:**

Joelle Aoki  
Shelly Barfield (6:00 p.m. to 7:45 p.m.)  
Kelli Gima  
Stacie Koanui Nefalar  
Stuart Marlowe  
John Ornellas  
Bradford Oshiro  
Beverly Zigmond

**EXCUSED:**

Priscilla Felipe

**OTHERS:**

Clayton Yoshida, Planning Program Administrator, Current Planning Division  
Joseph Prutch, Staff Planner  
James Giroux, Deputy Corporation Counsel, Department of Corporation Counsel