

**MAUI PLANNING COMMISSION
REGULAR MINUTES
AUGUST 12, 2014**

A. CALL TO ORDER

The regular meeting of the Maui Planning Commission was called to order by Chairperson Ivan Lay at approximately 9:00 a.m., Tuesday, August 12, 2014, Planning Conference Room, First Floor, Kalana Pakui Building, 250 South High Street, Wailuku, Maui.

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

Chairperson Lay: ...is now called to order. It's August 12th.

B. PUBLIC TESTIMONY - At the discretion of the Chair, public testimony may also be taken when each agenda item is discussed, except for contested cases under Chapter 91, HRS. Individuals who cannot be present when the agenda item is discussed may testify at the beginning of the meeting instead and will not be allowed to testify again when the agenda item is discussed unless new or additional information will be offered.

Chairperson Lay: If anyone wishes to testify on any agenda item that's coming up because you have to go to work or you have another prior obligation, we're giving you the time now to step forward and give your testimony. If you testify now, you won't be allowed to testify later and you have three minutes. Does anyone wish to testify at this time? Okay, let me go through the list, one second. Does Mike Moran wish to testify at this time?

Mr. Mike Moran: Chair, if I can just get clarification. I want to testify on two items. I think I will not be here for the second item which is later on the agenda. So it is proper to testify on that now and then can I testify on the other item when it's live?

Chairperson Lay: Yes, as long as they're separate, yes.

Mr. Moran: Okay, great. Thank you.

Chairperson Lay: And please identify yourself too.

The following individuals testified at the beginning of the meeting:

Mike Moran - Item F-1, Towne Development, SMA Time Extension
John "Keoni" Akau - Item C-1, David Pyle, Downtown Kihei Project, CIZ, CPA and SMA
Lori Sablas - Item C-1, David Pyle, Downtown Kihei Project, CIZ, CPA and SMA

Their testimony can be found under the item on which they testified on.

Chairperson Lay: Does anyone else wish to testify at this time? If so, step up to the mic and you have three minutes. If not, we're closing public testimony at this time, and our first agenda item?

Mr. Spence: Good morning Commissioners. We're on agenda item C, Public Hearings. The first one is Mr. David Pyle, Executive Vice-President of The Krausz Companies proposing Community Plan Amendment, Change in Zoning, SMA Permit for the Downtown Kihei Project. And the Staff Planner this morning is Ms. Ann Cua.

C. PUBLIC HEARING (Action to be taken after the public hearing.)

1. **MR. DAVID PYLE, Executive Vice-President of THE KRAUSZ COMPANIES, INC. requesting a Community Plan Amendment, Change in Zoning, and Special Management Area Use Permit for the proposed Downtown Kihei Project adjacent to Piikea Avenue consisting of business, retail, commercial and hotel uses, and related improvements on a total of approximately 27.44 acres of land at TMK: 3-9-002: 030, 076, 080, and 158, Kihei, Island of Maui. (CPA 2012/0004) (CIZ 2012/0009) (SM1 2012/0006) (A. Cua) (The Maui Planning Commission accepted the Final Environmental Assessment as a Findings of No Significant Impact at its March 12, 2013 meeting.)**

The Applicant, The Krausz Companies, Inc., is seeking the following land use entitlement approvals for the proposed Downtown Kihei project located on the north and south sides of Piikea Avenue:

- a. **A Community Plan Amendment to Hotel for a 2.627 acre portion of Parcel 030 and an amendment to the Planning Standards to allow a height of sixty (60) feet on parcel 076 to accommodate a movie theater building;**
- b. **A Change in Zoning from the R-3 Residential District to the B-2 Community Business District, OS-1 Open Space Passive District; and H-M Hotel District; and**
- c. **A Special Management Area (SMA) Use Permit for the development of the Downtown Kihei project to include retail and commercial buildings, a movie heater, a select services hotel, a village square, and on-grade deck parking.**

Ms. Ann Cua: Good morning, Chair, Members of the Commission. Before I turn it over to the applicant I just wanna make a couple of points. This is the third time that you are seeing this project. You reviewed the Draft Environmental Assessment on this project in October of 2012, and you reviewed the Final Environmental Assessment and determined a FONSI on March of 2014. So again, this is the third time you're looking at this project. It's not going to be last. And the reason for that is that there are three applications here. There's a Community Plan Amendment, Change in Zoning and an SMA Permit.

Today, we're holding the public hearing on all of these applications. We will eventually make a recommendation to you to send the Community Plan Amendment and the Change in Zoning application up to the County Council so they can deal with these land use entitlements. If they at some point approve the Community Plan Amendment and Change in Zoning, we will still have the SMA Permit, the permit action that you'll have to deal with. So when the project does finish with Council, we'll be able to bring it back to you for action only. We will not need to do another public hearing. We'll bring it to you for action at that point and then we'll come up with recommendations on the SMA at that point in time. So we can explain that more a little bit later.

The only other thing besides the staff report that was passed out to you...one of the letters that is in your agenda is from Michael Schaefer. It was a letter in opposition and that is included in your staff report. But what I received yesterday afternoon from the applicant's consultant, Munekiyo & Hiraga was a letter responding to Mr. Schaefer and so that I passed out to you this morning. So with that, I'd like to turn it over to Colleen Suyama from Munekiyo & Hiraga and she will take you through a power point for the project.

Ms. Colleen Suyama: Good morning, Commissioners. As stated, I'm Colleen Suyama, the planning consultant with Munekiyo & Hiraga. With me today is also Gwen Hiraga from our firm. We are here to do the Community Plan Amendment, Change in Zoning, and Special Management Area Permit for the proposed Downtown Kihei Project.

Our project team includes the applicant, we have David Pyle and Jay Krigsman from the Krausz Company. Our engineering consultant is Clifford Mukai with Warren S. Unemori Engineering. Our traffic consultant is Matt Nakamoto from Austin Tsutsumi and Associates. We also have Bob Hobdy, who's our biologist for the project and Erik Fredericksen, our archaeologist.

In terms of orientation, Piilani Highway is to the east located here. Then we have Piikea Avenue which bisects the project. Liloa Drive which is to the east of the project and some of the features that are close to the project is the Piilani Shopping Village, the Piilani Gardens Apartments and to the north is the Yee's Orchard located here and to the west is the Longs Drugs, Kihei Center and the Azeka Shopping Center Mauka is located here. Lipoa Street is further south and to the south is the Haggai Institute, the six-story institute located here and the Lipoa Center located here.

The project is composed of four different parcels. The first parcel is Parcel 30 located here to the north of Piikea Avenue, Parcel 76 located to the south, Parcel 80 and Parcel 158. This is an aerial view that shows you what is existing today. This is Piikea Avenue located here. Piilani Highway, Liloa Drive. To the north is Parcel 30 and as you can see it's undeveloped. It also includes an approximate three-acre, manmade enhanced wetland located here and also this is Parcel 76 also undeveloped. Parcel 80 is a 3.5 acre enhanced wetland located here, and Parcel 158.

The land use for the project is that it is in the State Urban District. On the Kihei-Makena Community Plan it's designated as Business and Open Space. The Open Space area is the two manmade wetlands. The zoning for the property is R-3 Residential. In the Maui Island Plan which was recently adopted in 2012, it is identified as Kihei infill and revitalization. And in the Maui Island Plan it recommends development such as the Downtown Kihei Project and it is within Urban Growth Boundary.

In terms of the application, we filed our application on September 7, 2012. The first review by the Maui Planning Commission was on October 23, 2012 reviewing the Draft Environmental Assessment. We also went to the Maui Urban Design Review Board on November 7, 2012 for the review of the design of the project as well as approval of design guidelines for the project. Then on March 12, 2013, we came back to the Maui Planning Commission for the review of the Final Environmental Assessment. The Commission Determined a Finding of No Significant Impact. On April 8, 2013, the Final EA or FONSI was published in the Office of Environmental Quality Control, Environmental Notice. The 30-day challenge period ended on May 7, 2013 with no challenges to

the Final EA. Since 2013 to the present at the request of the Maui Planning Commission we had our traffic consultant prepare as updated traffic report and up to now it has taken us this long to have our updated traffic report reviewed by both the Department of Public Works and the Department of Transportation. It took us this long to get back to you with recommendations from both agencies. And I believe the comments, responses from both agencies are in your staff report.

Because of the length of time that transpired since you know we've been going through this process, we also met with the Kihei Community Association on June 26, 2014 to update them of the project and you know, to assure them that the project has not changed from what was originally proposed since 2012.

In terms of the project, the Downtown Kihei Project, Parcel 30 we are talking about a four-story, 150-room non resort, local serving hotel. As mentioned by Lori Sablas, what we're looking at is a hotel that local residents when they come here to Maui for sports events, baby showers, weddings, they have a local hotel to stay at. We're also talking about 114,944 square feet of commercial and retail space, 515 on grade parking stalls and maintaining the three-acre manmade wetland replacement and enhancement site that's currently on the project. And Parcel 76 to the south of Piikea Drive we're talking about 97,974 square feet of commercial and retail space. It would also include a 44,180-square foot, 60-foot high theater building. We also are proposing to create a village square, town square and also 612 on grade and deck parking for the project. Parcel 80 we are proposing to maintain that 3.5-acre manmade wetland and on Parcel 158, the smaller parcel we're talking about 6,655-square foot commercial and retail space and 72 on grade parking spaces.

What we are seeking from the Commission and the Council is a Community Plan Amendment from Business Commercial to Hotel for 2.6 acres in order to build the proposed 150-room hotel because hotels are not permitted within the Business District. We're also asking for an amendment to the Planning Standards to allow for the 60-foot height limit for the theater and this is a technical reason and it is to accommodate the screens for the theater and you know, the sloping seats that it goes above the recommended 35 feet in the community plan. We're also asking for a Change in Zoning. All of the parcels currently are zoned R-3 Residential, so we're asking for Parcel 30, the 2.6 acres would be zoned H-M Hotel, B-2 Business Commercial, 7.87 acres would be zoned Business, the 3-acre enhanced wetland would be zoned OS1 for Open Space. For Parcel 76, we're talking about 9.1 acres of B-2 Community Business. Parcel 80 to zone the 3.5 acre enhanced wetland as Open Space. And the final Parcel 158 to zone the 1.4 acres to B-2 Community Business. We're also as part of it asking for Special Management Area Permit to develop the site.

This is the site plan of the project. Liloa Drive is located to the east. Piikea Avenue separates the project into two parts, a northern portion and southern portion. We are maintaining the existing the existing manmade wetlands on Parcel 30 and also the manmade wetland on Parcel 80 located here. What we're proposing on Parcel 30 is the key...I guess the key feature would be the 150-room hotel to the north of the property and four, five individual commercial buildings located here. Also Parcel 76 we're talking the theater building located here and it was sited on this portion because it's adjacent to the Haggai Institute which is a six-story building. So it's gonna be below a six-story feature and that's one of the reasons why the theater was sited on this side. And we're also talking about another sixth commercial retail building. This is the two-story, two deck parking deck located here, and on the deck as part of sustainability they're proposing to put in photo voltaic

panels on the roof of the deck as well as maintaining the existing manmade wetland here on Parcel 80 and for Parcel 158, a one-story commercial building and parking.

In terms of access, we did discuss the access points with the Department of Public Works and they've agreed to allow a access point to all of these points here. As well as into the parking garage as well as to the other...the southern portion of the property. This is the village town square that they're proposing as part of a community center area that people can congregate.

As noted on the north side, the key feature is the hotel building. This is a elevation of what the hotel building would look like. You're talking about four stories, a porte cochere and the building in the back. So this an architectural conceptual plan of what the hotel building may look like. This is a section of the building showing you the porte cochere, the pavilion, lobby area and then you have like your kitchen and back of house located on the bottom floor with rooms above. And they're talking about a variation in roof design from, you know, gable roofs as well as some flat parapet roof features as part of it. And all of this was reviewed by the Urban Design Review Board and is part of the design guidelines that was adopted.

The other main tenant is the theater building located on the southern portion of the project. And as you can see it's also directly in front of what we consider to be the village center located here. And one of the features of third street here is that as a village center, town center, they are proposing that when there's community events that happen that this roadway, driveway could be closed off and you could have like a whole community event occurring within that town center.

This is the proposed plan of the theater building. As you can see because of the larger screens and the difference in elevation in the property topography they're asking for the 60-foot height limit in order to build the theater building itself. It's not the whole building but there are portions that go up to approximately 60 feet and because of the way grade and height is determined by the County of Maui they're asking for that variance from the community plan because the community plan's very specific in what is allowed as a part of height. That was the theater building.

They're looking at doing something called the Cinatopia theater and it's basically having multiple theater units in which you can order meals, it's like...some of it's like being in your own living room and seeing a movie or having a seminar, et cetera. So it's not your typical theater that you see today on Maui. It's a totally new theater experience that they're proposing.

This is the view of the north elevation from Piikea Street. So this is a view from the theater building. So you're looking towards Piikea. In the background is the hotel building and then this would be Piikea Street in front with your commercial building, two-story commercial building. This is a larger view of the north area showing the village town center to conceptually what they're looking as part of the town center within the project. Also, from...this is a view from Liloa Drive looking into the project from the greenway, the existing greenway bikeway path and what they're looking at is because of the grade difference the project is actually lower. Looking at this is Liloa Drive, as you're looking into the project you're actually looking down in to the project. It would be like a similar experience at Piilani Village. As you're driving along, the village center is actually lower than the highway as you're looking into it. And that's the same kind of perspective that you would get from Liloa Drive. And because of this parking lot, you know, you would see the buildings more in

the distance rather than right up underneath, you know, at the roadway itself and they're proposing substantial landscaping as part of the project.

In terms of sustainability which is important to Downtown Kihei is that they're providing connectivity by providing bike paths. They're also redoing Piikea Avenue and as part of the redevelopment of Piikea Avenue, they also are proposing to install bus stops 'cause right now there's no bus stops on Piikea Avenue. It's also promoting walkability to the project by providing substantial pedestrian pathways and sidewalks. As a mixed use, infill project they are trying to encourage people to either walk to bike this community rather than the standard get in your car and come to the shopping center. They're also as a mixed use infill project is trying to encourage the residents of the area to the use the facility and not take it as this is resort shopping center.

In terms of energy conservation they're proposing to connect to the nonpotable water system. There's an irrigation system on Liloa Drive which is the R-1 water from the sewage treatment plant. They are proposing low flow fixtures within the project. They're looking at renewable energy such as installation of the photo voltaic panels. They are also looking at using regional and recycled materials that are available on Maui. In terms of landscaping they're looking at using native plants and riparian vegetation as well as drought tolerant plants.

This is a proposed bike plan for the Downtown Kihei project. This is Liloa Drive, the roundabout here. And right now you have the existing greenway that goes along Liloa Drive. They're proposing to connect the bike path along...when they redevelop Piikea Avenue to provide those bike lanes. Also as part of the redevelopment of Piikea Avenue they're proposing to provide two bus stops in front of their project and this is to encourage, you know, residents and workers to actually take the bus, commute to this project through the bus system rather than driving your car to this project.

They're also looking at pedestrian connectivity. The green is the existing sidewalks that are located. They are going to as part of the development of Piikea Street is providing some more substantial wider sidewalks within their project and throughout their project opportunities for pedestrians to walk within their project as well as to that last remnant parcel that's located there. I mean, that stand alone parcel. So people would get the opportunity to walk in front of the wetlands all the way down to South Kihei Road. So as you can see they are providing substantial sidewalk areas within the project and some of these larger sidewalk areas will also be able to be encouraging people to do outdoor activities like outdoor cafes, et cetera.

In summary, the community plan it was reviewed in accordance with Chapter 2.80(b) of the Maui County Code. In terms of the Change in Zoning it is consistent with the Kihei-Makena Community Plan once the Community Plan Amendment is adopted. They meet the intent and purpose of the zoning districts being sought. It would not adversely affect or interfere with public services. It would not adversely impact the social, cultural, economic, environmental and ecological character and quality of life.

In terms of the Planning Commission action what we're seeking today is a recommendation to the Maui County Council on the Community Plan Amendment and Change in Zoning and it's our understanding for the Special Management Area Permit it would be deferred until the land entitlements are approved. Thank you. And all of our consultants and the applicant is available

to address any questions that the Commission may have. Thank you.

Chairperson Lay: Commissioners, at this time I'm gonna open up to public testimony. If anyone wishes testify please step up to the mic, identify yourself and you have three minutes.

a) Public Hearing

The following testimony was received at the beginning of the meeting:

Chairperson Lay: Our next testifier, John Akau.

Mr. John "Keoni" Akau: Aloha, good morning. I'm Keoni Akau originally from Big Island. Moved to Maui in 1991 to open the Grand Wailea. I've seen a lot of changes especially in Kihei most of which have been positive. As a father and a working man, I support this project primarily because of the jobs. Initially in the construction of the project and eventually in the retail and maintenance phase. A state-of-the-art movie theater, 100-room hotel, numerous shops, restaurants all in a family type atmosphere.

Progress is necessary to help those with families to move forward on our island. This project is in a sense planting seeds towards modern progress allowing our families employment opportunities...(inaudible)...and keeping the family whole. Our children deserve to live, work, and prosper where they are born. Thank you.

Chairperson Lay: Commissioners, any questions for the testifier? Seeing none, thank you very much. Our next testifier, Lori Sablas do you wish to testify? And please speak into the mic. Point that mic down.

Ms. Lori Sablas: Good morning.

Chairperson Lay: Good morning.

Ms. Sablas: Aloha kakahiaka. Planning Director, Chairperson, Members of the Planning Commission. It's been a long time since I've been in this room.

Chairperson Lay: Yes, it has.

Ms. Sablas: Deja vu. My name is Lori Sablas and I'm here to testify as a resident and homeowner in Kihei for the last 32 years. I came here to testify in support of the Downtown Kihei Project as proposed by the Krausz Companies for the following reasons. As a former Planning Commissioner, I believe this project fits in perfectly as an infill development and you trained us well in that area.

I drive through this site several times a week and I believe this project as designed will greatly enhance the area in a very positive way. I was one of those doubters who did not see a need for the roundabout on Piikea Avenue, but now that I use it regularly I love it. So ...(inaudible)..have changes even though I thought maybe they weren't that good. And I am very impressed that the landscaping has been kept up beautifully and believe that this project will continue this trend.

By connecting the two shopping centers with walkable sidewalks and landscaping it will give Kihei a much needed downtown sense of place. As I said, I have lived in Kihei for 32 years and the shopping areas I most frequent are the Piilani Shopping Center and Longs Azeka Centers. I rarely have a need to go further south unless it's to the beaches or parks.

I understand from the developers and I did take the opportunity to meet with them by the way to just, you know, so that I could understand their project better. And I understand that they want to make this downtown place...to make this downtown a place where the local residents will want to come and I'm all for this concept being a resident there. I especially like that the project includes not only a theater but a hotel which will cater to the local residents. Since I retired, my guestroom at home has been regularly occupied. So I look forward to having a hotel in the neighborhood where I can send them. So mahalo for the time to share mana`o with you. And I'm available for any questions at this time.

Chairperson Lay: Commissioners, any questions for Lori?

Ms. Sablas: If not, thank you again for what you do.

Chairperson Lay: If I may, I would like to thank you for your continued support with Maui County and sharing with us what's going on and what you support or you don't support. We appreciate that and we also thank you for your time that you spent on the Commission in the past. Thank you very much.

Ms. Sablas: Thank you. I love this island. It's my home island. So thank you.

This concludes the testimony received at the beginning of the meeting.

Mr. Mike Moran: Thank you for this second opportunity. I will stay under the three minutes but I'll a be little bit more...have a little bit more to say to say on this project. Again, I am Mike Moran, President of the Kihei Community Association speaking for the association. KCA has had numerous discussions and meetings with The Krausz Companies concerning this project over the past decade. We have found them to be receptive, to open positive communication and acting on many suggestions and requests. We reviewed a recap of much of this communication and contact over that period at our office on June 16th with Jay and David as was mentioned previously.

As they move forward today, we ask consideration of just a few points for the mixed use project. One, we would like to see the sidewalks separated from the street with a green strip incorporating trees and shrubbery. And we ask for green streets approaches to capture runoff into these planted areas. Two, a point KCA has requested from the go on the project is the need for clear and decisive bike paths throughout the project. South Maui's only bike path along Liloa—you've heard all this already—is on the perimeter of the project for long-term County plans to extend this path across most of Kihei. We envision many residents leaving motor vehicles at home to bicycle to this downtown central community area if they can safely traverse on secondary lanes within the project upon arrival to bike racks we assure their safety and continued increase of use of bicycling. Good for the community and for the project. Please remember when the project came before the Urban Design Review Board, the Board stated good bike paths and bike parking were needed within the

project. And three is wetlands. The wetlands that border the makai side of the project can be used to enhance the project by including a simple sidewalk and bike path. We quote from the current Kihei-Makena Community Plan, "protect all wetland resources such as those at Kealia Pond and near Road C. These open spaces and habitat resources are important for flood control and for their natural beauty. Require the integration of wetlands and drainageways into an open space pedestrian pathway and bikeway system within and around Lipoa Business District."

So I think it's obvious we're in very much alignment with that they're doing and as I said they have been very receptive. We're just, I'm sure they're tired of hearing this but we're just trying to tweak it a little bit more. Can we just do a little bit more and they have been very giving so we thank them for that. And I say mahalo to you for your consideration and to the Commissioners for their service to the community. Mahalo.

Chairperson Lay: Commissioners, any questions for the testifier? Seeing none, thank you very much.

Mr. Moran: Thank you.

Chairperson Lay: Does anyone else wish to testify at this time? Please step up to the mic. Seeing none, public testimony is now closed. Commissioners, any questions? Commissioner Wakida?

Ms. Wakida: I have a general question for the applicant.

Mr. David Pyle: Hi, I'm David Pyle with Krausz Companies.

Ms. Wakida: Good morning. Thank you. This morning's paper had a story about a yogurt shop closing because...in *The Maui News*, because down the street a mall has lost a lot of its businesses and so they're closing because they're lacking the walk-in traffic that they need because and the movie theater there has closed. So my question to you is and I...if you could tell us about commitments that you have for tenants, about how you think this is a viable project and isn't going to need years and years of extensions because we've had one movie theater closed but you wanna open another. We've had stores closing, empty space, but you wanna build more space could you address that?

Mr. Pyle: Okay, and I'm gonna turn the microphone over to Jay Krigsman who's also a partner on the project and he's responsible for all leasing and operations. I built it, he fills it and so...

Ms. Wakida: Thank you.

Mr. Jay Krigsman: Thank you. Good morning. Jay Krigsman with The Krausz Companies, and thank you for your question. The...the best way to answer your question is that my experience has been and maybe for a little bit of history, we purchased, not developed, but purchased and have managed the Piilani Village Shopping Center for the past little over ten years now and so we're...as part of our maintaining the success of that center we've learned a lot about what the people of Maui not just the visitors to Maui by the local residents of Maui want and need and I think a big part of the challenge or the problem that some of these other centers have is they're still giving the

community much of the same thing that they've given them since they were established. And just because we live on Maui and work and play on Maui doesn't mean that in certain instances we don't still like the, you know, the luxuries and the changes and the advances in service or in the quality or in a type of tenancy that's happening in other parts of the world. And so, what we've tried to do at Piilani Village Shopping Center with the infrastructure that's there and what we plan to do much more so in Downtown Kihei is really create a sense of place, a sense of community for the local people of Maui and for the visitors.

And so to address your question, the problem with, and I didn't see the article yet in today's *Maui News* but since I know where the theater closed, I know that shopping center, the problems with in the case of that center, that center's challenge was the fact that the theater closed and so then the question is well why did the theater close and why do we think that we will have a successful theater? We met with the operator of that theater early on when we had our plans for a Downtown Kihei and it's a national chain based on the mainland and they did not give that theater or in my opinion the people of Maui the respect that it deserves as a theater. If you are going to spend your hard earned money to go and watch a movie. You want to watch it in a comfortable environment. You want to watch it in a place that has good quality imagery, good quality sound, seats that don't squeak and have gum on the bottom of them or otherwise why not just watch it at home with your new surround sound television set and say, hey I'll save the nine dollars. And that theater and unfortunately in some instances some of the other theaters on Maui have not respected the people of Maui and given them the modern viewing environment that the many theaters on the mainland are now doing.

What we are proposing to bring to Maui is an operation called Cinatopia as Gwen was explaining which is a...it's a true entertainment experience. From the moment you get into the theater this operator and he's got several other operators on the mainland, he embraces himself into the community and whatever community he's in. So he will have local musicians performing in the theaters during the time they serve, they serve food and beverage. You have the ability to go to the theater and sit in a nice comfortable chair and order food before the movie starts and not interrupting you in the movie but before the movie starts and they'll serve you and then you can watch the movie. Well, during the time where they're taking your orders and they're serving local area musicians will perform. He dedicates a tremendous amount of wall space throughout the common areas of the theater to display art from local areas artists whether it's for display purposes or for sale purposes to give local area artists an opportunity to present their art. He is constantly doing community events.

You have the ability here to...he'll have as Colleen was mentioning will have a large screen and his plan is to currently have a 70...his largest screen to be a 70-foot diagonal screen which will show the big, you know, the big, the big powerhouse movies and you can have your big auditorium seating but then also smaller, what he likes to call living room, more intimate living room style seating which a living room theater could be a theater that's not much bigger than this room maybe twice the size of this room with love seats and coffee tables, almost like you're in in a home environment but with amazing surround sound technology, high digital projection, truly an ability to watch, to watch a movie the way that you wanna watch it and feel that for your nine dollars or ten dollars you got value. And that's actually an interesting point, is well with this whole experience he does not charge much more than they'll charge over at the Maui Mall by way of example.

So to get back to your question we believe that if you, if you create an environment where people want to be, you create an environment where people say, hey we got the kids, the kids are spending some time with us today, let's go somewhere where we can have breakfast or just let's go somewhere where we can hang out with the family and walk around and maybe the grandkids can play in the fountain or the...we could just walk around and maybe see our neighbors...shopping happens. There's two types of shopping. There's planned shopping, Suzie needs a new pair of shoes let's go to the mall and get her a new pair of shoes, and then there's impulse shopping. Let's go hang out. We'll go spend some time with the family, we'll walk around, we'll get a coffee, a shave ice and oh, we'll stop in, you want a yogurt, we'll get a yogurt. And so we believe if you create a destination, if you create an environment that the retailers will thrive. I hope I've answered the question.

Ms. Wakida: Well, maybe just one follow up. Do you have lease commitments already?

Mr. Krigsman: It's a good question. We have a commitment from the theater which candidly I worry about sometimes because of the length of time it's taking us to get to where we are. I worry that we might lose him at some point. We've had interest, indications of interests from many other retailers to come to the property, but retailers whether they're food service retailers or merchants that sell a product they don't think in terms of three years out, four years out, five years out, they're thinking in terms of what can I open this year or next year. And so, rather than go to in the shopping center industry there are multiple ways of attracting and talking to tenants. We could talk to the local community which we do, but also on the national front you go to certain conventions throughout the year and present your property to national retailers, national restaurants, that type. We've been presenting this project for many years and it's become a point where people are starting to question whether or not we'll ever deliver. So we've taken a step back and we're waiting until we get a little further along and then we'll approach them again. But every time we've approached them we've had very positive response.

Chairperson Lay: Commissioner Tsai?

Mr. Tsai: Yeah, as a follow up to that, so what we have as a updated timeline I guess for this project to I guess maybe Colleen or somebody can or do you have that answer?

Mr. Krigsman: I'm going to let Colleen answer that. Thank you.

Ms. Suyama: Because it's taking so long we're looking at hopefully getting through the Planning Commission today with a recommendation to the County Council. Then the Planning Department with the Corporation Counsel will have to do all of the paperwork for the transmitted, official transmittal to Council. And we're hoping that will happen by the end of this year. Because the Corporation Counsel normally will ask for the minutes to be prepared and approved by the Commission before they really look at the ordinance that's drafted. So we're like looking at possibly if we get through today, sometime by the end of this year the project will be officially transmitted to the County Council and referred to the Land Use Committee for review. At that point we will then approach the Chair, whoever the Chairman of the Land Use Commission Committee would be in 2015 about possible scheduling of the project. But we understand, we are behind other projects that are already at the County Council level for review. So hopefully you know we'll get back to the

Commission with an SMA Permit by the summer of next year. But it also depends, you know, we're realists we realize that at a certain portion or time the Council is involved in the budget session and that takes up about three months of their time in which all they're working on is the County budget. So hopefully we'll be back with you by summer.

Chairperson Lay: Commissioner Ball?

Vice-Chair Ball: So financing is in place and let's say all that happened to day, what's your projected build out for the project? Do you have what phase you're gonna go first and that sort of thing or...

Ms. Suyama: I think that's something better for the applicant to address.

Mr. Pyle: David Pyle, Krausz Companies. That was a lot of questions. I think the first question would be are we phasing the project? I think I heard that. So the main phase of this project to get the mass of how to make this project work we would...we have to do all of our grading at once which is a mass grading project. So all of this work happens at once on a grading level. And I would say the first phase of the project is definitely the hotel and theater and these buildings in between as well it's quite possible this parking deck and I wanna explain this parking deck. I think I explained this before but as a reminder it's been a while. This deck here is on the same grade as this street and this parking here and this deck that you see here is tucked under that deck. So we're not, we're not building a parking structure that you're looking up to, it's actually helping level the site. The site is high at this end, this whole end, but this is the highest end and then it drops off towards the wetlands in this direction. So that would be the phasing part of this project.

The next step in my schedule is when can I draw construction drawings and I wanna make construction drawings when they're not moving buildings around and we've had several meetings we've had with KCA and different groups. There has been pieces moving around and grading plans changing. That's an extremely expensive process to make changes. So as we go down this process and get to Council and feel comfortable where we've got a real plan, then we can draw do our drawings to our plan checks. I hear the plan checks could be a little long here and then we start building. Financing it's kind of the same as the leasing. Until we come in with entitlements or very close to entitlements we're creating fatigue on the people we go to, but we have the skills to get the financing for the project. So we would like to start ideally, you know, right after we come back to you the next time for ratifying the SMA, but there might be a little lag there with...(inaudible)...plan check. I would like to submit the plan check before that if I can with the caveat that you know no permit until we're all done in here, but that's our schedule.

Vice-Chair Ball: So what's your build out time frame?

Mr. Pyle: It's probably 12 to 18 months. And some of these other buildings here these are what we call pad buildings. These tend to be single-use tenants. There, there even this guy, this one too. You know, once we...once everybody says, oh great you got a project, it's going, the County's all behind it, the leasing goes on, that may all be built at the same time. It's far more efficient that way, but it's a matter of leasing, being able to say we're delivering the project.

Vice-Chair Ball: Thank you.

Chairperson Lay: Commissioner Medeiros?

Mr. Medeiros: Okay, my questions, it's gonna be pretty easy. I pretty much like the plan. However, the hotel my first question, I got a bunch of questions by the way, my first question is who's gonna be running it?

Mr. Pyle: Who's gonna be running it? Jay?

Mr. Krigsman: Thank you. Jay Krigsman with The Krausz Companies. We are...the goal for that hotel is for it to be a...what's called a select service, local serving select service hotel not a resort style hotel. We are currently finalizing negotiations with a Hawaii-based hotel operator who will operate the hotel under a national flag. I'm not sure what the flag will be yet, but one of our requirements...we have several requirements that we're putting on the operator of that hotel and those requirements are that the hotel is a part of the project and that it, it be operated by a national flag. So a national flag would be something like a Hilton or it could be in the form of a Hampton Inn or a Hilton Garden Inn or like a Courtyard by Marriott or a Sheraton Suites or something of that nature. So it will be a national flag operated by a Hawaii-based hotel operator.

Mr. Medeiros: Yeah, I'm asking this question mostly because there have been smaller hotels that promised or they wanna, you know, cater to local people and sports teams and high schools teams and after the build out their rates are way above what sports teams and high schools teams can afford. So there went that promise. I just want you to keep in mind that I have seen this happen.

Mr. Krigsman: Well, yeah and that's a good point. And actually if I could address that, the reason that that is happening is truly the economics of supply and demand. There is...even though it's been quite a long time since a select service hotel was built in many ways on Maui and that many ways is because of some of the previous rules regarding building those types of hotels on the island. When the Courtyard opened by the airport it was the first select service hotel to open in quite a while, the demand for non resort hotels was so high that you know, they're still...we have nothing to do with that, they're still in business and when you have a 150 rooms and 200 people who want to rent a room tonight, you raise the rates until you have a 150 people. And so the answer, the true answer to solving that problem is really to increase the supply to meet the demand in some ways. The people on island actually are looking for more of those non resort rooms. I know that even when I get a...if I can get a great rate at one of the resort hotels on island, let's just pick the Grand Wailea as an example, if even if I get a great rate there, then they hit me with a parking charge and resort fee and a oxygen fee and a water fee and before you know it...so to be able to stay in select service hotel would be wonderful and I think there is still a big demand for that. And if you can provide the supply then the pricing will come down.

Mr. Medeiros: Well, I'm on the side of Sablas. We got too many guests too. We want to send them over to you guys. But I just wanted you guys to be aware that you know, I did notice that.

Mr. Krigsman: Yeah, very good point.

Mr. Medeiros: Now it's gonna be a hotel only so no kitchens or anything, right per the community plan?

Mr. Krigsman: Correct. The idea is for it to be a select service hotel, but I wanna make sure I don't answer the question incorrectly. There are sometimes when you go to some of these Hampton Inns or certain of these select service hotels they do have little kitchenettes in them and I don't know what flag and what type of hotel within that flag the operator is talking about yet. Our requirement is that it's a national flag and that it be a select service hotel. So I wanna be careful...we're not building apartments, we're not building long-term residences or extended stay hotels. It's a select service hotel. But could there be kitchenettes in some, it's possible.

Mr. Medeiros: I believe the community plan, you know, as long as you follow their codes.

Mr. Krigsman: Yeah, absolutely. We follow whatever the plan...

Mr. Medeiros: Affordable housing. How many, where, are you using credits or are you building?

Mr. Krigsman: We have actually several solutions in our pocket right now to solve the affordable housing. How many is according to Maui County Code. Currently it's 40 percent. I'm doing this from memory, but I believe 40 percent of the rooms so in that case it would be 60. For a 150 rooms 40 percent would be 60 affordable housing units. And the operator that we are talking to right now knows that that is a requirement of the hotel...(inaudible)...for the hotel. We have been talking with a possibly investing in a development that would create the affordable housing units. We've also been talking with putting some affordable housing, a development that's on the books that will create some credits. Possibly purchasing those credits that contribute to the development of that site. And the operator actually may also have another project that has affordable housing as part of it that would qualify. And so there are three possible ways for us to solve it, but we do know that we will not be able to build a hotel without providing the Maui County required affordable housing.

Mr. Medeiros: Yeah, well I knew that you had to comply. I just was wondering which way are you going? You're gonna use credits, you're gonna build, you know?

Mr. Krigsman: Because of the way that development sometimes happens or doesn't happen on Maui we're going down three roads at the same time. We're looking at investing in a project, we're looking at contributing to someone else's project in exchange for credits, and our operator also is working on another project on Maui that could possibly provide them with the affordable housing required.

Chairperson Lay: Commissioner Medeiros, we're just gonna break it up a little bit, if any other Commissioners have any questions and we can get back to you. Commissioners, anyone else with some more questions? Commissioner Wakida?

Ms. Wakida: I have a question actually I think for Ann. In our report is referenced affordable housing units. It's actually several parts I think to the question, then also is reference to Workforce Housing Agreement. Can you tell me the difference between affordable housing and workforce housing?

Ms. Cua: Okay, well 2.96 is pretty much all encompassing now and if you have to provide affordable housing it's through Chapter 2.96. But in order to get there you have to do an Affordable Housing or a Workforce Housing Agreement with Department of Housing and Human Concerns and I believe that's what's being referred to there. There has to be an agreement that basically solidifies just what Commissioner Medeiros is asking. Okay, you have a project that triggers compliance to 2.96, the project has a 150 units and that translates to provide...oh, and the cost of these units are "x" amount or the cost of development is "x" amount, so then you have to provide 40 percent of these units as affordable housing. So in this agreement you indicate the amount of units you're providing, where you're gonna be providing it, if you're gonna be providing money or credits or whatever, it's all in this agreement that Housing and Human Concerns and the applicant signs off on.

Ms. Wakida: So the two terms are sort of meshed then, workforce housing and affordable housing?

Ms. Cua: Yeah, workforce housing is—

Ms. Wakida: For the workers.

Ms. Cua: Yeah, I mean, and they're all encompassing in the 2.96.

Ms. Wakida: Okay.

Ms. Cua: Yeah.

Ms. Wakida: Okay, thank you.

Chairperson Lay: Commissioner Hedani?

Mr. Hedani: I had four questions. They've actually answered two of them already so I have two remaining questions. The first question is how does the developer feel about being tweaked again by KCA? It seems like they had three basically requests that came up sidewalks, bike paths, sidewalks, bike path along the wetland which may seem reasonable and would improve the project and I'm just wondering are they inclined to incorporate those suggestions?

Ms. Cua: I can comment a little bit on my knowledge of what transpired. You know that we have two letters from the KCA in your packet. I believe one is from 2009 which basically said you know they're completely in favor of the project, they've had, you know meetings with the developer. And just from my experience with this project going years back they have been talking with the community and so again, what happened very recently after that 2009 letter I know I received a call from the KCA saying they had some concerns about the project and I remembered that I had this letter from them so I was confused. So I got the letter out and mentioned to them that I did have this letter and you know what may have happened because some of what I was hearing was quite different from the letter. And I contacted the applicant right a way. The applicant went to another...to a meeting with them, found out their concerns, the concerns that they have now. I understand that they are prepared to try and do whatever they can. I know they have explained...that's part of why today what you've seen here is a greater explanation of the expanded

sidewalks, the bike paths so that it would be clearer because they did have concerns that it wasn't quite clear. I don't know to what extent they're gonna be able to incorporate all of what the KCA is asking.

Mr. Hedani: That's my question, Ann. Is the developer could respond?

Ms. Cua: Yeah, I know they've done some but they probably need to respond.

Mr. Pyle: David Pyle, Krausz Companies. There were some other concerns we took care of about signalization from the most recent meeting with the KCA which we have resolved. Bike paths have come up. The last time we were in this room we had a bike path...(inaudible)...show that actually ran through the project through here, but the concern from the KCA was they didn't want to intermix bicycles and cars parking and so what we have done since then, since our last meeting with them and working with our engineers and working with Public Works, Department of Public Works is to put the bike paths down Piikea. We're sending a little, putting a little more land into the project to create the right-of-way for this. We've had to shave our sidewalks down there. We have 14-foot sidewalks out there with the idea of having a very walkable, large area and so we've made that change and this is what you see down South Kihei Road. This is pretty much what you have in Kihei for bike paths. The other issue is or discussion that came up, Mike brought up was trying to make it more public around the enhanced wetlands area, manmade wetlands area and if you look in your full report there, there's a flora and fauna report in there by Bob Hobdy which he might be able to...there's a recommendation in there that though the wetlands and the birds that are in there are comfortable with development around them, they don't like like focused attention on them. Am I saying that correct? Okay, so our earliest plans we had picnic areas and walkways and everything around the wetlands and it's in the...and we changed our whole site plan and pretty much put a buffer zone with a detention basins and the parking deck and we have shielded lights and we've actually turned the project upside down to comply with the required flora and fauna report. So we're not sure what to do there. And any other changes we're very concerned about anything that makes us start moving buildings around because we do anything that's substantial change which Ann has reminded us is we're back to square one with you guys and architectural review board and we've been doing this for 10 years. And it's been a lot of questions of when are you gonna start this project and at the same time, how are we gonna get to that point so we can start the project. So we have been doing as much as we possibly can but keeping the project going forward.

Mr. Hedani: But the short answer is no, but there's a good reason?

Mr. Pyle: Yeah, a good reason and we have been a lot.

Mr. Hedani: Okay.

Chairperson Lay: Commissioner Hedani?

Mr. Hedani: The second question that I have relates to traffic. In the report I noted that some of the signals you know that were identified we're talking about level of service F, level of service E, over capacity. The question came up about synchronization. One of the things that bothers me is when we have signals that are within spitting distance of each other and they're not synchronized

so it makes everybody crazy all the time. And the question that I had was is there going to be some synchronization of the signals in order to accommodate the level of service requirements?

Chairperson Lay: Public Works?

Ms. Dagdag-Andaya: I'll take that one. Rowena Dagdag-Andaya, Public Works. So we do have a project that we're undertaking for the modernization of the signals on South Kihei Road. So that should be coming up in this year, in a couple of months. And what we intend to do is to continue monitoring the intersections and as the development if it does get approved, as the construction occurs we'll continue to monitor the signals and optimize them as appropriate so that you don't have that additional lag time. So yeah, we understand the issues of the signals on South Kihei Road but we're working on it to address them.

Chairperson Lay: I have a follow up on that Rowena. So for a while everything works perfect, the lights, everything's running smoothly and flowing and everything and all of a sudden we have parade or a funeral is everything reset back again after?

Ms. Dagdag-Andaya: That's correct. We'd have to take a look at it and work on the controls.

Chairperson Lay: 'Cause I notice like the next day it's like oh, no.

Ms. Dagdag-Andaya: Typically it should work though.

Chairperson Lay: Thank you. Commissioner Hedani?

Mr. Hedani: On the signalization question, I know one of the things that happened in West Maui was that they had like nine signals that your company actually helped with synchronizing so that they all worked. An assessment was made of about \$250,000 to synchronize those systems and that was applied against North Beach I think was the project that it was applied against. So I guess the question that I had was is something like that being considered in this case?

Ms. Dagdag-Andaya: I'm sorry, can you please—

Mr. Hedani: An assessment for synchronization.

Ms. Dagdag-Andaya: Assessment for synchronization?

Mr. Hedani: Or if you already have the money that's great.

Ms. Dagdag-Andaya: It's already there. We appropriated it I think in last year's...I think either FY 13 or FY 14 Budget. So it's...the way the CIP schedule works we're not quite there yet, but we're gonna need to expend the monies by the end of this year.

Chairperson Lay: Commissioner Tsai?

Mr. Tsai: You're actually gonna have a question now. I think when you came before us the last

time I brought up this issue of traffic lights and I'm looking at the diagrams. It doesn't appear to be any traffic lights is that correct?

Mr. Matt Nakamoto: Matt Nakamoto, Austin Tsutsumi & Associates. That is correct.

Mr. Tsai: Good. Thank you.

Chairperson Lay: Now let's go to Commissioner Medeiros?

Mr. Medeiros: I just got two and a half more questions. Union labor?

Mr. Pyle: Yes, sir. David Pyle, Krausz Companies.

Mr. Medeiros: Yeah, what are you plans on utilizing union labor or you know, comparable labor...wages.

Mr. Pyle: We've worked with one contractor to get some preliminary estimates on ...(inaudible)...definitely going to be talking to several contractors on the project, for the project. Again, it's a little too early for that. We would like to use union labor. We would like the opportunity to have fair wage situation that everybody bids and that we come in barely, that we don't ding the project because we're, we get...getting assessed everywhere from everybody on this project. But we're welcome to discuss the union for the project.

Mr. Medeiros: I understand. And you'd be open to utilizing union labor throughout the project because I know sometimes with development they use union labor just on the first part because they want to satisfy, you know, the Commission or the Council or whatever, but you know you'd be open to utilizing union labor throughout all phases?

Mr. Pyle: When you say...I'm not quite clear by the first part, what?

Mr. Medeiros: Are you open to utilizing union labor?

Mr. Pyle: Yeah, we're open.

Mr. Medeiros: In all phases of...

Mr. Pyle: Yeah, for all our work, yes.

Mr. Medeiros: Okay, 'cause you know, I'm not trying to set a condition.

Mr. Pyle: No, no. I understand. For all our work we would be open to it.

Mr. Medeiros: And my last question. Will you be participating in the off site improvement to the extension of the north-south collector road? I missed that if-

Mr. Pyle: Yeah, that is on the map, and we don't have any...it's not drawn here, but we were given

the a drawing at the very beginning of this project, some time ago and the north-south collector road is through here and across this wetland and right here—

Unidentified Speaker: No, no, no.

Ms. Cua: No.

Mr. Pyle: Oh, this way. Oh, this way. Sorry, wrong one. So what's the question on this one?

Mr. Medeiros: Just got it answered for me. So I'll withdraw that question.

Chairperson Lay: Commissioner Higashi?

Mr. Higashi: Yes, I have a question for the KCA President.

Ms. Wakida: Use your mic.

Chairperson Lay: Yeah, could you just slide the mic a little closer? Thank you.

Mr. Higashi: You mentioned about bike paths, bikeways, and at the same time you were talking about the concern of the delay of the project from progressing, et cetera. My question is bike path, how many people are talking about when you say use of a bike path that you would like to request to have in relationship to this project?

Mr. Mike Moran: If I understand the question, our comment about the delays were for the north-south collector road you know for vehicles and that was on another project with Towne Development. On this project we're just looking for people who are already using the existing County bike path which we have along Liloa and which will be extended eventually across Kihei that those people who will use that have simple connectivity to this project. If...I'm one of them, I'm an old guy who still rides a bike and if it's not simple, if you have to go find a place to lock up the bike somewhere else and then hike to the facility you're going to it's not conducive to taking the bike. I'm pretty adamant about it but a lot of folks will just say leave the bike home. I don't know questions about volume, how many people will use it. It just seems practical that the more convenient we make it to use a bike, the more people that will. South Kihei Road when we talk about bike paths along there I'm one who uses them, but a lot of folks just will not. They say it's too dangerous, but they will certainly love to use the bike path up along Liloa because it's separated and safe. I hope I'm answering your question.

Mr. Higashi: So the proposed bike path that is on the project now is it acceptable to the community association or do you want it wider?

Mr. Moran: The bike path as I understand it now that's going along the street, we feel that's fine. We would like a little separation from traffic, from motor vehicles in some way, but we're also concerned about bike paths running through the project that they are some how made safe. Just putting a stripe along a parking lot and saying this is the bike path is not very safe. If you take some additional actions such as making the pavement a different color, maybe raising it, a different

texture then people driving are much more aware that it's there and it has proved to be safer.

Chairperson Lay: Commissioner Wakida?

Ms. Wakida: I have a question about landscaping and I...is Mr. Hobdy involved with the landscaping?

Mr. Pyle: No, he does a report on the existing flora and fauna on the site so that we're not-

Ms. Wakida: On the wetlands, yeah.

Mr. Pyle: Yeah.

Ms. Wakida: Okay, so you would be my person?

Mr. Pyle: I will be your person.

Ms. Wakida: In a project large as this one and as expensive as this one I realize that the landscaping is just a sort of a drop in the bucket, but from experience in...well, relatively speaking, as a Lahaina resident landscaping and specifically shade can make or break a project. You just have to walk around Lahaina and you will see evidence of shopping areas that are very successful with great huge canopy trees and ones that are barren wastelands with little dinky nothing trees and little, somebody called them shrubs on a stick, and what I am concerned about is that the landscaping plans and the architectural plans are lovely will they actually come to fruition? Will we have large canopy trees so that these...nobody's gonna walk around in the hot sun.

Mr. Pyle: That's right.

Ms. Wakida: It has to be shaded. And that depends not just on planting large canopy trees but maintaining them as large canopy and not pruning them way back. So perhaps you can give me reassurance along those lines?

Mr. Pyle: Yeah, in your packages are the design guidelines which were approved by the architectural review board and there's a whole section on landscaping. And also, Maui Planning Code requires one shade tree of a particular...you have a very limited amount of species you can put in that parking area that's for shade. I think it's one per five parking spaces.

Ms. Wakida: Right.

Mr. Pyle: It's been a few years, and we're very limited on how many trees. I mean, there's some trees we'd love use but I guess we can't use them anymore can we?

Unidentified Speaker: Monkey pods.

Mr. Pyle: The monkey pods. Yeah, we love those monkey pods because those things are just...they're beautiful and they put in so much shade, but the Code won't let us use them anymore.

And then also, and I think, you know, I think similar to Mike Moran's comment is that we have, we're required, we put the ...(inaudible)...on ourselves to put shade trees along the parking. Not that it's landscaping, but your point of shade is well taken, that one deck of parking there where we have the solar cells that's actually parking your car under a thing with the solar cells that will be powering the thing—

Ms. Wakida: Right.

Mr. Pyle: —but there's a quite a bit of landscaping within this design guidelines that we must comply with to make—

Ms. Wakida: Yes, I understand, but I have seen these parking lots that have one shade tree. I mean they follow the letter of the law but they don't follow the spirit and trees have been pruned back and providing really no significant shade for the parking lot. So it goes to maintenance as much as it does to planting.

Mr. Pyle: Yes, I think that's absolutely true. And I mean, some of that it's in the selection of the trees. A big, busy tree hides your stores from everywhere and the stores they start complaining. So we're always trying to pick species that will come higher than the stores and the signs but still create the shade. That's why we like the monkey pods again is that they create tremendous amount of shade and aren't in the way of everything. We will work on keeping those trees. You need a lush environment because I think you're absolutely right it's very hot in Kihei. Kihei is the desert. I've walked up and down that road there while it's undeveloped several times looking at the project, and it's, it's warm out there. So you need the shade.

Ms. Wakida: Right, yeah and you're not get anybody else to walk up and down, shops or no shops.

Mr. Pyle: Exactly and that's part of the success of the project, absolutely.

Ms. Wakida: Okay.

Chairperson Lay: Commissioners, at this time I'm going take a break and reconvene at 10:35.

A recess was called at 10:25 a.m., and the meeting was reconvened at 10:35 a.m.

Chairperson Lay: ...called back to order. Commissioners, questions? Commissioner Wakida?

Ms. Wakida: I have one final one for...yes sir, in '09 in a letter from...in response to somebody, Kihei Community Association I think, you said that you were having included in the project was residential housing units and the housing units will meet the County's affordable housing criteria for rental units and will be made available to families making 50 to 120 percent. Has that changed or is that still your intention?

Mr. Pyle: Well, yes and no. David Pyle, Krausz Companies. And there was a time when we had a plan with residential units on site quite some time ago. And even in some of our meetings we had with the KCA and with other people in the community, there was a desire for the select service hotel

and we said well, that's a good idea but we don't think we can put that here and then we did some more exploration with planning. So our residential has moved from actual residential units on site because there's a lot of planning issues with putting the residential units on the site especially when you have restaurants and you know you try to put retail below and you got the guy throwing out all the wine bottles at 2:30 in the morning under somebody's window. And so, yes...the no part is it's not long-term residential, it's short-term rental. And the yes, Is we still have...we still have to require workforce housing or affordable housing for our residential units as Jay testified we have put 60 units in.

Ms. Wakida: I'm confused. The residential units being what?

Mr. Pyle: The hotel--

Ms. Wakida: The hotel.

Mr. Pyle: --is a short-term residential. Originally it was long-term residential--

Ms. Wakida: I gotcha.

Mr. Pyle: --a long, long time ago.

Ms. Wakida: Okay.

Mr. Pyle: But hotel it seemed to be a better idea, a better fit on the site.

Ms. Wakida: All right. Okay, thank you.

Chairperson Lay: Okay, I got a question. Okay, there's been a lot of emphasis on the bike paths. I've been in cities where the bike paths are very usable, they're very friendly and my concern is with the kids. A bike path isn't a bike path if a child or a kid can't ride on it. And we've seen it nowadays where the striping is on the road and I don't see children riding on that, on you know on that sort of situation. So I want some concern on that because it's not safe for the children. On the sidewalk to the side, more in, something like that but please have consideration for that. That's one of my worries with the bike path making it friendly for our children out there. Adults, we've seen them they're in the middle of the road, so...

Mr. Pyle: I agree. And every city seems to be...I travel a lot of cities and every city seems to be experimenting with bike paths, but I only bring up this one comment which is there's a member on the KCA Board of whom owns a board shop, a skateboard shop, forgot his name and he says, you know any put any line you want on the road those guys go wherever they want to go too. There's that issue too. Now one thing I have seen out there is in some cities bike paths are showing there but I think there has been a planning or DPT requirement is they're starting to paint, paint that bright green the whole bike path. It's essentially the same bike path, it's just...

Chairperson Lay: Separates it.

Mr. Pyle: It's a color separation, but you know, that's a DPT call as well.

Chairperson Lay: Rowena, do you wish to comment?

Ms. Dagdag-Andaya: That's something that we have considered in the past. And it does become a maintenance issue after a while because you do have to purchase the paint and every so often you need maintenance staff to go and repaint the bike path. It's an option that can be considered, but it's not something that we're currently doing. I think they've tried it in the past. But again, and during the break I spoke with Commissioner Hedani about this, sometimes it's also related to funding matters. So if we're, you know, as long as our maintenance staff is provided the monies each year to maintain these types of improvements then we'd be okay with doing that meaning providing us with the materials and also with the staff that's required. Right now we have a full staff, but we're realizing that it's not enough to do all of the work that we wanna do. So I'm hoping that in the next budget cycle that we can go back to Council again and ask. But those are factors that kinda play into our decisions as well.

Chairperson Lay: Okay, for me it's like on your roads, we're doing a striping on the road, we're talking about raising the road, we're talking about the painting the road. If we made the sidewalk wider and striped it you got them off the road. You know, but just to put in consideration for you guys to think about that because my concern is the kids. If we're going to make this mall friendly and you're gonna have guys going to, children going to theaters on the weekend, you want that accessibility for them.

Mr. Krigsman: Jay Krigsman with the Krausz Companies. Your point is a good one and what I...there's different requirements for what you call a bike path versus reality and we'll address both in a minute. I don't know 'cause I've actually asked several times why not just put it on the sidewalk and my understanding is that in the definition of what truly is a bike path you're not allowed to do that. You have to separate pedestrians from wheels I guess is how it's been explained to me in the past. So that's the technicality of a bike path. Let's talk about the reality for a minute as well.

What we're trying to create is really when it's done the feeling of an old downtown like Main Street USA. And in Main Street USA in you know, the days of Andy Griffith when all of us probably grew up in smaller towns you rode your bike down the street on the sidewalk in old town Main Street, well everywhere exactly. You didn't stay on the bike path. We're not discouraging somebody from bringing their bike onto the site. The requirement of having a bike path to provide connectivity from the existing bike path on Liloa Drive toward the bike path on South Kihei Road is how we are proposing the bike path that's been proposed. That doesn't mean that when somebody comes off the bike path on Liloa Drive they cannot come into the center where there will be less traffic and it will be more of that main street feel and ride their bike until they go to where they can park their bike, lock their bike and walk along the street. We encourage that. It's really two different requirements one of providing connectivity without going through a parking lot as a marked bike path and the other being the reality of what someone's going to do and we want people to walk and stroll and really have this...the idea is to have this become main street which is in some cases why sometimes we have this push and pull of some of you call it the more current thinking of what should be done in a shopping center as opposed to the current thinking of what we're trying to do to create a main street and they counter each other because the wider you make the streets, the

further apart you put the buildings, the bigger you make...the less intimate the downtown becomes and so we're really trying to maintain that intimacy with wide, you know, I call pedestrian friendly sidewalks but when I say pedestrian friendly, a bicycle is pedestrian friendly also. You know, it's really it's...we're trying to create that sense of that main street and I think it's very bicycle friendly, but still address the desires of the community, Kihei Community Association, the County to provide connectivity from the existing Liloa Drive bike path towards South Kihei Road.

And one more to address your concern about the children riding a bicycle that's a very good point as well. The Liloa Drive bike path, if you're taking your kids on a bike ride, truly the kids on a bike ride, you're staying on that bike path because it goes right to the park, the new park. Really again, it's a matter of what happens when you get off the bike path. You wanna go get a yogurt, you wanna go get a shave ice or see a movie and you're using your bikes and that's really what we're talking about is just a way to have bikes come into the center or provide connectivity. So I think they're different issues.

Chairperson Lay: I appreciate that. Commissioner Medeiros?

Mr. Medeiros: I drive Kihei every single day. I drive Kihei every single day you know and I echo what he's saying. For as long as I've been alive and I've been guilty of it too, bikes for kids are on the sidewalk. That's the safest place. I don't care what anybody says, I don't care what any traffic study says, if I make a mistake on a sidewalk with a kid riding a bike, I pick up, I dust 'em off, and I tell 'em you okay, be more careful. If they are on the road and I make a mistake I cannot pick 'em up and dust 'em off, you know. When I heard that you had the wider sidewalks and everything and I says, oh cool, you know, it's better for the kids. You know these bikeways and everything in theory it's good. I drive Kihei all the time. I see Moran on the road and you know what, he's one of the feel bike adult bike riders that actually obey the law, you know. You want wider sidewalks, the kids going ride on them. And I just prefer accidents on the sidewalk than I do accidents on the road.

Mr. Krigsman: As do we. It's a matter of what, how a bike path is defined in the rules as you say versus reality. And in reality we're not stopping people from, you know, if mom and dad and the kids wanna take a ride into...you know, ride their bike to Downtown Kihei and they're riding on the sidewalk to get to wherever they're going, we're not stopping them. We're encouraging that. But providing a marked bike path following the rules of whoever makes those rules for bike paths, it's supposed to be separate from the sidewalk.

Mr. Medeiros: I'm just echoing what he said and agreeing with him.

Mr. Krigsman: And we agree with you as well. Thank you.

Chairperson Lay: Commissioners, any more questions? Director?

Mr. Spence: Just a quick comment. I just draw your attention to Exhibit 2 which is that site plan that's up on the screen right now. And going down Piikea you can see the sidewalks in front of the buildings which is separated by the planting strip for the most part with turnouts for drop offs and turning movements, et cetera, but there is this separation in front of the buildings from the main

roadway at least this is what's on the illustration. So I just wanna draw that to the Commission's attention. As was said, you know if you want to take your bicycle down that way nobody's gonna stop you. And then if the planting strip that Mr. Moran was commenting on that seems to be here, you have a planting strip separating the travel roadway from the actual building. So a lot of these comments seem to already been accommodated within the design.

Chairperson Lay: Thank you. Commissioner Hedani you have the floor.

Mr. Hedani: I guess this is a question for Ann. I think they've already answered. They're taking property that's R-3 Residential and we're converting it to Hotel, Commercial. We've taken out the affordable housing component in favor of hotel essentially. So we're basically changing zoning from R-3 to this and the question that I have is the affordable housing ordinances that we have, the workforce housing ordinances that we have when you change...as an island as a whole the policies that this Commission has adopted, the things that we've done we've taken properties that are residential and converted them to commercial, transient accommodation rentals, B&Bs is a perfect example, R-3 is not necessarily what affordable housing needs. But if R-3 is developed people move into R-3 and vacate other rentals that then becomes available for less affluent people that cannot afford R-3. So the question that I have is when you take property and rezone it from R-3 Residential to Business Commercial the workforce housing ordinance and all the other stuff that we have that's intended to create affordable rentals and affordable housing for people that work in a facility like this, do they...I guess my question is if they're pursuing three different avenues for creating affordable housing should they be pursuing all three alternatives at the same time rather than one of the three in order to make up for the conversion of R-3 to Business Hotel?

Ms. Cua: Okay, there's as you were speaking there's a number of things that came to mind to me. The first thing that you mentioned about where the hotel is located now replacing affordable housing. It is not my understanding that that was gonna be an area for affordable housing. It was going to be an area for long time residential use, but I don't believe and I guess the applicants would have to clarify that, but that's a very important distinction that I don't believe this hotel is replacing an affordable housing site. One comment. R-3...the R-3 zoning, the minimum lot size for R-3 zoning is 10,000 square feet. Quite difficult to do an affordable housing project with 10,000 square foot lots. Majority of the affordable housing units that I've seen that are not multi-family, of course an apartment project is probably the easiest way to satisfy affordable housing requirements. With single-family housing, house and lot packages a lot more difficult to satisfy that on a 10,000 square foot lot. And so what we've seen is much smaller lots to be able to provide affordable housing. So just the zoning of R-3 in and of itself, the removal of that I do not believe impacts the ability to provide affordable housing.

Their plan to have three different alternatives go at the same time to me I think is a wise one just because of what they said, you don't know when things are developing, how fast, how slow, and so if you have several different options it gives you the ability to jump into one because you've been doing the homework on all of them and they're kind of all moving and at some point in time when you know that your project is coming through, again, they've been working on this project for many years they're getting closer now because after it passes Council and it comes back to you and gets an SMA Permit they're already telling you that they would like to submit a building permit in advance of even coming to you. They can do that, they take the risk that you could make some changes to

the plans, but you know...so they're looking at getting on line as quickly as they can. With that, I think it allows them to prepare a little better. Now they're in time to prepare a little better as to, okay, as we move forward which option of the three that they're looking for to provide affordable housing might work best for them. Does that answer your question? I don't think taking the lands out of R-3 Residential is going to in any way hurt their ability or hurt the County's ability to provide for additional affordable housing.

Chairperson Lay: Director?

Mr. Spence: I would also just like to comment that the community plan for this property is Open Space on the wetlands but also Business Commercial. So since, I think the community plan was adopted in '98, something like that, in the late '90s. So this has been planned for a very long time for some kind of business commercial land use. So it's not like we're removing a possible inventory out. Now this was, this was planned to be...(inaudible)...So we're implementing the community plan in doing this.

Chairperson Lay: Commissioners, any more questions? Commissioner Hedani?

Mr. Hedani: Okay, so the short answer was that they're doing what's expected of them and in terms of housing essentially? Whatever the agreements are, whatever the requirements are, they're gonna be met basically?

Ms. Cua: They're gonna have to meet them pursuant to Chapter 2.96.

Mr. Hedani: Right.

Ms. Cua: How they meet them is decided between themselves and the Department of Housing and Human Concerns.

Mr. Hedani: Personally I think the project is too far developed at this point for major changes. I'm a little disappointed and maybe this is just a comment rather than a question. It's always easier to change something on paper than it is to change in reality when it gets built. In your opinion, Ann does the project represent the best planning concept that we know of to be implemented for a area like this? I'm thinking in terms of...I'm inspired by guys like Andres Duany, liveable cities, one-way streets, narrow streets that you can walk across, parking on both sides of the streets where you can park, four-way stops so you get to one point to another by walking 20 feet instead of 60 feet. And have...if you look at the mauka side of this project there's three roads that come down toward the project. All three of those roads rather than flowing through the project terminate in the project and do not connect on the other side. If you look at the property sideways there's no flow through for the project from north to south. It essentially is one project with zero permeability north to south as opposed to east to west. So I think it's something that's needed, I think that's something that's appropriate, but I'm not sure that it's the best thinking that could be applied to something to like that. What is your opinion on that?

Ms. Cua: Well, you know I...you know when I look at the how we've shifted in terms of planning for commercial projects in Maui. I think this is the shift that we wanna go into. When I first met with

them, I don't know four years ago, when I was Deputy Director, I sat with them and my first comment was you know, we need to...I was very happy actually to see that they were incorporating buildings to the street and breaking up the parking, and making it, you know, providing connections sidewalks and bicycle paths and I think for me the biggest thing was, you know, as a whole package providing so much different types of uses, you know, commercial and hotel. I mean, there is such a need for this kind of hotel. I mean, I did the Kahului Airport Hotel I think in 2000 and they did say the same thing. They did say that you know it was for...we had people with you know, baseball teams and I too, was kind of concerned that you know when it opened, you know it's like oh my goodness the rates were kind of high. But you know, I just think the mix of the hotel, the commercial, the open space, along with what's in the surrounding area, the residential. I think the residential, the existing residential is going to support this development. Again, it is not your typical center where you have all the buildings pushed to the back and just a complete sea of parking. They've made some intentional decisions to break things up. They went to the community from the get go and I believe that is one of the reasons why the hotel is there. That's my understanding. I don't have that confirmed, but that's what I understood that the community came out and said you know, we really could use a hotel and not a resort hotel in this area, and so I think that's why the residential was taken out to put the hotel. So in that sense, yeah as a planner I think that, I think it is a good project. Could it be better? Sure, any project could always be better and that's why we have a process like this where if you know, someone has a suggestion to offer to make something better and if it can be tweaked, you know, I don't know if we can look at and sit with Public Works and talk about, you know what are maybe some other options within that street to maybe more safely deal with the bicycle lanes for children. I mean, that's one thing that I heard that is quite evident today from the Commissioners and from the public. But you know, all in all as a project I think it is a very good project. It's an infill project. The Maui Island Plan talks about just that there's four different types of projects that are gonna come on line in the future in the Urban Growth Boundaries, infill development is one of them, and this is an infill development right in the center of Kihei. Community plan speaks to this just providing a variety of uses. So long answer, but yeah, I think it is.

Chairperson Lay: Director?

Mr. Spence: And to add to what Ann's saying a little bit and I did look it up, the community plan was adopted in 1998. One of the things that when I was sitting on the community plan advisory committee meetings listening to people talk and then through the Planning Commission at that time and et cetera, one of the things that it was really discussed was Kihei has no central identity. And I know this is something that the Kihei Community Association has long discussed as well. So we're talking about well over a decade that this is being discussed and recognized as something that's really needed for the County. There's no central downtown. So instead of just doing a shopping mall with a sea of parking. I mean, they could have put the buildings way at the back and all the parking up against the road and that's I think all of us would have gone oh my God, but that's not what they did. They're creating something that's much more like Andres Duany would propose. I mean, a lot of the properties are developed around it already so there's not much you can do about that. But if you're gonna do a commercial center, and you know you want the stores close together so you can walk to them. All the new urbanist discussions you know form-based zoning, et cetera, it all says putting the parking in the back, put all the buildings closer together which is exactly what they're proposing to do. So this much more follows current planning theory and ideals

and everything that...rather than you know some of the other things. So when they first presented this to us when this administration started we were like thank you instead of proposing another shopping center.

Chairperson Lay: Commissioners, any more questions? Commissioner Wakida?

Ms. Wakida: Last question for Mr. Pyle. I'm very happy to see the photo voltaic. I was wondering why you didn't continue those photo voltaic trellises on the other parking areas?

Mr. Pyle: Because we have trees. There'll be more. What we will do depending on room on roofs and we'll also will have more photo voltaic on the roofs of the buildings, but you know, this is a conceptual plan and mechanical equipment needs, there's other things up on the roof we have to work our way around. We put in a photo voltaic system over in the Piilani Center and it's remarkably successful. We're very happy with it. The more of that the better.

Ms. Wakida: Well, I'm thinking you could, I mean, if you put more photo voltaic in the other parking areas and provide—

Mr. Pyle: Yeah, well we do have trees which the trees are doing what they're supposed to be doing they're shading the panels and that's a big expense to put all those, but the trees, the trees are supposed to be cooling the cars, but if they're doing that the panels are getting shade and they need to be in full on sun all day long.

Ms. Wakida: No, I understand that. I'm just thinking about the electrical needs of the project and offsetting the electrical—

Mr. Pyle: You know, it's interesting the technology has changed in the ten years we've worked on this project. The panels were used to be not affordable, now they're quite affordable especially in Kihei where power is so expensive and the prices of the panels are coming down. There's other scenarios. I mean, LED lighting has now become affordable which before it was just crazy. So we'll be using more of that. We have a lot of...as we go down this project and as technology catches up with it, we will be using as much as we possibly can. Energy is very expensive on this island.

Ms. Wakida: Right.

Mr. Pyle: So it makes it a lot easier to use all that stuff.

Chairperson Lay: Commissioners, any more questions? Seeing none, can we get the Department's recommendation?

b) Action

Ms. Cua: Sure. One comment I'd like to offer on what you just brought up is that you know, we struggle with that balance of the PV panels and the trees and I know I think from the Department standpoint if they're able to get more panels on the buildings we would prefer that so that we could

maintain the trees. I mean, Kihei is just so hot, and again, you know, them being able to have so many little buildings instead of very large buildings and seas of parking, you know, the beauty of having them able to break up those buildings and scatter all the parking around is to have all the trees around that too. So I, you know, I know you were commenting that and I'm sitting and I'm struggling with that because when you put the PV panels in the parking lots, the trees go, and so ultimately if they're able to work it out and add some more panels on top of some more panels on top of some of the buildings, and be able to maintain the trees, I think that could really be a win-win for Kihei. Just my opinion. Sorry.

I know, the Department didn't really go much into recommendation. We talked a lot of stuff. There's just a couple things I wanna mention if that's okay to get on the record before we go onto the recommendation. You know, I talked about the Maui Island Plan and the project's compliance with that. One thing that's been talked about today but I'm sure if everybody understands is that you know when they mention about they're getting a community plan amendment for the hotel site to go from Business from Hotel and then they also talked about getting the community plan, amending the language in the community plan I wanna just briefly talk about that.

The Kihei-Makena Community Plan under the section Urban Design Standards, under Building Form, they have certain policies or recommendations for resort development, new commercial facilities and for new commercial facilities, the community plan states establish a maximum of 35 feet in building height for new commercial facilities. Because it states that and when you grant an SMA Permit we need to find consistency between zoning and community plan. If this project were to go forward and without the community plan amendment amending that language they would have a inconsistency. The theater portion which is located in the Business District or in the Commercial Business of the community plan that 60-foot height would exceed what is called for in the community plan and that is why for this project they need to seek a community plan amendment of the language in the community plan to allow this building in the Business District to be higher than the 35 feet. So I wanted to make that clear.

I did mention that this project went through a number of community meetings and you did see letters from the Kihei Community Association both in 2009 and 2014. We have as Exhibit 53 a summary of the meeting that took place in 2009 with all the people that attended. We've included that as an exhibit for you so you can see who was there in 2009, and then we've also included the letter from 2014 from the Kihei Community Association. There was also another letter, a letter of opposition from Mr. Michael Schaefer as I mentioned earlier and we've included today for your information the applicant's response to that.

Also, just wanting to reiterate as part of like any other SMA Permit that will come before you it goes to the Urban Design Review Board. It went to the Urban Design Review Board. There were a number of comments, 11 comments actually in review of the design guidelines for the project. The design guidelines were amended to reflect those Urban Design comments and they're including as an exhibit to your report. So with that, now I can...I feel comfortable in going onto the recommendation.

In terms of the Community Plan Amendment and Zoning we've analyzed it based on the criteria to grant a community plan amendment and zoning and find that the project is in keeping with the

criteria for being able to approve a community plan amendment and zoning.

Relative to the SMA Permit the conclusions of the SMA Permit will be analyzed once action is taken by the County Council on the Community Plan Amendment and Change in Zoning.

So with regard to our recommendation on the Community Plan Amendment the Planning Department recommends that the Maui Planning Commission recommend to the Maui County Council approval of the Community Plan Amendment as described. And relative to the Change in Zoning the Planning Department recommends that the Planning Commission recommend to the Maui County Council approval of the Change in Zoning subject to the following condition: That the applicant shall provide its prorata share of traffic improvements as determined by the project's Traffic Impact Assessment Report and to the satisfaction of the Department of Public Works.

Chairperson Lay: Commissioner Medeiros? Oh...

Ms. Cua: And then relative to the SMA Permit we're recommending deferral of the SMA Permit until the County Council can act on the land use changes.

Mr. Medeiros: I move to recommend...I move to accept all recommendations from the Planning Department.

Mr. Tsai: Second.

Chairperson Lay: Motion by Commissioner Medeiros, seconded by Commissioner Tsai. Any discussion on the motion? Commissioner Wakida?

Ms. Wakida: We don't need to take these one by one, Community Plan Amendment and then...

Chairperson Lay: We can put them together if everyone agrees with it.

Ms. Wakida: Okay, so just to be clear we're recommending to the County Council a Community Plan Amendment and a Change of Zoning and we're deferring the Special Management Area Use Permit application.

Chairperson Lay: Yes.

Ms. Cua: Correct, and then you're also recommending one condition on the Change in Zoning.

Chairperson Lay: Any discussion on the motion? Commissioner Hedani?

Mr. Hedani: At this point I'm supportive of the project. I think it's worthwhile. I think it's a testament to the fortitude of the developers of this particular project to take it through to this particular point in time over the period of time that it's taken them. For the Department's consideration, one of the things that I would suggest and I know we've taken very hard positions in the past on requiring photo voltaic systems. What I would like the Department to consider is moving forward on implementation of photo voltaic systems but doing it in such a way that it does not impact views of

the project from the public spaces. Photo voltaic is good in and of itself. It's remarkably ugly in many cases. And in this particular case if you look at all of the roof areas of the buildings, the buildings are essentially relatively flat. You can incorporate photo voltaic systems into the project plan and screen it from view from the public areas if the parapets are properly constructed to be higher enough to screen them from public view. And that's something that I'd like the Department to consider not just for this project but for all projects that we look at so that we don't mandate ugly for the public. If you look at the Foodland Supermarket that just came up along Honoapiilani Highway. They put parapets up. We asked them to consider screening mechanical equipment on the roof from view. We forgot that the elevation of the highway is higher than the elevation of their roof and so all of their mechanical equipment is visible from the highway at this point forever essentially unless they landscape it from view. But I'd like the Department to at least to consider something like that in future projects.

Chairperson Lay: Commissioner Tsai?

Mr. Tsai: Yeah, I'm in full support of this project. I think it's a great idea. A long time coming. I just hope it can get through the process quickly and get this thing built. We really need a movie theater down in Kihei rather than go into Kahului for that.

Chairperson Lay: Commissioner Medeiros?

Mr. Medeiros: I'm in full support of the project also. You know and especially when we said that we would consider hiring local. I really believe that all jobs should, they should look at hiring local. And to be quite honest I'm looking at the height of the movie theater and going what's the ...(inaudible)... The only person that could complain about that is the neighbor which they own? So I think it's needed and I like the way it has been presented. Is it perfect? No, but it's good.

Chairperson Lay: Okay for me, I applaud you for the work that you put into this. Keeping the wetlands the way they are, I like that concept. I mean, it's something that preserved for them. We can admire and appreciate it, but it's for them. As far as having a family area in the heart of Kihei, we need it, we need it badly and hopefully we can get through this really quickly. Commissioner Wakida?

Ms. Wakida: Yes, I echo the support and I particularly appreciate the developer's shared interest in landscaping and trees, and Kihei needs a central area and I hope this is a real effort to accomplish that and I wish them well on this project.

Chairperson Lay: Can the Director repeat the motion?

Mr. Spence: The motion is to recommend approval to the Maui County Council the Community Plan Amendments, the Changes in Zoning and to defer action on the Special Management Area Permit.

Chairperson Lay: Call for the vote. All those in favor?

Mr. Spence: That's six ayes.

Chairperson Lay: Motion carries. Congratulations.

Ms. Cua: Thank you.

It was moved by Mr. Medeiros, seconded by Mr. Tsai, then

VOTED: To Recommend Approval of the Community Plan Amendment and Change in Zoning with One Recommended Condition to the County Council; and Defer the Special Management Area Use Permit Subject to the County Council's Action on the Change in Zoning and Community Plan Amendment, as Recommended by the Department. (Assenting - J. Medeiros, M. Tsai, K. Ball, W. Hedani, P. Wakida, R. Higashi) (Excused - S. Duvauchelle. J. Freitas)

Chairperson Lay: Commissioners, at this point we have a workshop coming up and so hope we'll end hopefully just about the time at lunch. So we're gonna right in that. We'll take a five-minute break so we can set up.

A recess was called at 11:28 a.m., and the meeting was reconvened at 11:30 a.m.

Chairperson Lay: Our next agenda item?

Mr. Spence: Commissioners, we're on Item D of your agenda. This is Workshop No. 3 conducted by Office of the Corporation Counsel on contested cases and legal training on concepts of nexus and proportionality and their application to the permit process and Richelle Thomson is our Deputy Corp. Counsel.

D. WORKSHOP NO. 3 conducted by the Office of the Corporation Counsel

1. Contested Cases
2. Legal training on concepts of nexus and proportionality and their application to the permit process.

Deputy Corporation Counsel Richelle Thomson presented a power point on the above matters. . A hard copy of her power point is on file in the Department of Planning.

The following are the questions raised after the presentation:

Chairperson Lay: Okay, let's...we understand we have to find a valid reason why we're saying no to any project. What if there isn't a valid reason, I don't like that project. I just don't. We got five people in this quorum. It was me the one who decided to say, no so that project didn't go through. What happens then?

Ms. Thomson: That...if it's based on I just don't like that project.

Chairperson Lay: Right.

Ms. Thomson: That could be challenged on arbitrary and capricious grounds. You know, if there isn't a solid reason that you're denying the project based on the law that you're applying on the application the applicant could take that to court and say the decision was made arbitrarily. You know somebody else in my shoes would have been granted it but I wasn't because they didn't like me, you know. So what you try to do with building your record is put all of your reasons on the record for denial. I don't like this project because the traffic concerns are too great and there's no condition that I can find that's going to meet, you know, that public safety concern such as an application that we had somewhat recently that involved the width of a road and you know, traffic...I'm sorry, police or fire services and being able to access you know, project site and things like that, pedestrian safety for people walking on the road. And if I'm remembering the record right, we couldn't find conditions that would have addressed that adequately. So by putting that discussion on the record those are grounds for denial. You know, you identified...that you identified the public purposes and then you discussed and identified that you couldn't find conditions that would meet them. So that's, that's kind of how you would avoid it being arbitrary.

Chairperson Lay: I understand that part where it has to be a valid reason like that, but if it's an invalid reason, I'm the one who stopped the project from going through because we have bare quorum here and I said, no I just didn't like it, what happens to them? I mean, if this is going to court what happens to everybody else when I was the one...he's crazy, he's wacko, he brought us all into this, but what happens now?

Ms. Thomson: Right. Good question. In that case, so a decision to deny you know, is handed out by the Commission but it was really maybe one Commissioner is leading that charge. The Commission could be you know, could be sued. It would be the County, the Planning Department and the Commission would be taken to court. If the Commission is acting within its authority, you know, the general rule is that the County would indemnify the Commissioners that means taking on the legal representation and the expense of the representation to defend the decision in court. If there's a case where the Commissioners or a Commissioner is acting outside of the authority either by the Administrative Rules or State Law or otherwise, you just you know, greatly exceeding the authority the Council may not choose to indemnify that Commissioner or Commissioners and then you'd be responsible for your own legal costs to defend the action and the decision making.

Chairperson Lay: Okay, that's what I was wondering about.

Ms. Thomson: Yeah, so it's, you know, it's important to kind of wear that hat and yeah, and to know that consequences can be serious and that the decision to indemnify is not automatic. So it's not a, you know, kind of a free for all.

Chairperson Lay: Okay. Director?

Mr. Spence: Part of the essential nexus maybe you could comment a little bit more. It seems to me it has to be whether it's a condition or a denial it has to be related to that project. Like somebody comes to this Commission and says, wants an SMA Permit to build a gas station you can't then just say well, we want you to provide 200 units of affordable housing. It has to be related

to the impacts of that project. I mean, certainly affordable housing is a government interest and et cetera, but there has to be that nexus.

Ms. Thomson: Right, definitely and it relates to the law you're applying too so that's obviously sort of where I start with it. So you look at what's the law that I'm applying? You know, is it an SMA Permit request and then you would look through HRS, and then you look through our SMA Laws and you look through those criteria and the guidance and the condition that you're trying to put on it should relate to the law and it should relate to the project and it should relate to the project impact. So it needs to, it needs to be closely tied to the project's impact and also closely tied to the law that you're applying. So even though the condition might be wonderful and desirable from a public, you know, good standpoint, it can't be so far afield that it's not related to the law you're applying or to the project's impacts.

Chairperson Lay: You wish to comment?

Mr. Paul Fasi: Good afternoon Commissioners. Thank you, Director for taking my question. I have a simple question. In the case of a denial on for example an SMA Permit.

Chairperson Lay: Please identify yourself?

Mr. Fasi: I'm sorry, Paul Fasi, Planning Department. The question is I have is whose responsibility is it to write the D&O?

Ms. Thomson: In the case of a denial of the permit application?

Mr. Fasi: Correct.

Ms. Thomson: Well, the Planning Department generally does the D&O for the Planning Commission, but it's the Commission's duty to approve the D&O. So you know, right now it's done in conjunction with the Planning Department.

Mr. Fasi: I was hoping you wouldn't say that.

Ms. Thomson: Yeah.

Chairperson Lay: Commissioner Wakida?

Ms. Wakida: But it's my understanding to relate to Mr. Fasi's question that the Commission, what you're saying is the Commission needs to provide the content of this denial letter and supply sufficient content in their denial so that it writes itself more or less I would assume?

Ms. Thomson: Right, and that goes back to building your record and putting all of your...all of the reasons that you're going to denial a permit application, put those on the record so that when the Department acting as your administrator or with Corp. Counsel going through it, so that we're not struggling to find the reasons. You know, sometimes the discussions get really circular and it's difficult to pick out in the transcript what the reasons are for the decision. Other times, it's very, very

clear, you know, and that's quite helpful when we're getting to that stage.

Chairperson Lay: Commissioners, any more questions? Commissioner Hedani?

Mr. Hedani: Richelle, what has been the Commission's record in terms of cases being challenged and whether they're affirmed or remanded back?

Ms. Thomson: You know I don't have a great deal of history of this, so maybe the Planning Director has more information, but the Maui Planning Commission I think for the number of cases and the applications that you handle has a very good record and my experience with this Commission in particular is that you understand the law that you're applying and you do make a very good effort to put your reasons on the record. You know, to state things clearly and so to me you're making well-reasoned decisions based on your record and when it goes up to appeal in my opinion you have a really strong, you know, we have a stronger position and to be able to uphold that...the decision made.

Chairperson Lay: Commissioners, any more questions? If not, thank you very much for the workshop.

Ms. Thomson: Thank you.

Chairperson Lay: And we'll be breaking for lunch and reconvening at 1 o'clock.

A recess was called at 12:00 p.m., and the meeting was reconvened at 1:06 p.m.

Chairperson Lay: ...now called back to order. Our next agenda ?

Mr. Spence: Next agenda item Commissioners, is Item E, Acceptance of Action Minutes from the July 22, 2014 meeting and Regular Minutes of the April 22nd and June 24th Meetings.

E. ACCEPTANCE OF THE ACTION MINUTES OF THE JULY 22, 2014 MEETING AND REGULAR MINUTES OF THE APRIL 22, 2014 and JUNE 24, 2014 MEETINGS

Chairperson Lay: Everybody get a chance to look at it?

Ms. Wakida: I move.

Mr. Hedani: Second.

Chairperson Lay: Commissioner Wakida?

Ms. Wakida: I move to accept the minutes.

Chairperson Lay: Motion by Commissioner Wakida. Do we have a second?

Mr. Hedani: Second.

Chairperson Lay: All those in favor of acceptance, raise your hand? Accepted.

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

**VOTED: To Accept the Action Minutes of the July 22, 2014 Meeting and Regular Minutes of the April 22, 2014 and June 24, 2014 Meetings.
(Assenting - P. Wakida, W. Hedani, J. Medeiros, M. Tsai, R. Higashi)
(Excused - S. Duvauchelle, J. Freitas, K. Ball)**

Mr. Spence: Commissioners, Item F-1 under Director's Report, we have a request for a time extension for Towne Development of Hawaii, and basically we're...what the Commission's decision for their SMA Permit is whether you want to waive review or not, and the Staff Planner this afternoon is Mr. Keith Scott.

F. DIRECTOR'S REPORT

- 1. MR. WILLIAM SPENCE, Planning Director, notifying the Maui Planning Commission pursuant to Section 12-202-17(e) of the Maui Planning Commission's SMA Rules of his intent to process the following time extension request administratively:**

TOWNE DEVELOPMENT OF HAWAII, INC. requesting a two (2)-year time extension on the Special Management Area Use Permit condition to complete construction of the North-South Collector Road Extension (Walua Place to Keonekai Road) at TMK: 3-9-004: 145, 3-9-020: 004, 016, 035, 036, 037 and 3-9-060: 091, Kihei, Island of Maui. (SM1 2005/0007) (K. Scott)

Mr. Keith Scott: Thank you very much. Chair and Members of the Commission, as mentioned this with respect to your decision to waive or not waive or formally review this item before an extension is granted. Towne Development of Hawaii and their North-South Collector Road Extension from Walua Place to Keonekai Road in Kihei. The SM1 was approved September 27, 2005. Construction initiated in October of 2006, and a completion date of October 1, 2011. Applicant submitted a request for a time extension in June of 2011 and in May of 2012 a time extension was granted to October 1, 2014.

Acquisition of right of way via condemnation was completed the first quarter of this year and building permit applications for necessary retaining walls were filed in April of this year. A two-year time extension is being requested. No changes in the SMA that would cause the project to have substantial adverse environmental, ecological effect or conditions on the infrastructure. Karlynn Fukuda of Munekiyo & Hiraga is here to more fully address the project specifics, reason for the time extension and answer any questions you might have.

Ms. Karlynn Fukuda: Good afternoon, Chair and Commissioners of the Maui Planning Commission. My name is Karlynn Fukuda of Munekiyo & Hiraga, Inc. As Planner, Keith Scott mentioned, he did share with you the timeline of the major milestones that have occurred in this project since the last time extension request was granted in 2012. And the process has taken a while because Towne

Development of Hawaii did not own the entire right of way for this roadway extension and so for the portions that they did own, they did go ahead and initiate construction on that. The County Department of Public Works has been working closely with Towne Development of Hawaii to acquire the rest of the land. There were portions that the County had rights to but had not been dedicated to them. So that process had to take place and then for the rest of the portions of property there was either land acquisition that had to take place or in... I know at least one or maybe two instances there were condemnation proceedings that the County proceeded with in order to actually get those pieces of property. And those processes do take time and that's been the main time factor in the, you know, initiation or continuation of construction in this project.

As Mr. Scott mentioned, in first quarter of this year that condemnation process was completed where they now had the entire right of way under control and they could initiate construction. Also, Department of Public Works approved the construction drawings for the roadway in early of 2014. So in April of this year Towne Development of Hawaii secured a contractor to initiate construction on the roadway. And the contractor has filed building permits. There are a couple of retaining walls that are along the right of way area. Two of those retaining walls are in locations where there are gulch crossings and during the review of those building permits there was a question because of the location in the gulch area that the Planning Department had with regard to the permitting requirements and so there was coordination with the Commission of Water Resources Management in order to secure determinations and such that the Planning Department at the end of last month had said they could sign off the building permits for the at least one of the retaining walls. On the other retaining wall that's in the area of Lilioholo Gulch which is closest to Keonekai Road portion of this North-South Collector Road we are continuing to coordinate with Department of Army. They had made a determination back in 2005 when this project first went through the review process that the gulch was not an area of jurisdiction for them. However, because that determination was done back in 2005, they are asking to rereview it, and so we are continuing to coordinate with them.

I would like to note that Towne has posted a bond with the County of Maui for the roadway improvements in the amount of \$3.6 million, almost \$3.7 million so if they do not complete construction of the roadway they will forfeit that bond to the County and they don't get reimbursed for any of the costs including another 1.4 million that they had paid out for the land acquisition. So I just wanted to share that with the Commission. And joining me today, I'm sorry I should have introduced him earlier is Chris Lau from Towne Development of Hawaii. So we are available to answer any questions you may have. Thank you.

Chairperson Lay: Commissioners, at this time I'm going to do public testimony. If anyone wishes to testify at this time, please step forward. Seeing no one, public testimony is closed.

The following testimony was received at the beginning of the meeting:

Mr. Moran: Yes, my name is Mike Moran with the Kihei Community Association and I'm testifying for the Association this morning. And this is on the request by Towne Development for an additional extension of the SMA Permit in the area of the ...(inaudible)...Estates regarding construction of a segment of the north-south collector road in South Kihei. And I would like to thank the Department for a lot of aid in explaining what the situation was so that hopefully we don't misspeak.

KCA has worked diligently for over a decade to get this much needed collector road built across Kihei even if only in small disconnected segments such as this one near Kanani and wish to take positive actions. Thus our understanding that after several years Towne declared a groundbreaking back on June 23rd of this year beginning road construction, but their current SMA expires on October 1st of this year thus requiring another extension to continue the work. Original plan was construction was to be completed within five years after initiation. But after extensions years beyond the original five years at least construction has begun on a minimal level.

While we are disappointed with the delays, completing conditions of large projects while the profitable portion of the development progresses we see no recourse at this point but to proceed with another extension, but ask for some conditions with penalties if the road is not completed before this next extension expires and another is requested. Mahalo for your time.

Chairperson Lay: Commissioners, any questions for the testifier? Commissioner Wakida?

Ms. Wakida: Mr. Moran, you are proposing that if they needed an extension beyond this one there be conditions and penalties is that correct?

Mr. Moran: Correct. Yes, ma'am.

Ms. Wakida: Can you give an example of a kind of condition that you're talking about?

Mr. Moran: Something that would, would motivate them to do it. Just as a layman, we went and looked at the progress that's been made yesterday after almost two months since they began and it's very little done. There's some materials laid there, but it's again from a layman's point of view it seems after two months you've made so little progress unless there's some impetus. So whatever, I don't honestly don't know what abilities the commission has. I don't know whether it's financial penalties of something of that nature. You can't physically make them do it, but if you give them so sort of inducements.

Ms. Wakida: Thank you.

Mr. Moran: Thanks.

Chairperson Lay: Commissioners, any more questions for the testifier? Seeing none, thank you very much.

Mr. Moran: Thank you.

Chairperson Lay: Do you wish to testify on that second or you're gonna wait till that agenda—

Mr. Moran: I would rather wait till that on the Towne Development, I mean the Downtown Kihei one which is coming up now so I would rather wait for that one.

Chairperson Lay: Okay, thank you very much.

Mr. Moran: Thank you, Chair.

This concludes the testimony received at the beginning of the meeting.

Chairperson Lay: Commissioners, questions? Commissioner Tsai?

Mr. Tsai: Yeah, in reference to the bond you're referring to is there a timeline that the bond takes effect or become effective if they don't produce?

Ms. Fukuda: I'll refer that question to the Deputy Director as the bond is with Public Works.

Ms. Dagdag-Andaya: I need to take a look at that and figure out the date, but it is in there. I think we've had this since...this was part of an issue that came up when we talked about it a couple years ago here in this room. I can find that information for you right now if you need it.

Chairperson Lay: Commissioners, any more questions? No questions? Commissioner Tsai?

Mr. Tsai: I guess my question is realistically is two years been I guess enough?

Mr. Fukuda: Well, and it's Towne's you know desire to initiate construction when they receive their approvals, but I'll let Mr. Lau go ahead and respond, so...

Mr. Chris Lau: Mr. Chair and Members of Commission my name is Chris Lau. I'm Executive Vice-President of Towne Development of Hawaii. We did hire a contractor for the job and their initial timeline was to finish the job in nine months. With the delays I believe that once we start it will be nine months. And with the indication from the Planning Department that we can obtain a building permit for that first crossing which is the one that they need to start I believe that they can start within the next 30 days.

Chairperson Lay: So on this whole procedure most of the delay has been acquisitions for this?

Mr. Lau: Acquisitions, yes.

Chairperson Lay: Commissioners, any more questions?

Mr. Spence: So the Commissioner's choice is whether you wanna waive review unless the Planning Director just administratively grant the time extension or if you would like to see, if you would like to do further review of the time extension. So a motion...

Chairperson Lay: Commissioner Medeiros?

Mr. Medeiros: I move to waive review.

Mr. Hedani: Second.

Chairperson Lay: Motion by Commissioner Medeiros and seconded by Commissioner Hedani. Any

discussion on the motion? Commissioner Hedani?

Mr. Hedani: I think because the delays are primarily coming from government agencies it's of no fault of the developer in this particular case and I think we should allow them the time they need to proceed with the project.

Chairperson Lay: Commissioner Medeiros?

Mr. Medeiros: Mine is much more simple. Let's just do this, okay?

Chairperson Lay: Any more discussion on the motion? Seeing none, can the Director please repeat the motion?

Mr. Spence: The motion is to for the Commission to waive their review and allow the Director to administratively grant the extension.

Chairperson Lay: Call for the vote. All those in favor?

Mr. Spence: That's five ayes.

Chairperson Lay: Motion carries.

It was moved by Mr. Medeiros, seconded by Mr. Hedani, then

**VOTED: To Waive Review of the Time Extension Request.
(Assenting -J. Medeiros, W. Hedani, M. Tsai, P. Wakida, R. Higashi)
(Excused - S. Duvauchelle, J. Freitas, K. Ball)**

Mr. Lau: Thank you.

Ms. Fukuda: Thank you

Chairperson Lay: Moving onto our next agenda item. Thank you.

Mr. Spence: Commissioners, we're on Item F-2. Okay, this is Mr. Anthony, and I apologize I'm not even gonna try to pronounce the gentleman's name, of R.D. Olson Development requesting a Planned Development Step III Approval for the Wailea Residence Hotel and Mr. Kurt Wollenhaupt is our Staff Planner for this project.

- 2. Pursuant to the provisions of Section 19.32.020.C of the Maui County Code, Planned Development, the Planning Director notifying the Commission of the Planning Director's review of the Step III Unified Site and Building Program on the following application:**

MR. ANTHONY WRZOSEK of R.D. OLSON DEVELOPMENT requesting Planned Development Step III Approval for construction of the Wailea Residence Hotel (formerly known as the Piilani Suites Hotel), a 200-room hotel and related

improvements at Wailea Ike Drive, TMK: 2-1-008: 121 (por.), Wailea, Island of Maui. (PD3 2014/0002) (K. Wollenhaupt)

Mr. Kurt Wollenhaupt: Good afternoon, Members of the Maui Planning Commission. Just to reacquaint you on February 25, 2014, this Commission granted a Special Management Area Permit and a Step II Planned Development Approval for what was then known as the Piilani Suites which is going to be a approximately 200-room hotel in Wailea. Actually, the only significant change is the name change. It's now going to be called the Wailea Residence Inn Hotel. As part of the rather circuitous process of planned developments of which there's only Wailea and Puamana and Napilihau, it's up to this Commission in order for them to review a Step III Unified and Building Program which is looking at ensuring that the construction plans are in accordance with Title 19, the site plan is essentially the same as was previously approved showing the grading, the landscaping, the location of the buildings. Those plans have been included in your packet for today and it's Department's recommendation...well it's up to this Commission whether or not waive review or in the future to schedule a meeting for further review. However, the Department has looked at the current plans and those are in substantial compliance with the PD2 that was previously approved. And there are representatives of both R.D. Olson and also Chris Hart & Partners if you had any specific questions.

Chairperson Lay: Commissioners, at this time I'm going to open up to public testimony. If anyone wishes to testify please step forward. Seeing no one, public testimony is closed. Commissioners, questions. Commissioner Hedani?

Mr. Hedani: Either Kurt or Jordan. I guess the question from the exhibits that I have I can't tell if it's a flat roof or if it's a hip roof on the project. I thought I saw hip roof on the original project?

Mr. Jordan Hart: That's correct.

Mr. Hedani: Has it been engineered out or is it--

Mr. Hart: Jordan Hart, Chris Hart & Partners. No, it remains the same.

Mr. Hedani: Remains the same.

Mr. Hart: Yes.

Mr. Hedani: Okay, thank you.

Chairperson Lay: Commissioners, any more questions? Commissioner Wakida?

Ms. Wakida: Well, my question is for the Director. I would like the really short answer between the difference...

Unidentified Speaker: To a really long question.

Ms. Wakida: No, no because the question may be a long answer question. The difference

between a Step II and Step III and how many steps are there?

Mr. Hedani: Three.

Mr. Spence: Commissioner Hedani is right. There's three steps. I'm not...we don't do this very often so I'm not sure why this comes back to you for approval.

Mr. Wollenhaupt: Oh, I might be able to help a little bit here. The Step I that's really at the very initial part of Wailea. That's looking at the entire location. It's a really overview of what's gonna go on any planned development. Now I think we're moving away from planned developments. We just don't see them in part because we have this rather cumbersome process. Step II then is because then we go to a preliminary plan. It goes preliminary drainage, preliminary streets, you've gone from designating a big area like Wailea is a PD1. So now, okay now we have a specific few lots and we're gonna have a PD2 which you saw last time which in this case was pretty definitive on what the landscaping, everything. But the Commission then reviews that and then we go to the Step III which is the...essentially it's the safety valve to make sure before they go get their final building permits that what you saw is exactly what they're gonna build and now we see the final building, the final grading, the final landscape.

Ms. Wakida: Okay, thank you.

Chairperson Lay: Okay, with that description so like they said, all it is a change in name. We have no change in management, no change in anything else, just the name change. Commissioners, any more questions? No. Wanna make a motion.

Mr. Medeiros: Move to waive.

Mr. Hedani: Second.

Chairperson Lay: Motion by Commissioner Medeiros, seconded by Commissioner Hedani. Any discussion on the motion. For clarity, the motion is?

Mr. Medeiros: To waive review.

Chairperson Lay: Okay. Any discussion on the motion? Commissioner Hedani?

Mr. Hedani: I think as we've heard this morning, somebody needs to give the Marriott Courtyard a run for their money so this is it.

Chairperson Lay: Price wars would be nice. Commissioners, any more discussion on the motion? Seeing none, can the Director please repeat the motion?

Mr. Spence: The motion is to waive the Step III review.

Chairperson Lay: Call for the vote. All those in favor?

Mr. Spence: That's five ayes.

Chairperson Lay: Motion carries. Thank you very much and congratulations.

Mr. Hart: Thank you.

It was moved by Mr. Medeiros, seconded by Mr. Hedani, then

**VOTED: To Waive Review and Allow the Planning Director to Take Final Action on the Planned Development Step III Application.
(Assenting - J. Medeiros, W. Hedani, M. Tsai, P. Wakida, R. Higashi)
(Excused - S. Duvauchelle, J. Freitas, K. Ball)**

Chairperson Lay: Moving onto our next agenda item.

Mr. Spence: Okay, Item F-3.

3. Notification of the Issuance of the transfer of a Special Management Area Use Permit pursuant to Section 12-202-17(d) of the Maui Planning Commission's Special Management Area (SMA) Rules:

MR. WILLIAM SPENCE, Planning Director by letter dated July 16, 2014 approving the transfer from A&B PROPERTIES, INC. To W-ADP HOLDINGS VII, LLC of the Special Management Area Use Permit for the Maui Mall Retail Buildings including the proposed T.J. Maxx Store on property situated at 70 East Kaahumanu Avenue, TMK: 3-7-009: 004, Kahului, Island of Maui. (SM1 2013/0004) (C. Thackerson)

Mr. Spence: Commissioners, this is a transfer of an SMA Permit. This is just for your information. Transfer of the SMA Permit for the T.J. Maxx Store from A&B Properties to W-ADP Holdings VII, LLC, and the Staff Planner this afternoon is Ms. Candace Thackerson. And she's here just for questions.

Ms. Candace Thackerson: Any questions?

Chairperson Lay: No questions. At this time, I'm gonna call for public testimony. If anyone wishes to testify on this agenda item, step up to the mic. Seeing no one, public testimony is closed. Commissioners, any questions? Okay, seeing none.

Mr. Spence: Thanks, Candace. Item F-4, Commissioners, and 5. You have your SMA Minor and your SMA Exemption Reports.

4. SMA Minor Permit Report (Appendix A)

5. SMA Exemption Report (Appendix B)

Mr. Spence: Any questions on those?

Chairperson Lay: No questions. Can I have a motion of acceptance?

Mr. Medeiros: Move to accept.

Chairperson Lay: All those in favor, raise you hand.

Mr. Spence: Five ayes.

**It was moved by Mr. Medeiros, and the Commission accepted the SMA Minor and SMA Exemptions Reports.
(Assenting - J. Medeiros, W. Hedani, M. Tsai, P. Wakida, R. Higashi)
(Excused - S. Duvauchelle, J. Freitas, K. Ball)**

6. Discussion of Future Maui Planning Commission Agendas

a. August 26, 2014 meeting agenda items

Mr. Spence: Okay, Future Commission Agendas. Commissioners, the next meeting is August 26. You have three public hearings coming up, Gavin and Deanna Ferguson requesting an SMA Permit for a two-story rather large house. The State Law has changed so anything over 7,500 square feet is automatically a development you will review them. The second public hearing is Genesee Capital requesting an SMA Permit for the Maui Lu Development Project, oh, requesting transfer of the SMA Permit. And the third public hearing, Mr. Albert Kanno of ABC Development Company requesting a Community Plan Amendment, State Land Use District Boundary Amendment and Change in Zoning for an industrial subdivision at Waiko Road.

Chairperson Lay: Commissioners, any questions? If not, motion to adjourn?

Ms. Wakida: So move.

Mr. Medeiros: Second.

G. NEXT REGULAR MEETING DATE: AUGUST 26, 2014

H. ADJOURNMENT

The meeting was adjourned at approximately 1:25 p.m.

Submitted by,

CAROLYN J. TAKAYAMA-CORDEN
Secretary to Boards and Commissions

RECORD OF ATTENDANCE

Present

Keone Ball, Vice-Chair (excused at 11:28 a.m.)

Wayne Hedani

Richard Higashi

Ivan Lay, Chair

Jason Medeiros

Max Tsai

Penny Wakida

Excused

Sandy Duvauchelle

Jack Freitas

Others

Will Spence, Director, Planning Department

Richelle Thomson, Deputy Corporation Counsel, Department of the Corporation Counsel

Rowena Dagdag-Andaya, Deputy Director, Department of Public Works