

**MAUI PLANNING COMMISSION
REGULAR MINUTES
JULY 28, 2015**

A. CALL TO ORDER

The regular meeting of the Maui Planning Commission was called to order by Vice-Chairperson Max Tsai at approximately 9:07 a.m., Tuesday, July 28, 2015, 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.)

Vice-Chair Tsai: Okay, today is July 28, 2015, Maui Planning Commission is called to order. Before we begin, as a courtesy to everyone, would you please silence your cell phones? Thank you.

Okay, Members...regarding public testimony anyone who wish to testify now will not be allowed to testify again when the agenda item is presented. So you have a choice either do it now or later. Let's see the first item on the...okay, so does anyone wish to testify right now? Please come forward and identify yourself. You have three minutes.

Mr. Hopper: Again, this is primarily for people who can't stay for their agenda item. So there will be another chance to testify for the agenda item when it actually comes up, but this is for if you can't stay for the item primarily.

***Transcription of Item B-1 and Item C-1 was taken by court reporter.**

****Due to the large number of individuals in attendance for Item C-1, the meeting was recessed at 9:17 a.m., and reconvened at 9:37 a.m. in the Council Chambers, 8th floor, Kalana O Maui Building.**

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.

C. PUBLIC HEARINGS (Action to be taken after each public hearing.)

- 1. MS. LISA DARCY of the HOOMOANA FOUNDATION requesting a State Land Use Commission Special Use Permit and a Conditional Permit to Allow for the Development and Operation of the Kauaula Campgrounds focused on both the Transient/Homeless/Financially Disadvantaged Population and the Commercial Camper located at Hokiokio Place and the Lahaina Bypass Road at TMK: 4-7-003:031, Lahaina, Island of Maui. (SUP2 2014/0006) (CP2014/0002) (K. Wollenhaupt)**

In regards to the Petition to Intervene by Puunoa Homeowner's Association:

It was moved by Mr. Robinson, seconded by Mr. Lay, then

VOTED: To Deny the Petition to Intervene.
(Assenting - K. Robinson, I. Lay, L. Hudson, W. Hedani, R. Higashi)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)

The Commission then took the following action in the matter of the application:

It was moved by Mr. Lay, seconded by Mr. Higashi, and

The Motion to Approve the State Land Use Commission Special Use Permit FAILED.
(Assenting - I. Lay, R. Higashi)
(Dissenting - L. Hudson, W. Hedani, K. Robinson)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)

It was then moved by Mr. Lay, seconded by Mr. Hudson, and

VOTED: To Defer the Applications for Sixty (60) Days in Order to Have More Members Present. Suggests that Applicant speak with the community during this time.
(Assenting - I. Lay, L. Hudson, W. Hedani, K. Robinson, R. Higashi)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)

A recess was called at 3:21 p.m., and the meeting was reconvened at 3:35 p.m. in the Planning Department Conference Room in the Kalana Pakui Building.

Vice-Chair Tsai: ...back to order... Next item on the agenda?

Mr. Spence: Commissioners, we are on Item C-2, your second public hearing item of the day. This is an application, a Special Use Permit application for a short-term rental home at Hoolawa Road by Mr. Alan Arkles, and our Staff Planner this afternoon is Ms. Livit Callentine. Take it away, Livit.

- 2. MR. ALAN ARKLES requesting a State Land Use Commission Special Use Permit in order to operate the 565 Hoolawa Road Short-Term Rental Home, a one (1) bedroom short-term rental home located in the State Agricultural District at 565 Hoolawa Road, TMK: 2-9-001: 074, Haiku, Island of Maui. (SUP2 2012/0021) (L. Callentine)**

Ms. Livit Callentine: Thank you very much, and good afternoon Commissioners. Lights, please Gina? Thank you. So as the Director said this is an application for a short-term rental...this is an application for a Land Use Commission Special Use Permit for short-term rental use in the State Agriculture District. So you're hearing this application because it's in the agriculturally zoned land. The legal authority is Chapter 205, Hawaii Revised Statutes. There will be another application approved administratively that will be the Short-Term Rental Home application should you approve

this.

The project is located out in the far reaches of the Paia-Haiku Community Plan. Towards the bottom of the screen you'll see Hana Highway and Honokala Gulch right up here so you get your bearings, and this is of course, the project site approximately. And this is just to give you a sense of the surrounding parcels and the varying sizes of the parcels, again, with the subject parcel highlighted. This aerial photo does show you how heavily vegetated this area is either with planted or conservation type growings, growings, that's not a word.

So this is a short-term rental home primarily on a agricultural parcel. It's a...in a one-bedroom, stand alone cottage which is the only farm dwelling on the property. The applicant lives on an adjacent site and he has a approved farm plan. The lot is approximately two acres. One of the acres of the site is very steeply sloped and is being kept as conservation land, .7 acres are planted in cacao, banana, mango, ornamentals, tangerines, pineapple, and coconut. The coconuts are sold to a certified kitchen, wholesaler, processor who then takes the coconuts and dries them and sells them at varying different locations around the islands. And then the home site is about .3 of an acre.

This is where the location of the farm dwelling is, and the rest of it you can see this is a very steep gulch with plantings around it. And the structure that's on the property has a building permit. Let's see, what you can't see on this site, this property, but I'll show you on the site plan in a few minutes. This is the driveway and the sign advertising, notifying neighbors of the pending short-term rental home permit. Again, the driveway showing the dwelling towards the end. Another photo of, photograph of the farm dwelling. This is a site plan, this round area here is a 30-gallon water tank which is used to provide water for the property and would also be the source of water if there was a need for fire extinguishing.

These are a few of the agricultural pictures on the site, coconut, cacao. This is just a few of the sales receipts that they provided for the sales of the coconut to Francis, Francis Harold. They also have a farm stand which is utilized by the neighbors along the roadside.

The floor plan of the cottage. One shot of the interior. The bedroom is off, down a hallway this way, one bedroom. So we went through all of the uses in our analysis. In the interest of time and wanting to be brief, unless the Commission so would like me to, I will say that of all of the uses, all of the...this application does pass the uses, unusual and reasonable uses test. Like I say, if you'd like to me to go through each of those individually, I will, but I know we have a number of other items today. So I'll keep going and just like you know that each of these uses would not affect surrounding properties, would not unreasonably burden public agencies. Unusual conditions and trends have arisen since the boundaries were established. The land is unsuited for the uses permitted in the district, slightly unsuited, the gulch area is. The rest of the area is being used for ag. Just because I know you all always want to see this, this is a blow up of the community plan and this red line indicates the boundaries of the Paia-Haiku Community Plan and that's the...all the short-term rentals and B&Bs that have been approved or all pending. The squares, the pink squares are short-term rentals, and the green squares are permitted B&Bs. And within 500 feet of this property there is one B&B. There are no short-term rentals at on this within 500 feet. I'd wager to say within 1,000 feet. That was my last slide. Lights, thank you, Gina.

So I wanted to mention that at the time of the writing of this report we had not received any testimony. Since then we have received and it was forwarded to you by your commission clerk, a letter from Robert Zywieki, who is a neighbor, but apparently not within 500 feet. And furthermore you heard...and his testimony was opposed to short-term rental use in general. Then today, you heard testimony from Henry Vandervelde, who's another neighbor and he testified in support of the project. With all of that said, I would like to just mention that the applicant is here today, Alan Arkles. His consultant, Mark Greenberg is here today, and they are more than happy to answer any questions that you might as am I. With that, I'd like to turn the meeting back over to the Commission. Thank you.

Vice-Chair Tsai: Thank you. Now, we're gonna open the floor for public testimony regarding this action...agenda item.

a) Public Hearing

Mr. Henry Vandervelde testified at the beginning at the meeting. His testimony is as follows:

Mr. Henry Vandervelde: My name is Henry Vandervelde. I'm testifying on Item C-2, Arkles permit. And I'd like to say that I am in favor of this permit. I live directly across the street, and he's a good neighbor, and they're good a community member. And I support the permit. Thank you.

Vice-Chair Tsai: Questions? Thank you, Henry.

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

Vice-Chair Tsai: Anyone wish to testify, please come forward now. Seeing none, I open the floor for questions from the Commission. Commissioner Robinson?

Mr. Robinson: I have a question regarding the TMKs on the lot. So the applicant lives on an adjacent lot? You have that map right here?

Ms. Callentine: Yes, I'll turn it back on. Just point at it.

Mr. Alan Arkles: ...(inaudible—not speaking into a microphone)...I live right next door, right here.

Unidentified Speaker: Need the mic.

Ms. Callentine: Okay, so the applicant indicated that he lives on a parcel that is north of his...of the subject property. And as I understand this is also another separate parcel, and that is the location of Henry Vandervelde who testified in favor this morning.

Mr. Robinson: Was these properties ever one property or did you buy two separate properties, sir?

Mr. Arkles: Alan Arkles, and the history of the parcel, if you want a brief history...okay, originally...okay, there were four parcels and I did a consolidation, resubdivision, I don't know maybe 10 or 15 years consolidated these four parcels into three parcels. Made them all two acres compliant. So that's, that's the brief history of the parcels there.

Mr. Robinson: You own...you own that property that you divided four ways?

Mr. Arkles: No, I didn't divide it into four ways, I bought it that way.

Mr. Robinson: You bought it. So before purchasing, you had them divide it to four ways and then you—

Mr. Arkles: No, there were four existing parcels when I bought it.

Mr. Robinson: But it was subdivided before you.

Mr. Arkles: Yes.

Mr. Robinson: So you bought four parcels?

Mr. Arkles: I bought four parcels, yes.

Mr. Robinson: All at one time connecting each other?

Mr. Arkles: Yes.

Mr. Robinson: And the unit you have now was that already on that, that property/

Mr. Arkles: No, there was no existing structures when I purchased the property.

Mr. Robinson: On any of them?

Mr. Arkles: On any of them.

Mr. Robinson: Thank you.

Vice-Chair Tsai: Any other questions from the Commission? Seeing none, may we get the Department's recommendations?

Ms. Callentine: Okay, the Department recommends approval of the short-term rental...I mean, sorry, of the Land Use Commission Special Use Permit for short-term rental use subject to six standard conditions which I will only read if requested.

Mr. Robinson: Please.

Ms. Callentine: Please read them?

Mr. Robinson: Conditions. I'm sorry, I don't have mine.

Ms. Callentine: Oh, oh, okay. Okay. The first condition is No. 1, that the Land Use Commission Special Use Permit shall be valid until July 31, 2018 subject to extension by the Maui County Planning Director upon a timely request for extension filed at least 90 days prior to its expiration.

The Planning Director may forward the time extension request to the planning commission for review and approval and may require a public hearing on the time extension by the planning commission.

Seeing now that Commissioner Robinson has a staff report, does anyone else want me to continue reading the conditions? Mr. Chair, what shall I do?

Mr. Robinson: I'm reading fast.

Vice-Chair Tsai: Commissioner Robinson, you...

Mr. Robinson: Thank you. I'm satisfied.

Vice-Chair Tsai: Okay.

Ms. Callentine: Thank you. And in consideration of the foregoing, the Planning Department recommends that the Maui Planning Commission adopt the Planning Department's report and recommendation prepared for the July 28, 2015 meeting as the findings of fact, conclusions of law and decision and order and authorize the Planning Director to transmit said written decision and order on the behalf of the Maui Planning Commission.

Vice-Chair Tsai: Thank you. So do I get a motion?

Mr. Hudson: So move.

Mr. Lay: Second.

Vice-Chair Tsai: Moved by Commissioner Hudson, and second by Commissioner Lay. Discussion on the motion? Yes, Commissioner Hedani?

Mr. Hedani: Did Robert Zywieki have an opportunity to testify? He didn't show up or?

Ms. Callentine: Was your question did Robert Zywieki show up? I never saw him. I actually don't know him, but I did ask the applicant to keep his eyes open and let me know if he was in the audience earlier.

Mr. Hedani: Have you had a chance to take a look at his testimony?

Ms. Callentine: Oh yes, several times.

Mr. Hedani: You have comments on it?

Ms. Callentine: Do I have any comments on it? Well, I found it difficult to really ascertain exactly what, if any, of his letter applied to this particular application. There was...seemed to be a lot of discontent about a number of things that happened over a period maybe decades. So yeah, that's...I'm glad he had the opportunity to comment, and I didn't find it to be applicable so much. I'm not sure if it will help you in your deliberations, yeah.

Vice-Chair Tsai: Director?

Mr. Spence: I also read the letter, and he...Mr. Zywieki brings up a number of objections. But I have a hard time finding a direct objection or stating a direct impact as a result of this rental. He talks about the monk seals and gill netting and a number of other things and the past subdivisions of the property that I don't...I look specifically at this letter looking for an impact with regards to the requested permit and I didn't find any. I'm sure Mr. Zywieki has, you know, really valid concerns about a lot of things.

Vice-Chair Tsai: Commissioner Higashi?

Mr. Higashi: I have a question looking at the driveway or the road, access to the property. It seemed like it's a one-lane road going to that property from the highway or what's the situation 'cause it only shows the entrance.

Ms. Callentine: I'm gonna ask the applicant to clarify those questions for you.

Mr. Higashi: Yeah.

Mr. Arkles: It's a two-lane roadway. It's a rural roadway that feeds the property.

Mr. Higashi: From the highway?

Mr. Arkles: From the Hana Highway, yeah. And there is a hard surface over I would say, 50 to 75 percent of it at this point in time.

Vice-Chair Tsai: Commissioner Hedani?

Mr. Hedani: For the applicant. How is the road maintained? Or how is the cost of road maintenance shared?

Mr. Arkles: Alan Arkles: The roadway is actually maintained by the residents at this point in time. There's a community association and funds are raised by residents and we get together and maintained the roadway.

Mr. Hedani: It's paved,...(audio feedback)...sorry, it always happens. It's paved for half the roadway and it's unpaved for the balance?

Mr. Arkles: Actually probably more. Probably I would say 80 percent of the roadway to that particular parcel has a hard surface on there, yes. And it's been done over years.

Mr. Hedani: How wide is it?

Mr. Arkles: It's wide enough for two cars to pass throughout the whole length of it. It's, you know, it's not a County 20-foot wide maintained roadway, but it is passable for two cars, and it is passable in all weather too, you know. And people drive small cars down there, people commute with their families and kids, so...and we do a lot to keep that road in good shape. It's important to us.

Mr. Hedani: ...(audio feedback)...Is the property subject to flooding? Is the property subject to flooding?

Mr. Arkles: No, it is not. Well, actually there is a flood inundation zone on the property, a 100-year flood inundation zone that's showed on the plat map...if we could go back to that?

Ms. Callentine: I don't think I have a plat map.

Mr. Arkles: I think you do plat map.

Ms. Callentine: I do?

Mr. Arkles: Yeah.

Ms. Callentine: Where?

Mr. Arkles: Oh, that was it. Back up.

Ms. Callentine: Oh, this one?

Mr. Arkles: Yeah.

Ms. Callentine: Okay. Here, Alan, take this.

Mr. Arkles: So this ...(audio feedback)... sorry. So this would be the 100-year...well, this is the bottom of the gulch and then the part that's in white show the 100-year flood inundation zone. And the...this is high and dry way up here. This is the bottom of the gulch here. It is a steeply sloped property.

Vice-Chair Tsai: Commissioner Robinson?

Mr. Robinson: Sir, what was the prior use or what is the current use of this property?

Mr. Arkles: It's primarily in agriculture.

Mr. Robinson: As far as the unit? Is it in a long-term rental? Was it used as a long-term rental?

Mr. Arkles: Oh, yeah. It was in a long-term rental, yes.

Mr. Robinson: For how many years?

Mr. Arkles: So since from 2007.

Mr. Robinson: How many tenants have you had in that place since 2007, a guess?

Mr. Arkles: Four.

Mr. Robinson: Four. Okay, thank you.

Vice-Chair Tsai: So we have a recommendation from the Department.

Mr. Hudson: You have a motion and a second.

Vice-Chair Tsai: Oh, I'm sorry. Any other questions, discussion regarding the motion on the floor?

Mr. Robinson: This is...it's great that the owner of the property is right next door. However, I'm not a big fan of short-term rental homes when we have such a shortage in Maui. I would definitely approve with a condition that he...it makes in one lot and becomes a B&B. Can I do that?

Unidentified Speaker: No.

Mr. Robinson: Okay. I withdraw my condition.

Vice-Chair Tsai: Commissioner Higashi?

Mr. Robinson: Repeat the motion.

Vice-Chair Tsai: Yes, Director would you?

Mr. Spence: The motion is to approve as recommended by Staff.

Vice-Chair Tsai: Show of hands, all in favor?

Mr. Spence: That's three ayes.

Unidentified Speaker: He abstain.

Vice-Chair Tsai: Opposed?

Mr. Spence: Opposed? There's one opposed.

Mr. Spence: So that's four ayes.

Mr. Hedani: One abstention.

Vice-Chair Tsai: One abstention. Three—

Mr. Spence: That's gonna count as...that counts as an affirmative. Mr. Chairman,...(inaudible)...

Vice-Chair Tsai: Break the...(inaudible)...

Ms. Callentine: May I say something?

Vice-Chair Tsai: Yes, please.

Ms. Callentine: I just wanna point out that as much as we, we focus on like the previous agenda item needing housing, needing affordable housing I am 100 percent behind that. I actually live in affordable... what's quasi affordable housing that's barely affordable. But there's a law and there's Code that actually allows this type of operation that's before you right now. And this particular operation meets the requirements in a genuine way. There is genuinely agricultural use going on on this property. So I have a hard time with applying a general maybe sentiment that you know, we need more affordable housing, yes we do. But denying this is not gonna create more affordable housing. We need to affirmatively create affordable housing.

Mr. Robinson: It's I...first, I disagree. I think taking one home where there's been people living there two years at a time average, I think that directly affects affordable housing. Two, selling \$100 worth of coconuts a quarter is not my idea of a agricultural farm. It's getting some money to just pay for water barely.

Ms. Callentine: Okay.

Mr. Robinson: And I have nothing against the representative. I think if he needs some income--

Mr. Hopper: Mr. Chair, we're in the middle of a vote at this point. I mean, I don't know if...the determination is the Chair can vote yea or nay at this point. There's not further discussion allowed in the middle of a vote. I mean, I'm not sure with need clarification...I mean, if you've got concerns with it, that's fine. The motion is to approve. If it doesn't pass and there's a denial discussion then you can get into that.

Vice-Chair Tsai: Put me on the spot here to vote. I do share the concern of Commissioner Robinson of the overall shortage of housing on this island. But I also believe that the applicant has done what they can to get this process through, and then you know, with good intentions, so I'm gonna approve this. My vote is yes.

Mr. Spence: That's five ayes. Okay, Commissioners...

Mr. Hopper: And then just, it is worth pointing out I think what the Planner's intent was that there are...is a criteria for approval or denial of short-term rental home permits that the County Council has adopted and your decisions do have to based on that. They do talk about impacts in the neighborhood and affecting the character of the neighborhood. So, that's not saying that there's no relevance to the comments you made, but they do have to be made in the context of the criteria. And if you need help with that criteria, I think we can get in front of you, print it out in writing. It's in your staff reports for the most part, so I would definitely review those so that any other conditions or denials or approvals you can base on reading that criteria and saying, you know what it meets this one, it doesn't meet this one, et cetera ,particularly so you can provide the staff person if there's a recommendation that's different than what they have with some information on how they can prepare the decision and order going the other way. And so I think that that's, that's the idea that there is a County Code section that goes over the considerations for the Commission in approving or denying a permit and that when we go and write the decisions and orders afterwards we have to base them on that criteria. So just to keep that in mind.

Mr. Robinson: I understand.

Vice-Chair Tsai: All right, thank you Corp. Counsel.

It was moved by Mr. Hudson, seconded by Mr. Lay, then

**VOTED: To Approve the State Land Use Commission Special Use Permit as Recommended by the Department with Recommended Conditions.
(Assenting - L. Hudson, I. Lay, R. Higashi, M. Tsai, (Abstained - W. Hedani)
(Dissenting - K. Robinson)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)**

Vice-Chair Tsai: Next item on the agenda, C-3?

Mr. Spence: Okay, Commissioners the next is an application for a Short-Term Rental Home Permit to operate the Napili Sunset Hale. I think it's Ms. Breanne Fortun, I pronounced that right? Okay, staff planner is Gina Flammer.

- 3. MS. BREANNE FORTUN requesting a Short-Term Rental Home Permit in order to operate the Napili Sunset Hale, a four (4) bedroom short term rental home operation located at 5205 Lower Honoapiilani Road, TMK: 4-3-007: 011, Napili, Island of Maui. (STWM T2015/0006) (G. Flammer)**

This short-term rental home application is being referred to the Maui Planning Commission for review and action because one or more existing permitted short-term rental homes are operating within a five hundred-foot radius of the proposed short-term rental home lot.

Ms. Gina Flammer: Okay, good afternoon Commissioners. Okay, so we have this afternoon a short-term rental home. I know you have another item behind me. I have a long presentation, but I'm just gonna go through it quickly. If during discussion you want me to come back to anything I can go ahead and do that.

Okay, so I think you all know where Napili is, but this is the general map that's in the report. Just to show you a little bit closer and then here's the lot map of the neighborhood that's also in your staff report, and an overview that kind of shows you what the neighborhood is. So we have the Alaeloa condos kind of on the south, single-family homes and then to the north you have hotel zoned area with many condominiums that are out that way.

Okay, so the neighborhood specifically, we're looking at single-family homes that are along the water. You know they go for three to five and a half million is tax assessment. That's mostly the land when you take a look at it. Most of the houses were built in the mid-80's. On the mauka side you're looking 700,000 up to maybe 1.4. Of the 130 properties that are within 500 feet, I took a look at real property tax records just kind of trying to get a feel, and as you can see there about 73 percent live off island. And I thought it was interesting that 45 percent received their tax notification in California though our applicant is from Washington State.

The site plan again, this is from real property tax so it's kind of an approximation. But the permit

is for four bedrooms. There's three in the main house. We have a one-bedroom cottage. And it's about half an acre. And I think that's accounts for the high tax assessment. It's the large amount of land. It's right there on the ocean.

Okay, I wanted to show you an overview. The house that's to the south is under construction. It's been completely...what you see has been demolished. You can kind of see up there it's being rebuilt. The house that's to the right is the applicant's parent's home. She cites the reason that she bought her home is because the location right next to the...to her parent's home. And if you look you can see who's ever affected most directly would be that house that's right there. That's her parent's home. So what I...and then this is from the house what you see from the road. And then the main house, you can see the garage. If approved, the applicant intends to rent the entire property out and you'll kind of see why as I go through the pictures.

So we have the parent's home again that's right there, right next to it. Papaua Place is along where that wall is. And then you can kinda see the condominiums that are to the north right there where the property entrance is.

And then I'm just gonna kinda run you through what the house looks like. So it's kind of a split level when you walk in. You can go downstairs to the three bedrooms or you can upstairs to the main living area. And that's what it looks like when you get up to the top of the stairs. There's an upstairs balcony that's accessible right from that living room and there's the view. Then you have a den that's on the other side and you can see the cottage that's right there. And again, that's the den. And there's the kitchen and that's the garage that's right there. And then the parent's house, and there's the main eating area. And then as you go downstairs, you've got the three different bedrooms that are right there. And then you've got two bathrooms that are downstairs. And then the one-bedroom cottage. And the pool that's accessible off the lower level. And then to the south side where the construction is occurring it's on the other side. And then there's the sideyard again, that's the property to the north.

So the neighborhood. I know we don't do site visits, but I just wanted to give you a quick, kind of virtual tour. So if we're starting down on the south, and going up, and it's also just to kinda jog your memory. I'm sure you've all driven through here. So now we're starting with the single-family homes that go to...here this is one of the permitted short-term rental homes in there within the 500 feet. That's it right there. And then as we continue down, we just...that's on the ocean side. Again, the ocean side and then we have across the street. And this is the house that's under construction. And then here we are again at the proposed short-term rental. Directly across the street pretty well screened. And then we have Papaua Place. It's gated, so even though I've done some permits in there, I don't have pictures for you to the houses, but we have a number of short-term rental homes that were permitted in 2012 right in there. Kind of goes out into to a point right there. Then there's a tennis court. You have a vacant lot, and then you have two, actually just a whole row of condominiums that are Hotel zone so they're legal vacation rentals. This is what's right across street from the tennis court. And then you have the condos.

So the trigger, why are they here today? Whenever there's more than one within 500 feet, we bring those to you to review. I wanted to give you a regional map just so you can see the West Side what we're looking at. And then as we get a little closer, I know when I did the presentation for the Short-Term Rental Home Bill we talked about clusters of areas. This is a cluster in Napili that you saw

at that time. And then here it is much closer so you can see where those short-term rental homes are. Okay, no B&Bs, but we have short-term rental. And then we have legal vacation rentals again as I talked about right there on the north.

So in terms of public notice, you know as you already know all neighbors within 500 feet are notified twice by mail at the beginning of the period and then again when the public hearing is scheduled. The applicant is also required to place an ad in the Maui News three times informing the public about this hearing today, and the Department also places an ad. So we get lots of public notice. So what did we get from that? We had one letter of protest that came in from a neighbor, and then we also had three letters of support. Two are in your staff report and then one was just distributed to you right now.

So the letter of protest that's in your staff report, it's the neighbor who lives three lots to the south. She had concerns about inappropriate behavior that can happen with short-term rental homes. Concerns about security for the area, about ocean safety, and concerns with home values may diminish with type of use.

The applicant did respond in a letter that's also in your staff report. She cited in there about house rules that are standard for all short-term rental homes, 9:00 p.m. to 8:00 a.m. is a quiet time and there's no amplified sound. The property manager, Debbie Mitchell who I believe you've met before, who's right here, lives about three miles away. She's able to respond fairly quickly. Her husband's a retired police officer. The letter also includes information about the rental agreement that's going to advise about ocean safety. And then she discusses a little bit or tries to address how short-term rental homes are taxed differently and therefore, the assessments don't take into consideration the other uses.

The neighborhood support letters are in there. They're from the neighborhood. They're people that already know and trust the applicant. They know the manager. They cite the fact that there's many vacation rentals in this area and there don't seem to be problems with it currently and that there's adequate parking and that also they...some of them know the property manager and she has excellent history is what's cited.

Okay, so I have...I have here today, I have the applicant, Breanne, and then I also have Debbie Mitchell, who's the manager if you have any questions. Thank you.

Vice-Chair Tsai: Thank you, Gina.

a) Public Hearing

Vice-Chair Tsai: So we're gonna open the floor up for public testimony. Anyone wish to testify on this action item, agenda item, please come forward? Seeing none, public testimony is closed. Questions from the Commission? Commissioner Robinson?

Mr. Robinson: Hi, could I speak to Mrs. Mitchell, please?

Ms. Flammer: Oh sure.

Mr. Robinson: Aloha.

Ms. Debbie Mitchell: Aloha.

Mr. Robinson: I'm glad the property manager actually came. How many...do you do any of those other properties that we saw on top of that map, from that area?

Ms. Mitchell: Yes, I currently do three additional.

Mr. Robinson: Three additional?

Ms. Mitchell: Yes.

Mr. Robinson: Is it on the same street or across the—

Ms. Mitchell: Two are on the same street, and the other is about four houses to the south.

Mr. Robinson: And what is the, what is the average tax benefit do you know per house what taxes might be? Would you be aware of that since you're...is that you're a property manager where you rent it out and you get a percentage?

Ms. Mitchell: Correct. And I'm sorry, I don't, I don't have that figure off the top of my head.

Mr. Robinson: Do you pay accommodation tax or—

Ms. Mitchell: Yes, we pay transient accommodation and general excise tax, both.

Mr. Robinson: And so what is the average home go for? Don't have to be high, just the average day?

Ms. Mitchell: I would say the lowest one would probably rent at 1,200 a night on the way up to close to 3,000 a night.

Mr. Robinson: And what's the total tax, is it 17?

Ms. Mitchell: It's...there's, what 4 percent for GE and 14 percent for TAT.

Mr. Robinson: Eighteen?

Ms. Mitchell: Yes, correct.

Mr. Robinson: And what is the average occupancy annually for the houses total?

Ms. Mitchell: Certainly. It's very seasonal obviously. But I would say, it is probably 60 percent, yes. That's an average of all of them.

Mr. Robinson: Thank you.

Ms. Mitchell: You're welcome.

Vice-Chair Tsai: Yes, Director?

Mr. Spence: And just for the Commissioners knowledge, we would not bring...we will not approve a permit nor would we bring one to you unless they have a TAT and GET license, licenses. That's the requirement of the Short-Term Rental Home Law and the B&B Law.

Vice-Chair Tsai: Any other questions from Members? Okay, seeing none, could I have Staff's recommendation, please?

b) Action

Ms. Flammer: Okay, the Department is recommending approval. We have placed 23 conditions on the Short-Term Rental Home operation that are in the green portion of it. I won't go through them. If you have any questions, I can answer those. So in consideration of the foregoing, the Department recommends that the Maui Planning Commission adopt the report and recommendation prepared for today's meeting as its finding of fact, conclusion of law, decision and order, and authorize the Planning Director to transmit said written decision and order on behalf of the Planning Commission.

Vice-Chair Tsai: Yeah.

Mr. Hudson: Hi Gina, could you please explain to me the definition of cluster and how it applies to this particular area?

Ms. Flammer: A cluster would be when you have a use...well, it be when you have a lot...in term of short-term rental home?

Mr. Hudson: Yeah, do we have regulations prohibiting clusters in certain areas?

Ms. Flammer: No, what the Council decided is that they would leave it to you as the Commission to review them on an individual basis. What we have found is that some of our areas, our resort areas so we see it sometimes Kihei and you see it up in this Napili area, and then you see it in another part of Lahaina, you have a large number of vacation rentals that were either existing when the bill came into play in 2012. That's what happened in this area. There was an exemption with the Short-Term Rental Home Bill for the first year where if there was one within 500 feet, they didn't have to come to planning commission. So that's in a way what created the clustering that you see of applications that you did not review. So these applications came in 2012 that were in there. That only was for one year. So now any application where there is one with more than 500 feet, the Council entrusted you to review it on a case by case basis and determine if it was appropriate for that area.

Mr. Hudson: Thank you.

Vice-Chair Tsai: Gina, how many do we have in the Napili area right now?

Ms. Flammer: In Napili?

Vice-Chair Tsai: Yeah.

Ms. Flammer: This is the only area where, where they are in Napili. In all of...there's 29 in the West Maui Community Plan region. I can pull back, you can kinda see where they are.

Vice-Chair Tsai: Okay.

Ms. Flammer: Do you want me to...They're kinda clustered in Lahaina, then you see a little bit again, you see these. Not many in Kaanapali maybe 'cause there's so many condominiums. Then we have a couple in Kapalua, Kapalua.

Vice-Chair Tsai: Thank you. So have recommendation, oh...

Mr. Robinson: Is on the...in the protest letter, they stated that a short-term rental home would diminish property values. I thought that was the opposite?

Ms. Flammer: I've heard arguments on both sides.

Mr. Robinson: Yeah?

Ms. Flammer: Yeah. Maybe a poorly run one.

Mr. Robinson: Poorly one, yeah. Can't make money off of your property.

Vice-Chair Tsai: Do I have a motion?

Mr. Hudson: Yeah, so move.

Vice-Chair Tsai: Moved by Commissioner Hudson.

Mr. Higashi: Motion to second.

Vice-Chair Tsai: To approve.

Mr. Higashi: As recommended.

Vice-Chair Tsai: As recommended.

Mr. Hudson: As recommended.

Vice-Chair Tsai: Second by Commissioner Higashi. Questions, comments?
Commissioner Hedani?

Mr. Hedani: I'm gonna vote against the motion. The reason is I believe it's too densely spaced in one neighborhood. They have six short-term rental homes within one residential cul de sac.

There's a past short-term rental that was operating illegally. Somebody hosted a porn shoot on the beach. Not that we would object to that.

Ms. Flammer: That was the property owner. It wasn't a rental in that.

Mr. Hedani: My preference would be for us to considering...to consider reducing the existing five or six short-term rentals down to one or two in the neighborhood. I don't think it's good planning to allow short-term rentals to take over entire neighborhoods and that's why I'm opposed to it.

Vice-Chair Tsai: Thank you. Commissioner Robinson?

Mr. Robinson: In looking at this property and as we might have...I'm reminded that I'm very for affordable housing. I don't see this as...this is a totally different category. I see us as having a certain amount of rental homes that are allowed in a area. And I actually rather have all these expensive homes and know, but I know nobody would live in take up this, take up the lot, you know, take up the allotted numbers and hopefully the other homes wouldn't. As large I am against rental homes instead of, you know, units I'm probably gonna abstain from this one.

Vice-Chair Tsai: That's an automatic yes, right? That's a automatic yes.

Mr. Robinson: I know.

Vice-Chair Tsai: Any other discussion? Commissioner Hedani?

Mr. Hedani: Just a couple of other comments. House rules for this particular application, quiet hours are from 9:00 p.m. to 8:00 a.m., noise from this home shall not unreasonably disturb adjacent neighbors. So you can reasonably disturb adjacent neighbors. Item 4, no parties or group gatherings other than registered guests shall occur. So you can party on if you're a registered guest.

Mr. Spence: Mr. Chairman?

Vice-Chair Tsai: Yes, Director?

Mr. Spence: Okay, regarding those house rules, those are the house rules that are required of all short-term rental homes. Those are written into the Short-Term Rental Home Law after much debate in front of the County Council and discussions with the community. With regard to noise really what they're...the goal to accomplish was that you would have noise the same that you would have in any other homes in the neighborhood. If you have a hot tub, you would have people, you know, your guests, you know would be allowed to use that hot tub or your swimming pool or whatever up to a certain time at night. But you can't have, you couldn't have a wedding reception, those kinds of things. That was what we were trying to get away from is having parties where other than the people who were paying to be there, not having any other people come over to party.

Mr. Robinson: What it says, guests, registered guests, so where is the limit that says how many people can stay in that home?

Mr. Spence: They're limited to two persons per bedroom.

Mr. Robinson: Per bedroom.

Mr. Spence: And every short-term rental home has the number of rooms that they're allowed to rent out. So up to six rooms if you have a house that size. Generally there's three to four bedrooms.

Vice-Chair Tsai: Any other discussions? Call for a vote. You want to...

Mr. Spence: The motion is to approve as recommended by Staff.

Vice-Chair Tsai: So all in favor of the motion please raise your hand.

Mr. Spence: Okay, I see two, ayes.

Vice-Chair Tsai: Opposed?

Mr. Spence: Two opposed.

Mr. Spence: Motion fails. and it would an abstention.

It was moved by Mr. Hudson, seconded by Mr. Higashi, and

**The Motion to Approve the State Land Use Commission Special Use Permit FAILED.
(Assenting - L. Hudson, R. Higashi, (Abstained - I. Lay)
(Dissenting - W. Hedani, K. Robinson)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)**

Mr. Lay: Even if he votes yes, would be four right?

Mr. Spence: Four, but that's not enough--

Vice-Chair Tsai: It has to have...you still need five. So we need a new motion or...

Mr. Spence: ...(inaudible)...

Vice-Chair Tsai: Yeah, so we have the floor open for another motion for we can either deny or defer.

Ms. Flammer: Might there be any conditions that would change the vote?

Vice-Chair Tsai: Commissioner Hedani?

Mr. Hedani: Move to defer.

Mr. Robinson: Second.

Vice-Chair Tsai: Motion to defer by Commissioner Hedani, second by Commissioner Robinson.

Mr. Hopper: Mr. Chair?

Vice-Chair Tsai: Yes?

Mr. Hopper: Mr. Chair, there should be a stated basis for the deferral as well as any additional information that would be required. Normally there wouldn't just be a deferral. I mean, if there hasn't been a motion to deny or anything else, there's the deferral and there can be a basis and information requested for the next meeting.

Mr. Robinson: Motion to defer since our Commission seems a little light with our numbers and our votes being...(inaudible-speaking softly)...

Mr. Hedani: I agree. I think maybe my position is being unreasonable in terms of my objections to this particular application. We do have quite a few of our Members absent today. Maybe they deserve a shot at approval if they can convince the balance of the Commission that their application is worthy. My perspective comes primarily from the standpoint of the Commission making a recommendation to the Council for a moratorium on short-term rentals until additional housing is available, unanimously approved by the Commission recommended to the Council. If our recommendations to the Council are to mean anything, we should stand behind what we said. That's basically where I'm coming from. Thank you.

Vice-Chair Tsai: So we have a motion on the floor to defer. Call for a vote. All in favor of—oh, you have a comment?

Mr. Higashi: Point of clarification. What's the purpose of a deferral?

Vice-Chair Tsai: To basically to a next session when we have more Members.

Mr. Spence: So the whole, yeah, so the whole Commission can consider it.

Vice-Chair Tsai: Yes.

Mr. Spence: The entire Commission can consider—

Mr. Higashi: Is to get more information for—

Vice-Chair Tsai: We can request more information or basically have more Commissioners present so we have more votes to consider, for a full body. Okay, call for the vote. All in favor of the motion to defer, raise your hand?

Mr. Spence: That's five ayes. Motion carried. Commissioners, we will reschedule.

Ms. Flammer: Can I ask for public noticing do we need to have a date to reschedule or is...

Mr. Spence: No, we just...I mean, we will notice in the paper just like we always do, we publish the

agenda. But we also wanna make sure that we have the minutes of this meeting available to the other Commissioners and they have a chance to review the entire record, we'll reschedule it back on.

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

**VOTED: To Defer the Matter in Order to Have More Members Present.
(Assenting - W. Hedani, K. Robinson, L. Hudson, I. Lay, R. Higashi)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)**

Vice-Chair Tsai: All right, next item on the agenda, Unfinished Business?

Mr. Spence: Commissioners, we are on Item D-1, Mr. David Pyle representing The Krausz Companies. This is for action on the SMA Permit for the Downtown Kihei Project. It's a project we've been long waiting for.

D. UNFINISHED BUSINESS

1. **MR. DAVID PYLE, Executive Vice-President of THE KRAUSZ COMPANIES, INC. requesting a 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. (SM1 2012/0006) (A. Cua) (The public hearing was conducted at the August 12, 2014 meeting.**

A Special Management Area (SMA) Use Permit is being requested for the development of the Downtown Kihei project to include retail and commercial buildings, a movie theater, a select services hotel, a village square, and on-grade deck parking.

Ms. Ann Cua: Mr. Chair. So we had a little miscommunication on who was going to bring the flash drive, sorry about that. But I can...there's some opening remarks I need to make about some background information about this project.

First of all, there were two new Commissioners that were not part of the original public hearing process on this project, and I just wanted to make a note that they have received the Final Environmental Assessment document as well as the Planning Department staff report and the minutes of the public hearing meeting, and so they got that information and I believe I've confirmed with them that they have reviewed it so they are able to participate in today's meeting.

So just on some background information. Back in August, August 12, 2014, the Commission conducted a public hearing on the Community Plan Amendment, Change in Zoning, and Special Management Area Use Permit applications. The Commission voted to recommend to the Maui County Council approval of the Community Plan Amendment and Change in Zoning. The Commission deferred action on the Special Management Area Use Permit until the land use amendments had been acted on by the Maui County Council.

On July 7, 2015, the Maui County Council voted to pass on second and final reading ordinances adopting the Community Plan Amendment and Change in Zoning. So Ordinance No. 4233, Bill No. 45 which is in your agenda packet as Exhibit No. 4, amended the Kihei-Makena Community Plan and land use map from Business/Commercial to Hotel and allowed a height limit of 60 feet on a portion of TMK: 3-9-002: 076. The additional height will accommodate the movie theater building. Also, Ordinance No. 4234, Bill No. 46 granted Conditional Zoning from R-3 Residential District to HM Hotel District for approximately 2.6 acres from R-3 Residential District to B-2 Community Business District for approximately 18.3 acres and from R-3 Residential District to OS-1 Open Space District for approximately 6.5 acres.

The Change in Zoning was subject to or is subject to the following conditions. One, that The Krausz Company shall provide their pro rata share of traffic improvements as determined by the project's Traffic Impact Assessment Report and to the satisfaction of the Department of Public Works. Second condition is that the Krausz Company shall design, construct, and provide the following improvement at the intersection of Piilani Highway and Piikea Avenue at no cost to the State of Hawaii and prior to the first certificate of occupancy being issued by the County of Maui and the improvements included provide an additional eastbound left-turn lane to create a double left-turn lane onto Piilani Highway at no cost to the State and prior to the first certificate of occupancy issued by the County. Also to restripe the northbound left-turn lane to increase its storage capacity to the extent feasible consistent with the current AASHTO standards. And then the last condition was that the applicant or The Krausz Company shall perform traffic signal timing optimizations of the Piilani Highway, Piikea Avenue and Piilani Highway, Lipoa Avenue intersections all at no cost to the State of Hawaii. The optimization shall be performed when the Downtown Kihei Project attains at least 70 percent occupancy or at the request of the State of Hawaii Department, Department of Transportation.

In addition, since we met back in 2014, in August 2014, the Planning Department received additional agency comments. First, Exhibit No. 6 attached to your staff report, we received a letter from Department of Land and Natural Resources, State Historic Preservation Division. Their letter is dated August 12, 2015 [sic], and they were responding to an archaeological monitoring plan that was submitted to them by the applicant for water lateral improvements for the Downtown Kihei Project which they received back in January 2015. They're indicating, SHPD is indicating that the archaeological monitoring plan does meet the requirements of Hawaii Administrative Rules 13-279, and is accepted. SHPD requests to be informed in writing of the initiation and completion of the upcoming construction monitoring project and anticipate receiving an archaeological monitoring plan within a 180 days of the completion of the monitoring of this project.

We also received a letter from the State Department of Transportation dated March 6, 2015 which actually superceded their June 27, 2014-letter which was in your staff report, your original staff report labeled Exhibit 45, and they indicate in their letter that after meeting with the project's traffic engineer, on January 26, 2015, State DOT finds the conclusions and recommendations of the TIAR acceptable provided the developer performs improvements as I previously noted that were attached to the Change in Zoning.

So I felt it important to go through all these, all this background information because we did hold a hearing back in August of 2014. I wanted to bring all of you up to speed on, you know, when we came for public hearing, what's happened since then, and what new information we've received

since we've got back.

So at this point in time...oh, and one more thing, we received...after the preparation of this report received two correspondence, two pieces of correspondence which you've received. I believe Carolyn passed them out. First, was an email that we received from Mike Moran, President of the Kihei Community Association. And secondly, we received an email from Mary Trotto, who is a resident of South Maui. So those are the only two additional letters that we received.

So at this point in time, I wanna turn it over to the applicant, and I wanna apologize to the applicant I'm sorry about the confusion on the Power Point. I'll turn it over to Colleen from Munekiyo Hiraga and she will take you briefly through the project just so can bring you up to speed on what the project is all about. Colleen?

Ms. Colleen Suyama: Thank you. My name's Colleen Suyama with Munekiyo Hiraga. We're the consultants for the project. We...the applicant is The Krausz Company Inc., and we have David Pyle and Jay Krigsman from The Krausz Company. We have our engineering consultant from Warren S. Unemori Engineering, Clifford Mukai is here. We also have Austin Tsutsumi & Associates, our traffic consultant Matt Nakamoto. And we also brought forward, Robert Hobdy, who's our environmental consultant who did the flora and fauna study for the project.

This is the view of the project. Originally when the Change in Zoning, Community Plan Amendment went up to the Council it was four parcels that were involved. But in the SMA Permit application, only three parcels are involved in the SMA application. Parcel 1 which is north or along Yee's Orchard is Parcel 30 that also includes one of the wetland, enhanced wetlands. Parcel 2 is Parcel 76 which is south of Piikea Avenue. Parcel 3 on this slide is the other wetland that is not part of the SMA application. And Parcel 4, which is Parcel 158 which is next to east of the Azeka Shopping Center those are the three parcels that are actually part of the SMA application.

This is an aerial view of the application. Piikea Avenue is between both parcels...portions of the project. On the right-hand side or east of Liloa Drive is the existing Piilani Shopping Center which is also owned by The Krausz Company.

Ann gave you a background of the project to date. Also, when it went before the Planning Commission, the Planning Commission recommended approval of the Community Plan Amendment, Change in Zoning and they deferred the SMA Permit pending the land use entitlements were approved by the Council. And as stated by Ann, on July 7, 2015 the Council approved the land use entitlements.

Currently the project is in the State Land Use Urban District. It's community planned for business, hotel and open space. The open space area is the two manmade wetlands. It's now zoned B-2, Community Business, HM Hotel which is a 2.6 acre parcel of Parcel 30 has been zoned Hotel, and OS-1 Open Space has been designated for the two wetland areas. It's also within, on the Maui Island Plan as the Kihei infill and revitalization. It's within the Urban Growth Boundaries.

In terms of Parcel 30 which is the parcel north of Piikea Avenue, they're proposing a four-story, 150-room, non-resort, local serving hotel. What they're looking at is those of you who are long-time residents on Maui something similar to the Maui Beach Hotel which is basically was for residents,

you know, for your family coming to Maui and needing a place to stay. They're also proposing approximately 115,000 feet of retail space. There will be 115 on grade parking as well as maintaining the three-acre wetland area.

On Parcel 76 which is south of Piikea Avenue they're proposing approximately 98,000 square feet commercial retail space. They're also proposing a 44,000 square foot theater building and this is one of the amendments it needed to be done to the community plan was to raise the height, to allow the height of the theater to be 60 feet and that was for technical reasons for the theater operation. They also propose to create a village square in this portion of the project as well as 612 on grade and deck parking.

Parcel 80 which is the 3.5-acre wetlands would remain untouched and not part of the project.

And on Parcel 158, they're proposing a one-story, approximately 6,600 square foot commercial building and 72 on grade parking.

In testimony, this is the site plan that shows the hotel site which is one of the main anchors on the north side of Piikea Avenue and the theater building which is the other anchor on the south portion of Piikea Avenue. And as you can see in their...in this site plan, the two wetlands are just west of those properties, Parcel 30 and Parcel 76. And as you can see on Parcel 30 which is the north property there is the wetlands and a landscaped detention basin that's proposed. I know like this morning there were testimony from Mike Moran, you know, asking for a pedestrian and bike path immediately along the western property boundary adjacent to the wetlands but in our Environmental Assessment, of the Final Environmental Assessment, one of the recommendations that came out of the Biological Report was that that basin or at least a 30-foot buffer area be established from the project and the wetland and to establish about approximately 10-foot high shrub, you know, to protect it from human intrusion into the wetlands that would disturb the endangered species that utilize the wetland. That was one of the reasons why you know they took Mr. Moran's or KCA's proposal seriously but because of other recommendations of what we should do to protect the wetlands they weren't able to incorporate that into the project.

The other thing is, this is just a view of the hotel site, and what the hotel is contemplated conceptually to look like and this is where the theater building would be located and a section of the theater. This is basically showing you what this project may look like. There are design guidelines that were established for the retail commercial building as well as the theater and the hotel which they will be following when they do their final construction drawings. And this was...those design guidelines were reviewed by the Maui Urban Design Review Board and it was adopted by the board as well as the Department.

This is a view of what the project may look like from Liloa Drive, and Liloa Drive already has a greenway bikeway path that was installed. And this is basically looking down into the project.

This is where they are looking at doing the pedestrian connectivity. There's a system of pedestrian ways along Liloa Drive, Piikea Avenue as well as throughout the entire property so that the pedestrian is encouraged to utilize you know walking to the site as well as within the site and there's easy access to each of the buildings within the project.

They also are looking at installing bike...bike lanes along Piikea Avenue to connect to the existing greenway on Liloa Drive. And this plan was worked out with the Department of Public Works in how the Piikea Avenue was going to be designed in terms of the roadway improvements and the bikeway path. So this was reviewed and basically conceptually adopted by the Department of Public Works.

Thank you. And we are all available for any questions that the Commission may have.

Vice-Chair Tsai: Thank you. We're gonna open the floor for public testimony on this agenda item.

a) Public Hearing.

Mr. Mike Moran testified at the beginning of the meeting. His testimony is as follows:

Mr. Mike Moran: I appreciate the clarification. Yeah, my item is D, and I see a lotta people here so I will say my piece and hit the road, let you guys absorb all that. Good morning, Chair Tsai.

Vice-Chair Tsai: Sorry--

Mr. Moran: Oops, sorry.

Vice-Chair Tsai: --your name please?

Mr. Moran: My name is Mike Moran speaking for the Kihei Community Association. Good morning, Chair Tsai and Commissioners. On the...we're Item D, The Krausz Companies comments on their SMA recommendations to be presented this morning.

The Kihei Community Association has worked with The Krausz Companies Incorporated over the years since the inception of the Downtown Kihei development. Many good features are incorporated into this project. However, there are several issues that we have requested during the design process that still concern the community. These issues are not resolved and must be addressed for the safety of the community and the future success of the project.

1. Most importantly bike paths need to be separated from car and truck vehicular traffic as shown in our KCA Road Guidelines. A designated bike path is much safer. One path can be run from Liloa Drive along 4th Street then turn along the east side of the wetlands. A bike path here will keep the vagrant population from establishing itself in the area near the wetlands below the 4th Street structure. A second path can run from Liloa along 2nd Street in front of the hotel and then turn at Building A and run along the edge of the detention basin. Again, the presence of cyclists will help keep down the establishment of vagrant settlements in the perimeter areas of the project. The situation of homelessness is extreme in the area due to the Hale Kaukau at St. Theresa's Church, the convenience of grocery and drug stores and abundance of discrete places to camp out.

2. All sidewalks shall be separated from traffic by the green strip where the trees and shrubs are planted as shown again on our KCA Road Guidelines. Within the project we see protected sidewalks in front of the buildings facing Piikea and along the existing wetlands to the north of Piikea Avenue. We would like to see that configuration throughout the project including the south

side of Piikea Avenue along the existing wetland and on both sides of Piikea towards the roundabout.

B. There needs to be a sidewalk between Piikea Avenue and Building A so a pedestrian coming from South Kihei Road can access Building A safely on foot instead of having to walk through a parking lot only.

C. Provide midway crossing islands at all crosswalks on Piikea so that pedestrians have a safe point to pause if needed when crossing multiple lanes of traffic.

3. Due to sensitive drainage in the area we're requesting that the Green Streets principles be used in all vegetated areas to increase the absorption and filtering of hardscape runoff.

4. The issue of increased traffic and congestion at the intersection of South Kihei Road and Piikea has recently become more apparent as—

Ms. Takayama-Corden: Three minutes.

Mr. Moran: Okay, I'll just read my concluding sentence. I'll skip down. Please understand these concerns have been consistently presented and all for the benefit of all. The project will be safer, more accessible development of which Kihei can be proud. Mahalo for your support. And we did submit it in writing. So whatever I skipped you can get to later. Thank you very much.

Vice-Chair Tsai: Thank you, Mike. Any questions from Commission? Okay.

Mr. Moran: Thank you.

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

Vice-Chair Tsai: Seeing none, public testimony is closed. Questions from the Commission? Commissioner Hedani?

Mr. Hedani: Ann, what was the affordable housing requirement for this project?

Ms. Cua: There was...oh, that's right. I'm sorry. Yeah, there was for the hotel actually. So they are gonna have to enter into a housing agreement with the Housing Department, Department of Housing and Human Concerns.

Mr. Hedani: Do we know how many units that would generate?

Ms. Cua: Twenty-five percent of 150.

Mr. Hedani: Thank you.

Vice-Chair Tsai: ...(inaudible)...

Mr. Robinson: Can I please speak to the engineer in charge of the drainage, water...(inaudible)...

Ms. Cua: Drainage.

Mr. Clifford Mukai: Director, Members of the Commission, I'm Clifford Mukai of Warren S. Unemori Engineering.

Mr. Robinson: Well Clifford, I have a question regarding calculations of the amount of water the project is gonna from where it currently state is now, where the water and...(inaudible-not speaking into mic)...mic? Excuse me. Looking through the Volume 2 of this thin book we have here, I saw on the...and we just had a seminar just at the last meeting so that's why I'm really on this, so when I was speaking to the civil and the works they said that .4 is usually what, is what the land is undeveloped and it goes up to .9. And I saw with our calculations your cfs were within .5 a difference away of 17.5 for the culvert, you know, so on and so forth. So I just wanna let you know where I'm going here. So my question is on top of your report I saw that you classified the land as a .2 which is from my understanding like sand as in the water would seep that fast into a .2 and it wouldn't be higher and can you comment on that please?

Mr. Mukai: We are designing the site to be able to first of all, have the storm water that the site sees be intercepted by the drainage system. It will go into the drainage system to drainage inlets and it will, first of all, hit a subsurface detention chamber where we'll store it. It will then be slowly released to the open retention basin which will further reduce the peak discharge. So what we're focusing on as far as the net effect is that the existing infrastructure that was put in previously by Longs, Azeka Center as well as the County of Maui along South Kihei Road that was master planned and designed to take in a certain peak flow. So there is an inlet at the bottom edge of both manmade wetlands. And those are the feelings that we are respecting as far as what we'll ultimately discharge. So regardless of how the intermediate numbers come out, we are maintaining a net release, for example, at the Longs discharge point of no more than the allowable 14.4 cubic feet per second of discharge and then at the Azeka Place point of release, the master planned release is an allowable 17.8 cubic feet per second.

Mr. Robinson: How do you control that?

Mr. Mukai: We are controlling it through two aspects of the drainage system. So as it goes into your drain inlet and curb inlets whether it's runoff from Piikea Avenue or the onsite areas it will go into the grated inlets, curb inlets, it will go into the underground drain lines and then it will accumulate and be slowly released at a controlled rate from the subsurface detention system. And that's basically a series of very large diameter, anywhere from 48 to 72-inch diameter perforated pipe with crush rock cradle under it, and those are enormous chambers underneath the ground so that as the runoff rushes in it will gradually fill it out and fill it up and there's a controlled discharge into the two open detention basins immediately downstream of the site and it will gradually at a controlled release again, overflow, you know, into the two manmade wetlands.

Mr. Robinson: Where would these 42-inch diameter retention pipes be located at?

Mr. Mukai: It would typically be installed underneath the driveways and parking lot onsite.

Mr. Robinson: And at what topography line are you starting that and where you're ending it? Because on this, on this information I have here from archaeological it shows water at 15 inches.

So if you're gonna go 42 inches in the water, you're only going have 15 inches of pipe above it to retain any water so you won't have that and that's my concern right now.

Mr. Mukai: Yes, we are...thank you for pointing that out, we are well aware of the existing grading constraints. So if we look at the site starting at the upper end of both the south north, and south parcels, the finished grades proposed say along the parking lot surfaces are anywhere from about 18 to 24 feet in elevation above mean sea level.

Mr. Robinson: Okay.

Mr. Mukai: And even down at the two open proposed detention basins immediately upstream of the two wetlands, we're looking at an invert elevation of no lower than approximately elevation four. So that would be higher than the normal water table which is close to elevation two.

Mr. Robinson: So the current water level on the site is 15 inches. So how high, and I know there's gonna be backfill and all that, so how high are we going above the current, not the sea level, but at the project site—

Mr. Mukai: We—

Mr. Robinson: I mean are you going up just to accommodate the 42, I'm not sure about...I've looked through this, but I haven't seen any topography for the, for the height of what the project's gonna be at?

Mr. Mukai: I'm sorry Commissioner can you please rephrase it?

Mr. Robinson: So it's...I understand that the project is gonna be elevated from its, from its current level that's correct?

Mr. Mukai: Yes.

Mr. Robinson: So at what level is the project gonna be at if...'cause we're looking at 42 inches of just retention basin?

Mr. Mukai: The finished grade for the project?

Mr. Robinson: Yes, above current. So from where it starts now. You could say it's eight feet from sea level now, it's gonna be 15. I'm not sure. I couldn't find where I could find that information.

Mr. Mukai: The lowest grade at the downstream end of the site?

Mr. Robinson: I didn't know where it is on so where we could look at it or just on your?

Mr. Mukai: It should be in the...if we look at Exhibit E of the PER.

Mr. Robinson: Is it on there?

Mr. Mukai: It's in the, yeah, Final EA. Exhibit E that's part of the Preliminary Engineering Report in the Final EA is the grading plan. And thank you Ann for directing us to Exhibit E of the Preliminary Engineering Report in the Final EA. So Commissioner to get back to your earlier question regarding where the finished grades are relative to perhaps to the existing grade that we see out there. Immediately upstream of the proposed open detention basins in the north parcel for example the existing grades are about elevation five or six which is above the normal water level. And at the lower end we are filling that to approximately elevation 11 or 12. So we're filling about six feet at the makai or lower end of the site.

Mr. Robinson: So I see on Pad No. 4, is that five feet right there? Is that where you starting at your five feet? Pad No. 4 is on your ...(inaudible)...it's the closest to the ocean.

Mr. Mukai: Pad No. 4...

Mr. Robinson: It's, it's on the other side of the...

Mr. Mukai: Pad No. 4 we're filling to about eight to nine feet. The existing grades are approximately six to eight feet.

Mr. Robinson: Above sea level.

Mr. Mukai: It's within a couple feet of existing grade. That pad is fairly close to existing grade.

Mr. Robinson: And your 42-inch retention basin is, is that what you're—I'm sorry, and the retention basin that we're using for the 42-inch pipes where are those located at? Is that the one...is that the thing you have close to Building A?

Mr. Mukai: Yes, if you can...it probably shows up as purple on the reduced exhibits, those purple shaded lines for example parallel to Pad 4 on the west or the left side of the building.

Mr. Robinson: Oh okay, I see that.

Mr. Mukai: As well as around the 4:00 p.m. position from the center of Pad 4 there's another similar purple shaded.

Mr. Robinson: I see so you have them periodically over different parts of the property?

Mr. Mukai: Yes. And likewise for the balance of the site, the larger north and south parcels, those purple shaded areas are conceptually representing the subsurface system.

Mr. Robinson: Okay, and the water that you have naturally spilling over back onto the orchard, how is that happening? And that's part of your calculation you're using some of that, that rainwater that would naturally flow prior to this construction it's gonna go back towards the wetland on the...on that orchard. Do you have a certain point—

Mr. Mukai: So you're talking about the fringe that abuts Yee's Orchard?

Mr. Robinson: Yes.

Mr. Mukai: There's a very narrow fringe that currently drains into, sheetflows into Yee's Orchard. And as part of the finished grades we will be allowing only that portion that naturally drains into Yee's Orchard to continue to do so. The balance of the drainage.

Mr. Robinson: And, I mean, 'cause now we're elevated and so the water's gonna flow down into the orchard.

Mr. Mukai: Yes.

Mr. Robinson: So one is, is how do we, how do we control that volume, and two, how is that being filtered because now that's full of oil and gas and everything that's on the roadway and other things that might be going towards the orchard which before wasn't?

Mr. Mukai: We'll have an opportunity to take a look at the areas that may be discharging the existing...continue to discharge the existing runoff to Yee's Orchard and we'll be incorporating bio swales or other means to address the water quality.

Mr. Robinson: Okay.

Vice-Chair Tsai: Okay, any other questions?

Mr. Robinson: I'm sorry guys, I'm still going. I apologize.

Vice-Chair Tsai: We just wanna give a chance for others. We can still come back to you.

Mr. Robinson: It's the same, just the water though.

Vice-Chair Tsai: Oh okay, go ahead.

Mr. Robinson: When you did the calculations of the amount of rainfall that's gonna be falling on top of the area, did you account for the, the wetland as part of the calculation of, of area of rainfall falling or you just...'cause it's catching the water, but it's also, water also falls on top of it as well, does, does...

Mr. Mukai: That's included in the existing.

Mr. Robinson: That is included. Yeah, thank you.

Vice-Chair Tsai: Commissioner Hedani?

Mr. Hedani: I'm sorry, I didn't get your name?

Mr. Mukai: Clifford Mukai from Unemori Engineering.

Mr. Hedani: Clifford, if sea level rises three feet over the next 100 years are you gonna be okay as

far as your base elevation?

Mr. Mukai: We're allowing for about two feet of buffer over the normal sea level.

Mr. Hedani: Thank you.

Vice-Chair Tsai: Okay. Any other questions from the Commission? I have one. In the very beginning I was concerned about the traffic issue, so thanks Clifford, I think this is...I'm glad to see that you guys have a plan with respect to Piilani Highway. However, I think most of us who are in Kihei, South Maui realize how bad the traffic on the South Kihei Road and I brought this up in the very beginning is between Lipoa and Piikea. You have an extra light right there right between Azeka Mauka and Azeka Makai, so anytime you have a event or anything like that on a weekend that South Kihei Road is horrible. I know this is you know, County based. Is there a plan, developer to at least do something, something to alleviate the traffic congestion along South Kihei Road also?

Mr. Matt Nakamoto: Good afternoon, Matt Nakamoto from Austin Tsutsumi & Associates, traffic engineer. Yes, as part of the recommendations from the Traffic Study, and it's I believe it's inside the conditions is that we have to do an improvement at the intersection of Piikea and South Kihei Road to create a double left-turn lane out. That would require some traffic signal modifications and some restriping of the intersection. And you know, I believe that...and we worked on it an optimization of area, I know that previously the traffic signals were uncoordinated. This is separate, you know, under a separate project. So, yeah, that's what the mitigation would be.

Vice-Chair Tsai: Okay. So you guys are working on that?

Mr. Nakamoto: That's correct.

Vice-Chair Tsai: Also, please look at northbound traffic on South Kihei Road coming from the south. Well, before you get Lipoa, anything, you know, the two lights past that gets really bad traffic which backs up further south so we need to kind of be concerned about the northbound traffic as well. So synchronize you know that portion as well. Especially when you have a event like, you know, Fourth Friday in Kihei.

Mr. Nakamoto: Yeah, so I mean, what we have Traffic Study as a recommendation was that improvement at Piikea and South Kihei Road. And we did study some of the other intersections in the area too along there, and you know, again I...I know there's some geometric constraints for what can actually be done along those intersections anyway, but we'll do what we can.

Vice-Chair Tsai: Thank you. Commissioner Hedani?

Mr. Hedani: Pat [sic]--

Mr. Nakamoto: Matt.

Mr. Hedani: --on the traffic circle that we have I saw crosswalks on three approaches. Are there crosswalks on all four approaches to the circle?

Mr. Nakamoto: The existing roundabout?

Mr. Hedani: Right.

Mr. Nakamoto: The existing roundabout has crosswalks on all four approaches.

Mr. Hedani: All four approaches?

Mr. Nakamoto: Yes.

Mr. Hedani: Okay, thank you.

Vice-Chair Tsai: Director?

Mr. Spence: I would say that's otherwise known as the Couchabout.

Vice-Chair Tsai: Exactly. Named after Mr. Don Couch himself, who is present. Thank you for joining us Don. Commissioner Robinson?

Mr. Robinson: On your studies for the South Kihei I guess the growth with this project there, what factors did you use as far as the multiplier?

Mr. Nakamoto: We used the long range plan for Maui, Maui Long Range Transportation Plan and from that we derive the 2 percent annual growth factor. But in addition, we do it with the numbers are very conservative 'cause we have a lot of other projects that are assumed into our calculations. I know it's a little bit dated, so you know, we have like Piilani Promenade in its glory, we have the Kihei High School, Kihei residential, a bunch of other projects that are, you know, that are really not built at this point.

Mr. Robinson: But those are part of your calculations?

Mr. Nakamoto: That's correct.

Mr. Robinson: The Promenade.

Mr. Nakamoto: That's correct.

Mr. Robinson: And from what it is now compared to what's it's gonna be, what percentage are we using for that, for us to get to this number? 'Cause I saw in your...not in yours, but in the book that they said they're gonna...they said they're gonna...they think they're gonna get 60 percent of the market in Kihei for the...with the Piilani and the two stores going, so I'm saying that's a lot of...lot more traffic.

Mr. Nakamoto: ...(inaudible)...

Mr. Robinson: So I, I guess it's where we are today you added Promenade, you added the high school-

Mr. Nakamoto: That's correct.

Mr. Robinson: So, but what is that, what is that percent of growth from what the traffic is today? Is it double, did you double it? Is it 20 percent?

Mr. Nakamoto: You know honestly I don't have that exact composite offhand in my mind, but it was a significant increase to the traffic especially in particular along Piilani Highway itself.

Mr. Robinson: What is your interpretation of significant?

Mr. Nakamoto: You know, I can go and look up and try to calculate the exact percentage growth, but you know, the Traffic Study we had turned it into the State and the County and they deemed our projections to be reasonable.

Mr. Robinson: Reasonable. Okay, thank you.

Vice-Chair Tsai: Just so I'm clear, I remember seeing on one of the original iterations the design had, you had put I think one or two traffic lights on Piikea and I expressed my concerns regarding that. So from the latest are those traffic lights still there?

Mr. Nakamoto: No. Yeah, I believe that in the past we had a traffic signal in there and there was community concerns about the traffic signal, so...you know I mean, I guess the warranting of the traffic signal is subjective. It would depend upon, if you don't put it in, then maybe cars can go another way and yeah, so we're gonna have to assume now that a lotta more cars will come onto Liloa Drive, and so some of the traffic would be routed into more recent traffic study. So essentially they can go through the roundabout if they're gonna have their final destination of getting back to Piilani Highway.

Vice-Chair Tsai: No, I'm actually talking on Piikea from—

Mr. Nakamoto: Yeah.

Vice-Chair Tsai: —just basically—

Mr. Nakamoto: Yeah, so we have...that's what I'm talking about like the traffic signal at Piikea Avenue is not in the study anymore. It's not—

Vice-Chair Tsai: Okay, so you guys don't have that?

Mr. Nakamoto: Yes.

Vice-Chair Tsai: Good. Thank you. All right, any other questions? All right, can I have a recommendation from the Department?

Mr. Robinson: ...(inaudible)...I do have a question for the Developer, my last question.

Vice-Chair Tsai: Yes.

Mr. Robinson: And it has to deal with parking. Hi.

Mr. David Pyle: Hi. David Pyle.

Mr. Robinson: Hi, David. The question I have is I was looking over at the parking stalls, and I notice that there's handicap parking away from the buildings, and I noticed that in the lower level parking there's handicap parking and then I noticed at the parking level grade there's also handicapped parking and it's not at the, at the buildings.

Mr. Pyle: I'm not sure where you're—

Mr. Robinson: I'm on Figure 6.

Mr. Pyle: Okay. All right, let's try again. I'm looking at a site plan. Okay.

Mr. Robinson: The question is is there a reason why there's not handicapped closer to the buildings instead of, you know, it's lower level parking level?

Mr. Pyle: Oh, you know, that drawing is confusing. The site is sloped from the mauka side to—

Mr. Robinson: Topography yeah.

Mr. Pyle: So that that parking deck, the upper deck is at the same grade as the rest of the site. So this, I'm ..(inaudible)...here, but this piece here is actually down under, that part that's under there so the ADA spaces are on the same grade level as the rest of the shops so you don't have any ramp issues in there. So that's why we have the ADA spaces. Plus there are ADA spaces as well in the lower level where they can use the elevator to come up.

Mr. Robinson: Wouldn't it be better for ADA people to have the stalls at the stalls at the buildings instead of on the same level?

Mr. Pyle: Oh, they're also they are all—

Mr. Robinson: I, I know there are, but wouldn't be—

Mr. Pyle: Well, we had to do equal access. So if there's covered spaces then there need to be covered spaces. If there's some on the deck, they need to be on the deck.

Mr. Robinson: I see.

Mr. Pyle: So you distribute them around the site, next to the buildings as close as possible, but it's equal access for everybody everywhere, so it doesn't matter—

Mr. Robinson: That's what the, that's what the distribution is?

Mr. Pyle: Yeah.

Mr. Robinson: Okay. And then I notice you have, you have trash, trash enclosures in the parking lot.

Mr. Pyle: Yes.

Mr. Robinson: And is it trash for the people that are using the buildings they're gonna take the trash through the parking lots and then use that or is there trash at the buildings themselves?

Mr. Pyle: There are trash stations out in the parking areas, trash enclosures for removal of trash where your bins go. There will also be collection stations within the buildings and we'll have porters taken them out. You know, there's air-conditioned trash rooms inside of corridors and depending on how the buildings get broken up so that it's mainly...the distribution is for the buildings as well as the pick up.

Mr. Robinson: And where is your, where is your delivery zone for, for, you know, either side of building, either lot ...(inaudible)...

Mr. Pyle: Yeah, the delivery zones there are a couple of them identified. For example there's one on what's currently called C Street be by Building M, and these buildings right now are depicted as shells, and depending on how we do our leasing, the interior corridors, where the back of house were gonna be and where those will be going out. So we can move some of the small parallel parking spaces into delivery zones and make them into delivery early in the morning. But it's really gonna, it's gonna manifest itself as we do the leasing because we're gonna break up these spaces. You know, there's a lot of space.

Mr. Robinson: I see, this is just-

Mr. Pyle: So-

Mr. Robinson: -concept.

Mr. Pyle: -this is representative that we're thinking about it, but as we continue our design, we'll get 'em all put in there.

Mr. Robinson: Well, I think, I think in the walk and bike and the whole concept is a great idea. I was just, you know, but since all the walkways are surrounding all the buildings I wanted to know how the products was gonna ...(inaudible)...

Mr. Pyle: Yeah.

Mr. Robinson: Thank you.

Mr. Pyle: You're welcome.

Vice-Chair Tsai: David since you're up there?

Mr. Pyle: Yeah.

Vice-Chair Tsai: I got a question for you. I think you came before us two and a half years ago I believe when we first really—

Mr. Pyle: ...(inaudible)...many years.

Vice-Chair Tsai: Yeah, it's been some time in the works. So I just wanna make sure because we have gotten lot of people come back after certain amount of delay asking for a time extension so forth for whatever reason. So is there anything that's stopping you guys going forward?

Mr. Pyle: Today.

Vice-Chair Tsai: Okay.

Mr. Pyle: Today is the day.

Vice-Chair Tsai: Today is the day. So there's no financing issues?

Mr. Pyle: No, no, no, no. We're...Clifford is working on the civil drawings. He's actually working on our offsite, so as you, as was mentioned we've already started to put water laterals onto the site. My big question for everybody and our consultant team is when can I start an architect going and they're not gonna make any new changes, and today I can get my architects going and start drawing.

Vice-Chair Tsai: So your best estimate, groundbreaking?

Mr. Pyle: How long is plan check gonna take?

Vice-Chair Tsai: Oh okay, good answer.

Mr. Pyle: I mean, I've heard a lot of different times so...

Vice-Chair Tsai: Right, right.

Mr. Pyle: That I understand is a bit of a hurdle, too, so.

Vice-Chair Tsai: And the construction time line?

Mr. Pyle: Probably a year.

Vice-Chair Tsai: Okay.

Mr. Pyle: The grading, offsite.

Vice-Chair Tsai: Thank you. Commissioner Hedani?

Mr. Hedani: I just wanted to compliment you on your fortitude to proceed with the project.

Mr. Pyle: We're excited about the project. It's an exciting project. I think it's gonna be—

Mr. Hedani: I like the project.

Mr. Pyle: Thank you.

Mr. Hedani: I think it's gonna give Kihei something that it can hang its hat on, accord to the neighborhood, and I think it will be something positive. It will get people working again that haven't been working and I look forward to your proceeding.

Mr. Pyle: Thank you.

Vice-Chair Tsai: We need a movie theater, that's what we really need.

Mr. Pyle: You know what...

Mr. Lay: Call for the motion.

Vice-Chair Tsai: Yeah.

Mr. Pyle: You know, we stay in Kihei all the time and we know a lot of people there and everybody's saying can you put a bowling alley in. For some reason there's a bowling alley request.

Vice-Chair Tsai: Thank you.

Mr. Pyle: You're welcome.

Vice-Chair Tsai: All right, we have staff recommendation?

Mr. Robinson: Ann, on top of the presentation you said that the hotel would be for locals, there's no conditions on that, right?

Ms. Cua: No.

Mr. Robinson: That it's for locals?

Ms. Cua: No, we can't condition.

Mr. Robinson: Right, and so I know I missed the other meetings where you guys kind of breached that subject, but we have local up there and we keep on saying for local hotel but I mean, only price makes locals stay there. So it's just hotel and price will decide if locals will stay there or not.

Ms. Cua: I mean, I hear what you're saying and they're hearing you.

Mr. Jay Krigsman: Hi, Jay Krigsman with The Krausz Companies. To properly address that what it's called is it's called a select service hotel. We've been, as this room knows we've been going

through this process for a very long time and in the beginning of the process there was and still is a large shortage of non-resort hotels. There's a large shortage of rooms that don't charge a mandatory valet and mandatory resort fee when all grandma and grandpa wanna do is come and visit, you know, visit Johnny and watch him play in the band or watch him swim in the swim meet. Some of the more recent hotels that have since been approved since we started this process a long time ago, is the Courtyard at the Airport and there's now a Residence Inn under construction in Wailea. Those are called select service hotels. They're geared more toward families and business people who are here for a purpose as opposed to vacationers who are here for the beach and the resorts. So they're called select service hotels and non-resort hotels and they're geared more toward business people and families visiting others on island as opposed to vacationers. So that's the intent. They don't provide big services. They don't charge for valet parking. They don't charge resort fees. It's something that, that you stay in when you come to visit the family or do business on the island.

Vice-Chair Tsai: Do you have any price points?

Mr. Krigsman: It's not for us to say. We're not in the hotel business. We are trying to make sure it's a...one of the requirements that we're putting on ourselves and on the project is we're trying to make sure that it's a branded hotel, a named hotel that operates to certain standards and then the market will bear. I can tell you that we know for a fact that there's still a large shortage of hotel rooms because when we came back for the meeting the day after—the Council meeting, the day after Memorial Day, so the Tuesday after Memorial Day for us to get a room at the Maui Coast Hotel which we were not able to do. We couldn't get a room, but if we wanted to the day after Memorial Day it was \$450 for a room at the Maui Coast Hotel which shows me there's still demand for that kind of thing. So once the demand and the supply stabilize, Courtyard, you know, should be under \$200 a night, it should be. And I think that the Courtyard at the Airport was performing to operate that way and it runs a lot higher than that. I don't know if that answers your question.

Mr. Robinson: I hope you guys have kamaaina rates. Thank you.

Vice-Chair Tsai: All right. Staff's recommendation.

Ms. Cua: Yes. Well, first of all, the Special Management Permit application complies with the applicable standards for the Special Management Area and complies with all the applicable regulations and therefore, the Planning Department is recommending approval of the Special Management Area Use Permit subject to your regular standard conditions which is six standard conditions and numerous project specific conditions. Would you like me to go through all the specific? Thank you. But I do wanna make one point. On Condition No. 13, we do have a very small amendment. That the project shall comply with the downtown Kihei Design Guidelines dated December 20, 2012. In addition, a minimum of three-foot overhang shall be used on, delete the word, "all", buildings incorporating overhangs to reflect traditional Hawaiian architecture. And the clarification on that is I used the word, "all", the applicant corrected me that not all buildings have overhangs, some are parapet buildings. So for all the buildings that do overhang, do have overhangs, we wanted them to have a minimum of three feet to give it more of that traditional Hawaiian architectural feel. So that's the only change.

In consideration of the foregoing, the Planning Department recommends that the Planning

Commission adopt the Planning Department's report prepared for the August 12, 2014 meeting and the Department's recommendation report prepared for the July 28, 2015 meeting as its findings of fact, conclusions of law, and decision and order. Are there any questions?

Mr. Lay: Move to approve with the Department's recommendation.

Vice-Chair Tsai: Hear a second?

Mr. Hudson: Second.

Vice-Chair Tsai: Okay, moved by Commissioner Lay, seconded by Commissioner Hudson. All in favor of the motion say, aye?

Mr. Lay: ...(inaudible)...discussion first.

Vice-Chair Tsai: Any discussion? Commissioner Hedani?

Mr. Hedani: Ann, the project complies with the Outdoor Lighting Ordinance?

Ms. Cua: It will have to comply with the Outdoor Lighting Ordinance. We don't have to put that as a condition. It's law. They have to.

Mr. Hedani: Okay, thank you.

Vice-Chair Tsai: Any other discussion matters? Okay, motion to approve as recommended. Show of hands, all in favor of the motion? Five ayes. Motion carries unanimously.

Ms. Cua: Thank you. Thank you very much.

Vice-Chair Tsai: Thank you.

It was moved by Mr. Lay, seconded by Mr. Hudson, then

**VOTED; To Approve the Special Management Area Use Permit as Recommended by the Department with Conditions.
(Assenting - I. Lay, L. Hudson, W. Hedani, K. Robinson, R. Higashi)
(Excused - K. Ball, J. Medeiros, S. Duvauchelle)**

Vice-Chair Tsai: All right, we got...you wanna go through this real quick?

Mr. Yoshida: Yeah, we have...we did acceptance of the minutes?

E. ACCEPTANCE OF THE ACTION MINUTES OF JULY 14, 2015 AND REGULAR MINUTES OF THE JUNE 9, 2015 MEETING

Mr. Lay: So move.

Mr. Robinson: Second.

Mr. Yoshida: Under Item E, acceptance of the action minutes of July 14, 2015, ...(inaudible)...

Vice-Chair Tsai: Yep, accepted.

F. DIRECTOR'S REPORT

1. SMA Minor Permit Report (Appendix A)

2. SMA Exemption Report (Appendix B)

Mr. Yoshida: Under Item F, we submitted the SMA Minor Permit Report and the SMA Exemption Report. Any questions on those?

Vice-Chair Tsai: No.

3. Discussion of Future Maui Planning Commission Agendas

a. August 11, 2015 meeting agenda items

Mr. Yoshida: Okay, our next meeting is August 11th, we have a public hearing on the Ichiban Okazuya property to Service Business Residential. We have a State Special Use Permit request for the Kawaipapa quarry in Hana, and then we have that Condition 23 Item again on the Ohukai Road project. The State Department of Transportation intends to send their Deputy Director in charge of the Highways Division to attend this meeting. That's why it's taken a while since the last time. And then there's a notification of ...that an appeal has been filed on the issuance of the SMA Minor Permit for the Flatbread Restaurant in Paia. That's all we have.

G. NEXT REGULAR MEETING DATE: August 11, 2015

Vice-Chair Tsai: Okay, next meeting, August 11th. Thanks everybody for staying late and dedication. Meeting adjourned.

H. ADJOURNMENT

The meeting was adjourned at approximately 5:18 p.m.

Submitted by,

CAROLYN J. TAKAYAMA-CORDEN
Secretary to Boards and Commissions

RECORD OF ATTENDANCE

Present

Wayne Hedani
Richard Higashi
Larry Hudson
Ivan Lay
Keaka Robinson
Max Tsai, Vice-Chair

Excused

Keone Ball, Chair
Jason Medeiros
Sandy Duvauchelle

Others

Will Spence, Planning Director, Planning Department
Michael Hopper, Deputy Corporation Counsel, Department of the Corporation Counsel
Rowena Dagdag-Andaya, Deputy Director, Department of Public Works