

**MAUI PLANNING COMMISSION
PORTION OF REGULAR MINUTES
ITEM E.1
JUNE 23, 2020**

Ms. McLean: Next on the agenda we have a new public hearing item and this is a matter that was initiated by yours truly, the Planning Department for a Community Plan Amendment to amend the Wailuku-Kahului Community Plan from Park to Public/Quasi-Public and a Change in Zoning from R-2 Residential District to P-2 Public/Quasi-Public for approximately 34.082 acres of land in Kahului at 3-8-007:097 where the Hale Makua facility is located and this also includes the Kahului Community Center site to enable Hale Makua to accommodate future expansion of existing facilities and to development of new programs to serve seniors. Tara Furukawa is the project planner.

E. PUBLIC HEARING (Action to be taken after each public hearing.)

- 1. PLANNING DIRECTOR MICHELE CHOUTEAU MCLEAN ON BEHALF OF THE COUNTY OF MAUI AND THE HALE MAKUA HEALTH SERVICES requesting a Community Plan Amendment to amend the Wailuku-Kahului Community Plan land use designation from Park to Public/Quasi-Public and a Change of Zoning from R-2 Residential District to P-2 Public/Quasi-Public District for approximately 34.082 acres of land in Kahului, Island of Maui at Tax Map Key: (2) 3-8-007:097. The changes will enable Hale Makua to accommodate the future expansion of existing facilities and development of new programs to serve seniors. (CPA 2018/0006) (CIZ 2018/0007) (T. Furukawa)**

Ms. Tara Furukawa: Good morning, Commissioners.

Mr. Carnicelli: Good morning, Tara. Do you promise to be truthful?

Ms. Furukawa: Yes.

Mr. Carnicelli: Thank you.

Ms. Furukawa: This matter's being referred to you because the Planning Commission must make a recommendation to the County Council. Mike Munekiyo is a board member and he'll present you with the scope of the proposed land use entitlement changes and I'll come back and present you with the Department recommendation.

Mr. Carnicelli: Great. Thank you.

Mr. Mike Munekiyo: Good morning, Mr. Chair, Members of the Commission.

Mr. Carnicelli: Good morning, Mr. Munekiyo. I'll ask you again, 'cause you already said earlier but a different item, do you promise to be truthful?

Mr. Munekiyo: I do.

Mr. Carnicelli: Great. Thank you.

Mr. Munekiyo: If I may Commission let me share the screen.

Mr. Carnicelli: Yep.

Mr. Munekiyo: I think this will help to give the Commission background. Let's see. Does everybody see the screen there?

Mr. Carnicelli: Yes.

Mr. Munekiyo: Okay, thank you very much. So this is Mike Munekiyo and I'm here this morning as a member of the Hale Makua Health Services Board of Directors and so I'll be giving the initial presentation and our CEO will follow with some remarks which I think will provide useful information for the Commissioners in understanding why it is that the Director initiated these land use entitlements and how it is that the park will be used as a future element of this community. So, let me just begin the PowerPoint.

So, the two elements of the land use request initiated by the Director. First, an amendment to the Wailuku-Kahului Community Plan Land Use Map for the Kahului Community Center Park from the Park Land Use Designation to the Public/Quasi-Public Land Use Designation. The second element is the Change in Zoning element which would change the zoning of the park from R-2 Residential Zoning District to the P-2 Public/Quasi-Public Zoning District and I might add that the reason for the Public/Quasi-Public Land Use Designations is to allow Hale Makua to collaborate with the County in developing facilities for our seniors and frail elderly community members which Mr. Lo will speak to in a minute.

So is the...an aerial overview of the project. This is Hale Makua's Kahului Campus right here. For a geographic reference Onehee Avenue is up top of the slide, Wakea Avenue here. This within the dash line is the Kahului Community Center Park and just again for further reference, the Hale Mahaolu Elua in the yellow outline here, the Akahi project for Hale Mahaolu here, but again this just allows the Commission to see the geographic reference points for the park area and I'll show you a few photos, but in the photos just again for reference these are the tennis, oops sorry about that, the tennis courts here, this is the sports fields, Kokua Pool here, Kahului Community Center here and this is the gate ball field which some of you may be familiar with, but let me just go through the photos.

So, this is a photo of the tennis courts at the park. This is a photo of the Kokua Pool at the park. It's currently under repair. This is the sports field I reference, the big field, open area at the park looking towards the east, and the buildings in the background here beyond the trees are actually the Kahului Community Center facilities and turning around this is the gate ball field looking towards the south, southeast so that's more of a ground level view of what the park encompasses.

So, a bit of history just for Commissioner's background. County Council approved Resolution No. 18-163 and that Resolution authorizes Hale Makua to lease two separate portions of the park for frail and elder care health services. Phase 1 is a 2.8-acre portion of the park for a new, state-of-

the-art rehabilitation center and I'll show the limits of Phase 1 in a minute. Phase 2 is 4.6-acre portion of the park for additional kupuna health and social service facilities.

Secondly, just in terms of partnership foundation between the County and Hale Makua, Council approved its Resolution No. 18-164 and that enables Hale Makua to lease the remainder of the park following completion of the County Hale Makua developed master plan for the remaining areas. So, two elements of two separate resolutions, Resolution 163 allows for Phase 1 and Phase 2 development. Resolution 164 allows for the balance of the park, the 30 somewhat acres to be master planned and ultimately implemented in collaborative fashion with the County.

So again, just for reference purposes this is Hale Makua's Kahului Campus. The Phase 1 area here that's the 2.8-acre area that would be envisioned for the state-of-the-art rehabilitation center. Phase 2 here for future planning, for frail and elderly services.

So just a little bit of background in terms of the relationship of this director-initiated land use request versus some of the more traditional requests that this Commission has observed. Number 1, there are no specific development proposals associated with this land use request. And if approved, the public/quasi-public land use designation will allow Hale Makua and the County to proceed with phased development and master planning of the park for kupuna healthcare and services.

Just again, little bit more background in terms of the land use request as it relates to current regulatory regimes. When future master planning does occur and development does occur at that point there will be a requirement for compliance with Chapter 343, Hawaii Revised Statutes and that relates to the preparation and processing of environmental assessments, this current County initiated or Director initiated community plan amendment is considered an exempt action so an EA has not been prepared. Also, when the future master planning and development does occur there will, of course, be compliance requirements with applicable agency requirements such as the provision of offsite infrastructure and completion of appropriate technical studies such as archaeological and cultural studies. At this point its focuses to get the land use, underlying land use designations to the public/quasi-public designation so that planning can begin. And so, at this point, Commissioners I'd like to turn the presentation over to Wes Lo who is the CEO of Hale Makua. Wes.

Mr. Wesley Lo: Good morning, Chair and Commissioners. I'm Wesley Lo, I am the CEO for Hale Makua Health Services. Maybe if I can go back to the first slide real quick, Mike. Just some background on the genesis of this project.

Mr. Carnicelli: Excuse me just real quick, I just gotta ask you, do you promise to be truthful?

Mr. Lo: Yes, I do.

Mr. Carnicelli: Thank you. Go ahead.

Mr. Lo: Sorry about that.

Mr. Carnicelli: No worry.

Mr. Lo: Okay, just some background on the genesis of this project. So, as I think you all probably are very familiar Hale Makua is the primary provider of post-acute care services in the Island of Maui and our mission is to meet the ever-changing needs of the community when it comes to post-acute care.

So back in 2016, the Board adopted a strategic plan to really, one of the main things was to align the bed count for skilled nursing facilities to the needs of the community. So again, the genesis was that we started looking at our current facilities, the Wailuku facility and our Kahului facility and I'm not sure if either, any of you have been to those facilities but I will tell you that they are old, and as we started doing the assessment we realized that if for us to expand or reprogram it would be extremely cost prohibitive and frankly our buildings probably were built before there was Code so it was severely restricted in the reprogramming.

So as we started looking at that we asked then Mayor Arakawa if he would consider providing us the option to expand into the Kahului Community Center and we initially were looking at what we refer to as the gate ball field which is the Phase 1 of the proposed lease that the County has approved. And as we started talking about it, we started talking about the potential synergies with people like Hale Mahaolu and the current community of Kahului you know which is an older community to see if we could do different things there and maybe different configurations and then the Mayor actually brought up the idea of potentially leasing the entire park to Hale Makua and you know of course, I think my comment was is that, excuse me I need to go to the bathroom and throw up when he told me that. But I think his, his point was well-taken is that it was not meant to be for Hale Makua to develop the park but it was to a steward of the land to possibly used for different types of senior activities and for kupuna, et cetera.

So, we started down this path on a lease initially it was looking at the entire 34 acres and subsequently through Council and we ended up...the lease was approved for just the 7.4 acres and a resolution regarding a master plan for the park around senior services healthcare.

So real quickly while we were in discussions we started doing a somewhat of a master plan at the time but the master plan was based pretty much from the lens of developer and I think that our planners really were looking at it from a how do you develop something like that from a financial capacity. I'm proud to say that our board and our staff rejected that master plan. This is a community park in the middle of Kahului and we did not think that something like Kahalanui should be built there with a million-dollar buy in and you know \$8,000 a month. So, we rejected that master plan and started thinking about how else we could be a good steward of the property.

So, we began discussions with some other funders and people that were around community development. Frankly, we started this with the Federal Reserve Bank of San Francisco and you know they started talking about community development and I guess to quote one of them said was, how come we can invest in a company that makes a pill to lower your blood pressure but you can't invest in a neighborhood that does the same thing. So we started talking about other

private foundations, opportunity zones and other ways that we could invest in the park to make something that could benefit our community and ultimately through those discussions they did tell us that there was a lot of funding available that we would need to focus on things called social determinates of health or things that affect health upstream such as housing, education, workforce and integration that would promote health instead of harm health. So anyway, that was...I'm sorry for the little bit lengthy genesis but I thought that was important.

Next slide Mike. Mike next slide. Okay, so before started this we wanted to look at the landscape of Maui to sort of determine what things we could do here and some of it just quick, I'll go through this real quickly, healthcare costs are you know...is are continue to spiral here on Maui, you know healthcare is you know, in the U.S. is probably the highest in the world. Our demographic are pretty poor right now, our population is gonna explode with the baby boomers and we seeing that our aging population that there will be elimination of the middle class. There will be more of the low-income category and increases in the higher brackets so the middle class will disappear and obviously we know that the housing costs are not affordable. I think the median income of Maui residents is around \$70,000 and the average median price for a household is probably around \$700,000. And from the workforce just recently I saw something on MSN that or actually Hawaii News Now that Metro Maui has the highest unemployment rate in the nation right now so that's sort of the landscape that we have.

Next slide. Mike, next slide please. So just real quickly I think this is an important slide is this is a slide of births per year and it goes back to 1900s. So, if you look at the slide and approximately 80 years ago how many people were born 80 years ago and people talk about the tsunami of aging and I would say that we haven't even started it yet. We are probably at the lowest point of number of people born 80 years ago today probably ever or at least back into the 1900s. And 20 years from now all the 60-year-olders will be 80-years-old and we will probably be at the highest number of people born 60 years ago ever. So, it's sort of for our community we feel that we need to do something about this now because of that aging population is really coming at us and although we talk about it, we are only starting to see it right now.

Next slide Mike. I think, one of the other things I want to point out here is that in addition to that we have a severe workforce problem. So this is the growth percent change 2022 and what you'll note is that the workforce age all of them combined probably do not even equal the growth in the 70 to 74 age cohort, so you know, we certainly got our issues with our aging community and so therefore, we had decided that we really need to look at how we could use this, use this in our master planning effort.

Next slide. Just in addition to this, you know as we look at our wages, et cetera, I think a part of the problem we have is we have a much of our workforce is as they graduate from high school are looking for the only job they can find which is usually in the food service industry where they'll tap out. We do think that the health practice is probably the highest paid profession in the County of Maui right now and that if we could create careers to that that could not only promote health but it could also address some of the other social determinants of housing, social determinants of health including things like housing, et cetera, but we need to find ways to develop that pathway for them to reach that.

Okay, I'm gonna wrap up here pretty quick here so I apologize. Next slide. So our first phase is really to...we need to start expanding our skilled nursing availability so we are looking to do in the gate ball field start developing a new rehab center over there and then for beyond that, we really do not have any plans at this point in time, but we have completed something called or we will be completing this week something called the health impact assessment. This is a precursor to any master plan for the facility and it is basically a tool to get community members to talk about important health related impact for any potential project, policy or plans so we have chosen not to have any plan for the park at this in time but to find out what was important and they reached out to probably over a hundred key informants throughout the community.

So next slide, Mike. So our goal, I think this slide has some animations here so you can...yeah, we have some things. Our goal is trying to see if there are ways in our master...we can inform the master plan to find things that integrate and work on things that will improve health like housing, park space, healthy eating, intergenerational activities, and things like complete streets and transportation. So again, the health impact assessment was chartered to look at the blank canvas around the park and to find important health impacts related to the project.

Next slide. So just some quick findings of the preliminary finding from the health impact assessment. They do talk about that the dream for kupuna retirement, really is about the good life, but reality is that we have wide spread financial insecurity, there is not family...the family structures are challenged right now because of the numerous jobs people work and there is a lot of exclusionary things going on that kupuna are...need to have you know, activities and integration into the community, that also traumatic life events do cause issues. I think one of the quotes from the health impact assessment is that we had plans, we saved, and I was gonna retire and then he had stroke, so I think a lot of us know people that have gone through those things so we are looking for ways to try to see if we can create a new paradigm as we move forward.

Next slide. So basically the health impact assessment has determined that there probably are three foundational elements and that one is that all kupuna should have a basic foundation of health which would include safe housing, healthcare, social services, physical safety, freedom from discrimination, so on and so forth, but in order for us to do anything that we would need to create a healthy foundation for all people and it is not just for kupuna. We need to have a healthy ecosystem and that finally that the kupuna do need to be integrated into the community as whole and not separated. So, they have identified ten health impacts and you can see them on the screen and they are proposing strategies to be used for the master plan, so again we are not really moving forward on any master plan. We would like to move forward with the County on beginning the master plan to be informed by the health impact assessment.

So, with that, again, I'm sorry for a little bit of a long presentation but I appreciate the time in front of you. Thank you.

Mr. Carnicelli: Thank you, Mr. Lo. Mr. Munekiyo, do you want to add anything on top of what he had to say?

Mr. Munekiyo: Just a comment Mr. Chair, Members, I think what Wes had gone through sets the foundation for the master planning process and the land use entitlements request before the Commission today is a significant part of that whole process so to the extent that we are, we are looking in a very visionary manner in how it is that we can service our frail and elderly community in the years to come. This initial request that was initiated by the Director is in our minds a critical element of that entire process.

Mr. Carnicelli: Yeah, this is great. Couple of those slides were pretty shocking though, that wave of 60-year-olds. I appreciate the foresight and the vision. Let's see, Tara do you have anything else that you want to add or Director, I guess do you want add or talk about why you initiated this or do think that it was covered?

Ms. McLean: Thank you, Chair. It was pretty well covered but I just want to add that this is a very rare and wonderful case of proactive planning. We don't often get the chance to do that and often we're reacting to applications that come in which is our responsibility but this was initiated by Mayor Arakawa, I worked with him on that so I'm really glad to finally see this in front of you today. Also, has the support of Mayor Victorino so we hope to have your support. Thank you, Chair.

Mr. Carnicelli: Thank you. I guess at this point in time we'll go ahead and open up the floor public testimony. Has anybody signed up to testify on this particular item, Director?

Ms. McLean: No, Chair. I have not gotten any messages from individuals wishing to testify.

Mr. Carnicelli: Okay, so if you would like to testify on this particular item please unmute yourself and identify yourself? Going once, twice, okay, if there are no objections we'll go ahead and close public testimony and Commissioners do you need...you have any questions, any need for clarification before we make a recommendation? Commissioner La Costa.

Ms. La Costa: Sorry, I keep pushing the wrong buttons. This is for Mr. Munekiyo please.

Mr. Munekiyo: Yes, Commissioner.

Ms. La Costa: Thank you so much. The slide that you had showing Phase 1 and Phase 2 would it be possible for you to pop that up please?

Mr. Munekiyo: Yes, ma'am let me get that up.

Ms. La Costa: It wasn't in our packet so...There you go, right there, perfect. So, in Phase 1, the field that is going to be repurposed if you will, can those activities be done in the community center fields as well. I'm thinking about the community not having recreational space.

Mr. Munekiyo: Right. So the idea in terms of phasing and Wes can add to my comments, but is to ensure that any recreational opportunity that might be displaced by a master planning effort would be accommodated in some other or alternate venue that the County would develop or has developed so this area has been historically as an example for the Frisbee type of activity and I

think that's something that is being or will be accommodated in alternate recreational venue. Wes any other thoughts on that Wes?

Mr. Lo: Yes, and Commissioner, so when we were first discussing the use of this parcel that basically there's not gate ball there anymore, it's still referred to as the gate ball field. There is Frisbee players during the day and episodically there was some small kid like softball or you know baseball practices, et cetera. When we talked to the Parks Department with the Mayor, Mayor Arakawa some time ago, they had been actually building other parks in the area to provide for the Frisbee golf and others and so yeah, so they were looking for you know providing other uses in the area either at the community center or at the other parks in the area.

Ms. La Costa: Appreciate that very much. Being that I'm in that age group, I appreciate the forethought in planning.

Mr. Carnicelli: Mike, if you would stop the screen share, thank you. Any other questions, clarification, comments from the Commission. Commissioner Thompson.

Mr. Thompson: Yeah, Hale Makua they're the real deal.

Mr. Carnicelli: I think it's gonna be their new tag line, we're the real deal. Okay, I guess from there, Tara would you please give us the staff, I don't think there's a recommendation though is there?

Ms. Furukawa: Yes, there is.

Mr. Carnicelli: Oh, yeah there is. Yeah.

Ms. Furukawa: Okay, so the Department's recommending approval with no conditions for the change in community plan designation from Park to Public/Quasi-Public. The proposed action is consistent with the criteria of a CPA as stated in Maui County Code, Section 2.80B.100. The Department is also recommending approval with no conditions for the Change of Zoning from R-2 Residential District to P-2 Public/Quasi-Public District. The proposed action is consistent with the criteria for a CIZ in Title 19, Chapter 19.510. We're asking that the Commission authorize the Planning Director to transmit the said recommendations and record to the Maui County Council for further action.

Mr. Carnicelli: Great. Can I get a motion from the floor please? Move to...I guess you raised Commissioner La Costa, what would your motion be?

Ms. La Costa: My motion is to approve the Change of Zoning and to have it move forward to the Council pursuant to the Department's recommendations.

Mr. Carnicelli: Great. Do I have a second? Seconded by Commissioner Thompson. Any discussion on the motion?

Ms. La Costa: I appreciate the forward thinking.

Ms. McLean: There are two matters in front of the Commission, a Community Plan Amendment and a Change in Zoning just for clarification.

Mr. Carnicelli: Right. So just for clarification Commissioner your motion is approve both as recommended by Staff, correct?

Ms. La Costa: That is correct.

Mr. Carnicelli: Okay, and the second was to that as well? Okay. Thank you. I think it speaks for itself do we need to discuss further? Okay, Director.

Ms. McLean: Thank you, Chair. The motion on the floor is to recommend to the County Council approval of the Change in Zoning and Community Plan Amendment.

Mr. Carnicelli: All those in favor please raise your hand? That is six ayes, unanimous. Motion carries. Thank you very much.

It was moved by Ms. La Costa, seconded by Mr. Thompson, then

**VOTED: To Recommend Approval to the County Council the Community Plan Amendment and Change in Zoning as Recommended by the Department.
(Assenting – P.D. La Costa, D. Thompson, K. Freitas, K. Pali, C. Tackett, S. Castro)
(Excused – T. Gomes)**

Respectfully Submitted by,

CAROLYN TAKAYAMA-CORDEN
Secretary to Boards and Commissions II