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M I N U T E S
LAND USE COMMITTEE
Council of the County of Maui
Council Chamber
January 10, 2008

APPROVED:

Committee Chair

1 **RECONVENE:** 1:36 p.m.

2

3 **PRESENT:** Councilmember Michael J. Molina, Chair
4 Councilmember Joseph Pontanilla, Vice-Chair

5 (Arrive 1:43 p.m.)

6 Councilmember Michelle Anderson, Member

7 Councilmember Gladys C. Baisa, Member

8 (Leave 4:15 p.m.)

9 Councilmember G. Riki Hokama, Member

10 Councilmember Jo Anne Johnson, Member

11 Councilmember Danny A. Mateo, Member

12 (Leave 2:52 p.m.)

13 Councilmember Bill Kauakea Medeiros, Member

14 Councilmember Michael P. Victorino, Member

15 (Leave 4:30 p.m.)

16

17 **STAFF:** Tammy M. Frias, Committee Secretary

18 Carla M. Nakata, Legislative Attorney

19

20 Lei Kihm, Executive Assistant to

21 Councilmember Bill Kauakea Medeiros

22 Jock Yamaguchi, Executive Assistant to

23 Councilmember Michelle Anderson

24

25

1 **ADMIN.:** Clayton Yoshida, Planning Program
2 Administrator, Current Planning
3 Division, Department of Planning
4 Jeffrey Eng, Director, Department of
5 Water Supply
6 Vanessa A. Medeiros, Director,
7 Department of Housing and Human
8 Concerns
9 Jo-Ann Ridao, Housing Commissioner,
10 Office of the Mayor
11 Michael J. Hopper, Deputy Corporation
12 Counsel, Department of the
13 Corporation Counsel (Leave 2:10 p.m.)
14 James A. Giroux, Deputy Corporation
15 Counsel, Department of the
16 Corporation Counsel (Arrive 2:10 p.m.)
17
18 **OTHERS:** Grant Chun, Vice President,
19 A & B Properties, Inc.
20 Meredith Ching, Senior Vice President,
21 Alexander & Baldwin, Inc.
22 Stan Kuriyama, CEO, A & B Properties, Inc.
23 Daniel Yasui, Project Manager,
24 A & B Properties, Inc.
25

1 Mercer "Chubby" Vicens,
2 Vicens Entitlement Group
3 (Applicant's consultant)
4 Michael Munekiyo, Munekiyo & Hiraga, Inc.
5 (Applicant's consultant)
6 Phillip Rowell, Phillip Rowell & Associates
7 (Applicant's traffic consultant)
8 Keith Niiya, Austin Tsutsumi &
9 Associates, Inc.
10 (Applicant's civil engineer,
11 roadway/drainage)
12 Trang Nguyen, Project Manager, Austin
13 Tsutsumi & Associates, Inc.
14 (Applicant's civil engineer,
15 roadway/drainage)
16 Additional attendees (10)
17
18 **PRESS:** Harry Eagar, *The Maui News*
19 Akaku--Maui County Community Television, Inc.
20
21 **ITEM NO. 49: CHANGE IN ZONING FOR THE MAUI BUSINESS**
22 **PARK PHASE II PROJECT (KAHULUI).**
23 (C.C. No. 06-55)
24
24 CHAIR MOLINA: (Gavel). The recessed Land Use
25 Committee meeting of January 9th, 2008 is now

1 back in session. Today is Thursday, January
2 10th, 1:36 p.m., and thank you very much,
3 Members, for making yourself available for
4 this recessed meeting. I know many of you had
5 to juggle your schedules just to be here, so
6 it's much appreciated by the Chair.

7 We are on Land Use Item 49, which is a
8 Change in Zoning for the Maui Business Park
9 Phase II Project. And for the record, this is
10 "A Bill for an ordinance to Change Zoning from
11 Agricultural, M-2 Heavy Industrial, and R-1
12 Residential Districts to M-1 Light Industrial
13 District (Conditional Zoning) for the Maui
14 Business Park Phase II Project for Property
15 Situated at Kahului, Maui, Hawaii."

16 The purpose of the proposed bill is to
17 grant a request from Robert Sasaki, A&B
18 Properties, Incorporated, for a Change in
19 Zoning from Ag District, M-2 Heavy Industrial
20 District, and R-1 Residential District to M-1
21 Light Industrial District for the Maui
22 Business Park Phase II Project on
23 approximately 179 acres in Kahului, Maui,
24 Hawaii.

25 And for the record, we have in

1 attendance, Members, we have Members Mateo,
2 Anderson, Baisa, Johnson, Medeiros, and
3 Chairman Hokama, and Member Victorino, and
4 excused is Member Pontanilla, but my
5 understanding, he will be joining us at some
6 point later today.

7 So with that being said, we had left off
8 with Mr. Chun from A&B, who was up at the
9 front to respond to your questions.

10 Good afternoon, Mr. Chun. You have a
11 very bright smile on your face today.

12 MR. CHUN: Good afternoon, Mr. Chairman.

13 CHAIR MOLINA: You're glad to be here, just like us.
14 All right.

15 MR. CHUN: Yeah, I'm happy to be here.

16 CHAIR MOLINA: Okay. So, Members, I believe you
17 were in the process of making requests of
18 Mr. Chun and A&B as it relates to this
19 project, and the Chair did send out an email
20 to all of you to -- and I apologize for it
21 being somewhat last minute, but if you had any
22 proposed conditions for this project, to
23 submit them to the Committee. And we did
24 receive a written set of conditions from
25 Chairman Hokama as it relates to this project,

1 but we will get to that once we conclude the
2 Q-and-A session with Mr. Chun at this point.

3 Do we have any other questions or
4 requests of Mr. Chun, Members? If not, we'll
5 excuse Mr. Chun, and I would like to make the
6 Members aware that we do have some other
7 resource personnel on call. We have Water
8 Director Jeff Eng, who's on call, as well as
9 Fire Captain Val Martin, and Housing Director
10 Vanessa Medeiros for your perusal, Members, if
11 you wish to hear from them or ask them any
12 questions.

13 Member Anderson.

14 COUNCILMEMBER ANDERSON: I had asked a question of
15 Mr. Chun yesterday.

16 CHAIR MOLINA: Oh.

17 COUNCILMEMBER ANDERSON: I'm wondering if he has the
18 answer.

19 CHAIR MOLINA: Sure. Mr. Chun, do you have your
20 response ready for Member Anderson?

21 MR. CHUN: Yes, Mr. Chairman. Member Anderson asked
22 yesterday regarding the traffic impact
23 assessment report and the assumptions that
24 were utilized in the context of usage within
25 the -- within the future Business Park and how

1 that was cranked into the analysis for the
2 report, specifically about warehousing and,
3 you know, what percentage of the area would be
4 utilized for warehousing and the like.

5 COUNCILMEMBER ANDERSON: What percentage would be
6 light industrial, what percentage retail?

7 MR. CHUN: The -- basically it's a 50-50 percent
8 scenario, which is reflected in a condition
9 that's already been imposed on the property
10 through the Land Use Commission's review of
11 this request.

12 COUNCILMEMBER ANDERSON: Right, I think we got that
13 question answered yesterday. The question I
14 was hoping to get an answer to was the last
15 thing I asked you yesterday regarding the
16 number of square footage -- of the 179 acres,
17 how much of that will be in building space?

18 MR. CHUN: Oh, in building space?

19 COUNCILMEMBER ANDERSON: Right.

20 MR. CHUN: You know, that would be a question that
21 would be difficult to answer, because the
22 eventual scenario will be for individual, you
23 know, private business owners to construct
24 their own facilities. So depending upon their
25 own business models and needs, you know, the

1 actual built space versus the base yard type
2 space would differ from user to user.

3 COUNCILMEMBER ANDERSON: Yeah, I understand, but, I
4 mean, there should be some formula of how much
5 space you have potential for building on. I
6 mean, any given lot there's only so much
7 percentage of it you can build on. What I'm
8 trying to get at, Mr. Chun, is what we could
9 expect in -- well, I guess in the amount of
10 retail space, the amount of the 179 acres
11 that's going to be dedicated to retail, as
12 opposed to dedicated to light industrial. We
13 now know it's 50-50. So let's just round that
14 out and say you have 200 acres here, 100 acres
15 is going to be retail, 100 acres is going to
16 be light industrial. Of that 100 acres, how
17 much of that is actually going to be dedicated
18 to building space that we could then make an
19 assumption of how many employees would be
20 involved?

21 And I know that's also going to be a
22 guess because, you know, depending on the type
23 of business, but what I'm -- I guess I'll just
24 come out and tell you what I'm getting at is
25 some kind of a nexus regarding affordable

1 housing, how many employees will this
2 180 acres generate? So -- and, you know, the
3 State Land Use Commission asked you to do a
4 housing study.

5 MR. CHUN: Yes.

6 COUNCILMEMBER ANDERSON: And is that what this --
7 this is really just a site assessment report
8 for the 22 acres.

9 MR. CHUN: Correct, the --

10 COUNCILMEMBER ANDERSON: And so is there any housing
11 study that you've done?

12 MR. CHUN: There was -- yes, there was a housing
13 study conducted pursuant to the Land Use
14 Commission's request, and then pursuant to
15 the -- as a follow-up, pursuant to the
16 Planning Commission's request, that assessment
17 was prepared. So the --

18 COUNCILMEMBER ANDERSON: And so where's the housing
19 study?

20 MR. CHUN: I believe it's part of the mountain of
21 documents that have been submitted in this
22 matter over time, but I could in a nutshell
23 provide you with a summary of the --

24 COUNCILMEMBER ANDERSON: That would be a beginning,
25 but, Staff, have we received the housing

1 study? I haven't seen it.

2 CHAIR MOLINA: Ms. Nakata?

3 MR. CHUN: It's an exhibit to the EIS.

4 MR. YOSHIDA: I believe it's Exhibit L.

5 COUNCILMEMBER ANDERSON: But, you know, the problem
6 with that is the EIS was done in 2004, and the
7 State Land Use Commission asked you to do a
8 study in June of '05, so they obviously didn't
9 think what was in the EIS was adequate. So
10 you didn't do anything beyond what was in the
11 EIS?

12 MR. CHUN: I think the work that was done in that --
13 with regard to that condition is, yeah, what's
14 reflected in that exhibit.

15 COUNCILMEMBER ANDERSON: So maybe you could give us
16 a summary, then.

17 MR. CHUN: All right. Pardon me, Mr. Chairman.

18 CHAIR MOLINA: Okay, thank you. While we're
19 awaiting --

20 COUNCILMEMBER HOKAMA: Chairman.

21 CHAIR MOLINA: -- Mr. Chun, I guess the Chair would
22 like to just reiterate we do have several
23 resource people on call, so if you would like
24 to let the Chair know if you would like to
25 hear from them, please let me know.

1 Chairman Hokama.

2 COUNCILMEMBER HOKAMA: Chairman, I believe when an
3 earlier meeting of your -- of this Committee,
4 I believe it was the previous term, we had
5 discussed how we might want to address
6 affordable housing with this. I believe I
7 submitted a proposal that was based on the
8 city of San Diego and how they approached
9 non-subdivision type of developments and how
10 we would do housing. And it wasn't for this
11 particular project. I believe it was for
12 another one along Waiko Road. And I believe
13 Mr. Kunihisa from ECM was the contracted
14 consultant to produce a document figuring how
15 we may want to approach this, which was a
16 square footage times formula to come out with
17 some sort of assessment to help us gauge what
18 type of housing we may want to consider, but
19 that proposal did not get along in the process
20 where it's now part of the code whereby we can
21 now refer to a section of the code like the
22 subdivision to how to come up with a validated
23 number to justify an affordable housing unit
24 count.

25 And so I just bring that as a reference

1 to help the Members recall that we had some
2 discussion earlier on the subject,
3 Mr. Chairman, but we're not able to get to a
4 decision and have a basis of how to assess and
5 require what would be a fair amount of units,
6 whether it be mixed units or single-family
7 parcels. We were not able to reach that point
8 yet. So I just bring that up that if the
9 Members can recall that we did have this
10 discussion and that we chose not to take it to
11 the point where now it can be a utilized tool
12 for this current proposal, Chair. Thank you.

13 CHAIR MOLINA: Okay. So there's no hard set formula
14 at this point.

15 COUNCILMEMBER HOKAMA: No. We were reviewing -- at
16 that point in time, Chairman Molina, we were
17 looking at whether or not we might want to
18 duplicate what San Diego has already enacted
19 in their city ordinances. Thank you.

20 CHAIR MOLINA: Okay, thank you, Chairman Hokama.

21 Mr. Chun, are you ready to respond to
22 Member Anderson's request?

23 MR. CHUN: Yes, Mr. Chair. Just by way of summary
24 of the exhibit to the document that you folks
25 have before you, Exhibit L, just to clarify,

1 the condition was imposed in 2003 and the
2 study -- the follow-up study was prepared and
3 submitted in September of '04. And
4 essentially it focused on the increased
5 housing unit demand due to in-migration of job
6 seekers into this community based upon certain
7 assumptions regarding the project. And in a
8 nutshell, based upon the study, approximately
9 13 acres of land for affordable housing was
10 deemed appropriate. And that 13 acres, of
11 course, is in excess of the minimum 10-acre
12 requirement that was imposed by the Land Use
13 Commission.

14 Subsequently, the Applicant, through
15 the -- through working with the Department of
16 Housing and Human Concerns, as well as at the
17 Planning Commission level, determined that to
18 ensure, you know, greater flexibility in terms
19 of how future housing can get laid out and how
20 other needs besides just the housing can be
21 accommodated, additional acreage was agreed to
22 and proposed at the Planning Commission level
23 to the level of 22 acres, which I think is
24 reflected in the presentations that you folks
25 have copies of. The -- so that's the number

1 that we were working on with the -- in the
2 discussion with the Planning Commission.

3 Now, the Planning Commission chose not
4 to specify that number, although of course
5 it's reflected in the record, because there
6 was a discussion at the Planning Commission at
7 the time that ultimately, you know, the
8 condition would be one that would be
9 entertained here at this level, at the
10 Council, so they simply, you know, refer to
11 the record and emphasized the -- their
12 viewpoint that, you know, this is something
13 that needs to be addressed.

14 CHAIR MOLINA: Okay, thank you, Mr. Chun.

15 Member Anderson?

16 COUNCILMEMBER ANDERSON: You know, I'm looking at
17 the study that was attached to the EIS housing
18 demand analysis. The EIS is dated December
19 '04. This analysis was done September '04,
20 and the State Land Use Commission, in their
21 findings of fact, conclusions of law, decision
22 and order, dated June of '05, and just to put
23 it in the record so everyone knows why I'm
24 concerned, I'm going to read their Condition
25 Number 10.

1 "In the event that the County of Maui
2 does not have an adopted Employee Housing
3 Policy for commercial and industrial
4 developments at the time the Change in Zoning
5 application for Phase I by the petitioner is
6 made, the petitioner shall submit a housing
7 study addressing the following as part of the
8 zoning application: A, the impact the project
9 will have on the current labor force; B, the
10 potential requirement and type of housing
11 which will be created by the project; and C,
12 the proposed mitigation measures to alleviate
13 the impact on both the labor market and the
14 housing shortage. This report shall be
15 submitted to the Department of Planning and
16 the Office of State Planning for review. The
17 petitioner will be subject to an employee
18 housing requirement as approved by the County
19 Council."

20 So I just feel that what we have here is
21 outdated and it doesn't really address
22 specifically the information we need in order
23 to make a fair and, I guess, accurate decision
24 as to what the impact will be on the labor
25 market, what the impact will be on our housing

1 shortage, and how the Applicant can mitigate
2 that for us.

3 And so I don't know if Mr. Chun heard
4 what I was reading, if maybe you have anything
5 to add to that, if you have some answers? I
6 mean, 22 acres is nice, but how do we know
7 that that actually is going to mitigate the
8 problem? And what type of housing -- you
9 know, we're looking at 22 acres, and the way
10 this reads, the potential requirement and type
11 of housing which will be created by the
12 project. That says to me that maybe we need
13 more than 22 acres. Maybe we need some
14 housing created.

15 So, you know, I'm sure you're aware,
16 Mr. Chun, as everyone is, how difficult it is
17 to get employees right now, because we're kind
18 of maxed out. So in order to support your
19 project, we're going to have to bring in more
20 employees, and where are those employees going
21 to live? They can't just camp out on
22 22 acres. So we're looking at you guys to
23 help us solve this problem. And I think the
24 State Land Use Commission mandated that you do
25 that in this condition. So if you could give

1 us more to go on, it would be very helpful.

2 MR. CHUN: Well, just by way of background, I
3 think -- just to clarify, there are two
4 decisions and orders that were generated by
5 the Land Use Commission, one that covers the
6 lion's share of the project, the 2003 decision
7 and order that Ms. Anderson referred to, and a
8 second one that covers a smaller area that was
9 incrementally approved many years ago, but
10 given the need to properly align the airport
11 bypass, that approval was held in abeyance
12 until a later date when that alignment was
13 secured. So there's two -- there's two
14 separate decisions and order that constitute
15 the 179 acres that is before the Committee
16 currently.

17 So just to ensure that everyone
18 understands that the study that was prepared
19 was actually timely. The condition regarding
20 the preparation of the study was an '03
21 condition, which was responded to in September
22 '04.

23 Throughout the discussion on this
24 topic -- and there was a lot of discussion on
25 this topic at the Land Use Commission in

1 particular. The discussion was predicated
2 really on the importance of land basically in
3 the whole mix, you know, to the extent that
4 agencies and the private sector and private
5 non-profit interests have as their mission the
6 goal of providing this sort of housing. You
7 know, the real big hurdle in this whole mix is
8 the land, and so the focus was on providing as
9 much land as possible to allow for these
10 different players, if you will, these
11 different alternatives to be utilized to
12 attack the problem. And so that was -- that
13 was sort of the basis upon which the
14 discussion transpired. And so all along the
15 discussion has been on the provision of land,
16 which, obviously, our company is situated to
17 help provide.

18 In the context of the follow-up to the
19 conditions, the work that was done to
20 ascertain, you know, how much land would be
21 appropriate was based upon assumptions, just
22 as you need to make certain assumptions to
23 arrive at any kind of conclusions when you're
24 at this level -- you know, this preliminary
25 level of discussion. You know, we don't know

1 specifically who the users are going to be,
2 what businesses will be situated within the
3 Business Park, and so there were some
4 assumptions cranked into the study that you
5 folks are all flipping through now. And it
6 was through those assumptions that it was
7 arrived at that the in-migration of workers
8 would be the group that would be most in need
9 of, you know, housing, and that's how the unit
10 count was arrived at, which is translated into
11 a benchmark of 13 acres.

12 And as I said, that number was increased
13 by -- through mutual discussion with the
14 Housing Department to ensure that there was
15 maximum flexibility in providing, you know, a
16 nice setting for these units to eventually
17 occur.

18 CHAIR MOLINA: Okay, thank you, Mr. Chun.

19 Member Anderson.

20 COUNCILMEMBER ANDERSON: Well, I was hoping for a
21 more direct answer to my question, Mr. Chun.
22 The original State Land Use Commission
23 decision, which was dated March of '04, which
24 was prior to your EIS, which was December '04,
25 it does say that within 180 days petitioner

1 shall complete and submit to the Commission a
2 housing study that addresses the following
3 things, basically what I read in the other
4 one. Actually, it's a little bit even more
5 intense. The type of employee affordable
6 housing demands that will be created by the
7 project, proposed mitigation measures to
8 alleviate the impact on both the labor market
9 and the employee affordable housing situation,
10 including, but not limited to, the acreage,
11 siting, timing, type of housing, and
12 eligibility for the employee affordable
13 housing project, and the identity of potential
14 developers and recipient of lands to be
15 contributed and conveyed by petitioner for
16 affordable employee housing, collectively the
17 proposed mitigation measures, also
18 recommendations and time frame for
19 implementing any applicable housing policy,
20 including the minimum contribution of land
21 described in condition 1B. And in 1B it
22 doesn't say anything about -- it just kind of
23 gives a formula to determine -- it says, the
24 petitioner shall contribute no later than one
25 year after any County Council zoning approval

1 authoring the use of the property for light
2 industrial and/or commercial use to the County
3 of Maui or a non-profit housing entity or
4 other appropriate entity a minimum of 10
5 acres, excuse me, of land usable for
6 residential within the central region towards
7 development of employee housing or satisfy
8 such more stringent affordable housing
9 requirements for the project as may be imposed
10 by the Maui County Council.

11 So that's what they say in the '04
12 decision and order. But then in the '05 one
13 they again say what I had just read regarding
14 mitigation measures. And so are you -- are
15 you then telling us that you're just going to
16 be willing to dedicate 22 acres and then it's
17 up to us to get the housing built, and that --
18 how many units would 22 acres provide and how
19 many employees are you anticipating that this
20 project is going to generate?

21 MR. CHUN: Well, you know, we had -- as you know,
22 this matter has been pending for quite some
23 time, so we've had a number of opportunities
24 to talk with and work with representatives of
25 the Department of Housing and Human Concerns,

1 and in that regard I think we had reached an
2 understanding that, you know, collaboratively
3 we would be able to work with the Department
4 to ensure that the desired end result
5 occurred.

6 And, again, I guess the overriding
7 concern of the Department was that the land be
8 provided, because, I mean, the greater -- the
9 greater the amount of land, obviously, the
10 greater the potential for the provision of
11 innovation in -- in involving -- in providing
12 a variety of different product types, of
13 course, but also involving some of these
14 really unique partnerships and independent
15 efforts that have occurred here in our
16 community to provide for this need.

17 So really the focus was on, again,
18 getting the -- making the land available. So
19 that's why the actual number is, you know, a
20 fair degree in excess of what was arrived at
21 in the housing study.

22 COUNCILMEMBER ANDERSON: So my problem with that,
23 Mr. Chairman, is that the housing study kind
24 of looks at a general overall viewpoint of the
25 housing situation on Maui. It looks at net

1 migration and net out migration, which is a
2 pretty scary thing, how many people are
3 leaving Maui, born and raised. And what I'm
4 trying to get at, and I guess Mr. Chun can't
5 give me that number, but the closest I can get
6 to, it does say that businesses in the subject
7 development will generate new openings at a
8 stabilized rate of about 425 jobs annually.
9 So the annually -- I don't know -- of the
10 positions, they're saying so many will be
11 filled by Maui residents and the remaining
12 will be taken by -- oh, here we go. After
13 adjustment we forecast that 4,639 of the jobs,
14 or 84 percent, here we go, of the jobs created
15 by park tenants will be filled by Maui
16 residents. The remaining 883 positions will
17 be taken by in-migrating workers.

18 So it looks like at least 84 percent of
19 the jobs, which amount to 4,639 jobs, we're
20 looking at over 5,000 jobs, then; is that
21 correct, Mr. Chun?

22 CHAIR MOLINA: Mr. Chun.

23 MR. CHUN: I believe that the numbers in the study
24 are what -- are correct, what Ms. Anderson has
25 stated is what's reflected in the report.

1 COUNCILMEMBER ANDERSON: And how many housing units
2 could we get on 22 acres?

3 MR. CHUN: In the site assessment report that you
4 folks have, there's a couple of different
5 scenarios which speak to that. If you look at
6 the renderings that are located in figures --
7 at the very back of the report, figure numbers
8 1 and 2, I believe, give a for instance sort
9 of layout of units within a 22-acre area,
10 depending upon unit type. In figure 1 the
11 layout is a multi-family layout, somewhat
12 comparable to Iao Parkside sort of setting,
13 and with a layout such as this, which includes
14 a one-acre park area, you're looking at
15 318 units. In the second figure, which has a
16 mixture of product type, some single-family
17 residential lots as well as some multi-family
18 condominium/apartment type units, you're
19 looking at 236 units with a one-acre park also
20 reflected in the plan.

21 COUNCILMEMBER ANDERSON: Okay, thank you, Chair.

22 Thank you, Mr. Chun.

23 MR. CHUN: Thank you, Ms. Anderson.

24 CHAIR MOLINA: Committee Members, any other
25 questions for Mr. Chun?

1 The Chair has one question I would like
2 to ask you. Mr. Chun, the Phase II, you're
3 looking at creating retail space, again, for
4 retailers not in terms of size comparable to
5 the Wal-Mart's, the Home Depot, and so forth,
6 right? Because that issue was brought up, I
7 think, yesterday with regards to traffic
8 concerns and the amount traffic it would
9 generate. So we're looking at retail
10 businesses the size of like -- we had -- for
11 example, we had Mr. Santos and Mr. Ota here
12 yesterday. We're looking at light industrial
13 types of business with minimal impact in terms
14 of traffic, am I correct?

15 MR. CHUN: Yeah, well, we don't know the specific
16 occupants of this project. Of course we don't
17 know when we're going to finally get to market
18 yet. But the -- yeah, I mean, the idea is for
19 this project to be able to accommodate folks
20 like Mr. Santos and Mr. Ota.

21 CHAIR MOLINA: So strictly light industrials and
22 not, you know --

23 MR. CHUN: Well, interestingly enough --

24 CHAIR MOLINA: -- (inaudible) businesses.

25 MR. CHUN: When you talk about the local businesses,

1 such as like Mr. Santos or Mr. Ouye from
2 Service Rentals or VIP, there's a mix of --
3 you know, you walk into their front office and
4 it's like a store, but their focus, of course,
5 is on the warehousing and the -- you know, the
6 wholesale.

7 CHAIR MOLINA: Okay. I just want assurances that
8 that's the target that you're aiming at is the
9 light industrial, smaller businesses and --
10 related to light industrial, and not --

11 MR. CHUN: Yeah, so that's why the retail mix is --
12 you know, the assumption is a 50-50 mix,
13 because there's a blending, I guess, of
14 activities in these -- in these sorts of
15 situations.

16 CHAIR MOLINA: Okay. And one other question on the
17 issue of the Police Department with the
18 substation, have you been able to -- I know we
19 asked that question yesterday, about the
20 possibility of a substation or something maybe
21 not quite as large as the Wailuku substation,
22 is that -- do you have the capability to
23 provide some space?

24 MR. CHUN: I'm sure we can work something out. I
25 mean, I noticed that in the -- for a while,

1 anyway, in the Maui Marketplace there was a
2 little substation, you know, that was provided
3 for the police.

4 CHAIR MOLINA: That's something similar to what I --
5 for me, and I'm guessing --

6 MR. CHUN: Even on Market Street there's that
7 small --

8 CHAIR MOLINA: Right.

9 MR. CHUN: -- facility by the restrooms.

10 CHAIR MOLINA: So I think that can be worked in.

11 MR. CHUNG: Yeah, I'm sure we can figure something
12 out in that regard.

13 CHAIR MOLINA: Okay, thank you very much, Mr. Chun.
14 Committee Members? Mr. Mateo.

15 COUNCILMEMBER MATEO: Chairman, thank you.

16 Chairman, Mr. Chun has referenced a discussion
17 with the Department of Housing and Human
18 Concerns on several occasions, perhaps if we
19 can get the Director of the Department to come
20 and at least share with us --

21 CHAIR MOLINA: Sure.

22 COUNCILMEMBER MATEO: -- you know, her perspectives,
23 because the apparent 22 acres that they
24 generously offer has been something apparently
25 that the Department thinks is appropriate, and

1 yet we don't have additional information on
2 that particular discussion.

3 And for Mr. Chun, because I don't know
4 any better, 22 acres, in terms of trying to
5 develop the -- either one of these projects in
6 either one of these scenarios, to put in the
7 roadways and other non-housing type of
8 construction, how much of the 22 acres is
9 actually for housing?

10 MR. CHUN: You know, a lot depends on layout of the
11 actual product, which is why I think, you
12 know, our discussions -- actually, most of our
13 discussions occurred with Ms. Lee versus
14 Ms. Medeiros under the previous
15 Administration. But the idea is to -- as you
16 reference, Mr. Mateo, to ensure that, you
17 know, the maximum area possible is
18 innovatively planned, creatively planned so
19 that you can ensure that, you know, as much
20 land as possible goes to housing.

21 This particular site, there's some real
22 advantages to it because so much of the
23 infrastructure that will be required for this
24 site is -- you know, it's butting up right
25 against the property already. This proposed

1 location is right pretty much across the
2 street from Pomaikai Elementary School and the
3 terminus of Kamehameha Avenue, and so the --
4 how the roads get laid out obviously will
5 be -- there's a lot of potential for doing it
6 really nicely and at a minimum of cost.

7 So I don't -- I'm sorry, I don't have a
8 benchmark percentage to give you as far as
9 what, you know, is normal, but I would say --
10 I would say that this particular location is
11 optimal in terms of being able to maximize
12 that.

13 COUNCILMEMBER MATEO: So just for -- just because
14 it's just you and me talking.

15 MR. CHUN: Okay.

16 COUNCILMEMBER MATEO: We're talking -- we're talking
17 about 20 percent is usually for that kind of
18 infrastructure?

19 MR. CHUN: I guess that's a fair assumption, you
20 know, for -- you know, but I think that on
21 this site you might have a slightly lesser
22 percentage.

23 COUNCILMEMBER MATEO: Because it already abuts --

24 MR. CHUN: Yeah, because it's right up against the
25 main thoroughfare there.

1 COUNCILMEMBER MATEO: Okay. And can you tell me why
2 the offer of 22 acres?

3 MR. CHUN: Well, it just sort of evolved in the
4 context of our discussions at the Planning
5 Commission and with Director Lee. She just
6 wanted to ensure, like I said, the ability to
7 be creative in how -- how that place gets laid
8 out, and she felt with a little more space,
9 you can do it up a little bit more
10 attractively, provide a little more open
11 areas. And I don't know, for some reason,
12 instead of being an even 20, it was 22 and it
13 just evolved that way.

14 COUNCILMEMBER MATEO: I think we should round it
15 out. I think 50 is a nice number.

16 CHAIR MOLINA: Thank you, Mr. Mateo. And we have
17 heeded your response or your concern. We've
18 contacted Director Medeiros to come on over,
19 but now the Department is over at One Main
20 Plaza, so it might take a little longer than
21 normal.

22 COUNCILMEMBER MATEO: No, thank you, and Mr. Chun
23 just had indicated that the discussion had
24 been with then Director Lee, so I'm hoping
25 that the Department does have at least notes

1 or something to follow -- follow up on,
2 because as the new Director and with this
3 project moving forward, the Department should
4 be informed.

5 MR. CHUN: Although we have met with Ms. Medeiros,
6 but I'm just saying that, you know, most of
7 the work on this project occurred while, of
8 course, Ms. Lee was still the Director.

9 CHAIR MOLINA: Mr. Chun, since our first meeting
10 back in July, and I believe Director Medeiros
11 made some opening comments, have you had any
12 subsequent meetings since that time?

13 MR. CHUN: Not on this topic. Although we have met
14 on numerous occasions with the Housing
15 Commissioner, Ms. Ridao, as well, since July.

16 CHAIR MOLINA: I see. Staff, maybe we can get
17 Ms. Ridao as well, if that's a possibility.
18 She may have some background knowledge as
19 well. Anyway, I thought I'd -- just to double
20 check, in case Ms. Medeiros does not have any
21 additional info to share with us, might be
22 good to have Ms. Ridao.

23 All right, Committee Members, any other
24 questions for Mr. Chun? Mr. Medeiros,
25 followed by Member Johnson.

1 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chair, and
2 thank you, Mr. Chun, for the information
3 you're providing, and I just want to continue
4 on the line of the affordable housing. Is it
5 still correct that the project build out is
6 projected for 15 years?

7 MR. CHUN: Yes, sir.

8 COUNCILMEMBER MEDEIROS: Okay. And in reading parts
9 of the EIS, I see that it did go from, as far
10 as housing needs, from 10 acres to 15 acres to
11 22 acres, which is what your report indicates
12 that you've been referencing. So I think
13 Member Mateo asked how that acreage was
14 derived at, and you kind of explained that.
15 But in looking at the two scenarios provided
16 in your report and seeing single-family,
17 multi-family, and a park, was there
18 discussions on the multi-family, how many
19 levels those structures would be, single
20 story, two story, three story? What was
21 allowed and what was discussed?

22 MR. CHUN: You know, if I recall correctly, I think
23 the multi-family was mostly two story, no
24 three story, but mostly two story and a few
25 one story.

1 COUNCILMEMBER MEDEIROS: I see. And do you recall
2 under, well, the zoning, do you recall under
3 the zoning how many levels are allowed for
4 that particular site that you're looking at
5 for the housing?

6 MR. CHUN: Right now the particular site that's
7 indicated in this report is not zoned.

8 COUNCILMEMBER MEDEIROS: Right.

9 MR. CHUN: So appropriate zoning would have to be
10 established, or if it's -- if there's public
11 involvement, of course there's always -- you
12 know, the other procedural alternatives that
13 are available to establish guidelines for what
14 gets -- you know, what can be built.

15 COUNCILMEMBER MEDEIROS: Okay. So the report, as
16 far as trying to propose or project the number
17 of units needed and how many of those units
18 would fit on 22 acres, how was that assessed
19 without knowing the zoning?

20 MR. CHUN: I think the idea was to basically just do
21 a nice layout and establish the appropriate
22 underlying zoning, or, as I referenced,
23 Mr. Medeiros, there's other alternatives, such
24 as the -- you know, the procedure that you
25 folks engage in from time to time to establish

1 that underlying mapping, if you will, to allow
2 whatever scenario was deemed most desirable
3 and attractive by the -- by the powers that be
4 that actually work to, you know, establish
5 this neighborhood. So the zoning wasn't the
6 given. The given was let's do something nice
7 and then work backwards from there.

8 COUNCILMEMBER MEDEIROS: And finally, Mr. Chair, if
9 under further assessment more affordable
10 housing may be needed or more land may be
11 needed for the affordable housing or the
12 workforce housing, would that be something you
13 as the Applicant would consider?

14 MR. CHUN: Well, I guess, just -- I guess the back
15 drop, I guess I just want to throw out --
16 throw this out before I give you my answer.
17 Let's just all keep in mind that the proposal,
18 as it stands, is, we think, a very good one in
19 terms of the housing, the community center,
20 the area for the sewage treatment facility,
21 but, you know, that said, we wouldn't rule out
22 working with you folks to ascertain, you know,
23 a number that would be mutually, you know,
24 workable.

25 COUNCILMEMBER MEDEIROS: Yeah, I appreciate that

1 response, Mr. Chun. I didn't mean to put you
2 on the spot. I was willing to, you know,
3 allow you time to discuss that with the other
4 principals in your organization, but thank you
5 for the information you provide.

6 MR. CHUN: Thank you.

7 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

8 CHAIR MOLINA: Thank you, Mr. Medeiros. Prior to
9 recognizing Member Johnson, the Chair
10 recognizes Member Pontanilla to our
11 proceedings today.

12 Member Johnson.

13 COUNCILMEMBER JOHNSON: Yes, thank you very much,
14 and I've been reading through some of the, you
15 know, minutes. There's a lot, because this is
16 such a -- I guess -- I don't want to call it
17 an elderly application, but it's getting that
18 way. Some of the early issues and some of the
19 discussions focused on the goals and
20 objectives of the Community Plan, the General
21 Plan, and one of the things that I've been
22 seeing and getting information on is the
23 conversion of agricultural or previously
24 designated agricultural lands to urban uses.

25 Now, I'm trying to remember exactly,

1 Mr. Chun, and if you don't know this, it's
2 okay, but in 2002 when the Community Plan for
3 this area was adopted, what was the previous
4 acreage that was already approved in the
5 community plan for Maui Business Park and what
6 did we add on in the 2002 update? Do you
7 recall that offhand?

8 MR. CHUN: Actually, I wasn't working for the
9 company in 2002.

10 COUNCILMEMBER JOHNSON: Oh, okay.

11 MR. CHUN: I was your colleague here at the County,
12 actually, at that time.

13 COUNCILMEMBER JOHNSON: Yeah, and it may -- somehow
14 in the neighborhood of 200 acres or, you know,
15 thereabouts, it strikes me as what we changed
16 in the Community Plan, what was adopted, but
17 what I'm getting at, though, is that in other
18 jurisdictions what the farming community has
19 done, because, of course, the easiest target
20 is conversion of agricultural land to urban or
21 other land use designations. What it's doing,
22 though, is putting increasing pressure on our
23 farmlands. So I wondered if you had any
24 discussions with the Farm Bureau or with any
25 other people within the Administration to at

1 least look at designation, doesn't necessarily
2 have to be here, but similar to the affordable
3 housing, designation of agriculture land that
4 could be used potentially for an agricultural
5 type park or to provide farming opportunities
6 because of the displacement of the lands that
7 are now out of agriculture and into urban. So
8 have you had any of those conversations yet?

9 MR. CHUN: No, ma'am.

10 COUNCILMEMBER JOHNSON: Okay. Well, you know, and
11 perhaps, Mr. Chair, what I will do is I will
12 propose some type of condition, because
13 there's already some of the lands that, you
14 know, have been designated or at least matched
15 in other areas for other purposes. So I will
16 include as a proposal the possibility of
17 looking at replacement of some of the lost
18 agricultural land. Thank you.

19 CHAIR MOLINA: Okay, thank you, Member Johnson.

20 Committee Members, any other questions
21 for Mr. Chun? Member Anderson.

22 COUNCILMEMBER ANDERSON: Thank you, Chair.

23 Mr. Chun, the housing study that you
24 folks did for the State Land Use Commission,
25 has that been submitted to the Office of

1 Planning for their review?

2 MR. CHUN: I believe that is something that occurs
3 as a matter of regular procedure, yes, because
4 the EIS goes to the Office of Planning, yes.
5 Yes.

6 COUNCILMEMBER ANDERSON: And do you have a response
7 letter from them of their review? Do you
8 know?

9 MR. CHUN: I don't know, but I could find that out
10 very easily.

11 COUNCILMEMBER ANDERSON: Okay, thank you. Because,
12 again, the condition I'm reading was from '05,
13 after the EIS was done. Or maybe what you're
14 telling me is that they're just reiterating
15 the conditions --

16 MR. CHUN: Yeah, you know --

17 COUNCILMEMBER ANDERSON: -- that were done in '04.

18 MR. CHUN: Yeah, thinking back to the timing of the
19 LUC's review, they kind of incorporated by
20 reference pretty much all of the conditions
21 that were in the earlier matter, because this
22 is really one project. It's just that
23 procedurally they treated it separately
24 because of the -- the incremental nature of
25 some of their approvals because of the layout

1 of the airport access road.

2 COUNCILMEMBER ANDERSON: And I don't know how else
3 to ask this but just to come out and ask it.
4 Do you really think 22 acres of land is
5 sufficient to mitigate the housing shortage
6 and the need to provide housing for the
7 employees of this project?

8 MR. CHUN: Well, I certainly think it will help
9 address that issue very -- very nicely. I
10 think in talking with -- as I said, in talking
11 with the Administrators here at the County,
12 I'm getting a more -- I mean, to me, it's very
13 exciting, the different planning vehicles,
14 alternatives that are available in terms of
15 layout, design, you know, creativity in
16 provision of units. So, yeah, I think this
17 would be -- there's a lot of potential for
18 some really good addition to mitigate that
19 issue.

20 COUNCILMEMBER ANDERSON: But you're not offering --
21 or are you saying it's not fair for you guys
22 to kick in some money to actually build the
23 housing?

24 MR. CHUN: Well, you know, I -- I guess that's not
25 an issue that we've been called upon to

1 address, primarily because, you know, the --
2 in the formula for the housing, really what
3 A&B as a particular -- is uniquely situated to
4 help address is the need for the land, and --
5 so that's, you know, sort of the vantage point
6 that has been taken in working with us in many
7 regards, because, you know, we -- we're in a
8 unique situation and able to provide that
9 piece of the puzzle, you know.

10 COUNCILMEMBER ANDERSON: And we appreciate that.
11 Definitely you are in a unique position, but
12 really what we're looking at is how do we
13 mitigate the impact? And, you know, when
14 we're looking at -- just because we don't have
15 an ordinance yet that says commercial
16 development shall mitigate its impact on our
17 housing shortage with 40 percent affordable
18 housing based on square footage, or whatever
19 the formula may turn out to be, as we have
20 done with housing units, that doesn't mean
21 that the impact isn't still there and very
22 real.

23 MR. CHUN: Right, and, you know, I neglected to
24 mention earlier, as you were talking I thought
25 of this, but, you know, both I and Ms. Ridao

1 have had quite a few discussions with
2 builders, providers, people that work in the
3 business of, you know, building affordable
4 housing, and for them it's very exciting to
5 have free land. I mean, you know, that is
6 huge, and I know that in talking with Ms.
7 Ridao she sees a lot of possibilities to
8 indeed, you know, provide the product as you
9 mention, Ms. Anderson, through this
10 collaboration, if you will, you know, with the
11 land, with the non-profit provider, with the
12 for-profit builder who is in the business of
13 doing this, pulling together the right people
14 who have that expertise, you know, and the
15 funding sources that sometimes can only be
16 tapped into by doing that, and --

17 COUNCILMEMBER ANDERSON: Well, I think what I'm
18 trying to draw a correlation for you,
19 Mr. Chun, is that in our Workforce Housing
20 Ordinance we're asking developers who are
21 building market-priced housing to also build
22 workforce housing, not just give us the land,
23 but build the housing. And so, you know,
24 having the land is good, but I think that we
25 need to be a little bit more realistic in

1 offsetting the impact, because, as I said
2 earlier, we are maxed out employee-wise. And,
3 yeah, some people that are going to use your
4 park are probably existing businesses that are
5 going to be moving in for a better location
6 and being able to expand and it's likely that
7 they already have employees that have housing,
8 but there's a whole lot more of the park that
9 is going to provide new jobs and require new
10 people. And a certain percentage of them are
11 going to have to come to Maui from somewhere
12 else, and there's no housing for them. So, as
13 I said, 22 acres is nice, but I'd like to see
14 maybe some more land and maybe some
15 contribution towards getting the housing
16 built, because this is a large commercial
17 project and the benefits to your company are
18 great, so I just would hope that you would
19 consider that.

20 MR. CHUN: Thank you.

21 CHAIR MOLINA: Thank you, Member Anderson.

22 Thank you, Mr. Chun.

23 Members, at this point I'm going to hold
24 off questionings for Mr. Chun at this point.
25 We do have Ms. Ridao from the Mayor's Office,

1 and we -- we don't have any sighting of
2 Director Medeiros yet, so we have Ms. Ridao,
3 who hopefully can try and respond to some of
4 the questions that Mr. Mateo had brought up as
5 well as Member Anderson as it relates to the
6 discussions with A&B on the housing situation.

7 Good afternoon, Ms. Ridao, and thank you
8 for coming by on such short notice.

9 MS. RIDAO: Good afternoon.

10 CHAIR MOLINA: We really appreciate you getting
11 here.

12 The floor is now open, Mr. -- we'll
13 start with Mr. Mateo.

14 COUNCILMEMBER MATEO: Chairman, thank you very much.

15 Ms. Ridao, thank you very much. We were
16 waiting for the Director of the Department of
17 Housing and Human Concerns to join us, because
18 ensuing discussion it was mentioned several
19 times by Mr. Grant [sic] that they have had
20 discussions with the Director of the
21 Department. The Director at that time was Ms.
22 Lee, so I'm kind of hoping that because of
23 your working relationship with the Director,
24 that there is information available that the
25 Department could probably share with us in

1 terms of how we got to 22 acres of land to be
2 considered to -- that A&B is considering
3 donating to the County for affordable housing.

4 Would you have any understanding of
5 that?

6 MS. RIDAO: I have no information on that. The
7 only -- when I came into this position, I did
8 read the minutes from the Planning Commission
9 meeting, and that was the only place that I
10 saw that 22 acres were recommended, and I
11 don't know if it was by the Planning
12 Commission.

13 COUNCILMEMBER MATEO: Okay. And your background
14 also is one that involves helping directly in
15 the creation of affordable housing.

16 MS. RIDAO: Correct.

17 COUNCILMEMBER MATEO: The 22 acres of raw land
18 itself, that could, in your estimation, build
19 how many homes on 22 acres?

20 MS. RIDAO: In Lahaina we did -- on 1.6 acres we did
21 12 houses, so I would say three to four houses
22 per acre, maybe could get five, depending on
23 the lot sizes.

24 COUNCILMEMBER MATEO: And the homes you built in
25 Lahaina, they were based on three per acre?

1 MS. RIDAO: They were zero-lot line. The lots came
2 out to about 4,000 square feet or so per lot,
3 and so based -- you know, you've got to put in
4 for roadways. We had to put in a small park
5 and drainage retention basin there, so you've
6 got to accommodate for those things.

7 COUNCILMEMBER MATEO: What percentage was that
8 roadways and drainage, et cetera, what
9 percentage?

10 MS. RIDAO: Off the top of my head, I would say
11 maybe 15, 20 percent.

12 COUNCILMEMBER MATEO: Okay, thank you. Okay.

13 Chairman, thank you.

14 CHAIR MOLINA: Thank you, Mr. Mateo.

15 Member Pontanilla.

16 VICE-CHAIR PONTANILLA: Thank you.

17 Ms. Ridao, last year we had a 201 H
18 before us presented by Maui Lani, and at that
19 time they looked at the possibility of
20 providing some affordable housing for Maui
21 County, and based on their projections,
22 2.5 acres would have generated multi-family --
23 72 multi-families. The number that you talk
24 about is strictly single-family dwellings?

25 MS. RIDAO: Correct, yeah.

1 VICE-CHAIR PONTANILLA: Thank you.

2 CHAIR MOLINA: Okay, thank you, Mr. Pontanilla.

3 Any other questions for Ms. Ridao before
4 I excuse her? Seeing none, thank you very
5 much for coming by on short notice and trying
6 your best to answer some of the questions that
7 we had here. Oh, excuse me, Mr. Pontanilla
8 does have a question.

9 VICE-CHAIR PONTANILLA: Thank you.

10 CHAIR MOLINA: Mr. Pontanilla.

11 VICE-CHAIR PONTANILLA: I don't know if you had a
12 chance to look at the rendering that is in our
13 folder, and what they show is multi-use in
14 regards to multi-family and probably some
15 single-family.

16 MS. RIDAO: Yeah.

17 VICE-CHAIR PONTANILLA: Have you had a chance to
18 look at this.

19 MS. RIDAO: Yeah. I think there's couple of
20 renderings. I saw one that was all
21 single-family, and then I saw one that was
22 both multi-family and single-family. And
23 based on the location, I think either --
24 either choice would work well. Of course with
25 adding multi-family, you would get more

1 families in there, yeah.

2 VICE-CHAIR PONTANILLA: Yeah, I understand that
3 you've gone to the mainland and looked at
4 different sites?

5 MS. RIDAO: Uh-huh.

6 VICE-CHAIR PONTANILLA: And one of the things that,
7 you know, always pop up is this smart growth.
8 And the reason why I bring it up is that, you
9 know, I've talked to some people in Kahului,
10 and what they look at is, you know, not so
11 much of the, you know, the big lot,
12 single-family type, but they look at now, for
13 some reason -- these are old-time families,
14 they look at some density so that we can, you
15 know, get the most for housing. Is that some
16 direction that probably the Administration
17 would look at?

18 MS. RIDAO: I think that maybe we talking to the
19 same people, Mr. Pontanilla, because I'm
20 hearing the same thing, that living in
21 multi-family arrangement is very -- they're
22 very open to that, they're willing to do that.
23 I think bottom line is they want to start
24 somewhere, so I think that either rendering
25 would work well in this location. And I

1 would, I think, support more the rendering of
2 single-family and multi-family, only because
3 you can get more people there. The location
4 is that it's close to a school, you know, it's
5 close to the town center of Kahului, so I
6 think it would fit well.

7 VICE-CHAIR PONTANILLA: Thank you.

8 Thank you, Chairman.

9 CHAIR MOLINA: Okay, thank you, Mr. Pontanilla.

10 Any other questions for Ms. Ridao before
11 I excuse her? Member Anderson.

12 COUNCILMEMBER ANDERSON: Thank you, Chair.

13 Thank you for being here on short
14 notice.

15 MS. RIDAO: No problem. I understand Vanessa is in
16 Kahului at the Housing Office, so she may be
17 on her way.

18 COUNCILMEMBER ANDERSON: They're looking at
19 generating 5,500 jobs from this project. Do
20 you think 300 housing units is sufficient to
21 mitigate the housing shortage that this
22 project is going to --

23 MS. RIDAO: Our total housing shortage, no.

24 COUNCILMEMBER ANDERSON: No, I'm just talking --
25 yeah, I mean, we -- we're -- okay, let's put

1 it that way, Ms. Ridao, what is our current
2 housing shortage?

3 MS. RIDAO: I just did kind of an estimate just
4 recently, and I think our total housing
5 shortage for Maui County is anywhere between,
6 say, 7,000 and 10,000 units.

7 COUNCILMEMBER ANDERSON: Currently?

8 MS. RIDAO: Currently, yeah.

9 COUNCILMEMBER ANDERSON: So if we add another 5,500
10 people --

11 MS. RIDAO: Yeah.

12 COUNCILMEMBER ANDERSON: -- ostensibly --

13 MS. RIDAO: Yeah.

14 COUNCILMEMBER ANDERSON: -- we're looking at least
15 at another -- people might double up and both
16 work there, so let's just be conservative and
17 say we're looking at at least another 3,000
18 units short. And I just don't feel like
19 300 units is enough to mitigate the impact
20 that this is going to be bringing to Maui.

21 MS. RIDAO: I -- you know, I -- my personal kind of
22 view is that we need to work as a community,
23 and all of the developers have to contribute.
24 I think A&B -- you know, you people here are
25 working with A&B at possibly increasing that

1 number, and I think that is great, but I don't
2 think A&B themselves will be able to make up
3 that shortage. And, you know, we're looking
4 at Honua`ula possibly, we're looking at, what
5 is it in Lahaina possibly, so I think that
6 there are some units that are going to come on
7 line that will help the situation, even --
8 even if we start on this project today, it
9 wouldn't be built for another three or
10 four years.

11 COUNCILMEMBER ANDERSON: Right, but, I mean, we do
12 have to plan.

13 MS. RIDAO: Yes, definitely.

14 COUNCILMEMBER ANDERSON: And, you know, Honua`ula is
15 going to create their own jobs too, so --

16 MS. RIDAO: Yeah.

17 COUNCILMEMBER ANDERSON: Okay, thank you. Thank
18 you, Chairman.

19 CHAIR MOLINA: Thank you, Member Anderson. If there
20 are no other questions for Ms. Ridao, we'll
21 excuse her. We just received a note that
22 Director Medeiros is in traffic right now and
23 maybe another few more minutes before she gets
24 here.

25 MS. RIDAO: I can -- I can sit here for a while.

1 CHAIR MOLINA: Okay. That would be very helpful
2 too.

3 MS. RIDAO: Okay.

4 CHAIR MOLINA: You can have a seat in the gallery,
5 Ms. Ridaao.

6 MS. RIDAO: Okay.

7 CHAIR MOLINA: Members, Chair plans on taking a
8 recess at 3:00, so what I'd like to do is at
9 this point the Chair did make a request from
10 all of you, if you have any particular
11 conditions you would like discussed, we can do
12 that now. Just as we speak, I see Director
13 Medeiros walking into the room. Members, you
14 want -- would you like to go ahead --

15 Mr. Mateo, you have some additional
16 questions for Director Medeiros on this
17 particular project?

18 COUNCILMEMBER MATEO: Chairman, I'm going to ask the
19 questions. I don't think she's going to be
20 able to respond adequately to it, but I will
21 ask the questions of her.

22 CHAIR MOLINA: Okay, thank you.

23 Director Medeiros, if you could please
24 come and join us up here in the front. My
25 apologies, Chairman Hokama, once we're done

1 with Director Medeiros, we'll go ahead and
2 start with your proposed conditions for this
3 project.

4 Director Medeiros did comment on the
5 project at our first meeting in July 5th, so
6 the Committee is interested in finding out if
7 there were any subsequent discussions with the
8 Applicant as it relates to the housing issue
9 here. And thank you for making yourself
10 available, Direct Medeiros. We appreciate it.

11 Mr. Mateo.

12 COUNCILMEMBER MATEO: Thank you, Mr. Chairman.

13 Madam Director, good afternoon.

14 MS. MEDEIROS: Thank you.

15 COUNCILMEMBER MATEO: In this discussion that we've
16 been having, Mr. Chun had referenced several
17 times during his overview and discussion with
18 us that he had, in fact, had discussions with
19 the Department. We also found out that the
20 discussions was held with the prior Director,
21 Ms. Lee. In terms of taking a look at what
22 A&B is recommending in terms of the remaining
23 22 acres of land to the County for affordable
24 housing, do you have any information, any
25 comments or materials that was available to

1 you from the Department regarding these
2 discussions that went on and whether or not
3 you're able to tell us how they arrived at
4 22 acres?

5 MS. MEDEIROS: Thank you, Mr. Mateo. Unfortunately,
6 and, you know, I just picked up the file, so I
7 have not had a chance to go through the file
8 to determine what past discussions there were.
9 There has been no discussions with us since
10 we've been on at this time, so we would have
11 to go and research, you know, these
12 discussions to see, but I understand from
13 reading part of the material, especially with
14 the letters that were sent to us, that the
15 Council planned to place conditions on this.
16 And, again, it would be subject to with the
17 conditions that the Council would place and we
18 would then follow with those conditions.

19 COUNCILMEMBER MATEO: Okay. Then in what you have
20 had -- well, if you've had the opportunity to
21 take a look at some of the materials that you
22 brought with you, in terms of addressing the
23 need for housing, 22 acres, in your
24 estimation, would be an advantage at this
25 point in terms of dealing with this developer

1 and this project?

2 MS. MEDEIROS: Certainly -- again, in items of
3 donating land, you know, you have two forms,
4 land as it is or land ready to go. Certainly
5 land ready to go is always the best possible,
6 because then it will allow us to move forward
7 much faster in providing housing. You know,
8 we would have to certainly look at that. I
9 believe 22 acres, you know, at roughly 10,000
10 square feet per lot, which is very large,
11 would produce quite a bit of homes and
12 reducing that square footage would produce
13 even more. So, again, anything that we can do
14 to provide affordable housing to our families
15 is certainly worthwhile looking at. And I'm
16 not sure even where the location is. I don't
17 have any information -- I haven't reviewed the
18 information as to where these donated lands
19 would be. And, you know, location is always
20 an important thing.

21 COUNCILMEMBER MATEO: Thank you. I thought
22 Mr. Grant [sic] had indicated earlier that he,
23 in fact, did have a recent discussion with
24 both Director and with the Housing
25 Commissioner, so I'll just end at that point.

1 Thank you very much.

2 CHAIR MOLINA: Thank you, Mr. Mateo.

3 Committee Members, any questions for
4 Director Medeiros? Seeing none.

5 Thank you very much, Director Medeiros.

6 I appreciate you coming by.

7 MS. MEDEIROS: Thank you.

8 CHAIR MOLINA: Members, before we break, I'd like to
9 spend some time with the proposed conditions
10 from Chairman Hokama. You've been given a
11 January 10th, 2008 document from the Chairman,
12 and, Mr. Hokama, if you can go ahead and walk
13 us through.

14 And, Members, can you refer to the Maui
15 Planning Commission conditions, which is in
16 your binder, attached to the Department of
17 Planning report about maybe ten or so pages
18 in. There's currently, I believe, 15
19 conditions recommended by the Maui Planning
20 Commission, and Chairman Hokama's first
21 condition is a replacement to Condition Number
22 1.

23 COUNCILMEMBER MATEO: Chairman, point of
24 information.

25 CHAIR MOLINA: Yes, sir.

1 COUNCILMEMBER MATEO: Because the note -- we just
2 received the notice for conditions. We will
3 have additional opportunity --

4 CHAIR MOLINA: Oh, yes, by all means, yeah. As a
5 matter of fact, when we do take the break, I
6 was going to ask you if you needed a little
7 bit more time than a typical 15-minute break.
8 All of you can work on -- give you some extra
9 time to work on some conditions.

10 COUNCILMEMBER MATEO: Like -- like --

11 COUNCILMEMBER ANDERSON: We haven't reviewed the
12 project, Chair.

13 COUNCILMEMBER MATEO: -- another day.

14 COUNCILMEMBER ANDERSON: We haven't completed the
15 review of the project. How can we go to
16 conditions already?

17 CHAIR MOLINA: Well, no, no, but, I mean, just --
18 initially just to get your conditions out now
19 and then we can always come back. So --

20 COUNCILMEMBER ANDERSON: Well, I'm not even close to
21 having conditions, Mr. Chair. I think there's
22 a lot of things about this project we still
23 need to review.

24 CHAIR MOLINA: Yeah, and in time we will get to it,
25 because, as I mentioned earlier, we have some

1 other resource personnel on call as well, but
2 I'd like to get the conditions ahead of time
3 so that way we don't have to keep stopping our
4 proceedings so we can give everybody time to
5 write up the conditions or the Committee
6 Analyst is forced to write conditions, and
7 just basically I'm trying to move things along
8 a little faster, so that's why I prefer to go
9 with this route. And I thank Member Hokama
10 for being the first to respond to assist the
11 Committee with this project, or the discussion
12 of this project.

13 So that is how the Chair would like to
14 proceed, and if need be, Members, if you want
15 to work through the night, we can. Initially
16 the Chair had mentioned -- I guess there were
17 some inquiries -- Committee Staff had informed
18 me that there was some -- I don't know if it
19 was some Members of the body or some members
20 of the public had asked how long we plan to
21 work today. The Chair had intended to go till
22 5:00. However, if, you know, we want to slow
23 things down a little, then we can work through
24 the night. And we do have a Council meeting
25 tomorrow, so we'll just go as long as we can

1 and as long as we have quorum, but anyway,
2 we'll cross that bridge when we get to it.
3 I'd like to give the floor to Mr. Hokama.

4 COUNCILMEMBER HOKAMA: Chairman, thank you very
5 much. I just was -- after yesterday afternoon
6 and evening's meeting I decided to put in a
7 written form things that I had wanted to
8 pursue as either revision to the conditions
9 that have been forwarded by the Planning
10 Commission or things that we had brought up
11 yesterday. And so, Members, I have some
12 recommendations regarding Condition 17, new
13 condition that I've numbered as 16 and 17.

14 And for number one, basically what I
15 have proposed to the Committee, and you,
16 Mr. Chairman, is that regarding the existing
17 drainage basins, my intent was to have the
18 Department of Parks and Recreation, along with
19 the Applicant, work with the Department of
20 Public Works. Because first and foremost, it
21 is a retention basin. And we've heard various
22 Members' comments of if possible accessory
23 uses that would not hinder the primary design
24 requirements of a drainage system.

25 And so my language that I had planned to

1 ask the Members at the appropriate time for
2 consideration is: In consultation with both
3 Parks and Public Works, the Applicant will
4 work forward to come to an assessment of
5 feasibility whether or not recreational
6 purposes can be provided in the drainage area,
7 and come up with a -- I provided them with a
8 choice, A or B. A is that if they have -- are
9 able to reach an agreement of use regarding
10 recreational purposes, and if the Departments
11 feel it's appropriate that a dedication of
12 land be made back to the County, that the
13 condition would be, then, of course, we know
14 what the Charter says, to accept land, it has
15 to come back to the Council. Or, B, if the
16 Departments choose not to have the County
17 consider that option, that we can establish
18 appropriate protocols for the Applicant to
19 exercise its ownership and work with
20 interested recreational parties.

21 And I would just like to assure the
22 Members that on Lanai, particularly with the
23 Manele Project District, the community wanted
24 and the Council supported to retain private
25 ownership of Hulopoe Beach Park with public

1 access. The primary purpose was to maintain
2 and protect the Lanai resident use of its
3 beach park, and that only through private
4 ownership that there were certain things that
5 the company can continue to exercise as a
6 private land owner to protect vested resident
7 rights of those recreational areas.

8 It's the same way the Damon Estate does
9 it in Moanalua Valley. It's a park, but it
10 can maintain private ownership. And it is
11 something that, I think, it's for us at the
12 appropriate time, you know, I would ask for
13 that consideration.

14 Number 7, and, again, I've been
15 listening very well to some the Members'
16 concern regarding the housing, affordable
17 housing component, Mr. Chair, but I would say
18 that if we look at replacement 7, here we are
19 already talking within this area for the
20 affordable housing. My proposal would come up
21 to 30 acres, 22 for the housing, 6 acres for a
22 brand-new district community center, and
23 2 acres for additional park purposes, and that
24 was to address the interest of the Committee
25 regarding active recreational programs,

1 whether it be soccer or Little League
2 programs, Mr. Chair, that you had shown an
3 interest for.

4 16, again, if you look, whether it be in
5 Kahului or South Maui, you know, I have asked
6 that the Applicant work with our Department of
7 Environmental Management to identify and help
8 find a mutually acceptable site. I chose not
9 to put in an acreage, Mr. Chairman, because,
10 again, depending on the land, some subsurface
11 issues that we may or may not have to deal
12 with, you know, personally I'm looking between
13 15, 25 acres, again depending on how much of
14 future capacity we would like to build in a
15 new plant facility. I believe the current
16 South Maui plant is approximately 20 --
17 19 acres, and then I think the Kahului plant
18 is currently about 20 -- slightly over
19 20 acres, Mr. Chair, currently.

20 Number 17, again, because I can see this
21 residential component being very difficult to
22 deal with, I have proposed that we deal with
23 it by eliminating the ability of single-family
24 dwellings and apartments within the proposed
25 Commercial Light Industrial District, which

1 currently would be permitted. It was --
2 especially for apartments, Mr. Chair.

3 And so this is what I have drafted for
4 the Committee to consider. And, again,
5 Members, I would ask that for me I am looking
6 at this totally, and if you look at 30 acres
7 of the housing, potentially another 20, 25 for
8 the treatment plant, look at the other
9 amenities, I believe you will find A&B has
10 continued to be a very good corporate resident
11 of this island. They're totally vested in
12 this island, Mr. Chairman. They've got too
13 much thousands of acres on this island. They
14 won't be able to carry it off, move somewhere
15 else. They will continue to be a continuing
16 partner with this County in the growth of our
17 near future proposals.

18 And, you know, I think when we look at
19 A&B, it is an entity -- you cannot just look
20 at -- regarding in general, just a specific
21 application. I think you need to look at how
22 they have behaved and performed over the long
23 term. There's many times when it is not by a
24 condition of approval, but you still see,
25 whether it's through its foundation or its

1 participation non-profit, that they
2 continually participate, donate, and provide
3 either land, money, combination of land and
4 money, to agencies that provide this County
5 critical services that we do not provide as a
6 government entity that are done through
7 non-profit agencies.

8 And so I ask that we look at this entity
9 in a slightly different manner. We've dealt
10 with entities that have hit and run Maui,
11 gotten their approvals, taken their cash, and
12 left the island. This entity cannot do that,
13 Mr. Chair. And they've got too many hundreds
14 of employees, 800,000 employees, vested on
15 this island too that they cannot walk away and
16 abandon either. They have an employee
17 investment, they have a land investment, they
18 have a future investment with this community.
19 And so I believe it's -- while things can
20 still be -- continue to be discussed and
21 worked on to improve, I think that this is,
22 for me, a good starting point that I would ask
23 the Members at the appropriate time,
24 Mr. Chair, to consider supporting. Thank you.

25 CHAIR MOLINA: Okay, thank you very much,

1 Mr. Hokama.

2 The Chair would like to proceed in this
3 fashion.

4 COUNCILMEMBER ANDERSON: Chair.

5 CHAIR MOLINA: I do want to give you some time -- if
6 you have questions for Mr. Hokama, I'd like
7 you to maybe ask him on the side or maybe when
8 we come back, because there's some Members
9 that do want to write up some conditions and I
10 am going to call the Water Director in for
11 some questions related to one of the
12 conditions. Why don't we do this. Let's go
13 ahead and break and come back at 3:20,
14 Members? 3:15? Is 25 minutes, half an hour
15 enough time? Okay. Let's come back at 3:20
16 promptly, and then we can -- if you need to --
17 time to work on your conditions, and then
18 we'll try and get ahold of some of the other
19 resource personnel.

20 If you do want to see some other
21 resource personnel, please inform the Chair or
22 Committee Staff. We do have the Fire
23 Department on call as well. Is there a need,
24 Members, for the representative from the Fire
25 Department to come to our proceedings today?

1 Okay, seeing none, okay. So we will call the
2 Water Director to come by as well.

3 So, Members, this meeting will be in
4 recess until 3:20. (Gavel).

5 **RECESS: 2:52 p.m.**

6 **RECONVENE: 3:29 p.m.**

7 CHAIR MOLINA: (Gavel). The recessed Land Use
8 Committee meeting of January 9th, 2008 is now
9 back in session. Thank you very much,
10 Members, for that extended break. I hope you
11 had enough time to get re-energized and draw
12 up any proposed conditions that you may have.
13 The Chair did have one as well. I want to
14 thank Mr. Hokama for his proposed conditions.

15 Before we return to the issue of
16 conditions, the Chair did call for the Water
17 Director, Director Eng, to please share his
18 comments as it relates to this project.

19 Mr. Eng, if you could please come up and
20 take a seat. And for the body's information,
21 today the Chair will -- we will take this
22 matter up only up until 5:00 today. We will
23 not have quorum after 5:00 p.m., so we will
24 try and get as much as we can done today. It
25 does not appear at this point, the way we're

1 moving, we will come to a decision today, but
2 we'll try and get as much as we can done.

3 Director Eng, thank you for coming by
4 and --

5 MR. ENG: You're welcome.

6 CHAIR MOLINA: I know you're a very busy man, and we
7 appreciate you being here. Can you give us
8 some opening comments on this project?

9 MR. ENG: I really don't have any comments at this
10 time. Thank you.

11 CHAIR MOLINA: Okay, thank you, Mr. Director.

12 If I could start off first by asking you
13 one quick question, and maybe just getting
14 your comments on this. The Applicant proposed
15 that -- proposed to provide treated surface
16 water from West Maui to the Department of
17 Water Supply as a new source of water to meet
18 the community's needs for water in Central
19 Maui. Is this something that the Department
20 is open to? And this was, I guess -- I
21 believe was related to State Land Use
22 Commission, one of their conditions. Is this
23 something -- do you have any comments on that
24 proposal?

25 MR. ENG: Mr. Chairman, thank you. Yes, I know

1 there was a plan way back for them to develop
2 a surface water treatment plant, and in fact
3 it is something that we would be participating
4 in. To date, though, there's nothing final.
5 We haven't even -- we've had some preliminary
6 discussions. The project is being designed,
7 but we haven't finalized the design to date.
8 And of course we have some other issues with
9 the contested case hearing for the Na Wai Eha.
10 So there's a lot of things pending to date,
11 and we haven't really moved too far in our
12 discussions and negotiations.

13 CHAIR MOLINA: Okay. And, you know, I think to add
14 a little bit more clarity to that statement I
15 made earlier, this is in reference to an
16 October 26th, 2004 letter by PBR to the
17 Hawaiian Homes Commission which mentioned
18 that, I guess, the petitioner proposed to do
19 this treated surface water from West Maui to
20 the Department of Water Supply. And part of
21 that Land Use Commission condition too related
22 to the Applicant participating in funding and
23 construction of adequate water storage and
24 transmission facilities as well. So anyway, I
25 just wanted to get your take on that as well,

1 Mr. Director.

2 Committee Members, the floor is open for
3 questions to the Water Director relating to
4 this project. Member Anderson?

5 COUNCILMEMBER ANDERSON: Thank you, Chair.

6 Thank you for making yourself available,
7 Director Eng. What is the estimated need in
8 gallons per day for this project? Do you
9 know?

10 MR. ENG: I have an estimate, and that is if it's
11 based on the 179 acres, based on our water
12 system standards for planning purposes, we use
13 up to 6,000 gallons per day per -- 6,000
14 gallons per acre per day, and I've looked at
15 other counties, they use as little as -- base
16 it on 4,000 gallons per acre per day.
17 Therefore, the estimated demand could be
18 between 560,000 gallons per day to 840,000
19 gallons per day.

20 COUNCILMEMBER ANDERSON: Thank you for that. And so
21 the West Maui water situation that you just
22 discussed, are you talking about the 9 million
23 gallon surface water proposal?

24 MR. ENG: Yes, I think that's what the Chairman was
25 making reference to. I'm not sure back in

1 2004 what the capacity they had in mind, but
2 currently we're looking at optimum production
3 of just about 9 million gallons per day.

4 COUNCILMEMBER ANDERSON: And so, you know, all these
5 variables that are up in the air, petition, I
6 guess I'm going to put you on the spot. How
7 likely is it that the County is going to get
8 9 million gallons of surface water?

9 MR. ENG: You know, I think it's, what, a few months
10 ago I probably mentioned publically of the
11 Waiale treatment plant and our plans to do the
12 joint -- jointly with A&B, and since then, you
13 know, the contested case hearings got
14 initiated in December, and they are
15 reconvening beginning next Monday, and my
16 sense is that the contested case hearing and a
17 decision and even, you know, post hearing
18 actions by any of the parties could
19 significantly delay the start-up of that
20 plant. To what extent, I don't know at this
21 time, but, you know, earlier I did mention and
22 I believe that we could have had that plant in
23 operation in two to three years from now, but
24 now I don't know. I think two to three years
25 may be out of the question at this time.

1 COUNCILMEMBER ANDERSON: Really? And whether even
2 we'll have the access to 9 million gallons?

3 MR. ENG: Yeah, that's a big unknown. You know, I
4 mean, we've talked about 9 million gallons per
5 day as something that -- basically that size
6 is something that makes it cost effective, if
7 there -- depending on how much water is
8 available for that plant, could certainly
9 determine, you know, the size of that plant
10 and even the viability of it.

11 COUNCILMEMBER ANDERSON: I don't know if you're
12 aware of the airport hotel that A&B got
13 entitlement for some years back. Have they
14 come to you for water for that and do you know
15 how much water they need?

16 MR. ENG: No, they haven't come to us, and I don't
17 know how much water.

18 COUNCILMEMBER ANDERSON: And so currently we don't
19 have any water to contribute to this 560,000
20 gallons per day need that they would --

21 MR. ENG: No, we do not.

22 COUNCILMEMBER ANDERSON: Okay, thank you, Director
23 Eng.

24 CHAIR MOLINA: Okay, thank you, Member Anderson.
25 Committee Members, questions for the

1 Water Director as it relates to this project?

2 Chairman Hokama.

3 COUNCILMEMBER HOKAMA: So has the Applicant made you
4 aware of how their -- what approach they would
5 take to try and deal with this water -- water
6 situation, Mr. Director?

7 MR. ENG: No, they haven't, other than the Waiale
8 treatment plant that we've had discussions
9 over. I don't know what their other options
10 are. And again, that would be their
11 responsibility, particularly with the new
12 water availability bill that was passed.

13 COUNCILMEMBER HOKAMA: They did not come -- and I
14 don't know if your Department participated in
15 a review or sign-off process, but they did not
16 also drill a well in the Kahului Aquifer, like
17 how Maui Lani did?

18 MR. ENG: You know, I've heard they did drill a
19 well, but, you know, we haven't participated
20 in it. We --

21 COUNCILMEMBER HOKAMA: You have not seen any water
22 quality reports or pumpage reports of those
23 tests, whether, you know, it can handle
24 sustained -- so many thousand gallons per
25 minute that equals X amount of hundred

1 thousands per day kind of scenario,

2 Mr. Director?

3 MR. ENG: No, we haven't seen any pump reports,

4 water quality test results or anything.

5 COUNCILMEMBER HOKAMA: Is blending still an

6 acceptable means of bringing chlorides low

7 enough to drinking standards in this County?

8 Or is that a solution or option that we do not

9 practice any more?

10 MR. ENG: Blending does work to effectively reduce

11 chlorides, you know, but it depends. You

12 know, it depends what are your sources you're

13 blending. You know, if you're using something

14 that is already pretty high in chlorides or

15 brackish, one, it may take a lot of very low

16 chlorides water to blend it down to a, you

17 know, decent level of chlorides.

18 The other thing I'd always be concerned

19 about is -- you know, with the ability to

20 blend, and I'm not opposed to it necessarily,

21 but it could cause some people to think they

22 can over -- intentionally over pump an

23 aquifer, since we've got a low chloride source

24 to blend it with, and I believe that all water

25 purveyors should also be protective in their

1 pumping practices.

2 COUNCILMEMBER HOKAMA: I would agree with you,
3 Mr. Director. You know, I come from an island
4 with only one aquifer, so you want to talk
5 conservative, you know, I think for -- on our
6 island we just look at 60 percent of the
7 projected sustainable yield as at this point
8 in time a cap for our island.

9 But I'm asking these questions because,
10 again, there's many things in my perspective,
11 Mr. -- tied to this project, including the
12 long-term future economic health of this
13 island, which for us means the whole County.
14 And so I'm just curious to see how we're going
15 to address some of these things. But let's
16 say in general, you know, you know the numbers
17 for Maui Lani, what kind of water quality?
18 Are we under the 150 chlorides parts, which is
19 the ceiling for our -- your Department's
20 standard of potable water?

21 MR. ENG: As far as Maui Lani, I only had an
22 opportunity to review their pump test and
23 their water quality based on that, so the
24 pumping was very limited. The chlorides were
25 very favorable, but that doesn't mean too much

1 to me.

2 COUNCILMEMBER HOKAMA: Uh-huh. Uh-huh.

3 MR. ENG: So I really don't know what to expect,
4 until they put in the pumps and operate them
5 on a certain period of time will we really
6 know.

7 COUNCILMEMBER HOKAMA: Do you have any idea of what
8 the plantation or -- let me rephrase it, what
9 HC&S, is coming out of their wells? Do you
10 receive any reports of gallonage they use per
11 day and what kind of chloride levels for the
12 plantation, if that would be acceptable for
13 agriculture, maybe not for human consumption,
14 but do you have that type of --

15 MR. ENG: No, I don't get any of their pumping data
16 or water quality data from their agricultural
17 wells. I've always thought, though, that they
18 were brackish in nature, in particular if they
19 pump them very, very hard like in the past,
20 most likely they were, but, again, they
21 probably also have the ability to blend the
22 water from the surface water from East Maui.
23 So they have that opportunity to, you know,
24 minimize or reduce chlorides.

25 COUNCILMEMBER HOKAMA: If this project moves

1 forward, Mr. -- my last question, Chairman,
2 thank you -- and the application, of course,
3 they're in lot sale program. They're not
4 going to build every lot out, as I am
5 understanding this proposal. So as each, I
6 guess, potential new owner decides exactly
7 what is to be built on that lot regarding
8 light industrial permitted uses, is then
9 they're going to come in and then you will
10 have your opportunity to actually get the
11 specific requirements of water and then you'll
12 make your decision on whether or not to
13 approve a permit application? Is that how it
14 would work, Mr. Director?

15 MR. ENG: Well --

16 COUNCILMEMBER HOKAMA: Or at the subdivision
17 approval process?

18 MR. ENG: Yeah, I think pursuant now to the new
19 water availability bill, that we basically
20 need to verify water that will serve the
21 entire project, rather than piecemeal. And
22 plus, it would be such a burden on my
23 Department to have to evaluate every single
24 project or lot within that --

25 COUNCILMEMBER HOKAMA: So the Applicant actually

1 needs to come in and -- be confident enough
2 for you to demonstrate that there is in excess
3 of 840, 860,000 gallons per day capacity to
4 deal with the project --

5 MR. ENG: Yes.

6 COUNCILMEMBER HOKAMA: -- in its entirety?

7 MR. ENG: Or by the time the project is built out.

8 So I would think they could even phase their
9 verification with their build out timing.

10 COUNCILMEMBER HOKAMA: Oh, okay. Okay.

11 Chairman, thank you for my opportunity

12 CHAIR MOLINA: Okay, thank you, Mr. Hokama.

13 Committee Members, questions for the
14 Water Director as it relates to this project?
15 Okay, very well.

16 Thank you, Mr. Director. Appreciate you
17 spending part of your day with us.

18 Committee Staff, have we had any
19 other -- first of all, we had no request for
20 the Fire Department, so we will not be calling
21 Captain Martin down, and we did hear from
22 Housing, so at this point we've pretty much
23 heard from everyone. I'm going to direct
24 Staff to draft a letter to the -- not Solid
25 Waste. Was it Environmental -- related to

1 Mr. Hokama's condition for a -- to look for
2 land for a future Central Maui regional
3 wastewater treatment plant, so if we could
4 draft a letter just to get their comments, Ms.
5 Nakata, so if we could have that done.

6 And you've received a proposed condition
7 from the Chair, very simple, which basically
8 states that Alexander & Baldwin, Inc. shall
9 work with the Department of the Police to
10 establish a police substation within the
11 project.

12 I'd like to call upon Mr. Chun to get
13 his comments. And, Members, of course I await
14 your comments well, if this is something that
15 you can support or would like to consider
16 having it modified.

17 Mr. Chun, your comments on this proposed
18 condition from the Chair?

19 MR. CHUN: Thank you, Mr. Chair. We would be
20 agreeable to complying with the proposed
21 condition pertaining to the police substation.

22 CHAIR MOLINA: Okay, thank you very much, Mr. Chun.

23 Members? Mr. Hokama.

24 COUNCILMEMBER HOKAMA: Chairman, are you open to
25 allowing me to ask Mr. Chun for a potential

1 future consideration also?

2 CHAIR MOLINA: Go ahead. Floor is wide open.

3 Mr. Chun, are you ready?

4 COUNCILMEMBER HOKAMA: And, Mr. Chun.

5 MR. CHUN: Let me get a blank sheet of paper.

6 COUNCILMEMBER HOKAMA: No, I don't consider it to be
7 that difficult, Mr. Chun. Of course, that's
8 my perspective. And I have no problem with
9 you referring back to your senior management
10 to see if it's something your entity as the
11 Applicant is open to or not, but my request to
12 you for consideration is that while we have
13 the issue of what we may want to do with super
14 stores down the road, there is no policy
15 currently. And we have sent our proposal to
16 the Planning Commissions. They are returning
17 their review and comments, suggestions, no
18 suggestions back to us. Would you have any
19 problems with complying with whatever the
20 Council's policy may be in the future
21 regarding that issue?

22 MR. CHUN: I don't think we'd have a choice. The --
23 to the extent that the Council establishes a
24 blanket policy that affects --

25 COUNCILMEMBER HOKAMA: Everyone.

1 MR. CHUN: -- everyone, yeah, I guess we'd be
2 included in the category of everyone.

3 COUNCILMEMBER HOKAMA: Well, I'm being upfront that
4 it may come down, and, again, it may never
5 happen, it may happen shortly, it may come in
6 years down the road, but, you know, I just
7 trying to be upfront that we already have the
8 item.

9 MR. CHUN: Right, I'm aware of that. Thank you.

10 COUNCILMEMBER HOKAMA: And we are receiving what we
11 intended to, which is feedback from community
12 and from the Commissions regarding this issue
13 and whether or not Maui County would -- is
14 going to establish a formal policy or not. So
15 I'm just being upfront, as an Applicant that
16 may be impacted one way or another, that I
17 would in your past performances continue to
18 expect full compliance.

19 MR. CHUN: Thank you, Mr. Hokama.

20 COUNCILMEMBER HOKAMA: Thank you, Mr. Chun.

21 CHAIR MOLINA: Thank you, Mr. Hokama.

22 Committee Members, any other questions
23 or proposals for conditions? I guess we can
24 begin the discussions of conditions as far as
25 making decisions on them. We'll see how far

1 we get to, but as far as a final decision on
2 this project, I think it's better we spend the
3 time to make that decision at another time.

4 Member Johnson.

5 COUNCILMEMBER JOHNSON: Yes, Grant, you heard what I
6 had asked earlier about agricultural land
7 displacement. I know you're already looking,
8 and other Members have made requests for a
9 variety of purposes for lands not necessarily
10 located within this area, but would you have
11 any objection to visiting with Maui Farm
12 Bureau and trying to come up with some kind of
13 a suggestion for possible uses, an
14 agricultural park, and what site you might
15 consider?

16 I know water is going to be always a
17 challenge in the Upcountry area, but I'm
18 really concerned about some of the
19 displacement of agricultural lands, not
20 necessarily by your company, but other
21 entities are really displacing a lot of our
22 farming community with the conversion of ag
23 land. So I'm not looking for huge acreage,
24 but something that we could also utilize for
25 possibly an ag park. Would you be agreeable

1 to that?

2 MR. CHUN: You know, just to speak -- in answer to
3 your question, we'd be happy to speak with the
4 Farm Bureau on that topic, but I just want to,
5 for the record, reiterate a comment that you
6 just made, Ms. Johnson. Really, please
7 understand, everyone, that the -- you know,
8 this company is the largest farmer in the
9 State of Hawaii, very, very committed to the
10 proposition of continuing agriculture. The
11 lands that we, in fact, farm, upwards of
12 35,000 acres of land here on this island, as
13 well as lands on Kauai. And the lands that
14 are impacted by this request have previously
15 been in sugar. They're not lands that are
16 being removed from use by third-party farming
17 interests. And I know you know that, but I
18 figure for the record we need to make sure
19 that that's established.

20 But that said, we have a very
21 cooperative, very symbiotic, really,
22 relationship with the Farm Bureau and have
23 always, as I'm sure you're aware, been very,
24 very supportive of the efforts of our local
25 farmers, right down to helping them, you know,

1 have economies of scale in purchasing their
2 fertilizer, for instance, you know, along with
3 the HC&S plantation. I mean, it's been a very
4 cooperative and sort of a brother-sister sort
5 of relationship. You know, and in that regard
6 we're constantly working with them. Members
7 of our staff at HC&S are constantly engaged in
8 discussions with the Farm Bureau as far as
9 issues facing farmers, both locally and on a
10 Statewide, you know, basis.

11 But, yeah, in -- to answer your
12 question, we'll have that discussion with
13 them.

14 COUNCILMEMBER JOHNSON: Yeah, and the only reason
15 that I ask is because when you're looking at
16 employment and employment opportunities, I had
17 a conversation with someone who is a farmer
18 the other day, and one of the biggest
19 challenges she was facing or she felt the
20 farming community was facing was land that is
21 either reasonably priced or available for
22 lease on a long-term basis and also water, so
23 those are the two issues that she felt was
24 very important. And because we have other
25 workers that are being displaced because of

1 some decisions outside of your control that,
2 you know, are looking for opportunities, when
3 I look at any available agriculture land or
4 previously zoned ag land, I'm really looking
5 at trying to provide opportunities for those
6 people that want them. So I really appreciate
7 that, Mr. Chun, and if you could get back with
8 us, I'd also appreciate that. Thank you.

9 CHAIR MOLINA: Okay, thank you, Member Johnson.

10 Committee Members, any other questions
11 for Mr. Chun? Okay, seeing none.

12 Thank you, Mr. Chun. You can take a
13 seat for now.

14 MR. CHUN: Thank you, Mr. Chair.

15 CHAIR MOLINA: Be prepared to come back up at a
16 moment's notice. Thank you.

17 All right, Members, we shall begin the
18 discussions of the proposed conditions that
19 the Committee has received today. Your Chair
20 has submitted one and Chairman Hokama has
21 submitted roughly four. Well, two to replace
22 two existing conditions and two additional
23 conditions to add.

24 We'll start off with a simple one from
25 the Chair, which is a condition for a police

1 substation, for the Applicant to work with the
2 Maui Police Department. Any objections?

3 Staff, can we do this as a friendly
4 amendment or would it be more appropriate to
5 do this in the form of a motion?

6 MS. NAKATA: Well, there is no motion on the --

7 COUNCILMEMBER JOHNSON: There's no motion --

8 MS. NAKATA: -- the bill pending right now.

9 CHAIR MOLINA: All right, so we can just incorporate
10 it as a friendly amendment? We can just take
11 it under consideration?

12 MS. NAKATA: Well, I guess -- -- I guess there would
13 either need to be a motion for the bill put on
14 the floor --

15 CHAIR MOLINA: Oh, okay.

16 MS. NAKATA: -- or to have --

17 CHAIR MOLINA: At that point --

18 MS. NAKATA: -- the conditions addressed informally.

19 CHAIR MOLINA: And at that point, then we can
20 incorporate it officially. Okay. All right.

21 So, Members, any comments on the Chair's
22 proposed condition? Is that something we
23 would like to consider?

24 COUNCILMEMBER HOKAMA: Sure.

25 COUNCILMEMBER JOHNSON: Yes.

1 CHAIR MOLINA: All right, so no additional
2 discussion on that. Good. Let's move on to
3 Chairman Hokama's proposal.

4 Staff, could you read the -- Chairman
5 Hokama's first proposal, to replace Condition
6 1 from the Maui Planning Commission, and, for
7 the record, could you read the existing
8 condition as stated in exhibit B.

9 MS. NAKATA: The existing condition reads as
10 follows: "Number 1, that A&B Properties, Inc.
11 shall work with the Department of Parks and
12 Recreation, DPR, to evaluate the feasibility
13 of utilizing the existing drainage retention
14 basins adjacent to the south project area for
15 open area recreational purposes. If the DPR
16 and A&B Properties, Inc. agree that the
17 retention basins are, or portions thereof can
18 be feasibly used for recreation purposes, A&B
19 Properties, Inc. and the DPR shall enter into
20 a bilateral agreement to participate
21 financially and to set forth the terms for
22 such recreational use. A&B Properties, Inc.
23 shall submit to the Department of Planning a
24 letter from the DPR confirming that
25 coordination efforts have been initiated prior

1 to the granting of final subdivision
2 approval."

3 CHAIR MOLINA: Okay, thank you, Ms. Nakata. And
4 Mr. Hokama's proposal will be to substitute
5 the wording in that condition with his.

6 And, Staff, for the record, can you go
7 ahead and share with us what Mr. Hokama's
8 proposal is?

9 MS. NAKATA: Yes, Mr. Chair. Replacement Condition
10 Number 1: "That Applicant shall work with the
11 Department of Parks and Recreation and the
12 Department of Public Works to evaluate the
13 feasibility of utilizing the existing drainage
14 basins adjacent to the south project area for
15 open area recreational purposes. If the DPR,
16 DPW, and Applicant agree that the drainage
17 basins or portions thereof can be feasibly
18 used for recreational purposes, the Applicant
19 and DPR shall either, A, agree upon the terms
20 of the dedication of the basins to the County
21 for review and approval by the Council, or, B,
22 if the basins will not be dedicated to the
23 County, establish appropriate protocols for
24 private third-party users to maintain and
25 exercise stewardship over the area. The

1 Applicant shall not be entitled to any park
2 credits for the use of the basins for park
3 purposes."

4 CHAIR MOLINA: Okay, thank you, Ms. Nakata.

5 Before I ask for the Member's comments,
6 Corporation Counsel, any comments?

7 Mr. Giroux.

8 MR. GIROUX: At this point all I can say is that we
9 try to avoid using the word Applicant and just
10 plug in Alexander & Baldwin.

11 CHAIR MOLINA: Okay.

12 MR. GIROUX: I'd have to look at the condition more
13 to -- for any additional comment.

14 CHAIR MOLINA: Okay, thank you, Mr. Giroux.

15 Committee Members, questions on
16 Mr. Hokama's proposal? Member Anderson.

17 COUNCILMEMBER ANDERSON: Thank you, Chair. I'm just
18 wondering if I could get an explanation. I
19 don't know, I guess maybe it's
20 self-explanatory, that the 2-acre park that
21 he's asking for in condition 7.

22 CHAIR MOLINA: Member Anderson, is this in relation
23 to Condition 1? We're currently --

24 COUNCILMEMBER ANDERSON: Yeah, I'm just making sure
25 that this 2-acre park is in addition to using

1 this drainage basin --

2 CHAIR MOLINA: We'll ask Mr. Hokama for
3 clarification.

4 Mr. Hokama, can you respond to Member
5 Anderson's --

6 COUNCILMEMBER ANDERSON: Because, I mean, I guess
7 you're asking for an additional 2 acres to be
8 attached to the affordable house project?

9 COUNCILMEMBER HOKAMA: That is correct, Ms. Anderson
10 and Members. The potential use of the
11 retention basins, the drainage basins,
12 Members, again, in my perspective, needs to
13 remain the primary purpose of why it's there.
14 It's a drainage -- to take care of drainage
15 requirements during situations. If it can be
16 used, fine, and that's why you notice at the
17 end of my proposed Condition 1, no park
18 credits will be utilized.

19 COUNCILMEMBER ANDERSON: Right.

20 COUNCILMEMBER HOKAMA: Because the purpose is still
21 as a drainage basin. And you're absolutely
22 correct in your understanding, Ms. Anderson,
23 the additional 2 acres that I'm asking for in
24 Condition 7 revision is additional 2 acres.

25 COUNCILMEMBER ANDERSON: Above the 22?

1 COUNCILMEMBER HOKAMA: That is correct.

2 COUNCILMEMBER ANDERSON: Okay, so then the other
3 question I had, Mr. Chairman, in regards to
4 Condition 1, I mean, it looks like we're
5 leaving it up to the Applicant and the
6 Department of Parks and Recreation, and I
7 guess also Public Works, as to whether or not
8 these drainage basins would be sufficient for
9 recreational use. And I'm just wondering if
10 we don't have anyone -- I guess we did have
11 someone yesterday from Public Works and he
12 couldn't really tell us. I'm wondering if
13 they have a consultant with us today that
14 could reassure us that these basins, there is
15 the potential for that use and that they're
16 not going to be needed to alleviate any of the
17 flooding at Dairy Road, or if that has all
18 been taken care of.

19 CHAIR MOLINA: All right, let me ask Mr. Chun.

20 Mr. Chun, is there someone that can
21 respond to Member Anderson's --

22 COUNCILMEMBER ANDERSON: Because I know the State
23 Land Use Commission said that they needed to
24 do something about the drainage of this
25 project to not -- actually to not add to the

1 flooding on Dairy Road and Hana Highway, but
2 also to cure that problem.

3 CHAIR MOLINA: Mr. Chun.

4 MR. CHUN: Thank you, Mr. Chair. We have members of
5 the firm that has participated in the civil
6 engineering work on the project to date, and
7 I'd be happy to have one of the engineers come
8 forward to help address these questions.

9 CHAIR MOLINA: By all means. Please come on up. If
10 you could just state your name and the
11 organization that you represent.

12 MS. NGUYEN: My name is Trang Nguyen, and I'm a
13 civil engineer. I'm working for Austin
14 Tsutsumi & Associates. To answer your
15 question, the existing retention basin,
16 currently right now it's -- it was designed to
17 take the runoff for Phase I-B, and currently
18 there is no outlet and it's meant to just have
19 the through infiltration and percolation to
20 drain off the runoff.

21 Out of the whole year, I think with the
22 amount of rainfall that typically happens in
23 Maui, I think you can expect about one month,
24 about one month of the year where you'll see
25 water a little bit ponding in the retention

1 basin.

2 Now, with the --

3 COUNCILMEMBER ANDERSON: Would that be one month in

4 total or, you know --

5 MS. NGUYEN: Kind of like the duration.

6 COUNCILMEMBER ANDERSON: Spread out?

7 MS. NGUYEN: Yeah, spread out.

8 COUNCILMEMBER ANDERSON: Yeah.

9 MS. NGUYEN: I guess 30 days out of the year.

10 COUNCILMEMBER ANDERSON: Okay.

11 MS. NGUYEN: With the new development, the south

12 project area, we've been doing a drainage

13 study, and our drainage scheme is to

14 propose -- to construct an outlet at the

15 retention basin so that the water accumulated

16 from south project area will be completely

17 drained off of the basin. So you won't see

18 any, you know, water being accumulated at all.

19 CHAIR MOLINA: Thank you. Member Anderson.

20 COUNCILMEMBER ANDERSON: So the south project area,

21 the 141 acres, will also be draining into

22 these two existing retention basins?

23 MS. NGUYEN: Yes.

24 COUNCILMEMBER ANDERSON: But then you're going to

25 have an outlet so that they don't pond.

1 MS. NGUYEN: Exactly.

2 COUNCILMEMBER ANDERSON: An outlet would go where?

3 MS. NGUYEN: The outlet will be ultimately connected
4 to the A&B channel that will drain off to the
5 ocean, and that channel was designed to take
6 the runoff from Maui Business Park Phase I and
7 Phase II.

8 COUNCILMEMBER ANDERSON: And will any of that runoff
9 go towards the Kanaha -- Kanaha Pond?

10 MS. NGUYEN: No.

11 COUNCILMEMBER ANDERSON: It will not?

12 MS. NGUYEN: No.

13 COUNCILMEMBER ANDERSON: So where does it outlet to
14 the ocean?

15 MS. NGUYEN: Through Kalialinui Gulch.

16 COUNCILMEMBER ANDERSON: Where --

17 MS. NGUYEN: Close to Kanaha Beach.

18 COUNCILMEMBER ANDERSON: Okay, thank you.

19 CHAIR MOLINA: Thank you, Member Anderson.

20 Committee Members, any other questions
21 for the engineer? Mr. Medeiros.

22 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

23 Yes, I want to ask, on the two retention
24 basins that now exist, are they independent of
25 each other, that one doesn't flow into the

1 other?

2 MS. NGUYEN: Actually, one is deeper than the other,
3 but once one is completely full up to the
4 depth of the next one, it will be
5 interconnected, so it's meant to act as one.

6 COUNCILMEMBER MEDEIROS: So when one of them fills
7 to a certain height, it's designed to flow
8 into the other one --

9 MS. NGUYEN: Yes.

10 COUNCILMEMBER MEDEIROS: -- to take the excess
11 water?

12 MS. NGUYEN: Yes.

13 COUNCILMEMBER MEDEIROS: Okay. What are your
14 feelings about -- or what is your engineering
15 background assessment on -- because we had a
16 retention -- sort of a retention basin in West
17 Maui where the bottom got hardened and then it
18 wouldn't drain anymore. It ponds all the
19 time. And I'm just wondering, do you think
20 the use by athletic players constantly, you
21 know, pounding on that ground and hardening it
22 will have an effect on the percolation or the
23 permeability of the basins?

24 MS. NGUYEN: I think once, you know, we plan to
25 design the retention basin to serve as a

1 soccer field or baseball field, we would need
2 to look at, you know, the material to use, you
3 know, for the surface, and then definitely
4 there will be a need for a controlled outflow,
5 so that way it will always be good drainage
6 for that surface area. So whatever that's
7 been happening for the retention basin that
8 you mentioned in West Maui, so maybe at one
9 point, you know, maybe there was no outflow
10 designed so, then, over time I guess the
11 drainage is not performed as what it was
12 designed to be. And just like anything else,
13 maintenance is important too, so you can't
14 just let it sit there and expect it to perform
15 like how it was designed. Maybe it's been
16 badly maintained.

17 COUNCILMEMBER MEDEIROS: Okay, thank you for that
18 information. But the design of those two
19 basins as it relates to this project will be
20 improved so that there will now be an outlet
21 to a drainage system that will take the water
22 out to the ocean?

23 MS. NGUYEN: Yes.

24 COUNCILMEMBER MEDEIROS: I see. Now, will that
25 drainage from those basins be at the floor

1 level of the basins or up higher when it
2 reaches a certain height?

3 MS. NGUYEN: I think it will be set not right at the
4 bottom of the basin, just because so that we
5 can control the outflow rate, because you --
6 first you want the basin to serve as a storage
7 area for the storm runoff, and then let it
8 slowly outflow over time.

9 COUNCILMEMBER MEDEIROS: Okay. My concern of asking
10 these questions is that whether those basins
11 be used for athletic fields through a private
12 partnership or by the County concerns me that
13 if it's with the County, then the County is
14 going to be responsible for those fields and
15 for the performance of the drainage which is
16 its initial design. And, you know, I can see
17 possibly the County have to go in, if the
18 County is going to take on these two basins,
19 to have to be sure that they perform primarily
20 as a drainage retention basin, which you're
21 going to design for this project to have an
22 outlet. And if it's -- if the County is going
23 to take on this basin for athletic purposes,
24 then the County is going to be responsible to
25 do that kind of maintenance and assurance that

1 the basins will function as drainage basins.

2 What are your comments on that?

3 MS. NGUYEN: Well, I think as a design consultant, I
4 mean, we could tailor a maintenance program
5 for the County to follow, and I guess -- I
6 mean, for us as the design consultant to kind
7 of I guess not certify, but, you know,
8 guarantee the ultimate performance of the dual
9 purpose of the retention basin as an athletic
10 field. I mean, we're not in a position to
11 guarantee anything. If it's meant for the
12 County to maintain it, then, you know, we
13 should take responsibility to, you know,
14 ensure the performance of it.

15 COUNCILMEMBER MEDEIROS: Right.

16 MS. NGUYEN: But, you know, definitely we can tailor
17 a maintenance program.

18 COUNCILMEMBER MEDEIROS: Yeah, it would only be the
19 County's responsibility if we were in an
20 agreement to utilize that. If it stayed
21 private, the County would have no
22 responsibility to maintain retention basins;
23 is that correct?

24 MS. NGUYEN: Yes, I guess so. I mean, that is also
25 up to A&B Properties to -- (telephone ringing)

1 COUNCILMEMBER MEDEIROS: Sorry.

2 COUNCILMEMBER HOKAMA: Time's up.

3 COUNCILMEMBER ANDERSON: I have some questions.

4 CHAIR MOLINA: Mr. Medeiros, you ready to proceed or
5 are you done?

6 COUNCILMEMBER MEDEIROS: You didn't give us a
7 reminder on the noise makers.

8 CHAIR MOLINA: That's okay.

9 COUNCILMEMBER MEDEIROS: Sorry. I apologize for
10 that, Mr. Chair, but I think it was going off
11 at 4:00 because you said we were going only to
12 4:00.

13 CHAIR MOLINA: On the hour.

14 COUNCILMEMBER MEDEIROS: Right. That's all the
15 questions I have for the engineering
16 consultant, and I appreciate her answers. I
17 know some of them was not within your purview
18 and it would be more for the Applicant, but
19 thank you for your answers.

20 Mahalo, Mr. Chairman.

21 CHAIR MOLINA: Thank you, Mr. Medeiros.

22 Mr. Victorino, questions for the
23 engineer?

24 COUNCILMEMBER VICTORINO: Yes, thank you.

25 I'm curious, on this map, if you take

1 that purple-ish map down, just take that map
2 down, because that map shows basically the
3 area in question and the ocean or the Kanaha
4 Beach -- the Kanaha reserve, also the ocean,
5 and where approximately would this runoff go?
6 Because I think -- I'm very curious to find
7 out where the runoff exactly ends up. And I
8 have a general vague idea, but I think I want
9 to know and the public would like to know,
10 because there's a couple other issues I'm
11 going to bring up right after that, but --

12 MS. NGUYEN: We brought an exhibit --

13 COUNCILMEMBER VICTORINO: Oh, very good.

14 MS. NGUYEN: -- with us to show the proposed
15 drainage.

16 COUNCILMEMBER VICTORINO: Yeah, this one doesn't
17 really do a good job. Yeah, I know. I know.
18 No, further down. I can't really see that
19 one, but that's okay.

20 COUNCILMEMBER ANDERSON: Come on up here, Mike.

21 CHAIR MOLINA: Excuse me. Hang on for a second.
22 We'll provide you a microphone. Maybe through
23 Mr. Chun or the engineer, could we maybe get a
24 shrunken copy of that provided for each Member
25 at a later point? Okay, you can continue.

1 MS. NGUYEN: This is the retention basin, and the
2 controlled outflow pipeline that we're
3 proposing to construct is located about here,
4 and it will outflow through the CON/SPAN that
5 currently is in place under Hana Highway, and
6 it will serve as a conveyance to the A&B
7 channel, and leading to the Kalialinui Gulch,
8 which outlets to the ocean.

9 COUNCILMEMBER VICTORINO: Okay. Okay. So with that
10 in mind, and being that -- oh, yeah. The
11 other concern I have with what you just
12 explained is this is going to be a runoff for
13 your industrial area, light industrial area.
14 And light industrial areas tend to have, and
15 at times maybe more, maybe less, but there may
16 be chemical exposures that may, with heavy
17 rainfall, flow into this and out. And I'm
18 concerned, number one, if we put in a playing
19 field, practice field, I don't care what, what
20 kind of residual effects it could have on our
21 children playing in it or using it, or anybody
22 for that matter. And secondly, if we have a
23 heavy rainstorm and water then goes from this
24 light industrial area directly out to the
25 ocean, picking up a bunch of contaminants that

1 could exist -- now, you know, I don't know
2 what's going there. Mr. Chun also explained
3 he doesn't know what exact businesses are
4 going there. But with all the problems that
5 could exist, has there been thought of
6 putting, like they've done in other projects,
7 like catchments, where if contaminants were to
8 go down, there are -- what is the word I want
9 to use -- absorbants that will catch it before
10 that water goes out to the ocean? And what
11 protection that could be built in for if we
12 make these playing fields, or recreational
13 fields or whatever they become, for which
14 people get on that we somehow minimize any
15 possibility of contaminants running off from
16 this project into that retention basin and
17 into the ocean itself? That was a multiple of
18 questions, so I'll give you some time to
19 answer each one.

20 MS. NGUYEN: Okay. Currently at our company all the
21 projects that we've been designing for the
22 County of Maui, we're using best management
23 practice to treat the storm water that outlets
24 into the storm drain system. So there are
25 various methods to actually catch the

1 pollutants, you know, right at the beginning,
2 such as right at the catch basins before it
3 enters into the public storm drain system.

4 So for Maui Business Park Phase II, we
5 will be employing the same method to make sure
6 that the storm water that enters into the
7 public system will be clean and free of any
8 pollutants. So that's a very, you know,
9 conscious effort right now as far as
10 engineering design is concerned. So, you
11 know, that will be part of our design.

12 COUNCILMEMBER VICTORINO: And the design will be
13 before it gets into the catchment area or
14 after it leaves the catchment area?

15 MS. NGUYEN: Well, we -- the design is meant to
16 catch it before it enters in the storm drain
17 system, so, I mean, right now there are many
18 methods to do so, and at the beginning of --
19 at this beginning stage of the project, you
20 know, we're -- it's still very preliminary, so
21 we haven't really come up with any concrete
22 methods for this particular project, but I'd
23 just like to assure you that that will be part
24 of the design.

25 COUNCILMEMBER VICTORINO: Okay, and the last

1 question, Mr. Chair, when you design what you
2 just described to us, we have two levels of
3 catchment, right, two separate -- one is
4 higher than the other. You will design your
5 runoff on the lower one, not on the higher
6 one; am I correct in saying that?

7 MS. NGUYEN: You mean as far as the retention
8 basins?

9 COUNCILMEMBER VICTORINO: Yeah, the retention
10 basins, yes, exactly. Because you said there
11 were two levels, right?

12 MS. NGUYEN: Yeah, right. Yes, it will be on the
13 one with the lower depth.

14 COUNCILMEMBER VICTORINO: The lower depth. Because,
15 again, I was making sure that, if anything, if
16 we have a flow and it fills that one, that the
17 upper one would not be affected, unless it's a
18 hundred year storm and some astronomical
19 amount of water, but in overall just the
20 average every year rainfall, if just the lower
21 side gets not used, that's okay for one month,
22 but now we got the upper side that can be used
23 year round pretty much and not be affected.

24 MS. NGUYEN: And just to kind of make a note that
25 because the area is larger than 100 acres --

1 COUNCILMEMBER VICTORINO: Yes.

2 MS. NGUYEN: -- that the design code calls for
3 100-year storm --

4 COUNCILMEMBER VICTORINO: Yes.

5 MS. NGUYEN: -- when we look at retention basin.

6 COUNCILMEMBER VICTORINO: Yes. Well, we thank you.

7 I thank you.

8 Thank you, Mr. Chair. Thank you very
9 much.

10 CHAIR MOLINA: Thank you, Mr. Victorino.

11 Committee Members, questions for the
12 engineer? Member Anderson.

13 COUNCILMEMBER ANDERSON: Thank you, Chair.

14 I think I heard you say -- I think I
15 heard you say that any chemical or hazardous
16 waste would be retained onsite and not go into
17 the catchment basin; is that correct?

18 MS. NGUYEN: Well, there are various methods to
19 treat the pollutants or contain the pollutants
20 before it enters the storm drain system, so --

21 COUNCILMEMBER ANDERSON: No, I'm saying before it
22 enters the retention basin. In other words,
23 once you, you know, subdivide up this project
24 and have different people come in, light
25 industrial uses often include the use of

1 hazardous waste. So would those different
2 users be required to somehow contain their
3 hazardous waste within their lot and not allow
4 it to run off into the retention basin?

5 MS. NGUYEN: I believe that the current design code
6 of the Maui County does call for treatment of
7 any hazardous waste in their own lot before it
8 enters the public system. So later on the end
9 users who purchase each of the lots, they will
10 be responsible for treating their hazardous
11 waste.

12 COUNCILMEMBER ANDERSON: And retaining it onsite?

13 MS. NGUYEN: Yes.

14 COUNCILMEMBER ANDERSON: Not allowing it to be --
15 run off into the catchment?

16 MS. NGUYEN: Yes, that's correct.

17 COUNCILMEMBER ANDERSON: Okay. We might want to put
18 a condition in to state that specifically,
19 Mr. Chairman, because if we're going to allow
20 these basins -- we're hoping that these
21 retention basins will be used for recreational
22 purposes, we certainly don't want any, like
23 Mike said, any kind of chemicals that would
24 harm the children.

25 Then the other question I have, if maybe

1 you want to look at that map that you just
2 took down. And it shows the two different
3 retention basins, and the one that's closest
4 to Hookele Street, there is quite a bit of
5 area on either side of that basin, and it kind
6 of looks like -- you know, the basin,
7 obviously, is a lower elevation than the
8 surrounding land. And so what I'm getting at
9 is is there any reconfiguration that you're
10 going to have to do for these two retention
11 basins to take the additional runoff from the
12 South Maui -- or the south project area that
13 would require you to reconfigure those basins
14 in any way?

15 And what I'm getting at is I'd like to
16 see parking. Because it's not going to help
17 us to have playing fields here, Members, if
18 there's no place for people to park. So I'm
19 thinking would it be feasible to have parking
20 on either side of that retention basin that's
21 closest to Hookele Street?

22 MS. NGUYEN: Well, I think that could be, you know,
23 an option that we can look at during design,
24 but, you know, right now we have a preliminary
25 design of the Hookele Street and we can drain

1 the entire south project area into the two
2 retention basins.

3 COUNCILMEMBER ANDERSON: As they exist right now?

4 MS. NGUYEN: Yes.

5 COUNCILMEMBER ANDERSON: So that means that area on
6 either side of the retention basin closest to
7 Hookele -- you know, it's hard for me to
8 imagine, but this is 33 acres, so that's at
9 least 15 acres, that lower basin area, so that
10 seems like that's plenty of room for parking
11 on the parameter of the retention basin.
12 Would you agree?

13 MS. NGUYEN: We can -- well, I guess it's also up to
14 A&B Properties also, but we can certainly look
15 at it as an option.

16 COUNCILMEMBER ANDERSON: I'm just asking you. If
17 you don't have to enlarge these basins and
18 there's that area available, then at least
19 there's a potential for parking there.

20 MS. NGUYEN: If anything, I think that area should
21 be served as a maintenance road for the
22 retention basin. Because definitely with the
23 dual purpose, you know, for these retention
24 basin, it will need to be maintained and we'll
25 need access around it. So I'm not sure if

1 it's a good idea to use it all up as parking
2 spaces, but we can certainly look at it.

3 COUNCILMEMBER ANDERSON: If maybe between now and
4 the next time we meet you could do a closer
5 look at this and see how much -- because that
6 looks like a lot of area to me. I mean, it's
7 hard to tell on this little tiny map, but if
8 that represents 15-plus acres, seems like
9 that's quite a bit of space around the
10 parameter. But if you could take a look at
11 that and let us know, because, you know, if we
12 really want these to be used for playing
13 fields, we do have to provide parking
14 somewhere, Chair, and I don't see anyplace
15 else. So if you can maybe take a look at that
16 for us.

17 MS. NGUYEN: Yes.

18 COUNCILMEMBER ANDERSON: Thank you.

19 CHAIR MOLINA: Thank you, Member Anderson.

20 Mr. Pontanilla?

21 VICE-CHAIR PONTANILLA: Thank you. I just want to
22 make a comment here in regards to drainage.
23 As you know, a couple weeks ago we had an
24 Applicant come to us in regards to doing some
25 improvements in Paia, and one of the things

1 that they discussed with us are drainage
2 filters. And, you know, I think I told the
3 gentleman that's the first time that somebody
4 ever came to us and told us that they were
5 going to use drainage filters, but, you know,
6 your comments about using the best practice
7 management is a good one, and, you know,
8 talking to the Public Works Deputy at that
9 time, I think it's part of the standards that
10 we have that we could filter the drainage
11 areas. In this case here, the one in Paia
12 was, you know, providing the filters in
13 private property or subdivision lots. So
14 thank you for your comments in regards to
15 drainage.

16 CHAIR MOLINA: Members, additional questions?

17 Mr. Medeiros.

18 COUNCILMEMBER MEDEIROS: More of a point of
19 information, Mr. Chairman, but I'm not sure if
20 the engineer is familiar with it, but I
21 believe there are EPA laws that require
22 individual businesses to take care of their
23 own chemical waste, whether it's an auto
24 mechanic shop, they're responsible not to let
25 any of that get into drainage systems, and

1 also for those companies that have bigger
2 operations where they're working on heavy
3 equipment or washing down heavy equipment,
4 that they have to do it in a contained area
5 where that -- the result of the maintenance
6 goes into a place where it doesn't go to the
7 public drainage, that they have to dispose of
8 all their own chemicals and the results of
9 their operations. So are you familiar with
10 the EPA laws on that?

11 MS. NGUYEN: Well, I've worked on service stations,
12 gas stations where they require underground
13 vaults that will treat the storm water to
14 separate out the pollutants before the clean
15 storm water goes into the public system, and
16 then, you know, whatever solids that get
17 trapped into the underground vaults, that
18 needs to be hauled off somewhere.

19 COUNCILMEMBER MEDEIROS: Right. And I just wanted
20 to bring up that point of information,
21 Mr. Chairman, because the tenants of the
22 project bear some responsibility for the
23 disposal of the chemicals from their
24 operations, and it doesn't necessarily, you
25 know, make it a requirement for the drainage

1 system to do that, the public drainage system,
2 but more so for the tenants of the project.

3 Mahalo, Mr. Chairman. Thank you.

4 CHAIR MOLINA: Thank you, Mr. Medeiros. That's a
5 good point that you make.

6 Committee Members, any other questions?

7 Mr. Victorino.

8 COUNCILMEMBER VICTORINO: Just to add to that, I
9 just want to make sure that even though we
10 have the tenants who's supposed to be doing
11 this, that we have them make sure if we're
12 going to have any recreational usage of this
13 property, those retention basins, that there
14 is an extra safeguard put in place, and I
15 think you've covered that. And I want to make
16 sure that that is very important. If it was
17 just going to be a retention basin, I may not
18 be so adamant about it, but I really believe,
19 because even with best management on the
20 tenants' part, we need that backup, and I
21 think that's very important that A&B
22 understands that this is -- if we're going to
23 allow a recreational use for our children and
24 our other people of Maui County, that there is
25 no ability for chemicals to get down there

1 from these areas, and I think that's what I
2 want to make sure perfectly clear. I know
3 what the laws are and I'm not worried about
4 that. I want them to make sure that that's
5 put in as a safeguard, if that's what we're
6 going to have this purpose of this retention
7 basin, if that's allowed to be used that way.
8 Thank you, Mr. Chair.

9 CHAIR MOLINA: Thank you, Mr. Victorino.

10 Chairman Hokama.

11 COUNCILMEMBER HOKAMA: Thank you, Chairman. I was
12 just listening very intently to the engineer,
13 and I would agree with Mr. Medeiros. I think
14 there's enough State statute laws, Department
15 of Health rules and regulations, Federal EPA
16 guidelines that prohibit the entry of
17 hazardous material into our drainage systems,
18 and of course everything else with running red
19 lights and everything else, you may have bad
20 tenants that is just going to try sneak in,
21 dispose of certain materials in a very
22 inexpensive way, but more detrimental.

23 And maybe that's one of the reasons why,
24 Chairman, we don't build parks in industrial
25 areas, because we're dealing with industrial

1 uses, okay. You dealing with people that are
2 dealing with chemicals, whether it be
3 regarding to paint thinners, automotive oils,
4 hydraulic fluids, sulphates, oil-based paints,
5 grease, you know, it's -- there's enough
6 things that go around in an industrial area,
7 Chair, including the type of vehicles, which
8 is your semi-trailers, 40-foot containers, you
9 know, industrial area and young -- our young
10 people, it's -- I just worry about the mix,
11 and that's why we tend to put our parks in
12 residential subdivisions, Chairman, or in big
13 regional areas.

14 And so I just share my -- again, my
15 caution that if possible, great, but, again,
16 you know, we need to remember what is the
17 basic primary intended use of this property,
18 which is light industrial, Chairman. I thank
19 you very much.

20 CHAIR MOLINA: Okay, thank you Mr. Hokama.

21 Any other questions for the engineer?
22 If not, I want to thank you very much. Can I
23 get -- have your first and last name for the
24 record. I apologize. I missed it earlier.

25 MS. NGUYEN: It's Trang Nguyen.

1 CHAIR MOLINA: Trang Nguyen. Okay, thank you,
2 Ms. Nguyen. I know you probably didn't
3 anticipate being up there this long, but we
4 thank you very much for responding to the
5 questions from the Committee. Thank you.

6 Very good, Members, so at this point any
7 other comments on Chairman Hokama's condition
8 to -- recommendation to replace Condition 1
9 with this proposal? Can I initially get
10 consensus or -- Member Anderson.

11 COUNCILMEMBER ANDERSON: Yeah, I'm just wondering if
12 Member Hokama would be favorable to adding
13 some language in here regarding parking?

14 CHAIR MOLINA: Chairman Hokama?

15 COUNCILMEMBER ANDERSON: Excuse me, I would just
16 suggest where he says in the second paragraph,
17 if DPR, DPW, and Applicant agree that the
18 drainage basins or portions thereof can be
19 feasibly used for recreation -- recreational
20 purposes, including provisions for parking.

21 CHAIR MOLINA: Mr. Hokama, any response?

22 COUNCILMEMBER HOKAMA: You know, I'm going to be --
23 you know, since we're not making a final
24 decision, Chairman, I think, you know, part of
25 my purpose of putting this out this afternoon

1 is to receive comments like Ms. Anderson's. I
2 have no problem that we see if we can
3 incorporate as much as possible until we make
4 final decision on final language. So, again,
5 my intent was to receive the comments from the
6 Members, and I'm open to Ms. Anderson's
7 suggestion.

8 CHAIR MOLINA: Okay, very good.

9 Member Anderson?

10 COUNCILMEMBER ANDERSON: No, that's great. Thank
11 you.

12 CHAIR MOLINA: Okay, thank you. Members, we shall
13 move on from this, and ultimately we'll make a
14 final decision on this proposal as well, so at
15 this point the Chair is just gauging your
16 comments on the proposed condition from --
17 Condition 1 from Member Hokama.

18 Let's move on to replacement Condition
19 Number 7. Members, comments? And let's have
20 Staff, for the record, read Condition 7 as
21 it's written currently, and Member Hokama's
22 proposal is to replace that with his language.

23 MS. NAKATA: Condition Number 7 currently reads:

24 "With respect to the project's affordable
25 housing requirements, A&B Properties, Inc.'s

1 contribution of land for affordable housing
2 shall comply with the following: A, as
3 determined by the Maui County Council, the
4 amount of contributed land should be
5 reasonably sufficient to meet the anticipated
6 affordable housing impacts of the project; B,
7 a site assessment of the proposed location
8 should be undertaken to evaluate the
9 availability of infrastructure, physical
10 characteristics, and suitability for
11 residential development; and C, to the extent
12 practical, preference for housing should be
13 given to employees of the project. The
14 foregoing affordable housing requirement may
15 be fulfilled by other mitigation measures,
16 subject to the approval of the Maui County
17 Council."

18 CHAIR MOLINA: Okay. There it is, Condition 7 from
19 the Planning Commission. Now, if -- Ms.
20 Nakata, if you could go ahead and read
21 Mr. Hokama's proposal to replace Condition 7
22 with his language.

23 MS. NAKATA: Yes, Mr. Chair. "That the Applicant
24 shall provide land for affordable housing,
25 park, and a community center at the

1 approximate location of the terminus of
2 Kamehameha Avenue near the new Maui Lani Park
3 and Pomaikai Elementary School as follows: A,
4 approximately 22 acres for affordable housing
5 purposes; B, approximately 6 acres for Kahului
6 Community Center; C, approximately 2 acres for
7 park purposes. The precise location of these
8 lands shall be acceptable to the County
9 Departments of Housing and Human Concerns and
10 Parks and Recreation and the Applicant shall
11 perform archeological and topographic surveys
12 of the land for the County's evaluation of the
13 property's acceptability."

14 CHAIR MOLINA: Thank you, Ms. Nakata.

15 Committee Members, questions on the
16 proposed replacement of Condition 7 from
17 Chairman Hokama? Member Anderson.

18 COUNCILMEMBER ANDERSON: I don't think the land is
19 enough, Mr. Chairman. I think, you know, if
20 the -- if the intention is to mitigate the
21 impact, if the intention is to mitigate the
22 impact, increased employees, increased
23 residents to the island, you know, they're
24 going to be creating 5,500 jobs. Granted,
25 many of those will be people moving there from

1 another location on Maui, already have
2 housing, but I think it's questionable how
3 many that might be. And I'm not so convinced
4 by the housing study that they gave us that
5 somewhere in the neighborhood of 192 new jobs
6 will be -- will need housing, when you have
7 5,500 new jobs being created and -- you know,
8 granted it's going to be over some years, but,
9 still, we are at full employment right now.

10 So, you know, they're saying their study
11 says that this will create 5,500 new jobs,
12 that 1,800 of them will be part-time, so
13 they're deducting that. I guess part-time
14 people don't need a house. That leaves 3,700
15 full-time workers. Less -- oh, they actually
16 call out that 1,100 people will be full-time
17 employees that are relocating from other
18 businesses on Maui. So that's deducted. They
19 don't need housing for those folks. That
20 leaves 2,600 new full-time workers.

21 And then they do some kind of ratio of
22 in-migrating workers. I don't understand what
23 these ratios are, but somehow their net
24 full-time new workers of 2,600 is reduced down
25 to 190 affordable housing units required. So,

1 you know, if you even want to go by that,
2 22 acres does not create 190 units. So if we
3 really want them to mitigate the impact, I
4 think we need to ask them to contribute
5 towards the building of the housing, not just
6 give us the land.

7 When they did Phase I-A, they gave us --
8 this was a requirement -- 12 acres up in Paia,
9 and that 12 acres sat undeveloped. It was for
10 affordable housing, and it was never developed
11 for affordable housing because there was no
12 money dedicated for that purpose. And
13 eventually a non-profit got the land for a
14 much needed use for, you know, disabled
15 residents, but still, I think if we really
16 want the impact to be mitigated, it needs to
17 be a full package, not just the land. And it
18 sounds to me that's what the Land Use
19 Commission intended in their condition. So
20 while the 22 acres is nice, I don't think it
21 solves the problem.

22 So I would ask the Members to consider
23 that they also contribute to having the
24 housing built, because, like I said, the land
25 could just sit there for a long time without

1 any housing on it. And if they don't want to
2 do that, then give us more land.

3 CHAIR MOLINA: Okay, thank you, Member Anderson.

4 Additional comments, Members? Member
5 Johnson -- I'm sorry, Member Hokama, followed
6 by Member Johnson.

7 COUNCILMEMBER HOKAMA: Mr. Chairman, thank you, and
8 I can appreciate Ms. Anderson's concerns and
9 comments. And it's interesting, you know, we
10 both read the same information and we're
11 obviously coming up with two different
12 conclusions. And maybe we might want to have
13 a representative from the consults or from A&B
14 Properties to maybe walk us through that study
15 and that report, because I would agree with
16 some of the general numbers, but the way I've
17 concluded it is that -- and, again, they used
18 the term net, expansion or employees down the
19 term, so let me just round it out and say my
20 number roundabout was 800, and even if I took
21 a ten-year build out of the whole project,
22 that's 80 people per year, okay.

23 And that's why in my original opening
24 comments on when I was -- you allowed me,
25 Mr. Chairman, mentioning if we would look at

1 other things. And some of the things I've
2 taken to account is what we have already known
3 is happening with the devastating fire at
4 Kahului Shopping Center, the entity is going
5 through a redevelopment. It is already zoned,
6 Mr. Chairman, but yet they're going to comply
7 with the housing policy and provide that
8 40 percent of affordable housing unit that
9 they do not need to provide, okay, so they've
10 anted up there. They're anteing up here, just
11 land.

12 And I appreciate Ms. Anderson's concern,
13 but that 12 acres in Paia, that was given to
14 us, Mr. Chairman. We as the County chose not
15 to move forward and build the housing, okay,
16 not the entity. The County chose not to
17 build. For whatever reason, our Department
18 chose not to move forward into the
19 construction of County affordable housing at
20 that point in time. That was our fault for
21 not moving forward on that parcel. You know,
22 whether or not their South Maui project moves
23 forward or not, I understand that that's for
24 primary housing, affordable, they're complying
25 with affordable housing unit there through

1 that project.

2 So, again, Members, I would ask if you
3 could and look at the whole picture of what
4 this entity is doing island wide. Do we only
5 want to focus narrow and only look at this one
6 thing and then this one 22 acres or whatever
7 it be to solve this? We got Haliimaile going
8 with this entity, we got Kahului Shopping
9 Center going, we got Kane Street going, the
10 potential of the South Maui project. There's
11 a lot of housing units for our people coming
12 up on the pike from this one entity,
13 Mr. Chairman.

14 And, again, I would just say, again, I'm
15 here to take the comments, but I would ask
16 that -- I would hope we can expand our
17 parameters and see everything that this one
18 entity is doing on the island to be able to
19 come to what is -- and I wish the Land Use
20 Commission -- this is the first time I've
21 heard they put housing -- this kind of housing
22 conditions in. You know when you use the word
23 reasonable, we got nine Members, including
24 you, Chairman. I'm sure we're going to get
25 nine different reasonable numbers.

1 And so I just share that with the
2 Members. Because this entity is not going to
3 go away. They're going to need us in the
4 future and we're going to need them in the
5 future, especially with 35,000-plus acres in
6 agriculture. So there comes a point, you
7 know, where we expect them to make a
8 reasonable return of investment, ROI. They
9 know that they cannot overly take from the
10 community, because they're still going to need
11 the community on the next request.

12 And, again, Mr. Chairman, you know,
13 maybe 22 is not the right number, but then I
14 would then ask the Members who would like to
15 make recommendations, share with us a number
16 that they believe fits the Land Use or the
17 Commission's term of what is reasonable. You
18 know, I believe in viewing all of the other
19 components of what this entity is doing from
20 the original 10, to the 14.7, or whatever it
21 be, now to the 22, they've shown their
22 willingness on their side to continue to be
23 willing to be flexible, but there's always
24 that fine line, Chairman, of what breaks the
25 back. And we need this entity to remain

1 healthy, because part of this profits, as I
2 understand, when you look at the whole entity,
3 is going to help HC&S remain viable and stay
4 on Maui. Thank you, Chairman.

5 CHAIR MOLINA: Thank you, Mr. Hokama.

6 Member Johnson.

7 COUNCILMEMBER JOHNSON: Yes, and, you know, I don't
8 mean to belittle anything that A&B has done.
9 Yes, they've done really good things, but I
10 think to get back to the bigger picture and
11 looking at fairness and being equitable to all
12 the applicants that come before us, our
13 general policy and the discussions we've had
14 with regard to the affordable housing actually
15 included a component which could have
16 potentially been the commercial and the
17 calculation, you know, for commercial spaces.

18 So for me, I know that we didn't
19 necessarily have a study to back up what the
20 impacts are, but I think that I really
21 understand what Ms. Anderson is saying.
22 Because people look at government, government
23 many times -- we're not, at least at this
24 point in time, we're not a housing developer.
25 We don't have those capabilities. And I know

1 when Maui Lani came forward, you know, they're
2 a private enterprise. We're looking for
3 public/private partnerships. But I think that
4 if we put conditions in that set a standard
5 and raise the bar, that will then be
6 applicable to all people that are coming
7 forward for rezoning that's similar. What we
8 do, then, is we create a precedent that
9 certainly has applicability to other people
10 that want to do this. I know that we've added
11 in conditions that now keep reappearing in
12 each one of these applications, and that's not
13 a bad thing.

14 So for me, I think that the acreage
15 we're looking at is really not sufficient, and
16 I believe one of the testifiers -- may have
17 even been I think when we were considering
18 other, you know, measures, they testified,
19 look, if they're getting this entitlement,
20 then they should be donating an equal amount
21 of acreage into affordable housing. So if
22 you're looking at 179 acres, you know, that's
23 what the suggestion was.

24 So, I mean, perhaps that's the extreme,
25 but my -- my belief is that we are at full

1 employment basically right now in Maui County.
2 Where will the workers come from? And with
3 new kinds of ventures that will be moving into
4 this area, some of them will be existing
5 ventures just moving into different spaces,
6 because they're already crowded, but for me,
7 I'm looking at the proximity of the acreage
8 that we're looking at or that's being
9 suggested. I think it's really a good area
10 because it's close to the employment, because
11 it's just down the road, basically, from it.
12 So for me, I'd either look at more acreage so
13 that we can, if we're going to take on the
14 role of public-private partnerships, bring in
15 other partners to accelerate the development
16 of the housing, or look at a component where
17 we have that acreage but there is a role for
18 the developer in seeing that that acreage is
19 actually developed. Whether they do it with a
20 non-profit, I just think it's got to be done.

21 So I'm sort of in agreement with Member
22 Anderson, but I don't want to put the full
23 burden -- because there are other components
24 that we're also getting in this and there's
25 other requests, like the sewage plant and my

1 ag park request and community center request,
2 so I don't want to put that burden totally on
3 A&B's back, because I know that they have done
4 other things in the community. But I really
5 do think that the acreage is insufficient and
6 I would like to see some kind of participation
7 if the acreage is going to remain at its
8 current level.

9 Thank you, Mr. Chair.

10 CHAIR MOLINA: Thank you for your comments, Member
11 Johnson.

12 Member Medeiros, followed by Member
13 Anderson.

14 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I
15 was trying to read through most of this, and I
16 don't seem to come up with a definite answer,
17 and if you could answer it or if the Applicant
18 could come down. But with this project, is
19 there a Workforce Housing Policy requirement
20 or is the Applicant doing this as part of
21 contributing to help our housing situation?

22 CHAIR MOLINA: I believe, Mr. Medeiros, we had kind
23 of touched upon that yesterday, I believe
24 Member Hokama's comments. I don't know if
25 Corp. Counsel would care to comment on that.

1 I don't believe at this point this qualifies
2 under the Workforce Housing Policy.

3 Corporation Counsel, can you verify
4 that?

5 MR. GIROUX: Thank you, Chair. Yeah, we did write a
6 memo. We were asked to give our opinion as to
7 why we didn't feel that the Workforce Housing
8 Bill applied to this, and we did come to the
9 opinion that it did not.

10 COUNCILMEMBER MEDEIROS: Okay. Thank you, Corp.
11 Counsel, for that. I think that that answers
12 my question why we're stuck on the formula of
13 how many housing units are going to be needed
14 for this project, because if it was -- if it
15 did fall under the Workforce Housing Policy,
16 we would know exactly how many units.

17 So if the Applicant is doing this just
18 to contribute to the County's affordable
19 housing inventory, and because 22 acres,
20 depending on how you design the housing, the
21 density of the amount of units there can
22 change according to design, especially in
23 multi-family, you know, structures. So I
24 think that's the dilemma is there isn't a real
25 formula here that they need to come up with so

1 many housing for so much land, and I think
2 that's where we're stuck because they don't
3 have a requirement to fulfill any Workforce
4 Housing Policy. And I just wanted to get
5 information on that. Thank you, Mr. Chair.

6 CHAIR MOLINA: That's a good question to ask,
7 Mr. Medeiros.

8 Member Anderson.

9 COUNCILMEMBER ANDERSON: You know, while we don't
10 yet have a formula for commercial development
11 contributing to affordable housing, they are
12 required to do this by a condition imposed by
13 the State Land Use Commission. So -- and the
14 State Land Use Commission basically punted to
15 the County Council. And in their condition --
16 you know, I'm not -- Members, it's -- it's in
17 the -- it's in your binder. It's probably --

18 CHAIR MOLINA: Mid point.

19 COUNCILMEMBER ANDERSON: -- a quarter of an inch
20 from the back of your binder, and it's a
21 document that looks like this. State Land Use
22 Commission. The document is maybe an eighth
23 of an inch thick. And in that, under
24 Condition Number 10, it recognizes that in the
25 event the County doesn't have -- has not yet

1 adopted a housing -- employee housing policy
2 for commercial and industrial developments at
3 the time of the Change in Zoning, that the
4 petitioner shall submit a housing study that
5 addresses the following: The impact the
6 project will have on the current labor force,
7 the potential requirement and type of housing
8 which will be created by the project, and the
9 proposed mitigation measures to alleviate the
10 impact on both the labor market and the
11 housing shortage. This report shall be
12 submitted to Department of Planning, Office of
13 State Planning for review, and the petitioner
14 will be subject to an employee housing
15 requirement as approved by the County Council.

16 So they are required to do this already
17 by the State Land Use Commission, and the
18 State Land Use Commission is saying, County
19 Council, it's up to you to decide what is fair
20 and equitable. And if you look at the housing
21 study that they provided in its -- in the
22 back, I think the last -- or second to the
23 last appendix in your EIS, that blue document,
24 the big thick blue document, that one, they
25 have the housing study in the back, and that

1 study shows that they'll be creating 5,500
2 jobs, almost 5,600 jobs. So many of those are
3 going to be part-time. So many of those
4 jobs -- and they are discounting the part-time
5 workers as not needing housing, and then
6 they're deleting from that people who will be
7 coming from other jobs on Maui that already
8 have housing. Basically they get down to
9 2,500 jobs created that possibly do not have
10 housing.

11 Now, if we just use a little common
12 sense, we know that we have full employment.
13 So, you know, unless a whole lot of businesses
14 go out of business between now and the time
15 that this park starts up, we're going to need
16 more housing for these new employees. And,
17 you know, their formula comes out -- the way
18 they do their formula they're saying that, you
19 know, two low income workers takes 1.87
20 workers in order to make a mortgage payment
21 for a low income house. Fine. Most people
22 are couples that buy houses. So they're
23 reducing the number by two, dividing it by
24 two, two people per house. But, you know, I
25 like Chair Hokama's suggestion that someone

1 who understands this study can come, because
2 they lose me after the 2,500. They use these
3 ratios and percentages to reduce the number
4 all the way down to 190 units out of
5 2,500 units, out of an initial 5,500 jobs.

6 So, you know, be that as it may,
7 Mr. Chairman, the fact remains is that we are
8 in a housing crisis right now. Our residents
9 don't have enough choices for decent living
10 conditions. Too many people are living in
11 substandard housing. And those of us who are
12 lucky enough to have a stable roof over our
13 head and haven't been out in the rental market
14 don't know what it's like, but it is scary
15 what's on the market for rent.

16 And so we've been told today that we're
17 six to 7,000 housing units short today, and
18 we're going to add another 5,500 jobs. Yes,
19 granted there's going to be more housing
20 built, but you look at the breakdown, of the
21 5,500 jobs, 2,500 are going to be low, entry
22 level jobs. That means 80 percent below the
23 median income. These are people who right now
24 cannot find housing. If you can't pay a
25 thousand dollars -- I'd say if you can't pay

1 \$1,200 a month, you can't get a rental on
2 Maui, unless you're lucky enough to be in
3 Section 8.

4 So we're adding another 2,500 people to
5 the low level, entry level jobs. And, you
6 know, even if we go by the formula that
7 they've given us in their housing study that
8 says we only need 190 units, 22 acres is not
9 190 units. And if we're only going to get the
10 22 acres, let's get houses on it so people
11 really have -- you know, so we're really
12 mitigating the impact.

13 You know, I didn't mean to, you know, in
14 any way diminish A&B about the 12 acres they
15 gave us in Paia. It's just that's what they
16 were required to do at the time. But what I'm
17 saying is that that wasn't enough because
18 housing was never built on it. Now it's being
19 put to good use.

20 But my point being, Mr. Chair, is if
21 we're going to mitigate the impact of not
22 having enough housing, the State Land Use
23 Commission recognizes it, that study, SMS did
24 their housing study, that recognizes it, we
25 are in a housing crisis here. And if we're

1 going to mitigate the need for more housing by
2 the increase of workers, that study says we're
3 going to have to have another 900 in-migration
4 workers to fill all these jobs.

5 So if we're bringing more people to Maui
6 to fill the needs that this project is going
7 to create and we're already short six to 7,000
8 housing units for the residents we already
9 have, then all I'm saying is we need more than
10 the land. We need the roof that goes over the
11 person's head to really mitigate the problem.

12 So, you know, if it's only 22 acres, I
13 can live with that, as long as we get housing
14 built on that 22 acres. And, you know, that's
15 the way the condition reads. It doesn't say
16 just give us land. Land does not make a
17 house.

18 So I hope -- you know, I could go along
19 with the 22 acres, begrudgingly, because we
20 are -- we do have an agreement for land for
21 the sewage treatment plant, for the Kahului
22 Community Center. I think that's -- you know,
23 I don't even see the rational nexus in that.
24 There is a rational nexus for this, because
25 they're creating the impact.

1 So, Members, let's get the housing along
2 with the land.

3 Thank you, Chair.

4 CHAIR MOLINA: Thank you for your comments, Member
5 Anderson. I think we had some very good
6 discussion on this proposed condition of --
7 replacement of Condition 7 from Member Hokama.
8 So, Members, we are pretty much at the point
9 of -- I'm going to -- I'm looking at
10 adjourning because I'm going to lose quorum as
11 it is.

12 We have two more conditions proposed by
13 Member Hokama, a proposed Condition 16 that
14 the Applicant shall work with the County's
15 Department of Environmental Management to
16 identify and dedicate to the County of Maui a
17 mutually acceptable site for a future central
18 Maui regional wastewater treatment plant.
19 Comments, objections to this proposed
20 condition? Okay, Chair will safely move it on
21 for the time being.

22 And we have a proposed Condition 17 from
23 Member Hokama that no residential use,
24 including single-family dwellings and
25 apartments shall be permitted within the

1 project. Comments? Objections? Okay, so for
2 the time being the Chair will move that
3 condition on when we do reach the point of
4 decision making at some point in the future.

5 So Chair is going to stop right here,
6 Members. I want to thank you all for making
7 yourselves available to discuss this very
8 important proposal here. And I want to thank
9 you for your time. And I know many of you
10 juggled your schedules and made some major
11 adjustments. The Chair initially had thought
12 of recessing this matter into next week.
13 However, I do realize it's the opening of the
14 State Legislature and I know you have had to
15 put back some of your appointments that you
16 had today and you're probably going to want to
17 reschedule them into next week, so at this
18 point, if there are no objections, the Chair
19 is going to defer on this matter today.

20 COUNCIL MEMBERS: No objections.

21 **COUNCIL MEMBERS VOICED NO OBJECTIONS**
(excused: GB, DM, MV)

22 **ACTION: DEFER pending further discussion.**

23
24 CHAIR MOLINA: Thank you very much, Members, and
25 Chair will inform you in the future as to when

1 we will have a discussion on this matter.

2 So with that being said, any
3 announcements, Members? Seeing none. The
4 Chair would like to thank everyone who
5 participated from the Administration on down
6 to the Committee Staff. Thank you so much for
7 your professionalism.

8 It is exactly 5:00 p.m. This Land
9 Use -- recessed Land Use Committee meeting for
10 January 9th, 2008 is now adjourned. It is
11 5:00 p.m., Thursday, January 10th. Meeting
12 adjourned. (Gavel).

13 **ADJOURN:** 5:00 p.m.

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C E R T I F I C A T E

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

I, Jessica R. Perry, Certified Shorthand Reporter for the State of Hawaii, hereby certify that the proceedings were taken down by me in machine shorthand and was thereafter reduced to typewritten form under my supervision; that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings had in the foregoing matter.

I further certify that I am not attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 1st day of February, 2008, in Honolulu, Hawaii.



Jessica R. Perry, CSR NO. 404