

# LAND USE COMMITTEE

Council of the County of Maui

## MINUTES

February 20, 2008

Council Chamber

**CONVENE:** 1:33 p.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Michael J. Molina, Chair  
Councilmember Joseph Pontanilla, Vice-Chair  
Councilmember Gladys C. Baisa  
Councilmember G. Riki Hokama  
Councilmember Jo Anne Johnson  
Councilmember Danny A. Mateo  
Councilmember Bill Kauakea Medeiros  
Councilmember Michael P. Victorino (Arrive 1:50 p.m.)

**EXCUSED:** Councilmember Michelle Anderson

**STAFF:** Tammy M. Frias, Committee Secretary  
Carla M. Nakata, Legislative Attorney  
Lei Kihm, Executive Assistant to Councilmember Bill Kauakea Medeiros

**ADMIN.:** Clayton Yoshida, Planning Program Administrator, Current Planning Division,  
Department of Planning  
Michael Miyamoto, Deputy Director, Department of Public Works  
Cheryl Okuma, Director, Department of Environmental Management  
Eric Yamashige, Deputy Director, Department of Water Supply  
James A. Giroux, Deputy Corporation Counsel, Department of the Corporation Counsel

**OTHERS:** Grant Chun, Vice President, A & B Properties, Inc.  
Daniel Yasui, Project Manager, A & B Properties, Inc.  
Diane Bevilaqua, Project Manager, A & B Properties, Inc.  
Stanley M. Kuriyama, Chief Executive Officer, A & B Properties, Inc.  
Meredith J. Ching, Senior Vice President, Alexander & Baldwin, Inc.  
Mercer "Chubby" Vicens, Vicens Entitlement Group (Applicant's consultant)  
Michael Munekiyo, Munekiyo & Hiraga, Inc. (Applicant's consultant)  
Phillip Rowell, Phillip Rowell & Associates (Applicant's traffic consultant)  
Keith Niiya, Austin Tsutsumi & Associates, Inc. (Applicant's civil engineer,  
roadway/drainage)  
Terrence Arashiro, Austin Tsutsumi & Associates, Inc. (Applicant's civil engineer)  
Trang Nguyen, Project Manager, Austin, Tsutsumi & Associates, Inc. (Applicant's  
civil engineer)  
Thomas Witten, President, PBR Hawaii (Applicant's landscape architect)

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Rose Royce  
Rob Parsons  
Additional attendees (15)

**PRESS:**     *Akaku--Maui County Community Television, Inc.*

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**ITEM NO. 49:   CHANGE IN ZONING FOR THE MAUI BUSINESS PARK PHASE II PROJECT (KAHULUI) (C.C. No. 06-55)**

CHAIR MOLINA: . . .(*gavel*). . . The Land Use Committee meeting for February 20, 2008 is now in session. For the record we have in attendance Members Pontanilla, Mateo, Baisa, Johnson, Medeiros, and Hokama and Molina. Excused are Members Anderson and Mr. Victorino. Mr. Victorino to my understanding is on his way, should be here in about ten, maybe 15 minutes or so. And we have from Staff, we have Legislative Analyst Carla Nakata and Committee Secretary Tammy Frias. From the Corporation Counsel's office we have James Giroux. And from the Planning Department, Clayton Yoshida. Good afternoon and welcome all. And did the Chair acknowledge Member Johnson's presence here today?

COUNCILMEMBER JOHNSON: Yeah.

CHAIR MOLINA: I did, I'm sorry. Okay. You just appeared so suddenly. Anyway must be that outfit you have, Member Johnson, thank you. But anyway we have one big item to address, Members, that is Land Use Item 49 which is a Change in Zoning for the Maui Business Park Phase II project. This matter, as you recall, we had previously met on this matter sometime ago, I believe at the January 10, 2008 meeting. And since that time the Chair would like to go over a few things that have occurred since that January 10<sup>th</sup> meeting. The Committee got a response, a January 23, 2008 response from the Director of the Environmental Management Division supporting a proposed condition for a site for a future Central Maui regional wastewater treatment plant; a January 25, 2008 response from the Director of Housing and Human Concerns relating to a proposed 22 acre contribution and comments on proposed Condition No. 7 and proposed replacement Condition No. 7. The Chair is hopeful all of these responses are in your binder. And also on January 29, 2008 a response was received from the Parks Department responding to the Committee's inquiry regarding park needs for Central Maui, and in addition to that, a January 29, 2008 response from Grant Chun, Vice President of A & B Properties, Inc. providing a reduced copy of drainage area map and a statement outlining the alternative water strategies for the project. And on February 5, 2008 a response was received from Mr. Brennon Morioka, Director of Transportation for the State enclosing a project traffic report, figures and noting that the Department had reviewed the October 2006 supplemental traffic counts and found them reasonably consistent with the 2004 project traffic report assumptions about growth and regional traffic.

So that is where we're at, at this time. And then we, also the Chair would like to touch on a couple of other points that have occurred since then. The, I believe we had some inquiries made

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from the Committee as well. I'm trying to find my place here, there's a lot of detailed information. The Chair also noted that Member Anderson had requested consideration of incorporating parking requirements on replacement Condition No. 1 following the phrase, use for recreational purposes. And then there was a January 10, 2008 memo from Council Chair Hokama relating to replacement Condition No. 1, replacement Condition No. 7, new Condition No. 16 and new Condition No. 7. And finally, we had a January 10, 2008 memo from the Chair, yours truly, proposing a new condition requiring Alexander & Baldwin Inc. to work with the Department of Police to establish a police substation with the project. So just a few highlights of what has occurred since our last meeting, Members. We'll get back to more detailed discussion on this, but first the Chair would like to open up the opportunity for public testimony on this item. Committee Secretary, have we had any sign ups for public testimony?

MS. FRIAS: Yes, Mr. Chair, two.

CHAIR MOLINA: Two. Okay. Two members at this point from the public have signed up to testify on this item. So with that being said, the Chair will proceed in that fashion if there are no objections?

COUNCIL MEMBERS: No objections.

CHAIR MOLINA: Thank you. First to testify on Land Use Item 49 is Rose Royce followed by Rob Parsons. And the Chair would just like to notify the testifiers about the ground rules for today for testimony. You will have three minutes to testify with a minute to conclude, and please state your full name and any organization that you may be representing before you go through with your testimony. Good afternoon.

**. . .BEGIN PUBLIC TESTIMONY. . .**

MS. ROYCE: Good afternoon. Good afternoon, my name is Rose Royce, I've been a resident in Maui and a business person since 1977. I'd like to speak on, on behalf of this project. On February 5<sup>th</sup> at approximately 9:00 a.m. in the morning, leading economist informed us that we are in a recession. The Stock Market dropped 370 points that day. Financial institutions on a global level reporting record losses and in the tens of billions of dollars. The housing market is in shambles and high oil and food prices are scaring the consumer. The honeymoon is over, I hate to say it. The next two to three years we are facing tremendous economic challenges and we have to prepare for higher unemployment as well. The A & B commercial project could give our economy a much needed boost, possibly as much as \$250 million. It would create much needed unemployment [*sic*] at this time in construction and stimulate local suppliers and sub-contractors and also help our County and State taxes because they have to pay the bills too. In my opinion A & B is more than generous in their community contribution. To the County and to the public, being a public company whose stock is owned by many Hawaiian residents for their retirement. They also would benefit as, by this project because obviously it would give A & B a boost and their stock a boost. What I'm trying to say is the money just doesn't go in A & Bs pocket, the stock holders will benefit as well.

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Unlike a residential market, there is a definite demand for commercial property at this time. And the nice thing about this is that this property does not compete with the housing market where they are right now and there probably will be more on the market because the demand is diminishing rapidly. I'm sure a lot of you have seen this, but this was in *Hawaii Business* a couple of weeks ago, Maui homes sales plunge. So I am sure I'm not saying anything you guys don't know. But in my estimation it's only going to get worse before it gets better. . .because been there, done that. Thank you so much for your time and listening to me and giving me this opportunity to speak to you.

CHAIR MOLINA: Okay. Thank you very much, Ms. Royce. Committee Members, questions for the testifier? Member Johnson?

COUNCILMEMBER JOHNSON: Yes. Thanks so much, Ms. Royce, for being here. And you said you're a business owner?

MS. ROYCE: Yes. I've been in commercial real estate and development for 30 years.

COUNCILMEMBER JOHNSON: Okay. And do you have any kind of contractual agreement to help facilitate people that would go into this particular business park?

MS. ROYCE: No. I'm, I'm not a realtor, I own a shopping center and I'm semi-retired.

COUNCILMEMBER JOHNSON: Okay. And you wouldn't be doing any development on this property. . .(*inaudible*). . .

MS. ROYCE: Possibly not, I don't know. I might, I might not. It all depends.

COUNCILMEMBER JOHNSON: Okay. And...

MS. ROYCE: Because I am a developer. But, you know, I have not, but, you know, I mean two to three years from now, I'm 65 years old, I don't know what I'm going to do. I'm semi-retired, I want to enjoy life. I do not financially have to benefit from this project, I am very well off.

COUNCILMEMBER JOHNSON: Okay. You know, my, my only reason in asking that was to just determine if there was any knowledge that you might have of who would be going in or the types of tenants--

MS. ROYCE: Oh. You mean, yes, yes, there is some, some local business owners have expressed that they would like to build their own building.

COUNCILMEMBER JOHNSON: Okay. And, and then do you have any idea possibly having visited with A & B what types of businesses we might be looking at in this particular area?

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MS. ROYCE: Well, I think it's a little bit premature for A & B, you know, to make any kind of statement on that. But from what I have seen, there is quite a few people who are renting and they would like to own their own building.

COUNCILMEMBER JOHNSON: Okay. And...

MS. ROYCE: You know, especially and also I would hope, you know, I remember a time when there was no Home Depot, when there was no Costco, no Wal-Mart and, you know, and Lowe's and now we have these wonderful things which obviously have helped the community to save us money. So I'm hoping that also, you know, we get some more people from the mainland, you know, to, to make our life easier and also help our pocket book.

COUNCILMEMBER JOHNSON: Okay. And with regard to the statement that you just made, because we're almost maxed out in terms of our employment, you believe that it's important for us to get more people from the mainland here?

MS. ROYCE: No. No, I'm not necessarily from the--oh, you mean new businesses from the mainland?

COUNCILMEMBER JOHNSON: Well. . .*(inaudible)*. . .

MS. ROYCE: Oh. You mean new people moving over here?

COUNCILMEMBER JOHNSON: With the new businesses generally come the labor force, you know, along with it, a lot of the corporate people. So I just was curious...

MS. ROYCE: Yeah, but the corporate people is a very small percentage because the majority of the people would be just people working in the stores or they would be local people. And my concern right now is because I have been, this is my third recession in Hawaii. I have seen, you know, that...

CHAIR MOLINA: Excuse me, Ms. Royce. Thank you. I think you've answered Member Johnson's question.

MS. ROYCE: Yeah.

COUNCILMEMBER JOHNSON: Yes, yes.

CHAIR MOLINA: Member Johnson, do you have any other questions?

COUNCILMEMBER JOHNSON: And, and I really appreciate. . .*(inaudible)*. . . --

MS. ROYCE: You're very welcome.

COUNCILMEMBER JOHNSON: --to answer the questions.

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MS. ROYCE: Okay.

COUNCILMEMBER JOHNSON: Thank you.

CHAIR MOLINA: Thank you. Committee Members, any other questions for the testifier? Seeing none, thank you very much for your testimony, Ms. Royce.

MS. ROYCE: Thank you very much.

CHAIR MOLINA: Okay. Next to testify we have Rob Parsons and so far these are the only two individuals that have signed up. The Chair will give anyone in the gallery one last opportunity to sign up and testify on Land Use Item 49. Good afternoon, Mr. Parsons.

MR. PARSONS: Good afternoon, Chair Molina and Members. Thank you for the opportunity to be here. I'm Rob Parsons, I'm a 30-year resident of Maui and testifying on my own behalf. And I'm going to present a different point of view than the previous testifier. I haven't liked this proposal from the first time I saw it and that was ten years ago. And I've spoken to you before, I went on the site visit with you when this Committee went to view the acreage on the outskirts of town. But back in 1999 when this was discussed in the revision of the Wailuku-Kahului Community Plan, this was voted down twice. There was a lot of discussion about urban growth boundaries and if you look at your map, if there were a map that would include Puunene, you would see just how close this proposal would push the city limits of Kahului towards the industrial area of Puunene and the mill water stench and it's in the, a portion of it is in the flight path of incoming planes. So there's a lot of elements that are troublesome to me.

It would add two more traffic lights coming into Kahului. Those of you who drive from Upcountry and Hana know that between Dairy Road and, and High Street here there are already 15 lights, this would add two more and slow down everyone. What, what I don't think represents good planning here is that we're, we're clustering a lot more of the same kind of activities where there's already a traffic confluence, and I think that a responsible planning would be much better served by having a little more light industrial and commercial in all the outlying areas. A little more in Kihei, a little more in Lahaina, a little more Upcountry instead of bringing people from every part of the island to right here where it's already very, very much a traffic jam particularly on weekends with the swap meet going on. And as we grow I don't think the airport road, relief roadway that's planned for this area, even though it's to be limited access is going to serve the needs of, of bringing so many more businesses and, therefore, so many more people here.

I know you've heard about putting baseball and soccer fields in the drainage sump area. I agree that those are things that our community needs. But as Councilmember Mateo pointed out I think on the site visit, it's a very windy area and to me it's dressing up something that, you know, it's, it's trying to make something good out of a proposal that I think is just too large in its scope. I'm concerned about where the water would be coming from, there's been talk about a 9 million

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gallon water treatment plant with A & B retaining rights to half of that water which would be surface water, which is currently in contested case hearings. They're going on concurrently right now. So I don't think that's something that we really have the answer to. I'm concerned about the proposal of where the affordable housing would go and it's on the outskirts of Maui Lani and to me it looks like a domino for another area that--

MS. NAKATA: Three minutes.

MR. PARSONS: --thank you--that would be prone to more urbanization. So I just think there's so many things that I encourage you to look closely at. And, and lastly what I, what I would like to share is the idea of including agricultural lands as part of our infrastructure. As we build more homes there are more mouths to feed, as we build more businesses that will bring in workers there's more mouths to feed. I think we're at a point where we should almost consider when we, when we approve large developments, making sure that we have some prime dedicated agricultural lands to grow food for the people who live on this island. We know that we're plus, 80 percent plus in what we import, so that's, that's just a seed I'm planting with you. And this is prime ALISH lands that we're talking about changing from Ag to Urban designation. So I hope you'll consider all those in your deliberations.

MS. NAKATA: Four minutes.

MR. PARSONS: Thank you.

CHAIR MOLINA: Okay. Thank you, Mr. Parsons. Committee Members, questions for the testifier? Member Johnson.

COUNCILMEMBER JOHNSON: Yes. Rob, thank you for being here. In the opening statements that you had made you spoke about the, I guess, the circulation and the 15 traffic lights or potential for more added in to that area. The other concern along Dairy Road, I'm not sure if you were here at the last presentation, but when there's a cut off that's actually going to occur within Dairy Road where it would dead end in what's now essentially the middle of Dairy Road, how do you see that working with the traffic situation that you described? Do you have any thoughts as to, I guess, how this will all play out in the end in the circulation?

MR. PARSONS: Yes, I do. Thank you for the question. I hope you'll look very carefully at the State DOT's plans. Right now there is a easement that, that was purchased by the State some years ago and it includes lands on either side of the Hana Highway and then running all the way to where it kind of diagonals back in just past the Harley Davidson dealership and, and across the entry road to Wal-Mart and Home Depot. And if you drive past there, maybe Members already are familiar with where that would connect, but that we would have to reconfigure the entire intersection at Puunene/Dairy Road/Kuihelani Highway. And I'm not optimistic that that's the way to do it. I think if there's to be an airport reliever road, that it should completely bypass that intersection and, and reconnect to enable people to travel to the tourist destinations, South Maui via the, the Mokulele and then also be able to connect to Kuihelani without going through that

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very, very busy intersection. So I would hope that this whole discussion is revisited with the State DOT. I didn't have the opportunity to see the comments that are before you from Brennon Morioka but, but I'm not optimistic that, that the way they have it currently configured is, is very workable.

COUNCILMEMBER JOHNSON: Okay. So what you're suggesting is that the State Department of Transportation take another look at how the circulation will be affected in that whole area?

MR. PARSONS: Well, I think you as a body could request that, that they give you a detailed presentation of, you know, and to justify their current plan, their current design of it. Because, you know, we've, we've seen the redesign of the intersection of where Mokulele joins the Piilani and they're still working on it but, you know, it's very disorienting at this point and if you want to go to Lahaina, you have to head towards Kihei and then double back. And, you know, at some point they, that might all be figured out, but the, the months and months of time it takes to reconfigure these things is really difficult for residents and visitors as well.

COUNCILMEMBER JOHNSON: Thank you very much, Rob. I appreciate your comments.

MR. PARSONS: Thank you.

COUNCILMEMBER JOHNSON: Thank you.

CHAIR MOLINA: Okay. Thank you, Member Johnson. Committee Members, any other questions for the testifier?

MR. PARSONS: Thank you.

CHAIR MOLINA: Seeing none, thank you for your testimony, Mr. Parsons. Joining us for our festivities here today we have Mr. Victorino. Good afternoon, Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair. Good afternoon.

CHAIR MOLINA: Committee Secretary, have we had any other requests for testimony on Land Use Item 49?

MS. FRIAS: No, Mr. Chair.

CHAIR MOLINA: Okay. Seeing none, Members, the Chair will close public testimony on Land Use 49. Any objections?

COUNCIL MEMBERS: No objections.

CHAIR MOLINA: Okay. Thank you very much, Members.

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*...END OF PUBLIC TESTIMONY...*

CHAIR MOLINA: Well, let us proceed. Members, you heard the Chair's comments prior to testimony with what has been received since our last meeting. In addition to that, the Chair would like to ask comment from Corporation Counsel related to their December 18, 2007 opinion stating, I guess related to Chapter 2.96, Maui County Code, does not apply to this project. I guess, Mr. Giroux, can you give us a brief explanation of that? And after that I'll open up the floor for questions from the Members for our various resource personnel here in the gallery. Mr. Giroux.

MR. GIROUX: Thank you, Chair. Yes, we were asked to comment on this. We did produce a memo December 18, 2007. . . basically looking at whether or not this project would fall under the, the newly enacted, the Maui County Code 2.96, and our conclusion was that it did not. And as far as the, our review of it and looking at not only the, the wording but the, also the legislative history and also basically the way that the Code, the 2.96 was laid out in contrast to the other housing codes that were used in order to look at, basically, so we could overcome any challenges, legal challenges to it, it was clear that this, this, because of its commercial and non-residential type development that it would not fall under 2.96.

CHAIR MOLINA: Okay. Thank you, Mr. Giroux. Prior to opening the floor up for questions to you, Mr. Giroux, Members, is there any request to have Director Medeiros from the Housing Department to be here? We do have her on call and this matter, of course, relates to the Residential Workforce Housing Policy, and according to Mr. Giroux and Corporation Counsel, this project would not, I guess, be subjected to that. So any requests initially for the Housing Director at this point? Otherwise, we'll refrain from calling the Housing Director to give additional comments. And you do have a response from the Housing Director, I believe a January 25<sup>th</sup> response. Okay. Seeing none at this point, the floor is open for questions to Mr. Giroux related to the Corporation Counsel's opinion. Mr., we'll start with Mr. Mateo, any questions for Mr. Giroux or comments to the response from Corporation Counsel on this matter?

COUNCILMEMBER MATEO: Well, Mr. Giroux, thank you for your, thank you for your, your opinion. Chairman, I unfortunate, unfortunately I, you know, I, I would look at this particular opinion a little more differently. Because I believe the verbiage in the ordinance just refers to lots and it wasn't specific to residential or commercial. I believe, I believe there is a nexus with this particular project, the nexus is this County's shortage of over 4,200 homes. There is, there is another consideration because the project, they anticipate to bring in over 800 people to help in filling the positions that they will be creating with this particular project. I believe the very people that work for this company, part of your ILWU organization, over 8,000 members with almost 3,000 of those members in need of affordable housing. There is a nexus and yes there, they are contributing land to it. The last affordable housing project that they had completed was Skill Village, I believe, and that was 20-something years ago, or 20 years ago. So all I do at this point, because of the opinion of Corp. Counsel is, you know, the only thing I can do, is appeal to the company to help people that work for them and to help us meet, meet a particular need. Because they are creating the need for additional housing because more people will be coming to

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this community. So unfortunately I, you know, I wish our policy had gone deeper and we will in the very near future. But for now, you know, they're the legal minds, I'm not.

CHAIR MOLINA: Okay. Thank very much for your comments, Mr. Mateo. Members, any other questions or comments related to Mr. Giroux's opinion? Member Johnson?

COUNCILMEMBER JOHNSON: Yes. Mr. Giroux, when you were checking on, I guess, the applicability of this particular issue to workforce housing, I think that one of the things that we had was a discussion during I guess the enactment of the workforce housing about coming up with a formula and, you know, other things attached to commercial development. But irrespective of that, did you check back in the record when we went through the land use changes or the community plan amendment looking at this, I guess this particular land use change and was there any verbiage contained within the push for this particular project to be included in that modification indicating that the developer A & B would be willing to offset any of the, I guess, negative impacts with any development associated with that particular land use change?

CHAIR MOLINA: Mr. Giroux?

MR. GIROUX: Thank you, Chair. Thank you, Member Johnson. Yeah, I think that's a very important question because, you know, although the opinion says that, that this ordinance as is doesn't apply, that does not mean that, that there is not a nexus. I, I want to address Member Mateo's concern, is that, that that's not what we're saying is that there's not a nexus, we're just saying that the ordinance as written doesn't apply. However, under your conditional zoning you can analyze this project and look at the impacts, see a nexus and also come up with an ad hoc exaction as long as it meets the proportionality test. So that's, I want to make that clear because the Land Use Commission did when they were going through their entitlements with the district boundary amendment made it clear that they, they did see potential impacts, they did require a study be done by the developer hoping that the County would, would then be able to use that study to, in order to help when it came to this point in zoning.

COUNCILMEMBER JOHNSON: Okay. And the study that you're referring to that's, you know, because it's been a, a little while since I've looked at it, that is contained within our binder? That's been received?

MR. GIROUX: I believe we have the Maui Business Park Phase II, I believe that there is a study within that. I'm not sure if this, I'm not sure if this is the exact page, but I have around page seven I believe it's...

COUNCILMEMBER JOHNSON: And that's in the executive summary?

MR. GIROUX: Oh, boy. This is--

CHAIR MOLINA: . . . *(Inaudible)* . . .

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MR. GIROUX: --the market study?

COUNCILMEMBER JOHNSON: Yeah. And, and the only reason I'm asking you this is because many times when, when the changes were first coming forward, Mr. Giroux, I think that from my recollection, you know, the discussion was that we would be provided with whatever the needs were of the community based on whatever the impacts were associated with this. 'Cause I know at the same time we went forward, I believe that was along the same lines of the hotel that they also have, you know, zoning for, which they were given zoning for. And while I'm on that subject, even though that is a different site, because of its proximity to this particular site if, if I'm not mistaken, would that also not have any applicability under workforce housing, that particular site? Or would you have to take a separate look at that?

CHAIR MOLINA: Mr. Giroux?

MR. GIROUX: You know, I think that would have to be a policy call, you know, as far as what, because you, when doing these type of analysis I, you know, you do want to look at the totality of the circumstances, but you also need to look at, at this project and see what this projects impacts are. So it's a delicate balancing test and, and the, the Supreme Court has come down and said, you know, it's, it's a rough proportionality test, it's not, it's not an exact science. So you're gonna, you're gonna have to, it's gonna be between science and, you know, you're looking at a moving target. But you've got, you've got to be able to say, yeah, we did look at something that gave us, you know, our bearings on when we were looking at what would be the exaction.

COUNCILMEMBER JOHNSON: Uh-huh. And, and one of the things, the reason I'm asking is because one of the things I look at is overall when you look at one land use change. . .the same developer, another land use change, same developer and obviously done in two different segments, what is the overall impact on the area? Because they're in very close proximity, so that's my reason for asking. But thank you very much, Mr. Giroux.

CHAIR MOLINA: Okay. Thank you, Member Johnson. Any, if there are no other questions for Mr. Giroux, Members, the Chair has in the gallery, I'd like to, if you would like to hear from Director of Environmental Management, Director Okuma, she's available. She had sent a response as I mentioned to you earlier, a January 23, 2008 response regarding supporting a proposed condition for a site for a future Central Maui regional wastewater treatment plant. Do the Members have a request to hear from Director Okuma on this? Otherwise, I will excuse her for the time being. Member Johnson?

COUNCILMEMBER JOHNSON: This was in regard to the relocation on the applicability of the site?

CHAIR MOLINA: I believe so.

COUNCILMEMBER JOHNSON: It's for wastewater?

CHAIR MOLINA: Right.

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COUNCILMEMBER JOHNSON: I would --

CHAIR MOLINA: Would you...

COUNCILMEMBER JOHNSON: --just like to hear from her --

CHAIR MOLINA: Comments, sure.

COUNCILMEMBER JOHNSON: --and have her explain because I know some of the philosophical discussions we've been having lately about location of smaller facilities departing from a past Department of Health...

CHAIR MOLINA: Traditional central large --

COUNCILMEMBER JOHNSON: That's right.

CHAIR MOLINA: ...*(inaudible)*...

COUNCILMEMBER JOHNSON: I'd just like to know more about that.

CHAIR MOLINA: Sure. I think it's a valid issue to bring up. And good afternoon, Madam Director, and thank you for making yourself available to the Committee. Member Johnson, you can proceed.

COUNCILMEMBER JOHNSON: Yes. Thank you very much. In, in other discussions and I'm sure you're aware of it in general policy as to location or relocation of our wastewater sites overall, one of the things that we dealt with on another project, but one of the questions we asked was do we decentralize some of our wastewater sites and go to a different standard or do we still look at very large centrally located sites? And so with regard to your response to this, can you give us...*(change tape, start 1B)*...your comments that were made about this, I guess the appropriateness of this particular site or land at this site and how that would fit in with any policy or direction that your Department is moving in?

MS. OKUMA: Let me just respond to that question in this way. In terms of whether you go with a large site or it's something that's decentralized, that will probably be determined by such things as policy, philosophy and economics. But I can say that in terms of how some other government localities are looking at this kind of issue, there's a realization that the large treatment facilities that we see today were built when Federal funds were available. And so that's why a lot of these facilities were built back in the '70s and the '80s. Those Federal funds basically evaporated around the late, late 1980s early '90s with the realization by Federal government at that time that local government will pick up more of that burden over time via, you know, sewer, sewer users. So today it's very hard I think to, to find, for local government to find the money basically to build facilities of this nature and so there, there is a look in other places to look more towards

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decentralization and basically building facilities closer to wherever the source is and perhaps more towards smaller sizes. You know, you may hear of the term package facilities. So that's certainly something that is out there and is in discussion, it may not, it's not just us here, but it's in other places as well where there's been that kind of ongoing discussion.

COUNCILMEMBER JOHNSON: So with regard to your response, though, on this particular project do you believe that the site or location somewhere within this site is something that we as a Council should be supporting?

MS. OKUMA: Well, if I can just address it this way. We're not opposed to that, we do support the concept, of course the question would be as in all cases how would that be funded.

COUNCILMEMBER JOHNSON: Yeah. And, and because no one knows what's going to happen with regard to Federal policy and direction also I think would, if let's say at the Federal level we were to once again have access to monies that would enable us to upgrade our facilities or relocate those that are in hazardous locations at present, would that change your direction being that this is basically a function of government is to provide, you know, for these kinds of needs?

MS. OKUMA: I think that would be a consideration. Basically I think we should always keep our eyes open for all options and certainly when there's Federal funds as a source that could, would be a factor in to any decision that's made in terms of facilities.

COUNCILMEMBER JOHNSON: Okay. Would, would you be looking at this being built by any developer and up to County standards and then at some point connect it up to our County system, or put in as a facility that could potentially be used as a County asset?

MS. OKUMA: Well, I think first of all this is a concept at this point, we don't even know what, where exactly we're talking about and the location would drive perhaps many of these other determinations. But if it's going to be County owned, certainly it has to be up to our County standards and in terms of how that funding would go, you know, we only have a limited number of resources as far as where to get funding. So that would probably make a difference, I would imagine, in terms of any decisions that need to be made.

COUNCILMEMBER JOHNSON: Okay. I'm just trying to determine where, you know, we're, we're going with this because if we move in one direction and then Federal policy changes which would again have us return. If, let's for instance, let's say that some area were reserved but it was found that that situation was not going to work out, what would you, or what would your Department's position be with regard to the land that was reserved? Would we as a County, if it was dedicated for that purpose, look to liquidate the land or have you not thought about that?

MS. OKUMA: I, I can't, you know, speak to that. If, if the land is not feasible for the treatment facility I, I don't know that it's our Department that would have, would say anything about that.

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COUNCILMEMBER JOHNSON: Okay. I, I just, you know, I'm trying to get a sense of where this is all going and how this has been thought out. Because somewhere down the line someone's going to have to pay for these improvements and with limited funding available because City and County of Honolulu is, you know, all the money that's in the Revolving Fund basically is going for them, that really limits our options as well. Thank you.

CHAIR MOLINA: Okay. Thank you, Member Johnson. Committee Members, any other questions for Director Okuma of the Environmental Management Department? Seeing none, thank you, Madam Director.

MS. OKUMA: Thank you.

CHAIR MOLINA: Members, and another consideration for you is since we did talk about the application of the Workforce Housing Policy related to this, Member Mateo has expressed some concerns on. Well, we do have Mr. Chun from A & B available for any inquiries regarding to that. There was a letter sent by the Housing Director as well as I guess a proposed condition from Member Hokama as well. If there are no objections, I'd like to ask Mr. Chun to provide some comment to address any concerns regarding housing and the acreage that's being proposed at this time. And in the meantime, Members, we did get a response also from Parks. Is there a need to get a representative from Parks here as well? We have them on call. Okay. Seeing none, at this time we will not call Parks to make themselves available for now. Good afternoon, Mr. Chun, and thank you for being here. And I know you have a whole entourage of resource people with us here in the gallery this afternoon.

MR. CHUN: Good afternoon, Mr. Chair.

CHAIR MOLINA: Being that you heard the comments about the project not being applicable towards the Workforce Housing Policy, is there any additional comment you would like to make with regards to the 22 acre contribution as well as the comments expressed from Member Mateo?

MR. CHUN: Well we, I guess as far as the, the Corporation Counsel's opinion, we, we understand having, you know, watched the process of the passage of that ordinance, having, you know, sat in on the sessions and the discussions, we understand that to be a correct legal opinion in terms of the legislative intent for Chapter 2.96. But that said, the condition that Councilmember Hokama has proposed which would have us providing 22 acres of land for the purpose of providing for this need is something that we are comfortable with. In addition, I guess as a very important component to that, the condition also reflects a provision of six acre area for future community center activity as well as two acres for park space. And we, just for the record would like to reiterate our, our position that that is a condition that we are able to comply with and that we're comfortable with.

CHAIR MOLINA: Okay. Thank you very much, Mr. Chun. Committee Members, the floor is open for questions to Mr. Chun. Mr. Mateo?

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COUNCILMEMBER MATEO: Thank you, Chairman. Mr. Chun, good afternoon.

MR. CHUN: Good afternoon.

COUNCILMEMBER MATEO: The, the number, the 22 acres that was provided, prior to that it was 13 acres from the, the Land Use Commission, yeah? The, that, that 13 acres was indicative of what?

MR. CHUN: Actually just to clarify the, the sequence of the discussion that occurred with the Land Use Commission. The Land Use Commission arrived at a condition wherein a minimum of ten acres of land would be provided to address an anticipated need for, for housing. Coupled with that was the requirement that the applicant, us, conduct a study to ascertain with a little bit more clarity I guess what acreage would be appropriate and through that process the 13 acres was arrived at. Subsequently, of course, we applied to the County for zoning and went through the Planning Commission process wherein we worked with the County Administration and the Director of Housing and Human Concerns at the time, Ms. Alice Lee, and through that process arrived at a larger acreage than that even. So it's through that evolution there's, you know, there's been I guess an increase in the, in the actual provision of space and, and land.

COUNCILMEMBER MATEO: So the land was not based on a projection of your in-migration of future employees that will be needed?

MR. CHUN: Actually the, the study that I refer to did crank that into the mix as far as arriving at a 13 acre recommendation. The in-migration, of course, being the. . .I guess the operative condition that would create, you know, the, the impact for this need. And so, yeah, the in-migration was definitely a, a factor in the recommendation for 13 acres.

COUNCILMEMBER MATEO: And the acreage that's being considered for donation, this is. . .the addition then does not really take into consideration that your own people don't have houses, that your own employees that work under the umbrella of A & B, you know, still in need of housing as well, and that the County already is over 4,000 plus units short. So this donation will be able to take care of your employees as well as the rest of the people of, of Maui County, Maui island as well. So is there a consideration for an increase in the acreage to help meet your responsibility to your employees as well as helping the, meet the overall need of housing for the County?

MR. CHUN: Well, I think that the, by and large, you know, I got to say that, that this company has been very, very responsive and very responsible to the needs of its employees. In fact the, the, you know, the properties division, the A & B Properties company was actually established for that very purpose to address the housing needs of our employees. And, you know, over the course of time this company has, has been engaged in ongoing efforts in that, in that very vein. This particular condition, this particular provision of land if you will is we think very consistent with that philosophy, we think it's very appropriate in the context of what's being requested today. And, you know, there are always in, in reference to, you know, your earlier comment and that of Mr. Giroux as far as, you know, having some kind of connection or nexus to the, to the proposed

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request, we, we see that as having been established by the study that was provided. So by and large we see the, the number on the table as being an appropriate one.

COUNCILMEMBER MATEO: Okay. Chairman, thank you very much. I don't know where else to go. Thank you.

CHAIR MOLINA: Okay. Thank you very much, Mr. Mateo. Councilmember Johnson?

COUNCILMEMBER JOHNSON: Yes, Grant. I believe last time you have someone here that is going to address I guess some of the questions with regard to the study. Are they here today?

MR. CHUN: Yes, Ms. Johnson.

COUNCILMEMBER JOHNSON: If you can answer this, fine. But I really, you know, when I'm reading some of the verbiage in here it's a, I guess my questions are along the same lines of Member Mateo. It's difficult to actually interpret how, you know, this was arrived at because one of the comments that's made and this is on page ten of the study, it says one-third of the businesses in the newer A & B Kahului projects: Airport Triangle, Maui Marketplace and Maui Business Park Phase I have relocated from elsewhere on the island. Another 10 percent are new locations for existing Maui companies. The remaining 55 plus percent of the businesses are new to the community. However, the new businesses contained a disproportionately large share of the total floor space and employment positions. So if I'm reading that and interpreting that section, what I'm looking at is that depending on what the mix is of the businesses that would be going in to your Phase II project, it may create a--again, I think one of the testifiers even bore this out--it will bring a lot of new businesses to the island and potentially new employees. Can you address or can your representative address that question and what kinds of protections there are for us to be able to mitigate the impacts of people who are not currently living here, relocating here? And then also with the influx of corporate businesses, what is the policy in terms of dollars circulating here on the island to help bolster our economy and help address, I guess the workforce, you know, issues and stabilizing workforce? 'Cause as you've recently seen with economic downturn, what happens is corporate policy sometimes will dictate shifts in employment, layoffs, conversions of positions. So I just want to better understand that.

MR. CHUN: Well the, the study that, that you refer to, Ms. Johnson, of course as in any situation where, you know, one can't predict the future, it's based on certain assumptions, certain reasonable assumptions as far as what the future holds based on previous patterns that have existed over time. As you indicated we do have, actually Michael Munekiyo who you folks are all very familiar with is very well versed in the study, he was a participant in the, you know, the establishment of the, the benchmarks and the, the assumptions that went in to arriving at the study's recommendations. If there's questions as far as those assumptions or, or how the, the study was used to establish its recommendation, I'd be happy to ask him to come forward.

COUNCILMEMBER JOHNSON: Yeah. And, and who, who was the preparer of this particular study?

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MR. CHUN: The preparer is a person by the name of Mr. Holliday, Tom Holliday who's no longer living in the State of Hawaii. But he, he worked with Mr. Munekiyo on the study and Mr. Munekiyo is capable of addressing questions concerning that study.

COUNCILMEMBER JOHNSON: Okay. And this is The Hallstrom Group, right?

MR. CHUN: Correct. Yes.

COUNCILMEMBER JOHNSON: And when, this was from September of 2004? That was when the study was completed?

MR. CHUN: Yes. I believe so.

COUNCILMEMBER JOHNSON: With the different market shifts and dramatic changes, you know, here we are it's 2008, that's four years ago. What, what updates have been done to bear out your justification for doing what we're doing now?

MR. CHUN: Actually something that needs to be, I guess, remembered is the, the information in the study and its timing is still very, very much relevant in the context of this project because the project is a 12 to 15, maybe even up to a 20 year project. So the, the assumptions of course as far as, you know, business establishment increase and in-migration as a result of that establishment are assumptions that are based on a very long-term perspective. So the, you know, the fluctuations in our, in our setting in terms of the real estate market, over a period of just this, this time since then do not necessarily undermine the, the work of the study, the assumptions of the study, the conclusions of the study.

COUNCILMEMBER JOHNSON: Yeah. And I was just looking at the statistics that are contained in table five about in-migration and the individuals, you know, who I guess would be coming and so, you know, to me I, I'm not really sure I understand on that table five. So if Mr. Munekiyo could just address that, I'd feel a lot more comfortable if he could --

MR. CHUN: Table five.

COUNCILMEMBER JOHNSON: --at least just explain what those tables mean.

MR. CHUN: Mr. Chair, with your permission?

CHAIR MOLINA: Okay. Thank you. Yes. Mr. Chun, we'll have Mr. Munekiyo to give further explanation on Councilmember Johnson's inquiry. And, Mr. Munekiyo, if you could please state your name and the, and the organization that you represent before you respond to the question.

MR. MUNEKIYO: Sure. Good afternoon, Mr. Chairman, Members of the Committee. My name is Mike Munekiyo, I'm a planning consultant. We did assist or we are assisting A & B in the entitlement process. We also through that process worked with Mr. Holliday in, in terms of

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review of the housing study and as Mr. Chun mentioned in, in discussing some of the benchmarks and assumptions that would be used in the study. So we are comfortable in addressing the key points of the study and I think one of the things that, maybe just to lay the foundation for what The Hallstrom Group did was to look at what would be a reasonable linkage between employment generated by the park and housing requirements as a result of that employment. And so the entire model that's set forth in the housing study is based on that premise. I think you had mentioned, Councilmember Johnson, whether or not the migration factors would, would change over time, and what Mr. Holliday had really found was that since the '60s, 1960s the percentage, and moving towards the year 2000, the percentage of in-migrants or the number of in-migrants as a percentage of population growth has actually decreased.

And so what has happened over time is because we have grown, the local population has grown, the, the natural rate of increase that's attributed is actually becoming a larger factor in, in our overall population growth and the in-migration component is being a reduced factor. So what happens as a result and this is basically what he's kind of concluded is that because you've got a larger rate of a natural increase, population attributed to natural increase, you've got a larger source of local labor pool. And over time what that means is that the percentage of labor that would fill those employment positions at the Maui Business Park II would actually be a greater, greater source from the local residents as opposed to in-migrants. That's really the, the basis of this study. So given that the, the natural increase or the local residents will make up a larger percentage of the employees at the Maui Business Park over this 12 to 15 year period, that is how they've kind of come up in the study with that 13 acres that, that Councilmember Mateo referred to.

**COUNCILMEMBER JOHNSON:** And, and I think on table four is probably, you know, the area that you're talking about where it's the in-migration trends. Is there a table for out-migration?

**MR. MUNEKIYO:** There is not a separate table which addresses out-migration specifically. There is a certain set of assumptions that The Hallstrom Group made in terms of determining what would be a reasonable percentage of in-migrants to use in the model. And so effectively what they've assumed and on a reasonable basis is that over time, over the next 15 years or so there would be no net out-migration of Maui residents. And I think from a statistical standpoint that's borne out. But also I think from a public policy standpoint really what we're looking at is having jobs available for our children to remain here and that's really what the, the fundamental assumption was. There would be no net out-migration and with that being said, you know, this is how he had come up with the 13 acres.

**COUNCILMEMBER JOHNSON:** And, and I understand that, but that's not borne out statistically because Statewide I believe we had, and I don't know what Maui's figures were, but Statewide I believe we had a number approaching almost 10,000 local or, you know, native people moving, out-migrating to many different locations. And my reason in asking all these questions is that the assumptions that are made are just that, they're assumptions. You don't have a crystal ball and I don't have a crystal ball, but we know what the economy is doing. And everything is softening so I, I want to know that what we're doing is the right thing, that we're moving in the right

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direction. And some of the things, you know, that are contained in the study do concern me. And one of the things is that the trending has really dramatically changed, even our visitor population is probably going to continue to decrease slightly. And there's been other policy calls that, you know, were taken under consideration to limit the growth in our community which may serve many of the retail businesses that would come in as a result of this approval. So I think those things are absent and I think that the four years since the study was done may have made a difference. Let me ask you, Mr. Munekiyo, about the Hallstrom Group in general. I recall they've done other studies for other developers, is this correct?

MR. MUNEKIYO: That's correct.

COUNCILMEMBER JOHNSON: And where are they based out of?

MR. MUNEKIYO: Oahu, Honolulu.

COUNCILMEMBER JOHNSON: They're based out of Oahu, and generally do their economic and their forecasting analysis support development or do they not support development?

MR. MUNEKIYO: You know, I, I can speak as an observer of what this study has done and I can't speak to anything else that they've done Statewide. However, as I worked with Mr. Holliday and as I reviewed this study it, it's based on data that's pretty much I think accepted as, as reasonable. The base data that they've used as an example are US census data, DBEDT data, data that was formulated through the County of Maui's Socio-Economic Forecast for the community plan update process. And so it's not something that they've. . .well it, in order to keep the study as objective as possible they've tried to rely on information which I think everybody can accept as being reliable. And with those historical data, that census, and projected data through that SMS, Socio-Economic Forecast, you know, that's really the foundation of that study. And so they've tried to be as objective as possible in that regard. Again, I think it's a fairly objective study.

COUNCILMEMBER JOHNSON: Yeah. And the only reason I ask that is because I've not seen any study that they've ever done that's been contained in an EIS that doesn't support an end conclusion. You know, so that's just my personal observation. But thank you, Mr. Chair.

CHAIR MOLINA: Thank you very much, Member Johnson. Any other considerations for Mr. Chun, Mr. Munekiyo or Mr. Chun at this time before I excuse them for the time being? Okay. Seeing none, thank you, Mr. Munekiyo. We had, I believe, also Mr., Mr. Miyamoto from the Public Works Department. Are there any additional or new inquiries regarding Public Works issues for this project? Otherwise, we will hold off from calling Deputy Director Miyamoto to give comment or respond to questions. Seeing none, Mr. Yoshida, from the Planning Department, any additional comments since our last meeting on this project that you would like to make?

MR. YOSHIDA: No additional comments.

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CHAIR MOLINA: Okay. Thank you very much. Members, the Chair would like to point out a response from Mr. Chun from the Committee Chair regarding the matter of water. There's a January 14<sup>th</sup> letter that I had asked for a response from Mr. Chun relating to the Director of Water Supply's comments concerning the status of potential surface treated water sources at this time. And Mr. Chun did respond with a January 29<sup>th</sup> letter. And I'd like to direct you to the second page which is titled, "Maui Business Park II Water Requirements." Members, if you'll note the second to last paragraph it reads as follows, "As a backup plan for providing water source, A & B Properties is also pursuing a new potable water well in the Kahului Aquifer. Potential well sites have been identified. A test well has been drilled and a pump test has been performed. These tests indicate that a sustainable capacity of 0.648 million gallons per day or 450 gallons per minute and chloride level of approximately 40 PPMs or"--I can't, I'm having a brain freeze here on the PPM, anyway--"can be expected". We understand that the Department of Water Supply has concerns over the location and sustainability of this well and we intend to continue discussions with the Department of Water Supply as to whether these concerns can be met. We did make a request for Director Eng to be here. While we await Director Eng, I'd like to ask Mr. Chun again if he would like to add further comment on this matter of the water and the concerns with the Department of Water Supply, maybe to be possibly update us with what has transpired since our last meeting with regards to these comments made by the Department of Water Supply. Mr. Chun?

MR. CHUN: Thank you, Mr. Chair. Yeah. Essentially just to recap, I guess, the central point of the, the correspondence that the Chairman referred to, the applicant, A & B, is, understands its obligation under the recently enacted Water Availability Bill which, you know, obviously would have us identifying a long-term reliable supply of water for the project prior to subdivision of the, of the parcels within the project. So we think that as a benchmark is, is key in the context of the, what's occurring here today being sort of a threshold matter to that eventual identification of long-term reliable water supply. That said, just to ensure that the record reflects the ongoing work that has occurred with. . .*(change tape, start 2A)*. . .water supply in the context of the potential for a surface water treatment facility, our comments also include an update, you know, on that work that's, that's occurred to date; in the context of the engineering design that's occurred; and the work on the environmental impact statement for, for that facility as well. So our efforts with the, the Department as a general proposition are ongoing and something we have to keep, you know, keep working with them at. But the, every indication is that as far as this project is concerned we will definitely be able to live up to the requirements of the, the recently enacted Water Availability Ordinance.

CHAIR MOLINA: Okay. Thank you, Mr. Chun. Committee Members, questions for Mr. Chun related to water and alternative strategies? Councilmember Johnson?

COUNCILMEMBER JOHNSON: Yes. Grant, I've read your letter and I believe one of the testifiers had mentioned that with the ongoing controversy about surface water and Na Wai Eha and stream flow restoration, also some of the utilization of water and traditional uses where it had been agriculture but now the use for that water is being replaced by a different type of use. How does that play in to the plans that you have outlined here?

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MR. CHUN: We don't see the two as being inconsistent. I mean the issues that will be resolved in that, in the proceedings that you refer to we feel will, will dovetail and will allow for the establishment of the, the treatment of the ditch system water. So we think that the strategy that's being pursued with the, with the Department is, is one that will successfully speak to the, the requirements of the, of water availability for this project.

COUNCILMEMBER JOHNSON: Okay. But if you're going to, I guess this is involving both surface water and also water from well, that's correct?

MR. CHUN: Right. There's a two pronged strategy which would allow us to basically have a, have a backup plan. And that's why we're looking at the alternative of a well in the Kahului Aquifer.

COUNCILMEMBER JOHNSON: Okay. And depending on where the well is and the permits for that, have they been secured?

MR. CHUN: No, right now it's the, as I indicated in the correspondence the well, a test well has been drilled and, you know, obviously the results are as indicated. But it's not a, it's not a path that, you know, we're, we're committed to, I mean we're essentially trying to establish the various options that are available.

COUNCILMEMBER JOHNSON: Okay. Well, when you look at our Water Use and Development Plan and even when you look at State policy as a general rule, you've got a hierarchy of uses. If residential development or affordable housing or Department of Hawaiian Home Lands or agriculture products or projects all come in line including, you know, native Hawaiian water rights come in line before commercial development, how does that impact this strategy because I don't, I don't really see that going hand in hand with the strategy that would dictate those uses have a greater importance and a greater significance than doing more commercial development. So how do you reconcile that?

MR. CHUN: Well that, that's an issue too that we'll need to work with the, the Department of Water Supply on. But essentially the, you know, the proposal is for us to, you know, as is required by the Water Availability Ordinance the proposal is for applicant to take the lead, for applicant to establish the, the source in this case and the availability of that source. And through that process of working with the Department, obviously, you know, protocols and priorities come into play in that context. But at this point right now here today that, you know, we're not at that point yet in the context of, of our conversations with the, with the Department of Water Supply.

COUNCILMEMBER JOHNSON: And, and that, Grant, is precisely what concerns me because one of the things that we're doing is we are, at least myself as a Council Member, I don't want to muddy the water so to speak when we have all these other issues that have as yet been unresolved and then further cloud issues by adding more entitlements in to that mix and creating more demands on a water system that is really up in the air and in question at this point in time. So that's my concern.

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MR. CHUN: I see. Well, just to clarify that, you know, our understanding in having monitored the discussions on the Water Availability Bill is that the, the reason I think that the water availability requirement is tied to subdivision construction plans is because there was I think an interest and an understanding on the part of, of this body as a policy making body that you don't want to stymie the pipeline so to speak. And so that's why the Water Availability Ordinance is applicable in that setting versus the zoning setting. And I think that the, the opportunity and the initiative on our part to comply with that requirement is a sincere one, one that we're engaged in on an ongoing basis, and one that we feel very comfortable in being able to work with the, the Director and the Department in satisfying.

COUNCILMEMBER JOHNSON: So because of the applicability only to subdivision, your point is that that particular ordinance is not applicable to you, but you're willing to I guess entertain...

MR. CHUN: Oh. No. I'm sorry. I didn't mean that all, I mean it is applicable to us and we, we do need to go through the subdivision process, but before we can even get to that point we need to establish zoning here. And so that's sort of my, my point, Ms. Johnson, that we do understand that the ordinance is very much applicable to us and I was, what I was trying to do on the record is basically express our sincerity and our commitment to live up to the provisions of that, of that requirement.

COUNCILMEMBER JOHNSON: And, and it's my understanding from all of the knowledge that I've been able to gather about the applicability, and my observation is that one of the reasons it's only applicable to subdivisions at this point is because the process to actually make it applicable at zoning would be, it would require the comments from the Planning Department. But that was sort of where the bill was going originally is applicability at zoning, which I don't disagree with. And so that's why I think, you know, it's only applicable at subdivision right now so, you know, my...

MR. CHUN: That's our understanding.

COUNCILMEMBER JOHNSON: My assurance, though, I guess in, in what we're looking at right now. . .the assurance that you're giving me is that you do intend whether it's applicable or not to you, and it would be applicable only at the subdivision level, you would intend even at the zoning level to work on this with the Water Supply Department?

MR. CHUN: Well, yeah, we're already working with the Department of Water Supply in anticipation of the zoning being established. Because obviously we can't go in for a subdivision approval until there's zoning. So that's, that's sort of the context for my remarks, I don't mean to be misleading. But the, the whole point of our ongoing work and dialogue, you know, with the Department is, is in anticipation that eventually we're going to get zoning and we will, you know, be putting in for a subdivision and in which case this requirement would obviously be an important one for us to address.

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COUNCILMEMBER JOHNSON: Okay. And because you already have these other projects, you know, you've got your hotel, how would that, because obviously it's a development that's going. . . maybe it's not going forward. Would your hotel project at the Airport Triangle be tied in, in any way to this particular development proposal?

MR. CHUN: No, ma'am. It's completely separate.

COUNCILMEMBER JOHNSON: And so you, you haven't moved forward with that?

MR. CHUN: Actually if you, would you like me to address the --

COUNCILMEMBER JOHNSON: Well, I'm trying to understand --

MR. CHUN: --the infrastructure for that area?

COUNCILMEMBER JOHNSON: --and, and if it's applicable to this application if there's any nexus?

MR. CHUN: No. It's completely separate. Actually the, the company has spent over \$5 million on the infrastructure for that, that process, that project in that, you know, parcel and has a water meter and it's got, you know, all of the infrastructural. . . back of the house, so to speak, engineering issues addressed.

COUNCILMEMBER JOHNSON: So, so that one already has a meter, it would not be tying into this system at all?

MR. CHUN: Correct. It's completely separate.

COUNCILMEMBER JOHNSON: Okay. And I'm assuming then you would be getting County water for the airport hotel?

MR. CHUN: I believe the meter is a County water meter, yes, ma'am.

COUNCILMEMBER JOHNSON: Okay. Thank you.

CHAIR MOLINA: Thank you, Member Johnson. Committee Members, the Chair was, well again we're in contact with someone, trying to get someone here from the Water Department to respond to this matter relating to alternative strategies as proposed by the applicant. What the Chair would like to do at this time, I think this would be a good time to take a short recess and hopefully we'll get our water representative here. The Chair will proceed when we come back from the recess to hear from the Department and then we'll offer a recommendation and then discuss the proposed conditions, Member, Chairman Hokama has several and the Chair also has one. And before we break, Mr. Medeiros?

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. So is Mr. Chun going to be available...

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CHAIR MOLINA: Oh. Yes. By all means the Chair will also, if you have any additional inquiries for Mr. Chun, by all means we will have Mr. Chun up here to answer your inquiries.

COUNCILMEMBER MEDEIROS: Okay. Mahalo.

CHAIR MOLINA: Thank you. Members, this meeting is in recess until 3:00 p.m.. . . .(gavel). . .

**RECESS: 2:45 p.m.**

**RECONVENE: 3:02 p.m.**

CHAIR MOLINA: . . .(gavel). . . The Land Use Committee meeting for February 20, 2008 is now back in session. It is two minutes after the hour of three o'clock. We are in the process of discussing Land Use Item 49 which is a proposed Change in Zoning for the Maui Business Park Phase II project over in Kahului. We did manage to get Deputy Water Director Eric Yamashige here to respond to the letter from Mr. Chun from A & B regarding water requirements and alternative strategies. Mr. Yamashige, if you'd like to come on up and join us. And I believe before we took our break Councilmember Medeiros had, I guess, a question or two for Mr. Chun and we'll entertain your request upon the completion of Director Yamashige's comments to Mr. Chun's letter of January 29, 2008. Good afternoon, Mr. Yamashige.

MR. YAMASHIGE: Good afternoon, Mr. Chair, Members. Thank you very much for this opportunity to be here. First, let me apologize for Director Eng, he's at the contested case hearing for the water. It's funny that we'd mention that. I, I did have a chance to read the water requirements, alternative strategies that you're referring to, and it makes several very good points. You're all aware of the Waiale Water Treatment Plant, the surface water treatment plant and that is a project that the Department has been working with A & B for several years now. And unfortunately it, it hinges a lot on the hearings that are going on right now. The, the second prong that A & B identifies is this well in the Kahului Aquifer. We are aware of that well and as the statement notes we do have concerns because Kahului Aquifer is a pretty low yield aquifer and there's not a lot of information that will right now allow us to identify it as a sustainable or a long-term sustainable source. So there, we have discussions; however, we haven't made any decisions on that, that well.

CHAIR MOLINA: Okay. Thank you, Mr. Director. Committee Members, questions for the Deputy Director of Water? Councilmember Johnson?

COUNCILMEMBER JOHNSON: Yes. Eric, so, you know, I guess what you're basically saying then with regard to the comments or the response that's in. . . I guess it's Mr. Chun's communication to you is that right now you're not certain of where this is all going to go and, you know, you would not--I guess what I'm trying to get at is because I know we have challenges already, I think we're about 800,000 gallons over supply in our County or over promised on our regular water supply. But with regard to this particular issue and this particular business park application that's before

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us, are you supportive or not supportive or at this point wouldn't even begin to answer the question?

CHAIR MOLINA: Mr. Director?

MR. YAMASHIGE: Thank you. Deputy. Thanks, Mike. Well, let me say that I've had to go before the Planning Commission to kind of discuss the, the process and at what point the "show me the water" bill requires this, this proof or this letter of sustainable source. And the way the, the ordinance reads, it is before submittal of construction plans. Because the planning process or the, you know, the land zoning or community plans are, are a little bit too early for us to be committing the water, you know, by reservation as the ordinance says or in the case of a private source, you know, the private source. So at this point, you know, I'm neither supportive or not supportive. But as far as the availability of water, you know, it is more appropriate when the construction plans come in. We've, we've always had the concern that if we commit the water in these stages, the project may not go ahead and then we'd have a reservation for water that may not be used for ten years and that wouldn't be a good use of the resource.

COUNCILMEMBER JOHNSON: Yeah. And, and I appreciate that because I think that, I understand what your position is that basically you would be actually taking a look and making a recommendation at a later phase in this assuming that the entitlement, you know, would go forward. But you weren't here earlier when I asked a question of Mr. Chun, but I'll just reiterate what my concern is. And that is given the hierarchy and our Water Use and Development Plan and basically making water available because of the public trust doctrine let's say to different categories of development, the topmost being I guess native rights, Department of Hawaiian Home Lands and then right along with that probably affordable housing, residential development, that type of thing. In that whole overall strategy assuming that there's only so much water and there's only so many straws that you can put into the glass and take up water, where does commercial development rank overall in that hierarchy? Is it at dead last, is it in the middle, is it not a high priority?

CHAIR MOLINA: Mr. Deputy Director Yamashige?

MR. YAMASHIGE: Thank you. You know, I, I don't know all the priorities, you know, specifically. I know as you mentioned the higher priorities. But this development is identifying a privately developed source and it's not the public resource or the public sources that we, the Department or the County, would be developing which I think the, the Allocation Bill would probably be addressing shortly as you know in the Water Resource Committee.

COUNCILMEMBER JOHNSON: Okay. But given that water and with the suit that was taken up in Oahu with water being a publicly owned trust, what, you know, given that kind of strategy and, you know, past water case history, even if it's from surface water it's from well water. My understanding of that public trust doctrine is that it does matter where the water goes. I mean for me and, and there are many people that I guess which you also weren't here for, but there would be other individuals coming from outside of the community that would relocate ostensibly to

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either take the jobs, to work on construction, to set up their own new businesses here in this business park. Those are people that are not presently here. What I'm trying to make a determination on is, is that somehow fair, is it equitable to all the individuals who are currently under threat, possibly, you know, future water restrictions because we've over tapped our core resources?

CHAIR MOLINA: Okay. I guess that's a question, Mr. Yamashige, would you like to provide comment to Member Johnson's statements?

MR. YAMASHIGE: Not really. I, I don't think I'm in a position to say what is fair or not fair in this. Thank you.

COUNCILMEMBER JOHNSON: I, I know. I, I put you on the spot, Mr. Yamashige. But, you know, I, I think that philosophically when you, your Department is working on the Water Use and Development Plan, I think you have a sense of certain priorities like, you know, agriculture or affordable housing, Department of Hawaiian Home Lands, I know that you're familiar with the kinds of things that, to try to take care of the existing user base before, at least from the public's perspective and to try to do that to the best of your ability. Am I correct in that?

CHAIR MOLINA: Mr. Director? Deputy Director?

MR. YAMASHIGE: Yes. Thank you. Yes. That's correct.

COUNCILMEMBER JOHNSON: Okay. Thank you very much, Eric.

CHAIR MOLINA: Okay. Thank you, Member Johnson. Mr. Pontanilla, questions for Deputy Director Yamashige?

VICE-CHAIR PONTANILLA: Yeah. Thank you. Deputy, you know, you mentioned about reservations, yeah, and earlier we talked about the number of affordable housing that is owed to the County, you know, as high as 4,000 units. My question to you is that do we have any reservations of projects, so-called projects that suppose to have been in the mill or are in the mill that you took reservations for, current information?

CHAIR MOLINA: Mr. Deputy?

MR. YAMASHIGE: Thank you very much. Actually, in the Central Maui service area we do not have, or have not taken any reservations. There are projects that were already in the queue that had already submitted construction plans prior to the passage or, or adoption of that ordinance. So that's where, you know, the 800,000 gallons comes out. It, it's what we've estimated the demand for the projects that are already in the process.

VICE-CHAIR PONTANILLA: Do you know of a project listing? When I say project listing, these are developments or subdivisions that are on the books, have been on the books for over a number of

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years, five, ten years in the Department or anywhere else, maybe Planning or maybe Housing that they coming up with this gigantic numbers in regards to affordable units. And if they are, you know, has there been a concentrated effort to eliminate those that, you know, developers are not here, subdivisions are not going to go through so that we get a more realistic number, what's out there in regards to number of units that are being planned for Maui County?

CHAIR MOLINA: Okay. Mr. Deputy, before you respond, the Chair would like to remind everyone to please confine your questions as much as possible to Land Use Item 49. So I'll go ahead and permit this question to be responded to but afterwards, Members, please stay within the Sunshine Law parameters as it relates to questions.

VICE-CHAIR PONTANILLA: Sorry, Chairman.

CHAIR MOLINA: Mr. Deputy?

MR. YAMASHIGE: Thank you. This will be pretty short anyway because I, I am not aware of a tabulation of, you know, 4,000 affordable units. I know there's been a lot of requirements on developments to provide those units. But I don't know what the number would be. Thank you. I'm sorry.

VICE-CHAIR PONTANILLA: Thank you. Thank you, Chairman.

CHAIR MOLINA: Okay. Thank you, Mr. Pontanilla. Committee Members, any additional questions for Deputy Director Yamashige before I call up Mr. Chun to respond to questions from Mr. Medeiros? Okay. Seeing none, thank you, Mr. Deputy. Oh. I'm sorry. Mr. Medeiros, you have questions for Deputy Director Yamashige?

COUNCILMEMBER MEDEIROS: But when Mr. Chun returns is Deputy Director Yamashige --

CHAIR MOLINA: Yeah. I'm gonna...

COUNCILMEMBER MEDEIROS: --still gonna be here?

CHAIR MOLINA: Yes. I'll ask Mr. Yamashige to remain in the gallery or if you would like, Mr. Yamashige, you can remain seated there so.

COUNCILMEMBER MEDEIROS: Okay. Mahalo.

CHAIR MOLINA: Okay. All right. Mr. Chun, you have a request for an inquiry from Mr. Medeiros. Well, Mr. Chun, you've always got your hands full there. I must say, I admire you.

MR. CHUN: Thanks to you folks.

CHAIR MOLINA: ...*(chuckle)*... Mr. Medeiros, you have the floor.

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COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. And good afternoon, Mr. Chun.

MR. CHUN: Good afternoon.

COUNCILMEMBER MEDEIROS: Thank you for the information you've been providing. I know you're an expert in a lot of areas, but if these questions are beyond your expertise and you have resource people here that are either geologist or hydrologist or if you have engineers that deal with that, then I'll ask you if they are available if they could also answer. And so let me start that your letter of January 29, 2008 refers to the Kahului Aquifer. Can you tell me how the aquifers are identified? Is it just because they're in the Kahului area?

MR. CHUN: I think we have a map that shows that, if the Chair would allow us to put it up.

CHAIR MOLINA: Okay. To put it up on the easel?

MR. CHUN: Yeah. . . .*(Inaudible)*. . .

CHAIR MOLINA: Members, any objections to the map being put up, Members? Okay. If we could have some of your resource personnel provide that for the Committee.

MR. CHUN: Is it a pass around kind of a map?

CHAIR MOLINA: Mr. Chun, are you able to respond while the map is in the process of being put up?

MR. CHUN: Sure. There are actually boundaries, the State defines the boundaries of the various aquifers, Mr. Medeiros. And I have a colored map here, I'm sorry, I thought it was big but it's not.

CHAIR MOLINA: Okay. Mr. Chun, what we'll do is maybe at a later point I'll ask Staff to make copies for the Members.

MR. CHUN: Sure. But it's, it's a geographically defined area, defined by the State that indicates where one aquifer begins and the other ends.

COUNCILMEMBER MEDEIROS: Okay. And so if we could have a copy of that when it's available --

MR. CHUN: Sure.

COUNCILMEMBER MEDEIROS: --that would be helpful. In, in having heard from other water experts throughout different deliberations on different items, it seems that I remember some response when we, I asked about aquifers that they really don't know the specific area an aquifer covers. But in your map it does do that?

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MR. CHUN: Yeah. I guess based upon the State's best read on that, that question, they do have established boundaries.

COUNCILMEMBER MEDEIROS: Okay. And then so if you're identifying the Kahului Aquifer, my understanding is that there has to be some water that is recharging that aquifer. In your map do we know where that water is coming from? I mean it's not a lake that just stays there, right?

MR. CHUN: Correct.

COUNCILMEMBER MEDEIROS: I mean it's coming from someplace, normally the mountains or streams?

MR. CHUN: Well, I guess the, when Ms. Nakata returns with the map you'll see, but primarily it's the central isthmus of the island which is pretty much covered with sugar cane fields.

COUNCILMEMBER MEDEIROS: Correct.

MR. CHUN: So I would imagine that that would be the primary source of recharge.

COUNCILMEMBER MEDEIROS: I see. Okay. Because, you know, I think as other Members have expressed, we, we are challenged with the availability of water and so I'm just trying to learn more about these aquifers. Because seem like we, we get different descriptions of aquifers and one of the descriptions that was given to us is the description of straws, that the more straws going into the aquifer then it draws down the water lens of the aquifer. And if it's not sufficiently recharged, and that's why I ask what is the source of the recharge, what happens to the aquifer? So I'm not sure if you want to comment on that.

CHAIR MOLINA: Mr. Chun, do you have a resource person that's...

MR. CHUN: We do have an engineer on staff who's actually conversant in, in water matters much more so than I, Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Okay.

CHAIR MOLINA: All right. The Chair is open to bringing that resource person up. Mr. Chun, you can go ahead and call that person.

MR. CHUN: This is Diane Bevilaqua.

CHAIR MOLINA: Okay. And, and her title and any entity that she's apart of?

MR. CHUN: She's an engineer with Alexander and Baldwin.

CHAIR MOLINA: Okay. Thank you. I just needed that for the record.

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MS. BEVILAQUA: Yes. I think your question was on the recharge of the aquifer. And the recharge, the adjoining aquifers also feed in to that given aquifer as well as the surface water from irrigation from the cane field or reservoirs within that aquifer. So there's, there's multi streams plus the potential for underground.

COUNCILMEMBER MEDEIROS: And may I ask your, your engineer, may I ask what discipline your engineering is in?

MS. BEVILAQUA: Yes. Civil and agricultural.

COUNCILMEMBER MEDEIROS: Thank you. So there are other aquifers that are feeding in to the Kahului Aquifer?

MS. BEVILAQUA: Right. There's two adjoining aquifers there and they're believed to be intersecting as well.

COUNCILMEMBER MEDEIROS: I see. Okay. So, and you may answer this question or it has to be, maybe Mr. Chun, but non-potable water from two brackish water wells for landscaping purposes, will this also come from in the vicinity of the Kahului Aquifer?

MS. BEVILAQUA: They are in that same vicinity. They're actually on the sites of the two, of the Maui Business Park.

COUNCILMEMBER MEDEIROS: Which is where the Kahului Aquifer is located?

MS. BEVILAQUA: That includes that area. Correct.

COUNCILMEMBER MEDEIROS: So why is it that it's a fresh water aquifer but you're going to draw brackish water? Are you going deeper?

MS. BEVILAQUA: We're drawing at the, the lens right above, we're drawing for the two irrigation wells. Right, they're, they're drawing at a different point, correct.

COUNCILMEMBER MEDEIROS: I see.

MS. BEVILAQUA: Not tapping. . .*(inaudible)*. . .

COUNCILMEMBER MEDEIROS: Because doesn't the fresh water lens float on the more salty, salinity of water?

MS. BEVILAQUA: That's the brackish lens that's tapped for the irrigation. The potable wells we're going actually deeper. The well that we drilled in Waiale, that's about 200, 220 foot maybe depth.

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COUNCILMEMBER MEDEIROS: Okay.

MS. BEVILAQUA: And that is, that well. . .*(change tape, start 2B)*. . .done as a test well, it's not outfitted but it is a permitted well.

COUNCILMEMBER MEDEIROS: So if it goes through the same aquifer, does it have an impact on drawing down on the aquifer even though you're going for brackish water?

MS. BEVILAQUA: Do the irrigation wells draw...

COUNCILMEMBER MEDEIROS: Yes?

MS. BEVILAQUA: No.

COUNCILMEMBER MEDEIROS: Okay. Maybe my final question for Mr. Chun or yourself is there's a mention in his letter, development of a surface water treatment plant utilizing water from West Maui ditch system. I didn't realize there was a ditch system that came from West Maui all the way to Kahului. Can you explain what that ditch system is?

MS. BEVILAQUA: The Waihee ditch system, that's part of this Na Wai Eha, the four streams.

COUNCILMEMBER MEDEIROS: But this says West Maui ditch system.

MS. BEVILAQUA: Right. It's from the receiving water from the --

COUNCILMEMBER MEDEIROS: Oh. From the West Maui Mountains.

MS. BEVILAQUA: --from the West Maui Mountains. Not, not from Lahaina. Right.

COUNCILMEMBER MEDEIROS: Okay.

MS. BEVILAQUA: West Maui Mountains.

COUNCILMEMBER MEDEIROS: Okay.

MS. BEVILAQUA: Sorry.

COUNCILMEMBER MEDEIROS: All right. Thank, thank you for your responses. Mahalo, Mr. Chairman.

CHAIR MOLINA: Thank you, Mr. Medeiros. Okay. Mr. Medeiros, you had an additional question for Director Yamashige before I excuse him?

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COUNCILMEMBER MEDEIROS: Not, I, my questions have been answered satisfactorily by the, Mr. Chun and the engineer, so I don't have any further questions for Mr. Yamashige.

CHAIR MOLINA: Okay.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

CHAIR MOLINA: Thank you, Mr. Medeiros.

VICE-CHAIR PONTANILLA: Chairman.

CHAIR MOLINA: Mr. Pontanilla?

VICE-CHAIR PONTANILLA: Fast question for Mr. Chun.

CHAIR MOLINA: Mr. Chun? Okay. Mr. Chun --

VICE-CHAIR PONTANILLA: Yeah. Regarding --

CHAIR MOLINA: --you have a question from Mr. Pontanilla.

VICE-CHAIR PONTANILLA: --the letter it indicates that you're going to put in a dual system, one for non-potable. So the non-potable would take care of the irrigation I guess for streetscape. How about for the individual lots, are you going to provide...

MR. CHUN: For, for all landscaping.

VICE-CHAIR PONTANILLA: All landscaping within the subdivision?

MR. CHUN: Right.

VICE-CHAIR PONTANILLA: Okay. Thank you.

CHAIR MOLINA: Thank you, Mr. Pontanilla. Any additional questions for Mr. Chun? Member Johnson?

COUNCILMEMBER JOHNSON: Yes. Grant, because I know that there are other projects in the vicinity, like Maui Lani is drilling some of their own wells, are they in a different aquifer or are you coordinating with them? Are, you know, is any of the system that you'll be drawing from interconnected in any way?

MR. CHUN: You know, I'm not, I'm sorry I'm not familiar with Maui Lani's, the location of Maui Lani's well efforts.

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COUNCILMEMBER JOHNSON: Okay. Then, Mr. Chair, could I ask Mr. Yamashige because he reviews all these or. . .?

CHAIR MOLINA: Okay. Proceed, Member Johnson. Deputy Director, you have a question from Member Johnson.

COUNCILMEMBER JOHNSON: Eric, would you happen to know offhand, because I know we're looking at different development considerations, Maui Lani is expanding, there's some other plans. Are those in, you know, with I guess what Mr. Chun is talking about, you know, that he's listed in the letter as well as other potential developments that may be drawing down from that same system, would you be able to address that and say whether there might be potential, I guess, draw down or potential impacts from these developments or the wells or the surface water being drawn in close proximity?

CHAIR MOLINA: Deputy Director?

MR. YAMASHIGE: Yes. Thank you, Mr. Chair. Yes. The Maui Lani wells are actually located within the Kahului Aquifer, actually right outside of the, the boundary for the Iao Aquifer.

COUNCILMEMBER JOHNSON: Okay.

MR. YAMASHIGE: One thing to consider when you look at these, these maps, it's a line on a map but, you know, it's really not a line on the ground. So it's, it's really interesting that the discipline, the hydrogeologist can draw these lines. So we need, we need to take it with a little bit of flexibility.

COUNCILMEMBER JOHNSON: I appreciate that, Mr. Yamashige. 'Cause I think you're, you're right because and also of the, because of the subsurface lava rock and lava tubes and, you know, even recharge going down. I have one other question and I, I, you may not be able to answer it. But overall in this area because it was farmed in the past and of course because of the applications of chemicals, other things over time, does that generally have any impact on the water quality or what's being drawn down even if it's utilized for brackish water to be used on irrigation or would be used for irrigation on plant materials, does that have any potential for those contaminants to now be introduced into the air?

CHAIR MOLINA: Deputy Director?

MR. YAMASHIGE: Well, I was ready to answer until you said into the air. I, sorry, I really cannot answer that.

COUNCILMEMBER JOHNSON: Well all right, then if you're ready to answer, give me the answer before I said air and just, you know, is there any contamination then, factor, does that factor in at all because obviously recharge, when the waters leach down, you know, they may or may not contain chemicals.

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MR. YAMASHIGE: Yeah. Certainly we already have experience where chemicals do get down to the groundwater table, that aquifer that we're all talking about. We have not seen that contamination in, in the wells in Kahului, not that I'm aware of. The, the test from the Maui Lani wells were actually quite clean if you can say that. If you're looking at, you know, the chemicals like DBCP --

COUNCILMEMBER JOHNSON: Yeah.

MR. YAMASHIGE: --we have not seen that.

COUNCILMEMBER JOHNSON: Okay. And there. . .but, but the potential I guess what I'm, you know, if you're taking from a different source, though, if you're taking surface water and, you know, you may be utilizing that for irrigation purposes or whatever, then that might be a different result. Is that correct?

MR. YAMASHIGE: Yes. The, the chemical is actually in the ground and like you said maybe the surface water will help get that chemical to the, to the aquifer or the lens of water. But again we have not seen that as far as I'm aware of in the Central Maui.

COUNCILMEMBER JOHNSON: Okay. Okay. Thanks very much, Eric. I appreciate your help.

CHAIR MOLINA: Okay. Thank you, Councilmember Johnson. Seeing no other inquiries for Deputy Director Yamashige, I'm going to excuse him from the, this area for the time being, but please be on standby in the gallery, Mr. Deputy, just in case. Members, at this time the Chair is prepared to offer a recommendation and the Chair is very well aware there is four considerations from Chairman Hokama as well as one consideration for a condition from myself. So without anything, any other considerations, the Chair is going to offer a recommendation for a passage of the proposed bill, which is a bill for an ordinance to change zoning from Agricultural, M-2 Heavy Industrial, and R-1 Residential Districts to M-1 Light Industrial District (Conditional Zoning) for the Maui Business Park Phase II project for property situated at Kahului, Maui, Hawaii. And this would include the filing of the communication.

COUNCILMEMBER VICTORINO: So moved.

VICE-CHAIR PONTANILLA: Second.

CHAIR MOLINA: Okay. It's been moved by Member Victorino, seconded by Member Pontanilla. Members, the floor is open for the considerations for the conditions. If Chairman Hokama wouldn't mind, I, I have one that I think hopefully will not take too much time for discussion and I know you have four considerations, Chairman Hokama. If you don't mind. Members, I'll ask you to look at a January 10, 2008 consideration from the Land Use Chair which is a proposed condition to be added to the currently existing 15 conditions. And the proposed condition from your Chair is "That Alexander & Baldwin Inc. shall work with the Department of Police to

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establish a police substation within the project.” Any comments, Committee Members, on this proposed condition?

COUNCILMEMBER VICTORINO: No.

CHAIR MOLINA: Okay. Thank you. Corporation Counsel, can I get some comment with you in terms of the specificity of the condition because it is my understanding the way I interpret this is that the applicant shall fund the construction of the police station or at least within the project. Should we add additional language to strengthen that because I guess one can interpret it when you read the condition, shall work with the Police Department to establish a police substation within the project and it doesn't really specify who will pay basically for the construction of the police substation. Should we add in additional language that I guess which is I, I would presume agreeable to the applicant that they will I guess fund the establishment of the police substation? Mr. Giroux?

MR. GIROUX: Thank you, Chair. If that's the intent, I'm not sure I was present at the discussions of the intent of the, of that condition. But if that's the intent, the language probably should be made clearer so that the applicant is aware of what is going to be needed.

CHAIR MOLINA: Okay. Can you recommend what type of language we should insert? Mr. Chun, I am open to your comments as well on this. I, I guess when initially when we first, well when I first proposed the condition, I didn't think about the vagueness and how people may interpret the condition as such. So I'm, just want to make absolutely sure that, you know, it is at least from our last meeting it was with the understanding that A & B as the applicant would be providing the funding resources for this as well. Any language you can suggest as well? I would like to hear from both sides, that would make it absolutely clear. And of course any, the equipment itself of the substation would be the responsibility of the County, but as far as the, the building structure within the project would be that of the applicant as agreed upon.

MR. CHUN: Actually that was our understanding from the previous meeting.

CHAIR MOLINA: Okay. Yeah. Yeah, I just wanted to make sure that it's clear to both parties. Any other suggestions? Any suggestion, Mr. Giroux, for, or maybe at a later point we can have work, have you work with Staff to insert the additional language as suggested?

MR. GIROUX: I'd, I'd just like to throw this out at, I mean is it the intent of the parties that Alexander & Baldwin will construct a substation? I mean is that, is that the intent? Not meaning that they would physically do it themselves, but they would see to it that the funds were available to build one? Is that...

MR. CHUN: Maybe, maybe we should use the word provide then it's, 'cause obviously we haven't even talked to the Police Department. But how's about shall, shall work to provide a police substation, police substation for the Department of Police within the project.

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CHAIR MOLINA: Okay. Members, you've heard the suggestion from the applicant. Any comments or objections to the language to make it absolutely clear? Chair Hokama? No? Mr. Medeiros?

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I just wanted to know that in, in the condition when the applicant will discuss this with the Police Department, we're going to be going with whatever the police is recommending what a substation would comprise?

CHAIR MOLINA: Yeah. At this point the condition would be I guess to allow for the applicant to work with the Department to discuss parameters as to size and anything of that scope with regards to the substation. So it's just basically broad at this point for the applicant to at least setup an area within the project for a police substation. That's the way I, I interpret it from the last meeting. Am I correct, Mr. Chun, --

MR. CHUN: Yes, Mr. Chair.

CHAIR MOLINA: --based on your recollection? Okay, Mr. Medeiros?

COUNCILMEMBER MEDEIROS: Yeah. That gives me some clarity on that. Mahalo, Mr. Chairman.

CHAIR MOLINA: Okay. Thank you, Mr. Medeiros. Ms. Johnson?

COUNCILMEMBER JOHNSON: I would just, you know, suggest that language along the lines of meets with the approval and the needs of the --

CHAIR MOLINA: The Maui Police Department.

COUNCILMEMBER JOHNSON: --Police Department.

CHAIR MOLINA: Okay.

COUNCILMEMBER JOHNSON: So that, in other words we don't know what they want, but at least make it something that is subject to their approval.

CHAIR MOLINA: Okay. Staff, have you been able to gather some of the language at this point? Well, the applicant has suggested shall--could you restate that, Mr. Chun, as to what --

MR. CHUN: Let's see.

CHAIR MOLINA: --you've offered?

MR. CHUN: Shall work to provide a police substation within the project for the Department of Police.

CHAIR MOLINA: Okay. And, Member Johnson, you're, you're suggesting that it, and that it shall meet the...

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COUNCILMEMBER JOHNSON: You know, provided that such facility meets the needs and approval of the Maui Police Department.

CHAIR MOLINA: Okay. Staff, is that, you need more time to work on that? We can move on to, to Chairman Hokama's proposals and maybe come back and discuss that, the wording of that condition. Okay. Members, if there are no objections, I'll let Staff work on the language for this particular proposal and we can come back to it and in the meantime we'll go ahead and recognize Chairman Hokama on his proposals. Any objections to proceeding in that fashion?

COUNCIL MEMBERS: No objections.

CHAIR MOLINA: Okay. All right. Thank you, Members. Let's go on to Chairman Hokama's proposal which is also a January 10, 2008 transmittal to the Committee. Chairman Hokama, you have the floor.

COUNCILMEMBER HOKAMA: Mr. Chairman, thank you very much. First, let me start off by saying that I appreciate the tenacity of Mr. Mateo being in charge of our subject matter on housing. It is a privilege to work with a man that has the advocacy that he has for affordable housing, particularly for our workforce, Mr. Chairman. But, you know, I'd like to state for the record knowing various companies in this County, such as Alexander & Baldwin, on Lanai it's Castle & Cooke, and I'm sure Mr. Mateo is well aware of Molokai Ranch on, on his island, and I'm happy that he brought up the amount of affordable units that are still owed to this County, 4,200. That's a very sizeable amount, Mr. Chairman. And it's interesting that, you know, the majority or most all of it is owed the County by developers that have not fulfilled their agreements with us or conditions of zoning with us.

But, you know, I checked and, you know, in general I can say that A & B has fulfilled their housing requirements to the County of Maui. What is Dream City? It's an A & B employee housing project of the '60s. We heard about Skill Village, that was also an employee housing project for A & B employees. So I, I take a slightly different view and if Members can recollect when we took up a Waiko Road project under commercial, I brought up the need for a formula or a way to assess appropriate housing requirements for this type of consideration, Mr. Chairman. And I believe that Mr. Kunihsa of ECM was the one that prepared a study documenting approaches and, and that I had also asked the Committee to consider at that time a, what San Diego through their ordinance process had enacted regarding a square footage formula. Then, you know, we did have some discussion on it during our housing ordinance proposal on, on workforce housing.

You know, in hindsight we have perfect vision, Mr. Chairman. I wish we had included a component so that part of this discussion today would be just fulfilling the requirements of an existing ordinance. But whether we look at the existing ordinance or whether we look at how we approach the visitor industry which was a-one-to-four formula, one house for every four units of hotel rooms or visitor destination rooms was the old requirement, and whether we looked at the

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40 percent and up to a certain. . .(*inaudible*). . .come 50 percent. I think if we look at my Condition No. 7, Mr. Chairman, you know, originally the Land Use had proposed not less than 10, I had proposed 22, but Mr. Mateo brought up a good point to me in that up to possibly 20 percent of the amount of land that would be utilized would be for non, for a non-housing unit, it would be for your roadways, it would be for your utility easements, it would be for certain right-of-ways required by County Code and subdivision requirements.

So and I'm going to ask eventually, Mr. Chun, if I add another maybe 20 percent to my proposal we're looking at something like 26 acres. I want you to think about that, as well as, Mr. Chairman, if we looked at 40 percent of the 800 figure that was presented earlier, that would come out to 320 employees so let's say one house per person, possibly the 26 acres on a mixed housing proposal can satisfy that. But I do know that, you know, I would be supportive of also increasing the need of Central Maui to have a multi-purpose community center for Kahului. And, you know, I support Mr. Pontanilla's consideration to take care not only a general purpose community center but also the needs for seniors also in that community region. And I would ask that the, Mr. Chun also consider providing at least another 50 percent of the amount of land for park purposes as a consideration of what we would believe is a fair contribution to the community, to the County in exchange for entitlements that they are currently asking us this afternoon, Mr. Chairman. So I bring that up under No. 7--would you want me to go by all, all my, all my conditions, Mr. Chairman, or just one --

CHAIR MOLINA: Well...

COUNCILMEMBER HOKAMA: --just one at a time?

CHAIR MOLINA: Yeah. If we could just go one at a time for now. We'll deal with the proposed replacement of Condition No. 7 which is part of Exhibit "B". So, Members, you've heard from Chairman Hokama. So this as I understand it, Chairman Hokama, this will be to basically amend your initial request to increase the acreage from 22 acres to 26 for the housing matter and for the proposed community center to increase that to 8 acres and the acreage for the parks to increase that to 3 acres. Is that correct, Chairman?

COUNCILMEMBER HOKAMA: That's correct. And under b., 7.b., Mr. Chairman, I would ask that the, the Committee be open to a Kahului multi-purpose community center. You know, I, I think we, we have some advantage of scale that can take care of some of the community's concerns that have been brought forward by Mr. Pontanilla and that we can address it through a, through this measure in this, in this manner.

CHAIR MOLINA: Okay. Thank you, Mr. Chairman. Committee Members, questions or comments on, related to the proposed superseding of the existing Condition No. 7 in the application and to be replaced with Chairman Hokama's proposal? Mr. Mateo?

COUNCILMEMBER MATEO: Thank you very much, Chairman. Thank, thank you, Mr. Hokama, for, for increasing that number. Chairman, as, as exists right now under Condition No. 7, it's real

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specific in recognizing that the contribution of land for affordable housing shall comply with the following, (a) as determined by the Maui County Council, the amount of contributed land should be reasonably sufficient to meet the anticipated affordable housing impact of the project. The impact of the project as we all know is going to be rather significant. And though I appreciate seeing an increase, I don't think 26 acres is truly sufficient to help address the impact that this project will have for on this island community. And Mr., Mr. Chun will be coming up to address Chairman Hokama's recommendation in a little bit and I really would prefer or would like to see the developer actually step up to the plate and make a reasonable offer in helping us to address their impacts to this community. So, you know, I thank you and I would like to hear, because I want to throw out a number. I'd like to say 50 acres and then have everybody fall down with that. But, you know, I'm being facetious at this point, but I think I make, I make the point that we're dealing with a real problem in trying to meet one of this County's biggest issues. And it's not just the in-migration of workers, it's also, it's also the in-migration of these companies that will be located there, primarily their management teams. So there is an impact, you know, and you no gotta, you know, I mean gee, you don't have to be a rocket scientist to know that the impact is there and to try to camouflage it. So I'm, I'm anxious to hear Mr., Mr. Chun's comments to Mr. Hokama's recommendation. Thank you, Chair.

CHAIR MOLINA: Okay. Thank you, Mr. Mateo. I guess your being facetious can also be interpreted as being very passionate about this matter. Committee Members, before I call upon Mr. Chun, any additional comments on Chairman Hokama's proposal? Ms. Johnson?

COUNCILMEMBER JOHNSON: Yes. I, I think it's going in the right direction. But I would actually have thought Mr. Mateo's proposal would have been even more acreage only because of what we're displacing and only because of the fact that we live in an island community and if we want to have housing for our local people--the one cry that we get at every juncture is I don't want to live in an apartment, I want a little bit of space, I want a lot, I want my own house. Now granted that's not possible for everyone, but it always seems that the development community wants to fulfill the obligation with multi-family, and my view would be that in order for us to do what the community is asking us which would be provide perhaps some multi-family units but then also some actual homes, you know, they could be town homes where, you know, the yards don't have to be huge, but I think people deserve a certain amount of dignity and that's what we're getting. Every single time we take public testimony, they want a minimum lot size and they want their own home, and that's not gonna happen on 50 acres with 900 people coming in that don't live here right now. So, you know, my thought would be for greater acreage. We're moving in the right direction, but I, I want to exceed Mr. Mateo's recommendation. Thank you.

CHAIR MOLINA: Okay. Thank you for your comments, Ms. Johnson. Seeing no other comments on--oh, excuse me, we do. Mr. Pontanilla followed by Chairman Hokama.

VICE-CHAIR PONTANILLA: Thank you. Again, you know, thanks to Chairman Hokama for coming up with these numbers. I know you created numbers as a starting point and this is one facet that, you know, we increase by four acres, looking at the roadways and, you know, that, that's going to be taking up acres in this particular request. You know, I, I too would like to voice my concern

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in regards to when I saw the plans it was basically multi-family. But I guess, you know, with increase in acreage now we can look at single-family dwellings as well, but most appreciative, you know. We'll have to wait till Mr. Chun comes up in regards to the multi-purpose community center for Kahului area. At one time I had this thought about, you know, maybe converting Kahului Community Center into a center for our seniors but, you know, after looking over the facility, you know, it would be best that we have a multi-purpose center that is brand new for the people in Kahului, not only Kahului, but serving also Wailuku district. I'm sure the people of probably Waikapu can really benefit of a new center, senior center for their activities along with the citizenry of Kahului as well as Wailuku in general. So I, I think again, you know, like most Members talked about, we're moving in to the right direction as far as trying to provide for our people here in Maui County, well, for me especially for Central Maui. Thank you.

CHAIR MOLINA: Thank you, Mr. Pontanilla. I, too, echo your sentiments. I hope in my lifetime I see a community center with all the bells and whistles in Kahului. We've got a nice one out in South Maui, and I don't see why Kahului is any less deserving of having a very nice community center. Chairman Hokama?

COUNCILMEMBER HOKAMA: Mr. Chairman, I would just ask that you would consider maybe going through all of my conditions so that Mr. Chun may be, may be able to address it in that manner. And my point is being in that part of my other, the recommendations for conditions also include land and that we need to look at this zoning consideration in its entirety and not just focus on one segment of the consideration. So I would ask if you would allow me to give comment on some of the other conditions I am proposing so that the Committee can take, take a look at what we are asking overall in, in the appropriate context.

CHAIR MOLINA: Okay. So we'll look at all four of your considerations at once and then we'll call Mr. Chun for, to comment on all four of the considerations. Members, any objections to proceeding in that fashion? Member Baisa?

COUNCILMEMBER BAISA: Before we proceed, I just wanted to make a comment on what is before us, particularly on Chair Hokama's recommendation. You know, I've been trying to do the math and if you look at the study that we were given, they estimate that we'll need 190 affordable housing units for this project. If you take Chair Hokama's math of 26 acres and you figure out maybe you can get eight units to an acre, you're coming up with 208. So that kind of gives us an idea of what we could do and these would probably be like 5,000 square foot lots, they wouldn't be large. But then, you know, those are common now and we see them like in the Spencer Subdivision and that's a lovely subdivision. So I think it's not a bad thing. I know, of course, like everyone else I'd like to have more, but I think we need to look at the whole picture like Chair Hokama is saying because we're asking also for money for, or land for a community center, we're asking for land for a park and we're talking about possibly relocating wastewater. So, you know, it's, it's a lot and I think we need to look at it all together and then I think that the applicant can say yes we can deal with this or no they cannot, and then we're going to sit here and bargain.

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CHAIR MOLINA: Okay.

COUNCILMEMBER BAISA: So thank you. Just wanted to add that.

CHAIR MOLINA: Okay. Thank you, Councilmember Baisa. So if there are no objections, the Chair will then yield the floor to Chairman Hokama and we can go ahead and discuss the other considerations which include replacing Condition 1 as well as two additional conditions. Chairman Hokama, you have the floor.

COUNCILMEMBER HOKAMA: Thank you, Mr. Chairman. Members, you will know that I am not asking for any other revisions to my replacement Condition No. 1, you've heard my comments regarding Condition No. 7. Under the new Condition No. 16, I, I took the Director's comments to heart and I am just as much concerned about potential revenue sources in the future as she has stated, which befuddles me because her own division supports privatization of another system on another side of this island which does not bring monies in to the public system. And I have issues. . .well, you guys know I have my issues with, with that. But nonetheless I, I would say that, you know, if we're looking at relocating. . .*(change tape, start 3A)*. . .tell you that is currently at Kahului Harbor, Mr. Chairman. I, I take the comments from the Director to heart, we might not want to build an ultra, mega large wastewater system. Maybe the, the way to address it with utilities in general 'cause even with power they're talking about the same thing of decentralization, that we might want to look at two or three smaller compact treatment facilities to take care of the needs of Central Maui. And so I would ask that Mr. Chun consider as part of our conditions, new Condition 16, Mr. Chairman, that the applicant will work with our appropriate County department or departments to identify and dedicate to the County a mutual acceptable site or sites for a, for future wastewater treatment requirements. So whether it be one plant, two plants because for me the applicant is going to be a beneficiary of the system also, and people are concerned about how we're going to pay for it. The land we own at the Kahului Harbor, people, is very valuable.

CHAIR MOLINA: Okay.

COUNCILMEMBER HOKAMA: Very valuable. And so I, there's ways to work with the State, Mr. Chairman, on how we can do financing, exchange of land, exchange land for, for money, you know, there's many ways for us to skin this cat that I would have the Committee consider. Basically, that's it, Mr. Chairman. I think if you look at that, we're looking at, what, possibly another 20 acres plus or minus, might be more. We're looking at about 60 acres of land. . .

CHAIR MOLINA: Okay.

COUNCILMEMBER HOKAMA: . . .60 acres of land outside of the development for infrastructure and housing requirements that we feel are, are important to this island. So I would ask the Committee to take that in consideration in the overall application, Mr. Chairman. And I think one thing that I've learned from our senior Representative in the House, Mr. Nakasone is, Members, we have worked hard, we can now make some decisions to create the balance. We

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need to have a healthy economic engine to provide the job opportunities, provide the tax revenues for this County to continue to consider the requirements that we need to provide, one by Charter and two by the needs of the general community regarding non-mandated requests and that's most likely our non-profit segment, Mr. Chairman.

I think we're coming to a point where part of our ability to consider this application over the 10-20 year build out and look at the things that we have made decisions on, I am more comfortable going down this road than continuing to go down the road of luxury home development. I see a lot more beneficiaries regarding island businesses, island residents through this type of zoning consideration. And if you look at the latest poll from the roundtable, Hawaii Roundtable, Business Roundtable you'll find for all the islands tied for first in issues of importance to its residents it becomes housing, economy, education--three things that we want to continue to advocate and expand on this County, on this island, Mr. Chairman. And I for one believe that there is a fairness--this company is not walking away, Mr. Chairman, they've got too many tens of thousands of acres left on this island. They need to continue to contribute in the future and the County is going to need to continue to work with this landowner because, you know, we got to be very open to the main picture, Mr. Chairman. Where are we going to get land for the future island residents that are born here? There's only so much land and unfortunately, it's the national problem, agriculture lands are being first consumed because urban lands have been developed, remnant pockets have been developed. We're looking at. . .we, we don't want to go into conservation. What else do we have to consider for our future island residents?

I think it's a reasonable consideration and I believe we can reach a reasonable conclusion regarding this application, and I'm happy to give responses to any questions. I do have one though, Mr. Chairman, and I would say that I also take part of the responsibility because I think Ms. Johnson brought up a, a reasonable comment about timing. So I take my fair share of the responsibility that when we receive the applications, we don't necessarily schedule applications for consideration because of the Council's workload. So time does elapse, so I take my share of that responsibility of not being one of nine to help things be maybe more on a timely manner, but it is not the fault of the applicant that we don't take it up. And I think that is just being fair to the general community who is going to watch and listen to this meeting regarding the bigger picture and the true realities of processing land entitlements in this County. Thank you, Mr. Chairman.

CHAIR MOLINA: Okay. Thank you, Mr. Chairman. Committee Members, questions on the proposed new Condition 16 from Chairman Hokama? Any objections? Support? Comments, Members?

VICE-CHAIR PONTANILLA: Support.

CHAIR MOLINA: Okay. We have initial consensus then for Condition 16. Staff, would it be appropriate now to take a formal vote being that we have a, a motion on the floor for the bill, would it be appropriate to take this vote now or do it at a later point?

MS. NAKATA: Yes. Mr. Chair, the Committee may wish to consider a motion to amend to add a new Condition No. 16 that would read as follows, "That Alexander & Baldwin Inc. shall work with

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the County's Department of Environmental Management to identify and dedicate to the County a mutually acceptable site or sites for future Central Maui wastewater requirements."

CHAIR MOLINA: Okay. You've heard it from Staff, Members. Is there a consideration for a motion to implement a Condition 16?

COUNCILMEMBER VICTORINO: So moved.

CHAIR MOLINA: Okay. It's been moved by Mr. Victorino.

COUNCILMEMBER HOKAMA: Second.

CHAIR MOLINA: Seconded by Member Hokama. Additional comment on the Condition 16? Seeing none, all those in favor signify by saying "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed?

**VOTE:       AYES:       Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:       None.**

**EXC.:       Councilmember Anderson.**

**ABSENT:    None.**

**ABSTAIN:   None.**

**MOTION CARRIED**

**ACTION:    APPROVE amendment to the main motion.**

CHAIR MOLINA: Thank you. The Chair will mark it 8-0. Mr. Hokama, you may continue with your other considerations.

COUNCILMEMBER HOKAMA: Chairman, I believe the new Condition No. 17, I have not received any comments to revise this so I'm still open, as well as regarding replacement Condition 1, I have not been informed of any reservations or issues that we have not been made aware of. So I, I've, I appreciate and thank you, Mr. Chairman, for allowing me to provide some recommendations as well as the reasons why to the Committee regarding my proposal. Thank you.

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CHAIR MOLINA: Okay. And again this is the replacement Condition 1 we're looking at currently, Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you, Mr. Chair.

CHAIR MOLINA: Okay. Committee Members, any comments before a, the Chair will entertain a motion to substitute the existing Condition 1 with the replacement condition as proposed by Chair Hokama? Staff, can you go ahead and read for the record the replacement Condition No. 1.

MS. NAKATA: Yes. Mr. Chair, I believe Corporation Counsel had previously opined that references to the applicant should be to the property owner, Alexander & Baldwin Inc..

CHAIR MOLINA: Okay.

MS. NAKATA: So with that in mind the condition reads, "That Alexander & Baldwin Inc. shall work with the Department of Parks and Recreation and the Department of Public Works to evaluate the feasibility of utilizing the existing drainage basins adjacent to the South Project area for open area recreational purposes. If the DPR, DPW, and Alexander & Baldwin Inc. agree that the drainage basins or portions thereof can be feasibly used for recreational purposes, Alexander & Baldwin Inc. and DPR shall either (a) agree upon the terms of the dedication of the basins to the County for review and approval by the Council, or (b) if the basins will not be dedicated to the County, establish appropriate protocols for private third party user(s) to maintain and exercise stewardship over the area. Alexander & Baldwin Inc. shall not be entitled to any, "park credits" for the use of the basins for park purposes."

CHAIR MOLINA: Okay. Committee Members, there you have it as read by Staff. The Chair is ready to entertain a motion.

COUNCILMEMBER VICTORINO: So moved.

CHAIR MOLINA: Okay. It's been moved by Member Victorino.

VICE-CHAIR PONTANILLA: Second.

CHAIR MOLINA: Seconded by Member Pontanilla on the replacement Condition 1 as proposed by Chairman Hokama. Mr. Victorino, you have the floor.

COUNCILMEMBER VICTORINO: Yes. Thank you, Chair. And, you know, this condition, the only thing I see that and somewhat may bother me a little, and I understand what Chair Hokama is trying to do, is the fact that this particular group that had gone forth and originally was looking to utilize this facility for an open recreational area, specifically for soccer. If we find it now or we deem it useable for ourselves or for the County and we work something out, will they still be

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able to have some, I guess some consideration for usage of that? Because really the whole plan predicated on them bringing it forward and then that wasn't originally what we had even discussed. And I feel like at this point we take an entity that worked hard with A & B and all of a sudden say okay, okay, thank you, good idea, if we can use it, we'll use it, and so I guess they'll have a chance to use it. But, you know, again they're kind of put out with what they had planned or what they had worked with A & B. So I'm not sure if I'm really feeling fair about this. I mean I like the concept, we need more parks and if it's usable and we can use it and maintain it, which is another issue in its own respect, but this group was working with A & B and now all of a sudden the feeling I think they're going to have is like we're being, being iced out. So I'm not sure, you know, and that's my only question with this, this whole thing. And maybe if Chair Hokama with your permission could kind of, kind of answer that question as far as how that would be perceived by this group because they really brought it forward.

CHAIR MOLINA: Okay. So, Mr. Victorino, if I'm interpreting your comments, you, maybe you're looking at maybe possibly adding more specificity into this to address a certain group's need and maybe if we can get the applicant on record as maybe to clarify --

COUNCILMEMBER VICTORINO: Yeah. Yeah.

CHAIR MOLINA: --or reassure you, I guess?

COUNCILMEMBER VICTORINO: Yeah. And again I just want, not for just myself --

CHAIR MOLINA: Right.

COUNCILMEMBER VICTORINO: --but for those people and those who are watching this. Because again when a group brings something forward and wants an idea and, and proposes it and then we come along and say yeah, that's a great idea, we'll take it, and now yes they may get partial use of it, but not the use they had hoped for and what they had dreamed [sic] or, or envisioned I should say, excuse me. Now would they be kind of put out in the cold for that purpose? So maybe the, the applicant can answer that and, and rest my, not only my concerns but others that would be listening to this.

CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Mr. Hokama, before I recognize Mr. Chun to respond to Mr. Victorino's concerns, do you have additional comments on Mr. Victorino's concerns?

COUNCILMEMBER HOKAMA: Thank you, Mr. Molina, Chairman. And to Mr. Victorino's issues that he shared, you know, I, I take it to heart, Mr. Chairman. But my point has been from the time we discussed this one meeting ago, two meetings ago is the primary purpose of the drainage basins, it was not built to be one park, it was built to care of surface flow and drainage requirements from the project site. That is its primary purpose. To say that recreation is going to have the primary purpose for a drainage basin, I hope we don't get our priorities wrong what the purpose of what that was built for. I don't have a problem with seeing accessory uses as long as

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it does not detrimentally impact the primary purpose of that drainage basin which is to take care of that sheet flow during heavy rainfall or storms. Because the impact of where that water going should it not be contained is an issue for me, Mr. Chairman. And I see a higher cost in dollar value and impact on lives, potential damage to lives than the issue of not having one or two additional parks for, for a specific sport purpose.

This is something that, you know, we hope the departments are doing their job in preparation for the brand new fiscal year Budget that Mayor Tavares is going to be sending down to Council for consideration in about a month. You know, it does not absolve the County of fulfilling our obligations to provide critical requirement needs, facilities and infrastructure that is under our jurisdiction. You know, if we need more soccer fields, then let's go get and build it or buy land and build soccer fields if that's what we need. But this is again, Mr. Chairman, primarily a commercial industrial area. Where else in the State of Hawaii, I hope somebody can tell me, where we put soccer fields, athletic fields in commercial industrial areas? It is not the most compatible dual use next to each other, Mr. Chairman. You know, so for me I, you know, I'm happy to support what I am trying to ask the other Members to consider, but not take away the main purpose of why those basins were built in the first place, Mr. Chairman. Thank you.

CHAIR MOLINA: Okay. Thank you, Mr. Chairman. Mr. Chun, are you prepared to respond and give comment to Mr. Victorino's as well as Mr. Hokama's consideration for the replacement of Condition 1?

MR. CHUN: Yes. Mr. Chair, thank you. And thank you, Mr. Victorino, for your consideration and your comments. Just to reassure you, the folks from the community that have interfaced with us on this potential are comfortable with the language in the condition. They understand that what they're proposing is actually an ancillary use, a use that would be ancillary to the primary purpose of the space. And so to the extent that this condition leaves that opportunity available while recognizing, you know, the primary purpose of that acreage, I think the potential user group is, is fine with that.

COUNCILMEMBER VICTORINO: And thank you, Mr. Chair. And thank you, Mr. Chun, because and, and also Chair Hokama because that clears the issue up. And I was not trying to use that portion to make it a park when it was originally for a drainage. But if we find it or if our departments find it as an ancillary use and we can utilize it for recreational purpose it's a win-win situation. I do agree with Chair Hokama that, yeah, we don't want to take away a drainage area that later on when we have some heavy rains and we have flooding and they come back to sue the County because we didn't do our due diligence. So, but I just wanted to make sure that if somebody proposed something and the idea runs, that they're not somehow left out of the picture when the end result is. If the end result is it's strictly going to be used for drainage, okay pau, end of story, no harm, no foul. But if it had be used for other purposes or a portion of that can be used for other purposes such as soccer, because again I think everybody agrees soccer is one of the sports if you did have water all over the field and it seeped in and left after a week or two, you could go back and use it. Where if you put baseball diamonds or other kinds of facilities, they may not to be able to be used from that point forward or be a long time before it

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would be useable. So I got the picture and I think everybody else out there gets it. So thank you, Chair Hokama; thank you, Mr. Chun; and thank you, Chair.

CHAIR MOLINA: Okay. Thank you, Mr. Victorino. And, Mr. Chun, thank you for your comments and, and I'm sure you also keep in mind there was another athletic group if you will that had asked for a consideration, I believe that was the baseball folks. So I would at least ask you to consider leaving, you know, the dialogue open to discuss matters with them whether it's something that's feasible to put there or not as it relates to baseball. So just basically keeping the lines of communication open as it relates to this condition. Members, additional comment on the proposed replacement Condition No. 1 from Chairman Hokama? Councilmember Johnson?

COUNCILMEMBER JOHNSON: Yes. I will support this because I think what it does is it just at least explores the feasibility of utilizing those fields. I know that when the drainage or detention basin near the Lahaina Aquatic Center was used for a purpose other than for draining the pool into it, what happened was the surface dramatically hardened and with the storage of heavy equipment it basically no longer functions adequately as a detention basin. So with kids so many times interacting on ball fields and they tend to compact the soil, it becomes sometimes an unsafe surface and it also can lead to creation of an impervious surface so that drainage is not practical any longer. And as Chair Hokama pointed out, it may not serve the purpose for which it was originally intended. So I'll support the condition because at this point until you get an engineering study or some kind of feasibility study we're just speculating about whether that's an appropriate use for it or not. Thank you.

CHAIR MOLINA: Thank you, Councilmember Johnson. Hearing no other discussion on the proposed replacement of Condition No. 1, the Chair will call for the vote. All those in favor signify by saying "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed?

**VOTE:        AYES:        Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros,  
Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:        None.**

**EXC.:        Councilmember Anderson.**

**ABSENT:     None.**

**ABSTAIN:    None.**

**MOTION CARRIED**

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**ACTION: APPROVE amendment to the main motion.**

CHAIR MOLINA: Okay. Thank you. The Chair will mark it 8-0. We have a replacement of Condition 1 with the consideration from Chairman Hokama. Chairman Hokama, you have another consideration?

COUNCILMEMBER HOKAMA: Mr. Chairman Molina, I think that, is there...

CHAIR MOLINA: Did we address Condition 17, your proposal?

COUNCILMEMBER HOKAMA: Seventeen?

CHAIR MOLINA: Yes.

COUNCILMEMBER HOKAMA: Oh. Thank...

CHAIR MOLINA: Staff, we didn't address Condition 17, right, from Chairman Hokama?

COUNCILMEMBER HOKAMA: Okay. Thank you, Mr. Chairman, for the...

CHAIR MOLINA: Well, we're bouncing around here a little bit, so all right.

COUNCILMEMBER VICTORINO: Yeah.

COUNCILMEMBER HOKAMA: So I guess we took care of 16 and 1, Mr. Chairman.

COUNCILMEMBER VICTORINO: Yeah.

CHAIR MOLINA: Sixteen and one, yeah. And we did, had already prior discussed Condition No. 7, but we haven't reached a decision on that yet. So we're on the proposed Condition 17 from you, Mr. Chair.

COUNCILMEMBER HOKAMA: Thank you, Chairman Molina. I am just asking that you consider a new Condition No. 17 that would propose, "That no residential use, including single-family dwellings and apartments, shall be permitted within the project." You know, for me, Mr. Chairman, I had hoped that we would continue to...how is this, for me it's about maintaining integrity of our zoning categories, you know, and that's why we create residential zoning areas, we create business/commercial areas, we create heavy industrial areas. And that is why I have also proposed to the Council at various times the consideration to eliminate stacking that, that allows less intensified uses to be continued in a, another land use category, zoning category, excuse me. You know, I, I still believe in the traditional view point that people also want the choice of not living and working at the same place, Mr. Chairman. And so I am proposing this because this is what I believe, it's part of my core philosophy, it's how I approach

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many considerations and I always go back to it when I am prepared to make my final decision on a request. I bring this forward 'cause I think it's something we should consider whether or not and if we do want to consider it, this component within the project, then I hope someone would create a proposal that we could consider. But since none, I put forward, I put forward my proposal that you had asked us meetings ago, Mr. Chairman, to submit considerations and so here is my consideration.

CHAIR MOLINA: Okay.

COUNCILMEMBER HOKAMA: Thank you.

CHAIR MOLINA: Thank you, Mr. Hokama. Committee Members, questions on the proposed new Condition 17 from Chairman Hokama?

MS. NAKATA: Excuse me, Mr. Chair. Is there a motion to amend to add the new condition?

CHAIR MOLINA: At this point the Chair has not called for a motion yet, we were just in the discussion phase at this point. Councilmember Johnson?

COUNCILMEMBER JOHNSON: Yeah. And, and my question would be, I know because when we talked about this last time the Condition No. 7 which is 22 acres and 6 acres and 2 acres for park purposes, these things were outside, I believe, of the actual project area. Am I correct?

CHAIR MOLINA: I believe that is. Chairman Hokama, would you like to respond?

COUNCILMEMBER HOKAMA: Chairman, if I may assist the Members. In my January 10<sup>th</sup> memo to you and the Committee Members, under No. 7 I had put that the approximate location would be at the terminus of Kamehameha Avenue near the new Maui Lani Park and Pomaikai Elementary School.

COUNCILMEMBER JOHNSON: Okay.

CHAIR MOLINA: Okay. Member Johnson?

COUNCILMEMBER JOHNSON: Okay. That, that's what I thought it was. I just wanted to double check because I think that one of the things we had also discussed, you know, in regard to residential uses, were possibly the banning of nursery schools or preschools. Because when I look through all of the different uses that are contained within that and Mr. Chair Hokama is right, you know, I, I was remiss in drafting a condition that would have perhaps prohibited the, the nursery schools. And only because that is a permitted use and yet I'm really concerned about all of the conflicts that we would have in this kind of area. So I would not want to see a nursery school in addition to the issues that he's raised about single-family dwellings and apartments within the project area 'cause I think you're creating too many potential for conflicts. So I, I can, I'll submit that, you know, if this passes out of Committee I'll submit it to the full Council.

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CHAIR MOLINA: Okay. Thank you, Member Johnson. Committee Members, any other comments on the proposed new Condition 17 before the Chair offers a recommendation? Seeing none, the Chair will entertain a motion to add in Condition 17 as suggested by Chairman Hokama.

COUNCILMEMBER VICTORINO: So moved.

VICE-CHAIR PONTANILLA: Second.

CHAIR MOLINA: Okay. Moved by Member Victorino, seconded by Member Pontanilla. Additional discussion on the motion to incorporate a new Condition 17? Seeing none, all those in favor signify by saying, "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed?

**VOTE:        AYES:        Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros,  
Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:        None.**

**EXC.:        Councilmember Anderson.**

**ABSENT:     None.**

**ABSTAIN:    None.**

**MOTION CARRIED**

**ACTION:     APPROVE amendment to the main motion.**

CHAIR MOLINA: Okay. Thank you. The Chair will mark it 8-0. And we have the, the one final, last consideration from Chairman Hokama which is the replacement Condition No. 7 and I'll read it and please stand to correct me if I'm mistaken. Replacement Condition 7, That the applicant shall provide land for affordable housing, park and a community center, at the approximate location of the terminus of Kamehameha Avenue, near the new Maui Lani Park and Pomaikai Elementary School, as follows, (a) approximately 26 acres, which supersedes the original 22 acre proposal, for affordable housing purposes, (b) approximately 8 acres for a Kahului Community Center, which supersedes the originally proposed 6 acres, and (c) approximately 3 acres for park purposes. The precise location of these lands shall be acceptable to the County Departments of Housing and Human Concerns and Parks and Recreation, and the applicant shall perform

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archaeological and topographic surveys of the land for the County's evaluation of the property's acceptability. Am I correct with reading that proposed condition, Mr. Hokama?

COUNCILMEMBER VICTORINO: Mr. Chair.

CHAIR MOLINA: Yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: Well, okay. First of all, I thought we changed the wording applicant to A & B.

CHAIR MOLINA: Oh, okay. Yeah. We will do that.

COUNCILMEMBER VICTORINO: Secondly, I thought we agreed upon, instead of a Kahului Community Center, a multiuse purpose center? Or did I miss something?

CHAIR MOLINA: I think in the second go around, I believe Mr. Hokama did add that clarification. So...

COUNCILMEMBER VICTORINO: It was multi-purpose --

CHAIR MOLINA: Right.

VICE-CHAIR PONTANILLA: Center.

COUNCILMEMBER VICTORINO: --center, right?

CHAIR MOLINA: Right.

COUNCILMEMBER VICTORINO: Okay. I, I just want to make sure 'cause I wrote that down and then, then I didn't hear you read it so.

CHAIR MOLINA: Yeah. Okay. Sorry, I was just reading off the January 10<sup>th</sup> document. So thank you for adding that additional clarification. So we will supersede the word applicant with A & B and then instead of Kahului Community Center, multi-purpose community center. Should we specify the area of this multi-purpose center or should we just call it Kahului Multi-purpose Center?

VICE-CHAIR PONTANILLA: Chairman.

CHAIR MOLINA: Mr. Pontanilla, as the area representative.

VICE-CHAIR PONTANILLA: Yeah. I think Mr. Hokama clarified that this should be Kahului Community Multi-purpose Center.

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CHAIR MOLINA: Kahului Community Multi-purpose Center. Okay. And, Members, are you all clear on what the proposed replacement Condition No. 7 consists of? Councilmember Johnson?

COUNCILMEMBER JOHNSON: I, I just have a question because if I would wish to make an amendment to increase the acreage for the affordable housing, would it be appropriate to recommend it now or just amend Mr. Hokama's amendment when it's made?

CHAIR MOLINA: I guess we can do it two ways, we can throw it out for consideration now or if it, the Committee would prefer to have a motion on the floor for this replacement condition and then at that time you can propose an amendment. What is the wishes of the body? Mr. Hokama, as the initial proposer of this replacement condition, what would you recommend? And as the person with the most history of parliamentary procedure of this Committee--

COUNCILMEMBER HOKAMA: Well, you...

CHAIR MOLINA: --can you offer a suggestion?

COUNCILMEMBER HOKAMA: Well, you've mentioned two ways to skin the cat, Mr. Molina. So, you know, either way would be procedurally correct.

CHAIR MOLINA: Okay.

COUNCILMEMBER HOKAMA: I guess, you know, eventually because a unilateral agreement would be required as we do with other zoning considerations, whenever you think it's appropriate for Mr. Chun to, to give us a, a comment, we would lead to your deference. I would say, you know, if the 26 goes, then at least Ms., you know, that's one way for Ms. Johnson --

CHAIR MOLINA: Okay.

COUNCILMEMBER HOKAMA: --to get a reading or she can make her amendment now and see how the Committee votes on, on her, her proposal. But I just again would remind the Members that Mr. Mateo did throw out a number that we were all sitting down when we heard it so, you know, there's still another number out there --

CHAIR MOLINA: Sure.

COUNCILMEMBER HOKAMA: --for Mr. Chun I believe to take into consideration and eventually we would receive comment of Mr. Molina. So. . .

CHAIR MOLINA: Okay.

COUNCILMEMBER HOKAMA: You've got three different ways to go.

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CHAIR MOLINA: Yeah. We had a--well, I'll tell you what, let's go with the, I guess I would perceive it as a traditional fashion. Let's, why don't we just throw this out first as a consideration in the form of a motion and then we'll give Member Johnson as well as Member Mateo an opportunity to amend whatever is on the floor in terms of acreage which would at this point if we, the Chair entertains a motion would be for 26 acres. So the Chair's going to offer that as a consideration. So the Chair will entertain a motion for replacement Condition No. 7 as proposed by Chair Hokama.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER HOKAMA: Second.

VICE-CHAIR PONTANILLA: Second.

CHAIR MOLINA: Okay. Moved by Mr. Victorino, seconded by Mr. Hokama. The proposal is out on the floor for a replacement of Condition 7, and since I've already pretty much read the amendment, the Chair will recognize Councilmember Johnson to consider a proposed amendment that is on the affordable housing issue for the number, the acreage number. Member Johnson?

COUNCILMEMBER JOHNSON: Yes, Mr. Chair. And because I'm in a good mood today, I'm going to amend the amendment to the affordable housing from 22 to 44 acres.

COUNCILMEMBER VICTORINO: Second for discussion purposes.

CHAIR MOLINA: Okay. The motion to amend has been seconded for discussion purposes, which is to amend the 26 acres and increase that to 44 acres. Member Johnson, you have the floor.

COUNCILMEMBER JOHNSON: Yes. And I misspoke, it was 26 acres, I should have said amend the original, you know, wording. And, and the reason I'm doing that, Mr. Chair, is because I think that Mr. Hokama raises some good points, but also I think that, you know, Mr. Mateo's proposal, you know, while it widened some of our eyes, I think that realistically I'm. . .*(change tape, start 3B)*. . .was made even of 13 acres, which was discussed, the need for our community and because of the importation of labor which was alluded to by, by Mr. Mateo. I think it's really important that we try to provide for our citizens and if you only have multi-family which would be more than likely on the 26 acres, you know, if that passes, it's going to be very difficult to get housing on such a constrained area. And if you want to provide some small, little open space and maybe even putting the two acres, you know, including that within this contiguous area and maybe even the community center incorporating that, you know, if it's looked at in the whole, I think that this approach is--well, what it would be?--it would be 44, 52 acres I believe all together. So if I looked at that, you know, 44, 52, yes, it would be 52 acres all together, I think that's sort of a compromise between what Mr. Mateo's recommending and that what we're also looking at for affordable housing. I don't know that Mr. Chun will be real happy about it, but I

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think that compared to some of the recommendations that were out there of, you know, he's getting rezoning for 179 acres, so that is 179 acres that's coming out of agriculture.

We're looking at trying to provide for the needs of the people. That's already been justified by a lot of the information that's been given both by Mr. Mateo and contained within their own documentation. So I think at this point in time I'm going to leave it at that. I hope that my amendment does pass because I think that at least it will provide some additional opportunities for housing for the individuals that will have to relocate here from some other place. 'Cause what we're talking about now is taking care of the people that are already here and maybe shifting them from where they're living in multi-family housing into a home. I, I really think this is important so I'm going to, I'm going to be reasonable and, and not make it 75 acres which is kind of what I was thinking about. But I'll, I'll just leave it at that. Thank you, Mr. Chair.

CHAIR MOLINA: Thank you, Member Johnson. Well, nothing wrong with the sky's the limit as they say, yeah. Committee Members, comments? Mr. Mateo?

COUNCILMEMBER MATEO: Chairman, thank you very much. I appreciate Member Johnson's amendment. Obviously it's an, it's a number I can, I can deal with. I think it is appropriate. I am not interested in trying to skin the cat. I'd like to play with the kitty and be able to offer them the opportunity to make sound decisions. A while ago in a whole different venue we were reminded about our responsibility in having the tail not wag the dog. We're right back to that same venue, and I'm hoping because everybody who sits here, the developer, their representatives and everybody in this gallery as well as the, as well as the viewing audience, they know the reality and we all know the reality that we need to address the needs. The needs of people who live here, priority, not those coming in. We need to address and get housing for those people who are already here, 44 acres allows us the opportunity to address that need and to have A & B, the giant with a heart, to demonstrate it. Thank you, Chairman.

CHAIR MOLINA: Okay. Thank you, Mr. Mateo. Additional comments before the Chair would like to ask Mr. Chun for his comments on this consideration?

VICE-CHAIR PONTANILLA: I'd like to hear comments from the. . .(*inaudible*). . .

CHAIR MOLINA: Okay. Mr. Chun, your comments?

COUNCILMEMBER HOKAMA: Let's just vote first, Chairman.

COUNCILMEMBER JOHNSON: Let's...

CHAIR MOLINA: Okay. What is the will, what is the will of the body?

COUNCILMEMBER HOKAMA: Excuse me.

CHAIR MOLINA: Mr. Hokama?

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COUNCILMEMBER HOKAMA: Chairman, I would ask that we take a vote because that way Mr. Chun knows what number to respond to. Because he's heard 26, he's heard 50, now he's hearing 44. So maybe we should take a vote and, and then he can respond to, to the number that the Committee really wants consideration of, would be my suggestion to you, sir.

CHAIR MOLINA: Okay. Thank you, Mr. Hokama. Member Johnson, as the proposer of the amendment I do want to give you some deference on this. Are you open to voting?

COUNCILMEMBER JOHNSON: And I, and I do appreciate that, but I think in all fairness we have nine Council Members, even though only eight are in attendance today, but I believe we're the decision makers. If that's our will, then Mr. Chun will tell us whether he can live with that or not live with it. He can choose not to execute the unilateral agreement. You know, the Land Use decision is really up to us, we are the ones that are making concessions, we know what the pressure is on water and all these other things. So, you know, we're the ones that are doing the givings, so I think this is a modest proposal and if Mr. Chun can justify why with this land use entitlement, which will result in a tremendous increase in terms of the value of that property, is it worth it to him? And I think, you know, we can't always be deferring to the development community. We have to make the decisions and then if they choose to execute the unilateral agreement, fine. If they say oh, this is a stopping point, why not. I mean let's play hardball. And, and just let's vote.

CHAIR MOLINA: Okay. Members, the Chair has heard you, some of you very loud and clear on it. And again the reason why the Chair occasionally suggests hearing from the applicant because if there's any type of financial consideration that this Committee will, would, is concerning imposing in addition to what has already been proposed, I'm just very sensitive to that. And this is not whether you're a deep pocketed applicant or an applicant of meager resources. It's just the Chair's own personal philosophy to make sure we hear from all sides. But, however, if this is the will of the body to act on this decision, then so be it. Members, any other discussion before the Chair calls for the vote on the proposed amendment to increase the acreage for the affordable housing for Condition No. 7 from 26 to 44 acres? Hearing none, all those in favor of the amendment signify by saying "aye."

COUNCILMEMBER MATEO: Aye.

COUNCILMEMBER JOHNSON: Aye.

CHAIR MOLINA: All those opposed?

COUNCIL MEMBERS: No.

CHAIR MOLINA: Okay. The Chair votes no with reservations. So the amendment fails.



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CHAIR MOLINA: Okay. Thank you, Mr. Pontanilla. Additional comments on the proposed amendment? Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah. And I, too, agree with my colleague Pontanilla as far as the expansion. Four more acres I think it helps to somewhat put some numbers in there as far as single-family dwellings, and as far as the wastewater facility which will benefit all of Central Maui, sometime we forget Central Maui includes Wailuku--we seem to be out of the picture at times, only included when necessary--but all of Central Maui will benefit. So by moving it, take it out of a tidal zone or at least somewhat reduce the dependence on that plant as far as incase of a tidal, tidal action. But, more importantly, we've all talked about using or being able to reuse the water and if we move it in to Central Maui in areas where we can use it for agriculture, for irrigation, parks, all these landscapes that right now we're injecting into the well, it's a win-win situation for all of us. So we're all cognizant of the environment, we're all cognizant of the fact of cost, here's an opportunity. And I think, you know, I agree with Member Johnson, we dictate what needs to be done, but we also got to be reasonable. I mean we cannot just take, take, take and hope to get everything. But if we can get as much as we can so that the people of Maui County can benefit from it, have usage of R-1 water and much better wastewater facilities out of tidal wave areas, et cetera, et cetera, it's a win-win. And I think A & B has been a gracious partner in that area, I'd like to give them that opportunity. So I can support Pontanilla's motion for the 30 acres and I think that will be something, along with all the other aspects that we put in by Chair Hokama, we all come out winning, especially the people of Maui County. Thank you, Chair.

CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Councilmember Baisa?

COUNCILMEMBER BAISA: I, I don't plan to up the bid. As far as I'm concerned, it's a sale. I think 30 acres is a very good compromise, it takes us a little higher than where we began and it takes us a little lower than the pie in the sky. And I think it's a reasonable compromise, looking at all of the other concessions that we're asking them to do for us. You know, this particular company has been a very good steward in our community and recently they made a very substantial donation to Maui Economic Opportunity that will enable us to have a baseyard that the County will not have to pay for totally because of their donation of land. And they're very supportive of many causes in addition to what they do for the community at our, because we require them to do it in exchange for entitlements. So I am in support and I hope that we can work something out with them and they're amenable to this.

CHAIR MOLINA: Okay. Thank you, Councilmember Baisa. Councilmember Medeiros?

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I, too, don't have any numbers to propose. But what I would like to express for the applicant to consider and, and I'm going to preface that with, you know, the condition that originally was proposed by Council Chair Hokama and I think the, the number's admirable and I think he certainly expressed well how A & B has been a really good company on Maui and has contributed and engaged the community, and I think we all agree to that. But just let me bring us this point of information for the applicant because we're

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trying desperately to reduce the deficit in our affordable housing that we have here on Maui. And I think that was already expressed by Member Mateo about how many units we're actually not, we don't have right now that we need.

And so I won't repeat that. But in Hana we only have one really big company, the Hana Ranch Partners, and recently they have been very generous to the Hana community in donating 100 acres for affordable housing, senior housing, senior daycare center and other kinds of residential and housing units. And the Hana Ranch Partners, and I hope I'm right with this number, I think that they have between 5 and 8,000 acres. Now either that's the acres they have or that's the head of cattle, so I'm not sure. But I don't think it's too far off from that number and, you know, they're giving the community 100 acres for affordable housing and it's not attached to any project or development by that company. So certainly the community in Hana and East Maui appreciates that kind of donation, not that every company can make a donation like that, but it's certainly appreciated. And so I just would like to bring that forth for consideration when we are talking about affordable housing. Mahalo, Mr. Chairman.

CHAIR MOLINA: Okay. Thank you, Councilmember Medeiros. The Chair would like to offer his comments on the proposed amendment from Member Pontanilla. First, I applaud Member Pontanilla as well as Member Johnson for the consideration of looking at some numbers regarding the affordable housing issue. I'm not in support, I guess we're in a numbers game here and I may be throwing a wrench into things, but I think we can go, maybe not go as much as what Member Johnson proposed, but I think we can go a little bit more than what Member Pontanilla is proposing and that's just my feeling. So the Chair's going to call for the vote on the proposed amendment which is to amend the current proposal which is 26 acres, to increase that acreage to 30 acres. All those in favor signify by saying "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed? The Chair votes no. I guess I'll be alone. So the motion to amend passes.

**VOTE:       AYES:       Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros,  
Victorino, and Vice-Chair Pontanilla.**

**NOES:       Chair Molina.**

**EXC.:       Councilmember Anderson.**

**ABSENT:   None.**

**ABSTAIN:   None.**

**MOTION CARRIED**

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**ACTION: APPROVE amendment to the amendment.**

CHAIR MOLINA: The total amount of acreage will go up from the initially proposed 26 to 30 acres. Is that clear to all the Members? And thank you, Mr. Pontanilla, and as well as you, Member Johnson. The Chair had in mind something in between to help bring some peace between the, the issues. Just for the, I was looking at 36, an additional 10 to what Chairman Hokama. But that's a moot point.

VICE-CHAIR PONTANILLA: Chairman, can I make a comment?

CHAIR MOLINA: Mr. Pontanilla?

VICE-CHAIR PONTANILLA: I just want to make a comment in regards to the company A & B and, you know, what they provided in regards to affordable housing for its workers and probably, you know, people that didn't work for that particular company. When you look at Kahului, I'd say 75-80 percent of the homes that are in Kahului today are basically the efforts by A & B. You know, what Member Medeiros brought out in regards to a company in Hana providing 100 acres for affordable housing in that particular district, you know, I applaud Alexander & Baldwin because that particular company afforded my family to afford an affordable housing when my dad used to work for the, the plantation. So when I look at numbers, you know, I look at Kahului in general and, and what A & B had done for its employees and other members of our community in, in creating affordability here, especially for Central Maui. So I thought I'd just pass that comment. Thank you.

CHAIR MOLINA: Okay. Thank you, Member Pontanilla. And for the record, Members, we are on, we're back to the replacement Condition 7 which we've had several, two attempted attempts to amend and one was successful. So we're back again on Condition 7, replacement Condition 7 as amended. So if there's no other discussion, the Chair will vote on replacement Condition No. 7 as amended. All those in favor signify by saying "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed? Chair will mark it 8-0 with one excusal, Member Anderson.

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**VOTE:**       **AYES:**       **Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:**       **None.**

**EXC.:**       **Councilmember Anderson.**

**ABSENT:**   **None.**

**ABSTAIN:** **None.**

**MOTION CARRIED**

**ACTION:**   **APPROVE amendment to the main motion.**

CHAIR MOLINA: The Chair is looking at a short recess, but before we do that, Staff, can we go back to the Committee Chair's proposal for the police station and read the proposed language? I'd like to conduct a vote on that.

MS. NAKATA: Yes, Mr. Chair. After consultation with Deputy Corporation Counsel Giroux, the condition would read, "That Alexander & Baldwin Inc. shall provide a police substation within the project for the Department of Police, provided that such substation meets the approval of the Department."

CHAIR MOLINA: Okay. Members, are we all clear on the language? Any concerns? Objections to the proposed condition? Otherwise, the Chair will recommend approval of the condition, or entertain a motion I should say for the condition.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER MEDEIROS: Second.

CHAIR MOLINA: Okay. Moved by Member Victorino, seconded by Member Medeiros. Any discussion? Seeing none, all those in favor of incorporating the condition as read by Staff signify by saying "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed? Okay. Thank you. The Chair will mark it 8-0 with one excusal, Member Anderson.

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**VOTE:**       **AYES:**       **Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:**       **None.**

**EXC.:**       **Councilmember Anderson.**

**ABSENT:**   **None.**

**ABSTAIN:** **None.**

**MOTION CARRIED**

**ACTION:**   **APPROVE amendment to the main motion.**

CHAIR MOLINA: Members, I think it's time for a quick break. Let's call a recess and return at ten minutes to 5:00. This meeting is in recess. . . .(*gavel*). . .

**RECESS:**   **4:43 p.m.**

**RECONVENE:** **4:53 p.m.**

CHAIR MOLINA: . . .(*gavel*). . . Land Use Committee meeting for February 20, 2008 is now back in session. It is 4:53, seven minutes till five o'clock and we're just about at the tail end, we're ready to wag the tail and go ahead and proceed with our final discussions on Land Use Item No. 49. Members, we've heard some proposals for conditions from Chairman Hokama as well as your Committee Chair. The Chair at this point has not received any other considerations. So at this point the Chair is ready to entertain your comments on the motion for the proposed bill as amended. So at this point if any Member would like to make comments, and I do want to remind the Members that we have been aware that a couple of Members, including the Chair, do have some commitments that we need to get to pretty soon. So I'm not trying to curtail your comments or reduce it anyway, but if you can be as brief and succinct to the point out of consideration for those who need to attend to other commitments. So the floor is now open, Members, for your comments on the motion before the Chair calls for the vote. We'll start with Member Johnson.

COUNCILMEMBER JOHNSON: Yes. Mr. Chair, some of the things that I still have no answer to are my concerns about the airport access road. I think Mr. Morioka brought up some very interesting concepts last time. I need to understand though because, and, and this has not been answered to my satisfaction, about the, the dead ending if you will just before the Harley Davidson store, just dead ending Dairy Road. I don't know what the impacts are going to be and if this is a mitigation measure or if there's a requirement that's tied specifically to this development, then I, I really am concerned about that. The other thing that I'm concerned about are some of the

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things that were brought up by Mr. Parsons which is if the access and circulation in the area is going to be impacted, I need a lot more information because already we have huge congestion. The triangle project has not gone forward yet, we seem to be segmenting all of these different things, but cumulatively it's going to have a huge impact. So the timing of it I think is really not good. I have concerns about also the water because that has not been satisfactorily answered. I think that, you know, at this point in time Na Wai Eha has not been settled. My understanding of the State priorities are not, you know, consistent with some of the representations that have been made in the documentation.

And also if an environmental assessment is required for the roadway changes and if A & B is required to do that as a mitigation measure, then my concern would be don't just segment it, look at it as a whole. So I mean there are so many things, even the mix that's contained. We see what's already happened with the Maui Market Place, that is a problem because it's mostly retail and the intensification of use, the parking now is a huge problem, people getting on and off Dairy Road. I have no idea what will happen and I just don't believe that the updates, including the traffic impact analysis report that we've gotten which is what we're supposed to use to make our analysis on, it's just not there. For me I always, I, if I have the information in front of me I'll make my judgment call. But when the information is either absent or not, you know, in keeping with some of the things that we would ordinarily require for other developments, I just cannot at this point in time, even though there may be some merit to the case being made, I'm not going to support this. I think it's premature and a lot of the delays were not caused by us, they had to go State Land Use Commission so there's other, you know, entities that caused this to go into a long protracted period of time. But it's just not going to do it for me. Thank you, Mr. Chair.

CHAIR MOLINA: Okay. All right. Thank you very much, Member Johnson. And, Members, just for your information I know we initially discussed the proposed amendments and we did discuss about the possibility of having Mr. Chun make his comments, and we did vote on the amendment. So if there are no objections, at this point I'd like to bring up Mr. Chun. And then I will go back to you for your final comments on this matter. Any objections to hearing from Mr. Chun?

COUNCIL MEMBERS: No objections.

CHAIR MOLINA: Okay. Mr. Chun? And, Members, as part of this consideration should this move forward, the Chair would like to ask for your consideration to have Staff make any nonsubstantive revisions to this proposal should it move forward. So I wanted to make you aware of...

COUNCIL MEMBERS: No objections.

**COUNCIL MEMBERS VOICED NO OBJECTIONS** (excused: MA).

CHAIR MOLINA: Okay. Thank you, Committee Members. Mr. Chun, your comments on the conditions that were voted on?

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MR. CHUN: Well, I'm kind of speechless. I just want to say that I appreciate the, the deliberations and the thought that you folks have all put in to this effort. I, one phrase that came up in your discussions that Mr. Mateo actually used was that A & B was the giant with a heart. And he says, he lied, but the, the thought that I had was as I was listening to you, the conditions that you've proposed and are acting on I feel are responsive and responsible conditions and ones that we will live up to. And I just want to comment I guess more on a more global context, you know, and this is the kind of commitment that this company has had for, for generations. It's a commitment to this community that frequently has surfaced in the context of, of other assistance that's been provided here in the housing arena and in other arena that have not been tied to any kind of entitlement. And the history of, of this company and this community I think is such that I hope that you folks will understand that we're here for the long term. As you all know, I'm born and raised here and I'm not going anywhere, so I hope I have a job for the long term. And we, we really feel very, very positive that we will continue to be a part of the dialogue that will go into addressing our community's concerns. But in the specific context of what's before you all today we are, we do appreciate your efforts on this, on these conditions and, and thinking through this, this proposal and we are committed to living up to those requirements. Thank you.

CHAIR MOLINA: Thank you very much, Mr. Chun, for your comments. Members, we are back to the point where the Chair will hear out your comments as to the bill as amended. We heard from Member Johnson and, Member Johnson, I wanted to also let you know that Staff will work with you on your inquiries regarding the. . .Mr. Morioka from the Department of Transportation as well as comments I believe from the Water Director, Mr. Eng on your --

COUNCILMEMBER JOHNSON: Thank you.

CHAIR MOLINA: --particular issues. Thank you. Any other comments from Members before the Chair calls for the vote? Oh my. Oh, Mr. Mateo?

COUNCILMEMBER MATEO: Chairman, thank you very much. And, Members, thank you very much for allowing me the opportunity to at least be able to throw out a larger number than what was, what was actually presented. Chairman, the whole focus and the whole purpose of wanting additional properties is because we are currently stuck in a housing situation that we're in right now called generational housing, which means there's multi-generations living in one house. That's not appropriate and I think what we are doing today is opportunity missed. It, it's a little disappointing because I think we had the opportunity and I think we've short changed ourselves. There is no question, A & B has been here for a long time, A & B has provided. I am a product of Paia Town, of upper Paia. So their operations impacted our lives, but you know what, for me that is besides the point.

Our purpose and intent here today is to address a specific request. I look at the request, I look at the impacts that we will have to address in the future and there is impacts because we have allowed ourselves to not get, I think, what was more deserved. I'm a little disappointed and I really ask the Members dig deep, take a look at what we're doing. This is an organization that

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has entitlements to another property, an airport hotel development project that they had entitlements to for over five years. And they're here again before us asking us for additional entitlements to an additional project, and they will be here again asking for a project in Kihei, asking for a project at Waiko Road. When does it stop? There's nothing happening. Dig deep because we are allowing opportunities to be missed by all of us. Housing is a passion because I lived through this situation, your generations of our kids. You know, while they are bringing people here, our people are moving because of the lack of affordable housing. And the whole issue with Dairy Road, it's not addressing the traffic issue, it's moving it one street above. Let's be real, let's talk about the issues and I'm really disappointed, I'm really disappointed because we have given in...and all of these prearranged products is not appropriate to address developments like this. Chairman, this is an opportunity missed, I am disappointed with A & B. . .*(change tape, start 4A)*. . .disappointed with their offers. Thank you, Chairman.

CHAIR MOLINA: Thank you, Mr. Mateo, your comments are well taken. Committee Members, any other additional discussion before the Chair makes his comments? Mr. Hokama?

COUNCILMEMBER HOKAMA: Thank you, Chairman. I, I view this slightly different, Chairman. I view this as the Committee taking its opportunity to assist the County and its residents in different ways. While my colleague may feel different from me regarding the housing component, I feel very satisfied with the wastewater component. This is something that down the road may cost us between a quarter billion dollars to move forward, to take care of this regional requirements. But one thing I do know, Mr. Chairman, you know, nothing is easy and tomorrow in Budget Committee we're going to find out even for a County-sponsored housing project how difficult it is to make happen. For me, though, Mr. Chairman, you know, as I, as I look down in my perspective of what this company has in the past shown and, and they have a track record and for me it means a lot because you can see whether or not they've come through or haven't come through.

And, you know, maybe part of the, the problem with one component in, in a comment that we, we just received is the need to have better communication, 'cause I had the same concern regarding that hotel property. And my, you know, and I was one of the main, I guess I would say Members with, with great reservations regarding that proposal and I wish I can remember right now, I know Mr. Vicens was there, I think I even voted against it or, or portions of that request. But nonetheless though, you know, I tell you, I can tell you as a fact that they have spent 5 to \$6 million to get that project completed and fulfill what they said to Council. I think one of the things that we have difficulty and I have great difficulty with regarding anything that we provide approval for entitlements, Mr. Chairman, is the global impact that we have placed on Maui. I don't like the competition we have for building materials on the global market and how China has a very strong driver seat in creating those increase in required resources to build homes. I don't like the fact that we keep having to pay hell of a lot more than we have budgeted to do certain things. But yet I have to balance it off like we all do to know that for our residents we want them to have a living wage, we don't want them working two to three jobs. 'Cause the County surely doesn't want to be a foster parent because of our residents' need to do more than a living wage from, to survive and cannot get from one employment.

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There's many things I don't like, but I can tell you something though, Members, I've been around long enough to know that there's a balance. I'm always skeptical of the new dog in the arena, there's no track record. But when you can look at someone's record and see whether or not they've performed, then I say record speaks for themselves. And if we as a Council are very concerned about housing that is owed us, then we should be working with the Administration and requiring those that already owe us these units to perform. It is hard to get one applicant to perform for all others. I think we need to take another approach to this housing issue, and one is to require those that have made those agreements to perform. You know, for me, Mr. Chairman, you've heard my forecast, 3 percent growth recession and I hope I'm wrong. But if not and we're going to need to have this island's economy be strong enough to withstand this recession and continue to provide appropriate revenues for what this community and this County requires. As I stated before, I'd rather go down this path 'cause I see a lot more opportunities for our residents regarding employment, regarding educational opportunities to prepare for type of employment of their choice, and it's a time that we need to utilize as an opportunity to start redirecting our economy to other areas besides the visitor industry and high-end luxury market. And one of it is entrepreneurship in the business sector and we need to provide the appropriate acreage of land to allow this component to be a bigger source of job opportunities, a bigger source of revenue generation for County requirements, 'cause I consider it a more healthy and balanced approach than for us to continue to depend on that 800 pound gorilla called tourism.

I'm sure we all have our strong feelings on this proposal, Mr. Chairman, I surely have mine and my reasons why. But I can tell you I respect every Members right, even when we disagree, I appreciate the disagreement because it is part of our democracy, the civilized agreement to disagree. That's better than killing each other, Mr. Chairman. So I respect my Members, their positions, I respect where we have disagreed, but I think we have common ground in that we all wish the best for this community. That's what unifies us and that's why we sit here. We all want the same thing, the best for our communities and this County, Mr. Chairman. So I just share that, that, at this time I'm more than happy to move and support this request out of Committee. Thank you.

CHAIR MOLINA: Okay.

COUNCILMEMBER VICTORINO: Chair.

CHAIR MOLINA: Thank you, Mr. Hokama. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you. And I think when I look at this whole project in totality, I look at a good project. I think being new on the Council I've watched a number of things come through and we've just experienced a number of months with a project in South Maui for which we put condition after condition after condition. But we're playing with an unknown entity and, like Chair Hokama said, this is a known entity, they've been a part of this community. And one other thing that he said and I agree wholeheartedly, as the economy takes a down turn in general, when the economy start to slow down, the entrepreneurship of our

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community and our Country becomes more prevalent. People lose their jobs, people get cut back so they look at other means and they finally realize that they can do it themselves so they take control of their lives.

And many small businesses today and I can look at some like Miyake Concrete and all these that started as small two, three people businesses that are now throughout this whole County, really started as a dream because he had the desire to go on because he couldn't work for somebody else. And those are the kinds of things I see that this will provide, the space, the available commercial space for these businesses to thrive and grow. But, more importantly, it's offering opportunities for a lot of the people of Maui County. Yeah, some new ones are going to come in, there's no question, anytime, every time, but this company is also giving us the land, a community, multi-purpose use community for Kahului, community center for Kahului which is long over due. Park and housing, what a package all put together wrapped up. Is it perfect? I agree with my Member Mateo, could we have asked more, could we have been stubborn, could we have gotten a lot more? Maybe, like anything else hindsight's 20/20, never missed a call after known the facts. I know this is in my heart a good project. The project will bring business and commerce to Central Maui.

By the way, the lands that they're going to be converting over were never very fertile lands, those were not what I call Grade A agriculture land. They were used, but many times the yields were very low, that's from HC&S, people that work there tell me that lands were very, not very productive. So again if you're taking prime productive agriculture land like we've done on west side, I've got another issue, but this is not prime agriculture land.

But in closing, Mr. Chair, I'm very thankful for this opportunity, I've learned a lot of new things today. I've learned that the process like Chair Hokama says whether I'm on the winning side, losing side, whatever side, we've done it for the people of Maui County. We've worked hard, we've deliberated, we're all passionate, whether it's Mr. Mateo and his housing, 'cause which I and a lot of us in this Chamber believe in, from working people for our children, grandchildren and great grandchildren so they get a chance to live here. We all have the same passion for that, just a different picture sometimes we see, but I think when the vote is done and it's all said and done, we have done our job, we have done our due diligence and we're putting out something that I think will in future years and 20 years from now we'll all look back--with the good Lord's will I'm still here--to say we've done a good job for the people of Maui County, and our children and grandchildren are going to say thank you. Thank you, Chair. Thank all my Members for that, this opportunity and their manao. Mahalo.

COUNCILMEMBER BAISA: Chair.

CHAIR MOLINA: Okay. Thank you, Mr. Victorino. Councilmember Baisa?

COUNCILMEMBER BAISA: Thank you, Chair. I'd just like to share a few words also. This has been another very educational process and it gives me great pleasure to support the project for several reasons. One is that I have a clear understanding that there is a great need for this kind of zoned

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land here in Central Maui. Earlier we had lots of people come and testify to that and I can tell you that I will be very happy to get some of the light industrial businesses out of the residential areas and into an industrial park where they belong, and get the trucks and all of the stuff that are clogging up our neighborhood streets into a business park. The other thing is it'd like to say that I understand that we definitely can get more, you can always look for more, but we got what we got and now that we have it I think our challenge is to make the affordable housing come true. It's one thing to have land, it's another thing to have an affordable housing. So I think the next challenge is ours. Thank you.

CHAIR MOLINA: Okay. Thank you, Member Baisa. Councilmember Pontanilla?

VICE-CHAIR PONTANILLA: Thank you, Chairman. I know it's been tough for you in the last couple of meetings that we've had. You've had two, two highly publicized projects that you had to bring forward. When I look at this particular project here, you know, I look at economic stability as well as economic growth for Maui County. And as Member Baisa as well as Member Victorino had said, you know, it provides an area for companies, small businesses that would like to be on Maui or, or expand their business as they. . .not having enough space in their present area. So it provides for growth, it provides for expansion and for me it provides, you know, stability in our economy. The, it, it's tough when you look at affordable housing and the acreage that, you know, we, we got, 30 acres, which is almost double the request that was, not request but that was given at the Land Use Commission for their approval. Thirty acres is not small. Like Member Baisa said, now it's up to us to act on how we can create that affordable housing in that 30 acre parcel. But for me also, you know, it brings to my community the possibility and, and it's a possibility, and the reason why I say possibility is now we gotta go find the money to build this community center or multi-purpose building. And I'm going to be working very hard to, to make that a reality. You know, I talk to seniors in Central Maui and they also look for an area, you know, where they can meet regularly. When I go to Waikapu, you know, I look at the Wailuku, Waikapu Community Center, it's okay, but, you know, they need something better.

I look at the proposal provided to us by the Department of Highway and Transportation in regards to roadway in the vicinity of this particular project. What is being proposed by the Department of Highways for the Kahului Airport access would provide some great relief in eliminating the Dairy Road as the primary road going to, to the airport. What is being proposed and, you know, targeting at 2010 which I think this project also is targeting between 2010 and 2011 as being completed would be a good, I guess, marriage when completed. It provides a relief from people going from Upcountry to probably Wailuku, you know, utilizing this bypass road going on to Kuihelani Highway and, and going to Waiko Road as another access going up to Wailuku. So I look at this proposal as a means of getting some congestion out of Puunene Avenue and Kaahumanu Avenue in general and when, you know, we do our Hansen Road improvement again, you know, we'll be taking out a lot of traffic from coming on to the old Dairy Road to Kuihelani Highway. So I look for all of this improvements that surrounds this particular project here. And, you know, I just cannot concentrate on the project itself, but I need to look at, you know, what's going to happen around the project that's coming about in the future. So that's the way I look at this thing here, you know, what's going to happen five, ten

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years from now. So, Chairman, you know, I'm going to be supporting this project. So thank you very much.

CHAIR MOLINA: Okay. Thank you, Mr. Pontanilla. And the Chair appreciates your comments about the, you know, challenges this Committee has had to deal with another high profile matter. But, you know, we've, we've progressed and it wouldn't be possible without all of your efforts to, you know, move things along here as it relates to Land Use matters in our community. Mr. Medeiros, you have any comments? All of your fellow colleagues have made some comments, so you have 30 seconds. I'm just kidding you have. . .

COUNCIL MEMBERS: . . .*(laughter)*. . .

CHAIR MOLINA: . . .take, take advantage of your opportunity, sir. Go ahead.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Yeah, most of my colleagues grew up, you know, in Central Maui on this side where A & B, HC&S certainly has been a big part of their lives. Having grown up in Hana and Keanae the plantation was already gone from that area. My dad, however, did work for the plantations in East Maui and those were some of the first plantations on the island of Maui in Kaeleku, in Kipahulu, in Hana, and it was just too difficult for transportation to get the products out of Hana and, you know, most people don't even know that we had pineapple plantations in Hana during my dad's generation. We had a pineapple cannery in Waikaloa which is one part of Hana Bay and that too became too difficult because that, those days everything was labor intensive, no herbicides, pesticides. So because of Hana's rainfall, pineapple was very difficult to cultivate in East Maui. So that also ceased to exist, but also having, you know, grown up on Maui and the big, for us the, the event of the day or the week or the month was to travel from Hana to Central Maui and to come out with our parents and shop and so forth, and we enjoyed the benefits of the A & Bs the HC&Ss because we had friends and family that had homes in Dream City and those residential subdivisions and we were able to stay with them.

And they were fortunate that they had that opportunity to purchase their own homes and property, and certainly that was made available to them by the plantation companies and the businesses in the area. And so I certainly appreciate, along with the rest of the Members, what A & B has done as a kamaaina company on Maui and in other areas of Hawaii that they have properties and businesses. And certainly I agree with Council Chair Hokama, that it's actually invigorating to be on a Council that we have some differences and we express those differences and certainly everybody has different perspectives. But I think the part of the democracy that we all enjoy is we get to disagree and then when things are over, it's over. And so I have to express, you know, the rationale and the reasons presented by Council Chair Hokama in his conditions that he proposed and they were admirable to increase the acreages in different parts of his proposal. And then, you know, I also respect the perspective of Councilmember Mateo who sees a great need and we all do in affordable housing, and we need to continue to pursue affordable housing in a vigorous way so that we do not increase the deficit we're in right now. And the more opportunities we have to increase our inventory of affordable housing the better it is for our

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communities, for our citizens and for those that, you know, live here and work here. So I, too, you know, appreciate what A & B is doing, they've always been a company I've respected and our family has respected.

And I certainly will support this application; however, I, I do understand and want to be sure that we all understand that we have a great challenge and a great responsibility or kuleana, as we, you know, say in the Hawaiian community that we heard this morning, to be able to produce more affordable housing units, and we need to put some focus on that and some concentration on that so we can gradually chip away at the deficit that we now experience. So, Chair Molina, thank you for your leadership on this and I agree you certainly have had great opportunities for these projects that come forth in your Committee to lead us along the way. But I thank you for this opportunity and I will be supporting this application. Mahalo.

CHAIR MOLINA: Okay. Thank you, Mr. Medeiros. The Chair appreciates your kind words. Before the Chair makes his comments, Staff, you have a clarification request? Can you please state it for the record?

MS. NAKATA: Yes, Mr. Chair. Deputy Corporation Counsel Giroux has pointed out that there may be a bit of a conflicting Condition No. 4 of the bill as it relates to the last sentence which is on page 2 of the condition that reads, "Adequate potable water shall be made available prior to the issuance of any occupancy permits for buildings developed at the Project.", as far as how that compares to the Water Availability Bill that has since been passed, and that would be Section 14.12.040 of the Maui, Maui County Code and I believe he's prepared to comment on it.

CHAIR MOLINA: Okay. Thank you, Ms. Nakata. Mr. Giroux, can you expand on that further for the Committee's consideration?

MR. GIROUX: Thank you, Chair. I just...in reviewing the conditions that, it was brought to my attention that looking at Condition No. 4, I would encourage the body to look at that and make sure that it is consistent with the, the water availability. I guess one of my, my biggest concern is that the last sentence reads, "Adequate potable water shall be made available prior to issuance of any occupancy permits for buildings developed at the Project." Read in isolation that, that's okay, but the, the bill itself actually requires that to be done earlier in the process which is at, at subdivision. And I think that the body needs to discuss that and make it clear that they're not trying to circumvent the bill...

CHAIR MOLINA: So you're talking about the show me the --

MR. GIROUX: Right.

CHAIR MOLINA: --show the water bill, so to make it consistent?

MR. GIROUX: Yeah. Because I, I've dealt with these types of things with, with the Park's ordinance where the, the, you know, the body does something that's not quite consistent with the, the

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statute and then it causes confusion when the applicant is trying to comply or, you know, maybe looking at, at that and saying well, the intent was to push, you know, push that off. I want to avoid that, that argument in the future and just make it clear as far as what the, what the intent of the body is.

CHAIR MOLINA: Okay. Can you offer us some language to consider to avoid this any, this conflict between the new ordinance regarding water versus what's in the existing Condition 4? Do you need a recess to conjure up some proposed language to possibly amend Condition 4?

MR. GIROUX: Well, Chair, at a minimum if, if you just delete the last sentence and just say that the, you know, that A & B will comply with Maui County Code 14, I think that would be an adequate remedy.

CHAIR MOLINA: Okay. Staff, would that--Members, I seek your feedback on this. Maybe, Staff, is this appropriate for us to, if this is the will of the body to delete this sentence, would it be appropriate to amend, make a formal amendment to Condition 4?

MS. NAKATA: Yes, Mr. Chair.

CHAIR MOLINA: Okay. Members, you've heard the comments from Corporation Counsel related to Condition 4 so as to avoid confusion and conflict with the "show me the water" bill. It might be appropriate for us to delete the last sentence of Condition 4. The Chair is open for a motion to amend by, to delete that last sentence.

COUNCILMEMBER VICTORINO: So moved.

CHAIR MOLINA: Okay. It's been moved by Member Victorino. Is there a second?

VICE-CHAIR PONTANILLA: Second.

CHAIR MOLINA: Okay. Seconded by Member Pontanilla. Discussion on the proposed amendment to delete the last sentence of Condition 4? Seeing none, all those in favor signify by...

MS. NAKATA: Excuse me, Mr. Chair.

CHAIR MOLINA: Staff?

MS. NAKATA: Could I just clarify that in addition to the deletion of that sentence we'd also be inserting a new sentence that reads, "Alexander & Baldwin Inc. shall comply with Section 14.12.040, Maui County Code."

CHAIR MOLINA: Okay. Committee Members, you've heard the suggestion from Staff to add further clarification by deleting the original last sentence of Condition 4 and by inserting the language as

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suggested by Staff. Any comments? We do have a motion on the floor to amend. So we'll incorporate that into the proposed amendment if there are no objections?

COUNCIL MEMBERS: No objections.

**COUNCIL MEMBERS VOICED NO OBJECTIONS** (excused: MA).

CHAIR MOLINA: Okay. We're all clear, Members. Okay. Additional discussion? Seeing none, all those in favor of the amendment to delete the last sentence of Condition 4 and insert the proposed language as recommended by Staff signify by say "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed? Okay. Thank you. The amendment passes.

**VOTE:           AYES:           Councilmembers Baisa, Hokama, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:           None.**

**EXC.:           Councilmember Anderson.**

**ABSENT:       None.**

**ABSTAIN:      None.**

**MOTION CARRIED**

**ACTION:       APPROVE amendment to the main motion.**

CHAIR MOLINA: All right, Members. We're at the point that the Chair will offer his comments and I'll try to be as brief as I can, I know it's late in the day. And thank you all for staying here. First of all, you know, it's been mentioned that A & B is a kamaaina company and that is true. But keep in mind, too, the entity itself would not be what it is today if it were not for the people that worked for the entity. So I just want to make sure that is clear. I want to thank the applicant, especially Mr. Chun, for enduring a grinding process here today before this Committee. And as we all know, the Council or the Land Use Committee is a very demanding Committee as such and I think with the conditions that we have thrown out for consideration have further strengthened the proposal here. However, I am, I would like to also share my, for lack of a better word, disappointment with the issue on the amount or acreage that is being provided by the applicant for housing.

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The project, should it pass, will of course bring in more people that need housing and I think the . . . in the Chair's opinion, the more the merrier. I think it, we, if we can make dents instead of scratches on the housing issue, I think we're, we're a better off community for that. By providing housing opportunities in my opinion creates more social stability in the community as well as the potential for additional revenue for the County to provide funding for the various needs of our community, CIP, social programs and the like. The Chair does appreciate the potential for the additional acreage for a multi-purpose community center in the Kahului region, by golly this region certainly needs one. What we have in, currently right now, and I hope I don't offend anybody, but it's really a disgrace, a community center that small for a community this size. And the, there is obviously a need for light industrial, so I think it meets that need. And granted it may not be the whole loaf that we got, but we got, depending on your opinion whether it be a half a loaf or a three-quarter loaf, it's, you know, better than nothing. So we, we played with the cat and some of us felt like we got scratched, others felt the cat acted in a somewhat civil manner. But I'll leave it there. There's one thing I admire about you, my fellow colleagues, you come up with these great analogies, you know, cats, dogs, et cetera, you name it, we got it all here.

So with that being said, Members, the Chair will call for the vote on the bill, the bill as amended. And again, the Chair will read the bill for the, read it into the record. Again, A bill for an ordinance to change zoning from Ag, Agricultural, M-2 Heavy Industrial, and R-1 Residential Districts to M-1 Light Industrial District (Conditional Zoning) for the Maui Business Park Phase II project for property situated at Kahului, Maui, Hawaii, and this includes the filing of the communication. The Chair calls for the vote. All those in favor signify by saying "aye."

COUNCIL MEMBERS: Aye.

CHAIR MOLINA: All those opposed?

COUNCILMEMBER MATEO: No.

COUNCILMEMBER JOHNSON: No.

CHAIR MOLINA: Okay. For the record, please correct the Chair if he's wrong, we have two no votes, Members Mateo and Johnson. And we have six ayes, Members Baisa, Medeiros, Hokama, Pontanilla, Victorino and Molina.

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**VOTE:**      **AYES:**      **Councilmembers Baisa, Hokama, Medeiros, Victorino, Vice-Chair Pontanilla, and Chair Molina.**

**NOES:**      **Councilmembers Johnson and Mateo.**

**EXC.:**      **Councilmember Anderson.**

**ABSENT:**    **None.**

**ABSTAIN:**   **None.**

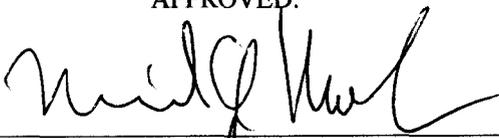
**MOTION CARRIED**

**ACTION:**    **Recommending FIRST READING of revised proposed bill, RECORDATION of unilateral agreement, and FILING of communication.**

CHAIR MOLINA: The bill advances to the County Council for. . .*(change tape, start 4B)*. . .all of you for your participation today. This concludes our matter here today in the Land Use Committee. Is there any announcement? Okay. Seeing none, it is 5:37, this Land Use Committee meeting for February 20, 2008 is now adjourned. . . .*(gavel)*. . .

**ADJOURN:** 5:37 p.m.

APPROVED:



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MICHAEL J. MOLINA, Chair  
Land Use Committee

lu:min:080220

Transcribed by: Daniel Schoenbeck

CERTIFICATE

I, Daniel Schoenbeck, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED this 14<sup>th</sup> day of March 2008, in Wailuku, Hawaii

  
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Daniel Schoenbeck