

**COUNCIL OF THE COUNTY OF MAUI**  
**LAND USE COMMITTEE**

January 11, 2008

**Committee**  
**Report No.**

\_\_\_\_\_ 08-7

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Land Use Committee, having met on December 19, 2007, makes reference to County Communication No. 06-101, from the Planning Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE GRANTING HALEAKALA RANCH COMPANY A CONDITIONAL PERMIT TO CONSTRUCT AND OPERATE THE HALEAKALA RANCH VISITOR'S CENTER, WITHIN THE COUNTY AGRICULTURAL DISTRICT, FOR PROPERTY SITUATED AT KULA, MAUI, HAWAII".

The purpose of the proposed bill is to grant a request from Haleakala Ranch Company (HRC) for a Conditional Permit to construct and operate the Haleakala Ranch Visitor's Center on approximately 14.057 acres at 18303 Haleakala Highway, Kula, Maui, Hawaii (TMK: (2) 2-3-05:004 (por.)). The proposed bill would establish a five-year term for the requested Conditional Permit.

Your Committee notes that the Maui Planning Commission held a public hearing on the application on October 11, 2005.

Your Committee further notes that the Maui Planning Commission, after reviewing the findings presented in the document entitled "MAUI PLANNING DEPARTMENT'S REPORT TO THE MAUI PLANNING COMMISSION OCTOBER 11, 2005 MEETING" (Department's Report), and the conclusions and recommendations presented in the document entitled "MAUI PLANNING DEPARTMENT'S RECOMMENDATIONS REPORT TO THE MAUI PLANNING COMMISSION OCTOBER 11, 2005 MEETING", voted to recommend approval of the Conditional Permit application, subject to six conditions, on October 11, 2005.

Your Committee also notes that, according to the Department's Report, the Haleakala Ranch Visitor's Center (Visitor's Center) is intended to be an agricultural tourism facility that would complement HRC's current agricultural operations and supplement HRC's income. The Visitor's Center would focus on showcasing the history of HRC; conservation and environmental projects at HRC; and agricultural products of

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Upcountry Maui, the County, and the State. Agricultural products offered for sale would include flowers, coffee, sugar, macadamia nuts, locally raised beef, and fresh local produce such as Kula onions and pineapple. The products would be grown on HRC property or provided by Maui farmers and local producers throughout the State.

Your Committee notes that the Council (2005-2007 Council term) referred County Communication No. 06-101 to its Land Use Committee at the Council meeting of April 7, 2006.

By correspondence dated May 18, 2006, the Chair of the Committee transmitted a copy of correspondence dated November 9, 2005, from the Planning Director to Thomas Schnell, PBR Hawaii & Associates, Inc. (PBR), detailing the Maui Planning Commission's October 11, 2005 approval of the State Special Use Permit (SUP) for the Visitor's Center. Your Committee notes that the SUP contains 28 conditions, including reporting, review and supervisory requirements, and conditions addressing the following: bus turn around and parking; a parking prohibition along Crater Road; a limitation on food service; conservation measures; the fencing off of three archaeological features within the development area (referenced in Exhibit "31B" of the Department's Report) prior to construction; landscaping and outdoor lighting requirements; restrictions on hours of operation, amplified music, and special events; a prohibition against alcohol consumption or sale; revisions to the site plan to relocate bus parking to the east side of the proposed Heritage Center; and consultation with the downhill bike industry to establish safe ingress and egress. By its terms, the SUP is valid until October 31, 2010, or the expiration of the Conditional Permit, whichever is later.

By correspondence dated July 17, 2006, Thomas Schnell, Senior Associate, PBR, transmitted a copy of his correspondence dated July 17, 2006 to the Planning Director, concerning compliance with the conditions imposed by the SUP and the resultant need for several changes to the site plan. Mr. Schnell also transmitted a copy of the revised site plan. He noted that the revisions address, among other things, conditions relating to bus turn around and parking, bicycle ingress and egress, and parking and landscaping.

At its meeting of January 5, 2007, the Council referred County Communication No. 06-101 to your Land Use Committee (County Communication No. 07-5).

By correspondence dated March 14, 2007, the Planning Director reported that the Maui Planning Commission, at its October 10, 2006 meeting, had reviewed the proposed site plan amendments for the Visitor's Center. Your Committee notes that, after

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reviewing the findings and recommendations presented in the document entitled “MAUI PLANNING DEPARTMENT’S REPORT AND RECOMMENDATIONS TO THE MAUI PLANNING COMMISSION OCTOBER 10, 2006 MEETING”, the Maui Planning Commission approved amendments to Condition Nos. 18, 27, and 28 of the SUP. Those amendments respectively require construction in accordance with plans presented to the Urban Design Review Board, as amended by the Maui Planning Commission; that a full set of plans be remitted to the State Department of Transportation, Highways Division (State DOT), for review and approval on matters impacting the State highway; and that drainage and storm water plans be remitted to the State DOT to ensure that State highways are not adversely impacted.

At its meeting of December 19, 2007, your Committee met with the Deputy Planning Director; the Administrative Planning Officer, Department of Planning; the Deputy Director of Public Works; a Sergeant, Department of Police; a Deputy Corporation Counsel; Charlene Shibuya, Construction Engineer, Maui District Office, State DOT; Don Young, President, HRC; Greg Friel, Livestock Manager, HRC; Thomas Schnell, Senior Associate, PBR, land use consultant for HRC; and Stacy Otomo, President, Otomo Engineering Inc., civil engineer for HRC. Your Committee also notes the presence of John Hirashima, property owner and permittee for Sunrise Country Market and Protea Farm.

There was no public testimony.

The Administrative Planning Officer provided an overview of the application. He noted that the Maui Planning Commission had granted the SUP in October 2005, and as a result of the conditions of the SUP and the preliminary nature of the site plans, HRC had redesigned the project area, returning to the Maui Planning Commission in October 2006. The Commission amended three conditions of the SUP at that meeting.

The Administrative Planning Officer further informed your Committee that HRC had subsequently decided to phase its construction in light of financial considerations, to shrink the project at this stage. The Department does not view the phasing as a significant change. He also noted that HRC has agreed that no alcohol will be served or sold on the property; that the project would be contained within a relatively small area out of HRC’s 30,000 acres; and that the project would consolidate certain accessory uses into one centralized location, making it easier to manage those uses.

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Mr. Young and Mr. Schnell provided a computer-generated presentation, along with a printout of the presentation, noting HRC's history and the purposes of the proposed Visitor's Center, and describing the location and site plan. They requested that the Conditional Permit be granted for a longer duration, due to the significant financial investment that would need to be made to construct the project, and their estimate that it would take a year to have architectural and engineering plans completed. They noted that their original request had been for a 20-year duration.

The Sergeant informed your Committee that the Department had submitted comments suggesting that a designated left-turn pocket lane into the Visitor's Center be created, as well as a deceleration lane for a right turn into the Visitor's Center (see Exhibits "16" through "17A" to the Department's Report).

Ms. Shibuya noted that the existing location of Sunrise Country Market and Protea Farm is somewhat problematic and that State DOT occasionally receives complaints related to its operation at that location. She advised that HRC's project would consolidate Sunrise Country Market and Protea Farm at a location above the residential area. She further advised that Crater Road does not have capacity issues. The State DOT evaluates warrants for left-turn and deceleration lanes, and in this case, it was determined that the anticipated traffic would not warrant such improvements. Ms. Shibuya noted that the posted speed limit is 30 miles per hour, that the driveway had been designed with appropriate radiuses, and that the area is rural.

Your Committee noted speeding issues in the downhill area. Your Committee also discussed the location of the stables, restroom facilities, hours of operation (7 a.m. to 6 p.m.), standards for drainage, and the State Historic Preservation Division's acceptance of the archaeological inventory survey report (Exhibit "31B" to the Department's Report).

Your Committee discussed the duration of the proposed Conditional Permit, noting that HRC had requested 20 years, the Department had recommended 2 years, and the Maui Planning Commission had compromised at 5 years. The Deputy Corporation Counsel noted that Conditional Permits should not be granted in perpetuity, that their duration should be based on a determination of reasonableness, and that the basis for their duration should be made clear.

Your Committee considered a number of factors in evaluating a reasonable duration for the Conditional Permit. The Administrative Planning Officer noted HRC's

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favorable history and standing in the community. Mr. Young advised that the estimated cost to construct the project is between \$8 million and \$9 million, with an estimate for the first phase at approximately \$4 million. He noted that the project represents a substantial investment for HRC. Your Committee noted support for agriculture and HRC's efforts to diversify its operations to maintain its property, and discussed whether a shorter term might impact HRC's financing options. Your Committee also noted that it would take some time for plans to be finalized and permits obtained.

Your Committee noted that the Department of Police had expressed some concerns over traffic, and that a five-year term would allow for the first phase of the project to be initiated; for the Department of Planning to check for compliance with conditions, representations, and potential noise and traffic issues; and for additional input from residents in the area. The Deputy Planning Director and Administrative Planning Officer noted that a ten-year term for an initial Conditional Permit of this sort is unusual. The Administrative Planning Officer further noted that the Department typically recommends a duration that will allow sufficient time for the project to be constructed and operated for at least a year to see how it works. Your Committee also considered the compromise reached by the Maui Planning Commission in extending the recommended duration from two to five years, and favored a conservative initial duration. For those reasons, your Committee declined to extend the duration to either ten or seven years, and supported the recommendation of five years.

Your Committee also discussed enforcement issues related to Conditional Permits, including the right of revocation under Section 19.40.080, Maui County Code.

Your Committee voted to recommend nonsubstantive revisions to the proposed bill, passage of the revised proposed bill for a five-year Conditional Permit, and filing of the communication.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating the nonsubstantive revisions requested.

Your Land Use Committee **RECOMMENDS** the following:

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1.      That Bill No. \_\_\_\_\_ (2008), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE GRANTING HALEAKALA RANCH COMPANY A CONDITIONAL PERMIT TO CONSTRUCT AND OPERATE THE HALEAKALA RANCH VISITOR'S CENTER, WITHIN THE COUNTY AGRICULTURAL DISTRICT, FOR PROPERTY SITUATED AT KULA, MAUI, HAWAII", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
  
2.      That County Communication No. 06-101 be FILED.

Adoption of this report is respectfully requested.

