

**COUNCIL OF THE COUNTY OF MAUI**  
**HOUSING AND**  
**HUMAN SERVICES COMMITTEE**

December 1, 2006

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

06-155

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

Chair and Members:

Your Housing and Human Services Committee, having met on November 16, 2006, makes reference to County Communication No. 06-264, from the Director of Housing and Human Concerns, transmitting the following:

1. A proposed resolution entitled "AUTHORIZING A GRANT FOR AN AMENDMENT TO LEASE OF COUNTY REAL PROPERTY".

The purpose of the proposed resolution is to grant an amendment to the terms of a 55-year lease to the Maui Arts and Cultural Center (MACC), dated December 10, 1990, to include an additional 10.5 acres owned by the County, with a fair market rental value of \$156 per annum, in the property that is the subject of the lease, located at Kahului, Maui (TMK: (2) 3-8-07:001 (por.) and (2) 3-7-01:002 (por.)).

2. A document entitled "GRANT AGREEMENT FOR AN AMENDMENT TO LEASE OF COUNTY REAL PROPERTY."

The purpose of the grant agreement is to grant an amendment to a lease to the MACC to include adjacent remnant parcels.

3. A document entitled "FIRST AMENDMENT TO LEASE".

The purpose of the first amendment to the lease is to substitute the newly consolidated parcel for the original premises in the lease.

By correspondence dated October 30, 2006, the Chair of your Committee requested that the Department of Housing and Human Concerns transmit the approved grant agreement and the approved lease with MACC dated December 10, 1990.

COUNCIL OF THE COUNTY OF MAUI  
**HOUSING AND  
HUMAN SERVICES COMMITTEE**

December 1, 2006  
Page 2

**Committee**  
**Report No.**     06-155

By correspondence dated November 2, 2006, the Chair of your Committee transmitted the approved grant agreement and the approved lease dated December 10, 1990.

By correspondence dated November 9, 2006, the Chair of your Committee requested that the Department of the Corporation Counsel revise Exhibits "A" and "C" to the proposed resolution to show the referenced areas with hatch marks instead of yellow shading to better reflect the referenced areas when the documents are photocopied.

By correspondence dated November 14, 2006, the Department of the Corporation Counsel transmitted a revised proposed resolution entitled "AUTHORIZING A GRANT FOR AN AMENDMENT TO LEASE OF COUNTY REAL PROPERTY", incorporating the requested revisions.

At its meeting, your Committee met with the Director of Housing and Human Concerns; a Deputy Corporation Counsel; Masaru Yokouchi, Chairman of the Board, MACC; Karen Fischer, President and Chief Executive Officer, MACC; and Art Vento, Vice President and General Manager, MACC.

There was no public testimony.

Ms. Fischer stated that the MACC is requesting that the remnant parcels surrounding the MACC be added to their lease to better serve the 250,000 people who use the facility every year.

Mr. Vento stated that there is no development planned for the additional land. The MACC is exploring a second egress from the parking lot, additional parking on the Waiehu side of the facility, and an indigenous plant park. He further stated that the Department of Parks and Recreation was in support of the new park and that the MACC would be responsible for creating and maintaining the park.

The Director stated that her department was in strong support of the resolution.

Your Committee questioned whether modifying the lease would cause the MACC to have problems with concession rules as the Iao Theatre did.

COUNCIL OF THE COUNTY OF MAUI  
**HOUSING AND  
HUMAN SERVICES COMMITTEE**

December 1, 2006  
Page 3

**Committee**  
**Report No.**     06-155

The Deputy Corporation Counsel replied that the original lease was in effect before the changes in concession rules and the amendment to the lease would not affect that portion of the original lease.

Your Committee voted to recommend adoption of the revised proposed resolution and filing of the communication.

Your Committee is in receipt of a further revised resolution from the Department of the Corporation Counsel, incorporating nonsubstantive revisions to the "BE IT RESOLVED" section.

Your Housing and Human Services Committee **RECOMMENDS** the following:

1. That Resolution No. \_\_\_\_\_, as revised herein and attached hereto, entitled "AUTHORIZING A GRANT FOR AN AMENDMENT TO LEASE OF COUNTY REAL PROPERTY", be **ADOPTED**; and
2. That County Communication No. 06-264 be **FILED**.

Adoption of this report is respectfully requested.

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