

October 30, 2025

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MEMO TO: DRIP-17 File

F R O M: Tamara Paltin, Chair *Tamara A. M. Paltin*
Disaster Recovery, International Affairs, and Planning Committee

SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENT RELATING TO
BILL 132 (2025), AMENDING ORDINANCE 3889 (2011),
RELATING TO CHANGE IN ZONING (CONDITIONAL ZONING) FOR
WEST MAUI PROJECT DISTRICT 5 (PULELEHUA) FOR
PROPERTY SITUATED AT LAHAINA, HAWAI'I (DRIP-17)**

The attached informational document pertains to Item 17 on the Committee's agenda.

drip:ltr:017afile01:jpp

Attachment

RICHARD T. BISSEN, JR.
Mayor

KATE L. K. BLYSTONE
Director

ANA LILLIS
Deputy Director



DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

CC 179-25



September 9, 2025

Honorable Richard T. Bissen Jr. Mayor
County of Maui
200 South High Street
Wailuku, Hawai'i 96793

APPROVED FOR TRANSMITTAL

 9-10 JS

Acting Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawai'i 96793

Dear Chair Lee and Members:

SUBJECT: COUNCIL RESOLUTION 24-174 REGARDING A PROPOSED BILL TO AMEND ORDINANCE 3889 (2011) RELATING TO THE CHANGE IN ZONING (CONDITIONAL ZONING) FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA), ON PROPERTY SITUATED AT MĀHINAHINA, KAHANA, LAHAINA, HAWAII; IDENTIFIED AS TMKs: (2) 4-3-001:082 & 083

The Department of Planning (Department) is transmitting for your review and action the amendments to County Ordinance 3889, summarized as follows:

Honorable Richard T. Bissen Jr., Mayor
Honorable Alice L. Lee, Chair
and Members of the Maui County Council
September 9, 2025
Page 2

PROPOSAL	
Action	Amend conditions of Maui County Ordinance 3889
Owner	Maui Oceanview LP
Tax Map Keys	(2) 4-3-001:082 and 083
Address	Located along Akahele Street, makai of the Honoapiʻlani Highway, Māhinahina, Kahana, Lahaina, Maui, Hawaiʻi
Area	Approximately 304.2 acres
Current Land Use Designations	State Land Use: Urban Maui Island Plan: Urban Growth Boundary/Outside Protected Areas West Maui Community Plan: Residential, Rural Residential, Small Town Center, Neighborhood Center, Public/Quasi-Public, Park, and Open Space. Maui County Zoning: West Maui Project District 5 (Pulelehua)
Brief Description	The Project Owner is requesting amendments to Maui County Ordinance 3889 relating to the Pulelehua Project District in West Maui. The proposed amendments to Ordinance 3889 include the deletion of Condition Nos. 2 and 15. Condition No. 2, in part, includes requirements regarding potable and non-potable water source, storage, and transmission requirements. Condition No. 15 involves the designation and sale of a 50-acre park site to the County of Maui at agricultural land rates.
Public Hearing	Held by the Maui Planning Commission (Commission) on December 10, 2024, by interactive conference technology via Webex videoconferencing, and in person at the Kalana Pakui Building, 250 South High Street, Wailuku, Maui, Hawaiʻi.
Testimony	Testifiers provided oral and written testimony in opposition and in support of the proposed amendments at the December 10, 2024 Commission meeting.
Recommendation	The Commission recommended approval of repealing Condition No. 2, and recommended denial of repealing Condition No. 15 of Ordinance 3889.

The Commission conducted a public hearing on the subject application at its December 10, 2024 meeting. The public hearing was closed and the Commission voted to recommend approval of repealing Condition No. 2 of Ordinance 3889. The Commission also voted to recommend denial of repealing Condition No. 15 of Ordinance 3889.

Inasmuch as Council approval is required for the amendments to the Ordinance, the Department transmits the documents related to the Planning Commission's December 10, 2024 public hearing on the subject application to the Council for consideration. Accordingly, attached for your review are the following documents:

Honorable Richard T. Bissen Jr., Mayor
Honorable Alice L. Lee, Chair
and Members of the Maui County Council
September 9, 2025
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1. Department's Memorandum to the Commission, dated November 27, 2024.
2. Copy of Resolution No. 24-174.
3. Letter dated December 3, 2024 from the Council's Disaster, Resilience, International Affairs, and Planning Committee to the Maui Planning Commission (DRIP-2(24)).
4. Commission minutes of the December 14, 2024, public hearing meeting.

Thank you for your attention to this matter. Should you have any questions, please transmit them to the Department of Planning via transmittal through the Office of the Mayor.

Sincerely,



KATE L. K. BLYSTONE
Director

Attachments

cc: Danny A. Dias, Planning Program Administrator (PDF)
Kurt Wollenhaupt, Land Use Planning Supervisor (PDF)

KLKB:DAD:lp

K:\WP_DOCS\Planning\CIZ\2005\0004_Pulelehua\2024 Ordinance Amendments\Council Transmittal Letter.pdf

RICHARD T. BISSEN, JR.
Mayor

KATE L. K. BLYSTONE
Acting Planning Director

GARRETT E. SMITH
Deputy Director



DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

November 27, 2024

MEMORANDUM

TO: MAUI PLANNING COMMISSION

FROM: KATE L.K. BLYSTONE, Planning Director 

SUBJECT: **COUNCIL RESOLUTION NO. 24-174 FD1, REFERRING TO THE MAUI PLANNING COMMISSION A PROPOSED BILL TO AMEND ORDINANCE 3889 (2011) RELATING TO THE CHANGE IN ZONING FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA)**

On October 25, 2025, the Maui County Council adopted Resolution No. 24-174, FD1, referring to the Maui Planning Commission a proposed bill to amend Ordinance 3889 (2011), relating to the Change in Zoning (Conditional Zoning) for West Maui Project District 5 (Pulelehua).

The Council proposes to repeal Conditions 2 and 15 of Ordinance 3889. According to the Resolution, repealing Condition 2 would, “expedite the permitting and construction of the project’s affordable housing.” The Council further proposes to repeal Condition 15, “because it has been satisfied.”

Lastly, the Council’s Disaster, Resilience, Internal Affairs, and Planning Committee (DRIP) held meetings on October 30, 2024 and November 20, 2024 to discuss the Resolution.

The Department of Planning is including Ordinance 3889 (2011) and Resolution 24-174 FD1 for your review. There are currently no written minutes for the October 30 and November 20, 2024 DRIP meetings, however the recorded meetings can be viewed via the following links:

October 30, 2024: <https://tinyurl.com/y3ad6hbb>

November 20, 2024: <https://tinyurl.com/596t6s26>

Maui Planning Commission
November 27, 2024
Page 2

Attachments: Resolution 24-174 and Ordinance 3889

xc: Ana Lillis, Deputy Planning Director (pdf)
Danny Dias, Planning Program Administrator (pdf)
Gregory Pfost, Administrative Planning Officer (pdf)

MOANA M. LUTEY
County Clerk



RICHELLE M. THOMSON
Deputy County Clerk

OFFICE OF THE COUNTY CLERK

COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/county-clerk

October 28, 2024

24 OCT 28 AM 9:44

RECEIVED

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For transmittal to:

Maui Planning Commission
Planning Department
County of Maui
Wailuku, Hawaii 96793

Dear Chair and Members:

Transmitted herewith is a certified copy of Resolution No. 24-174,
FD1, which was adopted by the Council of the County of Maui, State of
Hawaii, on October 25, 2024.

Respectfully,


MOANA M. LUTEY
County Clerk

/lks

Enclosure

CC Jarret Pascual, Legislative Analyst
David Raatz, Director of Council Services

Resolution

No. 24-174, FD1

**REFERRING TO THE MAUI PLANNING
COMMISSION A PROPOSED BILL TO AMEND
ORDINANCE 3889 (2011), RELATING TO THE
CHANGE IN ZONING (CONDITIONAL ZONING)
FOR WEST MAUI PROJECT DISTRICT 5
(PULELEHUA) FOR PROPERTY SITUATED AT
MAHINAHINA, KAHANA, LAHAINA, MAUI,
HAWAII**

WHEREAS, Ordinance 3889, effective November 18, 2011, granted a Conditional Change in Zoning from the Agricultural District to West Maui Project District 5 (Pulelehua) for real property identified as tax map keys (2) 4-3-001:082 and (2) 4-3-001:083, collectively comprising 304.255 acres, in Mahinahina, Kahana, Lahaina, Maui, Hawaii, subject to 17 Conditions of Zoning; and

WHEREAS, the property was once owned by Maui Land & Pineapple Company, Inc. and is now owned by Maui Oceanview LP; and

WHEREAS, the Pulelehua project is positioned to provide much-needed affordable housing to the West Maui community in the wake of the August 2023 wildfires but is not able to provide the potable and nonpotable water required by Ordinance 3889's Condition 2; and

WHEREAS, the Council proposes to repeal Condition 2 to expedite the permitting and construction of the project's affordable housing; and

WHEREAS, the Council appropriated \$1.3 million from the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund for land acquisition and related costs for a 50-acre park site in the West Maui Community Plan Area, in accordance with Ordinance 3889's Condition 15, in the Fiscal Year 2022 Budget; and

WHEREAS, the Council further proposes to repeal Condition 15 because it has been satisfied; and

Resolution No. 24-174, FDI

WHEREAS, Subsection 19.510.050(G), Maui County Code, requires that changes or alterations of conditions be processed in the same manner as petitions for zone changes; and

WHEREAS, Sections 8-8.4 and 8-8.6 of the Revised Charter of the County of Maui (1983), as amended, require that the appropriate planning commission review proposed zoning and other land use ordinances and provide findings and recommendations to the Council; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it refers the proposed bill, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE 3889 (2011), RELATING TO THE CHANGE IN ZONING (CONDITIONAL ZONING) FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA) FOR PROPERTY SITUATED AT MAHINAHINA, KAHANA, LAHAINA, MAUI, HAWAI'I," attached as Exhibit "A," to the Maui Planning Commission for appropriate action under Sections 8-8.4 and 8-8.6 of the Revised Charter of the County of Maui (1983), as amended; and
2. That certified copies of this Resolution be transmitted to the Mayor, Planning Director, and Maui Planning Commission.

APPROVED AS TO FORM AND LEGALITY:

/s/ Michael J. Hopper

Department of the Corporation Counsel
County of Maui

paf:cmn:24-247b

INTRODUCED BY:

Tamara A.M. Paltin

TAMARA PALTIN

EXHIBIT "A"

ORDINANCE NO. _____

BILL NO. _____ (2024)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE 3889 (2011), RELATING TO THE CHANGE IN ZONING (CONDITIONAL ZONING) FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA) FOR PROPERTY SITUATED AT MAHINAHINA, KAHANA, LAHAINA, MAUI, HAWAI'I

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Under Chapters 19.45 and 19.510, Maui County Code, Ordinance 3889 (2011), relating to the Change in Zoning (Conditional Zoning) for West Maui Project District 5 (Pulelehua), for real property situated in Mahinahina, Kahana, Lahaina, Maui, Hawai'i, identified for real property tax purposes as tax map keys (2) 4-3-001:082 and (2) 4-3-001:083, comprising 153.207 acres and 151.048 acres, respectively, is amended as described in Sections 2 and 3.

SECTION 2. Condition 2 of Exhibit "C" (Conditions of Zoning) of Ordinance 3889 (2011) is repealed in its entirety, with deleted language in brackets:

["2. Maui Land & Pineapple Company, Inc. shall provide potable and non-potable water source, storage and transmission improvements necessary to serve Pulelehua in accordance with the requirements of the County of Maui Department of Water Supply."]

SECTION 3. Condition 15 of Exhibit "C" (Conditions of Zoning) of Ordinance 3889 (2011) is repealed in its entirety, with deleted language in brackets:

["15. That Maui Land & Pineapple Company, Inc. designate and offer for sale to the County of Maui, at agricultural land rates,

a 50-acre park site presently identified in the West Maui Community Plan at an alternate site mauka of the Honoapiilani Highway and along the Honoapiilani Highway in the vicinity of residential uses. The 50-acre park site shall be determined during the Community Plan Update process, provided that the park site not be located mauka of the Kapalua West Maui Airport.”]

SECTION 4. Under Section 19.510.050, Maui County Code, the zoning granted by this Ordinance is subject to:

- The Conditions of Zoning in Ordinance 3889’s Exhibit “C,” as amended by this Ordinance’s Sections 2 and 3; and
- This Ordinance’s Exhibit “1,” the First Amendment to Unilateral Agreement and Declaration for Conditional Zoning.

SECTION 5. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

Department of the Corporation Counsel
County of Maui

paf:cmn:24-247a

INTRODUCED BY:

Tamara A.M. Paltin

TAMARA PALTIN

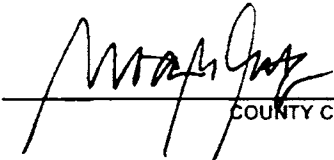
COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that RESOLUTION NO. 24-174, FD1 was adopted by the Council of the County of Maui, State of Hawaii, on the 25th day of October, 2024, by the following vote:

MEMBERS	Alice L. LEE Chair	Yuki Lei K. SUGIMURA Vice-Chair	Tom COOK	Gabriel JOHNSON	Natalie A. KAMA	Tamara A. M PALTIN	Keani N. W RAWLINS FERNANDEZ	Shane M SINENCI	Nohelani U'U-HODGINS
ROLL CALL	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye


COUNTY CLERK

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauCounty.us

December 3, 2024

Ms. Kim Thayer, Chair
Maui Planning Commission
c/o Department of Planning
County of Maui
Wailuku, Hawaii 96793

Dear Chair Thayer:

**SUBJECT: DISCUSSION ON PROPOSED CHANGE IN ZONING
FOR PULELEHUA (DRIP-2(24))**

At its meeting of October 25, 2024, the Maui County Council adopted Resolution 24-174, FD1, which referred a proposed bill, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE 3889 (2011), RELATING TO THE CHANGE IN ZONING (CONDITIONAL ZONING) FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA) FOR PROPERTY SITUATED AT MAHINAHINA, KAHANA, LAHAINA, MAUI, HAWAII," to the Maui Planning Commission.

The Council's Disaster, Resilience, International Affairs, and Planning Committee, at its meetings of October 30, 2024, and November 20, 2024, discussed the proposed bill.

The following is a brief summary of the discussions:

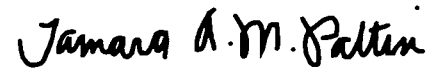
- Maui Oceanview LP and Maui Nui Resiliency Hui representatives noted the removal of Condition 2 under Ordinance 3889's Conditions of Zoning would allow the Pulelehua project to receive permits to begin the installation of infrastructure. A Maui Nui Resiliency Hui representative noted that the project has acquired preliminary subdivision approval, but Department of Water Supply approval is necessary to obtain final approval.

- Further, the Maui Oceanview LP representative said Condition 2 is unnecessary as the project has proven to have a long-term, reliable water supply that would satisfy an exemption under Subsections 14.12.030(E) and (F), Maui County Code.
- The Director of Parks and Recreation and the First Deputy Corporation Counsel advised that Condition 15 of Ordinance 3889 not be repealed. Rather, Condition 15 should remain or be amended to clarify that the condition has been satisfied.
- The Director of Environmental Management noted that the proposed bill does not affect their Department. He further noted that Maui Oceanview LP will construct and fund a wastewater collection system and R-1 water line to the Lahaina Wastewater Reclamation Facility. The Department's Wastewater Reclamation Division is drafting a Memorandum of Agreement with the developer.
- The Department of Water Supply did not object to repealing Condition 2, but advised that the developer pursue constructing a private water system. The Deputy Director of Water Supply noted there is not a sufficient source of water to provide to the developer, as the water is being reserved for the rebuild for displaced residents returning to Lahaina.
- Further, the Deputy Director of Water Supply said that in order for the Department to approve of the project's subdivision application, the subdivider must submit an engineering report to the State Department of Health, and if approved, the Department will issue a written verification of a long-term, reliable supply of water. The subdivider's engineering report was sent to the State Department of Health over a year ago and is pending review.
- The Committee considered amending Condition 2's language to require the developer to construct a private water system, but allow for the construction of infrastructure while awaiting approval from the State Department of Health.

Ms. Kim Thayer
December 3, 2024
Page 3

Should you have any questions, please contact me or the Committee staff (Jarret Pascual at ext. 7141, or Maria Leon at ext. 7866).

Sincerely,

A handwritten signature in black ink that reads "Tamara A.M. Paltin". The signature is written in a cursive, flowing style.

TAMARA PALTIN, Chair
Disaster, Resilience, International
Affairs, and Planning Committee

drip:ltr:002(24)apl01:jpp

cc: Mayor Richard T. Bissen, Jr.
Planning Director
Deputy Planning Director

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director

JOHN STUFFLEBEAN, P.E.
Director

JAMES A. LANDGRAF
Deputy Director



DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
<http://www.mauicounty.gov/water>

December 3, 2024

VIA EMAIL ONLY
mauinuirh@gmail.com

Kai Nishiki & Sarah Freistat Pajimola
Executive Directors
Maui Nui Resiliency Hui

Re: Pulelehua Project; Ordinance No. 3889, Bill No. 64 (2011)

Dear Misses Nishiki and Pajimola:

The Department of Water Supply does not believe that the removal of Condition 2 of Ordinance 3889 will have an effect on either (1) the ability of the Pulelehua Project to receive an exemption from the requirements of Chapter 14.12 of the Maui County Code ("MCC") or (2) the Department's ability to provide water to the Pulelehua project, on either a temporary or permanent basis.

As to the first issue, we do not believe that the Pulelehua project would qualify for the exemptions set forth in MCC § 14.12.030 regardless of whether or not Condition 2 of Ordinance 3889 is removed. There are two potential exemptions that would be applicable to the Pulelehua Project: MCC § 14.12.030(E) and MCC § 14.12.030(F).

MCC 14.12.030(E) provides that a project is exempt for "residential workforce housing units developed by a qualified housing provider under Chapter 2.96 and are within the service area of the department's central or west Maui water system." Pursuant to MCC § 2.96.020, a "qualified housing provider" is a "community land trust, nonprofit agency, or other private or public organization, agency, or entity authorized and designated by the department in accordance with section 2.96.150 to own, develop, construct, administer, operate or otherwise provide residential workforce housing." MCC § 2.96.150 provides that, in order to become a "qualified housing provider," the Department of Housing needs to enter into an agreement with an entity to act as a qualified housing provider pursuant to MCC § 2.96.150. To the knowledge of the Department of Water Supply, Pulelehua has not entered into an agreement to be designated as a qualified housing provider pursuant to MCC § 2.96.150, and accordingly, MCC § 14.12.030(E) would not apply.

"By Water All Things Find Life"

Kai Nishiki & Sarah Freistat Pajimola
Executive Directors
Maui Nui Resiliency Hui
December 3, 2024
Page 2

The exemption set forth in MCC § 14.12.030(F) provides an exemption from the requirements of MCC Chapter 14.12 for "residential development projects with 100 percent affordable housing units" that are "within the service area of the department's central or west Maui water systems." While phase 1 of the Pulelehua project is one hundred percent affordable housing units, the remainder of the planned subdivision is not. Accordingly, the exemption set for in MCC § 14.12.030 would not apply to the Pulelehua project.

Because the Department does not believe that the Pulelehua project qualifies for an exemption pursuant to MCC § 14.12.030, the Pulelehua Project would still be subject to the requirements of MCC § 14.12 prior to subdivision approval, including the requirement of "an approved engineering report for a long-term, reliable supply of water for the subdivision." This would be in addition to any requirements set in Place by the Department of Health and the Commission on Water Resources Management. As to the second issue on the ability of the Department of Water Supply to provide water service to the Pulelehua Project, the County takes the position that Condition 2 of Ordinance 3889 provides only one basis for denying service to the project.

In addition, Maui County Code § 14.04.010 provides that "any new prospective customer whose premises are with service limits established by the department and adjacent to a distributing main, where pressure conditions permit, may obtain water service; **provided, that the department has a sufficient water supply developed for domestic, irrigation and fire protection purposes to take on new or additional service without detriment to those already served**" (emphasis added). Taking into account the reservations of water service source capacity held by those affected by the August 2023 wildfires, there is insufficient water to provide the Pulelehua project with water from the Department's system.

Sincerely,



JOHN STUFFLEBEAN, P.E.
Director

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director

JOHN STUFFLEBEAN, P.E.
Director

JAMES A. LANDGRAF
Deputy Director



DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
<http://www.mauicounty.gov/water>

December 6, 2024

VIA EMAIL ONLY
mauinuirh@gmail.com

Kai Nishiki & Sarah Freistat Pajimola
Executive Directors
Maui Nui Resiliency Hui

Re: Pulelehua Project; Ordinance No. 3889, Bill No. 64 (2011)

Dear Misses Nishiki and Pajimola:

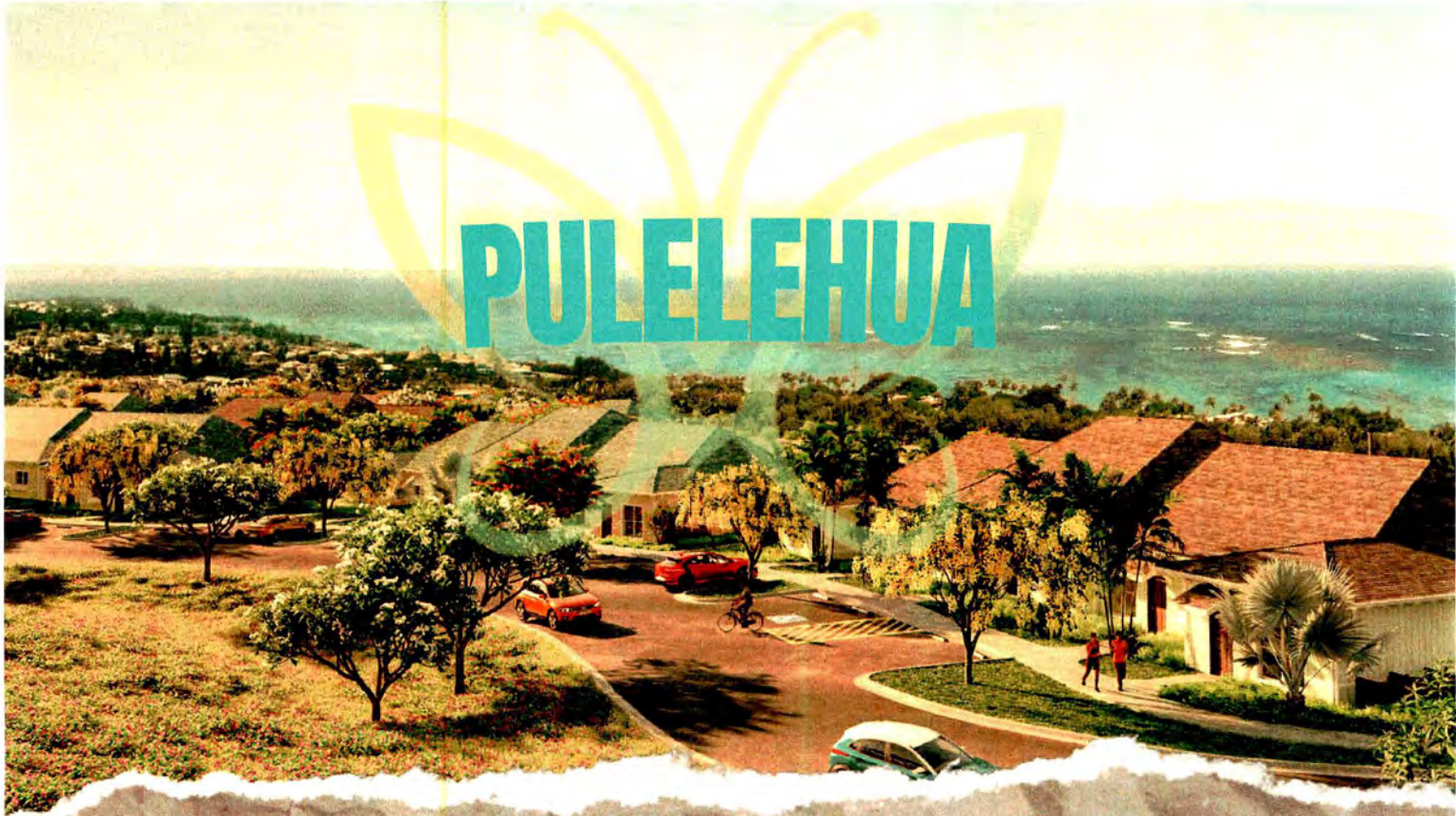
Thank you for providing me with a copy of the Amended Residential Workforce Housing Agreement for the property. This agreement was entered into as required for subdivisions pursuant to Maui County Code ("MCC") Section 2.96.080. However, the exemption from MCC Chapter 14.12 set forth in MCC Section 14.12.030(E) only applies to "qualified housing providers." The term "qualified housing providers" is defined in MCC Section 2.96.020 and refers to entities which have been designated by the Department of Housing pursuant to MCC Section 2.96.150. This designation is done through a separate agreement with the Department of Housing under MCC Section 2.96.150. The MCC Section 2.96.080 requirement for a Residential Workforce Housing Agreement does not qualify an entity as a "qualified housing provider" for the purposes of the exemption in MCC Section 14.12.030(E). Accordingly, the Department maintains its position that this project does not qualify for an exemption from the requirements of MCC Chapter 14.12.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Stufflebean".

JOHN STUFFLEBEAN, P.E.
Director

"By Water All Things Find Life"



PULELEHUA

PERMANENT HOUSING FOR OUR
LAHAINA RESIDENTS NOW.

MAUI NUI RESILIENCY HUI



Project Details

Fully entitled
2.96 workforce housing project

5 phases - 304 acres total

Approved to build 800 units
project-wide
(400 market / 400 affordable)

Phase I originally slated for:

120 market rentals/
60 affordable for sale
60 affordable rentals

Phase I now:

240 affordable rentals



Project Highlights

All 800 units will prioritize applicants based on length of residency.

Phase I: 240 affordable rentals reserved for residents impacted by the Lahaina fire.

Prioritizing Lahaina kupuna first.

One level construction

Pet friendly

100% R1 water reuse for entire project's irrigation needs.

Rent Control

What is being requested today

That Maui Planning Commission
recommend the Maui County Council
amend ordinance 3889 by deleting
condition 2



What is Condition #2

“Maui Land & Pineapple Co, Inc. shall provide potable and non-potable source, storage and transmission improvements necessary to serve Pulelehua in accordance with the requirements of the County of Maui Department of Water Supply.”

Pulelehua has provided water source and water storage and is requesting the county issue permits so it can start work to install transmission lines.



Ch. 2.96 Workforce housing projects

Are exempt from needing to prove water source.

Condition 2 required the project to provide its own water source anyway.

Pulelehua has complied with the requirements of condition 2, but is not being provided permits to begin work until CWRM approves its water use permits for its various sources.

Deleting condition 2 would allow Pulelehua to be considered exempt from proving water source like all other 2.96 projects (while waiting for CWRM approval) so permits could be issued to begin construction on transmission lines.



Condition 2 origin

During 2011 council deliberations removing the condition was discussed due to its redundancy with the water code exemption, which made it irrelevant.

Corporation counsel was asked to opine, who stated that the way it was drafted (and adopted) leaves it open for the project to be allowed to use county sources in the future. -That in order for the project to not be allowed to do so, the condition would need to explicitly state: “They shall not be allowed to tap into the county system.”



Longterm reliable water supply.

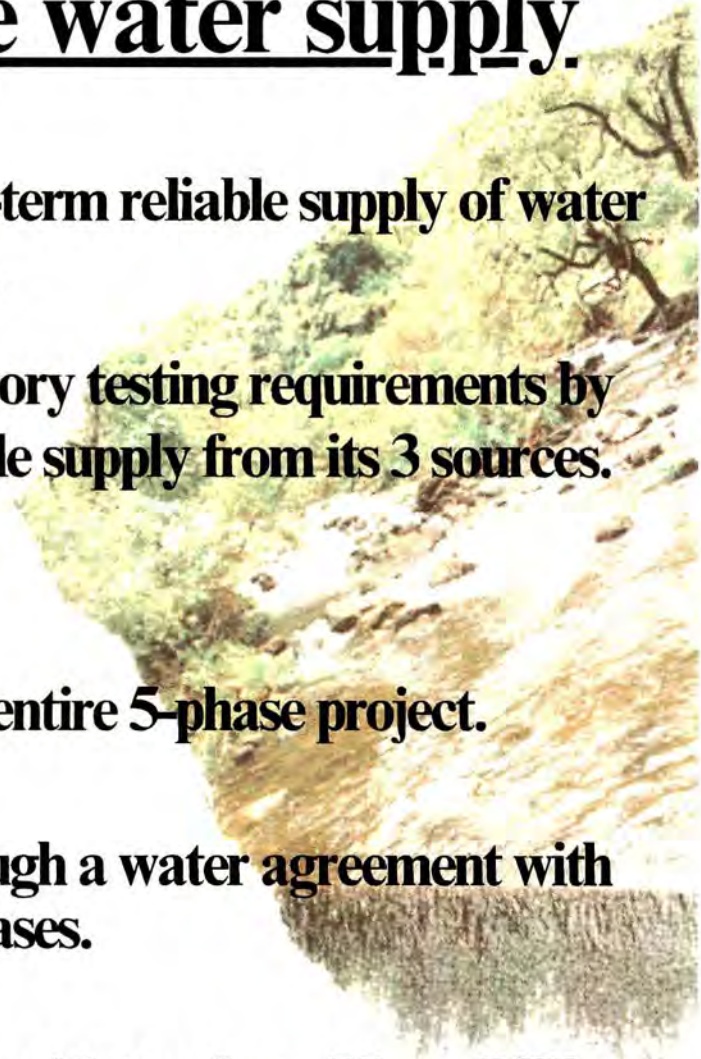
Of course it is understood that long-term reliable supply of water is required in order to build housing.

The project has followed all mandatory testing requirements by regulating agencies to ensure reliable supply from its 3 sources.

The project has:

- 1) Drilled 2 wells that can serve the entire 5-phase project.**
- 2) Has access to surface water through a water agreement with MLP that can serve the entire 5-phases.**
- 3) Has secured a conditional ‘will serve’ letter from Hawaii Water Service for service for all of phase I.**

That’s THREE TIMES the amount of water needed to satisfy condition 2.



Why delete the condition if Pulelehua is honoring all of its terms?



Because of condition 2, the County has not managed this project the way it would any other 2.96 Workforce housing project.

Until the condition is deleted the project is not being considered eligible for permits to start installing community serving infrastructure, like transmission lines for water, wastewater and underground utilities, while awaiting CWRM approval to use its own water sources.

Why delete the condition if Pulelehua is honoring all of its terms?

What the project has requested from the county DWS is the ability to begin construction of transmission lines while awaiting CWRM approval.

IMPORTANT TO NOTE:

Water use is not needed until the rental units are built and ready for occupancy in approximately two years. By that time, the project anticipates an approved permit from CWRM for use of its source.

*DWS told the Council they are not opposed to deleting the condition.



Why delete the condition if Pulelehua is honoring all of its terms?



The request to delete condition 2 came after DWS listed the condition as one reason the county could not consider assisting the project with a temp “will serve” letter for Phase I (water on paper) to allow the project to move forward with building infrastructure.

Why delete the condition if Pulelehua is honoring all of its terms?

The amendment was discussed at council once and in committee two times.

During deliberations the council raised the question whether deleting condition 2 is necessary in order for the project to be exempt from proving water source and to move forward with work while awaiting CWRM approval.

The answer provided by DWS was inconclusive.



Why delete the condition if Pulelehua is honoring all of its terms?



After the committee meeting, two letters were sent to DWS inquiring:

1) Whether deleting condition 2 is necessary for DWS to consider it exempt from proving reliable source as a 2.96 project, so it can move forward with infrastructure permits.

...and as an additional solution to this ongoing delay to build an 100% affordable housing phase:

2) Whether DWS will accept the conditional “will serve” letter from HWS so it can move forward with infrastructure permits.

IMPORTANT NOTE:

*CWRM does not oppose HWS providing the project a ‘will serve’ letter as a solution to help the project move forward.



Why delete the condition if Pulelehua is honoring all of its terms?

The objective was to receive clear direction and determination from DWS if the project can move forward, while avoiding taking up valuable commission and council time, unnecessarily.

To date, the DWS has not provided a pathway forward for the project to proceed with construction.

PULELEHUA

A stylized logo featuring a green plant with three leaves and a yellow flower-like shape in the center, positioned behind the title.

Prioritizing residents affected by the Lahaina fire

Pulelehua is providing at least 2x the affordable units required by 2.96 Maui county code & has proven 3x the water usage normally required by the Maui county water code, regardless of its exempt status.

The request before you today is that Pulelehua be allowed a potential tool to help it move forward in a way that will expedite permanent housing for those impacted by the Lahaina fire.

Deleting condition 2 may be a pathway forward for infrastructure progress to begin.



The project would like to get to work.

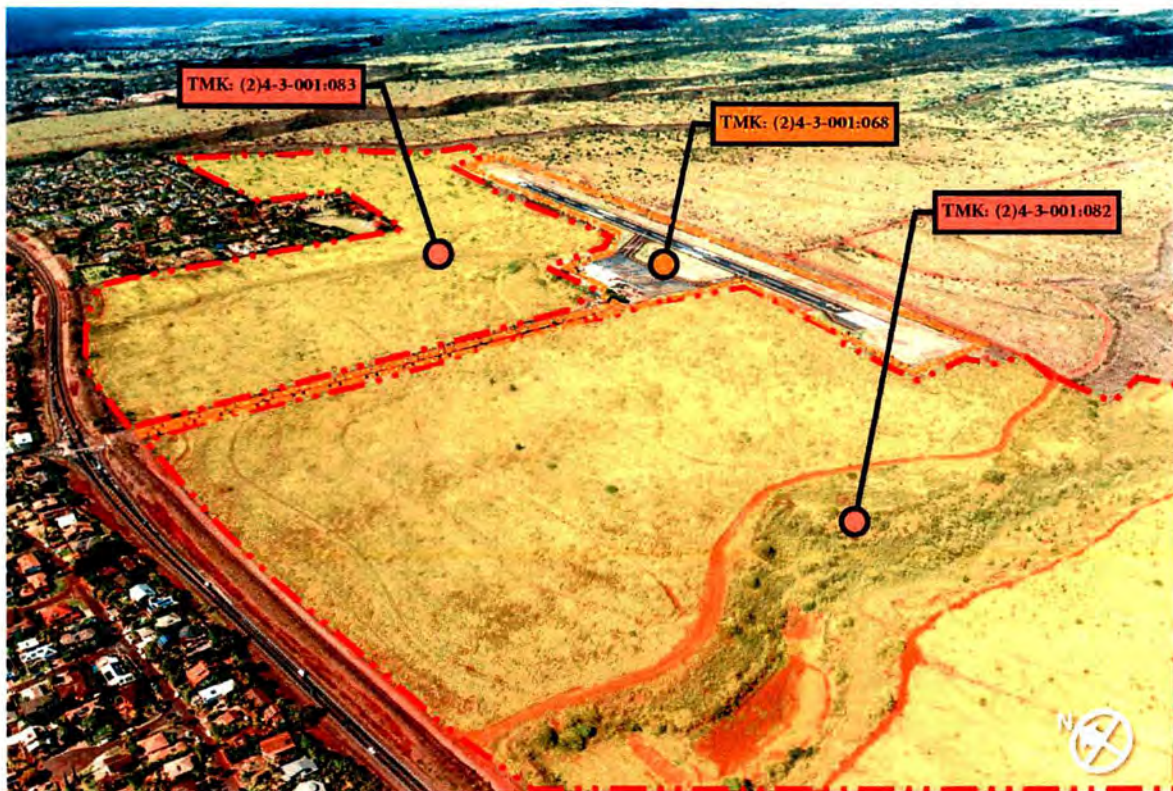


APPENDIX 1

- Photos -

Section 2: End Use Area Photos

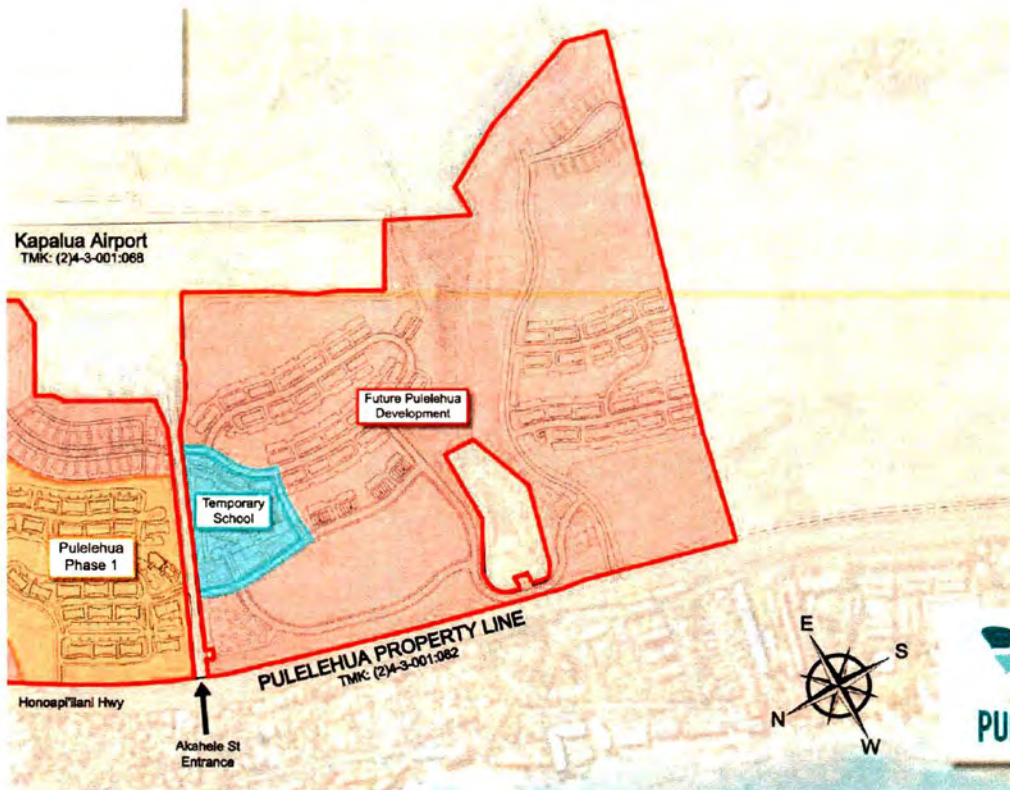
2017: Masterplan Aerial



Note:

Notwithstanding Phase 1 mass grading and retaining wall construction and the temporary King Kamehameha III Elementary school as shown on the next pages (both recently completed), the site looks relatively the same in 2024.

2024: King Kamehameha III Temporary Elementary School - TMK: (2)4-3-001:082



Maui Land & Pineapple Co, Inc. shall provide potable and non-potable source, storage and transmission improvements necessary to serve Pulelehua in accordance with the requirements of the County of Maui Department of Water Supply, **provided that this Condition 2 shall not preclude the Pulelehua project from availing itself of any exemption from the requirements of MCC Chapter 14-12 for which it qualifies under MCC section 14-12-030 or from receiving, pursuant to such exemption, subdivision approval and civil permits for infrastructure construction.**

Dr. Andrea Kealoha: Good morning, everyone. Good, good to see, see you all. I'm at home in my office by myself.

Ms. Blystone: Good Morning. Commissioner Lindsey.

Ms. Lindsey: Aloha mai kakou, um, from Wailuku. Good to see you all today. I am alone.

Ms. Blystone: Mahalo. Commissioner Ward.

Mr. Ward: Good morning, everybody, Chair, Director, fellow Commissioners. I'm obviously in the room and good to see everybody, and glad to be at our last meeting, but the future of next year.

Ms. Blystone: Thank you. Vice Chair Thompson.

Mr. Dale Thompson: Aloha and good morning, top of the morning too all.

Ms. Blystone: Chair Thayer?

Ms. Thayer: Yes, good morning again, everybody. Thank you all for being here. So, one housekeeping note before we dive into the agenda. Commissioner Ward.

Mr. Ward: Thank you Chair. Just wanted to follow up with everybody that based on our last meeting, the concerns of potential conflict of interest on the Grand Wailea issue. I will be meeting with the Board of Ethics tomorrow to present my case. It has been filed, I'm on the agenda and hopefully we'll have a position either way of what they decide. I do have the right to appeal in the event that they feel that it is a conflict, and the next meeting would be, I believe it was January 8th is the next. So there is ample opportunity for me to, in the event that they want further information or clarification, that I'll be able to present and have a final ruling before our meeting on January 28th. Oh, I think it's 28th is the Grand. So, just want to make sure everyone was aware of that and that I have taken the appropriate actions to make sure that I can participate, or we have a ruling that I should not.

Ms. Thayer: Very nice. Thank you.

Mr. Ward: You're welcome.

Ms. Thayer: Thank you for the update. So on our agenda today, we have one public hearing item and then we go into more orientation. So Director, Item B.1., please.

B. PUBLIC HEARING

1. **KATE L. K. BLYSTONE, PLANNING DIRECTOR, transmitting Council Resolution No. 24-174, FD1 referring to the Maui Planning Commission a proposed bill to amend Ordinance 3889 (2011), relating to the Change in Zoning (Conditional Zoning) for West Maui Project District 5 (Pulelehua) for property situated at Māhinahina, Kahana, Lāhainā, Maui, Hawai'i (D. Dias)**

Ms. Blystone: Thank you Chair. Kate L. K. Blystone, Planning Director, transmitting Council Resolution number 24-174, FD1, referring to the Maui Planning Commission a proposed bill to amend ordinance 3889, of 2011, relating to the Change in Zoning, Conditional Zoning for West Maui Project District Five, Pulelehua, for property situated in Mahinahina, Kahana, Lahaina, Maui, Hawaii. Danny is your planner.

Ms. Thayer: Thank you. Oh, one second Danny before you get started. I just want to make sure all the Commissioners got the latest documents that were received after posting, from DWS. I see thumbs up from --. Oh Commissioner Lindsey?

Ms. Lindsey: That means it's the active links on the website, right?

Ms. Thayer: Yeah, so there's a letter dated December 3rd, and a letter dated December 6th, from Department of Water Supply.

Ms. Lindsey: Okay, got it. Thank you.

Ms. Thayer: Okay, thank you. Just wanted to check --

Mr. Michael Hopper: Chair?

Ms. Thayer: Yes?

Mr. Hopper: Chair, just to confirm. Those have been uploaded so the public can also access them, those letters. Just want to confirm with the Department.

Ms. Thayer: Yes, staff is telling me yes.

Mr. Hopper: And then if anyone needs a copy hopefully they can be provided a hard copy. I mean the members of the public who would want it, but it sounds like that's accessible. Thank you.

Ms. Thayer: Yes, yep, covered. Thank you for checking. Okay, go ahead Mr. Dias.

Mr. Danny Dias: Thank you Chair. Good morning. Good morning Commissioners. First item today as Director Blystone stated is a Resolution from the Maui County Council, Resolution 24-174. And basically what the Council is proposing is to amend two conditions that was part of the Pulelehua project approval. The packet that we sent you is fairly thin, and the reason why is because in accordance with Chapter 19.51.20, the Department has 60 days to bring resolutions before this Commission. So the County Council had two meetings discussing this item. We did provide you with links to that meeting, but we didn't have minutes, so hopefully you folks had a chance to watch that and sort of get an idea of the purpose of this proposal. Part of that conversation was also regarding whether or not deleting the second condition was actually necessary. The practice is usually when you comply with a condition, we don't take that condition away, we still leave it as part of the approval. But in any case, today we have representatives from Pulelehua, Kai Nishiki and Sarah, sorry I didn't get your last name. And we also have the Director of Water Supply, John Stufflebean on the call to assist you folks. So with that, I'm going to turn it over to the applicant's representatives.

Ms. Kai Nishiki: Okay, aloha Chair and Commission Members. So we're going to go into the project details. This project is located in West Maui, right below the Kapalua Airport. And it has, this project has received broad base support from grassroots, environmental organizations such as Maui Tomorrow, Sierra Club, Standup Maui, to most of the construction unions, and it is a fully entitled Maui County Code Chapter 2.96 workforce housing project. It, it is 304 acres with five phases and it is approved to build 800 units project wide; 400 market and 400 affordable, in perpetuity. Phase one was originally slated to be a 120 market rentals with 60 for sale affordable units, and 60 affordable rental units. The phase one now is 240 affordable rentals.

Some of the project highlights. So I just wanted to let you folks know that, that the housing provider really listened to the community and heard what the needs were. And so all 800 units will be prioritized by length of residency, and this will allow our long-time generational families to have a priority. Also two weeks after the fire, the housing provider offered to convert all the market rate units to make the project a hundred percent affordable, so we are working with the County phase by phase to hopefully make that happen.

The first 240 affordable rentals will be reserved for residents impacted by the fire and will be prioritizing seniors, our kupuna, first. In order, and the construction of the project is all single level so that makes it really easy for folks to access their units with parking directly in front. And of course, it's pet friendly with miles of walking trails and a dog park. And in order to promote resiliency and responsible uses of our resources, the project is as much of the wastewater that is produced from the project, it goes right down to the treatment facility and then the project is bringing all of that R1 water back to the project to use for irrigation. And, as you have heard in numerous meetings and testimony and in your communities, everyone is really crying out for rent control and affordable housing, there's no better rent control. And there is also no STRs or B&Bs allowed project wide.

So why are we here today? We are asking that the Maui Planning Commission recommend to the Maui County Council to amend Ordinance 3889 by deleting condition number two, and this condition is up on the, up on your slide here. But Pulelehua has provided water source and water storage and is requesting the County to issue permits so we can begin all of the community serving infrastructure. Maui County Code, Chapter 2.96, workforce housing projects are exempted from needing to prove water source, and condition two is really a duplicate condition because the project is already providing its own water source in a number of ways. Pulelehua has complied with conditions of or the requirements of condition two but is not being provided permits to begin work until CWRM approves its water use permits. Deleting the condition would simply allow Pulelehua to be considered exempted from proving water source like all other 2.96 projects while we are all awaiting CWRM's approval.

Just a little bit of history. During the 2011 Council deliberations, removing the condition was discussed due to its redundancy with the water code exemption, and Corporation Counsel offered their, their statement that the way it was drafted would still allow the project to be served by the County, and if the Council did not want that to happen, then they would have to put in an explicit condition that says they can't be allowed. So it was left open by the Council.

Discussing the long-term reliable water sources. We understand that long-term reliable supply of water is required to build housing, and the project has followed all the mandatory testing

requirements by regulating agencies to ensure reliable supply from its three sources. So these are the three sources. The project has drilled two wells that can insert, can serve the entire project. They also have a water delivery agreement. Because the project was formerly a Maui Land and Pine project and then was sold along with that came a water delivery agreement, and so it has a surface water agreement that can also serve all of the phases of the project. And in addition to that the project has secured a conditional will serve from Hawaii Water Service to serve all of phase one, so that is three times the amount of water needed to condition or to satisfy condition number two.

So because of condition number two, the County hasn't managed this project the way it would any other workforce housing project. And until the condition is deleted, the project is not being considered eligible for permits to begin installing community serving infrastructure while we await CWRM approval. The project has requested from the County DWS the ability to begin construction while awaiting CWRM approval, and we just wanted to note that, you know, we don't actually need water in the pipes, you know, in the faucets until the rental units are built, and that will take approximately two years to put in all of the infrastructure. So really we're just trying to get started putting in all of the infrastructure and building the units, and we anticipate that CWRM will approve use of one of the water sources before then.

So the request, the request to delete condition two came after DWS listed this condition as one of the reasons that the County could not consider assisting the project with a temporary will serve letter to allow the project to move forward with putting in that infrastructure.

This amendment was discussed at the Council once and in, in committee twice, and during deliberations, the Council did raise questions about whether deleting condition number two was necessary for the project to be exempt from proving water source and to move forward on the infrastructure. And the answer provided by DWS was in, inconclusive. And so after the committee meeting, two letters were sent to DWS, one asking if deleting condition number two is necessary for DWS to consider an exempt from proving reliable source as a 2.96 project, and as an additional solution to this ongoing delay to build a hundred percent affordable housing phase. And the second letter was to ask DWS if they would accept the conditional will serve letter from Hawaii Water Service.

And the objective was to receive clear direction and determination from DWS if the project can move forward while avoid taking up your valuable time and the Council. But to date, DWS has not provided a pathway forward, so that is why we're here asking for your assistance to get building long term affordable rent, rentals for those affected by the fire. And just to reiterate, Pulelehua is providing at least two times the affordable units required by Maui County Code 2.96 and has proven three times the water source normally required by the Maui County Code. And so we are just asking for a potential tool that could assist the project in moving forward in, as you understand, a housing crisis, but more like a catastrophe at this point. So we're here to answer any of your questions.

Ms. Thayer: Members, keep your questions in mind. We'll go into public testimony and then circle back for questions all at the same time. Do we have anybody signed up to testify?

Ms. Leilani Ramoran-Quemado: Yes, online we have three people. First person is Mark Anthony Clemente, to be followed by, and I apologize, I'm going to butcher his name, Pane Meatoga, and then to be followed by Tam.

Mark Anthony Clemente: Aloha Chair, Vice Chair, Commissioners. My name is Mark Anthony Clemente testify on behalf of the Hawaii Regional Council of Carpenters. We are in opposition of this item. I did submit written testimony and I do stand on that testimony, but I just want to highlight a couple things. West Maui is designated as a water management area, and this means that the State is taking control of distribution. So no new wells, no new water diversions.

Further, my understanding is that CWRM needs to approve. That, that's what, the approval that's been, been, the project's been waiting for. But CWRM is not entertaining any new water permits because they're still in the process of determining whether there's enough water for existing users. After the CWRM approval, I believe the project also needs approval from the State Department of Health. Due to the nature of the processing of the water, there's a discharge, and the engineering needs approval from the State Department of Health. And then after those approvals, then the Department of Water Supply in Maui would need to approve. So for these reasons, you know, until we can get a determination that there is a long-term reliable source of water, we believe that the project should not proceed. It's akin to, you know, telling everyone we're going to build this great car, we got the fuel, but everyone else is saying, hey, we don't have the fuel for the car. And thank you for allowing me to testify.

Ms. Thayer: Mahalo for your testimony. Any questions, Commissioners, for the testifier? Mahalo again.

Ms. Ramoran-Quemado: Okay, next person Pane Meatoga, to be followed by Tam.

Mr. Pane Meatoga III: Aloha, Chair, Vice Chair, and Members of the Commission. Pane Meatoga, you got it correct. Thank you so much. You did a great job. I'd like to echo the, my colleague Mark. We are in opposition to this resolution. For the record, Pane Meatoga, the third, with operating Engineers Locals Three, and I'm the political director and we are in opposition to this resolution. As you can see from the testimonies that have been submitted, the letters from DWS, there's a lot of things that, that require them not to be exempted. And just on a side note, I just wanted to reiterate that it took a while for us to get this developer to come to the table to, to actually implement preventing wage law. It took us a couple of hearings to be able to make that happen because at one point in time this developer said that Hawaii State prevailing wage did not apply, and it took us a while to get them to come to the table and understand that it does apply. And because of that, I would be very leery about approving something like this without going, without going to the right, the correct process how Mark has reiterated that. It may take a while and we understand that there is a dire need for housing, but do it the right way to make sure that everything works out in the long-term. Thank you.

Ms. Thayer: Mahalo for your testimony. Oh, come back. Commissioner Kealoha got a question. Go ahead.

Dr. Kealoha: Yes. Thank you for your testimony Mr. Meatoga. Can you say who you represent one more time because I didn't hear.

Mr. Meatoga III: Oh, sorry. Operating Engineers Local Three. We're all of the heavy equipment operators here in the State of Hawaii. I'm the political deputy director. I present represent all of our 3,000 members here in the in the island.

Dr. Kealoha: Okay. Thank you. Thank you.

Ms. Thayer: Any further questions for the testifier? Okay, seeing none, mahalo again.

Ms. Ramoran-Quemado: Okay, next testifier's first name Tam, no last name given.

Council Member Tamara Paltin: Aloha mai kakou. Can you hear me?

Ms. Thayer: Yes. Yes. Please go ahead.

Council Member Paltin: Thank you. My name is Tamara Paltin and I live in West Maui, and I've lived here for over 20 years. And I'm, I'm testifying in support of this resolution. We lost over, you know, we lost thousands of homes on August 8, 2023. Majority of those homes lost were rentals. Since the fire, we've had two projects, two permanent projects being built. One is a replacement of Kaiāulu o Kupuohi which is 89 units, 60 percent and below affordable rental, low-income rental. And we're finishing, so that's a rebuild of what was lost. And we're finishing Kaiāulu o Kūku'ia, which is a 200-unit low-income rental. Other than that, there has been no permanent projects put forward or proposed to be built in the near future. And part of it is like Mr. Clemente said because of the ground and surface water special management area designation. Despite the period ending a couple days before the fire to submit your water used permit applications, in the year after the fire nothing was done because of lies told by Mr. Martin and the Governor. And then they had to like, you know, find a new CWRM Deputy Director. And so this has put us back considerably.

You know, I think that people that don't live and work in West Maui or have to drive through the burn zone every day don't realize the gravity of the situation we're in. Affordable housing is suicide prevention. Affordable housing is mental health solutions. And people are really struggling, people have lost or used up all of their insurance loss of use alternative living expense monies. And, you know, this isn't anything as radical as trying to take out 450 affordable homes from a condition. This isn't anything as radical as --

Ms. Ramoran-Quemado: Thirty seconds.

Council Member Paltin: -- railroading a project through . . . (inaudible) . . . Oh, is that three minutes?

Ms. Thayer: No, you have 30 seconds.

Council Member Paltin: Oh, okay. This isn't anything as radical as railroading a project through in less than a month that hasn't even submitted its preliminary engineering reports to the Department of Health. This is simply a handout for the thousands of people that don't have any options on where they will live, and time is running out. We've built temporary housing all over the place and we're using water.

Ms. Ramoran-Quemado: Time.

Council Member Paltin: There's thousands of unaffordable units entitled, you know, Kapalua Mauka, Central Kapalua, Kaanapali 2020. So it's really a matter of life and death here for a lot of people that have no other options. And you see how the County treats are unsheltered people? This is going to be what's going to happen to West Maui if we don't start building some permanent housing soon.

Ms. Thayer: Mahalo for your testimony and for being here. Commissioners, any questions for the testifier? Vice chair.

Mr. Thompson: Yeah, thank you for testifying today. How many years has this been project have been working on it?

Council Member Paltin: Um, I think it got its, an original entitlements in 2011 so obviously they had been working on it for a number of years prior to that. But I think the new owner only bought it recently, maybe 2015-ish or so, 16, 17.

Mr. Thompson: All right. And I'm sure it's going to take a couple of years for its project to be done. Do you foresee any problems with water after that when they actually have to turn on a, a faucet?

Council Member Paltin: I would say there's guaranteed enough source for the first phase because the, the FEMA in their placing of temporary units was also looking at the Kaanapali 2020 project and that's how Hawaii water service I believe verified the source because that was going to be used instead for, the temporary FEMA units on Kaanapali. But I think they ultimately decided not to do that because of blue rock. I also been working with the Lieutenant Governor previously on a 200, about 88-unit project in Napili area with Maui Land and Pine. Um, that is outside of the community plan area and doesn't have the correct zoning. They would like to make it permanent, but at this time I think that has been scaled down to 90, 90 units, and that one they had wanted to make be permanent. And so, there is water and to me, what the ground and surface water special management area designation is truly about is prioritizing our water needs, you know, kuleana, riparian rights, domestic use in terms of housing and further prioritizing affordable and workforce housing over the luxury units because somebody needs to do the work.

Mr. Thompson: Yes and thank you.

Ms. Thayer: Further questions for the testifier, Commissioners? Commissioner Lindsey?

Ms. Lindsey: Hi, thank you for your testimony today. Given the housing crisis and the temporary housing that it exists out in West Maui, and the time it takes to create a project like this, a great project. What I, I am imagining those temporary houses being less temporary than we assume, and like we only have a straw that's so big, so we can only take so much water. I know the water's coming out of the pipes now in those temporary housing, but if we assume that those temporary houses become a little bit more permanent and a large a large development like this comes through also, plus I'm not sure what else is already on the plan. Will there be enough water for all of those needs in your opinion? Just because it's only, there's only so much.

Council Member Paltin: Yeah, for the FEMA and State builds the Hawaii Interim Program. The Hawaii Interim Housing Program, um, is on lands that we're going to be transferred to the HHL. And, you know, as we know DHHL rights auto regardless of any other thing. So the program or Hawaii Interim Housing Program will likely be more permanent than temporary just with different residents beneficiaries instead of --. I mean there are a lot of beneficiaries there. One of the options was displaced beneficiaries would get first priority for the state program. But that one will likely continue on in a different format. For the FEMA ones, those cannot continue on on that HHFDC Crown Lands. FEMA is a temporary project, but I think that the plan for that one is to possibly their modular permittable units so they can be sold and relocated to other properties. And if, if they're in relocated like people buy them in another part of the island or on their lot, they would just be restoring the water rights that they had originally had. You know, like if a displaced person buys it and then puts it on their own lot, it's replacing their usage. I believe Maui Land and Pine, um, built their own project. I think it was like 50 temporary. I don't know that that would automatically be allowed to continue. But most of the other temporary going forward right now is on people's own lots. I don't really know of too much other project, temporary projects, you know, with like over 50 or a 100 units except for the one that I'm working on with Lieutenant Governor Luke, and the hope is that would become permanent, but, we would still need to change, do a Community Plan Amendment, Change in Zoning, District Boundary Amendment for it to be allowed to become permanent because it's not in the Community Plan, it's not on the correct zoning.

Ms. Lindsey: Okay so --

Council Member Paltin: I hope that answers your --

Ms. Lindsey: In summary, I'm think, so yes, you think for . . . (inaudible) . . . because of the nature of the other temporary projects, the use won't exceed the use pre-August 8, 2023.

Council Member Paltin: I mean, there, there is other things going on in the burn zone, like, we're considering Bills 103, 104, and 105 still yet that you guys had referred to us which allow for increased density. Although there is some talk that it's a little bit legalizing what had previously been illegal but wide-spreadly done. Like, you know, most people know that a wet bar really isn't necessarily a wet bar but a kitchenette or a subunit. And then, um, you know, some of the projects we're not sure if they will rebuild. Some of the projects that are rebuilding are wanting to increase density. I think . . . this is, this is not intended to be a project on the County water system. So if that pans out CWRM gives them permission to use either of their water sources, the ditch source, or the well source. It wouldn't necessarily affect the County unless, you know, it affects the County in the ability to dig new wells. I believe the County's already digging a well up Mahinahina. I'm not sure if they have CWRM approval to use that well that they're digging or if it's beyond a test well. But I think, you know, if this project doesn't have enough water, then we're under really a moratorium for West Maui, and to me, the moratorium really should be on luxury developments until we have enough workforce housing. And still there's so many other projects that have not yet received or gotten this far. Pu'ukoli'i Village Mauka is another 50 percent affordable project for West Maui, under the, the 201G which preceded the 201H program. Kaanapali 2020 is another 50 percent affordable housing project. And then you have Central Kapalua which is luxury. You got Kapalua Mauka which is luxury. And so there's, there, there's definitely a need to have that ground and surface water special management area

designation with all of those projects on the books. But I think that to me the intention and my reason behind supporting it is to ensure that our workforce and our local people will have a place to live before we overextend and build all the luxury that's on the books.

Ms. Lindsey: Okay, thank you. I think you've answered my questions. No more questions, Chair.

Ms. Thayer: Thank you. Further questions for the testifier? Commissioner Ward?

Mr. Ward: Thank you Chair and thank you for your testimony. You spoke to something that is very personal to me about mental health, stability, and the impacts of long-term what that can actually do to families and those that are loved in the ohana and can you speak maybe a little bit more to what either your or the Council's perspective is or, or thoughts are around that so we have maybe a greater understanding of the potential impact? It's been a, it's been over a year -- sorry I'm getting a little feedback here -- it's been over a year, hearing that the project, if it were to move forward is at least another two years. Three years of displacement, in my personal opinion, it's just heartbreaking for people that have gone through something extremely, extremely personal and intense, and I, I would just like to understand your perspective, sorry, on what that would mean to the community, take out finances, take out process, and, and humanize this.

Siri: I found this on the web for what that --.

Mr. Ward: Stop. Sorry, Siri just likes to share. So sorry but if you could share your insights or, or maybe the Council's thoughts. I think it's something that we need to talk about again because I think it's an important issue in, in putting some other things aside in, in understanding that I, I think would be helpful. So thank you.

Council Member Paltin: Sure, you know, a lot of people call me when they're at the end of all everything that they can look into and a lot of times they're losing hope because everything that's supposed to offer them a chance, is not, is not something that they qualify. You know, the Council, promoted the ADU program, a hundred-thousand dollar grant for building an ADU. Many survivors, it got their hopes up only to find out this would, a replacement house wouldn't qualify under the terms of the program. Hearing that FEMA was going to extend for a year, got many people's hopes up until they found out that now they're going to be charged rent for a place where they may not want to live on the side that costs more than they can afford.

You know, people in the aftermath of the fire made a lot of poor decisions and I'm told that that's a normal thing because they're desperate. And then, and I'm, I'm not saying that they're poor decision makers when you're, you have nothing left and you're in survival mode, you know, you, you latch on to anything that you think a solution is possibly without doing their due diligence. I've had survivors purchase property on Ag land that don't have water or sewer and, you know, run into SHPD issues on the build and they're just, you know, they do call me and they they ask, like, you know, in terms of also the permitting, dealing with SHPD, dealing with the shoreline issues, they feel like people are colluding to make them want to commit suicide. And these are calls I get weekly. Just, just dealing with the commute with all the people coming in and out to work as well as the people coming in and out to go to school and whatnot, it adds easily another two to four hours to your day on top of, you know, trying to replace all your stuff, trying to get your kids back into a normal . . . (inaudible) . . . We've had folks be told that they can't rebuild

with fire resistant material. And in the historic districts, if you're facing a historic building and, and that only serves to up people's trauma. People continually remember how it is to run away from the fires and then they see poles being put back up on Front Street when they repeatedly asked for undergrounding beams.

It, there's, there's a lot of people slipping through the cat cracks with the disaster case management program, and instead of embracing it and trying to fix it, a lot of folks in the program deny that people are slipping through the cracks. We don't have enough shelter space for everyone. Ka Hale A Ke Ola, our West Maui shelter burnt down. People that are in private rooms in the shelter, are, are being told that they're pre-fire homeless and so they don't qualify for all of the same benefits as someone who was in a house under their own. A big point of stress for folks is people having been told they were FEMA ineligible for a year and a half because they have insurance and as their alternative living expense and loss of use runs out, right when they think they'll be eligible for the State program, they all of a sudden become FEMA eligible with not the same kind of benefits the first wave of people who were eligible. Yet now, instead of the one-year free rent that the Hawaii Interim Housing Program is offering, they're going, they're no longer eligible for that and they have to go to the FEMA side where they'll have to pay rent, which is cutting into their insurance settlement, which is already not enough to rebuild their houses. And so it's just a lot of instability.

We do know that FEMA and insurance has backed up the prices of rentals. We do know that Council Kama who chairs the Housing and Land Use Committee said that she's not going to entertain any legislation on rent stabilization. So the easiest way to provide that rent stabilization is to create affordable rentals and we, we're a little bit, we're not full up of lower income, 60 percent and below, but that's the only opportunities given which is like you know \$50,000 for your household income. You can't make \$50,000 max for your household income and make it in West Maui. I don't know how many people live in West Maui, but if your household is making \$50,000 a year which is the high end of low-income rental housing, you, you need to buddy up with like four people making \$50,000 and, and then try rental house or something because the math doesn't math otherwise.

Mr. Ward: Thank you for that.

Council Member Paltin: That's one of --

Mr. Ward: Thank you for that. I, I hope that sheds some light to individuals that may not have been impacted or be aware of the challenges of and, and long-term challenges of mental stability and health due to individual issues but to then add on such a devastating situation that people had to flee from and, and I too have been shared many heartbreaking stories that even to even repeat I can't do without breaking down, so I won't. But, but I think it's important to understand that the longer-term impact to those individuals and their families and how they grow and feel love and prosper moving forward, and sometimes I think we just need to put process and politics and other things aside and do what's right for people that, that need a future and need hope. So thank you for that clarification. Apologies for my emotions, and it's a, it's a personal issue, so, thank you.

Ms. Thayer: Thank you very much. Commissioners, further questions for the testifier? I do have one follow up question. Because Council Member, you're the one who introduced this

legislation, right? Would you be able to go into like the intent? Like the goal of this from what I am gathering is to find the fastest way to enable this project to build. Is that correct?

Council Member Paltin: Yeah, you know, the first 240 affordable rentals can't come soon enough. We know the 450 or however many in the interim housing program above Leialii, we really need to give that back to DHHL at the end of five years in order to keep a promise made to the beneficiaries. And, you know, without a place for at least those folks, I don't see anything on the horizon that's ready permanent in time to move those people from the Leialii site that is supposed to be given back to DHHL. So it's partially one step to honor our commitments to the beneficiaries. And, you know, I'm not sure if all of those people will be the ones to move, be able to move into this project. But if we don't do anything, it pretty much ensures they won't have a place to live.

Even the 288 affordable units, Wailea 670, they haven't even submitted their preliminary engineering report on their wells. These guys have submitted it over a year ago and are still waiting. So if, if we're waiting on the 288 units that Wailea 670 is going to provide, they haven't even submitted their preliminary engineering reports yet. And I don't know of anything else permanent coming up in West Maui. I do know a lot of the government rebuilds are hoping to rebuild, but that's a good five years out, I imagine. And so we need a place for people to, people ready, to be ready when they have to vacate other temporary situations.

Ms. Thayer: Got it. Thank you for that background. Commissioner Hipolito?

Mr. Hipolito, Jr.: Thank you Chair. Thank you Councilwoman Paltin. My question is, under your understanding, the 240, phase one, is it rentals or long-term rentals?

Council Member Paltin: Long term rentals is my understanding.

Mr. Hipolito, Jr.: Okay, and so is the other balance which I saw 400 market and 400 affordable homes. Is it under your understanding that it is long term rentals?

Council Member Paltin: Yeah, all of them is long term rentals, is my understanding. No short term renting allowed and 400 affordable.

Mr. Hipolito, Jr.: Thank you. The next question, it was a statement made by the applicant earlier that they are working with the County to ensure that hundred percent is affordable. I heard some hesitation. Do you see any issues with that?

Council Member Paltin: I don't see any issues. I don't know that the administration is willing to entertain that. I'm not sure why, specifically, but I do know that it wouldn't be for free, you know. Like things have to pencil out, and when the project, I met with the project and the former Director of Housing and Human Concerns, who's now only the Director of Human Concerns, Director Tshako. Although they were providing over 25 percent of the market rate, she was unwilling to give them any housing credits. And so, I mean, I don't know if this project got a lot of bad legal advice or what and that's why they came to the County asking for help with the infrastructure. And so, you know, that's on a reimbursement basis and it hasn't really been given unless they've submitted receipts. And, you know, for West Maui and the range of incomes that we receive here, we really, I, I kind of think that we also need market rate affordables as well

because a lot of people, although they're barely making it, don't qualify for affordable. Sometimes it's like you got to have a lot of kids to qualify for affordable because you can't, you can't make it on the income that they see is affordable in West Maui.

Mr. Hipolito, Jr.: Thank you. Appreciate it. Thank you Chair.

Ms. Thayer: Sure. Any further questions for the testifier? Okay, seeing none, thank you again for being here.

Ms. Ramoran-Quemado: Okay, next testifier is Johann Lall.

Mr. Johann Lall: Aloha. Johann Lall testifying on behalf of myself in favor of B.1. I don't know anything about this besides what was just discussed and what Kai Nishiki presented, but 50 percent affordable is a major benefit especially because a lot of them are rentals and there's a big new need for rental housing for all the people who can't qualify for a mortgage. There is one thing, I haven't heard any discussion about whether those affordable for sale and rental units are affordable in perpetuity. So I don't know if this would be the place to discuss that, but maybe it can be brought up and maybe a part of your recommendation.

The other thing is that a couple of guys from the unions had testified against this on, I think, procedural grounds. And I want to point out that when community groups or native Hawaiian organizations are against projects or file lawsuits, there's always this accusation that they're stopping affordable housing or that they are just delaying affordable housing. And you always hear from one planning commissioner in particular, you know, this project's been around forever and it needs to just move along with it. But often when there's procedural problems that's a legitimate concern, so that should be addressed whether it's unions or Hawaiians or whoever it is.

But in general I'm in support of this. I'm in support of anything that creates more affordable housing especially for the people of West Maui. Three of my neighbors here in Kihei are Lahaina fire survivors with their rent being paid by FEMA, and I think that might run out soon, so I'm concerned about people like that. Whether it runs out in a year or months or whatever, those people are going to need housing and it really should be in West Maui where their jobs there, some of their family, all that kind of stuff is rather than, you know, an hour away. It's great having them around, but it's stressful for them to have to drive that far. So anyway, Mahalo.

Ms. Thayer: Mahalo for your testimony. Any questions for the testifier? Okay, seeing none, thank you again.

Ms. Ramoran-Quemado: Okay, thank you chair. That's the end of the list.

Ms. Thayer: Okay, last call for testimony. Anybody -- nobody in the gallery -- so anybody online that wishes to testify, please write your name in the chat. Otherwise, testimony will close in three, two, one, testimony is closed. Commissioners, do you have questions for the applicant's representative? Commissioner Hipolito?

Mr. Hipolito, Jr.: Thank you Chair. I have a question for Director Stufflebean.

Mr. John Stufflebean: Good morning.

Mr. Hipolito, Jr.: Good morning, good morning Director. I have a question. Condition number two states that non-potable potable water source, storage, transmission improvements necessary to serve Pulelehu in accordance with the requirements of the County of Maui, Department of Water Supply. What have changed within the DWS that this condition is being requested to be removed? What assurances that we have with the DWS that there is sufficient water if we should remove this condition?

Mr. Stufflebean: Yeah, thank you for the question. I think those are two separate questions.

Mr. Hipolito, Jr.: Actually, I have, yes.

Mr. Stufflebean: The first question is, yeah, yeah, the first question is do we object to condition two being removed? Which the answer is no, we're fine with it being removed. But that doesn't relate to whether there's sufficient water. That's a separate question which I can talk about if you'd like me to. But yeah, we're, we're not, we're, we're not opposed at all to removing condition two. But then there is a second question as to is there is there a sufficient source of water?

Mr. Hipolito, Jr.: Yes, if you could continue.

Mr. Stufflebean: Sure. So, well, I'll start with, with kind of the, the big picture before the fire in the County system, there was already a situation where there was insufficient supply to meet demand. The reliable capacity before the fire was about 4.3 million gallons per day and the demand was 5.6 million gallons per day. So we were already in a situation where there was inadequate supply to meet the demand in West Maui in the County system. And that was being satisfied by frankly over pumping some wells and using surface water probably more than we'll be able to ultimately. The fire happened. Right now we're able to meet demand, no problem. But our focus is to make sure that we have adequate supply going forward to meet the demands of those who are rebuilding in Lahaina. And, and, and we are able to meet the demands of the temporary housing because the temporary housing will ultimately be removed and replaced with, with permanent housing as the rebuild happens. And as was mentioned earlier, this is even kind of made more difficult because there is a, a desire for increased density, which will increase the demand. And we're getting a lot of requests for people to just upsize their meters to get larger meters than before. And we're approving those. And of course there's also the demand ultimately for DHHL.

So, so as we look at going ahead, our focus has been and, it is right now, to make sure that we meet the demands of the rebuilding people in Lahaina. So then, in terms of courses, you know, what are the possibilities in terms of meeting the demand of West Maui? So certainly wells are a possibility and two of the three options that were presented earlier involve wells. There's the wells on the property and there's also wells potentially water from way of . . . (inaudible) . . . water services wells. But again, all of those wells, because you know designation change everything with respect to how the water law is in effect in West Maui. By designation, the State has taken control of the allocate of the distribution allocation of water in West Maui. So any new wells need to be approved by, by CWRM, by the Commission of Water Resource Management,

which is the State. And as was mentioned earlier, they are currently only addressing existing uses, not new uses. I'll talk about that in a minute.

So in terms of wells, now we have a well that is under construction that we think will get permitted. It has not been permitted. We think it will be because it's basically replacing an existing use. We have four other wells that we are proceeding with to pre, to be prepared, to be prepared, you know, if CWRM ultimately decides to allow additional wells to be, to be used in West Maui. So we're preparing for that, and we do believe there is additional water ground water in some of the aquifers in West Maui. But that's based on what the State has calculated as what's called the sustainable yield, which I'm sure most of you know about, which the sustainable yield is the amount of water that the State believes can be pumped out of an aquifer on a continuous basis kind of forever. And the sustainable yield has been calculated for all the different aquifers in West Maui.

And, but what we are hearing and what we, what we know is happening is the State is reevaluating those numbers for sustainable yield, and because of climate change and other factors. So it's likely that those sustainable yield numbers may actually go down. So, I will tell you that next week we're meeting with the State CWRM as, as they're going through the process of looking at sustainable yield. So, so, you know, there's no guarantee, I hate to say it, there's no guarantee that the wells, the new wells will be approved just because of, you know, the, the, the law that requires that this, you know, the State looks at that.

So, so that's kind of the, the well situation is what is the sustainable yield? I, I can tell you that we are working with CWRM also to look at whether they can pivot a bit and start looking at new use permits before they finish going through all the existing use permits. And they said they're willing to entertain that. We're meeting with them early next year to talk about the possibility of making some exceptions to that and looking at some existing use permits. So we're working with them very closely on both what is a sustainable yield ultimately going to be and can we, can we deal with these real urgent problems more quickly by looking at some of the new use permits especially when they're related to, to public trust uses of water.

The second potential source of water is surface water, and as I mentioned, one of the three options is additional surface water from Maui Land and Pine. That water comes from Honokahau stream through the plantation area or ditches, and the question is, is there additional water there available for development? And that hinges on a few factors. One is how much water is there actually in the stream? And of course there's less water in streams than there used to be. And then how much is being required to be left in the stream? That's the interim and stream flow standards. And so, you know, again, we're, we're under the understanding that those will not decrease the flow standards. Therefore for traditional cultural purposes, those are very important, and they may actually increase. So how would you get additional surface water? Well, the most likely scenario is to put in storage to capture some of the high flows. And so we've, we've implemented a study to look at working with way, working with Hawaii Water Services and Maui Land and Pine to look at potential for additional storage along the ditch area that would then capture some of that, those high flows which then could be available for additional stream flow capacity.

So in terms of the path ahead, you know, we do think that we are doing what we can to try to support additional affordable housing in West Maui by both working with CWRM on what's the

actual sustainable yield, what can we revise, can we pivot on the process to, to look at some of these real urgent demands, and also is there additional stream flow available? So I hope that answers your question, but that's kind of the water situation from our perspective. Thank you.

Mr. Hipolito, Jr.: Thank you Director for very detailed, I appreciate that. Question I'm going to ask is on fire service, Director. If this, so Pulelehua would need some fire service. If the developer would put in additional storage tanks to support emergency fire service for the subdivision, would that take some of the load off of DWS?

Mr. Stufflebean: Sure potentially. Yeah, we would, we could look at that and see if, I mean, obviously that that's usually what governs how much, how much water do you need on it, you know, an instantaneous basis. So certainly, so certainly storage is an element of that. So we could certainly take a look at that yes.

Mr. Hipolito, Jr.: Okay, thank you. Thank you Chair.

Ms. Thayer: Sure, thank you. Commissioner Ward.

Mr. Ward: Thank you Chair. Thank you Director. Question for you. It sounds from what, what you've just explained that we're, you're exploring kind of, oh, for lack of better terms, call it old school, the way we've done the stuff. Where's the thought process or, or where or have you had thoughts around how adopting different technology or advanced processes could not only advance but exceed time, overall capacity needs for West Maui specifically such as programs that at least one that I'm familiar with, which is called wind power, water or maybe variation of that, that is being reviewed and, and considered as something in Wailea that on our association that we're entertaining and looking at to implement and test? It's various different ways of funding. It can be done through fundraising so it's not actually advertent to the County or to any individual. So I, I guess the question being is where are you guys in that thought process of kind of advancing technology that can bring greater need in a timely manner at a low level cost that's different than kind of the old school traditional ways that doesn't impact the aina and provides more to our community from a solar power, you know, less impactful to the to the aina to things of that nature? There was a question and the comment so apologies for that.

Mr. Stufflebean: No, no, no, I really like that question. So absolutely. So, so what are the, what are the potential new sources of water beyond groundwater and, and surface water? So, the first one that comes to mind is recycled water and of course as was mentioned, this project is designed designated to use recycled water for un, for non-potable uses, which is good. I would mention that that there is also a, there are discussions happening around the state about going beyond that. In fact, there was a con, I was at the conference last week in Honolulu with, oh, there must have been 300 people there from around the State, from all the islands, talking about how do we get to potentially recycling water for drinking water purposes? So that would be a potential new source of water. I'm not saying we should go there. I think it's something we should look at. You know, there's 2,000 of these plants around the world. Dozens in the states.

And so, you know, one possibility is to, to go even further with recycled water, that is four to five years in developing regulations just to make that happen. So that's not going to happen quickly, but it's something we should look at. And the second possibility is to look at desalination. And we have initiated, we have almost completed a study on the desalination of both brackish water

and sea water in West Maui and South Maui, and we're ready to go out to, you know, to the public to talk about kind of what we're looking at and we realized there's a lot, we need to do a lot of public engagement on that one to see where the public is on that. The issues of course are as they've always been the cost, the energy use, and what do you do with the residual. So, so I would mention that we are actually looking at that as well. I'm familiar with the technology that you mentioned, that's pretty cutting edge. Absolutely, we're open to that as well, in terms of you know fog capture or using the wind and so on. So we've looked at that we're looking at that too. So yeah, absolutely. We're, we're looking at all possible technologies for how we can develop additional sources of water without having the negative effect on withdrawing water from the streams, which has been the historic practice in Hawaii so thanks for the question.

Mr. Ward: Thank you Commissioners.

Ms. Thayer: Commissioners, further questions for the Director? Commissioner Kealoha.

Dr. Kealoha: Oh, the question is for Director Stufflebean. While the Department of Water Supply is working with CWRM on the new sustainable yield numbers that you mentioned and exploring the feasibility of the three potential water sources for Pulelehua, do you see any disadvantages with -- because I imagine that process may take some time -- do you see any disadvantages with granting Pulelehua to start laying the infrastructure in the meantime and say CWRM comes back and for whatever reason says no -- none of these water sources are sufficient. Like, well, are there any issue with that you see with just letting them go ahead with starting the, the infrastructure framework since that process alone can take, you know, years?

Mr. Stufflebean: Well, I hope it doesn't take years. I hope it's more than a matter of months, but I do see disadvantages of that. I mean, what I, what I don't want to do, what we, what I don't think we can do is to approve additional development and then at some point in the future there's not enough water for existing customers. In fact, if you look at, you know, our basic, you know, Code 1404-10, it says that we should only, we should only consider new uses if we've determined that there's sufficient water supply to take, you know, for without any detrimental effect to those already served. So if, if, you know, at this point, if there's no additional water supply and this is approved, then it's our, it's our position that there is the high potential for a detrimental impact to those already served especially those rebuilding in Lahaina. So yeah, so I, I wouldn't be, I would be opposed to supporting to approving any new development if it was going to have an impact on the existing users. And the only way that can be avoided is to make sure there's sufficient water.

Dr. Kealoha: Okay, thank you.

Ms. Thayer: Commissioner Ward, you had another question?

Mr. Ward: Thank you Chair. I did. So Director, you just indicated that potentially you don't necessarily think that the evaluation is going to potentially take years, potentially months, so would you be open to a condition that once you've determined within X-period of time that you think is kind of reasonable that the project could move forward? Because again, I'm going back to this is about people's lives, their mental health, the longevity, what's happening to the keiki and what damage that has to this community and to those individuals? And it was referenced earlier of suicide rates that when we're talking years of displacement of people that ran for their

lives because we don't have a good plan, and we're concerned about the process and not those people, I struggle with that because we as individuals in our roles can make change. We can make conditions, we can push people, we can do things to find solutions to just fall back on -- I'm sorry this is a long-winded non-question, but, I think an important statement -- to fall back on the, well, we don't know and we're not sure. Sometimes I think we have to put that stuff in the forefront to make happen and put forward the people that have been devastated and are living through excuse my language hell and don't see a future. And I as an individual, can't sit by and take the chance that someone may not be with us or potentially have long-term damage and impact to themselves and their future families because we did not take action. So to my specific question is, is there a condition of a time frame that you would seem acceptable to, to say that if we were to approve moving forward with this project that you would have an answer? Because again, I go back --

Mr. Hopper: Chair?

Mr. Ward: -- because this is, this is long term stuff.

Mr. Hopper: Chair, this is Michael Hopper. Just to be clear, the, the issue before you is if you want to delete these two conditions. There's nothing, there's not another, you know, condition being considered or things like that. That's what your, your question is to you if you would delete the two conditions as referenced. And so we're going to --. I'm not sure what we're talking about further project approvals. I mean the project has at least your zoning got its approval. The request is to delete two of the conditions of approval, and to the extent you need to ask these questions to determine whether you would or would not like to delete the conditions or recommend that the Council delete them, then certainly that's fine. But there's not an overall project approval being considered today by the Commissioners, and I just wanted to make that clear. The issues are whether to delete these two conditions as proposed by the resolution sent down from Council. So I just wanted to sort of help clarify that.

Ms. Thayer: Okay, thank you Mr. Hopper. A follow up question to that but is it within our purview to instead of recommending like removal of the condition, could we instead recommend an amendment to the condition?

Mr. Hopper: I mean not, I, I don't know. I don't really think so in this case. I mean, the question is to delete it or not delete it. I'm not sure what amendment you're, you're considering in this situation. I mean there's, if it's, I'm sort of confused with what the amendment would be and what you'd be looking at here.

Ms. Thayer: Well, just thinking what Commissioner Ward is bringing up, it sounds like if I, if I understand where he's going with his line of questions is that, you know, in terms of trying to find a solution here that I think meets the intent of the laws that are in place while also trying to get this project moving forward so that people can get back into housing is, you know, trying, trying to thread the needle and trying to shape this condition in a way that, you know, meets everybody's needs. The project can go forward with their infrastructure, CWRM, Department of Water Supply, DOH, whatever their requirements are with what their water is. Like he's trying to find the solution by changing this condition instead of deleting it.

Mr. Hopper: Well, the purpose in the code to put conditions on a project are to mitigate project impacts. That's what the conditions do. So I'm not sure what alternative mitigation you would have here to the impact the project is having that would be different. I mean, you're, you're being asked to delete the condition, which means that condition is not being there to mitigate the impact that the project will have on the water supply. So I'm not sure by adding a condition that, how that would do what the accomplished goal. Because the conditions again are to mitigate project impacts.

Ms. Thayer: Sure, but he's not, he's not talking about adding a condition. He's talking about modifying this condition number two that is the subject of this discussion.

Mr. Hopper: So deleting it. Okay, I, I don't, you can recommend whatever you'd like to recommend, but my, what I'm saying is that these are the, the conditions are to mitigate project impacts. So, you know, go ahead and make the recommendation you want to make, but I don't see how having a condition versus not having a condition would make the project go easier because these are supposed to mitigate those impacts. But if you want to make a different recommendation, it's certainly up to you to make that recommendation.

Ms. Thayer: Okay. Commissioner Lindsey.

Ms. Lindsey: To on that, it is absolutely an impact not having enough water. So I, I am on Commissioner Ward's track with editing this condition also. So is there a way that you can make it okay for us to be able to edit this condition? Because if the only choices are approval or denial, then that isn't fair to the project and what's going on and our community.

Mr. Hopper: What is the, is there a proposal? You want to have a proposal to amend the condition, you can certainly make that that proposal. I'm not sure what the intent is though. It sounded like the intent was to have the project be able to move forward and the condition is, it is potentially, you know, the obstacle. But if, if you've got a different idea, then please propose an alternative that perhaps still --. Because the condition, the wording of the condition is that the, the, the, the water source that that be provided by the developer. And, and so if, if you're, if you think that's a way to modify that, that would, you know, you can certainly propose that. But I, I'm, I don't have much many thoughts on that. So it sounds like you guys have ideas on that though.

Ms. Thayer: Yes, I think Commissioner Ward was trying to get at some kind of modification. Commissioner Hipolito?

Mr. Hipolito, Jr.: Chair, can I make a motion to have an executive session?

Ms. Thayer: Sure.

Mr. Hopper: Chair, I don't really see anything that I would be advising you here that would be --. If you have a question that would be, I think my response would be you know confidential and needed to be not public, I can suggest that. But to date I don't think we've said anything, or I don't anticipate necessarily saying anything that I couldn't, you know, advise the public. But I mean if there's questions that are problematic, I can certainly let you know that I think we need that session.

Mr. Hipolito, Jr.: I have a, Mr. Hopper, have a process question that I think it's technical that for us --

Mr. Hopper: I think that's fine to ask.

Mr. Hipolito, Jr.: -- yes, in executive session.

Ms. Thayer: Okay, Commissioner Lindsey, were you going to add to that?

Ms. Lindsey: No, I just was thinking possibly the, I'm not sure what Mr. Hipolito's plans are, but I'm wondering if the applicant or whatever they're, they are in this case, has, has an opinion on this or, is it, is it time for that?

Ms. Lindsey: Sorry, an opinion on which part?

Ms. Lindsey: The amending, amending the condition.

Ms. Thayer: Well, I don't know that we have a specific amendment yet to discuss.

Ms. Lindsey: Okay.

Ms. Thayer: I think he was just starting to get at the possibility of proposing it.

Ms. Lindsey: Okay, if you need a second for the executive session, I am the second.

Ms. Thayer: Okay. Alright. so yes, let us go forward with that, that language. So it sounds like Commissioner Hipolito is making a motion to go into executive session to call consult with our attorney on our duties, privileges, immunities, and liabilities pursuant to Section 92-5A4 HRS.

Mr. Hipolito, Jr.: That's correct Chair.

Ms. Thayer: Okay, so we have a motion and a second. All in favor? I see everybody raising their hand, aye. Okay, we will go into executive session. Staff, can you send a link out please?

It was moved Mr. Hipolito Jr., seconded by Ms. Lindsey, then

VOTED: To enter into Executive Session to consult with its attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities and liabilities pursuant to Section 92-5(a)(4), Hawaii Revised Statutes.

(Assenting: M. Hipolito, Jr, A. Kealoha, A. Lindsey, K. Thayer, D. Thompson, B. Ward)
(Excused: M. Deakos)

(Motion carries.)

(The Maui Planning Commission recessed at 10:39 A.M. to enter into Executive Session, and reconvened the regular session after a short break at approximately 11:15 A.M.)

Meeting recessed at 11:00 A.M and reconvened at 11:15 A.M.

Ms. Thayer: Oh. Good late morning, everybody. Welcome back to our Maui Planning Commission meeting of Tuesday, December 10, 2024. We are just out of Executive Session, and I believe Mr. Hopper is required to give a brief synopsis of what was discussed. Mr. Hopper, please go ahead.

Mr. Hopper: Yes, thank you, Chair. I obviously can't discuss everything that was discussed in the Executive Session, but I think I generally have to say that the topics that were discussed were that sort of the commission's options with respect to its recommendation on this resolution, potentially amendments to the whether there was an ability to amend the resolution, and then the, the Commission's timetable for, for decision making. Other than that, there was no deliberation or decision making certainly made, and so that's what can be up next for the Commission. But I wanted to have that clarified that the Sunshine Law requirement to, to give that explanation. Thank you.

Ms. Thayer: Thank you, Mr. Hopper. Okay, so before we went into an executive session, we were on Commissioner Ward, thinking about possible amendment to this condition. Would you like to pick up where we left off?

Mr. Ward: That's going to require that I remember. Yeah, thank you, Chair. I guess my thought is there a way that we can help the project move forward without jeopardizing, understanding, and mitigating the risks? And so that's where kind of my thought process was, is that, is there something we could put in place that we're saying such as -- I'm not necessary making a motion, I'm kind of just throwing it out -- would be around within a certain time frame getting approvals, but in the short-term, they could proceed with starting the infrastructure, but if they don't receive approvals within X-timeline, then potentially that ceases? But again I'm not sure if that's something that we can actually put in place, but that was the thought process that I was having of how do we help our community while still mitigating and understanding what, what we don't know at the moment?

Ms. Thayer: Okay, thank you. I guess I think on this note, I have a question for Director Stufflebean if he is still on with us.

Mr. Stufflebean: I'm still here.

Ms. Thayer: Oh, yeah, yes, thank you. Thank you for bearing with us. So, you know, you've been hearing everything that's been going on and I'm pretty sure you're apprised of, you know, what the Council discussion was on this. My question is, you know, thinking about what Commissioner Ward was saying about being, having some degree of creativity here and understanding from Corp Counsel that we still need to mitigate for impacts of this project, like from your end, what would, could be the quickest path forward for this project to be able to move in the interest of getting people back into homes? But needing certain approvals in order to get there and understand we're on a time crunch dealing with peoples like lives, you know, what can be done to get them moving forward as fast as possible?

Mr. Stufflebean: Well, I'm not --. So, I mean to me the fastest path forward is to work with CWRM to get decisions on potential new well use, well permits, or service water permits, and we're doing that. That, you know, I, I don't see a path that allows us to move forward until we know that there's adequate supply of water. So, from my, our perspective, our approval would

be, would be hinging on assurance that there is that adequate supply which hinges on CWRM moving ahead on permit, permit applications.

Ms. Thayer: Okay. And, you know, the hearing some of the suggestions that have been brought up by Commissioners and Council Members, like is there a way to perhaps amend this condition that would allow for some kind of concurrent processing or installation of infrastructure? Anything that can be done to kind of like gain efficiencies in the construction and approval timeline?

Mr. Stufflebean: Yeah, I think that's the question more that should go to probably the applicant in terms of what kind of risk they're willing to take and potentially the, the, the people who approve the building permits. You know, so that will be questions should be addressed to others.

Ms. Thayer: Okay, thank you. We'll do that in a second. Commissioner Lindsey.

Ms. Lindsey: On that line, Director, is, isn't this project approved through West Maui, sorry, Maui Land and Pine? They have water through Maui Land and Pine? Is that not part of the CWRM thing?

Mr. Stufflebean: So my reading of the, of the letter from Maui Land and Pine was that there would be surface water made available, but that hinges on the State making it available from Honokahau Stream and still meeting in the . . . (inaudible) . . . and flow standards. So if we talk about surface water, they would have to first meet the requirements that, of the in stream flow standards, and then, you know, there's no guarantee that there will be additional water available after additional users that would be available for the project. So and in terms of the well, again, the specific approval from Hawaii Water Services has talked about a conditioned on getting approval permit from the State. So I believe both of those still hinge on the approval from the State, approval from the State.

Ms. Lindsey: Okay, thank you.

Ms. Thayer: Commissioners, further questions for the Director at this juncture? Vice Chair?

Mr. Thompson: Thanks Chair. Would it be possible for the, to, if we eliminated this condition and left it on for so phase one would be unconditioned and can go forward, and then the condition can be applied for the later phases? Would that be an issue for the Water Department?

Mr. Stufflebean: I mean, phase one is still requires additional water, so I think it's still the same question. There, there's no, there's no additional water really at all. So whether the project is large or small, I think it's still the same situation.

Mr. Thompson: Okay. Thank you.

Ms. Thayer: Thank you, Director. I will pose my question now to the applicant's representative. Same question I asked the Director about some sort of modification to this condition to allow for some degree of concurrent processing or development of infrastructure in the meantime.

Ms. Nishiki: Thank you for the question. So, I think that the Director has made it clear that they have no opposition to deleting the condition entirely. But if this Commission would like to we can provide an amended commission, or an amended condition to you folks for your review.

Ms. Thayer: Yeah, so you know per our guidance from Corp Counsel, and, you know, their original intent of the condition it was put in to mitigate impacts, so we'll have to keep that in mind that we're still going to need to have some degree of impact mitigation. So yes, please go ahead.

Ms. Nishiki: Should we distribute? Okay. And one other item that could be discussed with DWS is that, with the water delivery agreement from Maui Land and Pine regarding the surface water, the water delivery agreement specifically states that the, the water needed for the project could be provided to Department of Water Supply. And then Department of Water Supply has the option to provide service to the project. And the water delivery agreement also states that, that there is a priority of use for that water. And so currently, there is water taken by MLP out of the ditch and provided to Kapalua for, for luxury landscaping and golf courses. And it clearly states in the water delivery agreement that priority goes to this project and to Department of Water Supply for the water. And so MLP can at any time provide water to the DWS for its use and for, for this project. And so, I just want to make it clear that this project is not in any way a competition for the rebuild of Lahaina. In fact, we are trying to, keep our water resources under public control and offer to DWS to, to provide source to them and then they would provide service to the project. And so that is also an option. But in no way are we asking for their current uses of water to be in competition with the project.

Ms. Thayer: Okay, so this handout is a, just for the record, proposed amendment to condition two that you've given us?

Ms. Nishiki: Yes.

Ms. Thayer: Okay, and I think we need to make sure we get this to our Commissioners who are online before we can talk about it. You guys both got it? Oh no, not yet, waiting. Okay. Okay. Oh, Commissioner Lindsey?

Ms. Lindsey: Just one question on that comment by Ms. Nishiki. Um, so in the event that Maui Land and Pine reprioritizes their water use, does the luxury homes and golf course, be like, get cut off or what happens there?

Ms. Nishiki: So, Maui Land and Pine has three wells; Kapalua One and Two are being utilized and well number three is not being utilized. And Maui Land Pine has told the Commission and ourselves, and likely DWS that that well number three can serve all of the uses for Kapalua. That's what it's actually reserved for. And actually even currently Maui Land and Pine in times of drought, pumps water from their wells into the reservoirs, so they don't actually need to use the Honokohau ditch water. I, I would guess that the reason why ditch water is used versus pumping a well is the cost of it, and so, but they absolutely do have use of wells to replace any ditch water.

Ms. Lindsey: So they will continue service and they have additional water is what you're saying.

Ms. Nishiki: Absolutely.

Ms. Lindsey: Okay, thank you.

Ms. Thayer: Commissioner Kealoha, did you raise your hand? Okay. Commissioner Hipolito? Oh, sorry. Yeah, Commissioner Hipolito, go ahead.

Mr. Hipolito, Jr.: Thank you. Question for Ms. Nishiki. Ms. Nishiki, I will ask you the same question I asked the Councilwoman Paltin. They have 240 rentals are long term rentals?

Ms. Nishiki: Yeah, yes they are.

Mr. Hipolito, Jr.: Okay, thanks. And the balance of a balance and all the 400 affordable homes is will be hundred percent affordable.

Ms. Nishiki: There, there are 400 affordable, 300 of the, of those 400 are rentals, and 100 is for sale.

Mr. Hipolito, Jr.: For sale, and that would be affordable, 100 percent affordable. Correct?

Ms. Nishiki: Yes, that's correct. And then the remaining 400 units that are currently market are able to be negotiated with the County to switch to affordable with County partnership and the affordable housing fund.

Mr. Hipolito, Jr.: Okay, thank you. And so just to clarify, that would be the 400 market homes that you are in negotiating with the County and the administrating to see if that was homes could also be affordable. Is that correct?

Ms. Nishiki: Yes, and it will be done on a phased approach, so we will --

Mr. Hipolito, Jr.: That's correct.

Ms. Nishiki: -- complete phase one and then we'll talk with the County about phase two. And if something can be worked out, then those, then we can continue through all five phases.

Mr. Hipolito, Jr.: Okay, I have a question regarding the development of Pulelehua. I asked Director Stufflebean this question about fire system. What is your development plans for fire system at this, at this point? Would that be municipal water, or would that be something with storage tanks to support fire suppression system for your, your homes being built there?

Ms. Nishiki: So, the project has two reservoirs, reservoir 17 and reservoir 140, which, let's see, the storage capacity -- so reservoir 17 has a five-million-gallon storage capacity and reservoir 140 has a 17-million-gallon approximate storage capacity. So, those could be utilized in the future, but at this time fire protection will be through storage tanks from the water system.

Mr. Hipolito, Jr.: And --

Ms. Nishiki: The wells.

Mr. Hipolito, Jr.: Oh, and that would be ML&P storage system or County storage system?

Ms. Nishiki: The storage tanks would be on, on site of the project and so those would be the projects storage facility. The reservoirs that I spoke about, are in the process of being transferred from MLP to the project.

Mr. Hipolito, Jr.: Okay, thank you. Thank you, Ms. Nishiki.

Ms. Nishiki: Thank you.

Ms. Thayer: Is this handout still being transmitted to the Commissioners? Okay, still going. Commissioner Lindsey.

Ms. Lindsey: This is for an applicant. You mentioned that there will not be any short-term rentals or B&Bs allowed. Is that an HOA deal or is that the developer like promised? How are you, how are you sealing that for perpetuity?

Ms. Nishiki: Absolutely, that is a very important condition, and it is recorded in at the Land Use Commission as part of the Decision and Order and also in a settlement agreement, and it is required to be a deed restriction.

Ms. Lindsey: Thank you for that. One more question. One of the testifiers were saying that the developer, they were having a hard time getting a prevailing wage from the developer. Did you have any comments on that about that process or was there a reason?

Ms. Nishiki: Sure. So there was no complaint before the DLIR, which is Department of Labor and Industrial Relations, regarding prevailing wage. But rather than continue to debate the question of whether only a portion of the grading and site preparation was a construction of Public Works, and in an effort to ensure that there were no unnecessary delays to support and facilitate critically needed affordable rental housing for the people of Lahaina, the housing provider opted to just determine the difference between the wages already paid and the applicable prevailing wage and to pay that to the contractor, to pay to the employees.

Ms. Lindsey: So he's paying that difference out of pocket? I mean —

Ms. Nishiki: Yes.

Ms. Lindsey: Okay, thank you. No more questions Chair.

Ms. Thayer: Sure, thank you. Staff is still working on getting this handout to you folks. Commissioners, any other questions in the meantime?

Ms. Nishiki: We could attempt to put it up on screen for you folks. Would that be helpful?

Ms. Thayer: That's a start, yep.

Ms. Nishiki: Okay. But I think we'll still need to get it, yes, to the Commissioners and posted online.

Ms. Nishiki: Alternatively, we could also send it to their personal emails.

Ms. Thayer: I don't think we can do that.

Ms. Nishiki: Okay. Just trying to help.

Ms. Thayer: Can you share a screen? Okay. Thank you everybody for your patience. Okay. Everybody can see this that's being shared? This is the handout they gave to us here in person. Commissioner Hipolito were you raising your hand?

Mr. Hipolito, Jr.: No, I'm saying I could see it.

Ms. Thayer: Oh, okay. Sorry, you're really small on our screen. Okay. And staff is, got the email and they're distributing it also. Okay, and posting it. But in the meantime, I think we can start talking about this, yeah? Okay, go ahead.

Ms. Nishiki: So I think that this condition helps address the concerns from the Commission.

Ms. Thayer: Can you talk through your thoughts behind this?

Ms. Nishiki: Okay, so just adding on to the end of the Commission or end of the condition provided that this condition two shall not preclude the project from availing itself of any exemption from the requirement of Maui County Code Chapter 14.12 for which it qualifies under Maui County Code Section 14.12.030. So that would be the exemption under 2.96. And then in addition to that receiving pursuant to the exemption subdivision approval and civil permits for infrastructure construction. So utilizing the exemption, it could receive the following approvals.

Ms. Thayer: Commissioner Lindsey?

Ms. Nishiki: And the condition.

Ms. Lindsey: And you feel like this can help, this will make you move forward quicker through DWS?

Ms. Nishiki: We believe so.

Ms. Lindsey: Okay.

Ms. Nishiki: But ultimately it will be up to the, the various departments.

Ms. Lindsey: Okay, and this is within your ability to do or no, just to move forward?

Ms. Nishiki: If you're asking if we're able to comply with the condition. Yes.

Ms. Lindsey: Yes. Perfect. Thank you. Sorry, that was confusing.

Ms. Thayer: Commissioner Kealoha. Oh, you're on mute.

Dr. Kealoha: Ms. Nishiki, do you -- I remember you mentioned there are several potential water sources. Do you want to make that first Maui Land and Pine more broad or is that, is calling out Maui Land and Pine okay? The project will provide potable. I don't know.

Ms. Nishiki: Oh, the project was originally owned by Maui Land and Pine, and so the water delivery agreement came with the project and so --

Dr. Kealoha: Okay.

Ms. Nishiki: Yeah, it's, it's fine.

Dr. Kealoha: Okay.

Ms. Thayer: Is Director Stufflebean still online?

Mr. Stufflebean: Yeah. I'm here, yes.

Ms. Thayer: Okay, having, I guess I would ask you for your thoughts on this amendment, proposed amendment from the applicant, to condition two.

Mr. Stufflebean: Yeah, I'm, I have no objections to the amendment. I would like to mention one thing, there was mentioned that there were three wells that, that they have up in Kapalua. The third well has been drilled, but it's, doesn't, it's not permitted. So it would also require the third well would also require a new use permit, which has not been received. So wanted to mention that. But again, I, I have no objection to this to this addition, to this change.

Ms. Thayer: Okay, thank you. Okay. Was there somebody up there that raised their hand online or was that something else? Commissioner Hipolito, did you raise your hand? Okay. I think I want to just go back real fast to the applicant's presentation. You, I heard you say in your presentation to us and then even in your presentation to Council, that's like addressing this condition when you presented to Council, you said it would help with the project's eligibility for your building permits, and you told us today that this would be a potential tool to allow the project to move forward. Can you explain that further? Because it sounds like this is still not a guarantee.

Ms. Nishiki: That is --. Chair, thank you for the question. That is because we don't ultimately make those decisions. We can only provide a path forward, but ultimately we will be waiting on the various departments' approval.

Ms. Thayer: Okay. So Commissioners, thinking about potential ways forward, we have this suggested amendment to the condition. Do you have any questions or comments on this? Anything you would suggest changes to perhaps? Commissioner Ward?

Mr. Ward: Thank you Chair. The questions to the applicants. Kind of going on the, the lines that I was asking for earlier, discussing earlier is, well, this does not preclude, sorry. Only seem to

have --. Because it obviously is not stating how you're attempting or potentially would attempt. Is it an assumption that we could assume that you would be looking at alternative methods versus just reservoirs or ditch or wells? Is that something that we could either conclude or have some kind of comfort that we're not going to rely just on the solutions that we may have currently because it may prove out that there isn't enough water. So I'm just trying to get gauge where that level of commitment could be.

Ms. Nishiki: Thank you for the question. So ultimately the decision on water will come from the Commission on Water Resource Management. And the sources that have been applied for, are also, you know, like DWS said, you know, they also have well applications in. They also have surface water applications in. And so it stands to reason that CWRM wants to provide domestic water for, for their stated priorities, which one of them is housing and affordable housing specifically. We've met with them a number of times. And so if they were to not, or if they were to deny our well application, it seems that they would just not allow any wells to be utilized and that doesn't seem realistic. So I think that the options that have been provided, have been vetted and are not outside of what everyone else is applying for. So we don't anticipate that there, that there should be an issue with utilizing the wells or the surface water. So if there were, I mean I think you asked DWS like, well, what are the options? What, what other options are there on the horizon? And I think the only other thing is, you know, really bringing down your use of potable water to, you know, just what you need for, you know, cooking and taking showers and, and these sorts of things. And, and the project is, is committed to reducing as much as we can the use of potable water through the use of R1 and so that is something that's really an important part. And so bringing down, bringing down the use and then putting forward, additional source, adding additional source.

Mr. Ward: Thank you.

Ms. Sarah Pajimola: If I could just add too. CWRM did state to us that they support the project and that they would really like to see projects like this and other affordable housing especially a hundred percent affordable phases like this move forward. So we're pretty confident that we will get their approval when the time comes.

Mr. Ward: Thank you.

Ms. Thayer: Director?

Ms. Blystone: Mahalo Chair. I just, I, Thank you for allowing me to step out for another meeting briefly. Just as we're headed into a place where I think we're making a motion, I just, I want to understand, and maybe this group can talk a little bit about the solution to your, the problem you're trying to solve with amended language. The request from the, the from the Council was to consider removing these conditions. I just I, I want to just bring back the Commission to the idea of what is the problem you're trying to solve, to solve that wouldn't be solved by what was requested. So that's all.

Ms. Thayer: Yeah, we talked through this a bit when you were out. Yes. So it's finding a balance between, you know --. Well, from when this condition was imposed to where we are now, there's been a bunch of things that have happened that have changed the landscape surrounding this project. And we understand that this condition was put in place to, like, all conditions to mitigate

impacts, and in this case, impacts due to water source and service. And you know it's both thinking about providing for this project, but what it will do, what implications that water service for this project could have on all the other needs for water on the west side. And so, I think there is some discomfort with removing the condition altogether. And so the next option that the Commission is exploring, and I think the Council was exploring this too would be some kind of amendment to the condition because then you still have it in place to mitigate impacts to water source without taking it away altogether. I think, Commissioners, does that sum this up?

Mr. Ward: I would say yes.

Ms. Thayer: Okay. I'm not sure if we're ready for a motion, but we could be, if anybody --. Commissioner Hipolito?

Mr. Hipolito, Jr.: Chair, I have a maybe a question for Mr. Hopper. You know, on this condition number two it states Maui Land and Pineapple Company as it's written. But now we're talking about Maui Oceanview LP. By creating this condition as amended right now, what issues we face in the future? Because Maui Land and Pineapple Company Incorporated is listed there versus Oceanview LP?

Mr. Hopper: Chair, the, the conditions are made applicable. They're recorded on the land and so they run with the land, so anyone else who purchases the property will still be subject to these. If these conditions are amended, in fact, the current landowner will have to sign the unilateral agreement essentially reaffirming that the conditions are, that they run with the land and will have to authorize recording that agreement. So I don't think it's an issue that it references that because the ordinance as a whole as well as the unilateral agreement that runs with the land specify that it, it applies to the successors and the assignees. And so I, I don't think that that's a problem in this situation because basically anyone who owns the property in the future has to abide by those conditions. In this case since it's a zoning condition, it's not specific to the property to the owner at the time it was applied for. I hope that makes sense, but it's going to run with the land, so I don't think that's an issue.

Mr. Hipolito, Jr.: Okay, thank you Mr. Hopper. No more questions, Chair.

Ms. Thayer: Okay. Any other questions from the Commission? If there is no further questions, I don't think we have a recommendation from the Department, and so, it's up to the Commission. We can make, we can, as advised by Mr. Hopper, we can take any action we see fit. It could be a recommendation for removing the condition and, you know, I think we're solely talking about condition two, not the other one about the parks. I think that one is okay to stay from what I hear from everybody. So yes, just on this condition two, we can approve the, recommend approval for removing the condition; we can deny that; or we can take some other action which could be suggesting an amended condition. Or I think we can just provide comments. Vice Chair.

Mr. Thompson: Thanks Chair. I'll attempt to do this. I'd like to make a motion that we eliminate condition two out of the app and replace it with the condition provided by the applicant.

Ms. Thayer: I, if I may suggest that, yeah, yeah, yeah. I think it would be more so, recommending an amendment to the existing condition two.

Mr. Thompson: Okay, so it stays in. Right?

Ms. Thayer: Okay. Okay, so moved by Vice Chair Thompson and second --

Mr. Hopper: Chair?

Ms. Thayer: Yes?

Mr. Hopper: Chair, just as a non-substantive issue, if you replace the dashes with dots I believe for the section references, I think that would be correct rather than dashes because as the County Code referenced. It's non-substantive we can probably make that anyway, but I would just want that clarified for the record if that's the amendment that you want to add.

Ms. Thayer: Would you be okay with that?

Mr. Thompson: Yes please. And thank you.

Ms. Thayer: And the second okay with that too? Okay, captured within the motion. So, discussion by the movant?

Mr. Thompson: Well, it's a much-needed project, but so is water and I think this accomplishes what we need to get to and hopefully it's two years out and by then CWRM and maybe the Water Department will catch up to this. It's, you know, I know we do need to develop more in there. We have one of the wettest spots in the country, and we have a fairly small population of West Maui, maybe it's 15,000 to 20,000 people maximum, so we should be able to provide this. Thanks.

Ms. Thayer: Discussion from the second?

Mr. Ward: I, I think I said a lot before, so I'll keep it short. I think we have an obligation to our community and it's trying to find that, that balance. And despite it being two years out, that does provide us time and if we can't figure that out in two years then I think we've got bigger problems. So I think it's the right thing to do for, to our, to our ohana.

Ms. Thayer: Thank you. Further discussion from the Commission? Commissioner Kealoha?

Dr. Kealoha: Yeah, so to build off of Vice Chair Thompson's comments, we do have water. We have water, but I think it's just my two cents that it's being stolen, and so, you know, when a, a project comes forward that's prioritizing affordable and prioritizing kupuna, and prioritizing people from this place that's not stealing anymore and so yeah, I would be supporting anything that would help a project like that move forward.

Mr. Thayer: Thank you Commissioner Kealoha. Any further discussion from the other Commissioners? Commissioner Hipolito?

Mr. Hipolito, Jr.: Thank you Chair. You know, we heard from the initiator of this resolution, this bill, and also from the applicant that it's going to be a hundred percent affordable, even looking at the future of even market homes being affordable that's really critical. You know, we can look

at everything from infrastructure and getting all of that set up, but having that commitment is most important that they're willing to provide hundred percent affordable homes in phases. First phase, even long-term rentals; that's also critical.

And as far as it's amended to number two, it's something that they can start moving forward. There's a lot of we heard from the Directors saying that they're working on a lot of initiatives. And hearing from the applicant, they got couple reservoirs, 17, 140, you know, with potentials to support the fire systems, which is really important. That takes the burden off from DWS. So, again, our discussions today was very fruitful for this project for the community. Therefore I'm going to support this project.

Ms. Thayer: Thank you Commissioner Hipolito. I do want to make a note because I think the, and maybe Mr. Hopper if you could chime in, so, the proposal from Council to us was repealing condition two and condition 15, but I don't think we are talking about repealing condition 15. So can we, and I guess this is up to the movant and the second also, but not recommend -- and I don't know if this is two separate motions maybe -- but not recommending removal of condition 15. And so right now we're taking care of --

Mr. Hopper: Keeping 15 as is?

Ms. Thayer: Yeah, keeping 15 in the ordinance.

Mr. Hopper: Okay, then that should probably --

Ms. Thayer: Okay, should we do that separately? Because we're just talking about condition two for this motion.

Mr. Hopper: Um, if you anticipate a lot of debate on condition two, then yeah, maybe you can keep it separately. Someone can make a motion to amend to add in that condition 15 will be, they recommend to not delete that and have a second, and have that added. So you could do that too and --

Ms. Thayer: As a friendly amendment to the motion?

Mr. Hopper: Yeah or just has an amendment.

Ms. Thayer: . . . (inaudible) . . . an amendment to the motion.

Mr. Hopper: Someone can make a motion, a second, and then you can vote on it. That's, that's fine.

Ms. Thayer: Okay.

Mr. Hopper: Hopefully if there's, if that's non-controversial, that can happen relatively quickly.

Ms. Thayer: Okay Commissioners? Somebody to propose an amendment to the motion?

Mr. Ward: Chair, I'll make a motion --

Ms. Thayer: Oh, Commissioner Hipolito raised his hand.

Mr. Ward: Oh, go for it.

Ms. Thayer: Go ahead Commissioner.

Mr. Hipolito, Jr.: I want to make a friendly amendment, a motion to, what is that wording again?

Ms. Thayer: Oh it would be deny --

Mr. Hipolito, Jr.: Condition 15.

Ms. Thayer: Deny the removal of Condition 15.

Mr. Hipolito, Jr.: To deny the removal of Condition 15.

Ms. Thayer: Okay. Is there a second to this amendment? Second from Commissioner Lindsey with balloons. Okay, do you, you want to discuss this motion, Commissioner Hipolito?

Mr. Hipolito, Jr.: No discussion. No comments, Chair.

Ms. Thayer: Okay. Okay, Commissioner Lindsey.

Ms. Lindsey: No comments.

Ms. Thayer: Okay. Let us vote on this amendment. Director?

Ms. Blystone: Commissioner Hipolito?

Mr. Hipolito, Jr.: Aye.

Ms. Blystone: Commissioner Kealoha?

Dr. Kealoha: Aye.

Ms. Blystone: Commissioner Lindsey?

Ms. Lindsey: Aye.

Ms. Blystone: Commissioner Ward?

Mr. Ward: Aye.

Ms. Blystone: Vice Chair Thompson?

Mr. Thompson: Aye.

Ms. Blystone: Chair Thayer, that's five votes.

It was moved by Mr. Hipolito Jr., and seconded by Ms. Lindsey then

VOTED: ***For a friendly amendment made to deny the removal of Condition #15, as discussed.***

(Assenting: *M. Hipolito, Jr, A. Kealoha, A. Lindsey, B. Ward, D. Thompson)*
(Excused: *M. Deakos*)

(Motion carries.)

Ms. Thayer: Five votes; motion carries. Okay, so back to the main motion. Is there any further discussion? Okay, seeing now I think we fleshed a lot of this out during our discussion all morning, so let us call for the vote Director.

Ms. Blystone: Commissioner Hipolito?

Mr. Hipolito, Jr.: Aye.

Ms. Blystone: Commissioner Kealoha?

Dr. Kealoha: Aye.

Ms. Blystone: Commissioner Lindsey?

Ms. Lindsey: Aye.

Ms. Blystone: Commissioner Ward?

Mr. Ward: Aye.

Ms. Blystone: Vice Chair Thompson?

Mr. Thompson: Aye.

Ms. Blystone: Chair, that's five votes in favor.

It was moved by Mr. Thompson, seconded by Mr. Ward, then

VOTED: ***(to the main motion) To amend Condition #2, as discussed.***

(Assenting: *M. Hipolito, Jr, A. Kealoha, A. Lindsey, B. Ward, D. Thompson,)*
(Excused: *M. Deakos*)

(Motion carries.)

Ms. Thayer: Okay, motion carries. Thank you everybody. That is the end of Item B.1. Now we will go into our training. Commissioners, you need a couple of minutes bio break? Okay, let us do, it's like seven minutes or something. We'll come back --

Meeting recessed at 11:58 A.M and reconvened at 12:14 P.M.