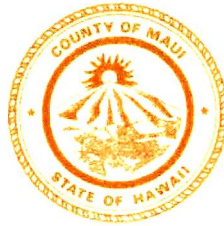


RICHARD T. BISSEN, JR.
Mayor

GARRETT E. SMITH
Acting Director



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

January 19, 2024



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

APPROVED FOR TRANSMITTAL

Richard Bissen 1-25-24

Mayor Date

For Transmittal to:

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

Dear Chair Lee and Members:

SUBJECT: APPLICATIONS FOR A COMMUNITY PLAN AMENDMENT, CHANGE OF ZONING, AND PROJECT DISTRICT PHASE I DEVELOPMENT AMENDMENT FOR PROPERTIES LOCATED IN THE LANAI PROJECT DISTRICT 2 (KOELE) AT LANAI CITY, ISLAND OF LANAI, HAWAII; IDENTIFIED AS MAUI TAX MAP KEY NUMBERS (TMKs): (2)4-9-001:021, 024, 025(POR.), 030, (2)4-9-002:001(POR.), 061(POR.), (2)4-9-018:001(POR.), 002(POR.), 003(POR.), 005, (2)4-9-020:020(POR.) AND (2)4-9-021:009 (CPA20210001) (CIZ20210001) (PH120210001)

The Department of Planning (Department) is transmitting for your review and action the Community Plan Amendment (CPA), Change of Zoning (CIZ) (Conditional), and Project District Phase I Development Amendment (PH1) for properties located in the Lānaʻi Project District 2 (Kōʻele) at Lānaʻi City, Lānaʻi, Hawaiʻi. Lānaʻi Resorts, LLC, a Hawaiʻi limited liability company doing business as Pūlama Lānaʻi (Applicant), is proposing to amend the boundaries of Lānaʻi Project District 2 (Kōʻele), otherwise referred to as "Project District", by adding new acreage, removing existing acreage, and adjusting the sub-designations (specific land uses) within the Project District.

Further, the Applicant also seeks to amend Chapter 19.71 Lānaʻi Project District 2 (Kōʻele) established by Maui County Ordinance to align with existing and future uses without changing the original intent of the Project District. Maui County Ordinances passed in 1986 and in 1992 established and revised the Project District to provide guidance for the development within the Project District.

Honorable Richard T. Bissen Jr., Mayor
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 January 19, 2024
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No construction activities are included in this proposal. However, the scale of future development and construction activities, shall be limited by the generation of outputs and impacts as well as the consumption of resources and services that have been disclosed and analyzed by these submittals. Future construction shall also be subject to a Project District Phase II Application process, which is subject to public review by the Lāna‘i Planning Commission (LPC) at which time specific project impacts will be evaluated.

The Applicant seeks to amend the boundaries of the Kō‘ele Project District in order to significantly reduce the already low density by decreasing the amount of Residential and Multi-Family (Project District sub-designations) acres, significantly increasing the amount of Open Space and Park (Project District sub-designations) acres, and by reducing the Golf Course (Project District sub-designation) acreage. The proposed amendments increase the acreage in the Hotel sub-designation, accounting for existing uses (e.g., entrance of hotel, mini-golf putting course, etc.) and potential future uses. The proposed amendments also create a new Resort Commercial sub-designation, which encompasses the existing Stables and Tennis Courts, and includes currently undeveloped areas which are envisioned to support Sensei Lāna‘i, a Four Seasons Resort operation. The proposed changes will ultimately reduce the total acreage in the Kō‘ele Project District by eight percent.

A summary of the applications is as follows:

| APPLICATION SUMMARY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------------------|--|------------------|--------|-----|-----------------------------------|--|-------|----------|----------|------------------|------------------|---------------|--------|------------------|------------------|---------------|--------|------------------|----------------------------|------------|------------------|--------|----------------------------|--------------|------------------|--------|----------------------------|-------|------------------|--------|----------------------------|------------------|------------|--------|----------------------------|------------------|---------------|--------|----------------------------|------------------|------------------|--------|----------------------------|------------------|------------|--------|----------------------------|------------------|---------------|--------|------------------|------------------|------------------|------------|--------|
| Application - CPA | <p>The Community Plan Amendment along with updated maps reflects changes, additions, and deletions by individual Tax Map Key (TMK) is outlined in Table A below.</p> <p>Table A. Summary of maps associated with proposed changes by TMK for the Lāna‘i Community Plan Designation.</p> <table> <tr> <th rowspan="2">TMK</th><th colspan="2">Lāna‘i Community Plan Designation</th><th rowspan="2">MAP #</th></tr> <tr> <th>Existing</th><th>Proposed</th></tr> <tr> <td>[2] 4-9-001: 021</td><td>Project District</td><td>Single Family</td><td>CP-227</td></tr> <tr> <td>[2] 4-9-001: 024</td><td rowspan="2">Project District</td><td rowspan="2">Single Family</td><td rowspan="2">CP-228</td></tr> <tr> <td>[2] 4-9-001: 030</td></tr> <tr> <td>[2] 4-9-002: 001 (portion)</td><td>Open Space</td><td>Project District</td><td>CP-229</td></tr> <tr> <td>[2] 4-9-002: 061 (portion)</td><td>Agricultural</td><td>Project District</td><td>CP-230</td></tr> <tr> <td>[2] 4-9-002: 061 (portion)</td><td>Rural</td><td>Project District</td><td>CP-231</td></tr> <tr> <td>[2] 4-9-018: 002 (portion)</td><td>Project District</td><td>Open Space</td><td>CP-232</td></tr> <tr> <td>[2] 4-9-018: 002 (portion)</td><td>Project District</td><td>Single Family</td><td>CP-233</td></tr> <tr> <td>[2] 4-9-018: 003 (portion)</td><td>Park/Golf Course</td><td>Project District</td><td>CP-234</td></tr> <tr> <td>[2] 4-9-018: 003 (portion)</td><td>Project District</td><td>Open Space</td><td>CP-235</td></tr> <tr> <td>[2] 4-9-018: 003 (portion)</td><td rowspan="2">Project District</td><td rowspan="2">Single Family</td><td rowspan="2">CP-236</td></tr> <tr> <td>[2] 4-9-018: 005</td></tr> <tr> <td>[2] 4-9-021: 009</td><td>Project District</td><td>Open Space</td><td>CP-237</td></tr> </table> | | | TMK | Lāna‘i Community Plan Designation | | MAP # | Existing | Proposed | [2] 4-9-001: 021 | Project District | Single Family | CP-227 | [2] 4-9-001: 024 | Project District | Single Family | CP-228 | [2] 4-9-001: 030 | [2] 4-9-002: 001 (portion) | Open Space | Project District | CP-229 | [2] 4-9-002: 061 (portion) | Agricultural | Project District | CP-230 | [2] 4-9-002: 061 (portion) | Rural | Project District | CP-231 | [2] 4-9-018: 002 (portion) | Project District | Open Space | CP-232 | [2] 4-9-018: 002 (portion) | Project District | Single Family | CP-233 | [2] 4-9-018: 003 (portion) | Park/Golf Course | Project District | CP-234 | [2] 4-9-018: 003 (portion) | Project District | Open Space | CP-235 | [2] 4-9-018: 003 (portion) | Project District | Single Family | CP-236 | [2] 4-9-018: 005 | [2] 4-9-021: 009 | Project District | Open Space | CP-237 |
| TMK | Lāna‘i Community Plan Designation | | MAP # | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Existing | Proposed | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-001: 021 | Project District | Single Family | CP-227 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-001: 024 | Project District | Single Family | CP-228 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-001: 030 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-002: 001 (portion) | Open Space | Project District | CP-229 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-002: 061 (portion) | Agricultural | Project District | CP-230 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-002: 061 (portion) | Rural | Project District | CP-231 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-018: 002 (portion) | Project District | Open Space | CP-232 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-018: 002 (portion) | Project District | Single Family | CP-233 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-018: 003 (portion) | Park/Golf Course | Project District | CP-234 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-018: 003 (portion) | Project District | Open Space | CP-235 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-018: 003 (portion) | Project District | Single Family | CP-236 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-018: 005 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| [2] 4-9-021: 009 | Project District | Open Space | CP-237 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Honorable Richard T. Bissen Jr., Mayor
 For Transmittal to:
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 January 19, 2024
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APPLICATION SUMMARY

Application - CIZ

The Change of Zoning Amendment (Conditional Zoning) along with updated maps reflecting changes, additions, and deletions by individual TMK is outlined in **Table B** below.

Table B. Summary of maps associated with proposed changes by TMK for the Maui County Zoning Designation.

| TMK | Maui County Zoning | | MAP # |
|----------------------------|-------------------------|-------------------------|--------|
| | Existing | Proposed | |
| [2] 4-9-001: 021 | PD-L/2 Project District | Residential (R-3) | L-2623 |
| [2] 4-9-001: 024 | PD-L/2 Project District | Residential (R-3) | L-2624 |
| [2] 4-9-001: 030 | | | |
| [2] 4-9-002: 001 (portion) | Interim | PD-L/2 Project District | L-2625 |
| [2] 4-9-002: 061 (portion) | Agriculture | PD-L/2 Project District | L-2626 |
| [2] 4-9-018: 001 (portion) | Interim | PD-L/2 Project District | L-2627 |
| [2] 4-9-018: 003 (portion) | | | |
| [2] 4-9-018: 002 (portion) | Agriculture | Open Space (OS-2) | L-2628 |
| [2] 4-9-018: 002 (portion) | PD-L/2 Project District | Open Space (OS-2) | L-2629 |
| [2] 4-9-018: 002 (portion) | PD-L/2 Project District | Residential (R-3) | L-2630 |
| [2] 4-9-018: 003 (portion) | PD-L/2 Project District | Open Space (OS-2) | L-2631 |
| [2] 4-9-018: 003 (portion) | PD-L/2 Project District | Residential (R-3) | L-2632 |
| [2] 4-9-018: 005 | PD-L/2 Project District | | |
| [2] 4-9-021: 009 | PD-L/2 Project District | Open Space | L-2633 |

Application – PH1

The Project District Phase I Amendment along with the updated maps reflecting changes, additions, and deletions by individual TMK is outlined in **Table C** below. Revisions to the Project District Sub-designation map along with revisions to MCC, Chapter 19.71, are provided within this document.

Table C. Summary of proposed changes by Tax Map Key for the Kō‘ele Project District

| TMK | Existing Project District Sub-Designation | Proposed Project District Sub-Designation |
|----------------------|---|---|
| (2)4-9-001:021 | Residential | Remove From Project District |
| (2)4-9-001:024 | Residential | Remove From Project District |
| (2)4-9-001:025(POR.) | Residential | Remove From Project District |
| (2)4-9-001:030 | Residential | Remove From Project District |
| (2)4-9-002:001(POR.) | Not in Project District | Hotel |
| (2)4-9-002:061(POR.) | Not in Project District/Stables and Tennis Courts | Resort Commercial |
| (2)4-9-018:001 | Hotel/Golf | Hotel |
| (2)4-9-018:002(POR.) | Golf/Residential/Multi-Family/Open Space/Park | Park/Open Space/Residential |
| (2)4-9-018:003(POR.) | Golf/Residential/Public | Park/Golf/Hotel/Residential |
| (2)4-9-018:004 | Residential/Park | Open Space |
| (2)4-9-018:005 | Residential | Remove From Project District |
| (2)4-9-020:020 | Multi-Family/Residential/Golf | Multi-Family |
| (2)4-9-021:009 | Residential/Multi-Family | Remove From Project District |

Applicant

Lāna‘i Resorts, LLC doing as Pūlama Lāna‘i

Owner

Lāna‘i Resorts, LLC doing as Pūlama Lāna‘i

Honorable Richard T. Bissen Jr., Mayor
For Transmittal to:
Honorable Alice L. Lee, Chair
January 19, 2024
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| APPLICATION SUMMARY | |
|-----------------------|--|
| Tax Map Keys | See tables above for specific TMK designations |
| Address | Kō‘ele, Lāna‘i, Hawai‘i |
| Area | The current Project District encompasses 632.5 acres. Although 72.44 acres are proposed to be added, there will be a net decrease in overall acreage within the Project District as a result of the proposed amendments. Following the proposed amendments, the total acreage of the Project District will be 582 acres. |
| Land Use Designations | See multiple designations in above tables. |
| Brief Description | The Applicant is requesting a CPA, CIZ, and an amendment to Chapter 19.71, MCC Kō‘ele Project District. |
| Public Hearing | Held by Lāna‘i Planning Commission (LPC) on May 18, 2022, via the digital network, with subsequent meetings on July 20, 2022, and September 7, 2022. |
| Testimony | Verbal testimony during the public hearing was heard. |
| Recommendation | The Commission recommended approval of the proposed applications by a vote of five ayes with three Commissioners excused and one Commissioner recused. |

The LPC conducted a public hearing on the subject applications at its May 18, 2022, meeting, and subsequently took testimony and met on this project at the LPC’s July 20, 2022, and September 7, 2022, meetings. The LPC recommended approval of the CPA. Furthermore, the Commission recommended approval of the Maui County Code Amendment Chapter 19.71 Kō‘ele Project District and CIZ subject to 10 conditions stated as follows:

As it relates to the following conditions, “Applicant” means Lāna‘i Resorts, LLC, A Hawai‘i limited liability company doing business as Pūlama Lāna‘i.

1. That the Applicant shall preserve in perpetuity the tradition of permitting free play on the Cavendish golf course for Lāna‘i residents and shall continue to maintain said golf course.
2. That full compliance with all applicable governmental requirements shall be rendered.
3. That the Applicant shall develop the property in substantial compliance with the representations made to the Lāna‘i Planning Commission in obtaining the Change of Zoning. Failure to so develop the property may result in the revocation of the permit.
4. That the generation of outputs and impacts as well as the consumption of resources and services shall not exceed those disclosed and analyzed by this Change in Zoning Amendment application and associated submittals.
5. That the Applicant shall develop the property in compliance with Project District processing requirements outlined in Chapter 19.45, Maui County Code Project District Processing Regulations and that review of proposed construction in the Phase II process shall be accompanied by agency review not limited to water, wastewater, solid waste, archaeological and cultural resources, and traffic.

Honorable Richard T. Bissen Jr., Mayor
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6. That all exterior illumination shall consist of fully shielded downward lighting throughout the project, as applicable by law.
7. That in the unlikely event that subsurface historic resources, including human skeletal remains, structural remains, cultural deposits, artifacts, native sand deposits, or sink holes are identified during the demolition and/or construction work, cease work in the immediate vicinity of the find, protect the find from additional disturbance, and contact the Department of Land and Natural Resources-State Historic Preservation Division at (808) 662-1510.
8. That the Applicant shall provide the Lānaʻi Planning Commission with quarterly water usage reports for the Kōʻele Project District and its subdistricts including quantities of drinking water (potable), brackish, nonpotable, and/or R-1 water use. These water usage numbers shall comply with the monthly billing cycle once approved by the Public Utilities Commission.
9. That the Applicant shall a) build a by-pass road, similar in concept to the road as shown in the Lānaʻi Community Plan, Exhibit E, adopted April 5, 1983, in conformance with the standards of the County, as approved by the Director of Public Works, and b) dedicate, in fee simple absolute, free and clear of all mortgage and lien and encumbrances, the constructed by-pass road to the County, at no cost to the County, within 2 years of the date that an occupancy rate of 50% of the total number of single family and multifamily units specified in the Kōʻele Project District is reached; provided, however that this condition may be eliminated by the Maui County Council if a traffic engineer provides a report showing that the roadway system then existing (within two years of reaching 50% occupancy) in and around Lānaʻi City is not determined to be operationally substandard under the level of rating of criteria of the American Association of State Highways and Transportation Officials (original Condition 9 from Ordinance 2140 Bill No. 37 (1992)).
10. That the Applicant shall use R-1 water for the purpose of, but not limited to, irrigation and dust control to the extent available and practicable.

Inasmuch as Council approval is required for the CPA, CIZ, and amendment to Chapter 19.71, MCC, the Department transmits the subject applications to the Council for consideration. Accordingly, attached for your review are the following documents:

1. Proposed bill entitled, "A BILL FOR AN ORDINANCE TO AMEND THE LĀNAʻI COMMUNITY PLAN FOR PROPERTIES LOCATED IN LĀNAʻI CITY, LĀNAʻI, HAWAII, IDENTIFIED AS TAX MAP KEYS (2) 4-9-001:021, 024, 030; (2) 4-9-002:001 (POR), 061 (POR); (2) 4-9-018:002 (POR), 003 (POR), 005; AND (2) 4-9-021:009";
2. Proposed bill entitled, "A BILL FOR AN ORDINANCE TO CHANGE THE ZONING OF PROPERTIES LOCATED IN LANAI PROJECT DISTRICT 2 (KOELE) AT LĀNAʻI CITY, LĀNAʻI, HAWAII, IDENTIFIED AS TAX MAP

Honorable Richard T. Bissen Jr., Mayor
For Transmittal to:
Honorable Alice L. Lee, Chair
January 19, 2024
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KEYS (2) 4-9-001:021, 024, 030; (2) 4-9-002:001 (POR), 061 (POR);
(2) 4-9-018:001 (POR), 002 (POR), 003 (POR), 005; AND (2) 4-9-021:009”;

3. Proposed bill entitled, “A BILL FOR AN ORDINANCE AMENDING CHAPTER 19.71, MAUI COUNTY CODE, RELATING TO LANAI PROJECT DISTRICT 2 (KOELE);”
4. Letter from Kathleen Ross Aoki, Acting Planning Director (at that time), to Ms. Karlynn Fukuda, Project Consultant, Munekiyo Hiraga, dated March 7, 2023, with the LPC’s recommendation for Council approval of the CPA, the CIZ with conditions, and the amendment to Chapter 19.71, MCC;
5. Department’s Staff Report and Recommendation to the LPC, dated May 18, 2022;
6. LPC minutes of the May 18, 2022, July 20, 2022, and September 7, 2022, meetings;
7. Final Environmental Assessment (FEA) Volume I, FEA Volume II, and FEA Summary Spreadsheet dated February 2022; and
8. Consolidated application with Draft Environmental Assessment Volume I of II and Volume II of II dated July 2021.

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,



GARRETT E. SMITH
Acting Planning Director

Attachments

xc: Jordan E. Hart, Planning Program Administrator (PDF)
Danny A. Dias, Planning Program Administrator (PDF)
Kurt F. Wollenhaupt, Planner (PDF)

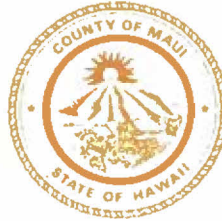
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RICHARD T. BISSEN JR.
Mayor

KATHLEEN ROSS AOKI
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

March 7, 2023

Ms. Karlynn Fukuda
Munekiyo Hiraga
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Ms. Fukuda:

SUBJECT: LETTER (REVISED) REGARDING LANAI PLANNING COMMISSION RECOMMENDATION OF APPROVAL FOR A COMMUNITY PLAN AMENDMENT, CHANGE OF ZONING, AND PROJECT DISTRICT PHASE I DEVELOPMENT AMENDMENT FOR PROPERTIES LOCATED IN LANAI PROJECT DISTRICT 2 (KOELE) AT LANAI CITY, LANAI, HAWAII, IDENTIFIED AS MAUI TAX MAP KEY NUMBERS (TMKs): (2) 4-9-001:021, 024, 025(POR.), 030, (2) 4-9-002:001(POR.), 061(POR.), (2) 4-9-018:001(POR.), 002(POR.), 003(POR.), 004, 005, (2) 4-9-020:020(POR.) AND (2) 4-9-021:009 (CPA20210001) (CIZ20210001) (PH120210001)

At a special meeting on September 7, 2022, the Lanai Planning Commission (Commission) reviewed the above applications, received public testimony, and after due deliberation, recommended the Maui County Council's (Council) approval of the Community Plan Amendment (CPA), Change of Zoning (CIZ) with conditions, and Project District Phase I Development Amendment (PH1). The applications will be forwarded to the Council for final review and action. Minor technical revisions were incorporated to reflect consistency and accuracy on land zoning and community plan maps and in the proposed ordinance.

Subsequent to the Commission's review, internal Planning Department (Department) reviews determined that Tax Map Key (TMK) (2) 4-9-001:027 (Parcel 27) should be removed from the CIZ and PD1 requests. The Department found that Parcel 27 (1.150 acres) was the subject of a prior Comprehensive Zoning Ordinance in year 2000, whereby it was removed from the Kō'ele Project District and zoned R-3, Residential. The proposed Kō'ele Project District amendments also proposed to remove Parcel 27 from the Project District, and zone the property R-3 Residential. As such, in consultation with the Applicant, the Department has removed Parcel 27 from the CIZ and PH1 requests.

COMMUNITY PLAN AMENDMENT

The Commission recommends approval of the Community Plan Amendment along with updated maps reflecting changes, additions, and deletions by individual Tax Map Key outlined in **Table A** and shown in the maps of **Exhibit 1**.

Table A. Summary of maps included in **Exhibit 1** associated with proposed changes by Tax Map Key for the Lānaʻi Community Plan Designation

| TMK | Lānaʻi Community Plan Designation | | MAP # |
|----------------------------|-----------------------------------|------------------|--------|
| | Existing | Proposed | |
| [2] 4-9-001: 021 | Project District | Single Family | CP-227 |
| [2] 4-9-001: 024 | Project District | Single Family | CP-228 |
| [2] 4-9-001: 030 | | | |
| [2] 4-9-002: 001 (portion) | Open Space | Project District | CP-229 |
| [2] 4-9-002: 061 (portion) | Agriculture | Project District | CP-230 |
| [2] 4-9-002: 061 (portion) | Rural | Project District | CP-231 |
| [2] 4-9-018: 002 (portion) | Project District | Open Space | CP-232 |
| [2] 4-9-018: 002 (portion) | Project District | Single Family | CP-233 |
| [2] 4-9-018: 003 (portion) | Park/Golf Course | Project District | CP-234 |
| [2] 4-9-018: 003 (portion) | Project District | Open Space | CP-235 |
| [2] 4-9-018: 003 (portion) | Project District | Single Family | CP-236 |
| [2] 4-9-018: 005 | | | |
| [2] 4-9-021: 009 | Project District | Open Space | CP-237 |

CHANGE OF ZONING AMENDMENT

The Commission recommends approval of the Change of Zoning Amendment along with updated maps reflecting changes, additions, and deletions by individual Tax Map Key (TMK) outlined in **Table B** and shown in the maps of **Exhibit 2**, and subject to the following conditions:

1. That the Applicant shall preserve in perpetuity the tradition of permitting free play on the Cavendish golf course for Lānaʻi residents and shall continue to maintain said golf course.
2. That full compliance with all applicable governmental requirements shall be rendered.
3. That the Applicant shall develop the property in substantial compliance with the representations made to the Lānaʻi Planning Commission in obtaining the Change of Zoning. Failure to so develop the property may result in the revocation of the permit.
4. That the generation of outputs and impacts as well as the consumption of resources and services shall not exceed those disclosed and analyzed by this Change of Zoning Amendment Application and associated submittals.
5. That the Applicant shall develop the property in compliance with Project District processing requirements outlined in MCC Chapter 19.45 Project District Processing Regulations and that review of proposed construction in the Phase II

process shall be accompanied by agency review not limited to water, wastewater, solid waste, archaeological and cultural resources, and traffic.

6. That all exterior illumination shall consist of fully shielded downward lighting throughout the project, as applicable by law.
7. That in the unlikely event that subsurface historic resources, including human skeletal remains, structural remains, cultural deposits, artifacts, native sand deposits, or sink holes are identified during the demolition and/or construction work, cease work in the immediate vicinity of the find, protect the find from additional disturbance, and contact the Department of Land and Natural Resources-State Historic Preservation Division (DLNR-SHPD), at (808) 652-1510.
8. That the Applicant shall provide the Lānaʻi Planning Commission with quarterly water usage reports for the Koele Project District and its subdistricts including quantities of drinking water (potable), brackish, non-potable, and/or R-1 water use. These water usage numbers shall comply with the monthly billing cycle once approved by the Public Utilities Commission.
9. That the declarant shall a) build a by-pass road, similar in concept to the road as shown in the Lānaʻi Community Plan, Exhibit E, adopted April 5, 1983, in conformance with the standards of the County, as approved by the Director of Public Works, and b) dedicate, in fee simple absolute, free and clear of all mortgage and lien encumbrances, the constructed by-pass road to the County, at no cost to the County, within 2 years of the date that an occupancy rate of 50% of the total number of single family and multifamily units specified in the Kōʻele Project District is reached; provided, however, that this condition may be eliminated by the Council if a Traffic Engineer provides a report showing that the roadway system then existing (within two years of reaching 50% occupancy) in and around Lanai City is not determined to be operationally substandard under the level of rating criteria of the Transportation Officials. (Original Condition 9 from Ordinance 2140 Bill No. 37 (1992).
10. That the Applicant shall use R-1 water for the purpose of, but not limited to, irrigation and dust control to the extent available and practicable.

Table B. Summary of maps included in **Exhibit 2** associated with proposed changes by Tax Map Key for the Maui County Zoning

| TMK | Maui County Zoning | | MAP # |
|----------------------------|-------------------------|-------------------------|--------|
| | Existing | Proposed | |
| [2] 4-9-001: 021 | PD-L/2 Project District | Residential (R-3) | L-2623 |
| [2] 4-9-001: 024 | PD-L/2 Project District | Residential (R-3) | L-2624 |
| [2] 4-9-001: 030 | | | |
| [2] 4-9-002: 001 (portion) | Interim | PD-L/2 Project District | L-2625 |
| [2] 4-9-002: 061 (portion) | Agriculture | PD-L/2 Project District | L-2626 |
| [2] 4-9-018: 001 (portion) | Interim | PD-L/2 Project District | L-2627 |
| [2] 4-9-018: 003 (portion) | | | |
| [2] 4-9-018: 002 (portion) | Agriculture | Open Space (OS-2) | L-2628 |
| [2] 4-9-018: 002 (portion) | PD-L/2 Project District | Open Space (OS-2) | L-2629 |
| [2] 4-9-018: 002 (portion) | PD-L/2 Project District | Residential (R-3) | L-2630 |
| [2] 4-9-018: 003 (portion) | PD-L/2 Project District | Open Space (OS-2) | L-2631 |
| [2] 4-9-018: 003 (portion) | PD-L/2 Project District | Residential (R-3) | L-2632 |
| [2] 4-9-018: 005 | PD-L/2 Project District | | |
| [2] 4-9-021: 009 | PD-L/2 Project District | Open Space | L-2633 |

PROJECT DISTRICT PHASE I AMENDMENT

The Commission recommends approval of the Project District Phase I Amendment along with the updated maps reflecting changes, additions, and deletions by individual Tax Map Key outlined in **Table C**, and shown in the Proposed Project District Map in **Exhibit 3**, and subject to changes in the proposed revisions to MCC, Chapter 19.71, provided herein as **Exhibit 4**.

Table C. Summary of proposed changes by Tax Map Key for the Kō‘ele Project District

| TMK | Existing Project District Sub-Designation | Proposed Project District Sub-Designation |
|----------------------|---|---|
| (2)4-9-001:021 | Residential | Remove From Project District |
| (2)4-9-001:024 | Residential | Remove From Project District |
| (2)4-9-001:025(POR.) | Residential | Remove From Project District |
| (2)4-9-001:030 | Residential | Remove From Project District |
| (2)4-9-002:001(POR.) | Not in Project District | Hotel |
| (2)4-9-002:061(POR.) | Not in Project District/Stables and Tennis Courts | Resort Commercial |
| (2)4-9-018:001 | Hotel/Golf | Hotel |
| (2)4-9-018:002(POR.) | Golf/Residential/Multi-Family/Open Space/Park | Park/Open Space/Residential |
| (2)4-9-018:003(POR.) | Golf/Residential/Public | Park/Golf/Hotel/Residential |
| (2)4-9-018:004 | Residential/Park | Open Space |
| (2)4-9-018:005 | Residential | Remove From Project District |
| (2)4-9-020:020 | Multi-Family/Residential/Golf | Multi-Family |
| (2)4-9-021:009 | Residential/Multi-Family | Remove From Project District |

Ms. Karlynn Fukukda
March 7, 2023
Page 5

Thank you for your cooperation. If additional clarification is required, please contact Staff Planner Kurt Wollenhaupt at kurt.wollenhaupt@mauicounty.gov or at (808) 280-1789.

Sincerely,



KATHLEEN ROSS AOKI
Acting Planning Director

Attachments: Exhibits 1 - 4

xc: Ann T. Cua, Planning Program Administrator (PDF)
Jordan E. Hart, Zoning Administration and Enforcement Division Program Administrator (PDF)
Danny Dias, Land Use Planning Supervisor (PDF)
Kurt F. Wollenhaupt, Staff Planner (PDF)
Karlynn Fukuda, President, Munekiyo Hiraga (PDF)
Chris Sugidono, Senior Planner, Munekiyo Hiraga (PDF)
Keiki-Pua Dancil, PhD, Pulama Lanai (PDF)

KRA:KFW:rma:lp

K:\WP_DOCS\Planning\CPA\2021\0001_Koeleproject\LPC Letter Of Recommendation\REVISED FINAL\FINAL
LPC_Recommend_Ltr Revision 27FEB23.Doc

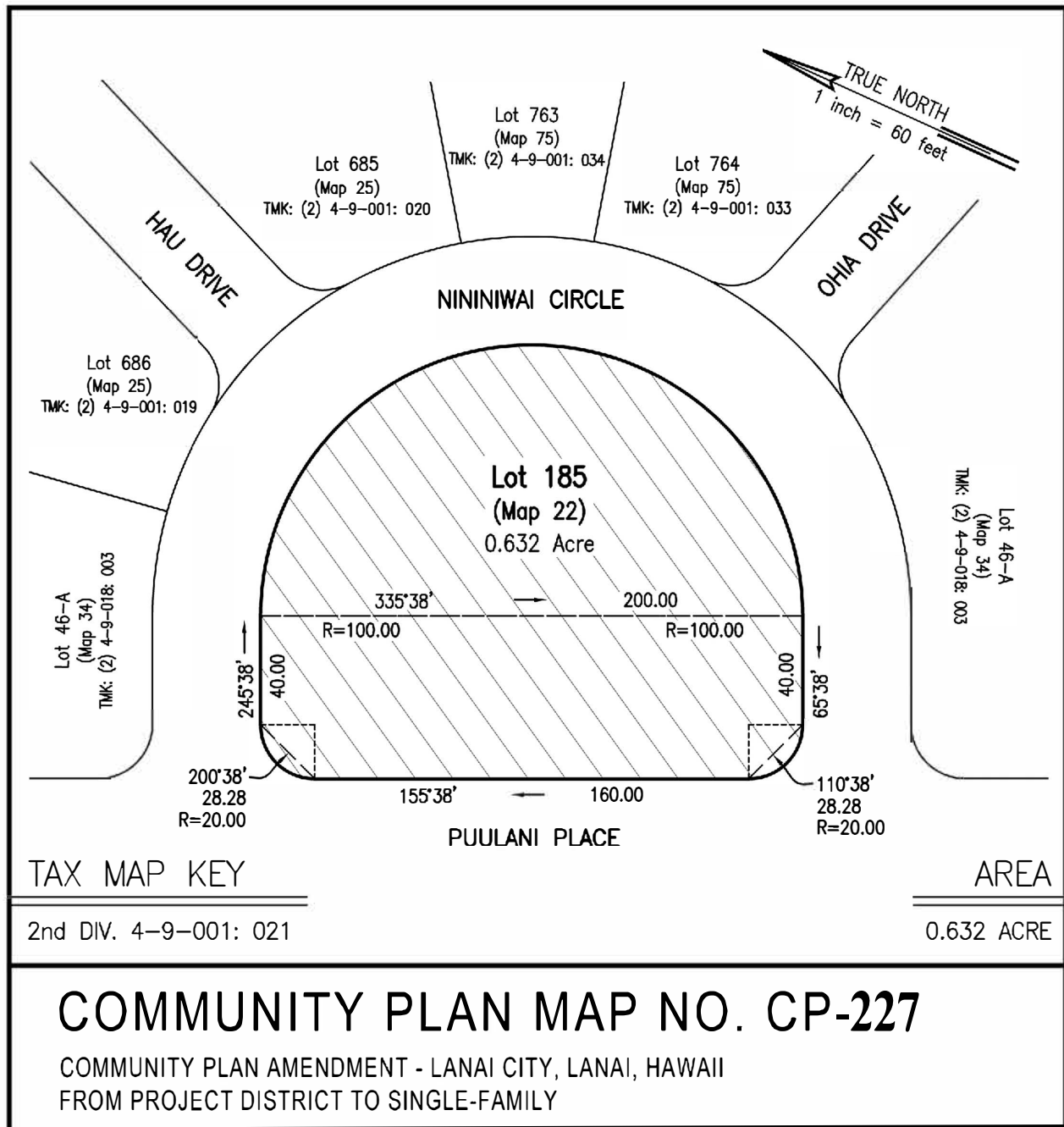
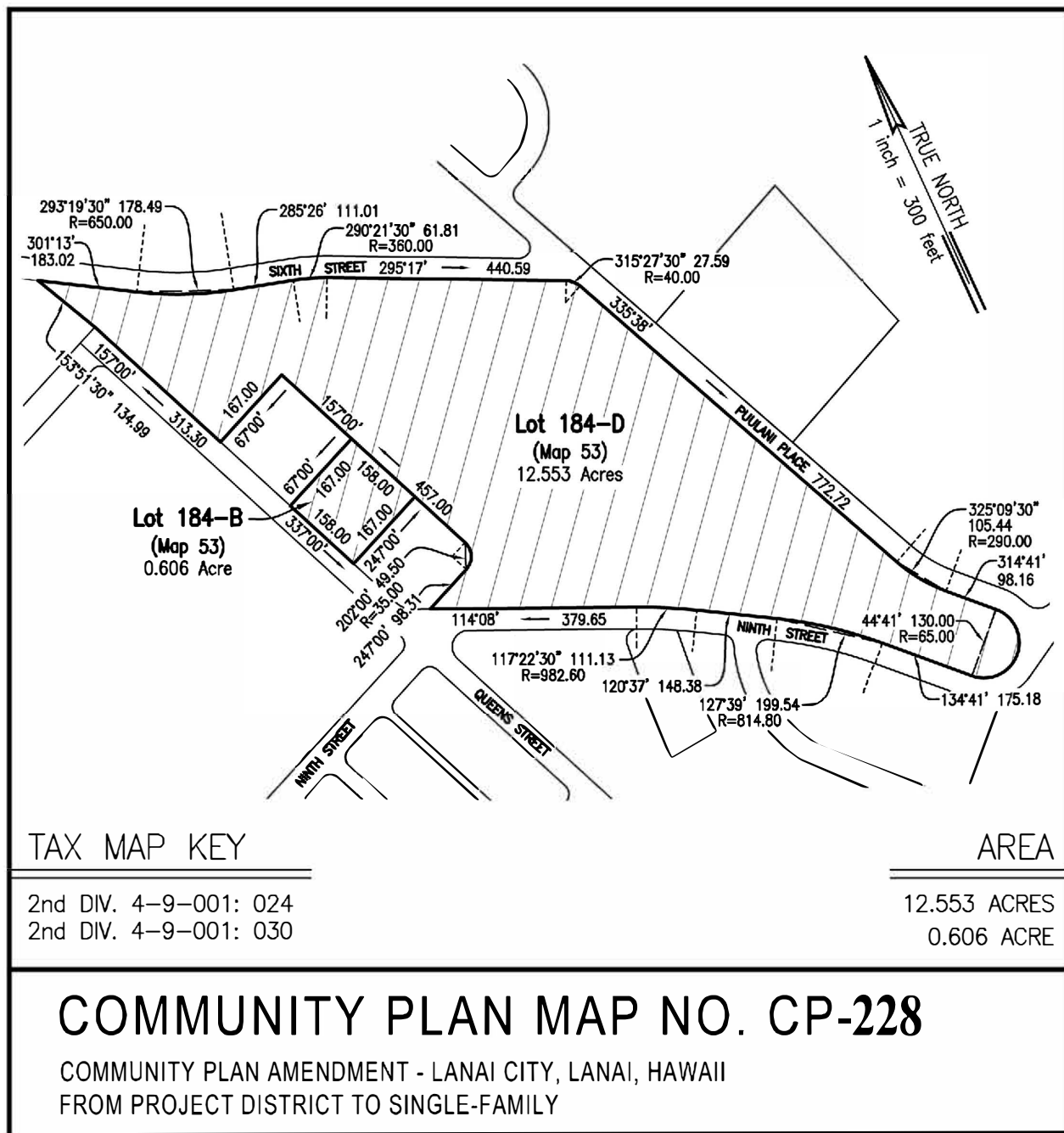
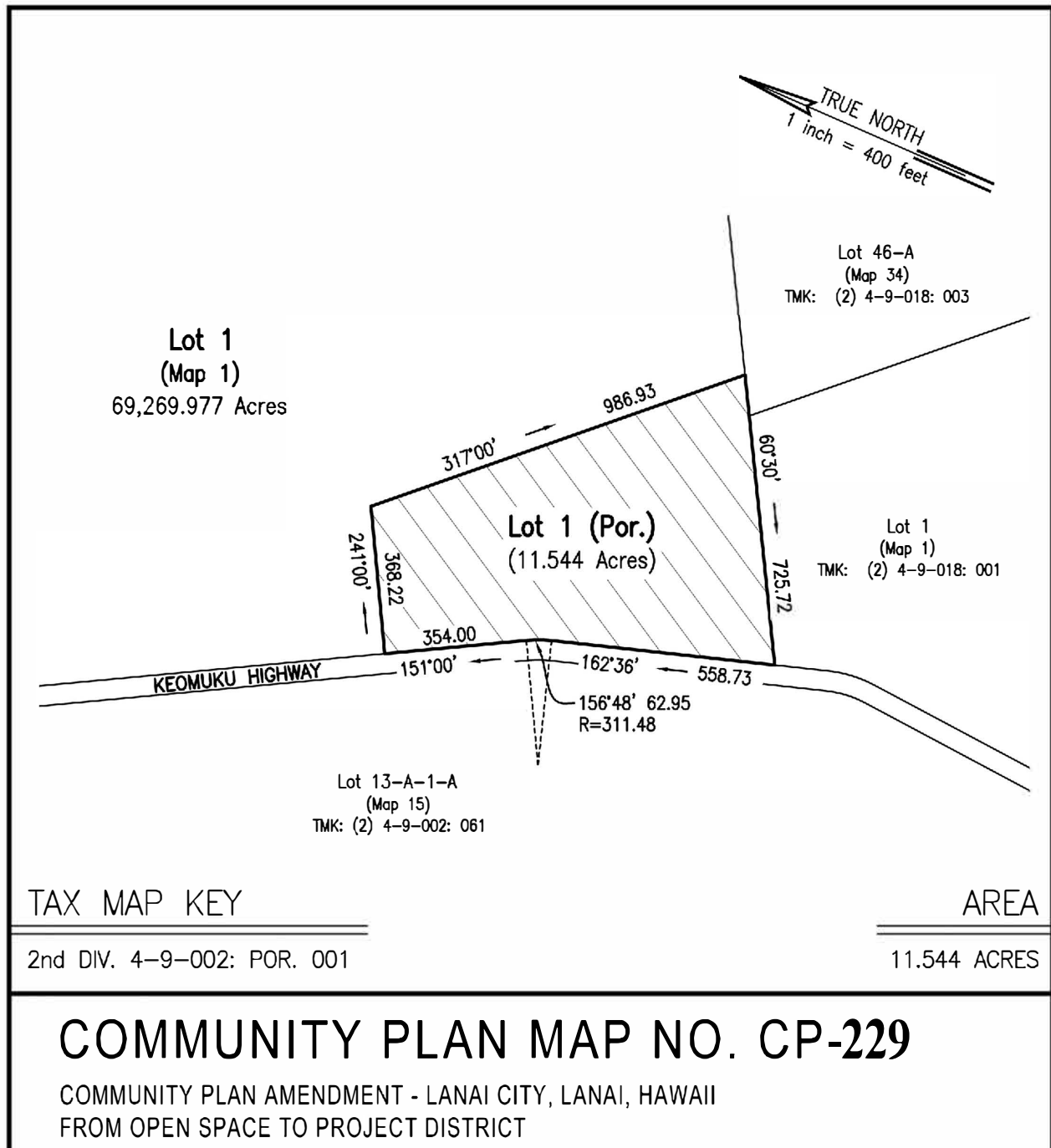
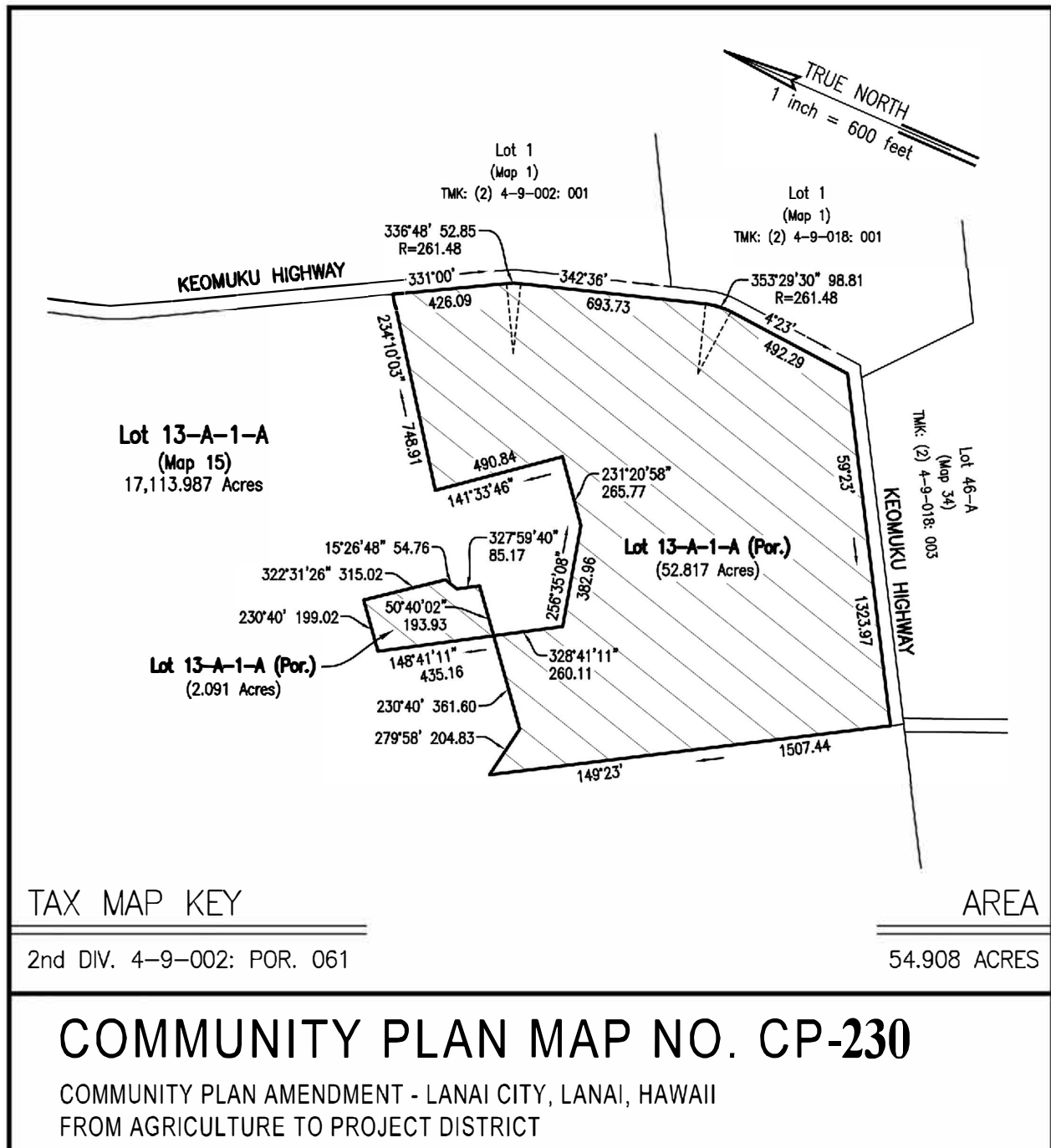
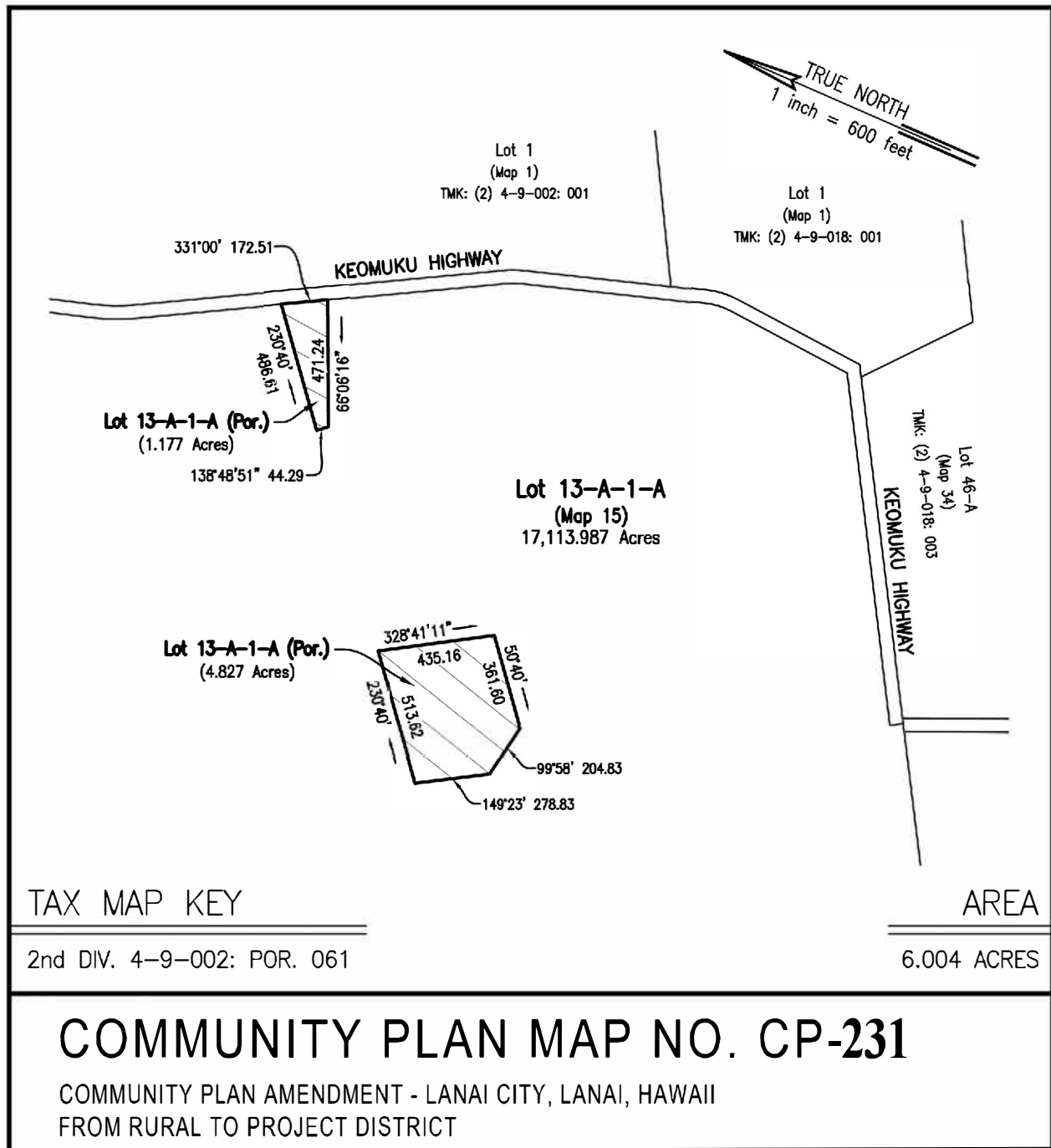


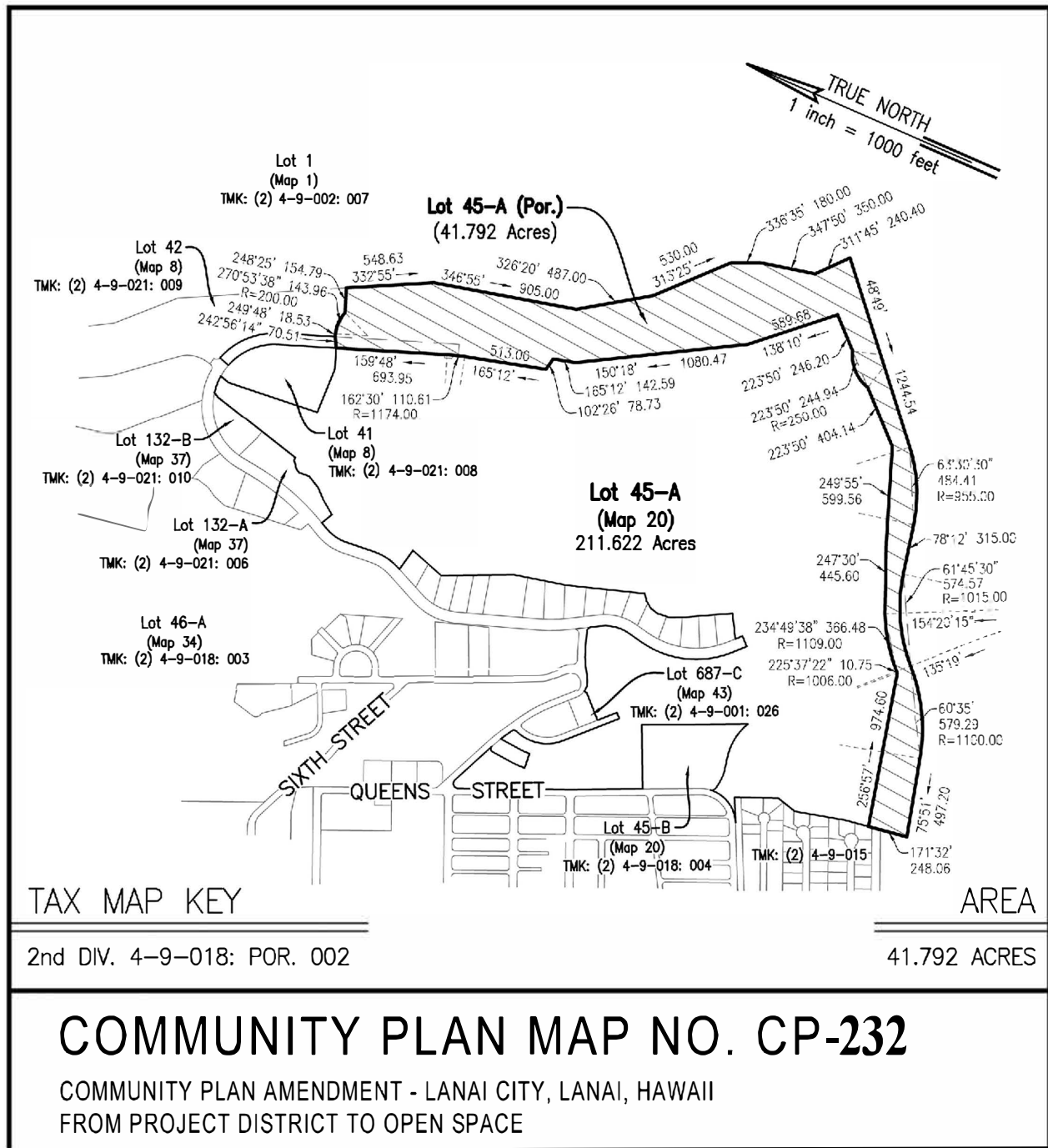
EXHIBIT 1

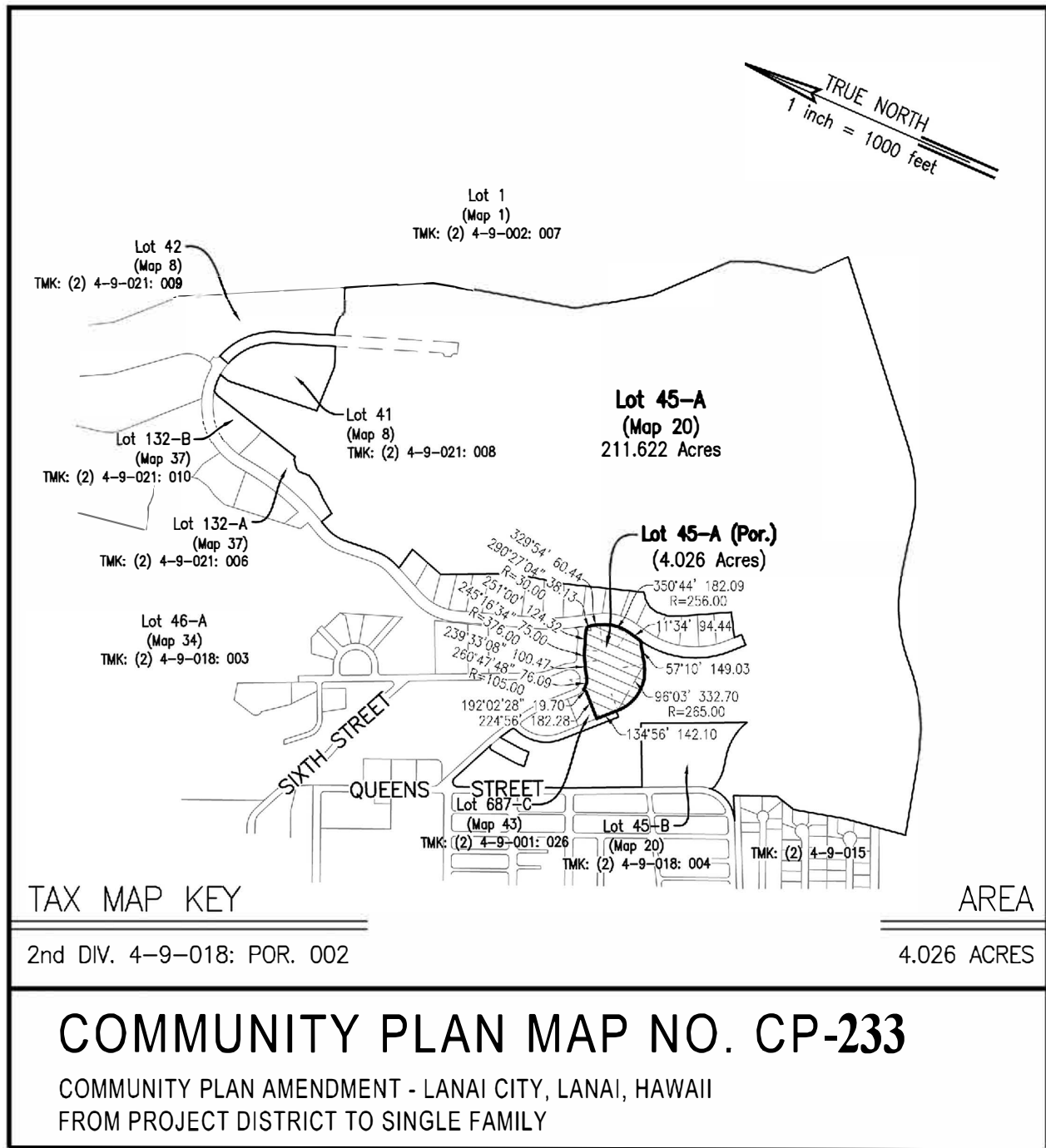


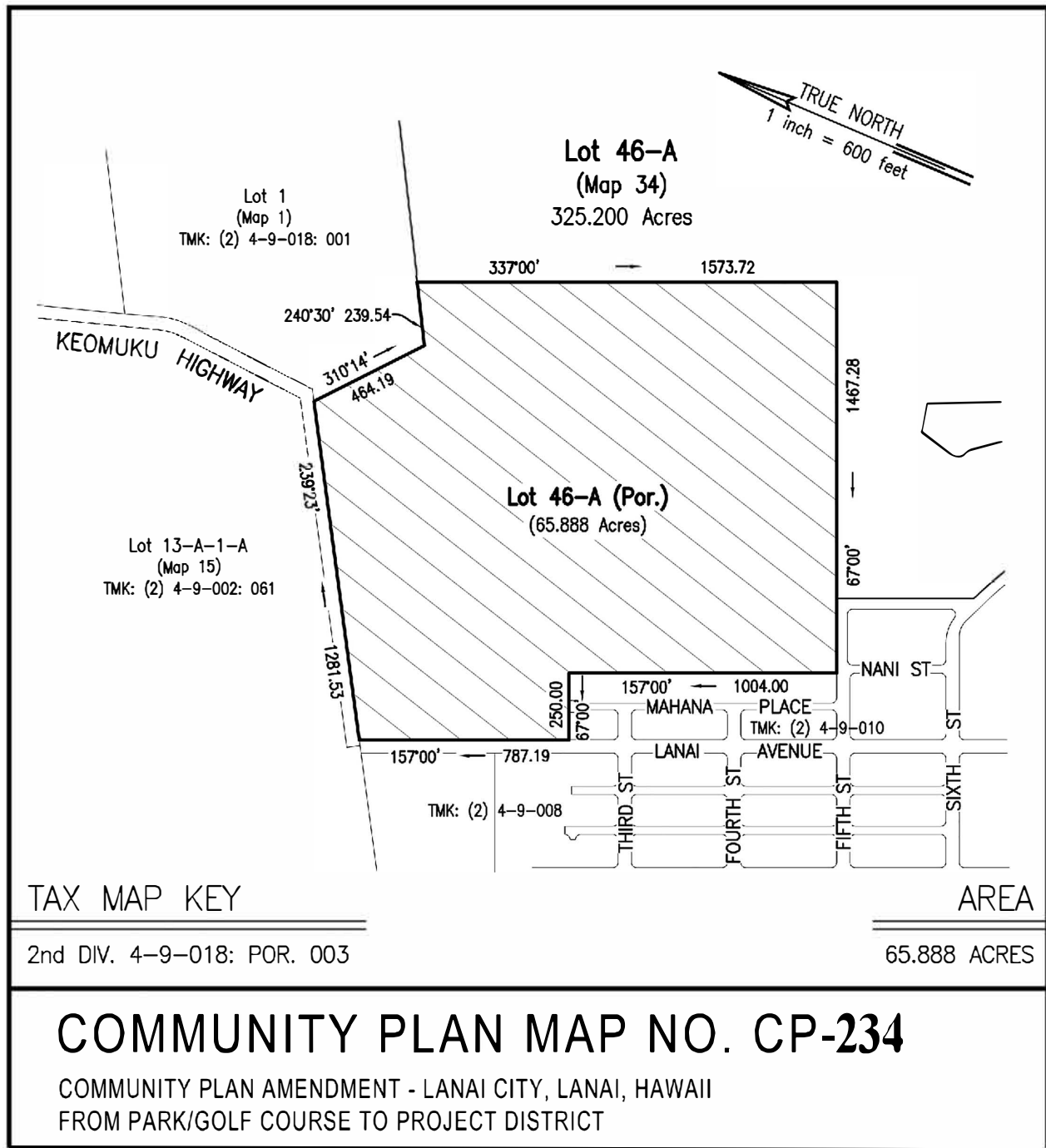


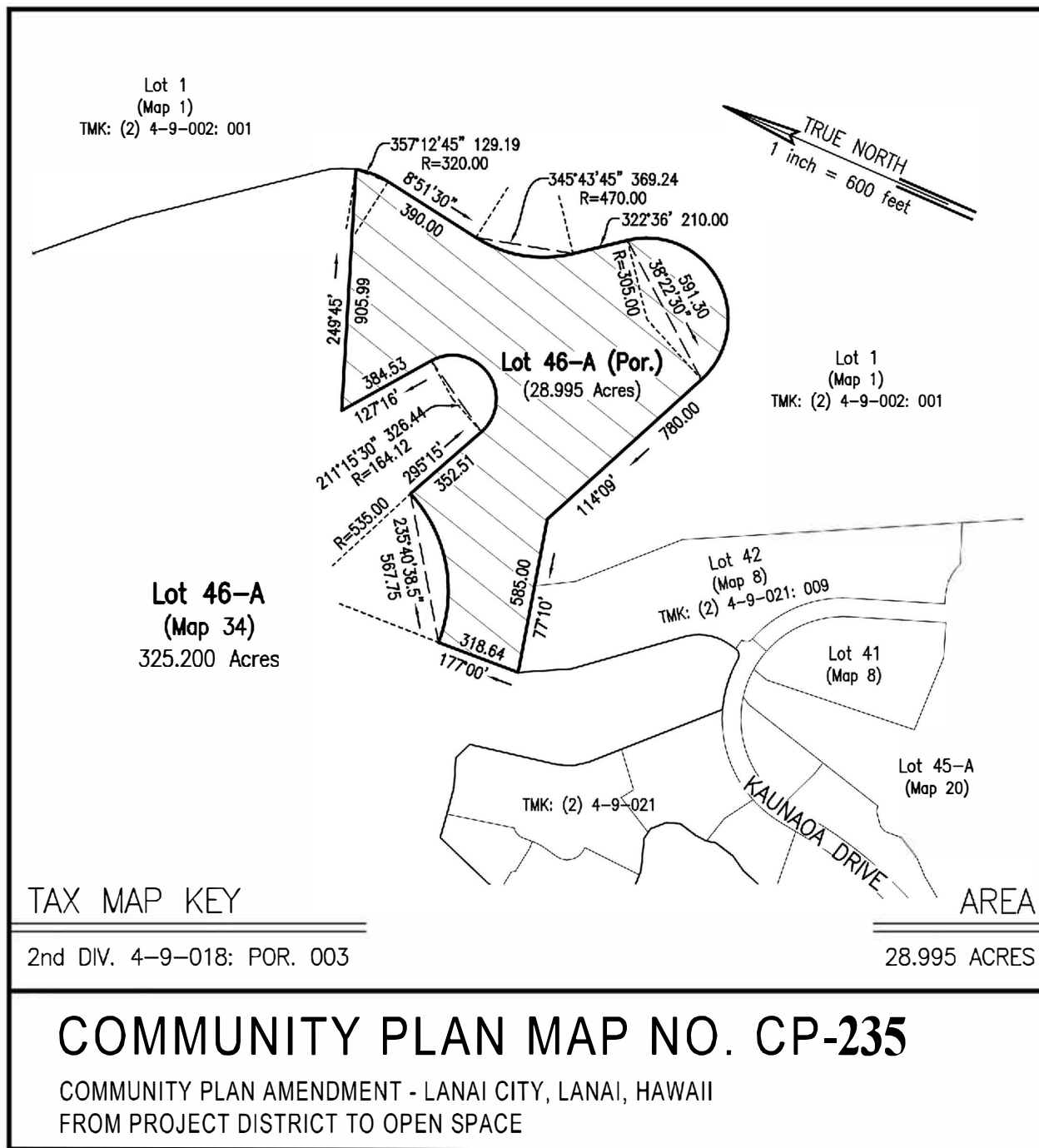


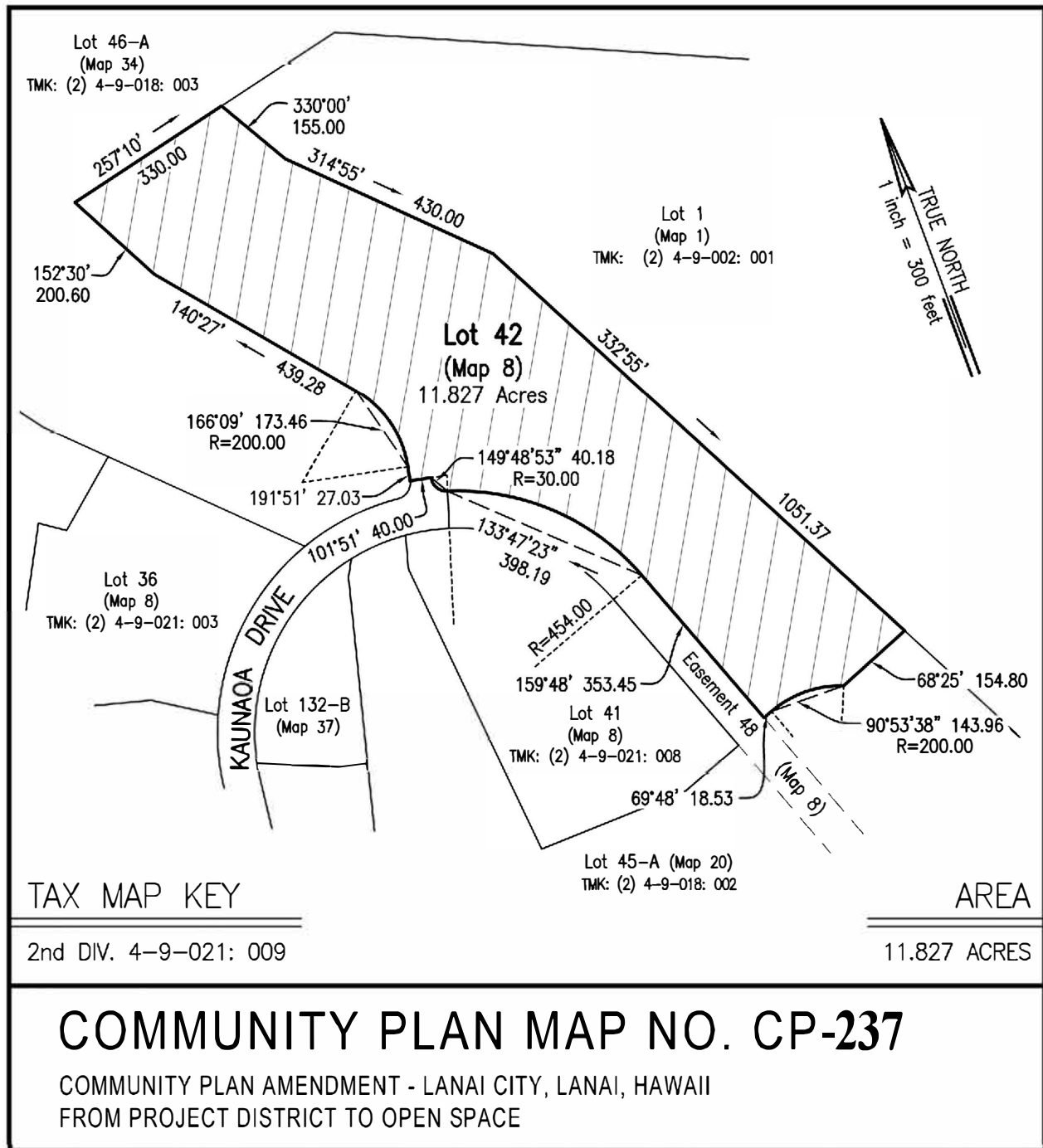












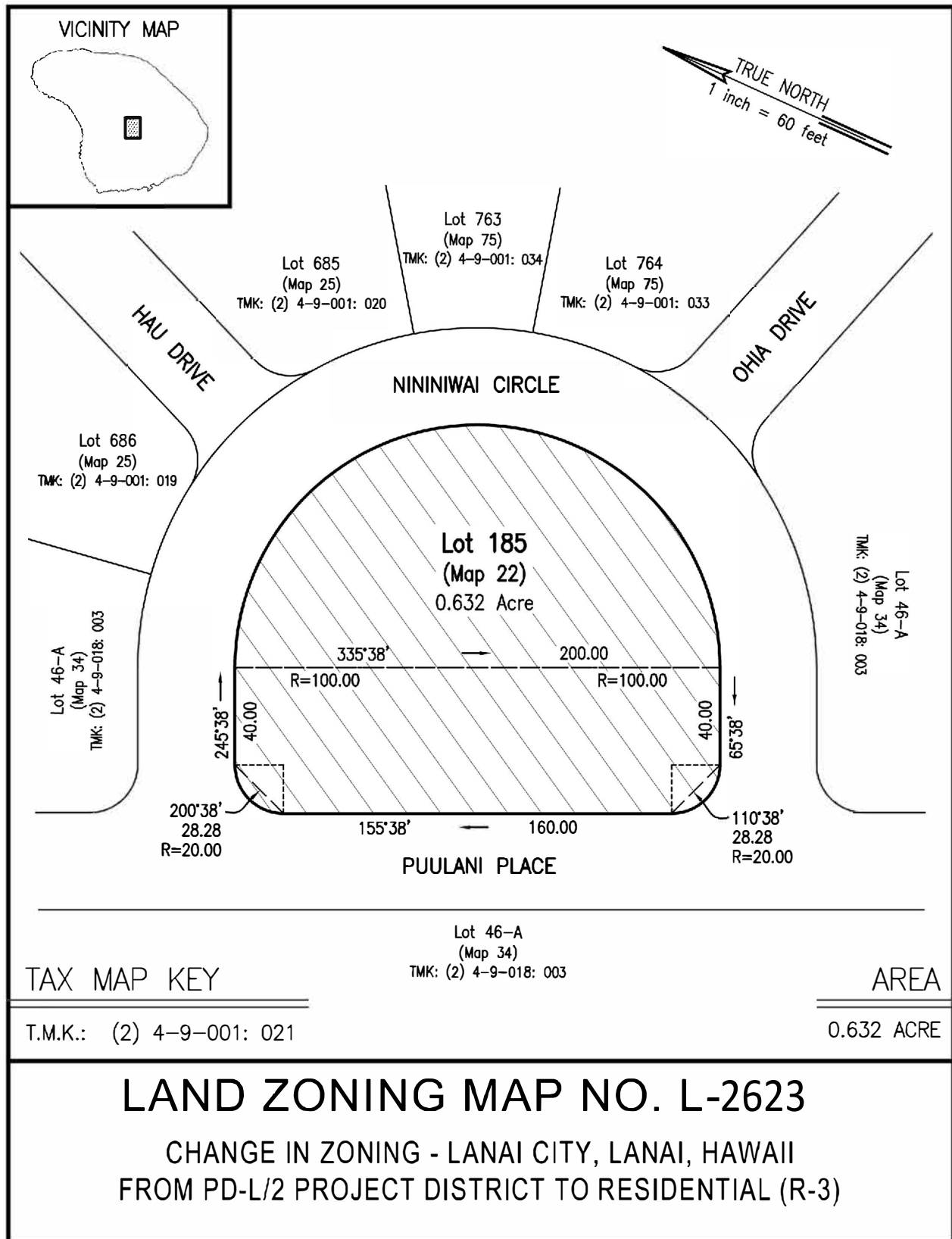
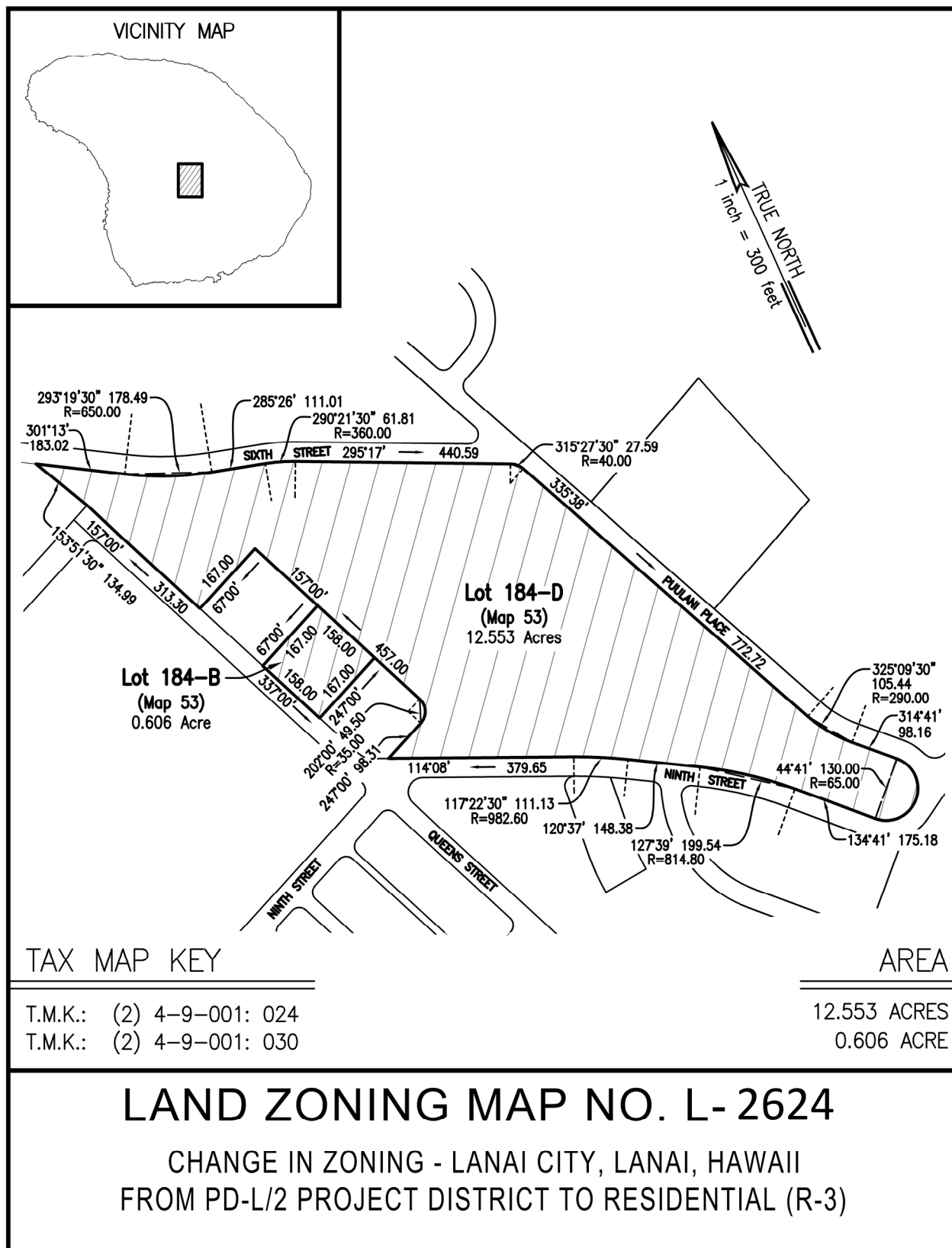
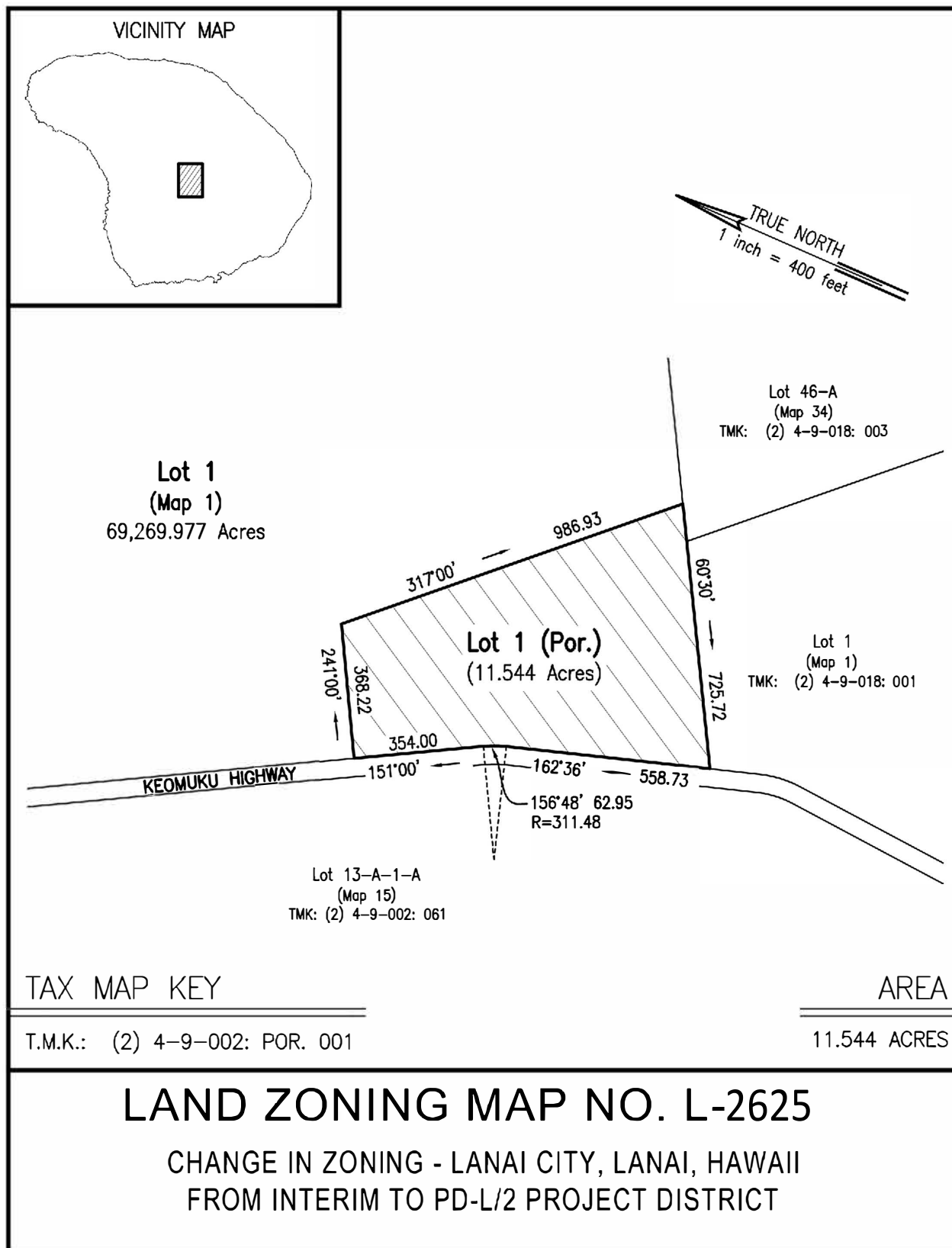
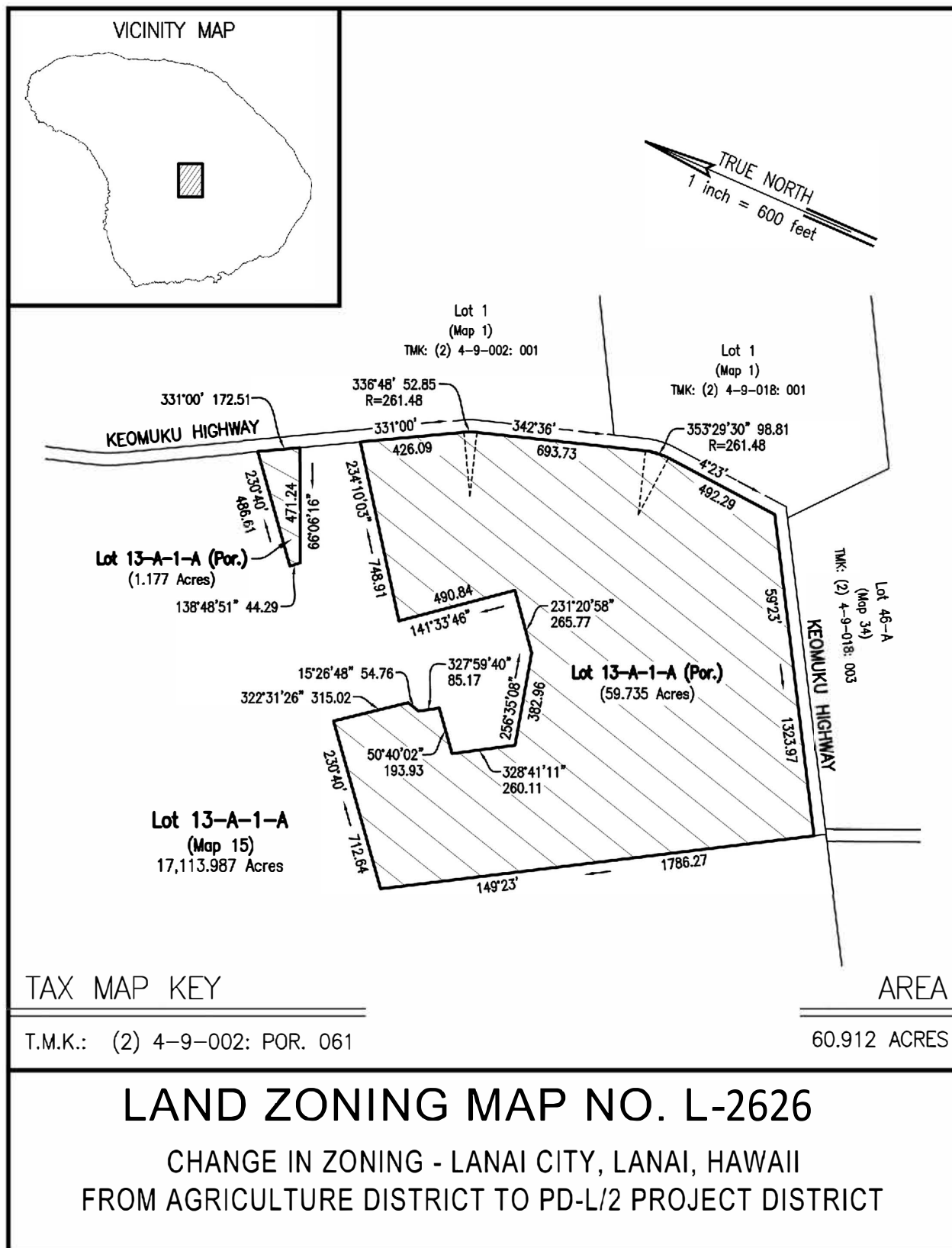
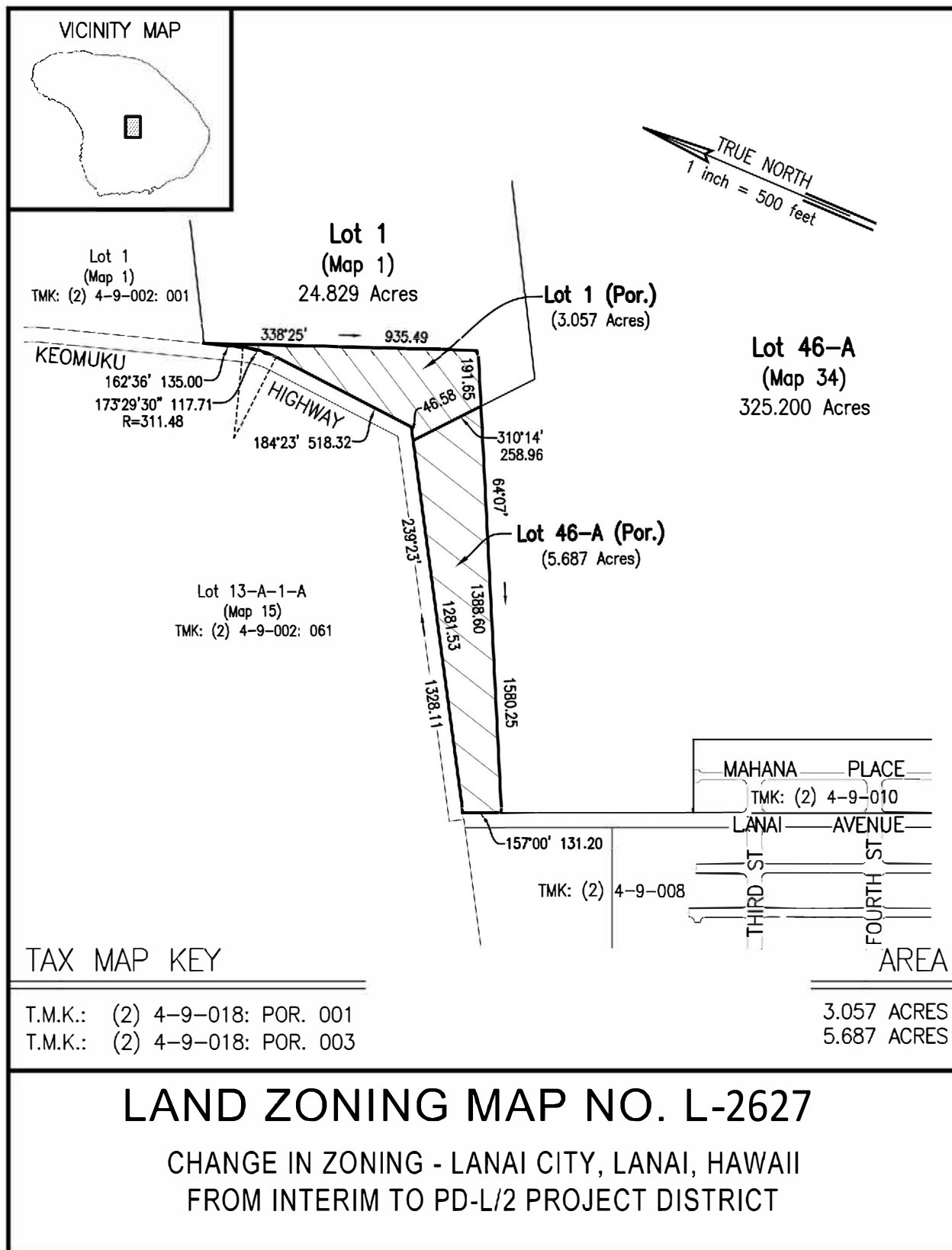


EXHIBIT 2

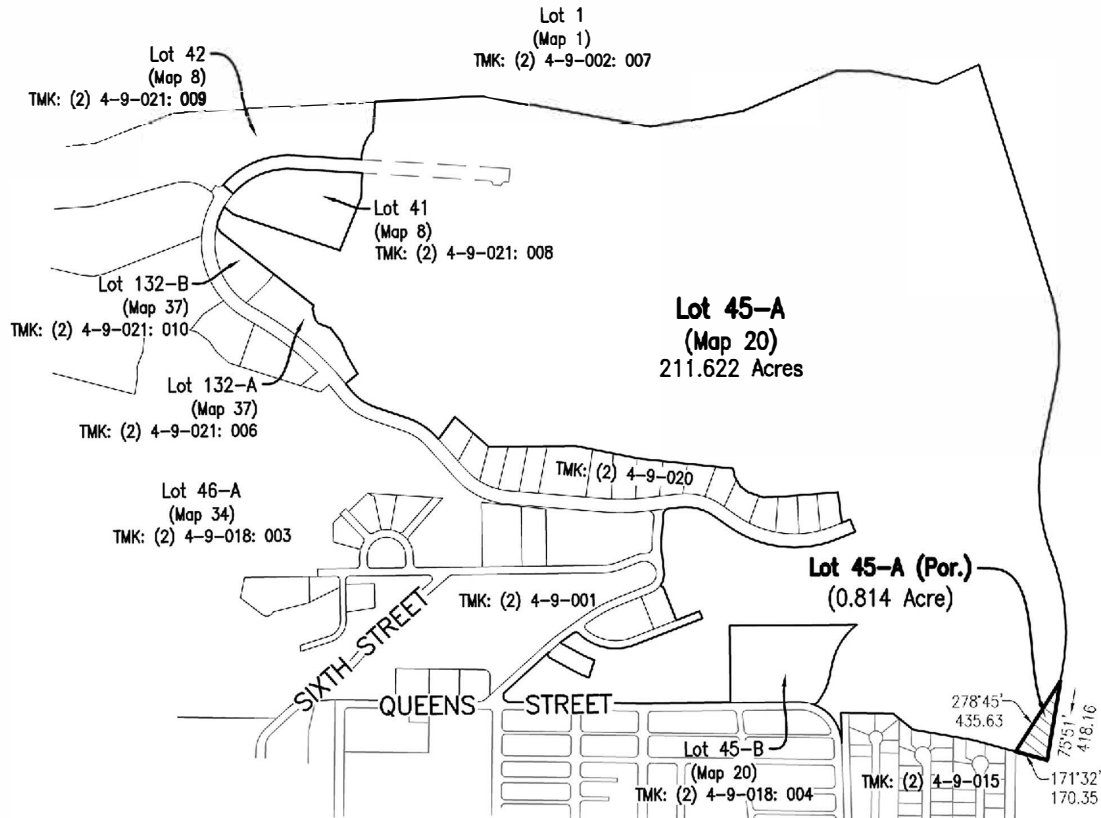
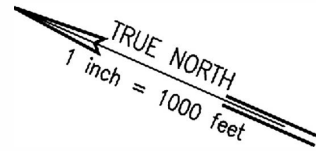
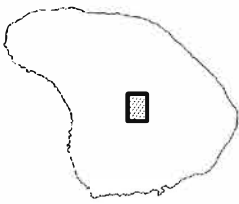








VICINITY MAP



TAX MAP KEY

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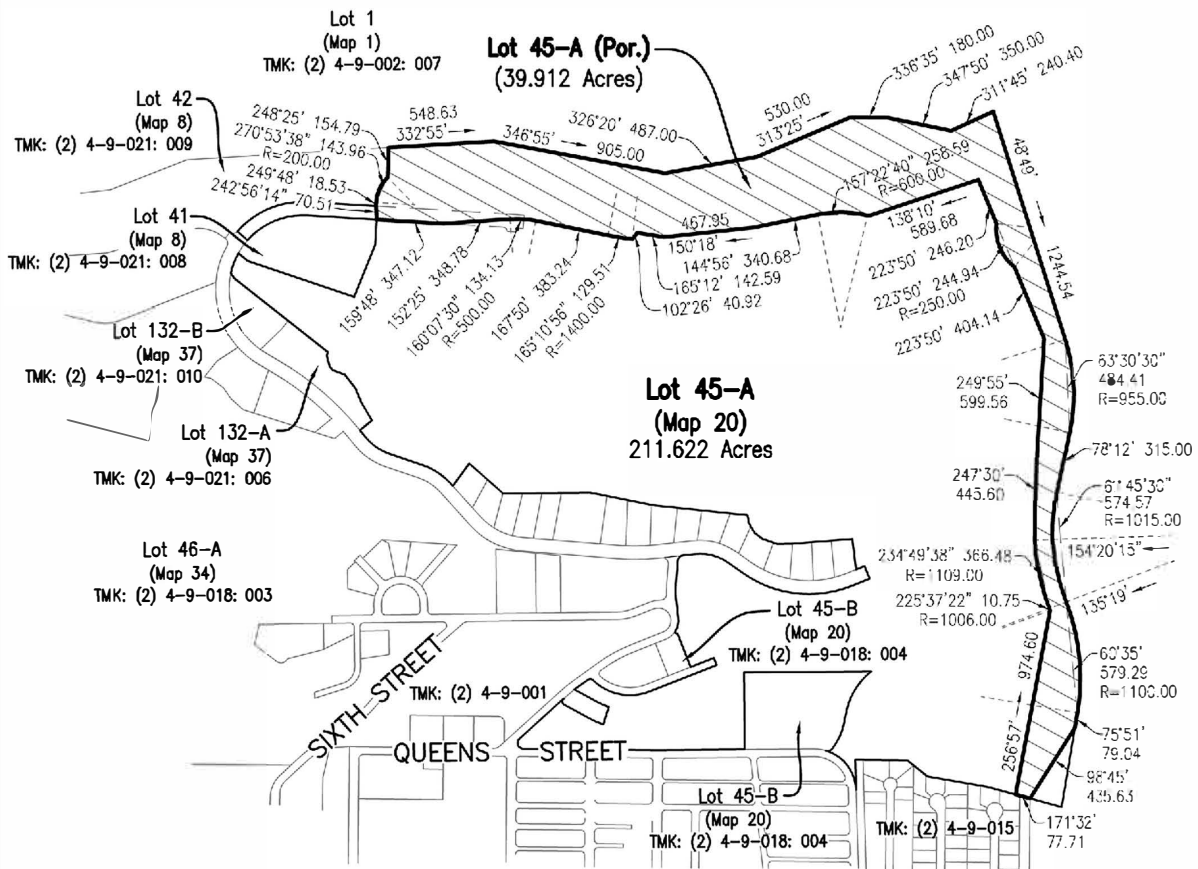
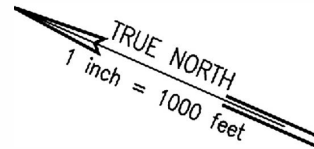
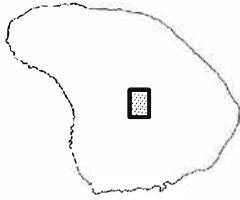
AREA

0.814 ACRE

LAND ZONING MAP NO. L-2628

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM AGRICULTURE DISTRICT TO OPEN SPACE (OS-2)

VICINITY MAP



TAX MAP KEY

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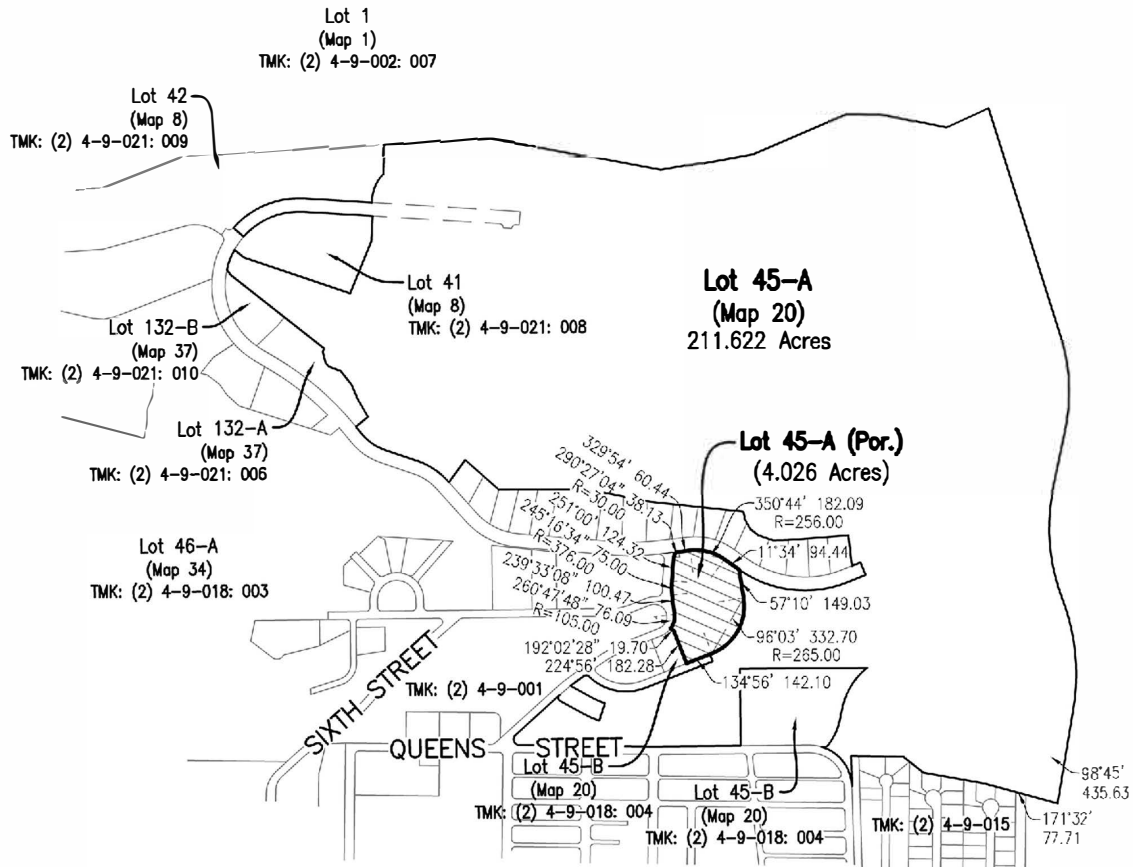
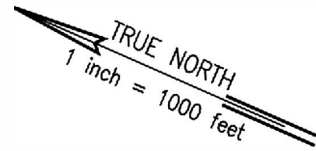
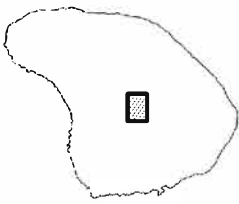
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39.912 ACRES

LAND ZONING MAP NO. L-2629

CHANGE IN ZONING -LANAI CITY LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO OPEN SPACE (OS-2)

VICINITY MAP



TAX MAP KEY

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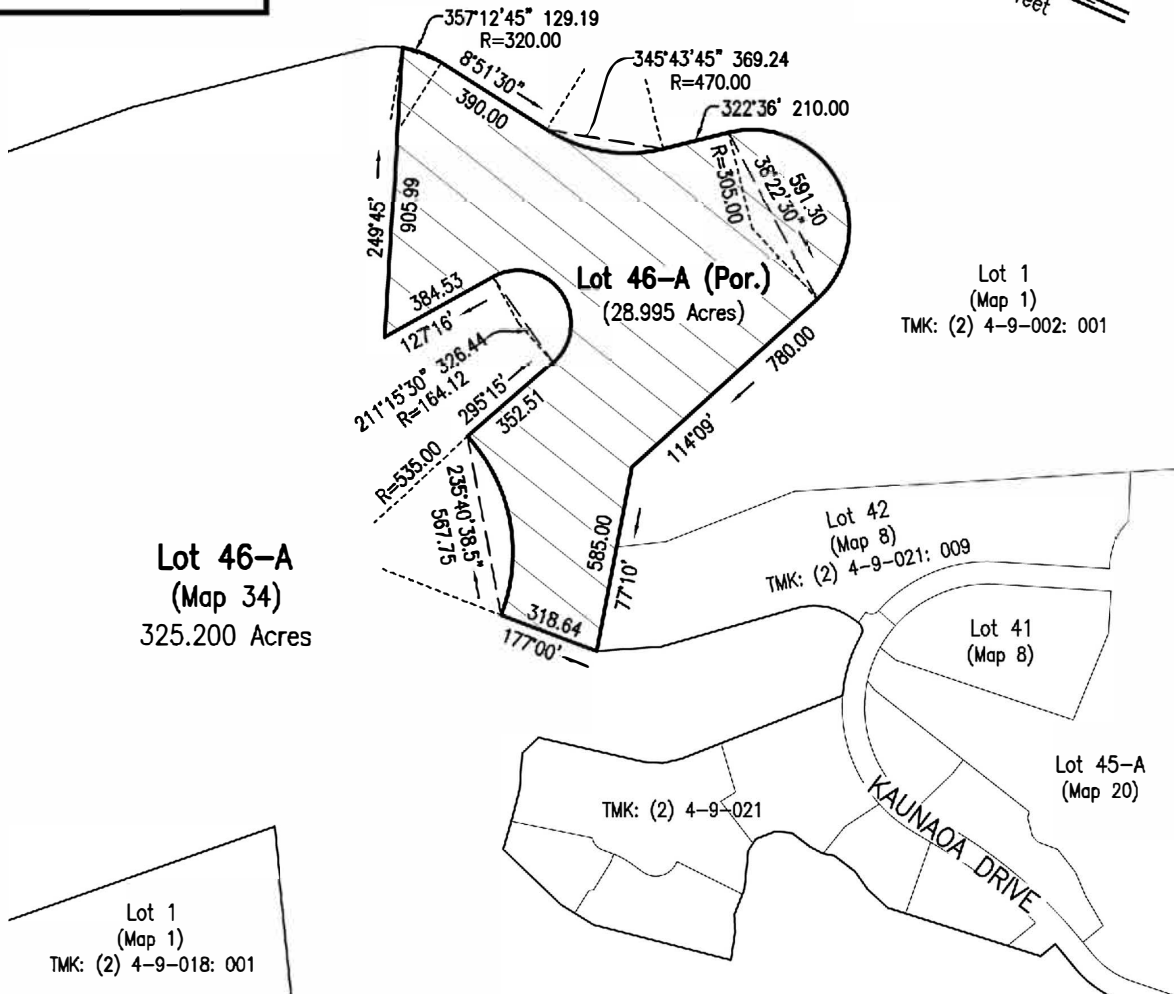
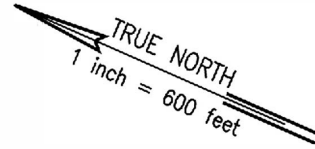
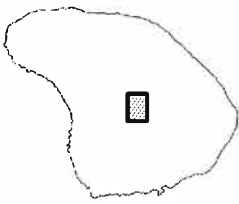
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4.026 ACRES

LAND ZONING MAP NO. L-2630

CHANGE IN ZONING -LANAI CITY LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO RESIDENTIAL (R-3)

VICINITY MAP



TAX MAP KEY

AREA

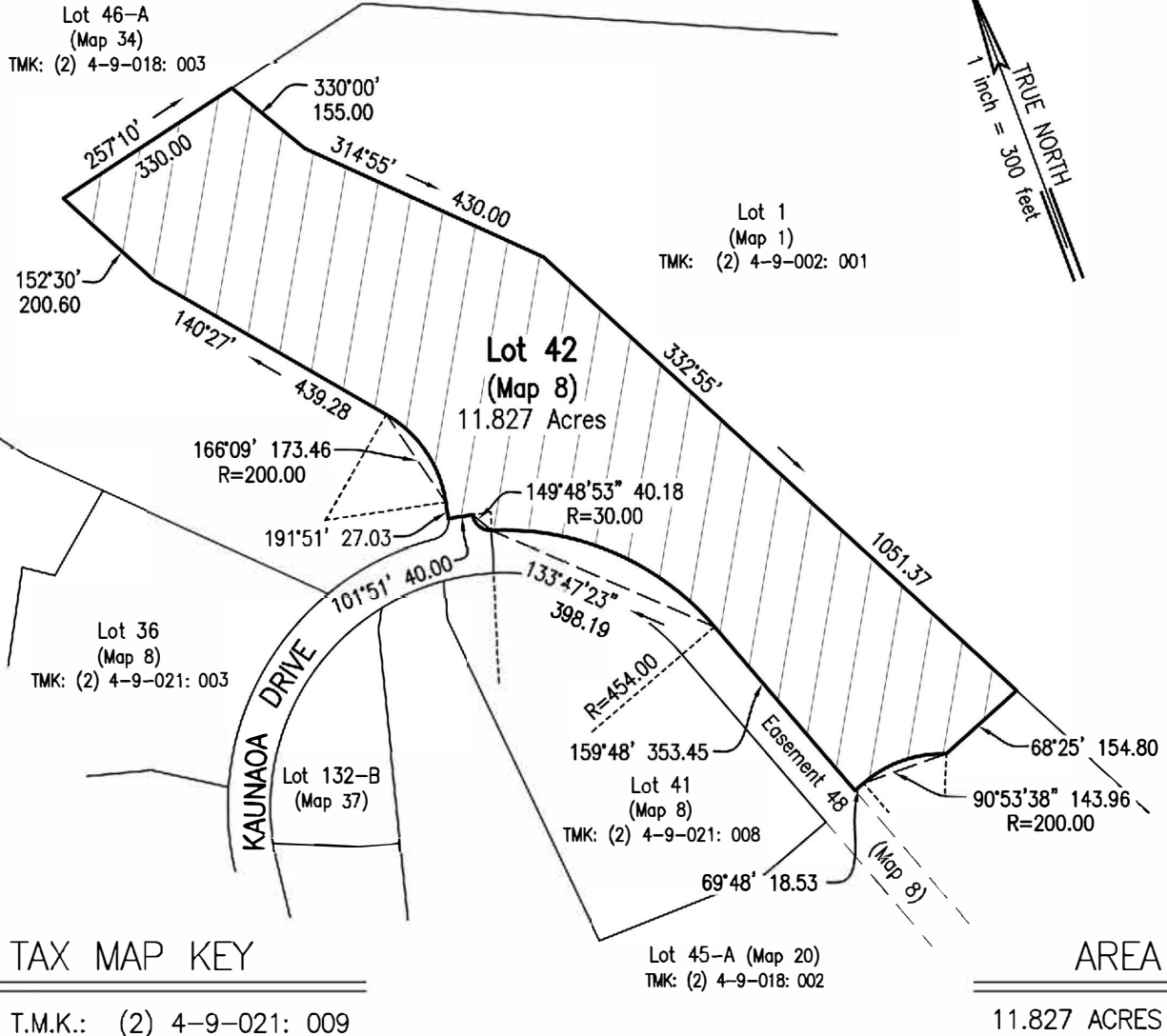
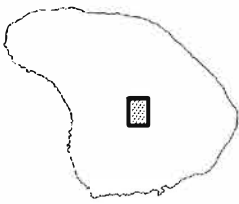
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28.995 ACRES

LAND ZONING MAP NO. L-2631

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO OPEN SPACE (OS-2)

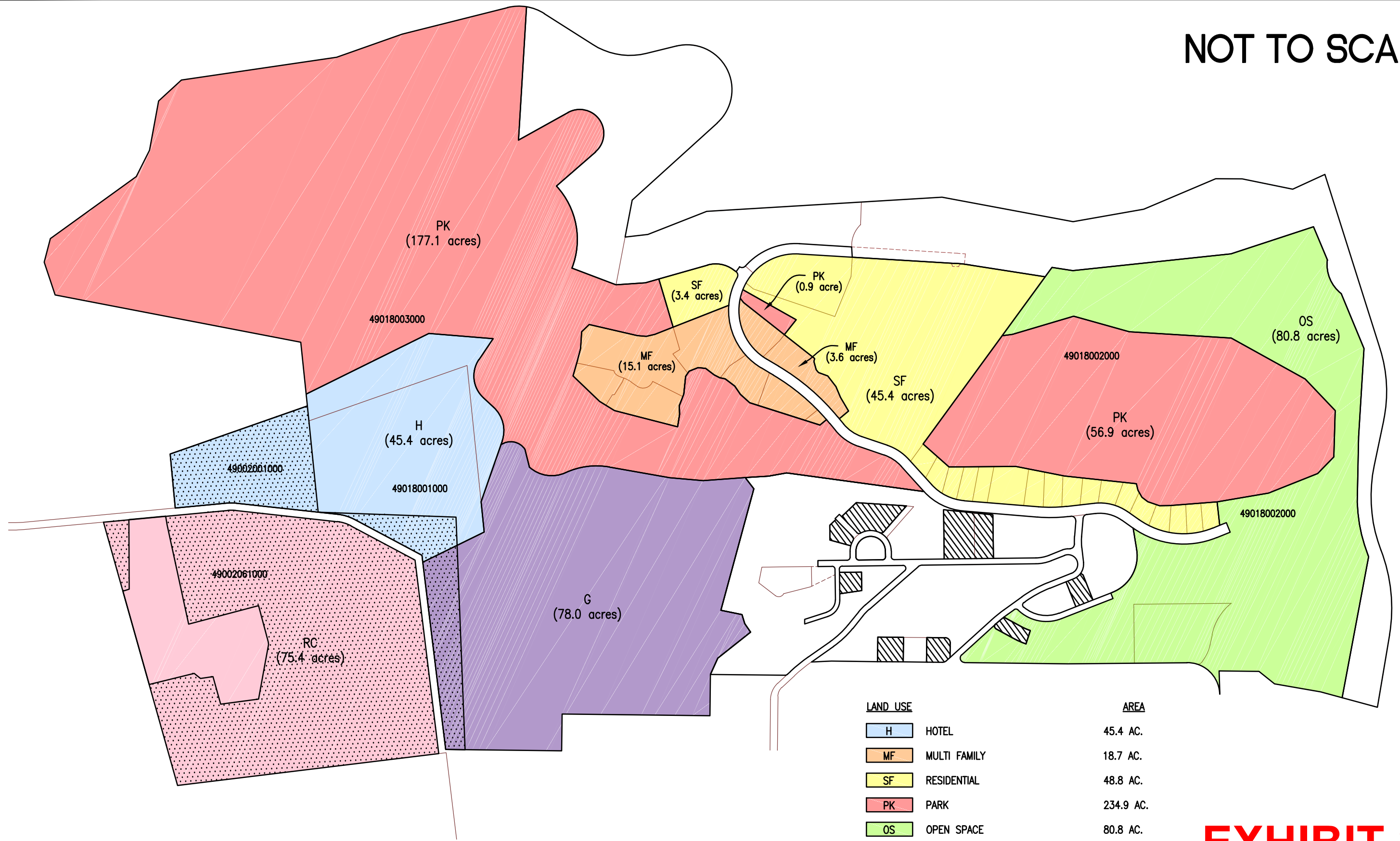
VICINITY MAP



LAND ZONING MAP NO. L-2633

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO OPEN SPACE (OS-2)

NOT TO SCALE



| LAND USE | | AREA |
|-------------|-------------------|-----------|
| H | HOTEL | 45.4 AC. |
| MF | MULTI FAMILY | 18.7 AC. |
| SF | RESIDENTIAL | 48.8 AC. |
| PK | PARK | 234.9 AC. |
| OS | OPEN SPACE | 80.8 AC. |
| G | GOLF | 78.0 AC. |
| RC | RESORT COMMERCIAL | 75.4 AC. |
| TOTAL AREA: | | 582.0 AC. |

EXHIBIT 3

Chapter 19.71 LANAI PROJECT DISTRICT 2 (KOELE)

19.71.10 Purpose and intent.

- A. The purpose and intent of project district 2 at Koele, Lanai, is to provide for a flexible and creative approach to development which considers physical, environmental, social, and economic factors in a comprehensive manner.
- B. The purpose and intent of project district 2 at Koele is to establish a low-density residential and recreational development with hotel facilities in an upland rural setting.
- C. This project district is to be complementary and supportive of services offered in Lanai city and will provide housing and recreational opportunities to island residents. Uses include, but are not limited to, single-family residential, multifamily residential, hotel, open space, park, resort commercial, and golf course.

(Ord. 2139 § 2, 1992: Ord. 1580 § 1 (part), 1986)

19.71.20 Residential PD-L/2.

- A. Permitted Uses. Within the residential districts, the following uses shall be permitted:
 - 1. Principal uses:
 - a. Single-family detached dwellings;
 - b. Greenhouses, flower and truck gardens, and nurseries; provided there shall be no retailing or transacting of business on the premises;
 - c. Parks and playgrounds.
 - 2. Accessory uses and structures;
 - a. Day care nurseries, kindergartens, nursery schools, child care homes, day care homes, day care centers, nurseries, preschool kindergartens, babysitting services, learning pods, home schools, and other like facilities located in private homes used for child care and learning services. These facilities shall serve six or fewer children at any one time on lot sizes of less than seven thousand five hundred square feet, eight or fewer children at any one time on lot sizes of seven thousand five hundred or more square feet but less than ten thousand square feet, or twelve or fewer children at any one time on lot sizes of ten thousand or more square feet;
 - b. Trash enclosures;
 - c. Garages;
 - d. Accessory dwelling for a lot with .5 acre or more, subject to the provisions of chapter 19.35;
 - e. Subordinate uses and structures that are determined by the Director of Planning to be clearly incidental and customary to the permitted uses listed herein

B. Development standards for residential districts shall be:

1. Minimum lot area, six thousand square feet;
2. Minimum lot width, sixty feet;
3. Minimum building setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, six feet, ten feet for the second story of a structure,
 - c. Rear yard, six feet, ten feet for the second story of a structure;
4. Maximum overall net density, two and one-half units per acre;
5. Maximum height, two stories not to exceed thirtyfeet.

(Ord. 1580 § 1 (part), 1986)

19.71.30 Multifamily PD-L/2.

A. Permitted Uses. Within multifamily districts, the following uses shall be permitted:

1. Principal uses:
 - a. Single-family detached buildings,
 - b. Apartment houses,
 - c. Duplexes;
2. Accessory uses and structures.
 - a. Day care nurseries, kindergartens, nursery schools, child care homes, day care homes, day care centers, nurseries, preschool kindergartens, babysitting services, learning pods, home schools, and other like facilities located in private homes used for child care and learning services. These facilities shall serve six or fewer children at any one time on lot sizes of less than seven thousand five hundred square feet, eight or fewer children at any one time on lot sizes of seven thousand five hundred or more square feet but less than ten thousand square feet, or twelve or fewer children at any one time on lot sizes of ten thousand or more square feet;
 - b. Trash enclosures;
 - c. Garages;
 - d. Subordinate uses and structures that are determined by the Director of Planning to be clearly incidental and customary to the permitted uses listed herein.

B. Development standards for multifamily districts shall be:

1. Minimum lot area, one acre;
2. Minimum lot width, one hundred ten feet;
3. Minimum building setback:
 - a. Front yard, fifteen feet,

-
- b. Side yard, ten feet, fifteen feet for two stories,
 - c. Rear yard, ten feet, fifteen feet for two stories;
 - 4. Maximum overall net density, six units per acre;
 - 5. Maximum floor area ratio, 0.5;
 - 6. Maximum height, two stories not to exceed thirty feet.

(Ord. 2139 § 3, 1992; Ord. 1580 § 1 (part), 1986)

19.71.40 Hotel PD-L/2.

A. Permitted Uses. Within hotel districts, the following uses shall be permitted:

- 1. Principal uses:
 - a. Hotel;
 - b. Automobile parking lots and buildings;
 - c. Historical buildings, structures, or sites.
- 2. Accessory uses and structures;
 - a. Trash enclosures;
 - b. Ground signs;
 - c. Boundary walls and fences;
 - d. The following uses shall be operated as an adjunct to, and as part of, a hotel with said hotel having at least twenty-five rooms. Furthermore, these uses shall be operated primarily as a service to, and for the convenience of, the tenants and occupants of the hotel on which premises such services are located. The shops and businesses may be constructed as separate buildings. However, entrances to shops and businesses shall not front on a street.
 - i. Activities/information center;
 - ii. Bars, nightclubs;
 - iii. Fitness centers;
 - iv. Flower shops;
 - v. Eating and drinking establishments;
 - vi. Outdoor recreation
 - vii. Recreational facilities including tennis and other playing courts, horse riding stables, and equestrian trails;
 - viii. Spa facilities and support services;
 - ix. Sundry shops;
 - x. Swimming pools;
 - xi. Theater/auditoriums;
 - xii. Ticket agencies;
 - xiii. Other accessory business or service establishments that furnish goods or perform services primarily for hotel guests.
 - e. Subordinate uses and structures which are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.

-
- B. Special Uses. Other uses may be approved by the Lanai Planning Commission subject to the provisions of section 19.510.070 of this title.
- C. Development standards for hotel districts shall be:
1. Minimum lot area, one acre;
 2. Minimum lot width, one hundred ten feet;
 3. Minimum building setback:
 - a. Front yard, twenty feet,
 - b. Side yard, ten feet,
 - c. Rear yard, fifteen feet;
 4. Maximum floor area ratio, 0.8;
 5. Maximum lot coverage, forty percent;
 6. Maximum height, two stories not to exceed thirty feet, except that the Director of Planning may approve a greater height limitation for a structure where the Director of Planning determines that the increased height will enhance the appeal and architectural integrity of the structure, provided that the additional area created by the excess height shall not be used for habitation nor storage;
 7. Maximum overall net density, twelve units per acre.

(Ord. 2139 § 4, 1992; Ord. 1580 § 1 (part), 1986)

19.71.050 Park PD-L/2.

- A. Permitted Uses. Within park districts, the following uses shall be permitted:
1. Principal uses:
 - a. Parks and playgrounds;
 - b. Cultural and performing arts facilities;
 - c. Fitness courses;
 - d. Historical buildings, structures and sites, and sites or areas of scenic interest;
 - e. Maintenance areas and structures;
 - f. Outdoor recreation and recreational activities;
 - g. Picnicking;
 - h. Playing courts and playfields;
 - i. Public utilities;
 - j. Recreational and educational centers and facilities;
 - k. Sculpture gardens;
 - l. Trail activities;
 - m. Zip line recreational activities;
 - n. Other similar commercial or noncommercial enterprises or activities that are not detrimental to the welfare of the surrounding area; provided such uses shall be approved by the Director of Planning as conforming to the intent of this chapter.
 2. Accessory uses and structures.
 - a. Energy systems, small-scale; provided such use shall not cause a detrimental or nuisance effect on neighboring properties;
 - b. Light fixtures and light poles; provided lighting or lamp posts and lighting controls shall be full cut-off luminaries to lessen possible sea bird strikes;

-
- c. Park furniture, including but not limited to benches, picnic tables, and fountains;
 - d. Botanical gardens;
 - e. Bazaars, fairs, food, wine, film, or other festivals that are special events and temporary in nature. "Temporary" for the purposes of this section shall mean that each festival or event may be held for no more than thirty days in a calendar year;
 - f. Restaurants and gift shops;
 - g. Pavilions;
 - h. Comfort and shelter stations;
 - i. Clubhouses for recreational uses, including restrooms, check-in counters or kiosks, and other ancillary facilities;
 - j. Parking lot, loading and unloading area;
 - k. Maintenance facilities;
 - l. Subordinate uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.
- B. Development standards for park districts shall be:
- 1. Minimum lot area, two acres;
 - 2. Minimum lot width, one hundred fifty feet;
 - 3. Minimum structure setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, fifteen feet,
 - c. Rear yard, fifteen feet;
 - 4. Maximum height, one-story not to exceed twenty feet.
- C. Brackish or recycled water shall be used for irrigation to the extent available. Notwithstanding anything to the contrary under chapter 20.30 of this title, high level aquifer groundwater may be used for irrigation in areas where sufficient brackish or recycled water is not available. Areas within Park districts that have continually and lawfully used high level aquifer groundwater for maintenance and irrigation shall be permitted to continue such use, subject to the provisions of section 19.500.110 of this title.

(Ord. 1580 § 1 (part), 1986)

19.71.55 Golf course PD-L/2.

- A. Permitted Uses. Within the golf course district, the following uses shall be permitted:
- 1. Principal uses:
 - a. Golf courses except for miniature golf courses,
 - b. Historical buildings, structures, or sites;
 - 2. Accessory Uses and Structures. Accessory uses and structures which include, but which are not limited to, the following:
 - a. One caretaker's dwelling unit,
 - b. Cart barns and other equipment, storage, and maintenance facilities,
 - c. One clubhouse with one snack bar, one restaurant, and a pro shop for the sale and service of golf equipment and materials used for golfing purposes,
 - d. Comfort and shelter stations,

-
- e. Golf and driving range including instructional and practice facilities,
 - f. Greenhouses to maintain landscaping on the zoning lot,
 - g. Indoor and outdoor playing courts, swimming pools, and meeting rooms, provided that no major meeting places such as convention halls and athletic complexes such as tennis centers or other permanent spectator accommodations shall be permitted,
 - h. Off-street parking and loading,
 - i. Park furniture,
 - j. Public utility;
 - k. Weight, massage, sauna, and locker rooms,
 - l. Bazaars, fairs, food, wine, film, or other festivals that are special events and temporary in nature. "Temporary" for purposes of this section shall mean that each festival or event may be held for no more than thirty days in a calendar year.
 - m. Subordinate uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.
- B. Development standards for the golf course district shall be:
- 1. Minimum lot area, fifty acres for par three or nine hole;
 - 2. Minimum building setback, all yards, fifty feet;
 - 3. Maximum height, thirty-five feet; provided that ten feet of additional height may be permitted if a cart barn is located in the basement level of the structure, and provided further that minor utility facilities, vent pipes, fans, chimneys, and energy-savings devices shall be permitted additional height if the item is mounted on the roof of a facility; except that in no event shall this additional height exceed five feet above the governing height limit.
- C. Irrigation. Notwithstanding anything to the contrary under chapter 20.30 or 14.08 of this title, golf courses in existence and operation prior to 1991 that have continually and lawfully utilized high level aquifer groundwater for maintenance and irrigation shall be permitted to continue such use, subject to the provisions of section 19.500.110 of this title.

(Ord. 2516 § 1, 1996; Ord. 2515 § 1, 1996; Ord. 2139 § 5, 1992)

19.71.61 Open space PD-L/2.

- A. Permitted Uses. Within open space districts, the following uses shall be permitted:
- 1. Principal uses:
 - a. Forest reserves,
 - b. Miniature golf courses,
 - c. Open agricultural uses not requiring intensive cultivation, including orchards, vineyards, nurseries, and the raising and grazing of livestock, provided the raising of swine and fighting fowl shall not be permitted,
 - d. Parks, botanical, sculpture, and zoological gardens,
 - e. Public and quasi-public utility installations and substations,
 - f. Watersheds, wells, water reservoirs, and water control structures and drainage structures;

-
2. Accessory uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.
- B. Special Uses. The following are declared special uses in open space districts, and approval of the Lanai Planning Commission shall be obtained:
1. Public utilities, including temporary sewage treatment plants;
 2. Recreational facilities of an outdoor nature, including cultural and historical facilities, with a minimum of five acres;
 3. Riding stables and equestrian trails with a minimum of ten acres.
- C. Development standards for open space districts shall be:
1. Minimum lot area, five acres;
 2. Minimum lot width, two hundred fifty feet;
 3. Minimum building setback:
 - a. Front yard, fifty feet,
 - b. Side yard, fifty feet,
 - c. Rear yard, fifty feet;
 4. Maximum height, no portion of any building or structure shall exceed thirty feet in height;
 5. Maximum lot coverage, ten percent.

(Ord. 2139 § 6, 1992: Ord. 1580 § 1 (part), 1986)

19.71.70 Resort Commercial PD-L/2.

- A. Permitted Uses. Within resort commercial districts, the following uses shall be permitted:
1. Principal uses:
 - a. Amusement and recreational activities;
 - b. Catering establishments;
 - c. Eating and drinking establishments;
 - d. Fitness centers;
 - e. Historic buildings, structures and sites, and sites or areas of scenic interest;
 - f. Information centers;
 - g. Museums;
 - h. News and magazine stands;
 - i. Outdoor recreation and outdoor recreational facilities; j. Parking lots;
 - k. Riding stables and riding academies, trails, rodeo corrals and arenas, and equestrian activities and facilities;
 - l. Sculptures;
 - m. Taxicab, car rental, and U-drive stations and offices;
 - n. Tennis and other playing courts;

-
- o. Other uses of similar character providing foods, services or facilities primarily to guests and transient visitors; provided the Director of Planning may approve such uses as conforming to the intent of this article, subject to terms and conditions as may be warranted and required by the Director of Planning.
 - 2. Accessory uses and structures.
 - a. Energy systems, small-scale, provided there will be no detrimental or nuisance effect upon neighbors;
 - b. Other uses that are determined by the Director of Planning to be clearly incidental and customary to a permitted use.
 - B. Special uses. Any other business, service, or commercial establishments that is of similar character in rendering sales or performing services to guests, visitors, and residents of the area; provided approval of the Lanai Planning Commission is obtained and the use conforms to the intent of this district.
 - C. Development standards for resort commercial districts shall be:
 - 1. Minimum lot area, six thousand square feet;
 - 2. Minimum lot width, sixty feet;
 - 3. Maximum height, thirty-five feet, except that vent pipes, fans, chimneys, antennae, and equipment used for small-scale energy systems on roofs shall not exceed forty-five feet;
 - 4. Minimum building setback:
 - a. Front yard, fifteen feet,
 - b. Side and rear yard, zero to ten feet. The ten-foot setback applies if a property abuts a district zoned R-1, R-2, R-3, or R-0 Residential; A-1 or A-2 Apartment; two family (duplex); or H-1, H-2, H-M Hotel; or any area zoned residential, apartment or hotel in any project district.
 - 5. Maximum height, two stories not to exceed thirty feet.

(Ord. 1580 § 1 (part), 1986)

19.71.80 Land use categories and acreages.

- A. The total Koele Project District area is approximately 596 acres (includes undesignated roads). The following are established as maximum acreages for various land use categories within the Koele project district:

| | |
|-------------------|-------------|
| Residential | 48.8 acres |
| Multifamily | 18.7 acres |
| Hotel | 45.4 acres |
| Open space | 80.8 acres |
| Park | 234.9 acres |
| Golf course | 78.0 acres |
| Resort commercial | 75.4 acres |

19.71.90 General standards of development.

Any tract of land for which development is sought in the project district for Koele shall be subject to the following standards:

A. Steep Slopes.

1. "Steep slopes" are defined as lands where the inclination of the surface from the horizontal is twelve percent or greater prior to any grading.
2. A tract master plan shall be provided showing the building envelope, required setbacks, and preliminary drainage plan for each lot within the given tract and shall be reviewed and approved by the planning department during phase III project district review. The planning department may impose mitigative measures to ensure minimum subsidence and erosion on slopes exceeding thirty percent and on portions of the tract which are immediately adjacent to ravines. The tract master plan may include all or any part of the given tract, however phase III approval shall only apply to that part. Prior to the issuance of a building permit for a dwelling on a lot, the grading and erosion control plan for that lot shall be submitted to and approved by the department of public works and waste management, which shall review the final grading plan in accordance with the following criteria:
 - a. Individual lot drainage shall conform with the approved phase III preliminary drainage plan;
 - b. Erosion control measures to prevent erosion and sedimentation into the adjoining natural drainageway during construction of the home and exterior improvements shall be specified;
 - c. A plan shall be submitted for revegetation of all disturbed and exposed slopes. This plan shall show how exposed surfaces will be planted and covered after construction to prevent erosion and sedimentation into the adjoining drainageway; and
 - d. The planning department may require additional information if deemed necessary to support any request for phase III approval.

B. Ravines and Ravine Buffers.

1. At least ninety-five percent of all ravines shall remain in permanent open space. At least eighty percent of all ravine buffers shall remain in permanent open space.
2. "Ravines" are defined as valleys with sharply sloping walls created by action of intermittent stream waters. Ravine buffer areas are to be shown on the tract master plan and shall be at least equal to ten percent of the mean depth of the lot measured from the top of the ravine wall.

C. Wetlands. Areas such as swamps, marshes, bogs or other similar lands shall remain as permanent undisturbed open space.

D. Woodlands.

1. No more than sixty percent of existing woodland area shall be cleared. The remaining forty percent shall be maintained as permanent open space which may be enhanced by landscape planting as approved by the planning department.
2. "Woodlands" are defined as areas, including one or more lots, covering one contiguous acre or more, and consisting of thirty-five percent or more canopy tree coverage, where (a) trees have a caliper of at least sixteen inches; or (b) any grove of ten trees or more have calipers of

at least ten inches. For the purposes of this section, a "grove" is defined as a stand of trees lacking natural underbrush or undergrowth.

- E. Other Resources. Areas of important natural, historical, archaeological, or cultural resources or unique physical features, not otherwise mentioned in this section, shall be identified, and provisions shall be outlined to preserve or improve said resource or feature.
- F. Design.
 - 1. At least twenty percent of the lot area of each development shall be in protected open space. This includes areas defined in this section but does not include roadways, streets, and parking lots.
 - 2. Each building and structure shall be designed by a licensed architect to conform with the intent of the project district.
- G. Recreational, Community, and Open Space Facilities.
 - 1. Recreational and community facilities shall be provided.
 - 2. Provision shall be made for continuing management of all recreational, community, and open space facilities to insure proper maintenance and policing. Documents to said effect shall be required.
- H. Infrastructure. The development shall not burden governmental agencies to provide substantial infrastructural improvements.
- I. Landscape Planting.
 - 1. Comprehensive landscaping of the entire development shall be provided, including along streets, within lots, and in open spaces.
 - 2. Landscape planting is to be considered as an integral element to be utilized for visual screening, shade, definition, and environmental control. Furthermore, the use of recycled water is to be considered for irrigation purposes.
- J. Signage. A comprehensive signage program shall be designed for the total development area and defined to at least include sizes, format, conceptual design, color schemes, and landscaping.
- K. Lighting. Lighting shall be established in a manner so as to not adversely impact the surrounding areas.

(Ord. 2407 § 1, 1995: Ord. 2139 § 8, 1992: Ord. 1580 § 1 (part), 1986)

-BEFORE THE LĀNA'I PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAI'I

In the Matter of the Application of

**LANAI RESORTS, LLC, A HAWAI'I LIMITED
LIABILITY COMPANY DOING BUSINESS
AS PŪLAMA LĀNA'I**

To obtain a Project District Phase I
Amendment, Community Plan Amendment,
and Change of Zoning for properties located in
Lāna'i Project District 2 (Kō'ele) identified as
Maui Tax Map Key Nos. (2)4-9-001:021, 024,
025(por.), 027, 030, (2)4-9-002:001(por.),
061(por.), (2)4-9-018:001, 002(por.), 003(por.),
004, 005, (2)4-9-020:020(por.), and (2)4-9-
021:009; Kō'ele, Lāna'i, Hawai'i

DOCKET NUMBERS

PH1 2021/0001

CPA 2021/0001

CIZ 2021/0001

**LANAI RESORTS, LLC, A HAWAI'I
LIMITED LIABILITY COMPANY DOING
BUSINESS AS PŪLAMA LĀNA'I**

Kō'ele Amendments

(KW)

DEPARTMENT OF PLANNING
REPORT AND RECOMMENDATION
MAY 18, 2022 MEETING

DEPARTMENT OF PLANNING
COUNTY OF MAUI
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HI. 96793

**Project District Phase I Amendment PH1 2021/0001
Community Plan Amendment CPA 2021/0001
Change of Zoning CIZ 2021/0001**

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Report Recommendation 5.10.22.docx

BEFORE THE LĀNA'I PLANNING COMMISSION
COUNTY OF MAUI
STATE OF HAWAII

In the Matter of the Application of

**LANAI RESORTS, LLC, A HAWAII LIMITED
LIABILITY COMPANY DOING BUSINESS
AS PŪLAMA LĀNA'I**

To obtain a Project District Phase I Amendment, Community Plan Amendment, and Change of Zoning for properties located in Lāna'i Project District 2 (Kō'ele) identified as Maui Tax Map Key Nos. (2)4-9-001:021, 024, 025(por.), 027, 030, (2)4-9-002:001(por.), 061(por.), (2)4-9-018:001, 002(por.), 003(por.), 004, 005, (2)4-9-020:020(por.), and (2)4-9-021:009; Kō'ele, Lāna'i, Hawai'i

DOCKET NUMBERS

PH1 2021/0001
CPA 2021/0001
CIZ 2021/0001

**LANAI RESORTS, LLC, A HAWAII
LIMITED LIABILITY COMPANY DOING
BUSINESS AS PŪLAMA LĀNA'I**

Kō'ele Amendments

(KW)

DESCRIPTION OF THE PROJECT

Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i (Applicant), is proposing to amend the boundaries of Lāna'i Project District 2 (Kō'ele), otherwise referred to as the "Kō'ele Project District" or "Project District", by adding new acreage, removing existing acreage, and adjusting the sub-designations (specific land uses) within the Project District.

A Finding of No Significant Impact for a Final Environmental Assessment (EA) was accepted by the Lāna'i Planning Commission (LPC) on January 19, 2022. A copy of the Final EA may be accessed via hyperlink on the State of Hawai'i's Office of Planning and Sustainable Development's Environmental Review Program (ERP) website, which archives *The Environmental Notice* publications. The Final EA publication date was February 8, 2022 (https://files.hawaii.gov/dbedt/erp/The_Environmental_Notice/2022-02-08-TEN.pdf).

Links to the Final EA and the project applications are also provided in the agenda posted for the LPC meeting of May 18, 2022. Please note that frequent references to the Final EA will be made throughout this Staff Report so please refer back to the Final EA for pertinent information.

Additionally, the Final EA documents may be found on the ERP website using the following links as shown below:

Volume I of II – Final Environmental Assessment

https://files.hawaii.gov/dbedt/erp/Doc_Library/2022-02-08-LA-FEA-Koele-Project-District-Amendment-Vol-I.pdf

Within the Final EA are the status reports for both Maui County Ordinance 2140 and for State Land Use Commission Docket A90-662. See pages REF-225 to REF-271 in the Final EA for the Ordinance 2140 Status Report and pages REF-272 to REF-385 for the Land Use Commission Docket A90-662 Status Report.

Further, the Applicant also seeks to amend Chapter 19.71 Lanai Project District 2 (Kō'ele) established by Maui County Ordinance to align with existing and future uses without changing the original intent of the Kō'ele Project District. Maui County Ordinances passed in 1986 and in 1992 established and revised the Kō'ele Project District to provide guidance for the development within the Project District.

No construction activities are included in this proposal. However, the scale of future development and construction activities, shall be limited by the generation of outputs and impacts as well as the consumption of resources and services that have been disclosed and analyzed by this Change of Zoning Amendment Application and associated submittals. Future construction shall also be subject to a Project District Phase II Application process, which is subject to public review and approval by the LPC at which time specific project impacts will be further evaluated.

The Applicant seeks to amend the boundaries of the Kō'ele Project District in order to significantly reduce the already low density by decreasing the amount of Residential and Multi-Family (Project District sub-designations) acres, significantly increasing the amount of Open Space and Park (Project District sub-designations) acres, and by reducing the Golf Course (Project District sub-designation) acreage. The proposed amendments increase the acreage in the Hotel sub-designation, accounting for existing uses (e.g., entrance of hotel, mini-golf putting course, etc.) and potential future uses. The proposed amendments also create a new Resort Commercial sub-designation, which encompasses the existing Stables and Tennis Courts and includes currently undeveloped areas which are envisioned to support Sensei Lāna'i, A Four Seasons Resort operations. The proposed changes will ultimately reduce the total acreage in the Kō'ele Project District by eight percent. See **Exhibit 1** for existing project district map and **Exhibit 2** for proposed. **Table 1** and **Table 2** below, summarize the new Tax Map Key (TMK) parcel that will be added to the Project District and those that will be completely removed from the existing Project District.

Table 1. New Tax Map Key Parcel to be Added to the Kō'ele Project District

| TMK | Acreage | Address | Owner |
|--------------------|---------|-----------------|---------------------------------------|
| (2)4-9-02: Por. 01 | 11.54 | Keōmuku Highway | Lāna'i Resorts, LLC dba Pūlama Lāna'i |

Table 2. Tax Map Key Parcel to be Completely Removed from the Kō'ele Project District

| TMK | Acreage | Address | Owner |
|----------------------|---------|-------------------|---------------------------------------|
| (2)4-9-01:21 | -0.632 | Nininiwai | Lāna'i Resorts, LLC dba Pūlama Lāna'i |
| (2)4-9-01:24 | -11.494 | 726 Queens Street | Lāna'i Resorts, LLC dba Pūlama Lāna'i |
| (2)4-9-01: 25 (Por.) | -5.527 | Sixth Street | Lāna'i Resorts, LLC dba Pūlama Lāna'i |

| TMK | Acreage | Address | Owner |
|--------------|----------------|-------------------|--|
| (2)4-9-01:27 | -1.151 | Kona Wai Place | Lāna'i Resorts, LLC dba Pūlama Lāna'i |
| (2)4-9-01:30 | -0.606 | 818 Queens Street | Stephen Becker and Elisabeth Grove Trust |
| (2)4-9-18:05 | -1.312 | Lauhala Place | Lāna'i Resorts, LLC dba Pūlama Lāna'i |
| (2)4-9-21:09 | -11.827 | Kaunaoa Drive | Lāna'i Resorts, LLC dba Pūlama Lāna'i |

Table 3 is a summary of the total acreage of the existing and proposed Project District by sub-designations. **Table 4** is a summary of all the TMKs affected by the proposed action, their addresses, acreages, and correlating information regarding the Project District's existing and proposed designations according to the State Land Use designation, Maui County Zoning, Lāna'i Community Plan, and Project District sub-designation. TMKs noted in red are those proposed to be completely removed from the Project District while the TMK noted in green is the new TMK proposed to be added to the Project District.

Table 3. Existing and Proposed Kō'eie Project District Sub-Designations and Total Acreage

| Project District Sub-Designation | Existing Acreage | Proposed Acreage |
|---|-------------------------|-------------------------|
| Hotel | 21.1 | 45.4 |
| Multi-Family | 26.0 | 18.7 |
| Residential | 214.0 | 48.8 |
| Park | 11.5 | 234.9 |
| Open Space | 12.0 | 80.8 |
| Golf | 332.4 | 78.0 |
| Public | 1.0 | 0 |
| Resort Commercial | 0 | 75.4 |
| Stables and Tennis Courts | 14.5 | 0 |
| Total | 632.5 | 582.0 |
| Source: R.M. Towill Corporation. | | |

Table 4.
Existing and Proposed (Black Column) Land Use Designations
(i.e., State Land Use, Maui County Zoning, Lānaʻi Community Plan, and Kōʻele Project District Sub-designations)
for Affected Parcels

| TMK | Address | Acreage in Project District | | State Land Use Designation | | Maui County Zoning | | Lānaʻi Community Plan Designation | | Kōʻele Project District Designation | |
|----------------------------|----------------|-----------------------------|----------|----------------------------|----------|-----------------------------------|------------------------------|---------------------------------------|-------------------------------|--|-----------------------------------|
| | | Existing | Proposed | Existing | Proposed | Existing | Proposed | Existing | Proposed | Existing | Proposed |
| [2] 4-9-001: 021 | NININIWAI | 0.632 | 0 | Urban | Urban | PD-L/2 (Kōʻele) | R-3, Residential | Project District | Single-Family Residential | Residential | Remove from Project District |
| [2] 4-9-001: 024 | 726 QUEENS ST | 11.494 | 0 | Urban | Urban | PD-L/2 (Kōʻele) | R-3, Residential | Project District | Single-Family Residential | Residential | Remove from Project District |
| [2] 4-9-001: 025 (portion) | SIXTH ST | 5.527 | 0 | Urban | Urban | PD-L/2 (Kōʻele) | R-3, Residential | Project District | Single-Family Residential | Residential | Remove from Project District |
| [2] 4-9-001: 027 | KONA WAI PL | 1.151 | 0 | Urban | Urban | R-3 Residential | R-3, Residential | Single Family Residential | Single-Family Residential | Residential | Remove from Project District |
| [2] 4-9-001: 030 | 818 QUEENS ST | 0.606 | 0 | Urban | Urban | PD-L/2 (Kōʻele) | R-3, Residential | Project District | Single-Family Residential | Residential | Remove from Project District |
| [2] 4-9-002: 001 (portion) | 1007 MIK RD | 0 | 11.54 | Rural | Urban | Interim | PD-L/2 (Kōʻele) | Open Space | Project District | Not included in Project District | Hotel |
| [2] 4-9-002: 061 (portion) | KAUMALAPAU HWY | 14.5 | 75.4 | Rural/Agriculture | Urban | AG, Agriculture/ PD-L/2 (Kōʻele) | PD-L/2 (Kōʻele) | Agricultural/ Project District/ Rural | Project District | Not included in Project District/Stables & Tennis Courts | Resort Commercial |
| [2] 4-9-018: 001 | 1 KEOMOKU HWY | 21.772 | 24.829 | Urban | Urban | PD-L/2 (Kōʻele) / Interim | PD-L/2 (Kōʻele) | Project District | Project District | Hotel / Golf | Hotel |
| [2] 4-9-018: 002 (portion) | 916 NINTH ST | 202.752 | 164.617 | Urban | Urban | PD-L/2 (Kōʻele) / AG, Agriculture | PD-L/2 (Kōʻele) / Open Space | Project District | Project District / Open Space | Golf / Residential/ Multi-Family / Open Space / Park | Park / Open Space / Residential |
| [2] 4-9-018: 003 (portion) | 476 LAUHALA PL | 319.088 | 267.525 | Urban/ Agriculture | Urban | PD-L/2 (Kōʻele) / Interim | PD-L/2 (Kōʻele) / Open Space | Project District / Park / Golf Course | Project District / Open Space | Golf / Residential/ / Public | Park / Golf / Hotel / Residential |
| [2] 4-9-018: 004 | QUEENS AVE | 4.953 | 5 | Urban | Urban | PD-L/2 (Kōʻele) | PD-L/2 (Kōʻele) | Project District | Project District | Residential / Park | Open Space |
| [2] 4-9-018: 005 | LAUHALA PL | 1.312 | 0 | Urban | Urban | PD-L/2 (Kōʻele) | R-3, Residential | Project District | Single-Family Residential | Residential | Remove from Project District |
| [2] 4-9-020: 020 (portion) | KAUNOA DR | 5.327 | 0.179 | Urban | Urban | PD-L/2 (Kōʻele) / (Road) | PD-L/2 (Kōʻele) / (Road) | Project District | Project District / (Road) | Multi-Family / Residential / Golf | Multi-Family |
| [2] 4-9-021: 009 | KAUNAOA DR | 11.827 | 0 | Urban | Urban | PD-L/2 (Kōʻele) | Open Space | Project District | Open Space | Residential/ Multi-Family | Remove from Project District |

In addition to amending the boundaries of the Kō'ele Project District, the Applicant also seeks to make revisions to the guiding ordinance for the Kō'ele Project District. Maui County Code (MCC), Chapter 19.71, upon adoption, established the sub-designations and acreages of each within the Project District, as well as standards for development within the Project District in general, in addition to specific standards for development applicable to each sub-designation. The proposed changes to Chapter 19.71 include changes to the total acreages of the sub-designations within the existing Project District as well as changes to provisions of the chapter relative to permitted uses, accessory uses, special uses, and development standards for various sub-designations within the Project District. The proposed revisions to MCC, Chapter 19.71, are provided herein as **Exhibit 3** in a red-lined version and revised version.

It is noted that although the proposed amendments facilitate opportunities for future development within the Kō'ele Project District, the currently proposed action does not involve any construction activities. The purpose of these application requests is to update the Kō'ele Project District boundaries and sub-designations that were adopted in 1986 and 1992 to accurately reflect current land uses in a changed environment. The proposed action also brings the Kō'ele Project District map in synchrony with the Lāna'i Community Plan map. It is noted that any proposed future development within the Project District will need to follow the appropriate Project District permitting procedures outside of the subject applications, as described in the Project District application process. Future construction activities, shall be subject to a Project District Phase II Application process, which is subject to public review and approval by the LPC.

It is further noted that the purpose and intent of the Kō'ele Project District remain unchanged; its existing and continued purpose and intent are to provide for a flexible and creative approach to low-density development at Kō'ele that is supportive of the Sensei Lāna'i, a Four Seasons Resort and complementary and supportive of services offered in the adjoining Lāna'i City.

BRIEF HISTORY OF APPLICATIONS

The Kō'ele Project District was initially established in 1986 via Ordinances 1580 and 1581 and amended in 1992 via Ordinances 2139 and 2140, which were approved by the Maui County Council (Council). A District Boundary Amendment (DBA) from the State Land Use Commission (LUC) was also obtained in 1990 to redistrict portions of land for inclusion in the Kō'ele Project District. Reports addressing the Applicant's compliance with the conditions of Ordinance 2140 and LUC Docket A90-662 for the original DBA are provided in the Final EA, with links to the document and page numbers for the status reports noted in aforementioned Project Description section. Within the Final EA are the status reports for both Maui County Ordinance 2140 and for State Land Use Commission Docket A90-662. See pages REF-225 to REF-271 for Ordinance 2140 Status Report and pages REF-272 to REF-385 for Land Use Commission Docket A90-662 Status Report.

Of note is the Applicant's response to LPC's comment # 33 stated in the LPC letter of September 29, 2021 found on page REF-178 of the Final EA. A summary table is provided on page REF-225 indicating the status of each condition. Also included is a compendium of documents demonstrating that the conditions have been met. Condition 5 of Ordinance 2140 regarding the Cavendish golf course, will be carried forward as part of the conditions for the subject applications. Condition 9 of Ordinance 2140, regarding the by-pass road has been commented on by the State of Hawai'i Department of Transportation Deputy Directory of Highways, included as **Exhibit 4**. Condition 9 of Ordinance 2140 is not necessary for the subject applications. The by-pass road was not analyzed by the Department of Public Works, included as **Exhibit 6**

This matter arises from applications filed on May, 21, 2021, for a Project District Phase 1 (PH1) Amendment, Community Plan Amendment (CPA), and Change of Zoning (CIZ) by the Applicant's consultant.

A Finding of No Significant Impact for a Final EA was accepted by the LPC on January 19, 2022. The Final EA publication date was February 8, 2022.

DESCRIPTION OF THE PROPERTIES

1. The affected properties are identified as TMK Nos. (2)4-9-001:021, 024, 025(por.), 027, 030, (2)4-9-002:001(por.), 061(por.), (2)4-9-018:001, 002(por.), 003(por.), 004, 005, (2)4-9-020:020(por.), and (2)4-9-021:009.

The current Project District encompasses 632.5 acres. Although 72.44 acres are proposed to be added, there will be a net decrease in overall acreage within the Project District as a result of the proposed amendments. Following the proposed amendments, the total acreage of the Project District will be 582.0.

2. Land Use Designations

Refer to **Table 4** for State Land Use, Community Plan, Maui County Zoning, and Project District designations.

3. Surrounding Uses --

| | |
|----------|---|
| North -- | Vacant, undeveloped lands |
| East -- | Vacant, undeveloped lands |
| South -- | Lāna'i City and vacant, undeveloped lands |
| West -- | Lāna'i City |

APPLICABLE REGULATIONS

Project District Phase I Amendment

A PH1 Amendment is reviewed pursuant to Title 19 Zoning, Chapter 19.45 Project District Processing Regulations, Section 19.45.050 Processing Procedures, and Chapter 19.510 Application and Procedures, Section 19.510.020 Applications Which Require a Public Hearing; MCC, 1980, as amended.

Community Plan Amendment

A CPA is reviewed pursuant to Title 2 Administration and Personnel, Chapter 2.80B General Plan and Community Plans, Section 2.80B.110 Nondecennial Amendments to Community Plans Proposed by a Person, and Title 19 Zoning, Chapter 19.510 Application and Procedures, Section 19.510.020 Applications Which Require a Public Hearing; MCC, 1980, as amended.

Change of Zoning

A CIZ is reviewed pursuant to Title 19 Zoning, Chapter 19.510 Application and Procedures, Section 19.510.020 Applications Which Require a Public Hearing, and Section 19.510.040

PROCEDURAL MATTERS

1. On **April 29, 2021**, the Applicant mailed a "Notice of Application" and location map to all owners and recorded lessees within 500 feet of the subject properties describing the CPA and CIZ applications, by regular mail. Copies of the letters, location maps, list of owners and recorded lessees, and Affidavit of Mailing are on file in the Planning Department.
2. On **May 21, 2021**, the PH1 Amendment, CPA, and CIZ applications were filed with the Planning Department along with a supporting Draft EA.
3. On **July 30, 2021**, the Applicant filed revised PH1 Amendment, CPA, and CIZ applications. The applications were revised to address comments received during initial review by Planning Department staff.
4. On **September 8, 2021**, the Draft EA in support of the PH1 Amendment, CPA, and CIZ applications was published in the Environmental Review Program's (formerly the Office of Environmental Quality Control) Environmental Notice bulletin.
5. On **September 15, 2021**, the Applicant appeared before the Lāna'i Planning Commission (LPC) to receive comments on the Draft EA.
6. On **January 19, 2022**, the LPC reviewed the preliminary Final EA and issued a Finding of No Significant Impact (FONSI) determination.
7. On **February 8, 2022**, the Final EA and FONSI determination was published in the Environmental Notice bulletin.
8. On **April 1, 2022**, the Maui Planning Department mailed a notice to the Applicant and appropriate state and county agencies notifying them of the scheduled public hearing.
9. On **April 13, 2022**, the Applicant mailed a "Notice of Public Hearing" and location map to all owners and recorded lessees within 500 feet of the subject properties describing the applications, notifying them of the scheduled public hearing date, time and place by either certified or registered mail, return receipt. Copies of the letters, location maps, list of owners and recorded lessees, certified and registered mail receipts and return receipts are on file in the Planning Department.
10. On **April 8, 15, and 22, 2022**, a "Notice of Public Hearing" on the applications was published in a newspaper of public circulation in the county once a week for three consecutive weeks prior to the hearing date by the Applicant.
11. On **April 15, 2022**, a "Notice of Public Hearing" on the applications was published in the Maui News and Honolulu Star Advertiser by the Maui Planning Department.

REVIEWING AGENCIES

The PH1 Amendment, CPA, and CIZ applications were made available for review by a number of Federal, State, and County agencies and organizations in congruence with the Draft EA public comment period. A list of parties who received the document, comment letters received during the public comment period, and responses to each are included as Chapter IX of the Final EA.

ANALYSIS

LAND USE

1. State Land Use –

The existing Kō'ele Project District is located on lands designated "Urban" by the State LUC. Approximately 72.44 acres of land that is proposed to be added to the Project District are located on lands designated as "Rural" and "Agricultural".

In order to establish the proposed uses consistent with the existing Project District, a DBA from the "Rural" and "Agricultural" districts to the "Urban" district will be required from the LUC for those 72.44 acres being added to the Project District, in accordance with criteria set forth in the Hawai'i Administrative Rules (HAR). A separate DBA petition will be prepared and filed with the LUC by the Applicant's land use attorney. An analysis of the criteria for a DBA as it relates to the proposed project is provided below.

Land Use Commission Rules, Chapter 15-15, HAR

Reclassification of the subject lands must meet the following standards of the "Urban" district as set forth in the Land Use Commission Rules, Chapter 15-15-18, HAR:

1. *It shall include lands characterized by "city-like" concentration of people, structure, streets, urban level of services and other related land uses.*

Response: The subject action involves a reclassification of district boundaries to add additional lands to the existing Kō'ele Project District. The proposed reclassification of vacant, undeveloped lands will complement the existing, adjacent uses within the Kō'ele Project District and will support the Project District's intended purpose of fostering resort and resort-related uses surrounding the Sensei Lāna'i, a Four Seasons Resort.

2. *It shall take into consideration the following specific factors:*
 - A. *Proximity to centers of trading and employment except where the development would generate new centers of trading and employment.*
 - B. *Availability of basic services such as schools, parks, wastewater systems, solid waste disposal, drainage, water, transportation systems, public utilities, and police and fire protection.*
 - C. *Sufficient reserve areas for foreseeable urban growth.*

Response: (A.) The lands proposed for reclassification would be located adjacent to the existing Kō'ele Project District and would complement existing uses. (B.) The lands proposed for reclassification are not the subject of currently proposed development actions. However, at such time that these lands would be developed, it is anticipated that they would be able to be serviced by existing infrastructure systems currently serving the

Kō'ele Project District, and would not require the provision of other public services. (C.) The lands proposed for reclassification have been identified as a logical area for inclusion in the existing Kō'ele Project District due to its proximity to the Project District and existing infrastructure systems.

3. *It shall include lands with satisfactory topography, drainage, and reasonably free from danger of any flood, tsunami, unstable soil condition, and other adverse environmental effects.*

Response: The elevation of the project area is approximately 1,600 to 2,000 feet above mean sea level (amsl) at the foothills of Lāna'i Hale. The topography is moderate below the breakline of the foothills. Existing drainage tributaries convey water from the site through existing drainage ditches and gulches to downstream properties. In addition, due to the Project District's mauka location, it is located outside of flood hazard zones, the tsunami evacuation area, and the projected sea level rise exposure area.

4. *Land contiguous with existing urban areas shall be given more consideration than non-contiguous land, and particularly when indicated for future urban use on state or county general plans.*

Response: As mentioned previously, the lands proposed for expansion are located adjacent to the existing Kō'ele Project District and will complement existing uses located therein.

5. *It shall include lands in appropriate locations for new urban concentrations and shall give consideration to areas of urban growth as shown on the state and county general plans.*

Response: The lands proposed for reclassification are located adjacent to the existing Kō'ele Project District and as such, have been identified as a logical area for inclusion in the Project District.

6. *It may include lands which do not conform to the standards in paragraph (1) to (5):
A. When surrounded by or adjacent to existing urban development; and
B. Only when those lands represent a minor portion of this district*

Response: The proposed reclassification area includes lands which conform to the standards in paragraphs (1) to (5). The lands which are proposed for reclassification represent a small portion of the remaining available agricultural lands on Lāna'i and in the State.

7. *It shall not include lands, the urbanization of which will not contribute toward scattered spot urban development, necessitating unreasonable investment in public infrastructure or support services.*

Response: The land proposed to be reclassified and added to the Kō'ele Project District are intended to meet future resort and resort-related land use requirements, which is the intended purpose of the Kō'ele Project District. The lands are located adjacent to the existing Project District and will be integrated with the existing infrastructure and public services on Lāna'i. As such, the urbanization of the project area would not contribute

towards scattered development, but would complement the existing adjacent Project District.

8. *It may include lands with a general slope of twenty percent or more if the commission finds that those lands are desirable and suitable for urban purposes and that the design and construction controls, as adopted by any federal, state or county agency, are adequate to protect the public health, welfare and safety, and the public's interest in the aesthetic quality of the landscape.*

Response: The topography of the area is moderate, and while slopes range from 0 to 30 percent, the lands are adjacent to the existing urban uses of the Kō'ele Project District. At such time that these lands may be developed, they will be developed in accordance with all Federal, State, and County regulations, and will not impact the public health, welfare, or safety, nor the public's interest in the aesthetic quality of the area.

2. **Hawai'i State Plan –**

The assessment presented below summarizes the objective(s) for applicable policy/planning categories of the Hawai'i State Plan, codified in Hawai'i Revised Statutes (HRS) Chapter 226, followed by a response which examines how the proposed action may be applicable to the respective Hawai'i State Plan objectives, policies and priority guidelines.

Furthermore, the proposed action does not involve any construction activities. As such, the proposed action will not have any direct or indirect impact upon many of the objectives and policies in the State Plan. However, planning and design for any potential future development within the Project District will take into account the surrounding environs to ensure a comprehensive review of any impacts.

HRS 226-5 Objective and policies for population

The Hawaii State Plan's objective for population is to guide population growth to be consistent with the achievement of physical, economic, and social objectives of HRS 226.

Response: Implementation of the permitted uses in the amended Project District will support the State economy and enhance the social stability and well-being for the people of Lāna'i.

HRS 226-6 Objectives and policies for the economy—in general

In summary, planning for the State's economy in general shall be directed to increased and diversified employment, income and job choice opportunities, and a growing and diversified economic base.

Response: Implementation of the permitted uses in the amended Project District will support the State economy and enhance the social stability and well-being for the people of Lāna'i.

HRS 226-8 Objective and policies for the economy—visitor industry

The visitor industry objective recognizes that the visitor industry constitutes a major component of Hawaii's steady economic growth.

Response: The proposed action indirectly supports the economic objectives and policies related to the visitor industry as implementation of the proposed action presents opportunities for future development of resort-related uses and amenities, thus increased employment opportunities for residents.

HRS 226-19 Objectives and policies for socio-cultural advancement—housing

The objectives for housing encompass greater opportunities for Hawaii's people to secure reasonably priced, safe, sanitary and livable homes; the orderly development of residential areas sensitive to community needs and other land uses; and the development and provision of affordable rental housing.

Response: The proposed action seeks to reduce the lands designated for residential uses within the Project District. As such, the proposed action will not have any direct or indirect impact upon the objectives and policies related to housing.

HRS 226-23 Objective and policies for socio-cultural advancement—leisure

The objective for leisure is the adequate provision of resources to accommodate diverse cultural, artistic, and recreational needs for present and future generations.

Response: The proposed action results in a net increase in lands designated Park and Open Space within the Project District. As such, the proposed action has an indirect impact upon the objectives and policies related to leisure activities and resource as this increase in Park and Open Space sub-designated lands present opportunities for additional recreational resources to be developed.

Priority Guidelines

"Priority guidelines" means those guidelines which shall take precedence when addressing areas of statewide concern. This section addresses applicability criteria to the priority guidelines set forth in HRS 226-103.

Priority guidelines of the Hawai'i State Plan covers the economy, population growth and land resources, crime and criminal justice, affordable housing, quality education, sustainability, and climate change adaptation. Applicability assessment for each of the foregoing issue areas are presented below:

Economic Priority Guidelines

Response: The proposed action is intended to reduce the scale of the land area and density and make amendments to the development standards permitted within the existing Kō'ele Project District. The proposed amendments offer opportunities for future resort-related development and associated job opportunities.

3. **State Functional Plans –**

A key element of the Statewide Planning System are the Functional Plans which set forth the policies, statewide guidelines, and priorities within a specific field of activity. There are 13 Functional Plans which have been developed by the State agency primarily responsible for a given functional area. Together with the County General Plans, the State Functional Plans establish more specific strategies for implementation.

Below is an assessment of the relationship between the proposed action and any applicable State Functional Plans.

Agriculture Functional Plan (1991)

Response: As previously discussed, approximately 72.44-acres of lands will be added to the Project District, including some lands currently designated as agriculture lands. However, as there are approximately 18,000-acres of former plantation lands on Lānaʻi which remain available for agricultural use, and over 200,000-acres available statewide, the proposed action is not deemed significant given the overall availability of agriculture lands. The proposed action will not contravene the goals and objectives of this functional plan.

Employment State Functional Plan (1990)

Response: The proposed action will not contravene the goals and objectives of this functional plan. However, the proposed action does present opportunities for future resort-related jobs in the Project District.

Recreation State Functional Plan (1991)

Response: The proposed action will not contravene the goals and objectives of this functional plan. It is noted that the proposed amendments seek to increase the amount of lands within the Park and Open Space sub-designations, thereby increasing opportunities for provision of recreational resources.

Tourism State Functional Plan (1991)

Response: The proposed action will not contravene the goals and objectives of this functional plan. However, the proposed action does present opportunities for future enhancement of resort-related uses within the Project District.

4. **Countywide Policy Plan –**

As stated in the Maui County Charter, as amended in 2002:

"The General Plan shall indicate desired population and physical development patterns for each island and region within the county; shall address the unique problems and needs of each island and region; shall explain the opportunities and the social, economic, and environmental consequences related to potential developments; and shall set forth the desired sequence, patterns, and characteristics of future developments. The general plan shall identify objectives to be

achieved, and priorities, policies, and implementing actions to be pursued with respect to population density, land use maps, land use regulations, transportation systems, public and community facility locations, water and sewage systems, visitor destinations, urban design, and other matters related to development."

The County of Maui 2030 General Plan Countywide Policy Plan, adopted by the Maui County Council on March 19, 2010, is the first component of the decennial General Plan update. The Countywide Policy Plan replaces the General Plan as adopted in 1990 and amended in 2002. The Countywide Policy Plan acts as an over-arching values statement and umbrella policy document for the Maui Island Plan and the nine Community Plans that provides broad goals, objectives, policies, and implementing actions that portray the desired direction of the County's future. The plan includes:

1. *A vision statement and core values for the County to the year 2030*
2. *An explanation of the plan-making process*
3. *A description and background information regarding Maui County today*
4. *Identification of guiding principles*
5. *A list of countywide goals, objectives, policies, and implementing actions related to the following core themes:*
 - A. *Protect the Natural Environment*
 - B. *Preserve Local Cultures and Traditions*
 - C. *Improve Education*
 - D. *Strengthen Social and Healthcare Services*
 - E. *Expand Housing Opportunities for Residents*
 - F. *Strengthen the Local Economy*
 - G. *Improve Parks and Public Facilities*
 - H. *Diversify Transportation Options*
 - I. *Improve Physical Infrastructure*
 - J. *Promote Sustainable Land Use and Growth Management*
 - K. *Strive for Good Governance*
 - L. *Mitigate Climate Change and Work Toward Resilience*

The assessment presented below restates the goal for each policy/planning category followed by a response which examines whether the proposed action is directly applicable, indirectly applicable or not applicable to the respective Countywide Policy Plan objectives, policies and implementing actions.

(A) PROTECT THE NATURAL ENVIRONMENT

Goal: *Maui County's natural environment and distinctive open spaces will be preserved, managed, and cared for in perpetuity.*

Response: Pūlama Lāna'i is proposing a reduction in scale of the land area and density, and amendments to the development standards permitted in the existing Kō'ele Project District. As previously discussed, the proposed action does not involve any construction activities. Nonetheless, planning and design for any future development within the Project District will take into account the surrounding environs to ensure that scenic vistas are not unduly impacted.

Furthermore, any potential future development activities within the Project District will be planned and designed such that they do not result in significant impacts to water quality. In addition, it is noted that the proposed amended Project District increases the amount of lands designated as Park and Open Space.

In addition, as the proposed action does present opportunities to support future development within the Project District, any future development will be evaluated to assess the potential for environmental and socio-economic impacts and will advance proposed mitigation measures.

(B) PRESERVE LOCAL CULTURES AND TRADITIONS

Goal: *Maui County will foster a spirit of pono and protect, perpetuate, and reinvigorate its residents' multi-cultural values and traditions to ensure that current and future generations will enjoy the benefits of their rich island heritage.*

Response: Although no construction activities are currently proposed, an archaeological and related cultural assessment was undertaken to assess the potential for impacts related to any future development action within the Project District. A program of data recovery and monitoring was recommended in order to avoid or reduce potential impacts to known significant areas.

(C) IMPROVE EDUCATION

Goal: *Residents will have access to lifelong formal and informal educational options enabling them to realize their ambitions.*

Response: The proposed action will not have any direct or indirect impact upon the objective and policies related to education.

(D) STRENGTHEN SOCIAL AND HEALTHCARE SERVICES

Goal: *Health and social services in Maui County will fully and comprehensively serve all segments of the population.*

Response: The proposed action will not have any direct or indirect impact upon the objective and policies related to social and healthcare services.

(E) EXPAND HOUSING OPPORTUNITIES FOR RESIDENTS

Goal: *Quality, island-appropriate housing will be available to all residents.*

Response: The proposed action will not have any direct or indirect impact upon the objective and policies related to housing.

(F) STRENGTHEN THE LOCAL ECONOMY

Goal: *Maui County's economy will be diverse, sustainable, and supportive of community values.*

Response: Implementation of the amended Project District will support the economy and enhance the social stability and well-being for the people of Lāna'i by providing opportunities for future resort-related jobs.

The proposed action indirectly supports the economic objectives and policies related to the visitor industry as implementation of the proposed action presents opportunities for future development of resort-related uses and amenities.

(G) IMPROVE PARKS AND PUBLIC FACILITIES

Goal: *A full range of island-appropriate public facilities and recreational opportunities will be provided to improve the quality of life for residents and visitors.*

Response: The proposed action results in a net increase in lands designated Park and Open Space within the Project District. As such, the proposed action has an indirect impact upon the objective and policies related to parks and recreational opportunities as this increase in Park and Open Space sub-designated lands present opportunities for additional recreational resources to be developed.

(H) DIVERSIFY TRANSPORTATION OPTIONS

Goal: *Maui County will have an efficient, economical, and environmentally sensitive means of moving people and goods.*

Response: The proposed action will not have any direct or indirect impact upon the objectives and policies related to transportation.

(I) IMPROVE PHYSICAL INFRASTRUCTURE

Goal: *Maui County's physical infrastructure will be maintained in optimum condition and will provide for and effectively serve the needs of the County through clean and sustainable technologies.*

Response: It is noted that any potential future development within the Project District is anticipated to be serviced by existing infrastructure systems.

Although no construction activities are currently being proposed, the Project District continues to be located in proximity to existing infrastructure systems such that any future development would likely not require the provision of new or extension of existing systems. In this regard, the proposed action is indirectly supportive of the goal and its related objective and policies. Future construction activities, shall be subject to a Project District Phase II Application process, which is subject to public review and approval by the LPC.

(J) PROMOTE SUSTAINABLE LAND USE AND GROWTH MANAGEMENT

Goal: *Community character, lifestyles, economies, and natural assets will be preserved by managing growth and using land in a sustainable manner.*

Response: The proposed action complements Lānaʻi City's character and the existing uses within the Kōʻele Project District. Any future development would make use of existing infrastructure systems. As noted previously, the proposed action results in a net increase in lands designated Park and Open Space within the Project District.

As discussed previously, although no construction activities are currently proposed, the proposed action does present opportunities to support future development within the Project District. Any future development will be evaluated to assess the potential for environmental and socio-economic impacts and will discuss the action's conformance to State and County land use regulations and controls.

(K) STRIVE FOR GOOD GOVERNANCE

Goal: *Government services will be transparent, effective, efficient, and responsive to the needs of residents.*

Response: The proposed action will not have any direct or indirect impact upon the objective and policies related to good governance.

(L) MITIGATE CLIMATE CHANGE AND WORK TOWARD RESILIENCE

Goal: *Minimize the causes and negative effects of climate change.*

Response: As previously discussed, the proposed action does not involve any construction activities. Nonetheless, planning and design for any future development within the Project District will take into account measures aimed at mitigating climate change. It is noted that the proposed amended Project District increases the amount of lands designated as Park and Open Space. The Project District is also located inland, and is not in proximity to the shoreline. In addition, as the proposed action does present opportunities to support future development within the Project District, any future development will be evaluated to assess the potential for environmental impacts and will advance proposed mitigation measures.

5. Lānaʻi Community Plan –

The Kōʻele Project District is located in the Lānaʻi Community Plan region which is one of nine Community Plan regions established in the County of Maui. Planning for each region is guided by the respective Community Plans, which are designated to implement the Maui County General Plan. Each Community Plan contains recommendations and standards which guide the sequencing, patterns, and characteristics of future development in the region. The Lānaʻi Community Plan was adopted by the County of Maui through Ordinance No. 2738 which took effect on July 26, 2016.

The existing Kō'ele Project District is designated as "Project District" by the Community Plan. The areas proposed to be added to the Project District are designated as portions of "Open Space", "Agricultural", "Rural" and/or "Project District". As such, a Community Plan Amendment (CPA) will need to be obtained for those portions not in "Project District" to be re-designated as "Project District" on the Lāna'i Community Plan Map, as well as for those lands being removed from the Project District to be redesignated to districts other than "Project District".

Table 5 below is a list of parcels affected by the CPA request.

Table 5. Parcels Affected by Community Plan Amendment Request

| TMK | Existing Community Plan Designation | Proposed Community Plan Designation |
|-----------------------------------|--|--|
| (2)4-9-001:021 | Project District | Single-Family Residential |
| (2)4-9-001:024 | Project District | Single-Family Residential |
| (2)4-9-001:025(por.) | Project District | Single-Family Residential |
| (2)4-9-001:027 ¹ | Single-Family Residential | Single-Family Residential |
| (2)4-9-001:030 | Project District | Single-Family Residential |
| (2)4-9-002:001(por.) | Open Space | Project District |
| (2)4-9-002:061(por.) | Agricultural/Project District/Rural | Project District |
| (2)4-9-018:001 ² | Project District | Project District |
| (2)4-9-018:002(por.) | Project District/Park/Golf Course | Project District/Open Space |
| (2)4-9-018:003(por.) | Project District | Project District/Open Space |
| (2)4-9-018:004 ³ | Project District | Project District |
| (2)4-9-018:005 | Project District | Single-Family Residential |
| (2)4-9-020:020(por.) ⁴ | Project District | Project District/(Road) |
| (2)4-9-021:009 | Project District | Open Space |

Notes:

1. The Lāna'i Community Plan inadvertently designated TMK (2)4-9-001:027 as Single-Family Residential. According to Ordinance 2140 and Zoning Map 2608, this TMK is included in the existing Kō'ele Project District. This TMK is excluded in the proposed Kō'ele Project District
2. The total acreage of TMK (2)4-9-018:001 within the proposed Kō'ele Project District is being changed.
3. The total acreage of TMK (2)4-9-018:004 within the proposed Kō'ele Project District is being changed.
4. The total acreage of TMK (2)4-9-020:020 within the proposed Kō'ele Project District is being changed.

The proposed action is consistent with the following goals and policies of the Lāna'i Community Plan:

ECONOMIC DEVELOPMENT

Goal: *A stable sustainable, and diverse economy that is consistent and compatible with Lāna'i's rural island lifestyle.*

Policy:

5. Support the growth of kama'aina tourism, cultural tourism, eco-tourism, agri-tourism, sports tourism, hunting tourism, and other alternative tourism ventures.

Response: As previously discussed, the proposed action entails the re-designation of lands within the existing Project District, the addition of new lands to the Project District, as well as the removal of lands from the Project District. Although the proposed action does not involve construction activities at this time, the proposed amended Project District boundaries and increase in acreage of the Hotel and Resort Commercial sub-designations do offer opportunities for future resort-related development and associated job opportunities. Any future development of this nature would further the objective and policy of this goal by supporting the tourism industry on Lāna'i on lands designated for such uses.

PUBLIC FACILITIES AND SERVICES – PARKS AND RECREATION

Goal: *A comprehensive system of parks, recreational facilities, and programs that meet resident and visitor needs.*

Policy:

3. Where appropriate, collaborate with Pūlama Lāna'i on the provision of parks, facilities, and programs.

Response: The proposed action would re-designate a significant amount of lands to the Park and Open Space sub-designations within the Project District. This action will further the goal and policy of the Lāna'i Community Plan related to enhancing and expanding recreational facilities for the residents and visitors of Lāna'i. For example, the former designated golf course lands are being repurposed for a sculpture garden.

6. Lāna'i Project District 2 (Kō'ele) –

As discussed previously, the proposed action seeks to amend the boundaries of the Lāna'i Project District 2 (Kō'ele) District in order to significantly reduce the already low density by decreasing the amount of Residential and Multi-family (Project District sub-designations) acres, significantly increasing the amount of Open Space and Park (Project District sub-designations) acres, and by reducing the Golf Course acreage (Project District sub-designation). In addition, additional acreage is proposed to be added to the existing Hotel sub-designation as well as the creation of a new sub-designation, Resort Commercial, which is proposed to be added for future resort-related commercial activities to support the Sensei Lāna'i, Four Seasons Resort. The proposed change will ultimately reduce the total acreage in the Kō'ele Project District by eight percent.

In addition to amending the boundaries of the Kō'ele Project District, the Applicant also seeks to make revisions to the guiding ordinance for the Kō'ele Project District. MCC, Chapter 19.71 outlines the boundaries of the Project District, the sub-designations and acreages of each which were established upon adoption of the ordinance, and standards for development within the Project District in general as well as specific standards for development applicable to each sub-designation specifically. The proposed changes to Chapter 19.71 include changes to the Project District sub-designations, whereby portions of land within the existing Project District designation would be removed and other areas would be added to the Project District. Additionally, the Applicant is proposing to revise

language within MCC, Chapter 19.71 relative to permitted uses, accessory uses, special uses, as well as the development standards for various sub-designations within the Project District.

It is further noted that the purpose and intent of the Project District remain unchanged; its existing and continued purpose and intent are to provide for a flexible and creative approach to development at Kō'ele that is complementary and supportive of services offered in the adjoining Lāna'i City. Nonetheless, the proposed amendments to the Kō'ele Project District must be done through a Project District Phase 1 (PH1) amendment.

Table 6 below is a list of parcels affected by the PH1 Amendment request.

Table 6. Parcels Affected by Project District Phase 1 Amendment Request

| TMK | Existing Project District Sub-Designation | Proposed Project District Sub-Designation |
|---|---|--|
| (2)4-9-001:021 | Residential | Remove From Project District |
| (2)4-9-001:024 | Residential | Remove From Project District |
| (2)4-9-001:025(por.) | Residential | Remove From Project District |
| (2)4-9-001:027 ¹ | Residential | Remove From Project District |
| (2)4-9-001:030 | Residential | Remove From Project District |
| (2)4-9-002:001(por.) | Not in Project District | Hotel |
| (2)4-9-002:061(por.) | Not in Project District/Stables and Tennis Courts | Resort Commercial |
| (2)4-9-018:001 | Hotel/Golf | Hotel |
| (2)4-9-018:002(por.) | Golf/Residential/Multi-Family/Open Space/Park | Park/Open Space/Residential |
| (2)4-9-018:003(por.) | Golf/Residential/Public | Park/Golf/Hotel/Residential |
| (2)4-9-018:004 | Residential/Park | Open Space |
| (2)4-9-018:005 | Residential | Remove From Project District |
| (2)4-9-020:020 | Multi-Family/Residential/Golf | Multi-Family |
| (2)4-9-021:009 | Residential/Multi-Family | Remove From Project District |
| Notes: | | |
| 1. The Lāna'i Community Plan inadvertently designated TMK (2)4-9-001:027 as Single-Family Residential. According to Ordinance 2140 and Zoning Map 2608, this TMK is included in the existing Kō'ele Project District. This TMK is excluded in the proposed Kō'ele Project District. | | |

7. Maui County Zoning –

Consistent with the Project District designation, the lands within the existing Project District are zoned "Lāna'i Project District 2 (Kō'ele)" by the Maui County Zoning Ordinance. Those lands proposed to be added to the Project District are currently zoned "Interim" and "Agriculture" and must be rezoned. As such, a Change of Zoning (CIZ) will need to be obtained for those portions not zoned "Lāna'i Project District 2 (Kō'ele)" to be re-designated as such, as well as for those lands being removed from the Project District to be re-designated to districts other than "Lāna'i Project District 2 (Kō'ele)".

Table 7 below is a list of parcels affected by the CIZ Amendment request.

Table 7. Parcels Affected by Change of Zoning Request

| TMK | Existing Zoning Designation | Proposed Zoning Designation |
|-----------------------------------|--------------------------------|-----------------------------|
| (2)4-9-001:021 | PD-L/2(Kō'e'e) | R-3, Residential |
| (2)4-9-001:024 | PD-L/2(Kō'e'e) | R-3, Residential |
| (2)4-9-001:025(por.) | PD-L/2(Kō'e'e) | R-3, Residential |
| (2)4-9-001:027 ¹ | R-3, Residential | R-3, Residential |
| (2)4-9-001:030 | PD-L/2(Kō'e'e) | R-3, Residential |
| (2)4-9-002:001(por.) | Interim | PD-L/2(Kō'e'e) |
| (2)4-9-002:061(por.) | AG, Agriculture/PD-L/2(Kō'e'e) | PD-L/2(Kō'e'e) |
| (2)4-9-018:001 | PD-L/2(Kō'e'e)/Interim | PD-L/2(Kō'e'e) |
| (2)4-9-018:002(por.) | PD-L/2(Kō'e'e)/AG, Agriculture | PD-L/2(Kō'e'e)/Open Space |
| (2)4-9-018:003(por.) | PD-L/2(Kō'e'e)/Interim | PD-L/2(Kō'e'e)/Open Space |
| (2)4-9-018:004 ² | PD-L/2(Kō'e'e) | PD-L/2(Kō'e'e) |
| (2)4-9-018:005 | PD-L/2(Kō'e'e) | R-3, Residential |
| (2)4-9-020:020(por.) ³ | PD-L/2(Kō'e'e)/(Road) | PD-L/2(Kō'e'e)/(Road) |
| (2)4-9-021:009 | PD-L/2(Kō'e'e) | Open Space |

Table 11 Notes:

1. The Lāna'i Community Plan inadvertently designated TMK (2)4-9-001:027 as Single Family Residential. According to Ordinance 2140 and Zoning Map 2608, this TMK is included in the existing Kō'e'e Project District. This TMK is excluded in the proposed Kō'e'e Project District.
2. The total acreage for TMK (2)4-9-018:004 within the proposed Kō'e'e Project District is being changed.
3. The total acreage for TMK (2)4-9-020:020 within the proposed Kō'e'e Project District is being changed.

In accordance with Section 19.510.040, MCC, the County Council may grant a CIZ if the following criteria are met:

a. The proposed request meets the intent of the general plan and the objectives and policies of the community plans of the county;

Response: The proposed request meets the intent of the Maui County General Plan and supports the existing Kō'e'e Project District designation within the Lāna'i Community Plan.

b. The proposed request is consistent with the applicable community plan land use map of the county;

Response: As discussed above, those lands proposed to be added to the Project District will be the subject of a CPA application filed with the Department of Planning. Lands being removed from the Project District will also be subject to a CPA. The subject CIZ request will ensure conformity to the Lāna'i Community Plan designation for the affected lands.

c. The proposed request meets the intent and purpose of the district being requested;

Response: The proposed request to rezone lands into the Kō'ele Project District will support and enhance this district and the already zoned lands on Lāna'i. Lands being removed will be re-designated to zoning districts consistent with existing and surrounding uses.

d. The application, if granted, would not adversely affect or interfere with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway and transportation systems, or other public requirements, conveniences and improvements;

Response: As no physical construction activities are currently being proposed, the proposed action will not adversely impact public infrastructure and services. It is noted that following implementation of the proposed action, the resulting amended Kō'ele Project District will be smaller in size, and less dense. Should future construction activities be undertaken at a later time, the impact on public facilities and services will be less in scale than those anticipated with full build-out of the current Project District. Nonetheless, any future developments will be assessed for impacts to public facilities and services in accordance with the Project District permitting regulations.

e. The application, if granted, would not adversely impact the social, cultural, economic, environmental, and ecological character and quality of the surrounding area; and

Response: Similar to the above response, the proposed action is not anticipated to adversely impact the socio-economic and environmental character of the area as no physical construction is currently being proposed. Nonetheless, any future developments will be assessed for impacts to the socio-economic and environmental character of the area in accordance with the Project District permitting regulations.

f. If the application change in zoning involves the establishment of an agricultural district with a minimum lot size of two acres, an agricultural feasibility study shall be required and reviewed by the department of agriculture and the United States Soil and Conservation Service.

Response: The proposed CIZ request does not involve the establishment of an agricultural district.

AGRICULTURE

An Impacts on Agriculture report was prepared regarding the proposed Kō'ele Project District Amendment and assesses the effect the proposed action will have, if any, on the agriculture land base and industry on the Island of Lāna'i, and addresses compliance with State of Hawai'i guidelines associated with redistricting land within the State Land Use Commission Agricultural district into another district. See Appendix "B" of the Final EA.

Once commonly referred to as the "Pineapple Island", the Dole Lāna'i Plantation had sustained a cultivated area of some 13,000 acres, reportedly periodically reaching as high as 15,000 to 20,000 acres from its inception in the early 1920s until active operations shut down in 1992. Portions of the current Kō'ele Project District were once part of these fields.

Three classification systems are commonly used to rate Hawai'i soils with regards to agriculture: (1) Land Capability Grouping, (2) Agricultural Lands of Importance to the State of Hawai'i (ALISH), and (3) Overall Productivity Rating. The 1972 Land Capability Grouping by the U.S. Department of Agriculture, Natural Resources Conservation Service rates soils according to eight (8) levels, ranging from the highest classification level "I" to the lowest "VIII". The Project District area generally falls within the Class II and Class III levels. Class II soils have moderate limitations that reduce the choice of plants or that require moderate conservation practices. Class III soils have severe limitations that reduce the choice of plants, require special conservation practices, or both. These ratings ignore the lack of irrigation water for the Project District area. The State Department of Agriculture has established three categories of ALISH, based primarily, though not exclusively, on soil characteristics of the underlying land. The three classes of ALISH lands are "Prime", "Unique", and "Other Important" agriculture land, with the remaining non-classified lands termed "Unclassified". When used with modern farming methods, "Prime" agricultural land have soil quality, growing season, and moisture supply needed to produce sustained crop yields economically; while "Unique" agricultural lands contain a combination of soil quality, growing season, and moisture supply to produce sustained yields of specific crop. "Other Important" agricultural lands include those important lands that have not been rated as "Prime" or "Unique". The Kō'ele Project District, as reflected by the ALISH map, is located on lands designated as "Unclassified", "Other", and "Unique" agricultural lands. Additionally, the University of Hawai'i (UH) Land Study Bureau (LSB) developed the Overall Productivity rating, which classified soils according to five (5) levels, with "A" representing the class of highest productivity soils and "E" representing the lowest. The lands underlying the Project District are largely unclassified, with small areas throughout designated as "C", "D", or "E", representing lands that have lower potential for agricultural uses, or are otherwise unclassified.

As stated previously, the lands in the area were once used for farming operations, however, they have not been cultivated for some time. Furthermore, with the establishment of the Kō'ele Project District by Maui County Council Ordinance No. 1581 in 1986, the Kō'ele area was permitted for resort, golf course, and residential uses. This action ruled out potential agricultural uses in the Kō'ele Project District, as residential, recreational, and hotel uses are the focal point of the Kō'ele Project District land uses as specified by MCC Section 19.71.010 pertaining to the Kō'ele Project District's purpose and intent.

Much of the Project District is already existing or targeted for future urbanlike uses. An additional 72.44 acres will be redistricted to be added to the Project District within the Hotel, Golf, or Resort Commercial subdesignations, but nearly all of these lands will continue to be used for the existing Lāna'i Ranch along with occasional commercial events. The Lāna'i Ranch is an equestrian operation located on Kanepu'u Highway north of Lāna'i City. The Lāna'i Ranch uses approximately 215 acres of land, with facilities including a 3,800-square foot (sq. ft.) barn, six run-in shelters (288-sq. ft. each), and three 40-foot storage containers. The Lāna'i Ranch keeps 48 horses and offers various ranch experiences to guests, including group horseback rides, private horseback rides, riding lessons, pony rides, miniature horse cart rides, and carriage rides. In addition to the equestrian experiences, the Lāna'i Ranch has a petting zoo with various goats, donkeys, and miniature horses. Beyond the Lāna'i Ranch, there are no other existing or planned agricultural operations within the Project District.

The Project District has some favorable agronomic conditions: soils are good; solar radiation is moderate; and the trucking distances to Lāna'i City and Mānele Resort are short. However, the Project District is unsuitable for field farming to supply crops to Lāna'i markets, or for export to O'ahu or the mainland. The major problems are the lack of irrigation water, the Lāna'i market is

very small, and some Lānaʻi farmers are at a competitive disadvantage in supplying the Oʻahu and mainland markets because of shipping costs.

There are approximately 18,000 acres of former plantation lands on Lānaʻi which remain available for agricultural use, and over 200,000 acres statewide. The proposed land use changes for former agriculture land added to the Project District is too small to significantly affect the growth of diversified agriculture on Lānaʻi or statewide. As such, the project is not anticipated to have a significant impact on agricultural activity since ample land is alternatively available elsewhere on Lānaʻi and statewide to accommodate agricultural growth.

ARCHAEOLOGICAL, HISTORIC AND CULTURAL RESOURCES

An archaeological literature review and field inspection was conducted for the proposed Kōʻele Project District amendment which focuses on two adjacent parcels of land to be rezoned and added to the existing Project District, including a 57.2-acre property (referred to as Parcel 1) and a 9.5-acre property (referred to as Parcel 2). Also included in the report is a literature review that provides a cultural resources inventory for the entire proposed Kōʻele Project District. The purpose of this literature review, field inspection, and cultural resources inventory was to determine the land use history of the area and to identify any potential artifacts, surface architecture, or cultural deposits present on the ground surface of Parcels 1 and 2, and to provide an inventory of cultural resources present in the proposed Kōʻele Project District. See Appendix "E" of the Final EA.

The field inspection of Parcel 1 yielded two potential historic properties and four secondarily deposited traditional Hawaiian artifacts that were collected from three separate locations. The first potential historic property was a truncated firepit remnant containing native charcoaled plants (ʻilima and naio). The site was documented and designated as State Inventory of Historic Places (SIHP) #50-40-98-1988 (Feature 1). In accordance with HAR 13-284-6, the firepit was assessed as having integrity of location and significance under Criterion D (have yielded data important to Hawaiian history). Two sections of a plantation-era pineapple road with an associated ditch (Feature 2) were also documented (second potential historic property). The road and ditch remnant are typical features of the pineapple fields of the island, yet this section is heavily eroded, in-filled in sections, and has modern modifications. Therefore, the road and ditch were assessed as not having integrity or significance and were not assigned a site number. Artifacts collected during the survey were found within formerly plowed pasture and are therefore considered secondarily deposited. However, it is very likely the artifacts are associated with traditional activities and use of the area, as exemplified by the presence of the remnant fire pit (SIHP # - 1988).

During the surface survey of Parcel 2, three potential historic properties were documented, including a historic semi-circular rock wall planter (Feature 3), a historic to modern scatter of rounded basalt cobble imu stones (Feature 4), and a low plantation-era mortar and cobble foundation designated as SIHP #50-40-98-1989 (Feature 5). Features 3 and 4 were assessed as not retaining integrity or significance. SIHP # -1989 (Feature 5) appears to be largely buried by soil, therefore, it is unknown whether the foundation is intact within its original location or if it may yield valuable data.

The surface survey within Parcel 2 also documented the presence of two previously identified historic ranch-era buildings, Structures C and D, of the Kōʻele Historic District. The two houses were originally documented during the 1974 Statewide Inventory of Historic Places as

components of the Kō'ele Historic District, SIHP # -1004, which consisted of four ranch-era buildings preserved on the property.

Due to the presence of a traditional Hawaiian intact firepit remnant, traditional Hawaiian artifacts, and the presence of historic ranching and plantation-era infrastructure, it is likely that future construction activities may disturb additional traditional and/or historic sub-surface deposits and artifacts. Potential deposits that could be encountered include, but are not limited to, additional firepit remnants, traditional human burials, animal burials, historic trash pits, and/or buried ranching and plantation-era infrastructure.

Although the currently proposed action does not involve construction activities, the following mitigation measures are recommended for potential future construction activities on Parcels 1 and 2:

- An archaeological monitoring program shall be adhered to in order to document any additional surface and/or sub-surface deposits and artifacts that may exist within Parcels 1 and 2;
- Within Parcel 2, Structures C and D of the Kō'ele Historic District (SIHP # -1004) should be assessed by a qualified architectural historian; and
- Within Parcel 2, SIHP # -1989 (Feature 5) (historic concrete and stone slab) should be further documented and assessed for integrity and significance during archaeological monitoring.

Pūlama Lāna'i will comply with all applicable Federal, State and County laws and rules regarding the treatment of archaeological, cultural and historic sites.

As a result of the existing extensive ground work undertaken for development of the Project District and existing developments, no traditional cultural features are known to remain on the landscape. Some historic features, including trash pits and/or outhouse pits, occur below surface.

As previously stated, although the currently proposed action does not involve construction activities, it is nonetheless recommended that monitors trained in identifying subsurface features be onsite if ground work is undertaken for any future development activities.

It is noted that the firepit feature (Feature 1), historic road remnant and drainage ditch (Feature 2), historic planter (Feature 3), and the historic to modern stockpile of imu stones (Feature 4) have been analyzed and reported, no further work is recommended for these features.

The proposed amendments to the Kō'ele Project District will not affect the newly or previously recorded sites located within the project area and the analysis supports a project effect determination of "no historic properties affected". A literature review of the entire proposed Kō'ele Project District was conducted, and as no approvals for built structures or activities that would include ground disturbance in the Kō'ele Project District are being sought at this time, additional archaeological work in the Project District was not recommended at this time.

It is noted that the literature review and field inspection report has been submitted to the State Historic Preservation Division for review and comment.

In addition to the above, a cultural-historical study was prepared which focuses on native traditions and historical accounts that describe the ahupua'a (native land division) of Kamoku,

focusing on the 'ili (land area within an ahupua'a) of Kō'ele, where the Project District is located. See Appendix "F" of the Final EA.

The study provides the Hawaiian cultural context of Lāna'i's history—the landscape, traditions of settlement and residency, patterns of land use, valued fisheries, and traditional-customary practices—as documented in archival records and by island elders and other kama'āina. The narratives also incorporate traditions of neighboring ahupua'a to provide readers with the larger view of native life and history in this region of Lāna'i. The study includes documentation on valued beliefs and practices, and serves as a foundation for development of respectful management practices at Kō'ele, and offer rich details for sharing the history of place with those who live at or visit the area.

The ahupua'a of Kamoku, comprising 8,291 acres of land, is one of 13 native land divisions on the island of Lāna'i, and is situated on the kona (leeward) side of the island. There is a rich history and ample physical evidence of native Hawaiian residency in the ahupua'a of Kamoku, but by the late 1840s, when King Kamehameha III granted fee-simple property right to his people, only four natives recorded claims for personal property rights in the ahupua'a.

In 2001, formal recorded interviews with elder kama'āina of Lāna'i were initiated, and visits to wahi pana (storied places) continued. Rich oral historical memories have been recorded with elder kama'āina, born as early as the 1890s. Through the interviews, it is evident that facets of that knowledge and customary practices still exist in the community.

As with archaeology, it is unlikely that the proposed action will have an impact on cultural resources as no development actions are proposed at this time.

INFRASTRUCTURE AND PUBLIC FACILITIES AND SERVICES

1. Water –

Water System

A Preliminary Engineering Report (PER) was prepared for the proposed Kō'ele Project District Amendment which included a summary of water impacts. See Appendix "J" of the Final EA. The impacts to water demand due to the proposed Kō'ele Project District can be determined by comparing the calculated water demands for both the existing and proposed Kō'ele Project District at full build-out conditions. With regard to the proposed Kō'ele Project District water demands, in lieu of maximum density calculations, a proposed amended development program was provided by Pūlama Lāna'i which limits unit counts and developed areas.

The water system for Lāna'i is owned and operated by the Lanai Water Company and is divided into two aquifer systems with sustainable yield for the island. The Kō'ele Project District falls within the Leeward Aquifer.

Water transmission mains generally consist of 8-inch and 12-inch pipes. The primary supply of potable water for Lāna'i City is from the 750,000 gallon Kō'ele Tank and 2.0 million gallon (MG) Lāna'i City Tank. The Kō'ele Tank is supplied with water from Wells 3 and 8 and the Lāna'i City Tank is supplied by Well 6.

Overall, the proposed Kō'ele Project District will cause a reduction in water demand, compared to the existing Kō'ele Project District, as a result of a reduction in acres of entitled Residential and Multi-Family entitled land. See **Table 8**.

Table 8. Water Demand Summary

| Land Use | Existing Project District Average Daily Demand (GPD) | Proposed Project District Average Daily Demand (GPD)^a |
|---|---|---|
| Hotel | 185,000 | 182,000 |
| Multi-Family Residential | 54,000 | 31,800 |
| Single-Family Residential | 153,000 | 34,200 |
| Park | 19,550 | 1,500 |
| Open Space | 0 | 0 |
| Golf Course ^b | 20,750 | 20,000 |
| Public | 1,700 | N/A |
| Stables and Tennis Courts | 2,500 | N/A |
| Resort Commercial | N/A | 22,760 ^c |
| TOTAL | 436,500 | 292,260 |
| ^a Proposed demands are based on Pūlama Lāna'i's program which limits unit counts and developed area. | | |
| ^b Clubhouse and Cavendish only. The former Experience at Kō'ele's irrigation was provided by effluent. | | |
| ^c Includes Stables and Tennis Courts demand which is superseded by Resort Commercial land use. | | |
| Source: R.M. Towill, 2021. | | |

Although the Park sub-designation acreage increases from 11.5 acres to 234.9 acres, the estimated water demand decreases to 1,500 gallons per day (GPD), as irrigation is anticipated to be primarily provided by effluent, not potable water, to the extent available. The effluent water proposed to irrigate the Park sub-designation was previously used for the Golf sub-designation where the Experience at Kō'ele Golf Course was formerly located. The 1,500 GPD estimated for the proposed Kō'ele Project District water demand for the Park sub-designation is driven by future comfort stations. Reclaimed water will also be used for irrigation of Hotel sub-designation lands, to the extent available.

It should be noted that although approximately 49 acres of Single-Family sub-designated lands is proposed to be removed from the Kō'ele Project District (in the area between Kaunaoa Drive and Queens Street), there are 25 existing single-family dwellings that will continue to have water demand. The total existing water demand for said residences is estimated to be 15,000 GPD.

Water Availability

There are two aquifers on Lāna'i, the Leeward Aquifer system and Windward Aquifer system, each with a sustainable yield of 3.0 million gallons per day (MGD). Together, the total sustainable yield for the island of Lāna'i is 6.0 MGD.

Lāna'i Water Company provides Periodic Water Reports (PWR) to the County of Maui, Department of Water Supply and State of Hawai'i, Commission on Water Resource Management (CWRM). The PWR can be accessed each month from the Lāna'i Water Company's website. The PWR contains data sets of gallons of

water pumped, water use on the island, water well levels, and water temperature and chlorides. The CWRM publishes on their website a 12 month moving average monthly pumpage chart relative to the island's 6.0 MGD sustainable yield. In the context of the island's sustainable yield of 6.0 MGD, the CWRM established a management guideline trigger of 4.3 MGD to initiate proceedings to designate Lāna'i as a groundwater management area. Lāna'i Water Company has a data set containing water readings from 1926 through today. The daily water demand on Lāna'i, last updated for August 2021, is 1.517 MGD. This daily water demand is significantly lower than the 4.3 MGD trigger set by the CWRM in 1990 and the 6.0 MGD sustainable yield for the island of Lāna'i.

The water demand for the proposed project is also analyzed in the context of the 6.0 MGD sustainable yield for the island as a whole. The current water demand on Lāna'i is approximately 1.52 MGD, the full build out for the proposed Kō'ele Project District is approximately 0.13 MGD, which is less the existing water demand (captured in the current water demand). Other proposed or approved projects represent approximately 0.32 MGD in demand. The total forecasted water demand for Lāna'i (summation of the values) is 1.96 MGD, which is less than the 4.3 MGD trigger set by CWRM and less than the sustainable yield of 6.0 MGD for Lāna'i. Based on the foregoing, significant adverse impacts to water resources are not anticipated as a result of the proposed project.

Lāna'i Water Use and Development Plan

The Lāna'i Water Use and Development Plan (WUDP) was prepared pursuant to the requirements of HRS, 174(C)-31, HAR, 13-7-170, and MCC, 2.88A. The WUDP is required to be consistent with State and County land use planning documents and inventories, existing water sources and uses, discusses existing and future land uses and related water needs, sets forth a program by which water needs will be met, allocates water to land uses, and discusses resource impacts of proposed plans. The WUDP was drafted through public involvement, consideration of multiple forecasts, consideration of a 20-year time frame for planning analysis, and includes specific suggestions for implementation.

According to the Lāna'i WUDP, Lāna'i has a sustainable yield of 6 MGD. Fresh water is found only in high level dike confined compartments in the Central Sector of the island. The Central Sector is divided into two aquifer systems, the Windward and the Leeward, each with a 3 MGD sustainable yield. The Kō'ele Project District is located within the Leeward aquifer system.

The Lāna'i WUDP contains a simple build-out analysis of the Kō'ele Project District according to per acre standards, discussed on page 4-68. The 2006 build-out analysis was used as the baseline versus the 2009 build-out analyses, as stated in the WUDP on page 4-31. The excerpt regarding this input was stated as such:

An additional proposal was received on July 28, 2009 from Castle & Cooke Resorts. Although some analysis of this proposal is presented in this chapter, the Committee voted not to embark on a full consideration of proposal at that late date in the process.

Build-out estimates are examined in two ways, both by per acre standards and by per unit standards. In deriving built and pending consumption according to per acre standards, the usual standards analysis was modified. Since there were no clear developed versus non-developed acreages, nor reliable maps from which to derive them, the Lānaʻi WUDP assumed that the percent of acreage developed within each land use designation of the Project District was equivalent to the percent of units developed.

As stated in the Lānaʻi WUDP, according to the modified per acre analysis and standard per unit analysis, the Lānaʻi WUDP, projects that at full build-out, the Kōʻele Project District would consume 0.52 MGD of fresh water only (not including effluent, reclaimed, etc. water). In the Lānaʻi WUDP, various analyses were completed to account for a range of wastewater availability and use scenarios. According to the Lānaʻi WUDP, the total anticipated water use at full build out for the Kōʻele Project District would range from 0.74 MGD to 1.77 MGD, which included both fresh and reclaimed water.

As discussed previously, the proposed amended Kōʻele Project District is anticipated to require 0.29 MGD of fresh water at full build-out, which is 44 percent less than the 0.52 MGD of fresh water estimated for the Lānaʻi WUDP for the Kōʻele Project District at full build-out.

2. **Wastewater** –

Lānaʻi's municipal wastewater collection system is situated in and around Lānaʻi City. Wastewater generated by Kōʻele Project District is collected by 8-inch and 6-inch pipes and conveyed southwest towards the Lānaʻi City Wastewater Treatment Plant. The PER also included a summary of wastewater impacts due to the proposed Kōʻele Project District Amendment. See Appendix "J" of the Final EA. The impacts to wastewater flow due to the proposed Kōʻele Project District can be determined by comparing the calculated wastewater flows for both the existing and proposed zoning districts at full buildout conditions. Proposed wastewater demands are based on Pūlama Lānaʻi's program which limits unit counts and developed areas.

Overall, the proposed Kōʻele Project District will cause a reduction in proposed wastewater flows, compared to the existing Kōʻele Project District, as a result of a reduction in developable land. See **Table 9**.

It should be noted that, although approximately 49 acres of single-family sub-designated lands is proposed to be removed from the Kōʻele Project District (in the area between Kaunaoa Drive and Queens Street), there are 25 existing dwellings that will continue to have wastewater flows. This flow is estimated to be 8,750 GPD.

Table 9. Wastewater Flow Summary

| Land Use | Existing Project District Average Daily Demand (gpd) | Proposed Project District Average Daily Demand (gpd)^a |
|--|---|---|
| Hotel | 87,500 | 85,400 |
| Multi-Family Residence | 22,950 | 15,415 |
| Single-Family Residence | 89,250 | 19,950 |
| Park (Comfort Stations) | ^b 0 | 1,500 |
| Open Space | 0 | 0 |
| Golf Course | 1,750 | ^c 500 |
| Public | ^b 0 | N/A |
| Stables & Tennis Courts | 125 | N/A |
| Resort/Commercial | N/A | ^d 11,100 |
| TOTAL | 201,575 | 133,865 |
| ^a Proposed demands are based on Pūlama Lāna'i program, which limits unit counts and developed area. ^b No wastewater demand. ^c Cavendish only ^d Includes Stables & Tennis Courts demand which is superseded by Resort/Commercial land use. Source: R.M. Towill, 2021. | | |

By letter dated March 7, 2022, the Maui County Department of Environmental Management, Wastewater Reclamation Division noted that the proposed amendments have no immediate effect on the Lāna'i Wastewater Treatment facility of the associated collection system. See **Exhibit 5**. As noted previously, no construction activities are currently proposed with these applications; consequently, determination by the Department of Environmental Management of existing wastewater capacity for future projects will be assessed at time of project/planning reviews and/or building permits. This review will occur as a result of the Phase II Project District Development application process.

3. **Drainage –**

The Kō'ele Project District area is located on the leeward side of the mountains in the central area of Lāna'i. It is situated mauka of Lāna'i City at the foothills of the mountain range and varies in elevation from approximately 1,600 to 2,000 feet amsl. The topography is moderate below the breakline of the foothills. The unimproved mauka areas of the Kō'ele Project District are covered mainly with forest and tall trees, heavy brush, and tall grass.

The Project District is located along the north rim of the Pālāwai Basin. This basin is a large plateau area in the central portion of Lāna'i, approximately 4.5 miles in diameter. Runoff from the watershed inundates the lowest parts of the basin for prolonged periods during the rainy season.

Overall, runoff from the Kō'ele Project District is generally split between three drainage tributaries. Runoff from the southern portion of the Kō'ele Project District is conveyed by the Kapano Gulch south to two abandoned reservoirs. The runoff continues south to the Pālāwai Basin through a system of abandoned irrigation ditches. Runoff from the central and northwest portion of the Kō'ele Project District is conveyed by the Kaiholena/Iwiolo/Paliमानो Gulch west towards the shoreline and the Pacific Ocean. Runoff from the northeast portion of the Kō'ele Project District is conveyed by the Nalo Gulch northeast towards the shoreline of the island and the Pacific Ocean.

The existing drainage improvements consists of swales, basins and drainlines in the golf course and along the roadways, with culverts ranging in size from 18 to 96 inches. The former Experience at Kō'ele Golf Course was designed to handle a majority of the drainage for the Kō'ele Project District. Smaller flows from offsite areas and for onsite development parcels are diverted via pipes and green drainageways to the golf course, where they are conveyed, along with larger surface flows, by swales and contained in lakes/basins.

Drain Areas 1 and 2 encompass the southern portion of the Kō'ele Project District, in which runoff is conveyed south to the Kapano Gulch and the Palawai Basin. Due to the decrease in allowable density by the proposed amendments, at full build-out, the proposed Kō'ele Project District results in a five percent decrease in the 100-year, 24-hour peak flow and a four percent decrease in runoff volume to the Pālāwai Basin.

Drain Areas 3 and 4 cover the central and northwest portion of the Kō'ele Project District, in which runoff is conveyed west to the Kaiholena/Iwiolo/Paliमानो Gulch and the ocean. The proposed Kō'ele Project District results in a 0.3 percent decrease in the 100-year, 24-hour peak flow and a 0.1 percent increase in runoff volume to the ocean.

The proposed Kō'ele Project District amended land uses in Drain Area 4 results in a negligible increase in 100-year, 24-hour peak flow and runoff volume. However, this is not anticipated to have any adverse impacts to the unimproved pasture land downstream. It is expected that any potential future improvements in this district will include measures to mitigate increases in runoff as well as provide stormwater quality treatment in accordance with County Standards.

Drain Area 5 covers the northeast portion of the Kō'ele Project District, in which runoff is conveyed northeast to the Nalo Gulch and the ocean. The proposed Kō'ele Project District results in no change to storm runoff values.

By letter dated March 8, 2022, the Maui County Department of Public Works noted that for future developments within the project district, drainage improvements shall comply with Title MC-15 and 20. See **Exhibit 6**. Overall, the proposed Kō'ele Project District has a positive impact to the Lāna'i City and downstream environments due to the reduction in runoff as a result of an overall reduction in lands entitled for development. See Appendix "J" of the Final EA.

4. **Traffic** –

A Traffic Assessment (TA) was prepared for the proposed action to document the updates and impacts from the proposed Kō'ele Project District in comparison to the original Kō'ele Project District. See Appendix "I" of the Final EA. In addition, an Addendum to the TA was prepared to address comments received on the Draft EA. See Appendix "I-1" of the Final EA. The original Kō'ele Project District spans approximately 632.5 acres of land immediately northeast and adjacent to Lāna'i City. However, the proposed Kō'ele Project District will reduce the overall Project District by eight percent in acreage.

Within Lānaʻi City, the roadways are generally oriented within a rectangular grid network and serve low volumes of traffic. The roadways are generally narrow and are shared by both vehicular and pedestrian traffic due to the rural nature of the area.

With regards to multi-modal activity, sidewalks are provided along portions of Fraser Avenue, Lānaʻi Avenue, Kaumālapaʻu Highway, Ilima Avenue, 5th Street, 7th Street, 8th Street, and Keomuku Highway within Lānaʻi City. In addition, Kaumālapaʻu Highway from Mānele Road to Kaumālapaʻu Harbor is currently designated as a shared roadway per the State Department of Transportation's (SDOT) Bike Plan Hawaii: Bikeway Map. There is currently no public transportation on Lānaʻi.

The impacts of the Original Kōʻele Project District on the Lānaʻi City roadway network were included in the Lānaʻi City Traffic Circulation Plan Traffic Impact Analysis Report (TIAR), dated October 4, 1991, hereinafter referred to as the "Original TIAR." The Original TIAR, studied the following four intersections as they were identified as major intersections that are currently anticipated to serve the highest volumes through Lānaʻi City. All four intersections are currently unsignalized with two-way stop controls.

- Kaumālapaʻu Highway/Fraser Avenue
- Kaumālapaʻu Highway/Lānaʻi Avenue
- 8th Street/Lānaʻi Avenue
- 8th Street/Fraser Avenue

The Original TIAR includes traffic generated by various developments proposed on the island. Trip generation for the Original Kōʻele Project District in the Original TIAR was limited to 275 single-family residential units and 100 multi-family units as well as the 250-room Kōʻele Lodge (assumed as a 148-room expansion at the time of the report). The Original TIAR did not include trip generation for the golf course land use as the course was open and operational at the time of data collection.

The Original TIAR evaluated intersection movements based on a Level of Service (LOS) analysis. LOS is a qualitative measure used to describe the conditions of traffic flow at intersections, with values ranging from free-flow conditions at LOS A to congested conditions at LOS F. LOS D or better is generally considered acceptable for major movements.

Accounting for all the proposed developments on Lānaʻi, the Original TIAR anticipated all studied intersections would operate with little to no delay and all movements at LOS B or better during the morning and afternoon peak hours of traffic. Even with the proposed developments, the existing roadway network was anticipated to handle the increase in traffic from new developments due to the low existing traffic volumes.

Nonetheless, the following intersections were evaluated as part of the TA Addendum to determine the potential impacts to State roadways within the vicinity of the proposed amended Kōʻele Project District:

- Kaumālapa'u Highway/Mānele Road
- Kaumālapa'u Highway/Fraser Avenue
- Kaumālapa'u Highway/Lāna'i Avenue

Traffic count data at the above intersections was estimated based on data provided in the TIAR prepared for the Hōkūao 201-H Housing Project and the Lāna'i City Traffic Circulation Plan. Traffic volumes from the studies were adjusted to existing conditions based on 2019 segment data collected by the SDOT along Kaumālapa'u Highway, Mānele Road, Fraser Avenue and Lāna'i Avenue.

Based on the data, the morning peak hour of traffic occurs from 7:00 a.m. to 8:00 a.m. and the afternoon peak hour of traffic occurs from 2:00 p.m. to 3:00 p.m. Existing traffic volumes along the study roadways are low during both peak hours of traffic due to the rural nature of Lāna'i and limited resident population. At the study intersections, existing volumes were no more than 350 vehicles during either peak hour, and there was minimal conflict.

For the purposes of the Traffic Addendum, full development of the proposed Kō'ele Project District was assumed to occur over a 20-year horizon. Population growth and related traffic growth has generally been limited on Lāna'i as a result of limited housing and employment opportunities on the island. A growth rate was not applied to existing traffic as any growth on the island is expected to be tied to new housing inventory and employment.

In order to account for future growth on the island, as new opportunities are made available, traffic generated by planned developments by Pūlama Lāna'i, the State and the County were added to the study intersections. These developments included the Hōkūao 201H Housing Project, Department of Hawaiian Home Lands (DHHL) Lāna'i Residence Lots Phase II, County of Maui Affordable Housing, and Miki Basin Industrial Park. The planned developments are expected to generate 286 trips during the morning peak hour of traffic and 406 trips during the afternoon peak hour of traffic.

The Institute of Traffic Engineers Trip Generation Manual, 10th Edition was used to determine the number of vehicular trips generated by the proposed Kō'ele Project District land uses with the exception of the Resort Commercial area, as the Resort Commercial area is expected to be primarily used by resort guests and, therefore, is not expected to generate trips outside of those attributed to the proposed Kō'ele Project District.

Although no immediate construction is currently planned within the proposed Kō'ele Project District boundaries, based on the proposed land use density (overall project district reduction in acreage for uses that would generate traffic impacts), the proposed Kō'ele Project District may generate up to 50 trips during the morning peak hour of traffic, and 91 trips during the afternoon peak hour. The proposed Kō'ele Project District is anticipated to contribute five to ten percent of future volumes at the study intersections.

Under future conditions, up to 650 vehicles are projected to travel through the study intersections during either peak hour of traffic and are anticipated to continue to experience minimal conflicts.

Given the unique character of Lānaʻi, adjustments can be applied to future development trip generation to obtain volumes more consistent with existing conditions on the island. Under the adjusted future conditions, up to 500 vehicles are projected to travel through the study intersections during either peak hour of traffic and are anticipated to continue to experience minimal conflicts.

In light of the foregoing, an updated TIAR is not anticipated to be required for the proposed Kōʻele Project District given that the study intersections will continue to operate similar to existing conditions upon full development of not just the Kōʻele Project District, but of the island of Lānaʻi.

A letter dated March 29, 2022 from the State of Hawaiʻi, Department of Transportation, Highways Division Deputy Director Sniffen to Maui County Department of Planning Deputy Director Jordan Hart stated that the former condition #9 from Ordinance 2140 related to the development of a by-pass road is not necessary to carry forward due to the decreased development proposed from the existing approved Project District application. See **Exhibit 4**.

In the Department's analysis, the basis of the trigger for the condition, "an occupancy rate of 50% of the total number of single family and multifamily units specified in the Koele Project District is reached" is not defined by the units proposed on a specific date or plan version. Furthermore, the proposed by-pass is described as a County rather than a State facility. Considering the improvement is a County facility, the Department Public Works did not confirm that the by-pass road will not be necessary in their letter dated March 8, 2022. See **Exhibit 6**,

In light of the foregoing the Department of Planning will carry forward the condition for further deliberation and recommendation by the Lanai Planning Commission to the Maui County Council.

5. **Recreation –**

Public parks and recreational facilities are administered and maintained by the Maui County Department of Parks and Recreation (DPR). DPR parks and facilities in Lānaʻi City include: the Lānaʻi Community Center, the Lānaʻi Gym and Tennis Courts, and the Lānaʻi Little League Field, Fraser Avenue Park, and Kaumalapa'u Highway/Fraser Avenue Park.

There are also a number of privately-owned and maintained recreational facilities that are available for public use. Situated in Lānaʻi City, Dole Park is a privately-owned park used by the public. Additional privately-owned parks used by the public include Waialua Park and Hulopoʻe Beach Park. Olopua Woods Park and Waialua Park are located in Lānaʻi City, while Hulopoʻe Beach Park is located near the Mānele Small Boat Harbor. Other beaches on Lānaʻi include: Kaiolohia (Shipwreck Beach), Lopa Beach, Polihua Beach, and Sharks Bay.

The Lāna'i Recreation Center is a privately-owned and maintained recreational complex which is used by the public. The Center encompasses a heated swimming pool, basketball court, exercise track, fitness course, softball fields, recreational building, and playground.

Other privately operated recreational facilities on Lāna'i include one 18-hole championship golf course and a nine-hole golf course. The Challenge at Mānele adjoins The Four Seasons Resort Lāna'i at Mānele. The nine-hole Cavendish Golf Course is the other privately operated facility located within the Kō'ele Project District which provides recreational opportunities for Lāna'i residents at no cost.

The proposed action is not considered a population generator. The proposed action is not intended to adversely impact the existing recreational facilities on Lāna'i. On the contrary, the proposed amendments seek to increase the amount of Project District lands within the Open Space and Park sub-designation, thereby providing opportunities for enhancement of existing and provision of additional recreational resources on Lāna'i.

6. **Schools –**

The island of Lāna'i is served by the State of Hawai'i, Department of Education's (DOE's) public school system. Located in Lāna'i City, Lāna'i High and Elementary School (LHES) provides elementary and secondary educational facilities and services for children from kindergarten through the twelfth grade. It is the only school that serves educational needs on the island of Lāna'i.

As previously mentioned, the proposed action is not considered a population generator and will not place added demands on educational facilities or services on Lāna'i.

7. **Solid Waste –**

Single-family solid waste disposal on Lāna'i is provided by the Maui County Department of Environmental Management (DEM), while commercial disposal service is provided by a private disposal service. The DEM's Lāna'i Landfill is the primary disposal site for Lāna'i. Pūlama Lāna'i has established new recycled waste facilities and services, such as HI-5 recycling and centralized disposal of junk vehicles, white goods, and other recyclables which are shipped off island to permitted waste disposal sites on O'ahu. These programs and services serve to divert streams of material disposed at the landfill.

The proposed action is not anticipated to have a significant impact on solid waste disposal services, nor on the Lāna'i Landfill.

8. **Public Services –**

Police and security services for island residents are provided by the Maui Police Department. The Lāna'i Police Station is situated in Lāna'i City. Fire prevention, protection, and suppression services for the island of Lāna'i are provided by the Maui County Department of Fire and Public Safety. The Lāna'i Fire Station is also located in Lāna'i City.

The Lānaʻi Community Hospital is the major medical facility on the island. The 14-bed facility provides acute and long-term medical care, as well as 24-hour emergency medical service. Also in Lānaʻi City is the Lānaʻi Health Center and Straub Clinic which provide outpatient medical care for the island's residents, as well as Rainbow Pharmacy, which provides for the island's pharmaceutical needs.

The proposed action will not extend the service limits for emergency services. Police and fire protection services are not anticipated to be adversely impacted by the proposed action. Pūlama Lānaʻi proposes to coordinate with the County, local police, and fire services to mitigate any potential adverse impacts to these services.

The proposed action does not involve any construction activities and, as such, construction-related impacts to medical services are not anticipated. From a long-term perspective, the proposed action is not a population generator and is not anticipated to adversely impact medical services in the community.

SOCIO-ECONOMIC IMPACTS

1. Population –

The resident population of Lānaʻi has grown steadily within the past few decades. This gain is evident during the period from 1990 to 1995 as the island's emerging visitor industry attracted new employees for its resort operations. In 1990, the resident population of Lānaʻi was at 2,426, while in 2000, the population stood at 3,193, an increase of 31.6 percent.

The global financial crisis in 2008-2009 and resulting slowdown in the economy had a detrimental effect on population growth in the state and counties of Hawaiʻi. This is evidenced by a 1.8 percent decrease in Lānaʻi's population between 2000 and 2010 to 3,135. In the long term, however, population growth is expected to increase. The resident population of Lānaʻi is forecasted to increase to 4,020 in 2030.

The proposed action does not involve construction activities and, as such, is not anticipated to impact the island's population. In addition, it is also noted that the proposed amendments seek to decrease the overall amount of lands within the Project District's residential sub-designations.

2. Housing –

According to a Socio-Economic Impact Report prepared for the proposed action, the average household size on Lānaʻi was 2.57 people per household between the years 2013 and 2017, a slight decrease from 2.71 people per household in 2010. Between 2013 and 2017, Lānaʻi had an estimated 1,561 housing units, of which, approximately 20.2 percent were vacant. See Appendix "H" of the Final EA.

As discussed previously, the proposed action does not involve any construction activities. The proposed amendments seek to decrease the amount of lands within the Project District's residential sub-designations while also adding lands for Hotel

and Resort Commercial uses. Following the proposed amendments, there will be a limited amount of residential sub-designated lands left for future development in the Project District.

3. **Economy –**

With its shift to a visitor industry-based economy, the island of Lānaʻi has emerged as one of the foremost luxury resort destination areas in the world. This accomplishment is evidenced by the success of the island's resorts. In addition to the resorts, local businesses and visitor-oriented service providers contribute to the success of the island's economy. These include outdoor recreational activities, such as fishing, diving, hiking, hunting, bicycling, kayaking, sport shooting, snorkeling, whale watching, and sightseeing.

Hawaiʻi's economy through 2019 was strong, with record-setting visitor arrivals and low unemployment. Although historical unemployment rate trends for Lānaʻi supports this and shows improvement due in large part to the reopening of the Sensei Lānaʻi, a Four Seasons Resort in November 2019, the COVID-19 pandemic will have far reaching impacts on the economy in Hawaiʻi and across the nation and world. Stay-at-home regulations and travel quarantines aimed to curb the spread of COVID-19 virus in Hawaiʻi have caused many businesses to shut down or drastically reduce operations. Unemployment claims have soared. While unemployment rates are decreasing, the economy is slowly recovering. As of September 2021, the unemployment rate on Lānaʻi was at 4.7 percent, compared to 20.0 percent the year prior.

The proposed action does not involve any construction activities and, as such, there is no short-term impact on the economy.

It is noted that the lands proposed to be added to the Project District present future opportunities for potential construction-related spending and expanded resort and resort amenity-related employment opportunities. Specifically, under a full build-out scenario for the proposed amended Project District, approximately 450 direct jobs and 180 indirect jobs would be created, approximately 570 of which would be on Lānaʻi. See Appendix "H" of the Final EA.

ENVIRONMENTAL IMPACTS

1. **Air and Noise Quality –**

There are no non-attainment areas for air quality in the State of Hawaiʻi, and air quality monitoring data is, thus, very limited. The ambient air quality of the area is typically clean and subject to the prevailing onshore winds. There are no major sources of air pollution in the immediate vicinity, such as agricultural burning, manufacturing plants and incinerators.

Noise within Lānaʻi City's regional vicinity is primarily derived from: 1) the natural environment (wind, rain, etc); 2) traffic from neighboring roadways; 3) community sounds related to people, animals/pets, etc.; and 4) nearby aircraft in flight to/from the Lānaʻi Airport.

Although the currently proposed action does not involve construction activities, it is noted that short-term impacts from fugitive dust are expected to occur during any potential future construction. To a lesser extent, exhaust emissions from stationary and mobile construction equipment, from the disruption of traffic, and from workers' vehicles, may also affect air quality during potential future construction activities. Post construction, motor vehicles coming to and from the Project District may result in a long-term increase in air pollution emissions in the project area. Given the reduction in scale of land area, densities and unit counts, there will be a reduction in traffic and other air quality impact issues once the amendments are made to the Kō'ele Project District. Potential future improvements associated with the Kō'ele Project District are not expected to cause a significant air quality impact, including anticipated greenhouse gas emissions, above those contemplated with the approval of the existing Project District. As such, no mitigation measures beyond compliance with applicable regulations, requirements, and standards, are required.

As previously discussed, the currently proposed action does not involve construction activities. However, it is noted that there is usually unavoidable noise impacts associated with operation of heavy construction machinery, paving equipment and material transport vehicles during construction activities which would be present during future construction activities that may take place. Proper mitigating measures to minimize construction-related noise impacts and comply with all Federal and State noise control regulations will be employed. Increased noise activity due to construction would be limited to daytime hours and persist only during construction. Noise from construction activities would be short term and will comply with Department of Health (DOH) noise regulations found in HAR, Chapter 11-46, Community Noise Control. When construction noise exceeds, or is expected to exceed the DOH's allowable limits, a permit must be obtained from the DOH. Any future development would undergo separate analysis to evaluate potential noise impact related to the future action.

2. Flora and Fauna –

A flora and fauna study of the Kō'ele Project District area was conducted. See Appendix "D" of the Final EA. A walk-through botanical survey was used to cover the new areas proposed to be added to the Project District. All representative habitats were examined including the grassy pastures, shrub lands and forest margins. A complete inventory of all plant species was made with special attention focused on native plant species and whether any of these were federally protected Threatened or Endangered species that might require special attention or actions.

The vegetation in the project area consists mostly of open pasture lands with some windbreak trees and small areas of shrub land. A total of 62 plant species were recorded during the survey. Five species were common throughout the project area: Christmas berry (*Schinus terebinthifolius*), lantana (*Lantana camara*), Cook pine (*Araucaria columnaris*), fireweed (*Senecio madagascariensis*) and sand mallow (*Sidastrum micranthum*). Several pasture grasses were evenly distributed, but none of these were individually common. Just one native plant species was seen, the indigenous hala tree (*Pandanus tectorius*).

A fauna survey was conducted in conjunction with the flora survey. Sign of just two non-native mammal species was observed in the project area. Several axis deer (*Axis axis*) were seen and abundant signs were found throughout the area in the form of tracks, droppings, and antler rubbings. Horses (*Equus caballus*) were also common in the pastures. A special effort was made to look for evidence indicating the presence of the endangered 'ōpe'ape'a or Hawaiian hoary bat by conducting an evening survey at two locations within the project area. No bats were detected.

Other non-native mammals likely to frequent this area include rats (*Rattus* spp.), mice (*Mus domesticus*), feral cats (*Felis catus*), and occasionally domestic dogs (*Canis familiaris*).

Birdlife was moderate in both species diversity and in total numbers seen. 12 species were observed during two site visits. Most common were the common myna (*Acridotheres tristis*) and the zebra dove (*Geopelia striata*). Less common were the house finch (*Carpodacus mexicanus*), gray francolin (*Francolinus pondicerianus*), spotted dove (*Streptopelia chinensis*), northern cardinal (*Cardinalis cardinalis*), Japanese bush warbler (*Cettia diphone*) and the kōlea or Pacific golden-plover (*Pluvialis fulva*). Four other species were rare of occurrence. Two indigenous, native birds were recorded during the survey, the kōlea which was uncommon, and the 'akekeke or ruddy turnstone (*Arenaria interpres*) which was rare. Both of these are migratory species that were molting in preparation for their imminent departure to their arctic breeding grounds. A few other species that might occur in this habitat include the wild turkey (*Meleagris gallopavo*), Erckel's francolin (*Pternistis erckelii*), and nutmeg mannikin (*Lonchura punctulata*).

Just one non-native lizard, the common garden skink (*Lampropholis delicata*) was observed in ground leaf litter. One non-native mollusk, the giant African snail (*Achatina fulica*), was rare.

Insect life was modest in diversity, but rather sparse in total numbers. 11 species were recorded in six 6 insect Orders. Just one species was common, the monarch butterfly (*Danaus plexippus*), which was seen throughout the project area. Three other species were uncommon, the honeybee (*Apis mellifera*), dung fly (*Musca sorbens*), and long-tailed blue butterfly (*Lampides boeticus*). Seven other species were of rare occurrence. One insect species was native, the indigenous globe skimmer dragonfly (*Pantala flavescens*), which is common throughout Hawai'i.

The vegetation throughout the project area is dominated by non-native pasture and weed species, none of which are of any conservation interest or concern. No Threatened or Endangered plant species were found during the survey, and no special native plant habitats were found either. As a result, the study determined that developmental projects in the area would not have a significant negative impact on the botanical resources in this part of Lāna'i. No specific recommendations regarding plants were offered.

The fauna species identified within the project area are mostly non-native organisms that have been purposefully or accidentally introduced to Hawai'i since western contact. Two bird species and one insect species, however, were indigenous in Hawai'i. These two birds are migratory species that over-winter in

Hawai'i between September and May, but then fly to the arctic where they breed and raise their young through the summer months. Both species show up here in large numbers every year. Neither species is Threatened or Endangered so they do not carry these heightened protections and are not of conservation concern at present. The globe skimmer is widespread and common in Hawai'i in a variety of habitats. It is also known throughout the tropics and subtropics nearly worldwide. While indigenous in Hawai'i, it carries no federal protections and is of no special conservation concern.

In addition, mitigation measures to avoid or reduce harm to other species including the Hawaiian bat and seabirds the 'Ua'u and 'A'o were discussed in the survey.

3. **Topography and Soils –**

Topography is relatively moderate within the project site. The project site is located at the base of Lāna'ihale, where slopes range from 0 to 30 percent and elevation ranges from 1,600 to 2,000 feet above mean sea level (msl). The Project District is located in an area within the Moloka'i-Lahaina and Kahanui-Kalae-Kanepu'u associations. Soils within these associations are characterized as deep, gently sloping to moderately steep and are well drained soils. **Table 10** below lists the specific soil classifications found within the Project District.

Table 10. Soil Classifications

| |
|---|
| KcB, Kalae silty clay, 2 to 7 percent slopes |
| KcC, Kalae silty clay, 7 to 15 percent slopes |
| KrB, Kō'ele silty clay loam, 3 to 7 percent slopes |
| KrC, Kō'ele silty clay loam, 7 to 15 percent slopes |
| KRL, Kō'ele-Badland complex |
| LaB, Lahaina silty clay, 3 to 7 percent slopes |
| LaC, Lahaina silty clay, 7 to 15 percent slopes |
| WoB, Waihuna clay, 3 to 7 percent slopes |

In addition, although the proposed action does not involve any construction activities, a geotechnical study was conducted to provide information about potential geotechnical risks involved and the geotechnical considerations that may need to be addressed for development actions within the Project District. See Appendix "C" of the Final EA. The scope of the geotechnical engineering assessment consisted of site reconnaissance, review of the available geological maps, and subsurface information from previous explorations conducted in the vicinity of the Project District.

Based on the geotechnical survey of the Project District area and the anticipated subsurface conditions, future development within the Project District would be feasible with respect to geotechnical engineering considerations. Several geotechnical considerations as discussed in the report may have the potential for impacts on design and construction. The currently proposed action is not anticipated to present adverse impacts on the topography or soils in the area.

4. **Flood, Tsunami, and Sea Level Rise –**

The Project District is located mauka (northeast) of Lānaʻi City. As shown on the Flood Insurance Rate Map for the area, the Project District is in an undesignated flood zone area. Similarly, the site is located outside of the Tsunami Evacuation Zone, as well as the projected 3.2-foot sea level rise exposure area discussed in the Hawaiʻi Sea Level Rise Vulnerability and Adaptation Report that was prepared in 2017 by the Hawaiʻi Climate Change Mitigation and Adaptation Commission.

The currently proposed action does not present any risks of flooding or tsunami hazards.

5. **Hazardous Materials –**

A Phase I Environmental Site Assessment (ESA) was conducted for those lands proposed to be added to the Kōʻele Project District. See Appendix “G” of the Final EA. The purpose of the assessment is to identify Recognized Environmental Conditions (RECs) at the site, including Controlled Recognized Environmental Conditions (CRECs), Historical Recognized Environmental Condition (HRECs), and de minimis conditions as defined by the American Society for Testing and Materials E 1527-13 standard.

At the time of the preparation of the ESA, approximately 18 acres of the study area were operated by multiple contractors as a construction laydown site associated with the renovations to the former Lodge at Kōʻele and other development projects on Lānaʻi. Approximately 57.2 acres of the study area are currently operated by Lānaʻi Ranch with pasture area, stables, horses and other livestock. Adjacent to the Lānaʻi Ranch is a shipping container staging area.

During the site reconnaissance, portions of the site were overgrown and access was not provided to the residential structures, all of the construction trailers, or all of the shipping containers used to store construction materials on the site. The ESA noted that these limiting conditions are not expected to impact the results of the Phase I ESA because the overgrown areas appear to be limited to vegetation. The residential structures are used for residential purposes and the construction trailers and shipping containers are expected to be similar to the ones that were accessed.

The ESA revealed no evidence of recognized environmental conditions (RECs) and/or controlled recognized environmental conditions (CRECs) in connection with the site, except for the following:

REC No. 1

During Site reconnaissance a large area of staining was observed on the ground around the painting booth. Site personnel indicated that the staining was a result of overspray from wood staining activities using PPG ProLuxe 1 Primary Coat RE Wood Finish Transparent Satin. This would constitute a REC, as this is a petroleum-based product that has been released to the environment.

De Minimis Conditions

This assessment has revealed the following de minimis conditions in connection with the Site:

Less than one square foot of staining was observed on the ground in the BMK tent in the construction laydown portion of the Site. No evidence of a leaking container or source was identified. Due to the very limited nature, this would be considered de minimus.

The following additional findings were identified during the course of the Phase I ESA that have not been determined to be RECs:

Finding No. 1

The previous use of portions of the Site as part of pineapple plantation activities indicates possible use of pesticides and other chemicals. Disturbance of soils could lead to potential exposures to potential pesticides and other chemicals and should be considered during the redevelopment process.

Finding No. 2

AST containing propane was observed near one of the residential structures on the Site. The AST is located on the exterior of the residence. No releases have been reported from the AST and no staining was noted at the time of inspection. As no releases to the environment are known or suspected, this is not considered to be a REC.

Pūlama Lāna'i will comply with all applicable Federal, State and County laws and rules regarding the treatment of RECs. In consideration of the above, the level of impact due to the findings of the ESA are anticipated to be less than significant.

OTHER GOVERNMENTAL APPROVALS

On September 8, 2021, the Draft EA in support of the PH1 Amendment, CPA, and CIZ applications was published in the Environmental Review Program's (formerly the Office of Environmental Quality Control) Environmental Notice bulletin. On September 15, 2021, the Applicant appeared before the LPC to receive comments on the Draft EA. On January 19, 2022, the LPC reviewed the preliminary Final EA and issued a Finding of No Significant Impact determination. On February 8, 2022, the Final EA and FONSI determination was published in the Environmental Notice bulletin. The 30-day challenge period has concluded with no objections to acceptance of the Final EA. Therefore, the Final EA is accepted.

It is noted that in addition to the PH1 Amendment, CPA, and CIZ requests before the LPC, a separate DBA petition will be prepared and filed with the LUC.

TESTIMONY

As of May 10, 2022, the Planning Department has not received any testimony on the project.

ALTERNATIVES

- **Deferral.** The Commission may defer action to another meeting date in order to obtain additional information that will assist in their deliberation on the request.
- **Recommend Approval With No Conditions.** The Commission may recommend to approve the permit requests without imposing any conditions.
- **Recommend Approval With Conditions.** The Commission may recommend to approve the permit requests with conditions.
- **Recommend Denial.** The Commission may recommend to deny the permit requests

CONCLUSIONS OF LAW

The subject applications comply with the applicable standards for the following:

Project District Phase I Amendment

Pursuant to Title 19 Zoning, Chapter 19.45 Project District Processing Regulations, Section 19.45.050 Processing Procedure and Section 19.510.020 Applications Which Require a Public Hearing; MCC, 1980, as amended.

Community Plan Amendment

Pursuant to Title 2 Administration and Personnel, Chapter 2.80B General Plan and Community Plans, Section 2.80B.110 Nondecennial Amendments to Community Plans Proposed by a Person and Title 19 Zoning, Chapter 19.510 Application and Procedures, Section 19.510.020 Applications Which Require a Public Hearing; MCC, 1980, as amended.

Change of Zoning

Pursuant to Title 19 Zoning, Chapter 19.510 Application and Procedures, Section 19.510.020 Applications Which Require a Public Hearing and Section 19.510.040 Change of Zoning; MCC, 1980, as amended

RECOMMENDATION

The Planning Department recommends approval of Project District Phase I Amendment, Community Plan Amendment, and Change of Zoning Amendment changes, additions, and deletions as reflected by individual Tax Map Key outlined for each of the subject applications

COMMUNITY PLAN AMENDMENT

The Planning Department recommends approval of the Community Plan Amendment along with updated maps reflecting changes, additions, and deletions by individual Tax Map Key outlined in **Table A** and shown in **Exhibit 7**.

Table A. Summary of maps included in **Exhibit 7** associated with proposed changes by Tax Map Key for the Lānaʻi Community Plan Designation

| TMK | Lānaʻi Community Plan Designation | | MAP NAME |
|----------------------------|-----------------------------------|---------------------------|------------|
| | Existing | Proposed | |
| [2] 4-9-001: 021 | Project District | Single-Family Residential | MAP_01_CPA |
| [2] 4-9-001: 024 (portion) | Project District | Single-Family Residential | MAP_02_CPA |
| [2] 4-9-001: 025 (portion) | Project District | Single-Family Residential | MAP_03_CPA |
| [2] 4-9-001: 025 (portion) | Project District | Single-Family Residential | MAP_04_CPA |
| [2] 4-9-001: 025 (portion) | Project District | Single-Family Residential | MAP_05_CPA |
| [2] 4-9-001: 025 (portion) | Project District | Single-Family Residential | MAP_06_CPA |
| [2] 4-9-001: 030 (portion) | Project District | Single-Family Residential | MAP_07_CPA |
| [2] 4-9-002: 001 (portion) | Open Space | Project District | MAP_08_CPA |
| [2] 4-9-002: 061 (portion) | Agrucultural | Project District | MAP_09_CPA |
| [2] 4-9-002: 061 (portion) | Rural | Project District | MAP_10_CPA |
| [2] 4-9-018: 002 (portion) | Project District | Open Space | MAP_11_CPA |
| [2] 4-9-018: 002 (portion) | Project District | Road | MAP_12_CPA |
| [2] 4-9-018: 003 (portion) | Golf Course/Park | Project District | MAP_13_CPA |
| [2] 4-9-018: 003 (portion) | Project District | Open Space | MAP_14_CPA |
| [2] 4-9-018: 003 (portion) | Project District | Open Space | MAP_15_CPA |
| [2] 4-9-018: 005 | Project District | Single-Family Residential | MAP_16_CPA |
| [2] 4-9-020: 020 (portion) | Project District | Road | MAP_17_CPA |
| [2] 4-9-021: 009 | Project District | Open Space | MAP_18_CPA |

*MAP_02_CPA and MAP_07_CPA are the same, both Tax Map Keys are displayed on each map.

CHANGE OF ZONING AMENDMENT

The Planning Department recommends approval of the Change of Zoning Amendment along with updated maps reflecting changes, additions, and deletions by individual Tax Map Key outlined in **Table B** and shown on **Exhibit 8**, and subject to the following conditions:

1. The Applicant shall preserve in perpetuity the tradition of permitting free play on the Cavendish golf course for Lānaʻi residents and shall continue to maintain said golf course.
2. That full compliance with all applicable governmental requirements shall be rendered.
3. That the Applicant shall develop the property in substantial compliance with the representations made to the Lānaʻi Planning Commission in obtaining the Change of Zoning Failure to so develop the property may result in the revocation of the permit.

4. That the generation of outputs and impacts as well as the consumption of resources and services shall not exceed those disclosed and analyzed by this Change of Zoning Amendment Application and associated submittals.
5. That the Applicant shall develop the property in compliance with Project District processing requirements outlined in MCC Chapter 19.45 Project District Processing Regulations and that review of proposed construction in the Phase II process shall be accompanied by agency review not limited to water, wastewater, solid waste, archaeological and cultural resources, and traffic.
6. That all exterior illumination shall consist of fully shielded downward lighting throughout the project, as applicable by law.
7. That in the unlikely event that subsurface historic resources, including human skeletal remains, structural remains, cultural deposits, artifacts, native sand deposits, or sink holes are identified during the demolition and/or construction work, cease work in the immediate vicinity of the find, protect the find from additional disturbance, and contact the State Historic Preservation Division, at (808) 652-1510.
8. That the Applicant shall provide the Lānaʻi Planning Commission with quarterly water usage reports for the project site including quantities of potable, brackish, and/or R-1 water used and the source of said water.
9. That the Applicant shall a) build a by-pass road, similar in concept to the road as shown in the Lānaʻi Community Plan, Exhibit E, adopted April 5, 1983, in conformance with the standards of the County, as approved by the Director of Public Works, and b) dedicate, in fee simple absolute, free and clear of all mortgage and lien encumbrances, the constructed by-pass road to the County, at no cost to the County, within 2 years of the date that an occupancy rate of 50% of the total number of single family and multifamily units specified in the Kōʻele Project District is reached; provided, however, that this condition may be eliminated by the County Council if a traffic engineer provides a report showing that the roadway system then existing (within two years of reaching 50% occupancy) in and around Lanai City is not determined to be operationally substandard under the level of rating criteria of the American Association of State Highway and Transportation Officials.
10. That the Applicant shall use R-1 water to the extent available and practicable.

Table B. Summary of maps included in **Exhibit 8** associated with proposed changes by Tax Map Key for the Maui County Zoning

| TMK | Maui County Zoning | | MAP NAME |
|----------------------------|----------------------------------|------------------|------------|
| | Existing | Proposed | |
| [2] 4-9-001: 021 | PD-L/2 (Kō'ele) | R-3, Residential | MAP_01_CIZ |
| [2] 4-9-001: 024 (portion) | PD-L/2 (Kō'ele) | R-3, Residential | MAP_02_CIZ |
| [2] 4-9-001: 025 (portion) | PD-L/2 (Kō'ele) | R-3, Residential | MAP_03_CIZ |
| [2] 4-9-001: 025 (portion) | PD-L/2 (Kō'ele) | R-3, Residential | MAP_04_CIZ |
| [2] 4-9-001: 025 (portion) | PD-L/2 (Kō'ele) | R-3, Residential | MAP_05_CIZ |
| [2] 4-9-001: 030 (portion) | PD-L/2 (Kō'ele) | R-3, Residential | MAP_06_CIZ |
| [2] 4-9-001: 030 (portion) | PD-L/2 (Kō'ele) | R-3, Residential | MAP_07_CIZ |
| [2] 4-9-002: 001 (portion) | Interim | PD-L/2 (Kō'ele) | MAP_08_CIZ |
| [2] 4-9-002: 061 (portion) | AG, Agriculture/ PD-L/2 (Kō'ele) | PD-L/2 (Kō'ele) | MAP_09_CIZ |
| [2] 4-9-018: 001 | PD-L/2 (Kō'ele) / Interim | PD-L/2 (Kō'ele) | MAP_10_CIZ |
| [2] 4-9-018: 002 (portion) | Agriculture | Open Space | MAP_11_CIZ |
| [2] 4-9-018: 002 (portion) | PD-L/2 (Kō'ele) | Open Space | MAP_12_CIZ |
| [2] 4-9-018: 002 (portion) | PD-L/2 (Kō'ele) | Road | MAP_13_CIZ |
| [2] 4-9-018: 002 (portion) | Road | PD-L/2 (Kō'ele) | MAP_14_CIZ |
| [2] 4-9-018: 003 (portion) | Interim | PD-L/2 (Kō'ele) | MAP_15_CIZ |
| [2] 4-9-018: 003 (portion) | PD-L/2 (Kō'ele) | Open Space | MAP_16_CIZ |
| [2] 4-9-018: 003 (portion) | PD-L/2 (Kō'ele) | Open Space | MAP_17_CIZ |
| [2] 4-9-018: 003 (portion) | Road | PD-L/2 (Kō'ele) | MAP_18_CIZ |
| [2] 4-9-018: 004 | PD-L/2 (Kō'ele) | PD-L/2 (Kō'ele) | MAP_19_CIZ |
| [2] 4-9-018: 005 | PD-L/2 (Kō'ele) | R-3, Residential | MAP_20_CIZ |
| [2] 4-9-020: 020 (portion) | PD-L/2 (Kō'ele) | Road | MAP_21_CIZ |
| [2] 4-9-020: 020 (portion) | PD-L/2 (Kō'ele) | Road | MAP_22_CIZ |
| [2] 4-9-021: 009 | PD-L/2 (Kō'ele) | Open Space | MAP_23_CIZ |

*MAP_02_CIZ and MAP_07_CIZ are the same, both Tax Map Keys are displayed on each map.

PROJECT DISTRICT PHASE I AMENDMENT

The Planning Department recommends approval of the Project District Phase I Amendment along with updated maps reflecting changes, additions, and deletions by individual Tax Map Key outlined in **Table C**, and shown in the Proposed Project District Map in **Exhibit 2**, and subject to changes in the proposed revisions to MCC, Chapter 19.71, provided herein as **Exhibit 3**.

Table C. Summary of proposed changes by Tax Map Key for the Kō'ele Project District

| TMK | Existing Project District Sub-Designation | Proposed Project District Sub-Designation |
|---|---|--|
| (2)4-9-001:021 | Residential | Remove From Project District |
| (2)4-9-001:024 | Residential | Remove From Project District |
| (2)4-9-001:025(por.) | Residential | Remove From Project District |
| (2)4-9-001:027 ¹ | Residential | Remove From Project District |
| (2)4-9-001:030 | Residential | Remove From Project District |
| (2)4-9-002:001(por.) | Not in Project District | Hotel |
| (2)4-9-002:061(por.) | Not in Project District/Stables and Tennis Courts | Resort Commercial |
| (2)4-9-018:001 | Hotel/Golf | Hotel |
| (2)4-9-018:002(por.) | Golf/Residential/Multi-Family/Open Space/Park | Park/Open Space/Residential |
| (2)4-9-018:003(por.) | Golf/Residential/Public | Park/Golf/Hotel/Residential |
| (2)4-9-018:004 | Residential/Park | Open Space |
| (2)4-9-018:005 | Residential | Remove From Project District |
| (2)4-9-020:020 | Multi-Family/Residential/Golf | Multi-Family |
| (2)4-9-021:009 | Residential/Multi-Family | Remove From Project District |
| Notes: | | |
| 1. The Lāna'i Community Plan inadvertently designated TMK (2)4-9-001:027 as Single-Family Residential. According to Ordinance 2140 and Zoning Map 2608, this TMK is included in the existing Kō'ele Project District. This TMK is excluded in the proposed Kō'ele Project District. | | |

In consideration of the foregoing, the Planning Department recommends that the Lāna'i Planning Commission adopt the Planning Department's Report and Recommendation prepared for the May 18, 2022, meeting as its Findings of Fact, Conclusions of Law, Decision and Order and authorize the Director of Planning to transmit said Decision and Order to the Maui County Council on behalf of the Lāna'i Planning Commission.

APPROVED:

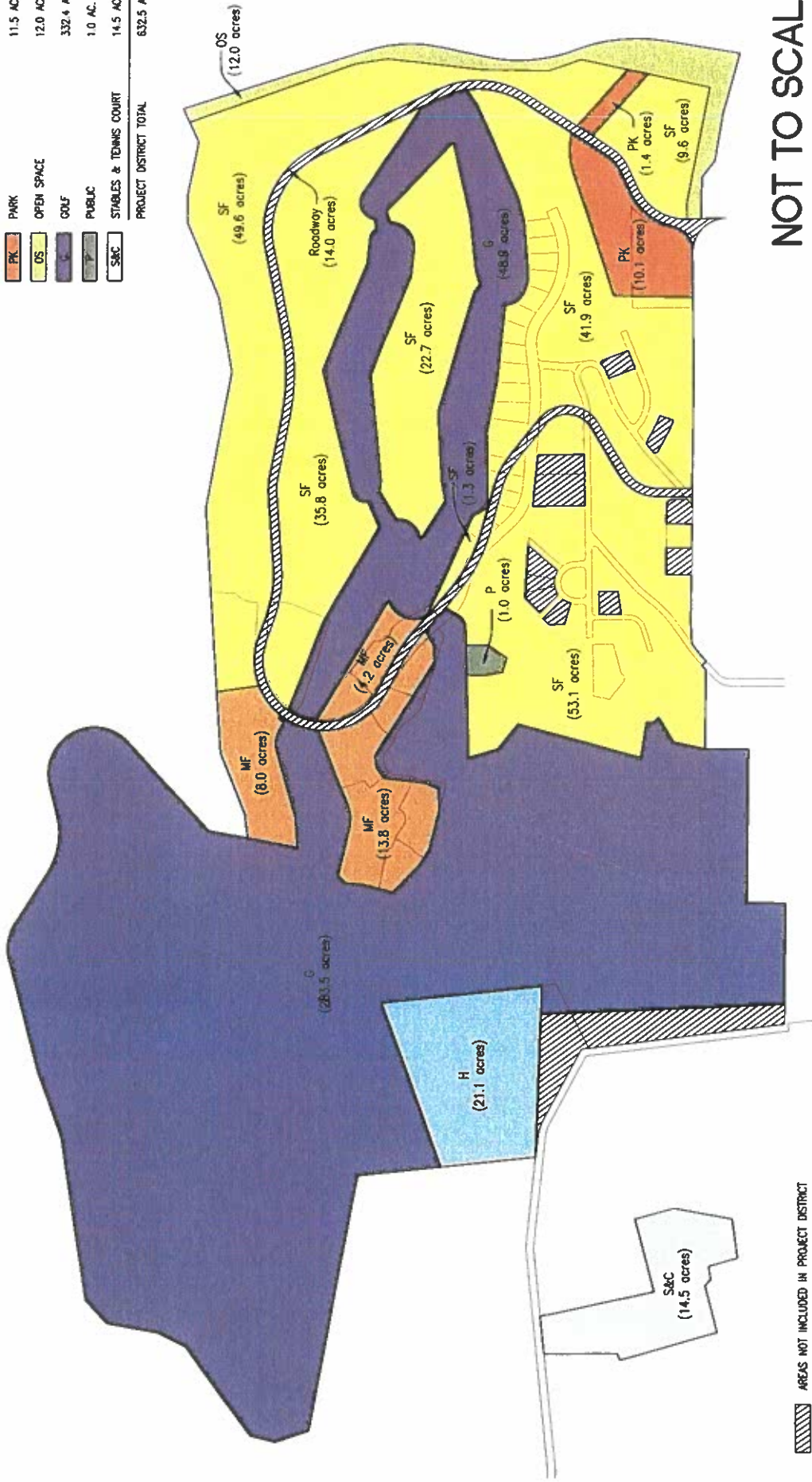

MICHELE MCLEAN, AICP
PLANNING DIRECTOR

EXHIBIT 1.

Existing Kō‘ele Project District Map

Existing Kō'ele Project District Map

| LAND USE | AREA |
|------------------------|------------------------|
| H | HOTEL |
| MF | MULTI FAMILY |
| SF | RESIDENTIAL |
| PK | PARK |
| OS | OPEN SPACE |
| G | GOLF |
| P | PUBLIC |
| S&C | STABLES & TENNIS COURT |
| PROJECT DISTRICT TOTAL | |
| 632.5 AC.± | |



NOT TO SCALE

March 26, 2021

KOELE PROJECT DISTRICT

EXHIBIT 2.

Proposed Kō‘ele Project District Map

Proposed Kō'ele Project District Map

NOT TO SCALE

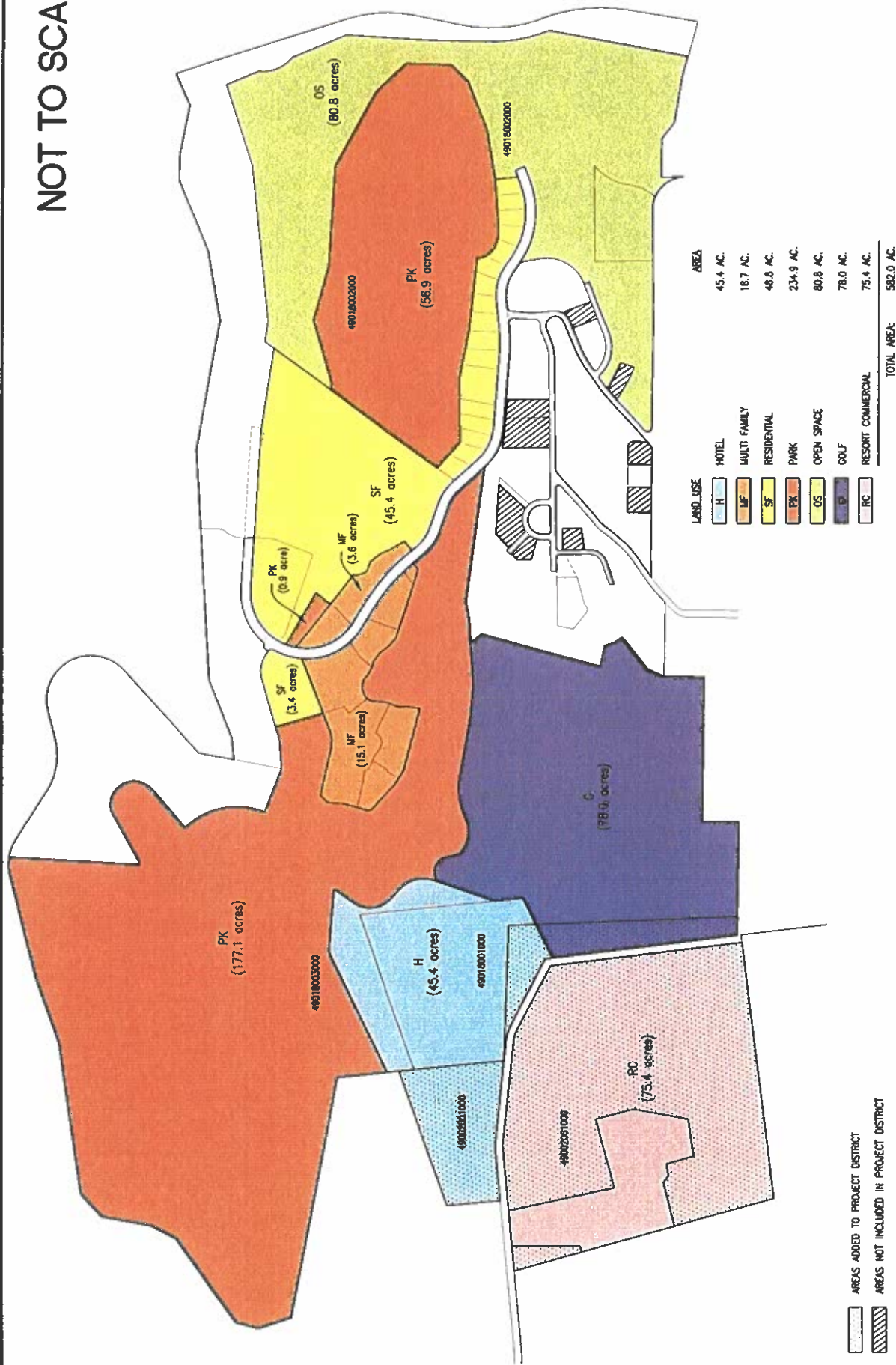


EXHIBIT 3.

Proposed Amendments to Maui County Code, Chapter 19.71 Lānaʻi Project District 2 (Kōʻele)

Title 19 - ZONING
Article IV - Regulation of Miscellaneous Areas
Chapter 19.71 LANAI PROJECT DISTRICT 2 (KOELE)
[REDLINED VERSION]

Chapter 19.71 LANAI PROJECT DISTRICT 2 (KOELE)

19.71.010 Purpose and intent.

- A. The purpose and intent of project district 2 at Koele, Lanai, is to provide for a flexible and creative approach to development which considers physical, environmental, social, and economic factors in a comprehensive manner.
- B. The ~~purpose and~~ intent of project district 2 at Koele is to establish a low-density ~~primarily~~ residential and recreational development with hotel facilities in an upland rural setting.
- C. This project district is to be complementary and supportive of services offered in Lanai city and will provide housing and recreational opportunities to island residents. Uses include, ~~but are not limited to,~~ single-family residential, multifamily residential, hotel, open space, park, ~~resort commercial, and golf course and public.~~

(Ord. 2139 § 2, 1992; Ord. 1580 § 1 (part), 1986)

19.71.020 Residential PD-L/2.

- A. Permitted Uses. Within the residential districts, the following uses shall be permitted:
 - 1. Principal uses:
 - a. ~~Single-family detached dwellings;~~
 - b. ~~Greenhouses, flower and truck gardens, and nurseries; provided there shall be no retailing or transacting of business on the premises;~~
 - c. ~~Parks and playgrounds.~~
 - 2. Accessory uses and structures;
 - a. ~~Day care nurseries, kindergartens, nursery schools, child care homes, day care homes, day care centers, nurseries, preschool kindergartens, babysitting services, learning pods, home schools, and other like facilities located in private homes used for child care and learning services. These facilities shall serve six or fewer children at any one time on lot sizes of less than seven thousand five hundred square feet, eight or fewer children at any one time on lot sizes of seven thousand five hundred or more square feet but less than ten thousand square feet, or twelve or fewer children at any one time on lot sizes of ten thousand or more square feet;~~
 - b. ~~Trash enclosures;~~
 - c. ~~Garages;~~
 - d. ~~Accessory dwelling for a lot with .5 acre or more, subject to the provisions of chapter 19.35;~~
 - e. ~~Subordinate uses and structures that are determined by the Director of Planning to be clearly incidental and customary to the permitted uses listed herein.~~
 - 3. ~~Special accessory uses;~~

~~a. Green houses;~~

~~b. Accessory dwelling for a lot with .5 acre or more, subject to the provisions of chapter 19.35.~~

B. Development standards for residential districts shall be:

1. Minimum lot area, six thousand square feet;
2. Minimum lot width, sixty feet;
3. Minimum building setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, six feet, ten feet for the second story of a structure,
 - c. Rear yard, six feet, ten feet for the second story of a structure;
4. Maximum overall net density, two and one-half units per acre;
5. Maximum height, two stories not to exceed thirty feet.

(Ord. 1580 § 1 (part), 1986)

19.71.030 Multifamily PD-L/2.

A. Permitted Uses. Within multifamily districts, the following uses shall be permitted:

1. Principal uses:

- a. Single-family detached buildings,
- b. Apartment houses,
- c. Duplexes;

2. Accessory uses and structures.

~~a. Day care nurseries, kindergartens, nursery schools, child care homes, day care homes, day care centers, nurseries, preschool kindergartens, babysitting services, learning pods, home schools, and other like facilities located in private homes used for child care and learning services. These facilities shall serve six or fewer children at any one time on lot sizes of less than seven thousand five hundred square feet, eight or fewer children at any one time on lot sizes of seven thousand five hundred or more square feet but less than ten thousand square feet, or twelve or fewer children at any one time on lot sizes of ten thousand or more square feet;~~

~~b. Trash enclosures;~~

~~c. Garages;~~

~~d. Subordinate uses and structures that are determined by the Director of Planning to be clearly incidental and customary to the permitted uses listed herein.~~

B. Development standards for multifamily districts shall be:

1. Minimum lot area, one acre;
2. Minimum lot width, one hundred ten feet;
3. Minimum building setback:
 - a. Front yard, fifteen feet,

-
- b. Side yard, ten feet, fifteen feet for two stories,
 - c. Rear yard, ten feet, fifteen feet for two stories;
 - 4. Maximum overall net density, six units per acre;
 - 5. Maximum floor area ratio, 0.5;
 - 6. Maximum height, two stories not to exceed thirty feet.

(Ord. 2139 § 3, 1992; Ord. 1580 § 1 (part), 1986)

19.71.040 Hotel PD-L/2.

A. Permitted Uses. Within hotel districts, the following uses shall be permitted:

1. Principal uses:

- a. Hotel;
- b. Automobile parking lots and buildings;
- c. Historical buildings, structures, or sites.

2. Accessory uses and structures;

- a. Trash enclosures;
- b. Ground signs;
- c. Boundary walls and fences;
- d. The following uses shall be operated as an adjunct to, and as part of, a hotel with said hotel having at least twenty-five rooms. Furthermore, these uses shall be operated primarily as a service to, and for the convenience of, the tenants and occupants of the hotel on which premises such services are located. The shops and businesses may be constructed as separate buildings. However, entrances to shops and businesses shall not front on a street.

- i. Activities/information center;
- ii. Bars, nightclubs;
- iii. Fitness centers;
- iv. Flower shops;
- v. Eating and drinking establishments;
- vi. Outdoor recreation;
- vii. Recreational facilities including tennis and other playing courts, horse riding stables, and equestrian trails;
- viii. Spa facilities and support services;
- ix. Sundry shops;
- x. Swimming pools;
- xi. Theater/auditoriums;
- xii. Ticket agencies;

~~xiii. Other accessory business or service establishments that furnish goods or perform services primarily for hotel guests.~~

~~e. Subordinate uses and structures which are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.~~

~~3. Special accessory uses:~~

~~a. The following uses shall be operated as an adjunct to, and as part of, a hotel with said hotel having at least twenty-five rooms. Furthermore, these uses shall be operated primarily as a service to, and for the convenience of, the tenants and occupants of the hotel on which premises such services are located.~~

~~i. Activities/information center;~~

~~ii. Bars, nightclubs;~~

~~iii. Flower shops;~~

~~iv. Eating establishments;~~

~~v. Recreational facilities including horse riding stables, and equestrian trails;~~

~~vi. Sundry shops;~~

~~vii. Theater/auditoriums;~~

~~viii. Ticket agencies;~~

~~b. The shops and businesses may be constructed as separate buildings. However, entrances to shops and businesses shall not front on a street.~~

B. Special Uses. ~~Other uses may be approved by the Lanai Planning Commission subject to the provisions of section 19.510.070 of this title. The following are declared special uses in hotel districts, and approval of the commission shall be obtained:~~

~~1. Other uses of similar accessory retail character.~~

C. Development standards for hotel districts shall be:

1. Minimum lot area, one acre;
2. Minimum lot width, one hundred ten feet;
3. Minimum building setback:
 - a. Front yard, twenty feet,
 - b. Side yard, ten feet,
 - c. Rear yard, fifteen feet;
4. Maximum floor area ratio, 0.8;
5. Maximum lot coverage, forty percent;
6. Maximum height, two stories not to exceed thirty feet, except that the ~~planning director~~ Director of Planning may approve a greater height limitation for a structure where the ~~planning director~~ Director of Planning determines that the increased height will enhance the appeal and architectural integrity of the structure, provided that the additional area created by the excess height shall not be used for habitation nor storage;
7. Maximum overall net density, twelve units per acre.

(Ord. 2139 § 4, 1992; Ord. 1580 § 1 (part), 1986)

19.71.050 Park PD-L/2.

A. Permitted Uses. Within park districts, the following uses shall be permitted:

1. Principal uses:

- a. ~~Noncommercial p~~Parks and playgrounds;
- b. ~~Cultural and performing arts facilities;~~
- c. ~~Fitness courses;~~
- d. ~~Historical buildings, structures and sites, and sites or areas of scenic interest;~~
- e. ~~Maintenance areas and structures;~~
- f. ~~Outdoor recreation and recreational activities;~~
- g. ~~Picnicking;~~
- h. ~~Playing courts and playfields;~~
- i. ~~Public utilities;~~
- j. ~~Recreational and educational centers and facilities;~~
- k. ~~Sculpture gardens;~~
- l. ~~Trail activities;~~
- m. ~~Zip line recreational activities;~~
- n. ~~Other similar commercial or noncommercial enterprises or activities that are not detrimental to the welfare of the surrounding area; provided such uses shall be approved by the Director of Planning as conforming to the intent of this chapter.~~

2. Accessory uses and structures.

- a. ~~Energy systems, small-scale; provided such use shall not cause a detrimental or nuisance effect on neighboring properties;~~
- b. ~~Light fixtures and light poles; provided lighting or lamp posts and lighting controls shall be full cut-off luminaries to lessen possible sea bird strikes;~~
- c. ~~Park furniture, including but not limited to benches, picnic tables, and fountains;~~
- d. ~~Botanical gardens;~~
- e. ~~Bazaars, fairs, food, wine, film, or other festivals that are special events and temporary in nature. "Temporary" for the purposes of this section shall mean that each festival or event may be held for no more that thirty days in a calendar year;~~
- f. ~~Restaurants and gift shops;~~
- g. ~~Pavillions;~~
- h. ~~Comfort and shelter stations;~~
- i. ~~Clubhouses for recreational uses, including restrooms, check-in counters or kiosks, and other ancillary facilities;~~
- j. ~~Parking lot, loading and unloading area;~~

k. Maintenance facilities;

l. Subordinate uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.

B. Development standards for park districts shall be:

1. Minimum lot area, two acres;
2. Minimum lot width, one hundred fifty feet;
3. Minimum structure setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, fifteen feet,
 - c. Rear yard, fifteen feet;
- ~~4. Maximum lot coverage, five percent;~~
- ~~5. Maximum height, one story not to exceed twenty feet.~~

C. Non-potable water shall be used for irrigation to the extent available. Notwithstanding anything to the contrary under chapter 20.30 of this title, high level aquifer groundwater may be used for irrigation in areas where sufficient non-potable water is not available. Areas within Park districts that have continually and lawfully used high level aquifer groundwater for maintenance and irrigation shall be permitted to continue such use, subject to the provisions of section 19.500.110 of this title.

(Ord. 1580 § 1 (part), 1986)

19.71.055 Golf course PD-L/2.

A. Permitted Uses. Within the golf course district, the following uses shall be permitted:

1. Principal uses:
 - a. Golf courses except for miniature golf courses,
 - b. Historical buildings, structures, or sites;
2. Accessory Uses and Structures. Accessory uses and structures which include, but which are not limited to, the following:
 - a. One caretaker's dwelling unit,
 - b. Cart barns and other equipment, storage, and maintenance facilities,
 - c. One clubhouse with one snack bar, one restaurant, and a pro shop for the sale and service of golf equipment and materials used for golfing purposes,
 - d. Comfort and shelter stations,
 - e. Golf and driving range including instructional and practice facilities,
 - f. Greenhouses to maintain landscaping on the zoning lot,
 - g. Indoor and outdoor playing courts, swimming pools, and meeting rooms, provided that no major meeting places such as convention halls and athletic complexes such as tennis centers or other permanent spectator accommodations shall be permitted,
 - h. Off-street parking and loading,

- i. Park furniture,
- j. Public utility;
- k. Weight, massage, sauna, and locker rooms,
- l. Bazaars, fairs, food, wine, film, or other festivals that are special events and temporary in nature. "Temporary" for purposes of this section shall mean that each festival or event may be held for no more than thirty days in a calendar year.
- m. Subordinate uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein. Other accessory uses for which a special use permit has been obtained in accordance with chapter 205 of the Hawaii Revised Statutes.

~~C.~~ B. Development standards for the golf course district shall be:

1. Minimum lot area, fifty acres for par three or nine hole; ~~or one hundred ten acres for eighteen hole;~~
2. Minimum building setback, all yards, fifty feet;
3. Maximum height, thirty-five feet; provided that ten feet of additional height may be permitted if a cart barn is located in the basement level of the structure, and provided further that minor utility facilities, vent pipes, fans, chimneys, and energy savings devices shall be permitted additional height if the item is mounted on the roof of a facility; except that in no event shall this additional height exceed five feet above the governing height limit.

Cl. Irrigation. Notwithstanding anything to the contrary under chapter 20.30 or 14.08 of this title, golf courses in existence and operation prior to 1991 that have continually and lawfully utilized high level aquifer groundwater for maintenance and irrigation shall be permitted to continue such use, subject to the provisions of section 19.500.110 of this title.

~~D. Irrigation. No high level aquifer groundwater will be used for golf course maintenance or operation (other than as water for human consumption) and that all irrigation of the golf course shall be through alternative nonpotable water sources, except as may be allowed from time to time as follows:~~

1. ~~The director of the department of public works and waste management, after notification of the chairperson and deputy director of the commission on water resources management, the chair of the Maui County council, the Lanai representative on the Maui County council, any appropriate subcommittee established under one of the Maui County council's standing committees to review water related issues on Lanai, the chair of the Lanai planning commission, and other state and/or county officials as appropriate, may authorize the use of potable groundwater from the high level aquifer if the director finds, in writing, there is an occurrence of an unanticipated event, including but not limited to:~~
 - a. ~~Chemical contamination of a nonpotable source by chemicals not approved for application to golf courses in accordance with Golf Course Superintendents Association of American standards; or~~
 - b. ~~Chemical contamination of a nonpotable source resulting in chemical concentrations not approved for golf course application by the Golf Course Superintendents Association of America, excluding, however, naturally occurring concentrations of chemicals or minerals; or~~
 - c. ~~A water transmission line break resulting in the interruption in the delivery of nonpotable water for golf course irrigation; or~~
 - d. ~~Failure of the pumping system used to pump nonpotable water; or~~

-
- e. A failure in the sewage reclamation systems which provide irrigation water for the golf course; or
 - f. Draw down of various lakes or reservoirs due to use of that water to fight fires or other similar emergencies; or
 - g. Due to the failure of the main electrical power feed to facilities used to irrigate the golf course with nonpotable water; and
 - h. Under to circumstances shall drought be deemed an unanticipated event such that a permit may be issued.
2. Prior to the director approving the use of potable high level aquifer groundwater for golf course irrigation the golf course owner shall have provided to the director:
- a. Materials, reports and other supporting documents setting forth the facts and/or circumstances which gave rise to the immediate need for golf course irrigation with potable high level aquifer groundwater;
 - b. A plan showing that no continuous physical connection will be made between the potable and nonpotable water systems;
 - c. A remedial plan to restore the use of nonpotable water in as short a time as possible, and shall include manufacturing and/or shipping times of various items needed for the restoration, as appropriate, and shall further indicate those items will be obtained and/or shipped by the most expeditious means available; and
 - d. A plan detailing how the following uses will be accommodated, including all sources from which water will be obtained (specifically addressing the use of existing reservoirs and lake water) and a watering/distribution plan, with the priority of uses as follows, such uses being based on a daily average of the historical record of use over the prior twelve month period immediately preceding the unanticipated event:
 - i. Residential/domestic consumption (excluding irrigation uses);
 - ii. Commercial, business and resort consumption where potable water is necessarily used;
 - iii. Agricultural consumption; and
 - iv. Irrigation (including residential and large scale uses such as the golf course). This part of the plan shall address the order in which portions of the golf course shall cease to be watered as the situation continues.
3. The permit issued by the director shall:
- a. Be issued only one time for any single unanticipated event and shall be valid for a period not to exceed thirty calendar days. The director may propose a longer period to the council and the council, by resolution, may indicate its concurrence with the director's determination that the permit should be issued for a period greater than thirty days. If the council does not so concur, the permit shall be valid for a period not to exceed thirty days. The golf course owner is prohibited from applying for a new permit for the same unanticipated event where the original permit has expired and the remedial action has not been completed, and the director is prohibited from issuing any further permits for the same unanticipated event where the original permit has expired and the remedial action has not been completed;
 - b. Require the golf course owner to submit weekly reports to the director and the council regarding the status of the situation, efforts made to address the situation, and the amount

~~of potable groundwater used from the high level aquifer for that week. Meter readings shall be physically verified of public works and waste management;~~

- ~~e. Include any conditions or restrictions appropriate and reasonably related to the circumstances surrounding the use of high level aquifer potable groundwater and the remedial work to be done, and also including the authority to impose a cap on the use of such water based on the historical monthly average of use of nonpotable water, in an amount not to exceed two hundred fifty thousand gallons per day.~~

- ~~4. A copy of the permit shall be transmitted to all persons notified pursuant to subsection D1 of this section, the same day it is issued.~~

~~E. Reseeding or Regrassing. Notwithstanding Ordinance 2066, at such time as the fairways at the golf course are to be reseeded or regrassed so as to provide the golf course with more water efficient or better quality grass, the golf course owner may make a request of the county council for the use of potable groundwater from the high level aquifer in an amount up to twenty-seven thousand gallons per day per fairway to supplement irrigation water from alternative nonpotable water sources. Such approval shall be by resolution of the council. Such additional water may be used for a period not to exceed twenty-eight days per fairway. Only one fairway shall be irrigated with the additional water at any given time. No more than four fairways shall be reseeded or regrassed during any calendar year. Fairways shall only be reseeded or regrassed between the months of May through October, inclusive. Each fairway shall only be reseeded one time only under the provisions of this section. No continuous physical connection will be made between the potable and nonpotable water systems. In determining whether or not to approve the golf course owner's request, the council shall ensure that an adequate supply of water shall be available for golf course irrigation in accordance with the priority of uses as follows: (1) residential/domestic consumption (excluding irrigation uses); (2) commercial, business and resort consumption where potable water is necessarily used; (3) agricultural consumption; and (4) irrigation (including residential and large scale uses such as the golf course). If, during the reseeded or regrassing of a fairway, an unanticipated event occurs for which a permit is issued pursuant to subsection D of this section, above, the golf course owner may continue to use potable water for reseeded or regrassing, but only to the extent that such cumulative total of potable water permitted to be used pursuant to subsection D of this section and this subsection does not exceed two hundred fifty thousand gallons per day.~~

(Ord. 2516 § 1, 1996; Ord. 2515 § 1, 1996; Ord. 2139 § 5, 1992)

19.71.060 Open space PD-L/2.

A. Permitted Uses. Within open space districts, the following uses shall be permitted:

1. Principal uses:
 - a. Forest reserves,
 - b. ~~Game reserves,~~ Miniature golf courses,
 - c. Open agricultural uses not requiring intensive cultivation, including orchards, vineyards, nurseries, and the raising and grazing of livestock, provided the raising of other than swine and fighting fowl shall not be permitted,
 - d. Parks, botanical, ~~sculpture,~~ and zoological gardens,
 - e. Public and quasi-public utility installations and substations,
 - f. Watersheds, wells, water reservoirs, and water control structures and drainage structures;
2. Accessory uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.

B. Special Uses. The following are declared special uses in open space districts, and approval of the ~~Maui~~ Lanai planning commission shall be obtained:

1. Public utilities, including temporary sewage treatment plants;
2. Recreational facilities of an outdoor nature, including cultural and historical facilities, with a minimum of five acres;
3. Riding stables and equestrian trails with a minimum of ten acres.

C. Development standards for open space districts shall be:

1. Minimum lot area, five acres;
2. Minimum lot width, two hundred fifty feet;
3. Minimum building setback:
 - a. Front yard, fifty feet,
 - b. Side yard, fifty feet,
 - c. Rear yard, fifty feet;
4. Maximum height, no portion of any building or structure shall exceed thirty feet in height;
5. Maximum lot coverage, ten percent.

(Ord. 2139 § 6, 1992; Ord. 1580 § 1 (part), 1986)

19.71.070 ~~Public Resort Commercial~~ PD-L/2.

A. Permitted Uses. Within ~~public resort commercial~~ districts, the following uses shall be permitted:

1. Principal uses:

- ~~a. Utility installations and substations;~~ Amusement and recreational activities;
- ~~b. Catering establishments;~~
- ~~c. Eating and drinking establishments;~~
- ~~d. Fitness centers;~~
- ~~e. Historic buildings, structures and sites, and sites or areas of scenic interest;~~
- ~~f. Information centers;~~
- ~~g. Museums;~~
- ~~h. News and magazine stands;~~
- ~~i. Outdoor recreation and outdoor recreational facilities;~~
- ~~j. Parking lots;~~
- ~~k. Riding stables and riding academies, trails, rodeo corrals and arenas, and equestrian activities and facilities;~~
- ~~l. Sculptures;~~
- ~~m. Taxicab, car rental, and U-drive stations and offices;~~
- ~~n. Tennis and other playing courts;~~

- o. Other uses of similar character providing foods, services or facilities primarily to guests and transient visitors; provided the Director of Planning may approve such uses as conforming to the intent of this article, subject to terms and conditions as may be warranted and required by the Director of Planning.
2. Accessory uses and structures.
- a. Energy systems, small-scale, provided there will be no detrimental or nuisance effect upon neighbors;
- b. Other uses that are determined by the Director of Planning to be clearly incidental and customary to a permitted use.
- B. Special uses. Any other business, service, or commercial establishments that is of similar character in rendering sales or performing services to guests, visitors, and residents of the area; provided approval of the Lanai Planning Commission is obtained and the use conforms to the intent of this district.
- C. Development standards for public-resort commercial districts shall be:
1. Minimum lot area, one acresix thousand square feet;
2. Minimum lot width, one hundred tensixty feet;
3. Maximum height, thirty-five feet, except that vent pipes, fans, chimneys, antennae, and equipment used for small-scale energy systems on roofs shall not exceed forty-five feet;
4. Minimum yard-building setback:
- a. Front yard, twentyfifteen feet,
- b. Side and rear yard, twentyzero to ten feet;. The ten foot setback applies if a property abuts a district zoned R-1, R-2, R-3, or R-0 Residential; A-1 or A-2 Apartment; two family (duplex); or H-1, H-2, H-M Hotel; or any area zoned residential, apartment, or hotel in any project district.
- c. Rear yard, twenty feet;
5. Maximum height, two stories not to exceed thirty feet.
- D. Landscaping Requirements. In public districts a four foot wide strip shall surround the perimeter of the structures or buildings.

(Ord. 1580 § 1 (part), 1986)

19.71.080 Land use categories and acreages.

- A. The following are established as maximum acreages for various land use categories within the Koele project district:

| | |
|--------------------------|------------------------|
| Residential | <u>214.048.8</u> acres |
| Multifamily | <u>26.018.7</u> acres |
| Hotel | <u>21.145.4</u> acres |
| Open space | <u>12.080.8</u> acres |
| <u>Public</u> | <u>1.0</u> acres |
| Park | <u>11.5234.9</u> acres |
| Golf course | <u>332.478.0</u> acres |
| <u>Resort commercial</u> | <u>75.4</u> acres |

(Ord. 2139 § 7, 1992; Ord. 1580 § 1 (part), 1986)

19.71.090 General standards of development.

Any tract of land for which development is sought in the project district for Koele shall be subject to the following standards:

A. Steep Slopes.

1. "Steep slopes" are defined as lands where the inclination of the surface from the horizontal is twelve percent or greater prior to any grading.
2. A tract master plan shall be provided showing the building envelope, required setbacks, and preliminary drainage plan for each lot within the given tract and shall be reviewed and approved by the planning department during phase III project district review. The planning department may impose mitigative measures to ensure minimum subsidence and erosion on slopes exceeding thirty percent and on portions of the tract which are immediately adjacent to ravines. The tract master plan may include all or any part of the given tract, however phase III approval shall only apply to that part. Prior to the issuance of a building permit for a dwelling on a lot, the grading and erosion control plan for that lot shall be submitted to and approved by the department of public works and waste management, which shall review the final grading plan in accordance with the following criteria:
 - a. Individual lot drainage shall conform with the approved phase III preliminary drainage plan;
 - b. Erosion control measures to prevent erosion and sedimentation into the adjoining natural drainageway during construction of the home and exterior improvements shall be specified;
 - c. A plan shall be submitted for revegetation of all disturbed and exposed slopes. This plan shall show how exposed surfaces will be planted and covered after construction to prevent erosion and sedimentation into the adjoining drainageway; and
 - d. The planning department may require additional information if deemed necessary to support any request for phase III approval.

B. Ravines and Ravine Buffers.

1. At least ninety-five percent of all ravines shall remain in permanent open space. At least eighty percent of all ravine buffers shall remain in permanent open space.
2. "Ravines" are defined as valleys with sharply sloping walls created by action of intermittent stream waters. Ravine buffer areas are to be shown on the tract master plan and shall be at least equal to ten percent of the mean depth of the lot measured from the top of the ravine wall.

C. Wetlands. Areas such as swamps, marshes, bogs or other similar lands shall remain as permanent undisturbed open space.

D. Woodlands.

1. No more than sixty percent of existing woodland area shall be cleared. The remaining forty percent shall be maintained as permanent open space which may be enhanced by landscape planting as approved by the planning department.
2. "Woodlands" are defined as areas, including one or more lots, covering one contiguous acre or more, and consisting of thirty-five percent or more canopy tree coverage, where (a) trees have a caliper of at least sixteen inches; or (b) any grove of ten trees or more have calipers of at least ten

inches. For the purposes of this section, a "grove" is defined as a stand of trees lacking natural underbrush or undergrowth.

- E. Other Resources. Areas of important natural, historical, archaeological, or cultural resources or unique physical features, not otherwise mentioned in this section, shall be identified, and provisions shall be outlined to preserve or improve said resource or feature.
- F. Design.
 - 1. At least twenty percent of the lot area of each development shall be in protected open space. This includes areas defined in this section but does not include roadways, streets, and parking lots.
 - 2. Each building and structure shall be designed by a ~~Hawaii-registered~~ licensed architect to conform with the intent of the project district.
- G. Recreational, Community, and Open Space Facilities.
 - 1. Recreational and community facilities shall be provided.
 - 2. Provision shall be made for continuing management of all recreational, community, and open space facilities to insure proper maintenance and policing. Documents to said effect shall be required.
- H. Infrastructure. The development shall not burden governmental agencies to provide substantial infrastructural improvements.
- I. Landscape Planting.
 - 1. Comprehensive landscaping of the entire development shall be provided, including along streets, within lots, and in open spaces.
 - 2. Landscape planting is to be considered as an integral element to be utilized for visual screening, shade, definition, and environmental control. Furthermore, the use of recycled water is to be considered for irrigation purposes.
- J. Signage. A comprehensive signage program shall be designed for the total development area and defined to at least include sizes, format, conceptual design, color schemes, and landscaping.
- K. Lighting. Lighting shall be established in a manner so as to not adversely impact the surrounding areas.

(Ord. 2407 § 1, 1995; Ord. 2139 § 8, 1992; Ord. 1580 § 1 (part), 1986)

~~19.71.100 Required agreements.~~

~~In accordance with section 19.45.050, the applicant shall enter into the following bilateral agreements:~~

- ~~A. A bilateral agreement requiring the applicant to develop and coordinate a training program for all phases of hotel operations; provided, that development other than hotel development within the project district may proceed before the agreement has been executed; and~~
- ~~B. A bilateral agreement requiring the applicant to develop and coordinate an affordable housing program for residents of Lanai; provided, that development other than hotel development within the project district may proceed before the agreement has been executed.~~

~~(Ord. 1580 § 1 (part) 1986)~~

Title 19 - ZONING
Article IV - Regulation of Miscellaneous Areas
Chapter 19.71 LANAI PROJECT DISTRICT 2 (KOELE)
[REVISED VERSION]

Chapter 19.71 LANAI PROJECT DISTRICT 2 (KOELE)

19.71.010 Purpose and intent.

- A. The purpose and intent of project district 2 at Koele, Lanai, is to provide for a flexible and creative approach to development which considers physical, environmental, social, and economic factors in a comprehensive manner.
- B. The purpose and intent of project district 2 at Koele is to establish a low-density residential and recreational development with hotel facilities in an upland rural setting.
- C. This project district is to be complementary and supportive of services offered in Lanai city and will provide housing and recreational opportunities to island residents. Uses include, but are not limited to, single-family residential, multifamily residential, hotel, open space, park, resort commercial, and golf course.

(Ord. 2139 § 2, 1992; Ord. 1580 § 1 (part), 1986)

19.71.020 Residential PD-L/2.

- A. Permitted Uses. Within the residential districts, the following uses shall be permitted:
 - 1. Principal uses:
 - a. Single-family detached dwellings;
 - b. Greenhouses, flower and truck gardens, and nurseries; provided there shall be no retailing or transacting of business on the premises;
 - c. Parks and playgrounds.
 - 2. Accessory uses and structures;
 - a. Day care nurseries, kindergartens, nursery schools, child care homes, day care homes, day care centers, nurseries, preschool kindergartens, babysitting services, learning pods, home schools, and other like facilities located in private homes used for child care and learning services. These facilities shall serve six or fewer children at any one time on lot sizes of less than seven thousand five hundred square feet, eight or fewer children at any one time on lot sizes of seven thousand five hundred or more square feet but less than ten thousand square feet, or twelve or fewer children at any one time on lot sizes of ten thousand or more square feet;
 - b. Trash enclosures;
 - c. Garages;
 - d. Accessory dwelling for a lot with .5 acre or more, subject to the provisions of chapter 19.35;
 - e. Subordinate uses and structures that are determined by the Director of Planning to be clearly incidental and customary to the permitted uses listed herein.
- B. Development standards for residential districts shall be:

-
1. Minimum lot area, six thousand square feet;
 2. Minimum lot width, sixty feet;
 3. Minimum building setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, six feet, ten feet for the second story of a structure,
 - c. Rear yard, six feet, ten feet for the second story of a structure;
 4. Maximum overall net density, two and one-half units per acre;
 5. Maximum height, two stories not to exceed thirty feet.

(Ord. 1580 § 1 (part), 1986)

19.71.030 Multifamily PD-L/2.

A. Permitted Uses. Within multifamily districts, the following uses shall be permitted:

1. Principal uses:
 - a. Single-family detached buildings,
 - b. Apartment houses,
 - c. Duplexes;
2. Accessory uses and structures.
 - a. Day care nurseries, kindergartens, nursery schools, child care homes, day care homes, day care centers, nurseries, preschool kindergartens, babysitting services, learning pods, home schools, and other like facilities located in private homes used for child care and learning services. These facilities shall serve six or fewer children at any one time on lot sizes of less than seven thousand five hundred square feet, eight or fewer children at any one time on lot sizes of seven thousand five hundred or more square feet but less than ten thousand square feet, or twelve or fewer children at any one time on lot sizes of ten thousand or more square feet;
 - b. Trash enclosures;
 - c. Garages;
 - d. Subordinate uses and structures that are determined by the Director of Planning to be clearly incidental and customary to the permitted uses listed herein.

B. Development standards for multifamily districts shall be:

1. Minimum lot area, one acre;
2. Minimum lot width, one hundred ten feet;
3. Minimum building setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, ten feet, fifteen feet for two stories,
 - c. Rear yard, ten feet, fifteen feet for two stories;
4. Maximum overall net density, six units per acre;

-
5. Maximum floor area ratio, 0.5;
 6. Maximum height, two stories not to exceed thirty feet.

(Ord. 2139 § 3, 1992; Ord. 1580 § 1 (part), 1986)

19.71.040 Hotel PD-L/2.

A. Permitted Uses. Within hotel districts, the following uses shall be permitted:

1. Principal uses:
 - a. Hotel;
 - b. Automobile parking lots and buildings;
 - c. Historical buildings, structures, or sites.
2. Accessory uses and structures;
 - a. Trash enclosures;
 - b. Ground signs;
 - c. Boundary walls and fences;
 - d. The following uses shall be operated as an adjunct to, and as part of, a hotel with said hotel having at least twenty-five rooms. Furthermore, these uses shall be operated primarily as a service to, and for the convenience of, the tenants and occupants of the hotel on which premises such services are located. The shops and businesses may be constructed as separate buildings. However, entrances to shops and businesses shall not front on a street.
 - i. Activities/information center;
 - ii. Bars, nightclubs;
 - iii. Fitness centers;
 - iv. Flower shops;
 - v. Eating and drinking establishments;
 - vi. Outdoor recreation;
 - vii. Recreational facilities including tennis and other playing courts, horse riding stables, and equestrian trails;
 - viii. Spa facilities and support services;
 - ix. Sundry shops;
 - x. Swimming pools;
 - xi. Theater/auditoriums;
 - xii. Ticket agencies;
 - xiii. Other accessory business or service establishments that furnish goods or perform services primarily for hotel guests.
 - e. Subordinate uses and structures which are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.

B. Special Uses. Other uses may be approved by the Lanai Planning Commission subject to the provisions of section 19.510.070 of this title.

C. Development standards for hotel districts shall be:

1. Minimum lot area, one acre;
2. Minimum lot width, one hundred ten feet;
3. Minimum building setback:
 - a. Front yard, twenty feet,
 - b. Side yard, ten feet,
 - c. Rear yard, fifteen feet;
4. Maximum floor area ratio, 0.8;
5. Maximum lot coverage, forty percent;
6. Maximum height, two stories not to exceed thirty feet, except that the Director of Planning may approve a greater height limitation for a structure where the Director of Planning determines that the increased height will enhance the appeal and architectural integrity of the structure, provided that the additional area created by the excess height shall not be used for habitation nor storage;
7. Maximum overall net density, twelve units per acre.

(Ord. 2139 § 4, 1992; Ord. 1580 § 1 (part), 1986)

19.71.050 Park PD-L/2.

A. Permitted Uses. Within park districts, the following uses shall be permitted:

1. Principal uses:
 - a. Parks and playgrounds;
 - b. Cultural and performing arts facilities;
 - c. Fitness courses;
 - d. Historical buildings, structures and sites, and sites or areas of scenic interest;
 - e. Maintenance areas and structures;
 - f. Outdoor recreation and recreational activities;
 - g. Picnicking;
 - h. Playing courts and playfields;
 - i. Public utilities;
 - j. Recreational and educational centers and facilities;
 - k. Sculpture gardens;
 - l. Trail activities;
 - m. Zip line recreational activities;

-
- n. Other similar commercial or noncommercial enterprises or activities that are not detrimental to the welfare of the surrounding area; provided such uses shall be approved by the Director of Planning as conforming to the intent of this chapter.
- 2. Accessory uses and structures.
 - a. Energy systems, small-scale; provided such use shall not cause a detrimental or nuisance effect on neighboring properties;
 - b. Light fixtures and light poles; provided lighting or lamp posts and lighting controls shall be full cut-off luminaries to lessen possible sea bird strikes;
 - c. Park furniture, including but not limited to benches, picnic tables, and fountains;
 - d. Botanical gardens;
 - e. Bazaars, fairs, food, wine, film, or other festivals that are special events and temporary in nature. "Temporary" for the purposes of this section shall mean that each festival or event may be held for no more than thirty days in a calendar year;
 - f. Restaurants and gift shops;
 - g. Pavillions;
 - h. Comfort and shelter stations;
 - i. Clubhouses for recreational uses, including restrooms, check-in counters or kiosks, and other ancillary facilities;
 - j. Parking lot, loading and unloading area;
 - k. Maintenance facilities;
 - l. Subordinate uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.
- B. Development standards for park districts shall be:
 - 1. Minimum lot area, two acres;
 - 2. Minimum lot width, one hundred fifty feet;
 - 3. Minimum structure setback:
 - a. Front yard, fifteen feet,
 - b. Side yard, fifteen feet,
 - c. Rear yard, fifteen feet;
- C. Non-potable water shall be used for irrigation to the extent available. Notwithstanding anything to the contrary under chapter 20.30 of this title, high level aquifer groundwater may be used for irrigation in areas where sufficient non-potable water is not available. Areas within Park districts that have continually and lawfully used high level aquifer groundwater for maintenance and irrigation shall be permitted to continue such use, subject to the provisions of section 19.500.110 of this title.

(Ord. 1580 § 1 (part), 1986)

19.71.055 Golf course PD-L/2.

- A. Permitted Uses. Within the golf course district, the following uses shall be permitted:

-
1. Principal uses:
 - a. Golf courses except for miniature golf courses,
 - b. Historical buildings, structures, or sites;
 2. Accessory Uses and Structures. Accessory uses and structures which include, but which are not limited to, the following:
 - a. One caretaker's dwelling unit,
 - b. Cart barns and other equipment, storage, and maintenance facilities,
 - c. One clubhouse with one snack bar, one restaurant, and a pro shop for the sale and service of golf equipment and materials used for golfing purposes,
 - d. Comfort and shelter stations,
 - e. Golf and driving range including instructional and practice facilities,
 - f. Greenhouses to maintain landscaping on the zoning lot,
 - g. Indoor and outdoor playing courts, swimming pools, and meeting rooms, provided that no major meeting places such as convention halls and athletic complexes such as tennis centers or other permanent spectator accommodations shall be permitted,
 - h. Off-street parking and loading,
 - i. Park furniture,
 - j. Public utility;
 - k. Weight, massage, sauna, and locker rooms,
 - l. Bazaars, fairs, food, wine, film, or other festivals that are special events and temporary in nature. "Temporary" for purposes of this section shall mean that each festival or event may be held for no more than thirty days in a calendar year.
 - m. Subordinate uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.
- B. Development standards for the golf course district shall be:
1. Minimum lot area, fifty acres for par three or nine hole;
 2. Minimum building setback, all yards, fifty feet;
 3. Maximum height, thirty-five feet; provided that ten feet of additional height may be permitted if a cart barn is located in the basement level of the structure, and provided further that minor utility facilities, vent pipes, fans, chimneys, and energy-savings devices shall be permitted additional height if the item is mounted on the roof of a facility; except that in no event shall this additional height exceed five feet above the governing height limit.
- C. Irrigation. Notwithstanding anything to the contrary under chapter 20.30 or 14.08 of this title, golf courses in existence and operation prior to 1991 that have continually and lawfully utilized high level aquifer groundwater for maintenance and irrigation shall be permitted to continue such use, subject to the provisions of section 19.500.110 of this title.

(Ord. 2516 § 1, 1996; Ord. 2515 § 1, 1996; Ord. 2139 § 5, 1992)

19.71.060 Open space PD-L/2.

- A. Permitted Uses. Within open space districts, the following uses shall be permitted:
1. Principal uses:
 - a. Forest reserves,
 - b. Miniature golf courses,
 - c. Open agricultural uses not requiring intensive cultivation, including orchards, vineyards, nurseries, and the raising and grazing of livestock, provided the raising of swine and fighting fowl shall not be permitted,
 - d. Parks, botanical, sculpture, and zoological gardens,
 - e. Public and quasi-public utility installations and substations,
 - f. Watersheds, wells, water reservoirs, and water control structures and drainage structures;
 2. Accessory uses and structures that are determined by the Director of Planning to be incidental and customary to the permitted uses listed herein.
- B. Special Uses. The following are declared special uses in open space districts, and approval of the Lanai planning commission shall be obtained:
1. Public utilities, including temporary sewage treatment plants;
 2. Recreational facilities of an outdoor nature, including cultural and historical facilities, with a minimum of five acres;
 3. Riding stables and equestrian trails with a minimum of ten acres.
- C. Development standards for open space districts shall be:
1. Minimum lot area, five acres;
 2. Minimum lot width, two hundred fifty feet;
 3. Minimum building setback:
 - a. Front yard, fifty feet,
 - b. Side yard, fifty feet,
 - c. Rear yard, fifty feet;
 4. Maximum height, no portion of any building or structure shall exceed thirty feet in height;
 5. Maximum lot coverage, ten percent.

(Ord. 2139 § 6, 1992; Ord. 1580 § 1 (part), 1986)

19.71.070 Resort Commercial PD-L/2.

- A. Permitted Uses. Within resort commercial districts, the following uses shall be permitted:
1. Principal uses:
 - a. Amusement and recreational activities;
 - b. Catering establishments;

-
- c. Eating and drinking establishments;
 - d. Fitness centers;
 - e. Historic buildings, structures and sites, and sites or areas of scenic interest;
 - f. Information centers;
 - g. Museums;
 - h. News and magazine stands;
 - i. Outdoor recreation and outdoor recreational facilities;
 - j. Parking lots;
 - k. Riding stables and riding academies, trails, rodeo corrals and arenas, and equestrian activities and facilities;
 - l. Sculptures;
 - m. Taxicab, car rental, and U-drive stations and offices;
 - n. Tennis and other playing courts;
 - o. Other uses of similar character providing foods, services or facilities primarily to guests and transient visitors; provided the Director of Planning may approve such uses as conforming to the intent of this article, subject to terms and conditions as may be warranted and required by the Director of Planning.
2. Accessory uses and structures.
- a. Energy systems, small-scale, provided there will be no detrimental or nuisance effect upon neighbors;
 - b. Other uses that are determined by the Director of Planning to be clearly incidental and customary to a permitted use.
- B. Special uses. Any other business, service, or commercial establishments that is of similar character in rendering sales or performing services to guests, visitors, and residents of the area; provided approval of the Lanai Planning Commission is obtained and the use conforms to the intent of this district.
- C. Development standards for resort commercial districts shall be:
- 1. Minimum lot area, six thousand square feet;
 - 2. Minimum lot width, sixty feet;
 - 3. Maximum height, thirty-five feet, except that vent pipes, fans, chimneys, antennae, and equipment used for small-scale energy systems on roofs shall not exceed forty-five feet;
 - 4. Minimum building setback:
 - a. Front yard, fifteen feet,
 - b. Side and rear yard, zero to ten feet. The ten foot setback applies if a property abuts a district zoned R-1, R-2, R-3, or R-0 Residential; A-1 or A-2 Apartment; two family (duplex); or H-1, H-2, H-M Hotel; or any area zoned residential, apartment, or hotel in any project district.
 - 5. Maximum height, two stories not to exceed thirty feet.

(Ord. 1580 § 1 (part), 1986)

19.71.080 Land use categories and acreages.

- A. The following are established as maximum acreages for various land use categories within the Koele project district:

| | |
|-------------------|-------------|
| Residential | 48.8 acres |
| Multifamily | 18.7 acres |
| Hotel | 45.4 acres |
| Open space | 80.8 acres |
| Park | 234.9 acres |
| Golf course | 78.0 acres |
| Resort commercial | 75.4 acres |

(Ord. 2139 § 7, 1992; Ord. 1580 § 1 (part), 1986)

19.71.090 General standards of development.

Any tract of land for which development is sought in the project district for Koele shall be subject to the following standards:

A. Steep Slopes.

1. "Steep slopes" are defined as lands where the inclination of the surface from the horizontal is twelve percent or greater prior to any grading.
2. A tract master plan shall be provided showing the building envelope, required setbacks, and preliminary drainage plan for each lot within the given tract and shall be reviewed and approved by the planning department during phase III project district review. The planning department may impose mitigative measures to ensure minimum subsidence and erosion on slopes exceeding thirty percent and on portions of the tract which are immediately adjacent to ravines. The tract master plan may include all or any part of the given tract, however phase III approval shall only apply to that part. Prior to the issuance of a building permit for a dwelling on a lot, the grading and erosion control plan for that lot shall be submitted to and approved by the department of public works and waste management, which shall review the final grading plan in accordance with the following criteria:
 - a. Individual lot drainage shall conform with the approved phase III preliminary drainage plan;
 - b. Erosion control measures to prevent erosion and sedimentation into the adjoining natural drainageway during construction of the home and exterior improvements shall be specified;
 - c. A plan shall be submitted for revegetation of all disturbed and exposed slopes. This plan shall show how exposed surfaces will be planted and covered after construction to prevent erosion and sedimentation into the adjoining drainageway; and
 - d. The planning department may require additional information if deemed necessary to support any request for phase III approval.

B. Ravines and Ravine Buffers.

1. At least ninety-five percent of all ravines shall remain in permanent open space. At least eighty percent of all ravine buffers shall remain in permanent open space.

-
2. "Ravines" are defined as valleys with sharply sloping walls created by action of intermittent stream waters. Ravine buffer areas are to be shown on the tract master plan and shall be at least equal to ten percent of the mean depth of the lot measured from the top of the ravine wall.
- C. Wetlands. Areas such as swamps, marshes, bogs or other similar lands shall remain as permanent undisturbed open space.
- D. Woodlands.
1. No more than sixty percent of existing woodland area shall be cleared. The remaining forty percent shall be maintained as permanent open space which may be enhanced by landscape planting as approved by the planning department.
 2. "Woodlands" are defined as areas, including one or more lots, covering one contiguous acre or more, and consisting of thirty-five percent or more canopy tree coverage, where (a) trees have a caliper of at least sixteen inches; or (b) any grove of ten trees or more have calipers of at least ten inches. For the purposes of this section, a "grove" is defined as a stand of trees lacking natural underbrush or undergrowth.
- E. Other Resources. Areas of important natural, historical, archaeological, or cultural resources or unique physical features, not otherwise mentioned in this section, shall be identified, and provisions shall be outlined to preserve or improve said resource or feature.
- F. Design.
1. At least twenty percent of the lot area of each development shall be in protected open space. This includes areas defined in this section but does not include roadways, streets, and parking lots.
 2. Each building and structure shall be designed by a licensed architect to conform with the intent of the project district.
- G. Recreational, Community, and Open Space Facilities.
1. Recreational and community facilities shall be provided.
 2. Provision shall be made for continuing management of all recreational, community, and open space facilities to insure proper maintenance and policing. Documents to said effect shall be required.
- H. Infrastructure. The development shall not burden governmental agencies to provide substantial infrastructural improvements.
- I. Landscape Planting.
1. Comprehensive landscaping of the entire development shall be provided, including along streets, within lots, and in open spaces.
 2. Landscape planting is to be considered as an integral element to be utilized for visual screening, shade, definition, and environmental control. Furthermore, the use of recycled water is to be considered for irrigation purposes.
- J. Signage. A comprehensive signage program shall be designed for the total development area and defined to at least include sizes, format, conceptual design, color schemes, and landscaping.
- K. Lighting. Lighting shall be established in a manner so as to not adversely impact the surrounding areas.
- (Ord. 2407 § 1, 1995: Ord. 2139 § 8, 1992: Ord. 1580 § 1 (part), 1986)

EXHIBIT 4.

**Letter Dated March 29, 2022 from the
Department of Transportation, Highways
Division**



Karlynn K. Fukuda
PRESIDENT

Mark Alexander Roy AICP LEED AP
VICE PRESIDENT

Tessa Munekiyo Ng AICP
VICE PRESIDENT

Michael T. Munekiyo AICP
SENIOR ADVISOR

April 1, 2022

Edwin Sniffen, Deputy Director
Highways Division
State of Hawai'i
Department of Transportation
869 Punchbowl Street
Honolulu, Hawai'i 96813

SUBJECT: Response to Comments on Kō'ele Project District Amendment;
Kō'ele, Lāna'i, Hawai'i (HWY-PS 2.7547) (CPA 2021/0001, CIZ
2021/0001, PH1 2021/0001, and EA 2021/0002) (HWY-PS 2.7547)

Dear Mr. Sniffen:

Thank you for your letter dated March 29, 2022 providing input on the proposed Kō'ele Project District Amendment. On behalf of the Applicant, Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we offer the following information in response to your comments.

We note that the Department of Transportation, Highways Division (HDOT-HWY) has reviewed the Traffic Impact Analysis Report (TIAR) that was prepared for the proposed project and which was included in the Final Environmental Assessment (EA) for the project. The Final EA was accepted by the Lāna'i Planning Commission with a Finding of No Significant Impact determination in January 2021. We note your comment that Condition No. 9 of Ordinance 2140, which established the Kō'ele Project District, is not required to be implemented based on the TIAR's findings. The full buildout of the proposed amended Kō'ele Project District is 110 units, whereas the trigger for implementation of the condition as approved as part of Ordinance 2140 is 177 units. Furthermore, we note your comment that the TIAR shows that the Level of Service is anticipated to be at B or better and as such, the bypass road requirement of Condition No. 9 of Ordinance 2140 is not relevant.

Edwin Sniffen, Deputy Director
April 1, 2022
Page 2

Thank you again for your input. Should you have any questions, or require additional information, please feel free to contact me at (808) 244-2015 or via email at planning@munekiyohiraga.com.

Very truly yours,



Chris Sugidono
Senior Associate

CEJS:lh

cc: Kurt Wollenhaupt, Department of Planning
Keiki-Pua Dancil, Pūlama Lānaʻi
Olivia Simpson, Pūlama Lānaʻi
Calvert Chipchase, Cades Schutte
Stacey Gray, Cades Schutte

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DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
EDUARDO P. MANGLALLAN
PATRICK H. MCCAIN
EDWIN H. SNIFFEN

IN REPLY REFER TO:
HWY-PS 2.7547

March 29, 2022

VIA EMAIL: jordan.hart@co.maui.hi.us

Mr. Jordan Hart
Deputy Director
Planning Department
County of Maui
One Main Plaza
2200 Main Street, Suite 315
Wailuku, Hawaii 96793

Dear Mr. Hart:

Subject: Koele Project District PH1 2021/0001; CPA 2021/0001; and CIZ 2021/0001
Ordinance 2140 Condition #9

Thank you for your email request dated March 10, 2022. We understand that Lanai Resorts, LLC, dba Pulama Lanai has submitted applications to obtain a Project District Phase 1 Amendment, Community Plan Amendment, and Change in Zoning for properties located in Lanai Project District 2 (Koele) identified as Maui Tax Map Key Nos. (2) 4-9-001: 021, 024, 025, 027, 030, (2) 4-9-002:001 (por.), 061 (por.), (2) 4-9-018:001, 002, 003, 004, 005, (2) 4-9-020:020, and (2) 4-9-021:009; Koele, Lanai, Hawaii.

On January 19, 2022, the Lanai Planning Commission, the accepting authority, approved the Planning Department's recommendation of a finding of no significant impact for the Final Environmental Assessment (FEA) for the subject applications.

We also understand that the Planning Department has requested our recommendation regarding Ordinance 2140 Condition #9, which passed the final reading at the meeting of the Council of the County of Maui on August 7, 1992. Ordinance 2140 Condition #9 is stated below for convenience:

Ordinance 2140 Condition #9 Declarant shall a) build a by-pass road, similar in concept to the road as shown in the Lanai Community Plan, Exhibit E, adopted April 5, 1983, in conformance with the standards of the County, as approved by the Director of Public Works, and b) dedicate, in fee simple absolute, free and clear of all mortgage and lien encumbrances, the constructed by-pass road to the County, at no cost to the County, within 2 years of the date that an occupancy

Mr. Jordan Hart
March 29, 2022
Page 2

HWY-PS 2.7547

rate of 50% of the total number of single family and multifamily units specified in the Koele Project District is reached, provided; however, that this condition may be eliminated by the County Council if a traffic engineer provides a report showing that the roadway system then existing (within 2 years of reaching 50% occupancy) in and around Lanai City is not determined to be operationally substandard under the level of rating criteria of the American Association of State Highway and Transportation Officials.

Our department has reviewed the traffic impact analysis report included in the approved FEA and concluded that Ordinance 2140 Condition #9 is not required to be implemented in the subject applications. The proposed applications at full buildout is 110 units, below the 50% trigger (177 units) approved in 1992. Furthermore, the traffic studies show the Level of Service (LOS) is expected to remain good at LOS B or better. A by-pass road requirement is not relevant for the proposed applications.

If you have any questions, please contact Jeyan Thirugnanam, Systems Planning Engineer, Highways Division, Planning Branch at (808) 587-6336 or by email at jeyan.thirugnanam@hawaii.gov. Please reference file review number PS 2022-056.

Sincerely,



EDWIN H. SNIFFEN
Deputy Director, Highways Division

EXHIBIT 5.

**Letter Dated March 7, 2022 from the
Department of Environmental
Management, Wastewater Reclamation
Division**

3/4/2022

[illegible]



MUNEKIYO HIRAGA

Planning • Environmental Management • Sustainability

Karlynn K. Fukuda
PRESIDENT

Mark Alexander Roy AICP, LEED AP
VICE PRESIDENT

Tessa Munekiyo Ng AICP
VICE PRESIDENT

Michael T. Munekiyo AICP
SENIOR ADVISOR

April 1, 2022

Shayne Agawa, Deputy Director
County of Maui
Department of Environmental Management
200 South High Street
Wailuku, Hawai'i 96793

SUBJECT: Response to Comments on Kō'ele Project District Amendment;
Kō'ele, Lāna'i, Hawai'i (CPA 2021/0001, CIZ 2021/0001, PH1
2021/0001, and EA 2021/0002)

Dear Mr. Agawa:

Thank you for your letter dated March 7, 2022 providing input on the proposed Kō'ele Project District Amendment. On behalf of the Applicant, Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we note the Department of Environmental Management's (DEM) statement that the proposed action will have no immediate effect on the Lāna'i Wastewater Treatment Facility or associated collection system. Furthermore, we understand that determination of existing capacity for future projects within the Kō'ele Project District will be assessed at time of land use entitlement application review and/or Building Permit application review.

Thank you again for your input. Should you have any questions, or require additional information, please feel free to contact me at (808) 244-2015 or via email at planning@munekiyohiraga.com.

Very truly yours,

Chris Sugidono
Senior Associate

CJES:lh

cc: Kurt Wollenhaupt, Department of Planning
Keiki-Pua Dancil, Pūlama Lāna'i
Olivia Simpson, Pūlama Lāna'i
Calvert Chipchase, Cades Schutte
Stacey Gray, Cades Schutte

K:\DATA\Pulama Lanai\Koele PD Ph I Amendment 2164\Applications\Draft EA\Draft EA Responses\DEM WW Response Ltr.docx

EXHIBIT 6.

**Letter Dated March 8, 2022 from the
Department of Public Works**

■ ■



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Planning. Project Management. Sustainable Solutions.

Karlynn K. Fukuda
PRESIDENT

Mark Alexander Roy AICP, LEED AP
VICE PRESIDENT

Tessa Munekiyo Ng AICP
VICE PRESIDENT

Michael T. Munekiyo AICP
SENIOR ADVISOR

April 29, 2022

Jordan Molina, Director
County of Maui
Department of Public Works
200 South High Street, Room 434
Honolulu, Hawai'i 96793

SUBJECT: Response to Comments on Kō'ele Project District Amendment and
Draft Environmental Assessment; Various Parcels of TMK: (2) 4-9-
001, 002, 018, 020, and 021

Dear Mr. Molina:

Thank you for your letter dated March 8, 2022 providing input on the proposed Kō'ele Project District Amendment. On behalf of the Applicant, Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we offer the following information in response to your comments.

The Applicant appreciates the comments provided by the Department of Public Works (DPW) Engineering Division regarding future developments within the project district. The applicant will comply with all State and County regulations relating to drainage improvements, including Title MC-15, Chapter 4, "Rules for the Design of Storm Drainage Facilities in the County of Maui"; Title MC-15, Chapter 111, "Rules for the Design of Storm Water Treatment Best Management Practices"; and Title 20, Chapter 20.08, "Soil Erosion and Sedimentation Control", as applicable, at the time development actions are proposed.

Jordan Molina, Director
April 29, 2022
Page 2

Thank you again for your input. Should you have any questions, or require additional information, please feel free to contact me at (808) 244-2015 or via email at planning@munekiyohiraga.com.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Chris Sugidono', with a stylized flourish at the end.

Chris Sugidono
Senior Associate

CEJS:Ih

cc: Kurt Wollenhaupt, Department of Planning
Keiki-Pua Dancil, Pūlama Lānaʻi
Olivia Simpson, Pūlama Lānaʻi
Calvert Chipchase, Cades Schutte
Stacey Gray, Cades Schutte

K:\DATA\Pulama Lanai\Koele PD Ph I Amendment 2164\Applications\Draft EA\Draft EA Responses\DPW Response Ltr.docx

MICHAEL P. VICTORINO
Mayor

JORDAN MOLINA
Director

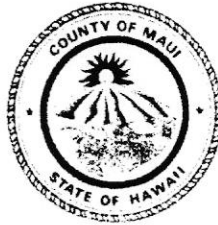
GARY L. I. AMBROSE
Deputy Director

WADE SHIMABUKURO, P.E.
Development Services Administration

RODRIGO "CHICO" RABARA, P.E.
Engineering Division

JOHN R. SMITH, P.E.
Highways Division

Telephone: (808) 270-7845
Fax: (808) 270-7955



COUNTY OF MAUI
DEPARTMENT OF PUBLIC WORKS
200 SOUTH HIGH STREET, ROOM 434
WAILUKU, MAUI, HAWAII 96793

March 8, 2022

MEMO TO: MICHELE MCLEAN, PLANNING DIRECTOR

FROM: JORDAN MOLINA, DIRECTOR OF PUBLIC WORKS *jm*

SUBJECT: **KOELE PROJECT DISTRICT AMENDMENT AND DRAFT ENVIRONMENTAL ASSESSMENT; VARIOUS PARCELS OF TMK: (2) 4-9-001,002,018,020,021**

We reviewed the subject application and have the following comments:

Comments from Engineering Division:

1. Upon future developments within the project district, drainage improvements shall comply with the following:
 - Title MC-15, Chapter 4, "Rules for the Design of Storm Drainage Facilities in the County of Maui";
 - Title MC-15, Chapter 111, "Rules for the Design of Storm Water Treatment Best Management Practices"; and
 - Title 20, Chapter 20.08, "Soil Erosion and Sedimentation Control".

If you have any questions regarding this memorandum, please call Jordan Molina at (808) 270-7845.

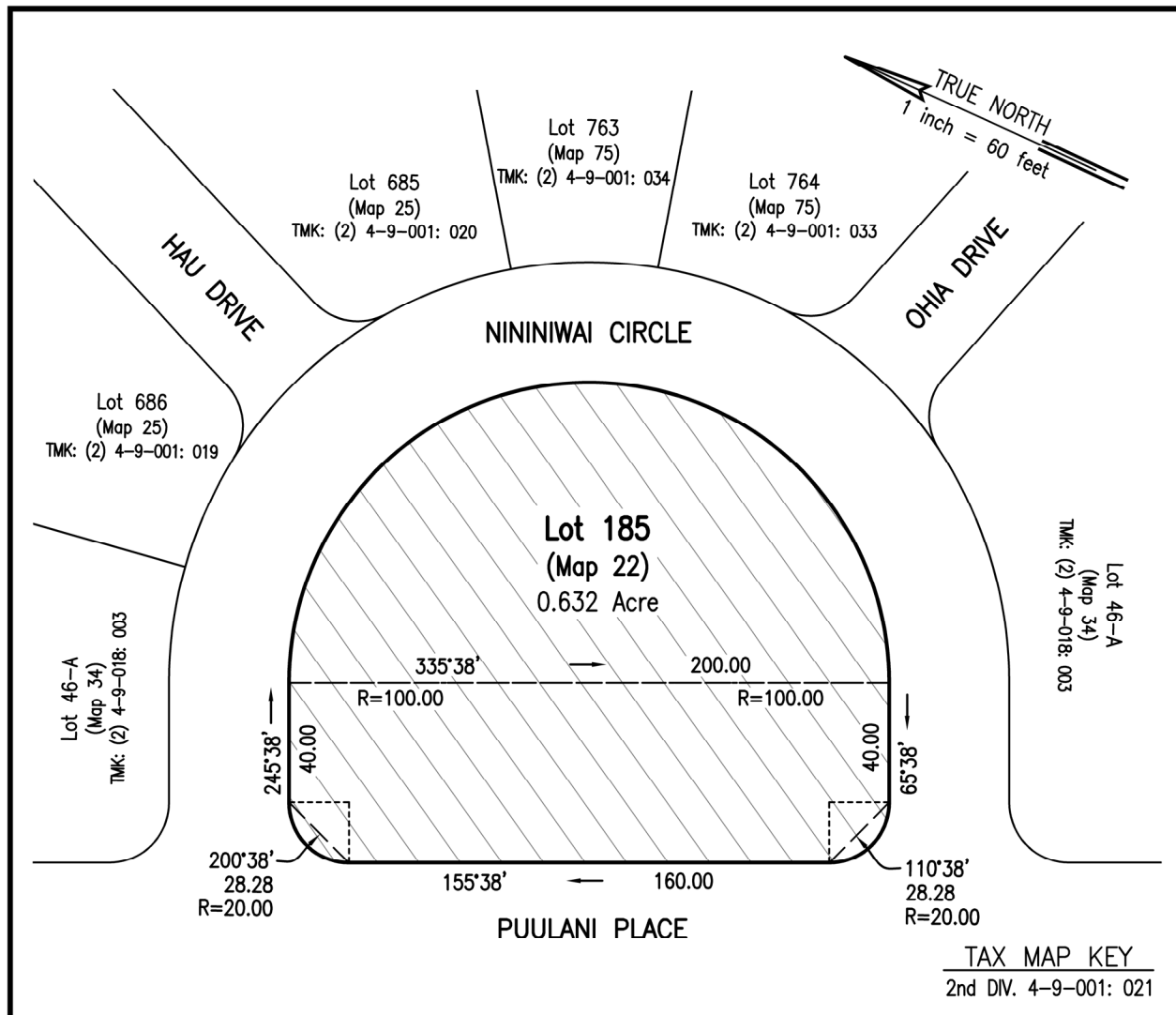
JM:GLIA:da

xc: Highways Division
Engineering Division

S:\DSA\Eng\CM\Draft Comments\49001,002,018,020,021_koele_proj_district_amend_&_dea.rtf

EXHIBIT 7.

Lānaʻi Community Plan Proposed Maps by Tax Map Key



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

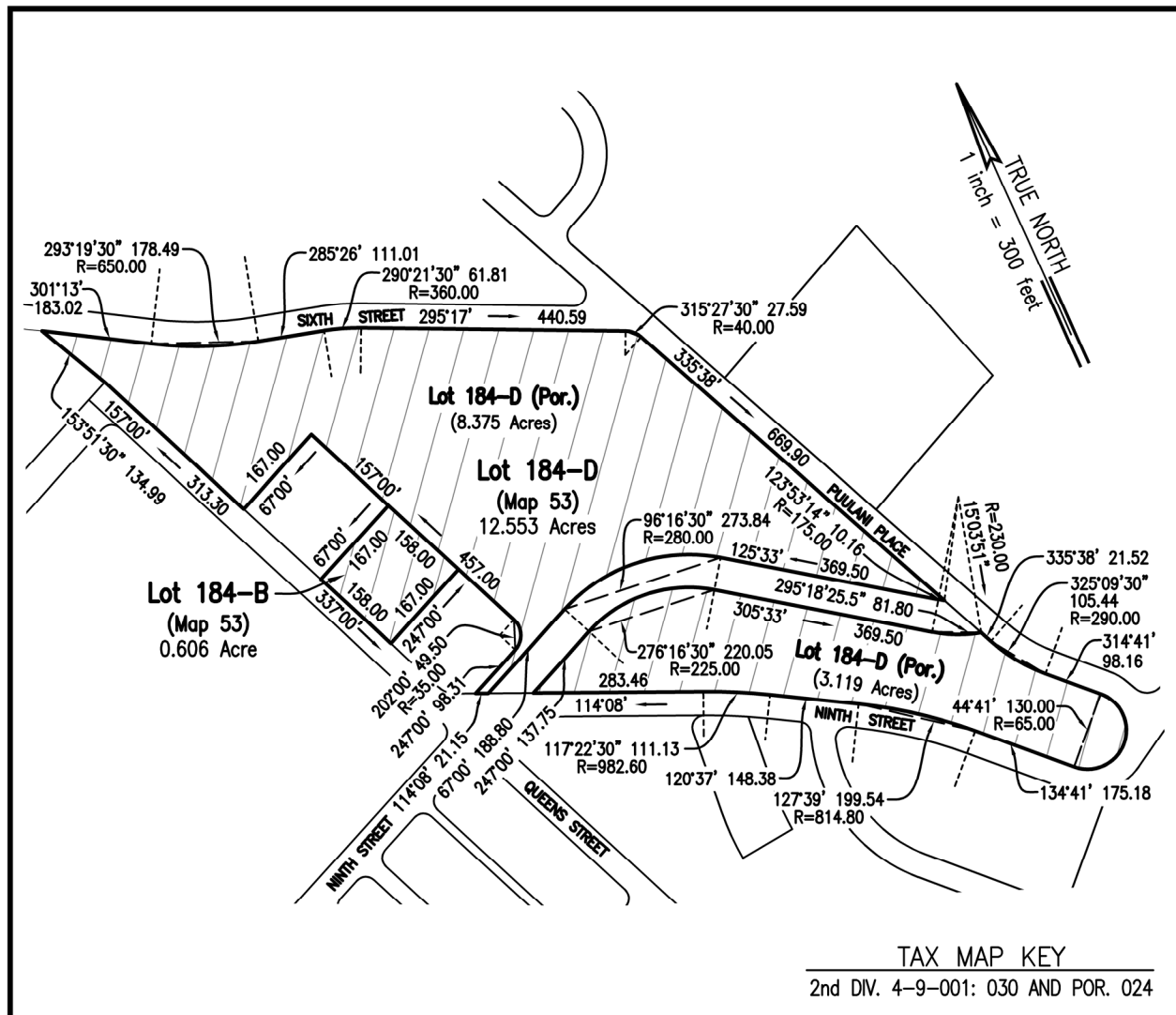
DATE:

SCALE: 1"=60'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED—COUNCIL:
ADOPTED—MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

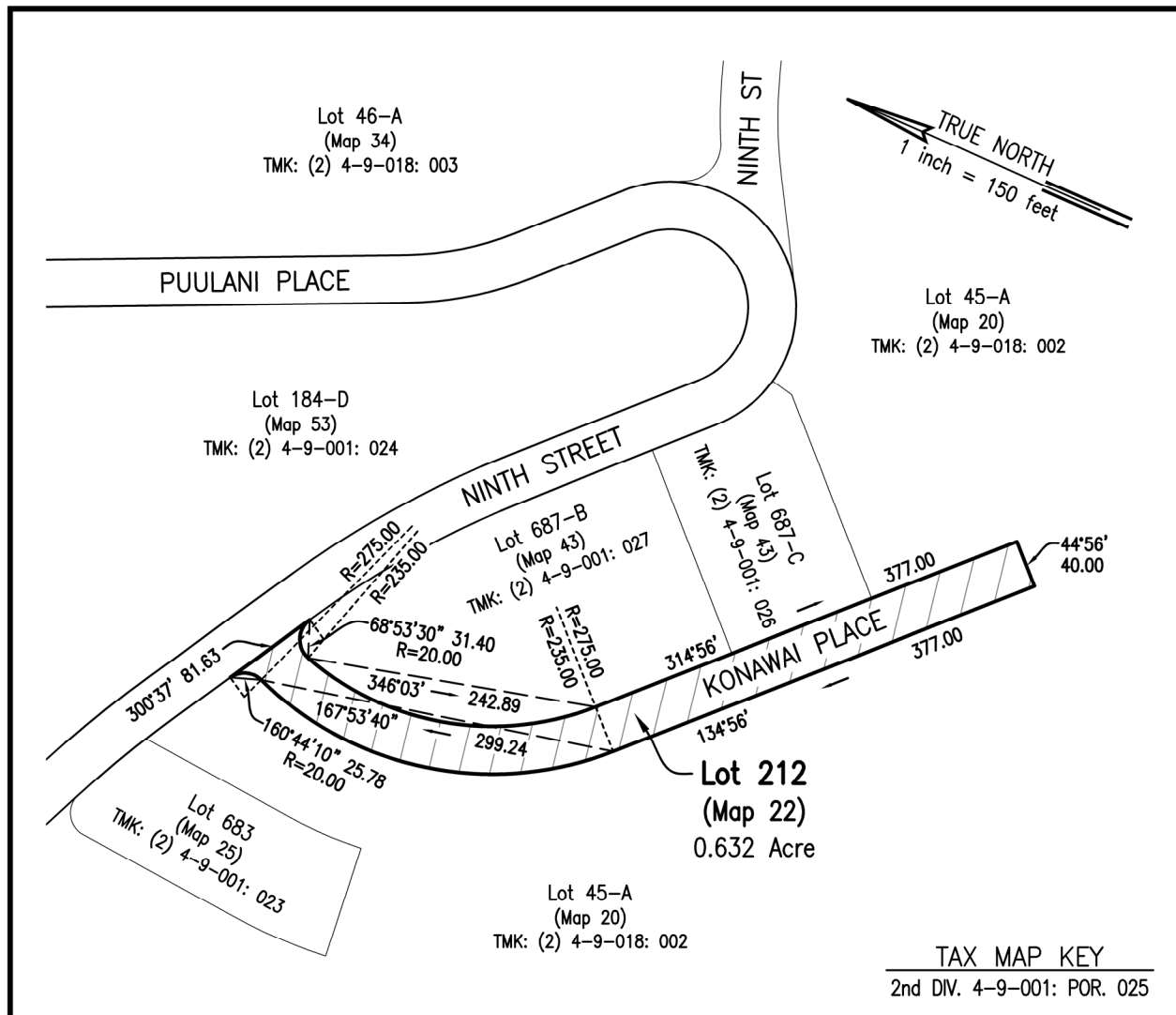
DATE:

SCALE: 1"=300'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP—



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

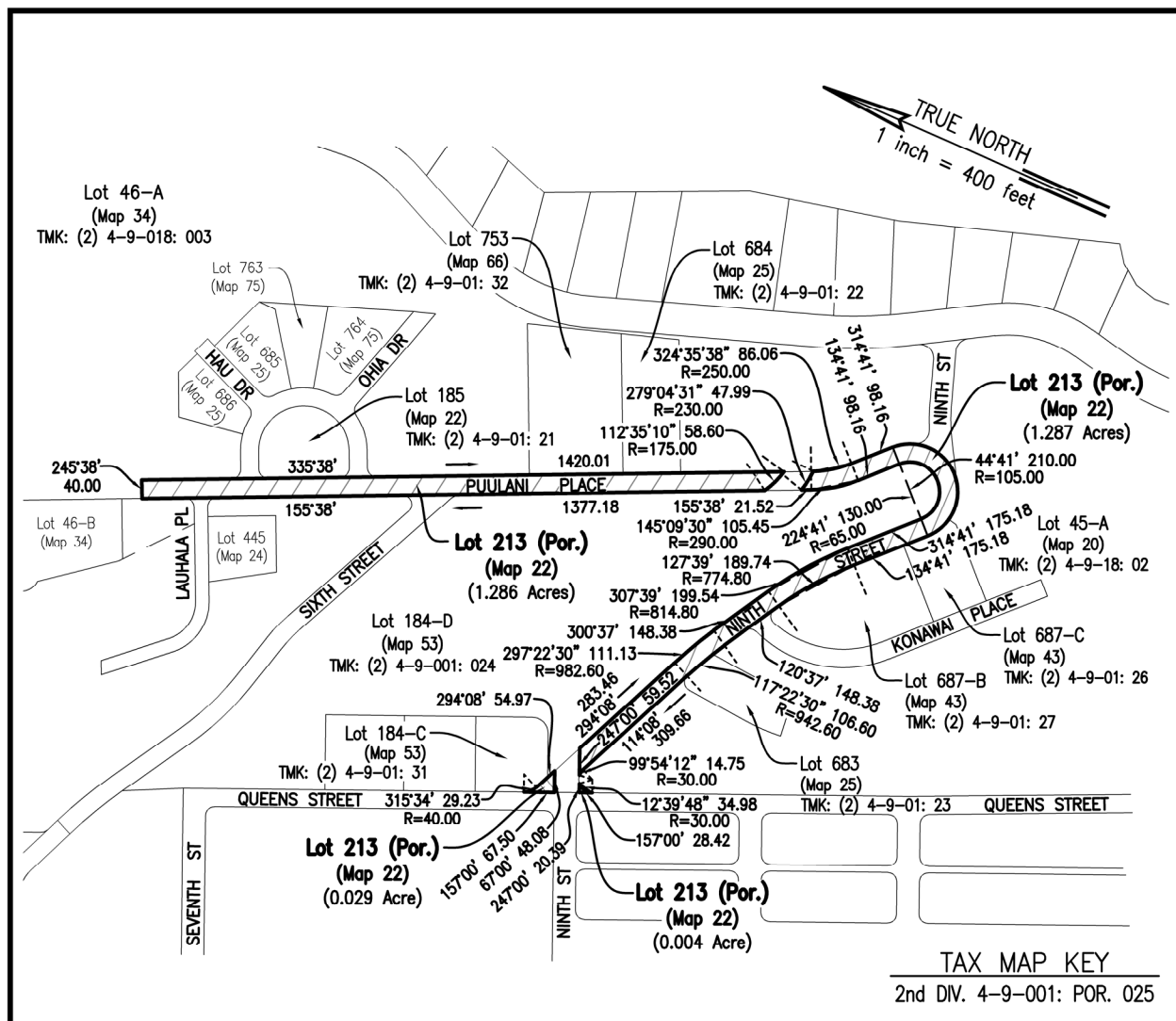
DATE:

SCALE: 1"=150'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

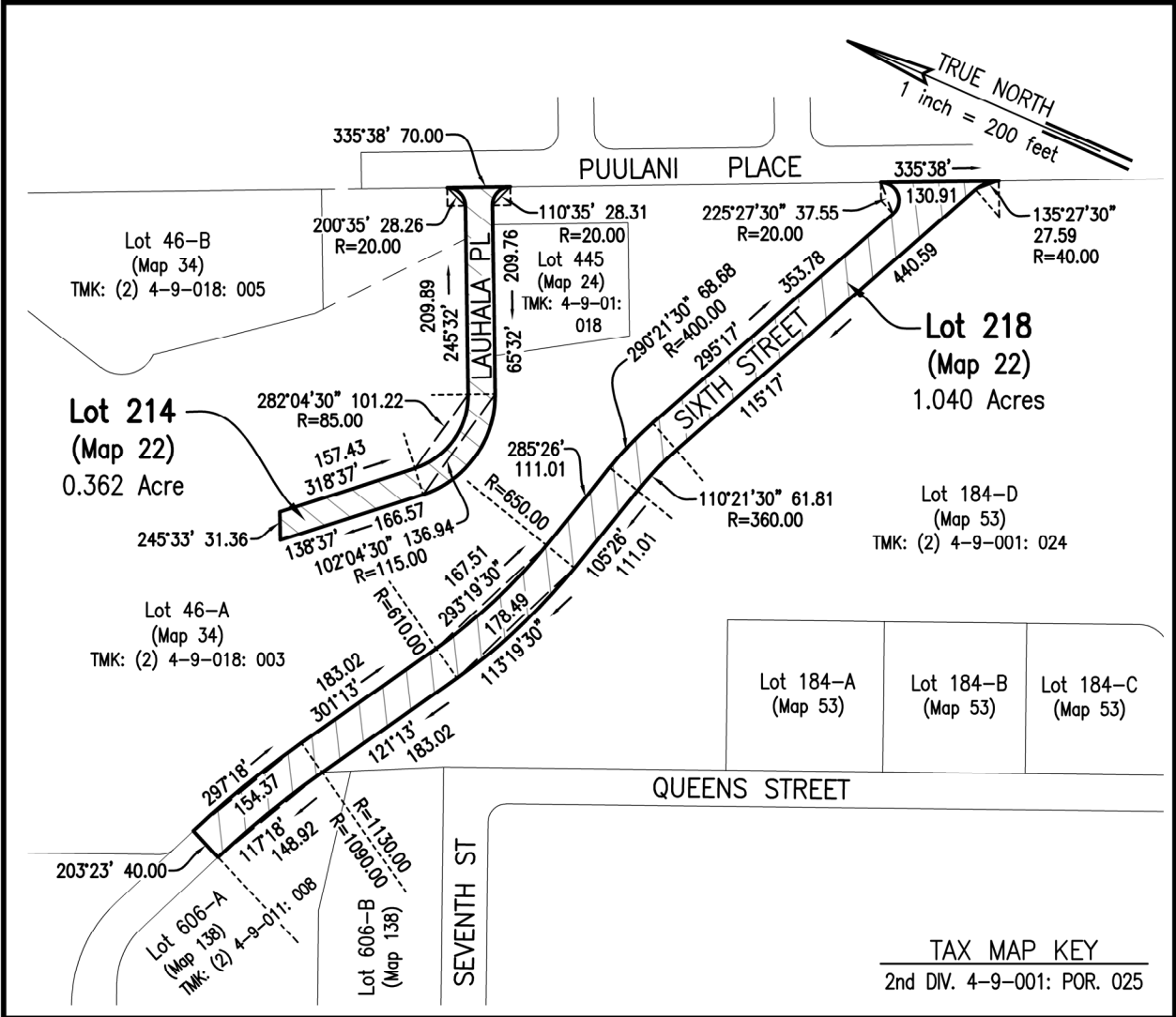
DATE:

SCALE: 1"=400'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

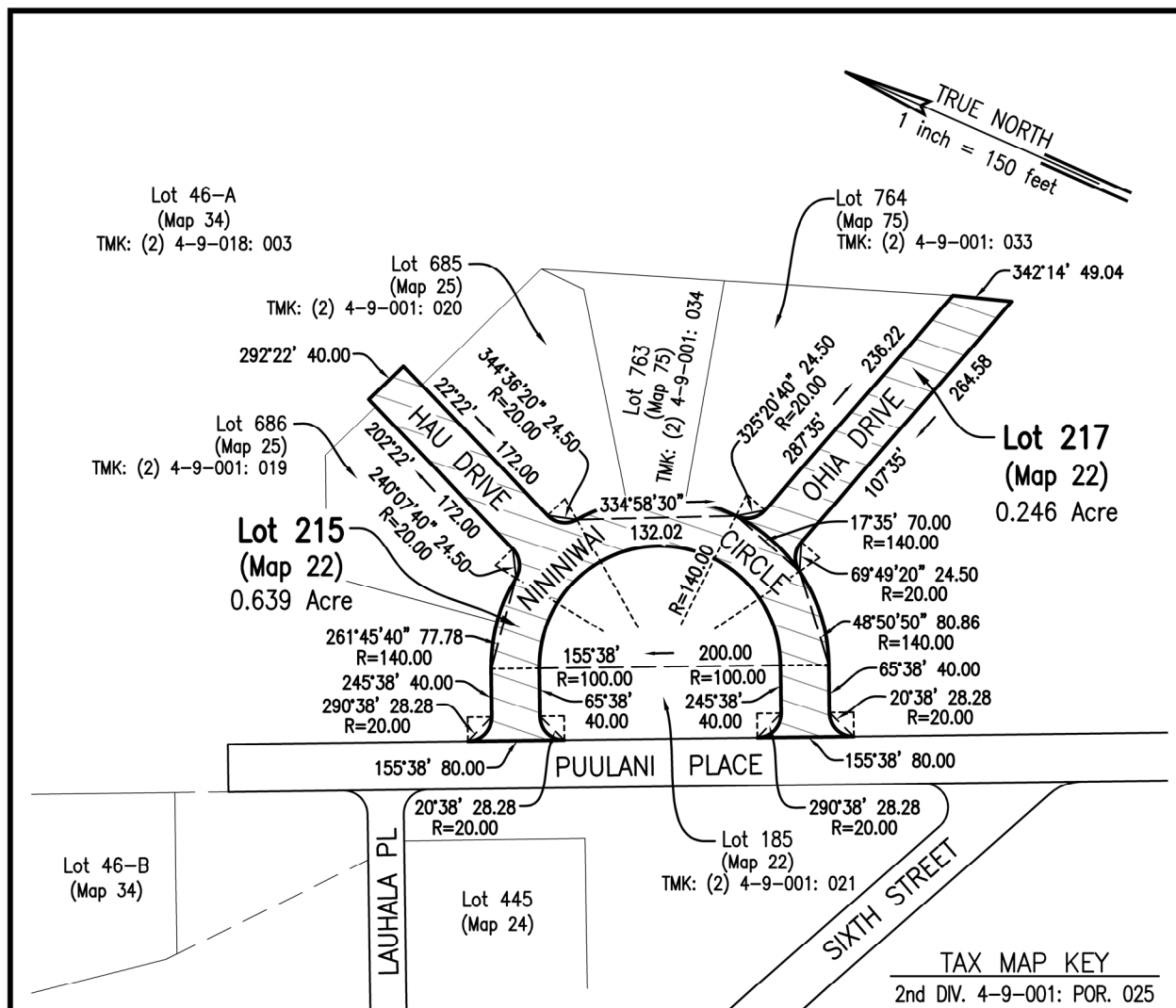
PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

DATE: _____ SCALE: 1"=200'

OFFICE OF THE COUNTY CLERK
200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

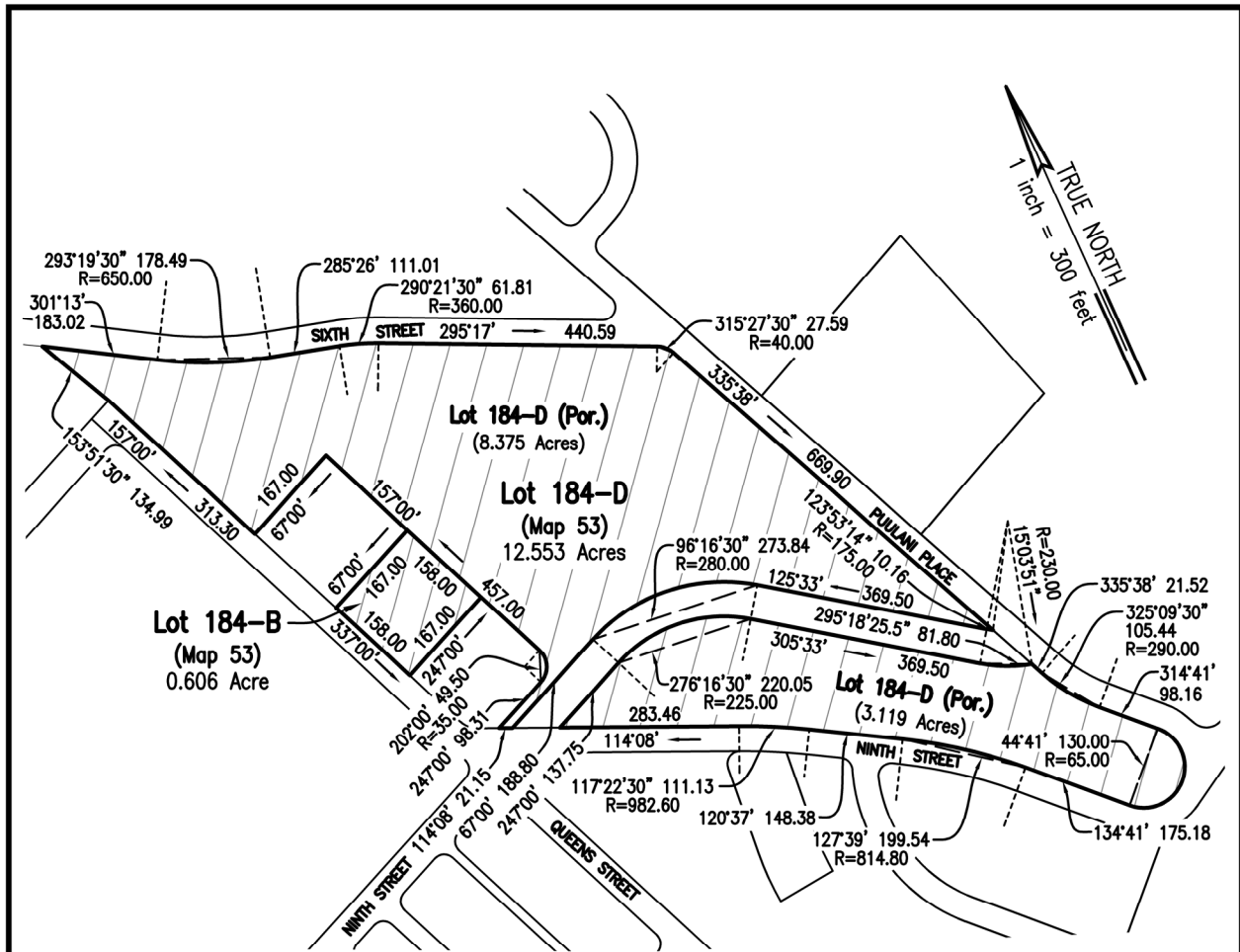
DATE:

SCALE: 1"=150'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



TAX MAP KEY
2nd DIV. 4-9-001: 030 AND POR. 024

COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO SINGLE-FAMILY RESIDENTIAL

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

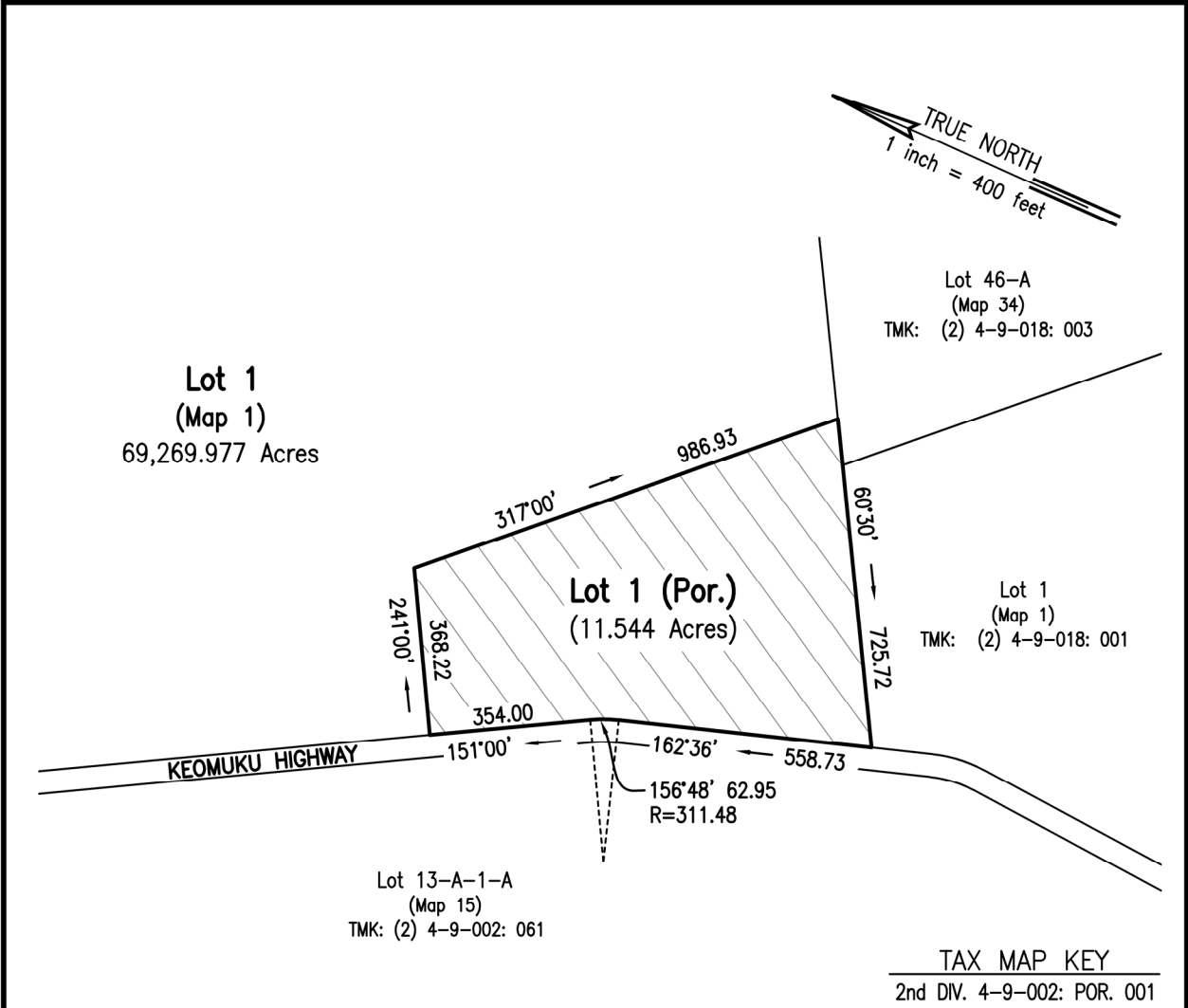
DATE:

SCALE: 1"=300'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM OPEN SPACE TO PROJECT DISTRICT

APPROVED: _____
COUNTY CLERK DATE

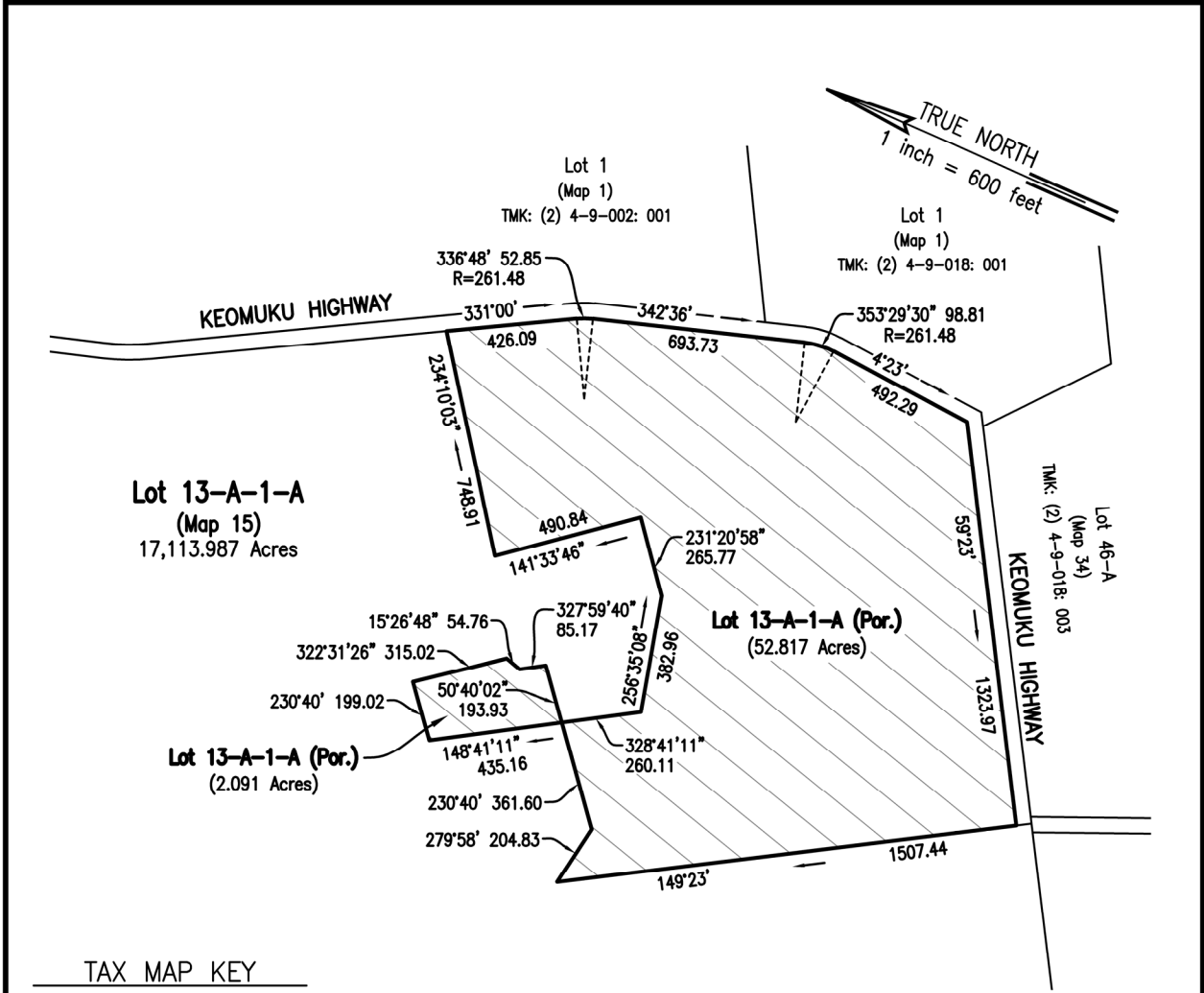
PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

APPROVED: _____
PLANNING DIRECTOR DATE

DATE: _____ SCALE: 1"=400'

OFFICE OF THE COUNTY CLERK
200 S High Street, Wailuku Maui, Hawaii 96793

CP-



TAX MAP KEY
2nd DIV. 4-9-002: POR. 061

COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM AGRICULTURE DISTRICT TO PROJECT DISTRICT

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

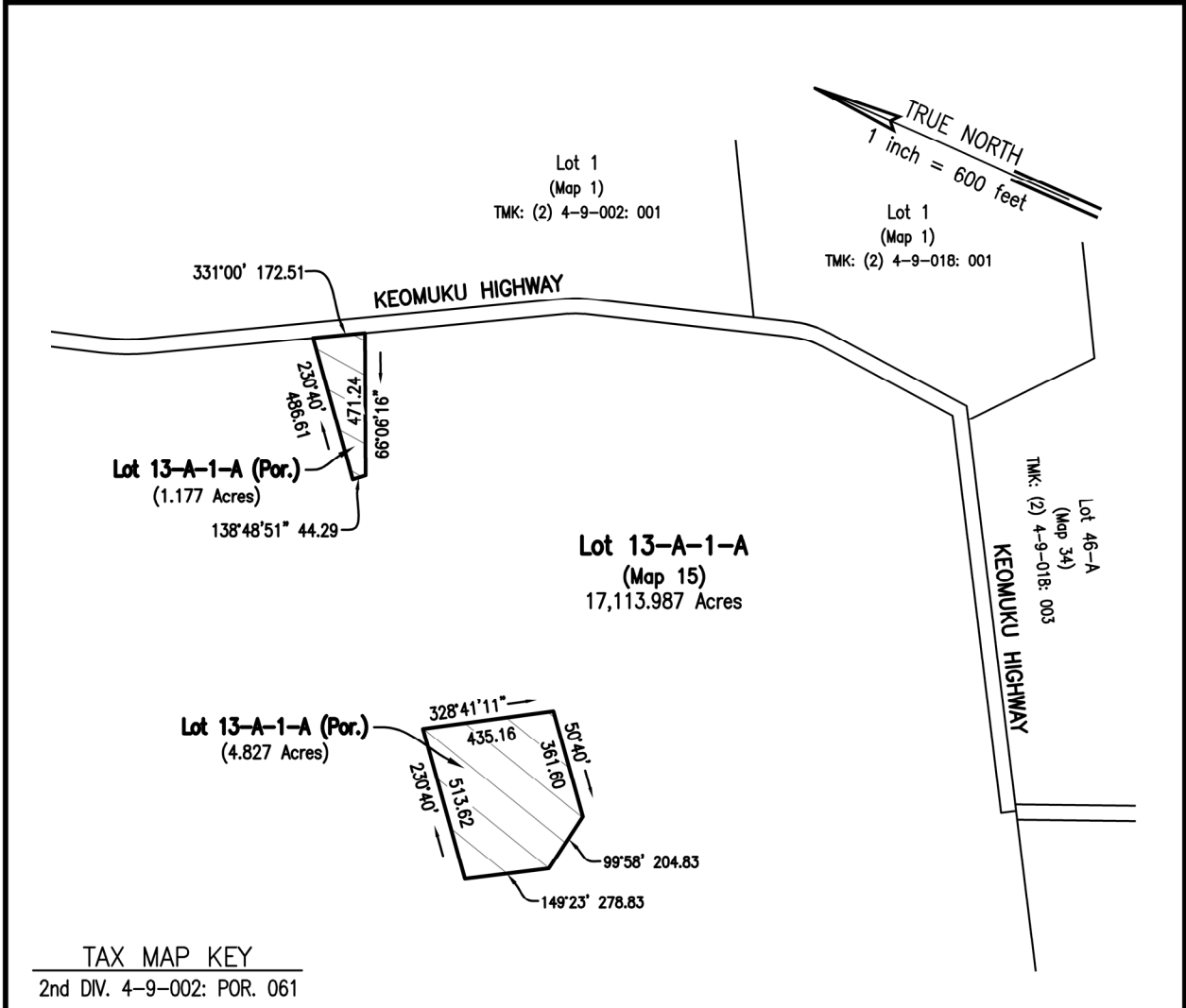
APPROVED: _____
PLANNING DIRECTOR DATE

DATE: SCALE: 1"=600'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM RURAL DISTRICT TO PROJECT DISTRICT

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

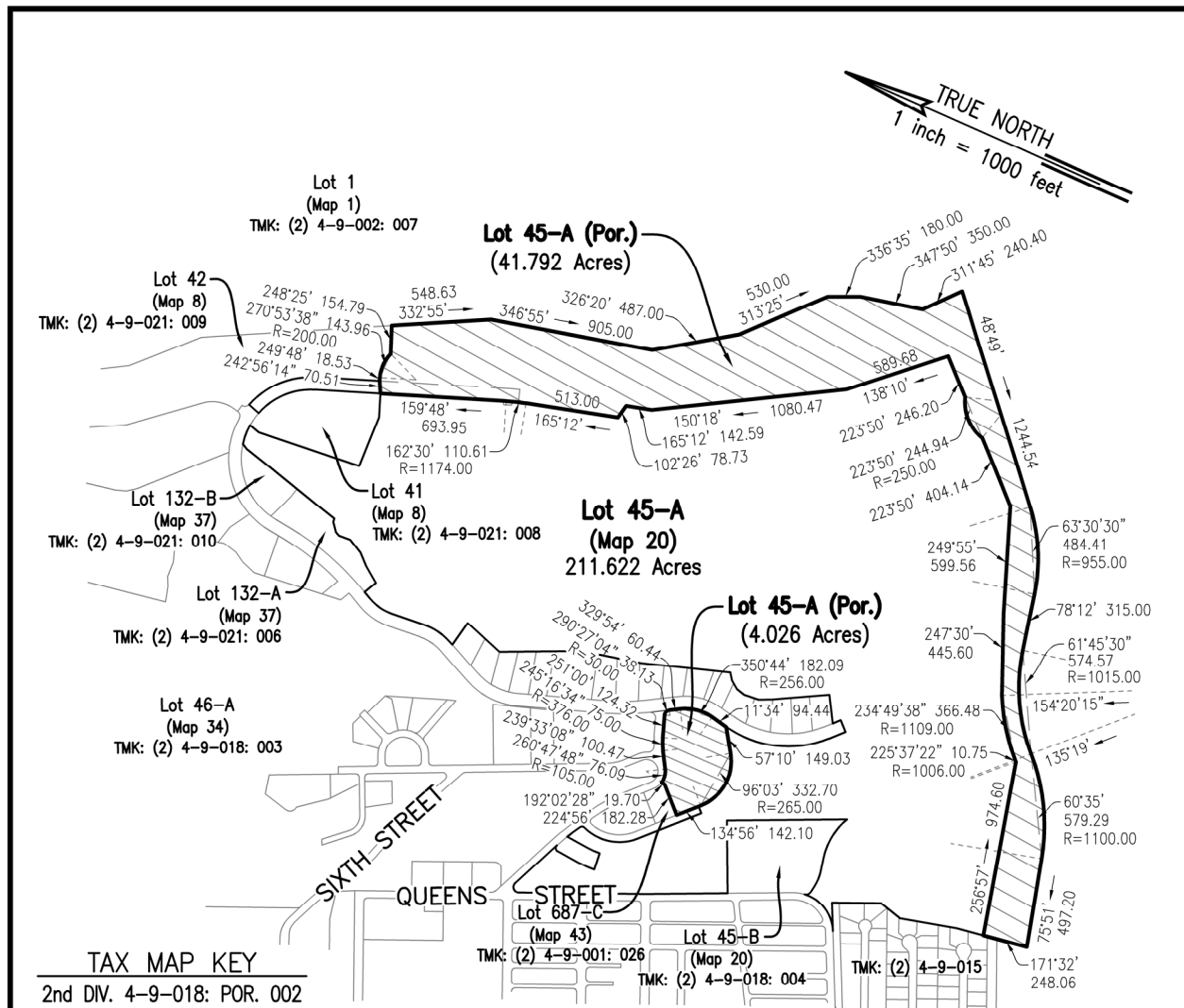
APPROVED: _____
PLANNING DIRECTOR DATE

DATE: SCALE: 1"=600'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO OPEN SPACE

APPROVED: _____
COUNTY CLERK DATE

APPROVED: _____
PLANNING DIRECTOR DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

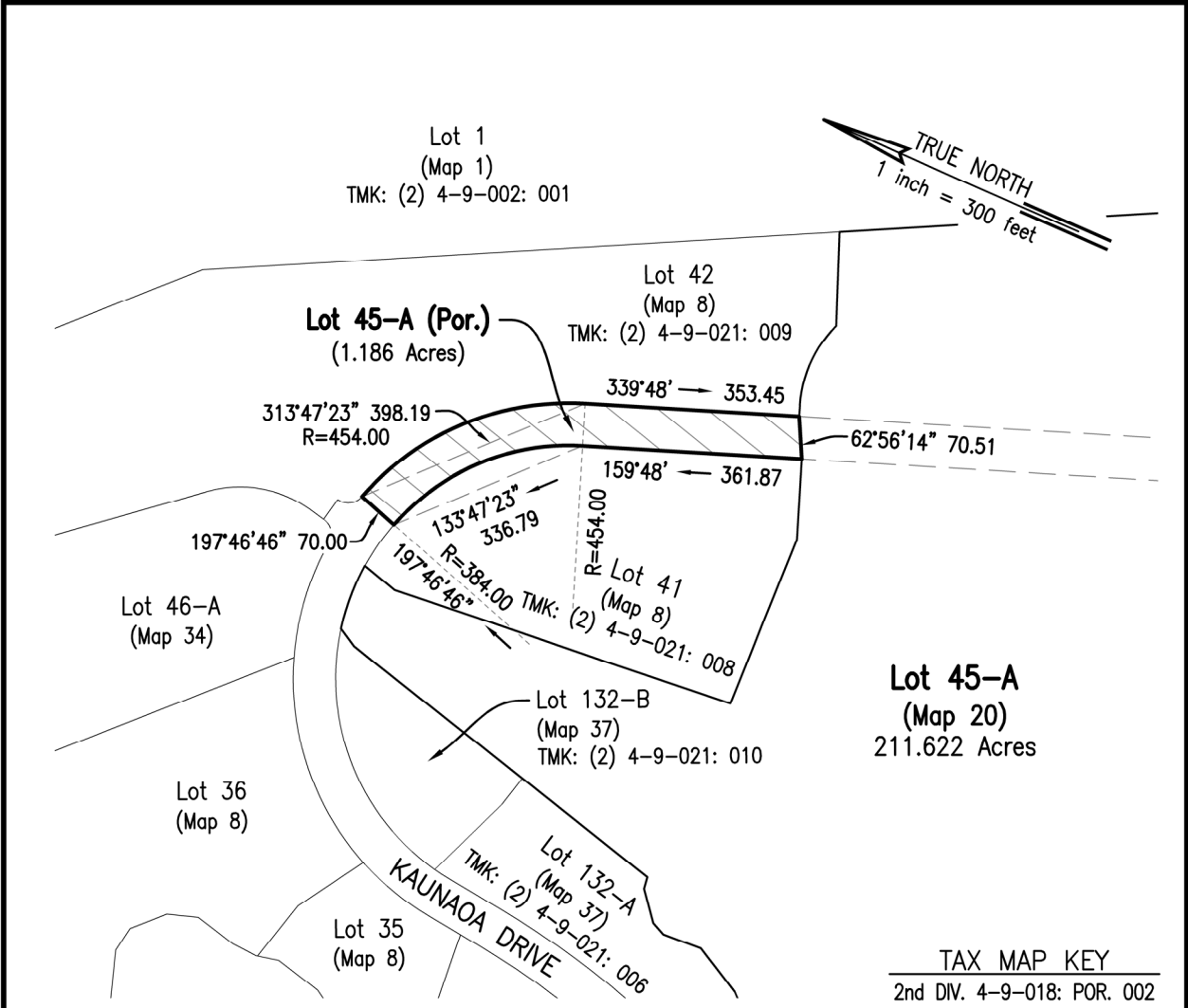
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SCALE: 1"=1000'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO ROAD

APPROVED: _____
COUNTY CLERK DATE

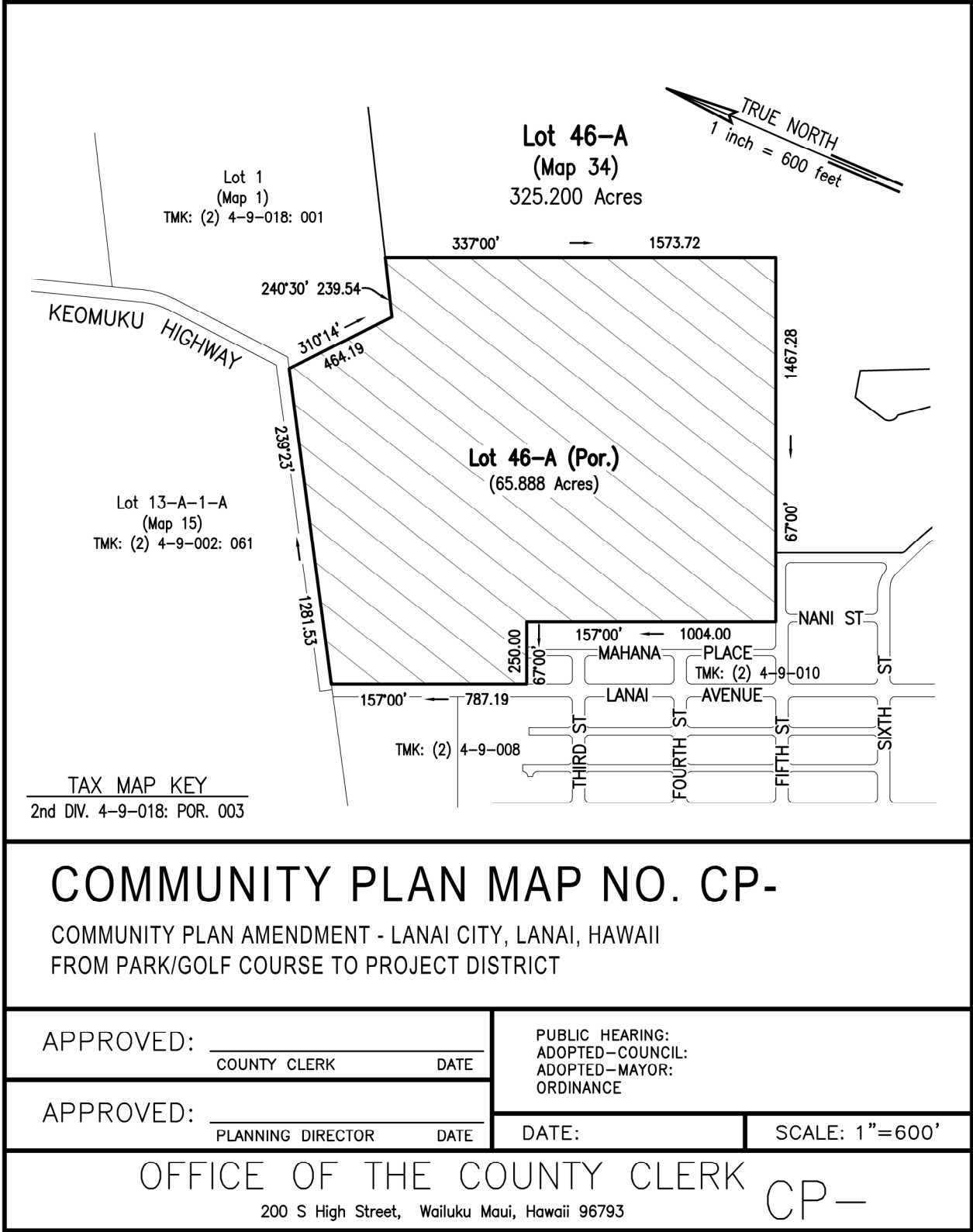
APPROVED: _____
PLANNING DIRECTOR DATE

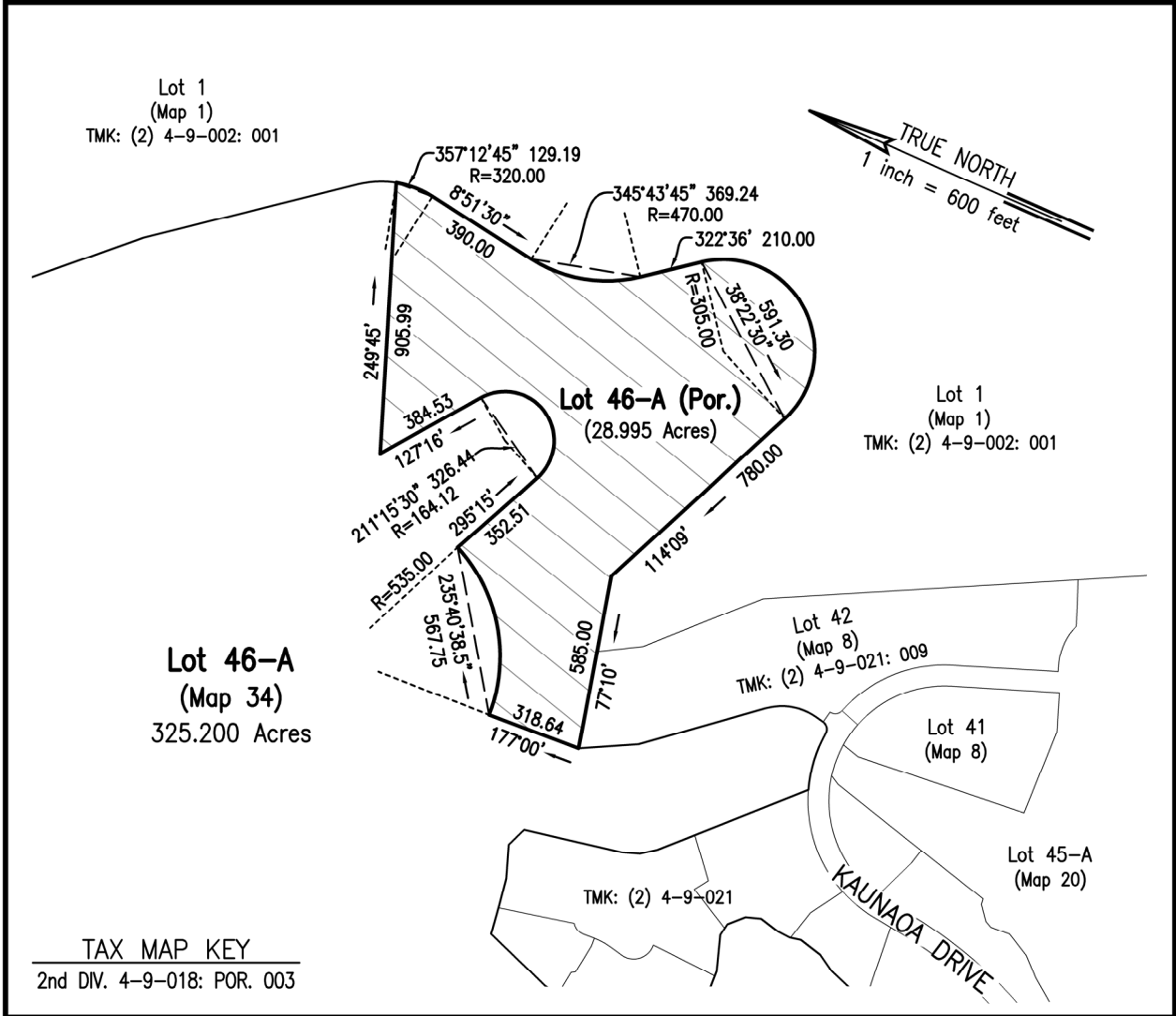
PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

DATE: _____ SCALE: 1"=300'

OFFICE OF THE COUNTY CLERK
200 S High Street, Wailuku Maui, Hawaii 96793

CP-





COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO OPEN SPACE

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

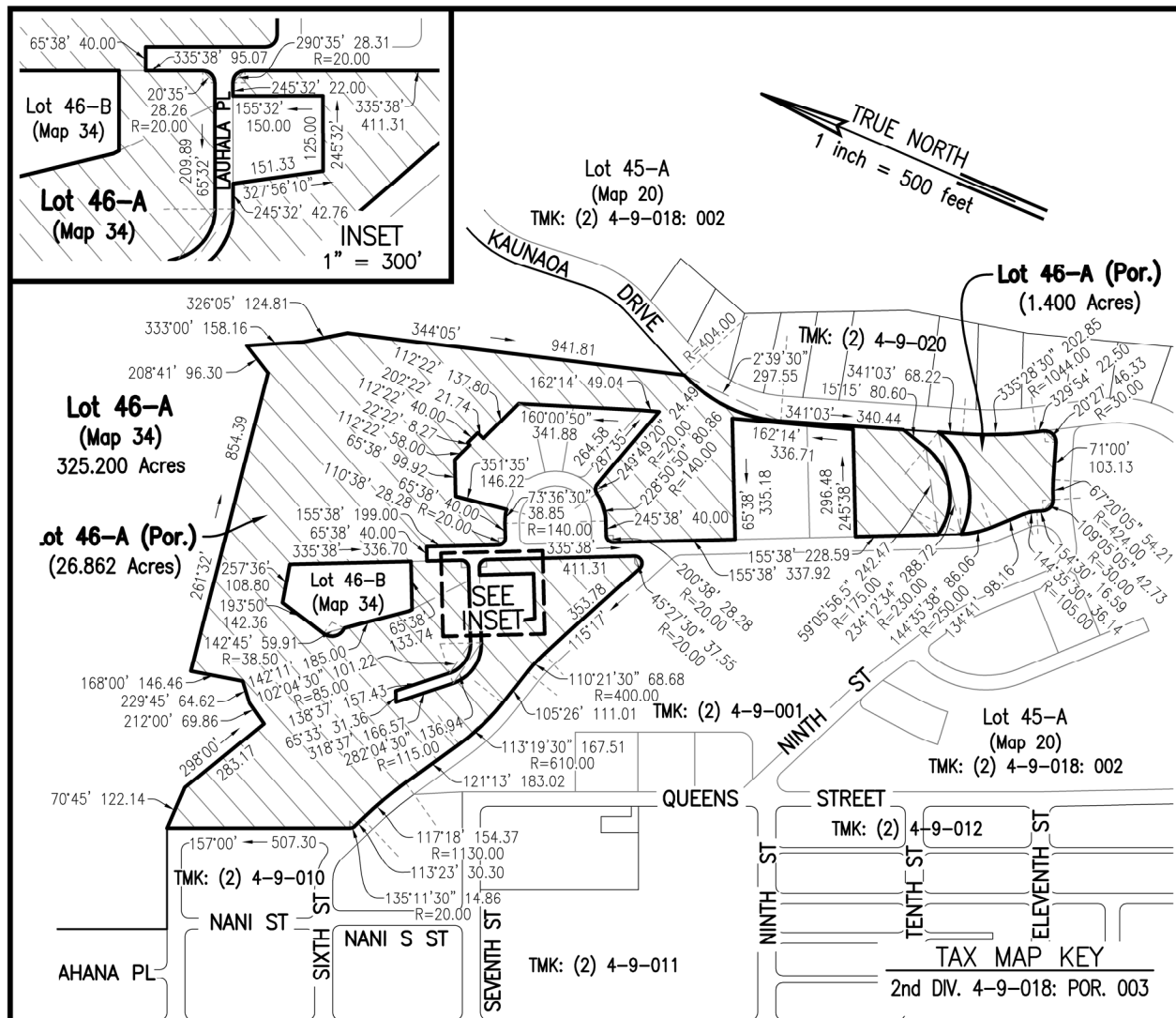
APPROVED: _____
PLANNING DIRECTOR DATE

DATE: _____ SCALE: 1"=600'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO OPEN SPACE

APPROVED: _____
COUNTY CLERK DATE

APPROVED: _____
PLANNING DIRECTOR DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

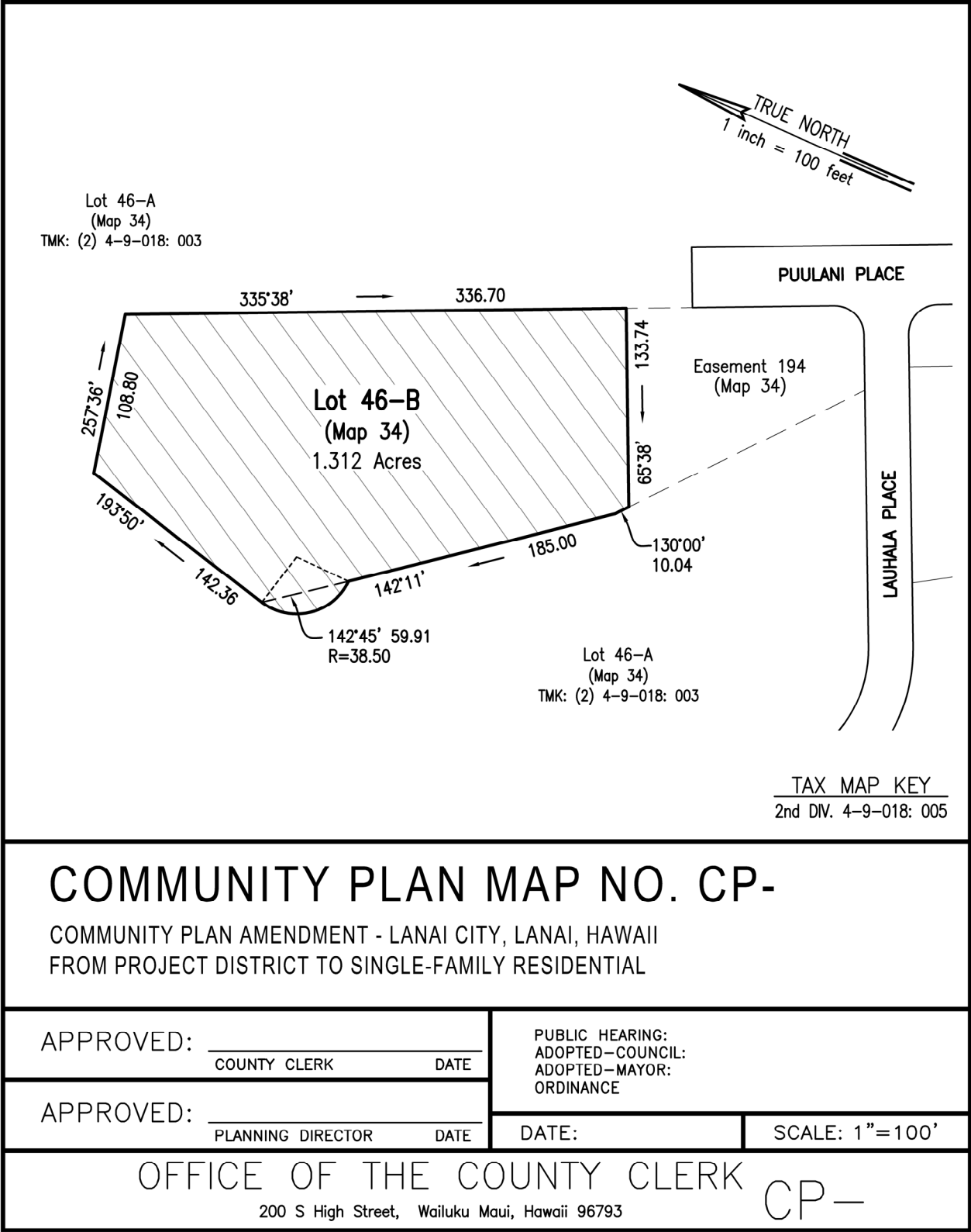
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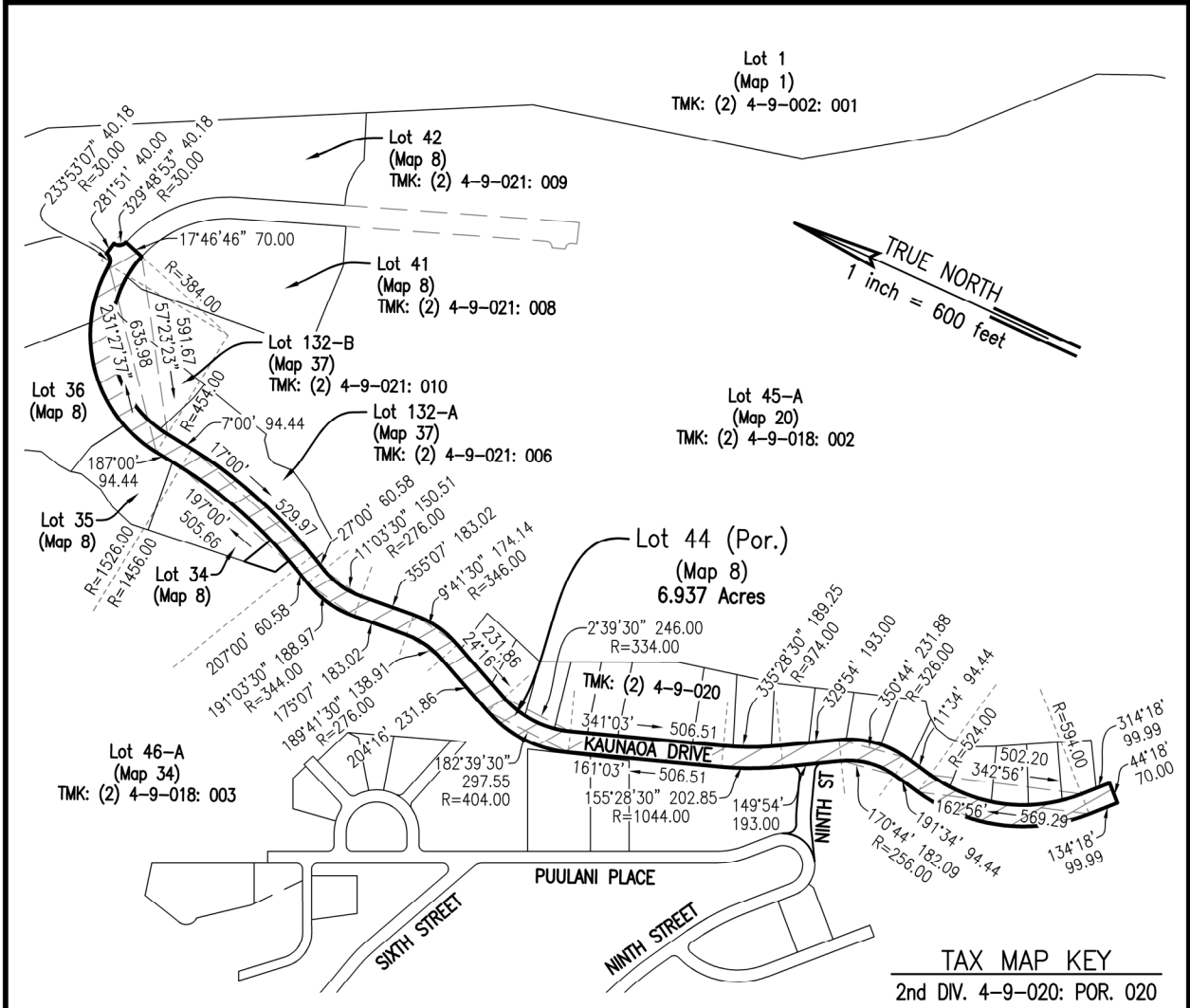
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OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-





COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO ROAD

APPROVED: _____
COUNTY CLERK DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

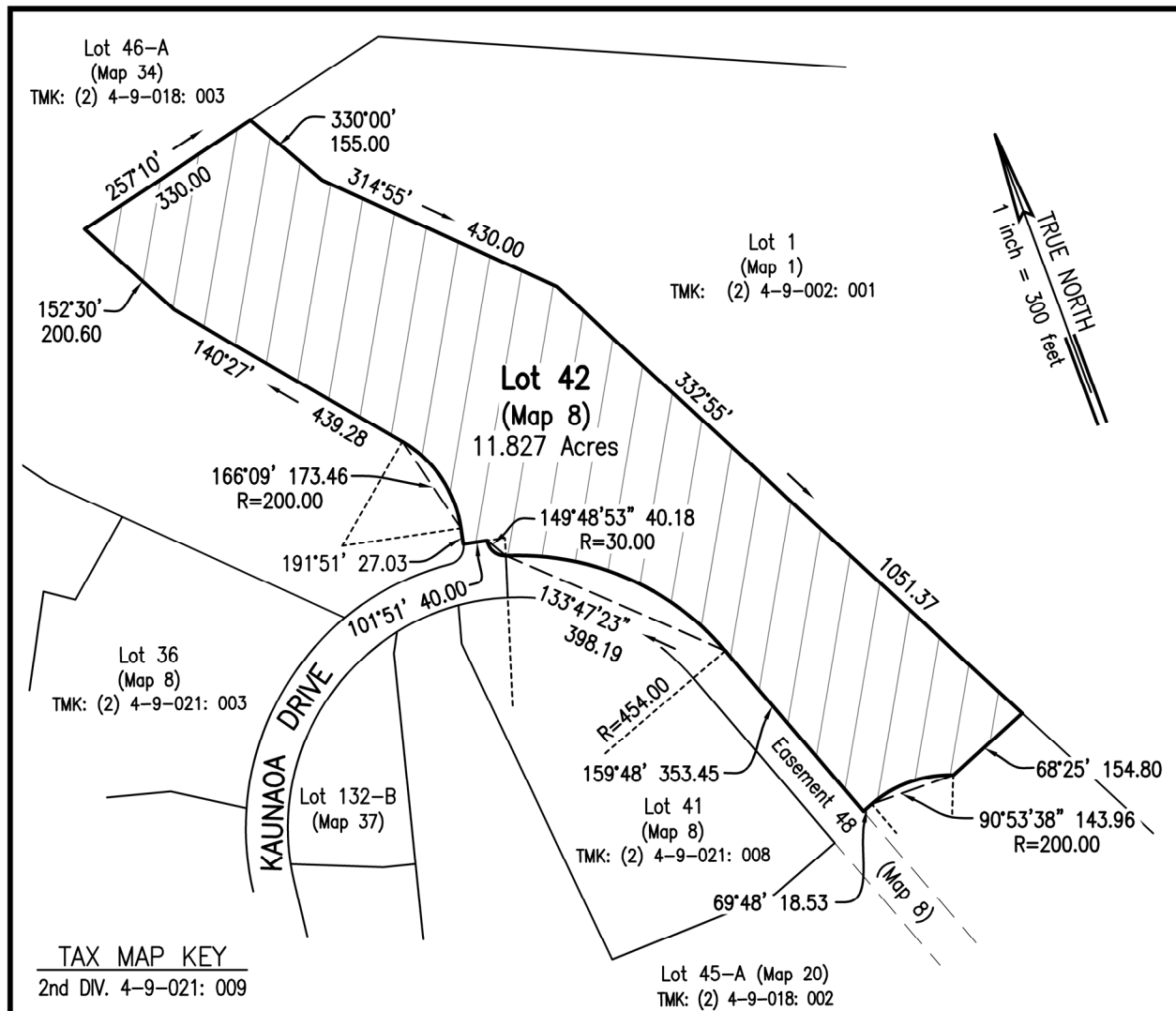
APPROVED: _____
PLANNING DIRECTOR DATE

DATE: _____ SCALE: 1"=600'

OFFICE OF THE COUNTY CLERK

200 S High Street, Wailuku Maui, Hawaii 96793

CP-



TAX MAP KEY
2nd DIV. 4-9-021: 009

COMMUNITY PLAN MAP NO. CP-

COMMUNITY PLAN AMENDMENT - LANAI CITY, LANAI, HAWAII
FROM PROJECT DISTRICT TO OPEN SPACE

APPROVED: _____
COUNTY CLERK DATE

APPROVED: _____
PLANNING DIRECTOR DATE

PUBLIC HEARING:
ADOPTED-COUNCIL:
ADOPTED-MAYOR:
ORDINANCE

DATE:

SCALE: 1"=300'

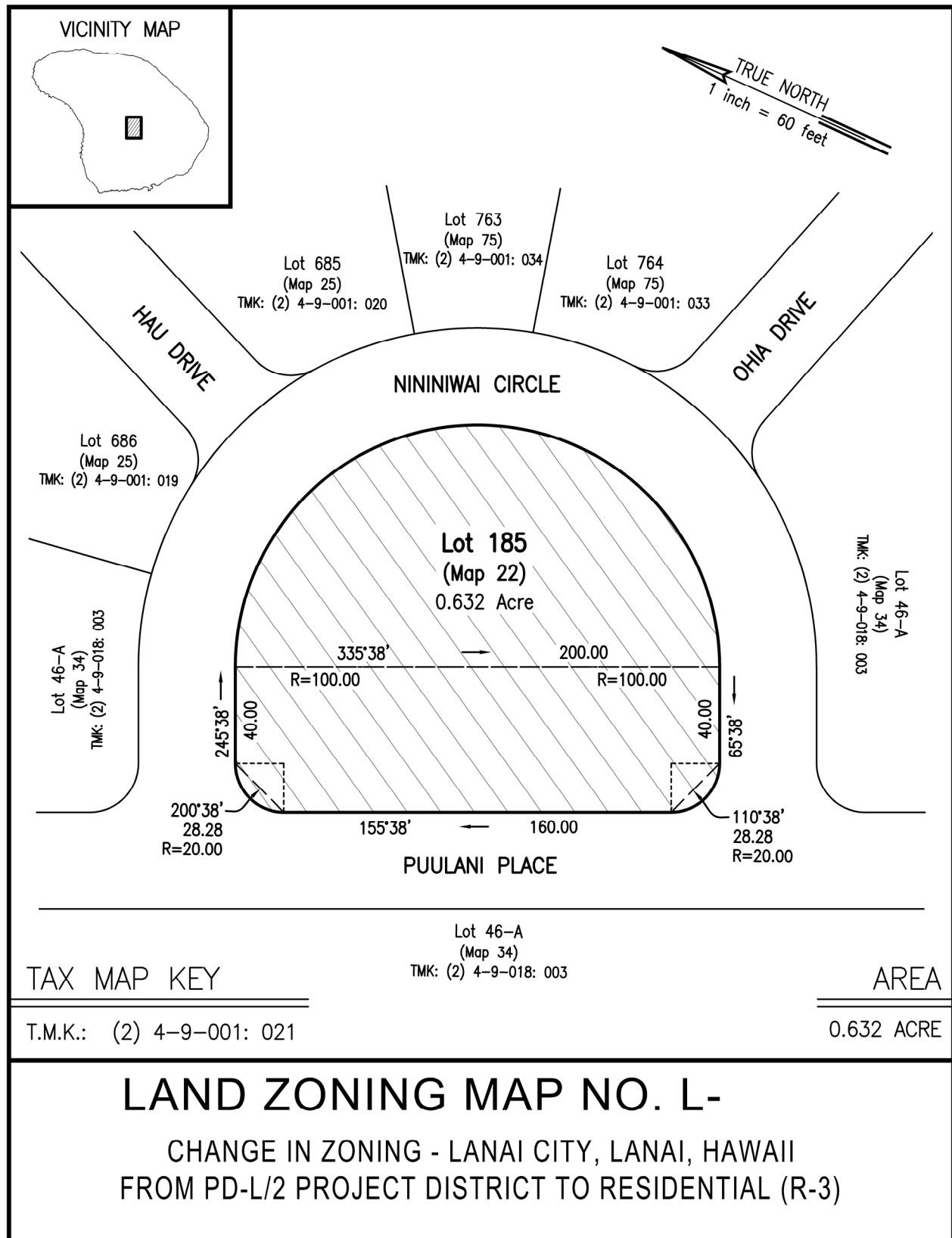
OFFICE OF THE COUNTY CLERK

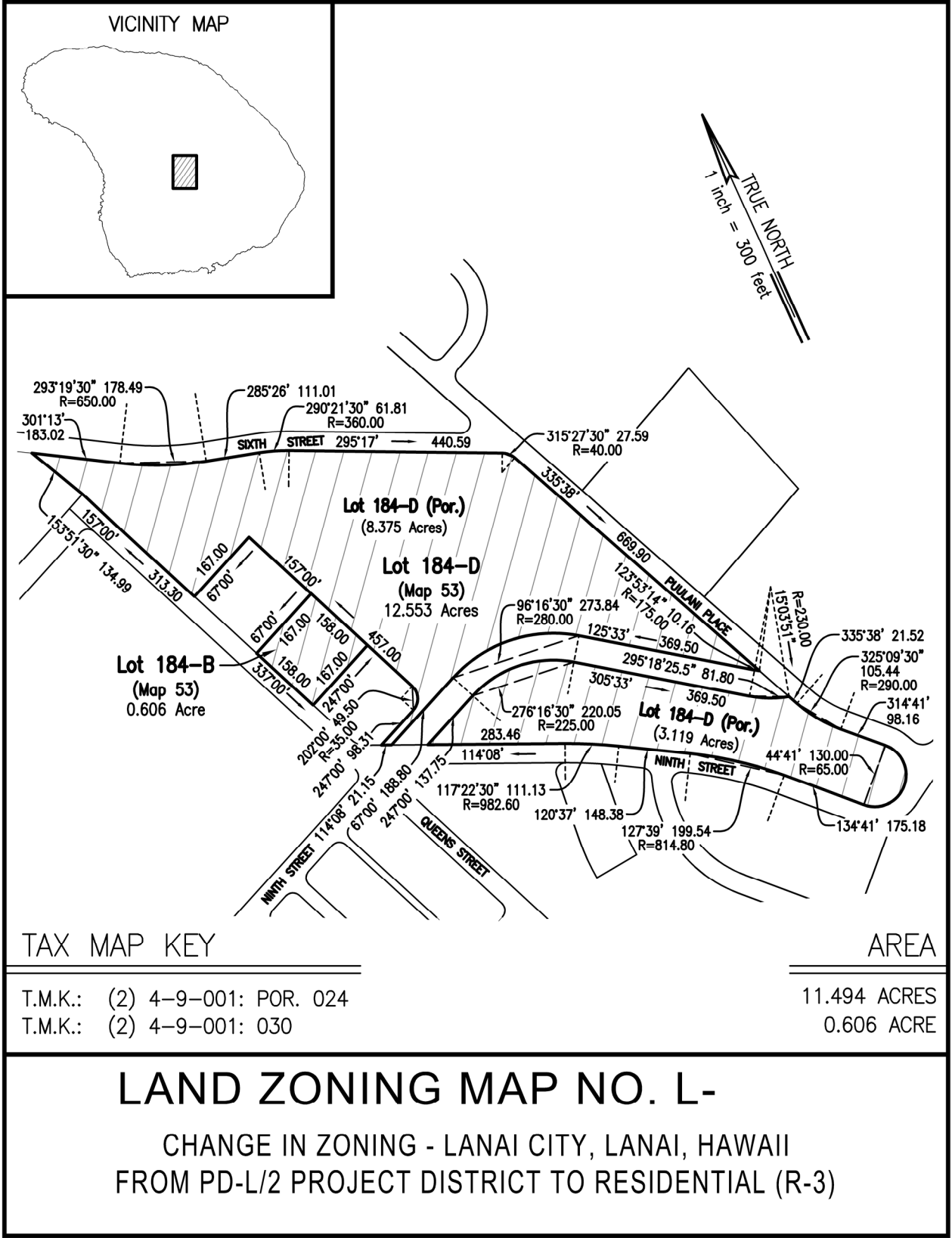
200 S High Street, Wailuku Maui, Hawaii 96793

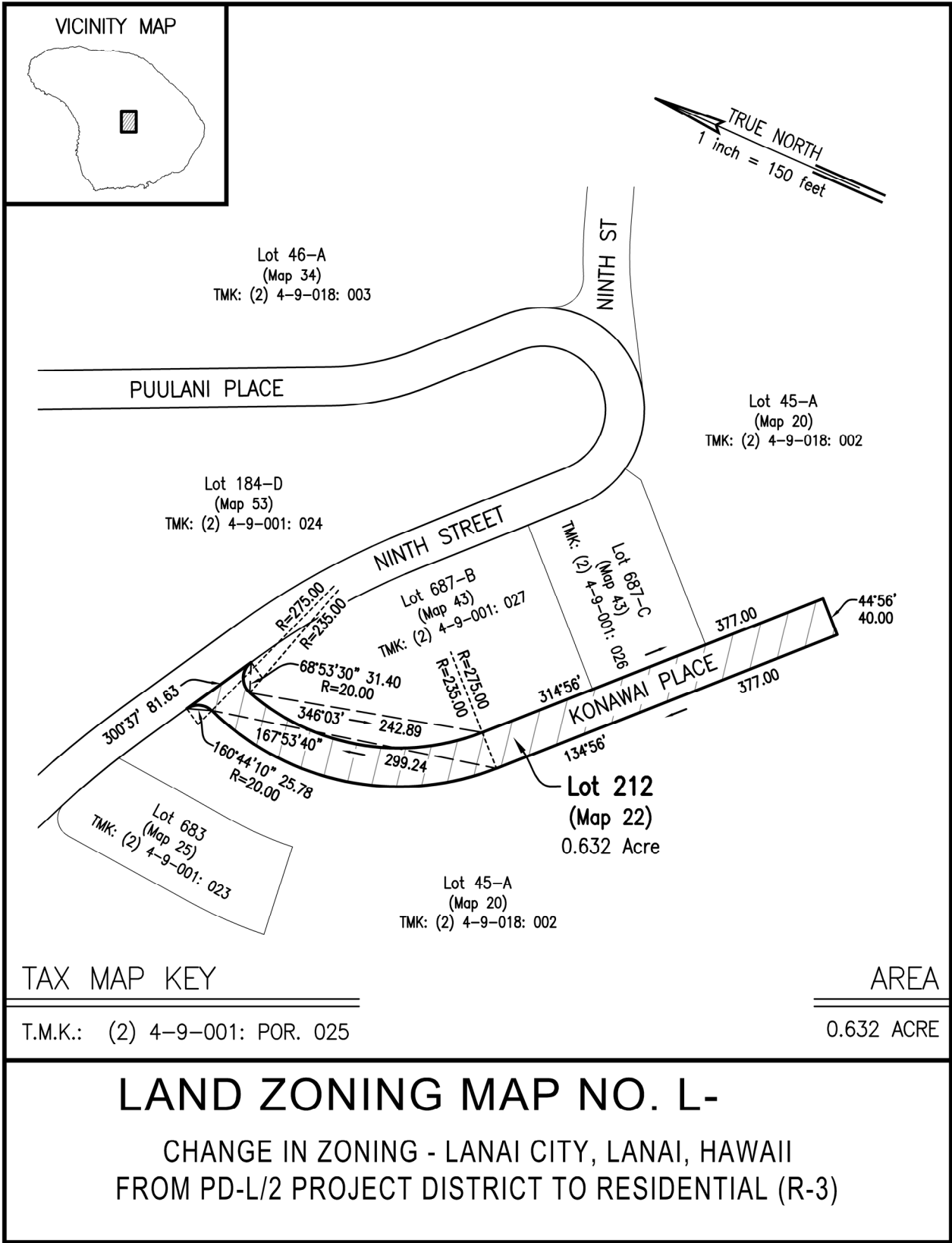
CP-

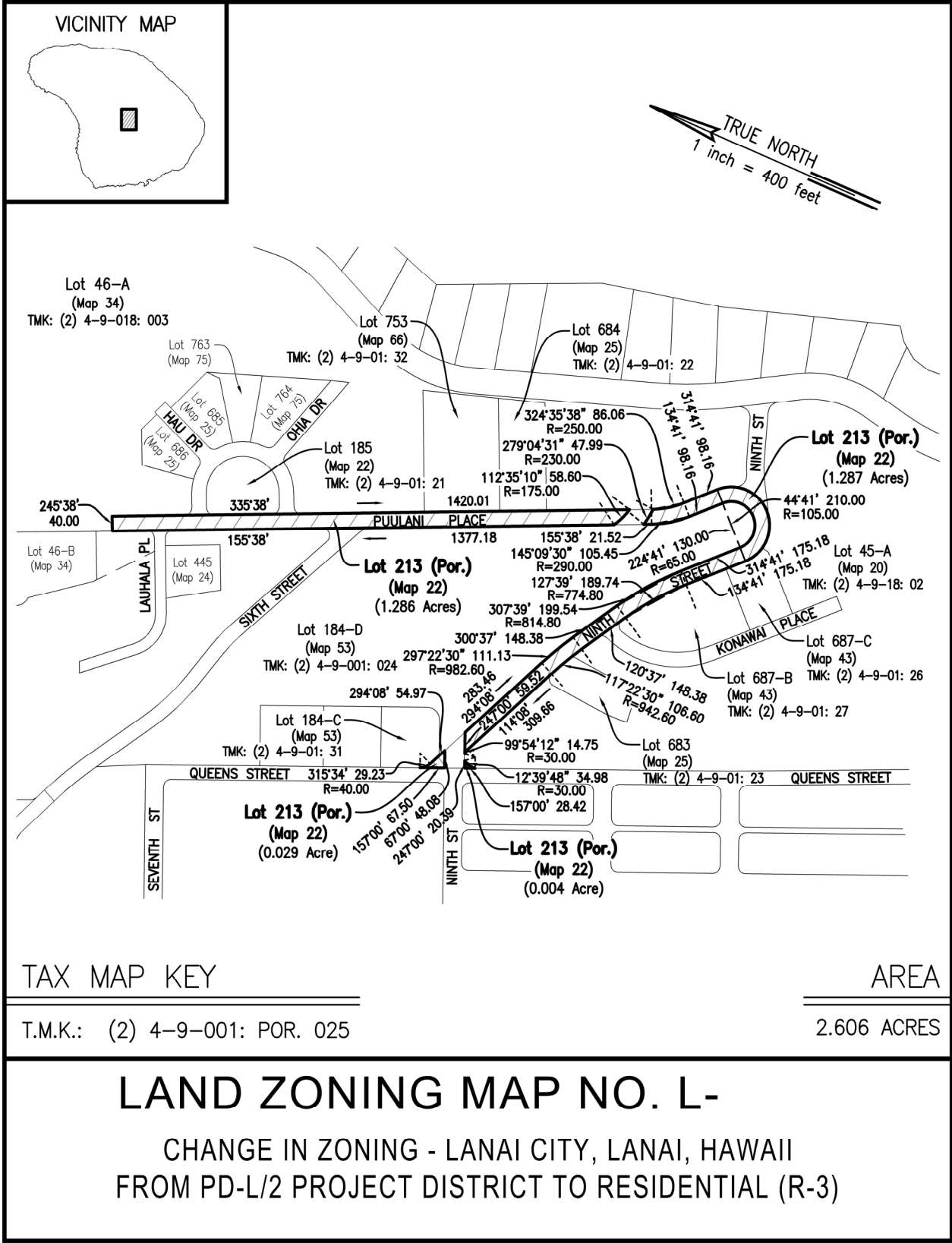
EXHIBIT 8.

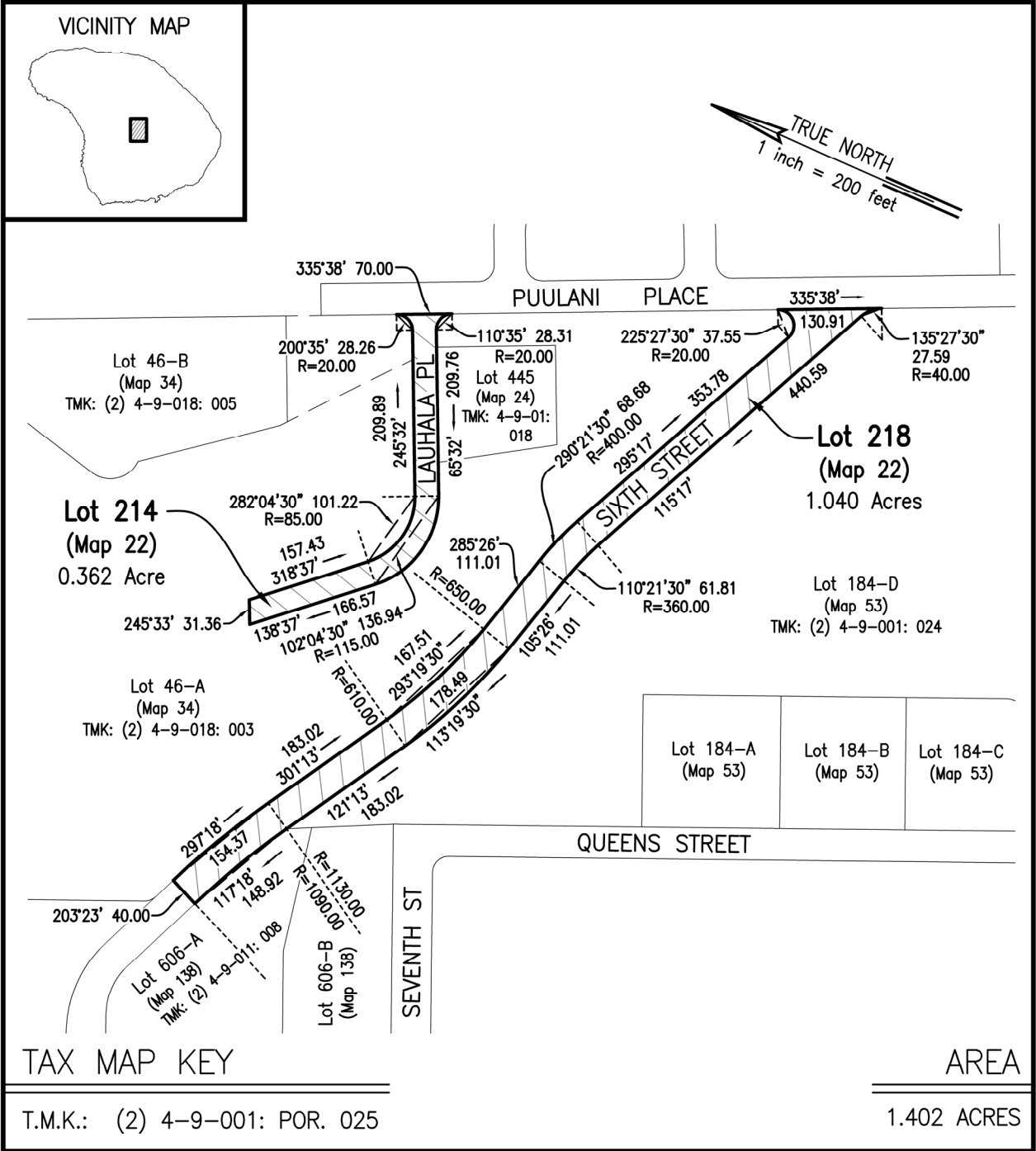
Maui County Zoning Proposed Maps by Tax Map Key







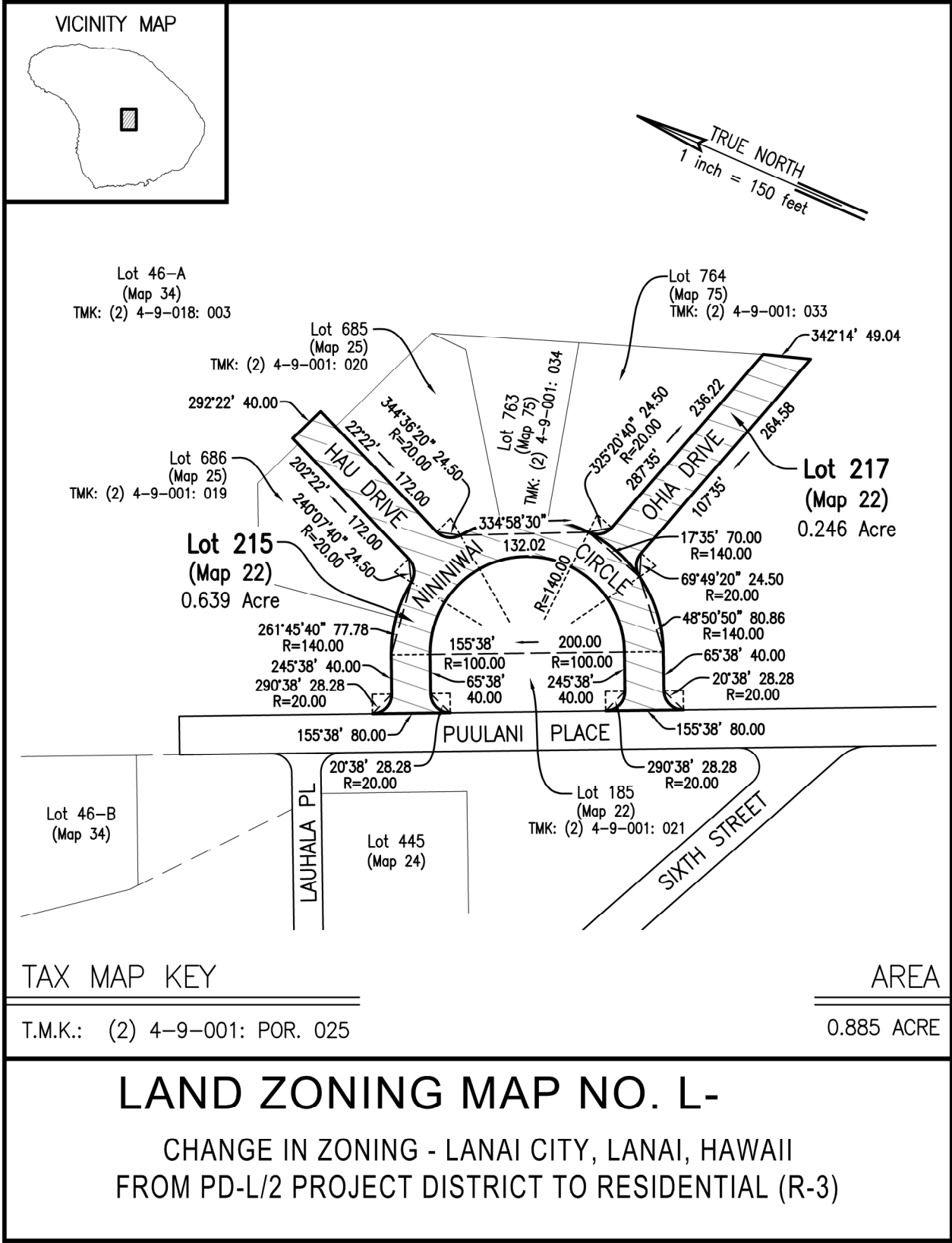


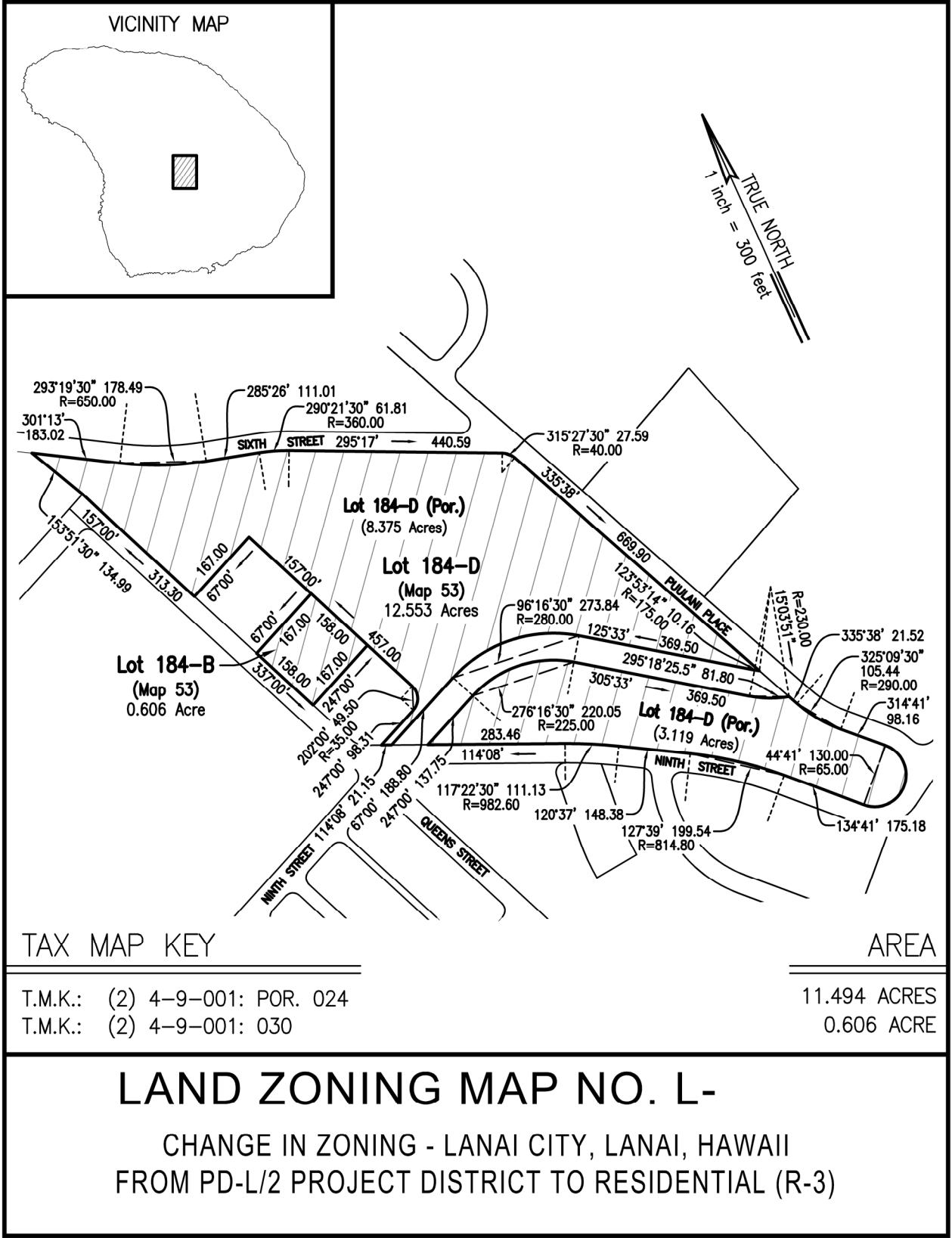


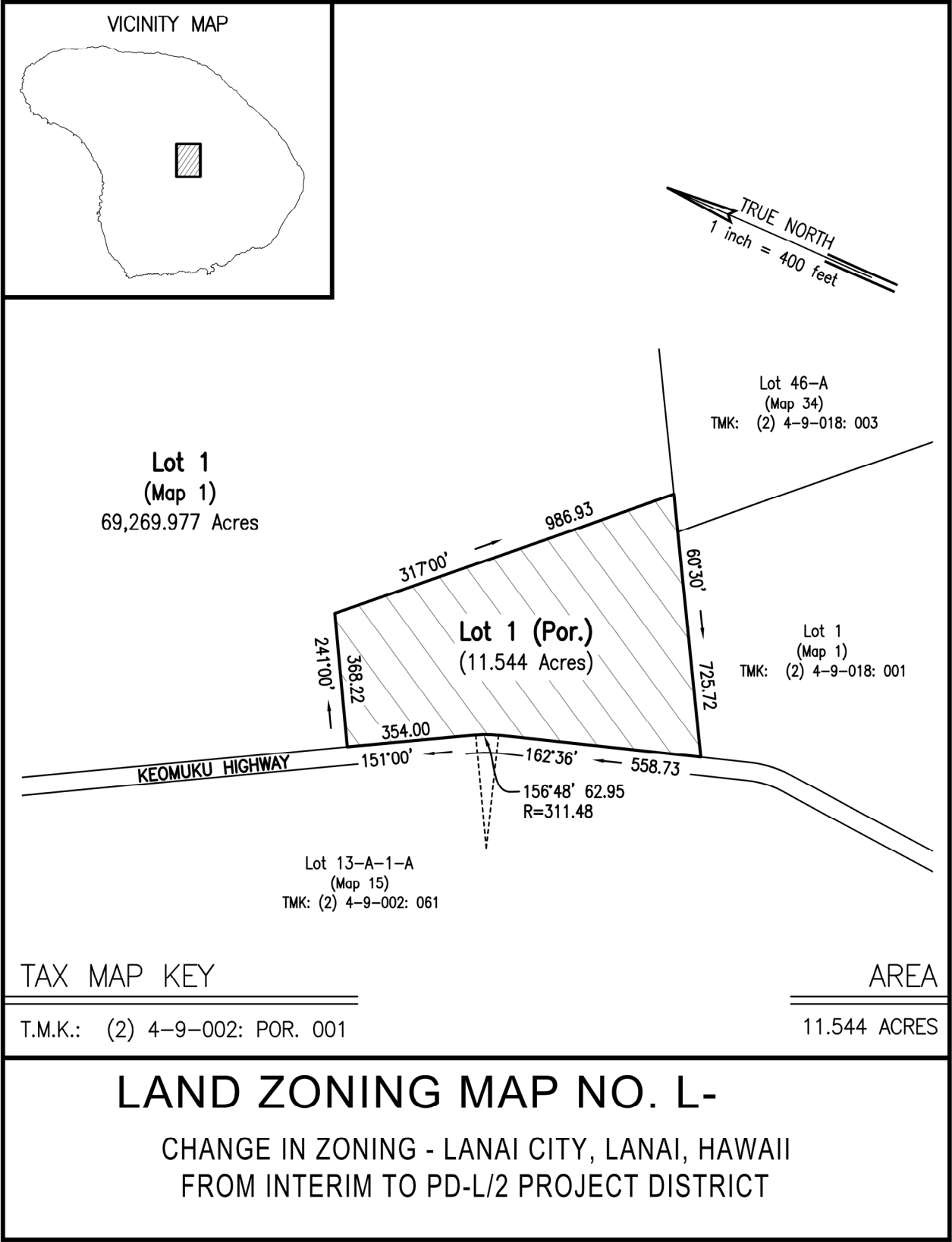
LAND ZONING MAP NO. L-

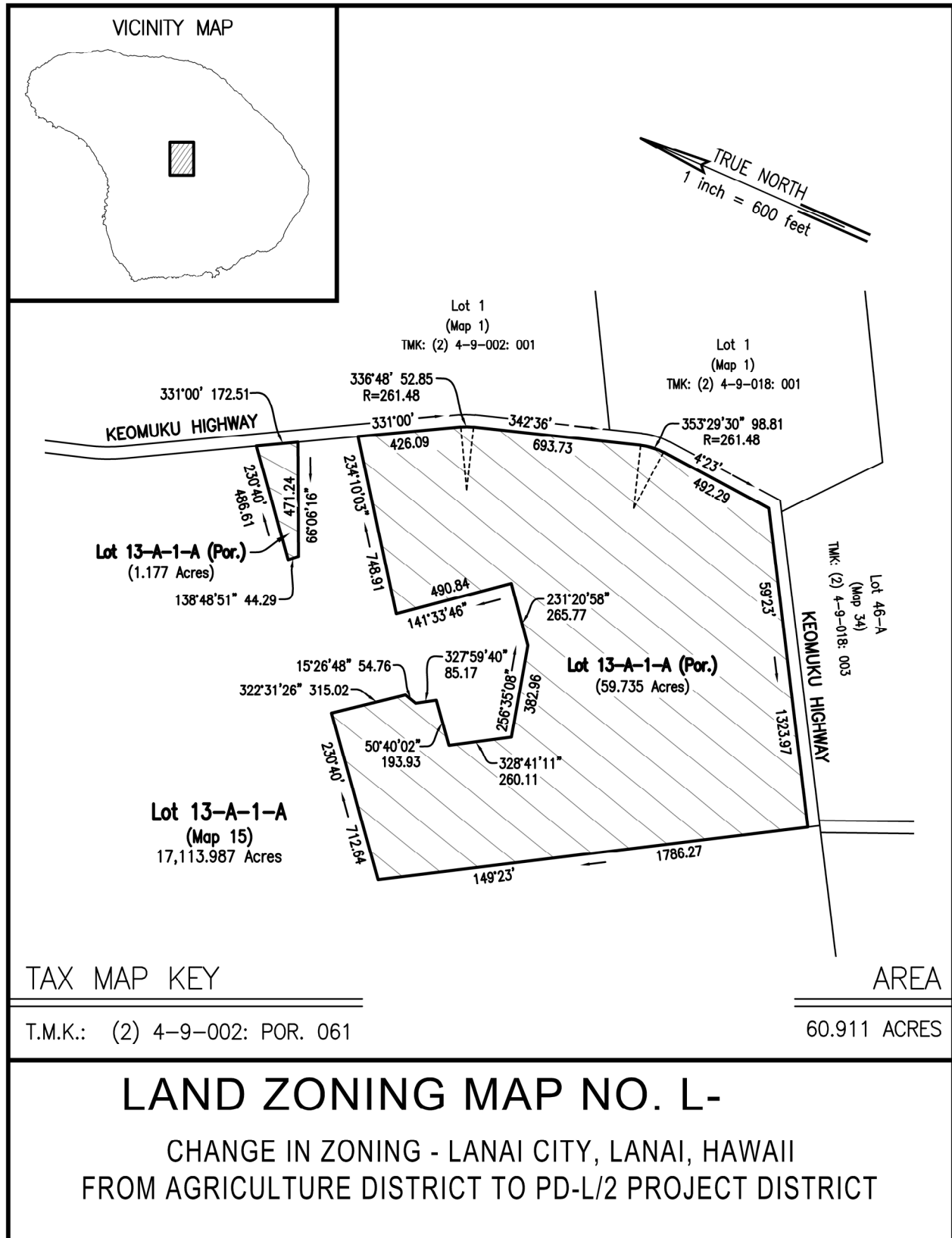
CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII

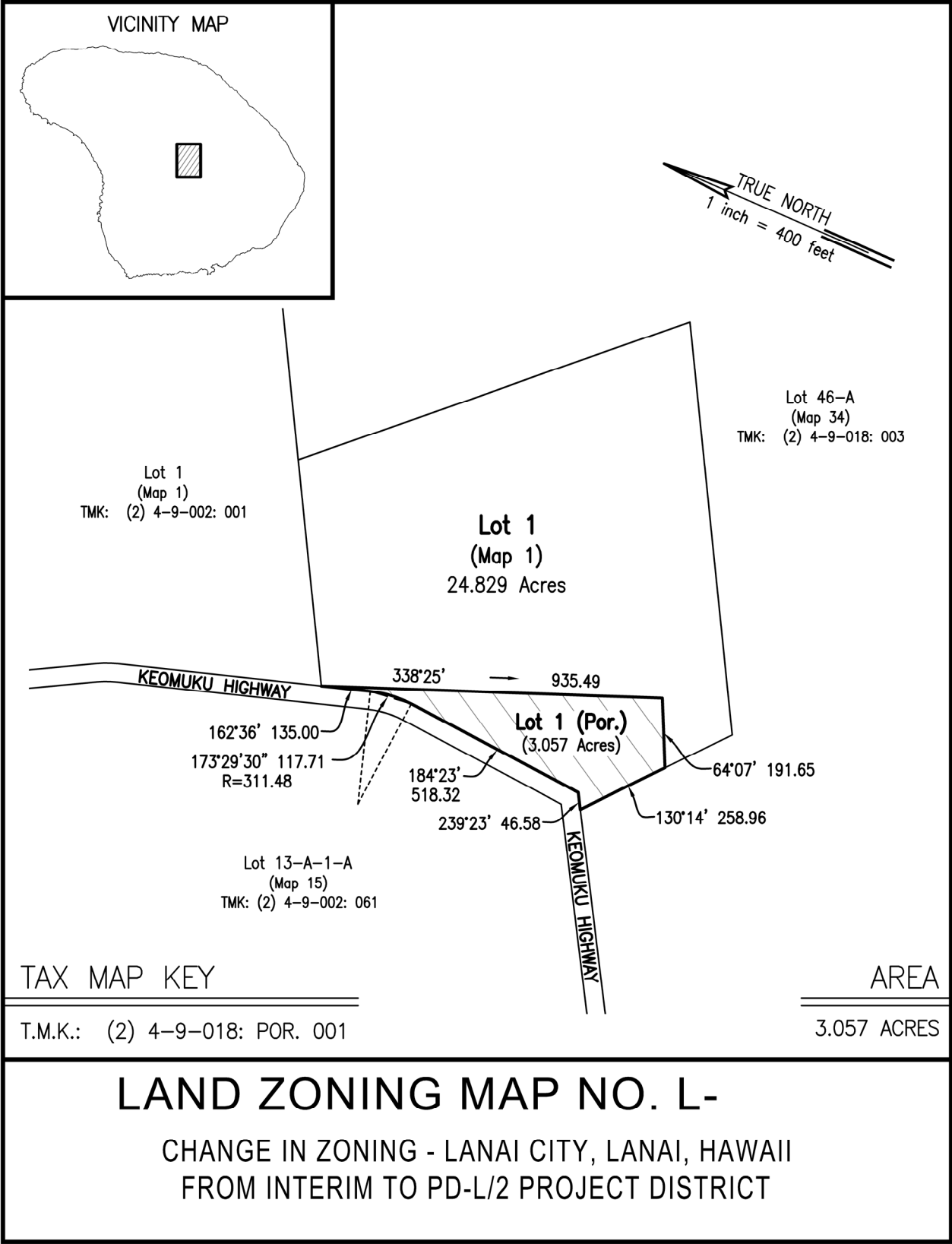
FROM PD-L/2 PROJECT DISTRICT TO RESIDENTIAL (R-3)



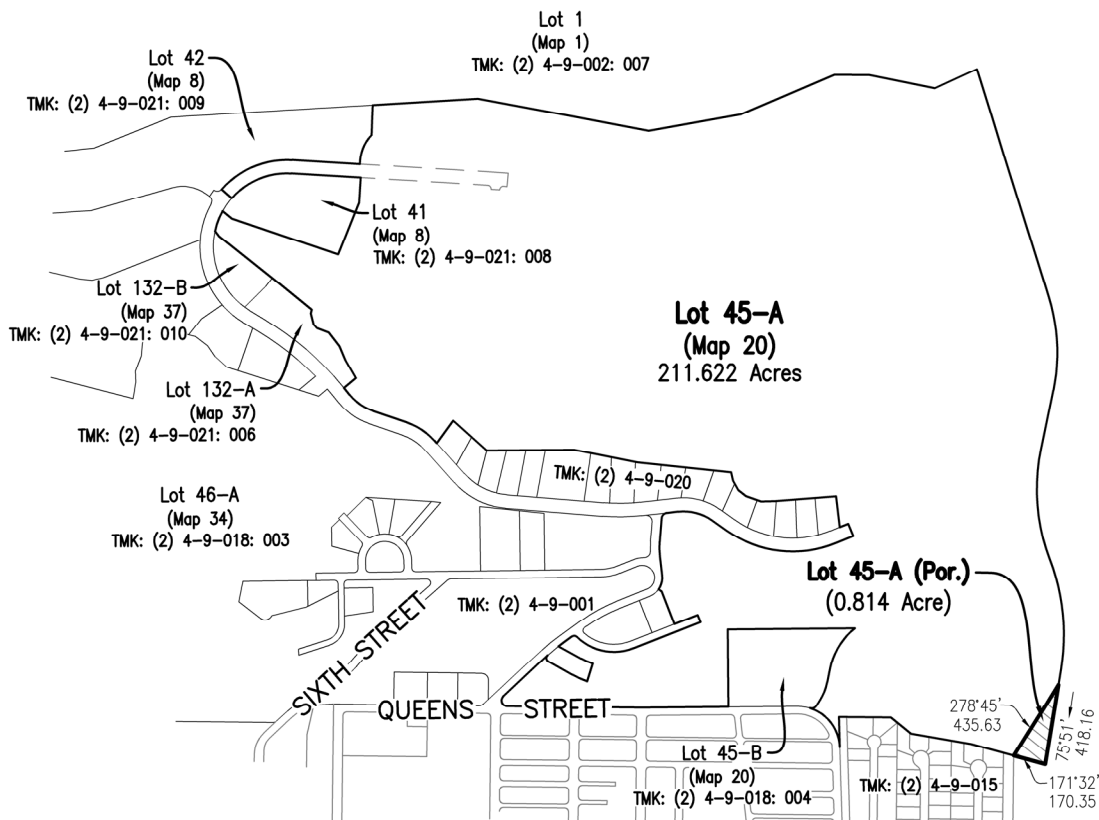
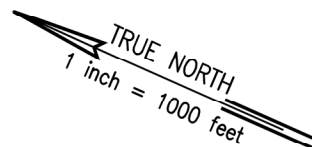
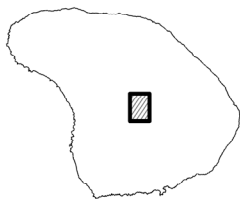








VICINITY MAP



TAX MAP KEY

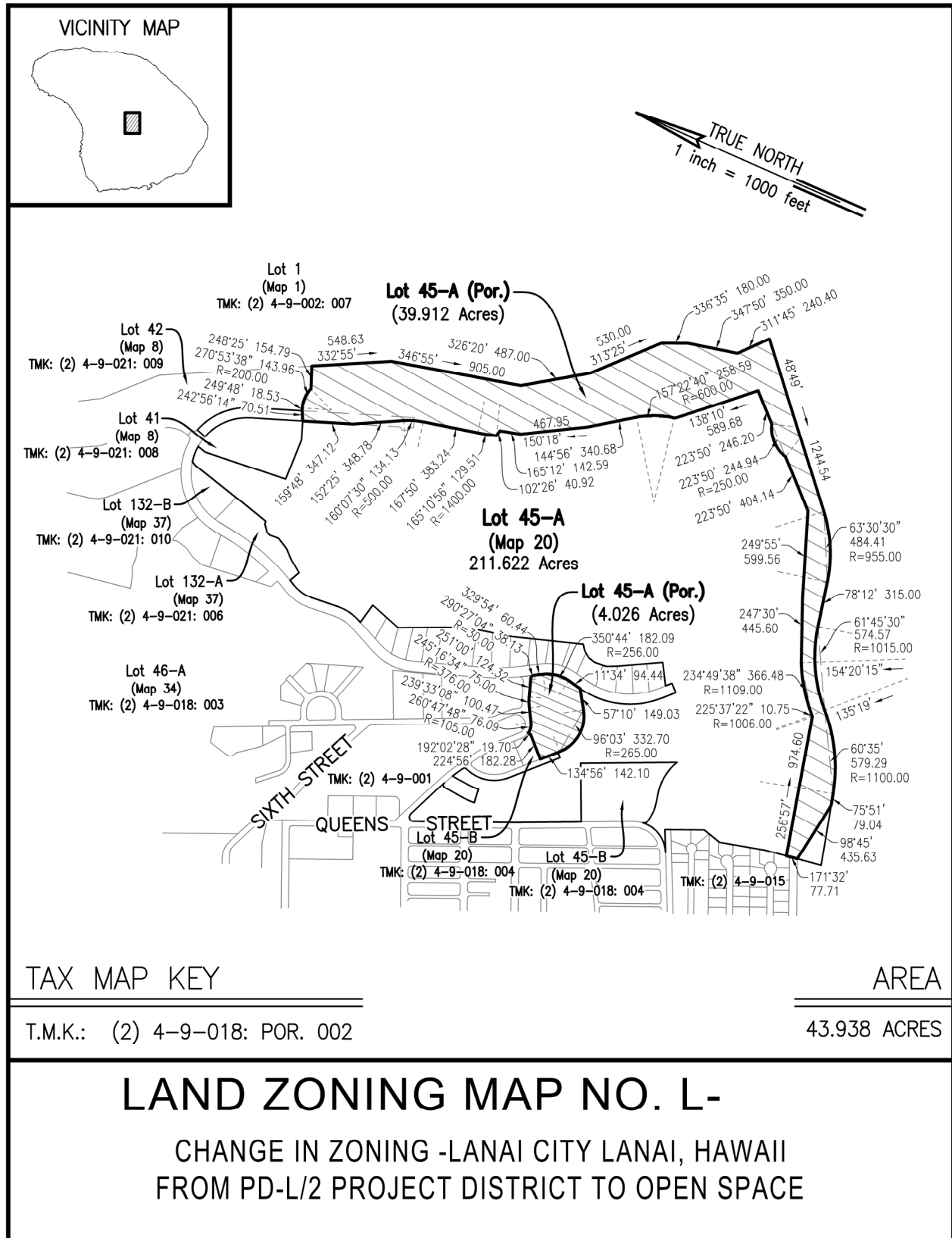
T.M.K.: (2) 4-9-018: POR. 002

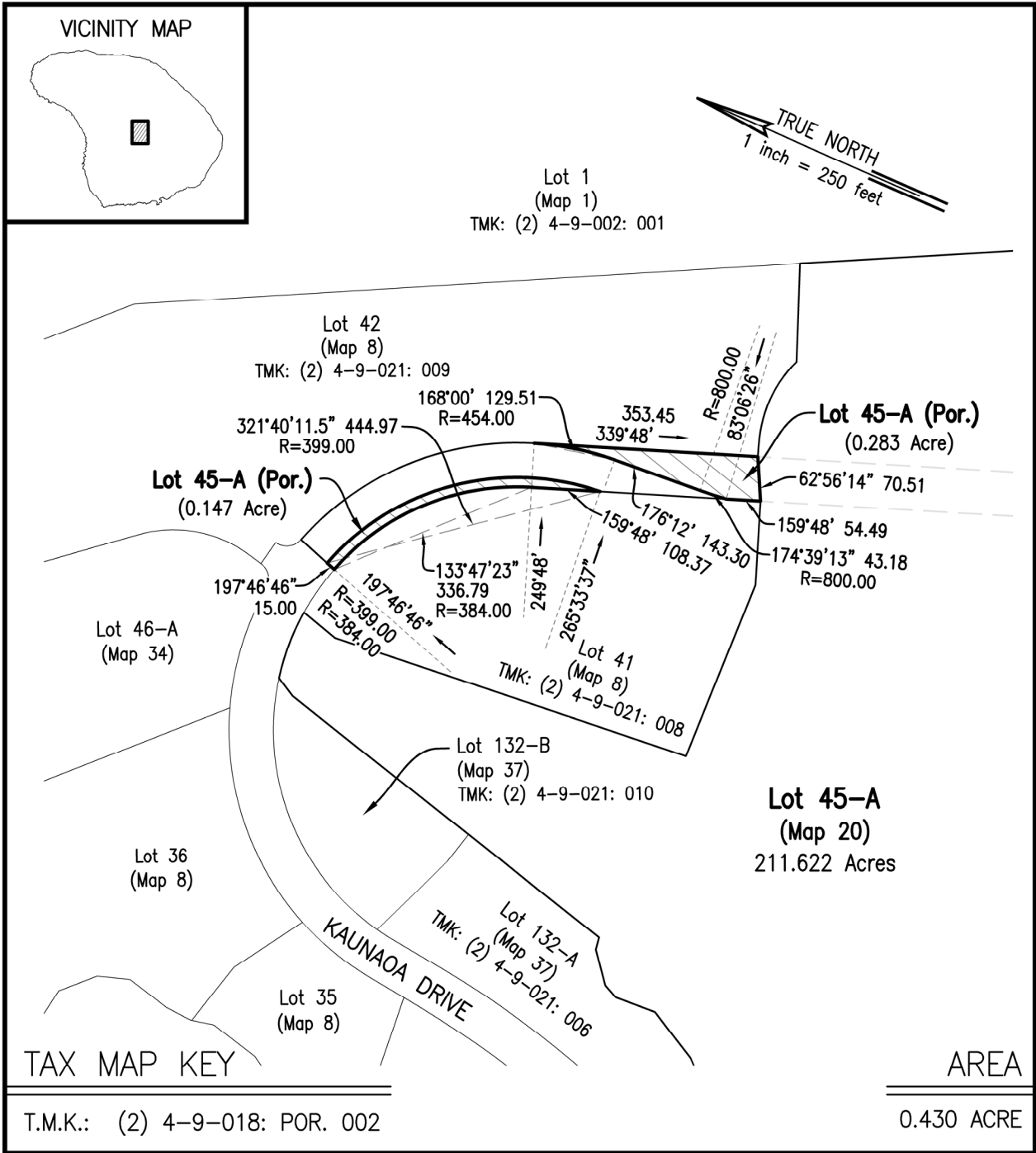
AREA

0.814 ACRE

LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM AGRICULTURE DISTRICT TO OPEN SPACE



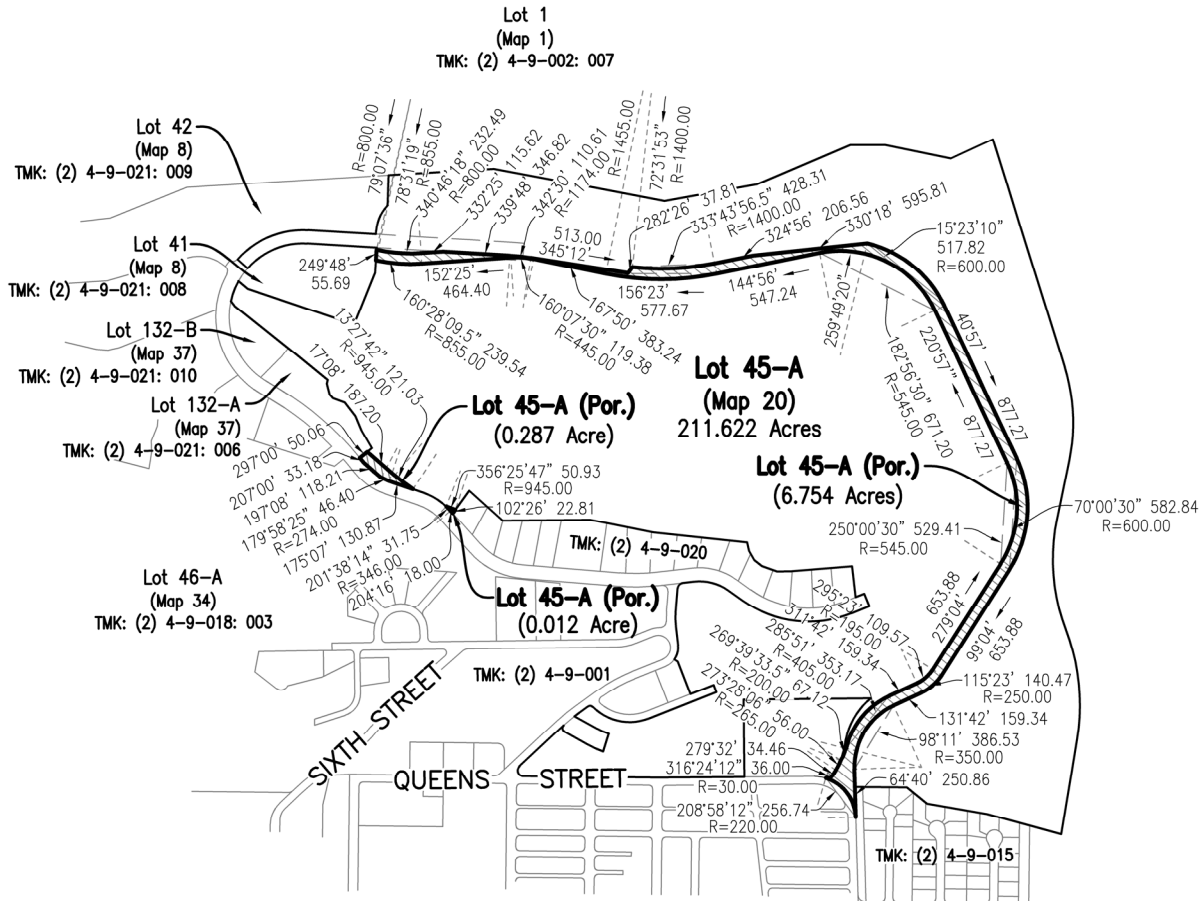
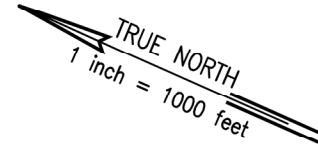
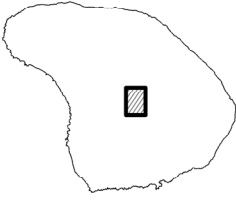


LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII

FROM PD-L/2 PROJECT DISTRICT TO ROAD

VICINITY MAP



TAX MAP KEY

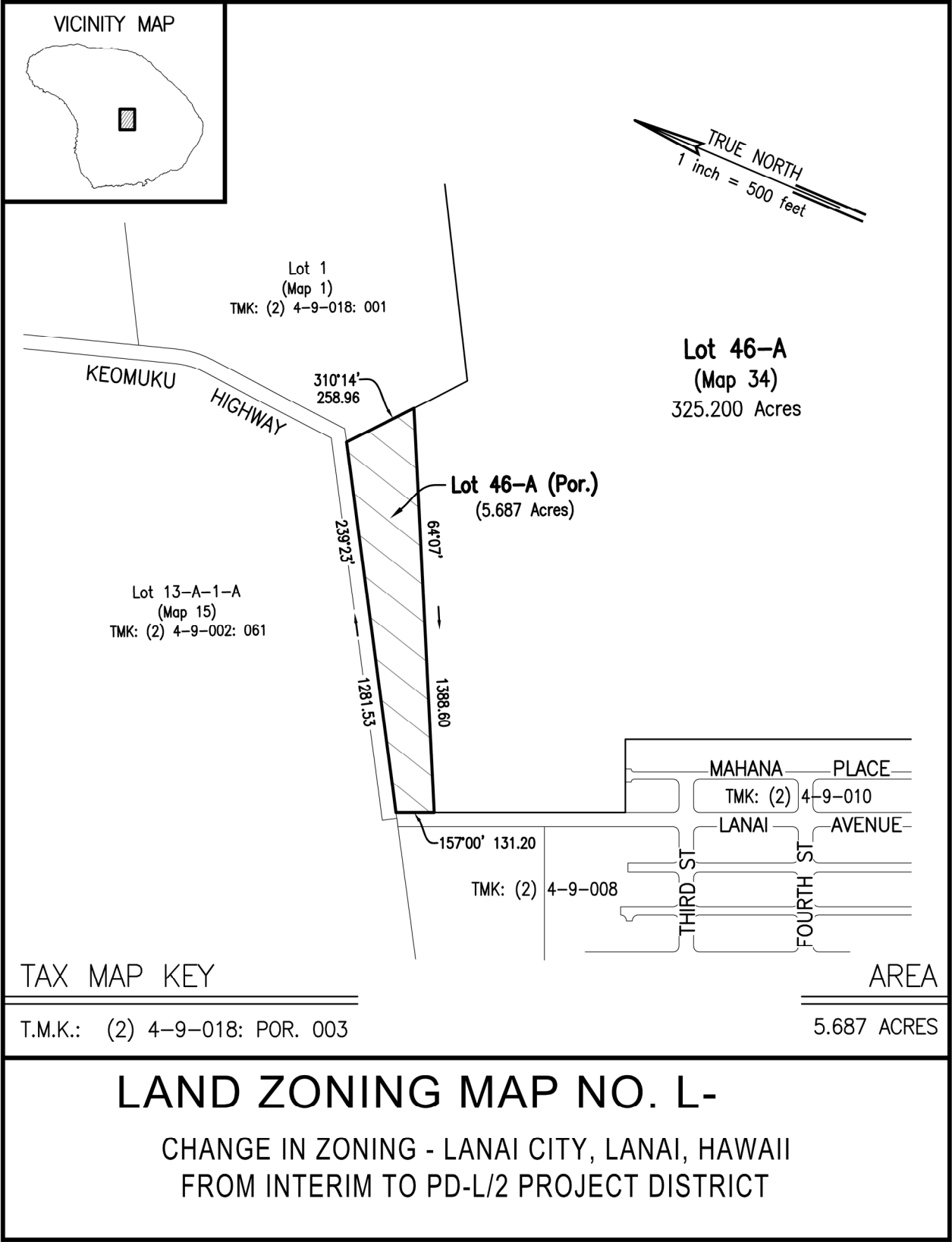
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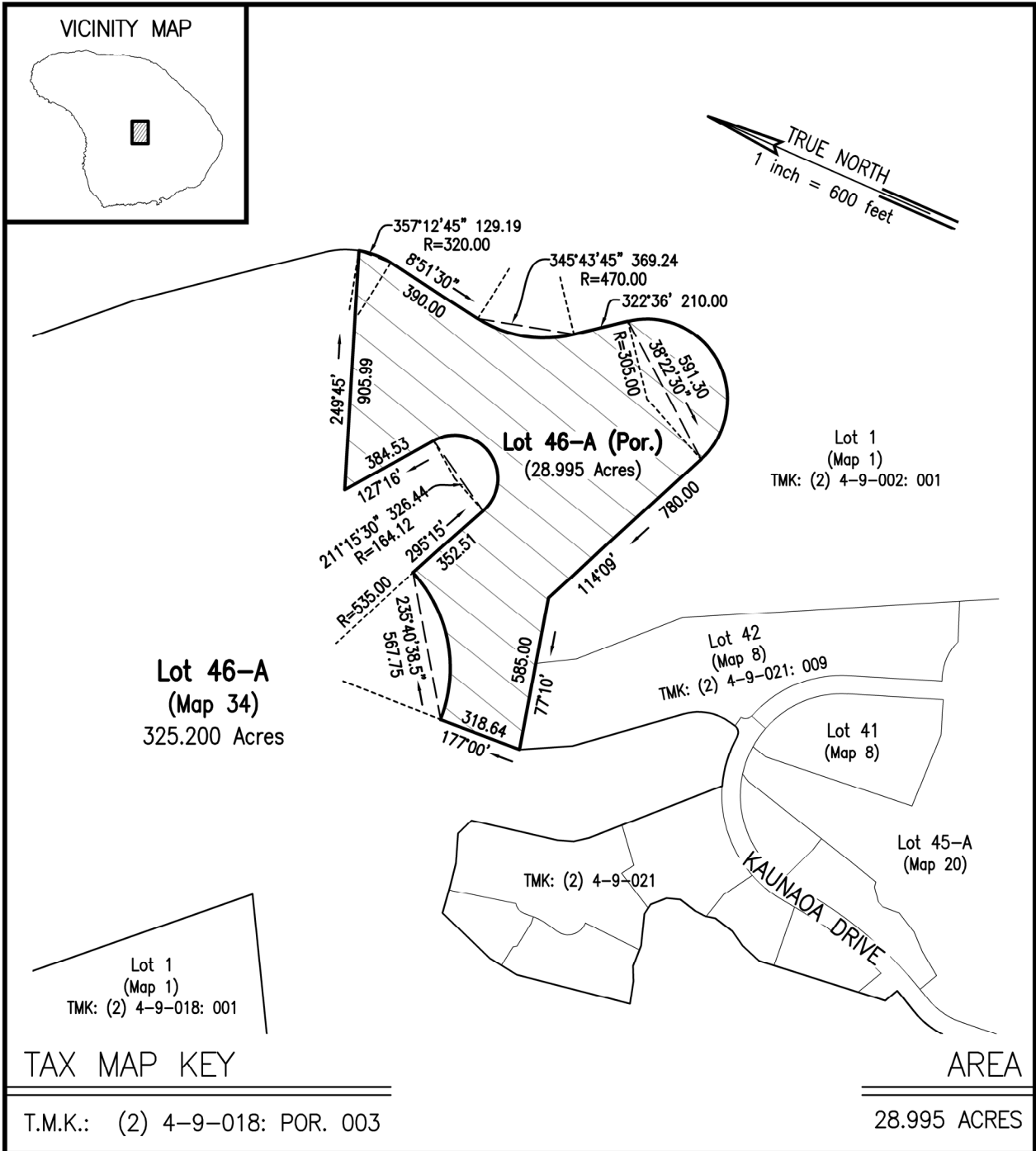
AREA

7.053 ACRES

LAND ZONING MAP NO. L-

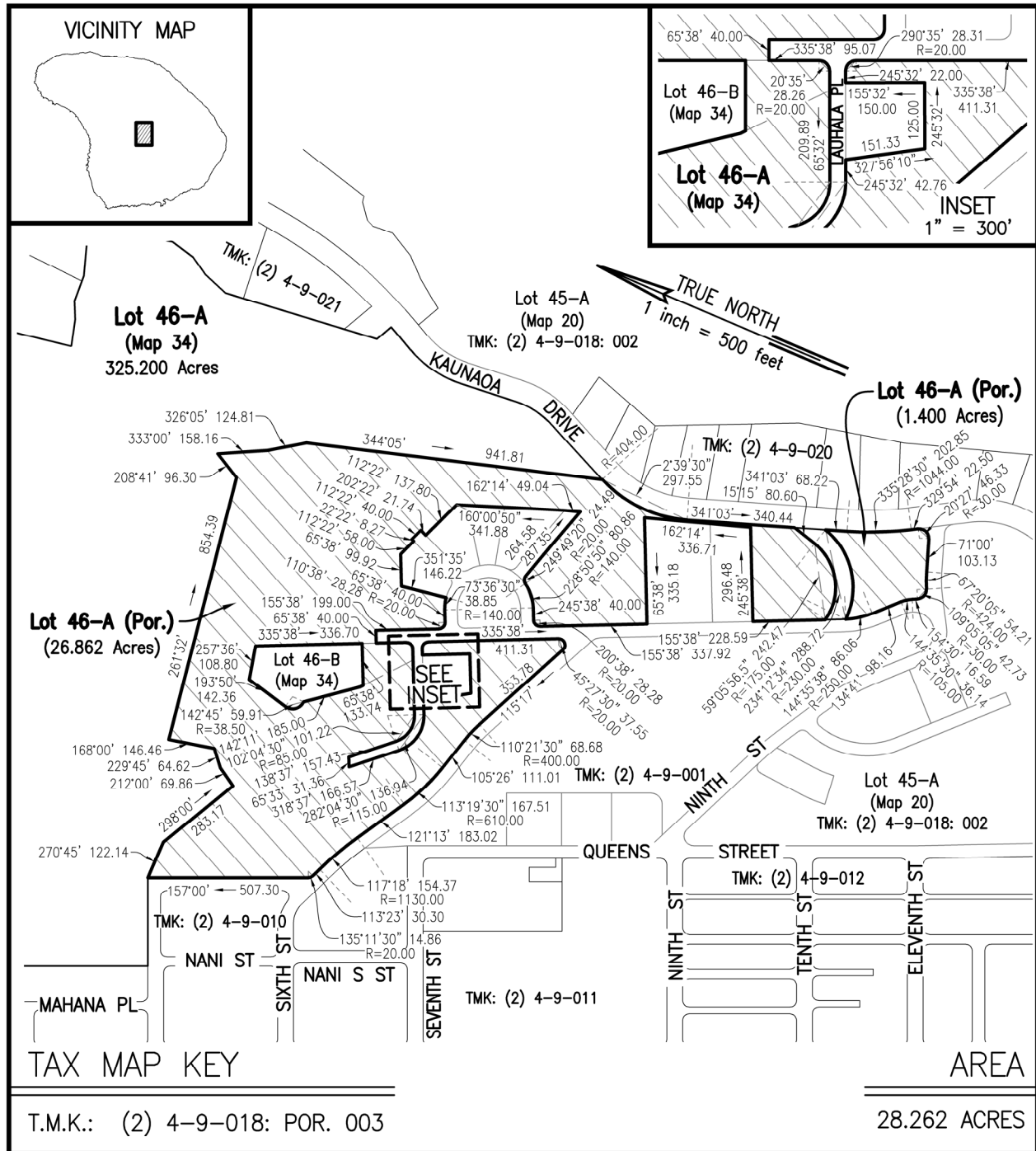
CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM ROAD TO PD-L/2 PROJECT DISTRICT





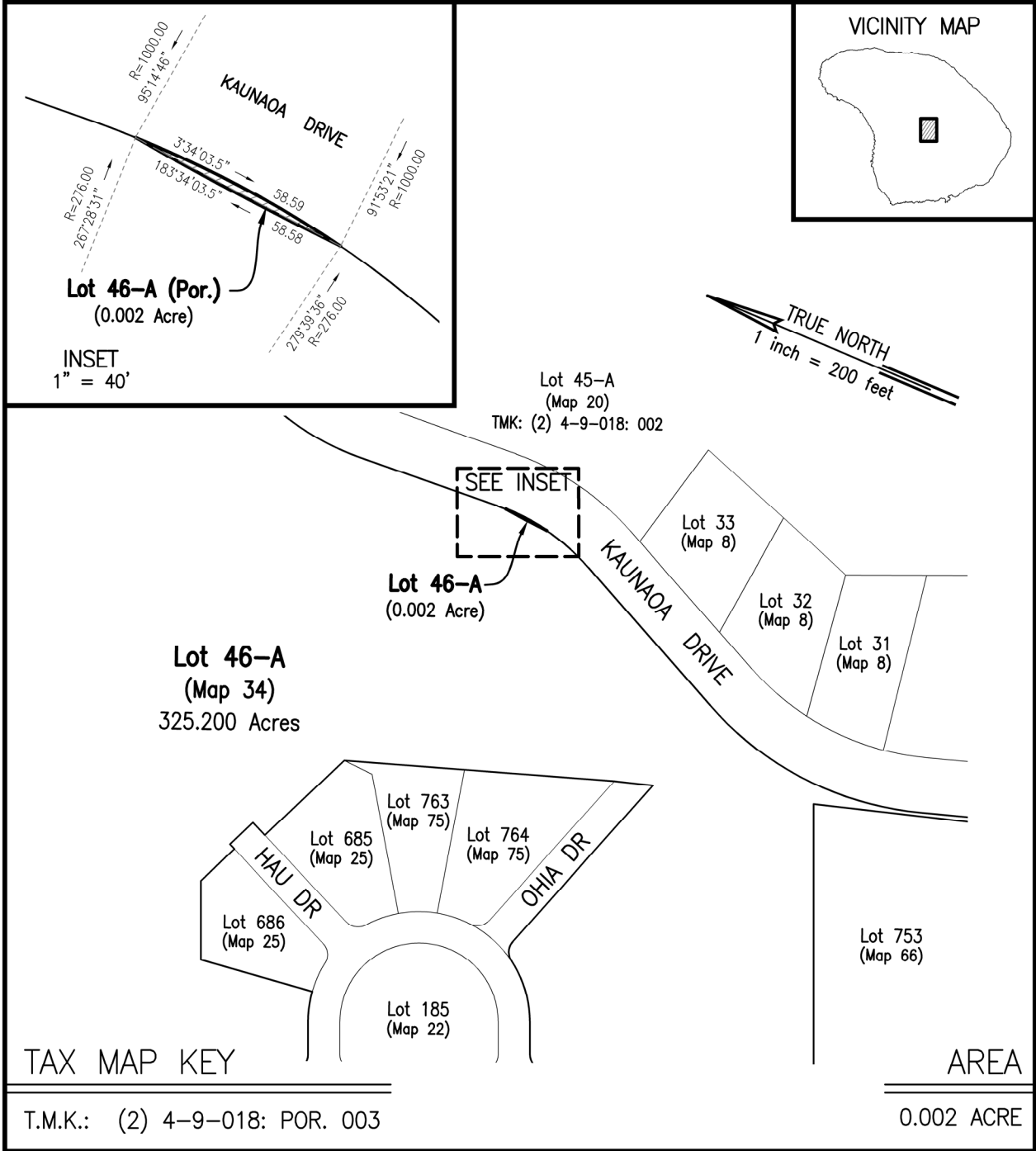
LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO OPEN SPACE



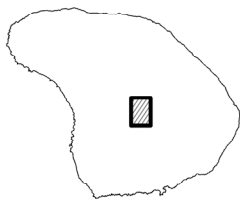
LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO OPEN SPACE

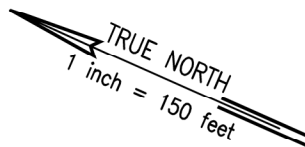


LAND ZONING MAP NO. L-
CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM ROAD TO PD-L/2 PROJECT DISTRICT

VICINITY MAP



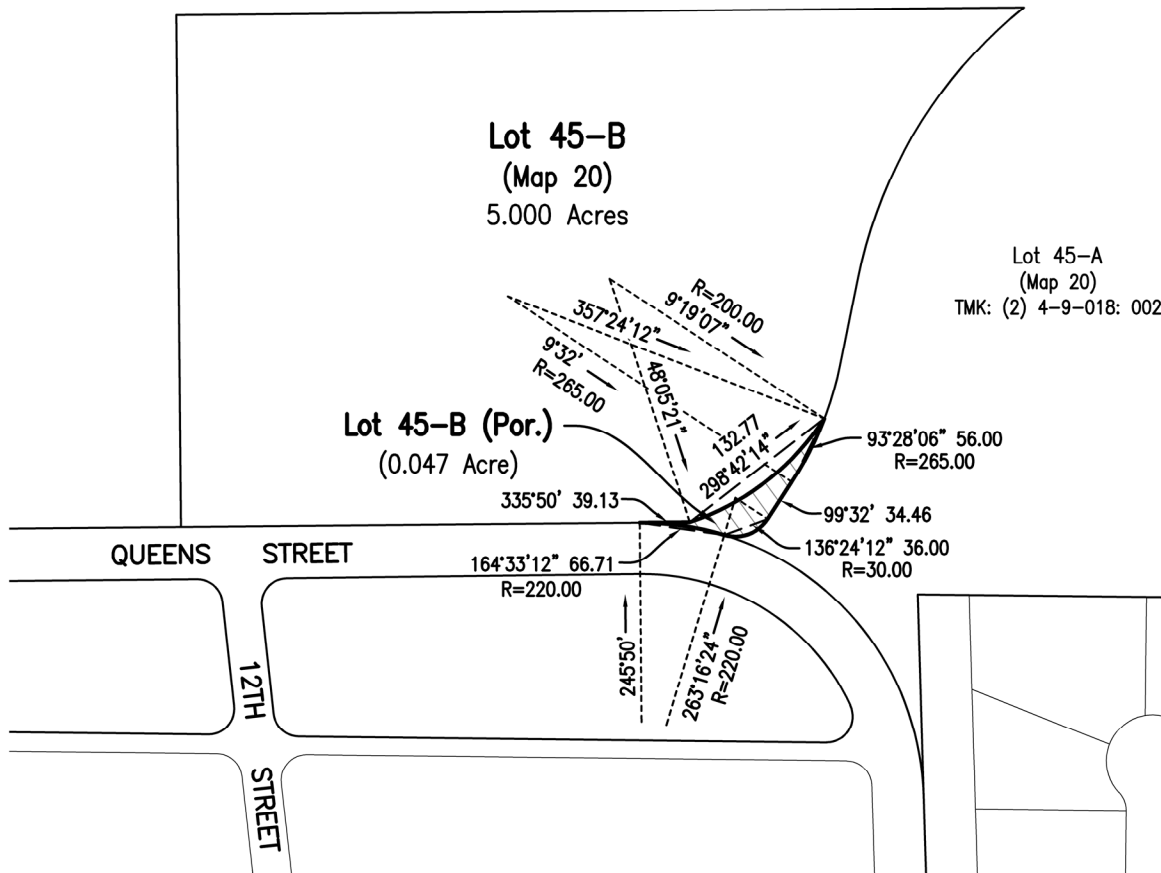
Lot 45-A
(Map 20)
TMK: (2) 4-9-018: 002



Lot 45-B
(Map 20)
5.000 Acres

Lot 45-A
(Map 20)
TMK: (2) 4-9-018: 002

Lot 45-B (Por.)
(0.047 Acre)



TAX MAP KEY

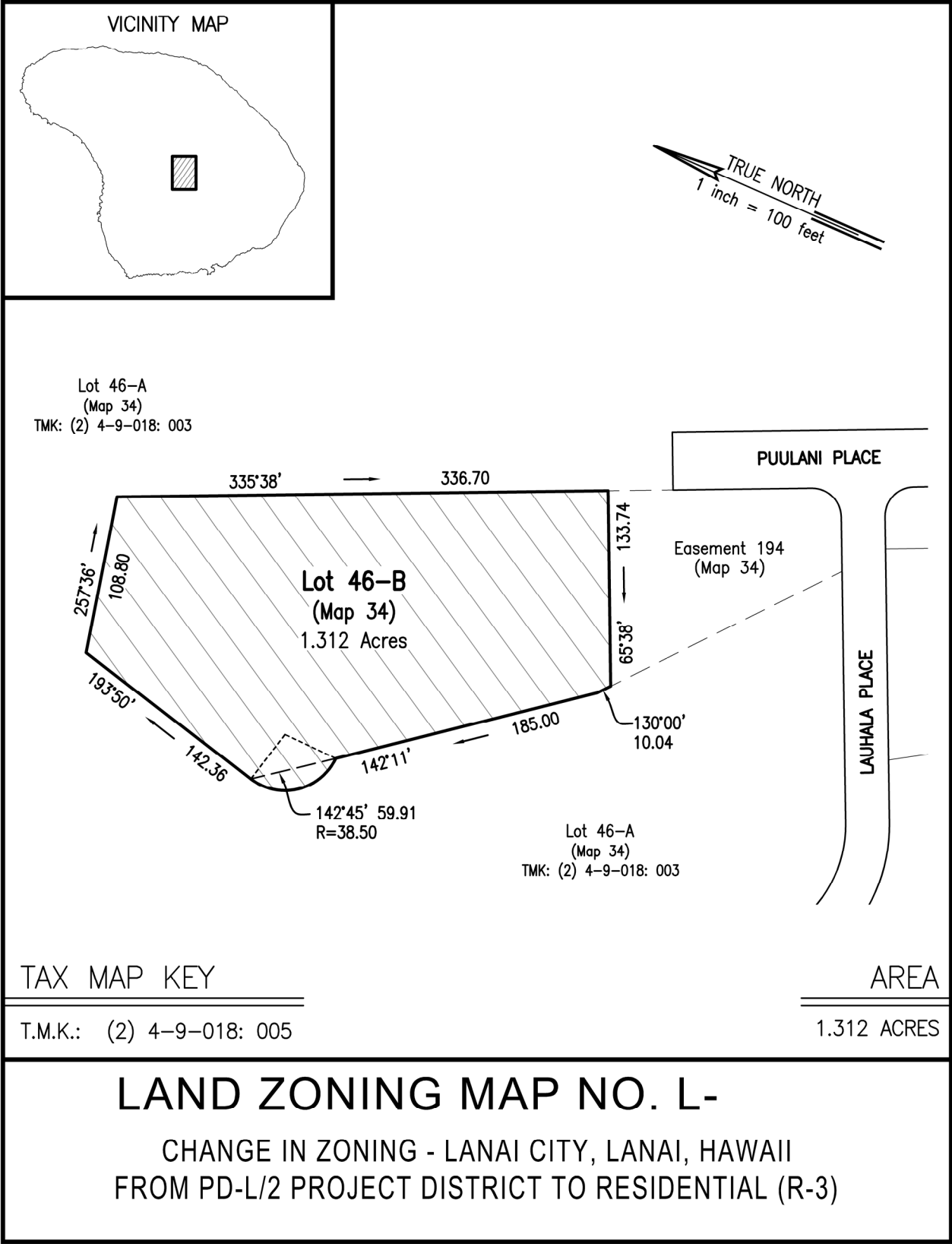
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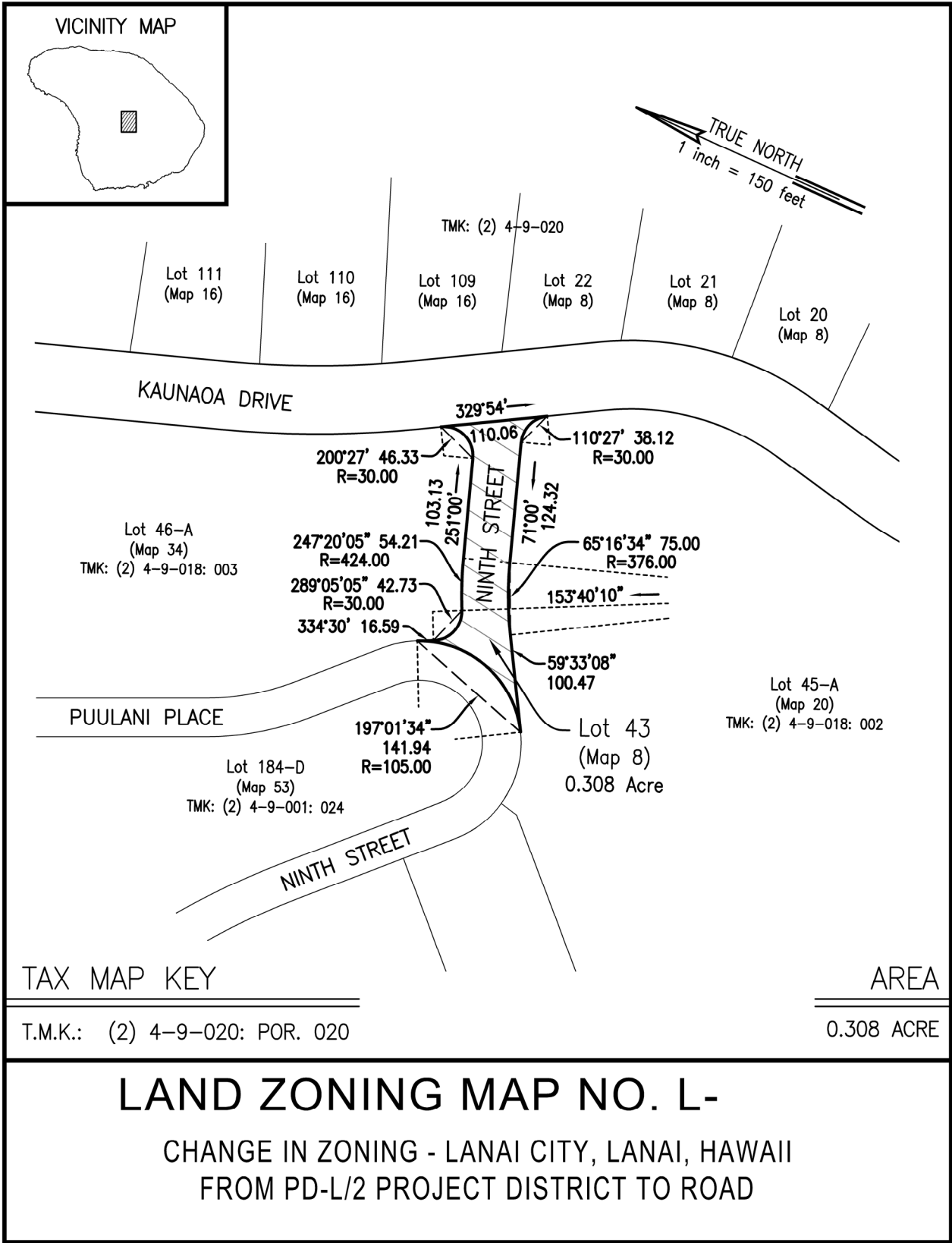
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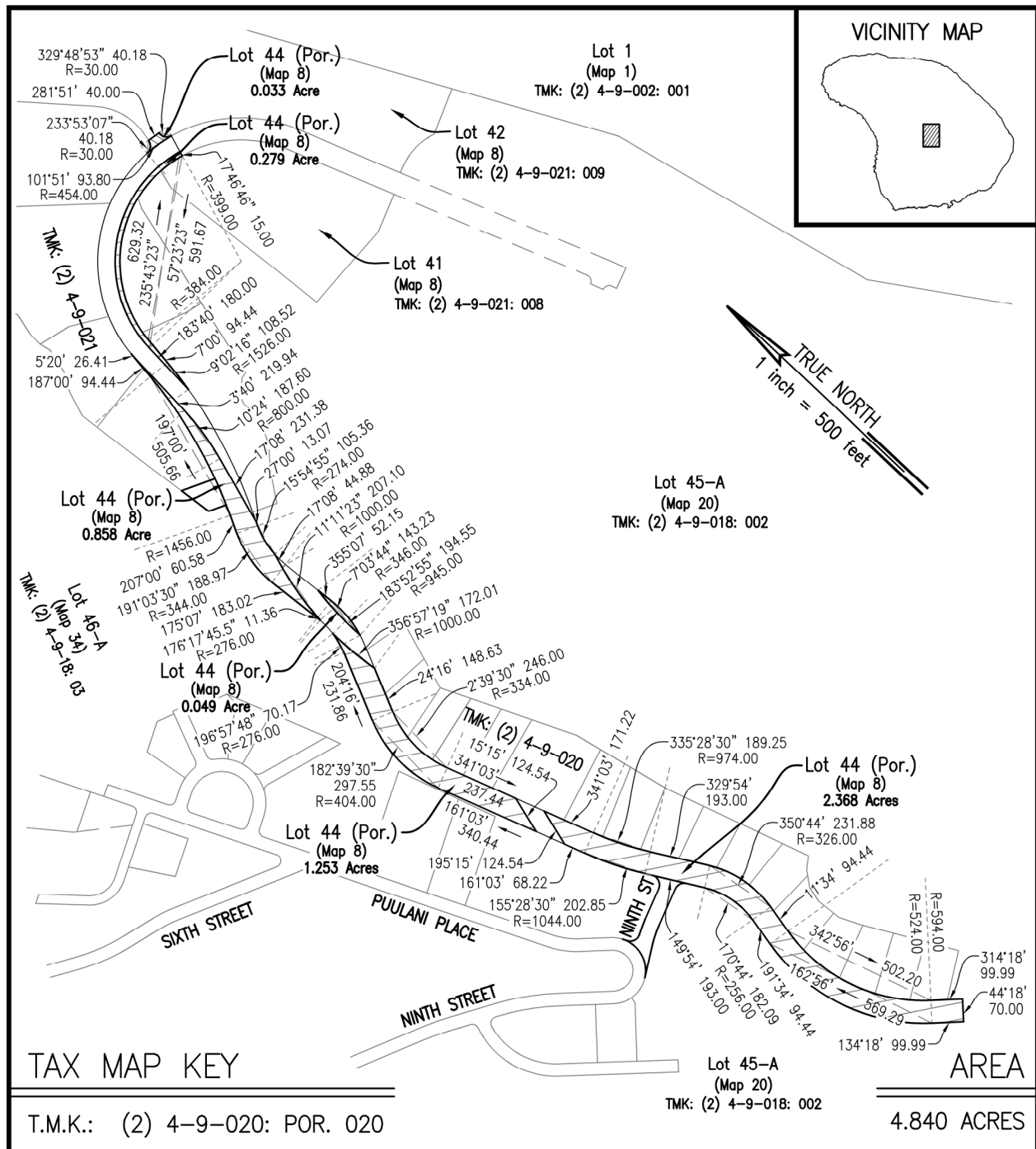
0.047 ACRE

LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM ROAD TO PD-L/2 PROJECT DISTRICT

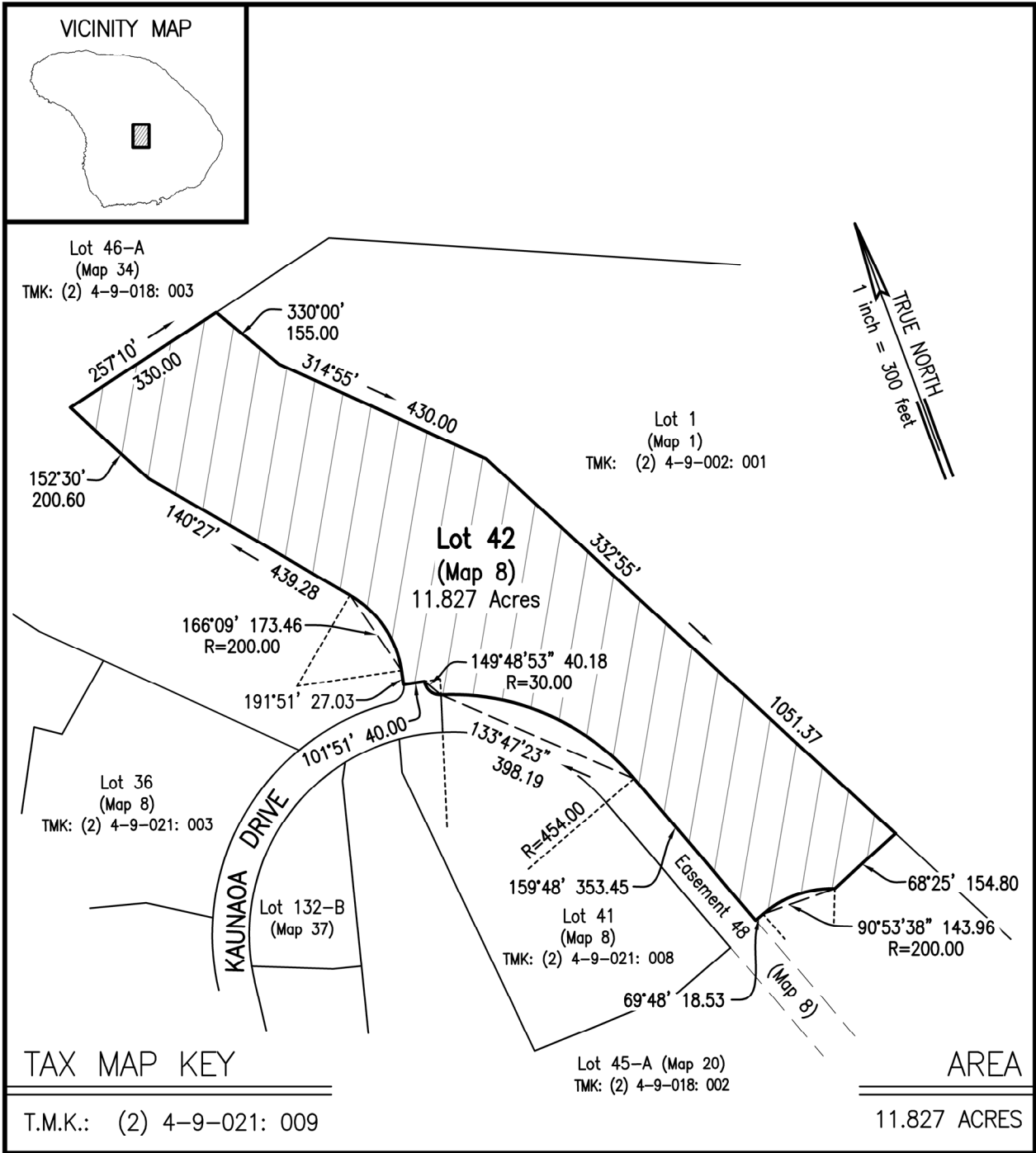






LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO ROAD



LAND ZONING MAP NO. L-

CHANGE IN ZONING - LANAI CITY, LANAI, HAWAII
FROM PD-L/2 PROJECT DISTRICT TO OPEN SPACE

**LANA'I PLANNING COMMISSION
REGULAR MEETING
MAY 18, 2022**

A. CALL TO ORDER

The regular meeting of the Lanai Planning Commission (Commission) was called to order by Mr. Reynold Gima, Chair, at approximately 5:00 p.m., Wednesday, May 18, 2022, online via BlueJeans videoconferencing platform, Meeting No. 245749688, and at the Planning Conference Room, Kalana Pakui Building, 250 South High Street, Wailuku, Hawaii, 96793, and the Maui County Council, Lanai District Office, Lanai Community Center, 8th Street, Lanai City, Hawaii 96763.

A quorum of the Agency was present. (See Record of Attendance)

Mr. Reynold Gima: May 18th, 2022 Lanai Planning Commission meeting via BlueJeans. We have two physical locations for testimony.

Let the record show that we do have quorum. We have Commissioners Kaye, Trevino, Grove, de la Cruz, and Menze, and Gima present.

At this time to just cover some quick housekeeping issues. All Commissioners need to be both on video and audio. And I think Leilani will be monitoring the chat, and that's how people can ask to testify this evening. And then when the time comes that we do vote, all voting will be done by show of hands. And we have somewhat of a packed agenda. So I think what was mentioned at the last meeting, if we don't get to all of the agenda items or if we don't finish certain agenda items, then we can email questions and concerns to the, to the Planning Department for distribution to the rest of the Planning Commission. Is that accurate, Jordan?

Mr. Jordan Hart: Uh, I think we'd have to have a more detailed conversation about that. But I think on the same subject, I do want to make a request to the Chair for the IAL project. We did basically make a special exception for the Lanai Planning Commission because the, the quorum was lost before the last item meeting, the item could be taken up last meeting so there's no formal comment on the record. The public comment period was supposed to have ended April 30th. I really would like to get a letter from the Lanai Planning Commission on the record and I would respectfully request that we could be moved to the front of the agenda just to make sure that that item can be completed tonight because the first item potentially could take longer and we could get bumped again and we just don't have the time in our contract with our consultant to wait any longer. Thank you.

Mr. Gima: Thank you, Jordan. Commissioners, any, any objective, objections to Jordan's request? Okay. Hearing none, we will do that as we move through the agenda. Let's see.

Ms. Stephanie Chen: Oh, sorry, Chair. Sorry to interrupt. This is Stephanie Chen. I'm covering for Richelle tonight. Nice to meet you and see the rest of the members. Just a reminder if anybody is present in any of the rooms with the members participating virtually, could you please disclose that prior to the start of consideration of the items?

Mr. Gima: So do you -- do we declare that now or before each agenda item?

Ms. Chen: Just at the start of the meeting, Chair, would be the easiest and it's just pursuant to the new Sunshine Law changes only for the members participating virtually just if anybody there. And then votes either need to be done by roll call or by consensus. So if it's unanimous, then that's fine. But if, if there's any, if there are any objections, then Chair, you'll need to take a roll call. Thank you.

Mr. Gima: Okay, thank you. So let's start with you, Sally.

Ms. Sally Kaye: So I'm in my house and I'm by myself.

Mr. Gima: Okay, thank you. Erin?

Ms. Erin Atacador: I'm in my house and I'm by myself.

Mr. Gima: Okay, thank you. Lisa?

Ms. Elisabeth Grove: I'm in a separate office structure by myself.

Mr. Gima: Thank you. Sherry? While we're waiting for Sherry, Zane?

Mr. Zane de la Cruz: There is no one else in the room with me.

Mr. Gima: Sherry, are you on? I'm alone in my house. Well, that's five out of the six. Maybe as we move along, we can circle back to, to Sherry. Okay, here we go, Sherry. You're on mute.

Ms. Sherry Menze: I'm here, here.

Mr. Gima: Are you alone in your room?

Ms. Menze: Yes. Yes.

Mr. Gima: Okay. Thank you. Okay. Anything else from the Commissioners before we move on to the important Ag lands agenda item? Do any of the Commissioners have to leave at a certain time tonight? Did you raise your hand, Sherry?

Ms. Menze: No. Sorry, sorry.

Mr. Gima: Okay. All right. Thank you. Okay, let's move on to the important Ag lands. So I'll hand this off to you, Jordan.

C. UNFINISHED BUSINESS

1. **CHRISTINE FEINHOLZ, GISP of PACIFIC CARTOGRAPHY, and JORDAN E. HART, DEPUTY DIRECTOR on behalf of the DEPARTMENT OF PLANNING presenting information and progress in establishing a methodology and process for the MAUI COUNTY IMPORTANT AGRICULTURAL LANDS STUDY which will identify and map parcels which may be eligible for designation as Important Agricultural Lands on the Island of Lanai.**

Presentation and discussion were conducted at the March 16, 2022 Lanai Planning Commission meeting. The Commission may continue to discuss and provide comments on the methodology and process being established.

Public testimony will be taken on this item.

Link to the Project Website containing the IAL Technical Report and Island Reports: <https://pacificcartography.mysocialpinpoint.com/maui-ial-mapping-project>

Mr. Hart: Chair, thank you very much. I'd like to make this as brief as possible. As a recap, the Planning Department did an initial presentation of the entire project to the Lanai Planning Commission. The Planning Commission has been transmitted the link to the project website, which contains the technical study establishing the countywide framework for the project and the grading process, as well as the links to the Lanai, Molokai and Maui plans for the IAL study.

The County is viewing this project in three phases. Phase one is this first phase where we outline a conceptual process for identifying important Ag lands and establish a preliminary grading system to do that and then map those parcels that qualify. A phase two, which we believe is going to be fully funded in this -- I believe is fully funded -- is to work out incentive for IAL designation. And a phase three would be to refine the grading process and ultimately designate or recommend, recommend designated parcels to the Maui County Council, which would be referred to the State Land Use Commission for final consideration.

At this time, I do have a series of draft comments that we did receive from the Lanai Planning Commission during our meeting on March 6th. I was hoping to go over those preliminary comments that we already have and see if there's any additional comments that could be made and then potentially have a decision by the Commission that these comments would be forwarded by the Director of Planning to the project for inclusion in the community outreach section of the project.

Mr. Gima: Okay, I don't know if the rest of the Commissioners were getting a lot of static for about the last minute from you, Jordan.

Mr. Hart: I can recap if you let me know kind of where, where I left off.

Mr. Gima: You're coming in clear now. I couldn't tell you, I couldn't tell you exactly where you left off.

Mr. Hart: Okay, well, just to reiterate what I, what I said towards the end was that I do have the comments on the record from March 16th Lanai Planning Commission meeting. If it pleases the Chair, I'd like to go over those comments and maybe solicit any additional comments or confirm that those represent the concerns and then see if there could be a decision by the Commission that these comments should be transmitted by the Director of Planning into the project's record for consideration and effect on the project.

Mr. Gima: Okay Commissioners, if there are no objections, I'll let Jordan do that.

Mr. Hart: Okay, Chair, the first comment that I had was to follow up with the Lanai Culture and Heritage Center regarding the refinement of the cultural statements in the Lanai Plan. FYI, we did solicit comment from the Lanai Culture and Heritage Center in the community agency distribution process.

The next comment was suggest added criterion, create scoring for what the community's future desired uses might be.

The next comment I had was since this effort is designed to designate agricultural lands for protection, we need to find out from our community if there are lands they feel are more important to designate.

The next comment I have is provide the community with the understanding that to comment on designation, they do not need to own the parcel they are commenting on, nor do they, do they need to be landowners of any lands . . . (inaudible) . . .

And the final comment that I have on the record is whether someone own land, owns land or not is not relevant. The process is looking to designate the best agricultural lands.

Mr. Gima: Okay, thanks Jordan. Commissioners anything to add . . . (inaudible) . . . offered at the March meeting? So Erin, Erin and I weren't here at that meeting. We caught a portion of it at the last meeting. Jordan could you, I guess, give us a Reader's Digest version of the upsides and downsides of why this is important to the Island of Lana'i?

Mr. Hart: Sure. So the intention of the State Legislation that was created to cause the designation of important agricultural lands, you know, in my reading and interpretation is intended to preserve the potential for agriculture into the future of the State of Hawaii and to

ensure for the sustainable, like food sustainability of the State. And so what this process proposes to do is to designate lands that are important agricultural lands. Those lands are supposed to be the lands that are legitimately best suited for agricultural productivity. And there's a series of criteria which we did go over in more detail during the last meeting, but they include things like past productivity, culturally or historically used for agricultural purposes, high quality soil types, larger parcels and contiguous land areas so that larger agricultural operations can be more readily carried out on them. Access to water, access to transportation infrastructure. Within, being located within the State and County agricultural zoning districts and not in any of the other State land use designations.

And so we did do a GIS process of mapping all of those. Well, first, first of all, what we did was we established a criteria of how we would grade those things. Then we took existing mapping information, GIS data and studies and compiled that information in order to establish how that grading would apply. And we took our technical study to governmental agencies that pertain to this kind of work and got their input on how to refine that technical study and then applied that to the three island studies and presented those to the community. And as I had mentioned, there's the website of the project that has the three reports and the interactive GIS map, where you can peruse the maps and look at the parcels and provide specific comments.

And so what the designation does is it, is it describes basically more restrictive uses than all of the uses that are permitted in the State and County agricultural districts. And it intends these land areas to be used for agricultural purposes and to discourage development of non-agricultural related infrastructure and uses. There is also the discussion of the need for incentives. And so our proposed phase two is to work with the community and identify viable incentives and then ideally pursue Council Legislation and ideally State Legislation to create actual incentives so that people are interested in cooperating and seeing this process carried out. And then the final process is to actually work with community to refine the grading process and then determine which specific areas should ultimately be recommended to the Maui County Council for designation. And then the County Council would determine, like, which land areas they would recommend to the State Land Use Commission to be designated as IAL. And then if those were to be designated as IAL, they would be subject to the limitations that are outlined in the Hawai'i Revised Statute relating to the use of IAL lands. And they would also be subject to the incentives that may have been established in the phase two of the project. That's, that's about it.

Mr. Gima: So it sounds like it has some teeth to it in terms of if, if it's approved by the Land Use Commission then the criteria is tougher to change it from Urban to Ag. I mean, from Ag to Urban.

Mr. Hart: Yes, I do believe it is more complicated. I can give an example that the County of Maui Department of Environmental Management experienced. They purchased a parcel from a landowner here on Maui that was designated IAL. They had proposed to expand their landfill into that area and the State Land Use Commission established that that land needs to be removed from the IAL and an alternate location of IAL needs to be designated to, to balance

the change. So, you know, there is --. I believe it does. But I also do want to mention just to make sure everybody understands that O'ahu tried to proceed with this and got to the Land Use Commission stage and was denied by the State Land Use Commission. And Kauai has prepared their study but hasn't proceeded to the Land Use Commission phase after several years. So it's, it's a complicated process and I do believe that the fair and legitimate incentives are the key to actually seeing it go forward. But yes, once it is established, there are, I believe, what would be considered encumbrances that are on, you know, applied to these designated lands beyond --. Like it limits what you're encouraged to do in comparison to outright agricultural land.

Ms. Grove: I have a question.

Mr. Gima: Go ahead, Lisa.

Ms. Grove: I apologize. I was also not at the March meeting. Can I just get a clarification, please, Jordan? When you talk about the incentives, it is that there is the possibility for the incentives to exist, but we're not signing off on said incentives. Is that accurate?

Mr. Hart: Yeah. So the, the --. How do I put this? The -- this phase is only to basically begin the discussion to propose a framework for grading and to basically map the lands that would qualify under that grading process. But in the context of this, having some level of teeth and potentially being an encumbrance on private property, it's really critical that we work with everyone involved and try to establish fair incentives so that there's any reason to cooperate with this process proceeding. So this first phase that we're, we're presenting is only a conceptual framework that we've outlined and how that would be applied. And I'll mention some limitations that we're aware of. We did not have the budget to go beyond existing studies. So for instance, we only analyzed lands at the parcel level where there can be different soil types and topography conditions throughout a parcel, especially on Lanai there's large parcels. We're not able to drill down to specific sections of a parcel yet at this phase. And we've gotten comment on a number of, from a number of parties that we need to go beyond the parcel phase before a phase three would happen. So the way I'm envisioning this happening is that we basically engage the conversation. We've gone to the Planning Commissions and the community and shown a framework of how this could work out. We've shown generally the land areas that we believe we're discussing. The next phase would be to engage the community and establish incentives that make it attractive for private property owners to participate in this situation. And then after ideally, that's successful, a phase three would be to talk about refining the grading system and specifically deciding which areas should be included in this conversation.

Ms. Grove: Okay. And so we're just voting on phase one.

Mr. Hart: This is commenting on phase one.

Ms. Grove: Perfect. Thank you.

Ms. Kaye: I have a question, Chair.

Mr. Gima: Okay Sally.

Ms. Kaye: Yeah, Jordan. First question is the -- what are the issues with O'ahu was notice to a variety of landowners, correct? And we don't have that problem here. So the second question is, is there any other landowner insofar as you've mapped property here that does not involve the majority landowner?

Mr. Hart: Okay. So, so I do want to revisit your first question. So, so the noticing issue, if you --. I want to point out that the noticing issue that, that was a problem for Oahu was, was basically we've broken this project into phase three in part by observing what happened on Lanai, or Oahu. So their, their noticing concern was at the phase where they were making the final proposal to designate these parcels as IAL, potentially encumber them or limit their potential uses. So prior to reaching that phase, we would intend to fully notice all landowners. So, so that that process would be towards the end of our phase three and we're basically towards the end of our phase one at this time.

And then the second question was, was whether or not any landowners -- I'm assuming besides Pulama, you're alluding to, were, were, had parcels designated. And the answer to that is no. Only Pulama had parcels designated in this phase one, and they did provide comment in writing to the projects. And they did attend the last meeting, although we -- and wanted to testify -- although we lost quorum before the item could be taken up.

Ms. Kaye: So they've submitted in writing and is that available to the Commission?

Mr. Hart: No. That would be in draft. So, so we do plan to present the final findings of phase one to Commission, and so that material could be available at that time. But it's, it's still draft material for us at this time.

Ms. Kaye: Okay.

Mr. Hart: Pulama may choose to transmit that to you on their own.

Ms. Kaye: Okay, thank you.

Mr. Gima: Okay, Commissioners, any other questions for Jordan, considering we have what, anywhere from 15 to 18 thousand acres for consideration? Okay, so hearing no other comments or questions from the Commissioners at this time, Stephanie, do we go to a public hearing?

Ms. Chen: Thank you, Chair. Yes, public testimony would be a good idea at this time.

Mr. Gima: Okay, thank you. Um, let's see. I see Pulama Lanai wants to testify.

Mr. Bradford Oshiro: Excuse me, Butchie, I didn't put my name on the list, but I would like to testify, Bradford Oshiro.

Mr. Gima: Okay, I've got you number two on the list, Brad.

Mr. Oshiro: Thank you.

Mr. Gima: So at this time --

Ms. Kaye: Sorry, Chair, I move -- can I ask a question? We're just taking testimony on the IAL, the agenda item in front of us, right, not future agenda items?

Mr. Gima: Correct.

Ms. Kaye: Okay.

Mr. Gima: Correct. Okay, Keiki-Pua Dancil, you're, you're up.

Dr. Keiki-Pua Dancil: Mahalo Chair Gima, Commissioners. Deputy Director Jordan Hart recognized that we did submit a comment letter. I wanted to make sure that that was on the record, and I just want to highlight a couple of things. Regarding Lanai, it's very important that we consider that down to, you know, not just at the parcel level because as Deputy Director Hart recognized, we do have a large Ag parcel, that's 16,000 acres, and you really have to drill down when you're dealing with the land mass that large. It's unfair. If you look at the table in the back, they go through how many acres and how many parcels. I think twelve parcels or so again. I submitted this letter at the end of last month, so I'm going off memory, but I think it's unfair that we get treated with a broad-brush stroke as the other islands do. So I just want to make note of that.

I also want to make note of the hydroponic facility that is on Lanai right now and what's being produced out of that facility, and recognizing that there's a low impact on resources in particular water. A lot of the 16,000 acres don't have access to water. So I want that to be recognized on the record as well, and that's highlighted in multiple places in our letter to Deputy Director Hart and the consultants.

I also want to make sure that there's alignment with the Community Plan on the parcels that were designated in this first round of IAL. Of note, we're in the process of going through a Miki Basin DBA. And right now that is considered eligible for IAL, so I just want to make sure that there's alignment with the Community Plan which seems to have been missing in this step of the process.

That's all I have to testify. Mahalo Chair. Thank you for the opportunity to testify tonight.

Mr. Gima: Okay, thanks Keiki-Pua. Either Jordan or the Commissioners have any comments or questions for Keiki-Pua? Okay, hearing none, does the remote site at the Maui County Council Office in Wailuku have any testifiers?

Ms. Ramoran-Quemado: Thank you, Chair. Physically in the conference, there is no one who signed up, but I do have someone signed up via chat, Riki Hokama.

Mr. Gima: For, for this item? I think he wanted to testify on the --

Mr. Riki Hokama: Mr. Chairman on both, please.

Mr. Gima: Oh, okay. Go ahead, Riki.

Mr. Hokama: Thank you, Chairman. My name is Riki Hokama, 438 Fifth Street. I've been following this development since 1968. I grew up here. Many of you know my, my father did the actual water reports for Dole, until the end of Dole operations here on Lanai. He did all of the well readings, shafts, temperature controls, . . . (inaudible) . . . inventions studies and what not with Mr. Sweet Deshay. So I believe I have a very good historical understanding of IAL and water for Lanai. I would just ask you as our Commissioners that hopefully you can help connect the dots for the rest of the community how the Lanai Water Use and Development Plan fits and makes the IAL component that you're going through the process now is going to be able to work and be viable for our island in the future. Regardless of what you designate, unless the Water Use and Development Plan is a complimentary and supportive document that allows sufficient water for those type of activities, why go through this procedure? So I would ask that you consider this, your task very critical because the Ag is going to happen on Lanai, it cannot happen without water. Thank you very much. Mr. Chairman and members of the Commission.

Mr. Gima: Okay. Thanks, Riki. Commissioners, any comments or questions for Riki?

Ms. Kaye: Yeah, I have a question for Riki.

Mr. Gima: Go ahead Sally.

Ms. Kaye: Yeah, back in the day when pineapple was still flourishing there, there weren't a whole lot of water pipes going throughout the fields. They were done with water trucks. Does my memory serve me correctly on that?

Mr. Hokama: Ah, the plantation had a very, what do we call, strategic and operational, you know, a smart operation system. You know, for many of us that would go down the Airport Road every day, you folks see the old J-station, right, pump. It was critical to get the water from the -- up mauka down to the airport and Kaunalapau. That was one of the key pumping stations and feeder lines. While there was water trucks, you're right, Sally, the plantations still

had a lot of hydrants in the fields. And many of us during the summers when we were doing our thing as a young, young people on the island, we drank from those stand pipes. The quality of the water was excellent. It was clean, pure, artesian water, and that's what we drink, straight from the stand pipes. So there was no, you know, Brita filter, filtration is required. But the plantation maintained a complete island wide system, including in the areas of Mahana and whatnot. That's why the . . . (inaudible) . . . Association has water troughs in the Mahana pasture areas, in the . . . (inaudible) . . . groves, and the water lines from the old ranching days in Koele. And again, you know, my uncles helped build a tunnel and switch back trail down into Maunalei in the early 20's that brought the water from Maunalei into the community. So I would say there is a smart water system, it's not an overly abundant source of water, but it's a critical source. And I just bring that up that I think, you know, you folks have a very important and difficult job because we only have one mountain. You screw that one mountain, we are done for it. And so, you know, we depend on you, Commissioners, to see what is best for Lanai, because if it's good for Lanai, it'll be good for Pulama. Thank you, Commissioners.

Mr. Gima: Okay. Thank you Riki. Any other comments, questions for the testifier? Okay, hearing none, I'll go to the Lanai Council Office. Do we have any testifiers?

Mr. Oshiro: Butch, I like to testify, but I don't know if I'm in the right place for it. It's for the rezoning project.

Mr. Gima: Okay, that's coming later in the agenda. So Denise or Roxanne are you there?

Ms. Denise Fernandez: Yes. Yes. *(echo)*

Mr. Gima: So do we have any other testifiers for the important Ag lands agenda item?

Ms. Fernandez: No, not for the item currently, currently *(echo)*. Sorry, I can't hear you.

Mr. Gima: Okay, thank you.

Ms. Fernandez: Thank you, you. *(echo)*

Mr. Gima: Okay, so if there's no other -- anyone else interested in testifying, I will close public testimony on the important Ag lands agenda item. Procedurally -- so, Jordan, what, what do you need from the Commission?

Mr. Hart: Chair, Chair *(echo)*, if the Commission would reach a conclusion on the comments that they would like to, to have sent forward by the Director of Planning on their behalf. That would be ideal if that could be decided on tonight. I did read the draft conditions that I had earlier on. I could reread those if the Commission wants to add any additional, and then there could be an agreement on what the final conditions on behalf of the Commission would be. Then I could basically draft up a letter for the Director to send into the project to represent the Commission's input.

Mr. Gima: Okay, before, before we get to a potential motion, will this issue come back to the Lanai Planning Commission in either phase two and, or phase three?

Mr. Hart: Ah, yes, to both of them. Yes, to both of them. (*echo*) And we also plan to present our final findings of phase one to the Commissions.

Mr. Gima: Okay, thank you. So what's the pleasure of the Commission? Does anybody want to advance a motion?

Ms. Kaye: I would move that we, that we . . . (inaudible) . . . the comments that were submitted previously unless anyone wants to add anything to them tonight. I think they captured what we said.

Ms. Atacador: I agree.

Mr. Gima: Erin, is that a second?

Ms. Atacador: Correct. A second.

Mr. Gima: It's been moved by Sally and seconded by Erin that we approve the conditions that were outlined in the March 16, 2022 meeting and ask that they be forwarded to Council, right Jordan?

Mr. Hart: Chair, that would be, Chair that would be via the Director to the IAL project.

Mr. Gima: Okay, so amended. Okay, any further discussion? Any amendments to the motion? Hearing none. Are there any objections to the motion? Hearing and seeing none, motion is passed by consensus. Thank you.

It was moved by Ms. Sally Kaye, seconded by Ms. Erin Atacador, then by unanimous consensus

VOTED: To approve and forward the conditions outlined at the March 16th meeting.

(Assenting: E. Atacador, Z. de la Cruz, R. Gima, E. Grove, S. Kaye, S. Menze)

(Excused: S. Preza, C. Trevino)

Mr. Hart: Chair, I just want to say thank you very much seeing this item again and for opening up public testimony. And I want to thank the members of the public who did show up and provide their input. We really appreciate it. Thank you.

B. PUBLIC HEARING (Action to be taken after public hearing.)

1. **LANAI RESORTS, LLC, a Hawaii Limited Liability Company doing business as PŪLAMA LĀNA'I, requesting a Community Plan Amendment, Change of Zoning, and Project District Phase I Development Amendment for the KŌ'ELE PROJECT DISTRICT located at Kō'ele, Lāna'i City, Lāna'i, Hawai'i. TMK(S) (2) 4-9-001:021, (2) 4-9-001:024, (2) 4-9-001:025 (POR.), (2) 4-9-001:027, (2) 4-9-001:030, (2) 4-9-002:001 (POR.), (2) 4-9-002:061 (POR.), (2) 4-9-018:001, (2) 4-9-018:002 (POR.), (2) 4-9-018:003 (POR.), (2) 4-9-018:004, (2) 4-9-018:005, (2) 4-9-020:020 (POR.), (2) 4-9-021:009 (CPA 2021/0001, CIZ 2021/0001, PH1 2021/0001) (K. Wollenhaupt)**

Mr. Gima: Let's move on to public hearing. Lanai Resorts LLC, a Hawaii Limited Liability Company doing business as Pulama Lanai requesting a Community Plan Amendment, Change of Zoning, and Project District Phase One Development Amendment for the Koele Project District located at Koele, Lanai City, Lanai, Hawaii. And 14 TMKS; I'm not going to read all 14 TMKS. Let's see here. So I know all of you saw how many pages we had to read. There was a lot to go through. So some --. I want to kind of split this up into kind of two sections; process and content. Process would be kind of the procedural stuff that we want to clear up before we get to the content, which is the meat of the application. So first of all, Jordan, who has the final authority on this agenda item? County Council?

Ms. Chen: Chair, I can chime in. Yes, it's the County Council for the Change of Zoning, for the Phase One Amendment and also for the Community Plan Amendment.

Mr. Gima: Okay, thank you. And then second question, what is the due date for the Lanai Planning Commission to take action on this agenda item?

Mr. Hart: Chair, I have the staff planner, Kurt Wollenhaupt. I'm not sure if he knows the date established by that.

Mr. Kurt Wollenhaupt: I, I don't believe there's a date. It's after the Planning Commission makes a decision, and then there's a date for transmission to the Council. So you will be able to take the time that's needed for your deliberation, perhaps subsequent meetings. Once that decision has been made, then there is a date, I believe, a 120-days to get it to the Council.

Mr. Gima: Okay. Thank you, Kurt. I just wanted to make sure that all the Commissioners were aware of that so we don't feel like we're under the gun. We have to do it in one meeting or two meetings.

Okay. For Erin and I, the Final Environmental Assessment came before the Planning Commission before we came on. So the Final Environmental Assessment that was included in our packet was just for background information. So we're not we're not doing anything specific on the Final EA. Is that accurate?

Mr. Wollenhaupt: That is correct. The Lanai Planning Commission was the accepting authority approving agency for the action under review tonight that would be the Change in Zoning, the Community Plan Amendment and the Project District Phase One. The Lanai Planning Commission held their debate on the Draft Environmental Assessment on September 15th, 2021. They crafted a comment letter with 33 comments. They then reviewed and the Final Environmental Assessment, after which they recommended a Finding of No Significant Impact. That's known as a FONSI. That was then put into the Environmental Notice, and the challenge period of 30 days went by with no challenges. Therefore, it is accepted. Thank you.

Mr. Gima: Okay. Thank you, Kurt. So when the time comes for the Planning Commission to make a motion, it would be a recommendation to the County Council based on one of those four options that are in the packet. Is that accurate?

Mr. Wollenhaupt: That would be correct. Yes. Yes.

Mr. Gima: Okay. Thank you. That's, that's all I have on my list under the process part. Any of the Commissioners have any questions or comments on procedural protocol type of things? Lisa?

Ms. Grove: I am going to be muting and going off camera because I'm required to recuse myself from voting and conversations on Koele District because our house is currently in the district, and it's proposed to be moved out as part of a housekeeping, sort of housekeeping with the district, and the Ethics Commission has ruled that I cannot participate in the conversation. So I'm going to go off camera during this part. I'll be back when there are things that I can help address.

Mr. Gima: Okay, thanks, Lisa. Any other Commissioners? Okay. So for the content part, I mean, we have the Planning Department's packet. We have -- which includes the summary of existing conditions and potential impacts and mitigation measures matrix. And so do you guys have any preference on how we attack this thing tonight?

Ms. Kaye: I think the Department is going to make a presentation first. That's the way they have done it in the past. If that's, if that's a change for tonight, I don't know.

Ms. Chen: Chair, if I may, I would recommend that, yes, the Department make their presentation and then that the, you know, the Commission has a chance to ask questions. And that certainly the public hearing will be open and preferably closed at this meeting. If this item comes back again because the Commission needs more time or something like that to make its recommendation then at any future meeting, the Commission can still take public testimony. But the public hearing, the, quote, public hearing would be closed at that time at a future meeting. So that's my recommendation for, for today at least, and you can see how far the Commission gets.

Mr. Gima: Thanks, Sally. Thanks, Stephanie. That being said, the floor is yours, Kurt.

Mr. Wollenhaupt: Good evening members of the Lanai Planning Commission. There will be a presentation via the power point from the applicant. Dr. Keiki-Pua Dancil, I believe, will be giving that and that will be in considerable detail. So I'm essentially just setting the stage for the members and commissioners and also people in the audience that may not be aware of the entire process that we're undergoing tonight.

Just by way of being very brief, we're talking about Project District Amendments. We're talking about the Koele Project District. People on Lanai are aware there are two project districts; Manele and Koele. And what is the project district? Well, the intent of the project district development is to provide for flexibility and creative planning rather than immediate specific land use designations. So if we take a look at Koele, the Koele District was established back in 1986 and it was amended in 1992. Consequently, there has been many years that have gone by. There have now been multiple owners that have owned the development. So with time, changes are requested and may conform better to the current environment and goals and objectives of both the applicant and also the people of Lanai.

That being said, how does this be accomplished? Well, it's accomplished first by applying and getting consistency with a Community Plan Amendment, a Change in Zoning, and a Project District Approval. In order to move through the process of a Community Plan Amendment, a requirement is an Environmental Assessment which has been done and will be the guiding document over the next few months, as this project is reviewed by both the Lanai Planning Commission and also the County Council. That process has been concluded. The EA has been accepted and will be used as I indicated. Therefore, over the next period of time, the Lanai Planning Commission now needs to look at the Community Plan Amendment and the Change in Zoning of the Project District. These three, in order to make this project work, need to be consistent. So the Community Plan Amendment, the Community Plan is Project District. It's not Residential. It's not Hotel, but it's Project District. The zoning also is Project District, and it's the Project District Ordinance, now Chapter 1971, that contains all the development standards for the various types of uses. These uses as being the Hotel, being the Open Space, being the Multifamily, being the Single Family.

So what we're really looking at tonight is the applicant is wishing to make modifications and amendments to facilitate opportunities for development within the project district. It's seeking to reduce the density in the Koele Project District by decreasing residential and multi-family acreages, increasing open space and park acreages, and reducing the golf course acreage. The proposed amendments also will increase the hotel sub designation, accounting for existing uses. It also creates a new resort commercial sub designation for existing and future uses which will support Sensei Lanai, a Four Seasons Resort. So what the applicant is seeking is to revise the Project District Ordinance, as outlined in Chapter 1971 with a new Project District Ordinance, which will outline the limits of the project district area, as well as these sub designations. So just to make it clear, the primary zoning and primary community plan amendment is Project District. It's in the sub designations such as hotel, such as multifamily, in which the permitted uses, special uses and development standards are thereby

met. That's why the Project District allows flexibility over the years, and the applicant's desire is to bring the current development in a greater congruency with current conditions on the island. It's also important to note that this evening's debate does not involve any additional construction activities. Future construction activities, as the public knows at Manele such as the amphitheater, such as the observatory, and in this Koele Project district, such as new projects, would be in the event that this, these applications are approved, approved, they would be subject, these individual construction projects would be subject to a Project District Phase Two with the Lanai Planning Commission. At which time, water usage, construction, traffic would all be reviewed again, as was done on other projects.

That gives an overview. The applicant's presentation will pictorially show what they desire to have done. So I think it would be useful for them to present their project for your consideration and questions. Thank you very much.

Mr. Gima: Thanks, Kurt. So I'll turn this over to Pulama Lanai.

Dr. Keiki-Pua Dancil: Mahalo, Chair. May I share my screen please?

Mr. Gima: By all means.

Dr. Dancil: Thank you. Thumbs up if you can see my screen. Mahalo, Commissioners. Aloha, Commissioners. Tonight we are here to respectfully request a Project District Phase One Amendment, Community Plan Amendment and Change of Zoning for properties located in the Koele Project District.

We have been discussing the changes to the Koele Project district for five years, starting back in 2017. Some Commissioners who have seen this slide before in the last year and I have shared it during the Environmental Assessment meetings that were discussed earlier by the Planning Department.

This slide outlines the process for our applications. We were last before you for a determination of a Finding of No Significant Impact, or FONSI, for our Final Environmental Assessment in January, right here. Today were outlined in this orange chevron. This is the process that we are today. I want to remind everyone, as noted by Chair Gima, that this is a long process and there will be many opportunities for community input.

We respectfully request concurrence with the Planning Department's recommendation of approval with modifications to the conditions. The applications before you are significant down zoning and we believe that the conditions should be appropriate and proportional to the subject applications which are aligning the project district map with the Community Plan Map, decreasing the overall acreage by eight percent, decreasing the residential density, which is the residential and multifamily by 70 percent. There will be a significant reduction in residential acreage, a substantial conversion of golf course acreage to park, and returning large open space designation. The FONSI that was approved by this Commission is the base document

as the Planning Department outlined that was used in all of the subject applications before you this evening.

Please forgive me. There's a lot to unpack from this slide so let me summarize. In your staff report on page-seven and 43, you'll see the Planning Department's references to the Maui County Code sections listed here in the first column. These are the standards which our applications complied with for recommendation of approval by the Planning Department. I'm not going to go through all of them and if you want while I go through my presentation, I just want to highlight in the top right corner, you can find this in the staff report on page-seven and page-43.

On this slide, we summarize procedurally some of the matters that we have compiled with some notes from the previous slide. We won't go through all of the details as they're included on page-eight of the staff report. However, I do want to call out where we were in January, which is outlined in the blue dotted, January 2022. This is where the Lanai Planning Commission reviewed the preliminary Final EA and issued a FONSI determination. And where we are today is the solid outline here, which is the recommendation deliberation on the subject matter before you.

The Planning Department had recommending that we not only go over the historic procedural matters on the last slide, but we also like to look over the regulatory history of the Project District, which is also found on page-six of your staff report. It should be noted that we added a few other public documents and references that . . . (inaudible) . . . in the past to where we are today. These were also noted, however, in your staff report.

As mentioned, in 1986, the Koele Project District was established by Ordinance 1580 and 1581. Following that, there was a District Boundary Amendment that was completed in 1990 for reclassification of lands at the State level. In 1992 via ordinances 2139 and 2140, the Project District was amended. As I will go over in a minute, the major amendment here was the addition of the Golf Course District and Accessory Uses. Soon thereafter, Docket Number 92, page two, dash zero, zero, four, and Docket 92 PD one, dash zero, zero, three, quote Step One Plan Developed, end quote, was approved. Then in 2000, Ordinance 2852 inserted the tennis courts and stables into the Project District. During the 2017 and 21 period, there was a significant amount of community engagement in which we signaled our plans for the Project District. And that brings us to where we are today. The phase one community -- Phase One Amendment, the Community Plan Amendment, and the Change of Zoning.

All of this information is public that is on your screen today, and they are located in the ordinances. All I've done is graphically listed the different acres. I'm going to slowly go through the slide and stop me at any time if you have questions. Let's start in 1986. On the left panel, you see a bar chart with each of the subdistricts designations in the project district. They're color coded down here. At the top of the bar chart, you'll see a summation of each of the designated, designated areas.

In 1986, the project district was established containing 467.3 acres. A few items to note that occurred at that time. There were no conditions imposed on the application and the hotel acres here in blue, and the residential acres in yellow and orange were established.

Now let's move to 1992. As you can see, there is a lot of purple and almost no green, which means the golf course acres were added to the open and the open space was decreased significantly. The hotel and residential and multifamily remained very similar to what they did in 1986. Also, there was an overall 32 percent increase in acres that were added to the project district, and that's depicted here. As such, there are 10 conditions imposed on the project district at that time. I'll add a pause there briefly and to remind the Commissioners that we were, that we included the status report in the response and there's also a significant amount of demonstration of proof of compliance to this condition. This was requested by the Lanai Planning Commission in the Draft EA.

Next, in 2000, the applicant did not take action. However, the County went through and did a comprehensive alignment of the Community Plan map with the zoning ordinance. The 14.5 acres identified as the tennis courts and stables were included in the project district as they were part of the 1998 Community Plan map. So while the text of the original project district ordinances, ordinances 1581 and updated 2114 may not include this additional area, the Council included the area on the 1998 Community Plan map and subsequently included it in the . . . (inaudible) . . . Sorry, I'll continue. Let's see, where was I? Okay, so the tennis courts were added. It was a comprehensive just realignment. Sorry, I lost my place. Unfortunately, the Maui County Code Chapter 19.71 which outlines the acres in the project district was not updated concurrently. Therefore, there is, there is currently today a discrepancy between the zoning map and Chapter 19.71 of the County Code.

And finally, we are here today in 2022, 36-years later from the establishment of the Project District and 30-years since the last amendment to the Project District was made. As you can see, we are decreasing the overall acres by eight percent. We are essentially down zoning the area and aligning existing uses. In summary, we are removing golf, as you can see in purple, and this primarily deals with the experience at Koele, leaving only Cavendish. We are also increasing park and open space. You can see here in pink and green. We also have included an expansion of the hotel area for the Sensei retreat and reducing significantly the residential area, which is in yellow and orange. Let me pause right there and just take any questions. I know that was a lot. I'm going to break it down individually later.

Mr. Gima: Okay, Commissioners, any questions or comments to Pulama Lanai? Yeah, I have one Keiki-Pua. In one of the documents it mentions action and need, and you guys do a good job outlining what action you guys are taking. But I could never find anything in there about the need. I mean, what, was there a problem that made Pulama to do this? I mean, what prompted this action to be taken?

Dr. Dancil: Thanks, Chair Gima, for that question. Since that's not specific to what we've covered so far, I can take that at the end of the presentation if you don't mind.

Mr. Gima: Sure. Okay, why don't go ahead and continue.

Dr. Dancil: Thank you. So what I'm going to do now is because we're going -- I'm basically going to break down each of the different subdistricts within the project district. As the Planning Department, Department mentioned earlier, it's a sub designation that is really the concern here because that's where the permitted uses and the design standards are described. So let's walk through the details on this slide here. Collectively, there's a 72 percent reduction in the residential and multi-family acres in the project district. On the left panel here, you have the existing project district and then the proposed project district. As you can see, there's an overall decrease. The yellow is residential or what we sometimes consider a single-family home, but as it's defined in Chapter 19.71, it's residential. In orange, it's the multifamily. I've split them up here on the right side for convenience. But the bottom line is the same. The reductions of homes that can be constructed and occupied lowers the demand and the resources and infrastructure.

Next, I want to move to open space and park. There is a significant increase in acres for these areas. Approximately a 1,243 percent. An increase in open space and park provides a much lower density for the project district. It also returns . . . (inaudible) . . . Gulch and the . . . (inaudible) . . . forest to open space. Originally, those were actually included in the Project District.

Next, I want to go to golf course. And this is significant because as I mentioned earlier the 10 conditions that were imposed in Ordinance 2140 in 1992 were due to the addition of the golf course acres. I want to make note of that. As you can see here, there's a 77 percent reduction in golf course acres and that's basically taking the Experience at Koele out of golf course, and leaving only Cavendish.

Next is resort commercial. In the Final EA, Volume One, reference 183, page, and Exhibit-three in the staff report, we go through details on what the resort commercial is described as. The Lanai Planning Commission submitted comments, and we addressed those comments by adding a little bit more detail. We're basically renaming the tennis courts and the stables to Resort Commercial. So as you can see in the gray area, in the existing project district, these acres are being transferred into the same area. Nothing's changing. It's just being renamed to resort commercial because it's not currently defined in the Maui County Code. The description of existing uses and the acres proposed as resort commercial includes Lanai Ranch which is already being used to support activities in the resort area. The barn and pastures that are going to be continued to be used in the project district, and it just aligns existing uses to the project district as described by the Planning Department. The potential proposed activity in the resort commercial is an upgrade to the existing stables, parking lots, the tennis courts, potential additions of barns and accessory uses, potentially an indoor or covered riding area to upgrade the barn, new or upgraded tennis courts, potential supporting structures such as a tennis pro shop and restrooms. In general, the area will look very similar to what it is today. Majority of the area remain the same; the pastures for Lanai Ranch.

Which brings us to the hotel area. Yes, the overall number of acres are increasing. However, I like to walk you through these acres. The existing Project District hotel acres carrying forward is 21.1 acres as you can see here. These are carried forward. Next, there are 12.8 acres that are being designated as hotel. However, they're already in use as hotel. For example, if you go to the map in the Final EA, Volume One, ref 200 to 201 or Ref-185, you'll see the maps. And you'll see that the hotel entrance and lawn area in front of the hotel was not included in the map. We are basically adding this area in and designating it as hotel as it should be. The other things that weren't included in the hotel subdistrict were the spa hale area and the miniature putting green course. We are moving those to hotel and that's where they should be included. The remaining acres that are new and not being used right now is only 11.5 acres. In our response to LPC comment Number 10 in the Final EA, we described potential development of the area. I also want to note that in multiple areas as a Planning Department described, these applications do not propose construction activities, and any subsequent application will be subject to the public review and approved by this body here, the Lanai Planning Commission, for specific project impacts will be further evaluated like water, like traffic, like flora fauna. All those things will come back to you.

The proposed new acres that are not existing in the hotel use is basically an expansion of what is currently being used. Potential future development contemplates six to eight spa hales, similar to the existing spa hales that are built today. Potentially 12 two-bedroom villas as an alternative room type. These will have a more of a residential look and appearance as opposed to what's currently there right now, which is a hotel. We also are considering potential pickleball courts or the relocation of the tennis courts. Again, these are all ideas and not finalized. I also want to note that hotel guests rarely rent a vehicle, if at all.

Okay, we're back to this part. It is my hope that the last several slides assisted in a graphical representation explained the down zoning involved in the proposed application. In the staff report there are conditions that are recommended. We are okay with all of the conditions except the carrying forward of condition nine from Ordinance 2140. We believe that condition nine is tied to Ordinance 2140 and no longer appropriate or proportional to the subject applications. As you can see, we took out the golf course and that was the main addition to this ordinance here for those 10 conditions.

We respectfully request concurrence with the Planning Department's recommendation of approval with modifications to the condition. The Department has reviewed the subject application and has concluded that the subject applications have complied with the applicable standards that I shared. Pulama Lanai respectfully recommends removal of condition nine because there's significant down zoning and overall reduction in acres. The subject application would not reach the trigger included in condition nine of Ordinance 2140. And the TAR which was included in the Final EA and determined with a FONSI by this body did not warrant a need for a bypass road. This concludes our presentation and we are here for questions. So I'm going to kill my presentation and we're going to turn on our cameras.

Mr. Kurt Matsumoto: So, Chair, I just wanted to answer your question about I think you asked what prompted us to make these changes? Is that correct?

Mr. Gima: Yes. What was -- the need was never specified in the document.

Mr. Matsumoto: Okay. When we decided, when we made the decision that we were not going to keep the Experience at Koele as a golf course, it made us take a look at the entire Project District and make some decisions about what we were going to do with it in the future. So along with converting the golf course into a sculpture park, we looked at the possibility of us ever developing homes in that area, and we decided that that was something we did not want to do in the future. So that's, those are the key driving points for us to put this forward.

The other points were already covered by Dr. Dancil as far as desire to have some ability to expand in a small way the existing uses at the Sensei Retreat, and then do a lot of cleanup to some of the, the hanging issues that when, if, if it's addressed all together in this application, brings us into a more current situation.

Mr. Gima: Okay, thank you. Commissioners, any questions for Keiki-Pua or Kurt? I can't see my full screen so Sherry? Erin? Sally? Zane? Comments, questions?

Ms. Kaye: I have a question for, a question for, Kurt. I'm sorry, the planner Kurt.

Mr. Wollenhaupt: Hi Commissioner Kaye. Kurt here.

Ms. Kaye: Hi Kurt. They have -- Pulama has wrote up reluctance or a request to eliminate condition nine. But I noticed that in your planning report, or the Department's report that the condition was not tied to a specific number of units, which means that the trigger still could exist. And the fact that there was a State highway study is pretty much irrelevant because it's only the County Council that can remove the condition. Is that not right?

Mr. Wollenhaupt: That is the way the statement does read. Um, I know that Jordan and I have had extensive discussion on this topic. I can, I can attempt to answer. He was the one that made the final decision in regards to retaining that condition, and we spoke to it. There has been a lot of debate about this, which I'm sure that the Counsel for the applicant would be more than happy to address. I think Jordan might be best. But if you were to look at, if you were to take the trigger that was done for the bypass with the number of units in the current situation, that number is more than the maximum number of units that would be under the new scenario. So if your interpretation was that you tied the bypass to the number of units, single and multi-family, that could be built under the current scenario, then the bypass would not ever get triggered. However, Deputy Director Hart felt that we didn't really have that ability to make the decision as to where this bypass condition would be tied to. Also, he would like to see the Department of Public Works from Maui County distinctly state they did not believe this bypass was necessary. So I'm sure that our Deputy Director Hart may have some more

comments that would be illuminating to Commissioner Kaye. But that's where we stand at the moment.

Mr. Hart: Sure, Kurt, and Chair, if I could, I could, I could clarify a little bit further. I do think Kurt, you know, essentially covered the issue. You know, you could make an interpretation that it's implied that the condition says that it's 50 percent of the original total project scale, but it doesn't actually say that in language. So that would be some sort of leap of interpretation by the Department of Planning. And considering this is going before the Lanai Planning Commission to the Maui County Council, you know, it didn't seem relevant that we would go about interpreting intent without something concrete to stand on. Now I did, I wouldn't say that I wanted to see the Department of Public Works say that the bypass is not needed, but I would have wanted to see that stated by the Department of Public Works before the Department of Planning would have considered that condition no longer relevant, at least for the purposes of our staff report. State Department of Transportation clearly addressed the issue, but the State, the County of Maui Department of Public Works didn't. And because they're our County expert on traffic and we would always defer to them for the analysis and verification or endorsement of any TIAR for any project, and because that improvement was supposed to be dedicated to that agency, you know, it would have been too much for the Department to say, despite the lack of comment from the Department of Public Works, we think that this is not appropriate for discussion or consideration by the Commission or by the Council. But I do understand the logic of the explanation of the overall scale of the original project and the statement of 50 percent. It's just that the language doesn't provide the interpretation to the Department to make that call at this phase. Thank you.

Ms. Gima: Was your question answered Sally?

Ms. Kaye: Indeed it was.

Mr. Gima: Keiki-Pua or Kurt Matsumoto, do you want to weigh in on, on that issue and specifically why you do not agree with condition nine or whether you want to make any modification to condition nine?

Dr. Dancil: Aloha Chair Gima. You know, I think we laid out pretty explicitly in the presentation on why we believe it's not warranted. It's not appropriate and proportional. I want to introduce our Counsel, Cal Chipchase, and he will go through a discussion on why I believe that's the case.

Mr. Cal Chipchase: Thanks very much. It's nice to be with you, Chair, Commissioners. Nice to see you tonight. I was just asked to opine on it a little bit, hopefully, for your benefit. The condition, as is stated, and I'll just read a small part of it. The trigger in it is 50 percent of the total number of single family and multifamily units specified in the Koele Project District, right? So we see from that condition that itself uses that word specified, right? The condition itself says specified, so we couldn't say it doesn't specify a number of units so that no number of units are specified. It, it – and its term says specify. And so the next thing we look at is, okay,

what does the Koele Project District specify in terms of the units? In a way it does it is in terms of total acreage, density. It specifies the number of residential units and the number of multifamily units they're allowed per acre. And then we have, of course, the total size of the district at the time this condition was imposed. And so what we have to do is calculate the number of units that would have been allowed under that density limitation, that specific density limitation, knowing the total number of acres allowed or designated for residential uses in the project district to come up with the exact number that would have triggered this condition. And we don't have to do the math ourselves because the County Council Committee Report did the math in 1992, and it came up with 634 units. And that specific number is stated in the committee report approving this amendment, which as Keiki-Pua explained enlarged the density, made it more intensive, if you will, particularly as to the golf course. And so if we take that specific number of 634 and we half it, as condition nine says, we end up with 317. So we know just looking at the text of the project district ordinance and the condition that there would need to be 317 units developed before this condition could be triggered. We know from the application that only 110 units now are proposed. That's the max we'll ever see; a radical reduction in density to get us from 634 stated in the committee report to 110 today. So we know that this project district now will never meet that trigger. And so, you know, with deep respect for Jordan, I would say there are specific numbers that are right in the documents. And if we look at those specific numbers, we know now the condition will never be met, will never be triggered, and so it's no longer appropriate.

I was asked not just to comment on the text. You guys can read all of those things yourself. They're in the records. You can look at them, confirm, but I've told you exactly what they say and I have. But to talk a little bit about where conditions fit in the land use process. So as a matter of constitutional law, when a project creates a need, creates an impact, the approving bodies can condition that impact on something that mitigates it. So here, if we look at 1992, you have a project that proposed all of these units carried forward, enlarge the red acreage a little bit and materially enlarge the golf course acreage, you have what was determined to be an impact, more density, more use, more trips. And so they imposed a bypass condition on that to mitigate that increased traffic. Maybe that's okay because there's a nexus between a bigger development, more cars, maybe it's proportional. Those are the two standards we look at. Is there a nexus? Is it proportional? They come from a couple of cases called Nolan and Dolan over the years from the U.S. Supreme Court, but that's what we look at that nexus and proportionality.

Well, now 30 years later, you have an application that reduces the density significantly below what it was at the time those conditions were imposed. And so when you have a project that decreases its impact, it's not appropriate to carry forward or impose the same conditions that might have been necessary for a more intensive project. We've lost that nexus, that connection between the impact of the project and the condition, and we lost that proportionality because we've made the project less intensive, there needs to be less done to mitigate, not more of the same. And so when we come and look at that in the context of this condition nine, we see a condition, as I said, that anticipated a much denser development.

And now that the development is going to be much less dense, much less impactful, it's appropriate to remove that condition.

And so your role, what we're asking of you is really just the recommendation. We recognize, ultimately, it's the County Council's decision, but your role in the process is important too. You recommend the actions, and we believe it would be appropriate to recommend deletion of this condition. I really appreciate the time to meet with you again. I'm Cal Chipchase and I'm an attorney for Pulama, and I'd be happy to answer any questions. Thank you.

Mr. Gima: Commissioners, any questions for Cal? So Pulama Lanai, I, I will make --. Yes, Keiki-Pua?

Dr. Dancil: I just also want to recognize we do have Matt Nakamoto in the room here. He is with ATA. And that's the firm that did the traffic impact analysis report that you guys have all reviewed and determined the FONSI for the Final EA. He's here to answer any technical questions, if necessary. I just want to make sure you guys know who's in the room as a resource for your questions. Thank you, Chair.

Mr. Gima: Thank you. I didn't see anything in the documentation about the benefits of having a bypass road. You're right, Cal, that with a decrease in acreage there's going to be less traffic. However, you will still have your buses coming through the city. And in the, in the future when you do start redeveloping Koele, you're going to have construction vehicles. So in both instances, that would be very helpful having the bypass route, in addition to Pulama's support of the County Affordable Housing Project, the bypass road would be instrumental to further the cause of the affordable housing project makai of the Hawaiian Homelands.

My understanding in terms of the of the numbers was never about total units, but it was just at 50 percent. So if the total number of units now is 110, maximum, then 55 would be the trigger. So those, those are my comments, you know, about this, this condition nine. Obviously, I take a very selfish view on the bypass road because without the bypass road, all the buses and all the construction vehicles drive by my house. And Kurt, Kurt Matsumoto and I have had a discussion about this when they were doing construction about two years ago. And in all fairness to him, he directed most of the construction vehicles on the dirt bypass road coming up to Koele. So, so there is a need and there is a benefit of having a bypass road.

Okay, we're coming up on hour and a half. Stephanie, I was thinking about taking a five-minute recess. And then would this be a good time to take public testimony or so we can continue the discussion with Council Members, I mean, Commissioners?

Ms. Chen: Thank you, Chair. . . . (inaudible-ehco) . . . questions for the Department or the applicant prior to taking public testimony and opening the public hearing. You could do that or you could open the public hearing, close it, and then ask questions or both.

Mr. Gima: Okay, Commissioners, if there are no objections, let's take a five-minute recess and when we come back, unless I hear any objections, we'll open it up for public testimony.

Mr. Wollenhaupt: Oh Chair Gima, this is Kurt, the planner. I have, a clarifying note. In looking at the procedure for Community Plan Amendments and Changes in Zoning, the 120-day rule is correct. However, it's from the date that the Department declared the application is complete. And the letter that we made that declaration to the applicant was April 1st, meaning that we would need to send this to the County Council by August 1st. Therefore, that gives you a date so that you definitely know how long your committee has to deliberate. That would be -- it has to be at the Council by August 1st. Thank you.

Mr. Gima: Thanks, Kurt. That was really helpful. Okay, we're in recess for five minutes.

(The Lanai Planning Commission recessed at approximately 6:31 p.m. and reconvened at approximately 6:37 p.m.)

Mr. Gima: Commissioners, any objections to going to public testimony? All right, hearing none, we'll open, open it up for public testimony. Let's see, Leilani, do we have anybody in the chat wanting to testify? I think I saw earlier in the chat Bradford Oshiro and Riki Hokama, so --. Okay, Brad, why don't -- the floor is yours, Brad. I think, Brad, is in Gabe, Gabe Johnson's Council Office.

Mr. Bradford Oshiro: Okay, Butch, I only going be on . . . (inaudible) . . . I'm already requesting that the Lanai Planning Commission defer the rezoning of the land around Lanai City down to the Airport next to, to next month Commission meeting here held on Lanai.

I received a certified letter with three attachments about the rezoning of the land, east and north of where I live. Then subsequently, I found out the rezoning actually covers all the way down to the airport. Okay. This meeting is deferred then to the community can participate in decisions on the rezoning of the land around Lanai and down towards the airport.

I asked Denise if she if this meeting could be rescheduled for next month, June, or be held in person on Lanai. Denise emailed Leilani to see if the meeting could be held here on Lanai. I, I was told by someone in charge, a lady in charge, of the Land Commission meeting that the Council would be polled to see if the meeting could be held here on Lanai. Was any of you asked about the meeting being held here on Lanai, any of the Commissioners? Probably Leilani called you up a couple of days or a day ago and said, "Are you going to be at the meeting?" That's how it was before.

Anyway, I also was told by the same person that it was, it was no avail, available for rentals for the Maui Planning personnel to stay here on Lanai during this time. This was a month ago when I asked this. Right now, I kind of feel that this is like being done under the table because it's not coming to the community so the community can participate. This is why I'm asking that this meeting be deferred to next month. And I strongly believe this type of meeting can be

done on Saturday. If there's any questions, I'll try to answer them, but if not, mahalo for all your time.

Mr. Gima: Okay, thank you, Brad. Commissioners, any questions, comments for Brad? So, Brad, your request for deferring the meeting to June is tied to the fact that this covers an area down towards the airport or are you requesting deferral because you feel that should be an in-person meeting?

Mr. Oshiro: I feel that the meeting should be . . . (inaudible) . . . Lanai. I mean, the acreage that is covering, you know, that's my feeling. It's just like the gave me three attachments to the certified letter. And you know, there's more than that because when I looked up who was involved in this, they got Hawaiian Air, Mokulele, Kamaka. You know, that's down to the airport so let's have everything put on the table, you know, not just, you know, oh, we just doing up with Koele. Come on, you know, if you're going to give something like that, put it all on the table.

Mr. Gima: Yeah, I don't know where you're getting the information that it's all the way down to the airport. But, yeah, we hear your request in terms of wanting to defer to next month's meeting. It's, it may be -- even if you request a deferral, we still may be up against the whole issue of housing, which, which impacted the decision to have the meeting in person this month. And yes, we were polled. We're polled every month to ensure that we have quorum for, for the meeting.

Okay, Commissioners, any other comments, questions for Brad? Okay, thanks Brad.

Mr. Hart: Chair?

Mr. Gima: Yes, Jordan.

Mr. Hart: Yeah, I would just like to encourage the testifiers to take a look at the, the Lanai Planning Commission's agenda online, and you can download the staff report through the link of the agenda item. And you can look at the map of the project area that's being discussed tonight, and that might help you visually see that land area that's being discussed to clear up some of the issues that you've raised. Thank you.

Mr. Gima: Thanks, Jordan. Next, testifier, Riki Hokama.

Mr. Hokama: Chairman Gima, thank you very much. If I may just ask a question for clarification first, please Chair.

Mr. Gima: Yes, go ahead.

Mr. Hokama: Thank you, Chairman. This is, it would be, I hope this would also help the Commissioners. So, Mr. Hart, as our Deputy Planning Director, why would this Commission

deal with potential amendments before the Land Use Commission makes a determination on the Boundary Amendment on those acres?

Mr. Hart: Thank you, Chair and --. Chair, this goes back to, you know, my pause when you had asked who is the approving authority for this project? So Mr. Hokama is correct that the Land Use Commission does play a part in a -- there is a DBA component, as described on page-nine of the staff report. So the Lanai Planning Commission is advisory to the Maui County Council for the applications that are referenced on this agenda item. That's the PH1, Community Plan Amendment, and Change in Zoning. So this is an advisory review. Separate from that, the State Land Use Commission is an independent authority in their evaluation of the District Boundary Amendment. However, the, the Maui County Council cannot zone any of the land into the -- well that is proposed to be put into the urban district. So I believe there's approximately 75 acres proposed to be added from to the urban district from the agricultural and rural districts. So those couldn't be zoned by the Maui County Council before they're put into the urban district by the State Land Use Commission. So there's, there's essentially two separate tracks. But there's no reason that this evaluation by the Lanai Planning Commission and recommendation to the Maui County Council can't be done before the State Land Use Commission takes any action. Anyway, I'll just leave it at that.

Mr. Hokama: Yeah. Thank you, Director. But, you know, I usually I buy the horse before I push the cart, yeah, pull the cart. So anyway I'll do my testimony at this time, Chairman Gima and fellow Lanai residents or commission.

I have great concerns with this proposal and I find it interesting those that have no history with our island or a project have been making statements about things such as and I'll hit the first point bypass road. The bypass road was agreed upon by the old landowner, Castle & Cooke. And that is why for those of us that know our island better than many of those that spoke earlier already know why Maui Electric was path a route that they put those poles in, right? You guys don't see all the poles on the south side of the community. That was the agreed upon route, so Maui Electric put in the road that set up a couple of things. A physical boundary for the community to know where we expected a city to grow to. That was one of the ideas. And secondly, it was to eliminate resort or project district traffic through the city. We already have one fatality of Lanaian too much already because we didn't put in the bypass road. The bypass road wasn't part originally of a condition. It was agreed upon by the landowner, Castle & Cooke, with the community in the early 80s as we were going to the original zoning process of 86.

If you look at the, uh, uh, 92 document, look at who voted no. Our Lanai member, Mr. Nishiki, Alenaala Drummond. Because, hey, I'm happy to share all the skeletons in the closet about this project with all of you people that wasn't around with us back in those days, and see who got what jobs as Lanai Water Director of Lanai Water Company and whatnot to some of those adjustments in those proposed conditions, okay. The original bypass road was never part of a condition of percentage of development. It was a condition of zoning approval. If they didn't agree, they wasn't going to get zoning in the 80s. Simple as that. It was something the

community wanted from day one, and that was what the land owner committed to. So now they come and tell us later at this point in time? Hum, interesting because there might not have been a project today if that wasn't part of the agreement of a past.

I think as a Commission, you guys need to ask because part of this project district is part of a two-part component for Lanai economic development of the 80s and what Lanaians at that point in time wanted, expected, and got agreement for zoning approval to move this forward, the projects forward. It was supposed to be a Manele, Koele joint effort of economic development, bringing some diversification of employment opportunities, try to maintain an agricultural base here on this island, or provide our young people with choices not only on job types, but hopefully in employers. Where have we gone in 36 years? Backwards in time to pre-World War II? Crazy.

I think some of the things that you guys do, should also look back and I appreciate those of you that are, and I agree you have a lot of documents to go through, but look at why are they making some of these acreage changes? We all know the housing situation on Lanai, but interesting they want to cut back on housing acreage. But if you look at some of their verbiage when you try to connect the dots, in their own documents, they said that Lanai is going to grow to 4,000 people by 2030. One third of -- we're going to grow by 30 percent? Where the hell is this housing going to go and where is this traffic mitigation and . . . (inaudible) . . . going to end up with? It wasn't supposed to be at Manele or Hulopoe. It was always to maintain the integrity of Lanai City and keeping resource and infrastructure within its smart proximity to reduce unnecessary extensions and costs.

I think some of the things that I would ask you to also look at was is regarding access. I still have a concern about Monroe Trail and access to Lanai Hale. They talk about beach access and whatnot, but I'm more concerned about mauka access and the loss of both our cultural identity of who we are. Okay, of what Lanai should be and what we were, and not what we think we supposed to be for 2023. You know, I think we've lost a lot of our cultural history. I think we've lost a lot of who we are as a sense of Lanaians because we have not put in time where there is no sense of connectivity of where we're going to go in the future. I can't have one man dictate the life of all these Lanaians. I need Lanaians to participate to help dictate where the island is going to go in the future. And therefore, members, a deferral would be good. I think there's a lot of areas that you should be reviewing and I'm confident you will do it. And I would like to offer my knowledge, my experience, my close to 70 years living on Lanai and knowing what was the past and what was and where we are today as a resource for you and the Commission as you deliberate . . . (inaudible) . . . of where are we going to go with Lanai. And how this big piece of the puzzle will fit with Manele, but also how are we supposed to support and protect . . . is Lanai City and what is Lanaians.

Mr. Gima: Riki, I'm jumping in. Can you hear me?

Mr. Hokama: Yes, Butch. I'm finishing up. Thank you, Chairman.

Mr. Gima: If you want to continue your testimony, let me go through the other testifiers and then we can circle back to you.

Mr. Hokama: Thank you, Chairman.

Mr. Gima: Okay. All right, Leilani, Denise, Council Office, Maui Office, are there any others wishing to testify?

Council Member Gabe Johnson: No Commissioner, there's nobody at the Lanai District Office . . . (inaudible) . . . to testify.

Mr. Gima: Okay, thank you. How about the Maui County Council Office? How's about the Maui Office?

Mr. Hart: Clayton or Leilani, do you have any testifiers present?

Mr. Gima: Okay, hearing none, I shall close public testimony. And so back to the Commissioners, comments, questions?

Ms. Chen: I'm sorry, Chair, to interrupt. . . (inaudible) . . . that you're closing the public hearing, correct?

Mr. Gima: Yes, I am.

Ms. Chen: Okay, thank you.

Mr. Gima: Was I muted? I thought I said I closed public testimony.

Ms. Chen: Okay, I just want to make sure, for the record, that the public everyone knows, the public meeting is closed. At a future meeting, if someone comes back, then public testimony can be taken. But there won't be the public hearing component.

Mr. Gima: Okay, thank you. All right, Commissioners, questions, comments? Again, we can break this down by questions and comments for Pulama in their presentation. We can go over the Planning Director's report. We've got the summary. What's your preference? I have loads of comments and questions, so if nobody wants to go, I'll start.

I'll go with the Planning Department's report, and you know, there are a number of things that I made notes of. Not necessarily, not necessarily deal breakers, but makes me question the importance in this and the significance of these representations when there are so many questions. And then there are some deal breakers, so I'll go with the deal breakers first. On page 16, under I, improve fiscal, um, infrastructure, that's one of several comments throughout the document. Again, although no construction activities are currently being proposed, the project district continues to be located in proximity to existing infrastructure

systems such that any future development would likely not require the provision of new or extension of existing systems. And so, I mean, there were several statements similar to that, and I question, how can you say this when you don't know the infrastructure capacity needs in the future as, as it relates to potential other developments infrastructure capacity needs? So I don't, I don't know if Kurt, the planner, was, was that your statement? Did it come straight from the EA? Like I said that -- it seemed like that wording was put in there at times, I think, just to appease, you know, whoever was reading the document.

Mr. Hart: Chair, this is Jordan. I believe I can address that in part. You know, I believe the applicant did outline the capacities of infrastructure that they were proposing to -- I mean, resources and capacities of infrastructure they proposing to consume. And I believe that that basically creates an envelope of the scale of development that's associated with these land use designation changes. I do think that they did propose to defer finer details to phase two approvals, but I believe they outlined capacities and impacts satisfactorily in the documentation associated with the EA that is the basis of this overall proposal.

Mr. Gima: Well, I guess I missed that part because, yeah, there wasn't a specificity of what they were going to do in the future. Without that specificity, you don't know how much more water, how much more wastewater and, and all of that. And then you do know what other developments are happening in town, so you cannot say it's not going to impact the overall water capacity or wastewater capacity or solid waste. So I thought it was just kind of premature for them to make statements like that. It probably is better if they just left that out.

Mr. Hart: Sure. Well, I'll tell you that I did share the same concern and I did go through and track down where they did state capacities that were being consumed. And I had thought it would be easier to summarize them in a table in one place so that it's just accessible. But I did dig through the EA document prior to the Department finalizing the staff report, and I think that they did frame the capacity of the project overall. Typically, you do kind of present more specifically what you intend to do, and in this case, they're looking for a general approval, approval, I believe, within a framework that they're laying out, and then saying that they'll come forward with specific details for the Planning Commission to review at a later date. But I do believe that they have established in the record what their maximum capacities are.

And then with regard to the effects of that in the future with relation to other moving parts, you know, I think that the, there was an environmental assessment that was granted a FONSI. And that any of those future projects or initiatives would have to be evaluated against this -- assuming this gets approved -- evaluated against this project, which would have established itself. Anyway, that's just my general thought on.

I did have those similar concerns that you did have, and I dug into it prior to feeling comfortable with our staff report, and I felt like they did establish their parameters of the scale that they're proposing this application.

Mr. Gima: Okay, thanks Jordan. I just wanted to get that on record. Also on Page 16, under improved parks and public facilities, they're, they're -- throughout the document, there are a number of references about the benefits of increasing park and open spaces. And my read on that is that, is that, yeah, there's more park and open space, and if they're going to utilize a park and open space, my read on that was that it was designed more for, yes, for people living in the project district, not necessarily Lanai City as a whole. And that's one of the reasons why when I spoke with Kurt, the planner earlier, I was trying to find out how some of the verbiage or the language got put in this and, and you know, whether it was all Kurt, the planner's language, or did some of the language come from the EA or from, from the application? But I just wanted to put on record that the emphasis on the increased parks and open space for my perspective, is not just not necessarily for the entire island benefit, but more for the project district benefit.

Mr. Wollenhaupt: Oh hi, this is this is Kurt over here. That would be an interesting area to explore, I would say with the applicant. We have seen some information on the sculpture park, which it was the Department's review. These were from the days of Lynn McCrory, that we really did feel that that was an amenity that would be open to all people on Lanai, certainly not restricted at all for people who were staying at the resorts. So that was an actually that was a personally encouraging idea that they were actually going to open up that area. So perhaps that's only a personal comment, but that's how I would base that statement that I really did feel, at least it's my, my impression that this is to be really something that the whole community could benefit from learning about some of these pretty famous artists that the owner does have works by. But that, that's just a personal comment here. But that's what I'm hoping would happen here.

Mr. Hart: Chair, I would like to add on to that. I think that, you know, these are the kinds of things that you could ask the applicant for representations on their intent of how these areas are anticipated to be used and by whom in the future. And then the other thing that I would say, you know, directly to your question is that the Department does take narrative from the applications and use them in our staff report. We do repeat them and we do have opinions on how we believe projects will unfold or how they'll benefit the community. But we also rely on the Commissions to put into the record the sentiment of the community and their interpretation of the proposal, you know, so that we just don't have that material. That's -- what you provide to the Maui County Council and you let them know your take on these various proposals. So does the other Planning Commission within the County. Thank you.

Mr. Gima: Thanks Kurt and Jordan. So I'll move on to Page 27, which is a continuation of water and water systems. In the second paragraph, it talks about irrigation is anticipated to be primarily provided by effluent, not potable water, to the extent available. There and throughout the document, there are others such statements. Sometimes the wording to the extent possible, and it was not clear to me what, what that means. And I did not see anything in the document in terms of the capacity of the R-1 facility and how much water they would be able to deliver up to the Koele Project District. I was familiar with its capacity before when it used to deliver water up to the Experience at Koele golf course. And so it would be helpful

to, to get that information. Does Planning, does Planning have access or is aware of that or is this something we need to ask the applicant?

Mr. Hart: Chair, I think it would be great if you would ask the applicant. Perhaps they have a direct response to your inquiry.

Dr. Dancil: Chair, I would like to write down all these questions and address them at the end since you have multiple questions.

Mr. Gima: Okay. I mean, can you give us kind of a Reader's Digest version of --

Dr. Dancil: Sure. Start with R1. So we can only . . . (inaudible) . . . as much as is produced and delivered from the County's wastewater facility. Currently, we're approximately --

Mr. Matsumoto: Currently where over 200, but it has the capacity of producing as much as 350 or 400,000 gallons a day.

Mr. Gima: Okay, that's very helpful. And what about the, the wording to the extent possible or to the extent available? What does that mean?

Dr. Dancil: So if there is an issue with the County water facility or an issue at our auxiliary plant, for example, if one of the bollards are out or one of the UV lights are out, or some of the County's water coming out of the facility doesn't meet their TSS, Total Suspended Solid, of B, O, D levels, then that will definitely curtail water. So to the extent available and to the extent possible. So that's kind of what it means to . . . (inaudible) . . .

Mr. Gima: So if you do run into that problem, what will you use to irrigate?

Mr. Matsumoto: So I think -- . . . (inaudible) . . . correct me -- we're allowed to use other water sources for a short period of time, like no more than two weeks if we have to take the plant down for any kind of maintenance reasons. But we would anticipate, you know, trying to stockpile water in those cases. There is the, the lakes that exist today and those are sources that hopefully we can carry us through any kind of repair situation.

Mr. Gima: So I'm familiar with the emergency ordinance. You're wanting to remove certain conditions or ordinances tied to the former golf course, but this is one ordinance that you wanting to keep. Is that accurate?

Mr. Matsumoto: Yes. Yes.

Mr. Gima: Moving on to Page-27, water availability, first paragraph. In, in a number of documents, not only in, in this agenda item, there is repeated references about the islands sustainable yield of six million gallons per day. Will the applicant please talk -- well, or let's ask the Planning Department first. Will you talk about the sustainable yield and the recharge

rate? And if you, if the Planning Department cannot, then the question goes to the applicant. Because those two things go hand in hand. You cannot talk about the sustainable yield only by itself.

Mr. Wollenhaupt: This is Kurt, again. I believe that the applicant would be better versed in the correct review of the recharge issue. We have asked a number of questions, but on that one, it's best to have the applicant. Thank you.

Mr. Gima: Okay. Thanks Kurt, the planner.

Dr. Dancil: Your specific question, specific question?

Mr. Gima: Can you talk about the recharge rate and the importance of talking about the recharge rate with the sustainable yield that Pulama repeatedly cites in many documents having to do with water and water availability?

Dr. Dancil: I want to start with the sustainable yield. So this body approved FONSI, determined a FONSI, sorry, for the Final EA. And within that, there was significant discussion. I don't want to go through that again. The sustainable yield is determined by CWRM, the Commission on Water Resource Management. So we don't set that. That is set by the Commission and they set it at six.

Regarding recharge rate, I'm having Olivia do a control-F to look at that because it's been a while since I've looked at the specifics. Commissioner Kaye brought up in the past meeting about a study. That study has not been finalized, but it was presented to the Commission on Water Resources. It's currently under review. They're the experts, and they are the ones that commissioned the study. And I believe those questions regarding how the recharge rate affects the sustainable yield lies with the Commission on Water Resources. Mahalo for the question.

Mr. Gima: Is your water director with you?

Dr. Dancil: Joy is not with me tonight in the room.

Mr. Gima: She would be probably the most appropriate person to talk about. So I want to get on record that because Pulama cites the six point oh million gallons a day sustainable yield, it's irresponsible not to talk about the recharge rate. They go hand in hand. So in future applications, documents, presentations, please include the recharge rate with the sustainable yield. If not, the sustainable yield doesn't mean as much, and I know Olivia's looking it up. But the recharge rate is nine million gallons a day. You need nine million gallons a day to sustain a six point oh MGD sustainable yield.

Okay, moving on. Page 28, second paragraph, I made a note that I think it's important to --. You, you cannot look at this application in a vacuum. You have to look at water use in terms

of the total water use and allocation of the island and the Final EA, other documents, they do a very poor job of showing how much water is allocated and actual, and how much water is actually used by project. So I'm wondering if either the Planning Department or the applicant could talk about that because this application does not – it's not going to change a lot in terms of the overall island use and allocation. But as, as a Commission, we need to know where we are in terms of the total island use and allocation, and that and that's missing. Jordan? Kurt? Pulama?

Mr. Hart: We'll have the applicant reply to this.

Dr. Dancil: Thank you Deputy Director Hart. So I want to point you to the Final EA, Volume One, reference page-61, and there is a chart there that specifically is a waterfall chart, and I could potentially share my screen. Just bear with me. As you all can look in your books, it's FEA, Volume One, reference 61. It's one while I --. Okay, I'm going to share the screen here. There we go. Thumbs up, everybody can see? Perfect. Thanks, Commissioner de la Cruz. So this is in your Final EA, Volume One, Reference 61, and I believe Chair Gima, this is what you're referring to. So you have a waterfall chart on the left. You start with the current demand at 1.52 million gallons per day. This project is 0.13 million gallons a day. Other projects, 0.32. So you waterfall up and you have a total forecast of demand at approximately 1.96. Other projects include projects that have been submitted or approved to or by the State County entity, but not yet construction. Footnote number one, proposed or approved projects and their permit numbers are included here. I'm not going to read all of those as they are in your packets. So I believe this is, Chair Gima, were you potentially are referring to. So I'm going to stop sharing screen because you should be able to find that in your document there. Thank you.

Mr. Gima: Yes, I'm familiar with that document as I submitted testimony before on this issue. And I think Chris Sugidono, from Munekiyo & Hiraga, was the author of, of this bar chart. And what's missing on there is an itemized list of the different allocation uses, so there should be one allocation total for Koele Project District, one for Manele, one for Hokuao, one for Sensei Farms, one for Miki Industrial, and I'm trying to find, I'm trying to find my tally. But that allocation total based on the numbers that I've put together comes up to like 2.414 million gallons a day. So those numbers jive with yours, Pulama?

Dr. Dancil: Chair Gima, I apologize. They are all, they are all together in that other projects and they're not separated out. When I do the math, I don't come to the 2.4 that you come up with. All of the numbers that I have are on public record. For example, you know, the DHHL water allocation of 67.2 thousand. Hokuao with 150 homes at 91.7K. So, you know, the Miki Basin, new incremental use is one, five, nine, six, two, five. So I, you know, I, I don't come up with your 2.4; I apologize. I collectively come up with 0.32.

Mr. Gima: Okay . . . (inaudible) . . .

Dr. Dancil: And you can find those in footnote number one.

Mr. Gima: Okay, we don't need to go back and forth. I'll take the responsibility of submitting my numbers to the Planning Department, who then can send that to Pulama Lanai.

The other question I had is what is the water systems capacity to deliver water to the island? And that wasn't detailed in any of the documents. And that is important for the Commissioners. And I had asked Joy Gannon, from the Water Department, to provide that information, but never --. Well I received something from her, but it was, it was not a specific, specific amount. And it's important because our single aquifer is divided into two sub aquifers. And I think 95 percent of wells are in the leeward aquifer, and all the pumps are basically in the leeward aquifer. And so it's important to have that big picture and not just say that you're pumping only 1.6 million gallons a day. So Pulama are you -- Planning Department and, or, Pulama, are you able at this time to say what's the water system's capacity to deliver water to our community? Both potable and non-potable? Hearing none, I guess not. I shall move on.

Dr. Dancil: If you wouldn't mind, if you could write your question in detail and I could have Director of Utilities, Joy Gannon, join us at the next meeting. I did not know that you were going to go into specifics.

Mr. Gima: Yes, I will take that responsibility. And this is not the first time I've asked, so it, it is disappointing that, one, that the information is not in the document, and two, your Water Director is not here to answer that question.

Okay, it seems like the term brackish, R-1, potable, fresh seemed to be used, and it's not real clear. My understanding based on years of attending these kind of meetings and with CWRM being involved, brackish and R-1 water are subsets of potable water, meaning you can drink brackish, you can drink R-1, and that's why it's potable. Non, non-potable water is a standalone category based on the Commission on Water Resource Management. You cannot drink non-potable water. So, question to the Planning Department and the applicant, is that a standard that should govern how we view this application and applications moving forward?

Mr. Hart: Can you clarify what is what a standard of how we should view this application and applications going forward?

Mr. Gima: Yeah, I mean, in documents like this, you have R-1, brackish, potable, non-potable and fresh used. To the, to the layman, it can be very confusing. I'm state, I'm stating that brackish and R-1 are potable water because you can drink brackish and R-1. You cannot drink non-potable water. And so the question to the Planning Department and the applicant is, is that your understanding? And if so for the Planning Department, can we move forward and have a clear understanding of all applications coming before us having to do with the different types of water?

Mr. Hart: Yeah, Chair, unfortunately, I'd prefer to have an engineer comment on this. I'm not, I'm not personally aware that people are drinking brackish or R-1, but that may be my ignorance. I apologize.

Mr. Gima: Pulama, any comments? Okay, hearing none from Pulama, I shall move on. Page 29, second paragraph. So for the Planning Department and the applicant, how do these numbers fit into the total island water allocation? Somewhat of a confusing paragraph because they include wastewater in this paragraph.

Mr. Wollenhaupt: Which paragraph? Hi, this is Kurt, the planner. You're on the wastewater section now? You said the second paragraph, so I wasn't sure if you mean the second paragraph under wastewater or --

Mr. Gima: No, I'm on page 29, second paragraph starting with as stated in the Lanai Water Use and Development Plan. So I'm just asking either the Planning Department or the applicant, how does these, how do these numbers fit into the total island allocation? And I add it is somewhat of a confusing paragraph because there's wastewater mentioned in there.

Mr. Hart: Chair, do you mean where it says not including effluent reclaimed, etcetera water? Is that the confusing portion or the bottom --the portion that included both freshwater and reclaimed water?

Mr. Gima: The bottom portion. But more importantly, I just wanted to find out how do these numbers fit into the island, the total island allocation, water allocation.

Okay, so since nobody's jumping at this one, I shall move on. But it's, it's not on record. Page 35, under schools and my note said, is it appropriate to have language in there that affirmative, affirmatively rules out school, schools in the project district? I see the language that you can have daycare and nursery schools within the residential units. But there has been some chatter, you know, around town, whether they're going to actually build the school up in the project district.

Mr. Wollenhaupt: Oh hello with well I'm not sure if who's going to answer this. A couple of, a couple of things and what can be built is entirely dependent upon the decision as to what's going to be in the new Project District amendment. So that would be a debate to see if any of these areas would be appropriate for such a school. That is indeed part of -- this would indeed be a part of why we're having this meeting tonight and presumably continuing on in the future, about what uses that perhaps hadn't been anticipated might be a possible use on some of this land. So the door is not closed on that. If that's the mission of the, of the Commission.

You know, and you did you did bring up the whole issue about the potable and non-potable brackish that can be a bit of a conundrum. While, of course, you can drink some sorts of brackish water, depending on, you know, scientists, I mean, I guess would say what the cosmology and all that it wouldn't be safe. So, so you'd probably need someone far better

than I am in chemistry and water science to know what at what level of salinity with this brackish water be considered potable and non-potable. You know, I just I have to say that that moves outside of the realm of my expertise, but knowing that those sorts of questions would be good for future projects that will be helpful in guiding certainly at least whoever is in this position for Lanai projects to more fully vet some of these questions. So I would encourage you, Chair, that you would work whoever is in this planning position seat to attempt to gain an understanding of some of these perhaps more technical issues with regards to water.

Anyway, that was the circle. I'm circling back there. But as to schools, you need to also ask Pulama what they might think of locating something there. Thank you.

Mr. Hart: Yeah, Chair. This is Jordan Hart. I do want to add on to the comments that Kurt had made about, you know, some of the more nuanced questions that you had with regard to water. I think that the way the Department was evaluating this proposal is that there is an existing approved project on the record with a larger capacity that is being proposed now. And we were looking at this as representations by the applicant into the record that they would now consume less than they already approved to consume. And so for that reason, this was viewed as within, you know, something that's an acceptable range of something to be supported. And that was the context of it. But I do think that, you know, not having a system that's operated by the County of Maui, Department of Water Supply, and not having engineers within the Department of Planning, we do need to rely on the applicant and the Lanai Water System to provide some of these more nuanced responses to your inquiries.

Mr. Gima: Okay. Thanks Kurt and Jordan, and I agree with your Jordan about the decreased use. The whole idea is that the point I was trying to make was all of those terms are included in the document and it can be very confusing to the layman. And I think it would be beneficial for not only our planning commission, but with other commissions and the Department to have a clear standard on what is potable, what is not potable, and appropriateness of the use of those types of water. Having said that . . . (inaudible) . . .

Mr. Hart: . . . (inaudible) . . . good points. We take that note well. Thank you very much. We'll work on that in the future.

Mr. Gima: Well, let me stop here in terms of my notes on the packet and I'll wait till the, to the end to talk more about the, the conditions. So other Commissioners, questions, comments? Okay, Sally?

Ms. Kaye: Yeah. And I've been listening more than anything and so far, we have two solid requests to defer, and we have a number of questions that that have been raised that, you know, verbally are agreed to be answered. But I'm not comfortable with that. I wonder if there's some mechanism and I'd like to poll the other Commissioners to see how many other questions we have. I'm assuming somebody in the Planning Department has been, you know, keeping sort of a record of this. And if there's some mechanism by which we could submit

these to the Planning Department in writing to go to the applicant so that it can come back next month with some solid answers. I'm never very comfortable with just representations on minutes that never get read again and can get lost. I would like to see some answers in writing, but I defer to other Commissioners to see how many other questions. I know have a couple, but see what else is out there.

Mr. Wollenhaupt: Oh hello, this is Kurt, the planner, again. Commissioner Kaye, I think it worked really well when we were looking at the different EA's in the past that questions can either be submitted --. Leilani could send out a note tomorrow, our boards and secretary, to each of the Commissioners requesting, and as Chair Gima indicated he, he would write up some of his more challenging questions I believe better than I could, could articulate. If they were to be submitted to Leilani, I could then put them in a, in a view, just like we did with the environmental assessment, and then I could forward them to our applicant for their detailed written response that would be available as an addendum to the next meeting rather than trying to --. We need to have a clearinghouse and then consolidate and then move them forward. I think that's best, but you may have a different opinion. So anyway, that's my opinion. Thank you.

Ms. Kaye: So, Jordan, if that's acceptable as a process, yeah, I know that some of us have read the EA's, but that's not what's in front of us. That's a done deal. If the answer to the FONSI were the end of the story, we wouldn't be here tonight. This is an entirely different process, and it raises new questions, and I have heard from others that they felt a little blindsided. I'm not sure why, but there may be some additional questions that come up from the community that that the applicant would, would be well-served to address. So I agree with Kurt if that's, and Jordan, if that's acceptable.

Mr. Hart: Yeah, I do think that that would be a fine approach, and I do agree that, you know, the applicant should, you know, kind of take the initiative of hearing the issues that are raised and getting in front of them and presenting satisfactory information to the Commission in order to make a decision in the direction they would like to go. But the Department can collect, and consolidate, and redistribute those questions on behalf of the Commission, to the applicant, for the applicant to prepare and also be prepared to discuss with the Commission in the future.

Mr. Gima: Okay, thanks. Good idea, Sally. So polling the other Commissioners. Sherry, do you have a bunch of questions or would you want to go with what Sally and Kurt and Jordan suggested?

Ms. Menze: I'd like to go with what Sally and Jordan suggested.

Mr. Gima: Okay, thank you. How's about you, Erin?

Ms. Atacador: All of my questions, excuse me, were actually answered on either with the presentation or by prior discussion. So I do not have an additional list of questions for the, the applicant.

Mr. Gima: Okay, thanks. Zane?

Mr. de la Cruz: I would -- I don't object, sorry, I don't object to having a list of questions that we present. I just have a question. I guess this is in regards to the Sunshine Law stuff. Like I'm not particularly well-versed in these forums or how they're put together by whom they're put together. And so is it possible for us to have like a discussion to try and word the questions or --. Yeah, like I think some of this stuff might just be procedurally, like, I don't know if they're already answered or not, how the form is written. So that that's one of my, one of the larger issues I have when asking questions from these documents is I don't really have like the background information to know whether or not this is a question that should be asked or can be asked or yeah.

Mr. Hart: So I think that your Counsel can advise you on the Sunshine Law, but, but just to briefly state, I think that the Commissioners, you know, not communicating with each other can forward your individual questions to Leilani, which we will consolidate. And I don't think that you should worry about asking questions that you think may have already been answered. If you didn't see them or you have concerns about them, the applicant can point out, you know, which reference page that they are addressed in. And I think, you know, we had a brief conversation about consolidating some of these obvious concerns in a single place upfront in the document. But you know, there's no stupid questions and the applicant should be, you know, have full knowledge of their document and can provide quick responses.

Ms. Chen: And Chair, if I could just add a little bit to a Jordan said. Yeah, I think it's fine. It sounds like everybody is well aware of the Sunshine Laws prohibition against discussing board business outside of the meeting. So hence the reason for the bcc'ing on the email. So just as long as none of this is discussed outside of the publicly noticed meetings, it's okay to forward your individual questions to the department staff for transmittal to the applicant.

And then I also wanted to, um, you know, based on the discussion of condition number nine and the bypass, the bypass condition, I wanted to see if the Commission thought that that would be an appropriate --. This would be an appropriate time also to seek comment from the Department of Public Works specifically regarding that condition, just so that you have that information before you at the next meeting.

Mr. Gima: Commissioners, any objections to what's County Council, Corp Counsel is proposing?

Mr. Hart: Chair, I would like to add comment on behalf of the Department on that subject. You know, the Department's position is that we do send applications out for comment. We did get comments from Public Works. Public Works did not address this concern and we do feel that, you know, kind of nuanced items like this where you have a condition that the applicant wants to have removed, you know, which is fine, but it's, it's their duty to work with Public Works to get them to comment on this or address this specific issue. And I think that just on behalf of

the Department, we don't want to establish the precedent that we, any time any applicant doesn't feel like a condition is appropriate, that the onus is on the Department to solicit supplemental comments from agencies to clarify whether or not conditions are appropriate. So I think it's just as easy or appropriate for the applicant to, to take the same action and solicit the same communication from Public Works. And that can be to the Department or to the Commission to address this issue. Thank you.

Ms. Chen: Chair, if I could just add to that. So from a legal standpoint, as the adviser to the Commission tonight, I just want to make sure that you have that, any comments from DPW regarding that condition as part of the record before you so that you can consider that. And however it gets in front of you, that's really not my concern, but I would like for the Commission to have that before it transmits a recommendation to the Council.

Mr. Gima: Thank you Stephanie. So I hear, I heard what you're saying Jordan. So it sounds like you prefer that the applicant ask Public Works as opposed for the Planning Department to initiate that request.

Mr. Hart: Chair, yes, that's what I'm saying. And it's not, it's not specific to this application. You will see, and you're, you've been involved in this Commission in the past that, you know, applicants often don't want a condition and it can't be the Department's responsibility or practice to revisit with agencies any time an applicant would like to remove a condition. That onus has to be on them to establish the record to suit their goals or expectations for their own application. We did solicit comments from agencies. We did get comment from Public Works. Unfortunately, they did not address this issue head on, and we think that that's, that was our duty to make this application complete in order to get to the point where we could write you a staff report with our recommendations. Thank you.

Mr. Gima: Okay. So Public Works are silent on this issue. Corp Counsel is giving the Planning Commission an option. I hear what you're saying from the Planning Department's point of view. And then the third option is for Lanai Planning Commission to make the specific request through the Department to Public Works. Is that fair?

Mr. Hart: Yeah, that's totally fine. Yeah, I know we're really splitting hairs. I'm just trying to explain to you that the Department doesn't want to establish the expectation from applicants because there are three other or two other commissions that we are in the business of revisiting with agencies if the applicant doesn't like a potential condition that they're facing. If the applicant is motivated to have this issue resolved and is motivated to get on the record from Public Works the conclusion of this situation. And but we do administer the Commission, and if the Commission wants to write that letter, we certainly will write that letter.

Mr. Gima: Sally?

Ms. Kaye: Yeah, I, I'm not understanding why the onus is on us. I'm sorry. I think it's nice that Corporation Counsel thinks we could use that information. I'm not sure that it's essential, and

I'm not sure why we're worried about it. But if the applicant wants to pursue it, fine. We had, we had a record in front of us on that issue at least that I thought was okay. So I'm not sure why we're doing this.

But I have a follow up question for Stephanie. I've been through maybe six Corporation Counsels over my lifetime on this Commission, and I've always understood that it is perfectly okay for two Commissioners to discuss agenda items as long as they don't solicit a third or try to solicit a vote. So that if I run into Sherry Menze at the Post Office, and say, hey, item number four, I don't understand it. What's your take? And I'm not asking her to vote. That's okay. I've always been told that. Is that rule changed?

Ms. Chen: Thanks Commissioner Kaye. So, no, you are correct that two board members may discuss board business outside of a publicly notice meeting so long as there's no commitment to vote that's made or sought. But as a matter of best practice, it's best to just avoid discussing board business outside of a publicly notice meeting. Just as a rule, a general rule and to avoid the appearance of impropriety or on the off chance that another board member may be at the Post Office and overhear what you're discussing and chime in. Sunshine Law, as you know, it's self-policing largely. There's nobody who's going, you know, we don't walk around saying, excuse me, ding-ding, you know, Sunshine Law violation. If we see it at a meeting or we hear something, we'll caution the Commissioners against it. But it's largely up to each individual Commissioner to, to follow the Sunshine Law on their own. And so our recommendation is just to avoid discussing board business outside of a publicly notice meeting. However, you are correct about the two members and so . . . take what you want from that information. That's a little confusing, and I apologize. But generally speaking, I think it's best to avoid.

Ms. Kaye: Thank you.

Mr. Gima: Okay. Circling back to the original discussion that prompted this two or three other discussions, Zane was asking about that, and Zane, please ask your questions whether you feel it's appropriate or not, and whether you have the history or not. So, I support what Jordan said earlier. That being said, we were looking at possibly, possibly deferring and having the commission members submit questions to the Planning Department so the Planning Department can get those questions to the applicant who can provide a response in writing so we have that at our next meeting should the Commission decide to defer. Is that everyone's understanding? Any questions, any objections to that, going into that route? Erin? Sherry? Zane? I saw Sally nodding yes. I got a thumbs up from Erin.

Ms. Kaye: I suppose we need a motion, yeah?

Mr. Gima: Yeah, if we're going to defer, yeah, we're going to need a specific motion, correct. Before . . . (inaudible) . . .

Mr. Wollenhaupt: Oh, hi. This is Kurt, the planner again. I just want to remind all the Commissioners, please be, please ask questions that perhaps couldn't be answered by a yes

or no, that that they're, they're succinct, but they're questions that can be verifiable. They can and have a true ability to be answered. So I think we're moving into the level of detail here that's important especially from what Chair Gima has been asking this evening. That we're not looking for generalities or we're not looking for hypotheticals. We're really looking for good questions that have answerable answers. Thank you.

Mr. Gima: Thanks, Kurt. So before, but before we go to a motion, I got several other things. As I said at the outset, there were so many pages to go over. This was an extremely confusing agenda item for me. And, you know, I've had history from the Planning Commission before, and so I don't know who put the formatting together in terms of all the TMK's and description and so on. I mean, I had to make up my own so I could better understand it, and it would have been extremely helpful to know which TMK was related to which map and kind of a general description of the area. In and of itself I think the TMK's in the bigger picture of this agenda item is, is not going to be super significant, but it just confused the hell out of me. And I don't know if the rest of you were confused, but I spent an inordinate amount of time going over the TMK's and wondering where and why, and sometimes the acreage didn't, didn't add up. And so that being said, I just wanted to put that on the record. Um, what else? Let me get my other list here.

Oh yeah. Well, for the Planning Department or for the, the applicant, who is the point person on this application? Because I mean, Munekiyo and Hiraga, but who in that department? Is it Peter Young, Kurt Matsumoto, Joy Gannon, Keiki-Pua? I mean, there are so many different sources of information. It was trying to, it was hard to figure out. And when you have multiple people providing sources of information, I think that's why it made this doc, the documents so confusing. I would, I would like to have just one person to go to, and that person be responsible to make sure that the Commission gets the information.

Okay. This is for the applicant, two point . . . (inaudible) . . .

Mr. Wollenhaupt: Hi, this is Kurt, again, Kurt, planner. You just asked an important question, who's the point person? That would be really good for me to know who you believe and who the applicant believes so that moving forward, I can either deal directly with Dr. Keiki-Pua Dancil or Karlynn Fukuda at Munekiyo, or Kurt Matsumoto. So I think that's an excellent question that if I can have the answer to that, then I will frame my communications to that individual. So if we can figure that out, that would be very helpful. Thank you.

Mr. Gima: Okay, I'm glad you find it helpful too, Kurt. So my next question, this is for the applicant. What, what does all of these redesignations -- and I know Kurt Matsumoto mentioned about cleaning up a lot of stuff -- but what does this redesignation either for Change in Zoning, Community Plan Amendment, or the Project District Phase One, what does that allow Pulama to do later in that may not be practical, feasible or acceptable now? Go ahead, Kurt.

Mr. Matsumoto: Well, it's, your, your question is sort of like a negative negative, so I'm not sure exactly how to answer. The zoning changes that we're asking for like I said, the intent was to address some things that we thought were important not just to us, but to the community. You know, we, we could have just said, okay, we'll hang on to all these entitlements for the housing, but we thought it was important to do the down zoning. I think the most important thing related to your question is our changing the golf designations to park. We're not going to have it as a golf course anymore so it's important for us to be in compliance and turn it into a park, which is what the intended use will be converted to. So that, I think is probably the most pertinent to your question, the pertinent issue.

Mr. Gima: Okay, thanks, Kurt. Second part of the question is what are the financial benefits, if any, or what are the financial --? What are the financial benefits of getting this application approved and, or, what are the financial disadvantages if this not, if this application does not get approved?

Mr. Matsumoto: So to me, the, the benefits of approving this does a couple of things. One is like, I said it, it cleans up some issues. It removes a lot of resort residential housing, and I would think that from the Commission's standpoint, resident's standpoint that would be important thing to do instead of hanging it out there in perpetuity. And then being in compliance with the actual uses that we intend to have go on up there by converting the golf course to a park, in particular, is really important to us. Financially, you know, we're walking away from potentially generating revenue by selling the land. And I don't think that's a very small issue. You know, that's a significant thing that we're walking away from.

As far as you know, what benefits, I think that the, allowing us to down zone the residential I think it has a positive impact financially on the community because we think that in all the things that we've done over the last ten years, we think that what we represent is trying to find ways to preserve the lifestyle on the island so the, the atmosphere on the island. And by eliminating all those potential resort residential lots, I think we do a lot to back up that statement.

And then there's a small 11 acres that we're asking to allow us when the time comes to enhance the work that's being done at the Sensei retreat. The Lodge at Koele, everybody loved it, but it was a financial dud. And I worked there for ten years myself and I loved what we did, but it was just a financial sinkhole. And now, having converted it to the Sensei, the wellness concept, it's greatly enhanced the image and it has improved its performance a lot, and there's potential there for it to become converted from being a total loser to an important part about the economic future of the island. So I hope that answers your question, Chair.

Mr. Gima: Thanks, Kurt. The last one or two I have is having to do with the conditions. I guess the condition for the Change of Zoning amendment number four, is more a question. I'll read it. That the generation of outputs and impacts, as well as the consumption of resources and services, shall not exceed those disclosed and analyzed by this Change of Zoning

amendment application and associated submittals. I mean, my first reaction to that was, huh? Could somebody explain that to me so I can understand it better?

Mr. Hart: Chair, yes, I could. And I think that it kind of relates just back to your question of what exactly are you proposing to do here? You know, it was kind of very general as far as the description of exactly what was going to be done. And as we had discussed earlier in this meeting, the specific details of what would be proposed is basically deferred to a future phase two approval after the Change in Zoning. And so what that condition is meant to say is just that you're setting an envelope or capacity of scale that you propose to develop by these land use entitlements and that you'll have to develop within those if you get these approved. Otherwise, you'll have to make a different amendment to expand upon those. And as we had discussed earlier, I did add a dive down into each of the infrastructure sections and look at the scale that was being proposed, and they do discuss what they will increase in outputs or decrease in outputs. So it's all documented, but it's not directly articulated. You know, for example, like, is there a specific number of units, hotel units that would proposed to be expanded in the future or a specific number of square footage of resort commercial space that would be proposed to be developed? I believe it's generally described, but just not clearly articulated in a concise and direct manner. And so that was kind of a catchall to just basically say we understand it's being vaguely described, but it is limited in what it projects and that the Planning Department wouldn't expect to receive proposed developments that exceed that capacity that's being described in these documents in the future, unless they were accompanied with a subsequent land use designation change.

Mr. Gima: Okay, thanks, Jordan. One thing that really stood out in this packet is the language about no construction is being proposed at this time. I swear there must have been 77 references using that language. Is, is there any significance to that? I mean, why is that? Why were there 77 references in the document about that? Could Planning or the applicant comment on that?

Mr. Hart: Chair, as far as the staff report, I can comment on that. You know, that language was used in the document, in the Final EA document, just as frequently. And as I had -- it ties directly into the condition we just discussed. Basically, there is, there's a general discussion of the scale of the proposed project, but there is not a specific description of exactly what is being developed. And that's okay. You can do a Change in Zoning. You just have to basically measure your impacts and then stay within your impacts because the County needs to assess whether or not there's mitigation measures. And so you do like a mockup project. You make --

Let's use an arbitrary, different project. Let's say you want to propose a Change in Zoning because you want to build a shopping center. You don't have to design the shopping center and show the Planning Commission or the County Council what the shopping center looks like. But you have to say how much wastewater you're going to produce, how much water you're going to consume, how much traffic you're going to generate, so that the mitigation measures can be devised to accommodate that. Now you have the applicant who has

generally stated that they're reducing but don't have firm plans on what they intend to do now. But we do have a process for the phase two approvals that the Lanai Planning Commission is the deciding body for, and they basically say we'll defer all specific discussion into that phase of, of exactly what we will build. And so I think that it's okay. I think that they did sufficiently document the envelope of consumption of resources and outputs that they would be producing as part of this project. And so, you know, they state that repetitively in the sections that that it was restated in our staff report. But I think that the section that we entered into our staff report that basically say that the scale of development will be contained within what's analyzed. And then the condition that we're proposing to solidify that basically establishes that even though we're, we're generally speaking now, we're going to hold this project to those numbers that are documented in the future when applications come in, in phase two and beyond. Thank you.

Mr. Gima: Okay. Thanks, Jordan. So where does the current construction in the Koele Project District fit in or does not fit in to the application request?

Mr. Hart: That would be for the applicant to explain.

Dr. Dancil: Thanks for the question, Chair Gima. When you talk about the current --. Sorry, Sherry's raising her hand, I'm not sure. Chair Gima, when you talk about the current construction, is that the Malanai, the area on Kukui Circle? Is that what you're talking about?

Mr. Gima: I don't know what the specific construction is tied to in terms of projects, but I mean, if you, if you drive, run, walk up there, construction is going on. So I was just trying to figure out where that fits in or where it does not fit in relative to this application.

Dr. Dancil: Great question. I can address that. So we received a Project District Phase Two for 20 multifamily unit homes in January or February of 2020. And so that is in that's currently right now is part of, you know, we've already approved the phase two as well as phase three for that project. And those unit counts are already accounted for in the existing project district. So those will be carried forward to be carried forward.

Mr. Gima: So those, those units are reflected in the applications existing unit count? Looks like you're nodding yes.

Dr. Dancil: I'm sorry. Correct.

Mr. Gima: Okay, thank you. And then I did not see anything in there having to do with well seven. Would you, applicant or Planning Department, would you guys make a comment on well seven?

Dr. Dancil: So, well seven is going to be constructed, and that's going to provide additional capacity and resilience to the Lanai distribution system.

Mr. Gima: That's it?

Dr. Dancil: Is there a specific question? We are --. We received permits to construct it as part of our Hokuao project. That was what we committed to doing and we are in the process of doing that now. I don't know if there's a specific question in regards to well seven. I don't know.

Mr. Gima: Okay, thank you. I'll submit a written question if I come up with something else. Thank you. Lastly, on their condition, page 45, number eight, regarding the condition about quarterly water reports. Historically, these quarterly water reports have been useless because you can't tie them into the period water, periodic water report. So I'm going to recommend in writing that it, the reports be provided quarterly, but it covers three 28-day reports. And that's how, that's how the, that's how the periodic water reports are provided, so that, so that it will make sense. So Pulama, any objection to that change in that condition?

Dr. Dancil: Thank you, Chair Gima. Respectfully, we want to take this internally and discuss that process to see how it aligns with what we already are required to do for our quarterly reports that, for our, what is it, condition 15.

Mr. Gima: Okay. Yeah. I mean, obviously, we can't go retroactive using this language for, for condition 15. But in order to make any quarterly water report useful, it's got to, it's got to coincide with the periodic water report, or it's going to be a waste of your time is going to be a waste of our time going over something like that. So you can imagine the quarterly reports later in this agenda, you know what my comments are going to be already. Okay, thank you.

Okay, so I'm pau, and now we can circle back. If, if it's the pleasure of the Commission, I will entertain a motion to defer, uhm, this agenda item to next month with the stipulation that the Commission members submit questions to the Planning Department, who will then transmit that to the applicant for written response so that we can consider this in June's meeting.

Ms. Grove: Can I just make one comment? And I don't believe it's germane to this particular subject, but I just want to be on record saying I like the quarterly water reports. I appreciate the ability to analyze the data looking back, and maybe there's a way to aggregate both. But I actually like the quarterly water reports.

Mr. Gima: Thanks, Lisa. Sally?

Ms. Kaye: Yeah, I guess at this point I say so move, and see if we can get a second.

Mr. de la Cruz: Second.

Mr. Gima: Okay. It's been moved and, moved by Sally, seconded by Zane that we defer this agenda item to June with the stipulation that the Commission members will submit questions to the Planning Department, who will then submit them to the applicant for a written response

for our consideration in June's Planning, Lanai Planning Commission meeting. Any discussion?

Ms. Kaye: The only additional question I have is, is, is -- would the Planning Department like set --. Well, would they like to agree -- there are two members not here tonight and we're still outstanding a third -- that they be notified as well, and is there a deadline. Would, would the Planning Department like to see us do this by a certain time so it can be timely forwarded?

Mr. Wollenhaupt: Yes, the Planning Department would definitely like this to be done by a specific time and as well, I'm sure the applicant, because there's going to be back and forth. So when we go to all the members, and what do you feel is a reasonable time? Let's see today's Wednesday. We definitely need to have it done before Memorial Day. So perhaps Monday of next week, Tuesday of next week?

Mr. Gima: So Kurt, you're saying that you need the questions from the Commissioners by end of business, May 24th.

Mr. Wollenhaupt: Well, we can have it any day. But what, what, what you believe is enough time. But we just can't let it linger and we need to have a definite date, so someone doesn't say, well, I didn't get these in. So however long you think you need to take, but I should certainly think a week would be enough time.

Mr. Gima: Commissioners, any problems with one week? Okay, so one week is the 25th. So Commissioners will submit questions to the Planning Department by end of business, May 25th.

Mr. Wollenhaupt: Thank you.

Mr. Gima: Any further discussion on the motion? Okay, hearing none. Any, any objections to the motion?

Ms. Atacador: I don't -- excuse me -- I don't have an objection to but I, uhm, I guess, well, now that we're, you know, it's 8:11 p.m., I just really wondering if prolonging this is necessary, but it's, you know, and if we're really going to take advantage of this opportunity to ask, to ask more specific questions to the applicant, you know, and dragging it on. But I guess there, there is enough need for the additional time to ask questions to the applicant. Is that, that's what my understanding is? Is there still outstanding questions that the Commissioners have at this point?

Ms. Kaye: You bet.

Ms. Atacador: Okay, got it.

Mr. Gima: Yeah. And there, Erin, there were a few that I asked that Pulama asked me to submit specific question in, in writing. So in addition . . . (inaudible) . . .

Ms. Atacador: . . . (inaudible) . . .

Mr. Gima: Okay. So again, any, any objections to the motion? I mean, if there are objections, if there are objections to the motion, then we'll have to do a roll-call vote. But if there are no objections to the motion, then it will be approved by consensus. Okay, hearing and seeing none, motion is approved by consensus. Thank you.

It was moved by Ms. Sally Kaye, seconded by Mr. Zane de la Cruz, then by unanimous consensus

VOTED: To defer to the June 15, 2022 meeting with the stipulation as discussed.

(Assenting: E. Atacador, Z. de la Cruz, R. Gima, S. Kaye, S. Menze)

(Recuse: E. Grove)

(Excused: S. Preza, C. Trevino)

D. COMMUNICATIONS

1. **February 17, 2022 Q3 through Q4 2021 Semi-Annual Report (Condition 14) submitted by MS. KEIKI-PUA S. DANCIL, Ph.D., Senior Vice-President of Governmental Affairs, PULAMA LANAI regarding the project irrigation demand associated with the Residential and Multi-Family Development at Manele, TMK: 4-9-017-001, 002, 003, 004, 005 and 4-9-002:049, Manele, Island of Lanai. (95/SM1-015) (95/PH2-001)**

The Report is provided to the Lanai Planning Commission for its review.

2. **February 17, 2022 Q4 2021 Quarterly Report from mid-August through mid-December and 2021 Annual Report from mid-December 2020 through mid-December 2021 (Condition 15) water usage reports for the project site submitted by MS. KEIKI-PUA S. DANCIL, Ph.D., Senior Vice-President of Governmental Affairs, PULAMA LANAI for Project District Phase II Application for the Four Seasons Resort, Lanai, Koele Proposed Improvements (PH2 2017/0001).**

The Report is provided to the Lanai Planning Commission for its review.

Mr. Gima: Okay, what's next on the agenda here? Okay, so we're in Communications. We have February 17, 2022, quarter three through quarter four, 2021 semiannual report condition 14 submitted by the Keiki-Pua Dancil, Senior Vice-President of Governmental Affairs, Pulama Lanai, regarding the project irrigation demand associated with the residential and multifamily

development at Manele. T, M, K, four, dash nine, dash zero, 17, dash zero, zero, one, zero, zero, two, zero, zero, three, zero, zero, four, zero, zero, five, and four, dash nine, dash zero, zero, two, colon, zero, four, nine, Manele, Island of Hawaii. Okay, I'll turn this over to you, Keiki-Pua.

Dr. Dancil: . . . (inaudible) . . . Commissioner Grove, thank you for sending in that question and I apologize that we weren't able to get to you on the last meeting because you lost quorum.

So for the Koele Project District, the quarter four, you had specifically asked about the increase in demand. So a couple of things that I want to make note on is that we, we had several leaks at the Koele Project District, specifically in the hotel property. We brought that to management's attention. It started at the end of Q3, the beginning of Q4. We've since input multiple submeters to better track and find the leaks. I also want to report that we did submit to the Planning Department our Q1, 2022 report, which hasn't been transmitted to you yet, but we have sent that and there was a 10 percent decrease in the hotel irrigation. So thank you for the questions. We monitor this not just on a quarterly basis. We do as soon as we see some unusual activity, an increase in water, Lanai Water Company alerts management at Pulama, and then subsequently at the hotels, and we try to address that. And I apologize for Director Gannon not being here, but she on PTO today.

Mr. Gima: Keiki-Pua, I think in prior meetings, there was a request to explain why you guys have to provide these quarterly reports. And I don't know if it was the responsibility of the Planning Department to inform the Commission or is it the responsibility of Pulama to report that? Can you refresh my memory?

Dr. Dancil: I believe you requested that . . . (inaudible) . . . I believe Director McLean responded. She had covered that meeting at that time, but maybe Deputy Director Hart might be able to address that, but you might have missed that. But I do believe that a past Commission meeting you asked the Planning Department and they did provide a response. So I can -- I don't know if Jordan's there and wants to respond to that.

Mr. Hart: Chair, I mean, no, I remember looking it up, but this is where --. I mean, I feel like this is like over a year and a half ago, at this point. My recollection was that there was discussions in the review and approval of about various phase of the project, and there was just agreed that there would be reports. I can't remember specifically the intent of why. Perhaps Commissioner Kaye recalls. I believe that there was a more nuanced reason of why the reports were asked for, but I, I remembered a long time ago this was brought up and we did look at the look it up and come to a conclusion and provide some level of information of why that was put into place. But I also remember one or more of the Commissioners telling us that we didn't fully understand what the actual intent of, of the request was, but, but I know we did dig it up and reported it back to the Commission some time ago. And I suppose we could redo it again if there is some relevant reason to do that, but if one or more of the Commissioners know exactly what we're getting at, they can just state it again for recollection.

Ms. Kaye: So I'm unclear about your question, Chair, because the very -- the letter that accompanies these reports specifically states when and why the reason was imposed. So are you asking for something else?

Mr. Gima: I'm sorry you came in all garbled, so I couldn't hear what you said.

Ms. Kaye: I said the letter that accompanied this dated February 22nd lays out the reasons for the imposition of these conditions, and why they have to report it. So are you asking for something besides that?

Mr. Gima: Let me, let me go over that, the letter again. And then if, if I need more information, then I will submit, I will submit something in writing to the Planning Department. Thanks. Okay, the rest of the Commissioners, any comments, questions about this water report?

Ms. Kaye: I have, I have a follow up question on -- and Keiki-Pua, I don't mean to put you on the spot. Maybe it's something that the Jordan would be better served to answer, but there was a question about a huge increase in the single-family, and it was part of quarter three, well, quarter two, three, and four. And you sent a letter January 10th explaining, you know, reasons why certain brackish uses wouldn't be appropriate and then said that you decreased -- I'm going from memory here -- you decreased the usage under Pulama's control by 50 percent. But that usage went down like 4,000 gallons. So I know there's the hydrologic version of HEPA, which means you can't talk about individual users, but I wonder if you could expound, or maybe next month, answer to the question of why there's so little decrease in the single-family usage, which is still really pretty high? I guess not?

Mr. Hart: Pulama, you're muted.

Dr. Dancil: Sorry about that. Thank you. So Commissioner Kaye, I believe the questions and the discussion about, you know, we did a multiple, multiple different things and primarily it was due to the construction and the dust control. I think that those were the responses that we provided in January, and that was for Manele. For the Koele Project District, which is the agenda item tonight on the agenda for Q4 2019. I'm sorry it goes through Q4 2021. Yes, there was a large increase that was due to leaks at the hotel property. We have since, as I mentioned, addressed those weeks and put in submeters and the most recent quarterly water report does show it coming down and decreasing.

Ms. Kaye: So I'm not talking about Koele. I'm sorry if I got mixed up, but I have two. I have a Manele and Koele that came in the same packet, and I'm questioning the Manele figures with, in respect, regarding you're saying that you decreased 50 percent of the water usage at the Manele site of properties under Pulama's control but it went down so little. So is that --? I mean, is there any explanation for why it's still so high?

Dr. Dancil: I believe -- Olivia's pulling up for me right now. Sorry, I apologize. I only had Koele on because Commissioner Grove asked a specific question on the Koele Project District. So for the Manele, I believe we started to implement and the quarterly report didn't --. You know, we, we started implementing right in December, and so we didn't catch the full semiannual which is going to come up to you in June. Because Manele is on a semi-annual and annual and not a quarterly. So I think you'll see the reduction in the next water report. And I apologize. I did not realize both were on the agenda. I was just focused on Koele because of Commissioner Grove's specific question to us. Thank you.

Ms. Kaye: That's fine. And that's a great explanation. Thank you.

Mr. Gima: Okay. Sherry, Zane, Erin, any questions, comments about the Manele water report?

Ms. Grove: I just want to say thank you to Pulama Lanai for answering my question (inaudible) . . . is a great response. I appreciate it and am grateful that you're working on it.

Mr. Gima: Sorry, Lisa, I forgot you're back on the record. So I just, I just have one, one comment about these reports. Keep in mind that these are end-use numbers. Okay. I got to give a shout out to Joy and her predecessor, John Stubbart. They did a good job in decreasing the amount of waste and unaccounted for water over the last probably five to ten years, so it's a lot better. But keep in mind that this does not tell you how much water was pumped. This is just how much water was used. For example, if you have, I think the Water Department has a 12 percent water loss unaccounted for water percentage and that that's really good in industry standards. So meaning when they, when they pump 100 gallons, actually only 88 is able to be used because they lost 12 percent. They lost 12 gallons. So just keep that in mind when you see data like this. It's, it's an end-use number. They had to pump a whole lot more than what is actually used. It's kind of splitting hairs. But when, when you're talking in millions of gallons, then that means a lot more. So just keep that in mind in the future when you when you look at water data. Ask yourself is this pump water or is it end-use water data.

Okay, if there are no other comments or questions on the water report for Manele, let's move on to the water report for Koele.

Ms. Grove: Chair, I believe that was already answered, so I think that's been taken care of. It was a response to my question and that goes to the leaks.

Mr. Gima: We are done with that agenda item. Okay, moving on to --. Oh wait. Let me back track. Stephanie, do we need to take public testimony on communications?

Ms. Chen: Thanks, Chair. So, they're status report update, but you can take public testimony on them. They're still properly agendized per the Sunshine Law.

Mr. Gima: Okay. Do we have anyone wanting to testify on the quarterly water reports for either Manele or Koele? Lanai District Office, anybody wanting to testify? Hearing none. Planning Department on Maui? Okay, hearing none, I'll close public testimony. On to Director's Report. Jordan?

E. DIRECTOR'S REPORT

- 1. Open Lanai Applications Report as distributed by the Planning Department with the April 20, 2022 agenda.**
- 2. Open Lanai Applications Report as distributed by the Planning Department with the May 18, 2022 agenda.**

Mr. Hart: The Department has provided the attached open applications list and open PD project list. I'm sorry, uhm, the open projects list. There was a question from Commissioner Grove regarding the Farm Labor Dwellings, CUP 2022/0001. My understanding of that application is that it is for two farm dwellings for hydroponic employees at Sensei Farms. There are standard approval criteria for farm labor dwellings and in this condition the applicant does not strictly adhere to those or cannot satisfy those. I believe one of the items is of verifying Ag income by the filing of a Schedule-F. And due to the organization of their entity, they don't file a Schedule-F document and so they are going to, they need to, per the County Code, their alternative is to come to the Commission to ask for approval of that, like, deviation from the criteria. And that's the purpose of that application. Other than that, you have those lists before you. If there's any other questions you can follow up on those items.

Mr. Gima: Okay, Commissioner's any questions on either of the reports. I think I think we received two reports, right?

Mr. Hart: Yes.

Ms. Grove: Can I go back to the farm dwelling? So there's going to be people living out in the, in the Sensei Ag area? Is that what I'm hearing? I just want to try to understand that.

Mr. Hart: Unfortunately, I can't speak to the location of the dwellings. I'm assuming they will be in that vicinity. Perhaps the applicant would like to provide more detail. I didn't dig up a site plan. I just basically, you know, got a summary of what the purpose of the, the, the use permit request is. And it's basically farm labor dwellings, though, are housing for individuals who are working directly on a farming operation. And so my understanding is that the applicants turned on their video, they could reply. You're muted still.

Dr. Dancil: Thank you, Deputy Director Hart. I'm sorry, Commissioner Grove, I think I heard you, where are these going to be located? Is that your question and what the site plan is? Oh, thank you for your questions. So, right next to Sensei Farms, we currently have a farm

dwelling constructed. I'm not sure if you've seen it. It's literally two additional farm labor dwellings right next to those. So it's sort of a, here's one, here's another one, here's another one. There's a common driveway kind of shooting up, so it's right there.

Ms. Grove: Thank you. Are there more proposed for out there or --?

Dr. Dancil: That's all we're proposing that two additional at this point in time. We don't foresee any at this point in time.

Ms. Grove: Thank you.

Mr. Gima: Thank you. So two questions, Jordan. First one is what's the difference between the two reports? And the second question that may answer the first is this, are these reports an FYI for us or is this something that the Planning Commission needs to know or needs to act on?

Ms. Grove: Chair, I believe the first report, the April 20th, was in response to my question about the farm dwellings. And I think that's why it got added to the agenda because we didn't have quorum at the last meeting.

Mr. Hart: Sorry about that.

Ms. Grove: They're a month apart.

Mr. Hart: Yeah, I was muted. Yeah, they have different dates and they're basically FYI's of the applications to the Planning -- all Planning Commission get these, and they're essentially FYI's of what's going on. And then, you know, Commissioners periodically asked for specific information on pending applications, and then we follow up on that.

3. Agenda Items for the June 15, 2022.

Mr. Gima: Okay. Okay, Commissioners, last call on the open project reports. Alrighty, we're done with that. So our next meeting date is June 15th. Will all of you be able to make it or --?

Ms. Menze: I will not be able to make it.

Mr. Gima: Okay, thanks Sherry. Okay, so besides deferral of the agenda item tonight, Jordan, Leilani, do we have anything else set for the June 15th meeting?

Ms. Ramoran-Quemado: Yes, you do have three public hearing items. One of them would be that farm, Lanai farm dwelling that you folks were talking about, and then two proposed bills amending the Maui County Code. So you folks have a full agenda.

Mr. Gima: And those two proposed bills have time lines, right?

Ms. Ramoran-Quemado: I'm not quite sure.

F. NEXT REGULAR MEETING DATE: June 15, 2022

G. ADJOURNMENT

Mr. Gima: Okay? Alrighty. So given that's going to be a full agenda, I will --. Well, I mean, I'll submit to the Planning Department some workshop request items and then maybe if the July agenda is light we can do it then. Okay, anything else for June 15th?

Ms. Kaye: Just like the Planning Department to or a Corporation Counsel to address when we might get some training? Next month?

Mr. Hart: Clayton, my recollection the last time we discussed is, are we waiting for anybody to be seated for the Commission?

Ms. Ramoran-Quemado: Sorry Jordan, could you please repeat the question?

Mr. Hart: I believe Clayton and I had a discussion about this recently and I thought that we were waiting for an, additional Commissioners to be seated. I may be mistaken on that. But typically we try to wait till the full body is in place before that. Just clarifying what the status of that was.

Ms. Ramoran-Quemado: Sorry, Jordan. But, yeah, I recall that email or discussion that you had with Clayton that you folks want, or he wanted to wait until the Commission had the eighth, no ninth member filled before we do a training.

Ms. Kaye: Okay.

Mr. Hart: Sorry, Leilani, could you ask, does he, does he know the current status of, of that position?

Ms. Ramoran-Quemado: Hold on.

Mr. Hart: Sorry.

Mr. Gima: I left a message for Ipo Mossman in the Mayor's Office as to his status, and I told him we're meeting tonight to text me, but he didn't text me. Councilmember Johnson said because of the budget hearings that wasn't on any of their agenda agendas, but now that they're done with budget, hopefully he'll get the nominee down to Council, hopefully in time for our next meeting.

Mr. Hart: Okay, we will also with Mr. Mossman, but I just want to let the Commission know that we were discussing it and we were watching for the new commissioner to be seated rather than having somebody be left out or potentially needing to do it twice. We feel it's better to get everyone together and do it together. So that was the plan. Thank you.

Mr. Gima: Okay, so last before we adjourn. What's the status of in-person meeting at our next meeting in June?

Mr. Hart: I don't know that we have that resolved at this point. We can work on it by correspondence in the interim and get it resolved before the agenda is posted. But I know that we were working on a number of issues which you're aware of, and as soon as we are able to get them resolved, we'll be back to in-person. But anyway, that's something we're working on.

Ms. Grove: I'd also like just to say that I appreciate the fact that we can . . . (inaudible) . . .

Mr. Wollenhaupt: Oh, hi, this is the planner again. Just to be aware, I'm not sure, since we do have three public hearings that have already been noticed, there could be some language issues that need to be discussed, if you were going to one 100 percent in-person meeting, so we have to be --. Sometimes these things take more than 30 days because things are already in the works now for the next round of public hearings that have already been sent out. So I'm not -- don't have any of those, just something to think about. Thanks.

Mr. Gima: All right. Thank you, everybody. If there are nothing further to discuss a no objection, meeting is adjourned.

There being no further discussion brought forward to the Commission, the meeting ended at 8:40 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

PRESENT:

Erin Atacador
Zane de la Cruz
Reynold Gima, Chair
Elisabeth Grove

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Sally Kaye, Vice-Chair
Shery Menze

EXCUSED:

Shelly Preza
Chelsea Trevino

OTHERS:

Jordan Hart, Deputy Director, Planning Department
Kurt Wollenhaupt, Staff Planner
Denise Fernandez, Executive Assistant, County Council, Lanai District Office
Stephanie Chen, Deputy, Department of Corporation Counsel

**LANA'I PLANNING COMMISSION
REGULAR MEETING
JULY 20, 2022**

A. CALL TO ORDER

The regular meeting of the Lanai Planning Commission (Commission) was called to order by Mr. Reynold Gima, Chair, at approximately 5:01 p.m., Wednesday, July 20, 2022, online via BlueJeans videoconferencing platform, Meeting No. 962892830, and at the Planning Conference Room, Kalana Pakui Building, 250 South High Street, Wailuku, Hawaii, 96793, and the Maui County Council, Lanai District Office, Lanai Community Center, 8th Street, Lanai City, Hawaii 96763.

A quorum of the Agency was present. (See Record of Attendance)

Mr. Reynold Gima: . . . show that we do have quorum with Commissioners de la Cruz, Kaye, Preza, Atacador, Grove and Gima present. So can Commissioners all put on your video? One, two, three, four. Okay, just waiting for Erin to come on with her video. While we're waiting for that, for those in attendance, if you choose to provide testimony this evening, please sign up with Leilani via the chat, and provide your name and which agenda item you choose to testify on. In the meantime, while you're waiting to testify, please ensure that your audio and video are muted. And we will also be asking for testimony at the County Building and at Councilmember Johnson's office. Let's see, Erin is not back on yet.

Ms. Erin Atacador: I'm here. I'm just having issues with my camera.

Mr. Gima: Okay. As soon as she comes on video, to be consistent with the deferral motion from our last meeting, I'm going to ask Commissioners if there are any objections to switch the unfinished business regarding the Koele Project District item first, and then do the public hearing for the two bills second. So once Erin comes on, then I'll see if there are any objections.

All right. Can we also go through the Commissioners and indicate whether you are alone or if you have someone else in your room? So let's start with you Zane.

Mr. Zane de la Cruz: Ah, no, there is no one else present with me.

Mr. Gima: Okay, thank you. Sally?

Ms. Sally Kaye: I'm alone.

Mr. Gima: Ah, Shelly?

Ms. Shelly Preza: I'm alone too.

Mr. Gima: Okay, Erin?

Ms. Atacador: I'm alone.

Mr. Gima: Okay, and Lisa?

Ms. Elisabeth Grove: I am too alone.

C. UNFINISHED BUSINESS

1. **LANAI RESORTS, LLC, a Hawaii Limited Liability Company doing business as PŪLAMA LĀNA'I, requesting a Community Plan Amendment, Change of Zoning, and Project District Phase I Development Amendment for the KŌ'ELE PROJECT DISTRICT located at Kō'ele, Lāna'i City, Lāna'i, Hawai'i. TMK(S) (2) 4-9-001:021, (2) 4-9-001:024, (2) 4-9-001:025 (POR.), (2) 4-9-001:027, (2) 4-9-001:030, (2) 4-9-002:001 (POR.), (2) 4-9-002:061 (POR.), (2) 4-9-018:001, (2) 4-9-018:002 (POR.), (2) 4-9-018:003 (POR.), (2) 4-9-018:004, (2) 4-9-018:005, (2) 4-9-020:020 (POR.), (2) 4-9-021:009 (CPA 2021/0001, CIZ 2021/0001, PH1 2021/0001) (K. Wollenhaupt)**

Mr. Gima: Okay. I'm also alone. As I said earlier, to be consistent with the deferral motion from our last meeting, I'd like to propose that we alter the agenda and take on the Koele Project District, unfinished business, first, and then the public hearing bill second. Any objections by the Commissioners? Hearing and seeing none, we will do that. So what we have before us is Lanai Resorts LLC, a Hawai'i Limited Liability Company, doing business as Pulama Lanai, requesting a Community Plan Amendment, Change of Zoning, and a Project District Phase One development amendment for the Koele Project District located at Koele, Lanai City, Lanai, Hawaii, with a variety of TMKs. At this time, I will turn this over to Kurt to either provide us a quick summary or update as to where we are. Kurt?

Mr. Kurt Wollenhaupt: Oh, good, good evening members of the Lanai Planning Commission. We're back this evening in order to continue our discussion on the proposal, as indicated by the Chair, looking at a Project District Phase One Amendment, Community Plan Amendment, and a Change of Zoning for the Lanai Project District Two, otherwise known as Koele. In order to help the Commissioners and the public this evening, we're going to do just a real brief workshop on Project District processing and what project districts are. So let me share the screen here, and let me know if it's working. Is the screen working?

Mr. Gima: Yes.

Mr. Wollenhaupt: Okay. So we're going to talk just very briefly, and hopefully we'll be able to do these little workshops before a project comes online so that the Commissioners will know a little bit more about the issues at hand as they deliberate on the specific application, whether it be Change in Zoning, Community Planning Amendment, Bed-And-Breakfast, County Special Use Permit. So tonight we are looking at the Project District processing for the Koele District.

We'll go down if we can. Let's see. So there are laws establishing the zoning from the State and for Maui County. So the overriding laws in Hawai'i Revised Statutes Chapter 46 . . . (inaudible) . . . rules and allows the County to do its individual zoning. Then you have the Maui County Code, of which you're all familiar, Title 19. And within Title 19 are all of the articles and the chapters for the zoning districts.

Now what's particularly important about our review tonight is the Project District processing regulations, that's in the Title 19 of the Maui County Code, and that's in 45. But then what's really important for your debate moving forward is a review of 19.71, and that's the guiding rules that will follow this Koele Project District through its life. It currently exists because the Project District was established in 19, in 1986. It was revised in 1992. And now that we're in 2022, we're revising it again. So part of the review tonight, which is really essential, is looking at the proposed ordinance in 19.71 that will really be setting the districts, the sizes, what can be built, and how tall. It essentially will be, and is in there right now, the zoning code for Koele.

So every step down in the zoning gets more comprehensive. The State Land Use designation, that's either usually Ag or Urban, Conservation or Rural. Out of that is the Lanai Community Plan in which we're going to be looking at the Project District tonight. It has to be consistent with the County of Maui Zoning for Project District Zoning. So we have the Lanai Community Plan and the County Zoning need to mesh together so that it all reflects this project district at Koele.

So here is the processing process. As I said before, 19.45 talks about how the Project District is even reviewed. So what's the Project District? Where are they? Why Project District? Well, the intent back about 30 years ago was that a Project District would be more flexible and creative rather than just designating specific land uses. And these would be for a better quality development. Normally, they're on undeveloped land, which many of the project districts, Kehalani over in Maui, Kapalua on Maui, Koele and Manele at their outset 30 years ago, they were essentially just pieces of land that were proposed for development. So the approach for a project district is really to help a continuity of land uses, and design, and to provide a network of infrastructure so that all the different things that are going on in the project district can be looked at at one time. Open space parks. Rather than looking at just as these acres are residential, these acres are hotel, these acres are open space. So that's the purpose of a project district. To be honest, the County is moving away from new project districts, and we're going into what we call the Form Based Code in which a zoning chapter is created, such as for the Waikapu Town. There's a lot more architectural design, sustainability design, that goes in the front and process. But in the rear end process, there's less involvement with different Commissions. But that's something new. It's not affecting Koele.

So what is this three phase process? Because tonight we're looking at something called a phase one, which you've been debating in the last three meetings. Well, the phase one is the public hearing that has to be held on the island or in the community plan it's affected, hence Lanai. And, it's a recommendation to the Council. Assuming that at some time the Lanai

Planning Commission comes up with a recommendation, whether that be to approve, whether that be to deny, or whether that be to approve with your changes in the phase one ordinance, that will be transmitted to the Council and to the Office of the Corporation Counsel for the development of an ordinance, in which in this case will be to modify Chapter 19.71 for the Project District Two in Lanai. That's why it's so important to get this ordinance, which is the zoning code for Koele, right the first time here.

Now, phase two, which is unique to the Project District, a public hearing is held with the Lanai Planning Commission's approval of the preliminary site plan. So let's talk about an example of this phase two where it comes in. Well, let's go down to Manele a couple of years ago, and there was a consideration of the building of the amphitheater. Now, the phase one said that there could be hotel and associated uses. That's where the amphitheater was going to be in that area. But the phase two comes into play where a specific project is being reviewed. In this case, it was the amphitheater. And in phase two, we're looking at a very detailed plan. The drainage, the streets, the parking, the utilities, the grading, the landscaping, the design, the elevations of the buildings, the construction, phasing, open spaces, land uses, and signage. So that's a very rigorous review and which the Lanai Planning Commission can give their approval or denial of a specific site plan for a project within the project district. That comes at a later point of time when they actually have some vertical construction plans that are being considered.

And then we go to phase three. Phase three, what that, what that encompasses is, is that the applicant comes in -- stay with the amphitheater -- final building plans. And we're to make sure that those final building plans are in harmony with what was approved by the Lanai Planning Commission in phase two.

So Lanai has two planning, two project districts, Manele and Koele, established by ordinance. Tonight's review is going to be 19.71. That's phase one. These ordinances are critical to the development. I hate to keep saying that, but I just want everyone to know that when these are done correctly, they're going to provide a lot more harmony moving in the future. And in addition to our Phase One Project District Amendment, we also have to get the Community Plan Amendment and the Zoning now to match these new shapes of the project districts. So we need to have harmony and consistency with the Zoning, which is Project District, with the Community Plan and with our Project District Phase One Amendment.

Now there's one distinction that Lanai needs to know about and the Commissioners, substantive revisions to phase two. Now, if someone comes in with a Phase Two plan, it's approved. Now, four months later, they come in with a considerably changing building size. That's significant. That needs to come back to you for a review and approval. Here's where it differs between Maui and Lanai for non-substantial revisions, not resulting in significant impacts. The Planning Director will notify the Commission of the proposed revisions. And on Lanai, the Commission can review, take-action with an approval, denial, or an approval with the modifications or it can waive review. Now those are for non-substantive revisions. Now it gets a little tricky between a non-substantial revision and a project modification. Where

someone simply does say move an interior wall that's probably so minor that that would be a project modification, able to be approved. But for most non-substantive revisions that would come back for your review.

So that concludes our little primer tonight. I hope it's helpful. We're going to try to do these most times. And we'll stop sharing the screen. And, and, we have Ann Cua tonight, our Planning Program Administrator who has been with us for 30 years, so she knows this project district processing extremely well, and she'll be able to help us out as we move through the process this evening. Thank you.

Mr. Gima: Okay. Thank you, Commissioners. Any questions or comments about Kurt's presentation? Okay, hearing none. So Kurt and Ann, uhm, are we moving on to the list of questions that was, that was provided to the applicant?

Mr. Wollenhaupt: That was where we ended up, that we did have the list of questions. Well, we didn't get to the questions, of course, at the last meeting. The project has been explained and reviewed. So I'm not sure if you're wishing to have additional conversation and public testimony. That oftentimes is allowed, although I believe the public hearing was officially closed. But most times members of the public who wish to . . . (inaudible) . . . comments. So whether you would wish to have that done now before our extensive review of these questions from the applicant would be up to the Commission.

Mr. Gima: Okay, Commissioners, any preference on having public testimony now or after the applicant provides their responses to our questions? Okay, if there are no preference, then I will open up public testimony now before the applicant provides their responses. So, Leilani, do we have anybody in the chat willing to, wanting to testify?

Ms. Leilani Ramoran-Quemado: Thank you, Chair. There's no one who signed up via chat and there is no one in the Planning Conference Room.

Mr. Gima: Okay, thanks, Leilani. Denise, anybody in the Lanai Office wanting to testify?

Ms. Denise Fernandez: Aloha Chair. There is no testifiers at the Lanai District Office.

Mr. Gima: Okay, thanks Denise. So at this time, I will close public testimony and then we will move on to the list of questions that were provided to the applicant. Planning Department staff, did we receive any written responses to the questions following the mailing out of our packets?

Mr. Wollenhaupt: There's been no written response from the applicant to date. They were given a letter, mailed and dated June 27th, 2022, in which we would requested that they be prepared this evening with the subject matter experts to discuss the questions. And we did invite them, should they have wished to have given us any kinds of tables, or charts, or written responses, if they felt that would be of any use. However, at this date, we did not receive any

additional written information, so we are hopeful that they are now prepared with their subject matter experts to discuss these questions this evening. Thank you.

Mr. Gima: Okay, thanks Kurt. So Pulama Lanai, uh, I, I think at the last meeting you said you had a presentation. Is that accurate?

Dr. Keiki-Pua Dancil: Aloha Chair. Yes, that is accurate. We do have a presentation. May we share the screen?

Mr. Gima: Sure. One --. Before you do that, will you go down question by question and answer it?

Dr. Dancil: That is correct. We have there were two letters that were written. The letter that Planner Wollenhaupt mentioned, which was sent to us on June 27th. As well as the letter that was sent to us on May 27th. They were the exact same letter. The additional letter in June just said that the matter was deferred till tonight. There's a little bit of a numbering issue. So, if you don't mind because the presentation was prepared in response to the May 27th letter, which is the exact same questions, we would like to go off of that letter in regards to numbering, because that's what we were prepared to do at the last meeting. We were just off by one number. If that's okay, Chair, I just want to direct Commissioners to the May 27th letter versus the June 27th letter.

Mr. Gima: Okay, Commissioners, do you all have a copy of the May 27th letter?

Dr. Dancil: If not, we can provide. I can have . . . (inaudible) . . . provide it to you in the chat, a link to the document. It's linked on the agenda. Chair, if it's easier, the discrepancy was that the one of the questions, question number one consisted of two questions in the May letter. In the June letter, it was re-numbered to be number one and number two, and that's why we're slightly off and that's all it is.

Mr. Gima: Okay. I think we can live with that as long as you state the question. It's, it was our expectation also that all of the authors of the documents that was submitted to the Planning Department are present tonight to answer these questions. Does that --

Dr. Dancil: Yeah, subject . . . (inaudible) . . .

Mr. Gima: Is that accurate?

Dr. Dancil: That's correct. We do have subject matter experts that will be responding and present this evening, and we will call them out, as well as the questions on the slide.

Mr. Gima: Okay. Thank you. Before we move on to your presentation, Commissioners, any, any comments, questions in terms of process or format on how questions will be answered this evening? Okay, hearing none, go ahead Keiki-Pua.

Dr. Dancil: Great. So we will be sharing our slides from our computer here in our conference room. We do have one of our consultant teams on Maui, and so there will be two cameras up, if you don't mind, Chair. One for our conference room where the consultants are here, and then one for our consultants on Maui. That's Chris and Karlynn from Munekiyo Hiraga, if you don't mind turning on your cameras. Thank you. Olivia, could you please share the screen?

So we put together a presentation and I'm going to have Olivia switch to the next slide so I can kind of walk you through the format. So in the top left corner, you'll see the question number. So for example, on this one here, it says question number one. So if you're ever lost during the presentation and you're wondering what question we're on, it's always going to be listed in the top left corner. In addition, we have transposed the exact questions that was in the letter on the title of the slide. So again, if you ever need a reference, you can find both the question number as well as the question in the title slide. Okay, we'll get started.

So there are several documents that were provided to the Lanai Planning Commission and Munekiyo Hiraga will be going through the following slides. Each of the slides will identify the document and its authors. The reference within the application will also be displayed on the slide. We will start first with the base document, the Final Environmental Assessment (FEA). The next document is the summary table of the potential mitigation measures. So, Chris, if you don't mind going through.

Mr. Chris Sugidono: Yes. So I'm sorry, I'm Chris Sugidono with Munekiyo Hiraga. So I believe the who are the authors for these various documents? So for the Final EA, our office, Munekiyo Hiraga, was the author of this. And for the --

Mr. Gima: Chris? Chris?

Mr. Sugidono: Oh, yes?

Mr. Gima: Who specifically from your firm authored these documents? Because we want to ask specific questions, I mean, who do we ask?

Mr. Sugidono: For the Final EA, I believe it was Bryan Esmeralda who was previously working on this project. But I have, you know, stepped in for the, the amendment process. And so Karlynn Fukuda, President of our company, is also working on the project. Hopefully, that answers your question.

For the Agricultural, for the Agricultural Impact Report, that that was Plasch Econ Pacific LLC, along with our office. For the Geotechnical Engineering Assessment and Due Diligence Study that was authored by Geolabs, Inc. For the Flora and Fauna Study that was prepared by Robert Hobdy. For the Archeological Literature Review and Field Inspection, or ALRFI, that was authored by Honua Consulting. For the Cultural and Historical Resources Survey that

was prepared by Kepa Maly. The Phase One ESA, Environmental Site Assessment, that was prepared by TRC Environmental Corp. For the Socio-economic Conditions: Economic Population and Fiscal Impacts Report that was Plasch Econ Pacific. For the Traffic Assessment Addendum that was prepared by Austin Tsutsumi & Associates, or ATA. And then the Preliminary Engineering Report was prepared by RM Towill.

So here's some of the comment letters that we received from State agencies, County agencies and others. You can see the commentary on the left and what department or affiliation they had. And we also have the references to the volumes on the right...all included in the Final EA.

Dr. Dancil: So the next document is a summary table of the potential impacts and mitigation measures that was associated with the Final EA. Chris, who is the author of that document?

Mr. Sugidono: Pulama Lanai and our office prepared that document. It's essentially Chapter 2.

Dr. Dancil: And who is the author of the applications for Project District Phase One Amendment, Change of Zoning, and Community Planning Amendment Volumes One and Two?

Mr. Sugidono: For Volume One, it would be us, and for Volume Two, it's all the same authors from the Final EA.

Dr. Dancil: And who is the author of the staff report and recommendations and documents received after posting?

Mr. Sugidono: This would be the Planning Department, or Michele McLean, as you can see. And for this, the Deputy Director Shayne Agawa, who was then, you know, the Department Environmental Management. These comments provided by Director Jordan Molina of Public Works. This is from Ed Sniffen of D.O.T. And I think this was a letter from Butch Gima.

Dr. Dancil: Thanks, Chris. That's a lot of technical studies and material that was submitted to the Lanai Planning Commission. Who was the intended audience for this application?

Mr. Sugidono: Yeah, the technical reports included in the Final EA are written in accordance with the technical guidelines and regulations for each report. So, for example, the preliminary engineering report that includes analysis regarding the drainage and meets, that meets the County's stormwater retention rules. The Draft and Final EA contents are guided by the Hawai'i Administrative Rules, Chapter 11-200.1, regarding the Hawai'i Environmental Review law. So the primary audience for the EA documents are the approving agencies and reviewing agencies. We understand that these are public disclosure documents, so they're available to the general public. The Land Use entitlement applications also have technical requirements and as such are written for the reviewing agencies. In this case, the Planning Department

because they will make a recommendation to the LPC. Their staff report and recommendations are summary of the volume, voluminous technical reports and applications provided primarily for the Lanai Planning Commission. These documents will be forwarded along to the Maui County Council with your recommendations on the subject applications.

Dr. Dancil: Who's the lead person on this application?

Mr. Gima: Hold on. Hold on now. Hold on. Chris and Keiki-Pua, the reason why this question was included in there is I understand what you just said, Chris, but for the purposes of Commissioners who are lay, lay people, some of the information in there can be very -- they're very technical and at times extremely confusing. So I don't know if you guys have the liberty of writing in a way that lay people can understand what you guys are putting in these documents. Okay, you can move on.

Dr. Dancil: So Chris, who is the lead person or the point person on the application?

Mr. Sugidono: Well, Pulama Lanai is the applicant for the subject project, and our office is serving as the planning consultant. So as the lead and point of contact all submissions and responses to inquiries regarding this subject application in the record were provided by our office.

Dr. Dancil: Now we're going on to question number three. When identifying and address associated with the TMK, which agency or website do you use to locate an address associated with the certain TMK?

Mr. Sugidono: Real property tax records.

Dr. Dancil: In the case of Lanai where there's, where we have large TMKs, some of which are over 16,000 acres, this may be an issue. Since particular location may be included in that TMK, however, not necessarily share the address on record at the Real Property Tax Assessment website. Is that correct?

Mr. Sugidono: Yeah, that's --. Yeah that's correct, and is the case on Lanai. The address on record associated with the TMK is not necessarily the same physical address as a particular house or property. We can walk through one of the examples and show you where the information is located. And I think it's on the screen. So there you can see the Maui County Tax Assessor's website, and it identifies this TMK, two, four, nine, zero, zero, one, twenty-five. It's located at Sixth Street on its website. So therefore, in the application that was the address that was used for the TMK, Sixth Street.

And on Page 44 and 46 of the staff report, Table A and B tabulates the CPA and CIZ maps with the corresponding TMKs. So in both tables, you will see that there are four different maps associated with the TMK, two, four, nine, zero, zero, 125. And so on this slide are maps three to seven that are associated with that TMK in Exhibit seven and eight are displayed. You'll

see the crosshatched area on the map, which is that area that is being amended in the application. The red circle identifies what that area is being changed to. So these maps are standardized per guidance from the Planning Department. And the application needs to provide maps in this format for all Community Plan Amendment or Change of Zoning applications. The top row is the Community Plan proposed changes and the bottom is the Change in Zoning proposed changes associated with the TMK. So for the other two TMKs referenced in the question, there are similar issues and if you follow the same methodology, we explained, you'll be able to identify the parcels affected.

Dr. Dancil: Thank you, Chris. We'll be moving on to --

Mr. Gima: Chris? Chris? Hold on, Chris, can you understand -- or Pulama -- can you understand why this question was put in there in terms of needing to explain? This was very, very confusing. I was able to figure it out. I was able to figure out after looking through a variety of the documents, but because it was confusing, it makes it very difficult to make a decision on this application when you have to spend so much time going from one map, to one matrix, to one narrative.

Dr. Dancil: Understood . . . (inaudible) . . .

Mr. Gima: It sound simple -- yeah, it sounds so simple the way you provided it, Chris, but let me tell you, I was pulling, I was pulling my hair out, trying to understand. And you had some erroneous information also on the matrix that was, that was not corrected. Okay, thank you.

Dr. Dancil: Thank you, Chair Gima. We'll be moving on to question number four. So question number four was multi-paged in the letter, and it contains many questions within the text. What we've done is we've attempted to pull out each of the comments or questions as a title for each of the slides. I will be calling up several people to assist in responding to answering question number four. We will first start with Kurt Matsumoto, President of Pulama Lanai. So, Kurt, could you please explain the proposed changes and how they will support the well-being of Lanai people?

Mr. Kurt Matsumoto: Yeah, so this Kurt Matsumoto. I'm the President of Pulama Lanai, and thank you Commissioners for allowing us to answer these questions tonight. So the original project district was envisioned as a hotel and residential resort community, and people that would be interested in purchasing a second home in Lanai, living a resort community, that's what this original project district was set up to be. For other new ownership now, and we've had opportunity to look back on the past 30 years, and we've learned some things and we've decided that we really don't want to create the same residential plan that was originally submitted. So we're focusing our housing efforts not on second homes for people, but we're, we're more focused on the, the workforce that's dedicated to living full-time on the Lanai. And as you can see on Lanai we already started the development called Hokuao.

So our focus or our intention in coming to you with this change is about reducing that need for the second homes there in the Koele Project District. So also, we are acknowledging that we're no longer have a golf course at Koele. And we've taken the opportunity to look at a lot of the land that was designated as golf, and we converted some of the residential into park, and some of the golf course into open space. So we started this process a few years ago when we created the Lanai Adventure Park. At that time, we also stated that we would be installing some sculptures in the area. We envisioned all of this as a potential addition to the Lanai as a destination for art enthusiasts and hopefully we can reach a market that attracts other types of guests to Lanai. We could install the sculptures without these amendments to the project district. However, we believe amending the land use designations is the right thing to do. We're no longer using it as a golf course. Everybody understands that. We don't want to leave any doubt in the future that it could flip back to a golf course, as we have no plans to do that at all.

So the other component, the third component is the hotel subdistrict expansion. So the area that we're expanding to be zoned is only 11.5 acres. It will have very similar use to the existing resort. We feel that there will be in the future a need to expand and build more of the spa hales. These spa hale have been very successful, very popular. And even though we're, we're not at full capacity yet, but we find that we are running out of space with those spa hales. So having a resort that continues to deliver this high end wellness experience and continue on the track that it's on right now is important for us.

So lastly, the last thing that we're looking at doing is this resort commercial zoning. So the majority of the land that is addressed will remain the exact same use that it is in today. Many of you call it the stables. We named it Lanai Ranch. The things that we may do there, we may physically upgrade the barn. We may make some improvements to the tennis courts. And the stables area, maybe a new riding arena in the future. But we will keep it within the type of use that it currently is in.

So the majority of the area is going to remain as pasture land and could we continue to do this activity there without the changes in the application? Yes, we could. However, again, it's just we felt it's the right thing to do and wrap this into all of the land changes or the designation changes that we're applying for. So collectively, all of these proposed changes, I feel, would benefit the island and would stabilize plans for the future. I think just the, the, the reduction in the potential second home use is a big change and it helps to retain the character, I think, of Lanai City. In addition, we're reducing --. Sorry. In addition, we're going to improve the economic stability for Koele. As you know, or you may not know, but Koele was not extremely successful and just supporting this change to the wellness concept is going to help to maintain its current trajectory.

Overall, these changes will benefit Lanai and the County with the potential tax revenue that's generated from the business. The GE tax, the property tax that we generate because of the improvements that we're making.

Dr. Dancil: Thank you, Kurt. So the next question and part of four is that, you know, we recognize the high demand and low housing supply on island. Housing is a top priority, as Kurt mentioned for Pulama Lanai, and we're focused on Hokuao which is our workforce housing. We hope that the County will move forward with their projects to continue the momentum of providing housing options for our residents. We do not feel it was appropriate to address housing in the application because we were not offering workforce housing in the proposed changes. The 400 plus workers referenced in the application are not necessarily new workers. It includes the already existing workforce. If you look at the slide here, you'll see that the 400 is actually 452. It's circled here in aqua. It was calculated using a multiplier based on direct expenditures, which is circled in red. All of these materials were in the FEA Social Economic Report. This is a standard multiplier that is used in economic modeling. For example, the State Department of Business Economic Development Tourism Office uses this as well as UHERO, the University of Hawaii Economic Research Office. This is a common model. It's called the input output model, or the IO model for short.

The slide here highlights the incremental jobs in the Koele Project District in dark gray. If you see here, dark gray, that's all new. Ninety-eight percent or the majority of the 452 workers already have a place to live, which is in the light-gray up above. There will be an estimated ten direct jobs generated Lanai and three indirect jobs on Lanai. On this slide here, we highlight a few other inputs that were in the IO model in particular the multiplier for population and housing supported. These are both circled here in red. What I've done here is I've on the top in the light-aqua is the equation. You can kind of see how everything is calculated. The proposed changes support 12 additional homes that would be required for this subject application. So if you just follow the math in the top chart, you can see how the number 12 was calculated.

Mr. Gima: Let me jump in here, Keiki-Pua. That's why we asked for this stuff ahead of time because I cannot calculate in five seconds what you're presenting here. So let me, let me take a break in your presentation ask the Commissioners, do you guys have any questions regarding these questions about housing and the projected jobs? I can't see everybody, so just jump in if you do. Okay, hearing none, you can continue, Keiki-Pua.

Dr. Dancil: Thank you. So we don't anticipate significant need for housing on the proposed applications for additional jobs. For those employees currently living in the hotels, they will likely be able to apply for housing at Hokuao, or move into homes Lanai City that become available, for those that vacate homes and move into Hokuao. In addition, as I mentioned, we, we hope that the County moves forward with their project and that will relieve more demand for housing.

So we're also asked to identify the language in the FEA that guarantees that residents not just guests, will have access to park and open spaces. We've circled the reference in red from the Final EA and lifted the language on the screen for convenience. Pulama Lanai will allow residents to use the parks and open space areas within the project district. Should there be any event held in the park area, access may be limited for that event to guests. We see these

as rare and intermittent occurrences. So turning back to Kurt for the next question. On the left side of the screen you'll see our response to one of Maui County's goal. Kurt, could you please explain how our answer supports this goal?

Mr. Matsumoto: Yes. So in our opinion supporting the Sensei wellness concept is very important to us. As I mentioned earlier, the previous concept was not as successful and we had to make a decision about what we would do with Koele. Because looking at the historic evidence, it wasn't going to be successful if we just renovated it and reopened it. So turning it into a wellness concept changes the dynamics for the type of visitor that is traveling to Lanai. And we see this as a significant shift. This wellness concept is already much more successful than the previous iteration of, of the Lodge at Koele, and we see this potential growth. And so I think it's in keeping with the island and the economic activity will, will definitely benefit residents and workers there.

In particular for the County, our property taxes at Koele have increased significantly since we renovated. So once we open, re-open the resort, our property taxes jumped by 95 percent. That's just property tax. The GET tax that was generated, the TAT taxes that are generated have all grown substantially from what it was before.

Dr. Dancil: Could you please explain how we came to the conclusion and the response on the screen that the project district is anticipated to be serviced by existing infrastructure systems?

Mr. Matsumoto: Sure. So we came to this conclusion by evaluating it in, in this, in this matter. Reducing the amount of resident, potential second home residential units and putting that acreage into park and open space, converting the golf course acreage into some would be converted into open space but into a park designation would, would definitely reduce the amount of traffic and thereby reduce the amount of infrastructure that would be required to support the, the down zoning of the housing and the change in the use of the golf course area. So, for example, not having as many homes will reduce the demand for water, water for human consumption and water for irrigation. It will reduce the amount of required roads because it would eliminate the potential construction that's going on and the follow on traffic for people who would own those residences. In addition, the park utilization would be much lower than the golf course utilization would be. We think that this model that we're creating is in keeping with the low density tourism model that we feel is best for Lanai.

Mr. Gima: Kurt, let me jump in right here. I, I'm not sure you answered the question or I don't know if you really explained it. Because you're basically, you're basically saying that the existing infrastructure systems, existing infrastructure systems, such that any future development would likely not require the provision of new or extension of any systems. But how could, how can you say that when you don't know what you're going to be doing in the project district and you don't know what infrastructure needs outside the project district that may have on the total infrastructure.

Mr. Matsumoto: Well, I think that we can project some of that because if you just look at the old maps compared to the maps that we're proposing, there's a significant change in that area in which would be zoned residential. So you can, you can predict or model from that that you would eliminate roads, water, sewer, electric, all of that would not be needed on top of what is already in place today.

Mr. Gima: Okay, so noted.

Dr. Dancil: Thank you, Kurt. We're going to Chris back up, and Chris, if you can turn your camera back on. Chris, could you please explain the statement on the screen?

Mr. Sugidono: Yeah. This statement is an excerpt from the socioeconomic report prepared for the Koele Project District. According to the report, agricultural use in the project district is not the highest and best use of the land due to a lack of irrigation water. It is noted there are other lands on the island that are more appropriate for agriculture. For example, the commercial Ag lots next to the airport and the Sensei Farms, a hydroponic operation.

And so in addition, the lands in the existing Koele Project District are zoned for project district uses which do not include agriculture. And the subdistricts, as noted on the screen, do not include agriculture as circled. But when the original Project District was granted approval in 1986, the landowner at the time envisioned the area as a resort and residential community. Subsequently, the Koele Project District was approved for the master plan that provided for hotel and resort residences. When the project district was amended in 92, the golf course use was added.

Dr. Dancil: Thank you, Chris. We're going to switch out seats and call up our water experts since we're on to the water questions. Roy and Ken, if you don't mind coming up, please. Okay, great. Olivia, next slide, please.

Aloha Commissioners, I'd like to introduce you to our consultants from Akinaka Associates. They will be assisting us with responding to some of the questions relating to water. Aloha Ken. Could you briefly introduce yourself to the Commissioners and share your experience on water issues?

Mr. Ken Kawahara: Sure. Aloha Commissioners. My name is Ken Kawahara, and I'm the President of Akinaka & Associates, a kama'aina company that has been doing projects in Hawaii for 81 years now. I have over 29 years of civil engineering experience, and work on water and wastewater master plans, designs and systems for various public and private clients. Regarding water, my experience includes engineering related to water resources, sources, storage, transmission and distribution. Prior to joining up Akinaka, I served as a Deputy Director for the State Department of Land and Natural Resources, Commission on Water Resource Management, also known as CWRM, where I was responsible for the protection and management of the surface and groundwater in the State of Hawaii. Before working for the State, I was a Branch Chief for the City and County of Honolulu, Department

of Wastewater Management and Department of Environmental Services, where I worked on wastewater, treatment, collections systems, treatment disposal, recycled and reclaimed water, and . . . (inaudible) . . . reclamation and reuse. In addition, I volunteer as a trustee and officer on the American Water Works Association, Hawaii section and currently I'm the past Chair of the organization. I have also represented Hawai'i for eight years on the Advisory Board of the Western and Regional Pollution Prevention Network, which is sponsored by the EPA.

Dr. Dancil: Thank you, Ken. Roy, could you please introduce yourself, your background, and experience to water systems on Lanai?

Mr. Roy Hardy: Sure. Aloha Commissioners, especially Butch and Sally, aloha, long time no see. My name is W. Roy Hardy. Roy is my middle name actually, and I am a Senior Project Engineer at Akinaka & Associates. I have a BS in Civil Engineering from Santa Clara University, a Master's in Water Resources from the University of Hawaii, and I've been licensed as a professional engineer since 1992. I spent 34 years working for the State of Hawaii, the Commission on Water Resource Management. Ken used to be my boss there when he was the Deputy, and now he's my boss again. And my experience on Lanai dates back to the 1989. I worked at and started working at the Commission, and primarily with the groundwater designation proceedings back then and many other water related issues on Lanai.

Dr. Dancil: Roy, for the Commissioners that may or may have not been familiar with the Commission on Water Resources, or CWRM, could you briefly explain the agency and their role?

Mr. Hardy: Oh sure, the Commission on Water Resource Management sometimes referred to it as CWRM, or C, W, R, M, administers the State water code, which was created back in 1987. That's when I started working for the Water Commission. And the Commission's mission is to protect and manage the waters of the State of Hawaii for present and future generations. It is attached, as Ken mentioned earlier, to the State of Hawaii Department of Land and Natural Resources, and it's under the general direction of the Deputy as well as the Chair of DLNR.

Dr. Dancil: What are the staff's primary responsibility at CRWM?

Mr. Hardy: Primary responsibility to the staff are to implement and administer provisions of the State water code through planning, surveying, regulating and monitoring, and conserving the State's water resources within the established plans that have been adopted by the Water Commission.

Dr. Dancil: Thank you both for sharing your background experience regarding water issues. Collectively, you both have a deep knowledge of the water in Hawai'i. Roy, we're going to start with you. Pivoting specifically to Lanai, in your former role as staff member at CWRM,

you presented several water workshops for the Lanai Planning Commission, most recently in August of 2022. How many times have you presented to the Lanai Planning Commission?

Mr. Hardy: Ah, correction. I don't think 2022.

Dr. Dancil: Sorry, 2020.

Mr. Hardy: But I think at least two times since 2019, and I believe there were other times before that. But many of, I think, the former LPC members attended those annual commission public informational meetings, which resulted in the designation proceedings and its aftermath from 1990 to 97. So there's been a number of these public presentations.

Dr. Dancil: So some of the Commissioners here may remember the presentation from August in 2020. Thanks for that correction. However, we do have several new Commissioners. Could you briefly go through the explanation you provided regarding the Lanai aquifer system that you presented that evening in August?

Mr. Hardy: Okay, so what you see here in this, this map here is an island of Lanai, and how the Commission divvies up the pie, if you will, into separate polygons, which we call aquifer system areas. There are nine. The two most important ones are called, and they're in that brown area, in the center of that map, the center of the island, which is called the Central Leeward and the Central Windward areas. Lots of things go on in each one of these areas. They have different types of groundwater aquifers. In each area you have high level, you have basal, you have tap rock aquifer, you have confined aquifers within each of these areas. And many scientists from the Commission on Water Resource Management, the US Geological Survey, and even at the University of Hawaii have done many water projects within each of these areas, where it has been determined by the best science available at the time as to how much water is getting into the ground that we call recharge. Using recharge, the Commission uses what is called the Robust Analytical Model, or RAM for short, to identify the fraction of that recharge that should be available for pumpage on a long term basis, and that is to protect the aquifer resource and its utility. This particular issue is called sustainable yield for an area, so each one of those polygons has its own sustainable yield. And this is established by the Commission and it is identified and goes into more detail in its Water Resource Protection Plan. The latest iteration was adopted in 2019.

Dr. Dancil: When was the sustainable yield established for Lanai?

Mr. Hardy: Well, originally back in 1990, when the first Water Resource Protection Plan was established. And you can see that, this figure here, this red, this red circle entitled RAM, which is the model for sustainable yield, the term S.Y., in the year 1990. And the bottom figure is six million gallons per day.

Dr. Dancil: What is the sustainable yield for Lanai, and has it changed over time?

Mr. Hardy: Well, if you look at the, the next column that was the update to the Water Resource Protection Plan back in 2008. That was its first update, if you will, and, and that was also six. And then if you look over towards the right side, this is the latest, the 2019 sustainable yield, and it is also six. You can also see values for the other aquifers, the other nine areas. But essentially, the Commission decided to leave those as, those till these there. This insignificant, just to be conservative.

Dr. Dancil: The Water Reserve Protection Plan is where the sustainable yield is determined and various explanations on how it is calculated. However, we were hoping you would take time to go over this graphic from a fundamental basic approach of sustainable yield and recharge to sustain a six million gallons per day sustainable yield.

Mr. Hardy: Okay, sure. With, with few exceptions, with a few exceptions near the coast near Manele Bay Harbor and there's one source on the windward side of Lanai, all the wells on Lanai come from high level areas. And you can see these dike compartments on the left of -- and it's labeled as dike complex there -- and they're magmatic intrusion into the caldera and red zones of every island that cool very slowly to create these barriers to horizontal flow. And the storage components in these high level dike compartments are small, and compared to what's on the right, the basal areas. The dike area on Lanai is very broad compared to other islands. This is different than other islands, where this diagram is a little bit more typical, where the basal areas are much broader than the high level. On Lanai, it's a little bit reverse. It's, that dike areas is much broader.

So when you pump the well, the water levels will always go down. Water has to flow downhill, and that's what the wall creates a cone. But they do recover when pumpage is reduced, since recharged naturally continues to occur and refills these storage areas. How quickly those water levels recover is all dependent on the recharge rate and the geology. And the recharge mainly occurs in the mauka areas, the central portion of the islands. And you know it rains up there, fog drip occurs when it's not raining, and there's cloud cover. On Lanai, fog drip past studies was identified as extremely important. Once recharge is in the aquifer, it flows downhill and makes its way to the coast. Water is always on the move, it's always flowing, and that's the general direction, mauka makai, and it ultimately discharges into the ocean near the coast or into deeper offshore waters, as shown in that diagram on the right side.

Dr. Dancil: The CWRM had commissioned the USGS to complete a recharge study for the State, and they presented preliminary results in January to the public. Are you familiar with that study?

Mr. Hardy: Yeah. I took a look at it. I was still at the Commission when they were starting to conduct these studies and having, you know, discussions between all of the scientists. However, it should be noted that the studies have not been released to the public as final yet. They're still undergoing peer review. And it should also be noted that these upcoming projections, through the climate change, use very different methods in how they come with their calculations. There is no consensus, which is the more reasonable method on this. One

is called the statistical, the other is called dynamic. Which is the more reasonable method? Which can predict . . . (inaudible) . . . speak to. Both predict wetter and drier conditions compared to the average recharge for the period of 1978 to 2007 base time.

Dr. Dancil: Thanks, so still undergoing that release, no consensus, not final. Got it! Can you continue explaining recharge and its relationship to sustainable yield, please?

Mr. Hardy: Sure. Lots of information goes into recharge studies. But the basic idea is that whatever rain and fog drip gets past the soil, in the root zone, it gets down into the aquifer, rock zone, it's like a sponge, if you will, that that creates Lanai's groundwater resources. So in this graphic, that arrow on the top left there, 100 percent is the total recharge rate after all of that. And that rate is what makes it into the aquifer. For the central portion of central sector area of Lanai, that recharge equals nine million gallons per day. Now sustainable yield is always smaller than recharge. It's a fraction. The State water code itself defines sustainable yield as the maximum rate at which water may be withdrawn from a water source without impairing the utility, quality of the water source as determined by the Commission. And they use RAM, this situation. And to maintain that current utility of the high level aquifer in the central portion of Lanai, 67 percent of that nine million gallons per day is what is believed to be, can be part on a sustainable basis. And so that's how we arrived at the sixth MGD, million gallons per day, figure of sustainable yield. So we'll always continue through the ocean is at least a third, at least 33 percent, will always continue to discharge at the ocean.

Dr. Dancil: Thank you, Roy. Before we go on, I'd like to show you the following graphic. It is similar to an earlier slide that identifies the various aquifer sectors. The difference is, the earlier graphic from this one is that we've overlaid the locations of the wells in light blue triangles. We were asked to confirm that only one well is in the Windward Aquifer system. For convenience, I've inserted a dotted green line outlining the Windward Aquifer system, and a dotted orange line outline the Leeward Aquifer system. Roy, could you please confirm that well six is the only active well in the Windward Aquifer system?

Mr. Hardy: Yeah, I can confirm it's the only active well currently pumping groundwater from the Windward system.

Dr. Dancil: Pulama Lanai also recognizes this fact and is in the process of designing other wells in the Windward aquifer system area.

We're going to switch gears to talk about the different types of water. I put up this slide showing the graphic because some of the terms you'd mentioned before like high level, basal, cetera. Could you please briefly explain what we are looking at here and what those terms mean?

Mr. Hardy: Okay. What you see here on this graphic is a look at the island setting up for a profile or a side view. The island map on the left shows a line transecting the island from A to A-prime with that on . . . (inaudible) . . . looking to the left there in the direction of a view that one would see if you could slice a profile through the island. So that's what the graphic on the

right is, is that view. And that actually comes from an older report from 1983, John Minx original reports. That was what was used for water resource protection purposes. And this was also used during the ground water designation proceedings. It's part of the record. It shows pretty accurately the relative groundwater, land surface, and a few of the well profiles.

Conceptually, what you have here is on the vertical axis is the elevation, and on the horizontal, its distance across the island. So you can see you have this high level water in the middle of the island. It's kind of boxed area. It's hashed area, if you will. And for illustrative purposes, wells one, two, and four are, are, the titles are circled there in orange. Well one is the only high level that goes down to sea level, as you could see. And while the other high level wells do not penetrate that far down into the high level aquifer. Um, as you move down the coast, groundwater transitions into thinner basal aquifer situation where there is more direct contact with the seawater. You may notice in the high level, no one has ever drilled through the sea where the bottom is or the contact the seawater is. And that's a fact throughout the entire State which is a good thing, to keep wells in that aquifer safe from saltwater intrusion. You won't see a high level well. Typically it's saltwater intrusion. You get that at the coast where you have saltwater. Freshwater always floats on top of saltwater as it is less dense than saltwater. However, having just said what I said, it should be noted that in the Palawai Basin where well one is, and it's identified by that pink area, so it's highlighted there, there's a bunch of other wells. There's one, 14, 15, 10 and nine. And nine, I was there when they were drilling it. And if you notice the water level is a bit lower in elevation, but still considered high level. Water levels in this basin are about five, six, seven hundred feet above sea level. So it's still very high above sea level, but it's not as high as the more inland sources, like two and four. You don't see this on the other islands too much. Minx called this lower high level area, the secondary high level area. And there's something, you know, unique and special about this.

You can see what is unique about the Palawai Basin is that you have this remnant geothermal activity from the caldera, which is most likely causing an unusual elevated chloride in the high level water, which is very close to rainfall. Chlorine concentrations of tens of parts per million, rather than several hundred parts per million, which is found in these high level basin wells. What is happening is there's mixing going on. The water that's coming out of those wells were pretty warm and you can see that geothermal activity. In some of my presentations, I had that animated where the thing was sort of circling around to show that there's all this energy is moving. This geothermal energy is causing upwelling of the saltwater, like most geothermal wells because of the heat, probably got other elevated constituents in the water too. Primary, the primary concern, of course, is chlorides. When I was, I mentioned earlier, I was when they were first drilling well nine, when the well was pump tested, that water came out, it was really warm. It was, like, over 90 degrees. When you put your hand under, the water coming out of the well was like turning on the hot water faucet. It was really warm. The chlorides in this hot water from that mixing were elevated in this area above the U.S. EPA secondary guideline of 250 parts per million, up around 400 parts per million, which is very unusual for high level water. But again --

Mr. Gima: Excuse me, Roy?

Mr. Hardy: Yes?

Mr. Gima: I appreciate the information that you're providing. I feel overwhelmed with all the information that you're providing. What specific question are you answering for the applicant?

Dr. Dancil: So Chair Gima, I think we are setting up a baseline and foundational knowledge on . . . (inaudible) . . . systems and definition of terms. Next up is Ken, and he will define the portable. So Ken, if you don't mind.

Mr. Kawahara: Sure. Thank you.

Dr. Dancil: So there's a few clarifying questions that came up during the questions that we received from the Lanai Planning Commission. In our application, we use the term portable and in very simple terms, this is similar to the Merriam Webster definition on the screen. It's uniform. It's basically suitable for human water drinking, human consumption or drinking. Ken --. Kurt also mentioned that earlier. We don't use the term non-potable in our applications. However, if we did use the term we would define it as not suitable for drinking or human consumption. Upon searching for the term non-potable in our applications, we found that it was language that was directly from the Maui County Code, conditions in past applications and current applications, comment letters from the community members on the Draft EA, and in the State plan. Ken, how could you define or how would you define potable or non-potable water?

Mr. Kawahara: Thank you. Again for the record, Ken Kawahara. The terms potable and non-potable do not exist in the State or Federal primary drinking water regulations, and therefore we typically do not use these terms. Any water source can be made drinkable, but that doesn't mean these terms legally apply. From a drinking water perspective, the water is either regulated or non-regulated under a Safe Drinking Water Act. A common way for people to remember if it's regulated under a Safe Drinking Water Act is a rule of 100. Basically, it's the water for human consumption if it has at least 15 service connections or, and serves at least 25 individuals for at least 60 days of the year. If it does, then it's a public water system regulated under a Safe Drinking Water Act. So again, 15 plus 25 plus 60 equals 100. And if it doesn't, then it's not publicly regulated.

Dr. Dancil: So moving to the next term brackish water, there is no brackish water being used in the Koele Project District. The service area for brackish water is solely in the Manele Project District area. Commissioners, some of you or all of you should have received materials that were provided in the May meeting. There was a letter included dated May 12, which was in response to Chair Gima's question about brackish water. We've included a copy of our response here on the left side of this slide. Included in our response was the item on the right, which is the service area map that we have on record at the Public Utilities Commission

because it is regulated. Unfortunately, the replica is not that clear. However, you can make out that it is the Manele Project District. That is the only area that uses brackish water.

We did go back to determine if, if and where the term brackish is located in our applications. It is used by the public in their comment letters on the Draft EA, and by the Planning Department in their conditions on the current applications. Ken, how would you define brackish water?

Mr. Kawahara: As you may recall Roy mentioned the Hawaii Water Plan. Brackish is defined in that plan as water with a chloride concentration greater than 250 milligrams per liter or parts per million.

Dr. Dancil: And lastly, R1 water. What does the R stand for?

Mr. Kawahara: Recycled water.

Dr. Dancil: And how is that defined?

Mr. Kawahara: The Hawaii State Department of Health, Wastewater Branch defines recycled water as treated wastewater that by design is intended or used for a beneficial purpose. There are three different classes of recycled water, and that is what the number one in R1 stands for. There's R1, R2, and R3. The numbers define the level of oxidation, filtration and disinfection necessary to be qualified as that type of recycled water.

Dr. Dancil: Another question we received was what was our understanding of the primary and secondary determinants of water portability? We believe that the word determinant should have been contaminants, according to the Environmental Protection Agency, or EPA, the entity that regulates drinking water contaminants. Ken, are you familiar with the terms on the slide?

Mr. Kawahara: Yes, that's from the EPA's website. It describes what the drinking water standards are and the primary and secondary categories of drinking water standards.

Dr. Dancil: Is the water that is used to serve the Koele Project District in the . . . (inaudible) . . . applications provided by a Public Water System, or P.W.S?

Mr. Kawahara: Yes. It's P, W, S, or Public Water System 237, the Lanai City water system.

Dr. Dancil: Is the following an accurate statement -- in its existing and proposed state in the applications, the Koele Project District is serviced by Public Water System 237, and as such, it complies and will comply with national primary drinking water regulations.

Mr. Kawahara: Yes, that is an accurate statement. The national primary drinking water regulations are legally enforceable, primary standards, and treatment techniques that apply

to public water systems. Primary standards and treatment techniques protect public health by limiting the level of contaminants in drinking water.

Dr. Dancil: Thank you, Ken. We're going to switch back to Roy. Are you familiar with this information presented on the chart?

Mr. Gima: Hold on. Keiki-Pua, hold on a second. So going back to Ken, if I heard you correctly you said potable water is not defined but --? Can you define potable water again? And the second part of the question is, can you drink brackish water?

Mr. Kawahara: Ah, it really depends on --. Maybe I'll answer the second part; can you drink brackish water? It depends on the level of chlorides. A lot of times if you look at that chart that was up with the primary and secondary, the secondary, if you read at the bottom aesthetics, aesthetic effects such as taste, odor, or color in drinking water. So many people, you know, can drink salty water, but it's a level of comfort when it comes to taste. So that's why the State Department of Health, Safe Drinking Water Branch, does not categorize things as potable and non-potable.

Mr. Gima: They don't categorize water as potable or non-potable?

Mr. Kawahara: From a legal perspective. And that's what I had mentioned previously.

Mr. Gima: Okay, from a non-legal perspective, can you explain the difference between potable and non-potable water?

Mr. Kawahara: From a --. So, so typically, it's drinking water or non-drinking water.

Mr. Gima: And it's non drinking because of those contaminants. Is that accurate?

Mr. Kawahara: The primary drinking water standards, if it doesn't meet those levels, then it's non drinking water. Again, if it's regulated.

Mr. Gima: Okay. Thank you. Okay, go ahead Keiki-Pua.

Dr. Dancil: Thank you Chair Gima. Thank you, Ken. We're going to call up Roy. Roy, are you familiar with the type of information and representations on the chart?

Mr. Hardy: Yes, very much. Actually, I compiled all the historical information up to 1994 from the beginning here, prior to 1930, when I constructed the Lanai groundwater model. All the water use reports submitted to the Commission since then to bring the graph up to current conditions. This is the Lanai monthly pumpage chart and it's published on the Commission's website. And that data is provided by the Lanai Water Company. It goes all the way back to 1926. So those red solid line, you see at the top there, that is the sustainable yield of six million gallons per day for Lanai.

Dr. Dancil: And what does the red dotted line indicate?

Mr. Hardy: Okay, the red dotted line, which is four point, represents 4.3 million gallons per day, which was a trigger set by the Water Commission back in 1990 as part of that designation.

Dr. Dancil: And how is that determined, that number, that 4.3 million gallons per day trigger number, how was that determined?

Mr. Hardy: Yeah. Well, it was a bit arbitrary in the designation proceedings and the findings of fact at the time. The estimated total future demand was calculated to be about 4.2 million gallons per day. Commissioner Lewin at the time added into the non-designated decision this, this trigger condition, that it's actual total pumpage, on a 12 month moving average basis, with the 4.3 MGD, or million gallons per day, then the designation process would be revisited.

Dr. Dancil: Earlier, you stated that the central aquifer sector was comprised of two aquifer systems, the Leeward and Windward Aquifer System, each with three million gallons per day sustainable yield. Can you separate out the two aquifer systems from each other? In other words, can you say that since the majority of the water is currently being pumped from the Leeward Aquifer, we should look at the current daily demand in comparison to three million gallons per, per day sustainable yield versus six million gallons per day sustainable yield?

Mr. Hardy: Well aquifer system areas do communicate between each other within a sector. And this is was especially investigated on Lanai. If you look at the screen in the map, you'll see the boundaries and the extent of the high level aquifer, in the central aquifer sector area of the island. And there has been two studies. The aqua in the orange outline is, represents the 1994 results of a geophysical assessment, which was a model done by Black Hawk Industries. And the area between the aqua and the orange outlines represents a marginal dike zone or what Black Hawk determined to be a barrier zone encircling that orange outlined area, which is the extent of the high level aquifer based on their geophysical methods. Now, the green outline is the high level area, which was defined by Mink that I mentioned earlier back in 1983. And that is still what is used by the Commission on Water Resource Management and its Water Resource Protection Plan to define the central aquifer sector area.

Okay, now this next slide shows the numerical model, which I worked with over at the Geological Survey. And this -- and that was from 1996. And this was based on Blackhawk, the Mink, and actually geologic map hasn't been shown here that the USGS has in house as well. And that investigated how the groundwater flowed island wide, the groundwater model, the numerical groundwater model. It's a detailed conceptual relationship between the Leeward and the Windward high level aquifer systems. Those are the bolded cell areas. It's kind of, I like to call it the guitar. And it showed that these two areas are connected. And the model is calibrating using all of the historical pumpage, all of the historical water level data, and calibrated for these cells. And the results from this study showed really that fog drip was

extremely important. And the six million gallons per day sustainable yield figure used by the Commission was a reasonable figure to use.

Dr. Dancil: Thank you, Roy. Simply put, we use the term water demand in use and estimated, forecasted, or projected use. So now we're still answering a different question. We don't use long term water allocation. The water demand is calculated using the State of Hawaii 2002 Water Systems Standards, which is on the screen here. It's table 100-18, Domestic Consumption Guidelines for Maui County. I've highlighted the column in transparent red.

The water demand for the subject applications are calculated based on the average daily demand for various zoning designations that were included in table, and it's included on the previous slide. On this slide, we basically duplicated table-eight from the staff report. This table summarizes the proposed water demand for the subject applications, and it was also the same table that was included in the preliminary engineering report in the Final EA. In our application, we were asked to break out quote other projects. In this column are the water fall chart.

Mr. Gima: Hold on. Hold on Keiki-Pua. If, if I heard you correctly, you said Pulama Lanai does not use the term water allocation?

Dr. Dancil: That is correct.

Mr. Gima: So do I understand that to mean that this project can use as much water as they want, that there is no upper limit on how much they can use?

Dr. Dancil: That is not what I'm saying. We just don't use the term water allocation. What we use is water demand or estimated water demand.

Mr. Gima: But without . . . (inaudible) . . . limit that you could arrive at a conclusion that you could use as much water you wanted. I mean, that's why they had water allocation discussions in the Water Use and Development Plan.

Dr. Dancil: Thank you, Chair Gima, for the comment. You were breaking in and out. If I understand you correctly, Olivia, if you could go back to table-eight in the staff report. So I think what you call water allocation, Chair Gima, respectfully, is what we call water demand. And I think it's just using two different terminologies. We calculate estimated water demand, which I believe the intent is the same as what you're calling the intent of a water allocation. In no way do we say that we are going to use unlimited water. We actually state multiple times in the preliminary engineering report and in this table here, which is replicated in the staff report on what we expect to be using in our subject applications.

Mr. Gima: Okay, I guess we agree to disagree on this. You can move on.

Dr. Dancil: Thank you, Chair Gima. So Olivia, if you could go back to this one? So we were asked in the last meeting if we could explain, quote unquote, what other projects were. And that's what we're doing here. The column on the far right in the varying shades of gray and black is an expanded view of quote unquote, other projects. These projects were listed in the footnote. And these are all included in all of our subject applications. All I did was just lift up the values here in this chart. It should be noted that we included projects that are entitled in the entitlement process. And these are the Hokuao housing project that we mentioned earlier, as well as a Miki Industrial park. We also included projects that have a quote unquote water reservation, which is that DHHL Future Residential Project. Pursuant to Hawaiian Homes Commission Act Section 221, Subsection C, in Hawaii Revised Statutes Section 174C-101A. The DHHL is entitled to reserve water for use on its lands. DHHL has a current groundwater reservation on Lanai of 0.067 million gallons per day with the Commission on Water Resource Management.

There have been other projects, including the current project district, that has a lot more land and associated water uses, but we do not include that in this water fall chart here because we believe they're not at a stage entitlement or we don't believe it warrants allocating for at this particular time.

There is a question on why the State Ag lease was not included in, quote unquote, other projects. Again, we chose not to include the State Ag Park lease for the reasons we mentioned earlier. It's not in the stage of entitlement, and it does not have a water reservation according to the Hawaiian Homes Commission Act or the Hawaii Revised Statutes. In addition, it has been 28 years, and the State has not indicated any development of a State Ag Park on Lanai. However, I've included the State Ag Park here for illustrative purposes in a separate column, colored orange and outline in blue, I mean, black dotted outline.

As you can see, we're still under the 4.3 trigger that Roy spoke about earlier, and we are still under the six million gallons per day sustainable yield.

Mr. Gima: So Pulama Lanai is not choosing to fill out the, the matrix?

Dr. Dancil: Thank you, Chair Gima. That is exactly where we're going next.

Mr. Gima: All right.

Dr. Dancil: On the screen here, so we're in agreement with you, Chair Gima, that the statement about of having a bird's eye view on Water Use on Lanai, is very important. Understanding the amount of water that is pumped, distributed, and forecasted are estimated in our project undergoing entitlement and permitting is very important to us. We are constantly monitoring data sets so that we know where we are and where, and whether we are getting close to that 4.3 million dollar, I mean, 4.3 million gallons per day triggers that by CWRM.

There are many ways to display these datasets that illustrates the macro or bird's eye view. We've consistently displayed our version, which is the water fall chart in our applications before the Planning Commission, as well as in our Environmental Assessments, as well as in our District Boundary Amendment.

We were asked to take the values in the paragraph on the left and insert them into the matrix provided on the right. We believe that the goal of the matrix is similar to our water fall chart, with the current pumping demand subject project and other projects, et cetera. And ultimately forecasting the demand and how it relates to the trigger and sustainable yield for Lanai set by CWRM. Over the next few, few slides, I will attempt to reconcile our water fall chart with the matrix provided since we believe they share our same goal, a macro or bird's eye view.

Before I begin to populate the matrix, there are a few important descriptors that need to be pointed out. As we discussed earlier, what we mean by, quote unquote, water demand you can see the term highlighted in blue font is used quite often. We mentioned earlier we do not use the term water allocation; we believe the intent is the same. Here in the matrix, the term water allocation is used and circled in orange. Since we don't use that term, we will not populate that column and instead I, am will explain how we will account for these numbers. The forecasted or estimated water demand is the term we will use to populate some of the values in the red font, in the paragraph on the left, into the matrix on the right. It should be noted that the numerical sustainable yield value and a numerical trigger set by CWRM are highlighted in red as well. Those will not be included in the matrix. I've inserted our waterfall chart on the left. You'll recognize the same numerical values from the paragraph from the previous slide, including the sustainable yield and trigger. The only difference is the 0.32 million gallons per day for other projects. I've broken it out for ease of convenience, so I describe what these projects were earlier. We believe the intent of both of these are the same. I want to walk through how their connected.

You'll see the values and the font in blue in the matrix that these have been lifted from the graphic on the right. I've also included new language in the matrix as blue font, and I've used the strikethrough function to show where that language is not applicable. So, for example, instead of using allocation, that's what we're calling estimated. I've changed the color of the current bar, which is the current pumpage in the graph to green. And this is to assess where they were – where this value of 1.5 to correlate with the matrix. The current value of 1.52 million gallons per day was the pumpage for Lanai at the time the graph was created when we submitted our subject, subject applications. This values from the periodic water reports that CWRM publishes on their website, and the data is provided in the PWR is from Lanai Water Company. These PWRs are also published and available on the Lanai Water Company's website. We acknowledge that the pumpage is different than the use on island or the amount of water that is distributed. There is always some amount of revenue non-revenue water. However, we looked at the pumpage versus distribution on Lanai and, from the PWR, and they are very close, within a few percent. We rather use the value of pumped versus distribution as in our macro or bird's eye view because we want to understand how much we are pumping. And this is actually the larger value than how much we are distributing.

Just to verify that I am not misleading you, here is the data from the most recent PWR. You can see the source water pumped in the army green. This is the value in our current chart on our graphic. It is slightly higher and like I said, it's only a few percentage more than the blue aqua, and that's the amount that is distributed on island. Bottom line is that values are very close.

Back to completing the matrix. The current value indicated by green filled areas include existing Manele and Koele Project Districts, Sensei Farms, and existing Miki industrial uses. The aqua . . . (inaudible) . . . have been inserted in the matrix underestimated demand. These add up to 0.95.

Regarding this question here, our intention is to take as much water from the County's facility to produce R1 quality water for irrigation in the Koele Project District that we used to irrigate the park subdistrict. During COVID, most of 2020, and the first part of 2021, we weren't taking as much water as indicated on the slide here. In addition, we also were completing some much needed maintenance on our facility, and that limit our production of R1 water. On the slide here you'll see the amount of R1 water from the PWR over the last two years, and the six periods of 2022 that was used to irrigate the golf course subdistrict in the Koele Project District. In green, I plotted the 13 period moving average. The trend is upward. Meaning we have been producing and using more water over time. Regarding the amount of raw sewage needed to produce 0.3 to 0.4 million gallons per day, we would default to the County Department of Environment, Environmental Management. And that is not our facility or the role of our facility, the auxiliary plant that polishes to R1.

So we're back to here, and we're going to talk about, you know, what percentage of park acres the applicants plan to irrigate. Regarding this question, we don't have an exact percentage, but we do know it will be less than the acreage at Experience at Koele, which was 221 acres. The park subdistrict is approximately 235 acres. And as you can see from the area of pink, it's significantly less. Also in the park subdistrict is Lanai Adventure Park. And we're still in the process of designing the sculpture garden, which will be in the area that was formerly the golf, and is now it's a . . . (inaudible) . . . park subdistrict. And to reiterate, the parks subdistrict will be irrigated with R1 water.

The R1 water to be used to irrigate is in bright pink, as I mentioned. At this time, unless R1 water is available and or practicable, meaning if there is enough of it produced, if it's not under maintenance or anything like that, as you saw in the PWR chart, it does fluctuate. The park area won't be irrigated if R1 water is not available.

As mentioned earlier in the discussion about brackish water, there is no brackish water being used in the Koele Project District, and we do not plan on using any brackish water in the proposed Koele Project District. The staff report, condition eight, proposed by the Planning Department lists all types of water. And this maybe the confusion as to why one may believe that we are using brackish water. I've included the condition on the slide on the screen. In

addition, we also explained that R1 water would be used to irrigate the park area, which was formerly the Experience at Koele. The source of the R1 water is that it has always been it's the auxiliary facility next to the County Wastewater Reclamation Facility. We do not intend to report brackish water in the future reports because it is not used in the Koele Project District. The R1 water will be reported in the future associated with condition eight.

If anyone is interested in the amount of R1 water used to irrigate the Koele golf course, it's already published and publicly available on the Lanai Company's website. I've included the latest copy of the PWR here. Next slide.

I believe the intent regarding this question is to ensure that what we're reporting to the Lanai Planning Commission is also the same water use values that the Lanai Water Company reports to the Commission on Water Resource Management. The water used to report to the Lanai Planning Commission is included in the periodic water report that is submitted to CWRM. The report periods do not align. The LPC reports are based off of billing data that is read every other month on the 15th. The PWR reports are based off of meter readings, which are taken every 28 days. The periods do not align to a particular calendar month or day. It's just a reoccurring 28 days.

The water use report to the Lanai Planning Commission is very project specific and tied to an application condition. The current Koele water reports are tied to Condition 15 for the Project District Phase Two application for the Four Seasons Resorts Lanai, Koele proposed improvements. The water use data in the PWR is not project specific, and it is provided in aggregate to show what is being pumped located in green to what is being used which is outlined in orange, the total.

We would respectfully request that the proposed condition-eight align with the current reporting so that the Commission is not confused with the water use in the same area for condition 15 which we're already reporting on. And condition-eight is being proposed in the new application.

When the projects related to the proposed district come online, we could add those as a separate line item for condition number eight. The PWR is more of a macro level and the LPC report water use is tied again to a specific condition on a specific application.

Ms. Kaye: Okay, can you hold it there for a second? I want to ask. You're talking about a former application and a former condition, and what is the problem with the, the proposed condition number eight for this application?

Dr. Dancil: Olivia, if you could go back a couple of slides to where we put the condition up? So this is condition number eight. And as we've discussed, it basically calls out portable, brackish, and, or R1 water use in the source water of said water. We're not using brackish water, so we wouldn't be reporting brackish water. So just wanted to call that out.

Ms. Kaye: All right.

Dr. Dancil: And that's what we were just asking is because we already report on for the Koele Project District in condition 15, because this is the same area project district just expanding, if we could align, you know, so you're not getting multiple reports and just figure out a way to align those two, conditions eight and condition 15.

Ms. Kaye: And what are you proposing?

Dr. Dancil: I'm proposing to add condition eight would be extra line items, so that it's specifically called out. So we could add an extra line item that calls for like resort commercial, and put the amount of water that's being used in resort commercial. Or an extra line item that's called hotel expansion, so that it's an extra line item there. So that it's tied to the specific application as opposed to putting everything in aggregate like it is right now in condition 15. At some point you should align the two. That's all I'm asking for consideration.

Ms. Kaye: Okay. One of the problems that I had with the original and I think the Planning Department just inadvertently put in project site as opposed to Project District. And you're saying that right now, condition number 15 -- I'm sorry, I don't have it right in front of me, so I'm trying to read the small print -- it is, that's project site, not Project District. And I think the intent of what we were trying to accomplish was, yeah, you're going to be adding new things, you know, your commercial uses or whatever. So the project district overall usage -- and I get it the brackish doesn't, doesn't apply -- but potable and R1 and where it's coming from, I guess the main concern, was the project district and not the project site. And you're saying you don't want to do that?

Dr. Dancil: No, we're just asking to align the two. So here, I'm skipping ahead, but we're flexible. So we're on question number eight and I believe Commissioner Kaye this was your question. So, you know, the applicant shall provide the Commission with quarterly water. So in blue is the current existing language for condition 15. In green is the current condition in the staff report. And we respectfully are providing some language here in orange section for consideration, and think that that will make it clearer. So specifically calling out the hotel expansion, the park, and the resort commercial subdistricts.

Ms. Kaye: So you mean that we would then have to reconcile the response to Condition 15 on a former application and, and, and this? You're not? You're not?

Dr. Dancil: No.

Ms. Kaye: You're not? No?

Dr. Dancil: No, I'm actually saying --. I mean, I think we're in agreement, and maybe I'm doing an absolutely awful job of explaining it. So we would continue with 15 and then we would have an extra line item with eight, and then it could be a total, so you could have it all together. But

we would respectfully ask that it, you know, align. Right now in condition eight, it just says quarterly water reports. It doesn't have quarterly and annual. And even though the Koele Project District, Condition 15, talks about just water usage, we don't call out specific water. You could do that, but, you know, just trying to align. We would include all water uses.

Ms. Kaye: Well, I don't see that, that eight, the way it's written, does that. But go ahead. Thank you for answering my question.

Dr. Dancil: Thank you. We're going to call up for our next question, Cal Chipchase from Cades.

Mr. Wollenhaupt: This is the planner, Kurt, since I might have to be dealing with these conditions. Um, I guess I'm a little confused on the last one. Are we going with this term potable because we have the discussion about whether that's a term that we use or drinkable? So maybe I'm not quite sure how that condition. And then I guess I was sort of similar to Commissioner Kaye, if, if this condition is talking about the entire Koele Project District could we not have an aggregate number, and then we'll break it down into the different components like you were. But essentially, it'd be a combination of old 15 incorporated into new number eight, with eight now being an aggregate, and then you break it down like in your waterfall on all of the uses. But maybe I'm not --. Anyway, that was just a thought. I'm trying to understand how the condition could be better written. That's it. Thanks.

Dr. Dancil: Thank you, Planner Wollenhaupt. Respectfully, if we could just kind of get through this and then we can come back to and revisit those very important questions. I want to get through some information. Cal, could you step up please?

Mr. Cal Chipchase: Of course.

Mr. Gima: Excuse me a second. Commissioner Preza has to leave at seven o'clock, so I wanted to give Shelly an opportunity to either comment or question the applicant before she has to leave.

Ms. Preza: Thanks. I've just been listening and observing everything, so I don't have any questions at this time. But thank you to the applicant for being so thorough because I feel like it was very -- I learned a lot about --. We've had water workshops in the past, but I feel like this is very detailed. So I'm sorry that I have to leave at seven, but I will be watching the recording for sure to learn all the rest of the what's going to be presented for the Koele Project District. Thanks.

Dr. Dancil: Thank you, Commissioner Preza.

Mr. Gima: Okay.

Dr. Dancil: So I want to introduce Cal Chipchase. He's from Cades Shutte. He was with us in May and he is going to cover the next question.

Mr. Cal Chipchase: Sure. Thank you, Keiki-Pua, and thank you, everyone. I appreciate your time and it's nice to be with you again tonight. We responded in writing to the questions that was presented by the Commission and explained what we think is the correct textual structure of condition nine. And if you break it down, you see that the reference is to a specified number. And so if you look at what the number was specified a time, as we set out in our writing, it was 634. And so that's, that's the way the ordinance would be interpreted. It can't be read out of context or in a vacuum. Otherwise, if the number were increased to a 1,000 you end up in a ridiculous situation and it would be triggered until you get 500. Or reduced to two, you end up in the ridiculous situation that it would be triggered on one.

And so you take everything in context that was passed at the time it was passed, and you look at what . . . (inaudible) . . . that's the number that we've set out. And given that that number will no longer be reached in any circumstance, the condition no longer makes sense as part of the Koele Project District. And so for that reason, we've suggested, we've asked that the Commission recommend its removal. I'm happy to answer any questions or Keiki-Pua, if there's other things you'd like me to cover and walk through before questions?

Dr. Dancil: Nope. We can move on. Thanks, Cal. We'll just move on. Kind of get through this. Thanks so much. So, Chris, if I could just call you back up and explain why the three alternatives listed here on the slide are standard.

Mr. Sugidono: Yes. These alternatives, I think --. Yeah, so this slide. These alternatives are in accordance with the Hawai'i Environmental Review Law, which as noted earlier guided the preparation of the Draft and Final EA documents for the project. And so --

Dr. Dancil: So there's further action alternative, Pulama reserves the right to, you know, significant single family resort development, a second homes in the original concept of the project district. Is that, that correct?

Mr. Sugidono: Yes. That would be possible, as it would mean that the existing entitlements for the project district would remain, including the larger area currently approved for residential use.

Dr. Dancil: So the preferred alternative, what sorts of advantages are those?

Mr. Sugidono: Yeah, I think Kurt Matsumoto previously outlined a number of potential positive outcomes for Lanai. And a larger context for the Hawai'i economy, there are a number of public, recreational, and economic benefits for the Lanai community. Additionally, it will increase the amount of lands, and parks, and open space while generating construction jobs and long term employment opportunities within the Koele Project District.

Dr. Dancil: So on this slide a question was asked and answered in the Final EA. We've pasted it here on the screen, in the bottom left of the screen. We also included the reference to permitted uses since it was referenced --

Mr. Gima: Ah, quick --. Excuse me, Keiki-Pua, this is a question to Kurt. Kurt, so what the previous screen showed was in the Final EA, but it was not included in the Planning Department's packet. Was, was that, was that intended?

Mr. Wollenhaupt: You're talking to this Kurt, right? You're talking to the Planning Department, not Mr. Matsumoto, I'm taking.

Mr. Gima: Correct. I'm sorry, Kurt. Right.

Mr. Wollenhaupt: Okay. Well, that, the documents as you said were in the Final EA, the staff report I don't believe it commented upon that, those other scenarios. So it wasn't intentionally either left out or left in as we had seen that it was covered in the Final Environmental Assessment, so there was no intention certainly to leave it out. But then there was no discussion in the staff report as again, we referenced the Final EA numerous times. So normally that discussion is done and, and might be able to illuminate. A lot of that discussion is often done in the environmental assessment and the discussion on the alternatives are frequently done there as we move towards a specific project review as then determined by which of these alternatives we're moving forward to looking in and all the impacts. So that'd be my answer to your question.

Mr. Gima: So it sounds, it sounds like it was an oversight because on page 43 of the Planning Department packet under the category of alternatives, you're basically listing the Planning Commission's options on the application. But it was confusing. I had to go, I had to go find the alternatives in the Final EA.

Mr. Wollenhaupt: Well --

Mr. Gima: So my, my question --

Mr. Wollenhaupt: Actually --

Mr. Gima: So my question is --

Mr. Wollenhaupt: The alternatives there are the alternatives with what you would do with the project as proposed in the staff report, not alternative project design. So you can deny this, the project as, as reviewed in the staff report. You can defer it as you have three times. You can recommend approval as the project is proposed with no conditions at all, just let them do it. You can, you can recommend approval to the Council with conditions as, as the conditions are written or you're adding or removing conditions. Or you can recommend denial of this to the Council. So these are alternative decisions that the Maui, or that the Lanai Planning

Commission can make with respect to this project, not with respect to a no action alternative or a different mix or something else. That discussion was done in the EA process. We're not looking at alternative proposals in this staff report. So there's two different kinds of alternatives.

Mr. Gima: Okay, thank you, Kurt. Go ahead, Keiki-Pua.

Dr. Dancil: Thank you, Kurt. Thank you, Chair Gima. Just call up Chris again to go over on slide 49. So the question was asked why was four and five eliminated? Do kind of go through that, Chris, please? You're on mute, Chris.

Mr. Sugidono: Sorry. For four and five --

Dr. Dancil: So if, uhm --. Yeah, so basically . . . (inaudible) . . .

Mr. Sugidono: . . . (inaudible) . . . included in the park and golf course zoning.

Dr. Dancil: Yeah. So, Chris, can you see the slide? We're on question number four. Part of the question was why was number four and five eliminated in the proposed park subdistricts. And it was referenced here in the Final EA. We also want to recognize that they were planned at one point to install another tower at the Lanai Adventure Park and that is no longer the case. Can explain the elimination of this language?

Mr. Sugidono: Sorry and think I lost my place. I apologize.

Dr. Dancil: We're on slide 50.

Mr. Sugidono: Okay. Sorry. Yeah. So I was in the right place. Okay, yeah, this language was included in the County Code Park and Golf Course Zoning that exists today in the existing Maui County Code for the golf course for an unanticipated event. So the language proposed to be included and amended Koele Project District Ordinance for the parks subdistrict not because R1 water will continue to be used for irrigation. This language is used in County Code where R1 water is used for golf course irrigation.

Mr. Gima: I think you're on the wrong slide.

Mr. Sugidono: I think this was the correct one.

Mr. Gima: Oh, did you already answered the one, why was four and five eliminated or did Keiki-Pua answered that?

Dr. Dancil: No, I answered that, Chair Gima. I probably went through it too quickly. So on number four and five --

Mr. Gima: Okay.

Dr. Dancil: -- we put the reference in there. I also eluded to at one point in time, we were considering adding a second tower to the Lanai Adventure Park, and we are no longer going to be adding that second tower. And that was one of the reasons why we eliminated four and five.

Ms. Kaye: You eliminated it because you were going to do something that was going to be taller than that and now you're not going to do it so you're not going to put it back in? Is that what I'm hearing?

Dr. Dancil: We can put it back in if that's your desire?

Ms. Kaye: Well, it was in there for a reason initially, and you had a specific reason for wanting to take it out, which you say no longer applies. So would you object to putting it back in?

Dr. Dancil: At this point in time, we don't object to putting it back in.

Ms. Kaye: Okay, thank you.

Dr. Dancil: You're welcome. Okay, we're onto slide 51. Chair, I just will add and respect for the Commissioners, I know we've been going for a long time. I don't know if you guys want to take a five minute break or if you want to continue.

Mr. Gima: Yes, you read my mind. Let's take a, let's take five minute break.

Dr. Dancil: Great. Thank you, Chair. Appreciate it.

(The Lanai Planning Commission recessed at 7:10 p.m., and reconvened at 7:16 p.m.)

Mr. Gima: . . . all the Commissioners' cameras come back on great.

Dr. Dancil: Great. We're going to start sharing our screen. Let me know, Chair, when you'd like to start.

Mr. Gima: Okay. One, two, three. Okay, go ahead, Keiki-Pua.

Dr. Dancil: Thank you, Chair Gima for that much appreciated break. We're back on slide 51. So we proposed section, subsection J, Public Utility, because there is equipment that is currently in the golf course area that will be designated park that contains Lanai Water Company infrastructure. We proposed subsection L to provide flexibility. For example, what if the community wanted to hold an event at the Cavendish for a temporary special event, this would be an accessory use. It should be noted that these events would be temporary and that means that the event may be held no more than 30 days in a calendar year. This would allow

them not having to come to the Planning Commission for approval. It would be an accessory use if this is allowed.

Next, I'm going to call Chris back up. Chris, we are on Slide 52. If you could please walk us through why the language was added as shown on the screen.

Mr. Sugidono: Yeah. So it is our understanding that Pulama Lanai has utilized R1 for maintenance and irrigation on the golf course subdistrict for a number of years. Drinking water use on the golf course was limited to human consumption purposes in compliance with existing Koele Project District ordinance. Since the adoption of the Koele Project District Ordinance in '86 and '92, the County of Maui has amended the County Code to include provisions to require the use of recycled water for certain uses. This includes golf courses and restricting the use of drinking water on golf courses. And so County Code 20.30 was adopted in 1996, and MCC 14.08 was adopted in 2009. Both of which were after the Koele Project District Ordinance, which established a golf course subdistrict in 1992.

And while County Code 20.30 is currently applicable to areas of on Maui Island, the applicant proposed this language, here, to comply with the same provisions for Lanai as there is existing reclaimed water source available. So regarding MCC 14.08 it is noted that the current language of the chapter only applies to new golf courses constructed after the ordinance was adopted. So similar to the reason for proposing the applicability of MCC 20.30, the applicant included this proposed amendment to the Koele Project District Ordinance to comply with the provisions and purpose of MCC 14.08 for Lanai as well as it is an existing condition restriction to use reclaimed water for a golf course irrigation, for the golf course lands.

Dr. Dancil: Why were these sections eliminated?

Mr. Sugidono: Historically, we understand that the Cavendish Golf Course has not been irrigated with R1 water. Therefore, this section is not applicable. The Cavendish golf course will be the only area within the golf course subdistrict in the Project District with the proposed amendments.

Dr. Dancil: Can you explain the changes that are highlighted in yellow in the resort commercial section on the screen?

Mr. Sugidono: Yeah, this change was made because the original section in the Project District Ordinance was for Public not Resort Commercial. So Resort Commercial is a new proposed subdistrict as such -- so as such, the yard is not applicable as there will be buildings such as a bar, or support structure like a locker room, or tennis pro shops. The word yard was replaced with building simply.

Also the setbacks are consistent with other commercial areas in Maui County Code. We should note that there is, and I think, an error in the 4.A and 4.B, the yard should be replaced with building.

Dr. Dancil: Whew. That was the end of question four. We are now moving to question number five.

Ms. Kaye: I'm sorry, Keiki-Pua? I'm sorry. Could you just go back to not this last one, but the one before? One slide back again. Sorry. I mean, that was so confusing. My understanding if I remember, if I'm hearing you correctly, there's no longer a golf course. And the golf course was required to use R1 water irrigation when, when it was originally approved. And what you're saying is you intend to keep doing that, but you're also grandfathering in the fact that Cavendish is -- has always been irrigated with not R1 water and you want to continue that also. Does that summarize where we're at with this?

Dr. Dancil: Correct. So Cavendish historically has always been, and has been grandfathered in all the way. The Experience at Koele did have a condition to irrigate with R1. And since we are no longer operating The Experience at Koele, we are going to use still R1 in those areas that were The Experience at Koele. I hope that confirms your statement.

Ms. Kaye: Yes, it does. But you understand why the question was asked. It doesn't read that way. It reads as if because I know 20.30 only applies to parts of Maui Island, but it doesn't say we're agreeing to do that. You just have now said that verbally. That's all I want to clarify.

Dr. Dancil: Thank you, Commissioner Kaye.

Ms. Kaye: Thank you.

Dr. Dancil: Okay, we are on slide 58. Next slide, Olivia. Thank you. So question number five. So we are confirming that the 25 homes, which has an estimated water demand of 15,000 gallons per day, which is determined by twenty five times 600 gallons per day is not included in the proposed project district. And we highlighted the section here that was in our application. The red circle also identifies the area that is being removed from the Project District, where it is currently zoned residential in the Project District.

So these slides, so we're on to question number six, the slides were provided earlier on slide 32, and they were answered in the earlier section, very similar type of questions. So we've duplicated the answer here for convenience. But they answer, like I said, they were answered before. There will be 10 direct new jobs on Lanai, three indirect new jobs on Lanai, and one indirect new job on O'ahu. In the FEA, Volume One, reference 438, the type of direct jobs are listed here. We've pasted it for convenience. The direct jobs on Lanai include but are not limited to the following examples; hotel managers, trainers, fitness and sport experts, spa therapists, etc. Indirect jobs on Lanai and Oahu are listed here on the right side of the graphic, and the reference to where it was located in the applications. I'm going to call back up Kurt Matsumoto for the next couple of questions.

Okay. So Kurt answered some of these similar questions earlier. So the question is please discuss how the alternatives tourism ventures are supported by the current application.

Mr. Matsumoto: Sure. As mentioned in the Planning Department's staff report, the proposed amended Koele Project District boundaries and the increase in the acreage of the hotel and resort, commercial sub-designations offers us opportunities to for future resort related development, and they represent job opportunities. The golf sub- designation is proposed to be reassigned to park sub-designation, which can host multiple art installations. This would support cultural tourism, alternative tourism ventures. The resort commercial sub-designation area is currently used for Lanai Ranch activities and will continue to be used in this manner. As you know, this area highlights the rural lifestyle of Lanai, and also the area could potentially be used as event venue for both kama'aina families and visitors.

So Sensei Lanai, as you now know, now know, is the wellness retreat. The expansion of 11.5 acres would further enhance the wellness theme that we have already built there. Sensei Wellness employs more alternatives as we grow. So more wellness professionals that are not just spa treatment professionals. At Koele, at Sensei, there's a broader range of professionals that are employed now. Also, Lanai Air has been expanding service to support the Sensei Retreat, and we believe it's added to the success to date.

Also from that location, there's multiple activities that involve seeing the island. They encompass cultural tourism, eco-tourism, ag tourism, sports tourism. So, for example, the Lanai Adventure Park, Love Lanai Tours, there's sailing opportunities, the laser range, the Lanai Archery and Shooting Range, and then we would add the art and sculpture park.

Ms. Kaye: Could you just add -- speak for a second about what part of what you just said impacts kama'aina tourism? Who can afford it?

Mr. Matsumoto: Actually, right now, Sally, the majority of the clientele is kama'aina. If, if, not for the kama'aina business over the last two years at Sensei, it would have been extremely quiet. While we're starting to gain more tracking from other destinations, it, the location remains very popular to kama'aina travels.

Ms. Kaye: From, from other islands in Hawaii, not tour groups? Individuals?

Mr. Matsumoto: Yeah, we -- it's individuals. Yeah, this type of, this type of stay is meant to attract individuals, couples. We're not specifically trying to be in the group market at Sensei.

Ms. Kaye: Okay, that's interesting. I didn't know that. Thank you very much.

Dr. Dancil: Thanks, Kurt. So we're back to question eight. And this one wasn't necessarily a question. It was the comment that Commissioner Kaye pointed out that it should read project -- it should be changed to read Project District instead of Project Site.

Ms. Kaye: I actually thought Kurt's suggestion was a good one. It sounded like, I'm sorry, our planner Kurt suggestion was a good one to do a cascade. Kurt, can you restate that?

Mr. Wollenhaupt: Oh, hello again. I was just thinking that there could be the overall intent that's to look at the water usage in now our revised Koele Project District and then cascade down these uses, hotel, park, resort commercial, all is indicated in the subdistricts as there's also the residential subdistrict. And then that would seemingly take sort of care of incorporate 15. And what we're attempting to do is get the total and then to see how it's broken down within the subdistricts, in addition to the hotel park and resort that's listed in the orange alternative. We just have all of the subdistricts. That --

Ms. Kaye: And that would, I'm sorry, and that would satisfy your concern Keiki-Pua and that you'd report something until it's actually added as a usage in a subdistrict. Correct?

Dr. Dancil: That was --. Yes, and just to be clear, Condition 15 will continue to be reported as condition 15 because it's tied to a different application. And so this would be, you know, when, when development in these subdistricts happen we would start reporting in those.

Ms. Kaye: But, but this is, this is not going to require the Commission to go look up what you reported on condition, condition 15. Correct?

Dr. Dancil: Correct. Two thumbs up.

Ms. Kaye: Got it! Okay.

Dr. Dancil: Okay, question nine. So as we mentioned earlier, new tower was contemplated for the Lanai Adventure Park, which it would have been relocated park subdistrict. We are no longer considering the new tower at this time. We cannot identify any specific principal accessory structures that would be allowed with regard to the height restrictions. So Commissioner Kaye, if you'd like to add that back in that's fine. Okay, next --

Mr. Wollenhaupt: Oh, I had a question on that last one. This is the Planning Department, Kurt. When you're talking about the height limitations, not to exceed 20 feet. I know this is a bit of an odd question but, like, I've seen sculptures that say the sculptor . . . (inaudible) . . . or I think that maybe your owner of your, of the property over there, has a . . . (inaudible) . . . sculpture. Now those can go -- those are big things. So I just was wondering if any of the sculptures proposed in that district are going to be over 20 feet, and if that's even a problem. I just wouldn't want you not be able to --. So the sculptures I was a little bit questioning, and it's an odd question.

Dr. Dancil: It's a great question. We actually have letters from ZAED, and we've had multiple discussions with Director McLean, as well as former ZAED Administrator John Rapacz. Multiple documentation in the area and agreement that sculptors are not structures or buildings. They are art and freedom of speech used in the private property. You can put up

art as part of your constitutional right, freedom of speech. And so we have lots of documentation stating that as such. Does that answer your question, Kurt?

Mr. Wollenhaupt: Oh, that's excellent. So you can have a big . . . (inaudible) . . . sculpture there. That would make me very happy.

Dr. Dancil: Thank you, Kurt. Okay, we're up, we're almost done. Thanks, Commissioners. I know this is very long. I appreciate your patience as we work through these. We're on question number nine and I believe slide 70. Chris, this is the language circled in red, is that standard throughout Maui County Code? Stated another way, is it found in other places in the Code?

Mr. Sugidono: Yes. So there are other examples in Maui County Code where this language that's circled is utilized. It is noted that the current MCC 19.71 includes provisions where the Director has the discretion to review and approve other standards within the project district, and it exists, and is existing in other sections in the County Code. In addition, the Planning Department provides general oversight on public safety concerns as part of the planning process. The Planning Department did not raise any issues with the noted amendment, which is reflected in their staff report. However, we do recognize that the Lanai Planning Commission will it be able to review and approve all Project District Phase Two applications that may be prepared for any future development actions associated with the subject applications.

Dr. Dancil: Now to follow up, why is the Director of Planning better suited than the Lanai Planning Commission to make this determination in question ten?

Mr. Sugidono: Well, I guess this change here really is just to clean up some of the language. The existing code already states Planning Director. And the proposed changes just to reference the formal title Director of Planning. So the current County Code 19.71 Lanai Project District Two Koele zoning identifies the Planning Director as the approving authority. So the applicant is not requesting to change this distinction, just simply cleaning up the language.

Dr. Dancil: Chris, can you please walk us through the process and approval of the phase two and phase three project district applications? I know it was covered earlier, so you can kind of breeze through this and abbreviate as needed. And this question was asked of the applicant. However, Planner Wollenhaupt did go through this earlier, so just kind of hit the high notes, please.

Mr. Sugidono: Yeah, sure. This, what you see on the slide here is pulled directly from the County Code. So for phase two, which would be after -- we're in phase one -- so phase two, the applicant submitted the preliminary site plan to the Planning Director, which conforms to the project district ordinance that was set in phase one. So you have and then you have proposals for drainage, streets, parking, utilities and things like that. So the Director would submit that preliminary site plan to the Planning Commission. And then the Planning Commission would hold a public hearing and approve the preliminary site plan with or without

modifications. And then when it goes to phase three, you'd have your final site plan submitted to the Planning Director, and then the Director would approve that final site plan.

Dr. Dancil: And Chris, just again, high notes identify the responsible party for the approval of phase two and phase three. This was a specific question.

Mr. Sugidono: Yeah. So as I mentioned, phase two would be LPC. They review the preliminary site plan and provide the recommendations or review the recommendations to the Planning Department. And then phase three, the Planning Director reviews and approves the final site plan.

Dr. Dancil: We're almost done. We're second to the last question. So the vacancy rate was not intended to justify decreasing the residential acreage in the Koele Project District. It should be noted that the vacancy rate in the table is for years 2013 through 2017 for the island of Lanai. This data point is provided by the U.S. Census Bureau American Community Survey five year estimates 2013 to 2017. The vacancy rate was reported and used as a reference in the Socio Economic Impact Report that was prepared as part of the Final Environmental Assessment. It's also in Appendix H. The report analyzed a number of conditions on Lanai including population and distribution, households, housing, and income and education. The vacancy rate was noted within the report and that was included in the Planning Department's staff report along with other information from the Economic Impact Report. The data is replicated from the U.S. Census Bureau five year survey and referenced at the bottom of the table. It does not indicate whether the rate was steady. However, it should be noted that we did look up the subsequent two additional five year estimate surveys, and the vacancy rate did not change within the margin of error.

Highlighted in red circles in the table from the U.S. Census Bureau is the 315, not 312, were identified as quote for seasonal, recreational or occasional use. And that's found on reference page 458 and 459 of the application. It does not list specific owners. The language was also circled in red here on what those uses, you know, who would be residing there.

The last question. Chris, we've shown the process several times for the particular applications. Could you please go into more detail and explain the interplay of the DBA or District Boundaries Amendment, and the CIZ, CPA, and phase one amendments?

Mr. Sugidono: Yeah. So we looked that the County of Maui is representing – sorry – has represented by the Planning Department at the State Land Use Commission hearings on DBA. Additional parties that participate in the DBA hearing are the State Office of Planning and Sustainable Development, as well as the applicant. We would also note that we have had discussions with the Planning Department throughout the application process since -- or at least a year before the draft applications were submitted in May of 2021. So it is our understanding that the review process we are currently undergoing is the correct process. So the Lanai Planning Commission reviews and makes the recommendation to the County Council on the Community Plan Amendment, Project District Phase One Amendment, and

the Change of Zoning. The County Council will hold committee meetings and take action on the CPA. Then, after the Council takes action on that, the DBA petition can be filed by the applicant with the SLUC. Following SLUC action, the Council may take up review and action on the Project District Phase One Amendment, as well as the CIZ. And so based on our discussions, with the Planning Department, this is our understanding of the sequencing of reviews and actions on this Project District Amendment request.

Dr. Dancil: And so the general process now a bit more specific. If the LPC recommends approving the CIZ to County Council with conditions, would or could those conditions carry forward with the DBA or are they independent?

Mr. Sugidono: So those conditions would be specific to the CIZ, and Pulama then I would need to comply with those conditions. They would be independent of the DBA. The Planning Department may have additional thoughts as they are party at the DBA hearing.

Dr. Dancil: If the LPC recommends denying the CIZ, would the DBA move forward regardless? And what impact does or would one have on the other?

Mr. Sugidono: If the LPC recommends denying the CIZ, the Planning Department would transmit that recommendation to the County Council. The Council is the determining body for the CIZ application. And as noted earlier, based on the discussions with the Planning Department, the CIZ request would not be taken up by the Council until after the SLUC makes the determination of the DBA. The DBA could move forward independently of the LPC's recommendation to deny the CIZ as the action would be pending with the Council. They are two different unrelated processes.

Dr. Dancil: Thank you, Chris. Thank you, Roy. Thank you, Ken. Thank you, Kurt. And thank you Cal. This concludes Pulama Lanai's formal response to the letter dated May 27th for the Lanai Planning Commission. Thank you, Commissioners. I know this is a long one. We appreciate the time.

Mr. Gima: Okay, thanks, Keiki-Pua. Will you provide your presentation slides to the Planning Department so that, for reference, we can review them in the future?

Dr. Dancil: Yes, we could do that, Chair.

Mr. Gima: Okay, thank you. Okay, Kurt from the Planning Department, where are we at now?

Mr. Wollenhaupt: Well, we're at the stage of your continuing to ask questions, deliberate on any further review that you would like from the applicant or the Department. I believe you don't have quorum on this matter to make a decision this evening if I'm correct, so any decision making would have to move to a meeting in which you have at least five members that would be in quorum to make your recommendation to the Maui County Council. After you have concluded the questions and answers that you believe now make your ability to make a

decision on this project, you would ask for the recommendation of the Department of Planning, and then you would then be in deliberation as to the alternatives as we talked about before, whether you would recommend approval with no conditions or with conditions. And if those conditions would there be any motions in order to change, add or delete conditions? I know that condition number eight, you had considerable discussion on the water and that one, of course, there would likely be a motion from one of your members to amend condition eight. And then you, or you can also, of course, deny the entire project recommending that. And then you would go for your, your member's vote on all three, which would be the Phase One, the Community Plan Amendment and the Change in Zoning. So that's where we are this evening. Thank you.

Mr. Gima: Thanks, Kurt. So, Commissioners, any last questions or comments for the applicant?

Ms. Kaye: I just have one, Butch.

Mr. Gima: Okay, go ahead.

Ms. Kaye: Yeah, I just wanted a clarification. I understand and, and I agree with Shelly per that the presentation on water was most informative. However, if memory serves when we reviewed the Miki Basin proposed expansion, it was clearly knowledge that the issue was not the water usage but the source. And that it was acknowledged that the current system could not accommodate 237, PW 237 could not accommodate all of the projects that are planned. Is that -- am I remembering that correctly?

Dr. Dancil: Commissioners Kaye, you're, you're talking about the Miki, the DBA that is before the State Land Use Commission at this point in time?

Ms. Kaye: Yes, I am. Your, your presentation tonight was great, but it mostly focused on recharge, and hitting the trigger, and CWRM, and all of that. But if I remember the question that came up with the Miki DBA was that there the water, it wasn't a question of water usage, but where it was going to come from that you would need to do a new well.

Dr. Dancil: It was 238, not 237.

Ms. Kaye: Sorry.

Dr. Dancil: So Koele Project District is serviced by 237, not 238.

Ms. Kaye: Okay, so, but was I correct, and that's what you guys acknowledged with the Miki Basin, that 237?

Dr. Dancil: Yes, subject to check. We're looking at it right now, and I believe we had upgrades to the pumpage. I don't have all that information in front of me. Commissioner Kaye, I'm sorry, I'm going to have to pull up specifically the Miki 200. My headspace is in Koele, I apologize.

Ms. Kaye: No problem. And I apologize, I got my water systems mixed up. Thank you.

Dr. Dancil: Thank you, Commissioner Kaye.

Mr. Gima: Zane, you got any questions or comments? Erin?

Mr. de la Cruz: I have a couple. Uhm --

Mr. Gima: Okay, go ahead.

Mr. de la Cruz: The first one is related, like, I understand that for that question that was asking about how much of the County water, County wastewater does it take to generate that, I think it was, point three million gallons of R1. Like, I understand you can't answer that question because like the County water system is not -- it's kind of a black box, uhm, as far as the auxiliary plant is concerned. But are you able to determine, excuse me, how much R1 can be produced per gallon of wastewater received to the auxiliary plant?

Dr. Dancil: So Commissioner de la Cruz, if I understand your question correctly, you want me to do a calculation of how much in the --

Mr. de la Cruz: Not, not you directly, but if at some point in time -- and I know this might not, like, this, this does pertain directly to this project district, but also just over all for future planning decisions. If, like, what is the efficiency of the auxiliary wastewater treatment plant? Like what --? How much R1 can you turn out per gallon of wastewater received? I know it's not going to be 100 percent efficient system.

Dr. Dancil: Yeah, so I understand your question. So what you're looking at is, you know, ten water molecules come in to the auxiliary plant. How many water molecules are distributed to Koele? So, you know, are there any water losses evaporation? So there is evaporation loss because it has to go through a . . . (inaudible) . . . before it gets to another . . . (inaudible) . . . So I don't have that calculation right now, but you know, we take as much water, all water, if necessary from the County plant and we process it through our plant, if our plant is up and running. We've been doing maintenance on our plant and, you know, some investments and capital infrastructure for our plant, but we process as much as we can. So I don't have that efficiency number, evaporation loss in front of me. But I do understand the intent of the question.

Mr. de la Cruz: Uhm, and like another, I guess, for, it's also a definition question. And from what I understand from earlier in the presentation, the State does not use portable, non-portable, drinking, non-drinking. It uses regulated versus unregulated based on that rule of

100 that was given to us earlier. Uhm, but we're continuing to use, uhm, I believe it's potable water in our discussions. Is that a definition set by the County since the State doesn't use it, or we kind of using colloquial or layman terms when we're using potable water? I think you're on mute.

Dr. Dancil: I apologize. Too many buttons. I think it's more of an historic use. Joy Gannon is on the phone as a resource right now, if Joy wouldn't mind answering that question. But we, we do use the term drinking water. However, I think just historically the word potable has transpired for . . . (inaudible) . . . But in our applications, we're careful about that. So Joy, if you don't mind being a resource. I know she, she is on the call.

Ms. Joy Gannon: Hi, Commissioners. Thank you. I am on the call. I really can't add a whole lot of information to what was already provided. You'll notice when I'm speaking in on all the reports that I provide when it comes from the Lanai Water Company, I'm very careful about using this distinction drinking water versus potable water. When you're seeing that potable, I believe it's always coming from the Planning Department in that historical usage. But it's a confusing term, which is why I'm really very careful when I say drinking water, or brackish water, or R1 water. I, I try to be really careful about that because it is confusing.

Mr. de la Cruz: And I'm not really sure how to phrase this one. Like, I guess I just would like some clarification when the -- sorry, I don't have the figures in front of me -- but it's something like the approximately 256 jobs associated with the project district, and there are ten new jobs going to be added due to the proposed changes in the zoning and boundary amendments, am I understanding that correctly?

Dr. Dancil: Chair Gima, if you would allow me to share my screen again.

Mr. Gima: Sure, go ahead.

Dr. Dancil: Thank you. Olivia is going to share our screen. Commissioner de la Cruz, is this the information in question?

Mr. de la Cruz: Yes.

Dr. Dancil: So, yeah, to confirm, it's estimated to have ten direct new jobs on Lanai. That's that dark-gray area. The existing is in light-gray. So new is ten direct jobs on Lanai. Estimate number of indirect jobs is four. Three of which are on Lanai, and one of which is on Oahu. Those are the numbers.

Mr. de la Cruz: So those 442 jobs are what are currently being supported or was being supported by the current project district, the Koele Project District.

Dr. Dancil: Correct. And it's, you know, it's not just necessarily at the resort itself. It includes the, you know, to support jobs in the project district.

Mr. de la Cruz: So like the, kind of like the indirect jobs and things like that.

Dr. Dancil: Landscaping, maintenance, all of the other island operations that Pulama Lanai does, not necessarily Sensei Retreat.

Mr. de la Cruz: Thank you. Those are the questions that I have.

Dr. Dancil: Thank you, Commissioner de la Cruz for the questions.

Mr. Gima: Thanks Zane. Erin, do you have any questions comments for the applicant?

Ms. Atacador: No additional questions from me. I think I just echo the previous comment. Appreciate you taking the time to do the follow up and provide the additional information on all the questions that were presented.

Dr. Dancil: Thank you, Commissioner Atacador.

Mr. Gima: Okay, Commissioners, since we don't have quorum, what's your preference? I mean, we can, we can put off or maybe we can end this item now and then pick it up next month. Or do you need some more clarification in terms of your options? Okay, I don't see anybody raising their hands. Kurt, Planning Department, can you go over real quick what our options are in terms of do we have to vote on each one separately or do we vote on all three together?

Mr. Wollenhaupt: Yes. Hello, this is Kurt again. It's been done both ways, but I think that it's, it's much cleaner to vote on the phase one because you do have a complicated ordinance. The change in zoning, again, because you do have conditions, at least one of which is going to have to have a motion in order to amend. And you may have additional ones or perhaps even delete them. And then of course, you have the overall community planning amendment. So I think that it makes a clearer and a way of deliberating and voting on each of them independently.

Mr. Gima: Okay, thank you. That being said, if there are no objections from the Commissioners, we will have to defer this to next month's meeting until we have a quorum so we can vote on this. Any questions or comments about that deferral?

Due to the loss of quorum, the Commission deferred the agenda item to the August meeting.

B. PUBLIC HEARING (Action to be taken after public hearing.)

- 1. BILLS FOR ORDINANCE AMENDING CHAPTERS 2.28, 2.88, 19.48, 19.52, AND 20.08, MAUI COUNTY CODE, RELATING TO THE MAUI COUNTY CULTURAL RESOURCES COMMISSION AND MAUI COUNTY CULTURAL**

**OVERLAY DISTRICTS; AND CHAPTER 19.50, MAUI COUNTY CODE,
ESTABLISHING A HANA CULTURAL OVERLAY DISTRICT**

Ms. Michele Chouteau McLean, AICP, Planning Director, transmitting Resolution No. 22-79, FD1, referring to the Maui, Molokai and Lanai Planning Commissions two proposed bill to amend Maui County Code:

- a. To combine the provisions of the historic districts with new cultural overlay districts and change how such districts are established; expand the advisory capacities of the Hana, South Maui and Paia-Haiku Advisory Committees to include the Maui County Cultural Resources Commission (CRC); change how CRC members are appointed; require the planning director to appoint the principal archaeologist to serve as a resource to the CRC; and establish criteria for grading or grubbing permits in the cultural overlay district.**
- b. To establish a Hana Cultural Overlay District for all land situated within the Hana Moku. (J. Takakura)**

The entire text of the proposed bills for ordinance is available at <https://www.mauicounty.gov/DocumentCenter/View/132847/Resolution-22-79-relating-to-proposed-bills-for-cultural-overlay-districts>

Mr. Gima: Okay, so we shall move on to the next agenda item. I find my papers. And so this is a public hearing for bills for ordinance amending Chapters 2.28, 2.88, 19.48, 19.52 and 20.08, Maui County Code, relating to the Maui County Cultural Resources Committee, and Maui County Cultural Overlay Districts, and Chapter 19.50, Maui County Code establishing a Hana Cultural Overlay District. Let's see. So, Jacky, you will be presenting this item. Given that it is at eight o'clock, can you talk about what timelines were under regarding this, these two bills?

Ms. Jacky Takakura: Yes. Thank you, Chair. So this has been referred to the three planning commissions and also the Cultural Resources Commission (CRC). Unfortunately the CRC and the Molokai Planning Commission had to -- there wasn't enough quorum. There was no quorum, so we have to reschedule those to next month. This is going to be before the Maui Planning Commission next week Tuesday. You have, I believe it's one 180 days after the last public hearing to return this to the County Council. I guess we do have a little bit of time, but we want to try to get through this this summer and sometime in the near future because as you probably know, we do have a lot of other bills we have to bring before the Commissions. But like I said, Moloka'i and CRC were deferred, so those are pushed back a month.

Mr. Gima: Okay, Commissioners, any thoughts preferences about wanting to take this on tonight versus deferring to next month?

Ms. Kaye: . . . (inaudible) . . .

Ms. Grove: Do you have quorum with me? Go ahead.

Mr. Gima: Sally?

Ms. Kaye: No, go ahead. You go ahead.

Ms. Grove: Oh, just process point. Do we have a quorum now that I'm back on camera or are we still short?

Mr. Gima: We have, we have quorum now on this item.

Ms. Grove: Okay. Thank you. So we don't have . . . (inaudible) . . .

Mr. Gima: Sally?

Ms. Kaye: Yeah, Jacky, I don't think I've ever seen something submitted that says they don't want us to mess with this at all. Don't make any recommendations; they don't want it to come back. I don't think I've ever seen this. So why are we reviewing it?

Ms. Takakura: Thank you, Vice Chair. Yes, we were quite surprised by that comment ourselves. But then in conversation with Council Member Sinenci, he — when we explained our position here, he did say that it is okay to send back a revised bill. So the handout that you have, the memorandum, there's three parts. The memorandum, which, you know, it's kind of our summary, our recommendations. And then the part from the County Council is behind the memorandum. And then after that is what we labeled the discussion draft, which is actually the first bill that we had worked on that we thought we would be carrying to the different Commissions. And that bill, the one that's labeled discussion draft, is actually our preference.

Mr. Gima: Erin, you or Zane, have any thoughts, questions about these two bills?

Ms. Atacador: No thoughts or questions, but my preference would be to defer to next month's meeting because of the time right now.

Mr. Gima: Okay, thanks Erin. Zane?

Mr. de la Cruz: I have no particular inclination for however we want to proceed.

Mr. Gima: Okay, thanks Zane. I, I prefer it goes back. I mean, that we defer because this packet is kind of messed up. I would, I would like it to be cleaned, cleaned up before we deliberate. It was somewhat confusing, and there are some conflicting documents. I don't

know which one we're going to deliberate. So, yeah, my preference would be defer and get this cleaned up so we have something clearer to make a decision on.

Ms. Grove: . . . (inaudible) . . .

Ms. Richelle Thomson: Chair, if I could?

Ms. Grove: Go ahead.

Mr. Gima: Okay, Lisa first and then Richelle.

Ms. Grove: I just had two questions that perhaps can be answered when we do have a chance to talk about it. I didn't see and I think there is, and apologizes because I'm still new at all of this, but the Maui Lanai Island Burial Council, I didn't see any references to that. I still think it's an entity that is still very much in existence. And I wasn't sure exactly what their relationship is. It also was hard for me to try to understand what problem it's trying to solve and sort of what's the point or intent of all of this?

Ms. Takakura: So if I can attempt to answer. So yes, there are two burial Councils; one for Moloka'i and then the other one for Maui and Lanai. And yes, those should be in there, and I do have notes because I noticed that too that one of them was missing in there and they really should be two because there are two that affect Maui County. So that's definitely going to be one of our comments that both of them are represented in here.

Mr. Gima: Okay, Richelle?

Ms. Thomson: What I was going to suggest is because you have the public hearing on this agenda is to go ahead and open and close so that the public formal public hearing can be completed. And then you may want to just at least a little bit of discussion. You brought up, you know, some confusion over what the documents are. So maybe, you know, before you differ, just have a little bit of discussion on, you know, the components that have been presented so that, you know, everybody can take those home and review those. But I would go ahead and open and closed public testimony. I know there's at least one person who's been waiting.

Mr. Gima: Okay, thanks Richelle. Alright, so Jacky, do you want to do a brief intro, and then we'll take a --? Sally?

Ms. Kaye: Yeah, yeah. I'm sorry. I agree with those two things. I think we should do public testimony simply because it's on the agenda, right? And then I agree with Erin. I think we should defer. I don't think we should have any more chatter about this tonight because there's nobody here and we don't get written minutes anymore. So next month, the people that aren't here tonight aren't going to have the benefit of what we discussed. So I think if you're, if you

are unhappy with the clarity in the documents itself, then that's, that should be what's in front of us next month. I think Erin's right.

Ms. Grove: I agree.

Mr. Gima: Okay. Leilani, do we have anybody wishing to testify?

Ms. Ramoran-Quemado: Thank you, Chair. Yes, there is one person who signed, Gina Young representing Council Member Sinenci.

Ms. Gina Young: Okay, are you ready?

Mr. Gima: Go ahead Gina.

Ms. Young: Okay, thank you. Aloha. Good evening, Commission members. I'm Gina Young, and tonight I'm representing Councilmember Shane Sinenci, who introduced the bill that you're about to provide comments on. I do want to briefly explain the comment on asking or stating not to make any changes, and that came from Council staff. And we were really surprised when we saw that. It's the first time I've ever seen it. So when I talked later with the Department about it, I did ask them to just disregard that. We have different staff now. I'm pretty sure you'll never see that again. We really do welcome what you have to say. And any proposed changes to the bill are always welcome.

So our staff, our office, has been working with the Planning Department, specifically Annalise Kehler, Stanley Solamillo and Director McLean, as well as the County Archaeologist Dr. Six, for the past year on this legislation. So that being said, we do agree with the Department's proposed version of the bill and many of the general comments, and I'll explain more about that in just a minute.

So the purpose of the bill is to fill in gaps of the current cultural resource protections, and to provide more local review, as well as more information for property owners and individuals looking to develop property. Now we first started our discussions with the State Historic Preservation Division (SHPD), and it was Dr. Lebo who suggested that we look at the military's approach of using mapping and sensitivity designation. SHPD has been very supportive of our efforts and they see us and this bill as supplementing their work. They recognize that there are serious gaps in their work, and they really don't have the staff or the process that really works very well to protect cultural resources.

So after we met with SHPD, we then began to work with the Planning Department staff, and we're very grateful for their expertise and the time that they spent educating us on the current process and how to make it better. We had regular meetings and it was pretty much, it was the first bill, the proposed bill that we came up with. When we went to committee, it was noted that we don't have the resources to do a cultural map, but that's changed now. During this last budget session, which happened after the bill was referred to you, the administration and

the Council both added in positions that will work on creating this cultural map. And the map now it can be island wide, depending on the timing and the cultural staff that's going to be doing the input. It will just be what, what areas are done first, and that the County Archaeologists can take a look at what areas need to be prioritized first.

So when we first went to the Agriculture and Public Trust Committee, we had that first bill, that, the proposed bill that the Department is putting forward. And we did discuss that in committee. Later, it was changed with the idea of bringing projects to the Cultural Resource Commission, and we welcome that idea as well, and not only using the mapping. So we think there can be some kind of blending of the two bills, but we really just want to hear what you folks think about that.

Ms. Ramoran-Quemado: Three minutes.

Ms. Young: Do I have a minute to conclude?

Mr. Gima: Go ahead and conclude.

Ms. Young: I won't go into the CRC appointments and all of that. But I can if anybody is curious how that came about. That would only be relevant if the CRC were to review projects in a proposed bill. And I also want to point out that the Hana designation was only submitted as an example. There's no need to provide a recommendation on that. We would need to go through a formal process where the County Archaeologist would have to submit a report. And again, that would only be if we went with designating individual districts instead of just working on an island wide map. So thanks again for your service and for your discussion. And I'm sorry that the two bills turned out confusing, but we think in the end we have what we need to create a bill that will work for everybody. Thank you.

Mr. Gima: Okay, thank you, Gina. Commissioners, any questions or comments for Gina?

Ms. Kaye: Yeah, I do. I have a question for her.

Mr. Gima: Go ahead.

Ms. Kaye: I'm sorry.

Mr. Gima: Go ahead.

Ms. Kaye: Okay. So did I hear you say that you are happy with the version of the bill that the Planning Department has submitted as part of our packet?

Ms. Young: Yes, that's the bill that we worked out with the Department, and that's the first bill that went to the Committee. And we think that, that that is a very workable bill now that we have the staff to do a cultural map. That bill wouldn't have worked if we didn't have any staff

to do a map because the whole thing is based upon the sensitivity designations provided on the map. But now that we have -- feel confident that that bill is probably the best path to go forward.

Ms. Kaye: Okay, and I'm sorry if I missed this, but how did we end up with two bills? Where did the second version of it come from?

Ms. Young: Sure. The second version came when we were in Committee and Corporation Counsel who also staffs the Cultural Resource Commission had staffed it and recommended that we bring projects to the Cultural Resource Commission. So we sat down with her and we thought about it, and we thought, you know, that's not a bad idea. So we're, we're still open to that idea, and we'd like to hear whether or not you think all projects should go before them. I guess that's really the two differences between the bills. And maybe just some of the more the higher sensitivity areas could go before them after they're designated on the map. The first bill, it sets the designation based upon certain criteria and the different layers of the map, and those designations would then determine what the project conditions or limitations are. The other bill that you've received would have the Cultural Resource Commission review it and then determine project conditions. So, that's the two basic differences.

Mr. Gima: Okay, thank you. Any other questions for Gina? Okay, Leilani, do have anyone else wishing to testify.

Ms. Ramoran-Quemado: Thank you, Chair. There is -- there are no other individuals signed up via chat, and there are no testifiers here at Kalana Pakui. Thank you.

Mr. Gima: Okay. And Denise, do we have anyone from the Lanai Council Office wishing to testify?

Ms. Denise Fernandez: Chair, we have no one waiting to testify here at Lanai Office.

Mr. Gima: Okay. Thank you, Denise. So at this time I will close public hearing. And given the sentiments of the Commissioners, if there are no objections we will defer this item to August meeting.

Without any objections, the Commission deferred the agenda item to the August meeting.

D. DIRECTOR'S REPORT

- 1. Open Lanai Applications Report as distributed by the Planning Department with the July 20, 2022 agenda.**

Mr. Gima: Okay. Moving quickly on to Director's Report. Who will be providing?

Ms. Ann Cua: I will. Ann Cua.

Mr. Gima: Okay.

Ms. Cua: So we have given you the open Lanai applications report. It's the last page of your agenda. I don't know if you have any questions on that.

Ms. Kaye: Yeah, I do. What is fleet yard repair and maintenance? That is a –

Ms. Cua: Looks like a country, country town business approval.

Ms. Kaye: Right, so what?

Ms. Cua: Yeah, I believe they're, they're just doing some, some maintenance work on the building.

Ms. Kaye: We're talking the labor yard?

Ms. Cua: I'm not, I'm not sure what you're referring to, but it's the fleet yard repair and maintenance.

Ms. Kaye: Okay.

Mr. Wollenhaupt: Kurt, the planner, again. I am passing the new planner, Alik, and it's for those --. It's pretty extensive repair. I don't know if there's someone from Pulama Lanai. I haven't looked over that particular application, but there's been discussion about the processing of it. So it's a little more than just, you know, a window repair. But to get the extent, perhaps there's some representatives still there. So she's working on it and looking at the scope of the proposed yard repair.

Ms. Kaye: Maybe we could just get an update next month.

Ms. Cua: We can do that.

Ms. Kaye: Thank you.

Ms. Cua: Chair, would you like me to move on to the next item?

Mr. Gima: Yeah, before you do that, could you also get an update on the Lanai Youth Center project for next month?

Ms. Cua: Oh, I see it. Okay, yeah, that that one is being --. It's, that's just the landscape planting plan approval. That is being done by Russ Higa from our Zoning Division. So that's all it is, landscape planting.

Mr. Gima: It just seems odd because I mean --. I don't think we have discussed much about the overall project and its status.

Ms. Cua: I can check with Russ about it and then get back to you.

Mr. Gima: Okay, thank you.

Ms. Cua: . . . (inaudible) . . . based on, you know, what it is. And it's an LPAP which means it's for the parking lot. It's landscaping within the parking lot.

Mr. Gima: Okay, thank you.

2. Alternate meeting dates and times.

Ms. Cua: Okay. It's so the next item is the alternative, alternate meeting dates and times that, you know, has been discussed for some time now. You know, the Department has mentioned it before, and we just want to mention again that, you know, number one, we can't find a place to stay. The Manele and Koele Hotels are too expensive. There is no STRH's or B&B's available, and you know it just, it just, it precludes us from, from going to the Lanai. So, you know, for now, we're preparing for --proposing and preparing to keep the same hybrid meeting format where we will have a place, that conference room that you see there. We have a place where people can come and testify if they want to. We have an office in Lanai where people that are there can come and testify. And then, you know, if any of the Commissioners, the Commissioners joined by video as, as, as does the Department. Any questions?

Ms. Atacador: I know you mentioned looking at Manele and Koele to stay. Have you tried Hotel Lanai?

Ms. Cua: I'm -- I, I did not think that was an option either. I haven't been directly involved. I don't know if Kurt knows anything about that. He may.

Mr. Wollenhaupt: Well, it's our understanding the hotel is just now essentially closed to the public and to be used to house workers on all the different projects so there's no availability. That's what we were --. That's what I understood at least a month or two ago, so that's precludes use of that.

Ms. Atacador: I'm the manager of it, and it's open.

Mr. Wollenhaupt: Oh, well, there you go.

Ms. Atacador: No, we have rooms available. It's open to book if that's the way it goes, but that is an option to stay there.

Mr. Wollenhaupt: Yeah, that's, that, that is news. I think that we've all been, to be honest with you, a little concerned about the continuation of the COVID epidemic. So, well, that's all, that's all another debate. But it's good to know that the hotel is open.

Ms. Atacador: Yeah, Hotel Lanai is available if, you know, if that's the way it goes to in the future.

Mr. Wollenhaupt: And a beautiful hotel renovation that you did. I want to congratulate whoever was on that team did a wonderful job. I think I've stayed there and Ann has stayed there, and it was really nicely done.

Ms. Cua: Yes, I agreed. Yeah, and I need to second what Kurt just mentioned. You know, we went through two years in the Department through COVID where we were, you know, partially closed, completely closed, being fully back, back open. And, you know, recently, like every place else, we're just seeing just such an increase in the positive COVID tests. I managed to be lucky all through the two years and I got it two weeks ago, two and a half weeks ago. So, and we've seen that more with the staff, the public, and so besides the places, the non-availability that we had known of the places to stay, it is definitely a concern to, to just travel right now with, with the high numbers. You know, we don't want to bring anything over there to anybody. We don't want to go there and have anybody give anything to us. So, you know, for now, you know, I think this format seems to be working until, you know, maybe things change a little bit, things get a little . . . (inaudible) . . .

Ms. Grove: . . . (inaudible) . . . exclamation points to that. I couldn't agree more. I've never seen been in closer contact with more people with COVID on Lanai right now, and we just have to stay vigilant. So I just want to say I completely echo that. I'm very comfortable on Zoom. I'm not comfortable in a public venue right now.

Mr. Wollenhaupt: Oh, oh, hi, this the planner again. And also one thing that that -- this would be more of a management issue and Commission. But assuming that it may be sometime in the future, we go back to the Senior Center, I think that there needs to be consideration by whomever does this of making it a digital format of getting a television, and getting internet connection, someplace that has --. Because I think we're going to have hybrid meetings, we're going to have witnesses or whomever might technical experts that would like to come in. So having a conference room on Lanai that would have all this. I'm not aware of one because I know the Senior Center, well, we just didn't have this digital world. You know four or five years ago we weren't Zooming and BlueJeans. So anyway, that's just a thought that I had that that process will take quite a while to finance and implement if that's where someone wants to go. So just an input. Thanks.

Mr. Gima: Sally, Sally or Zane, you have any thoughts about alternate meeting times and in-person versus Zoom?

Ms. Kaye: Zane, if you have something to say, go, and then I'll go.

Mr. de la Cruz: Yeah, I just, I just like the digital format, but I completely understand the necessity of it, so it's just like a weird Catch-22 for me.

Ms. Kaye: It's a weird what?

Mr. de la Cruz: Uh, I'm not using that reference correctly. It's, uh, I understand the necessity of this type of meeting at this point in time. I would eventually like to go to a more in-person format. It's just like for this type of meeting I'm more comfortable in that kind of discussion. But I completely understand the need and desire for this digital format at this point in time.

Mr. Gima: Okay, Sally?

Ms. Kaye: Yeah, absolutely, I think the comfort of the staff, the Planning Department staff is to be our primary concern at this point. Assuming we ever do get past hesitation to go back out in public, then I think we really ought to try and consider earlier meeting times so that the Planning Department can get it over and back on the same day. I mean, we have to think about -- I think we have to think about if we could do it over a lunch hour so that people that are working can take time to, as Kurt said and Ann said, you know, we're going to stay hybrid, people can call in and they don't have to show up, I hope, we can continue that. So that's, that's my thought. So I'm very comfortable with what Ann has suggested.

Mr. Gima: Okay. How's about you, Erin? Any preferences?

Ms. Atacador: No, uhm, still feel the same. I understand the want, the necessity of being in hybrid. So that's it.

3. Chair Gima's workshop items.

Mr. Gima: Okay, thank you, everybody. I prefer in-person. But I'll -- Ann, I'll continue to work with you on an ongoing basis about this. We're coming up on 8:30 so why don't we table the workshop items and then go straight to our agenda items for August 17th, if you have no objections.

4. Agenda Items for the August 17, 2022.

Ms. Cua: Thank you, Chair. I'd like to ask Leilani to let us know. I don't think there is much. I think there might be this one additional item to whatever's been deferred, but I'll ask Leilani to comment on that.

Ms. Ramoran-Quemado: Thank you, Ann, and thank you, Chair. Yes, there is a public hearing item, a bill for ordinance amending Maui County Code, and it's relating to transient accommodations caps. And then in addition to that, the two items that were deferred at this meeting will be placed on the next month's agenda again. Thank you.

Ms. Cua: I think that's it for the Department.

E. NEXT REGULAR MEETING DATE: August 17, 2022

F. ADJOURNMENT

Mr. Gima: Okay. Thanks Leilani. Alrighty. Thanks everybody for sticking it out for this long. And if there are no objections, meeting is adjourned. We'll see you guys next month. Thank you.

There being no further discussion brought forward to the Commission, the meeting ended at 8:27 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

PRESENT:

Erin Atacador
Zane de la Cruz
Reynold Gima, Chair
Elisabeth Grove
Sally Kaye, Vice-Chair
Shelly Preza (excused at 7:00 p.m.)

EXCUSED:

Nicole Alboro
Sherry Menze
Chelsea Trevino

OTHERS:

Jacky Takakura, Deputy Director, Planning Department
Ann Cua, Planning Program Administrator
Clayton Yoshida, Planner VI
Kurt Wollenhaupt, Staff Planner
Denise Fernandez, Executive Assistant, County Council, Lanai District Office
Richelle Thomson, First Deputy, Department of Corporation Counsel

**LANA'I PLANNING COMMISSION
SPECIAL MEETING
MINUTES
SEPTEMBER 7, 2022**

A. CALL TO ORDER

The special meeting of the Lanai Planning Commission (Commission) was called to order by Mr. Reynold Gima, Chair, at approximately 5:00 p.m., Wednesday, September 7, 2022, online via BlueJeans videoconferencing platform, Meeting No. 431332048, and at the Planning Conference Room, Kalana Pakui Building, 250 South High Street, Wailuku, Hawaii, 96793, and the Maui County Council, Lanai District Office 814 Fraser Avenue (entrance on Gay Street), Lanai City, Hawaii 96763.

A quorum of the Commission was present. (See Record of Attendance)

Mr. Reynold Gima: September 7th, 2022 Special Meeting of the Lanai Planning Commission. Let's see, let the record show we have quorum, and, and on camera. So we have Nikki Alboro. Nikki, anybody with you in your room?

Ms. Nicole Alboro: No, I'm alone.

Mr. Gima: Okay, thank you. Also on camera, Zane de la Cruz? Zane, anybody else with you?

Mr. Zane de la Cruz: There's no one else present.

Mr. Gima: Okay, Erin Atacador on camera. Anyone with you Erin?

Ms. Erin Atacador: No, I'm alone.

Mr. Gima: Okay, and Lisa Grove on camera. Anyone with you Lisa?

Ms. Elisabeth Grove: Nope.

Mr. Gima: Alright. Thank you. And I am alone, and on camera. Leilani, were you expecting Sally to be in attendance tonight? I don't see her.

Ms. Leilani Ramoran-Quemado: Ah, yes, Chair, she did accept the BlueJeans invite.

Mr. Gima: Okay, well, I'll go through some of the housekeeping stuff and then maybe she'll come on. So again, Commissioners, we must all be on video so we can have a quorum. All votes would be by show of hands. And in the event that I may not see you on my screen and you want to speak, you know, go ahead and ask to speak or put it in the chat, and you know, I can see it that way. For right now, I can see all the tiles.

In terms of testimony, for those of you in attendance, if you choose to testify, please sign up with Leilani via the chat, providing your name and which agenda item you wish to testify on.

Until you are called by me to testify, please mute your audio and video. We will have testimony provided, um, via BlueJeans and also there may be others at the County Building and Council Member Johnson's office. I'll be asking to see if we have testifiers there.

Let's see, where is --. Sally on yet? Because for the first agenda item, Lisa, you are recusing yourself, right? So we do not --. Let's see, one, two, three, we do not have quorum for that. Give me a second, I'm going to text Sally to see -

Ms. Ramoran-Quemado: Hi Chair, this Leilani. I see Sally is on. She just joined.

Mr. Gima: Okay. There we go. We see Sally is on camera so we have quorum. Sally, anybody in the room with you? Sally, anybody in the room with you?

Ms. Sally Kaye: Sorry, no. Sorry.

B. UNFINISHED BUSINESS

1. **LANAI RESORTS, LLC, a Hawaii Limited Liability Company doing business as PŪLAMA LĀNA'I, requesting a Community Plan Amendment, Change of Zoning, and Project District Phase I Development Amendment for the KŌ'ELE PROJECT DISTRICT located at Kō'ele, Lāna'i City, Lāna'i, Hawai'i. TMK(S) (2) 4-9-001:021, (2) 4-9-001:024, (2) 4-9-001:025 (POR.), (2) 4-9-001:027, (2) 4-9-001:030, (2) 4-9-002:001 (POR.), (2) 4-9-002:061 (POR.), (2) 4-9-018:001, (2) 4-9-018:002 (POR.), (2) 4-9-018:003 (POR.), (2) 4-9-018:004, (2) 4-9-018:005, (2) 4-9-020:020 (POR.), (2) 4-9-021:009 (CPA 2021/0001, CIZ 2021/0001, PH1 2021/0001) (K. Wollenhaupt) (Item was discussed and deferred at the Lanai Planning Commission's May 18, 2022, June 15, 2022, and July 20, 2022 meetings.)**

Community Plan Amendment:

Mr. Gima: Okay, thank you. Alright, we have established quorum. And we will proceed to unfinished business. So Lanai Resorts, LLC, a Hawaii Limited Liability Company doing business as Pulama Lanai, requesting a Community Plan Amendment, Change of Zoning, and Project District Phase One Development Amendment for the Koele Project District located at Koele, Lanai City, Hawaii, with various TMKs. Do I need to, do I need to list, I mean, verbalize all the TMKs? If not, I will hand this over to Kurt Wollenhaupt who hopefully can provide us a summary of this item and why it was deferred before we take public testimony.

Mr. Kurt Wollenhaupt: Hi. Good evening members of the Lanai Planning Commission. Just a minute. We are back on the proposal for actually three permits. The public hearing has been held. It was closed. However, as the Chair indicated there can be public testimony this

evening. This concerns the Koele Project District and it comes in three parts. There is the request to obtain a Project District Phase One Amendment. And attached to that is the complex ordinance that the Commissioners have been reviewing over the past few meetings. In addition, there is a request for a Change in Zoning to Project District, known as Conditional Zoning in which there are ten proposed conditions. Of which, I know that condition eight with regards to the water has, there has been quite a bit of debate as to the language of that. So I know that the Commissioners will be asking and reviewing that one in particular. And to backtrack just a bit on the Project District Phase One Amendment, there was a request in regards to Section 19.71.050 Park that the (B), that the maximum lot coverage and heights that while they are stricken in the current recommendation that those height limitations were to come back in. And finally, there is a request for the Community Plan Amendment, again, Project District.

Now, some in the audience may be wondering, well, we already have a Project District. Koele already exists. Yes, that that is very true. The applicant, Lanai Resort, doing business as Pulama Lanai, is proposing a modified and new project district that's going to incorporate some additional areas. There would be a hotel expansion, there will be an enlarged park area, and also a resort commercial subdistrict. So that's why we're here tonight to continue the debate and, if possible, for decision making.

So let's talk a little bit about what decision making encompasses tonight. There are, as I said, three different permits that are being considered. It usually is our recommendation that each of these three would be debated, and that a vote would be taken whether to recommend to the Council an approval, recommend to the Council with modifications of an approval, recommended a denial to the Council, or to defer for another meeting for additional information. So that would be how the process works.

I'd also like to just ensure that the Commissioners know what would go on with whatever decision you may make tonight, and the audience, what would happen moving forward. You will make a recommendation. You're not the final approval body on any of these three applications. But what will happen is that your recommendation will be sent after an ordinance is crafted to the Maui, to the Mayor, who will then take it to the Planning and Sustainable Land Use Committee. And that Committee will agendize a hearing, and they will review and make a decision. And then it will proceed on from there depending on what their decision is.

Concurrently with this process, however, though, is the requirement that you also are going to be taking some Rural and Ag lands for a State District Boundary Amendment. That will have to go to the State Land Use Commission and the attorneys for Pulama Lanai are putting together the documents for that. So we have two processes moving concurrently.

So tonight our recommendation is that you continue your discussions. Try to tighten up some of these conditions for conditional zoning. Take another look at some of the particulars in the Phase One Project District Amendment. And if quorum exists and you feel that you're ready,

then to begin decision making so that this project may move forward as the Lanai Planning Commission sees fit. And Ann Cua, Planning Program Administrator is also on the, on the line this evening. She's had many years of experience in project districts, so hopefully between the two of us we'll be able to answer your questions and assist this evening. Thank you.

Mr. Gima: Thanks, Kurt. So I think I heard you earlier that we already took public testimony, but we have the option of again taking public testimony on this item.

Mr. Wollenhaupt: That's a courtesy that, that, that is allowed. The official public hearing was closed. However, yes, you can take comments from the public.

Mr. Gima: And since we have just five for quorum, we need all five to either approve or deny these items. Is that accurate?

Mr. Wollenhaupt: That is accurate. If you cannot, if you cannot get all five to go one way or the other, then there will be a deferral to the next meeting.

Mr. Gima: Okay. Thanks Kurt. Commissioners, any questions about procedural matters at this point? Okay, hearing none. At this time I will open up public testimony for the Community Plan Amendment only.

Mr. Ramoran-Quemado: Thank you, Chair. This is Leilani. There's no one signed up on BlueJeans, and there is no one in the Planning Conference Room wanting to testify.

Mr. Gima: Okay, thanks Leilani. Denise, anybody from Council Member Johnson's office?

Ms. Denise Fernandez: Aloha Chair and Members, are no, no one waiting to testify here at the Lanai Office.

Mr. Gima: Okay, thank you Denise. At this time, I will close public testimony specific to just the Community Plan Amendment. That being said, Commissioners, any comments, questions about Community Plan Amendment portion of this agenda item? Okay, I, I have, ah, a couple of questions. Um, so is, in table, Table-A, under Lanai Community Plan designation, existing, if you go down to where it says Project District, Golf Course slash Park, and it refers to the CPA Map number 12 and number 13. Does that include the Cavandish Golf Course? And if so, why is it being changed or proposed change to road and project district designation?

Mr. Wollenhaupt: I think we have representatives from Pulama Lanai. I'm opening up the document here. But Dr. Dancil, I know is on, and the folks at Muneikiyo. So if they can find it quicker than I can, please do so.

Dr. Keiki-Pua Dancil: Aloha Chair Gima. It's Keiki-Pua Dancil from Pulama Lanai. To, just so that I understand where you're at, you're in Table-A, for the CPA, and you wanted to

understand why the Cavendish TMK was being reassigned to road or project district. Is that your question?

Mr. Gima: Correct.

Dr. Dancil: So parts of the, the entrance, if you look, you have your --let me go to that page - - if you look at the maps, the existing Project District map and the proposed Project District map, you'll see that parts of the Cavendish that are near the road were not part of the Project District in the original Project District Map. And that's what we're doing right now is that we're just kind of correcting the use and putting it in Project District because it is part of the overall Cavendish, which is part of a Project District. So it's just that sliver of road that is adjacent to the Koele entrance. And Munekiyo is on, and Karlynn can correct me if I'm wrong, but I do believe that is what we're trying to do.

Mr. Gima: Um, map, Map 12 refers to the road in the Villas area and then Map 13, the hatched area looks like most, if not all, of Cavendish. So if you're, if you're designating it to Project District, I was confused why it's, there isn't a golf course, an accompanying golf course designation. Because if you leave it just Project District, then you can, I mean, you can change the Cavendish to something else.

Dr. Dancil: Okay. Munekiyo, if you don't mind, Munekiyo, if you could share your screen so that I can, so we're all looking at the same thing. So Munekiyo, if you don't mind, could you please pull up on the screen so that we're all on the same page? Chair Gima is looking at Map 12 and Map 13 in the CPA. Could you please . . . (inaudible) . . ?

I believe they're on. Can I get a confirmation from Munekiyo please?

Ms. Karlynn Fukuda: Hi Keiki-Pua, this is Karlynn Fukuda and Chris Sugidono. We're here from Munekiyo Hiraga. So Chris is sharing Map 12 of the CPA. Is that, can people see it?

Dr. Dancil: No.

Mr. Gima: No.

Mr. Wollenhaupt: . . . (inaudible) . . . do this. You're going to have to bear with me on this one. And I don't know whether or not Exhibit Number, Exhibit-two may also be somewhat of interest because that shows this area that's in question on the golf course and the entryway.

Dr. Dancil: Okay Chair, if you don't mind, I'm going to ask Olivia Simpson from our office. She can share it because we're having trouble with the feed from Munekiyo. Olivia, would you mind sharing your screen please?

Ms. Olivia Simpson: Is this the Map 12 CPA that you're referring to Butch?

Dr. Dancil: I don't see anything right now. Leilani, maybe you have to give us sharing capabilities.

Ms. Leilani Ramoran-Quemado: I didn't change any of the settings, so you folks should have ability to share screen.

Ms. Simpson: It's weird. It says we're sharing screen, but then it doesn't. I'm not sure why this system --

Dr. Dancil: There we go.

Ms. Fukuda: Someone is sharing.

Mr. Wollenhaupt: I think I have it up and running. So whether, whether -- how this, how this will continue this evening, we're going to hope for the best. We have some of the finest technical people here just around the corner.

Dr. Dancil: Great. Thanks Kurt. So, Chair Gima, is this the map in question that you have questions about? Which I think you're on mute. Sorry.

Mr. Gima: I'm sorry. No, it's Map 13. This map refers to the road and the Villas.

Dr. Dancil: Okay.

Mr. Gima: That's the one.

Mr. Wollenhaupt: Thirteen is up.

Dr. Dancil: So if you look at 13. If you shrink your view, Kurt, please. If you could decrease the 153 so everything can be on screen, you can look down below in the tax map key. So Karlynn, can you talk though it?

Mr. Wollenhaupt: Did it work? It shrunk on my side.

Ms. Fukuda: Yes.

Mr. Wollenhaupt: Thank you.

Ms. Fukuda: So yes. Keiki-Pua had explained, you know, the information relative to the driveway. So at the curve, at the top there by, where it says Keamoku Highway, that's the entrance to the Sensei Resorts. So there's a portion of that driveway that was not within the Project District, and so that's being corrected. And so the Cavendish Golf Course is actually

going to still be within the Project District. There is still a golf course remaining within the Project District as well. There's a sub-district, so --. But this is just the Community Plan and the sub-district is actually within the zoning. So this is just saying that this area is within the Project District.

Mr. Gima: Well, the question I had is in Table-A there's a golf course slash park designation, and that refers to this hatched area in Map Number 13. Is that accurate?

Ms. Fukuda: Yes, I believe that's based on what's shown here in the index, in the narrative that shown on the map, it's going -- we are proposing a Community Plan Amendment from Park Golf Course to Project District.

Mr. Gima: Right. I understand that part. My question is in Table-A, under Community Plan designation, under existing, this hatched area is designated golf course slash park. My question is why is it being changed to Project District and no mention of golf course?

Ms. Fukuda: So again, I think the Community Plan designation is just generally project district. It, it doesn't get into, you know, specificities relative to, you know, Hotel or Single-Family. It's just overlay of Project District. So that's why we're proposing to put this into the Project District because the, the zoning will be within the Project, you know, within the Koele Project District. So, it's to make it consistent.

Mr. Gima: But that doesn't make sense because the existing designation states Golf Course slash Park. So I'm, I'm just asking why is that being removed? I understand the other part of the --.

Ms. Fukuda: So I don't know --. Um, Kurt, I'm sorry to have you jump around, but I don't know if looking at the existing Project District Map will make it clearer. I'm not sure how better to explain, explain it. If you were to look at the Community Plan Map, it is, it's shown as um, park golf course. You know, my guess is because it, you know, existed. The Cavendish Golf Course existed prior to the, the Community Plan being enacted. So when it was enacted, you know, they just designated that particular area for golf course because the Cavendish was already existing. I'm not 100 percent certain on that, but that's, that would be my guess because --

Mr. Gima: Yes, you're absolutely --

Ms. Fukuda: -- the Community Plan --

Mr. Gima: Yes, you're absolutely right. Cavendish Golf Course pre-dated the development of the Koele Project District. My question is on the, on the Project District Map, the Cavendish Golf Course has a designation of golf course. In the Table-A, it lists as golf course slash park.

So the question is why was that removed? Why wouldn't it just stay a golf course slash park and project district?

Ms. Fukuda: Again --

Dr. Dancil: Maybe I --

Ms. Fukuda: Sorry, go ahead Keiki.

Dr. Dancil: Maybe I can take a stab at this. What we're asking you to do today is, right now, that section there is not part of the Project District. Even though in the Community Plan, it is designated as Park Golf Course. So what we're trying to do is put it into the Project District because the Cavendish is part of the Project District. So it's in the Project District, and within the Project District, the sub-district is Golf.

Mr. Gima: Your existing Koele Project District Map includes Cavendish.

Dr. Dancil: Not all of it. It doesn't include this section here that's on Kurt screen, that hashtag.

Mr. Wollenhaupt: It's the black and white hashtag. That's outside of the current project district. So it might be similar to what's going on with some of these houses. The houses over here, these, these individual homes, which are cross hatched, they're currently simply project district. They're not Project District, single-family housing. They're going now outside of the Project District to single-family residential zoning outside of a project district. So what you're trying to do is you're taking this cross hatched piece as it currently exists in zoning outside of the project district. And the first step is you move it into the community plan simply as Project District, Koele Project District. Hence, that's why you're seeing the Project District Community Plan designation. Then in the zone, in the Project District designation, that's where you go into these subcategories with golf, public, open space. So that's, that's how I sort of see what's going on here.

Dr. Dancil: Kurt Wollenhaupt, maybe it would be easier. I can share my screen. I have -- hopefully I'll be able to share. I have the Community Plan, the existing Community Plan, open on my screen right now. And if you allow me to share . . . (inaudible) . . . walk through. Can you see my screen?

Mr. Gima: So Keiki-Pua, are you, are you stating that the Cavendish Golf Course in its entirety was not included in the original Koele Project District map?

Dr. Dancil: Right. Parts of it are, parts of it not. So if --. Do you see my screen?

Mr. Gima: No.

Dr. Dancil: I'm sorry.

Mr. Gima: No. No, I don't.

Dr. Dancil: Okay.

Mr. Wollenhaupt: Do you want to find the community plan map?

Dr. Dancil: Yeah, I have the Community Plan Map. I can put it into --. Olivia, if you don't mind, can you put the link into the chat for everyone to click in that links to the community plan so that we can all be on the same page? And that will help.

Ms. Kaye: I have a question while you're doing that. Keiki-Pua did you not tell us back in May that this was one . . . (inaudible) . . . was to include portions of what should have been included portions of what should have been included in, in the project district and were inadvertently left out? Is this part of that?

Dr. Dancil: No. That part was the stables and the tennis courts.

Ms. Kaye: Oh, okay.

Dr. Dancil: The other part --. There's --. I'm sorry, I misspoke. There are parts that were built as part of the Project District like as you can, as you saw when Mr. Wollenhaupt had his screen up. The entrance to the Koele Hotel was hash tagged, so it was not included in the project district. So that would have been another part that was inadvertently left out. But the part that was left out when they did a comprehensive, when they were trying to pull that all of different Maui use comprehensive rezoning that major part was the stables and the tennis court. That didn't even get put into Chapter 19.71 which is the ordinance that governs Koele Project District. But you are right, the entrance and part of Cavendish and that hash tagged was not included in the original Project District Community Plan Map. Even though it was a part of it before. We're just cleaning up some inconsistencies and mapping.

Ms. Kaye: Okay, I got, I got it now. Thank you.

Mr. Gima: So the Koele Project District map, both the existing and proposed are somewhat misleading. Because it doesn't, it doesn't convey that the Cavendish Golf Course, only portions of the Cavendish Golf Course is part of the Project District because you cannot tell below.

Dr. Dancil: In the one that Kurt Wollenhaupt had up on screen, the existing, the hashtag is the part of the Cavendish that's not included, and it really is just that portion that's by the road.

Ms. Fukuda: And I guess to again clarify, and I know this is, you know, kind of confusing because we're doing the zoning as well as the Community Planning Amendment. But if Kurt is able to get the Community Plan Map up, I think you'll be able to clearly see that the area that was outlined in Map 13 on the Community Plan Map is shown as Park Golf Course and not part of the Project District. And that's why we're wanting to put it within the Project District. The zoning or the Project District Ordinance or the Project District Map did include that area in the Project District. So again, I think it's, it's a matter of just making everything the same as far as designation so --.

Dr. Dancil: We did put in the chat if that's easier for all of you to look at, a link to the Community Plan Map. It's page 11 of 14, and that might be a little clearer since we're having some difficulties with the share screen function.

Mr. Gima: So if I heard you correctly, the hash tag the hashed area on Map 13 was never in the Project District. Is that accurate?

Ms. Fukuda: Not in terms of the Community Plan. It was shown on the Community Plan . . . (inaudible) . . . Now that's the Project District map which --. That's the Project District Map, so that's not the Community Plan Map. Just to clarify.

Mr. Gima: I'm confused. I'm looking at Map 13.

Ms. Fukuda: Okay, so --

Mr. Gima: I'm looking at Map 13.

Ms. Fukuda: Map 13, the cross hatched area that's shown on Map 13, within the Lanai Community Plan was not shown as Project District. It's shown right now as Park Golf Course. But within this, this map that's on the screen, at least that I see on the screen right now, the existing Koele Project District Map that is the Project District Map. And so the crosshatched area that Keiki was referring to on the map that's on the screen, you know, that's -- there's also a portion that includes the Cavendish Golf Course that was not within the Project District.

Mr. Gima: Okay. Either I did not understand or you guys did not make this real clear. In any, in any event, the end endgame, the endgame is to ensure that the Cavendish Golf Course remains in perpetuity in a golf course land designation.

Dr. Dancil: We apologize if it wasn't clear. You are correct, Chair Gima. The Cavendish Golf Course in perpetuity is going to be Project District, sub-district Golf Course.

Mr. Gima: Okay.

Dr. Dancil: Right now in the Community Plan, it's not. It's Park Golf Course.

Mr. Gima: Okay. I'll come back to that when we get to the next part of, when we get to the Change of Zoning area. So that's the only question I had on the Community Plan Amendment. Commissioners, any other questions or comments on the Community Plan Amendment only? Nikki? Erin? Zane? Sally?

Ms. Kaye: No.

Ms. Atacador: No.

Mr. Gima: Okay. Um, so Kurt, there, the Planning Department has no conditions tied to the Community Plan Amendment. Is that accurate?

Mr. Wollenhaupt: That's accurate. And that's, that's common because the conditions are going to come in Conditional Zoning and in the Project District Ordinance, of which of course, it is a multitude of pages. The Community Plan just sort of sets the process that this area is to be designated X Community Plan. That essentially means that that is the wish of the Lanai Planning Commission and the County Council, which allows the really the State Land Use Commission to then make a determination if they wish to adjust the State District Boundary. So that's why the Community Plan doesn't come with conditions. It's normally done in maps. This land is now Community Plan Project District. It would be different if this is outside of the project district. You may have Community Plan Golf, Community Plan Residential. But in this case, there is no conditions.

Mr. Gima: Okay, Kurt, thank you. So hearing no comments questions from the Commissioners, I will entertain a motion to recommend approval of the Community Plan Amendment with no conditions.

Ms. Atacador: I motion. Do you want me to repeat the whole thing?

Mr. Gima: No.

Ms. Atacador: Okay, thanks.

Ms. Kaye: I second.

Mr. Gima: Is there a second?

Ms. Kaye: I --

It was moved by Ms. Erin Atacador, seconded by Ms. Sally Kaye, then

VOTED: **To recommend approval of the Community Plan Amendment with no conditions,**

(Assenting: N. Alboro, E. Atacador, Z. de la Cruz, R. Gima, S. Kaye)
(Excused: S. Menze, S. Preza, C. Trevino)
(Recuse: E. Grove)

Mr. Gima: Okay, it's been, it's been moved by Commissioner Atacador, seconded by Commissioner Kaye that we recommend approval of the Community Plan Amendment with no conditions. Okay, any further discussions? Okay, hearing none, all in favor raise your hand. Okay, motion passes unanimously. Thank you much.

Change of Zoning:

All right. Let's move on to Change in Zoning, Change of Zoning. Leilani, do we have anyone wanting to testify?

Ms. Ramoran-Quemado: Thank you, Chair. There's no one in the signed up on BlueJeans and there is no one in the Planning Conference Room wanting to testify.

Mr. Gima: Okay. Thank you, Leilani. Denise, anybody at the Lanai office?

Ms. Fernandez: There's no one waiting to testify at the Lanai Office.

Mr. Gima: Alright. Thank you, Denise. At this time, I will close public testimony on Change of Zoning only. All right, Commissioners questions, comments about -- this probably going to take up the meat of this agenda item since there are all the conditions in here.

Mr. Wollenhaupt: Oh, and just for the Commissioners, a dollar late and a day short, I think I did find the Community Plan in case anyone ever wants to take another look at the current Community Plan. Just, just for your reference, I finally got that pulled up, but we'll do the zoning. And as I indicated, there were ten, ten conditions of zoning for Conditional Zoning. I do know by way of history that number eight, the water condition, was to be reworded. So that would be one of the takeaways from the past meetings. Just bringing everyone up to date. Thank you.

Mr. Gima: All right, Commissioners. I have comments on eight, nine and ten. How's about the rest of you?

Ms. Kaye: Actually, I only have one. I think that we went over the conditions previously. I think only eight and ten, and we needed to add an 11th. The eight, I think Kurt came up with language that better reflected what the Commission wanted in terms of water reportage, and we can discuss that. And then 11 would be what he's already mentioned, which would be to

word it so that the 20-foot or one-story height limitation in the Park District comes back in. And yeah, I'm sorry, ten, we wanted, we wanted to discuss ten.

Mr. Wollenhaupt: Oh, and just to comment on the Commissioner Kaye's request on the height limitations in the park. I think that can be done by simply moving them back in. When you discuss Project District Phase one amendment that the strikeouts will simply be read, will be put back into the Project District. I don't think that would be a condition on zoning because it will be a requirement in the ordinance. I know we have our . . . (inaudible) . . . Corporation Counsel on here, but I think that would work for that proposed condition 11 that we would take care of that in the Project District Ordinance.

Mr. Gima: Okay. Thanks Kurt.

Mr. Wollenhaupt: And in regards, in regards to condition eight, um, we, we can work on this this evening, of course. Something proposed would be that the applicant shall provide the Lanai Planning Commission with the quarterly and the year-end water usage reports for the hotel expansion park and then the resort commercial sub-districts. That was some suggested language as contrasted from what was on there now. And we can now, we can work on that to a greater extent with your debate.

Ms. Kaye: I'm sorry, Kurt, you carved out certain exceptions there? I thought --

Mr. Wollenhaupt: Well, there's a couple of ways. We have three new areas in here; the hotel expansion, the park, and the resort commercial. And I know we had talked about what we would --. There's a difficulty in getting the water for the private residential. I guess that I'm sure that our water experts from Pulama Lanai can explain that. So I think what the goal was to get a total use of the Koele Project District. And then specifically on these new expansion areas -- Hotel, the larger Park area, and the Resort Commercial subdistricts. We would have then a total for the district. So we could add that language. In addition to having these three areas, thereby not compromising I guess the privacy of individual homeowners. Perhaps the representative from Pulama -- it had to do with water -- could explain that. I think that's what we're trying to go is we were trying to get a sense of overall use and then break it down as best we can into the different areas in the project district. Something that hasn't really been done before.

Ms. Kaye: Well, I'm -- you know, in the Manele Project District, we, we have water reporting on multi-family uses and on single-family uses, and they're not identifiable and they're not individual properties. So I'm not sure why the same couldn't be here. If you wanted, if you want to suggest that we do sub-designations, then Hotel use, Single-Family use, Multi-Family use, and then all the new areas, I, if that's where you're going, I'd like to hear from Pulama on that one.

Dr. Dancil: Aloha. Aloha Commissioner Kaye. What we were trying to attempt to do was how do we align what we already report now, which is part of one of our conditions with the Project District Phase II. And how do we add on this project district amendment so that we're not double counting, double reporting. Because we will still have to report as the other condition in that other Project District Phase II. We're trying to figure out how do we combine the two. And so the suggestion was since we already are reporting the Project District -- Olivia correct me if I'm wrong, you can type it into -- but I believe it's Condition 15 for the Koele Project District Phase II which was the renovation, we report those numbers. The idea was as part of this one, we would report anything that was new, so that we're not mixing. And then collectively, we could put them on the same timeline so you would have --. Because they're tied in two different applications, we have to file them in two different dockets, so to speak, and then they could be combined. So separately, separately and then a combination of the two because you wanted to see them all together so that you guys weren't having to do the mental math of putting it together. That's what we're attempting to do.

Ms. Kaye: Okay, thank you.

Mr. Gima: I think in our previous discussions too, we, we commented about the types of water. And so I'd like to, like it be worded where potable, non-potable, brackish and or R-1 water used and source of the water. I hear what you're saying Keiki-Pua about having to blend the two reports. I think we just, I think this Commission and prior Commission just want to look at what the, the overall water usage is in the major categories. We don't want to micromanage too much. And more importantly, I think it's important that this these reports coincide with the 28 day reporting periods on the periodic water report so it can be checked for accuracy. So Kurt, do you need, do you need, um --?

Mr. Wollenhaupt: Oh, yes. We, we went to get this language corrected because I know, I remember during the debate there was an issue where brackish is word we're not using, but we're going to use potable. We're going to use drinking water. So we need to get, we need to get the language correct on this one not to be left to the imagination of the, of the planner here.

Ms. Kaye: We also, we also talked about and this was included in the original language in the May packet of the source of the water. You know, where was the R-1 coming from and which wells were the potable water coming from? And I understand that Pulama and, and its consultant have maintained that there isn't any brackish water in the project district. And I think before that is eliminated, I would want to know if brackish water could be piped to that district if it was required from one of the Palawai wells.

Mr. Gima: Yeah. So Kurt, I'm recommending that we include potable, non-potable, brackish, R-1. And if none, if let's say brackish is not used then it will be zero in that column. I think now we just have to decide Hotel use, irrigation, multi-family, single family, park, resort

commercial. I think those are the major categories. It's not that, it's not that difficult to come up with a matrix to identify that.

Mr. Wollenhaupt: Oh no, I'm -- the, the question would be seemingly would be helpful if we could get a matrix that uses --. I understand there's another water report. Yeah, I've got that. That it would be helpful if at least in this document, even though it might be double reporting, that originally my thought was, you have the entire district that you have a number and then you have the sub districts like we're talking, the hotel expansion, the park, the resort, commercial, your multi-family and the single-family. And then across the top, you could have potable, non-potable, brackish, R-1. So it's going to be X if there is no brackish. And then if there is an amount, even if it's reported on another, that this can be one table that shows everything that's going on. But I don't know if that's agreeable or if that's what you're looking for. That was my original idea. So if we have any thoughts here, I'm happy to take them.

Mr. Gima: Erin? Zane? Nikki? Any comments or questions?

Mr. Wollenhaupt: So it would be something like that the applicant shall provide to the Lanai Planning Commission with quarterly water usage reports for the Koele Project District, including a breakdown into the multiple subdistricts not limited to the new ones of hotel expansion, park, and resort commercial, including the quantities of potable, non-potable, brackish, and R-1 water used. In addition, the source of said water should be explained in the response to this condition. I guess that's what I'm, that's where I was going, but I don't know whether that's where the Commission or the applicant wishes to go.

Mr. Gima: I like that wording, but we got to include that stuff about the 28-day report. It has to coincide with the 28-day reporting period or else it's you can't make heads or tails out of this report. I mean, I'm, I'm all for getting rid of the other report that Keiki-Pua was mentioning and just have one that just encompasses the whole Koele Project District so we have a kind of a bird's eye view of total Project District use and then in the different categories and in, and in the sub districts. From a policy and planning point of view, you know, that's, that's, that's what we need. And I think that's what the Planning Department needs also. Care to comment Keiki-Pua?

Mr. Wollenhaupt: Unfortunately, they're report so we can't just take that out of the other one, but perhaps in this one, we could be, we could be comprehensive. Knowing that the other one is going to still have to be done. But in this one, we'll try to, to get a degree of overall comprehension that we're going to, and at least in this report, the applicant will provide the Lanai Planning Commission with the quarterly water usage reports for the Koele Project District, including a breakdown by sub-district of the quantities of potable, non-potable, brackish and R-1 water used and the sources said water. These numbers shall coincide with the 28-day reporting period.

Mr. Gima: Twenty-eight day reporting period in the Periodic Water Report.

Mr. Wollenhaupt: I see that Dr. Dancil has her hand up.

Mr. Gima: Okay, go ahead Keiki-Pua.

Dr. Dancil: Thanks Chair Gima. Chair Gima, respectfully, I, I understand and you've reiterated this in multiple ways that you wanted to coincide the 28-day water report that is reported to the Commission on Water Resource Management. I think I showed a graph, it was in the depth that you all got a copy of on a very small discrepancy between what our numbers are and, you know, kind of what's pumped out and what's distributed. And it's minor. It ranges from, looking at the chart right now, point four, minus point four percent, upwards to, I think the highest was five percent. It was really not much difference at all. Given the complexity and how to redo these, I don't see that it's really matters when you're looking at such a small increment. That's just my comment. And I thought I explained that in July when we met. That's all I have to say. Thank you.

Mr. Gima: All right. Thanks Keiki-Pua. Commissioners, any comments about either what Keiki-Pua said or Kurt's latest version of condition number eight?

Ms. Alboro: Can he re-read those . . . (inaudible) . . . Oh, sorry.

Mr. Gima: So, Nikki, you want Kurt to re-read that? Okay.

Mr. Wollenhaupt: I'll go slowly so perhaps you can stop me if you don't like something. So that the applicant shall provide the Lanai Planning Commission with quarterly water usage reports for the Koele Project District and subdistricts, including quantities of potable, non-potable, brackish and, or R-1 water used, and the source of said water. And then this was to coincide with the 28-day reporting in the Periodic Water Report.

Mr. Gima: Thanks, Kurt. Zane, you had your hand up.

Mr. de la Cruz: I guess my question is on the categories of water for reporting. I think one of our biggest problems that we run into there is that we don't have actual definitions, like, um, or, you know, what is potable, non-potable, what is brackish, what is R-1? Or like R-1, I guess we actually do have a definition for. But the others we don't have like a hard definition on. We just kind of go on like how we use the phrases and common speech. So I don't know, like, yeah, I just don't know how we categorize that reporting.

Mr. Gima: Good point, Zane. And that's one of the reasons why this issue is in the workshop items that we'll hopefully discuss after this agenda item. But yeah, clarity, clarity would be very helpful not only in this agenda item, but all agenda items that have to do with water. Thank you.

Ms. Richelle Thomson: Chair, if I could ask a question?

Mr. Gima: Sure. Go ahead.

Ms. Thomson: Is that for me? Thank you. Just a quick question. And this is for Pulama. Are you able, rather than identifying those sources of water by those categories, are you able to identify the, the wells from which the water is, water comes from? And then, of course, R-1 is a separate category. I don't know, Chair Gima, if that would satisfy the information needs, and also, Keiki-Pua, whether that information is readily available. Or if it's, I'm making this more complicated? Thank you.

Dr. Dancil: Chair Gima, may I answer?

Mr. Gima: Yes, please go ahead.

Dr. Dancil: Thanks, Richelle. So I also have Joy coming on the line. If you allow her to speak as well. We also want to make mention on how we receive this data is we request Lanai Water Company to give us the data. You have to understand two separate entities. They're publicly regulated. There's privacy laws. So we can request. The request is made on billing, which we bill every other month, Lanai Water Company. In future PUC application, we'll be asking for monthly billing. And at that point, it would be closer aligned to the 28-days. But right now, how we bill is how we get that information from Lanai Water Company. And so that's why it's not going to match. And so you want, you know, in the future monthly billing, if the PUC approves that, that could closer aligned to, Chair Gima, your 28-days currently report now.

I'm also going to call on Joy to talk about the source of the water and how we could potentially provide that information. As you know, water is pumped up and then distributed. So you can't say if a water droplet, like, came from here to here. It would be a combination. But Joy, if you could raise -- if you allow Joy to speak.

Ms. Joy Gannon: Is it okay if I speak, Chair?

Mr. Gima: Yes. Yes, please. Thank you.

Ms. Gannon: Okay. Good evening Chair. Thank, thank you for allowing me to participate, and Commissioners. Let's see, there's a bunch of questions and if I miss any please let me know.

So for identifying which well the water comes from? No, we're not able to do that. The water goes into the distribution system. So I'm answering Richelle's question if I could identify which well it came from. So the water goes in the distribution system from wells three, six, eight and future will be seven. So I can't say the water to the, the hotel came from well six or whether it came from well eight. It could be either or.

For categories, there are definitions. For R-1, there is definition for brackish. And if you use the terminology of a regulated drinking water, there's a definition for that as well. So that for me, would be a good way to look at it. Commissioner Sally's question regarding getting brackish water to the Project District, you would need to build an entire new distribution system, and potentially pumping, and probably, I think, we'd have to look at our source capacity for that. But it would definitely require a completely separate distribution system.

The way that -- and I'm going onto the way that we do the reporting. So currently we bill every other month. We're requesting in the PUC applications to go to monthly billing. So that would be more in line with the 28 day period, so to speak. The reason I would suggest that is the way that we get our numbers. So on a typical day, say today, 93 percent of our meters read or submitted their readings. So what does that mean is seven percent of them didn't come in, and so we can go out and read those. Is there any way for me to know what seven percent, which ones didn't come in? No. So on the day of every 28 days, we first thing in the morning we download the readings and then the ones that don't come in, we physically go to that meter and we take that, we write, handwrite that read down. So essentially what having these two separate 28-day period and a billing period means is, is adding a whole bunch of work. And I'm not sure if that bang for the buck is worth it given that there's not a huge discrepancy now and that we are requesting going into a monthly billing period. If there's any other questions or else I will stop.

Mr. Gima: Commissioners, comments, questions, for either Joy or Keiki-Pua? So, Joy, I assumed you listened to Kurt's latest version of condition eight. Is that accurate?

Ms. Gannon: I did listen, and quite frankly, I was a little confused.

Mr. Gima: Okay, so you heard about the sub-district categories like hotel, park, resort, commercial.

Ms. Gannon: That makes total sense to me. And as long as we are not identifying any specific person, we can break it into multi-family, single-family, hotel, park. That's, that's -- we can totally do that.

Mr. Gima: Okay. And when, when you do that breakdown, you can do it within the 28-day reporting period data that you collect?

Ms. Gannon: We can. The issue is, is we're essentially creating a lot of additional work, not only in the way that the meters are read. So on any given day, your 90 some odd percent and you have to go out and read those. And then secondly, the way that we do our reports. So it gets a little complicated. But, essentially, we build the reports in the utility billing system. But what switching it to a 28-day period essentially takes it out of the utility billing system and moves it into an excel spreadsheet. And it can be done. I'm not saying it can't be done, but it's a lot of work.

Mr. Gima: But you went all electronic. I mean, your, your staff doesn't have to physically go to the meter to read it now.

Ms. Gannon: We do.

Mr. Gima: Is that accurate?

Ms. Gannon: No, that's not accurate. So what I'm saying is on any given day, 90-some odd percent of the meters' reads come in. For example, one of the commissioners had a leak, and that leak alert trigger will stay triggered until the read came in saying you did have that leak. And on any given day, it's around 93 percent. So I'm missing about seven percent to 10 percent of the reads. And on those days, I go out and have to read them. So about 10 percent.

Ms. Kaye: Hey, I have a question, Joy. Is, is the sticking point, the, the trying to coordinate it with the 28-day period and would that go away once you, the PUC, approves you for monthly billing would then they'd be much more aligned?

Ms. Gannon: That would be a preferable option because if I only have to do the, to do the catch up reads once, that makes it helpful. And also being able to do the reports in the utility billing system makes it very helpful, less prone to user error.

Ms. Kaye: Okay, so when do you anticipate that this -- I know it's been languishing out there because of COVID for a while. When do you anticipate the to move on this?

Ms. Gannon: We are actually hoping to file by the end of the month.

Ms. Kaye: Then would it be acceptable to all parties if we worded exactly as Kurt said, but asked for the 28-day coordination to begin when the monthly billing is granted by the PUC? Or at such time as monthly billing becomes the preferred practice of the Water Company. How about that?

Ms. Gannon: The monthly billing would still be the 15th. It would -- what we're proposing and still will be the 15th. The reads would be from the 15th to the 15th of the month, at every month.

Ms. Kaye: Oh.

Ms. Gannon: So from September 15th to, to October 15th, from October 15th to November 15th. So it's not a 28-day period, it's, it's basically the 15th to the 15th.

Ms. Kaye: Okay. So I guess my, my follow up question then would be we're asking for quarterly and year end. So that does require additional steps on your part. Is that, is that something that your, your recordkeeping system can do fairly accurately?

Ms. Gannon: So as long as you're asking --. So if I were saying my 12, 15, 12, 15 would be -
-. As long as you're not asking it from December 31st, January 1st through December 1st
calendar year, and as long as you're looking at 365 days with the, on the billings on the 15th,
that's totally doable.

Ms. Kaye: Okay, thank you.

Mr. Gima: So having heard all of that, Kurt, what does your latest version look like now?

Mr. Wollenhaupt: I'm afraid, I'm not sure. Well, let's try it again. That the applicant shall provide
the Lanai Planning Commission with quarterly water usage reports for the Koele Project
District and its subdistricts, including quantities of regulated drinking water, brackish, and or
R-1 water used. These numbers would coincide with the monthly billing at such time as the
bill, as that billing is approved.

Ms. Thomson: I have a potential. I don't know if this will be helpful, but that just the last part,
perhaps to coincide with the PUC approved billing cycle. That way, if there are any changes
it's already built into that. Does that work for the Commissioners? And also does that work for
the Lanai Water Company or Joy?

Ms. Gannon: For the Lanai Water Company, if we say of approved Lanai, the approved PUC
billing cycle and we are, we are --. I anticipate that the PUC will approve that change.
But again, that is up to them.

Ms. Kaye: Butch, you're muted.

Mr. Gima: Sorry. So Commissioners, any comments about Kurt's latest version? I can live
with your latest version. Kurt, I don't like the regulated drinking water. So you just could put in
parentheses potable and then also add non-potable, I think, I can, I can live with that.

Mr. Wollenhaupt: Okay. Well, we better get this. That the applicant shall provide the Lanai
Planning Commission with quarterly water usage reports for the Koele Project District and its
subdistricts, including quantities of, now you want potable in parentheses or just potable --?
Yes?

Mr. Gima: Potable in parentheses following regulated drinking. I think that's a term you used.

Mr. Wollenhaupt: Okay. Potable regulated drinking water then potable in parentheses,
brackish and . . . (inaudible) . . .

Mr. Gima: Non-potable. Non-potable and, or R-1.

Mr. Wollenhaupt: You want brackish, then non-potable, and or R-1 . . . water used.

Mr. Gima: Yes.

Mr. Wollenhaupt: Now what are we going to do? These numbers shall coincide with the PUC approved billing cycle. Did we want that on there or not?

Mr. Gima: Yeah. However, Sally and however -- yeah however Sally stated and amended by Richelle.

Ms. Kaye: Yeah, I think Richelle's language was perfect, and I would object. I don't think regulated is, is necessary. I think that's just confusing. It's potable, non-potable. I mean, those are the --. Like, like we said before, if they don't have any, they'll be zero. But brackish is regulated just like potable. So it's not just regulated, it's potable and that, that's the way I heard that being phrased so I'd just take that out.

Mr. Wollenhaupt: You're taking regulated drinking water out and just leaving potable without parentheses?

Ms. Kaye: Yeah, I don't, I don't see the point of that.

Mr. Wollenhaupt: That, that's for you all to decide it.

Ms. Thomson: I think that the, the question I would have is if regulated drinking water is the standard for water that can be consumed by humans, I just want to make sure that if we're using the term potable then that that's what the Commission intends it. It's intending that this passes as regulated drinking water under the State definition. In case there's a question later on about what does the term potable mean, and I know all of you are familiar with that history.

Joy, maybe you can help us out with, help the Commission out with this in terms of the State's define terms. It's, as you said, regulated drinking water means water that is fit for human consumption. And that's commonly referred to as potable.

Ms. Gannon: Well, I wouldn't touch that one with a 10-foot pole, Richelle. So there's water that's regulated by the State Safe Drinking Water Branch, and then there's water that's not regulated by the State Drinking Water Branch.

Mr. Gima: I like I said, I can live with the regulated drinking water, but I prefer potable. Regulated drinking water in the last 32-years only came up at the last Planning Commission or the previous Planning Commission meeting when the two guys who were formerly from CWRM brought that up. That's the first time I've heard of that. So, yeah, again, as I said earlier, preferably portable, non-potable, brackish and R-1. And then when we get to the

workshop, I think if we have a very clear definition that we use that from here on in, it will save us a lot of time, a lot of headaches, and everybody will be on the same page.

Ms. Thomson: And really, if I'm understanding it, what the Commission is looking for is the source of the water that's best that can be reported.

Mr. Gima: No, not necessarily the source. It's, it's amounts in the different subcategories.

Ms. Kaye: Yeah.

Ms. Alboro: So that word source is kind of, like, maybe it doesn't belong there because she said that she wasn't able to identify what well it was coming from. So maybe the source word should be something else.

Ms. Kaye: I think, and Kurt took it out. Nikki, I think Kurt already took that out of the conditions.

Ms. Alboro: Oh, okay. I know that was something that you had mentioned you wanted in there, but, yeah, she said she wasn't able to identify it, so I was lost there. Sorry.

Ms. Kaye: Well, no, the source of the water was in their original condition. And, um, because of the conversation we've had, we're now agreeing that that probably doesn't need to be in there. And I believe the way Kurt read the condition back to us, he, he did not include that. Is that right Kurt?

Mr. Wollenhaupt: That, that, that's correct. That's correct. I'm trying to type out what I think we're going with. But, yes, that's why I took that out in the last version.

Ms. Alboro: Okay, got it.

Mr. Wollenhaupt: So let's take a stab at this. That the applicant shall provide the Lanai Planning Commission with quarterly water usage reports for the Koele Project District and its subdistricts, including quantities of regulated drinking water, quotation, potable, brackish, non-potable and or R-1 water use. These water usage numbers shall coincide with the PUC approved billing cycle through the extent practicable.

Ms. Kaye: No, that, that phrase is not, no. That's not.

Mr. Wollenhaupt: Take the last part out then. These water usage numbers show coincide with the PUC approved billing cycle. Did we want that referenced?

Ms. Kaye: . . . (inaudible) . . .

Mr. Wollenhaupt: . . . (inaudible) . . .

Ms. Kaye: Yes.

Mr. Wollenhaupt: So these water usage numbers shall . . . (inaudible) . . . shall coincide with the 30-day PUC billing cycle once approved or just the PUC approved billing cycle? Because there is a billing cycle now. I'm just trying to distinguish that between the one that might be approved.

Ms. Kaye: Right. I believe 30 days is what they've asked for and what the PUC would, would most likely give them because that's what they do.

Ms. Gannon: If we could . . . (inaudible) . . . to the approved billing. The, the monthly, the monthly because some months have 28, some months have 31. So if we could keep it to the --

Ms. Kaye: Monthly.

Ms. Gannon: -- monthly.

Ms. Kaye: Yeah, absolutely.

Mr. Wollenhaupt: So these water usage numbers shall coincide with the monthly PUC billing cycle and approved?

Ms. Kaye: Okay, how about shall comply with the 30-day billing cycle once approved by the PUC. I'm sorry, monthly billing cycle, once approved by the PUC.

Mr. Gima: I can live with that.

Ms. Thomson: I'm sorry. I want to make sure that we're --

Mr. Gima: Richelle?

Ms. Thomson: Thank you. But you still, you don't mean for them to do monthly reports. It's still quarterly, but the data is going to come from the monthly billing cycles. Okay, thank you. I just wanted to make sure I understood.

Mr. Gima: So Commissioners, is it now crystal clear to you? Okay, last, last call on condition eight. Okay, condition nine, any guidance on that, Kurt, because there was a lot of discussion about it and --?

Mr. Wollenhaupt: Well, I guess I'm going to have to take the guidance of our former Deputy Director, Jordan Hart, now the Planning Program Administrator for Zoning in which we

essentially indicated that that's something that the County Council put on the original project district. And if they would determine that they would like to take it off, then I guess they can do that. So that's pretty much -- that's why it was left in there, and we did not get a definitive comment from the Department of Public Works, if my memory serves me correct. I do understand the arguments that were made by Pulama Lanai, and I believe Mr. Chipchase wrote an extensive review of this condition. However, management decided that at the time we made the recommendation that this would just be left in. So that's --

Mr. Gima: Okay, Committee, shall we, shall we just do that? Leave it as is and if it needs to be modified, removed, County Council can take care of that. Any objections to that?

Ms. Kaye: No.

Mr. Gima: Okay. Moving on to condition ten. So I, I'd like to propose reword, rewording it to read that the applicant shall use R-1 water to irrigate and or use for dust control to the extent available and practicable. Comments, questions, edits on that one?

Ms. Kaye: Could you say that again please Butch?

Mr. Gima: That the applicant shall use R-1 water to irrigate and or use dust control to the extent available and practicable.

Ms. Thomson: Chair, I do have a comment on that. R-1 water can be used for other, other uses, so that may be limiting it rather than expanding the uses or clarifying. So you may want to leave a broad rather than restricting it to certain types of uses of R-1 water.

Mr. Gima: So you'd recommend taking out irrigate and dust control?

Ms. Thomson: Yeah. It can be, it can be used for ranching, you know, for watering cattle. It can be used for agriculture, in farming, all types of farming. So there are many, like, just many, many uses for R-1 water. So I think right now it's very broad, so you're not limiting it. But I think including those terms may be read to limit it to certain uses. But I think what your, I think the intent is to use it for as many things as possible.

Mr. Gima: I think part of it was to ensure that R-1 water is used to irrigate and for dust control, and not use potable water for irrigation and dust control.

Ms. Thomson: Right.

Mr. Gima: So if you take those out, it doesn't, it doesn't direct the applicant to use it for irrigation and dust control.

Ms. Thomson: Maybe --

Mr. Gima: Is that accurate?

Ms. Thomson: How about the applicant shall use R-1 water, including for irrigation and dust control, comma, to the extent available and practicable. Then you're, then I think you're, you're saying including, but not limited to really, but you're making a specific statement that you would like them to be using it for irrigation and dust control.

Mr. Gima: But can you reword that again?

Ms. Thomson: Yeah. So just going off of what I think Kurt has down. That the applicant shall use R-1 water, comma, including for irrigation and dust control, comma, to the extent available and practicable. So you're calling out those two uses that you want to emphasized, but not limiting it to only those uses.

Mr. Gima: Okay. Nikki?

Ms. Alboro: I think . . . (inaudible) . . . needs to be listed.

Mr. Gima: Say again, Nikki?

Ms. Alboro: I think including not limited to needs to be listed. Like including irrigation and whatever was the other word -- I'm sorry -- but not limiting to the extent available and practicable.

Mr. Wollenhaupt: So then it would read that the applicant shall use R-1 water in --. So use R-1 water, including but not limited to irrigation and dust control, to the extent available and practicable.

Ms. Alboro: Sounds good.

Mr. Gima: Thanks, Nikki. Zane, Sally, Erin, any comments about that revision? Okay.

Dr. Dancil: Chair Gima?

Mr. Gima: Yes, Keiki-Pua?

Dr. Dancil: A couple clarifying questions. I'm sorry. I raised my hand a couple of times and I don't mean to interject. I apologize. Two clarifying questions, if I may. Clarifying question on condition nine. Is that the Commissions' --. I thought I heard you have no recommendation for condition nine or was there recommendation for condition nine?

Mr. Gima: Yeah, there were, there are no objections to leaving it in, as stated in the report, pretty much yielding to County Council since it was their original condition. So if they want to modify it or take it out, then they would do that.

Dr. Dancil: Okay. We just want to go on record that, no, we, we've expressed that we object to the condition. We believe it was tied to the original Project District and will be stating that a such. We just want to get that on the record.

For Condition 10, I just want to make sure that we all understand, calling out specifically to things for brackish. I want to make sure that to the extent available and practicable, I think we had this issue when we're asked to use brackish water down at one of our construction sites, not for dust control. Some equipment, the integrity of some of the construction materials we wouldn't want to use brackish water during those times. I just don't want to be held that should it be available we have to use. I want to make sure that because you're calling specifically out the dust control, I just want to put that on record that we had made comments that it's not always the best type of water for dust control in certain times when we're doing construction for integrity purposes of building materials.

Mr. Gima: Okay, so noted. Thanks Keiki-Pua. Ah, you know, to, to number nine, I mean, I just had a note to myself that I don't remember if I had brought it up the first time, but I think the bypass will not only help the Koele Project District related traffic so it bypasses the city, which I think was the intent regardless of the number of housing units in the project district. But I think it will help Hokuao ingress and egress and eventually the County affordable housing project ingress and egress, so yeah, that's just condition number nine.

Okay, Kurt said about the building height thing that Sally brought up will be addressed in the third item. All right, so any other comments, questions, changes to the Change of Zoning portion on this agenda item? All right, hearing none, I will entertain a motion to recommend approval, recommend approval of the Change of Zoning with conditions.

Ms. Kaye: I'd move that we recommend approval with the conditions as proposed by the Planning Department in the May packet, numbers one through 10, with the amendments that we discussed and agreed to by Kurt and Richelle tonight.

Ms. Atacador: I second.

Mr. Gima: Okay, it's been moved by Commissioner Kaye, seconded by Commissioner Atacador that we approve the Change of Zoning with conditions identified in the May, the May packet, one through 10, with the amendments as discussed tonight that was provided by Kurt and Richelle. I hope, I hope I got everything from what you said, Sally.

Ms. Kaye: Right. The amendments were to number eight and number ten. That's all.

Mr. Gima: Okay. All right, any further discussion on the motion? Hearing none, all in favor raise your hands. Okay, the motion passes unanimously. All right, thank you. Why don't we take a ten minute recess? We'll be back at 6:42 p.m.

It was moved by Ms. Sally Kaye, seconded by Ms. Erin Atacador, then

VOTED: To recommend approval of the Change of Zoning with the conditions, #1 through 10, as proposed by the Planning Department in the May packet, and with the amendments to conditions #8 and #10 as discussed.

(Assenting: N. Alboro, E. Atacador, Z. de la Cruz, R. Gima, S. Kaye)
(Excused: S. Menze, S. Preza, C. Trevino)
(Recuse: E. Grove)

(The Lanai Planning Commission recessed at 6:32 p.m. and reconvened at 6:42 p.m.)

Project District Phase 1 Development Amendment:

Mr. Gima: Sally, are you there? All right, we have quorum back on camera. Okay, now we're at Project District Phase One Development Amendment. So at this time, I will open public testimony again. Oh, Leilani, anyone wanting to testify?

Ms. Ramoran-Quemado: Thank you, Chair. There's no one wanting to testify.

Mr. Gima: Okay. Denise, anybody at the Lanai Office?

Ms. Fernandez: No testifiers at the Lanai Office.

Mr. Gima: Okay, thanks Denise. At this time I'll close public testimony on the Project District Phase One Development Amendment. Anything to add here, Kurt?

Mr. Wollenhaupt: This is the third application that you're looking at tonight. And critical to this, there's actually the revisions to the Maui County Code Chapter 19.71. In your packet, in your exhibits, there is a red line version, in Exhibit-3, of the proposed amendments for the Koele Project District. I do know and this is to address Commissioner Kaye's issue on Section 19.71.050 Park, and this is for 2B, development standards for Park District shall be items four and five. There was a strikeout of maximum lot coverage five percent and maximum height one-story not exceed twenty feet. And it appeared to be the wish of the Commission that those strikeouts return back to the development standards. So that addresses that issue. That's a simple addition back in. So that was the only modification. There may be some spelling errors

in the, in the document. However, that was the only major item that we that, we had talked with about. So that's where we are in the Phase One Amendment.

Ms. Kaye: I just want to clarify that number four, B4 was not an issue. It was five. And the applicant offered to add that 20, 20 maximum height, one-story not to exceed 20-feet back in. We didn't discuss it all a maximum lot coverage five percent. I don't know that that we, we challenged that.

Mr. Wollenhaupt: Okay, that's good. Good, good. So, so on the table is taking, putting number five back in.

Ms. Kaye: Yeah.

Mr. Wollenhaupt: There would be a renumbering, of course. Yeah, that would be done in the corrected version. Four would go away and five would become a four.

Ms. Kaye: Right.

Mr. Wollenhaupt: Right. And we're, we're --. Yes, we're leaving in number five.

Mr. Gima: In that same section, um, what did we do with C that follows right after what we just talked about?

Mr. Wollenhaupt: C, C is in.

Mr. Gima: I think we had discussed kind of interesting or tricky language where it said areas within park districts that have continually and lawfully use high level aquifer groundwater. That that wording was kind of interesting and I'm trying to remember what we wanted to do with that. And this one says non-potable water should be used for irrigation to the extent available. And in the previous discussion, we talked about R-1 water. Do we need to make that consistent?

Ms. Kaye: I think the discussion was instead of non-potable, we suggested brackish or reclaimed was more accurate for the practice that's currently on island. And I also understood that the, that part of lawfully used high level aquifer groundwater, I think the applicant clarified that that was to protect the use of water on Cavendish. Um, I'm sure they'll correct me if I'm wrong.

Dr. Dancil: No, you're correct, Commissioner Kaye.

Mr. Gima: Okay. Thank you. So Kurt, do we need to modify this language based on what Sally just mentioned?

Mr. Wollenhaupt: Um, this is the language that you're recommending, so any modifications that you believe are fit, now is the time.

Mr. Gima: So Sally, you were saying insert R-1, and or brackish and remove non-potable?

Ms. Kaye: Yes. Brackish or reclaimed, I think, that's what we discussed before.

Mr. Wollenhaupt: And that's replacing non-potable?

Ms. Kaye: Yeah.

Mr. Gima: Okay. Erin, Zane, Nicole, any comments or questions about that change? Okay. Moving on.

Mr. Wollenhaupt: And that's, that's replacing non-potable in the third sentence too? Third line?

Mr. Gima: Yes. Yes. Under 19.71.055, Golf Course, letter C and D having to do with irrigation. I'm trying to recall. By removing D as it pertains to the Old Experience at Koele Golf Course. Is that accurate? Is that what you guys remember? Your memory is just as good as mine. Any questions or concerns about the irrigation language or the strikeout of the irrigation language in that section? Kurt, do you or Keiki-Pua have any comments about that?

Mr. Wollenhaupt: No, I, I don't have anything more to add.

Dr. Dancil: No, no comment.

Mr. Gima: Okay. Moving on to Open Space and Resort Commercial. I don't think there was anything. Land Use categories and acreages. There are no standards of development, nothing. Okay. So that pretty much covers the proposed amendments to County Code Chapter 19.71.

With regard to Table-C in our packet, Kurt and or Keiki-Pua, could you clarify again in the existing project District sub-designation, which, which one pertains to the Old Experience at Koele course, and which one pertains to the Cavendish course?

Dr. Dancil: Commissioner Gima, give me time. I'm opening up the document. You're wanting to understand which line item in Table-C is referenced to Cavendish or Koele, uh, the Experience at Koele? Is that your question?

Mr. Gima: Correct.

Dr. Dancil: Okay.

Mr. Gima: Which existing sub-designation.

Mr. Wollenhaupt: I think it's probably 002 that's going from Golf Residential Multi-Family, and it's exiting all the golf. I'm sure that the applicant can confirm that.

Mr. Gima: So you're suggesting that was the Experience at Koele Golf Course?

Mr. Wollenhaupt: Right because that's all going outside of golf now.

Mr. Gima: Okay.

Mr. Wollenhaupt: Confirm that too . . . (inaudible) . . .

Mr. Gima: And would the Cavendish golf course come under the next line, golf slash, residential slash, public?

Mr. Wollenhaupt: That's what, that's what I'm attempting to make sure.

Dr. Dancil: Correct. Kurt is right.

Mr. Wollenhaupt: Sometimes miracles occur. You never know.

Mr. Gima: Okay, so I understand the Experience at Koele, the proposed sub designation as park slash, open space slash, residential. Is that accurate?

Mr. Wollenhaupt: Yes, that's accurate.

Mr. Gima: Okay. And then the Cavendish, under the existing designation of golf slash, residential slash, public will be changed to parks slash, golf slash, hotel slash, residential?

Mr. Wollenhaupt: Yes, that --. Yes, that's right. That odd shape that we were talking about at the beginning of the discussion this evening.

Mr. Gima: But that odd shape was outside of that Project District.

Mr. Wollenhaupt: Oh, but that's the general area that we're speaking of. And the . . . (inaudible) . . . 003.

Mr. Gima: Um, I mean, the end game is making sure with the proposed Project District sub designation that it's real clear to the Cavendish golf course, its land designation is park slash, golf slash, hotel slash, residential. And that includes the entirety of the Cavendish golf course.

Mr. Wollenhaupt: Yes.

Mr. Gima: Is that accurate Keiki-Pua?

Dr. Dancil: Yes that is. And it might help, Chair Gima, if you look at Exhibit-2 in your staff report. It has a map of the proposed Koele Project District. And you will see that G, which is designated as purple for golf subdistrict within the project district, does indeed include Cavendish.

Mr. Gima: Okay. Just want to make sure we get that on the record. All right, thank you. Okay Commissioners, other comments, questions, edits to Project District Phase One Development Amendment. All right, I will entertain a motion to approve the Project District Phase One Development Amendment as amended this evening, in 19.71.050 Park PD-L/2, letter C.

Ms. Kaye: And B, B-5 comes back in.

Mr. Gima: Oh, all right. Yeah, that's right. And B-5. Thank you.

Ms. Kaye: So move.

Ms. Atacador: Second.

Mr. Gima: Any second? Okay, it's been moved by Commissioner Kaye, seconded by Commissioner Atacador that we approve Project District Phase One Development Amendment, as amended tonight in Section 19.71.050 Park PD-L/2, letter B-5 and letter C. Okay, any further discussion on this motion? Okay, hearing none, as soon as Sally comes back into view, all in favor raise your hands. Okay motion passes unanimously. Thank you very much.

It was moved by Ms. Sally Kaye, seconded by Ms. Erin Atacador, then

VOTED: To recommend approval of the Project District Phase 1 Development Amendment as amended in Section 19.71.050 Park PD-L/2, letters B5 and C.

(Assenting: N. Alboro, E. Atacador, Z. de la Cruz, R. Gima, S. Kaye)
(Excused: S. Menze, S. Preza, C. Trevino)
(Recuse: E. Grove)

C. DIRECTOR'S REPORT

1. Open Lanai Applications Report as distributed by the Planning Department with the September 7, 2022 agenda.

Mr. Gima: Okay on to Director's Report. So, Ann, will you be handling this section of the agenda?

Ms. Cua: Yes, I will. Okay, first of all, we have the Open Projects report. Do you have any questions on that? And you just dealt with the first item on your list. Any questions?

Ms. Ramoran-Quemado: Lisa, you're muted.

Mr. Gima: Go ahead, Lisa.

Ms. Grove: Sorry about that. Hi. I now get to talk. So I was just curious, and I apologize if I don't know if the geography is sitting right in front of me and I can't see it. But I'm looking at that last one on the open projects about the permit to scrape, grub and excavate sand. Where is that located?

Ms. Cua: I am not exactly sure. That is -- maybe, maybe Keiki-Pua can respond to that. I don't know if that's them.

Dr. Dancil: Bear with me; I'm opening it up. I don't know what that is.

Ms. Cua: And it's not a, it's not a permit. It's an RFC. It's a request for comment.

Dr. Dancil: That might have to do with a letter that came through to --. Hold on.

Mr. Gima: I'm assuming this has to do with Hulopoe Beach Park.

Dr. Dancil: That's what I'm wondering.

Mr. Wollenhaupt: That would be, that would be the correct assumption. It's being handled by Wesley Bradshaw, a planner that specializes in the shoreline.

Dr. Dancil: So it's not our application. It was a complaint that came through.

Ms. Grove: Got it. Thank you.

Dr. Dancil: We did respond.

Ms. Grove: Yes, very familiar. Thanks.

Ms. Cua: Any other questions?

Ms. Kaye: Yeah, I do. I'm sorry. I don't believe I've ever seen an RFC like this. So this is the Planning Department receives the letter. I know what we're talking about there. And then the request for comment is for the applicant to respond to the, the letter and the assertions therein? Is that with that?

Ms. Cua: Well, an RFC can come in different forms. When somebody --sometimes when somebody just has questions about a particular project or a property that they're inquiring about, they send a letter to the Department. And because we need to initiate a response, we need to track it somehow. So we assign it an RFC because there's not a permit associated with the request. And so sometimes the Department just does a letter. Sometimes we contact, if it's about a particular project, we may contact the applicant of that project and get comments from the applicant like, you know, maybe in this particular case we did, I'm not sure. So it's kind of a -- it's just a way that we identify requests coming into the Department so we can track them.

Ms. Kaye: Maybe next month or the next meeting, we can have a little more detail for this one then.

Ms. Cua: Okay. Anything else on this open assignment report?

Mr. Gima: Nikki, did you have a question? I saw you were unmuted earlier?

Ms. Alboro: Oh, I don't know why I wasn't -- I muted. Sorry.

Mr. Gima: Okay.

2. Chair Gima's proposed workshop items.

Ms. Cua: Can I move on Chair?

Mr. Gima: Yes, please. Thank you.

Ms. Cua: Okay. So the next item is the Chair's request for workshop. Here it is. So I went through the 11 items and categorized them. And now that you have a full Commission, so we, we normally do not do training for Commissions, all boards and commissions until you have a full board or commission. And so you have one now. So how we normally structure our trainings, which those of you who have been members for a while know that is we usually split it up. We used to do it all in one day before, but we found that it's, it's just too much. It's too much information for people to comprehend. People get tired and so you don't hold on to as much information. So we decided to split it up. And that way, it gives the staff a little bit more flexibility on their time as well to be able to make themselves available to you. We invite Corporation Counsel to do part of the training. And the first three items, items one, two and three that the Chair has on his list is just that. You know, the requirements about going into

executive session. You know, what is the conditions of when a member wants to recuse themselves or have a conflict of interests. Nexus consideration and rough proportionality, that's all stuff that is part of the normal presentation and training from Corporation Counsel.

The only other thing on the list that I thought maybe we would have to seek help from Corporation Counsel is item number eight. Please explain the public trust doctrine and its significance as it relates to the Lanai Planning Commission.

Items four, five, six and seven, that's, that's exactly what the Planning Department's training is, and our, our training goes a little bit beyond that. When we -- item, like item number four, for example, we normally go through a number of our application processes and, and we tell you when you are the authority and when you are not. Like in today's, today's matters that you heard, you are not the authority on any of them. The County Council is the authority. You hold the public hearing and you make a recommendation to the County Council. So when we go through our training and we go through the various land use, land use development, and shoreline types of permits, we tell you just that. You know, when you are the authority, the sole authority, when you are recommending body making a recommendation to the authority.

And then final group.

Mr. Gima: Ann?

Ms. Cua: Yeah.

Mr. Gima: Yeah, I mean, the reason why I put in this matrix and I know the Planning Department informs us, but it would be helpful for me if I have a cheat sheet like this. So when I get the packet from Leilani, I can say, oh, okay, this is a Community Plan Amendment then I can look down on the timeline when the clock starts, all of that stuff, and I don't have to wait for the Planning Department to tell us at the meeting. And that way, it's going to save you guys time, and I feel we are going to be much more prepared. And I think this is going to be applicable to Molokai and the Maui Planning Commission too.

Ms. Cua: Okay. That's, yeah, that's probably something we could easily put together. Yeah, and I don't know the, the clock starts. That isn't applicable in some applications. So again, you know, we'll, we can do some kind of a chart for you. And then we would also give you a copy of our, our training, which is something that you should always have that you can refer to when you know that there's an application that's coming up like, like, today, for example, you could go to the part of the power point presentation that talked about Community Plan Amendments, Changing Zoning and Project Districts.

So again, and, and the final thing is your questions number nine, ten, and 11, and my understanding is that you normally do receive some type of training, usually annual training from the State Water Commission. And so we would have to work to coordinate that as well.

So like I said, now that you have a full Commission as we, you know, we have a bunch of bills that are coming from Council that we have time limits on that we need to get it to all the Planning Commissions. So we're trying to make sure we can get your comments in time because we don't want to miss the opportunity to get your comments. But whenever we have, we anticipate that we have time on these agendas, we'll probably try and, you know, put some of this training on there. Any questions on that?

Mr. Gima: Commissioners, comments questions whether this stuff is, will be helpful or not helpful?

Ms. Atacador: Yeah, no, I think it's really helpful and can't wait to get this training done. So it can you help us and help me personally too. So I'm excited for this training.

Ms. Grove: Me too.

Ms. Cua: Chair, would you like me to move on?

Mr. Gima: Why don't you find out how soon we get these training because the priority, the priority for me would be number four, number five, number 10, and number 11. And as we were talking about in the earlier agenda item, I strongly feel that we not only the Planning Commission, but the Planning Department needs to have a real clear definition of potable, non-potable, R-1, and brackish. And we set that so we don't waste time deliberating the different interpretations every time. And that's that should be in a cheat sheet on our packet just like the, the matrix in number four. I get, I get sick and tired of having to relitigate, re-discuss, you know, the definitions. So, yeah, that is a big priority for me.

And number 10 is a huge priority, and I would prefer that the Planning Department keeps a running tab on the amount of water being used and allocated or reserved. And this is important because if you, as I mentioned in other meetings, if you only look at the application and say, let's say it's only 200,000 gallons a day, and if you don't know what the big picture is, we are being irresponsible as a Commission in terms of, you know, deliberating that that application. And most of the application, most, if not all, do not give the Planning Commission that overall picture of water use and how much water has been reserved for different projects. So and I've said this before, I fault both the applicant and the Planning Department for not making that real clear. So those are, those are the, the priorities for me, and I would like to see the trainings happen yesterday rather than, than later.

Ms. Cua: So what I can --. I hear what you said, Chair. I think from the Department, we think, we think number one, two, and three is some of the most important. If you don't have a legal basis for how you conduct business, that can be problematic for the Commission. It doesn't take very long. That would be one of the first things. That's one of the first things we train all our Commissions on because it's how you conduct business. Um, I think the Department's training on what we're responsible for is the next priority. You know, I have to mention, we are

not, we are not water experts. You know, for us, you know, we, we rely with all of our boards and commissions, we rely on various County, State and Federal agencies that have experts in their field to guide us. Whether it be water, architecture, archaeological issues, drainage. So, you know, I, you know, I can't sit here and tell you that -- we, we do not have the, the, the, the technical staff trained to give you the kind of water information that you're asking for. And to keep on track and to be able to tell you it's adequate or not. And that's something maybe a larger discussion with my bosses, but I can just tell you in terms of the staffing because it's my staff that would be giving you that information. And I, you know, I don't think any, none of us are trained in that. So, you know, you know, that that's a tough one for us. And that's why I suggested for items nine, ten and 11 that, you know, we bring to you somebody like we always do from the State Water Commission. In terms of --. I think we, we, we are more familiar with your types of questions on water. So I think that's something that we can try and work with the applicant to make sure we get the best information. But I think to put that responsibility on the Department when we don't have that kind of technical staff, I think that's a tough one. That's just my . . . (inaudible) . . .

Ms. Grove: I can also just add that I thought that what we've been taught so far is that there's a local, state and federal disconnect when it comes to these definitions and that they're not all synced up. And so I think that's what's making our job more difficult, but that that's not the, the Planning Commission's kuleana, right?

Ms. Cua: No, that's not the Planning Department's. You know, some of what I heard was, was news to me. And you know one thing I --. I'll just give you a quick example. You know, there was a project I was involved in at Maui years ago, and we, used we used terminology like, uh, bus stop, bus shelter. You know, we just, we just use it when we wrote the condition. Well, years later, that terminology had a specific, specific description of what that meant. And that caused problems later on because we were just, you know, throwing around words, you know. This is a bus shelter. This is a bus stop. This is a bus. Well, you know, years later, you know, when you have a whole Department of Transportation, Maui Transportation, you know it, those specific words meant something. So what I'm hearing, what I'm learning now is that, you know, we, we've used potable water for as long as I remember. Now we're hearing that, well, you have to be careful in what in the terminology that you use. So again, that's not something that the Planning Department is going to be able to guide you through. And I don't know if Corp Counsel can help me with any of this a little bit or we just have to wait and talk with our Director. But I just want to be honest with you and let you know what, what I feel our capabilities of our staff is because I don't want to give you any false hopes of, you know, something that you feel the Department is responsible to give you, and when we don't have the technical resources on staff.

Mr. Wollenhaupt: Well, just from the planner's perspective, it would be great to get this issue settled; brackish, R-1, potable, non-potable, drinkable. It just makes it, it --. It just makes perhaps me look like I don't know what I'm doing sometimes. And so it would be nice to get this straightened down, and here are, here are the parameters with which we're going to

analyze projects. Very helpful in the future rather than, well, like tonight we're going to change this brackish. No, it's potable. No, it's drinkable. So a consensus of the minds, at least for the Lanai projects would be very useful. Thank you.

Ms. Cua: Any further questions?

Mr. Gima: Sally?

Ms. Kaye: Yeah, I'm wondering, I'm wondering if we could have Richelle, Corporation Counsel, Planning Department think about putting together a TIG, and have a couple of Commissioners. Plus I would assume Joy from the -- you know, just do an informal discussion about some of these gnarly issues to try to fill out, you know, answer some of these questions. I mean, I don't want to do it tonight, but maybe we could think about whether that would be useful for discussion at the next meeting, we could get some clarity on whether we could do that. Because I don't think CRWM is --. I mean, I've had their, I'd have their trainings. They don't come in and --. Um, they're pretty hands off. As long as you meet their overall strictures, they really, you know, aren't going to give too much, at least in the past, they've never given too much. So if we're just even going to get to a point where we agree on definitions, a TIG, a temporary whatever you call it, group might work. So if we could just discuss that next time, maybe, that would be helpful.

Ms. Thomson: And this is Richelle. I think, you know, especially for some of the Commissioners that aren't as familiar, I know, Chair Gima and Commissioner Kaye, you folks are very, very familiar with the history of the issues on Lanai. It may be helpful to see if we can schedule the CRWM water training just as, give some context to the, to the discussion and then, you know, we can tell them that we're, you know, we are trying to develop a terminology that's more universally used both by Lanai Water Company, by CWRM, the County Code. And I can certainly, I definitely can do my part in terms of what we use in the County to refer to different types of source water. But I think that's, I really do think this is a great effort. I know over the years that I've been assigned to this Commission, this is an ongoing discussion, so I absolutely understand where you're coming from. You know, clarity would be terrific. I agree with Kurt. None of us like to like we don't know what we're talking about.

Mr. Gima: Okay, so I heard what you're saying, Ann, about what the Planning Department can and cannot do. So I'll take the responsibility of sending you a draft in terms of types of water and the definitions based on what, what we got from, what I got from Commission on Water Resource Management. So I'll take the responsibility of doing that.

Ms. Grove: Would it be okay if I just put in a plug for regulated drinking water? Because to me, regulated means that there's somebody monitoring it for safety and that feels important to me. And that there is an outside body who's actually monitoring our water separate and apart from the entity that distributes it.

Mr. Gima: And I will --. So after I do that, I will try and come up with a draft for number ten, for the Planning Department to consider. Because some of these, you don't, don't necessarily -- yeah, it's good to have expertise. Some of this stuff is policy and, and --. So I'll, I'll leave it at that. And then I agree with you that you've got to handle one, two and three first, because that's, I mean, that's protocols of your Department, so I understand that. Okay, Commissioners --?

Ms. Kaye: Yeah, yeah --

Mr. Gima: Go ahead Ann. Oh, Sally.

Ms. Kaye: Yeah, I just want to -- I agree with Richelle that if we could get that, that'd be -- she's right. It would -- having CRWM come over first would be a good starting point. So if that could get scheduled along with, you know, what we're going to do with one, two and three, that'd be great if that's possible.

Mr. Gima: Okay, thanks Sal. Ann, you were going to say something?

Ms. Cua: No, I can just move on to number three when you're ready.

Mr. Gima: Okay, before we move on to number three, Zane, Nikki, Erin, any comments about workshop items? Any further questions, comments? All right hearing none, Ann move on to number three, please.

3. Proposed Meeting Schedule for Calendar Year 2023.

The Commission may take action to approve or modify the meeting schedule.

Ms. Cua: Yeah, we attached to your agenda the proposed schedule for 2023. And we'd like your approval on that or any kind of modification at this time so that we can set the schedule for the year.

Mr. Gima: These are all third Thursdays, right? I mean, on third Wednesdays?

Ms. Cua: Wednesdays. Yes, I believe so.

Mr. Gima: Okay. Commissioners, any objections to the schedule or do you have any requests for consideration of other dates? Nikki?

Ms. Alboro: I can't do November 15th, for sure.

Mr. Gima: Okay.

Ms. Kaye: I would like to once again raise the possibility of making this a lunchtime event rather than an evening event. I think the Planning Department has in the past indicated that it would be easier for them if we did this during the daytime.

Ms. Cua: It definitely would especially when you know, when we go back to in-person meetings, because then we could be in and out in the same day.

Ms. Kaye: One day.

Ms. Cua: Lodging, lodging is a huge issue for us and a big expense to the County.

Ms. Kaye: Yeah, I thought it might set a precedent. I know the consideration has always been, you know, people get off work, but you know, right now we're doing this all virtual right. And if we do it on a lunch hour, then people can do what they're doing now, which is to phone in. So I just would like to raise that as a possibility for discussion.

Mr. Gima: Nikki?

Ms. Alboro: . . . (inaudible) . . .

Ms. Atacador: . . . (inaudible) . . .

Ms. Grove: . . . (inaudible) . . .

Ms. Alboro: Because I'm like, I really don't have a lunch break, but I can't see my lunch breaks going to be four hours and then, you know, expect to get paid. Yeah.

Ms. Atacador: Yeah.

Ms. Grove: And also, Chelsea Trevino said that if she, if it was, the last time we talked about this, I believe said that if this was during the lunch hour, she would have to quit. I don't know if her term is up, but I assume she's still on the Commission. But she said that that would be a deal breaker for her, for her job.

Mr. Gima: Erin, you were going to say something?

Ms. Atacador: No, just, just agreeing that if it was a lunch hour that we, you know, with, with work, we could do an hour. But with these meetings, it seems like we go way over an hour. So I don't think that I could commit to doing a lunch time either.

Mr. Gima: Okay. Any comments, Zane?

Mr. de la Cruz: Uh, I guess I'm just in the same boat as most people that I, like, I have a half hour protected lunch break. But that's, that's as much as I've got.

Mr. Gima: Okay. And then we have got four others not in attendance tonight, so --. Oh well, Lisa, you talked about Chelsea already, so three others. Okay, but in terms of the --. But in terms of the dates, there are no objections with this 2023 schedule? Sally?

Ms. Atacador: Would you consider --? Sorry, Chair. Would you consider making December's meeting earlier in the month just because it's the 20th and it is a little nearer to the Christmas and Christmas Eve holiday? And people might have plans or travel or have family in, moving that one up to earlier in the month?

Ms. Grove: I agree. I was going to say that.

Mr. Gima: Yeah, I think in our October-November meeting and based on what potential agenda items we have, yeah, there's a, I think, possibility for changing the date of the meeting. Okay, Ann, you were going to add something?

Ms. Cua: Well, I was, I was, just I was just looking at my, my calendar. Unless we, you know, for now, move it to the 13th.

Mr. Gima: Okay, any objections by Commissioners?

Ms. Grove: No, looks good.

Mr. Gima: Okay. Let's change up to December 13th.

Ms. Cua: Chair, can we check with Leilani and Clayton if they see --. I'm, I'm just, I'm just looking at my calendar, but I don't know if they may know of some reason why that wouldn't be a good date. So could either Clayton and, or Leilani maybe chime in.

Ms. Ramoran-Quemado: The only problem would be Molokai Planning Commission meets on the second and fourth Wednesdays, so it may conflict, although they do meet at 11:00 a.m. so maybe not. Maybe it could work out. I just have to check to see --. Well, if we're still going to be doing virtual, if the facility is open. But if we do in-person, then that should be no problem, I think. But it's so far away. It's like over a year away. Anyway, that's my comments. Anything Clayton? Clayton has no comments.

Mr. Gima: Leilani, can you check with Sherry, Shelly and Chelsea and who am I missing? That's it, three, yeah.

Ms. Ramoran-Quemado: I'll send an email tomorrow and ask them if they're okay with moving it to the 13th.

Mr. Gima: Okay. Moving on.

Ms. Cua: So, chair, if I could just summarize real quick. So we'll, we'll leave the schedule with all the same dates except for December. Change it to the 13, and then leave the time at 5:00 p.m. for now. And you know that that will be assuming the other members are okay with, with this change in the date. This will be what will set as our guide. But of course, you know, you may have items. I mean, you may have special meetings that you need to do. You may have cancellations of meetings. You know, you may have not want to have a meeting in December if you don't have many items. So we'll just take it as it comes. But at least it will, you know, give us all something to reserve our calendars with.

Ms. Kaye: And also, and also, I think Shelly and Chelsea and maybe Sherry all go off in March, so they're not going to be around for December 2023. We have to check on that, but we're going to lose, I think, three members in March.

Mr. Gima: Good point, Sally. Thank you. Okay, SMA Minor Approvals.

4. Discussion on how the Commission can get informed of SMA Minor Approvals.

Ms. Cua: So I guess you brought this up before. You know you want to discuss how the Commission can get informed of SMA, SMA Minor Permit approvals. Um, I know what we do for the Maui Planning Commission is we prepare a report. Clayton, do you have any comments on this at all that you can make? And this might be just a report that we can generate for you.

Ms. Kaye: While he's responding, isn't it part of our rules that Minor SMA approvals should be reported to the Lanai Planning Commission since we don't have any say in it?

Ms. Cua: I'd have to check your rules.

Mr. Clayton Yoshida: Yeah, I think that this was --. This is Clayton Yoshida. This was brought up at the last Lanai Planning Commission meeting and I think we can report to the Commission when SMA Minor Permits are issued. For Lanai, we can give them a copy of the approval, SMA Minor Permit approval letter.

Ms. Kaye: Well, if nobody is aware of whether that's actually in the rules, then maybe we can change our rules so that it's required because I'm not sure that you're saying you can give us

a report will, will last when, you know, staff changes and Commissioners change in the same situation comes up again. So yeah.

Ms. Cua: I, if I could comment. I think what Clayton was saying is that we could just direct staff that whenever they, whenever they issue an SMA Minor Permit approval to cc the Commission, to make sure the Commission gets a --. So it's not, it's not just giving you a report telling you that these are the numbers. It's usually giving the actually letter which I think you would want more.

Mr. Gima: Again, for the, us newer commission members, can you do a real quick differentiation between a Major and a Minor? And who does the approval of the Minor?

Ms. Cua: Okay, so I'm not as familiar with your rules. I -- there are -- an SMA assessment comes into the Planning Department and it can either be, become an SMA Exemption or an SMA Minor Permit, both of which are administrative approvals, I believe by the Planning Department. Molokai is different. Every, every island is a little bit different.

Major, SMA Major permits, though, however, come into the Planning Department, but the Planning Commission is the authority on granting Special Management Area Major permits.

Mr. Gima: Okay, thank you. So the Minor, the Minor Special Management Area approval is done by the Planning Director. Is that accurate?

Ms. Cua: Yes.

Mr. Gima: Okay. Thanks.

Ms. Thomson: And Chair, I can just add. I just pulled up your rules. So regarding SMA Minors, it is in your rules right now that the Planning Director would notify the Commission at your next regularly scheduled meeting of the issuance of an SMA Minor Permit. And the Commission acknowledges receipt. That the Planning Department's notification shall include but not be limiting the name of the applicant, the development authorized by the permit, and the location and purpose of the development. So that is in your rules now.

Mr. Gima: Thanks, Richelle.

Ms. Cua: Thank you.

Mr. Gima: Commissioners, any, any further comments or questions regarding the SMA Minor Approval process?

Ms. Kaye: Yeah, I'm sorry. Can, can I just get a clarification? So if it's in our rules, then why weren't we notified?

Ms. Cua: I don't know if we've recently issued any Minor permits. I don't know if Kurt has issued any.

Ms. Kaye: Yes, in June of 2021.

Mr. Wollenhaupt: I don't think I have. It's, it's rare that we see these. But I guess if we didn't, then we need to fess up and say, well, we dropped the ball and let's get on with the show.

Ms. Cua: I don't think we received many. We don't receive many is my understanding.

Mr. Wollenhaupt: Very rare. Very rarely. Very rarely. They're either the Major ones which we have seen for exemptions, which you do see. We just have to keep an eye on that if that's something that we should be reporting.

Mr. Gima: So who's going to take the lead on getting us the SMA Minor approval for June 2021?

Ms. Cua: I'll make sure that that gets to you at your next meeting.

Mr. Gima: Okay, thank you. Zane?

Mr. de la Cruz: I just had a clarifying question. You mentioned, there is mention that the Minor approvals weren't the only administratively approved permits. What other, other than the Minor approvals, what are the things that are determined without coming before the planning commission? Like, what are the other administratively approved permits?

Ms. Cua: I believe Exemptions.

Mr. de la Cruz: And are we also --

Mr. Wollenhaupt: Exemptions are, exemptions are an odd, odd thing over on Lanai, though, right? I think we need to look at that again.

Ms. Cua: Yeah, I need to --. I'm not as familiar with the rules. I don't do Lanai projects, so, you know, we'll look at those rules again. Unless Richelle has it available.

Ms. Thomson: I do have it up, and Kurt's correct. They are a little bit different than other Commissions. So this regarding SMA Exemption, and this is a process and procedure so I'll just -- I won't read the whole thing but I'll kind of summarize it.

So any proposed action within the SMA, Special Management Area that is recommended to be exempt -- so that they recommended by the department should be exempt -- and shall be,

under F-1, let me see what that says cause it's . . . (inaudible) . . . Sorry it's scrolling up on my laptop here. Sorry. Okay, I believe, so it's anything recommended to be exempt shall be placed on the agenda for review and the final determination at the next Commission meeting. So what the Commission would do is make a determination whether it is, this action is exempted, whether be not exempted. And then if you determine it's not exempt, then it's, that decision is presented to the Director, and then the Director processes under, it looks like it would be either a minor or a major.

Mr. Wollenhaupt: An example of that might be if the, the Manele Bay Hotel wanted to do three million dollars of interior improvements. Well, that could definitely be considered exempted, but it would unlikely be a Major SMA because it could fall under the exemption categories for the SMA. But if I would only assume that sometime in the past, that the Lanai Planning Commission, unlike other commissions, made a decision that such projects could be as such gravitas that they really wanted to see. Because you're, you're running down a fine line when you get to the point of well, we can have a \$20 million renovation in here and it can just be exempt. But I think that might be part of the reason you take a closer look than either the Maui Planning Commission does on these exemptions. Just the thought. And which was the Minor Permit? Did you say June one of 2021? And that's the one that you're referring to?

Mr. Gima: Yes, that's the one.

Mr. Wollenhaupt: Okay. So that was, that was the Special Management Area Minor Permit for the installation of the gate located at Hulopoe Bay Beach Park at the terminus of Manele Bay Road in Manele Bay. I pulled it up. So that's what we can have Leilani send to the Commissioners, if they would like to see that letter.

Mr. Gima: Okay. Thanks, Kurt. Okay, any other further, further, comments, questions on SMA Minor Permit approval? Okay, meeting minutes, Ann?

5. Discussion on how meeting minutes can be produced in a timely manner.

Ms. Cua: Um, so I guess this came up at another meeting that you had on just the timeliness of the minutes. You know, we basically have four Boards, Secretary to Boards and Commissions. We've recently had added two new advisory committees on Maui. And so, you know, with all the boards and commissions, you know, the, the, the clerks are just doing the best they can to get the minutes in a timely manner as, as they can. What they do right away is provide summary minutes. I believe Leilani does that as well. And then the, the verbatim minutes come after.

Ms. Kaye: Okay, I have a question. Back in a period of 2006 to 2011, 10 when I was on the Commission we had meetings. Leilani would get us minutes. We would review them, we would correct them, and we would have them before the next meeting. And yeah, it was a

pain because we had to correct all the typos and whatever. And then somewhere in the interim, you guys moved to the system you have now. And I get it that it's great because we don't have to review them, but then we don't know what we did. So when something is deferred from one meeting to the next, we don't have any way of looking at what we did or said because nothing is available within that first month. So, that that I can see. I'm sorry if I missed something. There might be a recording that you would have to like, listen to, but you can't do a word search, you can't do --. I just, you know, I know the system changed somewhere in the interim, and there's no way to put just like a printed version out even though it's not perfect in the months' time. Have you given that up completely?

Ms. Cua: You know I -- I don't know if Leilani wants to make any comments. I mean, she's been here historically in terms of how it's, it's from --. From my understanding, it's, it's just volume. It's just the amount of work that the staff has that to, to put the full minutes out before the next meeting, it's just not always possible.

Ms. Thomson: The, the law also, Commissioner Kaye, you're correct on that, the law changed in 2017 to that requires that boards and commissions keep written or recorded minutes. But in terms of what's required for written minutes, it's not verbatim. It's summary minutes. So those are, those are the requirements. It is kind of tedious to go back over the video, but it is available if anyone wants to watch certain sections. And I'll go back and watch meetings, especially Council meetings, where a matter has kind of continued for several and I just need to refresh my memory on it.

Mr. Wollenhaupt: I mean, one suggestion, although, this is more work for the planner would be at the conclusion of these multiple deferrals for the planner on record to do maybe half a page. This item has been deferred. The major points of contention or review are this. The major issues coming up are this. Our calendar is this, and at least that would give, maybe that would help refresh the memory of both the Planning Department and the Commissioners if that was done quickly and then just sent out. Because I know with this Koele we've been doing this now for four or five times and it can be difficult to remember where we are, what we're doing, where were we are in the debate. So in addition to a verbal update, maybe a quick written process would be good to send to you, and that might be useful. Just a thought.

Mr. Gima: Yeah, I think that would be helpful. When, when can the Commission expect the summary minutes? Will that come with the packet?

Ms. Cua: I'll let Leilani talk about how she puts the minutes out.

Ms. Ramoran-Quemado: Thank you. This is Leilani you. So usually I try to complete the summary minutes with within the week after the meeting and then I post it online. So in the summary minutes, it will contain the time stamp of when the motion was made, the vote was made, and who made it. It also will have a link, digital link to the recording. So you folks didn't actually go to that actual part of that meeting, part of the minutes or meeting minutes and then

listened to that action. And then, yes, it's posted online because it's required at least 40 days after the meeting for us to post it online, and to be available to the public. But no, I don't provide written, it's just online.

Mr. Gima: Okay. Thanks, Leilani. Any other question? Comments, suggestions regarding minutes and ability to review before the next meeting? Okay, Ann, hybrid meetings?

6. Discussion on having hybrid meeting at the Lanai County Council's facility.

(Ms. Cua: Yes, I know this is something that has been discussed for a while. We have not --. Leilani did check and I'll let her, I'll let her inform you what she checked on. But basically we were not able to, to find an adequate sized space that would be able to meet the requirements for virtual meetings or hybrid meetings. Leilani, do you want to mention what you checked on?

Ms. Ramoran-Quemado: Um, yeah, well, I'm not at my desk, so I don't really have my notes. But I did check on the Lanai Council Office, they are not ready to hold virtual meetings. And then the space itself, occupancy max is 13, so even having the Commissioners there, all nine of you folks, if we do virtual, you can only have an extra four more people in there before he exceeds the maximum occupancy. But yeah, they don't have a TV set up, computer set up, and I don't know when, if, if they will have something set up.

Mr. Gima: Yeah, so I was at their open house today, and, yeah, they basically said the same thing, but they're willing to work with the Planning Department and the LPC if and when it becomes possible. I mean, they're willing to upgrade their, their hardware. But sounds like the occupancy issue may be problematic. And we used to hold our regular planning commission meetings at the Senior Center, and the Hulopoe Beach Park Council holds their hybrid meetings there. So, we do in-person and via Zoom. So that's an alternative is looking at the Senior Center.

Ms. Cua: I thought we checked on that and that was not an option. I don't know if Clayton or Leilani recalls why.

Ms. Ramoran-Quemado: Um, well, it's not equipped also in order to hold hybrid so --. But if we do go back in-person, then I would have to check with Kris to see if she would have the facility available for us to use.

Ms. Cua: Yeah, that was my understanding. That was the original place that we checked on for hybrid meetings and, you know, we were told that they're just not equipped to do that.

Mr. Gima: What would you need to have the Senior Center equipped?

Ms. Cua: Leilani?

Ms. Ramoran-Quemado: Well, at least to a large TV. So then that way, if, if there are people and Commissioners, so you folks can all view it, if we do hybrid. And then a computer with internet. I'm not quite sure if they do have internet. And I think that's about it. There could be more, but I'm just going off the top of my head.

Mr. Gima: Okay.

Mr. Wollenhaupt: How about the movie theater? I don't know if that's even a possibility. One day a month, you have nice chairs. I don't, I don't know if that would even be a possibility, but it certainly would allow people to attend the meeting. Anyway, just an idea.

Mr. Gima: The chairs are so comfortable we might fall asleep.

Ms. Grove: It's too cold.

Mr. Gima: I never thought about it. Okay, September 21st Agenda items.

7. Agenda Items for September 21, 2022.

Ms. Ramoran-Quemado: That would be me. Um, let's see, there's another public hearing, a bill for ordinance, and it's relating to converting apartment buildings from TVR use to long-term residential use. And then there's still the film bill, so I would have to check with Jacky and Michele to see if they want to bring that back to you folks. And anything else that the upper management, um, let's me know to put on the agenda.

D. NEXT REGULAR MEETING DATE: September 21, 2022

E. ADJOURNMENT

Mr. Gima: Commissioners, any of you have any proposed agenda items for next month, or for September 21st? Okay, I think that should be it. Hey, we might pau hana before eight o'clock tonight. If there is nothing else and there are no objections, I shall adjourn the meeting. Thank you, everybody.

There being no further discussion brought forward to the Commission, the meeting ended at 8:00 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

PRESENT:

Nicole Alboro
Erin Atacador
Zane de la Cruz
Reynold Gima, Chair
Elisabeth Grove
Sally Kaye, Vice-Chair

EXCUSED:

Shery Menze
Shelly Preza
Chelsea Trevino

OTHERS:

Ann Cua, Planning Program Administrator, Current Planning Division
Clayton Yoshida, Planner, Current Planning Division
Kurt Wollenhaupt, Staff Planner
Denise Fernandez, Executive Assistant, County Council, Lanai District Office
Richelle Thomson, First Deputy, Department of Corporation Counsel

**KŌ'ELE PROJECT DISTRICT AMENDMENT
DRAFT ENVIRONMENTAL ASSESSMENT – SUMMARY OF EXISTING CONDITIONS AND
POTENTIAL IMPACTS AND MITIGATION MEASURES**

| Section | Category | Existing Conditions | Potential Impacts and Mitigation Measures |
|----------|-------------------------|---|---|
| A | PHYSICAL SETTING | | |
| A.1 | Surrounding Land Uses | <ul style="list-style-type: none"> The Lāna'i Project District 2 (Kō'ele), otherwise referred to as the "Kō'ele Project District" (Project District), covers several hundred acres and various Tax Map Key (TMK) parcels. Developed areas within the Project District include the Sensei Lāna'i, a Four Seasons Resort, the Lāna'i Adventure Park, the former and abandoned (closed permanently) Experience at Kō'ele Golf Course, the Cavendish Golf Course, as well as various residential developments. | <ul style="list-style-type: none"> The proposed action involves amending the boundaries of the Kō'ele Project District by adding additional acreage and also removing parcels. In addition, amendments to Chapter 19.71, Maui County Code (MCC), which established the Kō'ele Project District, its sub-designations, and development standards, are also being sought. The proposed action does not involve any construction activities. The acreage proposed to be added will complement existing uses of the Project District while the parcels to be removed will be redesignated to be consistent with their existing use and the surrounding character of Lāna'i City. As such, impacts to surrounding land uses are not anticipated with implementation of the proposed action. |
| A.2 | Climate | <ul style="list-style-type: none"> The climate on the island of Lāna'i is relatively uniform year-round. Characteristic of the island's climate, the project site experiences mild and uniform temperatures, moderate humidity, and relatively consistent northeasterly trade winds. | <ul style="list-style-type: none"> The proposed action is not anticipated to result in significant adverse impacts to climatic conditions in the area. |
| A.3 | Agricultural Lands | <ul style="list-style-type: none"> The Kō'ele Project District, as reflected by the Agricultural Lands of Importance to the State of Hawai'i map, is located on lands designated as "Unclassified", "Other", and "Unique" agricultural lands. The lands underlying the Project District are largely unclassified by the University of Hawai'i's Land Study Bureau, with small areas throughout designated as "C", "D", or "E", representing lands that have lower potential for agricultural uses. With the establishment of the Kō'ele Project District by Maui County Council Ordinance Nos. 1580 and 1581 in 1986, the Kō'ele area was permitted for resort, golf course, and residential uses. This action ruled out potential agricultural uses in the Kō'ele Project District. | <ul style="list-style-type: none"> An additional 72.44 acres will be redistricted to be added to the Project District within the Hotel, Golf, or Resort Commercial sub-designations, but nearly all of these lands will continue to be used for the existing Lāna'i Ranch along with occasional commercial events. Although the area has favorable agronomic conditions, the Project District is unsuitable for field farming to supply crops to Lāna'i markets, or for export to O'ahu or the mainland. There are approximately 18,000 acres of former plantation lands on Lāna'i which remain available for agricultural use, and over 200,000 acres statewide. The proposed land use changes for former agriculture land added to the Project District is too small to affect the growth of diversified agriculture on Lāna'i or statewide. |

**KŌ'ELE PROJECT DISTRICT AMENDMENT
DRAFT ENVIRONMENTAL ASSESSMENT – SUMMARY OF EXISTING CONDITIONS AND
POTENTIAL IMPACTS AND MITIGATION MEASURES**

| Section | Category | Existing Conditions | Potential Impacts and Mitigation Measures |
|----------------|--|--|--|
| A.4 | Topography and Soils Characteristics | <ul style="list-style-type: none"> Topography is relatively moderate within the Project District; it is located at the base of Lāna'ihale, where slopes range from 0 to 30 percent and elevation ranges from 1,600 to 2,000 feet above mean sea level. The Project District is located in an area within the Moloka'i-Lahaina and Kahanui-Kalae-Kanepu'u associations. Soils within these associations are characterized as deep, gently sloping to moderately steep and are well drained soils Although the proposed action does not involve any construction activities, a geotechnical study was conducted to provide information about potential geotechnical risks involved and the geotechnical considerations that may need to be addressed for future development actions within the Project District. Such considerations include: <ul style="list-style-type: none"> Site Preparation Expansive Soils Excavations Cut and Fill Slopes Other Foundation Considerations | <ul style="list-style-type: none"> The currently proposed action is not anticipated to present adverse impacts on the topography or soils in the area. |
| A.5 | Flood, Tsunami, and Sea Level Rise Hazards | <ul style="list-style-type: none"> The Project District is located mauka (northeast) of Lāna'i City; it is located in an undesignated flood zone area, outside of the Tsunami Evacuation Zone, as well as outside of the projected 3.2-foot sea level rise exposure area. | <ul style="list-style-type: none"> The currently proposed action does not present any risks of flooding or tsunami hazards. |
| A.6 | Streams and Wetlands | <ul style="list-style-type: none"> Although no streams or wetlands are located within the Kō'ele Project District, there are a number of drainage ditches that traverse the property. These ditches convey storm water downstream through the Project District. | <ul style="list-style-type: none"> As the currently proposed action does not involve any construction activities, impacts to the existing drainage ditches are not anticipated. Any future development within the Project District will be designed to not significantly impact the existing drainage ditches. |
| A.7 | Flora and Fauna | <ul style="list-style-type: none"> A flora and fauna study of the Kō'ele Project District area was conducted in April 2019. | <ul style="list-style-type: none"> The study determined that future developmental projects in the area would not have a significant negative impact on the |

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| | | <ul style="list-style-type: none"> The vegetation throughout the Project District is dominated by non-native pasture and weed species, none of which are of any conservation interest or concern. No Threatened or Endangered plant species were found during the survey, and no special native plant habitats were found either. The fauna species identified within the project area are mostly non-native organisms that have been purposefully or accidentally introduced to Hawai'i since western contact. Two (2) bird species and one (1) insect species, however, were indigenous in Hawai'i, none of which are of conservation concern. | <p>botanical resources in this part of Lāna'i. No specific recommendations regarding plants were offered.</p> <ul style="list-style-type: none"> Although not detected, the Hawaiian hoary bat could appear occasionally. In accordance with current U.S. Fish and Wildlife (USFWS) guidance for mitigation of impacts to Hawaiian hoary bats, the removal of trees over 15 feet in height and clearing of these trees from June 1 to September 15 should be avoided or minimized during any future construction activities to help ensure that non-volant Hawaiian hoary bat pups are not harmed. The Endangered 'ua'u or Hawaiian petrel (<i>Pterodroma sandwichensis</i>) and the Threatened 'a'o or Newell's shearwater (<i>Puffinus newelli</i>), while not nesting in the project area, do fly over the Project District area during dusk to access their burrows high in the mountains and again at dawn to head out to sea. Young birds taking their first fledging flights are inexperienced fliers, and they often are disoriented by bright lights and crash into structures where they become vulnerable to injury and predators. All outdoor lighting should be shielded so that the light is not visible from above. |
| A.8 | Archaeological Resources | <ul style="list-style-type: none"> A literature review and field inspection (LRFI) was conducted as part of the Environmental Assessment (EA) process; the field inspection focuses on two (2) adjacent parcels of land to be rezoned and added to the existing Project District, including a 57.2-acre property (referred to as Parcel 1) and a 9.5-acre property (referred to as Parcel 2). Also included in the report is a literature review that provides a cultural resources inventory for the entire proposed Kō'ele Project District. The current field inspection of Parcel 1 yielded two (2) potential historic properties and four (4) secondarily deposited traditional Hawaiian artifacts that were collected from three (3) separate locations. Three (3) potential historic properties were documented on Parcel 2. | <ul style="list-style-type: none"> Due to the presence of a traditional Hawaiian intact firepit remnant, traditional Hawaiian artifacts, and the presence of historic ranching and plantation-era infrastructure, it is likely that future construction activities may disturb additional traditional and/or historic sub-surface deposits and artifacts. Although the currently proposed action does not involve construction activities, the following mitigation measures are recommended for potential future construction activities on Parcels 1 and 2: <ul style="list-style-type: none"> An archaeological monitoring program shall be adhered to in order to document any additional surface and/or sub-surface deposits and artifacts that may exist within Parcels 1 and 2; Within Parcel 2, Structures C and D of the Kō'ele Historic District (SIHP # -1004) should be assessed by a qualified architectural historian; and Within Parcel 2, SIHP # -1989 (Feature 5) (historic concrete and stone slab) should be further documented and assessed |

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| | | <ul style="list-style-type: none"> The surface survey within Parcel 2 also documented the presence of two (2) previously identified historic ranch-era buildings, Structures C and D, of the Kō'ele Historic District. | <ul style="list-style-type: none"> for integrity and significance during archaeological monitoring. The proposed amendments to the Kō'ele Project District will not affect the newly or previously recorded sites located within the area and the analysis supports a project effect determination of "no historic properties affected". |
| A.9 | Cultural Resources | <ul style="list-style-type: none"> A cultural-historical study was prepared which focuses on native traditions and historical accounts that describe the ahupua'a (native land division) of Kamoku, focusing on the 'ili (land area within an ahupua'a) of Kō'ele, where the Project District is located. In 2001, formal recorded interviews with elder kama'āina of Lāna'i, born as early as the 1890s, were completed, and visits to wahi pana (storied places) were undertaken. No new interviews were conducted as a part of the present study. Through the interviews, it is evident that facets of that knowledge and customary practices still exist in the community. | <ul style="list-style-type: none"> As with archaeology, it is unlikely that the currently proposed action will have an impact on cultural resources as no development actions are proposed at this time. |
| A.10 | Air Quality | <ul style="list-style-type: none"> The ambient air quality of the area is typically clean and subject to the prevailing onshore winds. There are no major sources of air pollution in the immediate vicinity, such as agricultural burning, manufacturing plants or incinerators. | <ul style="list-style-type: none"> Short-term impacts from fugitive dust are expected to occur during any potential future construction. Potential future improvements associated with the Kō'ele Project District are not expected to cause a significant air quality impact, including anticipated greenhouse gas emissions, above those contemplated with the approval of the existing Project District. No mitigation measures beyond compliance with applicable regulations, requirements, and standards are required. |
| A.11 | Noise | <ul style="list-style-type: none"> Noise within Lāna'i City's regional vicinity is primarily derived from: 1) the natural environment (wind, rain, etc.); 2) traffic from neighboring roadways; 3) community sounds related to people, animals/pets, etc.; and 4) nearby aircraft in flight to/from the Lāna'i Airport. | <ul style="list-style-type: none"> The currently proposed action does not involve construction activities. However, it is noted that there is usually unavoidable noise impacts associated with operation of heavy construction machinery, paving equipment and material transport vehicles during construction activities which would be present during future construction activities that may take place. Proper mitigating measures to minimize construction-related noise impacts and comply with all Federal and State noise control regulations will be employed. |

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| A.12 | Scenic and Open Space Resources | <ul style="list-style-type: none"> The Kō'ele Project District is located immediately above Lāna'i City. Most of the area's topography consists of flat to gently sloping open, patchy forest and scrub lands. The area has been extensively developed previously with a hotel, golf courses, residential and related uses. | <ul style="list-style-type: none"> The area of the Project District is not part of a scenic corridor, and the proposed action, as it does not involve construction activities, will not affect scenic vistas and view planes. The proposed action does not involve significant alteration of the existing topographic character of the site. |
| A.13 | Beach and Mountain Access | <ul style="list-style-type: none"> Given the Project District's inland location, it is in proximity of the island's sole peak, Lāna'ihale. A very small portion of the Munro Trail is located in the vicinity of the Project District. The Project District does not offer any beach access. | <ul style="list-style-type: none"> As no construction activities are being proposed, the action is not anticipated to present any adverse impacts on beach and mountain access. |
| A.14 | Hazardous Materials | <ul style="list-style-type: none"> A Phase I Environmental Site Assessment (ESA) was conducted for those lands proposed to be added to the Kō'ele Project District. At the time of the preparation of the ESA, approximately 18 acres of the study area were operated by multiple contractors as a construction lay-down site associated with the renovations to the former Lodge at Kō'ele and other development projects on Lāna'i. Approximately 57.2 acres of the study area are currently operated by Lāna'i Ranch with pasture area, stables, horses and other livestock. Adjacent to the Lāna'i Ranch is a shipping container staging area. | <ul style="list-style-type: none"> The ESA revealed no evidence of recognized environmental conditions (RECs) and/or controlled recognized environmental conditions (CRECs) in connection with the site, except for the following: <ul style="list-style-type: none"> REC No. 1: During Site reconnaissance a large area of staining was observed on the ground around the painting booth. Site personnel indicated that the staining was a result of overspray from wood staining activities using PPG ProLuxe 1 Primary Coat RE Wood Finish Transparent Satin. This would constitute a REC, as this is a petroleum-based product that has been released to the environment. In addition, the assessment has revealed the following de minimis condition in connection with the site: <ul style="list-style-type: none"> Less than one square foot of staining was observed on the ground in the tent in the construction laydown portion of the site. No evidence of a leaking container or source was identified. Due to the very limited nature, this would be considered de minimis. Pūlama Lāna'i will comply with all applicable Federal, State and County laws and rules regarding the treatment of RECs. In consideration of the above, the level of impact due to the findings of the ESA are anticipated to be less than significant. |

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| B | SOCIO-ECONOMIC ENVIRONMENT | | |
| B.1 | Regional Setting | <ul style="list-style-type: none"> The island of Lāna‘i is the second smallest of the populated Hawaiian Islands, with a land area of about 141.3 square miles. Of this total area, lands within the State “Agricultural” District occupy 72.9 square miles, while lands within the “Conservation” District encompass 59.7 square miles. “Urban” and “Rural” designated lands comprise 5.0 and 3.7 square miles, respectively. | <ul style="list-style-type: none"> The acreage proposed to be added will complement existing uses of the Project District, while the parcels to be removed will be redesignated to be consistent with their existing use and the surrounding character of Lāna‘i City. As such, impacts to the regional setting are not anticipated with implementation of the proposed action. |
| B.2 | Population | <ul style="list-style-type: none"> The resident population of Lāna‘i has grown steadily within the past few decades. In the long term, however, population growth is expected to increase. The resident population of Lāna‘i is forecasted to increase to 4,020 in 2030. | <ul style="list-style-type: none"> The proposed action does not involve construction activities and, as such, is not anticipated to impact the island’s population. In addition, it is also noted that the proposed amendments seek to decrease the overall amount of lands within the Project District’s residential sub-designations. |
| B.3 | Economy | <ul style="list-style-type: none"> With its shift to a visitor industry-based economy, the island of Lāna‘i has emerged as one of the foremost luxury resort destination areas in the world. | <ul style="list-style-type: none"> The proposed action does not involve any construction activities and, as such, there is no short-term impact on the economy. It is noted that the lands proposed to be added to the Project District present future opportunities for potential construction-related spending and expanded resort and resort amenity-related employment opportunities. |
| B.4 | Housing | <p>According to a Socio-Economic Impact Report prepared for the proposed action, the average household size on Lāna‘i was 2.57 people per household between the years 2013 and 2017, a slight decrease from 2.71 people per household in 2010. Between 2013 and 2017, Lāna‘i had an estimated 1,561 housing units, of which, approximately 20.2 percent were vacant.</p> | <ul style="list-style-type: none"> The proposed amendments seek to decrease the amount of lands within the Project District’s residential sub-designations while also adding lands for Hotel and Resort Commercial uses. Following the proposed amendments, there will be a limited amount of residential sub-designated lands left for future development in the Project District. |

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| C | PUBLIC SERVICES | | |
| C.1 | Police and Fire Protection | <ul style="list-style-type: none"> Police and security services for island residents are provided by the Maui Police Department. The Lāna'i Police Station is situated in Lāna'i City. Fire prevention, protection, and suppression services for the island of Lāna'i are provided by the Maui County Department of Fire and Public Safety. The Lāna'i Fire Station is also located in Lāna'i City. | <ul style="list-style-type: none"> The proposed action will not extend the service limits for emergency services. Police and fire protection services are not anticipated to be adversely impacted by the proposed action. Pūlama Lāna'i proposes to coordinate with the County, local police, and fire services to mitigate any potential adverse impacts to these services. |
| C.2 | Medical Services | <ul style="list-style-type: none"> The Lāna'i Community Hospital is the major medical facility on the island. The 14-bed facility provides acute and long-term medical care, as well as 24-hour emergency medical service. Also in Lāna'i City is the Lāna'i Health Center and Straub Clinic which provide outpatient medical care for the island's residents, as well as Rainbow Pharmacy, which provides for the island's pharmaceutical needs. | <ul style="list-style-type: none"> The proposed action does not involve any construction activities and, as such, construction-related impacts to medical services are not anticipated. From a long-term perspective, the proposed action is not a population generator and is not anticipated to adversely impact medical services. |
| C.3 | Solid Waste | <ul style="list-style-type: none"> Single-family solid waste disposal on Lāna'i is provided by the Maui County Department of Environmental Management (DEM), while commercial disposal service is provided by a private disposal service. The DEM's Lāna'i Landfill is the primary disposal site for Lāna'i. | <ul style="list-style-type: none"> The proposed action is not anticipated to have a significant impact on solid waste disposal services, nor on the Lāna'i Landfill. No development activities are proposed at this time. |
| C.4 | Recreational Resources | <ul style="list-style-type: none"> There are numerous public parks and recreational facilities administered and maintained by the Maui County Department of Parks and Recreation in Lāna'i City including: the Lāna'i Community Center, the Lāna'i Gym and Tennis Courts, and the Lāna'i Little League Field, Fraser Avenue Park, and Kaumālapa'u Highway/Fraser Avenue Park. There are also a number of privately-owned and maintained recreational facilities that are available for public use including: Dole Park, Waialua Park, and Hulopo'e Beach Park. | <ul style="list-style-type: none"> The proposed action is not intended to adversely impact the existing recreational facilities on Lāna'i. On the contrary, the proposed amendments seek to increase the amount of Project District lands within the Open Space and Park sub-designations, thereby providing opportunities for enhancement of existing and provision of additional recreational resources on Lāna'i. |

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| | | <ul style="list-style-type: none"> Other privately operated recreational facilities on Lānaʻi include one (1) 18-hole championship golf course at Mānele and a 9-hole golf course in Lānaʻi City. | |
| C.5 | Schools | <ul style="list-style-type: none"> The island of Lānaʻi is served by the State of Hawaiʻi, Department of Education's public school system. | <ul style="list-style-type: none"> The proposed action is not considered a population generator and will not place added demands on educational facilities or services on Lānaʻi. |
| D | INFRASTRUCTURE | | |
| D.1 | Roadways | <ul style="list-style-type: none"> A Traffic Assessment was prepared to document the updates and impacts from the Proposed Kōʻele Project District in comparison to the Original Kōʻele Project District. The impacts of the Original Kōʻele Project District on the Lānaʻi City roadway network were included in the Lānaʻi City Traffic Circulation Plan Traffic Impact Analysis Report (TIAR), dated October 4, 1991. Accounting for all the proposed developments on Lānaʻi, the Original TIAR anticipated all studied intersections would operate with little to no delay and all movements at Level of Service B or better during the morning and afternoon peak hours of traffic. Even with the proposed developments, the existing roadway network was anticipated to handle the increase in traffic from new developments due to the low existing traffic volumes. | <ul style="list-style-type: none"> Because the proposed Kōʻele Project District plans to significantly reduce the allowable density within the Project District, and thus the amount of traffic generated, it is anticipated that the major intersections in Lānaʻi City will operate similar to or better than projections within the Original TIAR. |
| D.2 | Water | <ul style="list-style-type: none"> A Preliminary Engineering Report (PER) was prepared to summarize infrastructural impacts related to the proposed Kōʻele Project District amendments. Water transmission mains generally consist of 8-inch and 12-inch pipes. The primary supply of potable water for Lānaʻi City is from the 750,000 gallon Kōʻele Tank and 2.0 million gallon Lānaʻi City Tank. The Kōʻele Tank is supplied with water from Wells 3 and 8 and the Lānaʻi City Tank is supplied by Well 6. | <ul style="list-style-type: none"> Overall, the proposed Kōʻele Project District will cause a reduction in water demand, compared to the existing Kōʻele Project District, as a result of a reduction in developable land and reduction in densities. |

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| D.3 | Wastewater | <ul style="list-style-type: none"> Lāna'i's municipal wastewater collection system is situated in and around Lāna'i City. Wastewater generated by Kō'ele Project District is collected by 8-inch and 6-inch pipes and conveyed southwest towards the Lāna'i City Wastewater Treatment Plant. | <ul style="list-style-type: none"> Overall, the proposed Kō'ele Project District will cause a reduction in wastewater flows, compared to the existing Kō'ele Project District, as a result of a reduction in developable land. |
| D.4 | Drainage | <ul style="list-style-type: none"> Overall, runoff from the Kō'ele Project District is generally split between three (3) drainage tributaries. The existing drainage improvements consists of swales, basins and drain lines in the golf course and along the roadways, with culverts ranging in size from 18 to 96 inches. | <ul style="list-style-type: none"> The PER concluded that the proposed Kō'ele Project District amendment has a positive impact to the Lāna'i City and downstream environments due to the reduction in runoff as a result of an overall reduction in lands entitled for development. |
| D.5 | Electricity and Telephone Systems | <ul style="list-style-type: none"> Electrical, telephone, and cable television services to the Kō'ele area are provided by Hawaiian Electric Company, Hawaiian Telcom, and Spectrum, respectively. Overhead lines run along the road rights-of-way. | <ul style="list-style-type: none"> As no construction activities are currently being proposed, the proposed action is not anticipated to have significant impact upon existing electrical, telephone, or cable television services. |