

LAND USE COMMISSION  
MEETING MINUTES

September 19, 2003

Maunaloa/Ilima Room  
Wailea Marriott, an Outrigger Resort  
3700 Wailea Alanui  
Wailea, Maui, Hawaii 96753-8332

COMMISSIONERS PRESENT: P. Roy Catalani  
Bruce Coppa  
Pravin Desai  
Lawrence Ing  
Steven Montgomery  
Randall Sakumoto  
Peter Yukimura

COMMISSIONERS ABSENT: Isaac Fiesta

STAFF PRESENT: Diane Erickson, Deputy Attorney General  
Anthony Ching, Executive Officer  
Bert Saruwatari, Staff Planner  
Caroline Lorenzo, Acting Chief Clerk  
Holly Hackett, Court Reporter

Chair Ing called the meeting to order at 8:30 a.m.

A03-739 A&B PROPERTIES, INC. (Maui)

Chair Ing announced that this was a continued hearing, last heard on September 18, 2003, to consider reclassifying approximately 138.158 acres of land currently in the Agricultural District into the Urban District at Kahului, Maui, Hawaii, for a light industrial subdivision.

APPEARANCES

Benjamin Matsubara, Esq., represented Petitioner  
Curtis Tabata, Esq., represented Petitioner  
Jane Lovell, Esq., represented County of Maui Department of Planning  
John Chang, Esq., represented Office of Planning  
Abe Mitsuda, Office of Planning  
Mary Alice Evans, Office of Planning

## STATE'S WITNESSES

### 1. Glenn Yasui

Mr. Yasui stated that he was the State Highways Administrator. Mr. Yasui pointed out the state highways surrounding the airport on Figure 5 of the planning report, Exhibit 1. He indicated that Hana Highway was to be widened to two lanes from the current four lanes. He also indicated that they are in the process of updating its Statewide Transportation Improvement Plan, which will include the construction of the Airport Access Road.

Mr. Yasui expressed the following concerns the Department of Transportation (DOT) has on the proposed Ho'okele Street extension:

- The access point on Hana Highway would need to be evaluated by the state.
- The state needs to look at whether or not an increase in spatial separation from the Airport Access Road is needed.

Mr. Yasui pointed out A&B's temporary easement before the Commission. He indicated that Dairy Road currently extends all the way to the Kuilani Highway intersection, and to implement the Airport Access Road, Dairy Road would need to be closed right at Pakaula Street, and would be signalized.

The DOT's concerns on the TIAR was that it currently does not address the development or in-service Airport Access Road and the traffic figures would need to be adjusted.

Mr. Matsubara asked for Mr. Yasui's opinion on the proposed Ho'okele Street extension. Mr. Yasui indicated that it would help the traffic situation in the area, and that for traffic circulation, Dairy Road and Ho'okele Street would distribute the traffic to Hana Highway. He further indicated that the Airport Access Road would be the primary access from the airport to Central Maui and heading to Kihei up to Mokulele Highway and the direction of Lahaina.

Mr. Yasui was asked if there was a component relating to landscaping and other improvements to mitigate the viewplane along the Airport Access Road. He responded that the 50% plans included landscaping and would obtain public input considered for finalization of those plans, and have considered landscaping to be of great concern of the public and public officials.

Ms. Lovell questioned Mr. Yasui regarding the commitment of the state to the location of the highway. Mr. Yasui responded that the state is very committed.

Mr. Yasui was asked for his professional opinion regarding traffic impacts. He indicated that if the mix of retail versus light industrial were different than that presented by the developer, it would have some influence on the traffic impacts.

As requested by Chair Ing, Mr. Yasui provided a historical background on Dairy Road.

Commissioner Desai expressed his concerns regarding the schedule for the access road should the airport extension be stalled in court or outright denied. Commissioner Desai also expressed his concern regarding the entryway into Maui as far as landscaping, lighting and traffic lights are concerned.

Commissioner Coppa expressed his concerns regarding a pedestrian or bikeway master plan for the airport. Mr. Yasui indicated that there is a statewide bike plan, which the draft was circulated this year and not yet finalized.

Commissioner Sakumoto inquired as to whether or not the airport expansion would affect Hana Highway or require any realignment. Mr. Yasui stated that he doesn't believe that any of the roads would be impacted.

Vice Chair Catalani expressed his concern that the proposed Airport Access Road would relieve traffic coming from resort areas and would it take care of the potential issue if Phase II results in a 75 percent in retail mix and take care of the local traffic issues.

There was much discussion regarding landscaping and issues on water and DOT's commitment to landscaping the view corridor. Mr. Yasui stated that DOT would do functional landscaping to prevent erosion control.

Commissioner Desai noted that we need to make a commitment to keep Hawaii a beautiful place to live, as far as landscaping is concerned, and that we should not make the same mistake as made on Oahu. He further commented that we need to include community input, and community and developers' involvement.

Chair Ing commented that the DOT needs to work with the county and the community without causing a great deal of burden on the state.

Commissioner Coppa stated that he agreed with Commissioner Desai's comments.

A recess was taken at 10:04 a.m., and the meeting reconvened at 10:19 a.m.

#### COUNTY'S WITNESSES

##### 1. Edwin Okubo

Mr. Okubo stated that he was the housing administrator for the County of Maui and testified on behalf of the Department of Housing and Human Concerns.

During Ms. Lovell's direct examination, Mr. Okubo indicated that the Department has submitted comments to the Planning Department, which included a request for a study regarding affordable housing. He indicated that the reason for this request was to try to quantify the number of affordable housing units that the project might generate and hoped to provide a recommendation for an affordable housing condition to the county council during the zoning change process.

Commissioner Desai asked if there were any buyback provisions. Mr. Okubo stated that buy-back provisions vary from project to project in terms of what buy-back restrictions or anti-speculation might be incorporated.

Commissioner Montgomery expressed his concerns that it may be necessary to have a ferry from Molokai just to bring teachers to work on Maui every day.

Commissioner Desai asked Mr. Kubo to describe the process when a developer donates land, what process does the county go through in order to generate affordable housing and the time it takes for it to take fruition. Mr. Kubo indicated that the process would involve hiring consultants to design the project, put it out for bid, and then proceed with the site and building work and selling the units.

Commissioner Desai also asked Mr. Kubo to describe how the pricing is regulated. Mr. Okubo indicated that they require the developer through an affordable housing agreement to sell the units at a price that's affordable to the target group.

## 2. Ellen Kraftsow

Ms. Kraftsow stated that she was the planning program manager for the Water Resources Planning Division with the Department of Water Supply (DWS).

Ms. Kraftsow provided written and briefly summarized her testimony for the Commission regarding its concerns of the DWS with respect to this proposed project. Ms. Kraftsow indicated that the DWS has made recommendations that the water source to be used for this project would come from groundwater out of the Iao Aquifer or north of Makamaka'ole Stream.

Ms. Kraftsow explained that the DWS has stopped issuing advance water meter reservations and cannot guarantee that water would be available.

There were much discussion amongst the Commissioners of the issue of water and where the water would come from and a possible dual water system.

Commissioner Montgomery expressed his concerns regarding the recycling of water and the importance of making full use of existing sources.

A recess was taken at 11:15 a.m. The meeting reconvened at 11:25 a.m.

### 3. Michael Foley

Mr. Foley stated that he was the director of planning for the County of Maui. Mr. Foley indicated that he prepared written testimony for the Commission but was unaware of plans to extend the runway of the Maui County Airport and was unaware of DOT's intent to build the Airport Access Road. Mr. Foley also indicated the county's position regarding this project. He indicated that in the county's review of this project, the county council amended the community plan for this area, and that the decision by the council prior to this administration was to approve the community plan designation for this in support of this project with a recognition that there were a number of different issues that needed to be addressed when the Petitioner comes back to the county for change in zoning. Mr. Foley further indicated that the issues included the view corridor towards Haleakala, the landscaping that was discussed previously regarding the visual appearance along the Highway, the visual impact of buildings that would be proposed in the project and also buildings that already exist in the first phase and alternative energy, underground utilities. He also indicated that there's a long list of concerns that were addressed with the community plan action and are also addressed at the end of his written testimony with respect to the conditions of approval that are recommended. Mr. Foley then briefly summarized what those conditions were.

Mr. Foley requested that the county would like an opportunity to review and analyze the two new projects that have been identified regarding the airport runway extension, which he strongly opposes.

Mr. Chang expressed concerns whether or not the position statements that the witness has made was either of his own opinion or the position of the Department.

Commissioner Desai expressed that if the community's concerns were not heard, the county's comments may not be taken seriously. Mr. Foley commented that they feel very strongly about the area being recognized as the gateway to Maui and also about landscaping and it being maintained.

Commissioner Montgomery expressed his concern regarding light industrial subdivision. Mr. Foley shared his concern that a retail/commercial development has different impacts than an industrial development, and suggested that when the Petitioner comes to the county of rezoning, one of the issues that the County will be looking at is what the percentage of retail versus industrial should be.

Mr. Foley indicated that if the proposal is for light industrial, the Department will ensure that some of it is light industrial and not all big box retail. His other concern was that if the first parts of the development were commercial, it would make it difficult for the next parts to be

industrial partially because the land uses become less compatible and that the land becomes more expensive.

Chair Ing expressed his concern that the county council moves in its own ways, and eventhough there's a housing requirement when you have a hotel development, very few counties or anywhere has it when you have a commercial/light industrial development and advised that the Department do not wait for the county and to create its own housing policies. Mr. Foley responded that they're looking comprehensively at the whole issue of affordable housing and consider it a crisis in the County.

PETITIONER'S WITNESS

1. Stanley Kuriyama

Mr. Kuriyama stated that he was the chief executive officer of A&B Properties.

Mr. Kuriyama provided to the Commission a brief historical description of his recollection of the events that occurred leading up to council approval.

Mr. Kuriyama described why the term light industrial was used. He indicated that the technical reason was that the community plan designation for these properties was designated light industrial, and that the commercial uses are permitted which was exactly what's allowed under the zoning.

Mr. Matsubara indicated that there were concerns raised by the Commissioners regarding the piecemeal taking of property, which dilutes the mandated protection of agricultural land. Mr. Kuriyama responded that A&B was extremely committed to agriculture and are continually looking for ways to expand the plantation.

Mr. Matsubara asked for the factors that led A&B to select this particular parcel for the development of this project. Mr. Kuriyama indicated that this entire property had been long designated for commercial/industrial use beginning with the first petition.

In response to the issue of potable and non-potable water relating to this project, Mr. Kuriyama indicated that A&B has developed other water sources previously, and also indicated that A&B and the county have a long-standing agreement where they cooperatively provide potable water for the residents of the Upcountry area. Mr. Kuriyama also indicated that A&B is willing to explore non-potable uses that may be available to help elevate the uses.

A recess was taken at 12:51 p.m., and the meeting reconvened at 1:04 p.m.

Commissioner Coppa was not present to the proceedings at this time.

Ms. Lovell commented that the county was pleased with A&B's commitment to work with the DWS to develop water for this project and for the community, but wondered if A&B is able to commit to not only developing a water treatment plant as source for groundwater, but also water storage facilities because of the concern for drought conditions. Mr. Kuriyama indicated that A&B is committed to working with the county.

Mr. Chang expressed his concern regarding developing a gateway to the island and what kind of landscaping A&B is going to develop to enhance this gateway project. Mr. Kuriyama indicated that wherever possible, efforts have been made to improve the landscaping of Dairy Road. He also indicated that their focus is on new roads, making sure they are bermed, landscaped, and far more attractive than what is currently seen on Dairy Road. He further indicated that there would be a lot of community involvement.

Chair Ing stated that a letter was received from attorney Isaac Hall which references this project and the airport runway extension which was admitted into the record knowing that it may not really apply to the merits of this case.

Chair Ing indicated that given the parties have completed their presentation, the Commission hereby declared the evidentiary portion of this project to have been completed subject to the response or reports or answers to several of the Commissioners' specific requests. He then directed the parties to draft their individual findings of fact, conclusions of law and decision and order based upon the record in this docket and served the same upon the other parties by the close of business on October 17, 2003. He further indicated that should any of the parties desire to stipulate to any portion or all of the findings of facts, conclusions of law, decision and order, they were encouraged to do so. In any case, the parties will serve on other parties any comments and/or objections upon the various orders circulated by the close of business of October 24, 2003. Chair Ing further indicated that this matter will then be taken up later this year; thereafter, the Commission would entertain, if appropriate, any decision and order that might be advanced by an individual Commissioner for adoption by the Commission as a whole or action on any of the proposals presented to the Commission by the parties at that time.

The meeting was adjourned at 1:30 p.m.

(Please refer to the LUC transcript for more details on this matter.)