

LAND USE COMMISSION
MEETING MINUTES

November 21, 2003

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

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

COMMISSIONERS ABSENT: Isaac Fiesta
Pravin Desai

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

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

SP 87-362 DECISION AND ORDER APPROVING AMENDMENT TO SPECIAL USE PERMIT

Executive Officer Anthony Ching indicated that earlier this week the City and County of Honolulu requested a statement clarifying the LUC's Order regarding the Waimanalo landfill. Mr. Ching stated that he issued a non-binding opinion and described his statement to the Commission.

Mr. Ching added that he also received a telephone call from Senator Hanabusa requesting that the LUC discuss condition numbers 1 and 12 at today's meeting since she believed that the Blue Ribbon Site Selection Committee would be meeting today on Oahu with a December 1st deadline. Senator Hanabusa's correspondence was received via facsimile on November 20, 2003, and copies were provided to the Commission.

Commissioner Montgomery entered the meeting at this time at 8:35 a.m.

After discussion, Commissioner Sakumoto moved to authorize the Executive Officer to write a letter to Senator Hanabusa explaining that the Commission has received her letter and stands by the Commission's Order. Mr. Ching was also to note that, if any parties seek clarification or an amendment to the order, then they will need to do so in accordance with the LUC rules, and the Commission will respond in a properly noticed meeting. Vice Chair Coppa seconded the motion. The motion was unanimously approved by voice votes.

Vice Chair Coppa left the meeting at this time at 8:55 a.m.

A recess break was taken at 8:55 a.m. The meeting reconvened at 9:10 a.m.

A03-741 MAUI LAND AND PINEAPPLE, INC. (Maui)

Chair Ing announced that this was a continued hearing, last heard on November 20, 2003, to consider reclassifying approximately 275.3 acres of land currently in the Agricultural District into the Rural District and approximately 515 acres of land currently in the Agricultural District into the Urban District at Honokahua and Napili, Maui, Hawaii, for residential, commercial, and golf course uses.

APPEARANCES

William Yuen, Esq., represented Petitioner, Maui Land and Pineapple, Inc.

Robert McNatt, Maui Land and Pineapple, Inc.

Ryan Churchill, Maui Land and Pineapple, Inc.

Michael Foley, the County of Maui Department of Planning

Jane Lovell, Esq., represented the County of Maui Department of Planning

Russell Tsuji, Esq., represented the State Office of Planning

Abe Mitsuda, the State Office of Planning

PETITIONER'S WITNESSES

3. Wesley Nohara

Mr. Nohara stated that he is the plantation manager for Maui Land and Pineapple, Inc. There were no objections by the parties and the Commission.

Mr. Nohara provided a brief summary of his testimony to the Commission. Mr. Nohara noted that the Maui Land and Pineapple business plan calls for a clear reduction in the canned pineapple business as they will focus towards fresh, whole, low acid hybrid pineapple. He indicated that removal of pineapple cultivation acreage from Kapalua Mauka will not adversely affect Maui Pineapple Company's agricultural operations. He added that their company's new leadership is looking towards more ways to recycle waste products.

Commissioner Sakumoto questioned the amount of proposed pineapple acreage being taken out of agricultural use. Mr. Nohara explained that the total pineapple acreage in the petition area is 169 acres.

Chairman Ing noted that there is a focus on the loss of jobs and questioned if the agricultural workers may be able to transfer their employment to the proposed golf courses. Mr. Nohara stated that the agricultural workers are unionized and Maui Land and Pineapple is committed to keeping the right number of employees in the company. They will try to retain the workforce and have made a commitment to keep as many of the workers. There were no further questions by the parties and the Commission.

4. John Robert Brooks

Mr. Brooks stated that he is the plantation manager for Maui Land and Pineapple, Inc. and has been with the company for 26 years. There were no objections by the parties and the Commission.

Mr. Brooks provided a brief summary of his testimony, which was provided to the Commission. Mr. Brooks noted that he is in the process of putting together soil analysis and looking at diversified programs to bring in types of crops to utilize the fields, due to the decrease of the pineapple production. Mr. Brooks added that the new leadership supports sustainable agriculture and that is the future of Maui Land and Pineapple. After a brief discussion, there were no other questions by the parties and the Commission.

5. Wayne Yoshioka

Mr. Yoshioka stated that he is the transportation planning engineer for Parsons, Brinkerhoff, Quade & Douglas. As, there were no objections by the parties and the Commission, Mr. Yoshioka was qualified as an expert in traffic engineering.

Mr. Yoshioka briefly summarized his report and stated that the traffic impact analysis for Kapalua Mauka found that the project development will minimally impact the traffic since the project is of a resort residential nature. He added that the Honoapiilani Highway from Honokowai to Kapalua with and without Kapalua Mauka, would have sufficient capacity on the 2-lane highway. Mr. Yoshioka noted that traffic study showed the project to be consistent with the long-range plans for Maui, and that the Kapalua area intersections operated effectively with or without the project factored in.

Mr. Yoshioka commented that the DOT has moved forward with regional improvements at three Kapalua Mauka intersections. These project included the widening of Honoapiilani Highway, construction of the Lahaina bypass (a key project to ease the bottlenecks in the Lahaina area), development of median left turn lanes; right turn deceleration lanes;

signage and pavement markings; and signalization of the Honoapiilani Highway – Office Road intersection when warranted.

Ms. Lovell questioned if the study has taken into consideration the impact to traffic of the construction work. (e.g., heavy machinery on the highway and numerous trips taken by those who bring materials and work on the site.)

Mr. Yoshioka stated that the heavy equipment will be staged and stored on the site. The actual construction project has not been included in the analysis because there is ongoing construction projects in the area and as new projects come on line, other projects terminate.

Vice Chair Catalani asked Mr. Yoshioka to explain the relevance of testimony regarding the Lahaina bypass and questioned if it was to support this type of West Maui development. Mr. Yoshioka explained that the West Maui traffic needs to pass through Lahaina and that there are bottlenecks there. In regards to this development, it is primarily resort residential and tends to not be full time occupants who do not leave during peak traffic rush hours.

Commissioner Sakumoto questioned if they looked at employee housing as a solution to the traffic and if the report assumed a number of people to be working and living in the area.

Mr. Yoshioka stated that they took a particular analysis and overlaid those numbers taking into consideration the number of people employed and living there. The methodology started with the Maui long range transportation plan, future traffic projects to this area, specifically looking at the intersections. They increased those numbers from the regional, estimated how much the project would generate, then overlaid those numbers on top of the regional numbers. The regional analysis did assume that a certain number of people would be working in the area and it has been published in the long-range plan. There were no other questions by the parties and the Commission.

A recess break was taken at 10:30 a.m. The meeting reconvened at 10:40 a.m.

6. Steven Dollar, Ph.D.

Dr. Dollar stated that he is the principal of Marine Research Consultants. As, there were no objections by the parties and the Commission. Dr. Dollar was qualified as an expert in oceanography.

Dr. Dollar provided a brief summary of his testimony. Dr. Dollar stated that in the mid-1980's, he came up with a method or tool primarily to analyze the nutrient loads related to land uses, such as golf courses. He found that golf courses of a resort nature have a minimal impact on the coral reefs or water quality. This finding has been consistent over the last decade. He added that effects to the ocean from resorts developed on exposed coastlines are undetectable. Pumpage of groundwater for Kapalua Mauka should be a very small fraction of total groundwater that reaches the ocean, resulting in no adverse effects on the ocean water quality.

Ms. Lovell asked if Dr. Dollar had examined the drinking water levels and if he had any opinions on measures to protect the groundwater areas. Dr. Dollar replied in the negative and noted that the question is not within his expertise.

Commissioner Montgomery noted that if the nitrogen came from sources other than golf courses and asked what were the effects of sewage effluent injection with respect to the alien algae growth.

Dr. Dollar stated that he has conducted intensive studies and that there are plenty of nutrients getting into the ocean from background water, which supply nutrients to the alien species.

Dr. Dollar stated that there are monitoring devices that collect water samples going through the golf courses that measure irrigation fertilization and rainfall. This device is good regardless of soil type or usage. After brief discussion, there were no other questions by the parties and the Commission.

7. Thomas Holiday

Mr. Holiday stated that he is the senior analyst and qualified in real estate appraisal. There being no objections by the parties and the Commission, Mr. Holiday was qualified by the Commission as an expert in real estate appraisal.

Mr. Holiday provided a brief summary of his testimony and noted that he was retained by Maui Land and Pineapple, Inc. to analyze a market demand, quantifying the economic impact and to analyze the cost benefits flowing to the state and Maui County. Mr. Holiday indicated that there is a demand for high-end neighbor island resort condominiums, estimated to be approximately 4850 units; and Maui's share of the demand is estimated to be approximately 2,500 units.

Vice Chair Catalani noted that this project is a resort residential with labor employees doing service jobs, and questioned if these employees will have a hard time finding affordable housing in the area.

Mr. Holiday agreed that the service job employees will need homes, as affordable housing is an acute issue now. There were no further questions by the parties and the Commission.

8. Warren Unemori

Mr. Unemori stated that he is the owner of Unemori Engineering, a consulting firm, and qualified as an expert in civil engineering. There were no objections registered by the parties and the Commission.

Mr. Unemori provided a brief summary of his testimony and noted that Maui Land and Pineapple, Inc. retained him for a study of potable water in the Kapalua area. Mr. Unemori noted that Kapalua Water Co., Ltd. owns and operates a dual water system serving the entire Kapalua Resort. The potable water source includes three deep wells, each with a 1.0 MGD capacity; of which there are two wells.

The Kapalua Water Co. obtains non-potable water from the Honolua Ditch, which currently uses approximately 1.7 MGD of non-potable water. The Kapalua Village golf course uses approximately 0.3 MGD. Kapalua Mauka is expected to use approximately 0.5 MGD of additional non-potable water after completion of build-out over current uses on the property.

Mr. Unemori stated that the Kapalua Waste Treatment Co. will expand the private wastewater collection system in Kapalua Resort to transport Kapalua Mauka's wastewater to the Lahaina Wastewater Reclamation Facility. Kapalua Resort presently disposes of less than 0.25 MGD leaving adequate capacity for Kapalua Mauka, which is expected to generate 0.176 MGD of wastewater at full build-out. He added that regarding drainage, Kapalua Mauka is part of three drainage areas, which covers approximately 1,750 acres. Surface water runoff is conveyed under Honoapiilani Highway via existing culverts into grassed channels and detention and retention basin. There are no projected increases in runoff to the ocean.

Mr. Unemori added that the electrical and telecommunications capacity is adequate to serve Kapalua Mauka.

Mr. Tsuji commented if Mr. Unemori reviewed the best practices guide, State of Hawaii's Guidelines Applicable to Golf Courses in Hawaii, and questioned if he would recommend these guidelines for this project.

Mr. Unemori answered in the affirmative and added that they are practicing most of the guidelines.

Vice Chair Catalani questioned if measures were taken to conserve water and if there is any part of the project that intends to use potable water in areas that non-potable water could be used.

Mr. Unemori replied that they will try to use water conservation measures and understand that they are incorporating non-potable water for irrigations and fire protection.

There were no further questions by the parties and the commission.

A recess break was taken at 11:45 a.m., and the meeting reconvened at 11:55 a.m.

9. Thomas Witten

Mr. Witten stated that he is the president of PBR, Hawaii. There were no objections by the parties and the Commission.

Mr. Witten provided a brief summary of his testimony and noted that the West Maui Community Plan presently designates Kapalua as one of two destination resorts in West Maui and a 450-acre portion of the proposed Urban Area as Project District 2. Under the Maui County Code, the purpose of a "Project District" is to provide for a flexible and creative planning approach for quality development in specific areas. The current Community Plan provides for a maximum of 750 units within the 450 acres currently designated as Project District 2. The Maui Planning Department has recommended, and the Maui Planning Commission has approved, Petitioner's application to expand Project District 2 to a total of 925 acres.

Mr. Witten added that two archeological inventory surveys recommended preservation of 39 archeological sites within or near Kapalua Mauka, and all sites will be preserved in their present condition. The State Historic Preservation Division approved a historic preservation plan for the area covered by the first archaeological survey. A preservation plan covering the area of the second archaeological survey is being prepared. In areas of flora and fauna, no native endangered or threatened plant species grow naturally at the project site, and there were no endangered or threatened mammals or insects observed at Kapalua Mauka, although four Nene (endangered bird species) were observed at Kapalua Mauka. Captive propagated Nene have been released recently in the Kaanapali area and the community will not adversely affect survival of released Nene.

Mr. Witten indicated that all area schools are located in Lahaina. Petitioner has negotiated with the DOE an education contribution agreement. The project is not expected to significantly impact needs for police, fire, or emergency medical services. Kapalua Resort operates a 24-hour private security service and this service will extend to the Kapalua Mauka community. All utility services within the project will be built, owned and maintained by Maui Land and Pineapple's subsidiaries.

Mr. Witten noted that there will be short-term noise impacts during construction and development, however, and air quality is expected to be well within both the federal and state ambient air quality standards following completion of construction and development.

Mr. Witten stated that the Kapalua Resort is an active participant in recycling programs and intends to continue its participation. Solid waste that is not recycled will be disposed at the County's Central Maui landfill.

Mr. Witten added that Kapalua Mauka's topography is reasonably free from flood, tsunami, and adverse environmental effect. Basic services such as parks, wastewater, draining, water, transportation, public utilities and emergency services are available to Kapalua Mauka. After a brief discussion, there were no further questions by the parties and the Commission.

A recess break was taken at 12:40 p.m. The meeting reconvened at 12:50 p.m.

COUNTY'S WITNESSES

1. Michael Foley

Mr. Foley stated that he was the director of planning for the County of Maui. Mr. Foley indicated that he has prepared written testimony, which was provided to the Commission. He indicated that the Maui Planning Department supports approval of the Petition for a district boundary amendment from state agricultural district to the state rural and urban districts subject to conditions. Mr. Foley then briefly summarized what those conditions were.

Mr. Tsuji noted if Mr. Foley has previously reviewed the Office of Planning's recommendations and if they incorporated them in his conditions. Mr. Foley replied in the affirmative. Mr. Tsuji then questioned if the Maui Planning Office had any problems or concerns relating to these conditions. Mr. Foley replied in the negative.

Mr. Foley indicated that problems occur when they have conditions of approval placed upon by the project by the Land Use Commission that can subsequently be changed or denied by the County Council. This potential discrepancy between the Land Use Commission and County Council puts them in an awkward position.

Commissioner Sakumoto questioned if the county was satisfied with their guidelines for affordable housing. Mr. Foley replied in the affirmative and noted that they want an agreement in writing from Petitioner specifying the number of affordable units, location, and time schedule that would satisfy the county. Mr. Foley added that Petitioner has developed projects and found it necessary to build affordable housing for their employees. The Petitioner has proposed to build affordable housing in proximity to the project. After discussion, there were no further questions by the parties and the Commission.

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

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