

**LANA'I PLANNING COMMISSION
REGULAR MEETING
AUGUST 15, 2018**

A. CALL TO ORDER

The regular meeting of the Lanai Planning Commission (Commission) was called to order by Ms. Caron Green, Chair, at approximately 5:00 p.m., Wednesday, August 15, 2018, in the Lanai Senior Center, Lanai City, Hawaii.

A quorum of the Commission was present (see Record of Attendance).

Ms. Caron Green: It's now five o'clock and this is the Lanai Planning Commission. I see that we have quorum this evening, so without further ado I'd like to begin the meeting.

B. PUBLIC TESTIMONY - At the discretion of the Chair, public testimony may also be taken when each agenda item is discussed, except for contested cases under Chapter 91, HRS. Individuals who cannot be present when the agenda item is discussed may testify at the beginning of the meeting instead and will not be allowed to testify again when the agenda item is discussed unless new or additional information will be offered.

Ms. Green: First on our agenda is public testimony. I think as I've indicated earlier, I would prefer to have public testimony after the individual items, but if people cannot stay for the whole meeting, please feel free to do your public testimony at this time. So do I see that I have somebody who would like to do public testimony? Okay, nobody wanting to do public testimony?

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

1. **MICHELE CHOUTEAU MCLEAN, Planning Director, transmitting a Community Plan Amendment from Public/Quasi-Public(P/QP) to Single-Family Residential (SF) and a zoning change from P-1 Public/Quasi-Public District to R-1 Residential District for property situated at 337 Houston Street, TMK: (2) 4-9-007: 029, Lanai City, Island of Lanai. (CPA 2018/0005) (CIZ 2018/0005) (K. Willenbrink)**
[DEPARTMENT'S REPORT](#) [RECOMMENDATION](#)

The purpose of the land use changes is to correct mapping errors on the 2016 Lanai Community Plan Map and Land Zoning Map L-2615 regarding the subject property.

Ms. Green: Okay, then we'll move on to our Item No. C, which is Planning Commission Director -- well Michele is not here. I see somebody standing in for her? Okay . . . (*Chair Caron Green read the above project description into the record.*) . . .

Ms. Kimberley Willenbrink: Good evening Madame Chair and members of the Commission. My name is Kimberley Willenbrink and I've been with the Maui Planning Department Current Division since last July. Prior to that I worked for the Office of Council Services, Maui County Council for 12 years. So resident of this County, first and foremost, let me just thank you for your dedication and your service to this County.

This matter is scheduled for your review and recommendation today. The Planning Director is requesting a Community Plan Amendment (CPA) from Public/Quasi-Public to Single Family and a Change in Zoning (CIZ) from P1-Public/Quasi-Public to R-1 Residential. The property is located at 337 Houston Avenue on approximately 11,760 square feet of land. The purpose of this Director initiated request for a Community Plan Amendment and Change in Zoning is to correct mapping oversights on the 2016 Lanai Community Plan map which is Exhibit 1 in your report, and Land Zoning map which is Exhibit 2 in your zoning report. The corrections will allow the property owners to make improvements or rebuild the two residential dwellings currently on the property in the event of a catastrophic loss, heaven forbid. The subject property was condominimized in 1995. This matter was first brought to the Planning Department's attention earlier this year after the owner of TMK 0001, Ms. Kim Masse, applied for a building permit. After some research a determination was made that the 1998 Lanai Community Plan matrix included a change of the owner's parcel from Public/Quasi-Public to Single Family. However, the map was never changed. Hence, the reason we are here today is to correct this. At the beginning of the report, you may read through a timeline of the results of all of that research that was put into this.

During a site inspection this morning, Ms. Masse showed us where she would like to build a carport and a laundry extension on her dwelling which was built in 1989. There are no agency comments related to this matter. A Director initiated Community Plan Amendment does not trigger the need for an Environmental Assessment (EA). A Community Plan Amendment is reviewed pursuant to Title 2, Section 2.80B.100, Maui County Code, non-decennial amendments to community plans proposed by the Planning Director or the Maui County Council. A Change in Zoning is reviewed pursuant to Title 19, Section 19.510.040, Maui County Code, Change of Zoning by which the appropriate planning commission shall hold a public hearing and make a recommendation to the County Council. After the discussion, I will explain your alternatives to consider and provide the Department's recommendation on this matter. Ms. Masse is here today to address any questions you may have. Thank you Madame Chair.

Ms. Green: Thank you. Commissioners, are there any questions for Kimberley?

Mr. John Delacruz: Yes. There's a couple of things I need to clear up. Is this lot 3? I drove by today and there's, there's two houses on this lot.

Ms. Green: John, John, would you say what exhibit it is that you're holding up?

Mr. Delacruz: Exhibit 2.

Ms. Willenbrink: Yes, I understood from Ms. Masse that maybe you drove by today. That is very good. Thank you. There are two parcels on the property because it was condominiumized.

Mr. Delacruz: There's a greenhouse on the street facing Houston Street.

Ms. Willenbrink: Yes. And that's the, that's the dwelling in question.

Mr. Delacruz: That is marked 337 Houston.

Ms. Willenbrink: Yes.

Mr. Delacruz: On the other side, on Gay Street, there's a 340, and I'm guessing that's 340 Gay Street.

Ms. Willenbrink: Yes.

Mr. Delacruz: But the lot is only on 337? It's not the whole lined area?

Ms. Willenbrink: It is the whole lined area. When we say properties are condominiumized that is such the case. But the lot itself, and the planning wrote, we tend to call it an invisible line because it is the lot, the entire lot that will go through the Change in Zoning and Community Plan Amendment.

Mr. Delacruz: So both buildings, the one that's facing Houston and the one that's facing Gay, is on Kim's property?

Ms. Willenbrink: No. It was condominiumized. Kim has the first property, and I do not know the owner's name of the other one. I could look it up. It starts with an R, on the other portion of the condominiumized property.

Mr. Delacruz: Okay. Well, that's okay. On one of the...applications submitted by one of the previous owners, they addressed it as, although the lot number is the same --

Ms. Willenbrink: Yes.

Mr. Delacruz: -- the street address was referred to as 341 Houston. Does that matter?

Ms. Willenbrink: Well, I --. In the timeline of research I did not see anything that came up. I'm sure that you know Kathleen Aoki. She did most of the research on this project. I did the report and the...and the discussion.

Mr. Delacruz: Okay. If you would look at Exhibit 5 please.

Ms. Kathleen Aoki: Hi. Kathleen Aoki, Division Chief for Plan Implementation. I'm in the place of actually Clayton today. I do see on the building permits that were submitted, they do have 341 Houston Street. I noticed that too. But the TMK is the actual TMK that we're looking at. We just learned today too that the other owner of the condominiumized property gets their address on Gay Street. I can't explain to you why these two different houses have different addresses, or one's on Gay and one's on Houston. We look at the TMK. That's what we're looking at. So it is this TMK that was condominiumized. So it is one parcel. So we have to get into technical terms here. It's one parcel, which is that TMK. When it got condominiumized like Kim explained that's just an invisible line. That is something that is done with the Bureau of Conveyances. It means nothing to the Planning Department except that we know that is condominiumized but it's still one parcel. So there are two dwellings on this parcel. There is - - there was a question from the applicant earlier today about how do you change your address because I guess this is coming up. Planning has absolutely nothing to do with addresses. I believe it's with the US Postal Services, so you would have to go to the US Postal Service to ask for some kind of change of address. That's about all I can say as far as the confusion with the addresses. But the important part is when we get property deeds, they have their TMK on it. We have the deeds of these properties. It's verified with Real Property Tax. That's what these maps will show because these become ordinances so this is going to get attached to the ordinance, this actual map that you're looking at.

Mr. Delacruz: So as long as the tax map key reference is correct, the address doesn't matter.

Ms. Aoki: Correct.

Mr. Delacruz: It won't present any problems in the future.

Ms. Aoki: No.

Mr. Delacruz: Okay, thank you.

Ms. Aoki: You're welcome.

Ms. Sherry Menze: So the lot is 11,000 square feet, and the two houses share that one lot.

Ms. Willenbrink: That is correct.

Ms. Menze: How do they pay their property tax then if it's on the TMK? I mean, I'm just curious because these are all the questions that would come up?

Ms. Aoki: No, those are very good questions. It's similar like living in a condominium. You get taxed on your portion of the property that you own, so the Real Property Tax Division has their property separated by --. In the last four digitals of a TMK, 99% of the time it's going to

be 0000. Most of us have that if you own a piece, if you own a piece of land. If you own a condominimized property, it will say 0001, 0002.

Ms. Menze: Okay.

Ms. Aoki: 0003. If you have 500 units, 0501. So that's how they know, and then they assess it based on --. If you look at page 3 of your report, the fourth date down on 3/6/1995, it explains that a declaration of condominium property regime was done, so this is where 0001 was formed with 6,076 square feet, and 0002 was formed with 5,884. So that's how Real Property Tax will look at those two pieces within that parcel and then look at the property, the house, the square footage, and make their assessment.

Ms. Menze: Thank you because I was very confused with the two addresses also.

Ms. Willenbrink: One second. May I chime in on that? If you look at Exhibit 18, there is a copy of the Real Property Tax information, and it shows 0001 as the parcel number and it spells out all of her information.

Ms. Menze: Thank you so much.

Ms. Willenbrink: You're welcome.

Mr. Gerald Rabaino: Okay, my question to you, yeah, is on Exhibition 10, you have Dante Reymundo Imelda. It was issued in May 18, 98, and they signed their permit at 4/29/98. Okay, that's Dante Reymundo. As well as 8/17/97. But then again when you look at this, there's no imaginary line when Reymundo started to build his house on that lot. Okay, the one that Masse, the one that is, that we're talking about, that used to be under Cathy Oshiro when she was living here, that also, that home there was used of the Hotel Lanai employees. Okay, now, with all the finding that she's been done, and whatever recordation you have, nobody did a follow through to make sure if there's an imaginary line on this, on Exhibit 2 -- well 1, 2 and...3. Okay. You have arrows at 6, 7 -- on page 3 -- 67 dash 120. And above you have 247 and 12, okay. That's on the Houston. And on the Gay Street, on the very top of Exhibit 3, you have 247, the arrow facing to 120. Okay you automatically when somebody is looking at this map you know it's a one-way street, yeah, but it has two traffic routes going in one direction from these lots. Okay, now, when Reymundo did his application, and Cathy Oshiro signed the paper to sell the event, did any surveyor come and survey that lot? Is that standard to survey a lot when the lot is going to be sold to someone else?

Ms. Willenbrink: Are you talking about the building permit application?

Mr. Rabaino: Yeah because see when you said there was, earlier you said there was just like an imaginary line where Reymundo is, what John was claiming, why is it not showing here? Okay because if it's a condo, and when it was sold, yeah?

Ms. Willenbrink: Yes.

Mr. Rabaino: And it was registered before the condo was in place of the other planning commissioner and she was in transition from Cathy Oshiro to purchase the lot, where's the people involved there to do the enforcement and follow through?

Ms. Willenbrink: I'm not exactly sure that I can answer your question completely, however, the Planning Department does not deal with the building permits. That is the Department of Public Works. And so in the timeline you will see also through the years there have been errors in the building permits, but we didn't go there with that state because that is not our Department's purview.

Mr. Rabaino: But doesn't, doesn't the Planning oversee the permit department?

Ms. Willenbrink: Not building.

Mr. Rabaino: No?

Ms. Willenbrink: Not building permit.

Mr. Rabaino: Not even a hint to go and --?

Ms. Willenbrink: No.

Mr. Rabaino: Okay. Well, I was going to make a...proposal but cannot move forward with this. It's not resolving anything because she's trying to claim that she want to do something, and yet you guys worried about the other guy on the other side.

Ms. Aoki: Okay. One question though I wanted to ask. When you mentioned the Exhibit 2 and the arrows of the Street, Houston Street, the arrow is point the wrong way? Are all the streets the same? Because I want to make sure our map is correct when we go to Council. So on Exhibit 2 and Exhibit 1, are those arrows correct or is it the wrong way for Houston or Gay? Because don't Gay and Houston go one way, the same way? Yeah. So first of all I want to change that. I know it sounds kind of manini, but I want to make sure the map is correct when we go to Council. So is Houston Street, can you guys let me know on Exhibit 1 and 2 which are basically the same map -- one is for a Change in Zoning, one is for a Community Plan Amendment -- should the arrow for Houston Street be the other way? Yes, okay. So that's the first thing.

Second thing is, Jerry, the map is not going to show the line for the condominiumization. That is something that is done with the Bureau of Conveyances. It does not split a parcel. That's why I mentioned TMKs will have this 0001, 000, but there's no actual line on a map. You're not going to see it. So when you look at Exhibit 1 and Exhibit 2, it's going to show that entire parcel. We know it's condominiumized. We're telling you folks it's condominiumized. The

Change in Zoning is going to apply, and the Community Plan Amendment are going to apply to the entire, that entire square. But we have to let you know who owns these things and what, what the, what's happening with the parcel, so that's --. If a Change in Zoning came in for a five-story condominium property, it would be the same thing. You would have a whole bunch of people listed down as owners -- 0001 -- but it's the lot. Does that help you?

Mr. Rabaino: My next question would be then if you going to zone and get rid of that condominium.

Ms. Aoki: We're not getting rid of the condominium.

Mr. Rabaino: Not getting rid of it? You're going to stand by that, the condominium?

Ms. Aoki: They just want to rezone the property.

Mr. Rabaino: The entire property? Then from there you work from it?

Ms. Aoki: Yeah.

Mr. Rabaino: To say Reymundo is residential, and Masse is going to be residential.

Ms. Aoki: Yeah, the entire lot.

Mr. Rabaino: And that's the only zone change. I can live with that.

Ms. Aoki: Zone and Community Plan Amendment. They're both Public/Quasi-Public right now, so we need to change both to be consistent.

Mr. Rabaino: Okay.

Ms. Green: Okay, Commissioners, are there any other questions? I do have a quick question. So it said in the 98 plan that they had already said they wanted to be a single-family, and it just didn't follow through on the, on the -- what do you call it? -- the map. Is that the same thing for the 2016 plan followed the 98 recommendations?

Ms. Willenbrink: That is correct.

Ms. Green: Okay, that was my assumption here, but I wanted to make sure that's correct. Okay, if there are no other questions for the Council Members, I would like to invite public testimony at this time. Is there anybody who would like to give public testimony? Kim?

Ms. Kimberly Masse: Hi, I'm Kim Masse. I humbly ask your support in my endeavor here. We were putting in for a building permit so we could put in a carport and extend our laundry

room and this is where we ran into the issue. I wanted to do things the right way obviously so we would have go in for a rezoning before I can get my permit approved so thank you.

Ms. Green: Thank you Kim. Is there anybody else in the audience who would like to do public testimony at this time? Okay, there being none, Council Members, do we have any more questions or would anybody like to make a motion?

Ms. Willenbrink: Would --. Excuse me? A point of clarification. Do I make the recommendation, the Department's recommendation first?

Mr. Delacruz: Yes, please.

Ms. Willenbrink: Thank you Madame Chair. This evening you have several alternatives to consider for each of the amendments. For the Community Plan Amendment, you can opt to defer the matter to a future date, you can opt to recommend approval, or you can opt to recommend denial of the permit application. For the Change in Zoning, your options, excuse me, are to defer the matter, to recommend approval with no conditions, to recommend approval with conditions, to recommend approval with partial conditions, and or to recommend denial.

Here is the Department's recommendation. In consideration of the foregoing, the Planning Department recommends that the Lanai Planning Commission recommend approval of the Community Plan Amendment and Change in Zoning requests, and adopt the Department of Planning's Report and Recommendation statements prepared for the August 15th, 2018 Lanai Planning Commission meeting, and authorize the Planning Director to transmit said report and recommendation statements to the Maui County Council. Mahalo.

Ms. Green: I have just a quick question, and that is regarding this street issue, the Houston and Gay Street issue. Would we make that a condition and if so, how would we handle that?

Ms. Willenbrink: Would the condition be to change the address?

Ms. Green: No, no, it's just your mapping designation of the streets.

Ms. Aoki: You can just say it in the record, but not make it a condition.

Ms. Green: Okay. You've already made note of it. Okay, thank you.

Mr. Delacruz: Hi. Can we recommend approval for both at the same time?

Ms. Willenbrink: Yes you can.

Mr. Delacruz: Okay. I move that the Lanai Planning Commission --

Ms. Willenbrink: Excuse me? Kathleen said it might be cleaner if you do separate motions. A motion for each. I'm sorry.

Mr. Delacruz: I move that the Lanai Planning Department approve the change to single-family. Is that the -- from Quasi Public to Single Family residential with no conditions.

Ms. Willenbrink: And that is for the Community Plan Amendment?

Mr. Delacruz: Yes.

Ms. Willenbrink: Thank you.

Mr. Rabaino: Second.

Ms. Green: Okay, we have it, John has moved, and Jerry has second the motion. Do we have any further discussion, members? Okay, can we take a vote? All in favor? It passes unanimously. Okay, do we have a second motion?

It was moved by Mr. John Delacruz, seconded by Mr. Gerald Rabaino, then unanimously

VOTED: to recommend approval to the Maui County Council for the Community Plan Amendment from Public/Quasi Public to Single Family residential with no conditions.

*(Assenting: R. Catiel, J. Delacruz, S. Menze, G. Rabaino, S. Samonte)
(Excused: S. Preza, M. Martin, C. Trevino)*

Mr. Rabaino: Second.

Mr. Delacruz: I'll do it.

Mr. Rabaino: No, I will just stand with your motion. Okay, the second motion would be Change of Zoning, correct?

Ms. Willenbrink: Yes, correct.

Mr. Rabaino: Okay, so we'll approve the Maui County for CIZ from P-1 Public Quasi to R-N Residential for property situated at 337 Houston Street, and forward it to the Council, with no condition attached to it.

Mr. Delacruz: Is it R-N or R-1?

Mr. Rabaino: R-1, yeah?

Ms. Green: R-1.

Ms. Menze: Yeah, R-1.

Mr. Rabaino: R-1.

Ms. Green: Okay, who is seconding?

Mr. Delacruz: I second.

Ms. Green: John seconds. Okay, Commissioners do we have any further discussion on this matter?

Mr. Rabaino: None.

Ms. Green: Okay, all in favor? All right, the motion passes.

Ms. Willenbrink: Thank you Madame Chair.

It was moved by Mr. Gerald Rabaino, seconded by Mr. John Delacruz, then unanimously

VOTED: to recommend approval to the Maui County Council for the CIZ from P1 Public/Quasi to R-1 Residential for property situated at 337 Houston Street with no conditions.

(Assenting: R. Catiel, J. Delacruz, S. Menze, G. Rabaino, S. Samonte)

(Excused: S. Preza, M. Martin, C. Trevino)

D. COMMUNICATIONS

- 1. MS. LYNN P. MCCRORY, Senior Vice-President of Government Affairs, PULAMA LANAI, submitting the [2017 annual report dated June 25, 2018](#) regarding water usage at Manele pursuant to condition no. 24 of the Special Management Area Use Permit and Project District Phase 2 Approval 5-year time extension for residential and multi-family development at 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.

Ms. Green: Thank you Kimberley and Kathleen. Oh, Kathleen left. Okay, our next agenda item is . . . *(Chair Green read the above project description into the record.)* . . .

Ms. Lynn McCrory: Thank you Commissioners. I'm Lynn McCrory with Pulama Lanai. This is one of the conditions for a permit that you approved not long ago when we extended it for another five years. It was the 80 single-family units and we reduced 86 out of this permit. This annual report goes back to 95, I think, as I recall when it first came up. But there are just kind of a whole conglomeration of different things. Did we have any changes to a number of certifications for operators? Yeah, we went from six to eight. A good change in one year. Annual testing is done by the Department of Health. It's been done; no issues.

The metered readings, and you have charts in here that show that which you've seen before because they're also part of the quarterly report that we do. And then here's the spread for the Hulopoe Beach Park because that is metered separately. And then there is no new spas. They haven't been built because no units have been built. And on the managing the degradation of the watershed and improve its quality, you have kind of what we've been doing. That hasn't changed. It's kind of ongoing so in some sense, I could have probably written that five years ago, and you're going to read about the same thing because it's an ongoing continuing issue.

We have added partnership with US Fish and Wildlife and Conservation International on a number of projects. We did that about two years ago. And we are also working with the Division of Forest Service, so there's a whole range of different watershed projects that are ongoing.

The fog drip study which a few years ago was exciting has not been repeated, and it's still just as good as ever. Progress on tiered water rates, well, we'll get to that. We're regulated by the PUC, the Public Utilities Commission, so not differently than I'm sitting here in front of you today, we have to go to the Public Utilities Commission as the Water Company to raise any rates, make any changes to rates. We have to do that. We initially were looking to do that this year, but at this point, it will be next year. So at that point, you may see changes in the water rates. The Public Utilities Commission looks to see that the Water Company is viable and not consistently losing money, so they have to, you know, whole role is to protect the safety of the utility that the customer's get, and the last thing they want is for the Water Company to fail. So they'll be looking at those.

Ms. Green: Lynn, could I interrupt you here because I just had a question? As a single-family dwelling owner, it mentions here there are variations for multi-family in the homeowner's association, but it doesn't say anything about single-family homes.

Ms. McCrory: I think what you have here is the rate for the single-family homes. Joy, are they single-family home rates? 357 for the first 1,000 gallons?

Ms. Green: I think we fall under the same ones. I just --

Ms. Joy Gannon: . . . (Inaudible) . . .

Ms. Green: This is (G) where the PUC, where you have the basic rates for a 1,000 gallons per day, and then a 1,000 to 2,500, etcetera. It says -- when you say there are variations for multi-family and homeowners association, what do you mean there are variations and where do single-family homes fit in that? Can you come up and --?

Ms. Gannon: I apologize, sorry about that. So the rate structure itself is the same, but the base fee can --. So the tiered rate structure is different for different entities but the base fee can be different for single-family versus multi-family for -- and also different types of users such as commercial and what not.

Ms. McCrory: So your base charges are depending on the amount of water you use. So as an example, if you're using just a 1,000 gallons per day, the charge is \$3.57. If what you're doing is using between 1,000 and 2,500 gallons per day, the cost is \$4.64.

Ms. Green: Is that just for everything over a 1,000 or is it for --. Say, say you use 1,500 gallons per day?

Ms. McCrory: Then you fall into the \$4.64.

Ms. Green: For all 1,500 gallons?

Ms. McCrory: Yes, for all 1,500. And then if you're actually using over 2,500 gallons per day, then you're going to pay at the rate of \$5.72. And the point of that being a tiered rate is so that the people that are using the most water pay for it. You know, it's to encourage people to conserve water. Use more, pay more. Makes sense?

Ms. Green: Yeah, I totally understand that. I just was wondering where single-family fit into all this.

Ms. McCrory: It's that base rate. So it's depending on what you use.

Ms. Green: Same as everybody else?

Ms. McCrory: Same as everybody else.

Ms. Green: Thank you.

Ms. Gannon: Just to clarify a little bit. So on the single-family and the multi-family it's essentially the same. On the homeowners association those rates are based off per acreage so it's slightly different. But it's the same rate, but it goes off of per acreage instead of per unit.

Ms. Green: Okay. The bases of where you calculate from is different.

Ms. Gannon: Yes.

Ms. Green: Yes, okay. That could be phrased a little more clearly when you say variations.

Ms. McCrory: I'll do it for next year.

Ms. Green: Thanks.

Ms. McCrory: Okay, the next one is, you know, have we instituted any studies for the size of Lanai's single aquifer? No we have not. And if you remember from the Water Resource, the water workshop that was done, what you saw CWRM presenting was not a single aquifer on that map. It was multiple places where they believe that there was going to be water, and they were showing a range of six million gallons per day sustainable yield to 36 million gallons per day. And they were choosing to stay with the six million gallons just for safety and because no one has tested, but they were making those statements for all islands. So all islands had increases in what they believed were the sustainable yields. So we'll just kind of go along with CWRM at this point until something gets further described.

What you have also attached is the water quality report which I believe everyone was mailed a copy, but that's also a part of this and I'm not going to try to go through that. I know Alberta did an article in the newspaper on it, so further explaining it a little bit more.

And then we get to the back pages, which are all of these wonderful colorful graphs. And I kind of go back to when we first doing these, we didn't do graphs, we had numbers and you were expected to try to remember, you know, what it was the prior period. So the first ones we did in the graphs, we did four years. We went back four years so you could, you could see what the water was doing. Was there any increases, decreases, you know, because you can when there's a leak. I mean, it's real evident in here, it will get a big spike. And then we stopped doing the four years, and cut it down to two years because there wasn't much of a change and you can look at the two years just as easily, but that's what you have. So here you have 16 and 17 for the Manele Bay potable water usage or your drinking water, and other drinking water, and then the next are the brackish waters, and then the R1 water. And the R1 water is the reused water from sewer treatment facilities that is refreshed. How's that? So questions on any of these?

Ms. Menze: I thought it was kind of interesting, to be honest, on the Manele Hotel, the potable water, you can really see what months of the year and how they -- it's when it's hotter you use more water unless that means there was a leak. Actually in 2017 you used 45,547 less gallons of water than the year before.

Ms. McCrory: Well and remember when we did the renovations at Manele, we were, when we went in, we were going to use less water to begin with because we changed the plantings that we put in. We went to, if you look out each side, the east and west side, they're all natural.

I mean, they've got Pili grass and you've got stones. Well, the good news is stones don't drink much so that's okay. And it doesn't require much water. It's totally different than grass. And then the same thing in terms of the pools and everything else, so, yeah it's different. It should be less. Some are, some are leaks. And some are, you'll also have an increase if the hotel has had a huge occupancy which we would love to have occur, obviously you're going to use more water. So that's another thing that can move this around.

Ms. Menze: Approximately how many meters are there for all of this that you have? You know, because I know they'd be individually metered, right? So maybe 30 or something?

Ms. McCrory: No, I don't think so.

Ms. Menze: I'm just curious, I'm sorry.

Ms. Gannon: I could give an exact number off the top of my head. It's probably around 130, 150.

Ms. Menze: Oh, wow.

Ms. Gannon: But if you'd like I can give you the exact number.

Ms. Menze: No, you don't need to. I was just curious.

Ms. McCrory: It's a lot of houses, places down there. The hotel doesn't have 130 if that's what you're asking. That's all of Manele, yeah.

Ms. Menze: Oh, the whole area.

Ms. McCrory: The whole area.

Ms. Menze: Okay. Yes, I get it.

Ms. McCrory: If there's no further questions.

Ms. Green: I had one, Lynn.

Ms. McCrory: Okay.

Ms. Green: I have a request if possible. I know when Pulama went forward asking for permit for the changes that there was a statement that you would be using less water than you had previously. I personally have not seen any report that verifies that this is exactly what has happened. Would that be possible to get such a report?

Ms. McCrory: Yes. I figured at some point the Planning Commission would ask me for that, so we have been getting monthly reports from the hotel. You were here for Manele? Did you approve Manele or not? Yeah, but the rest of you didn't. What we gave you was a map of the areas where we were making the changes. And we gave you the water that would be used in those areas versus the water that was currently being used. So what we've done since then is we have taken the readings from the meters after they redid the irrigations so I mean it's not like the day that everything got put in. It was when the irrigation was redone. They installed new meters so that we could know what was being used in those areas. And a quick summary is it's less than what we anticipated. So we're actually using less water than we thought we were going to use, and that was less water than currently being used.

The other thing we just recently did, Joy and I went down to talk with the landscape manager down at Manele Hotel, and you know Joy has been selling these smart meters like crazy right? She's not really selling, but she's got them kind of everywhere where you can see everything so somehow or another we kind of got in the discussion, well, can we just put some smart meters in on these meters so that we could easily see what the results are coming out? Not differently than, you know, when you look at your house and you could see what it is. Guess what? We did it. Joy did it. She got them all in, so I am waiting for the first month of meter readers, smart meter readings coming to me. And I don't have them yet. I have to go back and ask for them. I think they're busy or something down there. I think occupancy is good because normally I get them in the first week of the month, and we are now not quite in the first week of the month. But the good news is it will show everything, so I would be happy to give you a report. I can go back to the point that they had that and you can see.

Ms. Green: So that would show the projections and the history, what was used historically? What you were projecting to use and what you're actually using?

Ms. McCrory: Yeah, we would be able to give you what we had used, what we were using, and what is being used.

Ms. Green: Okay, thank you. Yes, Jerry, you have a question?

Mr. Rabaino: Lynn, on (H), yeah the status including findings and recommendations, the study to initiate to verify the size of Lanai's single aquifer. Okay, when I look at the other page with this map over here that shows one, two, three and four, I would like to request that for each level of elevation from the aquifers, from sea level, you know, like going up Puunene paths, Lanai Hale, Maunalei gulch, are those individual aquifers that I meant are individuals because you're not taking the whole island as a whole, right? Under (H), because you said you did not do any study in 2007.

Ms. McCrory: Remember one thing on this report, and this condition is from 1995, and in 1995, the statement was that it was one aquifer. What you heard at the water workshop that CWRM did was to say we don't think it's one aquifer. The map they showed you of the island had, had various pockets I'm going to call them of water around the island. So that's how

they were dealing with six million to 36 million. I can't tell you where they are, Jerry. We don't know. You have to drill. They're using -- they came to these assumptions based on the work that's being done by the University of Hawaii, and they are doing work on the islands. They're doing work over here, looking at what it is, what water is available, where is it at. So at some point we'll have that kind of information, but remember that part of even one aquifer there are dykes that's separated out. And you could have a well that's in dyke, and you can have a well in this dyke.

Mr. Rabaino: Well I know you have geo lab that's doing all the drilling because all of their equipment comes in off the barge because I asked them is there a difference from the existing well getting the reading of gallons versus the one that they're trying to find water at different levels from the existing wells. So I'm kind of curious because you said "pockets" of dykes.

Ms. McCrory: I, I -- no, I said pockets. I was describing the little circles that CWRM had on the map where they think the water is. I'm just using the term.

Mr. Rabaino: Right. Okay, let me put it in another terminology. How can I put it? Okay, Maunalei gulch during the pineapple days they used to pump water out of there to the two silver tanks over here. That would give you an accurate reading, but it's no longer functional or operational. Okay now you have well, if I remember correctly, 12...you have that green tank up there going into Miki -- I mean, piggery road where the esceron farm is you have that thing where you guys change the line going up the slope. I know you guys inserted new lines over there, the PVCs, so is that still functional and operational?

Ms. Gannon: 12 is out kind of in the middle of nowhere. The one that's right behind the piggery, that's 15 and that one is running all the time.

Mr. Rabaino: Okay, do you have any reading of gallons that is usage on that particular well?

Ms. Gannon: No, so wells 1, 15, 14, and 9 actually all go into the Manele reservoir and that - -. So we have -- we measure at each individual well so we can tell you exactly how much is being pumped. Actually we can tell you how much is being pumped by a minute, and by hour, by day, so forth and so on. And then at the Manele reservoir, there's another meter at the Manele reservoir that goes down...further down to Manele.

Mr. Rabaino: I'm going back to where the piggery one is. You said well 12? I mean 15?

Ms. Gannon: 15.

Mr. Rabaino: Okay, and you said it's running constantly?

Ms. Gannon: Right now, during the summer time, yeah it is.

Mr. Rabaino: Okay. And then off, let's say, off season, you know, winter, spring, summer, fall?

Ms. Gannon: No.

Mr. Rabaino: No, it's not operational?

Ms. Gannon: It's operational, but it's used much less.

Mr. Rabaino: Okay, my curiosity is do you have any data on the running consistently?

Ms. Gannon: Yes.

Mr. Rabaino: Can you provide the planning commission on the gallons that is running from day to day, or weekly? Some kind of data that we can look at because we want to make sure Lanai has water for us.

Ms. Gannon: So that's part of the what's called periodic water report, so that's produced every 28 days. The County, the DLNR, and everybody, Maui County gets a copy of that. So that's available and it's also on our website. I've got to update it, but, yeah, that's available. It has all the pumping data for each of the operational wells. It also has the water levels, and so when the water levels in the well. So we measure what the water level is compared to historical. And then when the well turns on, the water level obviously drops, so it has both the high level and the low level of the water levels.

Mr. Rabaino: So all that data is accessible?

Ms. Gannon: Yes.

Mr. Rabaino: Okay, the other question I'm going to throw a monkey wrench in. By the juice stations you guys relocated the stand pipe. The juice station going to the airport using . . . (inaudible) . . . that little water house.

Ms. Gannon: . . . (Inaudible) . . .

Mr. Rabaino: They changed the line. Is that going to be in operational to this...the pond, the aquaponic or pond? Aquaponic. Is that water going to be available over there?

Ms. Gannon: So are you referring to the work that you've seen in the last two weeks?

Mr. Rabaino: Yeah.

Ms. Gannon: Okay, so the --

Mr. Rabaino: Because you're going to the airport, that little green house we call it the juice station pineapple days because it pumps to the other side of the island.

Ms. Gannon: Yeah, the guys call it J-station so that's how I'm familiar with it. So what you've seen in the last two weeks is purely, we've been chasing leaks on that old steel line. So nothing, nothing's change on that other than we've been trying to fix leaks on the old line. The hydroponics, not the aquaponics, the hydroponics that, that's live. That has water going out there already. And that's the, that's the old line that was there before with a sleeve of a HDPE line inside it.

Mr. Rabaino: Okay, so that's going to be an active line.

Ms. Gannon: It already is active.

Mr. Rabaino: Yeah okay for that project down there.

Ms. Gannon: It's active now.

Mr. Rabaino: Okay, thank you.

Ms. McCrory: Let me throw in one more piece in on the PWR report. Also from the water workshop, if you remember one of the things that Roy Hardy said about -- he was with CWRM who was the one that controls the water. He made statements about the Lanai Water Company being the best private water company in the State. Why? Because they turn the report in, no. 1. They can look at the report. They can see that we're using and pumping less water. They have all the information so if, if there was ever a situation that it looked like we were going to run out of water, they would immediately be in here. We are pumping -- well eventually -- we are pumping right now right around 1.5 million gallons a day. When we get to 5.4, if we were pumping that, CWRM would have been yelling and screaming when we were 4.7 and they would have said you have to start doing something. So you're not going to run out of water. Even if we just stayed with the 6 million gallons, we're on using 1.5. You've got a long way to go before the agency, the State agency that is governing the water use --. And they even make the decision whether we can drill a well. They would in here. And, and, Roy Hardy was very clear, this is the best private water company in the State. They get the information. They can see it. They were just out yesterday? Monday? One of the CWRM guys was on island.

Ms. Gannon: Monday.

Ms. McCrory: Monday, was on island. So it's not a matter that anything is hidden or anything is a big secret. It's not. You can see those PWRs. You can go on CWRM's website and see them. We just don't get better than that.

Ms. Gannon: I haven't put it on the website yet, but I will do it before the end of the week, but actually all the well meters are actually smart metered now. And so those are publically accessible. Some of you can actually go and see usage for yourselves. It's measured by the hour or every 15 minutes, so you can actually go see that. Became -- everything became...live beginning of August, so you can go on yourself, online and see yourself.

Ms. McCrory: So exciting changes, I mean, in terms of information available to the community, you know, that you can see, that you can look at, that you can decide. But, you know, be happy to give you what you think you need. This is just dealing with the Manele area. So I'll get the report as soon as I can Caron and get it back to you. So you want graphs or you want numbers? You want graphs, I know. Okay.

Ms. Green: That's great. And I'm just going to ask one question since we're -- the hydroponics is coming on.

Ms. McCrory: There's green things in there.

Ms. Green: Are there really? Wow.

Ms. McCrory: I was --. We were out there today because we have --. Well, you got the demonstration kitchen application. I'm not surprising you by saying anything. So we took the planner out today so that she could see what this, that -- what it's going to look like, where it is located, and we were allowed to sneak into the first greenhouse. And there is lettuce everywhere. I mean, and all different kinds of lettuce, and some lettuce I've never ever seen. And then we were talking -- Jeremy who is one of our employees took us in, and we were allowed to go a few feet, you know, because we aren't dress, and we don't have the right clothes and we don't have all that stuff. And he said well this is the second round they've grown. And so he said so -- he said they came out and they cleaned out the first round and they gave it to all of the workers. And I went oh my god that was great. So how was the lettuce? Oh, god, it was good. So, you know, it's going to be very, very exciting. It should be finished in 19, probably towards the middle of the year. And if you didn't come to any of the community meetings --. Roxanne -- Roxanne does. She's not hearing this repeated again. When all 10 greenhouses are operating, they are expecting to produce 36,000 pounds per week. Well, one greenhouse would supply Lanai, and then there's nine, and that means we get to export. So it's not pineapple, but, you know, it means you export. And the great part about is this is food -- like romaine is an easy simple example, we've used that from the beginning -- the romaine would get to you 10 days sooner than being shipped from the mainland. So you have 10 days more of life in your refrigerator. That doesn't get better, so it's, it's exciting. And they're going to have vine things and --. And at some point they'll do the full blessing and invite the community out and everybody can come and see.

Ms. Menze: When are they going to sell it in the store?

Ms. McCrory: They, they have a ways to go. They've got to get stuff going. I mean, they're still testing.

Ms. Menze: So with hydroponics you don't have to worry about rat lung either.

Ms. McCrory: No you don't and, and they've, they've spent time with Rachel Sprag who's our biologist so that they could be sure that the buildings have no way for the rats to get in, and everything is prevented for that whole situation. We shouldn't have any fire ants, we shouldn't have any coqui frogs, we shouldn't have anything. That's the really good news about all this, and it's incredibly clean, but it's hot in there. Gees, it's hot in there.

Ms. Menze: I have another question going back to the water. So where does the Manele Harbor come in on this graph?

Ms. McCrory: It's not. Because it's Manele Project District.

Ms. Menze: Oh, this is just a project district, not the whole water in that area.

Ms. McCrory: No, that's a separate meter.

Ms. Menze: Okay.

Ms. Green: Okay, any more questions? If not --

Mr. Rabaino: Question. Can we ask you folks data on the Manele Small Boat Harbor usage? Harbor and the facility there?

Ms. McCrory: No.

Mr. Rabaino: Can?

Ms. McCrory: It's, it's the State. It's like my saying, okay, Shirley I want Shirley's information and Shirley didn't give me permission to get it. Yeah, I can't do that.

Ms. Menze: No, you've got to have the permission and there are records dating back to when the harbor was first put together, records of all the water up until almost three years ago. And then, I think, they quit reading them, but I know Joy has --. Maybe you don't have all the meters, but you have the big meter and the flow coming out meter.

Ms. McCrory: She's got to bill them.

Ms. Menze: Yeah, I know. She's got the big, but she doesn't know the individual because I thought that was a great idea, the individual meters because then you can see where the leak is exactly.

Ms. McCrory: You can get a lot. You can get closer to the leak a lot faster.

Ms. Menze: If somebody's reading them.

Ms. McCrory: Well, or if someone's husband happens to walk in front of, go in front of one of the dry dock spaces and say there's water all over, you know. Can you guys come out and fix this? Which eventually we were able to get it done and all over and found, I think, were there two leaks or three leaks? Two leaks. Actually it wasn't just the one. So it's -- a lot of thank you to everyone who happens to see this puddle of water that never seems to go away. That means there's probably a leak down there, so you know, you can all be on a lookout.

Ms. Green: Okay, thank you very much Lynn. I don't know if we have anybody from the audience that would like to ask any questions or testify with regard to this report. Okay, Butch.

Mr. Reynold "Butch" Gima: Good evening, my name is Butch Gima. I'm going to be testifying basically on page 2 of the document that was provided by Pulama Lanai. I'm going to comment on (C) and (E) and then finish up with explaining why I'm providing this testimony tonight.

Under (E) on improving the quality of the watershed, I think this report doesn't do Pulama justice. They're doing much more than this in addition to what's noted in here. They're trying to cut down on the number of invasive species, they're trying to increase native species up on the hale, and they're trying to decrease the number of pest up on the hale with the overall goal of being able to retain the rain and the moisture on the watershed which will eventually go into our aquifer. If it can seep into the ground, it will go into our aquifer as opposed to running off into the gulches and into the ocean.

The only concern I have on that section (E) is the last sentence, deer eradication in the first two increments is well underway, with very few animals remaining. That has been pretty much a statement the last couple of reports so I think it would be good to get an updated status on that.

Under (C), as Lynn mentioned this came from the 95 petition and so you have to have some context of why this was requested. At that time the Water Use and Development Plan was not completed and so the commissioners and/or the County at that time asked for these numbers. And if you guys are satisfied with the information in (C) please tell me because I'm not satisfied, haven't been satisfied in a long time, and several members of Lanai Water Advisory Committee (LWAC) have not been satisfied. It is hard to compare data when you have the numbers under (C) and then you have to go to the appendix to get the raw data and the graphs. So it's a poor, it's a poor way to show you the information. LWAC has offered to help Pulama or Lanai Water Company to come up with a better presentation but haven't taken us up on it.

So basically from my standpoint, a lot of this data is kind of meaningless when you cannot compare water usage overtime and when you have different types of duration periods. One period is 61 days, one is 50-something; it's hard to compare. More importantly, there's no sense having all this information if you don't know whether or not they're using too much water or whether they are under the allocation that's listed in the Water Use and Development Plan. So, as Commissioners, I would ask Pulama, are you within the allocation for water usage in the Manele Project District because without that, I mean, this information is pretty much useless to you guys.

I would agree with what Lynn said that the Lanai Water Company does the best job in providing data to the Commission on Water Resource Management. I've heard a number of CWRM staff mention that. I think Lynn embellished it a lot by saying that they're the best private water company. No, I think what they said was the Lanai Water Company was the best in providing data to CWRM from private systems.

So the reason I'm testifying tonight is as I noted already, but no. 2 the report should make sense to you, that you should be able to use the data that's in these reports. If not, it's just kind of just taking up space. I think it's --. I'm also providing testimony because I think it's important to have balanced testimony, not only from the author of the report. That you should have comments from LWAC, interested community members, even the County should comment on, on this report. My suggestion on water specific issues is you want the expert. My suggestion when water stuff is being presenting to you, Joy should be sitting up here from the company. Not Kurt, not Lynn, it should be Joy because she knows her stuff. Joy and her predecessor, they have done a wonderful job not only sharing data with LWAC and the community, but have really cut down the amount of waste and the amount of water that's been unaccounted for. So you know, there's credit to the experts in the Lanai Water Company. So that would be my suggestion.

Last of all, I wanted to testify because I wanted to make you aware that Pulama Lanai slash Lanai Water Company has chosen not to participate in the Lanai Water Advisory Committee going on, I think, six months now. And as a result at the last Water Advisory Committee meeting we understand that Riki Hokama has sent to Corporation Counsel a draft ordinance to make Lanai Water Advisory Committee a County board or commission, so that's in Corp Counsel's responsibility right now. The second part is we will be, LWAC will be submitting a letter to the Commission on Water Resource Management asking them to reconsider designating Lanai as a water management area. They have deliberated that request on two occasions in the last 20 years, and they have deferred on this decision on, on both of those times. The reason why LWAC is requesting that again is because Pulama is no longer participating in LWAC. That's it. Thank you.

Ms. Green: Thank you Butch. Commissioners, does anybody have any questions for Butch? Okay, there being none, thank you.

E. ORIENTATION WORKSHOP NO. 3

- 1. The Planning Framework (C. Thackerson)**
- 2. Zoning (C. Thackerson)**
- 3. Chapter 343, HRS, Environmental Assessments and Environmental Impact Statements (C. Thackerson)**
- 4. Bed and Breakfast Homes and Short-Term Rental Homes (K. Willenbrink)**

Ms. Green: Okay, I think this concludes section no. D, and we are onto the Orientation Workshop No. 3.

Ms. Candace Thackerson: Okay would it be easier --? Oh, hi, I'm Candace Thackerson, staff planner with the Maui County Planning Department. I've been there nine years so that must have mean I started when I was 18 right? Okay.

Okay, so I know you guys have got parts of this orientation. We've kind of been going out of order. I apologize for that. We've been just kind of doing it as staff has been coming for certain meetings. So today we're actually going to do the first part of the orientation which is the planning framework. It's an overview of the Planning Department and our duties, as well as your role as the Commission, and then we're going to go into a little bit about zoning and the types of permits that Title 19 is in charge of. I'll briefly touch upon Environmental Assessments and then I'll pass it over to Kim. I'll give you a break then, and then I'll pass it over to Kim and Kim can touch on B&Bs and Short-Term Rental Home Permits, okay.

So...the Maui County government is the lowest level of government in Hawaii since we don't have city government, just the County. So the County of Maui is responsible for the islands of Maui, Lanai, Molokai and Kahoolawe, and the County government includes 16 departments, and many of these departments work together to consider proposals for new development. Is it better for you if I sit? Okay, thanks.

Okay, so within the Planning Department, we have different divisions, right. We have the Administration. Long Range Division, they work on the General Plan, the various community plans that we have for all of the different communities in Maui. We have the Planning Implementation Division which is a new division that we have to make sure that we're implementing all of these wonderful goals that we set for Maui County among other things. They do lots of things in the PID. We have the Current Division and they handle more like land use applications. And then we have our Zoning and Enforcement Division, and they tend to look more at enforcing the zoning code, okay.

So the Department of Planning's role -- so this is just kind of an overview of what happens. So most projects start off at the Planning Department level or they'll come and want to meet with us to discuss the project to kind of know what permits they'll need, right? Because that's the first thing you want to do. So the first step to reviewing is you look at the State land use. Is it urban, is it conservation, is it rural? And then from there we have the General Plan, the

Maui Island Plan, Countywide Policy Plan and Community Plans. So it's like a layer, you know. So first you've got the State land use. That's the biggest layer. Then you have the community plan. Then you have your zoning. Okay, then you've got to see, well what am I zoned? My zone is residential. My zone, you know, hotel. And then you have some overlay districts like the Special Management Area is a little overlay district, okay. And or maybe flood zones or shorelines. And then even within that you can have special districts such as you guys here have Project District I Manele, right? You have that project district. In Maui we have, you know historic towns, like Lahaina, or Country Town Business so there's different little. So within it gets more specific. You know, in your zoning you can do something, but then if it's historic, you might have to do a certain type of window or certain color, and Manele has certain regulations for the way they want that area to develop and look, right?

Okay, so in the Current Division which is what I'm a part of we do land use entitlements: District Boundary Amendments, Community Plan, Change in Zoning, Conditional Permits, Special Use Permits, Plan Developments, your SMA Permits, all the Country Town, and also, you know, everyone's favorite topic, the Short-Term Rental Homes and the B&B Permits that we see so many of.

Okay, of Land Use Regulations, you know, as I stated earlier it gets general, kind of bigger to more specific. That was the same thing; State Land Use, Community Plan, Zoning, it's just like an upside down triangle. Okay, so you start more general and you get more specific.

Okay, so State Land Use, I just wanted to point out, so this is, this is statewide. This is for the State of Hawaii. And this is very interesting. As you can see in 1969 we only had 3% Urban, there was 49% Conservation, and 48% Ag, and it was 0% Rural. It wasn't even a percent, okay. And people are, you know, saying, oh we've seen so much development and so much happen, but if you look at 2011, Urban is only at 5% statewide. So statewide, only 5% of the land is State Land Use Urban. The rest is of it is Ag, Agriculture, Conservation and Rural. And it kind of makes sense when you look at it --. Do you want to table questions until after? Maybe put that question in the parking lot and we'll come back for it? Yeah, I'll, I'll break before I go into the permits and we'll get to that question. So, you know, I just think that's really interesting because when I drive around all I feel like all I see is urban. But, when you look at a map and you look at Haleakala and the West Maui mountains that's not, that's all, you know, conservation or ag, so a lot of that is undevelopable land.

And here's Lanai, and it's probably better if you look up here because the itty bitty slide I gave you isn't very good. So as you can see the Urban is that kind of light-blue and it's just Lanai City and the airport and Manele and then a little bit over here. And all of these are available online, and I've posted the links on the last, the very last slide has the links to a lot of these. And these are the State Land Use Districts. And then the yellow is Conservation, and the green is Ag, and that kind of tan color is Rural. So really not a lot of Lanai is State Land Use Urban, okay?

Yeah, next slide. Well, let's get -- yeah, what was your question, if you don't mind, Commissioner?

Mr. Rabaino: Yeah, I'm Jerry. You said was 49% is Conservation?

Ms. Thackerson: Yes, this was taken from the State Land Use website and that's what they have posted.

Mr. Rabaino: It's all statewide then?

Ms. Thackerson: Statewide, yeah.

Mr. Rabaino: Not for Lanai.

Ms. Thackerson: No, we don't have it broken down by island. We don't even have one for Maui.

Mr. Rabaino: How come?

Ms. Thackerson: You know what we should call the State. If I could have a nickel for every time I want them to break it down for the other island. They go, we have one for Oahu. I said, I don't live there.

Mr. Rabaino: Okay so can you go back to your Lanai?

Ms. Thackerson: Yeah, they don't have the percentages like in a little pie chart. They just show you this.

Mr. Rabaino: You have seven, and then you get from the north side of Lanai where it's tan color it's all rural, right?

Ms. Thackerson: Yup, that's what it's zoned. I mean not zoned, that's what the State Land Use is.

Mr. Rabaino: Okay. Down the harbor you have another -- K-pau Harbor, Kaumalapau Harbor. Okay, it's rural, so what, they going, they can build over there?

Ms. Thackerson: Rural possibly can. It's very limited in density because it's rural, but as far as State. But then you also have to look at the community plan and the zoning because they all have to match, they all have to work. So if one of those is out of order it cannot. But if they all match, if it's rural and let's say it's community plan, single family, or it's community plan, rural, which allows you do one homes. Depending upon the community plan what you guys . . . (inaudible) . . .

Mr. Rabaino: Okay, let's go down to Keamoku Highway.

Ms. Thackerson: Okay.

Mr. Rabaino: You see that little tan down there that's almost midway down?

Ms. Thackerson: Okay.

Mr. Rabaino: Is that designated rural too?

Ms. Thackerson: Yeah, all the tan is rural.

Mr. Rabaino: Oh, my, god.

Ms. Thackerson: And this is available on the State Land Use website.

Mr. Rabaino: Okay. Well, they gotta improve the road down there. Well, thank you.

Ms. Thackerson: Yeah, you're welcome. What is the light sky blue? That's urban. Yeah, that's urban. So that's why I say you see it by Lanai City, you see it by obviously the airport because, you know, that's going to urban. And you see it down at Manele. And then I guess there's a little bit maybe where -- is that -- and I'm not familiar, is that when the old, the old Lanai Resort used to be?

Mr. Rabaino: Is that Club Lanai?

Ms. Thackerson: Is that what that used to be? I don't want to date myself.

Mr. Rabaino: Well, we called it Club Lanai. Yeah, Club Lanai.

Ms. Thackerson: Okay, I don't want to date myself.

Mr. Rabaino: Well, just the history is Goro Hokama that Club Lanai could open if they hired Lanai people. So that's why it was Club Lanai.

Ms. Thackerson: Yeah. So that's also got the State Land Use for that. But then most of it, you see most of is Agriculture and Conservation.

Okay so we were going through the zoning layers. So we went through the State Land Use, so now we're on to Community Plans. And your previous plan was the 1998 plan, you know, and you guys have updated it, and it's gone to Maui County Council and that was approved back in 2016. And that's great because we're still working on some plans for a lot of the Maui community plans and they're, they're struggling on some of them, you know. It just takes a long -- it's a process, yeah as you guys know, but fortunately your plan was done 2016.

Okay, so now, you know, going down, going down the triangle. So I've got State Land Use, we have Community Plans, right, so we're now onto Zoning. So what is Zoning? And Zoning is our Title 19 in the Maui County Code. And Zoning encourages the most appropriate use of land. It hopes to conserve and stabilize property value so you know if you buy a piece of land what you can do with it. Prevent certain uses that would be detrimental to existing uses. You know, you don't want to have a school next door to a night club, next door to a tattoo parlor, next door to a church, you know. You want the zoning to make sense. It's kind of got to be coherent. And that's why it promotes the health, safety and general welfare of the respective districts.

So here's an example of some zoning and land use. This is just, you know, a zoning picture. It's not anywhere in particular. It's just an example of just different zonings. Single-family, you see how it's kind of by open space, but then it kind of goes into multi-family, and then by multi-family you see commercial so it, it makes more sense the way it's going. So you don't have a little puka of commercial like, you know, in the middle or something, right.

So just different zoning districts, there's different permitted uses and I'll get into that later. And zoning also regulates height, density. So this is just a little diagram showing you, you know, setback, zoning envelopes, the parking spaces. All of that is dictated in the zoning, and that's available online. You can look at. And so, you know, if you want to know how high your neighbor can build, or high something can build, and you know the zoning of parcel, you can look it up and make sure they're not building a six-story building when they can only build at two. But hopefully we would catch that first, okay. All right.

And so this is, this is just to be a funny a little bit and to also break the ice to get into how we're doing a digital mapping project right now at the County. And so right now our zoning maps look like this, the original copies. They're held together with scotch tape and they're crayon and we roll them out very carefully. And so what we're doing is converting them into digital zoning. We're putting them online so that will be available for the public, everybody can see it. And in the process of doing it there's been a lot of a little mapping errors, kind of like the one that you had today. I don't know how that occurred but, so, you know, when you draw a line with a crayon it goes outside of the line. But as technology gets better and you start to see those parcel, you know, that crayon line maybe you're saying someone's backyard is like, you know, a drainage channel or a road when it's not. So when we turn it into a digital map we're going to have to be coming forward with a lot of corrections. We're just, just making it reflect what it actually is, okay. And we actually have a joke; we call this the dead-sea scrolls because they're so held barely, barely making it, okay.

So this is kind of going over it. We're replacing the County's official paper maps with digital. It will be available online for public use. It will confirm the existing zoning of all parcels. Everyone will know what they're supposed to be correctly. And we're taking it one island at a time, and we're doing Maui's first. Okay. So when we come to you guys we'll have all the kinks worked out, right.

Okay, so it will confirm the zoning accurately and efficiently. It will provide greater public access. How nice that you can just go online and look things up instead of having to fill out a form to request the zoning. It will reduce zoning determinations by the department staff because right when people, you know, verify their zoning we have -- it's a lot of paperwork and so it will be nice to have it available.

Okay, so now I'm going to just kind of get into a slightly little about the Department's role and the Commission's role at these meetings. I'm not Corp Counsel. I don't know if you guys already went over sunshine law and things like that with our Corporation Counsel and they were very technical and all the things you should and shouldn't do. But this is just kind of more of an overview from the planner's view of our roles, just so you know a little bit about what we do. Just kind of a housekeeping.

So the planner's role is to get the project ready for Commission and for Council. So this can take anywhere between months to years depending upon the size of the project. So when projects come in, they usually do a pre-consultation review. Like I said before, applicants come in and they want to know what permit we should do, or how can we make this -- you know --. And this is when they're just thinking about the project and they don't know the best way to approach it or go about it so they meet with us. After that and they get their project all ready and they want to submit, that's when they do the initial application review. And we just review the application for completeness because we don't accept incomplete applications. It just wastes everybody's time, right. Junk in, junk out. So you don't want to do that. So you want to make sure that when applications are coming in they're complete. You should see some of the ones I used to get when I first started working here and we didn't have that rule. I didn't know if somebody was building a dog house or a regular house. I couldn't tell from the information they were giving me. So now it's gotten a lot better that we only accept complete applications.

After that the planner and the applicant have some time to refine the project. Maybe I review it and they've missed some things. They want it to be too tall, it's too dense, or we just think it's bad planning. Right? Sometimes they propose a project and I'm like why do I have to drive my car out of this lot and go back around and go over here to into this? You know, so sometimes the planner can have some say, you know, perhaps in good design. You know, do they want walkways, do they want sidewalks? What makes a good community, okay?

After that if there's an EA or an environmental assessment as applicable, then they might have to submit that with the applications. I'll go into those a little bit, in a little bit. Then the application gets sent out for agency review. So after I've deemed the application okay by me, I have to then send it to all the other departments because I'm not a water engineer, and I'm not the Fire Department, and I'm not the Police, and I'm not all those agencies and they're all specialists in what they do. So we send the project out for them to get their comments on it.

After that they bring me -- they send back all their comments. If they want the applicant to change something, the applicant has to change it. That's where they come back and they might say, oh, your water line is an eight-inch line and you need a 10-inch line because you're increasing the use or something, then they have to amend the project. And they can't say, like, no, we don't want to do it because we have to come before you guys later and then you might say, why did the Water Department ask for this and you're not giving it to them? Right? So we want to hold everybody accountable to all the different divisions.

After that they can tweak it a little bit more to satisfy all the different agencies. We always encourage the applicant to meet with the public. You don't want to get surprised at a planning commission meeting or at a County Council meeting. That's not the time to learn that your neighbor doesn't like the project. You want to find that out in advance, and talk to them. Nobody likes to get a little piece of paper in the mail that says, hey, I'm doing this. I like to get a knock on my door from my neighbor that says, hey, I'm thinking about proposing this. That makes me feel a lot better. So we always encourage the applicants to meet with the public or go to their direct neighbors and speak with them.

And then after that we'll write our staff report and recommendation for you guys. Those lovely thick packets you always see. We work so diligently on those. And then it's finally ready for your review. That's why it takes so long from projects -- from when they propose them to get before you. And also we did have the Maui Planning Commission ask us before why are you always recommending approval? Why don't you recommend denial? I said because they don't make it to you guys for denial. If we -- if I said I was recommending denial, the applicant would fix the project, and would change and would meet whatever I want until I can recommend approval. That's why you usually only see recommendations of approval. Because you've gone through this whole process already before it hits your hands. Okay?

So in the staff report and recommendation you'll usually see a project description, what regulations we're looking at that applies to this permit, all the agency comments. All those letters I got back from the agencies they get put in there with the applicant's response. Our analysis, any potential impacts, infrastructure, social economic, environmental, all the exhibits such as the site plans, elevations, including testimonies. Any written testimony we receive, faxing or snail mail, fax -- we still have a fax machine -- email, anything we receive we also give those to you and that's what you get usually in your staff report. And then our recommendation. And those are that little -- they're usually a different color. They're green, they're attached, and that has what we recommend subject to all the conditions that we've placed on it.

Okay so our role at the meeting, we're just, we're just here to provide -- the planner's role -- we're just here to provide the facts and mitigate a little bit between the Commission and the applicant, be a go between and analyze it to all of the regulations, ordinances we have, as well as all of our zoning. We'll discuss public issues and concerns. We'll present the project. We'll answer questions from the Commission, but we don't represent the applicant. We represent the Department's position on the project. But we're not advocating for the applicant.

They usually hire a consultant to do that. So that's just something we wanted to clarify because sometimes the Commissioners, you know, can be, can ask staff, you know, oh, how do you feel about this? And it's like, well, how do I feel? I'm not representing the applicant. I can only discuss the facts and how it is according to all of our ordinances that are in place.

And then your role, after you're given all that information, all that lovely work, overwhelming amount of paper that we've now shoved at you and asked you to read very hurriedly. Your role is to use your wisdom, and balance in decision making utilizing the Federal, State, and County laws and regulations with consideration of your island issues. Because really that's what you're here for. That's what you've --. You know, we depend on you guys to make these best choices because this is your community and you should know best of how it's going to affect it, right. We can only look at for State laws and County laws, but you guys live it and know what's best for the community, and therefore you can balance and make these decisions. That's why you can amend conditions, you can take away, you can add, you know, you can deny, you know. We don't like that. You know approve, that's good. So anyways, we just, we leave it up to you guys. We just do all of the ground work and then it's up to you guys to do make those important decisions. I'm glad I'm not in your shoes. Oh, yes?

Ms. McCrory: . . . (Inaudible) . . .

Ms. Thackerson: Oh, you guys do. How nice. But don't tell the other Commissions that. I'm sure Molokai and Maui would like that. She said that you guys send -- that they send you the applications. Yeah, we don't, we don't send the Commissioners for Maui and Molokai the applications. They're public, anyone can request them, but we've condensed them down into just the staff report and recommendation. They don't get to see what -- the other Commissioners, Commissions don't get to see what the applicant actually applied for in its, in its original state. Yeah, so that's really nice. No, none of the other Commissioners gets that. If they would like to request a copy they can request a copy, but they only see what we have provided to them. They don't see the initial application. Yeah, don't tell the other Commissions that.

Ms. McCrory: . . . (Inaudible) . . .

Ms. Thackerson: Yeah, no, that's great that they -- you can see it from the beginning so that you can see all of the changes that have been made from what was originally proposed and then how it gets worked down until what gets actually recommended for approval. Because projects change a lot from when they first get sent in to what actually the Commission sees.

Ms. McCrory: . . . (Inaudible) . . .

Ms. Thackerson: Oh, after we deem it complete. But they still can change with agency comments. Yeah. Yeah. So here's kind of -- this is so cute. So we've got the County Council on top and then, you know, we've got Lanai, and Maui, and Molokai Commissions, planning commissions. And then you guys -- there's other boards and you might see comments from

them sometimes. And they're not really approving agencies. Some of them can be for certain projects such as Cultural Resources Commission. They, they have the authority to approve certain design guidelines in historic districts. But we have Cultural Resources Commission, Urban Design Review Board, the Board of Variances and Appeals, Maui Redevelopment Agency, and the Arborist Committee. So we, we send a lot of these things to these boards even before they come to you to get their comments. And you guys, just as we rely on the other agencies you guys should be relying on these people for what their comments are, you know. Because, you know, rely on your Urban Design Review Board. That's a board made up of architects and great people who know design. You know, rely on your Arborist Committee because I don't know anything about trees. So, you know, rely on them and look at their comments because they're going to just help you. They're just giving you comments to support these decisions.

Okay, so we've got --. There's the Lanai Planning Commission and you guys take -- there's a little public testimony. I'm showing you where all the times where the public can have input and say in these things. And then we have the Urban Design Review Board, Arborist Committee, Cultural Resources, other Federal, State and County agencies -- oops -- other Federal, State and County agencies, as you can see each of these times, the public is allowed to come and give public testimony. It's not at just at the planning commission. They can come to the Urban Design Review Board, to the Arborist Committee, to the Cultural Resources Commission and give testimony as well. So we usually like to include that as well in your staff report because sometimes people can only make it to one meeting. I know it's hard especially when the meetings are during the day, you know, and you have to take off time from work. So, you know, like I said, Urban Design Review Board, the review project design. Arborist, you know, trees, trees of exceptional. They can nominate exceptional trees, provide recommendations. And the Cultural Resources Commission, you know, they're great. They look at, you know, archaeological monitoring plans, how things are going to affect historic towns and just take care of our cultural resources.

And these are all the different agencies that I was talking about earlier that I send projects out to before it comes to you guys. We've got our Department of Environmental Management, Fire Public Safety, Housing and Human Concerns, Parks and Rec, Planning, Public Works, Transportation, Water Supply and Department of Health. And that's not even including all of the State ones too. We'll send things out to DAGS, you know, and we'll send things out to the Department of Transportation in Oahu and things like that, so there's a lot of agencies that come into play.

So the approval process generally and I believe this is accurate for the Lanai Planning Commission, you guys see SMA Exemptions? Correct? When there's SMA Exemptions they come before you, okay, and that needs review and that can take anywhere between two months to a year sometimes for exemptions especially now, I put up here, the FDP. That stands for flood development permits. Those are taking quite some time to get out right now. We got audited by FEMA and so they just want to make sure that they see everything. Maui County does a really good job with their flood plains so that's good. We're in good standing

with them. We want to stay in good standing with them so the permits take a little bit of time to get out.

Then there's also SMA Minor Permits which I don't believe this body sees. I believe in your rules. Oh, they see them -- it's administratively? Yeah, that's how it's written in the SMA Rules for this Commission.

And then also before this body you guys will see permits with a change of use or intensity and that's your Special Use Permits, your Conditional Permits which I'll get into later. So let's just go to those. So these are the permits that you guys normally, you guys could see okay. So we have County Special Use Permits and these are special uses. So going back to the zoning you have -- let's say it's zoned residential, okay, you can build a house on it, single family house, no permit needed for land use. Building permits you need, but land use that's an entitlement, that's entitlement. It's zoned single family, you can build a single family house on it. Let's say you want to build a church and if churches, if it's listed in the County Code as a Special Use, then you need this permit, a County Special Use Permit, okay, to go into the area. And you guys are the final authority on those. So if anybody wants to do something that's deemed a special use, they have to come before you guys, you guys hold a public hearing, and you are the final say on those permits.

Okay, a Conditional Permit, now this would be use that is not listed. So let's go back to that example, single family. Permitted would be a single family house. Special use might be the church. Let's say the guy wants to run an auto body shop out of this, a car shop out of it. Okay, that's not listed in the code as a special use, or accessory, or anything. So then they have to do a Conditional Permit, and it does have to be similar, related or compatible, so I don't know if the auto body shop is a great idea. But you guys will hold a public hearing, and you will provide a recommendation, but Council is the final say on that one. Okay so for special use, you guys -- the buck stops with you guys. Conditional permits, you guys give a recommendation, but Council is the final authority.

And then we have Planned Development, and I don't think you guys have any planned developments here. They just --. You guys have Project Districts. Yeah, that's the next slide. So they're very similar except that planned developments are an overlay district while project districts are their own zoning onto themselves and it's gone to Council. So it's done in three phases. As you guys have seen before there's phase one, and that's the public hearing and you guys give a recommendation onto Council. Phase two you guys kind of approve the preliminary site plan. And then phase three, the department approves the final site plan. And so that would be Manele. That would be your guys project district as you kind of see phase two and phase three because phase one has already been done so you guys see more of those as they come in.

And then of course you would see Change in Zoning applications, and that's if someone wants to change their zone. So that guy that wants that auto body shop, maybe he wants to change his zoning from single family to commercial. Okay, so then you guys would hold the public

hearing and you would give a recommendation, but the final authority would be Council. Okay, although Council does take very strongly into consideration what the commission had to say because you're the ones who know. That's what we're going back to earlier with we trust you guys and we need your opinions.

So that's, that's about all the permits that, you know, for the land use that are in Title 19. And I'll briefly talk about EA and EIS which are Environmental Assessments and Environmental Impact Statements, okay. So Chapter 343, Hawaii Revised Statutes is the ordinance for EA and EIS, and it was adopted in 1974. And it's all about environmental, social and economic consequences and it also assures public participations. That's what's so big about the environmental assessments. We're making sure the public gets a role in what's happening. And it encourages conservations of natural resources and it enhances quality of life.

So not all projects require an EA to be done. Only projects that have a certain trigger, and the triggers are listed here: State and County lands or funds, conservation district, shoreline areas, designated historic sites, any changes to the County general plan, conservation district lands -- oh, I already said that one -- helicopter facilities, waste water facilities, waste energy facilities. All of these are ones that are triggers. Okay, but just because your trigger doesn't necessarily mean you have to do them. There's also exemptions to these categories. Like let's say you have, like, you know, the airport is located on State or County lands or funds, right. Is the airport -- or is it private? Oh, it's private. Okay, so the harbor. The harbor is State land, right? Okay, so they need to come in. Originally when they're building something they need to do an EA. But, if it meets one of these exemption classes, they can be given an exemption which could be operations, repairs, or maintenance. Because once you get a permit for it, you don't need to come back and do an EA all over again if you just want to repair it, okay. Replacement or reconstruction, it has to be in the same size and scale, it can't be more. New, small facilities or structures. Condition change in the condition of land, water, vegetation, data collection or research. Minor structures accessory to the existing facilities. Interior changes. Demolitions. Zoning variances and administrative activities. Okay, those are all exemptions to do an EA. So usually the EA gets done when the project's being proposed and being done the first time around and they just do the whole thing, and that's why those ones are usually very large applications. But then after it gets approved and you want to do a little, you know, I mean if they want to do interior renovations or repairs, then, then they can qualify for exemptions moving forward.

Okay, so as you can see this is a great picture of why we try to have EAs. You can see there's exposed soil above the highway. And when it rains, guess where it goes? All down into the near shore waters and we see that, and it's, you know, it gets into the water, it raises bacteria levels, it coats the coral reef, nobody wants to go in there, it's sharky looking -- that looks sharky to me -- so nobody wants to go in that, okay. So the significance criteria that you're supposed to weigh the EAs when they come before you against are, you know, is it a beneficial use of the environment? Is it protecting our natural and cultural resources? Public health impacts; we don't want it to degrade the environmental quality. Are there any endangered species that are being threatened? Air and water quality, scenic view planes,

and energy consumptions. So these are all things that you should be taking into consideration when you're looking at the environmental impact statements and the environmental assessments. And if anything is being affected the applicant is supposed to do their best to mitigate the impact. So such as this example this picture above, you know, it doesn't mean that just because they were doing construction up there they weren't allowed to do it. I mean, they could have mitigated this impact. They could have put up silt filtration things. They could have put something in to place to protect it so this wouldn't occur. Okay, so that's why, you know, an EA might say, oh well it is being affected. Yes, is it being affected, but can it be mitigated? And if it can be mitigated, then yeah, you can approve the EA. Okay.

So that's all. I'm sure you're done hearing from me. So the last two slides I just kind of put some links. Oh, that's supposed to say the Lanai Planning Commission page because I have the Lanai link up there. So I just, I just kind of, you know, put those on so if you want to look at anything. If you don't believe, you know, you better check for yourself because you can never know what I could be saying up here. And, yeah, so anyway is there any questions I could take you know? I know it's a lot of information and it's kind of hard. It really, you have to take it as applications come in. Like what are we looking at today? And then the planner's job is to tell you, you know, like today we're looking at a special use permit and this is why, and these are the regulations that you're supposed to look at it against. And that's how you're supposed to make your decision, looking at those regulations and seeing if it matches or not. That's the criteria that's laid out before you, and your Corp Counsel is supposed to do a real good job of reeling it in. So we'll take a minute. Maybe if the chair agrees that we just take a minute recess so she can set up her presentation and you can, you know, stretch for a minute.

Ms. Green: I think it's an excellent idea.

Ms. Thackerson: Okay, thank you.

Ms. Green: So let's take, what, five minutes is enough?

Ms. Thackerson: Yeah.

Ms. Green: Okay, we'll come back, how about 10 to seven.

Ms. Thackerson: Well thank you so much.

Ms. Green: Okay, thank you Candace.

(The Lanai Planning Commission recessed at 6:42 p.m. and reconvened at 6:50 p.m.)

Ms. Green: Go on with our training session now it's time. Are you presenting Kim?

Ms. Willenbrink: Yes. Good evening again Commissioners. I'm Kim Willenbrink, staff planner, and I'm here to discuss a little bit about Bed and Breakfast (B&B) homes and Short-Term

Rental Homes (STRH). Bed and breakfast is Chapter 19.64, Maui County Code, and short-term rental homes are Chapter 19.65, Maui County Code. And before I continue on, I do have handouts in front of you of the two chapters and the most recent revisions and that we will discuss further on in. But you can find that online as well.

I think you can look over here. Okay, the County Council passed the B&B ordinance 3611 in 2008 and it was recently amended and...in 2018 by ordinance 4865. The County Council passed the STRH ordinance 3941 in 2012, and the most -- it's been amended several times, but the most recent amendment occurred in 2018, 4830 ordinance number.

The purposes of the ordinances originally were to establish a permitting process includes standards and restrictions for the operating of these establishments. And it was to allow small businesses an opportunity to benefit from local tourism. And it is also to provide a visitor experience that is an alternative to hotels and resorts. A good example would be I recently approved several bed and breakfast on Maui in the State Agricultural District; that requires a farm plan, and the farmers really want to share their produce, share their mana'o, and give, show them the experience of who to table, for instance, and how they can enjoy their farm as well. And it does help them in the sense that they can derive an income to continue farming because we all know farmers have a very difficult time farming.

There are a few basic distinctions between the two. Bed and breakfast, the applicant must live on the property. They're not required to live in the same dwelling, but they are required to live on the property. This is not the case for short-term rental homes. They must have a manager, but they do not -- they are not required to live on the property. And the manager must be a licensed real estate agent, the applicant, or a family member, except in Hana and Lanai community plan areas, that requirement is lessened. The manager must live within 30 driving miles, and they must be available within 24-hours or it is considered a violation of the permit.

When we created the ordinances we placed caps on the amount of B&Bs and STRHs that can be in the certain areas, and they are basically the same. However, the Hana STR cap is at 30 and while the B&B cap is at 48. And in the Kihei-Makena district, there is a cap of only five in Maui Meadows area.

And the next two slides will show where we're at with these caps and how well the ordinances are moving along. In Hana, the cap is 30 for STRHs and there are currently 18. B&Bs, 48, and there are currently 10. Kihei, 100, and currently 41 STRHs, and 38 B&Bs. I don't see where I put the cap for the B&B's. Sorry about that. Makawao-Pukalani, there are currently 10 STRHs, and 18 B&Bs, with a cap of 40. Paia-Haiku, cap is 88, 43 short-term rental homes, and 43 bed and breakfast. Wailuku-Kahului, the cap is at 36. There are six STRHs and nine B&Bs. And in West Maui, there are 88. I think that says 56 and 10 B&Bs. Lanai and Molokai have no caps.

There are similar requirements for each. The, the, the guestrooms are allowed and no more than two dwellings. And there are no more than six bedrooms on a property including both dwellings, except for Molokai where they are only allowed three. Each of the applicants must have GED and TAT licenses and show them proof of tax payments at rental time. And the permits must be held by a natural person, not a corporation. I might just interject here that the application process takes quite a while. There are consultants that people do hire. And if you were to go on the website, the applications are available on the website, you might be very interested in looking at the checklist that are the requirements for this. And as Candace pointed out earlier, a completed application is quite important, and we try to catch that when they bring them in and pay their fines, but sometimes we don't catch it and when an incomplete project, it really delays the process because we have to make these requests and then we set it aside, get more additional projects, and then it just belabors everything.

There are a few pertinent requirements. They are required to list house policies. The ones I've listed here are the minimum house policies, but quite often applicants add additional house policies. Maybe they want their quiet hours to end at 8:00 p.m. Maybe they want shoe removal, sands not thrown throughout the house, things like that.

Short-term rental homes, there are no group gatherings allowed, period. B&Bs must serve breakfast. I mean, guests don't have to eat the breakfast, but must make it available to them.

Currently Chapter 19.65 requires the dwelling to be at least five years old before they can put an application, and one of the amended forms that you have in front of you just recently passed. Ordinance 4830, 2018, now requires owners and operators to have owned the property for a minimum of five years. And the obvious reason that we've done this is that people don't come straight from the mainland, buy something for that particular reason. It's also a way to help offset the affordable housing rental crisis that we're having right now.

ST requirements; two-foot square sign, 24-hour telephone number, and a telephone number for the department and the manager must be listed. There is some STR specific language for permit revocation or non-renewal, non-renewal. And I might just mention here, you might just read down these, in 2018 budget session, the Maui County Council set aside \$80,000 for the department to hire a firm to start really cracking down on the enforcement of illegal rentals which are there are many, many, many, many. They are just about ready to start action. I mean, I think we're within a few weeks, but even now the zoning inspectors are really cracking down and trying to find these illegal permits and it's happening pretty regularly. Each week they're asking us, is this permit been renewed? Do you see a permit anywhere? And we're grateful this. These are more, more reasons. Pretty obvious.

And there is in the STRH ordinance this section here that says, "any dwelling unit developed pursuant to Chapter 201H, Hawaii Revised Statutes, or Chapter 2.96 of this Code, shall not be used as short-term rental homes." And this is about 201H project, our affordable housing project at the State level, and at the Maui County Code level, that's the workforce housing section.

The properties are not entitled to receive homeowner exemptions on B&Bs, and B&Bs are taxed as commercialized residential. During this last budget cycle, the Council set up a special short-term rental home tax classification and they are taxed much higher as you can see at \$9.28. And that's just shy of the hotel tax classification which I think is \$9.37 or something like that.

When they come in for their application they apply for one-year, and it's a \$650 non-refundable application fee. And if it gets approved, generally, they request three-years for an additional \$400 so they don't have to continue to come back year after year after year. However, the Director or the Commission may approve a lesser time if there's opposition or if they don't feel quite comfortable with the applicant. This is enforcement and this is what I was just talking to how we are really cracking down. Enforcement would be advertising, operating without a valid permit is prohibited. Evidence of operation may include all of these different things, and if it is found that they are operating illegal, if they have no permit at all, they will be put on a ban list for five-years. If they are in the application process, that application will be closed and they will be put on the ban list for five-years.

Most permits are approved administratively by the Department. However, permitting -- these are triggers for your Commission. If the permitted B&B operating with 500 different...distance or if there is protest comprised of 30% or more owners; these are all triggers to come before you. And I'll show you the short-term rental home slide, same, similar. If protest comprised 15% that is if there is 40 units within a 500 square foot district, and 40 units or more would be the 30%. I bring this to your attention because I understand that you have never had a permit come before you for review and recommendation. However, you will. I don't know how soon. We just received a permit recently and as Candace said it can take a little while to get through the process period. But that will come before you and we can help in anyway with your first time.

Finally, if a permit is revoked or disapproved for whatever reason, the applicant does have the right to appeal the decision to the courts. And the court reviews the procedure and the official record minutes of the meeting. And the decision and order with the findings and facts and inclusion of law would all be included in that decision process. Recently as last week one did go to the courts. And I think it's the first time, and I'm not sure of the outcome of that so that will happen.

And that's the end of my presentation. Yes, hi.

Ms. Green: Yes Commissioners.

Mr. Rabaino: There's a house down on Kaumalapau on Houston. Yeah, Houston.

Ms. Willenbrink: Yes.

Mr. Rabaino: It's a corner lot. It says short-term rental, but right above it says for sale. What happens if that bed and breakfast sells with a new owner?

Ms. Willenbrink: It is not --

Mr. Rabaino: Is that transferred?

Ms. Willenbrink: It's not transferrable.

Mr. Rabaino: They have to reapply?

Ms. Willenbrink: Right, they have to reapply.

Mr. Rabaino: The new owners.

Ms. Menze: And they have to own the house for five years.

Ms. Willenbrink: That will go into effect in September.

Mr. Rabaino: Thank you.

Ms. Willenbrink: The only time a permit is transferrable is to another family member if the family, that person passes away...in both cases I believe. If...if the permit -- and I don't know if that's in your case here -- but if it is on State Agricultural land, they also have to apply for a special use permit and that automatically goes before a planning commission for approval. And that is what the planning commission approves is the special permit. And then the B&B or the STRH would get approved administratively by the Director.

Ms. Green: Thank you. Are there any other questions from the Commissioners?

Mr. Rabaino: Yeah, on your page three where it says -- the middle block where we...with caps -- it says Lanai no caps.

Ms. Willenbrink: Yes.

Mr. Rabaino: And no bed and breakfast, but we have some bed and breakfast in Lanai City. Not really?

Ms. Willenbrink: I don't know if there's any bed and breakfast. You have short-term rental homes. I do not know why when they passed the ordinances there were no caps. Maybe that was at the request of Molokai and Lanai.

Mr. Rabaino: Just out of curiosity, is Dreams Come True a bed and breakfast?

Ms. Menze: No, they're . . . (inaudible) . . .

Mr. Rabaino: Oh, short-term rental. Okay, Kepa moved away, so if he sells his place, his place is what? Gone? So the new owners --. Oh, they don't want it. I mean it becomes residential. Okay, thank you.

Ms. Green: Concerning the caps, this keeps on coming up and I'm sorry I can't always remember where this sits, but Lanai did want to have caps and I understand it's somewhere in the works. And I cannot remember exactly what the situation is but we did want to have caps way back when this was originally happening.

Ms. Willenbrink: Okay.

Ms. Roxanne Catiel: I think this was already heard on May 16th for Land Use 40.

Ms. Willenbrink: Oh, in the Land Use Committee.

Ms. Catiel: Land Use Committee.

Ms. Willenbrink: For caps.

Ms. Catiel: For caps.

Ms. Willenbrink: What was that date?

Ms. Catiel: May 16th.

Ms. Willenbrink: Thank you. May 16th.

Ms. Catiel: It, it was on the minutes, but then we had -- when the Planning did the recommendations and comments on Lanai, it wasn't listed on there.

Ms. Willenbrink: Okay. I can check on that for you.

Ms. Catiel: So there's no cap right now.

Mr. Rabaino: Shall we change it?

Ms. Green: Jerry, I think there is something happening within the County and I'm sorry I cannot remember, but I know this issue has come up repeatedly.

Ms. Willenbrink: Okay.

Ms. Green: And so if somebody could give us something in writing so we can remember that would be great.

Ms. Willenbrink: Yes, I can follow up on that. Bob Carroll is the chair of the Land Use Committee. His committee is really heavily loaded right now, but I can check with Council Member Carroll and see where, if they're going to be able to put that another agenda and I can get back to you on that. Does that sound like a plan?

Ms. Green: Yeah, that would be very much appreciated and I think that sounds right what you're saying that it's gone to, to his committee.

Ms. Willenbrink: Yeah.

Ms. Green: You could also check with Michele because I know she's told us in the past what the situation is. I'm sorry, I just don't remember.

Ms. Willenbrink: And depending on what the actual bill looks like, if it came from the administration it will automatically roll over to the next Council term so it will not die and go away if that is the case. Another thing I wanted to say...I cannot remember. Yes?

Ms. Thackerson: Candace Thackerson, staff planner. On that point, we can -- when Clayton is here next time, we can have Clayton give you guys an update on where that's at because I'm sure he know. We all know Clayton remembers everything.

Ms. Green: You know, and I think what you've said is exactly what he's told us. It has to go to Committee --

Ms. Thackerson: It has to go to Council. It's election year.

Ms. Green: -- and which is --

Ms. Thackerson: Yeah, yeah. So I'm sure Clayton will probably know exactly where it's at.

Ms. Green: Okay, thank you. Well we'd like to keep, you know . . . (inaudible) . . .

Ms. Thackerson: Yes, of course. That's what you've got to do.

Ms. Green: Are there any other questions?

Ms. Menze: Yes, I have a question. I mean, it's kind of silly, but on your short-term rentals, no group gatherings. What's a group gathering? Is that like having a party?

Ms. Willenbrink: Yes. For the short-term rental homes, only one group is allowed to rent the rooms out. However, bed and breakfast, they don't have to be related in anyway. They could

-- one group could rent this guest room, another group can rent this guest room, and another group can rent this guest room. That's why they require more parking stalls. The STRH, in order to limit this because we have had definite complaints, is to require only one parking stall for four bedrooms, thinking that the family will only need one rental car. If they need more, then they can work that out with the owner.

Mr. Rabaino: Okay, Chair? I need clarification. You say group gathering. Okay, I'm going to break it down. Is group gathering mean family reunion, they want to rent the house because they have a baby baptismal and there's no other housing rental available, family reunion, let's say class reunion? Yeah, okay, can you give me clarity on that?

Ms. Willenbrink: Yes, and yes, and yes. Weddings. We've had people who come and rent for weddings, and then some of their guests also stay there and you know how weddings can really go late into the night and get very loud. And so we've had some violations in that area as well. I will say I do not know where the Lanai Planning Commission or the Molokai Planning Commission stands, but the Maui Planning Commission is much more favorable to bed and breakfast homes because the owner is onsite.

Ms. Green: Okay, are there any other questions? If not, I have a couple of questions. You said you hired a firm to do, to enforce the rules.

Ms. Willenbrink: Yes, ma'am.

Ms. Green: I assume they're going to be operating on Maui. Are they going to come to Lanai, or is there going to be a hotline that people can use to contact these people if they feel that there's a violation?

Ms. Willenbrink: If you feel there is a violation -- let me start there -- if you find something that you think is operating illegally, you can go on to the Maui County website and in the little search box, search for request for services, and then you can register your complaint there. And, for short-term rentals and bed and breakfast, it's the only time you can file that request anonymously. For all other permits, you have to provide your name.

Ms. Aoki: Hi, Kathleen here. I just want to go over this. This firm that we've hired, they're not doing enforcements, so I want to make that clear, that they have not been hired to do enforcement. They have been hired to do computerized algorithm checking of websites to see who is advertising out there for short-term rental homes. So they go in, they run these kind of high equipment and algorithms and computer programs that we don't have. They get a list, and right now the preliminary list came in. It's over 5,000 on Maui. And so they let the Department know here's what we found, here are the addresses. Because that's the number one problem is that a lot of these B&Bs or I should say short-term rental homes, when they advertise on websites you'll notice they don't put an address. So people make complaints, but we don't -- there's no way of knowing where they're at. But these kind of companies can come in, and however they figure it out, they can get GPS points and figure out where these

people are located. So that's the number one problem for us. So that's why we've hired these people. We, right now, it's been determined as far as I know that it has to be the Planning Department that does the enforcement. We are charged with that. We are not allowed to give an outside contractor the ability to go in and actually enforce and send a notice of warning. So they will give all that information to us, we will send out the notices of warning. But it's a huge, huge help because it's very, very difficult to try to locate these properties.

Ms. Green: So are they doing great Maui County or just Maui?

Ms. Aoki: That, I'm sorry Caron, I don't know. I know the funding is not going to go very far, and we will probably be going in and asking for additional funds for fiscal year 20 --. Not, yeah, this fiscal year 2020, when we go and ask for the budget for next year which we're working on now. We're going to be asking for more money because it's just not enough, but it was a start.

Ms. Green: No, it's a great idea. And then I had a question. So when you find somebody who has violated it and you say okay now they can't apply again for five years and you've revoked their permit, etcetera, etcetera or if they had one, but are there any other penalties? Like, if somebody's been operating, never got a permit, been operating as a B&B or a short-term rental, is there any other kind of enforcement that you can do?

Ms. Aoki: Two things. One there's going to be a charter amendment that all of Maui County can vote on, that's going to be on the ballot, that say shall the County leverage fines up to \$25,000 -- \$20,000 or \$25,000 for illegal short-term. So, they're trying to. The State has also passed HRS, Hawaii Revised Statutes law, to allow for higher fines for people operating illegally. We do have the ability to fine. It, it just becomes difficult and complicated especially if it's hard to prove. So it's a matter of determining, one, where these are located. Two, do they meet the threshold of actually being considered because you have to prove that they're actually doing it. And that's why we changed the law because it never used to say if they were just advertising, so we had to change that. Because it got very difficult, people are saying, I see rental cars in that house. And then, oh, but that's my hanai cousin visiting me from so and so. How are we going to know whether that person is related to you or not. So the advertising became a key component and why we changed the law to say if we have proof that you are advertising that's it. So, that was very helpful.

So to answer your question, yes, I think the Charter amendment is just another way to try to make an even, you know, not a \$100 fine, not \$1,000 fine, but up to \$20,000, \$25,000. Do you remember what it was? Is it 20 or 25? 20, thanks. It was \$20,000. So, if that passes, that will give us a lot more leverage.

SMA, when you're in the SMA, you can look at SMA fines so that, that allows you that latitude of fines. But if you're outside of the SMA you're just looking at what we're allowed within our code.

Ms. Green: And I had one last thing and that was the street parking. In Lanai, sometimes there is no other option.

Ms. Willenbrink: If there's -- if the home only has street parking, they cannot apply, right. And if street parking does occur, that probably means that they do have uninvited guests there, and the neighbor -- that would be complaint driven -- the same way get on the County website and do the request for services.

I also wanted to mention that once we deem an application complete, and the neighborhood is notified within 500 feet, the planner assigned to the application does a site visit. I did three site visits this morning and to make sure that they are in compliance. And it's a very good thing because very recently on Maui we had to close one down because it was obvious. There are suitcases everywhere, you know. And so the site visit is key for us as well.

Ms. Green: Thank you very much. Commissioners, anybody else have any questions? Okay, thank you.

Ms. Willenbrink: Thank you Madame Chair.

F. DIRECTOR'S REPORT

1. [Proposed Meeting Schedule](#) for Calendar Year 2019

The Commission may take action to approve or modify the meeting schedule.

Ms. Green: Let's see, I think we are now into the Director's Report, proposed meeting schedule for the calendar 2019. Kathleen, are you doing that?

Ms. Aoki: Yes, so you should have in front of you the proposed schedule for next year. Next year, what's not on there is we, Maui County, is hosting the HCPO Conference, which is the Hawaii Congress of Planning Officials. So every year there's all state wide planning conference, and next year Maui County is hosting it. So, stay tuned, and we don't have a date yet, but we will. It will probably, normally it's somewhere around September, October. Otherwise, if there's any questions about the calendar.

Ms. Green: Commissioners, any questions? No.

Mr. Rabaino: Chair, I make a motion to approve.

Ms. Green: Do we have to make a motion on this?

Ms. Aoki: Not really, but no. But thank you Jerry. I'm glad you approve.

Ms. Green: Okay.

Mr. Rabaino: Well, it's all on a Wednesday so, you know, keep it the same.

Ms. Aoki: Yes.

2. Open Lanai Applications Report as distributed by the Planning Department with the agenda.

Ms. Green: Okay, thank you. There being no questions on that, the open Lanai applications report and then agenda items for the next meeting.

Ms. Aoki: Okay, so you have in front of you the open project TMK report. I would imagine it's not much different from last month's report. If you have any questions.

Mr. Rabaino: I have one.

Ms. Aoki: Okay.

Mr. Rabaino: The Hulopoe Beach Park, has the sign -- you have it open, yeah -- has it been...installed and completed?

Ms. Aoki: Hopefully Lynn can answer that. Do you mind, Lynn?

Mr. Rabaino: You have it open that's why.

Ms. Aoki: No, he's asking about the Hulopoe.

Ms. McCrory: They are in the process. Most of the signs, I believe, are up.

Mr. Rabaino: Yeah, I saw some.

Ms. McCrory: Right, but they still have a few more to install from what I understand.

Mr. Rabaino: Okay, and then the other one is, where's this one over here. Okay, we resolved the Kim Masse one so that would be closed, right, eventually. And then you have one over here, James Coon, Hale O Lanai. Is that still open, Hale O Lanai?

Ms. Aoki: The short-term -- that's a short-term rental, so yes.

Mr. Rabaino: That's open.

Ms. Aoki: They're all open. So they haven't come. They -- as was mentioned earlier, sometimes those can take a few months if not I've had one for that lasted almost two years before an approval was made so it might stay open for a little while.

Mr. Rabaino: Okay, and the last one is Lanai Bamboo Lodge. You have it closed, right. So what do you mean by closed? He sold the place or is it still a rental? Richard Widmaier, the Bamboo Lodge. What do you mean by closed?

Ms. Aoki: Jerry, I, I don't know. So I'm sorry I don't know why close is on here and it's still printing out, so...we can ask the staff planner, Jared Burkett.

Mr. Rabaino: The reason I'm asking is because you have construction workers there, so, you know, what is it? Rental to open for regular rentals or whatever it is, bed and breakfast? Give us some kind of explanation on the next OPD if can.

Ms. Aoki: Yeah, oh definitely, we'll have an update at the next meeting.

Mr. Rabaino: Thank you.

Ms. Aoki: Thank you.

3. Agenda Items for the September 19, 2018 meeting.

Ms. Aoki: And then Madame Chair, for the next meeting, right now we don't have any items for next month. Okay.

Mr. Rabaino: On the next one I would ask -- I think Lei remember -- can you give us more definition on the, the ag land one, from the pineapple fields. Is that still --? I want to know the dates when Murdock sold. Yeah, we know when Murdock sold, but what happens to those agricultural lands when Ellison inherited through the purchase.

And then the other area that I'm also interested in is because Kaumalapau, we have a lot of visitors when we working down there, Coast Guard, you know, all these guys because they want to redevelop that area on the wharf which is State property -- I know you guys County - - but can you give us some update or feedback on data? That would be quite interesting.

Ms. Aoki: Okay, so just so I can make sure I'm understanding you, Jerry, because, sorry, I don't -- what do you want for the ag definition of ag land?

Mr. Rabaino: Well have the State concluded what design because they met at the union hall and I attended both of them. They haven't come back with a follow up program on which designated...do they have A, B, C plan how they was going to design and construct the harbor

port? Because the number one concern right now is will that harbor be open to fishing for Lanai people?

Ms. Aoki: Okay, so is your question on the definition of ag land and the harbor the same question? No. Okay.

Mr. Rabaino: No, no, they're two separate.

Ms. Aoki: Lynn?

Ms. McCrory: DOT harbors, Jerry, has not made a decision yet on whether they're going with Plan 1, Plan 2 or Plan 3 so it's still all up in the air. And then your question on when Ellison bought the land, did the zoning change? No. You have to go in and apply for a zoning change.

Mr. Rabaino: Okay, what about --. Okay, I'm going back to K-pau, Kaumalapau. There's a - - okay, you have the standard oil, yeah, and then below the standard oil is that vacant lot where everybody turn around and etcetera, etcetera. Okay that is still -- is that designated as Pulama land because we have a lot of conflicting suggesting that that's Pulama, that's the State.

Ms. McCrory: I don't know. I would guess it's all State land. Yeah, I can look Jerry.

Mr. Rabaino: Can you make some clarity on that to us?

Ms. McCrory: I can get back to you because I'm pretty sure it's all State land down there.

Mr. Rabaino: Can you share that knowledge with the Planning Commissioners?

Ms. McCrory: I think our land starts much further up.

Mr. Rabaino: Okay if the County and the Company can give us some insights on data process, you know, just in case.

Ms. Aoki: Okay.

Ms. Green: I just have a question for the Commissioners and that is if you will recall when we were doing the business country town that there was a problem with the zoning and on the map, we have an area that we do not believe should be in the business country town. Would this be a subject appropriate for a planning commission meeting on how we can --? I think we have to recommend a change to the Council, is this not correct?

Ms. Aoki: You would have to get a Council member to do, yes, a council initiated change in zoning.

Ms. Green: So we don't initiate -- well, we have to initiate it how?

Ms. Aoki: You don't initiate it.

Ms. Green: We don't initiate.

Ms. Aoki: You don't initiate it. You do not have that authority to do that. The Director does and the Council can. So like in this situation say with the Masse, Masse's property, that became a Director initiated change in zoning because it's a mapping, you know, an oversight. Council members have done initiated Council -- I'm sorry, changes in zoning similar, in similar situations. Like for the Masse property, if you have a resident who's having an issue, they may go to their Council member and say, hey, can you help me? And if it seems like something that's reasonable and there was an error and what have you, they have done that. Yeah, they have to do a Council Resolution too.

Ms. Green: Okay. Any other comments? Pardon?

Mr. Rabaino: . . . (inaudible) . . .

G. NEXT REGULAR MEETING DATE: SEPTEMBER 19, 2018

H. ADJOURNMENT

Ms. Green: Okay, Commissioners, if there's no other questions or comments, I guess we'll call the meeting adjourned.

There being no further discussion brought forward to the Commission, the meeting was adjourned at 7:30 p.m.

Respectfully submitted by,

LEILANI A. RAMORAN-QUEMADO
Secretary to Boards and Commissions II

RECORD OF ATTENDANCE

PRESENT:

Roxanne Catiel
John Delacruz

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Caron Green, Chair
Sherry Menze
Gerald Rabaino
Shirley Samonte

EXCUSED/ABSENT (A):

Mililani Martin (A)
Shelly Preza, Vice-Chair
Chelsea Trevino

OTHERS:

Kathleen Aoki, Planning Program Administrator, Plan Implementation Division
Candace Thackerson, Staff Planner
Kimberley Willenbrink, Staff Planner
Richelle Thomson, Deputy Corporation Counsel (On-Call)