

BEFORE THE MAUI PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAII

In The Matter of The Application of )  
)  
Michael T. Munekiyo of Munekiyo & )  
Hiraga, Inc. on Behalf of SVO Pacific, )  
to Obtain a Special Management Area )  
Permit and Shoreline Setback Deter- )  
mination to Build a 390-Unit Time Share )  
Resort and Improvements on Lot 3 of )  
the Kaanapali North Beach Subdivision, )  
on 26.7 Acres at TMK (2) 4-4-014-005, )  
Lahaina, Hawaii )

DOCKET NO. SM1 2006/0018  
SVO Pacific, Inc.  
(PFF)

MAUI PLANNING DEPARTMENT'S REPORT  
TO THE MAUI PLANNING COMMISSION

October 23, 2007

DEPARTMENT OF PLANNING  
COUNTY OF MAUI  
250 S. HIGH STREET  
WAILUKU, MAUI, HI. 96793

BEFORE THE MAUI PLANNING COMMISSION

COUNTY OF MAUI

STATE OF HAWAII

In The Matter of The Application of )  
 )  
Michael T. Munekiyo of Munekiyo & ) DOCKET NO. SM1 2006/0018  
Hiraga, Inc. on Behalf of SVO Pacific, ) SVO Pacific, Inc.  
to Obtain a Special Management Area ) (PFF)  
Permit and Shoreline Setback Deter- )  
mination to Build a 390-Unit Time Share )  
Resort and Improvements on Lot 3 of )  
the Kaanapali North Beach Subdivision, )  
on 26.7 Acres at TMK (2) 4-4-014:005, )  
Lahaina, Hawaii )

**THE APPLICATION**

This matter arises from applications for Special Management Area Permit and Shoreline Setback Structure/Activity Determination that was filed on July 25, 2006 and certified as complete and ready for processing by the Department of Public Works and Environmental Management on July 28, 2006. The application was filed pursuant to Chapter 205A, Hawaii Revised Statutes (HRS), Chapter 202, Special Management Area Rules of the Maui Planning Commission by Michael T. Munekiyo of Munekiyo & Hiraga, Inc. on behalf of SVO Pacific Inc., ("Applicant"); on 26.7 acres of land in the Urban District, situated at Lahaina, Island of Maui and County of Maui, identified as Maui Tax Map Key No. (2) 4-4-014:005 ("Property").

**PURPOSE OF THE APPLICATION**

The Applicant is requesting a Special Management Area Permit and Shoreline Setback Structure/Activity Determination in order to develop Lot 3 of the Kaanapali North Beach Subdivision into a time share resort consisting of 390 time share units, amenity/facility improvements, parking, and landscaping.

**APPLICABLE REGULATIONS**

Standards for reviewing a Special Management Area (SMA) application are found under

HRS 205A-26 and §12-202-10 and §12-202-11 of Chapter 202, Special Management Area (SMA) Rules of the Maui Planning Commission.

In evaluating an action the following factors, but not limited to same, may constitute a significant adverse effect on the environment:

- (A) Involves an irrevocable commitment to loss or destruction of any natural or cultural resources;
- (B) Significantly curtails the range of beneficial uses of the environment;
- (C) Conflicts with the County's or the State's long-term environmental policies or goals;
- (D) Substantially affects the economic or social welfare and activities of the community, County or State;
- (E) Involves substantial secondary impacts, such as population changes and increased effects on public facilities, streets, drainage, sewage, and water systems, and pedestrian walkways;
- (F) In itself has no significant adverse effect but cumulatively has considerable effect upon the environment or involves a commitment for larger actions;
- (G) Substantially affects a rare, threatened, or endangered species of animal or plant, or its habitat;
- (H) Is contrary to the state plan, county's general plan, appropriate community plans, zoning and subdivision ordinances;
- (I) Detrimentally affects air or water quality or ambient noise levels;
- (J) Affects an environmentally sensitive area, such as flood plain, shoreline, tsunami zone, erosion-prone area, geologically hazardous land, estuary, fresh waters or coastal waters;
- (K) Substantially alters natural land forms and existing public views to and along the shoreline; or
- (L) Is contrary to the objectives and policies of chapter 205A, HRS.

The following guidelines shall be used by the Authority in reviewing developments within the special management area.

- (1) All development in the special management area shall be subject to reasonable terms and conditions set forth by the authority to ensure:
  - (A) Adequate access, by dedication or other means, to publicly owned or used beaches, recreation areas, and natural reserves is provided to the extent consistent with sound conservation principles;
  - (B) Adequate and properly located public recreation areas and wildlife preserves are reserved;
  - (C) Provisions are made for solid and liquid waste treatment, disposition, and

management which will minimize adverse effects upon special management area resources; and

- (D) Alterations to existing land forms and vegetation, except crops, and construction of structures shall cause minimum adverse effect to water resources and scenic and recreational amenities and minimum danger of floods, wind damage, storm surge, landslides, erosion, siltation, or failure in the event of earthquake.

(2) No development shall be approved unless the Authority has first found that:

- (A) The development will not have any substantial adverse environmental or ecological effect, except as such adverse effect is minimized to the extent practicable and clearly outweighed by public health, safety, or compelling public interest. Such adverse effects shall include, but not be limited to, the potential cumulative impact of individual developments, each one of which taken in itself might not have a substantial adverse effect, and the elimination of planning options;
- (B) The development is consistent with the objectives, policies, and special management area guidelines of this chapter and any guidelines enacted by the legislature; and
- (C) That the development is consistent with the county general plan and zoning. Such a finding of consistency does not preclude concurrent processing when a general plan or zoning amendment may also be required.

(3) The Authority shall seek to minimize, where reasonable:

- (A) Dredging, filling or otherwise altering any bay, estuary, salt marsh, river mouth, slough, or lagoon;
- (B) Any development which would reduce the size of any beach or other area usable for public recreation;
- (C) Any development which would reduce or impose restrictions upon public access to tidal and submerged lands, beaches, portions of rivers and streams within the special management areas and the mean high tide line where there is no beach;
- (D) Any development which would substantially interfere with or detract from the line of sight toward the sea from the state highway nearest the coast; and
- (E) Any development which would adversely affect water quality, existing areas of open water free of visible structures, existing and potential fisheries and fishing grounds, wildlife habitats, or potential or existing agricultural uses of land.

**PROCEDURAL MATTERS**

1. On September 15, 2006, the applicant published a "Notice of Application and location map in the Maui News notifying the public of the applicant's intent to file the application with the County of Maui. A copy of the "Notice of Application" and Affidavit of Publication is on file in the Maui Planning Department.
2. On August 13, 2007, the Maui Planning Department mailed a notice to the applicant and appropriate state and county agencies notifying them of the scheduled public hearing.
4. On September 13, 2007, the applicant mailed a letter of notification and location map to all owners and recorded lessees within 500 ft. of the subject property describing the applications and notifying them of the scheduled hearing date, time and place by either certified or registered mail receipt. Copies of the letter, location map, list of owners and recorded lessees, certified and registered mail receipts are on file in the Planning Department.
5. On September 21, 2007, a notice of hearing on the application was published in the Maui News, Honolulu Star-Bulletin, Garden Island, Hawaii Tribune Herald, and West Hawaii Today, by the Maui Planning Department.
6. The subject applications do not involve an action that triggers compliance to Chapter 343, Hawaii Revised Statutes, relating to Environmental Impact Statements.

**GENERAL DESCRIPTION**

Description of the Property ***See Figures 1, 2, and 3, next page.***

The Property is 26.7 acres and is located on Lot 3 of the Kaanapali North Beach Subdivision at Maui Tax Map Key 4-4-014:005 ("Property") Lahaina, Hawaii.

Land Use Designations

- |    |                          |                   |
|----|--------------------------|-------------------|
| a. | State Land Use District  | Urban             |
| b. | West Maui Community Plan | Hotel, Open Space |
| c. | County Zoning            | H-M, Hotel        |
| d. | Other                    | SMA               |

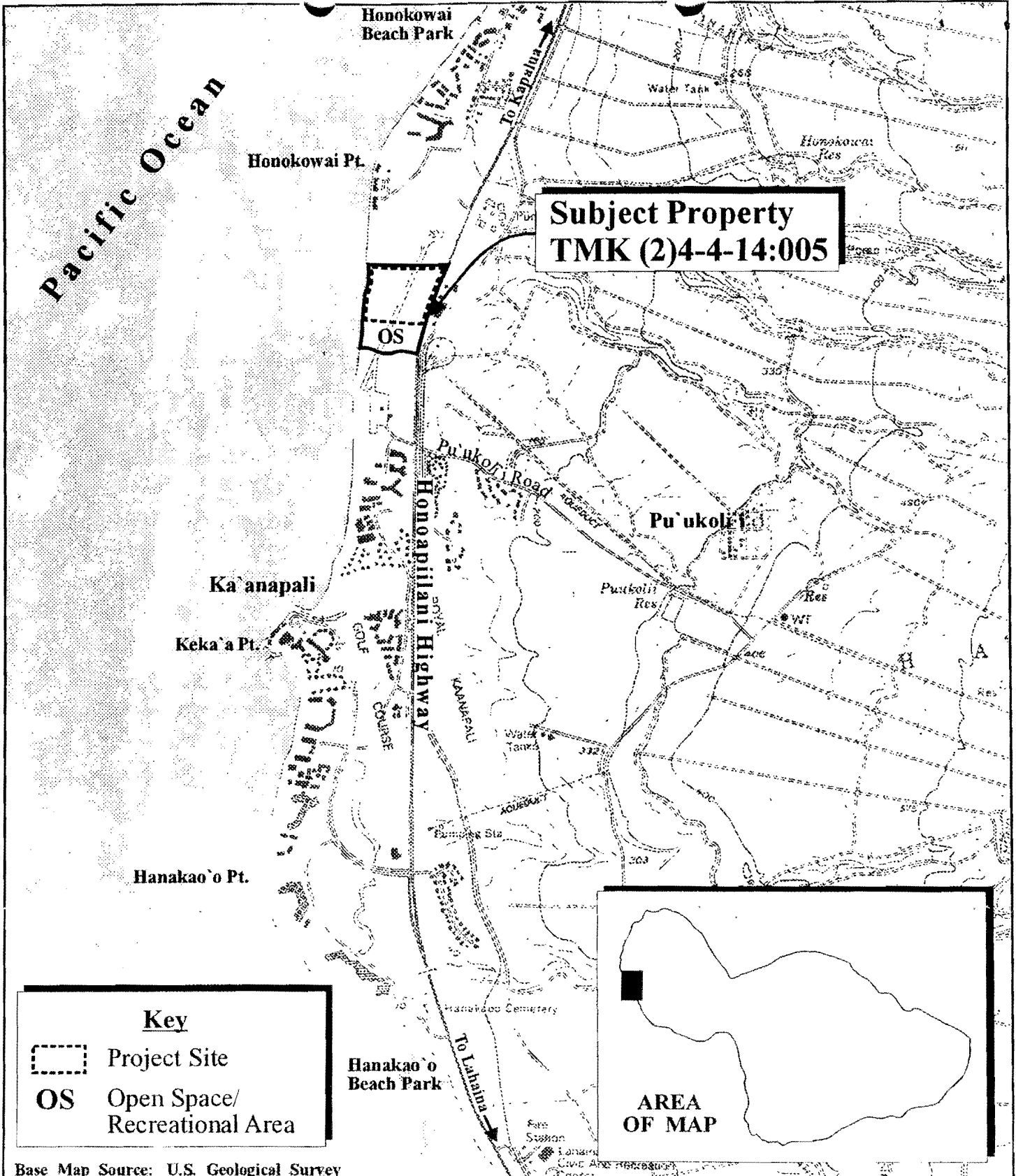
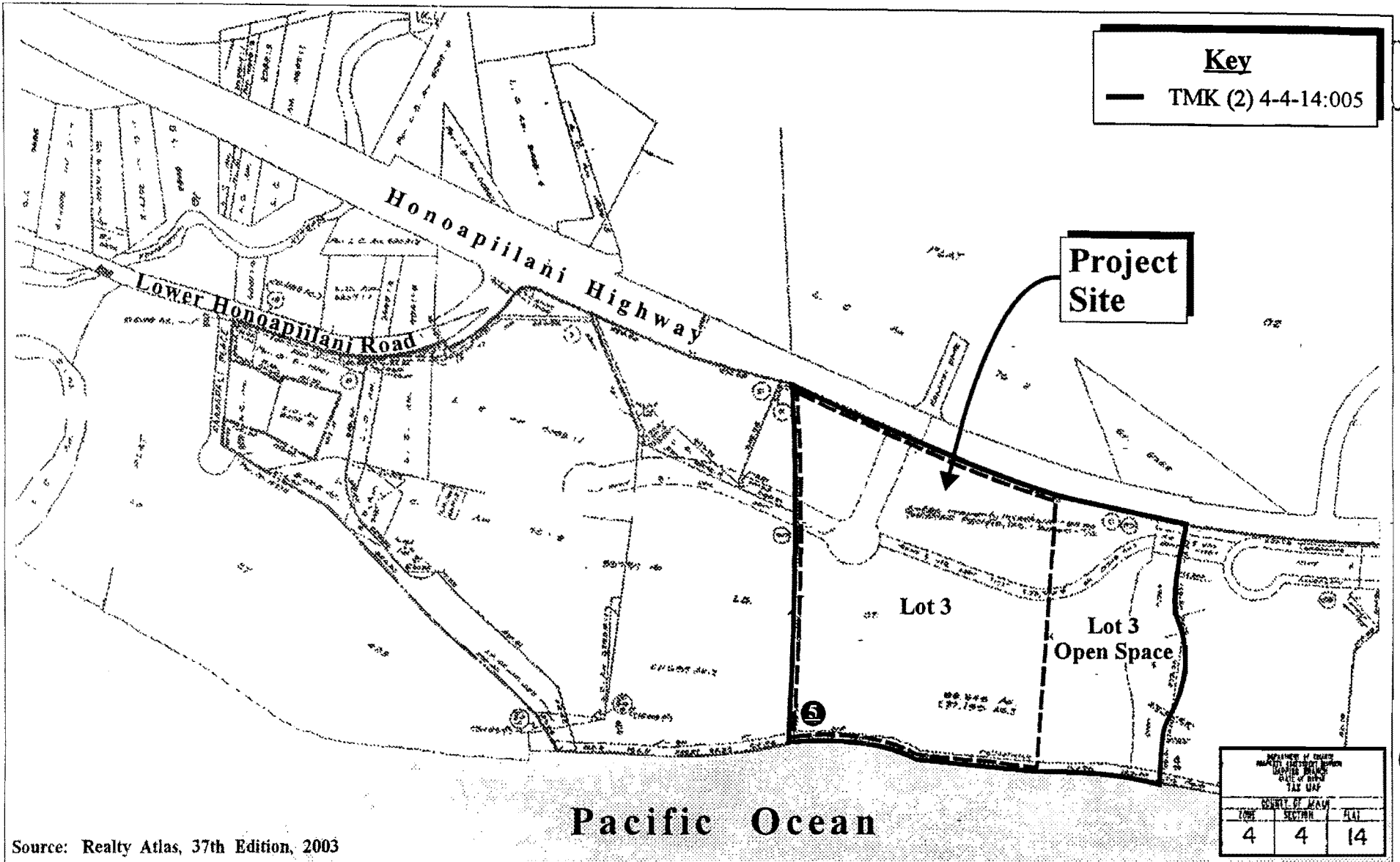


Figure 1

Proposed Westin Kaanapali  
Ocean Resort Lot 3 Project  
Regional Location Map





Source: Realty Atlas, 37th Edition, 2003

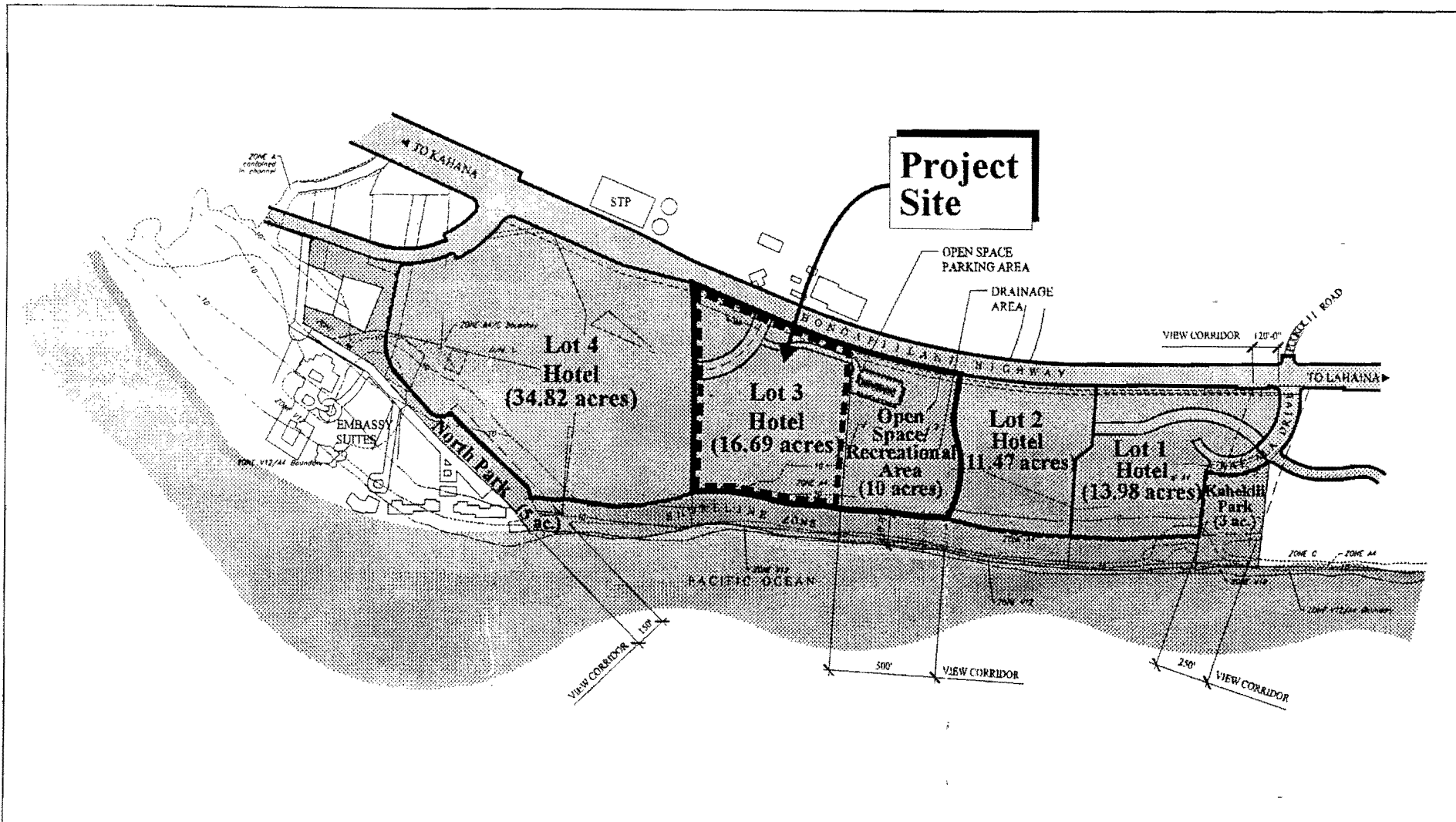
**Figure 2**

**Proposed Westin Kaanapali Ocean Resort Lot 3 Project Parcel Summary Map**



**MUNEKIYO & HIRAGA, INC.**

Prepared for: SVO Pacific, Inc.



NOTE: Lot areas are approximate.

Source: Brownlie & Lee

Figure 3

Proposed Westin Kaanapali Ocean  
Resort Lot 3 Project  
North Beach Subdivision Conceptual Land Plan

NOT TO SCALE



Prepared for: SVO Pacific, Inc.

MUNEKIYO & HIRAGA, INC.

Svo/kor3ph1/concland



Surrounding Uses

The project site (TMK 4-4-014:005 (por.)) encompasses an area of approximately 16.7 acres and is one (1) of four (4) subdivided hotel parcels in the North Beach Subdivision. Designated for resort use by the Kaanapali Beach Resort master plan, the North Beach Subdivision encompasses a land area of approximately 96 acres. Extending from Kai Ala Drive to Lower Honoapiilani Road, the North Beach Subdivision was granted an SMA permit by the Maui Planning Commission in 1988.

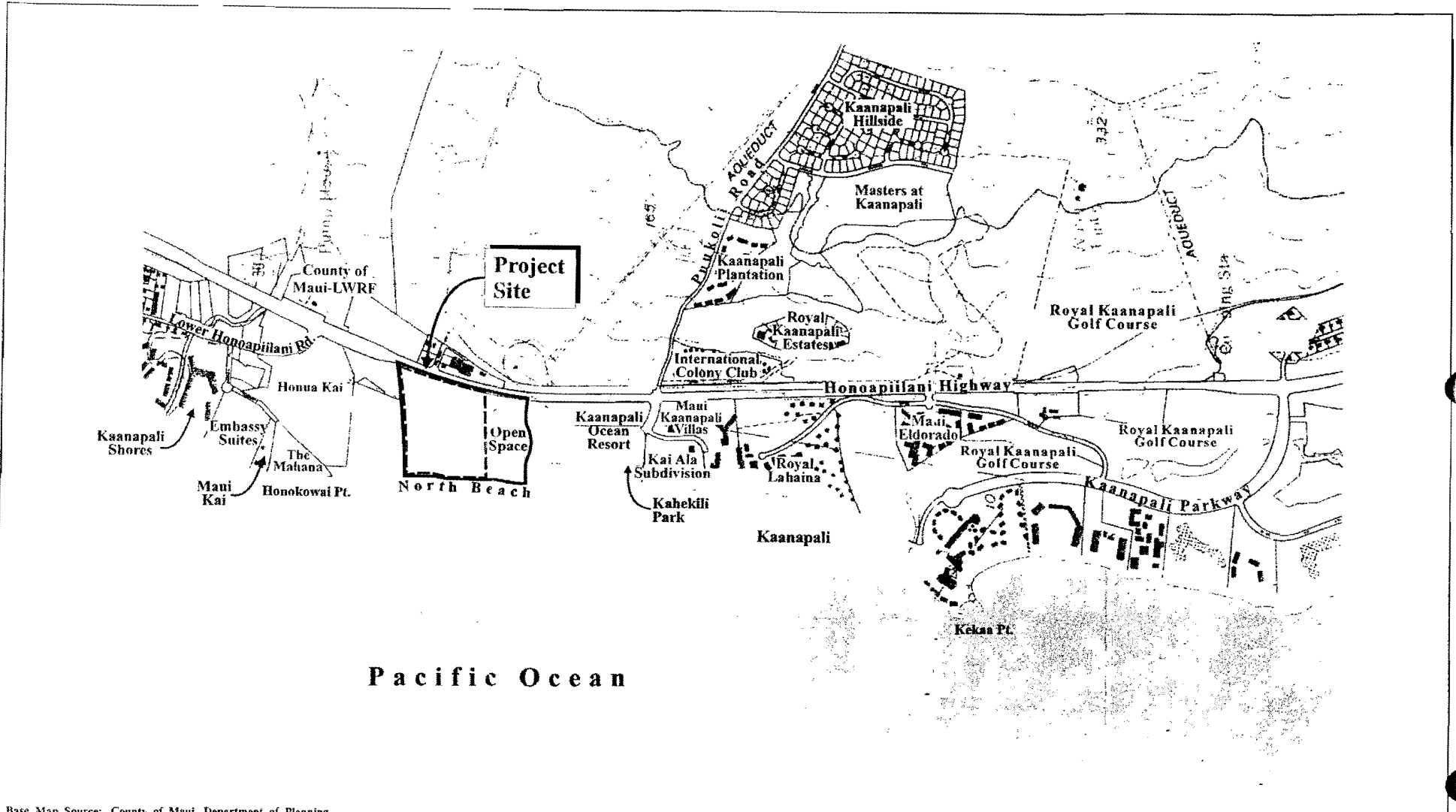
The project site lies near the northern extent of existing development in the Kaanapali Beach Resort. Kaanapali Beach Resort is a master planned development which consists of hotels, condominiums, single-family residential areas, two (2) championship golf courses, tennis facilities, as well as a shopping center and a whaling museum. SVO Pacific, Inc. is the owner of three of the four North Beach lots. The fourth is owned by Intrawest. The matrix below summarizes the Kaanapali North Beach Development:

<u>Project</u>	<u>#Units</u>	<u>Status</u>
KOR Lot 1	280	SMA approved 12/98; const. completed
KOR Lot 2	258	SMA approved 10/04; const. ongoing
KOR Lot 3	390	SMA application in progress
Intrawest, Lot 4	700	SMA approved 2/05; const. ongoing

Surrounding the immediate proposed development is the following:

**See Figure 11, next page.**

North	Honua Kai development on Lot 4, Embassy Suites timeshare project, Mahana, Maui Kai, and Kaanapali Shores condos
East	Honoapiilani Highway, fallow ag-fields, car rental facilities, Lahaina Wastewater Reclamation Facility
South	KOR I and KOR II, Kahekili Park, Kai Ala Subdivision, Maui Kaanapali Villas condos
West	Pacific Ocean



Base Map Source: County of Maui, Department of Planning

Figure 11

Proposed Westin Kaanapali Ocean Resort Lot 3 Expansion Project  
Area Location Map

NOT TO SCALE



Prepared for: SVO Pacific, Inc



5/24/2011 3:01 PM

## **INFRASTRUCTURE AND EXISTING SERVICES**

### **Water**

#### **Existing Conditions**

The County Department of Water Supply (DWS) provides potable water service for the West Maui region. There are two (2) potable water systems that provide potable water service in the vicinity of the project site. The County's Lahaina Water System serves the coastal areas from Launiupoko to Kaanapali, as well as from Honokowai to Napili. The resort area of Kaanapali is serviced by a private water system that is owned and operated by the Hawaii Water Services Company (fka Kaanapali Water Corporation). The County's Lahaina System has two (2) surface sources and nine (9) groundwater wells. The Kahana intake taps surface water from the Kahana Stream, and the Alaeloa and Honokohau intakes withdraw surface water from Maui Pineapple Company's Honokohau Tunnel. The Honokohau Tunnel is comprised of about 12.0 miles of tunnels, ditches, and siphons from an intake at Honokohau Stream to upper Lahaina Town. The tunnel begins in Honokohau Valley at the 870-foot level and ends at Mahinahina at the 720-foot elevation, where the tunnel transitions into a ditch. Maui Pineapple Company diverts water from the tunnel for irrigation, while Kapalua also uses the source for its private domestic water supply. The ditch system has an average flow of 25 million gallons per day (mgd).

The Lahaina water storage system in the vicinity of the project consists of the 2.0 million gallon Honokowai water storage tank located northeast of the project site. The distribution system is comprised of a 20-inch water main extending from the Honokowai water storage tank to a 16- and 12-inch water main located in Lower Honoapiilani Road. The 16-inch water main located in Lower Honoapiilani Road continues past the project site along Honoapiilani Highway.

#### **Potential Impacts and Mitigation Measures**

The total average daily potable water demand for the proposed project is estimated to be 294,821 gallons per day. Average daily potable water demands of 220,640 gallons, 60,111 gallons and 14,070 gallons are projected for domestic, landscape irrigation, and the swimming pools/water features, respectively. The domestic use figures were updated based on comments received from the Department of Water Supply. The Preliminary Engineering Report, dated May 2007, is available upon request in the Planning Department.

Non-potable water will be utilized for dust control during grading and construction activities. There are three (3) alternatives proposed for water service to KOR III:

Alternative 1 proposes potable water for the project to be provided via connection to the existing DWS 12-inch water main for the adjacent KOR I and KOR II projects. The 12-inch main is located along the west side shoulder area of Honoapiilani Highway.

Alternative 2: provides for the installation of a new 12-inch water main, parallel to the existing 12-inch water main that was installed for the KOR I and KOR II projects. The new 12-inch water main would be constructed within the Honoapiilani Highway right-of-way and extend in a northerly direction from the project site. The new 12-inch water main would connect to the existing water main near the intersection of Lower Honoapiilani Road and the Honoapiilani Highway. In addition, a connection of the existing 12-inch waterline fronting KOR I with the existing parallel 16-inch main will be required to complete a looped system. The DWS will determine which alternative the Applicant should pursue for the water connection. The DWS has indicated that it currently cannot guarantee future water service. The DWS system will be expanded at some point to accommodate additional demand in West Maui, and the Applicant will continue to explore alternatives for contributing to the expansion of the system.

Alternative 3: the Applicant is considering is the implementation of an onsite desalination system. The desalination system would provide for all potable water needed for the KOR III project. Details on the proposed desalination system were submitted to the Planning Department with supplemental information on July 27, 2007.

As with the KOR I and KOR II projects, the alternatives that propose connection to the County's water system will likely require a pressure reducing valve for the domestic water system due to the high water pressure in the 12-inch water main. Other standard improvements will consist of water meter vault, reduced pressure backflow prevention device, and necessary distribution waterline piping to the various site structures.

The fire protection water service lateral for both properties will consist of a detector check meter and waterline extending to the various buildings. The mechanical engineer will verify the need for a fire pump for the timeshare building during the design phase of the project. The site fire protection system will consist of waterlines extending around the timeshare building with fire hydrants spaced at 250-foot intervals.

Since the DWS does not have a non-potable irrigation water system in the vicinity of the property, the domestic water lateral will provide irrigation water service. Separate water metering of the irrigation water could be utilized to monitor domestic versus irrigation water usage thereby reducing monthly sewer fees.

Water service requirements for the project and connection to the County's potable water system will be coordinated with the DWS as part of the project's building permit application process. Domestic, fire flow, and irrigation calculations will also be submitted to the DWS for review as part of this process. The proposed water system improvements will be designed in accordance with DWS standards.

## Sewers

### Existing Conditions

The County Department of Environmental Management's (DEM) Wastewater Reclamation Division provides sanitary sewer service for the West Maui region. Wastewater from the Kaanapali and Lahaina areas is treated at the County's Lahaina Wastewater Reclamation Facility (LWRF) located north of the project site on the east side of Honoapiilani Highway. The LWRF's total treatment capacity is 9.0 million gallons per day (mgd), with 6.0 mgd for secondary treatment and 3.0 mgd for R-1 treatment. Presently, the facility treats about 5.3 mgd of wastewater. About 1.0 mgd of the R-1 treated effluent is used to irrigate the Royal Kaanapali golf courses, the landscaped areas along Honoapiilani Highway, and the landscaped median of Kaanapali Parkway. The remaining treated effluent (4.3 mgd) is disposed into four (4) injection wells located within the facility. Under the conditions of its Environmental Protection Agency (EPA) permit, the County is allowed to dispose a maximum flow of 6.7 mgd into the injection wells.

Amfac/JMB Hawaii (aka Amfac) and other private developers initially developed the wastewater collection system serving the Kaanapali resort and subdivision areas makai and mauka of Honoapiilani Highway. Since then, the majority of the wastewater collection system has been dedicated to the County of Maui. The remaining privately owned wastewater collection system is located along Royal Kaanapali South Golf Course, mauka of Honoapiilani Highway.

The existing sanitary sewer collection system in the vicinity of the project site consists of a 36-inch and 30-inch County-owned gravity line located along Honoapiilani Highway. The County-owned system also consists of two (2) pump stations (Lahaina No. 1 and Lahaina No. 2), 20-inch force mains, and the LWRF.

The existing reclaimed water distribution system in the vicinity of the project site consists of a 16-inch transmission main located in Honoapiilani Highway. The 16-inch main extends from the LWRF to an irrigation pond located within the Royal Kaanapali golf course.

### Potential Impacts and Mitigation Measures

An average sanitary sewer volume of 120,950 gallons per day is projected for the proposed project. The Applicant has an allocation of up to 165,000 gallons per day for sewer treatment capacity at the Lahaina Wastewater Reclamation Facility.

Wastewater removal for the project is expected to be provided via a connection to the existing 36-inch gravity sewer main located in Honoapiilani Highway. The proposed wastewater connection will consist of a new sewer manhole constructed over the 36-inch sewer main at the connection point. Since the project site is lower in elevation than the 36-inch sewer main in Honoapiilani Highway, a sewage pump station will be implemented. The sewage pump station will likely consist of a concrete wet well, duplex grinder pumps system, level switches and alarms, motor controls, visual and audio alarms, distribution

vault, and associated piping. The force main from the sewage pump station will pump the wastewater generated by the proposed project to a transition sewer manhole located on the project site from where a gravity sewerline will be connected to the new sewer manhole constructed over the existing 36-inch sewer main in Honoapiilani Highway. Other site improvements will consist of an underground sewer collection system to connect the various site structures to the sewage pump station.

Based on discussions with Wastewater Reclamation Division personnel, the County's reclaimed water system does not currently supply irrigation water to the project area. However, in anticipation of the system's future availability, the proposed project will provide a lateral connection to the County's reclaimed water system for future use. The project design includes installation of lines for use of reclaimed water (when it becomes available) for irrigation throughout the project. This future tie-in is consistent with the recommendations on irrigation in the Design Manual and Master Plan (October, 2003). All wastewater system improvements will be designed in accordance with DEM standards.

The proposed project is not anticipated to have an adverse effect upon wastewater service for the region, nor is it expected to adversely impact wastewater treatment, storage, and transmission facilities.

## **Drainage**

### Existing Conditions

Elevations within the project site range from four (4) feet above mean sea level (AMSL) within the 150-foot setback area along the shoreline to twenty (20) feet AMSL near the project site's boundary with Honoapiilani Highway. An existing earth berm with a top-of-berm elevation of fourteen (14) feet AMSL runs parallel to Honoapiilani Highway. A coastal sand dune with a height of eight (8) to ten (10) feet AMSL runs along the western boundary of the project site separating the site from the adjacent beach area.

Rainfall in the West Maui mountains in the vicinity of the project site is conveyed as storm water runoff toward the North Beach Subdivision via the Hanakao`o Gulch. Hanakao`o Gulch is a natural drainage gulch that drains approximately 2,144 acres of mostly agricultural and forest lands. An additional 67 acres consisting of an existing residential subdivision, Puukolii Road, a portion of Honoapiilani Highway, and a portion of the Royal Kaanapali golf course, also contribute storm water toward the project site. Another small area consisting of the Lahaina Wastewater Reclamation Facility and a rental car center contributes 8.13 acres of storm drainage flows toward the North Beach Subdivision.

Storm water from the Hanakao`o Gulch, passes through three (3) 24-inch pipes and three (3) 5-foot by 2-foot box culverts under Honoapiilani Highway, and discharges into a wide unlined trapezoidal channel on the south side of the project site. Storm drainage outlets flow from the above listed 67 acres onto the KOR II property to the south and has been extended to an outlet in a detention basin along the 150-foot setback line. The 8.13 acres contributes storm flows into the North Beach Subdivision via two 30-inch pipes under

Honoapiilani Highway. The 30-inch pipes discharge to the north of the project site into the Honua Kai property. The Honua Kai drainage study indicates that the offsite flow from the 30-inch pipes will discharge into the northeast corner of the project site. Since no outlets or other improvements were constructed to convey flows to the ocean, the low-lying areas and the unlined trapezoidal channel within the North Beach Subdivision perform as a large retention basin.

According to the "*Drainage Master Plan, Kaanapali-North Beach (Mauka and Makai)*", dated April 2000, during moderate intensity rain storm events, the coastal sand dune that parallels the beach along the North Beach Subdivision's western boundary functions as a barrier and prevents runoff from entering the ocean. During higher intensity rain storm events, the storm runoff overtops the sand dune at low points and creates a channel into the ocean allowing the retained storm water in the North Beach Subdivision to discharge freely into the ocean.

#### Potential Impacts and Mitigation Measures

Based on a 50-year, 1-hour rainfall event, estimated storm drainage volumes for the project are 16.50 cubic feet per second (cfs) and 30.58 cfs for existing and proposed conditions, respectively. The incremental increase in pre- and post-development runoff is estimated to be 14.08 cfs. This increase in runoff is attributable to new impervious surface areas due to the construction of buildings and paved surfaces.

The required storage volume for the increase in storm runoff based on a 100-year, 24-hour rainfall event and for the existing onsite storage lost due to the project is 89,388 cubic feet (cf) and 175,965 cf for a total required storage volume of 265,353 cf.

The storm drainage system for the proposed project will comply with the guidelines established in the "*Drainage Master Plan, Kaanapali-North Beach (Mauka and Makai)*", dated April 2000 (aka North Beach Drainage Master Plan). The guidelines require that all development be designed to retain all increases in storm water runoff volumes for a 100-year, 24-hour storm created by the development and that any development in the North Beach Subdivision that results in the loss of existing storm water retention capacity replace the lost retention capacity by reducing runoff flows into the subdivision's retention area. The replacement storage or reduction of runoff flows will be provided in an area appropriate to intercept runoff flow into the North Beach Subdivision.

Portions of the project site will be filled to raise the building structures and activity pool areas above the base flood elevation. As required by the North Beach Drainage Master Plan, the loss of existing storm water retention capacity due to filling within the project site must be replaced. As described in the Drainage Master Plan, a series of detention basins are located mauka of Honoapiilani Highway. These detention basins are, however, currently serving KOR I and KOR II and the Honua Kai development on Lot 4.

The proposed project will retain all increases in storm water runoff volumes for a 100-year, 24-hour storm created by the development. The proposed onsite storm drainage system

will consist of a combination of drain inlets, storm drain manholes, underground piping, open retention basins and drywell/wetwell systems. The proposed Honua Kai (Lot 4) development, located to the north of the project site, calls for an onsite retention basin on Lot 4, along Honoapiilani Highway that will collect storm water from the previously noted mauka drainage areas. Overflow from this retention basin will sheet flow into a proposed drainage basin located in the northeast corner of the KOR III site. The basin is a 7-foot deep dry retention basin that will be located below the proposed parking structure. The storage capacity of this basin is 197,267 cf. Additionally, one (1) dry retention basin is proposed to wrap around three (3) sides of the second parking structure, located on the eastern side of the project site. This 2-foot deep basin will have a storage capacity of 15,068 cf. Lastly, four (4) wet retention basins are proposed to be located within the KOR III project. *See Exhibits 1, 2, and 3 next pages.* These wet retention basins will have a capacity of 78,729 cf of storage. The landscaped side slopes (4:1) of these water features will be utilized as a freeboard, providing the required storage capacity for the project.

The storm drainage plan for the proposed project is not expected to adversely affect downstream or adjacent properties since all of the lost storm water retention capacity due to the construction of the project will be replaced and all increases in storm water runoff will be retained onsite.

The design of the drainage system for the project will be coordinated with the County Department of Public Works (DPW). In addition, Best Management Practices (BMPs) will be implemented to minimize soil erosion and sedimentation during construction of the project, and for monitoring and maintenance of the system thereafter.

## **Roadways**

A Traffic Impact Assessment Report (TIAR) for the proposed project was prepared by Austin, Tsutsumi & Associates, Inc. The full report is available in the Planning Department. Below is a summary of the report.

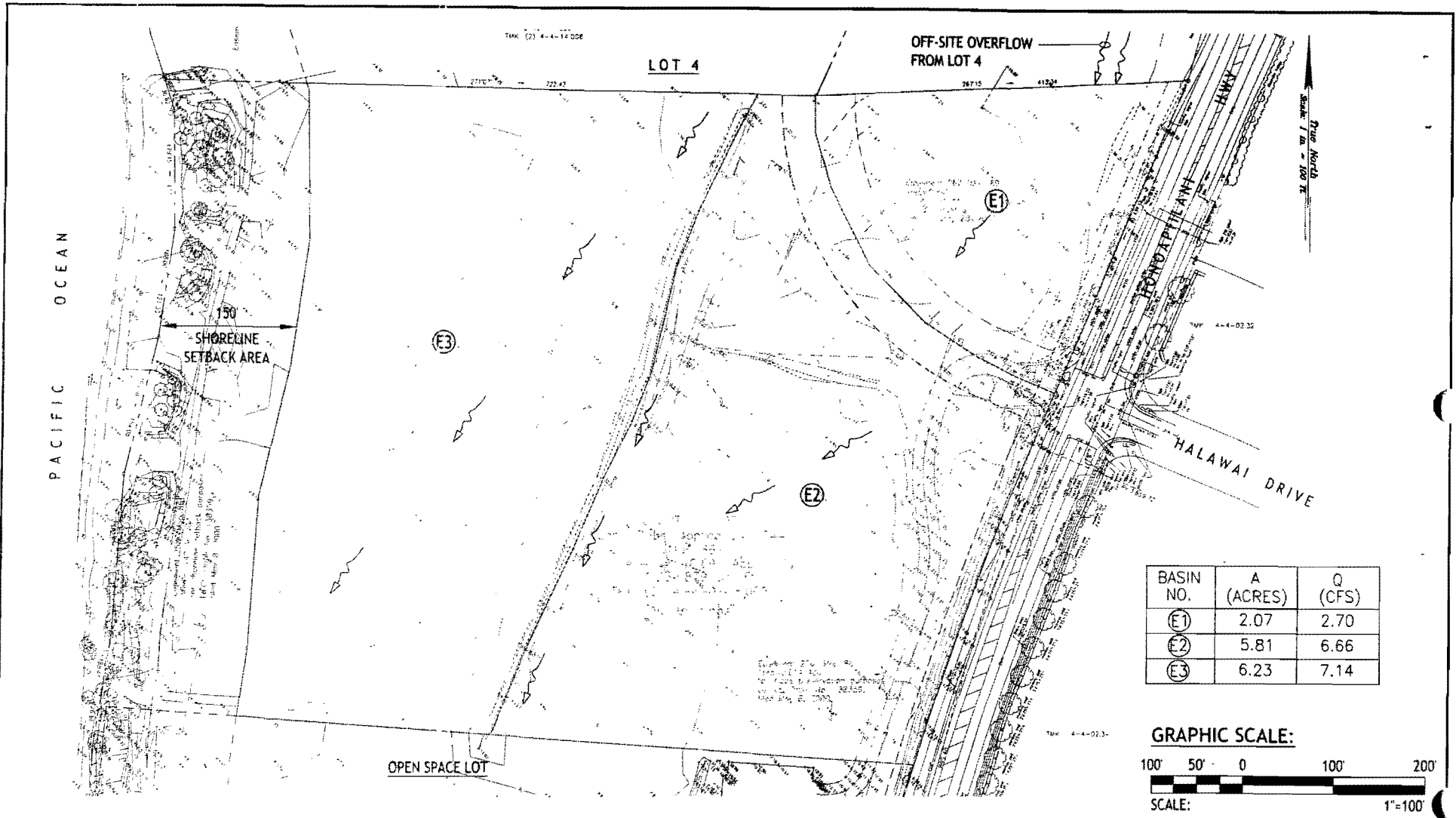
### Existing Conditions

Extending from Wailuku to Kapalua, Honoapiilani Highway is the principal State highway serving the West Maui region. With the exception of a four-lane segment from Lahainaluna Road to Lower Honoapiilani Road, the typical highway section consists of two (2) lanes bordered by 8-foot wide paved shoulders which also function as bike routes.

Access to the project site will be provided from Honoapiilani Highway via Halawai Drive and the internal onsite roadway system (Kai Malina Parkway). The following is a description of the existing roadway network in the project area.

Honoapiilani Highway is a regional State facility (between Kapalua and Wailuku) that serves as the primary route connecting West Maui to other areas of the island. Honoapiilani Highway (between Lower Honoapiilani Road and Lahainaluna Road) is a two-way, four lane highway oriented in a north-south direction and serves as the primary

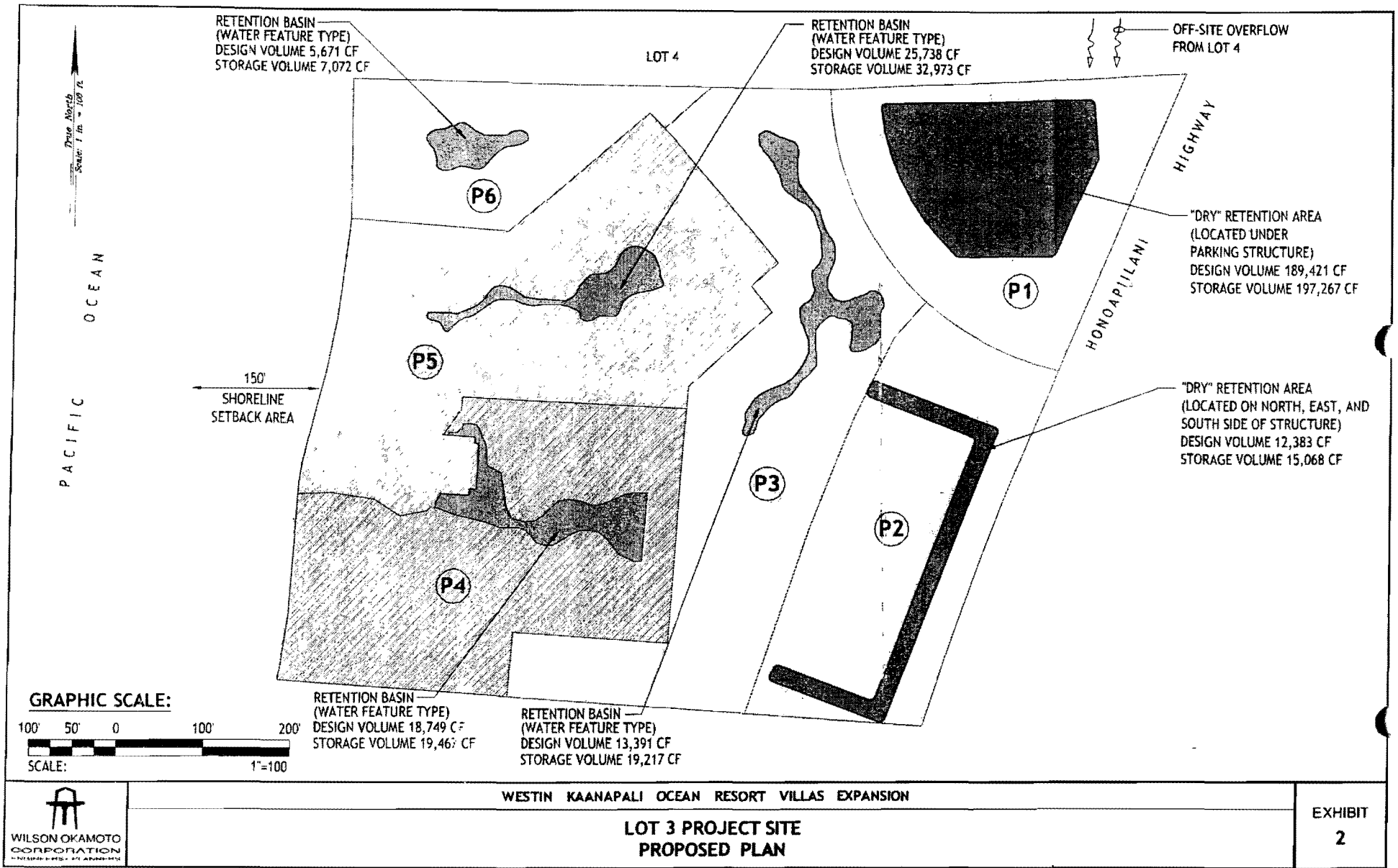


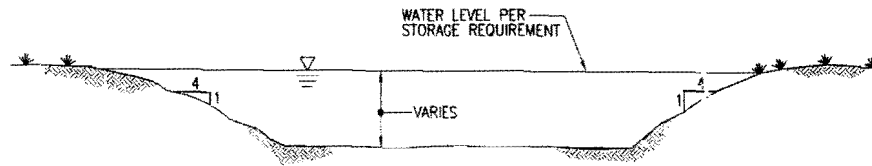


WESTIN KAAPALI OCEAN RESORT VILLAS EXPANSION

LOT-3 PROJECT SITE  
EXISTING CONDITION DRAINAGE PLAN

EXHIBIT  
1

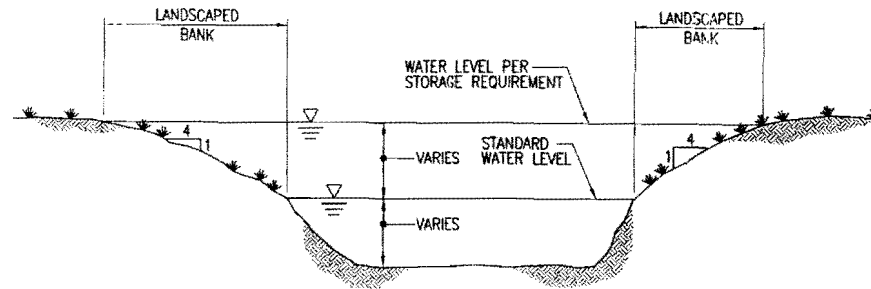




SECTION

DRY RETENTION AREA (PARKING STRUCTURE)

NOT TO SCALE



SECTION

WET RETENTION AREA

NOT TO SCALE

access and circulation route for the areas of Lahaina, Waianee, Puunoa, Kapunakea, Mala and Ka'anapali. North of Lower Honoapi'ilani Road and south of Lahainaluna Road, Honoapi'ilani Highway narrows to a two-lane highway. Dedicated left-turn lanes and traffic signal systems are provided at its major intersections in West Maui.

Lower Honoapiilani Road follows the West Maui coastline in a north-south direction, generally parallel and to the west of Honoapiilani Highway. The two-way, two-lane, County collector road primarily serves hotels/resorts, commercial areas and residential communities in Honokowai, Kahana, Napili and Kapalua.

Halawai Drive is a two-way, two-lane, County roadway that serves several car rental agencies and a commercial/industrial warehouse facility on the east side of Honoapiilani Highway. Access to the 10-acre public open space/recreation area on Lot 3 is provided on the west side of Honoapiilani Highway at its intersection with Halawai Drive.

Puukolii Road is a two-way, two-lane, County roadway extending east from Honoapiilani Highway serving several condominiums and residential subdivisions.

Kai Ala Drive is a two-way, two-lane, privately owned roadway extending west from Honoapiilani Highway across its intersection with Puukolii Road. Kai Ala Drive serves the Maui Kaanapali Villas, condominiums, single-family residences, Kahekili Park, and existing/ongoing KOR developments on Lot 1 and Lot 2.

Kaanapali Parkway is a two-way, four-lane, divided, private collector roadway extending west from Honoapiilani Highway and serves the hotels, golf course and commercial areas of the Kaanapali Resort.

Halelo Street is the east leg of the intersection of Kaanapali Parkway/Honoapiilani Highway. The two-way, two-lane, private roadway serves a residential subdivision.

Leialii Parkway is currently an east-west, two-way, two-lane, County collector roadway, which extends east from Honoapiilani Highway and provides access to the Lahaina Civic Center (Lahaina District Court, Lahaina Health Center, Lahaina Post Office and the County Fire and Police stations). An extension to Leialii Parkway is proposed to serve planned subdivisions by the Department of Hawaiian Home Lands, as well as future developments within the Villages of Leialii project site. On the west side of Honoapiilani Highway across its intersection with Leialii Parkway, is a two-lane driveway servicing the Wahikuli Beach Park.

Fleming Road is an east-west, two-way, two-lane, County collector roadway which extends east from Honoapiilani Highway serving a residential area east of Honoapiilani Highway.

Front Street is a north-south, two-way, two-lane, County collector roadway intersecting Honoapiilani Highway at its northern terminus across from Fleming Road. Front Street serves the residential and commercial areas of Mala Wharf, Puunoa, Lahaina and Puamana. Front Street generally runs parallel and to the west of Honoapiilani Highway

following the coastline and also intersects Honoapiilani Highway at its southern terminus in Puamana.

Kapunakea Street is an east-west, two-way, two-lane, County collector roadway serving a residential area on the east side of Honoapiilani Highway and the Lahaina Cannery Mall and a residential area on the west side of Honoapiilani Highway. Kapunakea Street forms the stem of a "T"-intersection with Front Street.

## Potential Impacts and Mitigation Measures

### Traffic Impact Analysis

The limits of the TIAR included major intersections along Honoapiilani Highway that the project-generated traffic could significantly impact. The study intersections were determined to be the following signalized intersections along Honoapiilani Highway between Lower Honoapiilani Road and Kapunakea Street:

- Lower Honoapiilani Road/Honoapiilani Highway
- Halawai Drive/Honoapiilani Highway
- Puukolii Road/Kai Ala Drive/Honoapiilani Highway
- Kaanapali Parkway/Halelo Road/Honoapiilani Highway
- Leialii Parkway/Honoapiilani Highway
- Front Street/Fleming Road/Honoapiilani Highway
- Kapunakea Street/Honoapiilani Highway

Existing traffic volumes at the study intersections noted above were determined from traffic counts which were conducted from October 4 to 6, 2005 (Tuesday through Thursday) and on November 29, 2005 (Tuesday).

As mentioned earlier, a Traffic Impact Analysis Report (TIAR) was developed for the KOR, Lot 3 project in July 2006 by Austin, Tsutsumi & Associates, Inc. The report analyzed the existing conditions based on current land use, population, the existing roadway network and recent roadway counts. The report then applied a defacto growth rate to account for increases in population and other proposed developments which are expected to alter the land use environment.

Using 2010, the buildout year of KOR, Lot 3, as the forecast date, future projections of two (2) scenarios were performed in conjunction with the defacto growth rate: a baseline scenario (without the KOR, Lot 3 project) and a project scenario (baseline with the KOR, Lot 3 project). The report further analyzed the local and regional impacts the proposed

KOR, Lot 3 project would have on the roadway infrastructure with respect to the baseline future condition.

The TIAR predicted that, in the year 2010, traffic improvements near the project area will be necessary just to accommodate the baseline condition with the defacto growth rate. The four (4) improvements recommended by the TIAR are as follows.

1. Widen Honoapiʻilani Highway to provide a southbound acceleration lane for the eastbound Halawai Drive (Kai Malina Parkway) right-turn lane forming a "free" right-turn.
2. Restripe the existing Honoapiʻilani Highway northbound left-turn storage lane into Kai Malina Parkway to provide 400 feet of storage.
3. Widen Honoapiʻilani Highway in the southbound direction to provide an acceleration lane for the eastbound right-turns from Lower Honoapiʻilani Road.
4. Widen Honoapiʻilani Highway and Lower Honoapiʻilani Road to add a second northbound to westbound left-turn lane (two lanes total).

The TIAR for KOR, Lot 3 showed that the proposed project will generate approximately 151 trips during the morning (AM) peak hour (7:00 a.m. to 8:00 a.m.) of traffic and 194 trips during the afternoon (PM) peak hour (3:45 p.m. to 4:45 p.m.) of traffic. The AM and PM peak hours of traffic are universally accepted as the targeted analysis times. This translates into the project contributing a maximum of four (4) percent increase in traffic volume during both the AM and PM peak hours of traffic. As a result, the TIAR recommended the same four (4) project-specific roadway improvements as in the baseline scenario.

According to the TIAR, although there will be an (at most four (4) percent) increase in traffic due to the proposed project, that increase will not warrant roadway improvements that would not have already been warranted even if the project was not constructed.

#### TIAR Conclusions

The TIAR concluded that in 2010, *without project generated traffic*, the background traffic volumes at the study intersections would experience a tangible increase due to other known projects in the area, as well as the defacto growth rate. A second analysis, *also without the project, and assuming completion of the Lahaina Bypass*, concluded that several intersections should be improved. These improvements were recommended in previous traffic studies for other projects in the vicinity.

Using the traffic counts and other collected data, existing traffic operating conditions in the vicinity of the project were determined. The methodology for signalized intersections described in the 2000 Highway Capacity Manual-Special Report 209 (HCM) was used to determine the level-of-service (LOS) at the study intersections. (Level-of-service is a qualitative measure of traffic operating conditions, with LOS A representing free-flowing conditions and LOS F reflecting severe congestion). The year 2010 was used to represent the design year for the traffic study. This represents the date for which cumulative traffic conditions are estimated. Cumulative traffic conditions are defined as future traffic volumes without the proposed project. This includes ambient background traffic growth that is the result of regional growth and cannot be attributed to a specific project, and traffic generated by other development projects in the vicinity of the proposed project. Peak hour traffic that would be generated by the proposed project was then estimated using standard trip generation procedures outlined in the Trip Generation Handbook. These trips were then distributed on the available approach and departure routes. The project-related traffic was then superimposed on the 2010 cumulative traffic volumes at the study intersections. The HCM methodology was again utilized to conduct a LOS analysis for cumulative plus project conditions.

The Project is estimated to generate approximately 151 total trips during the AM peak hour and 194 total trips during the PM peak hour. This would contribute only about four percent (4%) of the total traffic during the AM and PM peak hours for Honoapiilani Highway.

The TIAR found that generally within the existing Honoapiilani Highway corridor, the Highway's through movements operate at less delay than the side streets and the left-turns from Honoapiilani Highway. The State DOT has synchronized the traffic signals to allow for longer "green time" for vehicles already traveling on the Highway. This is the preferred choice, in that it allows for travelers to have fewer delays on the thoroughfare in order to reach their final destination. Of course, the inherent trade-off is longer delays on the side streets and the left-turns from Honoapiilani Highway. It is apparent from the TIAR that *with or without the Project*, the Lahaina Bypass, or other mitigative measures will be needed by 2010 to keep most LOS levels at their current rating along the Honoapiilani Highway, due to the other known projects in the West Maui area (including the KOR III) and the de facto growth rate.

The Applicant is committed to implementing travel demand measures (TDM) to reduce the amount of employee-generated traffic from the Kaanapali North Beach Subdivision, as is currently required for KOR I, by the North Beach Transportation Management Plan (NBTMP). The Applicant is preparing an update to the NBTMP (which will describe those TDM) and will submit it to the Department of Planning for review and approval, prior to the public hearing on the KOR III project. Some of the TDM measures that the Applicant is considering: implementing an employee carpool; providing bus passes for the County of

Maui bus service; and providing for greater shuttle service to include the Lahaina town area for guests.

## **Electrical and Communication Systems**

### **Existing Conditions**

Electrical and telephone distribution systems in the Kaanapali area consist of underground and overhead lines. In the vicinity of the project site, these distribution systems are located along Honoapiilani Highway.

Electrical service for the project is provided by Maui Electric Company (MECO). The Kaanapali area is currently serviced by 69 KVA, overhead transmission electrical lines, which run from the existing MECO substation in Lahaina to the Puukolii substation located mauka of the end of Puukolii Road. The substation steps down the 69 KVA power to 12 KVA for distribution to the Kaanapali area. The overhead primary 12 KVA lines are contained within two (2) easements. One (1) easement runs from the substation to Honoapiilani Highway along the north side of Puukolii Road, and the other easement runs south along the cane haul road and turns west to Honoapiilani Highway. The overhead primary 12 KVA lines are placed underground within the existing subdivisions and resort areas. The Puukolii substation has space for one (1) additional transformer (10 mega volt amp) to service future developments.

Telephone, data line access to the internet, and cable TV service for the project will be provided by existing Hawaiian Telcom and Oceanic Cable.

### **Potential Impacts and Mitigation Measures**

The Applicant is working with an independent energy firm to install a Combined Heat and Power System (Co-Generation) to supplement electrical service for the project site. The independent energy firm will design, operate and retain ownership of the generating and support equipment of the co-generation system and sell energy produced to the Applicant.

The proposed co-generation system for the project is expected to be located in a mechanical room and designed to meet a significant portion of the electrical demand through the use of diesel-powered generators. The waste heat from the generators will supply all of the project's domestic hot water, pool, and spa heating, as well as support an absorption water chiller. The co-generation system will operate cross connected to MECO's utility system to enable MECO's system to assume the project's full power load the event that the co-generation units are down due to maintenance, repairs, or experience an emergency. Conversely, the co-generation system will be able to operate independently from MECO should MECO's system experience an emergency. The new



co-generation system will consist of diesel fired electric generators that will operate 24 hours a day. The system may include an absorption chiller that produces a portion of the chilled water for the project's air conditioning system. The remaining chilled water requirement will be produced by a conventional system that will be powered by the proposed co-generation system. New onsite diesel tanks will be installed to provide fuel for the new co-generation system. The sizing and locations of the diesel tanks will be determined during the detailed design phase of the project. As a further energy-saving strategy, the Applicant is researching the potential use of bio-diesel for the purpose above.

The Applicant is in discussion with the neighboring landowner to the north to verify the feasibility of extending underground ductlines for electrical, telephone, data line access to the Internet and cable TV through the Honua Kai project. Additional service connections could be made to the existing overhead lines across Honoapiilani Highway as needed.

The proposed project is not anticipated to have an adverse impact on existing electrical and communication systems, nor is it expected to extend existing service area limits.

### **Recreational Facilities**

#### Existing Conditions

West Maui is served by numerous recreational facilities offering diverse opportunities for the region's residents. There are numerous County and State recreational areas in West Maui. Approximately one-third of the County parks are situated along the shoreline and provide excellent opportunities for picnicking, swimming, diving, and other recreational activities. Popular surfing spots include D.T. Fleming Beach, Honolua Bay, Lahaina Harbor, Shark Pit, and "S" Turns. Kaanapali Beach is a white sand beach which is approximately 1.0 mile in length and extends from Honokowai Point at the north to Keka'a Point at the south. This beach is a popular recreational area for sunbathing, snorkeling, swimming, and other ocean activities. Kahekili Park borders the project site to the south and is privately owned and maintained. The park is open to the public and includes restrooms and shower facilities, grassed picnic areas, and a paved parking area. Located between Lot 2 and the project site, the 10-acre open space/recreation area currently provides a public parking area and shoreline access. No recreational amenities are located within this area as the Lot 1 SMA permit and a settlement agreement with the Lot 1 intervenors restricts "development" of the area. In addition, the Kaanapali Beach Resort and Kapalua Resort operate world-class golf courses which are available for public use.

#### Potential Impacts and Mitigation Measures

Public access to North Beach is currently provided via Kahekili Park and the 10-acre open space/recreation area. A public shoreline walkway will be installed within the 150-foot

shoreline setback of the project site to provide lateral shoreline access as well as dune crossings. This walkway will be constructed of moveable material, such as wood, recycled plastic or other similar material and will be located mauka of the existing coastal dune system. This lateral walkway will connect to the shoreline walkway which currently runs from Kahekili Park through KOR I and KOR II. The lateral walkway will eventually link Kahekili Beach Park and the proposed North Park following completion of development activities within the North Beach Subdivision.

The Applicant submitted a Shoreline Setback Structure/Activity Determination (SSD) application for the proposed improvements in the shoreline setback area for the KOR, Lot 3 project with its SMA application in July 2006. The Planning Department reviewed and approval of a separate SSD application (also submitted in July 2006) for the public shoreline walkway, dune crossings and landscaping improvements in the shoreline setback areas for KOR, Lot 1, KOR, Lot 2 and Lot 3 (open space area). By concurrence letter signed July 25, 2007, the Planning Department confirmed that the SSD approval for the KOR Lot 1, KOR Lot 2 and Lot 3 (open space) project also applied to the KOR, Lot 3 project.

Other minor improvements proposed within the shoreline zone will include minor beach quality sand fill to accommodate grade transition for the shoreline walkway and native landscaping. Said improvements will be in accordance with applicable provisions of the Maui County Grading Ordinance, Shoreline Setback Rules, the Shoreline Zone Plan component of the Design Manual and Master Plan (October, 2003) and Condition "b" of the 1998 SMA Approval letter for KOR I. Separately, as previously noted, the Applicant proposes to move the existing unpaved parking lot in the open space area farther south and provide an additional 20 stalls for future use. The North Beach Makai/Mauka Lands Advisory Group requested the parking lot relocation in order to provide some degree of "separation" between the KOR III development and the open space area.

It is anticipated that in addition to the general public, guests from the proposed project will utilize beach and ocean recreational resources fronting and in proximity to the project site. Use of beach areas and the lateral shoreline walkway are expected in the normal course of operations once the project is completed. Additionally, onsite recreational facilities, such as the health spa and swimming pools, will be available for guest use.

Finally, in accordance with the recommendations contained in the Recreational and Park Plan 1990 (for the North Beach Subdivision), amended in 2004, 13 acres of park land in Wainee were dedicated to the County of Maui which provide additional park acreage and recreational opportunities within the West Maui region.

## **Educational Facilities**

### Existing Conditions

The State Department of Education operates four (4) public schools in the West Maui region. These schools are: Lahainaluna High School, Lahaina Intermediate School, King Kamehameha III Elementary School, and Princess Nahienaena Elementary School. These public schools, as well as several privately operated pre-schools and elementary schools, are located in the town of Lahaina and also the newly built Maui Preparatory Academy.

### Potential Impacts and Mitigation Measures

Since timeshare owners will be transient visitors, the proposed project is not anticipated to affect existing educational facilities or resources.

## **Solid Waste Disposal Service**

### Existing Conditions

Residential refuse collection is provided by the County's Solid Waste Division. Private refuse collectors provide solid waste disposal services for commercial and institutional accounts. With the exception of the Hana region, residential and commercial solid waste from throughout the island is transported to the Central Maui Landfill at Puunene, about 30.0 miles to the southeast of the project site.

A refuse transfer station located at Olowalu, approximately 8.0 miles south of the project site, accepts household and green wastes, as well as used oil, for transport to the Central Maui Landfill in Puunene. The disposal of commercial and institutional refuse is not permitted at the Olowalu transfer station.

### Potential Impacts and Mitigation Measures

A solid waste management plan will be coordinated with the County's Solid Waste Division for the disposal of cleared vegetation and remnant construction materials during the construction of the project. To the extent practicable, waste diversion measures, such as recycling and composting, will be utilized during the construction and operation of the project. Upon completion, solid waste collection and disposal services for the proposed project will be provided by a commercial waste disposal service.

## **Police and Fire Protection Services**

### Existing Conditions

The project site is within the service area of the Maui Police Department's Lahaina patrol district which services the West Maui region. The Lahaina Police Station is located in the Lahaina Civic Center complex at Wahikuli, about 2.5 miles to the south of the project site. The Lahaina Station is located in the Lahaina Civic Center complex at Wahikuli, and was built in the early 1970's. The Lahaina patrol district includes personnel allocation for approximately 57 full-time personnel; in addition, there is also a police sub-station in Napili.

Fire prevention, suppression and protection services for the West Maui region are provided by the Maui Fire Department's Lahaina and Napili Fire Stations. The Lahaina Fire Station is approximately 2.5 miles to the south of the project site, while the Napili Fire Station is located approximately 5.0 miles to the northeast. The Lahaina Fire Station includes an engine and a ladder company, and is staffed by approximately 30 full-time personnel. It also has a boat for ocean rescues. The Napili Fire Station consists of an engine company with approximately 15 full-time firefighting personnel. All firefighting personnel are first-responder trained to provide emergency medical care.

### **Health Facilities**

#### Existing Conditions

Maui Memorial Medical Center serves as the island's only major medical facility. Located in Wailuku, approximately 25.0 miles southeast of Lahaina, the facility provides general, acute, and emergency care services for the island's residents and visitors. In addition, the Kaiser Permanente Medical Clinic, West Maui Healthcare Center, Maui Medical Group, Lahaina Physicians, and other medical and dental offices provide health care services for the region's residents and visitors.

### **BACKGROUND**

#### North Beach Subdivision

In 1988, the Maui Planning Commission granted a Special Management Area (SMA) Use Permit and Shoreline Setback Variance (SSV) for the North Beach Subdivision. Since its SMA/SSV approval, the North Beach Subdivision has been developed in accordance with the permit conditions established for the Subdivision. **See Exhibit 25**

The SMA approval conditions issued in 1988 for the subdivision required that specific actions be taken to ensure that transportation and traffic concerns were mitigated. These conditions lay the foundation for transportation planning and traffic impact mitigation implementation for each project in the North Beach Subdivision. Condition Nos. 4 and 7 of the 1988 SMA approval for the subdivision in particular, set forth the parameters for transportation planning and traffic mitigation, as follows:

Condition No. 4:

*The Applicant shall submit to the Planning Department for review and approval a revised North Beach Transportation Management Plan dealing with employee and guest traffic. A goal of the Transportation Management Program shall be to reduce by at least 30 percent the total volume of project employee traffic at the North Beach development. The Applicant is hereby advised that the program's goals and implementing measures shall be reexamined two years after the opening of each new project by the County Planning Director and the project's Transportation Coordinator and may be revised based on mutual consent of the officials designated herein. In the event there is a dispute over the establishment of revised goals or implementing measures, the Planning Commission shall review the matter and determine the appropriate goals or implementing measures. The Applicant is further advised that implementation of said plan shall be required for the initial and subsequent projects within the subdivision.*

Response:

Condition No. 4 was satisfied with the Maui Planning Commission's May 27, 1997 approval of the Revised Transportation Management Plan for the Ka'anapali North Beach Subdivision Project. With the opening of the Westin Ka'anapali Ocean Resort Villas (Lot 1), the North Beach Transportation Management Plan was updated in April 2007.

Condition No. 7:

*Prior to the commencement of the operation of the initial project to be constructed within the North Beach Subdivision, the Lahaina Bypass Highway or other mitigative measures or terms, as approved by the Planning Commission shall be implemented.*

Response:

As each of the four (4) lots at North Beach are developed, "other mitigative measures" (in lieu of the Lahaina Bypass Highway) satisfactory to the Planning Commission are required to be identified and implemented.

Kaanapali Ocean Resort Villas (Lot 1)

In 1998, the Planning Commission granted an SMA Permit for the 280-unit Kaanapali Ocean Resort (hereafter referred to as KOR I) on Lot 1 of the North Beach Subdivision. It is noted that in connection with the 1998 SMA approval for KOR I, the applicant (a previous owner) agreed to decrease the overall maximum allowable unit density limit for the North Beach Subdivision. The reduction changed the maximum number of units that can be constructed in the subdivision from 3,200 to 1,950 units.

The SMA Use Permit approval included project-specific conditions for Lot 1, as well as a number of general conditions applying to the development of individual lots in the North Beach Subdivision by project developers in the future (Lots 2 through 4).

The conditions that pertain to future development represent continuing obligations or restrictions that must be complied with by future project developers of the individual lots in the Subdivision. Specific conditions included in the 1998 KOR I SMA Permit approval directly applicable to future development within the North Beach Subdivision are summarized below: ***Also see Exhibit 25***

- b. A 10-acre public open space/recreation area and a 150-foot shoreline setback area throughout the North Beach Subdivision shall also be open and available, in perpetuity, to members of the public for open space and passive recreational uses, as well as for Native Hawaiian traditional and customary uses.

Lot 3 Compliance: This setback and uses are outlined in the Shoreline Zone Plan component of the updated Design Manual. The Declaration of Perpetual Rights and Uses and Perpetual Restrictions for both the public open space/ recreation area and 150-foot Shoreline Setback Area were recorded on January 13, 1999. Both areas have been open to the public since October 29, 1998.

- aa. A Hawksbill turtle monitoring program should be in place at North Beach prior to and during any construction within the 150-foot shoreline setback area. Should any member of this species be observed on or near the beach, the National Marine Fisheries Service should be immediately contacted and any recommendations made by such agency should be implemented.

Lot 3 Compliance: The Kaanapali North Beach Master Association has contracted with Legacy Services LLC to ensure the implementation of a Hawksbill turtle monitoring program prior to the initiation of any construction activities within the designated shoreline setback area.

- bb. Engineering plans for the Master Drainage System for the North Beach Subdivision shall be submitted to the Maui Planning Commission for review and comment and to the County Department of Public Works and Environmental Management for approval. The total volume of runoff over time through or from the Subdivision during a design criteria storm shall not decrease near shore water quality adjacent to the subdivision below Department of Health (DOH) standards for Class A Waters and water quality limited segments any more than had occurred as of July 1988 during a like storm event. The Master Drainage System shall be designed pursuant to previously agreed upon terms. The water quality program shall be enforced by the Clean Water Branch of the State Department of Health.

Lot 3 Compliance: On January 25, 2000, the Maui Planning Commission reviewed a Draft Drainage Master Plan, Kaanapali North Beach (Mauka and Makai), dated 1999, which was prepared by Sato and Associates, Inc. After due deliberations, the Planning Commission voted to file the draft plan in the project file.

On February 24, 2000, the Department of Public Works and Environmental Management reviewed the Draft Master Plan with no objections.

On May 30, 2000, a revised Drainage Master Plan, Kaanapali North Beach (Mauka and Makai), dated April 2000, was submitted to DPW which offered no objections.

- cc. Prior to any future development at the North Beach Subdivision, implement appropriate traffic mitigative measures or terms as approved by the Maui Planning Commission.

Lot 3 Compliance: This condition is similar to Condition No. 7 of the 1988 SMA Approval for the North Beach Subdivision. Appropriate traffic mitigation measures will be presented by the applicant for approval.

- dd. Utilize a community-based planning program to prepare and submit (for Maui Planning Commission review and comment) conceptual plans to promote non-automobile-dependent forms of transportation for West Maui.

Lot 3 Compliance: A revised transportation plan for the North Beach Subdivision was approved by the Maui Planning Commission on May 28, 2002. This plan also compliments the transportation management plan approved by the Planning Commission on May 27, 1997 pursuant to Condition No. 4 of the 1988 SMA approval for the North Beach Subdivision.

- ee. The number of lock-off units in the North Beach Subdivision shall not exceed 487 units of the maximum allowable 1,950 units. If more than 487 lock-off units are built, the additional units incorporating the lock-off design shall be counted as two (2) units.

Lot 3 Compliance: With the lock-off feature, a timeshare owner may choose to utilize one (1) of the two (2) bedrooms as a separate guest unit. No lock-off units are proposed for the KOR III project. Of the 1,950 units allowed, 1,238 have been approved for Lots 1, 2 and 4, leaving a balance of 712 units for KOR III. However, the Applicant proposes to build 390 units which will bring the total number of units approved for the North Beach Subdivision to 1,628 (including 483 lock-off units).

- gg. Prepare a conceptual master plan for the North Beach Subdivision after conducting a community-based planning program including build-out proposals and densities, and incorporating Native Hawaiian ideas, values, and concepts reflecting the history and culture of Keka`a. Updates to the Design Manual and Master Plan shall be presented to the Maui Planning Commission for review and comment.

Lot 3 Compliance: To ensure that lots within the North Beach Subdivision are developed and maintained in accordance with the design intent of the North Beach Master Plan, a design manual was prepared for the subdivision. In addition to providing physical planning and design guidance for new projects in the subdivision, the Design Manual established guidelines for preserving view corridors and open space, site planning, architectural design, signage, and the shoreline area, as well as common area and site-specific landscaping. The updated Design Manual and Master Plan was approved by the Planning Commission on September 23, 2003.

As the preceding conditions are requirements which apply to the future development of undeveloped lots in the North Beach Subdivision, the proposed KOR III project will be developed in accordance with the terms set forth by these conditions.

It should be noted that KOR I has been developed in accordance with the permit conditions for the project. As a requirement of the 1998 SMA approval for the KOR I, annual detailed reports addressing the project's compliance with the conditions of its approval have been submitted to and approved by the County Planning Department. The latest annual compliance report was filed with the Department of Planning on June 24, 2005 and approved on June 29, 2005.

#### Kaanapali Ocean Resort Villas Expansion (Lot 2)

On October 8, 2004, the Maui Planning Commission granted a SMA Permit for a Kaanapali Ocean Resort expansion project (hereafter referred to as KOR, Lot 2) on Lot 2 of the North Beach Subdivision.

KOR, Lot 2, which is currently under construction, consists of 258 two-bedroom timeshare units and related parking, landscaping and amenity/facility improvements. Each two-bedroom unit will contain approximately 1,443 gross square feet of floor space and will be dispersed among four (4) guest wings ranging from 4 to 6 stories in height. The 258 two-bedroom units will utilize a "lock-off" design feature.

In addition to the two-bedroom timeshare units, other onsite improvements will include a porte cochere and a two-story clubhouse building, a health spa, a keiki club, a pool bar, swimming pools and water features, restrooms, pool and water feature crossings (bridges), landscaping and construction of a parking structure.



To ensure sufficient emergency fire access and account for design revisions to the approved parking structure, an application to amend the SMA Permit was filed with the Department of Planning on February 15, 2006. The proposed amendments include design revision to the approved parking structure for KOR II and a secondary fire access lane.

It is noted that KOR, Lot 2 is currently being developed in accordance with the previously listed set of conditions that were attached to the SMA approval for KOR I. Furthermore, the Applicant, in connection with the KOR, Lot 2 SMA Use Permit approval, is required to submit preliminary and final compliance reports to the Department of Planning. The preliminary compliance report for KOR, Lot 2 was filed on November 15, 2004 and approved by the Department of Planning on February 8, 2005. A final compliance report for Phase IA of KOR, Lot 2 was filed on November 22, 2006 and approved by the Department of Planning on December 18, 2006. A final compliance report for Phase IB of KOR, Lot 2 was filed on June 21, 2007 and approved by the Department of Planning on June 27, 2007.

#### Honua Kai Resort (Lot 4)

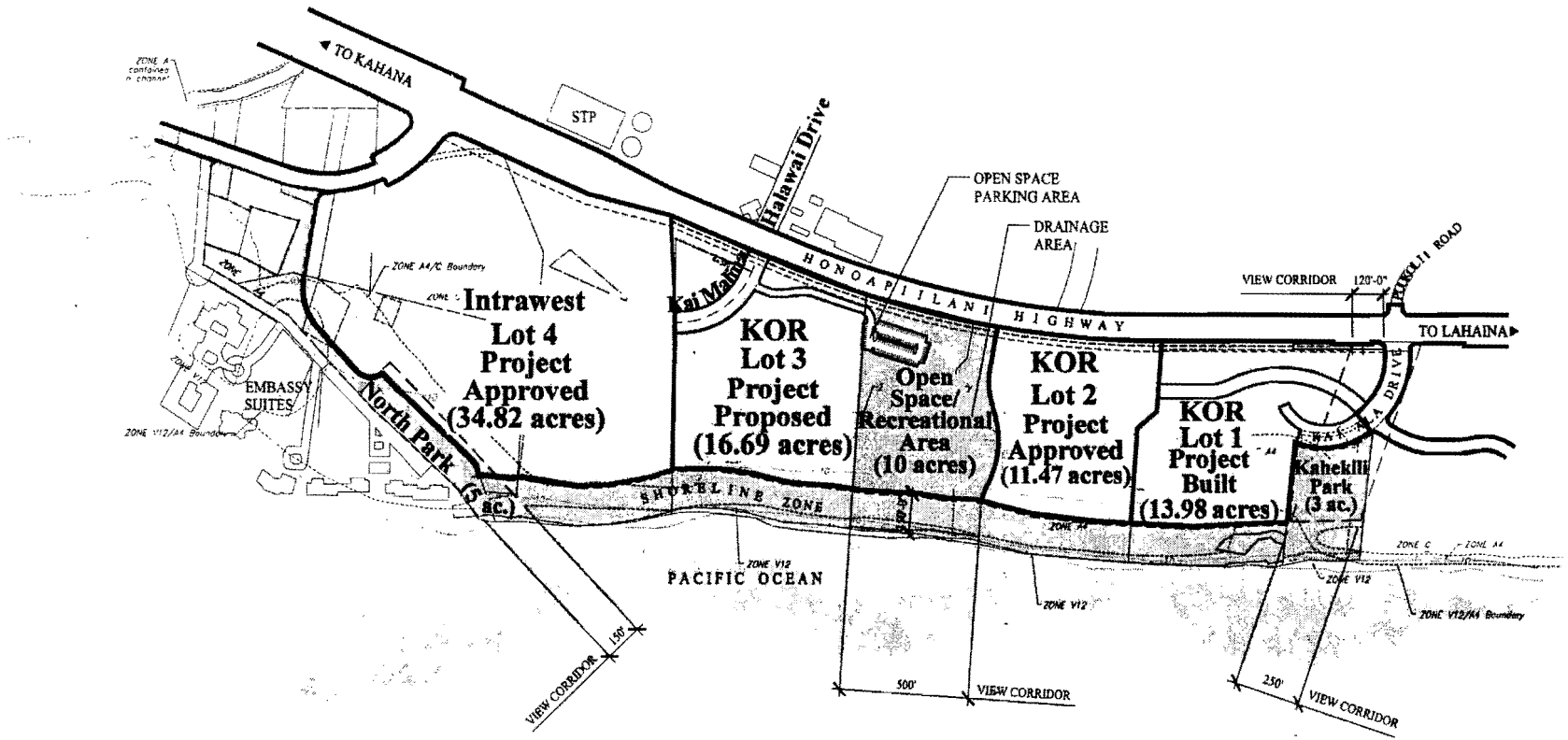
On February 10, 2004, the Maui Planning Commission granted a Step I Planned Development Approval for the 700-unit Honua Kai (Intrawest) project on Lot 4 of the North Beach Subdivision. The Step I Planned Development approval effectively granted tentative approval for the project's conceptual design plan. On February 22, 2005, the Maui Planning Commission granted the SMA Permit and issued Step II Planned Development approval for the project. Step III Planned Development approvals for each phase of the development are currently being sought by Intrawest.

The 700-unit Honua Kai Resort project, as approved, consists of 624 hotel units, 76 townhouse units, related resort amenities and a public park (North Park) with related parking, landscaping and facility improvements. The units will not utilize a "lock-off" design feature.

#### DESCRIPTION OF THE PROJECT

***See Site Plan, Figures 6 and 7, next pages***

SVO Pacific, Inc. proposes a project (KOR, Lot 3) on Lot 3 of the North Beach Subdivision which will consist of 390 timeshare units and related improvements. The timeshare units will consist of one-, two- and three-bedroom unit designs which will be dispersed among seven (7) guest wings ranging from four (4) to six (6) stories in height. Gross floor space for the one-, two- and three- bedroom units will be 840 square feet, 1,250 square feet and 1,450 square feet, respectively. . As outlined previously, the proposed units will *not* utilize a "lock-off" design feature.



NOTE: Lot areas are approximate.

Source: Brownlie & Lee

Figure 1

# KA'ANAPALI OCEAN RESORT

Ka'anapali North Beach, Maui, Hawaii

## PROJECT SUMMARY

### PROPOSED UNITS

1-Bedroom Villas* (840 sq)	45 Units
2-Bedroom Villas* (1,260 sq)	313 Units
3-Bedroom Villas* (1,470 sq)	32 Units
	<b>390 Total Units</b>

\* No lockoff units proposed

### PROPOSED PARKING

390 Units x 1.30 Stalls/Unit	507 Stalls
100 Employees x 1.00 Stalls/Employee	100 Stalls
140 Intra-west Allocation	140 Stalls
53 Additional Stalls	53 Stalls
	<b>800 Total Stalls</b>

## ZONING & PLANNING SUMMARY

### LOT AREA

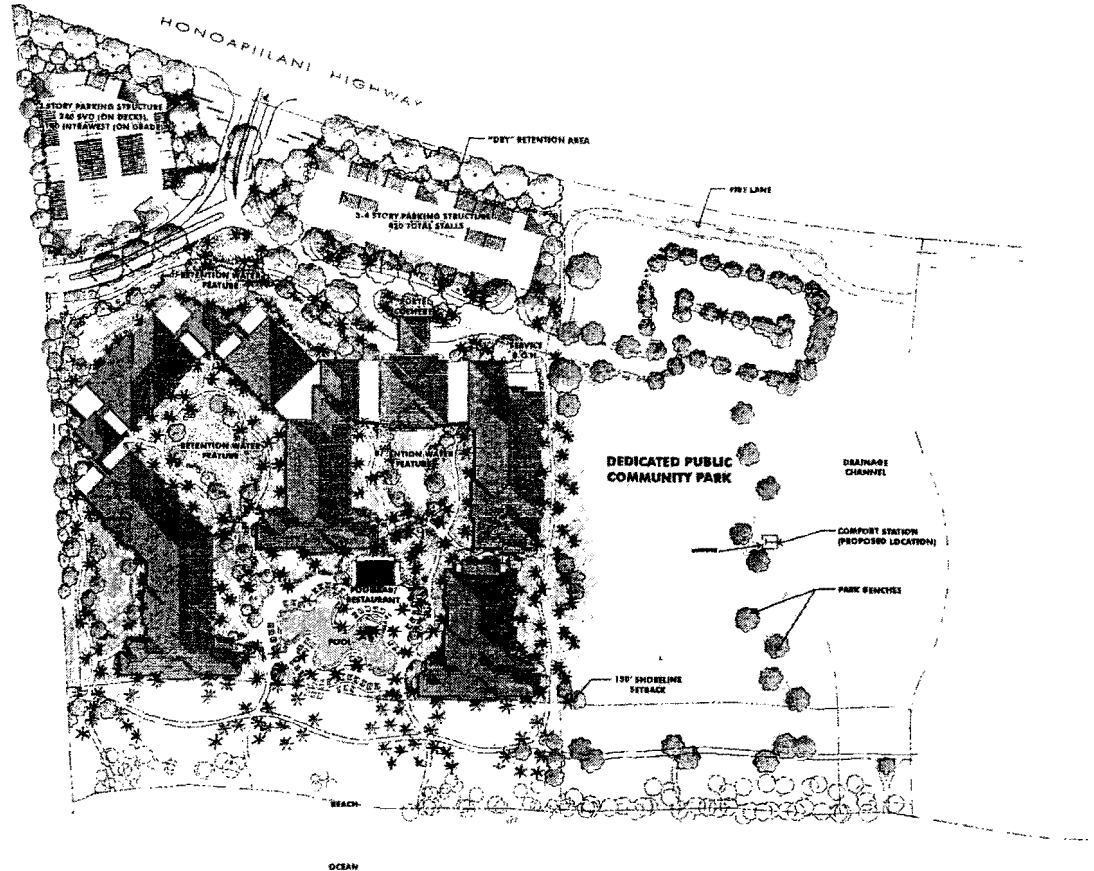
Lot	Area (acres)	Area (sq ft)
Lot 3 Total Area	26.692 Acres	1,162,703 sq
Open Space (Easement 257)	(10.001 Acres)	(435,644 sq)
Road (Easement 267)	(0.842 Acres)	(36,678 sq)
Net Developable Land Area	15.849 Acres	690,382 sq

### LOT ZONING

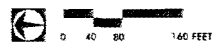
Zoning	Permitted FAR	Proposed FAR
HM	1.00 = 690,382 sq	0.90 = 627,230 sq

### LOT COVERAGE

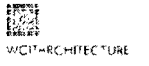
Zoning	Permitted Coverage	Proposed Coverage
HM	207,015 sq Coverage = 30%	192,728 sq Coverage = 28%
	483,367 sq Open = 70%	497,654 sq Open = 72%
	690,382 sq	690,382 sq

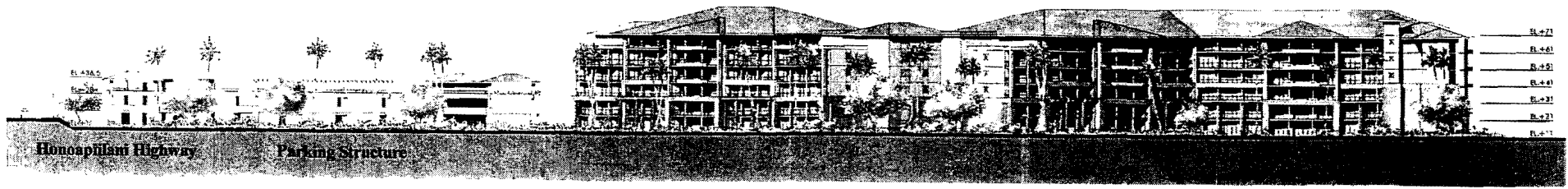


## SITE PLAN

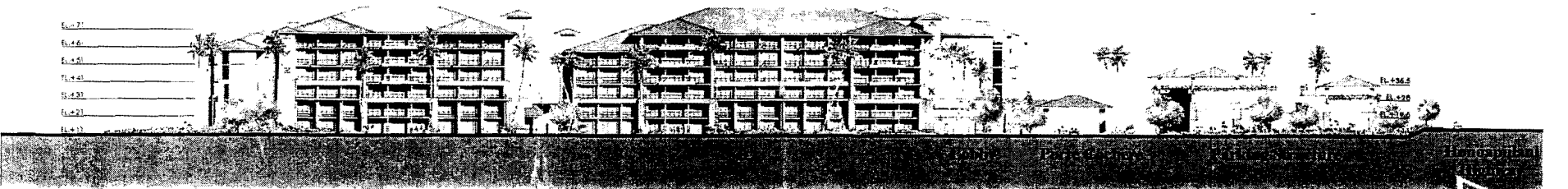


SCHEMATIC DESIGN  
05.18.2007

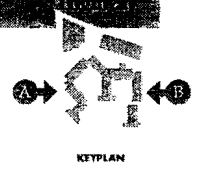




**A. North Elevation**



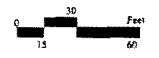
**B. South Elevation**



Source: WCIT Architecture, Inc. (5/12/06)

Figure 6

Proposed Westin Kaanapali Ocean Resort Lot 3 Project  
North and South Elevations



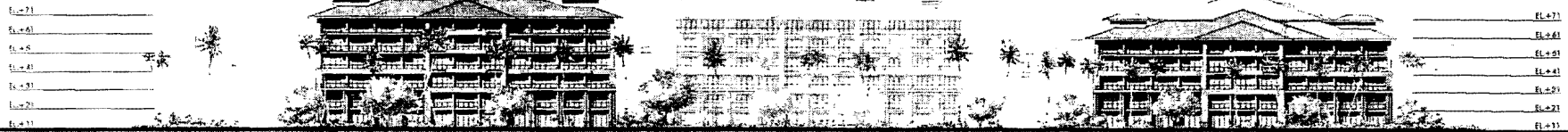
MUNEKIYO & HIRAGA, INC

Prepared for: SYO Pacific, Inc.

S:\2\1013\p11\resort\resort.ele



## A. East Elevation



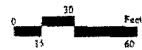
## B. West Elevation



Source: WCIT Architecture, Inc. (5-12/06)

Figure 7

Proposed Westin Kaanapali Ocean Resort Lot 3 Project  
East and West Elevations



Prepared for: SVO Pacific, Inc.

MUNEKIYO & HIRAGA INC

The neighboring KOR, Lot 2 expansion project is currently under construction on Lot 2. Upon completion of KOR, Lot 2, there will be a total of 483 units incorporating the lock-off design in the North Beach Subdivision. These units fall within the maximum of 487 lock-off units within the North Beach Subdivision that will be counted as single units towards the maximum total number of units of 1,950, as stipulated by the 1998 SMA approval for KOR, Lot 1. With the completion of KOR, Lot 3, the total number of units in the North Beach Subdivision will be 1,628, which falls within the allowable maximum of 1,950 as is stipulated under the 1998 SMA Use Permit approval for KOR I. This is approximately 16 percent less than the current allowable maximum number of 1,950 units and represents a 50 percent reduction of the density originally permitted for the subdivision. The following table on the next page summarizes the above mentioned figures.

*This portion intentionally left blank.*

<b>NORTH BEACH SUBDIVISION DENSITY MATRIX</b>					
<b>Lot</b>	<b>Development</b>	<b>Developer</b>	<b>Phase</b>	<b>Total Number of Units including Lock-off Units</b>	<b>Number of Lock-off Units (Total)</b>
Lot 1	KOR I	SVO Pacific, Inc.	Operational	280	225
Lot 2	KOR II	SVO Pacific, Inc.	Construction	258	258
Lot 3	KOR III	SVO Pacific, Inc.	Planning & Design	390	0
Lot 4	Honua Kai	Intrawest	Construction	700	0
<b>Total Number of Units Including Lock-off Units</b>				<b>1,628</b>	<b>---</b>
<b>Total Number of Lock-off Units</b>				<b>---</b>	<b>483</b>
<b>Total Allowable Units</b>				<b>1,950<sup>i</sup></b>	<b>487<sup>ii</sup></b>
<b>Remaining Allowable Lock-Off Units in North Beach Subdivision</b>				<b>---</b>	<b>4</b>
<b>APPROVED UNITS IN NORTH BEACH SUBDIVISION TO REMAIN UNDEVELOPED</b>				<b>322</b>	
<sup>i</sup> Per Condition No. 8 of the 1988 SMA/SSV Approval (as amended by 1998 Lot 1 SMA Approval which reduced the total allowable units in the North Beach Subdivision from 3,200 to 1,950) <sup>ii</sup> Should the number of lock-off units in the North Beach Subdivision exceed 487, then the main unit and lock-off unit shall be counted as two units for the purposes of formulating the total unit counts.					

In addition to the timeshare units, other proposed onsite improvements include a porte cochere, a two-story lobby, a cultural center, a general store, a 2,100 square foot (s.f.) restaurant, Keiki Club, business center, administrative offices and 6,000 s.f. spa and fitness center. Other improvements include a new pool, four (4) water retention features, landscaping and irrigation. **See Figure 7, previous page.** A fire lane will also be constructed around the four-story parking structure, as well as a new sewer force main and pump station.

Parking for the project will be provided within two (2) multi-story parking structures. The first parking structure will contain four (4) stories and will provide capacity for 420 stalls.

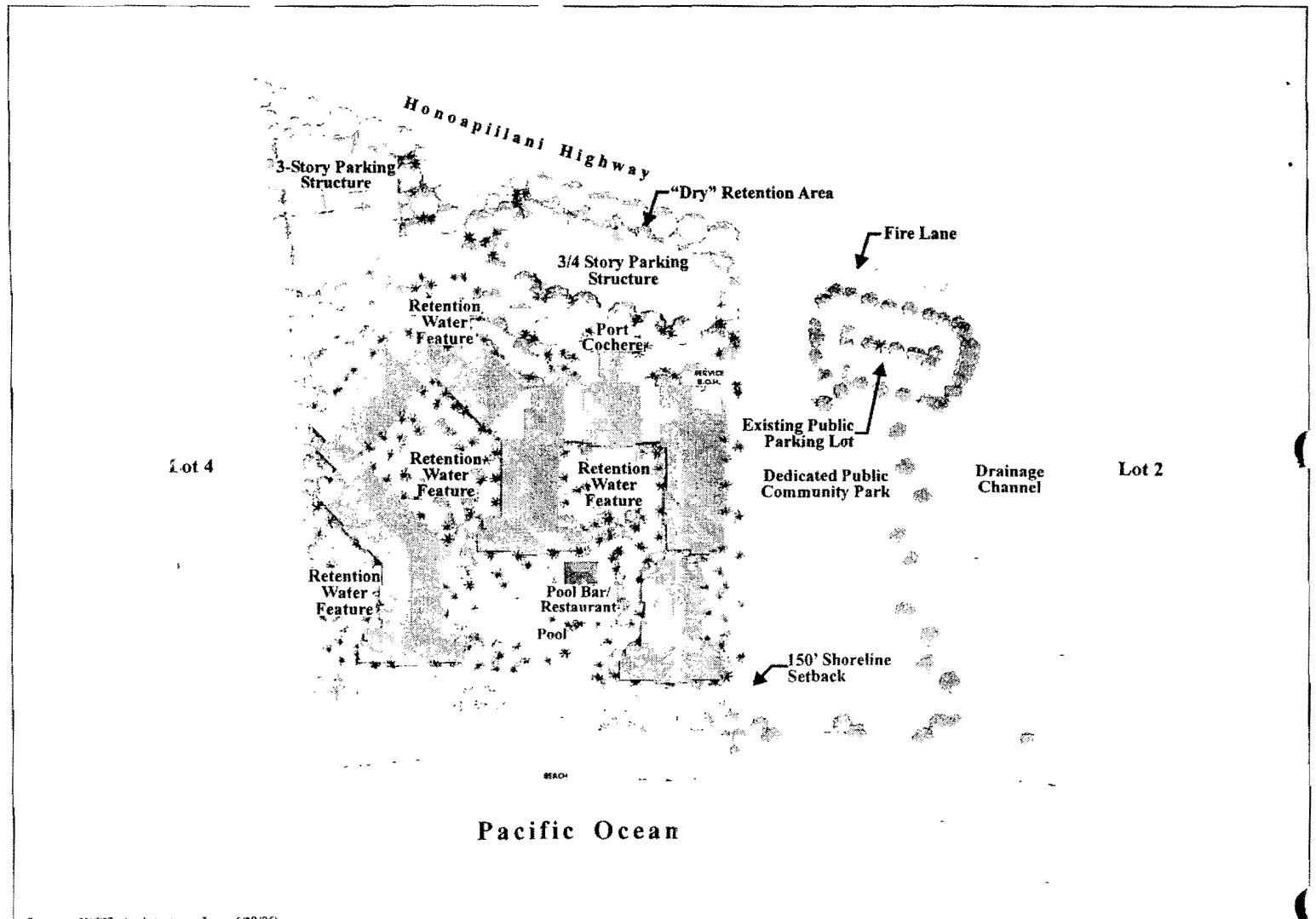
The second parking structure will be a three-story facility and will provide an additional 380 stalls bringing the total available onsite parking capacity to 800 parking stalls. It is noted that 140 of the total number of onsite parking stalls will be dedicated to the neighboring Honua Kai Resort development. **Refer to Figure 4, next page.**

Additionally, the Applicant presented the project to the North Beach Makai/Mauka Lands Advisory Group for review and comment prior to finalizing the SMA application. Based on comments received from the Group, the project was revised to include the relocation of the existing open space parking lot on Lot 3 and to include an expansion of the parking lot by 20 parking spaces. The proposed project will move the *gravel* parking lot approximately 100 feet south of its existing location to provide for further separation between the KOR, Lot 3 project and the open space area. The 20 additional parking stalls are proposed to provide for future increased use of the park as the North Beach Subdivision is developed. The Applicant will continue to work with the group for any future improvements to the public park area.

All work within the 150-foot shoreline setback area will be undertaken in accordance with the applicable provisions of the Maui County grading ordinance and the shoreline zone plan component of the Design Manual. No major improvements are proposed within the shoreline setback area. However, as previously noted and similar to Lots 1, 2 and 4, a lateral shoreline walkway, mauka of the coastal sand dune, and mauka-makai beach walkways will be provided for public and guest use in order to facilitate pedestrian access to the beach and along the shoreline mauka of the dune (handicapped access will be provided as required). To minimize impacts to beach processes, the walkways will be of temporary construction (i.e., movable) and shall be constructed of materials such as recycled plastic or ungrouted pavers. **See Figure 8, next page.** In order to ensure pedestrian safety and accommodate grade transitions for the installation and maintenance of the walkways, the placement of beach quality sand is proposed. In addition, landscaping and temporary irrigation are proposed in order to facilitate the establishment of the vegetation along shoreline areas. The purpose of the landscaping is to ensure the stabilization of the sand and walkways, such that their functional integrity is maintained over time.

As previously outlined, the proposed project will be designed and implemented in accordance with the standards established by the Kaanapali North Beach Design Manual, as well as all applicable regulatory requirements, including the permit conditions that pertain to project developers for the future development of individual lots in the North Beach Subdivision arising from applicable previous SMA approvals.





Source: WCII Architecture, Inc. (6/29/06)

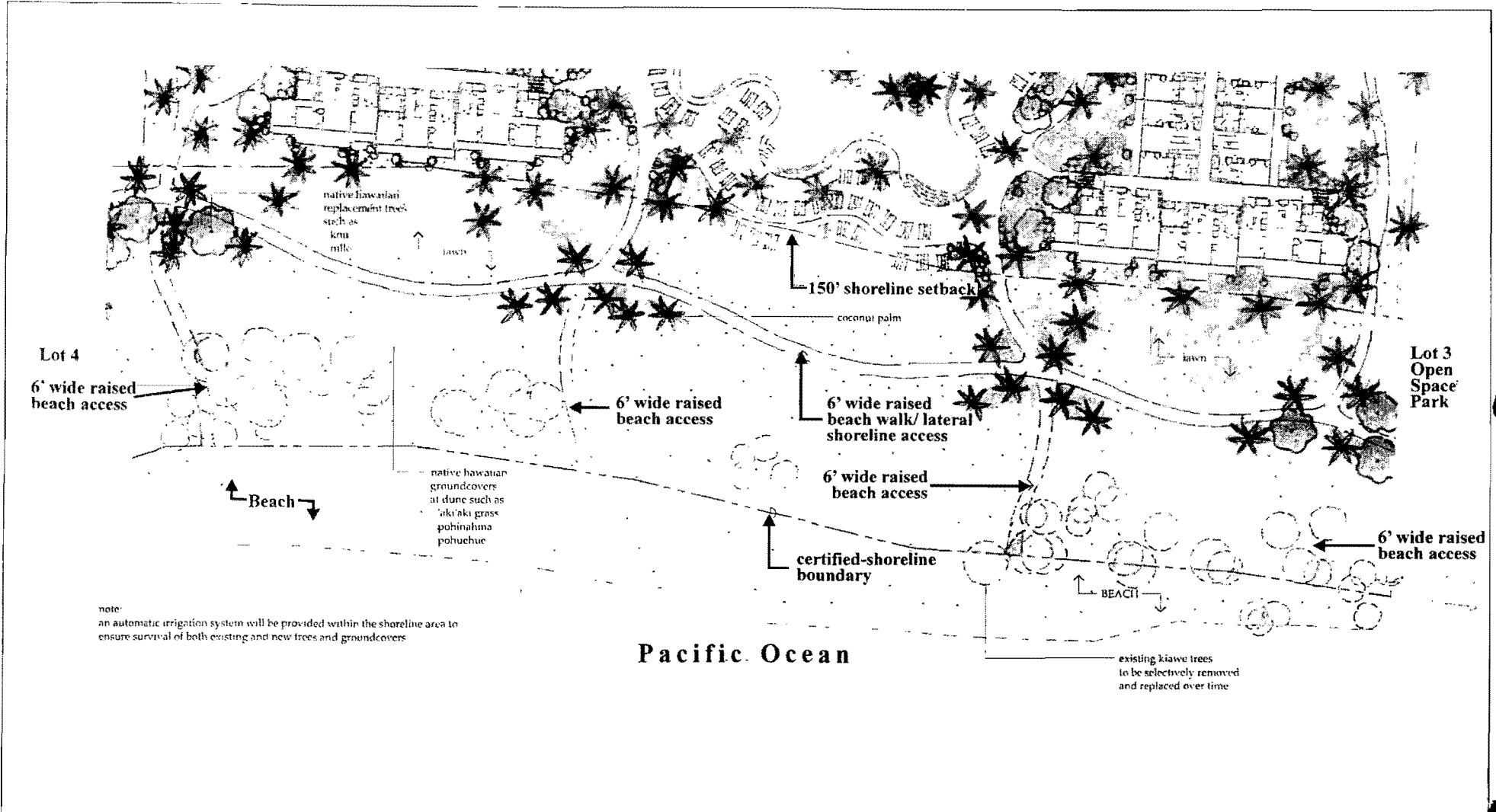
Figure 4 Proposed Westin Kaanapali Ocean Resort Lot 3 Project Site Plan



MUNEKIYO & HIRAGA, INC.

Prepared for: SVO Pacific, Inc

S:\skott\pills\resplan



Source: Walters Kimura Motoda, Inc (6/29/06)

Figure 9

Proposed Westin Kaanapali Ocean Resort Lot 3 Project  
Shoreline Setback Area Improvements

NOT TO SCALE



Prepared for: SVO Pacific, Inc.

MUNEKIYO & HIRAGA, INC.

S:\0611\131113\shoreline\shp\proj

## **TRAFFIC MANAGEMENT: NBTMP**

The Maui Planning Commission (Commission) recently reviewed on June 26, 2007, and the County of Maui, Department of Planning (Department) recently approved on June 29, 2007, the SVO update to the North Beach Transportation Management Plan (NBTMP).  
**See Exhibit 24**

### **An Executive Summary of the NBTMP**

The following is a summary of the updated version of the 1988 North Beach Transportation Management Plan (NBTMP) as required by the 1988 SMA Permit for the North Beach Subdivision.

The SMA Permit sets a goal of a 30% reduction in *employee* automobile traffic for the development. This 30% employee trip reduction goal is intended to be accomplished through application of the following proposed measures:

First, the Applicant states that some of the employee trip reduction has already occurred and will continue to occur through long-standing preferences by some employees to carpool and use transit to get to work. If this existing trends continue, it may be assumed that the North Beach Subdivision will see some reduction in employee automobile trips independent of any additional Transportation Demand Management (TDM) program development.

To increase transit mode share of commute trips, SVO proposes to work with Maui County Department of Transportation (DOT) and other West Maui employers to augment and improve transit service in West Maui to increase the ability of the commuting public, including SVO employees, to take transit to work.

The Lahaina Shuttle Service, funded and operated by SVO, also contributes to a reduction in employee traffic to the North Beach Subdivision. This free shuttle service has between 13 and 14 round trips a day between Ka'anapali Ocean Resort and Lahaina. SVO proposes additional service to allow North Beach employees with early morning start times or evening finishing times to utilize this free service.

A transportation allowance is also proposed for the North Beach Subdivision. This would allow employees to choose an alternative mode benefit such as a free transit pass or the cash-equivalence in lieu of a free parking space. This program encourages employees to use alternative modes by rewarding those who choose not to drive.

Finally, the 1988 SMA permit for the four-lot North Beach Subdivision reduced the allowed density to 3,200 units. The goal of 30% trip reduction was established at that time. The

**Table ES-1. Summary of Traffic Mitigation Costs Proposed by SVO for KOR, Lot 3**

<b>BASE TRANSPORTATION IMPROVEMENTS</b>		
<b>Roadway Development</b>	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
Restripe the existing Honoapi'ilani Highway northbound left-turn storage lane to provide 400 feet of storage at Halawai Drive intersection.	----	\$62,000.00
<b>Subtotal</b>	----	\$62,000.00
<b>North Beach Transportation Management Plan</b>	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
West Maui Transit Enhancements	\$40,000.00	----
Transportation Allowance	\$9,000.00	----
Lahaina Shuttle	\$77,000.00	----
Transportation Coordinator	\$25,000.00	----
<b>Subtotal</b>	\$151,000.00	----
<b>BASE TRANSPORTATION IMPROVEMENTS TOTAL (EXCLUDING ADDITIONAL MITIGATIVE MEASURES)</b>	<b>\$151,000.00</b>	<b>\$62,000.00</b>
<b>ADDITIONAL MITIGATIVE MEASURES</b>		
<b>Traffic Impact Fees - includes the following:</b>	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
Mill Street South Extension Feasibility Study	----	*
Mill Street Construction (Keawe Street to Aholo Road)	----	*
Ka'anapali Connector Design/Lahaina Bypass Phase IC	----	*
Other Capital Improvement Projects	----	*
Widen Honoapi'ilani Highway in the southbound direction to provide an acceleration lane for the eastbound right-turns from Lower Honoapi'ilani Road.	----	*
Widen Honoapi'ilani Highway and Lower Honoapi'ilani Road to add a second northbound to westbound left-turn lane (two lanes total).	----	*
<b>Subtotal</b>		\$1,678,170.00**
<b>Other Travel Demand Management (TDM) Measures</b>	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
Lahaina Bypass Now	----	\$50,000.00
Rideshare	\$11,000.00	----
Marketing	\$4,500.00	----
<b>Subtotal</b>	\$15,500.00	\$50,000.00
<b>ADDITIONAL MITIGATIVE MEASURES TOTAL</b>	<b>\$15,500.00</b>	<b>\$1,728,170.00</b>
<b>TOTAL TRANSPORTATION MITIGATION COSTS</b>	<b>\$166,500.00</b>	<b>\$1,790,170.00</b>
<b>LUMP SUM TRANSPORTATION MITIGATION COSTS OVER 15 YEAR HORIZON</b>	<b>\$4,287,670.00</b>	
* To be allocated by County of Maui		
** Estimated Traffic Impact Fee based on 390 units x \$4.303/unit as indicated in Maui Island Traffic Impact Fee Report dated November 2006		

1998 SMA permit for KOR Lot 1 reduced the allowed density of the subdivision from 3,200 units to 1,950 units. Existing SMA permits (for Lots 1, 2 and 4) and SVO's pending permit for Lot 3 would ultimately construct a total of 1,628 units. This would, theoretically, cause a further reduction of employee generated automobile traffic.

As previously mentioned, the NBTMP is a requirement of the overall Ka'anapali North Beach Subdivision and provides for traffic mitigation measures with a goal of reducing the employee traffic generated by projects by 30 percent. The measures approved in the NBTMP may further mitigate traffic impacts, possibly beyond the mitigation efforts proposed by the Applicant. Through the implementation of these transportation programs and the payment of traffic impact fees, SVO pledges a commitment of over \$4.2 million over a 15 years time frame. **See Table ES-1, next page**

*Please note that the County Council has not passed the final traffic impact fee formula.*

This remaining section discusses the various traffic mitigation measures, which have already been implemented or will be further considered for implementation as part of the KOR, Lot 3 project, including accommodations from the TIAR, the North Beach Transportation Management Plan (April 2007) and specific traffic mitigation measures proposed by SVO for KOR, Lot 3. The Applicant would like to point out that it has worked with the community-based Lahaina Bypass Now organization for broad-based regional support.

There are two (2) primary proposed methods of traffic mitigation: roadway development and alternative mode use. Although the effect of many of the proposed mitigation measures is difficult to quantify, collectively, the multi-pronged transportation approach will theoretically, lessen the traffic impact of the project. SVO's goal, through use of alternative transportation encouraged to the employees and guests, is to reduce vehicle usage related to the North Beach Subdivision, and thus, in West Maui and island-wide. At the present time, there is no time frame for any new road construction development for the west side which would have a significant impact in traffic mitigation.

In total, the KOR, Lot 3 traffic mitigation program is estimated to cost \$1.96 million in 2008 and \$166,500.00 annually thereafter. Assuming a 15-year time horizon, the fixed and annual costs for the Lot 3 traffic mitigation program is estimated to cost SVO approximately \$4,287,670.00. A summary of the associated annual and one-time costs of operating and maintaining the traffic mitigation efforts by SVO is presented in Table ES-1.

The information in Table ES-1 arose from discussions SVO held with various agencies and organizations involved in traffic concerns, including the Hawai'i State Department of Transportation (HDOT), the County of Maui's Department of Transportation (MDOT), the County of Maui's Department of Public Works (DPW) (formerly the Department of Public

Works and Environmental Management) and the West Maui Preservation Association (WMPA).

The Applicant has stated it has met several times with the previous and current directors of the County of Maui's Departments of Public Works; Transportation; and Planning, as well as the former Mayor, to explore and identify the County's traffic mitigation priorities to prepare a proposed traffic mitigation package for KOR III. Based on the comments received from the County Administration as well as community groups, the Applicant prepared a Traffic Mitigation Measures (TMM) report, providing proposed measures for the KOR III project. The TMM report was submitted to the Planning Department with supplemental project information on July 27, 2007 (Copies of this report are available in the Planning Department).

As required for Lot 1, SVO developed and submitted the April 2007 update to the North Beach Transportation Management Plan (NBTMP) to investigate non-construction means of traffic mitigation. Opportunities for the North Beach Subdivision as a whole were examined. The NBTMP provides region-specific alternative transportation options available to the projects. The goal of the NBTMP was to realize a 30 percent employee trip reduction through the application of various travel demand management measures. The Planning Department approved the update via letter dated June 29, 2007 for lot 1 and 2. **See Exhibit 24**

The Maui Planning Commission and the Department of Planning reviewed the update to the NBTMP. As agreed upon at the Planning Commission Meeting on June 26, 2007, SVO has committed to a goal of reducing the *overall* traffic generated by Lot 1, Lot 2 and Lot 3 in the North Beach Subdivision by 30 percent and not just *employee* generated traffic as required. This employee reduction commitment was a requirement established by the 1988 KOR Lot 1 condition. The project's traffic engineer determined that if SVO reaches its goal of 30 percent overall traffic reduction for Lots 1, 2 and 3, it will reduce KOR, Lot 3's traffic contribution along Honoapi'ilani Highway by 1 percent (i.e., from 4 percent to 3 percent impact).

The Applicant states that it met with the Hawai'i State DOT (HDOT) to discuss the recommended regional roadway improvements. As a result of the meeting with HDOT officials, improvement no. 1 as recommended by the TIAR, "Widen Honoapi'ilani Highway to provide an acceleration lane for the eastbound Halawai Drive right-turn lane forming a 'free' right turn," was deleted from the proposed improvement list due to various reasons. Among the reasons for the deletion was the proximity of the Honoapi'ilani Highway/Halawai Drive intersection to the Lower Honoapi'ilani Road/Honoapi'ilani Highway intersection, which is currently signalized, and due to the concern that drivers may use the lane inappropriately which could present a safety hazard.

Further, it is noted that in the discussions with HDOT, it was agreed that the recommended improvement no. 3, "Widen Honoapi`ilani Highway in the southbound direction to provide an acceleration lane for the eastbound right-turns from Lower Honoapi`ilani Road," and no. 4 "Widen Honoapi`ilani Highway and Lower Honoapi`ilani Road to add a second northbound to westbound left-turn lane (two lanes total)" were determined to be "regional improvements," rather than project-site specific. A written response from HDOT was received via letter dated June 28, 2007. **See Exhibits 5B , 5C & 5C1**

SVO will include TIAR recommendation no. 2, "Restripe the existing Honoapi`ilani Highway northbound left-turn storage lane at the Halawai Drive intersection, to provide 400 feet of storage," as part of the project's improvements.

As previously noted, based on comments received at the June 26, 2007 meeting of the Planning Commission, SVO has committed to the goal of reducing the total combined volume of employee and guest automobile traffic at the Ka`anapali North Beach Subdivision by 30 percent. SVO will achieve this reduction through a variety of transportation demand management (TDM) strategies which will provide guests with multiple alternatives to driving.

Included in the TDM program for KOR, Lot 3 are options for alternative modes of transportation. SVO intends to contribute funds for the expansion of the County of Maui's transit service in West Maui. Included in the expansion of transit service is the option for expansion of the Lahaina Shuttle that is currently paid for and operated by SVO. The free service is available to guests of the KOR, Westin Maui and Sheraton Maui, which are properties owned and/or managed by SVO. Further, in June 2007, SVO initiated a Kihei shuttle specifically for its employees. The shuttle provides 70 employees a free ride from Kihei to KOR, Lot 1, and back, seven (7) days a week. Additionally, SVO has had discussions with the County of Maui, Department of Transportation (MDOT) for the possible use of carpooling software as a test case for the product. The software will enable SVO to efficiently match up its employees for carpooling, based on their work schedules and residential locations. It will also allow MDOT to determine the feasibility of utilizing the software on an island-wide basis. Should the carpool program be unavailable or unfeasible, SVO will implement a carpool matching project for its employees.

Since the proposed traffic mitigation that SVO will implement as part of the NBTMP update will reduce local and regional traffic, SVO plans to request a credit toward its traffic impact fee contribution for the KOR, Lot 3 project. It is noted that at the time of report preparation, the traffic impact fee ordinance was currently under review by the Maui County Council.

#### **WEST MAUI TRAFFIC IMPACT FEES AND TRAFFIC MITIGATION MEASURES\***

*\*Note: This is an on-going discussion between the Applicant, DPW and the Planning Department. Discussions have not reached a conclusion at the time this report was printed.*

As previously noted, the County of Maui is in the process of establishing impact fees for the West Maui region. The enabling legislation for the impact fees is set forth by Chapter 14.62 of the Maui County Code. According to this section of the code, *"Impact fees shall be charged and assessed for all new land development activities which create a need for additional roadway capacities. Impact fees shall be assessed in accordance with Section 14.62.070, and shall be paid to the county upon issuance of any building permit or final subdivision approval, whichever occurs first."* A proposed bill for an ordinance discussed by the Maui County Council preliminarily establishes a per unit fee of \$5,462.00 for hotel uses. The KOR, Lot 3 would be subject to the provisions of Chapter 14.62 only if they receive said permits *after* the ordinance is passed..

Also, as previously noted, SVO has met with representatives from the Department of Planning, the former Department of Public Works and Environmental Management (now called Department of Public Works, DPW) and the MDOT to discuss a proposed traffic mitigation plan for the KOR, Lot 3 project. Currently, the proposed Mill Street extension project includes the area from Aholo Road in the south to Keawe Street in the north and runs parallel to the Honoapiʻilani Highway.

Mill Street is an existing, private cane haul road utilized for the former Pioneer Mill sugar cane operations in West Maui. Several area developers, including Kaʻanapali Land Management Corp., an affiliated entity of Pioneer Mill, are proposing the improvement of the road as an alternate transportation corridor. However, the issue gets complicated as there are several different property owners along this corridor.

The construction of the Mill Street improvements from Keawe Street to Aholo Road extension will not only provide an alternate transportation route in case of emergency, but will also lessen the existing traffic congestion on Honoapiʻilani Highway. The County of Maui continues to support the Mill Street Extension from Keawe to Aholo Road to relieve traffic off of Honoapiʻilani Highway by providing a parallel road corridor for local traffic which was anticipated to be a partial solution to increased traffic from Kaanapali North Beach.

The problem identified by the County of Maui is that the road R-O-W for the Mill Street Extension is under multiple ownership. It is no longer owned entirely by Pioneer Mill Company and portions have been transferred to adjacent landowners who have been purchasing the former plantation lands. In order to acquire the R-O-W it will require condemnation action by the County of Maui. Instead of having an immediate impact on traffic it may take several years to obtain the R-O-W which will delay construction of the roadway even if monies were provided by the applicant. It is highly unlikely that the Mill



Street Extension will be constructed before the occupancy of the proposed project. The Department would encourage the Applicant to include this portion of Mill Street as part of their TMM and have this section of the Mill Street expansion improved concurrently with project construction development and opened for public use before the certificate of occupancy is approved.

In a letter dated October 2, 2007, from DPW to the Applicants consultant, DPW supports the contention that the developer (SVO) fund the Mill Street extension to expedite immediate traffic congestion relief as well as increasing mass transit alternatives. **See Exhibit 23**

The County's Department of Transportation's position on the matter is in a letter dated July 12, 2007 to DPW. **See Exhibit 22**

SVO met with DPW in June 2007 and the HDOT in May 2007 regarding the possibility of designating a portion of their traffic impact fees for the design of Phase I-C of the Lahaina Bypass, including the Ka`anapali Connector road. Phase I-C is the third phase of the Lahaina Bypass Highway project, which runs from Keawe Street to the proposed Ka`anapali connection. The Ka`anapali Connector road would be located in the area between the existing Lahaina Civic Center and the Ka`anapali Golf Course. Although the Ka`anapali Connector would be a County of Maui roadway, the project will be essential for connectivity and functionality of the Lahaina Bypass Highway, a HDOT highway. A written response from HDOT in support of this proposal was received via letter dated June 28, 2007. **See Exhibit 5C**

#### **Proposed Draft SMA Conditions by Applicant\***

*\*Note: These conditions preliminary and are subject to change. Final conditions to be presented at hearing. Bracketed [ ] material added by Department.*

SVO proposes the following Lot 3 SMA conditions as it relates to TDM measures:

- a. *SVO shall implement a marketing program to promote the use of alternative transportation to its employees at least once per quarter and to its guests at least once per stay. Promotional efforts shall include the distribution of the KOR Lahaina Shuttle schedule, payroll inserts for carpool efforts and/or posters in employee areas promoting the KOR TDM program. An annual report of the KOR marketing program shall be filed with the Planning Department for a period of five (5) years following the opening of the KOR, Lot 3 project. Said annual report shall describe TDM measures implemented during the preceding calendar year. The report for each calendar year shall be filed with the Planning Department by February 15<sup>th</sup> of the next year.*

- b. *SVO shall develop and implement a rideshare program for its employees. An annual report of the KOR rideshare program for its employees shall be filed with the Planning Department for a period of five (5) years following the opening of the KOR, Lot 3 project.*

SVO will pay traffic impact fees in accordance with Chapter 14.62 of the Maui County Code. It is noted that from its traffic impact fees, SVO is supportive of the funding for the design and construction of roadway projects for West Maui. SVO is in favor of a traffic impact fee that will be in rough proportionality to the proposed impacts generated by the Lot 3 project. To address this requirement, the following SMA condition is proposed for the KOR, Lot 3 project:

- c. *SVO shall pay the applicable traffic impact fees for the project in accordance with Chapter 14.62 of the Maui County Code. As represented, the applicant has received a prioritized list of projects to be funded by its traffic impact fee from the following agencies and organizations: HDOT, DPW, MDOT and WMPA [WMPA is not a public entity and therefore should not be recognized on this list.] As such, the applicant will be supportive of its traffic impact fee being utilized for the Mill Street project, the design of the Ka'anapali Connector and the Lahaina Bypass Phase 1C (Keawe Street to Ka'anapali Connector) and other road improvements north of Keawe Street to the Ka'anapali North Beach Subdivision.*

To address SVO's commitment for funding other mitigative measures, the following SMA condition is proposed:

- d. *SVO shall provide \$25,000.00 per year over the next two (2) years to the Lahaina Bypass Now organization to support efforts for the expediting of the Lahaina Bypass project and other traffic mitigation projects in West Maui.*

Again, it is noted that the Applicant is still in discussions with the DPW on appropriate conditions related to traffic mitigation for the project. The Department is unsure of how or what the above monetary contribution will mitigate traffic concerns.

**The following are newly proposed draft conditions by the Applicant as a result of ongoing discussions with the Planning Department and DPW on 10/5/07:**

1. *That the Applicant shall deposit \$3.3 million into an escrow account to guarantee continuing service of its proposed TDM measures as outlined in the Applicant's Traffic Mitigation Measures (TMM) report dated July 2007. The contribution amount shall be in addition to any future impact fees which may be adopted by the County of Maui, prior to the issuance of the first building permit for the Lot 3 project.*

*Further, such deposit shall be made prior to the issuance of [building permits] the first certificate of occupancy for the Lot 3 project.*

2. *That the Applicant is committed to implementing the aforementioned TDM measures, as outlined in the TMM report dated July 2007, for 20 years, beginning from the receipt of the first certificate of occupancy (CO) for KOR, Lot 3. Further, that the Applicant shall provide annual reports to the Department of Planning and Department of Public Works, upon implementation of the TDM measures, quantifying its efforts toward achieving a 30% [100%] reduction in combined employee and guest automobile traffic. In the event the 30% [100%] goal is not achieved, the Applicant shall discuss alternatives with the Department of Planning and Department of Public Works. Such alternatives may include funding of additional bus routes for Maui County, or other measures deemed satisfactory by the Director of the Department of Planning (Department of Public Works?).*

#### The West Maui Preservation Association Intervention - December 2006

##### **See Exhibit 21**

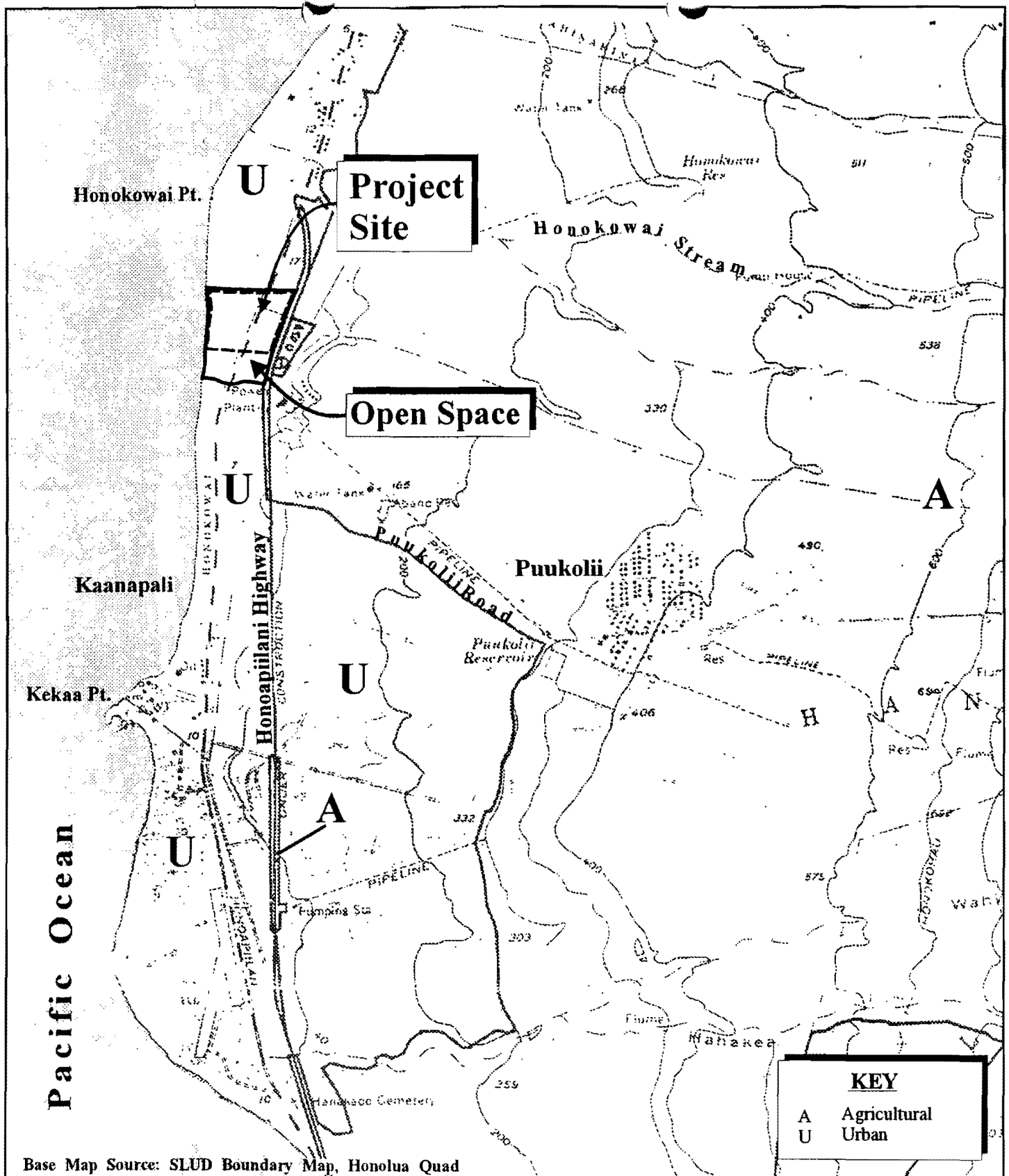
Separately, SVO has held discussions with West Maui Preservation Association (WMPA), an organization whose goals include the preservation, protection and restoration of natural and cultural environments in West Maui. WMPA petitioned to intervene on the SMA application for SVO KOR, Lot 3, however, at the time of the TMM preparation, no action has been taken on the petition. In its discussions with SVO, WMPA indicated that they strongly prefer the use of the project's traffic impact fees for road improvements from north of Keawe Street to the Ka'anapali North Beach area.

Additionally, SVO discussed the proposal for the direction of their traffic impact fees with Lahaina Bypass Now (LBN), a community organization dedicated to the expediting of the Lahaina Bypass Highway construction. A letter of support from LBN for SVO's traffic impact fees to be utilized for the design of Lahaina Bypass was received, dated July 13, 2007. A copy of the LBN support letter was included in the supplemental project information submitted to the Planning Department in July 2007.

In light of the discussions with the HDOT, DPW, MDOT, WMPA, and LBN, SVO would support the use of its traffic impact fee for any one (1) or a combination of roadway projects listed, however it is noted that the final decision on funding allocation will likely rest with the DPW.

#### North Beach Density Reduction

Finally, the permitted overall development density at North Beach was modified with the KOR, Lot 1 SMA approval. From the original maximum buildout of 3,200 units, the subdivision's density was reduced to 1,950 units. This action is notable as it is deemed to directly benefit traffic outcomes associated with the North Beach Subdivision.



Base Map Source: SLUD Boundary Map, Honolua Quad

Figure 16 Proposed Westin Kaanapali Ocean Resort Lot 3 Project State Land Use District Classifications



**REVIEWING AGENCIES** (Applicant's response directly follow agency comments.)

County

Dept. of Water Supply .....	Exhibit 11
Dept. of Public Works .....	Exhibit 12, 23
Dept. of Environmental Management .....	Exhibit 13
Police Dept. ....	Exhibit 8
Fire Dept. ....	Exhibit 14
Dept. of Housing and Human Concerns .....	Exhibit 15
Dept. of Parks & Recreation .....	Exhibit 9
Dept. of Planning .....	Exhibit 10, 24 Addendum A, p.67
Dept. of Transportation .....	Exhibit 22

State

Dept. of Health .....	Exhibit 4
Dept. of Transportation .....	Exhibit 5, 5A, 5B, 5C
Office of Hawaiian Affairs .....	Exhibit 6
Dept. Land and Natural Resources .....	Exhibit 7

Federal

Dept. of the Army, Engineering .....	Exhibit 1
Dept. of the Army, Regulatory .....	Exhibit 2
Dept. of Agriculture, NRCS .....	Exhibit 3

Other

Letter from Munekiyo & Hiraga, Inc. to Thorne Abbot, Staff Planner	Exhibit 16
Letter from Lahaina Bypass.com to Eric Crispin, SVO .....	Exhibit 17
Letter from Munekiyo & Hiraga, Inc. to Jeff Hunt, Planning Dir. ...	Exhibit 18
Letter from Bruno Ariyoshi, et.al., NBAG Members to Jeff Hunt, Plan. Dir. ....	Exhibit 19
Letter from Jeff Hunt, Plan. Dir. to Eric Crispin, SVO .....	Exhibit 20
Petition to Intervene .....	Exhibit 21
Letter from Austin Tsutsumi & Assoc., Inc to Barry Fukunaga, State DOT Director .....	Exhibit 5C1
Letter from Isaac Hall, Attorney at Law to J. Hunt, Planning Dir. ...	Exhibit 25

## ANALYSIS

### STATE LAND USE DISTRICTS See Figure 17, next page

Pursuant to Chapter 205A, HRS, all lands in the State have been divided and placed into one of four land use districts by the State Land Use Commission. These land use districts have been designated "Urban", "Rural", "Agriculture", and "Conservation". The project site is located within the State "Urban" district. The proposed KOR III is compatible with, and permitted within, the State "Urban" land use district.

### HAWAII STATE PLAN

Chapter 226, HRS, also known as the Hawaii State Plan, is a long-range comprehensive plan which serves as a guide for the future long-range development of the State by identifying goals, objectives, policies, and priorities, as well as implementation mechanisms. The proposed action is consistent with the following goals, objectives, policies, and priority guidelines:

#### Goals

- a. A strong, viable economy characterized by stability, diversity, and growth that enables the fulfillment of the needs and expectations of Hawaii's present and future generations.
- b. Physical, social, and economic well-being, for individuals and families in Hawaii, that nourishes a sense of community responsibility, of caring, and of participation in community life.

#### Objectives and Policies

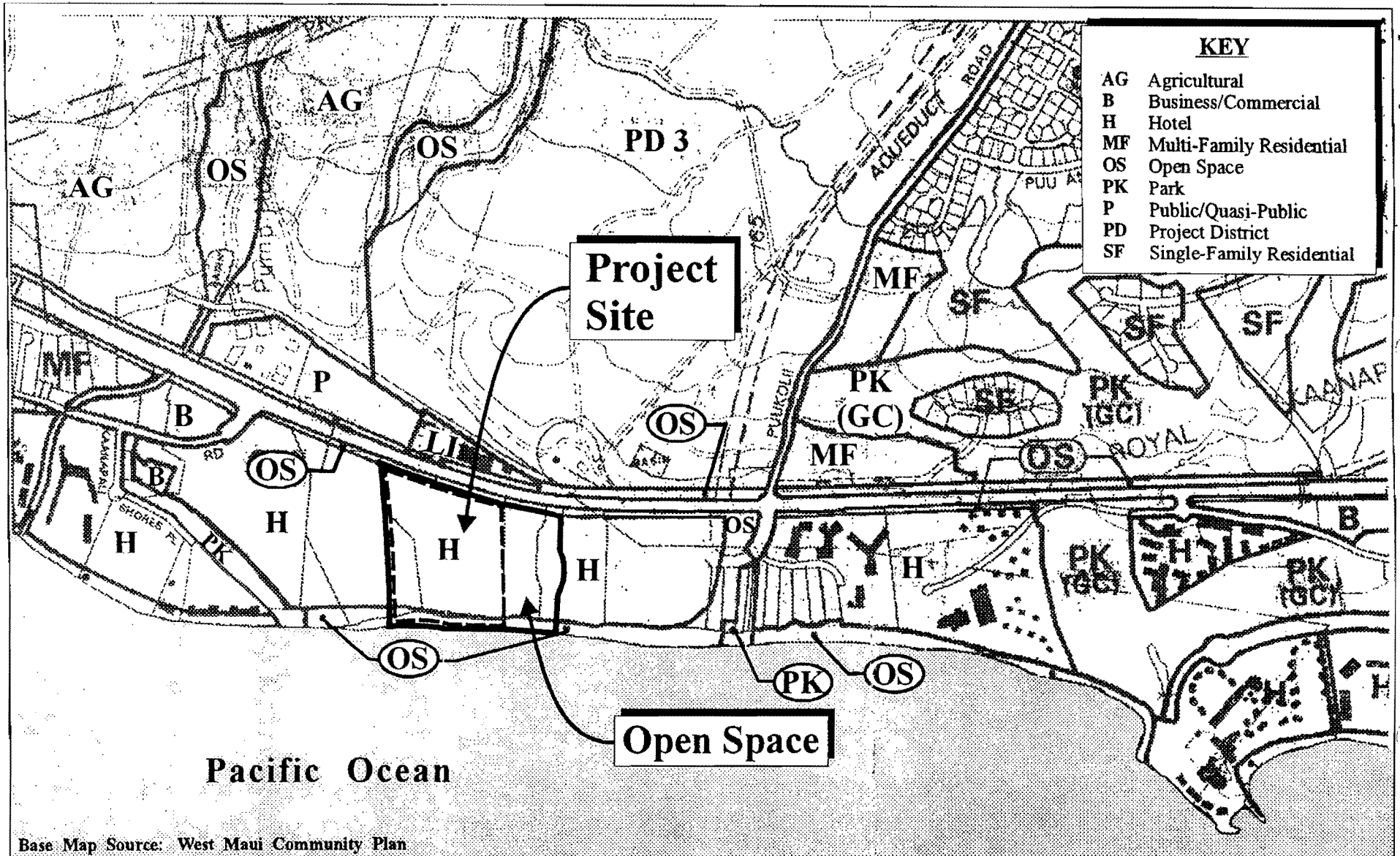
##### Sec. 226-5 Objective and policies for population

Policy (b)(2): Encourage an increase in economic activities and employment opportunities on the neighbor islands consistent with community needs and desires.

Policy (b)(3): Promote increased opportunities for Hawaii's people to pursue their socio-economic aspirations throughout the islands.

##### Sec. 226-6 Objectives and policies for economy - in general

Objective (a)(1): Increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawaii's



Base Map Source: West Maui Community Plan

Figure 17

Proposed Westin Kaanapali Ocean  
Resort Lot 3 Project  
West Maui Community Plan Land  
Use Designations

NOT TO SCALE



Prepared for: SVO Pacific, Inc.

people.

Sec. 226-8 Objective and policies for the economy - visitor industry

Objective (a): Planning for the State's economy with regard to the visitor industry shall be directed towards the achievement of the objective of a visitor industry that constitutes a major component of steady growth for Hawaii's economy.

Policy (b)(2): Ensure that visitor industry activities are in keeping with the social, economic, and physical needs and aspirations of Hawaii's people.

Policy (b)(3): Improve the quality of existing visitor destination areas.

Policy (b)(5): Develop the industry in a manner that will continue to provide new job opportunities and steady employment for Hawaii's people.

Policy (b)(6): Provide opportunities for Hawaii's people to obtain job training and education that will allow for upward mobility within the visitor industry.

Priority Guidelines

Sec. 226-103 Economic priority guidelines

Priority Guideline (a)(8): Provide public incentives and encourage private initiative to develop and attract industries which promise long-term growth potentials and which have the following characteristics:

- (A) An industry that can take advantage of Hawaii's unique location and available physical and human resources.
- (B) A clean industry that would have minimal adverse effects on Hawaii's environment.
- (C) An industry that is willing to hire and train Hawaii's people to meet the industry's labor needs at all levels of employment.
- (D) An industry that would provide reasonable income and steady employment.

Priority Guideline (b)(1): Promote visitor satisfaction by fostering an environment which enhances the Aloha Spirit and minimizes inconveniences to Hawaii's residents and visitors.

Priority Guideline (b)(2): Encourage the development and maintenance of well-designed, adequately serviced hotels and resort destination areas which are sensitive to neighboring



communities and activities and which provide for adequate shoreline setbacks and beach access.

Priority Guideline (b)(5): Develop and maintain career opportunities in the visitor industry for Hawaii's people, with emphasis on managerial positions.

## **MAUI COUNTY GENERAL PLAN**

The 1990 update of the Maui County General Plan establishes broad objectives and policies to guide the long-range development of the County. As indicated by the Maui County Charter:

*...indicate desired population and physical development patterns for each island within the county; shall address the unique problems and needs of each island and region; shall explain the opportunities and the social, economic, and environmental consequences related to potential developments; and shall set forth the desired sequence, patterns, and characteristics of future developments. The general plan shall identify objectives to be achieved, and priorities, policies and implementing actions to be pursued with respect to population density, land use maps, land use regulations, transportation systems, public and community facility locations, water and sewage systems, visitor destinations, urban design and other matters related to development.*

The proposed project is in keeping with the following General Plan objectives relating to land use, economic activity, and the visitor industry.

### **Land Use**

**Objective:** To use the land within the County for the social and economic betterment of the County's residents.

### **Economic Activity**

**Objective:** To provide an economic climate which will achieve stabilization, controlled expansion, and diversification of the County's economic base.

### **Visitor Industry**

**Objectives:** To require exceptional and continuing quality in the development of visitor industry facilities.

To control the development of visitor facilities so that they do not infringe upon the

traditional social, economic and environmental values of the community.

To ensure that visitor industry facilities shall not disrupt agricultural and social pursuits and will not be allowed to deplete the County's natural resources.

To develop a visitor industry which will enhance the social and economic lifestyles of Maui County's residents.

**WEST MAUI COMMUNITY PLAN See Figure 17, next page**

The project site is located in the West Maui Community Plan region, one of the nine Community Plan regions established in the County of Maui. Planning for each region is guided by the respective Community Plans, which are designed to implement the Maui County General Plan. Each Community Plan contains recommendations and standards which guide the sequencing, patterns, and characteristics of future development in the region.

Land use guidelines are established by the West Maui Community Plan land use map, and as indicated, the project site is situated within an area designated for "Hotel" and "Open Space" uses. **See Figure 17, previous page.** The resort development project is consistent with the Community Plan designations of "Hotel" and "Open Space".

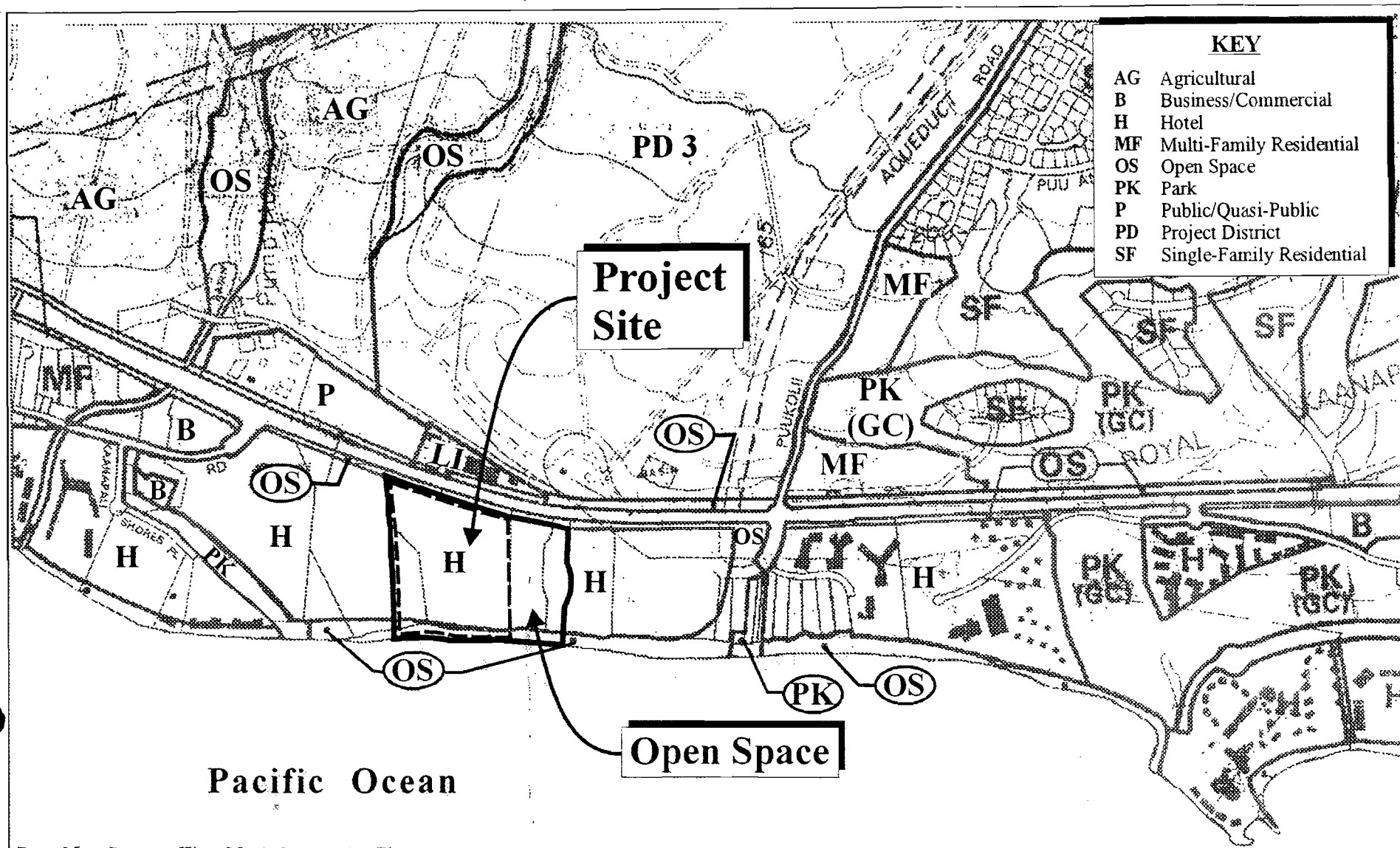
The West Maui Community Plan sets forth goals which are statements identifying preferred future conditions. Goals associated with the development of the proposed project include the following:

Land Use

Goal: An attractive, well-planned community with a mixture of compatible land uses in appropriate areas to accommodate the future needs of residents and visitors in a manner that provides for the stable social and economic well-being of residents and the preservation and enhancement the region's open space areas and natural environmental resources.

Objectives and Policies for the West Maui Region in General:

- Protect and enhance the quality of the marine environment.
- Establish an appropriate supply of urban land within the region to meet the needs of the community over the next 20 years. The Community Plan and its map shall define the urban growth limits for the region and all zoning requests and/or proposed land uses and developments shall be consistent with the West Maui



Base Map Source: West Maui Community Plan

Figure 17

Proposed Westin Kaanapali Ocean  
Resort Lot 3 Project  
West Maui Community Plan Land  
Use Designations

NOT TO SCALE



MUNEKIYO & HIRAGA, INC.

Community Plan and its land use map.

- Provide and maintain parks and beach access for the present and future needs of residents and visitors.

**Environment** *See Figure 15, next page.*

**Goal:** A clean and attractive physical, natural and marine environment in which man-made developments on or alterations to the natural and marine environment are based on sound environmental and ecological practices, and important scenic and open space resources are preserved and protected for public use and enjoyment.

**Objectives and Policies:**

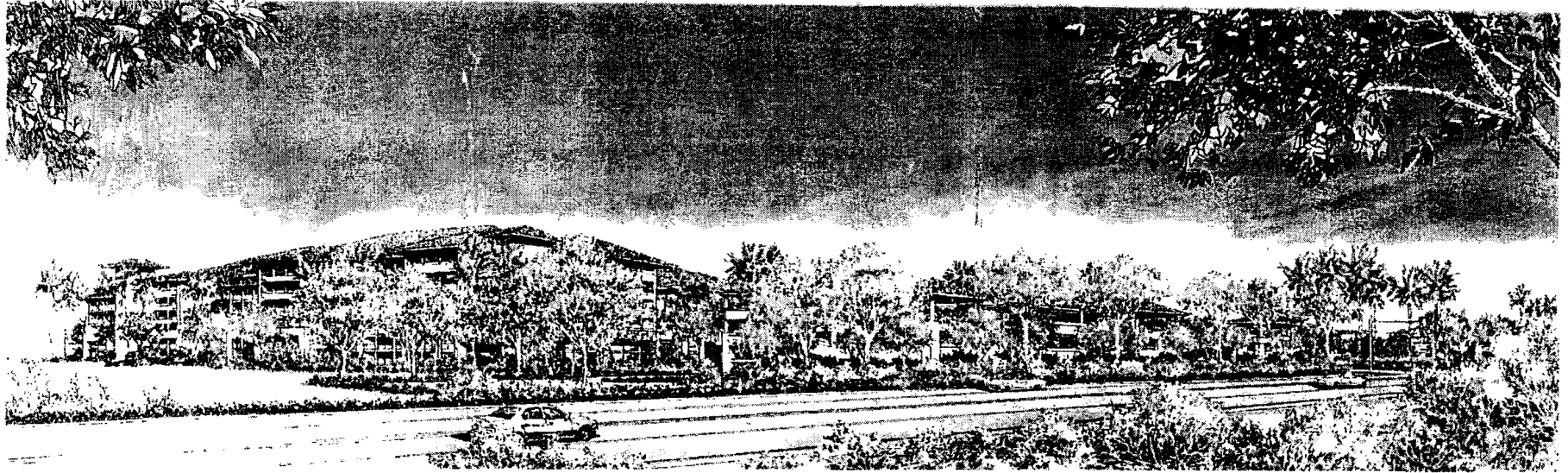
- Protect the quality of nearshore and offshore waters.
- Preserve, protect and/or nourish the shoreline sand dune formations throughout the planning region. These topographic features are essential to beach preservation and a significant element of the natural setting that should be protected.
- Promote the planting of trees and other landscape planting to enhance streetscapes and the built environment.
- Protect the shoreline and beaches by preserving waterfront land as open space wherever possible.
- Promote drainage and stormwater management practices that prevent flooding and protect coastal water quality.

**Economic Activity**

**Goal:** A diversified economy that provides a range of stable employment opportunities for residents, allows for desired commercial services for the community, and supports the existing visitor and agricultural industries, all in a manner that will enhance both the community's quality of life and the environment.

**Objectives and Policies:**

- Promote a diversified economic base which offers long-term employment to West Maui residents, and maintains overall stability in economic activity in the areas of:



Source: WCIT Architecture

Figure 15

Proposed Westin Kaanapali  
Ocean Resort Lot 3 Project  
East View from Honoapiilani Highway

NOT TO SCALE

Prepared for: SVO Pacific, Inc.

MUNEKIYO & HIRAGA, INC.

filename

4-11

a. Visitor accommodations

Cultural Resources

Objectives and Policies:

- Ensure adequate access to our public shoreline areas for public recreation, including lateral continuity.

Urban Design

Goal: An attractive and functionally integrated urban environment that enhances neighborhood character, promotes quality design at the resort destinations of Kaanapali and Kapalua, defines a unified landscape planting and beautification theme along major public roads and highways, watercourses, and at major public facilities, and recognizes the historic importance and traditions of the region.

Objectives and Policies for the West Maui Region in General:

- Enhance the appearance of major public roads and highways in the region.
- Maintain a high level of design quality for West Maui resort destination areas.
- Incorporate drought-tolerant plant species in future landscape planting.
- Emphasize contrasting earth-tone color schemes for buildings and avoid bright or garish colors.

Infrastructure

Objectives and Policies for Water and Utilities:

- Encourage the installation of underground electrical, telephone and cable television lines.

Objectives and Policies for Drainage:

- Insure that new developments will not result in adverse flooding conditions for downstream properties by requiring onsite retention facilities for storm water runoff generated by the development.

## Social Infrastructure

### Objective and Policies for Recreation and Open Space:

- Ensure adequate public access to shoreline areas, including lateral access to establish the continuity of public shorelines.

### Planning Standards

### Land Use Standards:

- All zoning and land use approvals shall be consistent with the West Maui Community Plan and its land use policies.

### Environmental Aspects:

- Preserve the shoreline sand dune formations throughout the planning region. These topographic features are a significant element of the natural setting and should be protected from any actions which would detract from their scenic value.
- Promote the planting of trees and other landscape planting to enhance streetscapes and the built-environment.
- Insure that new developments will not result in adverse soil erosion or flooding conditions for downstream properties.

## **ZONING**

The subject property is zoned "H-M, Hotel". Pursuant to Chapter 19.14 of the Maui County Code, land uses permitted within this district include, but are not limited to the following: (a) any use permitted in Residential and Apartment Districts, (b) hotels, and (c) apartment-hotels.

The minimum lot area allowable in the "H-M, Hotel" District is 15,000 square feet, while the minimum lot frontage is 85 feet. No building in this district can exceed six (6) stories in height. A minimum side yard setback of 20 feet is required for five (5) and six (6) story buildings, while minimum front and rear yard distances are 50 percent of the building's height, with a minimum of 15 feet. The total ground area occupied by all buildings (i.e., lot coverage) in the H-M, Hotel District cannot exceed 30 percent of the lot area, nor can the gross floor area of all buildings exceed 100 percent of the lot area. Both the lot coverage and gross floor area (192,728 square feet) are within the required development standards. The proposed project is in consonance with the zoning for the site and will be developed in accordance with the zoning performance standards for the H-M, Hotel District.

## ARCHAEOLOGICAL, HISTORIC AND CULTURAL RESOURCES

### Existing Conditions

The lands underlying the project site were previously disturbed during the construction of the Kaanapali Airport, as well as by former sugar cane seed cultivation activities. A surface reconnaissance survey was conducted for the North Beach Subdivision EIS by Barrera in May 1986. While the survey did not identify any historic properties, it did recommend that subsurface testing be conducted to determine the presence or absence of any potentially significant buried cultural remains.

As such, a subsurface archaeological reconnaissance survey was also conducted for the North Beach Subdivision EIS by Paul H. Rosendahl, Inc. (PHRI) in May/June 1987. In addition to ten (10) backhoe trenches, a total of 60 cores of varying depths were excavated throughout the project area. Extending a distance of about 3,200 feet and measuring approximately 30 feet in width, 33 cores were placed at 30 meter intervals along a coastal sand dune which adjoins the North Beach shoreline. Two (2) sections of the sand dune were also described. The survey also revealed that much of the eastern slope of the sand dune had been disturbed by bulldozing, filling, and brush piling activities associated with former agricultural cultivation operations. Sub-surface testing of the sand dune revealed no prehistoric cultural deposits or human skeletal remains. One surface archaeological feature, identified as an L-shaped wall, was located at the northern end of the coastal sand dune. This feature was previously disturbed and in poor condition and was determined to have minimal research, interpretive, and cultural value. Accordingly, no further work was recommended for this feature. While subsurface testing failed to identify any significant buried cultural remains, the study did recommend archaeological monitoring for construction activities within the shoreline sand dune area.

Additional subsurface archaeological testing within Lot 1 was conducted in June 2000 in anticipation of the construction of the Kaanapali Ocean Resort. The testing involved the use of a backhoe to further investigate the presence or absence of potentially significant cultural deposits, features, and/or burials. The 30 backhoe trenches that were excavated during the testing did not identify any potentially significant cultural deposits within Lot 1. In November 2002, an archaeological assessment was prepared by PHRI in connection with the Applicant's acquisition of Lot 2. The assessment also documented all previous archaeological work that was conducted within the North Beach Subdivision. Based on the negative findings of both the 1987 and 2000 subsurface testing results, the assessment concluded that it is unlikely that any significant archaeological resources would be encountered during future development on Lot 2.

In specific regards to Lot 3, an archaeological assessment of historic preservation status was prepared by PHRI and submitted to the State Historic Preservation Division (SHPD)



for a formal statement of concurrence on February 7, 2006.

### Potential Impacts and Mitigation Measures

The 1987 subsurface archaeological reconnaissance survey for the North Beach Subdivision was accepted by the State Historic Preservation Division (SHPD) in a letter dated June 12, 1987. The letter concurred with the negative findings of the subsurface coring and backhoe trenches and confirmed that development would have "no-effect" on significant historic sites. As a precautionary measure, a "stop-work" provision was recommended to cover the slight possibility that rare burials might be uncovered in the dune area. Based on this "stop-work" recommendation, an archaeological monitoring plan for the North Beach Subdivision was prepared and approved by SHPD in 1987. Since the 1987 approval, subsequent revisions have been necessary to assure compliance of the archaeological monitoring plan with current legal and regulatory requirements.

Furthermore, in correspondence dated June 16, 2006, the SHPD concurred and noted that "no historical properties will be affected" by the proposed project. In this letter, the SHPD also indicated that archaeological monitoring remains the recommended mitigation measure for construction activities within the shoreline sand dune area.

In accordance with the provisions of the archaeological monitoring plan, archaeological monitoring will be conducted for any construction activities within the immediate shoreline sand dune area. Should any human skeletal remains be identified during construction work, the remains will be treated in accordance with current State preservation law and administrative rules for the treatment of inadvertent discoveries including required coordination with the Maui/Lanai Islands Burial Council. In addition, all monitoring work will be conducted in general accordance with the standards and guidance provided by the current version of the applicable SHPD draft rules relating to archaeological monitoring.

### **SOCIO-ECONOMIC CONDITIONS**

#### Existing Conditions

In 2000, the population of the island of Maui was 117,644 with 17,967 residents (15 percent) of the island's population living in West Maui (SMS, June 2002). Since 1970, West Maui has seen an increase in population, with the population growing from about 5,500 persons in 1970, to approximately 10,300 persons in 1980 and about 14,600 in 1990.

West Maui's population growth over the last three decades has kept pace with that of Maui County. In 2000, the population of Maui County was 128,241, compared to a 1990 population of 100,374 (SMS, June 2002). Population forecasts for the year 2010 reflect a West Maui population of 21,663, as well as an island-wide and County-wide population

of 138,665 and 151,269, respectively (SMS, June 2002).

In 2000, there were a total of 21,349 civilian jobs in the Lahaina area, of which 4,654 were self-employed jobs. In terms of employment distribution, more West Maui workers were employed in the service industry (43 percent) than the County-wide profile (33 percent). Because of West Maui's emphasis on service jobs, all other job sectors exhibited slightly lower distribution rates (SMS, June 2002).

As of May 2006, the unemployment rate for Maui County stood at 2.8 percent (State Department of Labor and Industrial Relations, July 2006).

### Potential Impacts and Benefits

The West Maui region's existing population base is anticipated to serve as the primary source for the project's work force. On a stabilized operating basis, it is anticipated that the project will result in the creation of 350 permanent employment positions. The maximum number of employees per shift is anticipated to be 100 employees for which 100 parking spaces will be provided.

Since timeshare owners will occupy their units on a limited and transient basis, the proposed project is not expected to influence population parameters.

Through direct and indirect job creation and employment, the proposed project will benefit the local community by providing employment opportunities during both the construction and post-development operational phases of the project.

### **Economy**

#### Existing Conditions

Since the first development in Kaanapali nearly 50 years ago, the economy of Maui is substantially bolstered by the visitor industry. The significance of the visitor industry is especially evident in West Maui, which has emerged as one of the State's major resort destination areas.

The strengthening of Hawaii's economy in 1999 and 2000 produced a 3 percent growth in employment in 2000. The island of Maui has shown the greatest strength in the economy by growing by 2.4 percent per year from 1998 to 2000. The strongest gains in Maui's employment were in the construction and services sector, which includes hotel employment.

#### Potential Impacts and Benefits

The project is estimated to create approximately 350 full time positions in addition to an unknown quantity of part-time positions. The operation is very similar in operation to a hotel and employment is primarily made up of housekeeping, restaurant, maintenance and grounds keeping. As the location is in close proximity to a sizeable working population base, employment opportunities are available and commuting to work should be negligible.

## **Housing**

### **Existing Conditions**

In 2000, Maui County's housing supply totaled 56,377 housing units, representing a 31 percent increase from 1990. A "housing unit" may be a single-family residence or a multi-family living unit (i.e. apartments, condominiums, etc.). West Maui's housing supply in 2000 totaled 10,431 housing units, representing a 35 percent increase from 1990. West Maui's 2000 housing stock of 10,431 housing units had a vacancy rate of 42 percent, which was higher than the County-wide rate of 23 percent. West Maui's higher housing vacancy rate stems from housing units reserved for visitor use and secondary homes of absentee owners. In Maui County, approximately 76 percent of the vacant housing units were categorized as seasonal, recreational units, while in West Maui, approximately 84 percent of the vacant housing units were categorized as seasonal, recreational units.

County-wide, owners lived in 58 percent of the occupied housing units. Owner occupancy tended to be slightly lower in West Maui, with 51 percent of the housing units being owner-occupied.

Housing values in West Maui are noticeably higher than those of the County-wide housing supply. Whereas the median single-family home valuation from January 2006 to April 2006 in Maui County was \$698,250.00, West Maui's median was \$2,350,000.00 in Kaanapali, \$997,000.00 in Lahaina, and \$1,137,500.00 in Napili/Kahana/Honokowai (Realtors Association of Maui, May 2006).

### **Potential Impacts and Benefits**

In accordance with the 1988 SMA approval for the North Beach Subdivision, an Employee Housing Concept Plan was approved by the Maui Planning Commission in December 1996 and was subsequently revised and finalized in January 1998.

The objectives of the plan are to provide a sufficient number of employee housing units to meet the long-term development needs of North Beach; provide employee housing in a timely manner; ensure that employee housing projects are consistent with the West Maui Community Plan; price employee housing in keeping with current housing affordability guidelines established by the County, to the extent practicable; and provide flexibility in

addressing employee housing requirements through consideration of alternative means of contributions.

The Employee Housing Plan was approved on December 10, 1996 pursuant to Condition No. 17 of the 1988 SMA/SSV approval for the North Beach Subdivision. The plan was further revised pursuant to recommendations by the Planning Commission pursuant to a letter dated December 31, 1996.

This Employee Housing Plan acknowledges the obligation of the developer of the North Beach Subdivision to provide employee housing or reasonable alternatives. Objective No. 5 of this plan provides that, "to the extent practicable, employee housing shall be priced in keeping with current housing affordability guidelines established by the County". The implementing principle/standard for Objective No. 5 of this plan states:

*In coordination with the County of Maui Planning Department and the Department of Housing and Human Concerns, periodically review and update the Employee Concept Plan for the North Beach Subdivision. Alternative means of contribution shall be considered to include self-help housing lots or other alternatives, as approved by the Department of Housing and Human Concerns.*

Based on discussions with the County of Maui, Department of Housing and Human Concerns (DHHC), review of both the 1988 SMA approval for the North Beach Subdivision and the Kaanapali North Beach Employee Housing Concept Plan (as revised January 1998), the housing requirement for this project is one (1) affordable unit for every six (6) timeshare units.

Towards addressing the foregoing housing requirement, the Applicant will provide an affordable housing contribution of approximately \$2.6 million, to be utilized for affordable housing in West Maui. A draft affordable housing agreement was reviewed and approved by the DHHC. The affordable housing agreement was executed with the County of Maui on October 16, 2006 and recorded. It should be noted that the Applicant is not subject to the current requirement for housing.

## **ENVIRONMENTAL IMPACTS**

### Existing Conditions

The project site is predominantly characterized by gently sloping terrain in the 1 to 2 percent range. Steeper slopes occur along the parcel's eastern boundary where the landform rises and transitions to meet Honoapiilani Highway. Onsite elevations range from about four (4) feet above mean sea level (AMSL) near the shoreline to approximately twenty (20) feet AMSL near the northeast corner of the site.

## Potential Impacts and Mitigation Measures

Site work for the proposed project will be implemented in accordance with the North Beach Drainage Master Plan, the Rules for the Design of Storm Drainage Facilities in the County of Maui, the West Maui Watershed Manual and the Drainage Master Plan (Condition "bb" of the SMA approval for Lot 1). The construction of the project will involve site work such as clearing, grubbing, and grading. Construction of the project will involve excavation and embankment for building pads, landscaping, utilities, water features, internal roadways, parking facilities, and drainage system improvements. The project site will be filled to raise the building structures and activity pool area above the flood elevation. To the extent practicable, finished contours will follow existing grades to minimize site work and maintain existing drainage patterns. Fill material will be imported from an offsite borrow source for the North Beach Subdivision, while beach quality sand will be imported for placement in the shoreline setback area.

While terrain will be locally modified to meet design requirements, the proposed improvements will not significantly alter the general topography of the project site and surrounding area.

Erosion control measures and Best Management Practices will be implemented during the construction period to minimize soil erosion and sedimentation. An application for a National Pollutant Discharge Elimination System (NPDES) permit for construction-related activities will be submitted to the State Department of Health for review and approval as warranted.

It is noted that the character and function of the existing coastal sand dune along the shoreline will be maintained and enhanced since no major improvements are proposed to occur within the 150-foot shoreline setback area.

### **Flood and Tsunami Hazards**

#### Existing Conditions

The Federal Emergency Management Agency Flood Insurance Rate Map (FIRM) shows that the project site is located within several flood zones. The eastern half of the project site is located in Zone C, which is identified as an area of minimal flooding. The western half of the project site is located in Zone A4, except for the shoreline portion of the site which is in Zone V12. Areas designated A1 to A30 are subject to 100-year flood events, while areas designated V1 to V30 are subject to 100-year coastal flood events with velocity hazard (wave action). Within the project site, the base flood elevation for both the A4 and V12 Zones is ten (10) feet above mean sea level (AMSL). The project site is also within a tsunami evacuation area as reflected by the County Civil Defense Agency's tsunami

evacuation map for the coastal area between Kaanapali and Napili.

Honoapiilani Highway adjoins the project site to the east and serves as the mauka boundary of the tsunami evacuation area in the project's vicinity. As noted by the Civil Defense Agency, as well as the tsunami evacuation maps, when evacuation boundaries are along roadways, areas mauka of the roadway are considered to be safe from wave action.

#### Potential Impacts and Mitigation Measures

As indicated by the FIRM and the Maui County Code, portions of the project site situated within Zones A4 and V12 have a base flood elevation of ten (10) feet AMSL, and are located within the County's special flood hazard area. The property's 150-foot shoreline zone or setback encompasses that portion of the site designated Zone V12.

Coordination with the County Planning Department will be undertaken prior to the construction of any improvements within the special flood hazard area and coastal high hazard area to ensure compliance with applicable Special Flood Hazard Area Development standards.

Applicable mitigation measures include the use of adequately anchored columns or pilings, appropriate construction materials and methods, "breakaway walls" which are designed to break away without damaging the structural integrity of a building or damaging other buildings, and "floodproofing" which is a combination of structural or nonstructural additions or modifications to structures or properties that reduces flood damage. Other mitigative measures include keeping the space below the lowest floor free of obstructions, as well as limiting its use solely for vehicular parking, building access, or storage.

With regard to tsunami and hurricane hazards, coordination with the County Civil Defense Agency previously indicated that either pedestrian or vehicular evacuation mauka of Honoapiilani Highway, beyond the tsunami inundation area (the upper reaches of the wash of the waves), or evacuation to the third floor and above for concrete and steel-reinforced buildings, constitute appropriate evacuation measures. In addition, enclosed hallways on the third floor and above in concrete and steel-reinforced buildings, are also capable of being utilized as protective shelters during tsunamis and hurricanes provided that the hallways do not contain any exterior openings which cannot be safely and securely sealed.

Coordination between the Applicant and the Civil Defense Agency will be undertaken to establish and implement a disaster preparedness plan for the project which will include provisions for mitigation, preparedness, response, and recovery.

**Wetlands:** The project site does not contain any wetland areas.

## **Flora and Fauna**

### **Existing Conditions**

An Environmental Impact Statement (EIS) was prepared for the North Beach Subdivision (Helber, Hastert & Kimura, 1987). The EIS contained a biological survey which identified five (5) different vegetation types consisting of cane fields, grasslands, kiawe forest, strand vegetation, and koa haole scrub.

At the time of the survey, sugar cane fields covered nearly one-half of the North Beach subdivision and comprised the largest vegetation type, while grassy areas associated with the former airport facilities made up the second largest vegetation type. Stands of kiawe were identified along the northern and makai boundaries of the North Beach Subdivision, while a strand of coastal vegetation was located along the sandy areas along the shoreline. Koa haole scrub vegetation was located along the subdivision's mauka boundary with Honoapiilani Highway.

The project site is currently undeveloped and overgrown with kiawe, koa haole, and various grasses and weeds.

Although no mammals were encountered during the survey, species likely to occur in the North Beach area include mongoose and rats, as well as feral cats and dogs. Of the 13 species of birds observed in the project area, 11 species were introduced, while two species were native. The two (2) native species, the black-crowned night heron and the golden plover, are both indigenous rather than endemic and are widespread throughout the Pacific basin. Neither species is considered endangered.

No rare, threatened, or endangered species of flora or terrestrial fauna are known to inhabit the project site.

### **Potential Impacts and Mitigation Measures**

The proposed project will involve the development of lands which were formerly occupied by the Kaanapali Airport and subsequently utilized for sugar cane seed cultivation. The biological survey prepared for the North Beach Subdivision revealed that there were no rare, threatened, or endangered species of flora or terrestrial fauna located in the project area. Accordingly, no adverse impacts to these components of the natural environment are anticipated as a result of the proposed action.

## **SUMMARY OF ADVERSE ENVIRONMENTAL EFFECTS WHICH CANNOT BE AVOIDED**

Potential effects include noise-generated impacts occurring from site preparation and construction activities. In addition, there may be temporary air quality impacts associated with dust generated from construction activities, and exhaust emissions discharged by construction equipment.

### **IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES**

The proposed project is anticipated to result in the irreversible and irretrievable commitment of certain natural and fiscal resources. Major resource commitments include the land on which the project will be developed, as well as fuel, labor, funding, and material resources. Impacts relating to the use of these resources should be weighed against the expected positive socio-economic benefits to be derived from the project versus the consequences of taking no action.

The commitment of resources required for the development of the project includes building materials and labor, both of which are non-renewable and irretrievable. In addition, the proposed project is not anticipated to require a substantial commitment of government services or facilities. In general, the proposed action is not anticipated to place significant additional requirements upon public services and the infrastructure.

### **COUNTY OF MAUI - SPECIAL MANAGEMENT AREA**

The subject property is located within the County of Maui's Special Management Area (SMA). Pursuant to Chapter 205A, HRS, and the Rules and Regulations of the Maui Planning Commission, actions proposed within the SMA are evaluated with respect to SMA objectives, policies and guidelines. This section addresses the project's relationship to applicable coastal zone management considerations, as set forth in Chapter 205A, HRS and the Rules and Regulations of the Maui Planning Commission.

#### **Recreational Resources**

Objective: Provide coastal recreational resources accessible to the public.

Policies:

- a. Improve coordination and funding of coastal recreation planning and management;  
and
- b. Provide adequate, accessible and diverse recreational opportunities in the coastal zone management area by:
  - I. Protecting coastal resources uniquely suited for recreation activities that cannot be provided in other areas;



- ii. Requiring replacement of coastal resources having significant recreational value, including but not limited to surfing sites, fishponds and sandy beaches, when such resources will be unavoidably damaged by development; or requiring reasonable monetary compensation to the State for recreation when replacement is not feasible or desirable;
- iii. Providing and managing adequate public access, consistent with conservation of natural resources, to and along shorelines with recreational value;
- iv. Providing an adequate supply of shoreline parks and other recreational facilities suitable for public recreation;
- v. Ensuring public recreational use of County, State and federally owned or controlled shoreline lands and waters having recreational value consistent with public safety standards and conservation of natural resources;
- vi. Adopting water quality standards and regulating point and non-point sources of pollution to protect and where feasible, restore the recreational value of coastal waters; and
- vii. Encouraging reasonable dedication of shoreline areas with recreational value for public use as part of discretionary approvals or permits by the Land Use Commission, Board of Land and Natural Resources, County Planning Commissions and crediting such dedication against the requirements of Section 46-6 of the Hawaii Revised Statutes.

**Response:**

Public access to the beach will continue to be provided from the nearby Kahekili Park and the adjoining public open space/recreation area on Lot 3. Public access opportunities will also increase with the development of North Park on the north side of the Honua Kai Resort which is currently under development.

In addition, public access will be facilitated by the provision of a lateral shoreline walkway mauka of the coastal sand dune within the 150-foot shoreline setback. Mauka-makai beach walkways will also be installed to provide access from the shoreline walkway to the beach, while minimizing pedestrian traffic through sensitive dune areas. To minimize impacts to beach processes, the walkways will be of temporary construction (wood, recyclable plastic, ungrouted pavers). Beach quality sand will be used to accommodate grade transitions and the placement of the walkways.

All proposed work in the shoreline area will be implemented in accordance with the provisions of the Shoreline Zone Plan component of the Design Manual and Master Plan

(October, 2003). Additionally, a Shoreline Setback Structure/Activity Determination application has been prepared for this work.

### Historical/Cultural Resources

**Objective:** Protect, preserve and where desirable, restore those natural and man-made historic and prehistoric resources in the coastal zone management area that are significant in Hawaiian and American history and culture.

**Policies:**

- a. Identify and analyze significant archaeological resources;
- b. Maximize information retention through preservation of remains and artifacts or salvage operations; and
- c. Support State goals for protection, restoration, interpretation and display of historic resources.

**Response:**

The revised archaeological monitoring plan for the North Beach Subdivision was accepted by the State Historic Preservation (SHPD) in January 2000. In its review and acceptance of the archaeological assessment that was prepared for the purchase of Lot 2, the SHPD concurred that all historic preservation requirements for the North Beach Subdivision have been satisfactorily addressed. The SHPD also concurred with the assessment that archaeological monitoring of any construction activity in the immediate area of the coastal sand dune is recommended as a precaution. A revised and updated archaeological monitoring plan for the project site has been prepared by Paul H. Rosendahl, Inc. and was submitted to SHPD for review on February 7, 2006. By letter dated June 16, 2006, SHPD concurred that "no historic properties" will be affected by the proposed project.

Should any artifacts or human remains be inadvertently discovered during work in this area, work shall immediately cease in the area of the find and the find shall be protected. The SHPD shall be promptly notified to determine the significance of the find and to establish appropriate mitigative measures if warranted.

### Scenic and Open Space Resources

**Objective:** Protect, preserve and where desirable, restore or improve the quality of coastal scenic and open space resources.

**Policies:**

- a. Identify valued scenic resources in the coastal zone management area;

- b. Ensure that new developments are compatible with their visual environment by designing and locating such developments to minimize the alteration of natural land forms and existing public views to and along the shoreline;
- c. Preserve, maintain and, where desirable, improve and restore shoreline open space and scenic resources; and
- d. Encourage those developments which are not coastal dependent to locate in inland areas.

Response:

The Design Manual and Master Plan (October, 2003) establishes view corridors and open space areas within the North Beach Subdivision. View corridors and open space areas are provided at Kahekili Park and the future North Park, along the beach and the 150-foot North Beach shoreline setback area, as well as at the 10-acre public open space/recreation area.

Coastal Ecosystem

Objective: Protect valuable coastal ecosystems, including reefs, from disruption and minimize adverse impacts on all coastal ecosystems.

Policies:

- a. Improve the technical basis for natural resource management;
- b. Preserve valuable coastal ecosystems of significant biological or economic importance;
- c. Minimize disruption or degradation of coastal water ecosystems by effective regulation of stream diversions, channelization, and similar land and water uses, recognizing competing water needs; and
- d. Promote water quantity and quality planning and management practices which reflect the tolerance of fresh water and marine ecosystems and prohibit land and water uses which violate State water quality standards.

Response:

The drainage system for the project will be designed and constructed to produce no adverse effects to downstream and adjacent properties. The design of the system shall be in accordance with the guidelines established by the North Beach Drainage Master Plan and the Rules for the Design of Storm Drainage Facilities in the County of Maui. The drainage system will also be designed and implemented in accordance with the permit

conditions of the 1998 SMA approval for the Kaanapali Ocean Resort relating to drainage and the development of future projects in the North Beach Subdivision. Best Management Practices and appropriate erosion control measures will be implemented to minimize the effects of stormwater runoff during construction of the project.

Work within the 150-foot shoreline setback area will be limited to landscape activities, the provision of shoreline and beach walkways of temporary construction (wood, recyclable plastic, ungrouted pavers), and the placement of beach quality sand to accommodate grade transitions and the installation of the walkways.

In accordance with the permit conditions that were established by the 1998 SMA approval for the KOR I regarding the development of future projects in the North Beach Subdivision, the quality of ground water entering and leaving the project site will be monitored using monitoring wells and lysimeters where appropriate. Ground and nearshore water quality will be monitored from the start of construction until 18 months after the completion of construction. Should monitoring activities identify water quality impacts directly related to the construction of the project, the water quality monitor will formulate appropriate mitigative measures and provide recommendations to the Applicant for consideration and implementation. In addition, a Hawksbill turtle monitoring program will be in place prior to and during any construction within the 150-foot shoreline setback. In the event that any Hawksbill turtles are observed on or near the beach, the National Marine Fisheries Service (NMFS) will be promptly notified and recommendations made by the NMFS will be addressed.

### Economic Use

Objective: Provide public or private facilities and improvements important to the State's economy in suitable locations.

#### Policies:

- a. Concentrate coastal dependent development in appropriate areas;
- b. Ensure that coastal dependent development such as harbors and ports, and coastal related developments such as visitor facilities and energy-generating facilities are located, designed and constructed to minimize adverse social, visual and environmental impacts in the coastal zone management area; and
- c. Direct the location and expansion of coastal dependent developments to areas presently designated and used for such developments and permit reasonable long-term growth at such areas, and permit coastal dependent development outside of presently designated areas when:

- I. Utilization of presently designated locations is not feasible;
- ii. Adverse environmental effects are minimized; and
- iii. The development is important to the State's economy.

**Response:**

The proposed project is a significant component of the Kaanapali Beach Resort master plan. As one of the State's top visitor destinations, the continued evolution of the Kaanapali Beach Resort is an integral factor in the continuing growth of the local economy.

The proposed project is consistent with the goals of the West Maui Community Plan, which guides growth and development in the region.

**Coastal Hazards**

**Objective:** Reduce hazard to life and property from tsunami, storm waves, stream flooding, erosion, subsidence and pollution.

**Policies:**

- a. Develop and communicate adequate information about storm wave, tsunami, flood, erosion, subsidence, point and nonpoint source pollution hazards;
- b. Control development in areas subject to storm wave, tsunami, flood, erosion, subsidence, and point and nonpoint source pollution hazards;
- c. Ensure that developments comply with requirements of the Federal Flood Insurance Program;
- d. Prevent coastal flooding from inland projects; and
- e. Develop a coastal point and nonpoint source and pollution control program.

**Response:**

The shoreline and some interior sections of the project site lie within Zone A4, areas of 100-year flooding, and Zone V12, areas of 100-year coastal flooding with velocity. The remainder of the project site to the east falls within Zone C, an area of minimal flooding. Coordination with County agencies will be undertaken prior to construction to ensure compliance with applicable Special Flood Hazard Area Development permit requirements.

The proposed drainage system will be designed to produce no adverse effects to downstream and adjacent properties. The drainage system for the project will be

developed in accordance with the guidelines established by the North Beach Drainage Master Plan and the Rules for the Design of Storm Drainage Facilities in the County of Maui. The drainage system will also be developed in accordance with the permit conditions of the 1998 SMA approval for the KOR I relating to drainage and the development of future projects in the North Beach Subdivision.

In this context, the proposed mitigative measures will ensure that the proposed project will not adversely affect adjoining properties from the effects of flooding, erosion and storm waves.

### Managing Development

Objective: Improve the development review process, communication, and public participation in the management of coastal resources and hazards.

#### Policies:

- a. Use, implement, and enforce existing law effectively to the maximum extent possible in managing present and future coastal zone development;
- b. Facilitate timely processing of applications for development permits and resolve overlapping of conflicting permit requirements; and
- c. Communicate the potential short and long-term impacts of proposed significant coastal developments early in their life-cycle and in terms understandable to the general public to facilitate public participation in the planning and review process.

#### Response:

All aspects of development will be conducted in accordance with applicable State and County requirements. Opportunities for public review and consideration of the proposed action is offered through the SMA permitting process.

In addition, the 1998 SMA approval for the KOR I included a condition which required the preparation of a conceptual master plan for the North Beach Subdivision after conducting a community-based planning program. As a result, a community-based planning program was launched by Amfac/JMB Hawaii (Amfac) which initially focused on North Beach, but was subsequently expanded to include all of Amfac's 4,000 acres in the Kaanapali-Honokowai area. This process commenced in early 1999 and involved approximately 100 individuals from government, the community, and the private sector. A future search conference (Kaanapali 2020) was held in November 1999 with the objective of creating a common vision for the year 2020. This conference resulted in the formation of various working groups, as well as a land plan group and an economic feasibility group. From

November 1999 to March 2000, the working groups met and prepared their final reports and recommendations, after which the land plan and economic feasibility groups met to formulate the land plan. In July 2000, a "reunion" conference was held during which the land plan and working group's reports were approved. Preparation of entitlements application for Kaanapali 2020 is ongoing.

### Public Participation

Objective: Stimulate public awareness, education, and participation in coastal management.

#### Policies:

- a. Maintain a public advisory body to identify coastal management problems and to provide policy advice and assistance to the coastal zone management program;
- b. Disseminate information on coastal management issues by means of educational materials, published reports, staff contact, and public workshops for persons and organizations concerned with coastal-related issues, developments, and government activities; and
- c. Organize workshops, policy dialogues, and site-specific mediations to respond to coastal issues and conflicts.

#### Response:

A public hearing is required as part of the SMA review and approval process. As such, the proposed project addresses the SMA objective of stimulating public awareness, education, and participation in coastal management.

In addition, meetings with the North Beach Advisory Group were held on April 25, 2006, May 17, 2006, June 21, 2006 and July 19, 2006 to present and discuss the proposed project. Comments and concerns that surfaced during these meetings included access to the public open space park parking lot, the number of proposed dune crossings and the location of the beach walk within the 150-foot shoreline setback area.

On March 15, 2006, SVO Pacific, Inc. representatives met with Isaac Hall, who was the attorney for the KOR I Intervenors, as well as the KOR II Petitioners to discuss the conceptual design and density issues. At that time, the proposed unit count was 408 units; however, in the final plan, the unit count for KOR III was reduced to 390 units.

Separately, on May 8, 2006, the Applicant's representatives met with Buck Buchanan, former Lot 1 Intervenor, who was also present on behalf of former Lot 1 Intervenors David and Elizabeth Chenoweth. Mr. Buchanan expressed concerns about the location of the

lateral shoreline walkway relative to the sand dunes, and about the access to and the location of the public parking area on the 10-acre open space portion of Lot 3. The Applicant agreed to Mr. Buchanan's requests to revise the location of the walkway and of the public parking area, and agreed to propose signage emphasizing the route to the public parking area. Applicant's revisions are incorporated in the plans submitted herewith.

The Applicant's representatives met on June 30, 2006 with former Lot 1 Intervenor, Buck Buchanan, who was also present on behalf of former Lot 1 Intervenors David and Elizabeth Chenoweth. Mr. Buchanan agreed to continue to work with the Applicant on methods of directing the public from Halawai Drive to the Public Open Space Parking Area, through appropriate use of roadway surfaces or markings, and appropriate signage. Mr. Buchanan also expressed that he was not concerned with the 390 proposed units for Lot 3, as long as the total number of units did not exceed 1,950, which he described as a substantial reduction from the original 3,200 permitted units.

In addition, a community meeting was held on April 26, 2006 at Lahaina Civic Center to inform the neighboring residents of the Applicant's plans for Lot 3.

#### Beach Protection

Objective: Protect beaches for public use and recreation.

- Policies:
- a. Locate new structures inland from the shoreline setback to conserve open space and to minimize loss of improvements due to erosion;
  - b. Prohibit construction of private erosion-protection structures seaward of the shoreline, except when they result in improved aesthetic and engineering solutions to erosion at the sites and do not interfere with existing recreational and waterline activities; and
  - c. Minimize the construction of public erosion-protection structures seaward of the shoreline.

#### Response:

As previously noted, work within the 150-foot shoreline setback area will be limited to landscape activities, the provision of shoreline and beach walkways of temporary construction (wood, recyclable plastic, or similar material), and the placement of beach quality sand to accommodate grade transitions and the installation of the walkways. No impacts to the coastal sand dune are anticipated from the development of the project. All work in the shoreline area will be implemented in accordance with the provisions of the



Shoreline Zone Plan element of the Design Manual and Master Plan (October, 2003), Master Plan (October 2003), and the Dune Management Program prepared for Lot 3. A Shoreline Setback Structure/Activity Determination application has also been prepared for this work.

### Marine Resources

**Objective:** Promote the protection, use, and development of marine and coastal resources to assure their sustainability.

**Policies:**

- a. Ensure that the use and development of marine and coastal resources are ecologically and environmentally sound and economically beneficial;
- b. Coordinate the management of marine and coastal resources and activities to improve effectiveness and efficiency;
- c. Assert and articulate the interests of the State as a partner with federal agencies in the sound management of ocean resources within the United States exclusive economic zone;
- d. Promote research, study, and understanding of ocean processes, marine life, and other ocean resources in order to acquire and inventory information necessary to understand how ocean development activities relate to and impact upon ocean and coastal resources; and
- e. Encourage research and development of new, innovative technologies for exploring, using, or protecting marine and coastal resources.

**Response:**

As previously noted, Best Management Practices will be implemented to minimize construction-related impacts. To ensure that marine resources are not adversely affected, groundwater and near shore water quality will be monitored from the start of construction until 18 months after the completion of construction. In addition, a Hawksbill turtle monitoring program will be implemented during any construction in the 150-foot shoreline setback area.

In addition to the foregoing objectives and policies, SMA permit review criteria pursuant to Act 224 provides that:

No special management area use permit or special management area minor permit shall be granted for structures that allow artificial light from floodlights, uplights, or

spotlights used for decorative or aesthetic purposes when the light:

- (1) Directly illuminates the shoreline and ocean waters; or
- (2) Is directed to travel across property boundaries toward the shoreline and ocean waters.

In addressing light pollution issues, the proposed project's exterior site lighting will be carefully shielded and directed away from the shoreline and ocean water areas. Areas throughout the property where safety and security illumination is necessary, such as pathways, roadways and parking lots, will be illuminated with fully shielded light sources. Special attention will be given to the placement of the fully shielded luminaries to avoid unnecessary trespass onto shoreline and ocean water areas as well as adjacent properties. Any dramatic lighting of landscape features (i.e. uplighting of trees) will also be directed away from shoreline and ocean water areas and will be illuminated only during a portion of the evening hours.

### **SHORELINE ZONE CONSIDERATIONS**

As previously indicated, a Shoreline Setback Structure/Activity Determination application was prepared for the work within the shoreline setback area. A lateral shoreline walkway mauka of the coastal sand dune and four (4) mauka-makai beach walkways will be provided for public and guest use in order to facilitate pedestrian access to the beach and along the shoreline. In consultation with the North Beach Advisory Group, the group members expressed concern about the number of dune crossings fronting the Lot 3 project. As such, the Applicant is proposing to relocate the southern most crossing into the Open Space area, to provide for additional beach access from that area. To minimize impacts to beach processes, the walkways will be of temporary construction (e.g., constructed of wood, recycled plastic or similar materials). In order to ensure pedestrian safety and accommodate grade transitions for the installation of the walkways, the limited placement of beach quality sand is also proposed. In addition, landscaping and temporary irrigation to establish the landscaping are proposed. The purpose of the landscaping is to ensure the stabilization of the sand, sand dunes, and walkways such that their functional integrity is maintained over time.

The Design Manual and Master Plan (October, 2003) contains shoreline zone design criteria and guidelines. The shoreline zone along the North Beach Subdivision extends from the certified shoreline to a distance 150 feet mauka of the certified shoreline. The design criteria and guidelines for the shoreline zone advance the following objectives.

1. Respect beach dynamics by minimizing or eliminating man-made encroachments which will adversely affect natural erosion and accretion processes.

2. Improve the physical and spatial relationships between man-made and natural environments.
3. Maintain and enhance, where practical, existing natural shoreline features such as dunes and wetlands.
4. To define the landscape design theme of the shoreline area, utilize native plants and existing landscaping to the maximum extent practicable.
5. Provide lateral public access ways and use areas which respect natural shoreline processes to the maximum extent practicable.

The work proposed within the 150-foot shoreline setback area fronting the project site is considered an action that is exempt from shoreline setback variance requirements pursuant to Section 12-203-12 of the shoreline area rules of the Maui Planning Commission. Under the shoreline area rules, the work proposed within the shoreline setback area is considered an exempt action and subject to administrative approval (by the County Planning Department) as the shoreline and beach walkways are considered minor structures, while the sand placement, landscaping, and temporary irrigation are deemed minor activities. However, as previously noted, a Shoreline Setback Structure/Activity Determination application has been prepared for the proposed work within the shoreline setback area.

#### **OTHER GOVERNMENTAL APPROVALS**

On October 16, 2006 and November 21, 2006, the application was reviewed and recommended for approval by the Maui Urban Design Review Board. At its regular meeting on November 21, 2006, the Maui Urban Design Review Board (UDRB) reviewed the design, landscaping, architectural plans, and related aspects of the proposed project referenced above. Based upon those considerations within the Board's purview, it voted to recommend approval, subject to the following condition:

1. That public access signs shall be installed within the 150 ft. shoreline setback area informing the public that the area is accessible to the public.

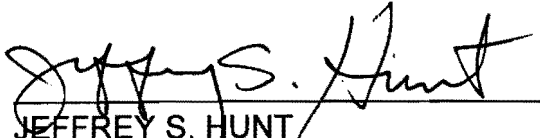
#### **TESTIMONY**

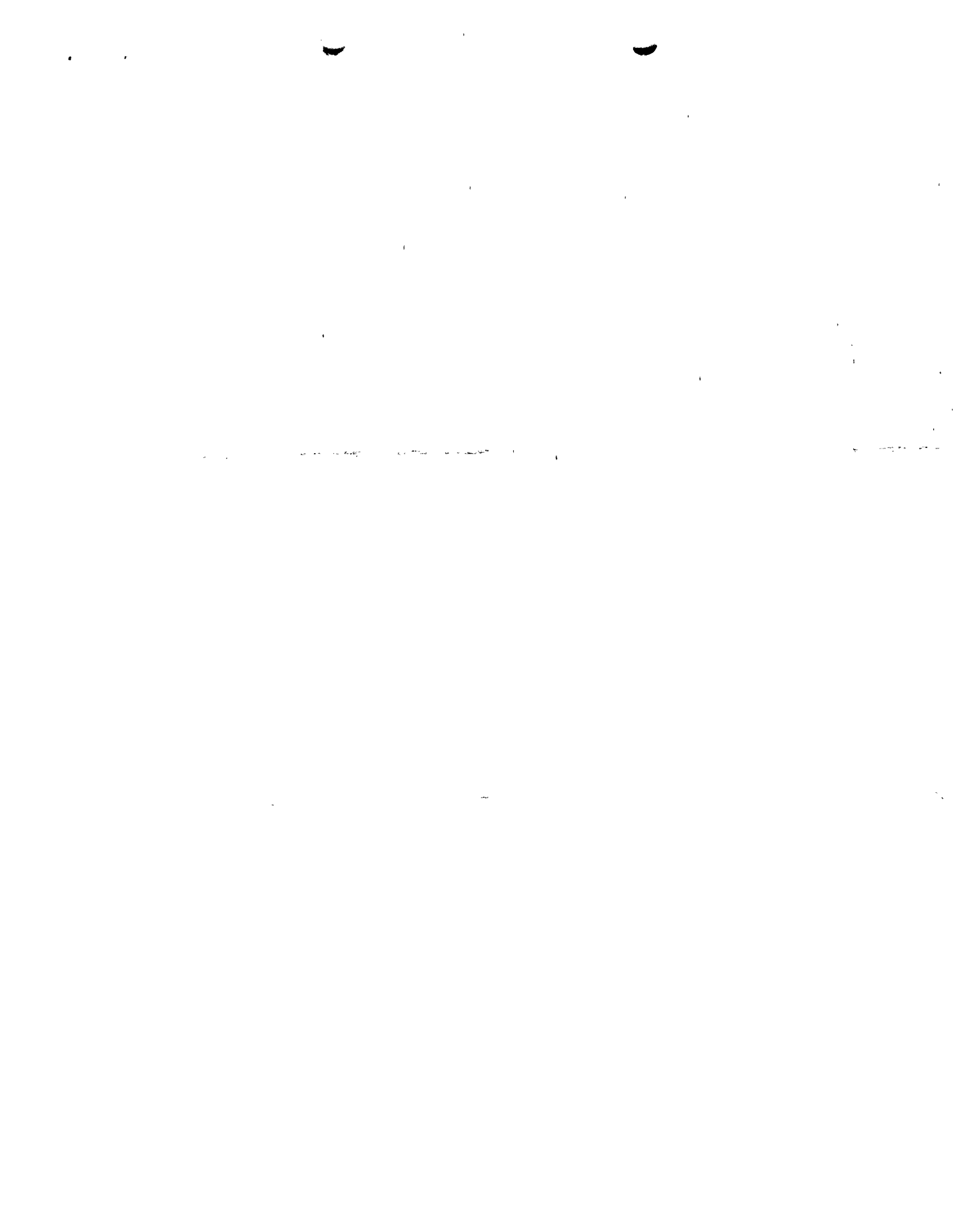
As of October 10, 2007 the Planning Department has received three letters from Mr. Isaac Hall. The first, questioned how units are counted against the overall unit limit for North Beach. The second, questioned the adequacy of the application with respect to drainage and traffic. The applicant's representative responded to the first two letters and is in the process of responding to the third letter which questioned

a proposed comfort station in the open space designated area. **See Exhibit 25**

A Petition to Intervene was filed on December 5, 2006 by West Maui Preservation Association, Inc. As of this date, October 10, 2007, a settlement agreement has not been submitted. **See Exhibit 21**

APPROVED:

  
\_\_\_\_\_  
JEFFREY S. HUNT  
Planning Director





## Addendum "A"

Addendum A was currently added as a result of additional Planning Department concerns recently raised.

## **KOR Lot 3 Staff Report – Applicant Responses**

### 1. WATER

- ***“The alternative to build another 12-inch waterline in Honoapiilani Highway and Lower Honoapiilani Highway Road does this trigger an EA and has one been done?”***

RESPONSE: The Department of Planning has confirmed that the provision of water utilities was included in the scope of work reflected in the Environmental Impact Statement that was completed in 1988 for the overall North Beach Subdivision. Hawaii Revised Statutes, Chapter 343 requirements for the Lot 3 water infrastructure have, therefore, already been addressed by the applicant through the completion of the 1988 EIS.

In the comment letter from DWS, it was noted that new water sources should be sought for the project as the West Maui System is nearing capacity. As such SVO is currently proposing a desalination facility to handle the potable and non-potable water requirements for the project. Under the desalination alternative, the construction of a second 12-inch waterline along the Honoapiilani Highway between Lot 3 and Lot 1 and 2 would not be necessary.

- ***“Desal - no description of how they plan to do this”***

RESPONSE: Details regarding the proposed desalination facility were included in the Supplemental SMA packet that was submitted to the Department of Planning on July 27, 2007.

The desalination process is commonly used in Hawaii and throughout the world to convert sea/brackish water to potable water by use of Reverse Osmosis (RO) filters. The system will include, but not be limited to, source and return wells, pumps and filters. The RO process equipment would be located in the basement of the proposed Lot 3 structures with source and return wells being located onsite in accordance with State of Hawaii, Department of Health regulations. The desalination system will work in conjunction with a heat injection system that will replace the need for cooling towers, thus further reducing the potable water and power needs as part of an energy efficient design. Photographs of a desalination system that is similar in nature to the proposal for Lot 3 are attached as Exhibit A1. A process chart outlining the proposed desalination and heat injection system process is attached as Exhibit A2.

Projects in Hawaii that currently utilize a desalination system include the Four Seasons Resort (Kona, Hawaii), Kukio Resorts (Kona, Hawaii), Waimea Water Systems (Kona Hawaii) and Maui Highlands (Maui, Hawaii). Projects in Hawaii that utilize a heat injection system include John A. Burns School of Medicine (Oahu, Hawaii), Kahala Mandarin Hotel (Oahu, Hawaii) and the Amfac Towers (Oahu, Hawaii).

Copies of comment letters from the State of Hawaii, Department of Health and Commission of Water Resources regarding the proposed desalination facility are attached as Exhibit A3.

- ***“No mention of Intrawest/Honua Kai’s project proposal to improve the Lahaina Wastewater Treatment Plant and to construct a re-use line to their***



*project in North Beach subdivision to use the R-1 water instead of continuing to use the injection wells. They should be participating in this line to their projects on Lot 1, 2 and 3.”*

RESPONSE: SVO is currently participating with Intrawest to facilitate an R-1 water connection to the Lahaina Wastewater Treatment Facility (LWTF) for Lots 3 and 4 of the subdivision. Lot 3 will utilize R-1 water supplies for irrigation as soon as this connection becomes available. When improvements to county's R-1 system at the LWTF are completed, Lot 1 and Lot 2 will also utilize R-1 for irrigation uses also.

## 2. SEWERS

- ***“Where is the allocations coming from? Kaanapali Development Corp.?”***

RESPONSE: The Department of Environmental Management (DEM) has confirmed that the project will utilize sewer allocation obtained from Kaanapali Development Corporation, as provided for at the time of purchase of the Lot 3 property by SVO. A copy of the comment letter is attached as Exhibit A4.

## 3. TRAFFIC

- ***“The TIAR assessment assumes the Bypass is completed. What happens if it is not completed? There is no analysis of what would be the impacts.”***

An analysis of 2010 with-project conditions both with and without the Lahaina Bypass being constructed was included in the Traffic Impact Assessment Report (TIAR). Section C on page 27 forecasts 2010 traffic with the proposed project without the Lahaina Bypass. Table 8 of the TIAR, attached as Exhibit A5, provides the LOS data for this scenario.

- ***“The traffic demand measures should be included in the report and should have been analyzed.”***

A copy of the Traffic Mitigation Measures report for the Lot 3 project was included in the supplemental SMA packet that was submitted to the Department of Planning on July 27, 2007. The TMM report has been reviewed by both the Department of Public Works (DPW), Department of Transportation (MDOT). Copies of the DPW and MDOT comment letters are attached as Exhibit A6 and Exhibit A7.

- ***“No data from the TIAR that shows the levels of service? Is this in the exhibits you are attaching?”***

A Level Of Service (LOS) analysis was completed as part of the TIAR for the Lot 3 project. Table 8 (providing LOS data for the project without the Lahaina Bypass) and Table 9 (providing LOS data for the project with the Lahaina Bypass) are attached as Exhibit A5 and Exhibit A8 respectively.

## 4. PARKS

- ***“I remember when this project went before the UDRB, there was mention of the restroom facilities and they were asked to incorporate such a facility in their project.”***

RESPONSE: A comfort station facility is proposed for the 10-acre open space area as reflected in the revised site plan that was included in the supplemental SMA packet that was submitted to the department of Planning on July 27, 2007. The comfort station was added to the open space in response to comments raised during review of the project by the Urban Design Review Board. While the Kaanapali North Beach Master Association maintains all of the parks in the subdivision, there is a settlement agreement from the 1998 intervention on the Lot 1 SMA permit, which governs what activities can take place in the open space park. SVOP held discussions with the Lot 1 interveners, as well as the North Beach Advisory Group (NBAG) to determine whether such improvements would be acceptable in the open space park. Both the Lot 1 interveners and the NBAGF members support the installation of the comfort station in the open space park, as well as the proposed installation of an outdoor shower, benches along the access path in the park, as well as additional landscaping to provide a buffer between the proposed KOR, Lot 3 project and the open space park. The attached plan, which was submitted as part of the SMA supplemental packet, reflects the approved revised plan for the open space park. See Exhibit A9. Subsequently, the revised open space improvements plans were presented to the UDRB at its meeting on November 21, 2006 and were recommended for approval.

#### 5. OTHER MITIGATION MEASURES

- **“They rely heavily on the North Beach Transportation Management Plan and the reduction of 30% as already required by the previous SMA approvals. They do not go beyond the 30%. Why not? They are only proposing what they have to do already.”**

RESPONSE: the NBTMP calls for a GOAL –not a requirement–of 30% reduction in EMPLOYEE automobile traffic only. Based on discussions at the Planning Commission Hearing of June 26, 2007, the Applicant has voluntarily agreed to expand that goal to 30% of COMBINED GUEST AND EMPLOYEE automobile traffic. This is a significant measure, unprecedented in West Maui.

In addition, a Traffic Mitigation Measures Report has been prepared for the proposed Lot 3 project. The TMM report proposes a variety of Traffic Demand Measures (TDM), in addition to those highlighted within the approved NBTMP, to address traffic impacts related to the Lot 3 project, in satisfaction of the other mitigative measures requirement of Condition No. 7 of the 1988 SMA Use Permit for the subdivision and Condition “cc” of the 1998 SMA Permit for Lot 1. A matrix summarizing the proposed Traffic Demand Measures (TDM) outlined in the TMM is attached as Exhibit. With implementation of the NBTMP within the overall subdivision and the TMM on Lot 3, it is SVO’s long-term goal is to reduce the impact of both employee-related and guest-related traffic attributed to Lot 3 to an overall net zero. To establish their ongoing commitment to implementation of TDM at Lot 3, SVO is proposing the following two (2) conditions:

1. That the Applicant shall deposit \$3.3 million into an escrow account to guarantee continuing service of its proposed TDM measures as outlined in the Applicant’s Traffic Mitigation Measures (TMM) report dated July 2007. The contribution amount shall be in addition to any future impact fees which may be adopted by the County of Maui, prior to the issuance of the first building permit for the Lot 3 project. Further, such deposit shall be made prior to the issuance of the first certificate of occupancy for the Lot 3 project.

2. That the Applicant is committed to implementing the aforementioned TDM measures, as outlined in the TMM report dated July 2007, for 20 years, beginning from the receipt of the first certificate of occupancy (CO) for Lot 3. Further, that the Applicant shall provide annual reports to the Department of Planning and Department of Public Works, upon implementation of the TDM measures, quantifying its efforts toward achieving a 30% reduction in combined employee and guest automobile traffic. In the event the 30% goal is not achieved, the Applicant shall discuss alternatives with the Department of Planning and Department of Public Works. Such alternatives may include funding of additional bus routes for Maui County, or other measures deemed satisfactory by the Director of the Department of Planning.

- **“In the NBTMP they also make assumptions that their employees are going to be Lahaina town residents when they propose the early morning service to Lahaina, how do they justify this when more employees come from the other side of the island? Also, I don’t believe Lahaina Town has had any significant amount of housing built that residents can either buy or rent. Further because they signed a housing agreement before the Workforce Housing Bill was approved in January 2007 they got off with a lesser commitment. From what I see in your report they are not providing any employee housing for their employees but contributing to fund another housing project that in all likelihood would not benefit their employees. I didn’t see in your report what housing funds are going to be used for.”**

RESPONSE:

The West Maui Commuter Needs Survey conducted by Charlier Associates in December 2006, with over 2,400 survey responses, concluded that, contrary to popular belief, the majority of West Maui employees do live in the Lahaina area. A copy of the survey is presented in Exhibit \_\_\_\_\_. Reference slides giving specific commuting data for employees are also attached as Exhibit \_\_\_\_.

SVO has, in connection with Lot 2, made a significant contribution toward Affordable Housing, which resulted in the subsidy of 12 Affordable Housing units developed in Lahaina through Lokahi Pacific Inc., a private, non-profit organization.

With respect to Lot 3, SVO has entered into an affordable housing agreement with the County of Maui, by which SVO has deposited \$2.6 Million in escrow for the County’s use for affordable housing. The agreement was recorded with the Bureau of Conveyance on October 30, 2006. The use of funds through this agreement will be at the discretion of the Department of Housing and Human Concerns.

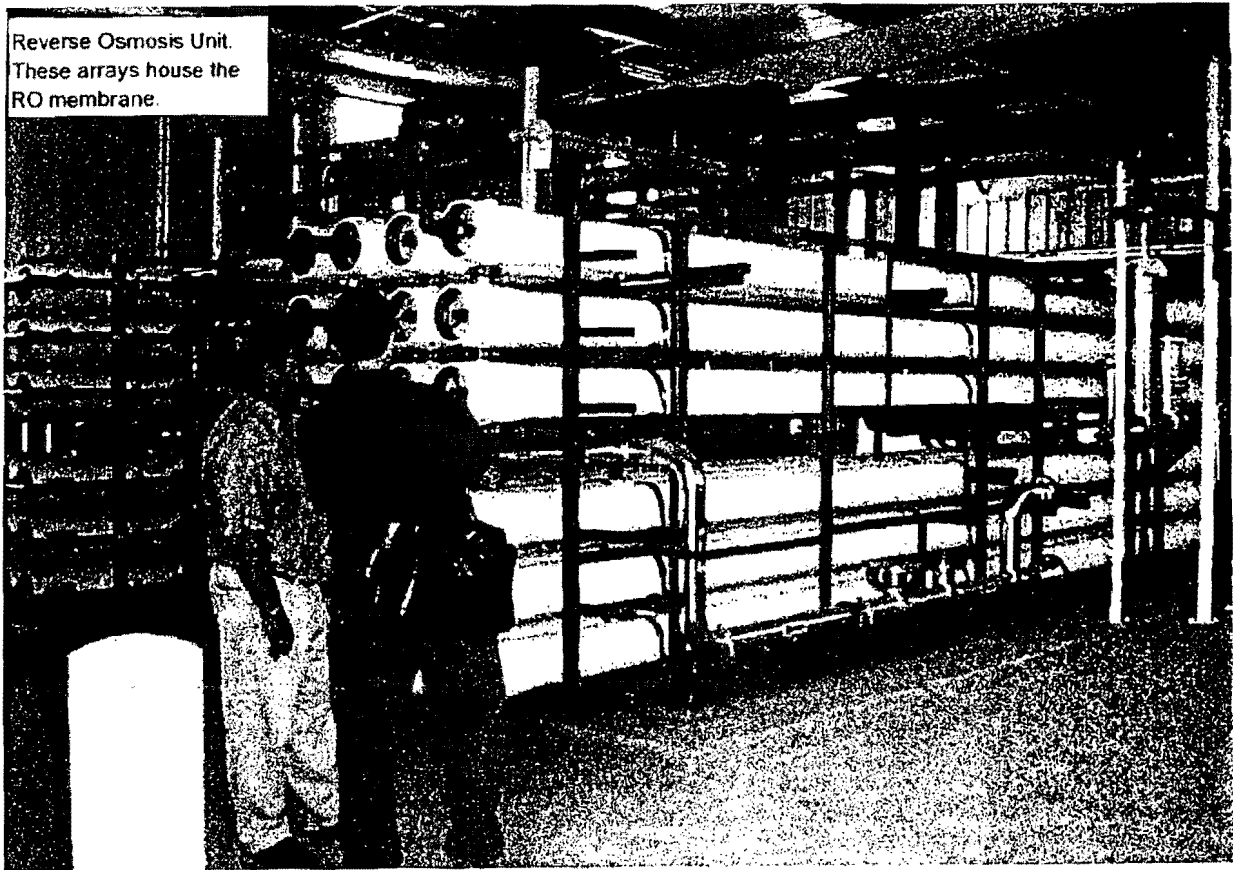
6. ENERGY EFFICIENCY

- **“What efforts are being made to make the project energy efficiency?”**

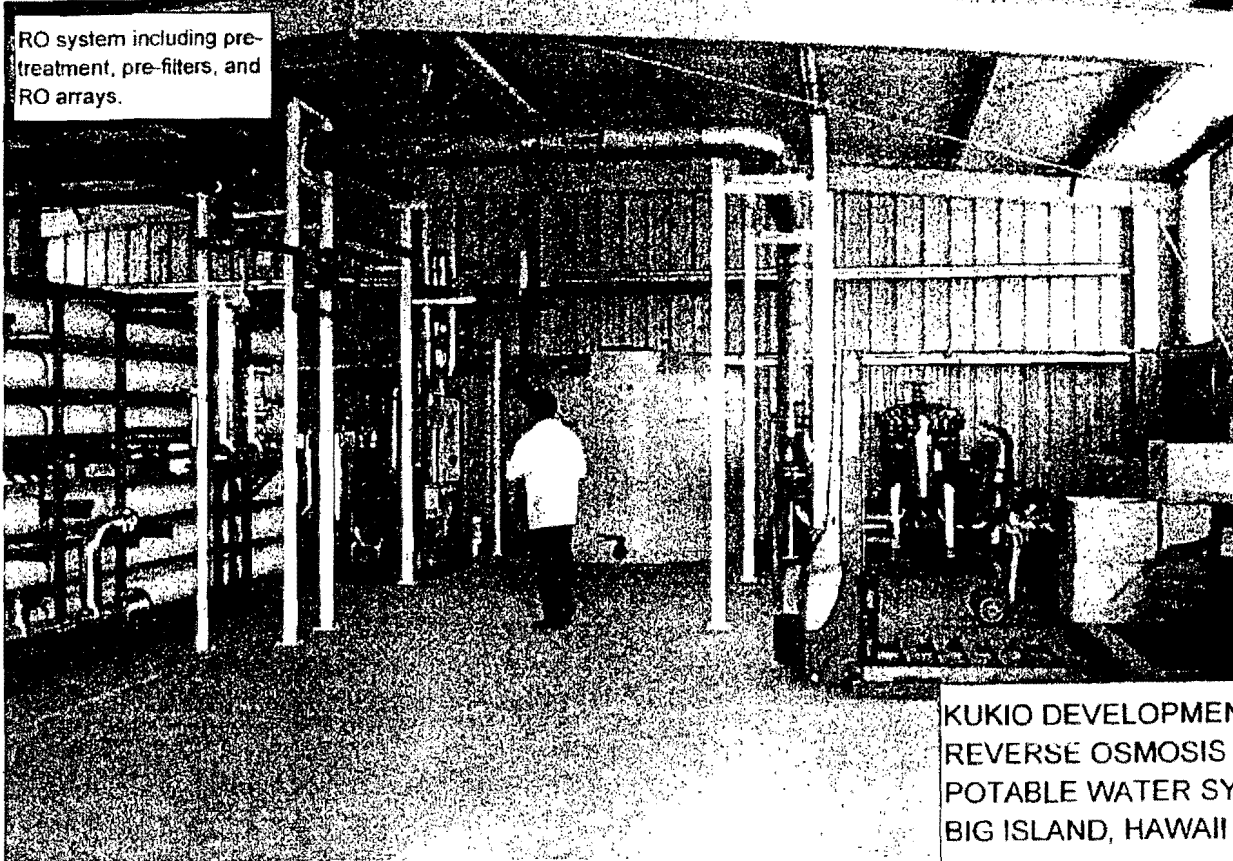
SVO is committed to implementing energy-saving measures where possible. Examples of such measures being incorporated into the design of the project include construction and use of a cogeneration system which reduces electric power demand from the public utility and captures the waste heat to supply domestic hot water and heating of the swimming pools with no additional fuel being used. In addition to the cogen system the project will make use of compact fluorescent lighting, and energy management systems where applicable and provide a design to promote natural ventilation where possible. Also, as previously mentioned, the desalination system will work in conjunction with a well

injection and supply system that will replace the need for cooling towers, thus further reducing the dependency for potable water and Electrical power needs that typical cooling towers require. The Guest Shuttles and Employee Shuttles respectively already implemented to and from Lahaina Town, and to and from Kihei (in the case of Employee Shuttle), and other proposed TDM are noteworthy efforts by SVO to reduce guest fuel consumption as well as trip generation within West Maui. These are significant, innovative and cutting-edge measures being implemented by the Applicant.

Reverse Osmosis Unit.  
These arrays house the  
RO membrane.



RO system including pre-  
treatment, pre-filters, and  
RO arrays.

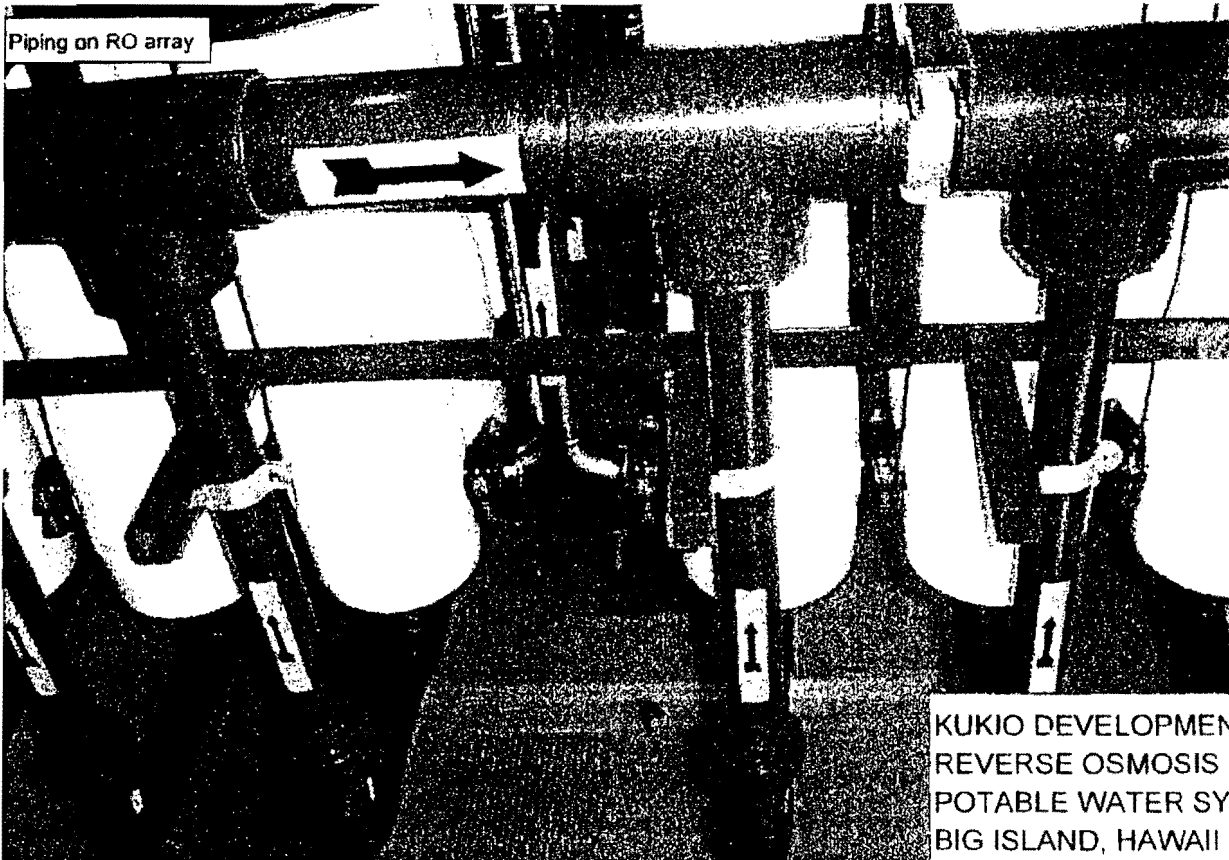


KUKIO DEVELOPMENT  
REVERSE OSMOSIS  
POTABLE WATER SYTEM  
BIG ISLAND, HAWAII 6/5/07

RO arrays with control panel

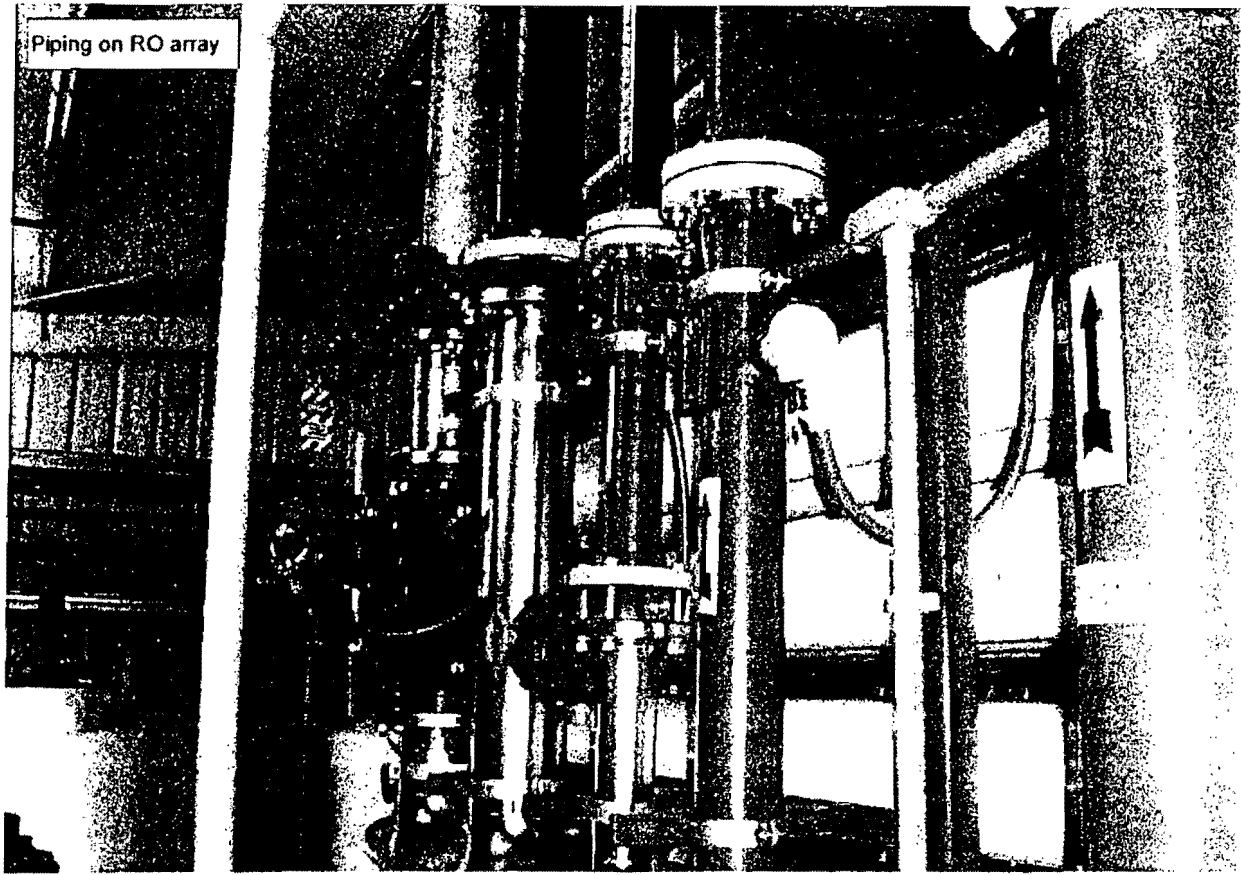


Piping on RO array

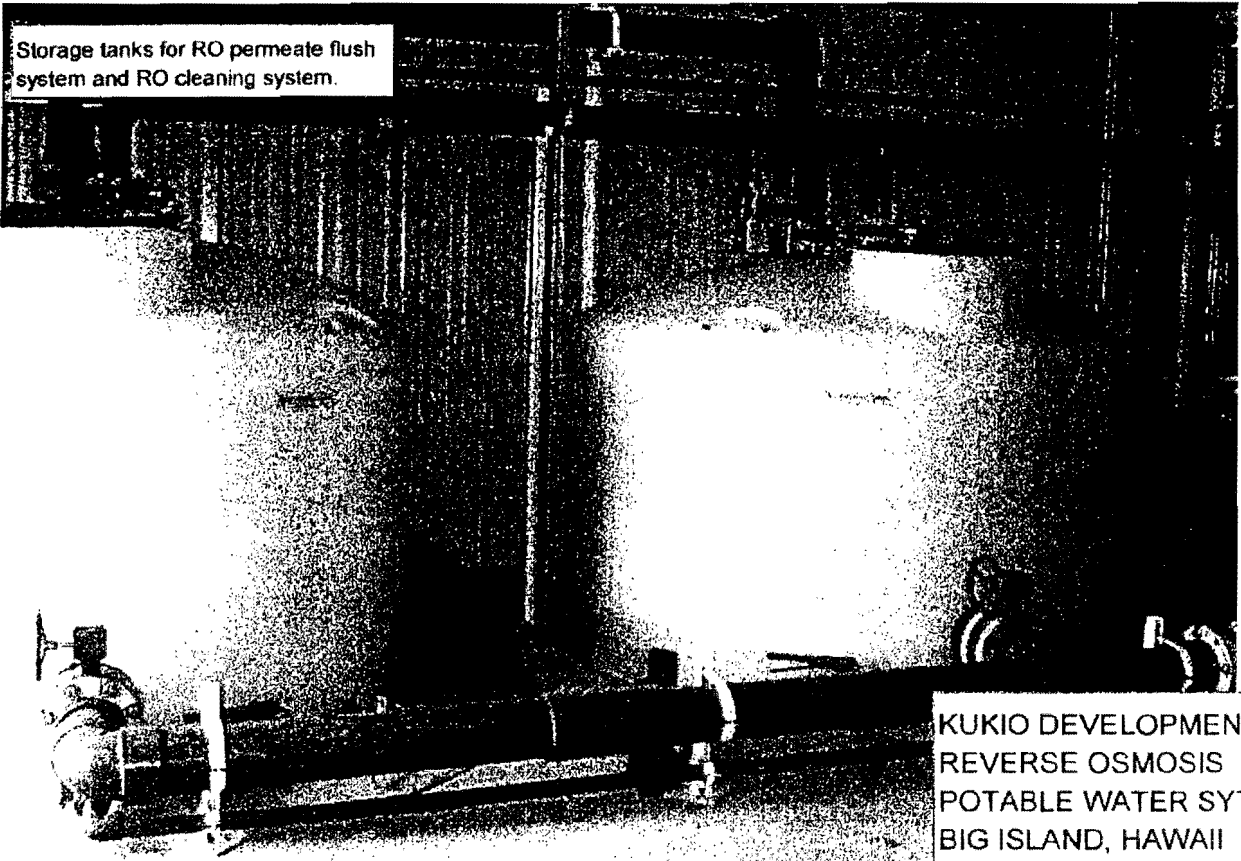


KUKIO DEVELOPMENT  
REVERSE OSMOSIS  
POTABLE WATER SYTEM  
BIG ISLAND, HAWAII 6/5/07

Piping on RO array

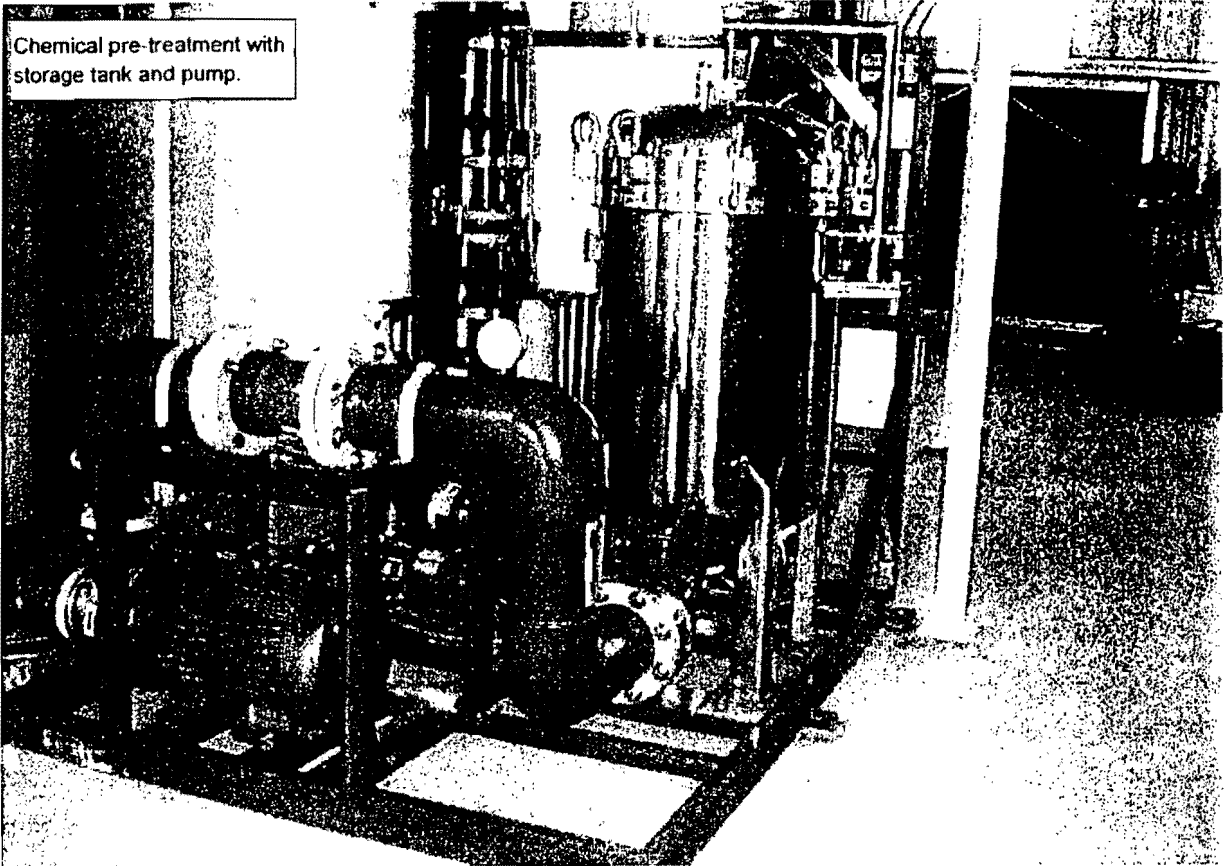


Storage tanks for RO permeate flush system and RO cleaning system.

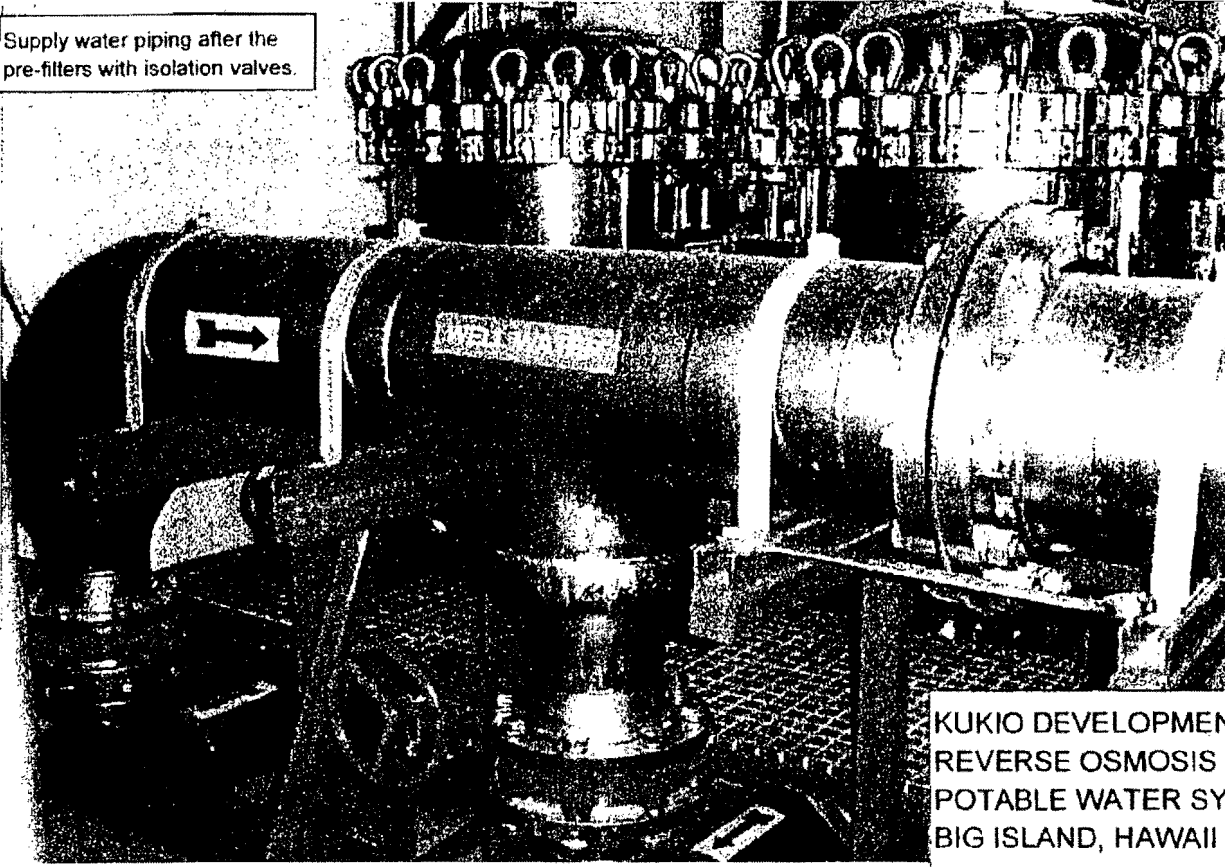


KUKIO DEVELOPMENT  
REVERSE OSMOSIS  
POTABLE WATER SYTEM  
BIG ISLAND, HAWAII 6/5/07

Chemical pre-treatment with storage tank and pump.



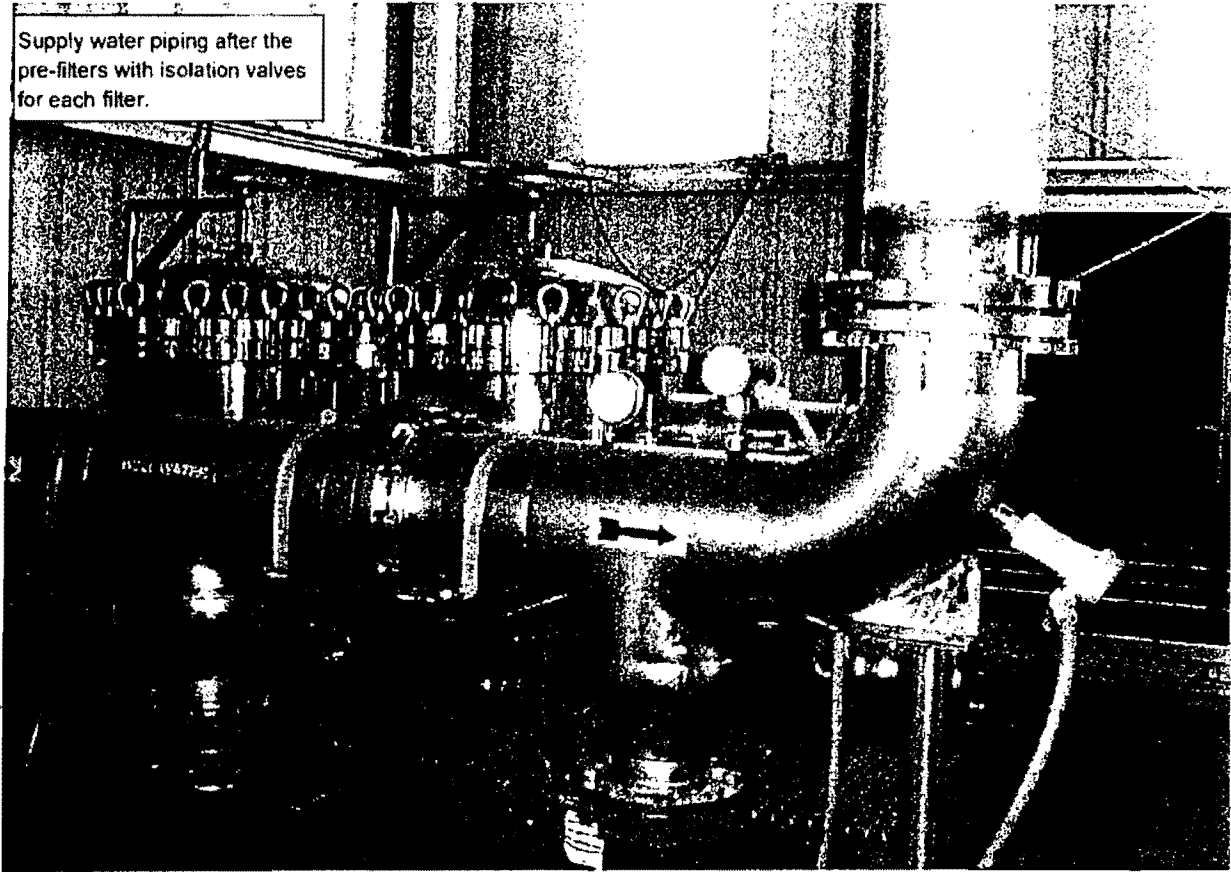
Supply water piping after the pre-filters with isolation valves.



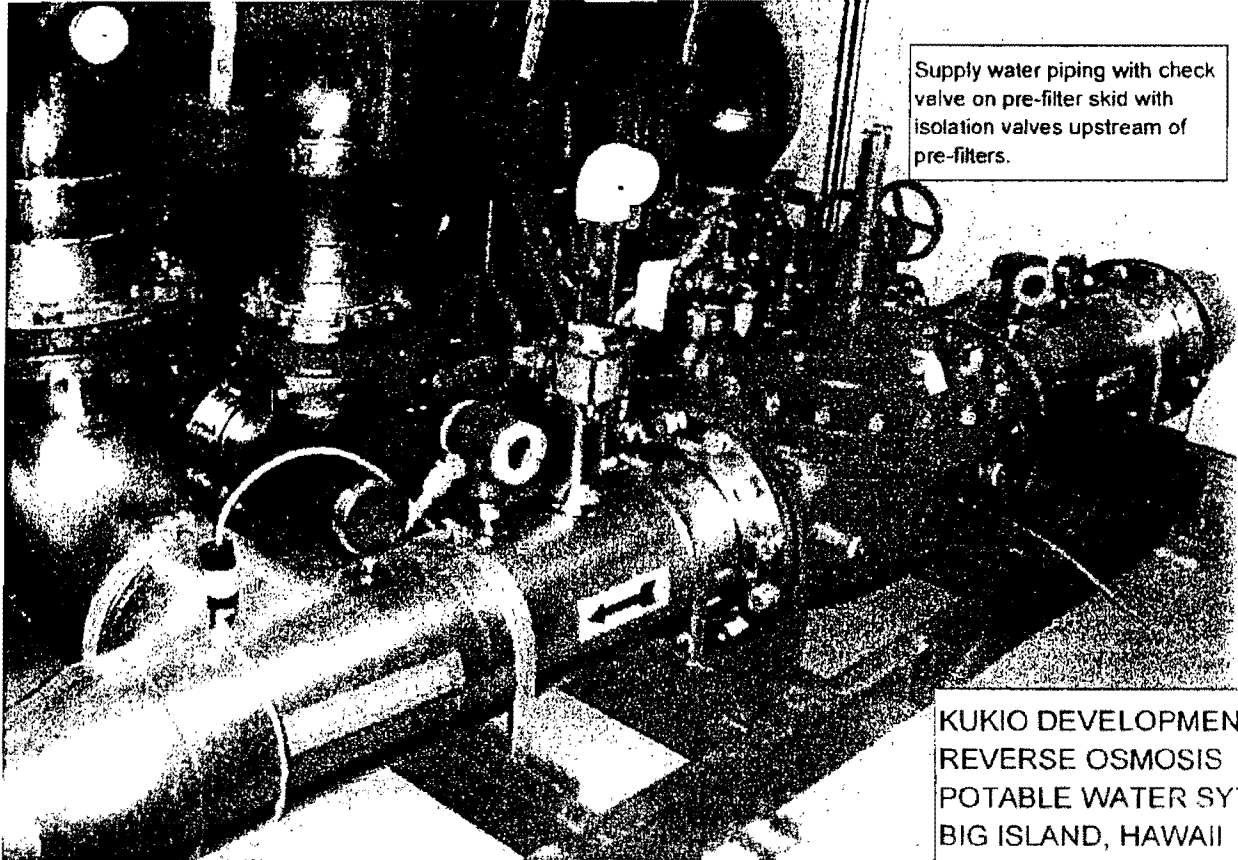
KUKIO DEVELOPMENT  
REVERSE OSMOSIS  
POTABLE WATER SYTEM  
BIG ISLAND, HAWAII 6/5/07



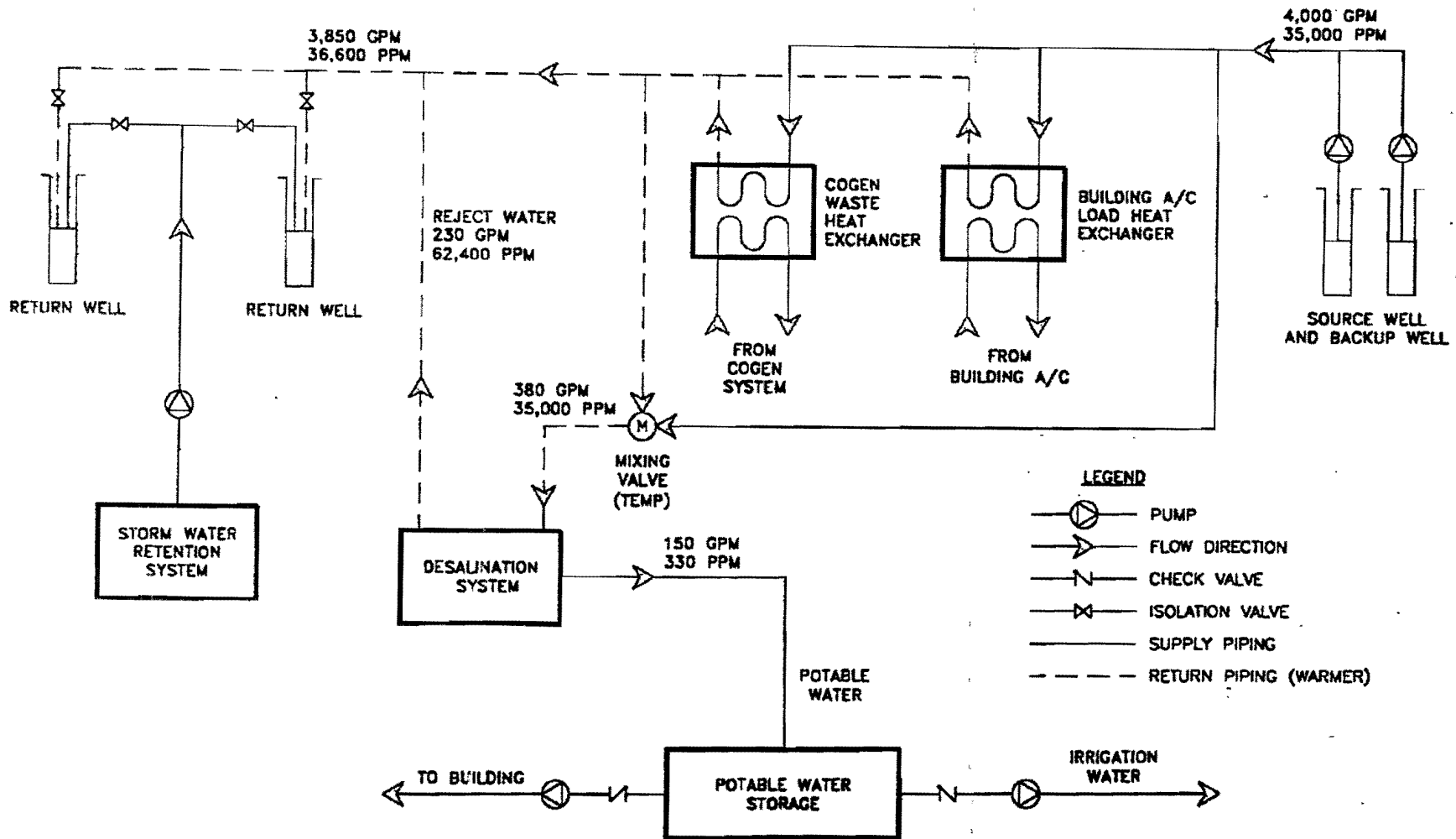
Supply water piping after the pre-filters with isolation valves for each filter.



Supply water piping with check valve on pre-filter skid with isolation valves upstream of pre-filters.



KUKIO DEVELOPMENT  
REVERSE OSMOSIS  
POTABLE WATER SYTEM  
BIG ISLAND, HAWAII 6/5/07



SUBJECT: Heat Rejection/Potable Water Systems  
 JOB NAME: Westin Ka'anapali Ocean Resort Villas  
 CRITCHFIELD PACIFIC, INC.  
 1816 KAHAKAMU STREET HONOLULU, HAWAII  
 PHONE (808) 963-2000 FAX (808) 963-2201

JOB NO.  
 DWD. BY: JRG  
 DATE: 7/16/07  
 SHEET NUMBER: 1

42

## **Glossary**

**Source Well:** This is the well that is the source of the seawater that provides cooling. It is used for cooling the Cogen system (the electric power generation portion) and the building air conditioning (A/C) system. It is also used for a source of water for the desalination plant.

**Heat Exchanger:** A piece of equipment that transfers heat from one system to another without mixing the two (an example of this is a radiator). This allows the system to cool the water from the Cogen system and the building A/C system without having to flow seawater through the Cogen equipment or the A/C equipment. The seawater would otherwise corrode this equipment and ultimately contaminate the seawater.

**Mixing Valve:** This valve will mix seawater from the source well with warmer seawater (warmed from the heat exchangers) allowing the RO system to operate at the most efficient operating temperature.

**Desalination System:** The desalination system consists of filters and water treatment that produces potable (drinkable) water from seawater. The filtration in the desalination plant consists of pre-filters and a reverse osmosis (RO) filter.

**Return Well:** This well is for the return of the water from the system back to the ground. Water that has passed through the system is pumped back into the return well and is then accepted back into the ground through the porous rock.

**GPM:** This is water flow through the system expressed in gallons per minute.

**PPM:** This is concentration of total dissolved solids (in this case, mostly salt) expressed in parts per million.

LINDA LINGLE  
GOVERNOR OF HAWAII



LAURA H. THIELEN  
CHAIRPERSON  
MEREDITH J. CHING  
JAMES A. FRAZIER  
NEAL S. FUJIWARA  
CHIYOME I. FUKINO, M.D.  
DONNA FAY K. KYDSAKI, P.E.  
LAWRENCE H. MIKE, M.D., J.D.  
KEN C. KAWAHARA, P.E.  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
P.O. BOX 621  
HONOLULU, HAWAII 96809

October 10, 2007

Mr. Carlos Rivera  
Starwood SVO Pacific  
10 Hoohui Road, #307  
Lahaina, HI 96761

Dear Mr. Rivera:

Well Construction Permit Applications  
Kaanapali Ocean Resort Lot 3 Well and Backup (Well Nos. 5641-03 & 04)

Thank you for your request to clarify the permitting process. Mink & Yuen are the consultants handling your applications and receive direct communications on the progress of these applications. Copies are then sent to you and others you may identify.

The applications are currently being circulated to other agencies for review. Once the review is successfully completed, a process that takes about one month, these permits would then be issued to the licensed well driller identified on the application.

For the KOR well situation, no licensed driller has been identified to date. Should the agency review be completed with no issues identified and prior to the identification of a licensed driller, then a letter of assurance will be issued notifying you that the permit is ready for approval, once a licensed driller in good standing is identified. Once a licensed contractor has been selected, they should sign a copy of the original application, whereupon we will issue the permits directly to the contractor, with copies to you and to Mink & Yuen.

Because the proposed well sites do not lie within a designated water management area, the common law accords you correlative rights to some water under your property, subject to potential competing users, potential county shoreline concerns and historic preservation concerns, and adherence to approved well construction standards. We understand you have presented preliminary information to the Division of Historic Preservation, which has apparently given a preliminary approval. The wells do lie in the Shoreline Management Area (SMA), and we will soon learn whether any concerns emerge. Please be aware that if an SMA permit is required we cannot, by law, approve the well construction permits before the SMA permit is approved. Otherwise, we do not anticipate delays in granting approval to your applications.

If you have any questions, please contact Charley Ice of our staff at 587-0251, or toll free from Maui at 984-2400, extension 70251.

Sincerely,

KEN C. KAWAHARA, P.E.  
Deputy Director

Cl:ss

c: Mink & Yuen

LINDA LINGLE  
GOVERNOR OF HAWAII



CHIYOME L. FUKINO, M.D.  
DIRECTOR OF HEALTH

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P.O. BOX 3378  
HONOLULU, HAWAII 96801-3378

In reply, please refer to:  
EMD/SDWB

August 20, 2007

RECEIVED

AUG 26 2007

SVO Pacific Inc

Mr. Carlos Rivera  
Assistant Project Manager  
Starwood SVO Pacific, Inc.  
10 Ho`ohui Road, Rm 307  
Lahaina, Hawai`i 96761

Dear Mr. Rivera:

SUBJECT: UNDERGROUND INJECTION CONTROL (UIC);  
UIC APPLICATION FOR NEW INJECTION WELLS AT  
WESTIN KA`ANAPALI OCEAN RESORT VILLAS, LOT 3,  
UIC APPLICATION NO. UM-2595

We acknowledge your UIC application dated 7/16/2007, received on 8/7/2007, and the \$100 filing fee. A filing fee receipt is enclosed.

Your application has been assigned the number listed above. Please always list the application number on all correspondence.

Pursuant to a request made by your consultant, Mink & Yuen, Inc., we have made a brief review of your application for applicability to the UIC rules under Hawai`i Administrative Rules, Title 11, Chapter 23, titled Underground Injection Control. The proposed location of the injection wells is makai (seaward) of the UIC line. This means that your proposed injection wells, which would be categorized as industrial injection wells, are not prohibited and generally permissible depending on the actual construction, testing, and their long-term performance.

The technical review and processing of your application will occur after we sequentially service many UIC applications that are currently waiting for processing. At the time of technical review and processing you may be contacted for further information or necessary actions. In order to expedite processing, please ensure that your application is complete, and respond to any follow-up request for information by its due-date.

Mr. Carlos Rivera  
August 20, 2007  
Page 2

If you have any questions about this subject, please call  
Chauncey Hew of the Safe Drinking Water Branch at 586-4258  
(Honolulu) or call direct toll free from Maui at 984-2400, ext.  
64258.

Sincerely,



STUART YAMADA, P.E., CHIEF  
Safe Drinking Water Branch  
Environmental Management Division

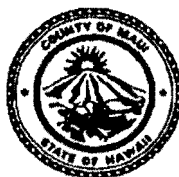
CH:nbp

Enclosure: \$100 filing fee receipt, check No. 5646

c: Mr. George Yuen, P.E., President  
Mink & Yuen, Inc.  
1670 Kalakaua Avenue, Ste. 605  
Honolulu, HI 96826

SEP 07 2007

CHARMAINE TAVARES  
Mayor  
CHERYL K. OKUMA, Esq.  
Director  
GREGG KRESGE  
Deputy Director



TRACY TAKAMINE, P.E.  
Solid Waste Division  
DAVID TAYLOR, P.E.  
Wastewater Reclamation Division

**COUNTY OF MAUI  
DEPARTMENT OF  
ENVIRONMENTAL MANAGEMENT**  
2200 MAIN STREET, SUITE 175  
WAILUKU, MAUI, HAWAII 96793

September 5, 2007

Ms. Karlynn Kawahara  
Munekiyo & Hiraga, Inc.  
305 High Street Suite 104  
Wailuku, HI 96793

Dear Ms. Kawahara,

**SUBJECT: PROPOSED WESTIN KAAPALI OCEAN RESORT VILLAS  
NORTH BEACH SUBDIVISION - LOT 3  
SEWER ALLOCATION  
TMK (2) 4-4-014:005**

The County of Maui Wastewater Reclamation Division (WWRD) has further reviewed the sewer allocation requirements of the subject project and offers the following to clarify its letter of August 1, 2007.

Based on the June 21, 2005 agreement between Kaanapali Development Corporation (KDC) and the former owners of Lot 3 (Intrawest), it appears that KDC assigned to Intrawest an allocation of up to 165,000 gallons per day of KDC's reserve wastewater capacity at the Lahaina Wastewater Reclamation Facility (WWRF). When Starwood Vacation Ownership Pacific, Inc. (SVOP) purchased Lot 3, it also appears that Intrawest reassigned (by agreement of September 28, 2005) that wastewater allocation to SVOP.

This allocation amount is currently well within KDC's remaining reserve capacity. WWRD intends to grant the wastewater allocation (up to 165,000 gallons per day) upon SVOP's application for building permits (which will include wastewater discharge calculations) and upon confirmation by KDC of the assignment of capacity. WWRD will record the actual capacity allocation at the time of building permit issuance.

If you have any further question please contact Scott Rollins or Arnold Abe in our planning section at 270-7417.

Sincerely,

A handwritten signature in black ink, appearing to read "David Taylor".

David Taylor, Chief  
Wastewater Reclamation Division

44

**TABLE 8: FORECAST 2010 TRAFFIC WITH PROPOSED PROJECT LEVEL-OF-SERVICE**

AM Peak Hour				PM Peak Hour			
Honoapiilani Highway				Honoapiilani Highway			
Lower Honoapiilani Road	A	F*	E	D	B	F*	F
Wastewater Plant Access				D			
Halawai Drive	A	A	D	D	A	B	D
Halawai Drive				D			
Kai Ala Drive	A	C	D	D	B	E*	D
Puukoli Road				D			
Kaanapali Parkway	C	E*	E	F	C	F*	F
Halelo Street				F			
Wahikuli State Park Access	B	B	E	E	C	C	F
Leaili Parkway				E			
Front Street	B	B	E	D	A	C*	F
Fleming Road				D			
Kapunakea Street	C	C	D	F	E	F*	F*
Kapunakea Street				F			
Kapunakea Street	E	E	F	D	E*	E*	F
Kapunakea Street				F*			
				D	F*	E*	E*

\*v/c ratio >1.0

57



OCT 04 2007

CHARMAINE TAVARES  
Mayor

MILTON M. ARAKAWA, A.I.C.P.  
Director

MICHAEL M. MIYAMOTO  
Deputy Director

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



RALPH NAGAMINE, L.S., P.E.  
Development Services Administration

CARY YAMASHITA, P.E.  
Engineering Division

BRIAN HASHIRO, P.E.  
Highways Division

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

October 2, 2007

Ms. Karlynn Kawahara  
Project Manager  
Munekiyo & Hiraga, Inc.  
305 High Street, Suite 104  
Wailuku, Maui, Hawaii 96793

Dear Ms. Kawahara:

**SUBJECT: WESTIN KAAPALI OCEAN RESORT, LOT 3  
TRAFFIC MITIGATION MEASURES REPORT**

The Maui Planning Commission intended for immediate impact options to provide benefit to the traveling public. The two alternatives identified for immediate impact include the construction of Mill Street Extension and increasing mass transit. Other alternatives appear to be more long-term measures.

The construction of the Mill Street Extension by the developer would eliminate the need to use federal funds. The funds for design are waiting for the roadway to be classified for federal funding. Eliminating the need for federal funding could start the design process and accelerate construction.

The typical contribution to roadway improvements lead to the construction of infrastructure. Any contribution to mass transit needs to be made equal in the overall life span of the contribution. A typical roadway improvement has a life span of 20 years before major work needs to be done. The purchase of transit vehicles may have a life span of 10 years before needing replacement. A contingency needs to be included in the event that the reduction in vehicular traffic assumed for mass transit is not realized.

Given the intensity of development in the West Maui area, many regional traffic mitigative measures are proposed, approved and awaiting construction. We would like

Ms. Kariynn Kawahara


October 2, 2007

Page 2

to see a West Maui Transportation Master Plan be funded and completed as soon as possible. Such a master plan should document the past and proposed regional traffic mitigative measures proposed by the various developments. The plan would also serve as an audit of the past assumptions regarding regional traffic mitigative measures.

If you have any questions, please feel free to call me.

Sincerely,



MILTON M. ARAKAWA, A.I.C.P.  
Director of Public Works

MMA:MMM:jso

xc: Jeffrey Hunt, A.I.C.P., Planning Director

s:\mike\kkawahara\_westin kpali ocean resort lot 3 traffic mitigation measures report

CHARMAINE TAVARES  
MAYOR



DON A. MEDEIROS  
Director  
WAYNE A. BOTELHO  
Deputy Director  
Telephone (808) 270-7511  
Facsimile (808) 270-7505

**DEPARTMENT OF TRANSPORTATION**

COUNTY OF MAUI  
200 South High Street  
Wailuku, Hawaii, USA 96793-2155

August 22, 2007

Ms. Kariynn Kawahara, Planner  
Munekiyo and Hiraga, Inc.  
305 High Street, Suite 104  
Wailuku, Hawaii 96793

**SUBJECT: TRANSPORTATION MITIGATION MEASURES, NORTH BEACH,  
LOT 3**

Dear Ms. Kawahara:

Thank you for the opportunity to comment on the above-mentioned report. Please see our letter dated July 12, 2007, to the Deputy Director of Public Works, containing our earlier comments.

Please do not hesitate to contact me at 270-7511 if I can be of any assistance or clarification.

Sincerely,

DON MEDEIROS  
Director of Transportation

CHARMAINE TAVARES  
MAYOR



DON A. MEDEIROS  
Director  
WAYNE A. BOTELHO  
Deputy Director  
Telephone (808) 270-7511  
Facsimile (808) 270-7505

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI  
200 South High Street  
Wailuku, Hawaii, USA 96793-2155

July 12, 2007

Michael M. Miyamoto, Deputy Director  
Department of Public Works  
County of Maui  
Wailuku, Hawaii 96793

**SUBJECT: Transportation Mitigation Measures, North Beach, Lot 3**

Dear Mr. Miyamoto:

Thank you for the opportunity to comment on the abovementioned report which was developed in conjunction with a special management area (SMA) permit application for the subject property. The comments of the Maui County Department of Transportation (MDOT) are as follows.

Page 17 The MDOT has not solidified a position on a contribution of \$40,000 and thus yields to the Department of Public Works (the lead agency regarding North Beach transportation) regarding financial aspects. Moreover, while the MDOT is in support of coordination with the applicant, bilateral issues such as "coordination" being placed in a unilateral SMA condition is not appropriate since it may preclude the applicant's consideration of other measures.

As such, the following text from the applicant's SMA condition should be deleted.

- a. ~~SVO shall contribute \$40,000 annually to the County of Maui Department of Transportation for the implementation and continued operation of additional commuter transit, which serves West Maui.~~
- b. SVO shall institute a transportation allowance program as an incentive for utilizing alternative transportation.

- c. SVO shall continue to operate the Lahaina Shuttle at the same level of service or greater, at a minimum, for 15 years after the approval of the SMA permit for KOR, Lot 3.
- d. ~~SVO shall coordinate with MDOT to improve transit service in the following areas as identified in the West Maui Commuter Needs Survey:~~
  - 1. ~~Increasing the frequency of the Makawao-Kapalua Commuter run;~~
  - 2. ~~Increasing the frequency of the Wailuku-Kapalua Commuter run;~~
  - 3. ~~Introducing direct commuter service between Kihel and Ka'anapali;~~
  - 4. ~~Adding stops on existing West Maui Commuter routes closer to job destinations, including North Beach resorts; and~~
  - 5. ~~Using various private shuttle services to make connections between the County's West Maui commuter services and specific job destinations in West Maui, including the North beach resorts.~~
- e. SVO shall employ a KOR complex transportation coordinator to coordinate transportation programs for employees and guests.

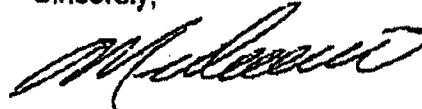
Page 25 The applicant's report states that the final decision regarding impact fees will be done by the County. Therefore, attempting to ensure that an applicant will be "supportive" of certain projects is both unnecessary and inappropriate. SMA conditions are for ensuring unilateral mandates, and not for expressing preferences. Will the applicant be in violation of the condition if the County spends impact fees on differing projects and the applicant agrees?

As such, the following text from the applicant's SMA condition should be deleted.

- a. ~~SVO shall pay the applicable traffic impact fees for the project in accordance with Chapter 14.62 of the Maui County Code. As represented, the applicant has received a prioritized list of projects to be funded by its traffic impact fee from the following agencies and organizations: HDOT, DPWEM, MDOT and WMPA. As such, the applicant will be supportive of its traffic impact fee being utilized for the Mill Street project, the design of the Ka'anapali Connector and the Lahaina Bypass Phase 1C (Keawe Street to Ka'anapali Connector) and other road improvements north of Keawe Street to the Ka'anapali North Beach Subdivision.~~

Please do not hesitate contact me at 270-7511, if we can be of further assistance or clarification.

Sincerely,



DON MEDEIROS  
Director of Transportation

S:\WAB\LTRpw01.doc

**TABLE 9: FORECAST 2010 TRAFFIC WITH PROJECT WITH LAHAINA BYPASS ROAD LEVEL-OF-SERVICE**

AM Peak Hour		PM Peak Hour	
Honoapiilani Highway		Honoapiilani Highway	
Lower Honoapiilani Road Wastewater Plant Access	C C E D D D D D D A D A A	Lower Honoapiilani Road Wastewater Plant Access	C D E D D D D D D A C A A
Halawai Drive Halawai Drive	B B D D D D D D D D A A	Halawai Drive Halawai Drive	A B D D D D D D D C B B
Kal Ala Drive Puukoll Road	C B D D D D D D D D B A	Kal Ala Drive Puukoll Road	A B D D D D D D D D B A
Kaanapali Parkway Halelo Street	C D E E F F E F F C E B B	Kaanapali Parkway Halelo Street	C D E E E E E F F C E C C
Wahikuli State Park Access Leaili Parkway	B B E D D E D D E D E A A	Wahikuli State Park Access Leaili Parkway	B B E D D E D D E D F B B
Front Street Fleming Road	C B E E D D D D D D F B B	Front Street Fleming Road	B C E E D D D D D C F C C
Kapunakea Street Kapunakea Street	B B D E D E D D E D E A A	Kapunakea Street Kapunakea Street	C C E E D D D D E D E A A

# WESTIN KA'ANAPALI OCEAN RESORT



Villas Lot 3  
Ka'anapali, North Beach, Maui, Hawaii

## PROJECT SUMMARY

### PROPOSED UNITS

1-Bedroom Villas* (840 sf)	45 Units
2-Bedroom Villas* (1,260 sf)	313 Units
3-Bedroom Villas* (1,470 sf)	32 Units
<b>390 Total Units</b>	

\* No lockoff units proposed

### PROPOSED PARKING

390 Units x 1.30 Stall/Unit	507 Stalls
100 Employees x 1.00 Stall/Employee	100 Stalls
140 Intra-work Allocation	140 Stalls
53 Additional Stalls	53 Stalls
<b>800 Total Stalls</b>	

## ZONING & PLANNING SUMMARY

### LOT AREA

Lot	Area (acres)	Area (sq ft)
Lot 3 Total Area	26.692 Acres	1,162,703 sf
Open Space (Easement 257)	(10.001 Acres)	(435,644 sf)
Road (Easement 267)	(0.842 Acres)	(36,678 sf)
<b>Net Developable Land Area</b>	<b>15.849 Acres</b>	<b>690,382 sf</b>

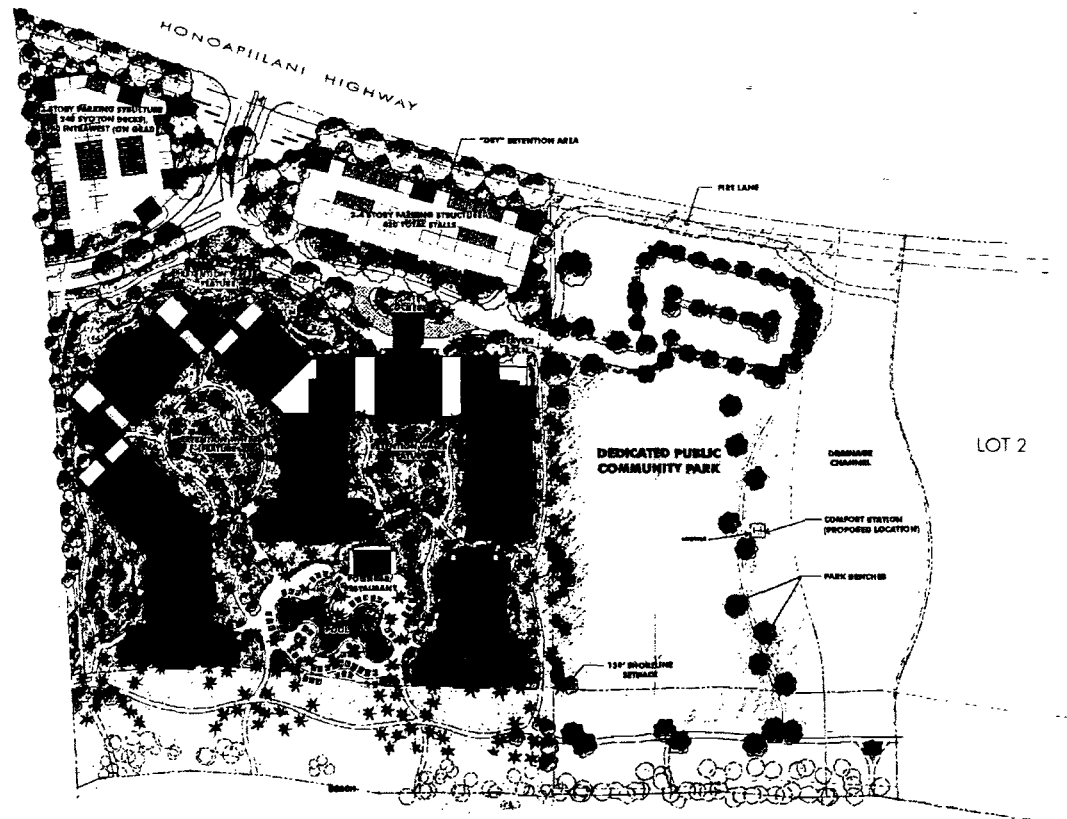
### LOT ZONING

Zoning	Permitted FAR	Proposed FAR
HM	1.00 = 690,382 sf	0.90 = 627,230 sf

### LOT COVERAGE

Zoning	Permitted Coverage	Proposed Coverage
HM	207,015 sf Coverage = 30%	192,728 sf Coverage = 28%
	483,367 sf Open = 70%	497,654 sf Open = 72%
	690,382 sf	690,382 sf

LOT 4



LOT 2

## SITE PLAN



SCHEMATIC DESIGN  
05 18 2007

AO

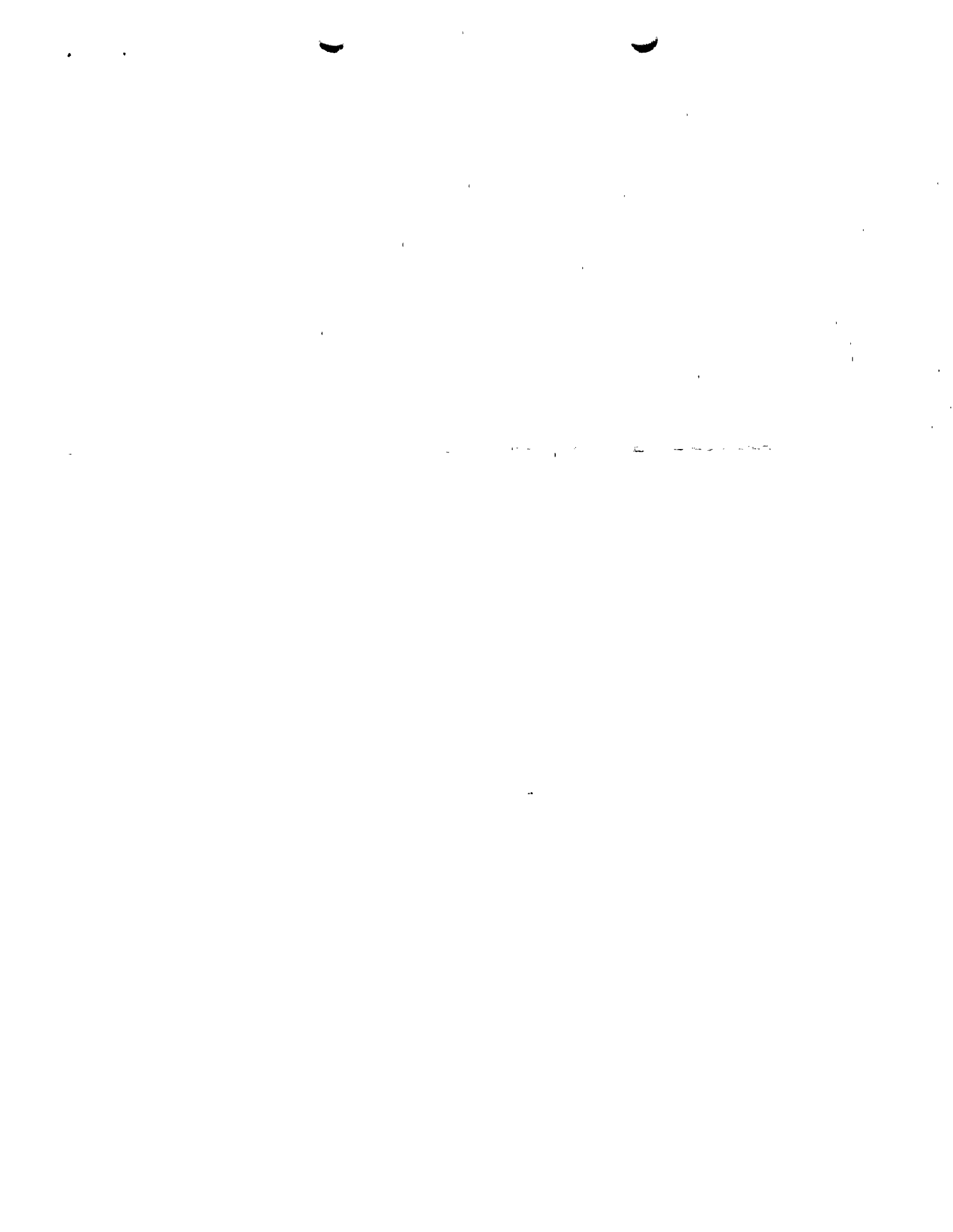


**Table ES-1. Summary of Traffic Mitigation Costs Proposed by SVO for KOR, Lot 3**

<b>BASE TRANSPORTATION IMPROVEMENTS</b>		
<b>Roadway Development</b>	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
Restripe the existing Honoapi'ilani Highway northbound left-turn storage lane to provide 400 feet of storage at Halawai Drive intersection.	---	\$62,000.00
<b>Subtotal</b>	---	<b>\$62,000.00</b>
<b>North Beach Transportation Management Plan</b>		
	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
West Maui Transit Enhancements	\$40,000.00	---
Transportation Allowance	\$5,000.00	---
Lahaina Shuttle	\$77,000.00	---
Transportation Coordinator	\$25,000.00	---
<b>Subtotal</b>	<b>\$151,000.00</b>	---
<b>BASE TRANSPORTATION IMPROVEMENTS TOTAL (EXCLUDING ADDITIONAL MITIGATIVE MEASURES)</b>	<b>\$151,000.00</b>	<b>\$62,000.00</b>
<b>ADDITIONAL MITIGATIVE MEASURES</b>		
<b>Traffic Impact Fees - includes the following:</b>	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
Mill Street South Extension Feasibility Study	---	*
Mill Street Construction (Keawe Street to Aholo Road)	---	*
Ka'anapali Connector Design/Lahaina Bypass Phase IC	---	*
Other Capital Improvement Projects	---	*
Widen Honoapi'ilani Highway in the southbound direction to provide an acceleration lane for the eastbound right-turns from Lower Honoapi'ilani Road.	---	*
Widen Honoapi'ilani Highway and Lower Honoapi'ilani Road to add a second northbound to westbound left-turn lane (two lanes total).	---	*
<b>Subtotal</b>		<b>\$1,678,170.00**</b>
<b>Other Travel Demand Management (TDM) Measures</b>		
	<b>Annual Allocation</b>	<b>One-Time Allocation</b>
Lahaina Bypass Now	---	\$50,000.00
Rideshare	\$11,000.00	---
Marketing	\$4,500.00	---
<b>Subtotal</b>	<b>\$15,500.00</b>	<b>\$50,000.00</b>
<b>ADDITIONAL MITIGATIVE MEASURES TOTAL</b>	<b>\$15,500.00</b>	<b>\$1,728,170.00</b>
<b>TOTAL TRANSPORTATION MITIGATION COSTS</b>	<b>\$166,500.00</b>	<b>\$1,790,170.00</b>
<b>LUMP SUM TRANSPORTATION MITIGATION COSTS OVER 15 YEAR HORIZON</b>	<b>\$4,287,670.00</b>	
* To be allocated by County of Maui ** Estimated Traffic Impact Fee based on 390 units x \$4,303/unit as indicated in Maui Island Traffic Impact Fee Report dated November 2006		

AVI







.

.

FROM :

FAX NO. :

Oct. 02 2006 03:09PM P2



DEPARTMENT OF THE ARMY  
U.S. ARMY ENGINEER DISTRICT, HONOLULU  
BUILDING 223  
FORT SHAFTER, HAWAII 96858-3440

REPLY TO  
ATTENTION OF: CEPOH-EC-T

'06 SEP 13 AM 125

September 12, 2006

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

Civil Works Technical Branch

Ms. Colleen Suyama, Staff Planner  
County of Maui  
Department of Planning  
250 South High Street  
Wailuku, Maui, Hawaii 96793

Dear Ms. Suyama:

Thank you for the opportunity to review and comment on the Special Management Area Application and Project Assessment Report (PAR) for the Westin Kaanapali Ocean Resort Villas Project, Maui (TMK 4-4-14: 5). The flood hazard information provided on Page 28 and Figure 14 of the PAR is correct.

The documents have been forwarded to our Regulatory Branch to determine Department of the Army permit requirements. They will respond to your office under separate cover. Should you require additional information, please call Ms. Jessie Doblischlick of my staff at 438-8876.

Sincerely,

A handwritten signature in cursive script that reads "James Pennaz".

James Pennaz, P.E.  
Chief, Civil Works Technical Branch

EXHIBIT 1



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

November 8, 2006

James Pennaz, P.E., Chief  
Civil Works Technical Branch  
Department of the Army  
U.S. Army Engineer District, Honolulu  
Building 223  
Fort Shafter, Hawai'i 96858-5440

SUBJECT: Special Management Area Use Permit Application and Shoreline  
Setback Structure/Activity Determination for the Proposed Westin  
Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK 4-4-  
014:005 (por.), North Beach Subdivision, Ka'anapali, Lahaina, Maui,  
Hawai'i (SM1 2006/0018) CEPOH-EC-T

Dear Mr. Pennaz:

We are in receipt of your comment letter dated September 12, 2006 on the subject project. On behalf of the applicant, Starwood Vacation Ownership Pacific, Inc., we would like to acknowledge your confirmation of the flood zone information for the project site.

Thank you for your comments. Should you have any further questions, please do not hesitate to call me at (808)244-2015.

Very truly yours,

Karlynn Kawahara  
Project Manager

KK:tn

cc: Eric Crispin, SVO Pacific, Inc.  
Jim Dishinger, SVO Pacific, Inc.  
Jim Neely and Carlos Rivera, SVO Pacific, Inc.  
Rob Iopa, WCIT Architecture  
Michael Fujita, Wilson Okamoto Corporation  
John Rapacz, Esq.  
Michael Foley, Department of Planning

F:\DATA\SVO\KOR L3 Ph II\SMACOMment\Letterstarmypennas.ltr.wpd

**REPLY TO  
EXHIBIT 1**

environment  
planning

SEP 27 2006



DEPARTMENT OF THE ARMY  
U. S. ARMY ENGINEER DISTRICT, HONOLULU  
FT. SHAFTER, HAWAII 96858-6440

REPLY TO  
ATTENTION OF

September 25, 2006

Regulatory Branch

File Number POH-2006-388

Mr. Michael W. Foley  
Director  
Department of Planning  
250 South High Street  
Wailuku, Maui, HI 96793

Administrator  
SVO Pacific, Inc.  
2155 Kalakaua Avenue, Suite 300  
Honolulu, HI 96815

Gentlemen:

This responds to the request for comments regarding the Project Assessment Report and the Special Management Area permit application for the proposed Westin Kaanapali Ocean Resort Villas Project on Lot 3 (TMKs (2) 4-4-014: por. 5, ) at 45 Kai Malina Parkway, Kaanapali, Maui Island. Based on the information provided, I have determined that this activity and location is on 26.7 acres of upland area, and outside the limit of our jurisdiction under the authority of Section 10 of the Rivers and Harbors Act and Section 404 of the Clean Water Act. Therefore a Department of Army (DA) permit will not be required for construction activities associated with this development.

Please feel free to contact Mr. Farley Watanabe of my staff at 808-438-7701, if you have additional questions and refer to the file number above regarding this project.

Sincerely,

GEORGE P. YOUNG, P.E.  
Chief, Regulatory Branch

Copy Furnished:  
Karl Lynn Kawahara, Munekiyo & Hiraga, Inc., 305 High Street #104, Wailuku, HI 96793

EXHIBIT 2



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

November 8, 2006

George Young, P.E., Chief  
Regulatory Branch  
Department of the Army  
Building 230  
Fort Shafter, Hawai'i 96858-5440

**SUBJECT:** Special Management Area Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK 4-014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM1 2006/0018) File No. POH-2006-388

Dear Mr. Young:

We are in receipt of your comment letter dated September 25, 2006 on the subject project. On behalf of the applicant, Starwood Vacation Ownership Pacific, Inc., we would like to acknowledge your comment with the determination that no DA permit will be required for the proposed project.

Thank you for your comments. Should you have any further questions, please do not hesitate to call me at (808)244-2015.

Very truly yours,

Karlynn Kawahara  
Project Manager

KK:tn

cc: Eric Crispin, SVO Pacific, Inc.  
Jim Dishinger, SVO Pacific, Inc.  
Jim Neely and Carlos Rivera, SVO Pacific, Inc.  
Rob Iopa, WCIT Architecture  
Michael Fujita, Wilson Okamoto Corporation  
John Rapacz, Esq.  
Michael Foley, Department of Planning

F:\DATA\SVO\KOR L3 Ph II\SMAC\Comment\Letter\armyresp.ltr.wpd

**REPLY TO**  
**EXHIBIT 2**

environment  
planning



FROM :

FAX NO. :

Oct. 09 2006 10:30AM P2

OCT-03-2006 TUE 03:57 PM USDA SERVICE CNTR-MAUI

FAX NO. 18082427005

P. 01/01

United States Department of Agriculture



Natural Resources Conservation Service  
210 Iwi Kala St. Ste 208  
Wailuku, HI 96793  
808-244-3100

06 OCT -4 A8:35

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

October 3, 2006

Ms. Colleen Suyama, Staff Planner  
Planning Department  
County of Maui  
250 South High Street  
Wailuku, Hawaii 96793

Dear Ms. Suyama:

Subject: Westin Kaanapali Ocean Resort Villas Lot 3; TMK: 4-4-014: 005

We highly recommend this project be constructed in phases to reduce and decrease the impact of runoff after construction. As soon as the area grading and construction in each single phase(s) is complete, the area should be stabilized and vegetated. During the project's detailed design phase, direct surface runoff from parking lots and driveways toward landscaped areas to eliminate runoff to ocean.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Ranae Ganske-Cerizo".

Ranae Ganske-Cerizo  
District Conservationist



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

November 13, 2006

Ranae Ganske-Cerizo  
Natural Resources Conservation Service  
210 Imi Kala Street, Suite 209  
Wailuku, Hawai'i 96793-2100

SUBJECT: Special Management Area Use Permit Application and Shoreline Setback Determination for the Proposed Westin Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK (2) 4-4-014:005, North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM1 2006/0018)

Dear Ms. Ganske-Cerizo:

Thank you for your letter, dated October 3, 2006, providing comments on the subject project.

On behalf of the applicant, Starwood Vacation Ownership Pacific (SVOP), Inc., we would like to offer the following responses to your comments:

1. The applicant intends to grade the property and construct the project in a single phase of work. Best Management Practices (BMPs) will be fully implemented both prior to and during construction activities to ensure the stabilization of any newly graded areas and minimize other construction-related impacts.
2. The project will be designed to retain all increases in stormwater runoff volumes for a 100-year, 24-hour storm created by the development. Drainage flows onsite through a combination of dry and wet retention ponds to be located throughout the Lot 3 project site. The storm drainage system for the project will not have any outlet connection to the ocean. The applicant will conduct a water quality monitoring program to ensure the protection of ocean resources in the vicinity of the North Beach Subdivision during construction of the project.

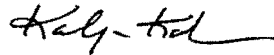
**REPLY TO  
EXHIBIT 3**

environment  
planning  
government

Ranae Ganske-Cerizo  
November 13, 2006  
Page 2

We appreciate the input provided by your office. Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:tn

cc: Michael Foley, Department of Planning  
Eric Crispin, SVO Pacific, Inc.  
Jim Dishinger, SVO Pacific, Inc.  
Jim Neely/Carlos Rivera, SVO Pacific, Inc.  
John Rapacz, Esq.  
Rob Iopa, WCIT Architecture  
Mike Fujita, Wilson Okamoto Corporation

F:\DATA\SVO\KOR L3 Ph I\SMAC\Comment\Letters\vr\csresp.ltr.wpd

LINDA LINGLE  
GOVERNOR OF HAWAII



CHIYOME L. FUKINO, M.D.  
DIRECTOR OF MPATH

LORRIN W. PANG, M.D., M.P.H.  
DISTRICT HEALTH OFFICER

'06 SEP 29 11:23

STATE OF HAWAII  
DEPARTMENT OF HEALTH DEPT OF PLANNING  
MAUI DISTRICT HEALTH OFFICE COUNTY OF MAUI  
54 HIGH STREET  
WAILUKU, MAUI, HAWAII 96793-2102  
RECEIVED

September 27, 2006

Mr. Michael W. Foley  
Director  
Department of Planning  
County of Maui  
250 South High Street  
Wailuku, Hawaii 96793

Attention: Colleen Suyama

Dear Mr. Foley:

Subject: **Westin Kaanapali Ocean Resort Villas Lot 3**  
**TMK: (2) 4-4-014: 005**  
**SM1 2006/0018**

Thank you for the opportunity to comment on the proposed Westin Kaanapali Ocean Resort Villas Lot 3 project. The following comments are offered:

1. National Pollutant Discharge Elimination System (NPDES) permit coverage is required for this project. The Clean Water Branch should be contacted at 808 586-4309.
2. The noise created during the construction phase of the project may exceed the maximum allowable levels as set forth in Hawaii Administrative Rules (HAR), Chapter 11-46, "Community Noise Control". A noise permit may be required and should be obtained before the commencement of work.
3. HAR, Chapter 11-46 sets maximum allowable sound levels from stationary equipment such as compressors and HVAC equipment. The attenuation of noise from these sources may depend on the location and placement of these types of equipment. This should be taken into consideration during the planning, design, and construction of the building and installation of these types of equipment.

Mr. Michael W. Foley  
September 27, 2006  
Page 2

4. All lands formerly in the production of sugarcane should be characterized for arsenic contamination. If arsenic is detected above the US EPA Region preliminary remediation goal (PRG) for non-cancer effects, then a removal and/or remedial plan must be submitted to the Hazard Evaluation and Emergency Response (HEER) Office of the State Department of Health for approval. The plan must comply with Chapter 128D, Environmental Response Law, Hawaii Revised Statutes, and Title 11, Chapter 451, HAR, State Contingency Plan.

It is strongly recommended that the Standard Comments found at the Department's website: [www.state.hi.us/health/environmental/env-planning/landuse/landuse.html](http://www.state.hi.us/health/environmental/env-planning/landuse/landuse.html) be reviewed, and any comments specifically applicable to this project should be adhered to.

Should you have any questions, please call me at 808 984-8230.

Sincerely,

  
for Herbert S. Matsubayashi  
District Environmental Health Program Chief



MICHAEL T. MUNEKIYO  
GWEN DHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

November 8, 2006

Herbert Matsubayashi, District Environmental  
Health Program Chief  
Maui District Health Office  
Department of Health  
54 High Street  
Wailuku, Hawai'i 96793

SUBJECT: Special Management Area Use Permit Application and Shoreline  
Setback Structure/Activity Determination for the Proposed Westin  
Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK 4-4-  
014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai'i  
(SM1 2006/0018)

Dear Mr. Matsubayashi:

We are in receipt of your comments dated September 27, 2006 on the subject project. On behalf of the applicant, Starwood Vacation Ownership Pacific, Inc. (SVOP) we would like to offer the following responses to your comments.

SVOP will insure that all applicable permits are received prior to the start of construction. The Clean Water Branch also received a copy of the Special Management Area (SMA) Use Permit and Shoreline Setback Structure/Activity Determination applications for the project. We are awaiting their comments. SVOP will work with its architect to insure the design of the buildings take into account the sound levels for stationary equipment. Lastly, we note your comment regarding the use of lands that were formerly in sugar cane cultivation. SVOP had a Phase I Environmental Report prepared for the property. The report did not identify any existing hazardous materials on the site.

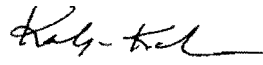
**REPLY TO  
EXHIBIT 4**

environment  
planning

Herbert Matsubayashi, District Environmental  
Health Program Chief  
November 8, 2006  
Page 2

Thank you for your comments. Should you have any further questions, please do not  
hesitate to call me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:tn

cc: Eric Crispin, SVO Pacific, Inc.  
Jim Neely and Carlos Rivera, SVO Pacific, Inc.  
Rob Iopa, WCIT Architecture  
Michael Fujita, Wilson Okamoto Corporation  
John Rapacz, Esq.  
Michael Foley, Department of Planning

F:\DATA\SVO\KOR L3 Ph I\SMAComment\Letters\dohmaui.ltr.wpd

FROM :

FAX NO. :

Oct. 09 2006 09:41AM P4

LINDA LINGLE  
GOVERNOR



RODNEY K. HARAGA  
DIRECTOR

Deputy Directors  
FRANCIS PAUL KEENO  
BARRY FUKUNAGA  
BRENNON T. MORIKKA  
BRIAN H. SEKIGUCHI

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
889 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5087

IN REPLY REFER TO:

STP 8.2291

September 29, 2006

Mr. Michael W. Foley  
Director  
Department of Planning  
County of Maui  
250 South High Street  
Wailuku, Hawaii 96793

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

06 OCT -4 PM 12

Dear Mr. Foley:

Subject: Special Management Area Use Permit Application (SM1 2006/0018)  
SVO Pacific, Inc.  
Westin Kaanapali Ocean Resort Villas, Lot 3  
North Beach Subdivision, Kaanapali, Maui  
TMK: (2) 4-4-014: 005

We have the following comments on the proposed development reflected in the subject application:

1. The development project will have an impact on our highway facilities on and along Honoapiilani Highway.
2. The project plans reflect a driveway access to the main complex and adjoining Open Space Lot forming a T-intersection with Halawai Drive. We are concerned that the location of this T-intersection may be too close to Honoapiilani Highway. This T-intersection is also affected by the nearby intersection for the project's 3-story parking structure. The parking structure's ingress and egress to Halawai Drive is close to the T-intersection.

The combined flow of vehicles coming off Honoapiilani Highway (right turns and left turns) into Halawai Drive and the close proximity of the T-intersection and the parking structure intersection can cause a queuing back up on Halawai Drive and onto the highway. Our concern needs to be addressed.

EXHIBIT 5



Mr. Michael W. Foley  
Page 2  
September 29, 2006

STP 8.2291

A supplement to the project's TIAR (final, revised July 13, 2006) analyzing the volumes, vehicle travel patterns, pedestrian traffic and crossings, and queuing at these intersections, including relocation and/or modification of the intersections, especially the T-intersection, should be provided by the applicant for review and approval.

3. The project will need to extend the deceleration/storage lane for left turns from northbound Honoapiilani Highway to westbound Halawai Drive at no cost to the State. The applicant may want to cost share with the developer of the adjacent Lot 4, North Beach Subdivision to provide the lane extension, however, we are not satisfied with the justification provided in the project's TIAR recommending 400 feet of storage lane. The data and worksheets used by the applicant need to be provided to our Highways Division, through the Highways Planning Branch, for further review, evaluation and determination of the storage length.
4. To mitigate construction-related traffic impacts, the project's TIAR recommends development of a southbound acceleration lane for right turns from Lower Honoapiilani Road to southbound Honoapiilani Highway and development of a second left-turn lane for turns from northbound Honoapiilani Highway to westbound Lower Honoapiilani Road. These improvements have been identified earlier when other various developers applied for county land use approvals, and while the implementation of the improvements may come about by all the developers sharing in the costs, we recommend Maui County require the improvements to be completed before the subject project begins construction.
5. The project's TIAR addresses Year 2010 conditions assuming completion of the Keawe Street to Lahainaluna Road (Phase 1A) portion of the Lahaina Bypass. Except for unforeseen delays arising, this assumption is reasonable. We cannot, however, agree with the TIAR's assumption, made in its Year 2010 conditions review, that the entire Lahaina Bypass would be completed. There is no definitive timetable and funding is not committed for the completion of the Lahaina Bypass. This correction needs to be addressed by the applicant by a supplemental or updated TIAR. With the Lahaina Bypass not being completed as assumed, the applicant should also be required to identify and implement interim mitigation measures.
6. As part of the applicant's addressing the Lahaina Bypass matter (Comment 5.) above, the de facto growth rate used in the TIAR should be reviewed. While the 1.65% growth rate from the Maui Long Range Transportation Plan was used, the average annual growth rate from historical traffic counts is in excess of 6%. With all of the land development projects planned, projected or underway in West Maui, developmental growth, over and above normal growth occurring, must be considered.

Mr. Michael W. Folcy  
Page 3  
September 29, 2006

STP 8.2291

The land use approvals for the North Beach Subdivision lots should also be included in the review. For example, the 1998 SMA approvals for Kaanapali Ocean Resort indicated that a widening from two to four lanes on Honoapiilani Highway from Kaanapali Parkway to Honokowai Stream should be implemented. With all of the proposed land development projects and accompanying traffic growth, the widening of Honoapiilani Highway northward from Lower Honoapiilani Road, with and without the Lahaina Bypass needs to be considered.

7. No additional storm water runoff will be permitted in the State's highway right-of-way. Drainage plans must be submitted to our Highways Division for prior review and approval.
8. The subject project is one of the North Beach Subdivision developments. In this regard, the applicant should coordinate and engage in cost sharing arrangements with the neighboring developers. We recommend that:
  - a. The proposed fire lane and/or emergency lane in the Open Space Lot, going from Lot 2 and Lot 3, as reflected in the project's plans be made available for use if no parallel roadway will be allowed to link all four lots of the North Beach Subdivision. In the event of an emergency or other event where traffic detouring is needed because of a blockage or closure of a section of Honoapiilani Highway, the availability of the fire/emergency lane would be a useful alternative.
  - b. Other mitigation measures at various intersections along Honoapiilani Highway recommended in the project's TIAR, such as at, but not limited to, Fleming Road, Front Street, Kapunakea Street, Kaanapali Parkway/Halelo Street, should be implemented.
  - c. The applicant should be responsible for its landscaping, drainage and grounds maintenance along the project's boundary with the Honoapiilani Highway right-of-way to ensure the highway is not impacted by soil and water runoff. The applicant should also coordinate its maintenance with other North Beach Subdivision developers so that the highway frontage is uniformly and attractively maintained.
9. The applicant should be responsible to provide their fair share toward regional roadway improvements.
10. Plans for construction work within and adjoining Honoapiilani Highway must be submitted to our Highways Division, through the Highways Maui District Office. This shall also include obtaining required building, use and environmental permits from the appropriate government agencies, including our Highways Division.

FROM :

FAX NO. :

Oct. 09 2006 09:42AM P7

Mr. Michael W. Folcy  
Page 4  
September 29, 2006

STP 8.2291

We appreciate the opportunity to provide our comments.

Very truly yours,



RODNEY K. HARAGA  
Director of Transportation



KENNETH K. KUROKAWA, PE  
LAMBERT J. YAMASHITA, PE  
DONOHUE M. FUJII, PE  
STANLEY T. WATANABE  
TERRANCE S. ARASHIRO, PE

#05-073

May 7, 2007

Mr. Ferdinand Cajigal  
State of Hawaii, Department of Transportation  
Maui District  
650 Palapala Drive  
Kahului, Hawaii 96732

Dear Mr. Cajigal:

**Subject: Honoapiilani Highway/Halawai Drive Intersection  
Honua Kai  
Kaanapali, Maui, Hawaii**

This letter is written in response to the meeting held on February 28, 2007 with the State of Hawaii, Department of Transportation (HDOT), Starwood Vacation Ownership, Pacific (SVOP), Intrawest, Wilson Okamoto Corporation, and Austin, Tsutsumi & Associates, regarding the Honoapiilani Highway/Halawai Drive intersection.

By its letter of September 5, 2004, (see attached STP 8.1347, commenting on the Honua Kai (Lot 4) Special Management Area Use Permit) HDOT did not recommend the provision of an acceleration lane from eastbound Halawai Drive to southbound Honoapiilani Highway.

Intrawest and SVOP agree with that position, and believe that an acceleration lane is not required for the following reasons:

1. Currently, there are no existing acceleration lanes onto Honoapiilani Highway in West Maui.
2. The Honoapiilani Highway/Lower Honoapiilani Road signalized intersection, located 0.25 miles north of the Halawai Drive intersection, controls the Honoapiilani Highway southbound through traffic, providing acceptable gaps for the Halawai Drive eastbound right-turn vehicles to enter Honoapiilani Highway southbound without disrupting through traffic.
3. The AASHTO guideline states "Acceleration lanes are not always desirable at stop-controlled intersections (stop signed or traffic signalized) where entering drivers can wait for an opportunity to merge without disrupting through traffic". Since the Honoapiilani Highway/Halawai Drive Intersection is a signalized intersection, when the Honoapiilani Highway northbound and southbound approaches are stopped, a vehicle utilizing the Halawai Drive eastbound right-



Mr. Ferdinand Cajigal  
HDOT Maui District

May 7, 2007

- turn movement has many opportunities to merge into the Honoapiilani Highway southbound through lane without disrupting through traffic.
4. If there were an acceleration lane, the Halawai Drive eastbound right-turn vehicles may:
    - a) Use the lane inappropriately, and merge onto Honoapiilani Highway when there is minimal spacing between the southbound through vehicles causing congestion on the highway; or
    - b) As frequently occurs on Maui, proceed slowly to the end of the acceleration lane, stop, and then merge with no remaining space to accelerate.
  
  5. As discussed in the February 28, 2007 meeting, the revised proposal for KOR Lot 3 includes a realignment of the Halawai Drive access from Honoapiilani Highway into KOR Lot 3. Conceptually, the realigned driveway access to and from Honoapiilani Highway to KOR Lot 3/the Open Space parking lot will be the major movement; exiting KOR Lot 3/the Open Space parking in the northbound direction, curving to intersect with Honoapiilani Highway in the eastbound direction. The access from the Honua Kai development will be the stop-controlled "stem" of the tee; exiting Honua Kai Development in the southbound direction, curving to intersect with Halawai Drive in the eastbound direction (See attached Figure). The reconfiguration will allow traffic entering Halawai Drive to flow freely and not queue onto Honoapiilani Highway, waiting to turn into Halawai Drive.

In conclusion, for the reasons set forth above, a southbound acceleration lane at the Honoapiilani Highway/Halawai Drive signalized intersection is not required and any potential benefits are outweighed by the additional risks involved. Also, realigning Halawai Drive to provide direct access from Honoapiilani Highway into KOR Lot 3 and the Open Space parking lot, with access from the Honua Kai development as the stop-controlled "stem" of the tee, will prevent vehicles entering Halawai Drive from queuing onto Honoapiilani Highway.

If you have any questions or require additional information regarding the subject project, please contact me at 533-3646.

Sincerely,

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

By

KEITH K. NIYA, P.E.  
Chief Traffic Engineer



AUSTIN, TSUBUMI & ASSOCIATES, INC.  
CIVIL ENGINEERS • SURVEYORS

**Mr. Ferdinand Cajigal**  
**HDOT Maui District**

**May 7, 2007**

**Enclosures: Honua Kai letter from HDOT, dated September 5, 2004, STP 8.1347  
KOR Lot 3 and Open Space Access Roadway**

**cc: Mr. Steve Sewall, Intrawest**  
**Mr. Barry Toyota, Wilson Okamoto Corporation**  
**Mr. Matt Portman, Intrawest**  
**Mr. Carlos Rivera, SVO Pacific, Inc.**

X:\2005\05-073\DOT letter regarding SB decal and Halewai.doc

Sep-03-2004 18:25 From: STATEWIDE TRANSPORTATION PLANNING OFFICE 8085872362

T-713 P.002/004 F-344

LINDA LINGLE  
GOVERNOR



RODNEY K. HARAGA  
DIRECTOR

Deputy Directors  
BRUCE Y. MATSUI  
LINDEN H. JOSEPHSON  
BRIAN H. SEGUUCHI

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

IN REPLY REFER TO:

STP 8.1347

September 5, 2004

Mr. Michael W. Foley  
Director  
Department of Planning  
County of Maui  
250 South High Street  
Waifuku, Hawaii 96793

Dear Mr. Foley:

Subject: Honua Kai, Kaanapali North Beach  
Special Management Area Use Permit (SM1 2004/0017) and  
Planned Development Step II Approval (PD2 2004/0005)  
TMK: 4-4-001: 010, 4-4-014: 006, 008

Thank you for your transmittal requesting our comments on the subject application. Our comments are as follows:

1. No additional storm water runoff will be permitted in the State Highways right-of-way. Plans for the proposed drainage improvements, pre- and post-development calculations, must be submitted to our Highways Division for review and approval at the design stage of the project. The drainage plans should identify the locations of the two culverts under Honoapiilani Highway and describe its role and ability to handle the storm runoff.
2. The TIAR assumes the Lahaina Bypass will be built by 2011, in time to accommodate its build-out plan. Our project completion date is estimated to be 2016 at best. We recommend that a supplemental or updated TIAR be required at the completion of Phase A (ph I+II) of the development project. The supplement should reassess the impacts of Phase A and adequacy of the infrastructure system to service the development. In the event that the Lahaina Bypass will not be completed as assumed, the applicant should be required to identify and implement interim mitigation measures.
3. For the record, we believe the traffic projections are overly conservative. The TIAR assumes a growth rate of 1.65% per year from the Maui Long Range Transportation Plan (MLRTP). The average annual growth rate from historical traffic counts is in excess of 6%. More importantly, the MLRTP does not reflect the recent influx of major developments planned and proposed for the area, such as the Kapalua/Maui Land &

EXHIBIT 5A

Mr. Michael W. Foley  
Page 2  
September 3, 2004

STP 8.1347

Pineapple and Department of Hawaiian Homelands projects. The developmental growth, over and above the normal growth occurring, must be considered.

4. The 1998 SMA approvals for Kaanapali Ocean Resort indicated that a widening from two to four lanes on Honoapiilani Highway from Kaanapali Parkway to Honokowai Stream should be implemented. The TIAR should address when the Honoapiilani Highway corridor from Kaanapali-Honokowai/Kapalua will warrant four lanes with the newly proposed land uses, with and without the Lahaina Bypass.
5. The subject project is one of the developments comprising the North Beach Subdivision Area. In this regard, the applicant is encouraged to coordinate and seek cost sharing arrangements with the neighboring developers, especially those who may also benefit from the improvements. We also recommend that:
  - a. The developer be encouraged to participate with the other North Beach developers in exploring parallel roadways to link all four lots of the North Beach Subdivision from Lower Honoapiilani Highway to Kai Ala Drive.
  - b. Mitigation measures, such as but not limited to those recommended in the TIAR at Lower Honoapiilani Road/Honoapiilani Highway, Kaanapali Parkway/Halelo Street/Honoapiilani Highway and Fleming Road/Front Street/Honoapiilani Highway should be implemented.

Regardless of the recommendations in the TIAR, these improvements should be required. For example, at the intersection of Honoapiilani Highway and Lower Honoapiilani Highway – the LOS is already at "D" and the project contributes a significant amount of additional traffic (18.6% to the AM peak; 12.4% to the PM peak).
  - c. The applicant should be responsible for its landscaping, drainage, and grounds maintenance along the subject project's boundary with our Honoapiilani Highway right-of-way to ensure Honoapiilani Highway is not impacted by soil and water runoff. We also encourage the applicant to coordinate its maintenance with other North Beach Subdivision developers as needed.
6. The developer should be responsible to provide their fair share toward regional roadway improvements.



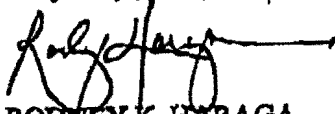
Mr. Michael W. Foley  
Page 3  
September 3, 2004

STP 8.1347

7. Plans for all construction work within/or adjoining the highway right-of-way must be submitted for our review and approval. This shall also include obtaining required permits from our Highways Division and other appropriate government agencies.

We appreciate the opportunity to provide comments.

Very truly yours,



RODNEY K. HARAGA  
Director of Transportation

ENTRY ROAD  
SKETCH

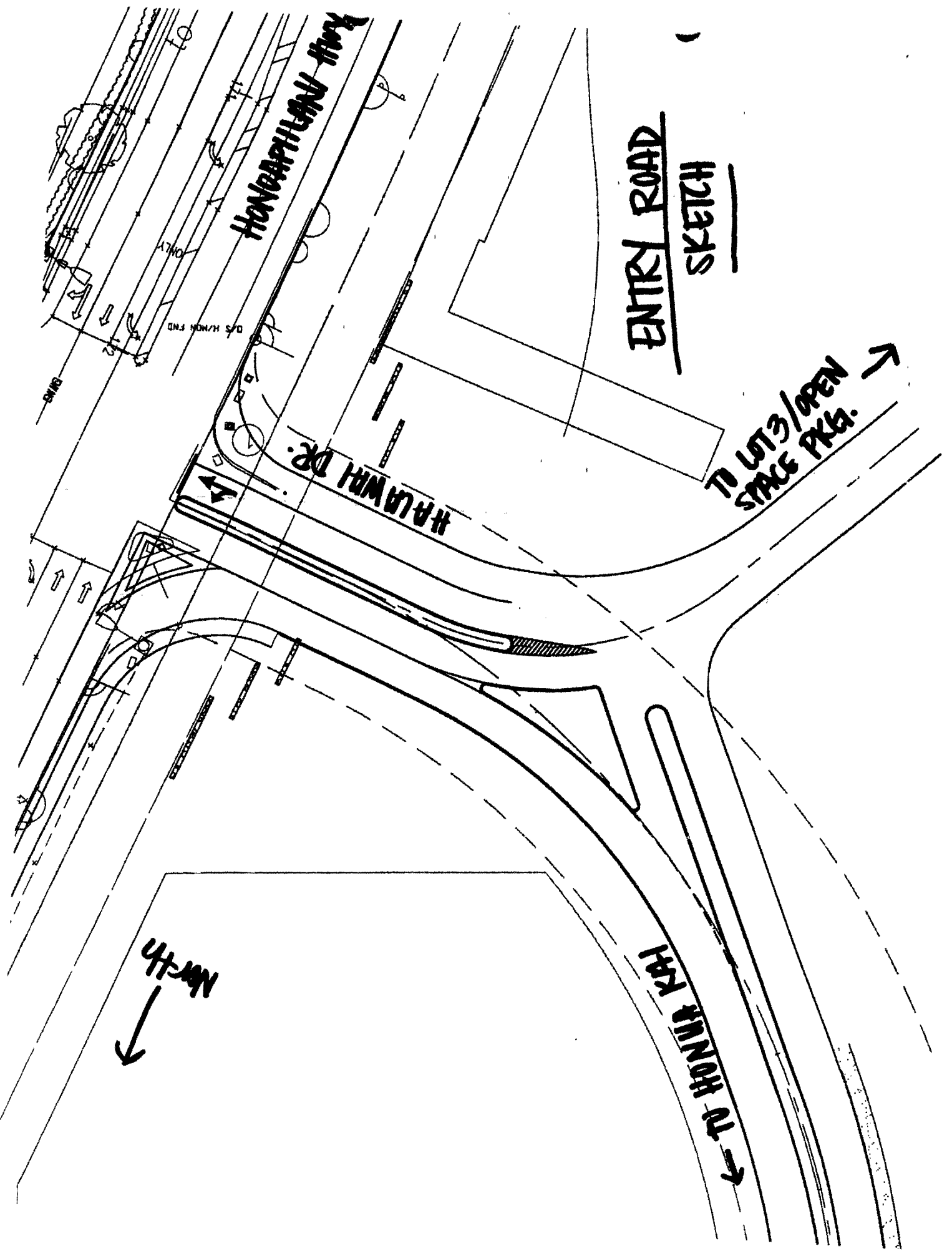
HONOLULU HWY

HAWAII DR.

TO LOTS / OPEN  
SPACE PKG. →

TO HIGH RISE PKG. →

North  
↓



LINDA LINGLE  
GOVERNOR



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

7/5/07  
by office

HWY-PS

BARRY FUKUNAGA  
DIRECTOR

Deputy Directors  
FRANCIS PAUL KEENO  
BRENNON T. MORIOKA  
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

DIR 0725  
STP 8.2528

June 28, 2007

Mr. Keith Niiya, P.E.  
Chief Transportation/Traffic Engineer  
Austin, Tsutsumi & Associates, Inc.  
501 Sumner Street, Suite 591  
Honolulu, Hawaii 96817-5031

Dear Mr. Niiya:

Subject: Traffic Impact Analysis Report (TIAR) – Westin Kaanapali Ocean Resort, Lot 3  
Kaanapali, Maui, Hawaii (SMA Application SM1 2006/0018)  
SVO Pacific, Inc.

Thank you for your letter of May 31, 2007, addressing our comments in STP 8.2291, dated September 29, 2006.

We will inform the County Planning Department that we agree with the mitigation measures discussed in our meeting of May 22, 2007 and subsequently documented in your correspondence of May 31, 2007.

We welcome the developer's proposal to contribute funds or services to the Department of Transportation to expedite the Lahaina Bypass project. The Lahaina Bypass, a massive undertaking, is a project in need of significant additional finances.

Please contact Mr. Glenn Soma at (808) 587-1845 if there are any additional concerns.

Very truly yours,

  
BARRY FUKUNAGA  
Director of Transportation

DS/GS:km

bc: HWY-T, -M, -P, -PS (07-128), STP(DS)

07-182  
EXHIBIT SB<sup>DM</sup>

LINDA LINGLE  
GOVERNOR



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

7/5/07  
log + file

HWY-PS

BARRY FUKUNAGA  
DIRECTOR

Deputy Directors  
FRANCIS PAUL KEENO  
BRENNON T. MORIOKA  
BRIAN H. SEKIGUCHI

IN REPLY REFER TO:  
DIR 0725  
STP 8.2529

June 28, 2007

Mr. Jeffrey S. Hunt, AICP  
Director  
Planning Department  
County of Maui  
250 South High Street  
Wailuku, Hawaii 96793

Dear Mr. Hunt:

Subject: Special Management Area Use Permit Application (SM1 2006/0018) for  
Westin Kaanapali Ocean Resort Villas Lot 3; SVO Pacific, Inc.; Kaanapali,  
TMK: 4-4-14: 5

The attached May 31, 2007 letter from the Applicant's traffic consultant adequately responds to concerns raised in our attached prior comments STP 8.2291 dated September 29, 2006 and HWY-PS 2.2645 dated October 24, 2006.

As a condition for approval of County permits, we request that the County require the Applicant to comply with proposals in the attached May 31, 2007 letter concerning:

- Contribution of funds or design services directly to the Department of Transportation to expedite the Lahaina Bypass. The size of the contribution should be based on the proposed County traffic impact fee ordinance. As a general comment from us applicable to all developments, if the County enacts a traffic impact fee ordinance, we request that the ordinance allow the applicant/developer to directly contribute funds or services to the Department of Transportation in lieu of payment of impact fees to the County.
- Design of the proposed T-intersection on Halawai Drive so that makai bound/southbound traffic has the right-of-way and mauka-bound traffic from Lot 4 has the stop-sign controlled approach.
- Extension of the deceleration/storage lane for left turns from northbound Honoapiilani Highway to westbound Halawai Drive at no cost to the State. Plans for improvements within the State highway right-of-way should be submitted to our Highways Division, Maui District Office, for review and approval.

07182  
DM

EXHIBIT 5C

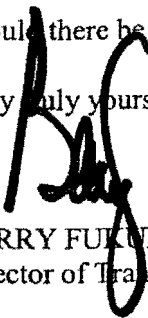
Mr. Jeffrey S. Hunt  
Page 2  
June 28, 2007

STP 8.2529

- Improvement and maintenance of the development's highway frontage. Plans for improvements within the State highway right-of-way should be submitted to our Highways Division, Maui District Office, for review and approval.

Should there be any questions, please contact Glenn Soma at (808) 587-1845.

Very truly yours,



BARRY FUKUNAGA  
Director of Transportation

Attachs.

DM/GS:km

bc: HWY-T, -M, -PS (07-182), STP(DS)



KENNETH K. KUROKAWA, PE  
LAMBERT L. YAMASHITA, PE  
DONCHUE M. FUJI, PE  
STANLEY T. WATANABE  
TERRANCE S. WASHIRO, PE

#05-073

May 31, 2007

Mr. Barry Fukunaga, Director  
State of Hawaii  
Department of Transportation  
869 Punchbowl Street  
Honolulu, HI 96817

Dear Mr. Fukunaga:

**Subject: Traffic Impact Analysis Report –Kaanapali Ocean Resort, Lot 3  
Kaanapali, Maui, Hawaii (SM1 2006/0018)  
DOT File No. STP 8.2291  
Response to Comments**

This is in response to State of Hawaii Department of Transportation letter dated September 29, 2006, and a meeting held with State of Hawaii Department of Transportation on May 22, 2007, regarding the subject project. The following comments pertain to the subject project.

1. *Comment #1: "The development project will have an impact on our highway facilities on and along Honoapiilani Highway."*

Agreed. Accordingly, the applicant would support DOT's recommendation that at least a portion of the applicant's fair-share contribution for regional improvements, as determined by the County of Maui's proposed traffic impact fees, be allocated towards the implementation of the Lahaina Bypass and related transportation connections.

2. *Comment #2: "The project plans reflect a driveway access to the main complex and adjoining Open Space Lot forming a T-intersection with Halawai Drive. We are concerned that the location of this T-intersection may be too close to Honoapiilani Highway."*

*A supplement to the project's TIAR (final, revised July 13, 2006) analyzing the volumes, vehicle travel patterns, pedestrian traffic and crossings, and queuing at these intersections, including relocation and/or modification of the intersections, especially the T-intersection, should be provided by the applicant for review and approval."*

SVOP has accepted DOT's proposed design revisions to resolve the concern about queuing onto the highway. (See attached sketch.) It has realigned the entry road so that inbound traffic has the right of way and does not need to stop. Queuing onto the highway is no longer an issue, therefore, no supplement to the TIAR is required.

50!

3. *Comment # 3: "The project will need to extend the deceleration/storage lane for left turns from northbound Honoapiilani Highway to westbound Halawai Drive at no cost to the State. The applicant may want to cost share with the developer of the adjacent Lot 4, North Beach Subdivision to provide the lane extension, however, we are not satisfied with the justification provided in the project's TIAR recommending 400 feet of storage lane. The data and worksheets used by the applicant need to be provided to our Highways Division through the Highways Planning Branch, for further review, evaluation and determination of the storage length."*

With KOR Lot 3, Honua Kai (Lot 4) and the Open Space traffic, the northbound Honoapiilani Highway left-turn demand is anticipated to be 170 vehicles during the AM peak hour of traffic and 145 vehicles during the PM peak hour of traffic. As a result of the projected demand a storage length of 185 feet will be required at the signalized intersection. In accordance with the American Association of State Highway and Transportation Officials (AASHTO), A Policy on Geometric Design of Highways and Streets, dated 2004, for a roadway with the design speed of 45 miles per hour (mph), 385 feet of deceleration length is required. Therefore, the Project will require 570 feet of storage length, inclusive of taper. As discussed with Mr. Ferdinand Cajigal, since a southbound left-turn pocket will be designed at the proposed intersection of Kakaalaneo Road/Honoapiilani Highway (just south of Halawai Drive), the northbound left-turn pocket will be lengthened to a maximum of 600 feet, inclusive of taper, which is consistent with the required length.

4. *Comment #4: "To mitigate construction-related traffic impacts, the project's TIAR recommends development of a southbound acceleration lane for right turns from Lower Honoapiilani Road to southbound Honoapiilani Highway and development of a second left-turn lane for turns from northbound Honoapiilani Highway to westbound Lower Honoapiilani Road. These improvements have been identified earlier when other various developers applied for county land use approvals, and while the implementation of the improvements may come about by all the developers sharing in the costs, we recommend Maui County require the improvements to be completed before the subject project begins construction."*

During discussions with State of Hawaii Department of Transportation and implied in the September 29, 2006 comment letter, it has been agreed that improvements at the Lower Honoapiilani Road/Honoapiilani Highway are required by various developments in the area (and therefore are regional improvements); and that SVOP funds for regional improvements are better directed to the Lahaina Bypass.

In addition, The Maui Planning Commission, has conditioned the approvals for the Development of Honua Kai to include the above-described "southbound acceleration lane for right turns from Lower Honoapiilani Road to southbound Honoapiilani Highway".

5. *Comment #5: "The project's TIAR addresses Year 2010 conditions assuming completion of the Keawe Street to Lahainaluna Road (Phase 1A) portion of the Lahaina Bypass. Except for unforeseen delays arising, this assumption is reasonable. We cannot, however, agree with the TIAR's assumption, made in its Year 2010 conditions review, that the entire Lahaina Bypass would be completed. There is no definitive timetable and funding is not committed for the completion of the Lahaina Bypass. This correction needs to be addressed by the applicant by a supplemental or updated TIAR. With the Lahaina Bypass not being completed as assumed, the applicant should also be required to identify and implement interim mitigation measures."*

Preliminary analysis of Honoapiilani Highway without the Lahaina Bypass has been done. It has been discovered that if the Lahaina Bypass were never built, the only viable long-term solution would be to widen Honoapiilani Highway to six (6) lanes. This would be required even without the proposed project.

This is not a reasonable or practical solution for several reasons.

- a. It will not be required as the Lahaina Bypass is completed, because the Lahaina Bypass is designed to remove the regional through traffic from Honoapiilani Highway allowing it to operate at under capacity conditions as a four-lane highway;
  - b. It is impractical to widen Honoapiilani Highway to six lanes where right-of-way is not available;
  - c. The cost to widen Honoapiilani Highway to six lanes would be prohibitive;
  - d. Therefore, the applicant is proposing to contribute traffic impact fees to the Lahaina Bypass.
6. *Comment #6: "As part of the applicant's addressing the Lahaina Bypass matter (Comment 5) above, the de facto growth rate used in the TIAR should be reviewed. While the 1.65% growth rate from the Maui Long Range Transportation Plan was used, the average annual growth rate from historical traffic counts is in excess of 6%. With all of the land development projects planned, projected or underway in West Maui, developmental growth, over and above normal growth occurring, must be considered.*

*The land use approvals for the North Beach Subdivision lots should also be included in the review. For example, the 1998 SMA approvals for Kaanapali Ocean Resort indicated that a widening from two to four lanes on Honoapiilani Highway from Kaanapali Parkway to Honokowai Stream should be implemented. With all of the proposed land development projects and accompanying traffic growth, the widening of Honoapiilani Highway northward from Lower Honoapiilani Road, with and without the Lahaina Bypass needs to be considered."*



In our calculations, the stated 1.65% growth rate was effectively increased to 8.4%, based on additional growth/projects considered. It is also appropriate based on the following facts:

- a. The 1.65% annually compounded growth rate was derived based on the most recent Maui Long Range Transportation Plan (1997) by Kaku Associates.
- b. While a 1.65% annual growth rate was applied as stated in section "a" above, traffic generated by Lahaina Gateway Mall, Villages of Lealii Phase 1A, West Maui Breakers, Hyatt Regency Maui Addition, Lanikeha, Honua Kai, Landtech Kaanapali, Westin Kaanapali Ocean Resort Villas Expansion, Puukoolii Mauka, and Pulelehua were added in addition to the 1.65% growth rate. Therefore, when compared with existing traffic count volumes, the actual growth projected for the Forecast 2010 Traffic (including the above projects, but without the proposed project) is approximately 8.4%.
- c. The Manual of Transportation Engineering Studies (ITE, 2000) recommends a TIAR be conducted if a proposed development will generate 100 or more trips in the peak direction during the peak hour of traffic. The project will generate 13 trips during the AM peak hour and 33 trips during the PM peak hour heading north along Honoapiilani Highway which is why the TIAR is limited to Lower Honoapiilani Road/Honoapiilani Highway intersection. In addition, the TIAR for the Pulelehua development located in Kapalua included all projects north of Lower Honoapiilani Road, as well as, KOR Lot 3 and Honua Kai, and concluded a two-lane Highway is sufficient.

- 7 *Comment #7: No additional storm water runoff will be permitted in the State's highway right-of-way. Drainage plans must be submitted to our Highways Division for prior review and approval."*

Agreed. Drainage plans and reports will be submitted to DOT highways for review and approval.

8. *Comment #8.a., 8.b. and 8.c.: "The subject project is one of the North Beach Subdivision developments. In this regard, the applicant should coordinate and engage in cost sharing arrangements with the neighboring developers. We recommend that:*
- a. *The proposed fire lane and/or emergency lane in the Open Space Lot, going from Lot 2 and Lot 3, as reflected in the project's plans be made available for use if no parallel roadway will be allowed to link all four lots of the North Beach Subdivision. In the event of an emergency or other event where traffic detouring is needed because of a blockage or closure*

*of a section of Honoapiilani Highway, the availability of the fire/emergency lane would be a useful alternative."*

Agreed. However, the Open Space Lot, area located between Lot 2 and Lot 3, is subject to recorded perpetual restrictions that would prohibit its use as a "parallel roadway". The proposed fire/emergency lane will be available for emergency vehicles, as needed.

- b. *"Other mitigation measures at various intersections along Honoapiilani Highway recommended in the projects TIAR, such as at, but not limited to, Fleming Road, Front Street, Kapunakea Street, Kaanapali Parkway/Halelo Street, should be implemented."*

As stated above in our response to comment #5, the construction of the Lahaina Bypass (and its reduction of traffic on Honoapiilani Highway) will ultimately negate the need for improvements to these intersections. Funds are better directed to the Lahaina Bypass, rather than to permanent intersection improvements that would only serve an interim purpose

Additionally, The North Beach Transportation Management Program Update, prepared by Charlier and Associates, Inc., dated April 2007 addresses a recommended Transportation Demand Management mitigation program for the North Beach Subdivision. The anticipated reduction in demand, combined with other improvements proposed by the County, will help to mitigate the congestion through Lahaina until the Lahaina Bypass Phase IA and IB are completed.

Lastly, the applicant has implemented the Lahaina Shuttle program since October of 2006 and reports 9,000 boardings per day between 9:00 am to 10:00 pm and plans to expand the service to KOR Lot 2 and KOR Lot 3. The Lahaina Shuttle provides service to the Westin Kaanapali Ocean Resort Villas (Lot 1), Sheraton, Hilo Hattie, Hard Rock Café, and Banyan Tree.

- c. *"The applicant should be responsible for its landscaping, drainage and grounds maintenance along the project's boundary with the Honoapiilani Highway right-of-way to ensure the highway is not impacted by soil and water runoff. The applicant should also coordinate its maintenance with other North Beach Subdivision developers so that the highway frontage is uniformly and attractively maintained."*

Agreed. The applicant will be responsible for its landscaping, drainage and grounds maintenance along the project's boundary with the Honoapiilani Highway right-of-way.

9. *Comment #9: "The applicant should be responsible to provide their fair share toward regional roadway improvements."*

Agreed. See response to Item #1. As discussed at the 5/22/07 meeting, the Applicant recommends directing Applicant's fair-share contribution for regional improvements (as determined by the County of Maui's proposed traffic impact fees) to the Lahaina Bypass north of Keawe Street (Phase 1C) and a Kaanapali Connector. The DOT agreed that this would be valuable, as no other funding is currently assigned to those portions of the Bypass project.

10. *Comment #10: "Plans for construction within and adjoining Honoapiilani Highway must be submitted to our Highways Division, through the Highways Maui District Office. This shall also include obtaining required building, use and environmental permits from the appropriate government agencies, including our Highway Division."*

Agreed. The applicant will submit construction drawings for review and approval to the State of Hawaii Department of Transportation, Maui District Office.

If you have any questions or require additional information regarding the subject project, please contact me at 533-3646.

Sincerely,

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

By

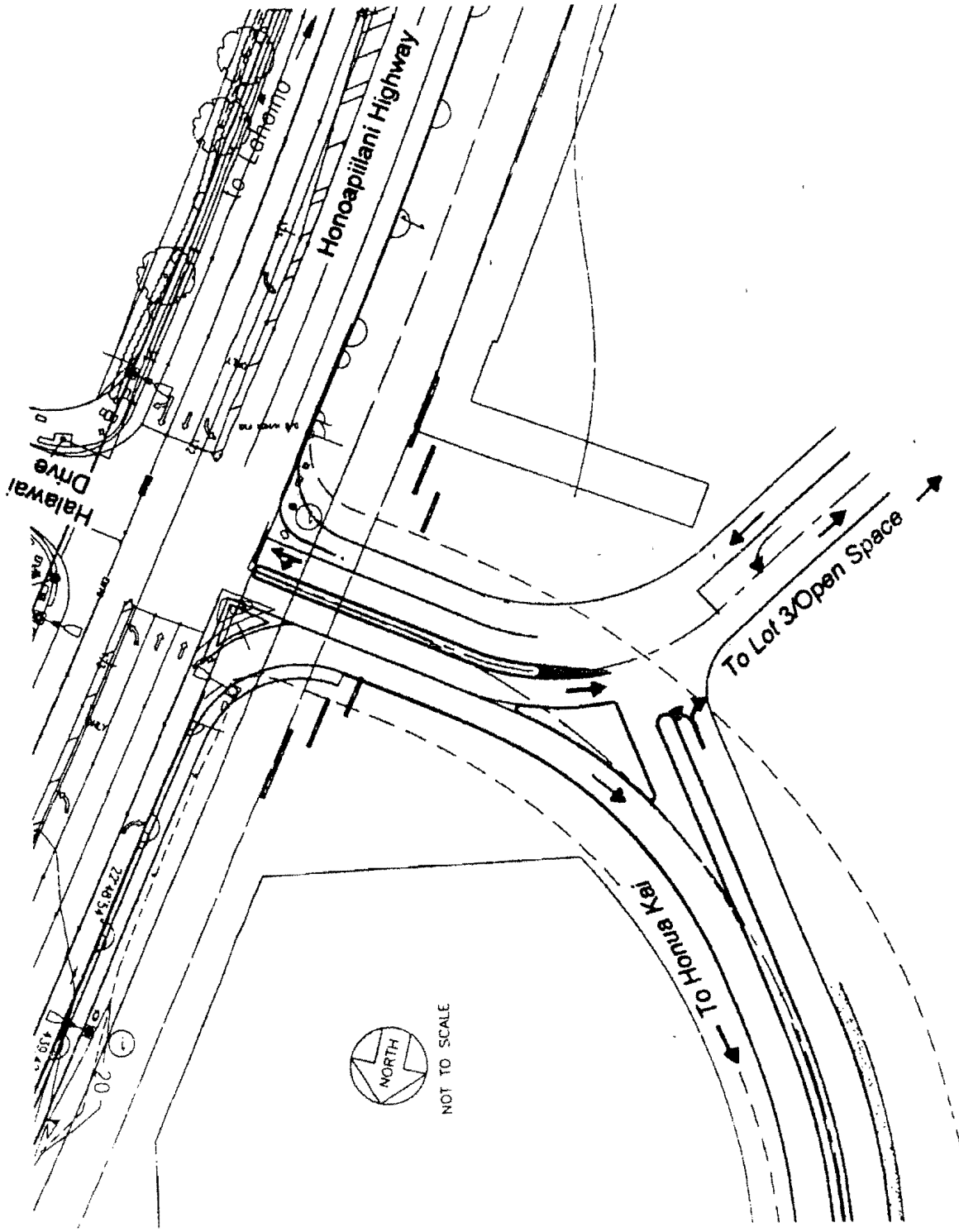



KEITH K. NIIYA, P.E.  
Chief Transportation/Traffic Engineer

KKN LHY mt

cc: Mr. Eric Crispin - SVO Pacific, Inc.  
Mr. Tom Sunnarborg - SVO Pacific, Inc.  
Mr. Jim Dishinger - SVO Pacific, Inc.  
Mr. Jim Neely and Carlos Rivera - SVO Pacific, Inc.  
Mr. Rob Iopa - WCIT Architecture  
Mr. Michael Fujita - Wilson Okamoto Corporation  
Ms. Karlynn Kawahara - Munekiyo & Hiraga, Inc.  
Mr. John Rapacz, Esq.  
Mr. Jefferey Hunt - Department of Planning

Enclosures: Figure 1 - Revised Internal Tee Intersection



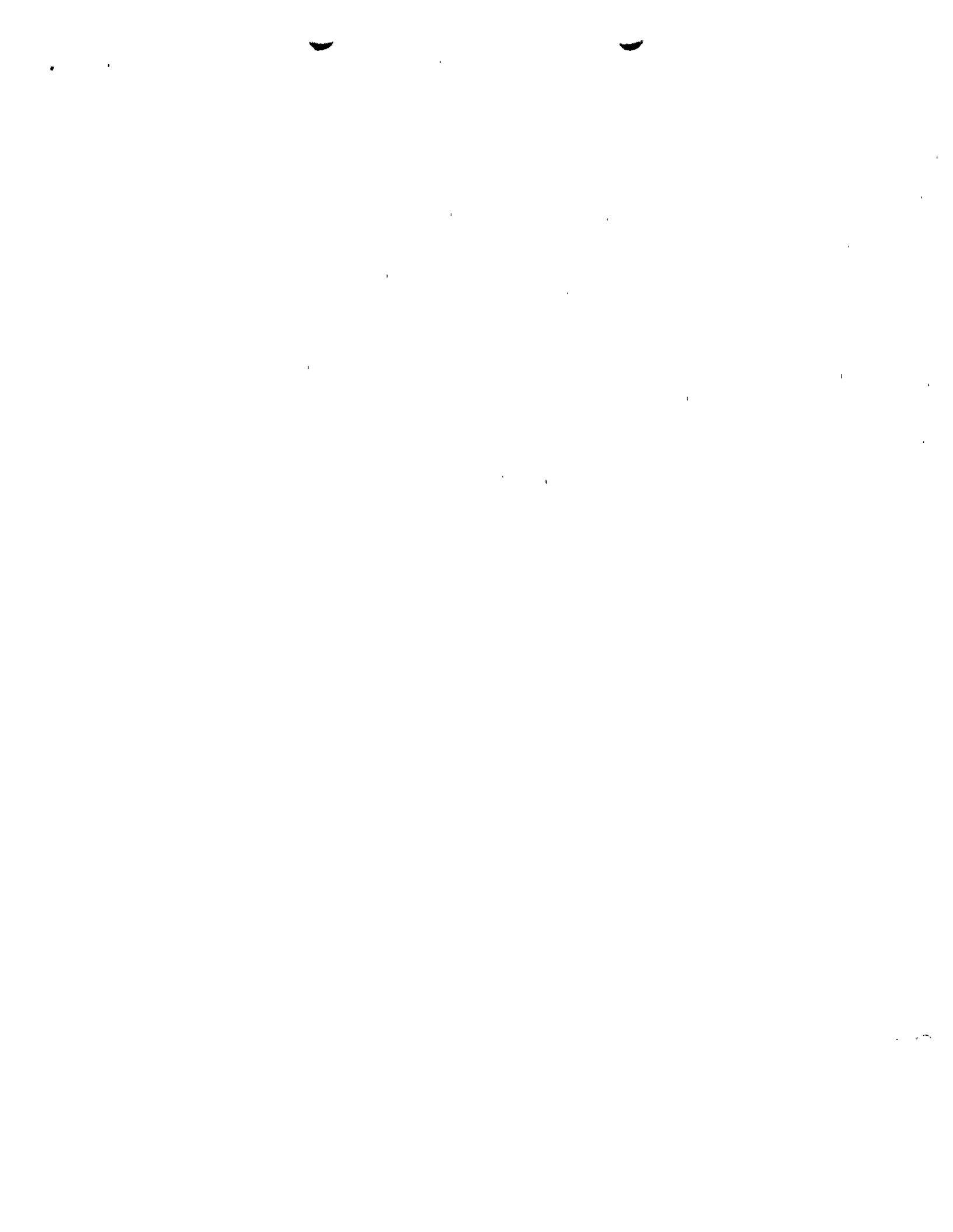

**AUSTIN, TSUTSUMI & ASSOCIATES, INC.**  
 ENGINEERS, SURVEYORS • HONOLULU, HAWAII

FIGU

KAA NAPALI  
 OCEAN RESORT  
 LOT 3

**REVISED INTERNAL TEE INTERSECTION**

**1**



FROM :

FAX NO. :

Oct. 18 2006 10:00AM P1

h-  
kk-

PHONE (808) 594-1888

FAX (808) 594-1885



STATE OF HAWAII  
OFFICE OF HAWAIIAN AFFAIRS  
711 KAPI'OLANI BOULEVARD, SUITE 500  
HONOLULU, HAWAII 96813

OCT 16 P2:14

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

HRD06/2705

October 9, 2006

Colleen Suyama  
Staff Planner  
County of Maui  
Department of Planning  
250 South High Street  
Wailuku, HI 96793

**RE: Special Management Area Use Permit and Shoreline Setback Structure/Activity Determination, Proposed Westin Kaanapali Ocean Resort Villas Lot 3 Project and Related Improvements, Ka'anapali, Maui, TMK: 4-4-014:005 (por.)**

Dear Colleen Suyama,

The Office of Hawaiian Affairs (OHA) is in receipt of your September 12, 2006 request for comments on the above-referenced, proposed project. We apologize for the slight delay in responding and offer the following comments.

We note that the archaeological fieldwork in the subject project area (Lot 3) was conducted nearly 20 years ago (in 1987), and recommend additional subsurface testing within the footprint of the proposed undertaking, in view of substantial and significant changes that have taken place over this time regarding the laws, rules and practices of historic preservation in Hawai'i. Furthermore, we suggest that a Cultural Impact Assessment, in accordance with HRS 343, be conducted for the project area, to identify any potential impacts to Native Hawaiian traditional cultural practices that were not considered when the original, twenty-year-old study for Lot 3 was conducted.

OHA further requests your assurances that if this project goes forward, should iwi or Native Hawaiian cultural or traditional deposits be found during ground disturbance, work will cease, and the appropriate agencies will be contacted pursuant to applicable law.

EXHIBIT 6

Colleen Suyama  
Staff Planner  
October 9, 2006

Thank you for the opportunity to comment. If you have further questions, please contact Kai Markell, Lead Advocate – Culture, at (808) 594-1945 or [kaim@oha.org](mailto:kaim@oha.org).

Sincerely,



Clyde W. Nāmu'o  
Administrator

C: Ms. Karlynn Kawahara  
Munckiyō and Hiraga, Inc.  
305 High Street, Suite 104  
Wailuku, HI 96793

✓ Mr. Michael Foley  
Planning Director  
County of Maui  
Department of Planning  
250 High Street  
Wailuku, HI 96793

Thelma Shimaoka  
Community Resource Coordinator  
OHA – Maui Office  
140 Hoohana Street, Suite 206  
Kahului, HI 96732



MICHAEL T. MUNEKIYO  
GWEN DHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

January 17, 2007

Clyde W. Namu`o, Administrator  
Office of Hawaiian Affairs  
711 Kapiolani Boulevard, Suite 500  
Honolulu, Hawai`i 96813

**SUBJECT:** Special Management Area Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK 4-4-014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai`i (SM1 2006/0018)

---

Dear Mr. Namu`o:

We are in receipt of your comments dated October 9, 2006 on the subject project. On behalf of the applicant, Starwood Vacation Ownership Pacific, Inc. (SVOP), we would like to offer the following responses to your comments.

We note your comment with regards to the archaeological report. Please note that there have been follow-up archaeological surveys conducted on the Ka'anapali North Beach subdivision lots since the original study was completed in 1987. Copies of the reports were submitted and approved by the State Historic Preservation Division (SHPD).

An updated archaeological monitoring plan was submitted to the SHPD in February 2006 and approved by the SHPD. Additionally, we note that comments were sought from SHPD on the project. The SHPD responded that they felt that "*...it is unlikely that any historic properties will be affected by the proposed undertaking provided the specific conditions of the approved monitoring plan are implemented.*" Please see attached comment letter from SHPD. However, should there be a discovery of *iwi* or Native Hawaiian cultural or traditional deposits during construction, SVOP intends to follow all applicable protocols and laws.

**REPLY TO**  
**EXHIBIT 6**

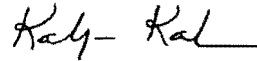
environment  
planning  
government



Clyde W. Namu'o, Administrator  
January 17, 2007  
Page 2

Thank you for your comments. Should you have any further questions, please do not hesitate to call me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:tn

Attachment

cc: Eric Crispin, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Jim Dishinger, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Jim Neely and Carlos Rivera, Starwood Vacation Ownership Pacific, Inc.  
(w/attachment)  
Rob Iopa, WCIT Architecture (w/attachment)  
Paul Rosendahl, PHRI (w/attachment)  
John Rapacz, Esq. (w/attachment)  
Jeffrey S. Hunt, Department of Planning (w/attachment)

F:\DATA\SVOKOR L3 Ph I\SMAC\Comment\Letters\oharep.1lr wpd

FROM :

FXN NO. : 8082701775

Nov. 06 2006 09:03AM P1

LINDA LÖWLE  
GOVERNOR OF HAWAII



PETER E. YOONIS  
GOVERNOR OF HAWAII

ROBERT E. HANAUSS  
GOVERNOR OF HAWAII

DAAN HAKAMA  
GOVERNOR OF HAWAII

AGNES HANAUSS  
GOVERNOR OF HAWAII



NOV -2 P1237  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
STATE HISTORIC PRESERVATION DIVISION  
601 KAMOKILA BOULEVARD, ROOM 355  
KAPOLUNI, HAWAII 96707

October 31, 2006

Ms. Colleen M. Suyama, Staff Planner  
County of Maui  
Department of Planning  
250 South High Street  
Wailuku, Hawaii 96793

LOG NO: 2006.3562  
DOC NO: 0610JP37  
Archaeology

Dear Ms. Suyama:

**SUBJECT: Chapter 6E-42 Historic Preservation Review [County/Planning] – Applications for Special Management Area Use Permit and Shoreline Setback Structure/Activity Determination (SM1 2006/0018) for the Proposed Westin Ka'anapali Ocean Resort Villas Lot 3 Project and Related Improvements Hanakao'o Ahupua'a, Lahaina District, Island of Maui  
TMK: (2) 4-4-014:005 (Portion)**

The subject action consists of the proposed development of a timeshare project that will include the construction of 390 units including related parking, landscaping, and amenity/facility improvements. We have previously provided comments for various actions/phases of the overall North Beach developments. Most recently, we have reviewed the SMA permit for the subject parcel and the grading permit application for temporary gravel parking and have continuously recommended full-time archaeological monitoring during all ground-altering activities (LOG NO: 2004.0678/ DOC NO: 0403CD17 LOG NO: 2006.0477/ DOC NO: 0603JP07; LOG NO: 2006.1993/ DOC NO: 0606MK20).

We concur that no historic properties will be affected by this undertaking because:

- Intensive cultivation has altered the land
- Residential development/urbanization has altered the land
- Previous grubbing/grading has altered the land
- An accepted archaeological inventory survey (AIS) found no historic properties
- SHPD previously reviewed this project and mitigation has been completed
- Other: *We have previously reviewed and accepted an archaeological monitoring plan (Rosendahl 2000) and an archaeological assessment (Rosendahl 2002; LOG NO: 2003.51379/ DOC NO: 0212MK18). We have received a letter report (2580-020606) dated February 7, 2006 from Paul Rosendahl stating that archaeological monitoring will occur during all construction activities in the shoreline and sand dune areas. Given the above information, we believe it is unlikely that any historic properties will be affected by the proposed undertaking provided the specified conditions of the approved monitoring plan are implemented.*

EXHIBIT 7

FROM :

FAX NO. : 8082701775

Nov. 06 2006 08:03AM P2

Ms. Colleen M. Suyama  
Page 2

In the event that historic resources, including human skeletal remains, are identified during construction activities, all work needs to cease in the immediate vicinity of the find, the find needs to be protected from additional disturbance, and the State Historic Preservation Division, Maui Section, needs to be contacted immediately at (808) 243-5169 or (808) 243-4641.

Aloha,

  
Melanie Chinen, Administrator  
State Historic Preservation Division

JP:kf

c: Michael Foley, Director, Dept. of Planning, FAX 270-7634  
Maui Cultural Resources Commission, Dept. of Planning, 250 S. High Street, Wailuku, HI 96793

LINDA LINGLE  
GOVERNOR OF HAWAII



PETER T. YOUNG  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
  
ROBERT K. MASUDA  
DEPUTY DIRECTOR - LAND  
  
DEAN NAKANO  
ACTING DEPUTY DIRECTOR - WATER  
  
AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAROOLAWA ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

NOV -2 P12:37  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
STATE HISTORIC PRESERVATION DIVISION  
601 KAMOKILA BOULEVARD, ROOM 555  
KAPOLEI, HAWAII 96707

October 31, 2006

Ms. Colleen M. Suyama, Staff Planner  
County of Maui  
Department of Planning  
250 South High Street  
Wailuku, Hawai'i 96793

LOG NO: 2006.3562  
DOC NO: 0610JP37  
Archaeology

Dear Ms. Suyama:

**SUBJECT: Chapter 6E-42 Historic Preservation Review [County/Planning] – Applications for Special Management Area Use Permit and Shoreline Setback Structure/Activity Determination (SM1 2006/0018) for the Proposed Westin Ka'anapali Ocean Resort Villas Lot 3 Project and Related Improvements Hanakao'o Ahupua'a, Lahaina District, Island of Maui  
TMK: (2) 4-4-014:005 (Portion)**

The subject action consists of the proposed development of a timeshare project that will include the construction of 390 units including related parking, landscaping, and amenity/facility improvements. We have previously provided comments for various actions/phases of the overall North Beach developments. Most recently, we have reviewed the SMA permit for the subject parcel and the grading permit application for temporary gravel parking and have continuously recommended full-time archaeological monitoring during all ground-altering activities (LOG NO: 2004.0678/ DOC NO: 0403CD17 LOG NO: 2006.0477/ DOC NO: 0603JP07; LOG NO: 2006.1993/ DOC NO: 0606MK20).

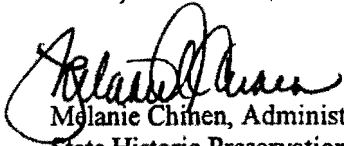
We concur that no historic properties will be affected by this undertaking because:

- Intensive cultivation has altered the land
- Residential development/urbanization has altered the land
- Previous grubbing/grading has altered the land
- An accepted archaeological inventory survey (AIS) found no historic properties
- SHPD previously reviewed this project and mitigation has been completed
- Other: *We have previously reviewed and accepted an archaeological monitoring plan (Rosendahl 2000) and an archaeological assessment (Rosendahl 2002; LOG NO: 2003.31379/ DOC NO: 0212MK18). We have received a letter report (2580-020606) dated February 7, 2006 from Paul Rosendahl stating that archaeological monitoring will occur during all construction activities in the shoreline and sand dune areas. Given the above information, we believe it is unlikely that any historic properties will be affected by the proposed undertaking provided the specified conditions of the approved monitoring plan are implemented.*

Ms. Colleen M. Suyama  
Page 2

In the event that historic resources, including human skeletal remains, are identified during construction activities, all work needs to cease in the immediate vicinity of the find, the find needs to be protected from additional disturbance, and the State Historic Preservation Division, Maui Section, needs to be contacted immediately at (808) 243-5169 or (808) 243-4641.

Aloha,

  
Melanie Chinen, Administrator  
State Historic Preservation Division

JP:kf

c: Michael Foley, Director, Dept. of Planning, FAX 270-7634  
Maui Cultural Resources Commission, Dept. of Planning, 250 S. High Street, Wailuku, HI 96793

## UNIVERSITY OF HAWAII

Sea Grant Extension Service  
Maui Community College

November 9, 2006

Michael Foley  
Director, Maui Planning Department  
250 South High Street  
Wailuku, HI, 96793

Dear Mr. Foley,

**Re: Application for Special Management Area Use Permit and Shoreline Setback Structure/Activity Determination, Proposed Westin Kaanapali Ocean Resort Villas Lot 3 Project and Related Improvements at TMK (2) 4-4-014:005 (por.), Kaanapali, Maui, Hawaii**

Thank you for the opportunity to comment on this application. In general, the development proposed will have no major impacts on beach and coastal processes as it is set back 150 feet from the shoreline. There may even be an improvement in the existing condition of the dune with the establishment of ground cover that will help to stabilize the dune, keep sand within the active beach system, and potentially contribute to vertical growth of the dune. My comments and questions are as follows:

- 1) I am concerned by the apparent lack of vegetation proposed on the dune at the center of the development. Based on the landscape diagrams (in particular the "150 Foot Shoreline Conceptual Landscape Plan" and "Conceptual Irrigation Plan" and "Aerial Perspective"), it appears as though there will be an area over 150 feet wide and extending from the shoreline to the 150 foot setback line, or roughly 22,500 square feet, immediately makai of the swimming pool with no irrigation or ground cover. If this is the case, the lack of groundcover could lead to an area of weakness in the dune that would be susceptible to wind-blown sand losses and wave overwash, as well as accelerated shoreline retreat or erosion. Further, an open sandy area may attract pedestrian traffic that would further damage the dune.

As described in the Sea Engineering Coastal Engineering Study as well as the application's Shoreline Character section (section 9) of the Description of Surrounding Land Uses, Climate and Soils (Part II, page 40), the "vegetated dune along the shoreline...provides the project site with important protection from storm waves. The vegetation helps stabilize the dune, resist erosion, and trap additional sand" and, "Together, the maintenance of a healthy coastal dune and the establishment of a wide shoreline setback ensure that the proposed project

should not have adverse shoreline impacts." and, "The purpose of the [shoreline area] landscaping is to ensure the stabilization of the sand and walkways, such that their functional integrity is maintained over time." I can only emphasize that this information is correct and important and should be applied to the entire dune fronting the project area.

- 2) It was mentioned that beach quality sand would be brought in to "accommodate grade transitions and the installation of walkways". Could the applicant please approximate how much sand will be needed and roughly where it will be placed.
- 3) With regards to water quality - this is not the field in which I specialize, however it is related to the work that I do, and I have a basic understanding of water quality issues as they relate to coastal developments. As such I offer the following comments, but would defer to a water quality specialist to provide recommendations. Fertilizers, pesticides and herbicides for landscape use will eventually find their way to the ocean. These can have harmful impacts on marine life and water quality. According to the application, "The latest water quality monitoring report indicates that the coral, algal and fish communities present in the waters fronting North Beach are reasonably diverse and appear to be healthy." Because of this, it is essential that there be no long-term impact on this healthy marine community as a result of the resort development.

The application states that ground water quality will be monitored during construction and for up to 18 months following construction. In addition to ground water, it may be worthwhile to consider monitoring nearshore ocean water. This may be important as runoff from construction activities often leads to increases in nearshore sedimentation and turbidity, although it should also be noted that turbidity increases in nearshore waters can also occur as a result of activities or runoff from other locations. Often, however, the source of the sediment plume can be visually determined.

Additionally, in many cases the cumulative impacts of regular nutrient and chemical application on adjacent uplands takes a number of years to be detectable on water quality and marine life, and are not so much a result of construction activities as they are a result of landscape maintenance. Could the applicant please clarify what measures will be used to minimize the amount of fertilizers, pesticides and herbicides that will be applied, as well as any courses taken or qualifications of landscape maintenance personnel with regards to ways of minimizing the need for these chemicals and nutrients. Currently, we are working to have the University of Hawaii College of Tropical Agriculture and Human Resources, Maui Extension Office, provide a workshop for landscape personnel to address the concerns mentioned in this paragraph. Should such a workshop become available, it is recommended that the landscape personnel for this project attend the workshop.

Thank you for the opportunity to comment on this application. Please let me know if you have any questions.

FROM :

FAX NO. : 8082701775

Nov. 09 2006 02:03PM P6

Sincerely,



Zoe Norcross-Nu'u  
Sea Grant Extension Agent





MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

February 1, 2007

Zoe Norcross-Nu'u  
University of Hawai'i  
**Sea Grant Extension Service**  
310 Kaahumanu Avenue  
Kahului, Hawai'i 96732

**SUBJECT: Special Management Area Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK 4-4-014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM1 2006/0018)**

---

Dear Ms. Norcross-Nu'u:

We are in receipt of your letter dated November 9, 2006 regarding your comments on the Special Management Area Use Permit and Shoreline Setback Structure/Activity Determination applications for the subject project. On behalf of our client, Starwood Vacation Ownership Pacific, Inc. (SVOP), we would like to offer the following responses to your comments:

1. We note your comment regarding the apparent lack of vegetation proposed on the dune at the center of the Lot 3 project. Groundcover landscaping has been increased in the area to address the potential for erosion. Please see attached revised shoreline zone plan.
2. Specific details relating to the lateral shoreline access (beach walk) will be indicated in the building permit set of plans.

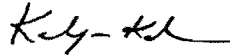
To minimize impacts to beach processes, the beach walk will be designed based on the criteria included in the Design Manual and Master Plan for Ka'anapali Beach Resort North Beach revised October 2003. The lateral shoreline access will:

- a. Be a minimum of 75 feet from the vegetation line.
- b. Be located mauka of the shoreline dune.
- c. Be selected so the alignment minimizes grading. The final grading adjacent to the walkway shall not exceed four (4) feet horizontal to one (1) foot vertical (4:1) to intersect the existing grade.

3. We note your comment with regards to the groundwater and nearshore water quality in relation to the landscaping activities at the project site. SVOP's current water quality monitoring program includes testing of both groundwater and offshore waters adjacent to the North Beach Subdivision. SVOP currently operates the Ka'anapali Ocean Resort (KOR), located on Lot 1 of the Ka'anapali North Beach Subdivision. KOR is located south of the proposed project, but within close proximity. As such, SVOP intends to adopt the same landscaping practices at the Lot 3 project. Some of these features include the use of native Hawaiian plants in the shoreline zone area, which are adapted to the climate and require less fertilizers and water than other plants; weeds will be removed by hand as much as possible; spot treatment use of pesticides rather than treating an entire area; the landscape maintenance contractor will be required to provide a soil analysis on a quarterly basis to insure that fertilizers are being applied for the specific needs of the plants; and rain sensors will be installed on the irrigation system to suspend the watering cycle.

Thank you for your comments. Should you have any further questions, please feel free to contact me at (808) 244-2015.

Very truly yours,

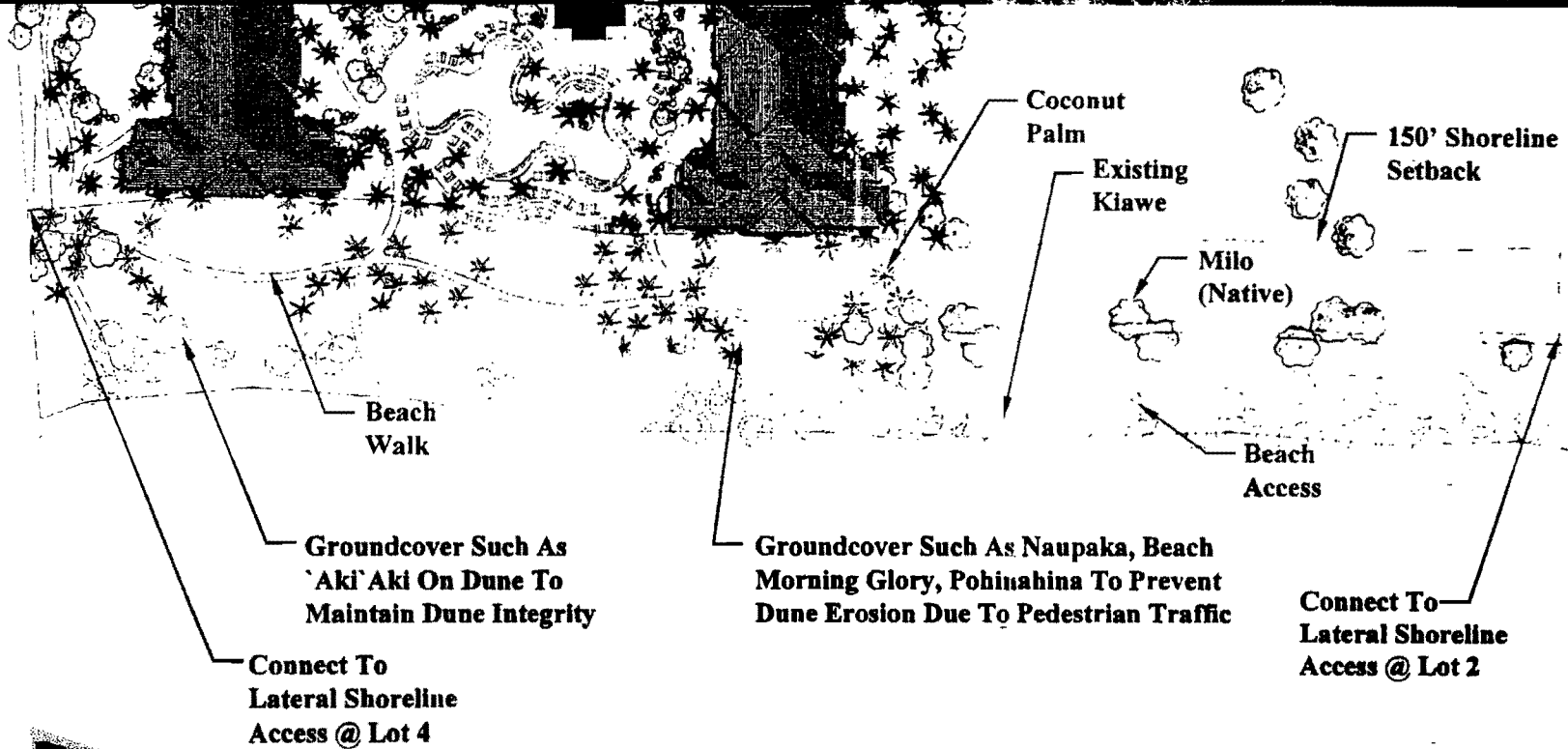


Karlynn Kawahara  
Project Manager

KK:tn  
Attachment

cc: Eric Crispin, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Jim Dishinger, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Jim Neely and Carlos Rivera, Starwood Vacation Ownership Pacific, Inc.  
(w/attachment)  
Rob Iopa, WCIT Architecture (w/attachment)  
Janine Mori, Walters Kimura Motoda (w/attachment)  
John Rapacz, (w/attachment)  
Jeffrey S. Hunt, AICP, Department of Planning (w/attachment)

# 150' Shoreline Landscape Plan



Note: An automatic irrigation system will be provided within the shoreline area to ensure survival of both existing and new trees and groundcovers.

FROM :

FAX NO. :

Oct. 09 2006 09:46AM P1



ALAN M. ARAKAWA  
MAYOR

OUR REFERENCE  
YOUR REFERENCE

# POLICE DEPARTMENT COUNTY OF MAUI

55 MAHALANI STREET  
WAILUKU, HAWAII 96793  
(808) 244-6400  
FAX (808) 244-6411



THOMAS M. PHILLIPS  
CHIEF OF POLICE

GARY A. YABUTA  
DEPUTY CHIEF OF POLICE

September 15, 2006

## MEMORANDUM

TO : MICHAEL W. FOLEY, PLANNING DIRECTOR

FROM : THOMAS M. PHILLIPS, CHIEF OF POLICE

SUBJECT : I.D. : SM1 2006/0018  
 TMK : (2) 4-4-014:005  
 Project  
 Name : Westin Kaanapali Ocean Resort Villas Lot 3  
 Applicant : SVO Pacific Inc.

06 SEP 18 P2:34  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

- No recommendation or comment to offer.
- Refer to enclosed comments and/or recommendations.

Thank you for giving us the opportunity to comment on this project.

*AC Wayne T. Ribao*  
 Assistant Chief Wayne T. Ribao  
 For: THOMAS M. PHILLIPS  
 Chief of Police

Enclosure

EXHIBIT 8

FROM :

FAX NO. :

Oct. 09 2006 09:47AM P2

COPY

TO : THOMAS M. PHILLIPS, CHIEF OF POLICE  
 VIA : CHANNELS I AGREE WITH 401's & SGT. UEDOL'S CONCERNS. AC [Signature] 9/14/06  
 FROM : RICKY UEDOL, SERGEANT, LAHAINA PATROL DIVISION  
 SUBJECT : WESTIN KAAPALI OCEAN RESORT VILLAS LOT 3

Sir, this form of communication is being forwarded to your office regarding the Westin Kaanapali Ocean Resort Villas Lot 3 proposing to develop a new time share building on a 26.7 acre lot located on North Beach. The project is build a hotel style time share with 390 units. Some of the concerns to the police are as follows:

On Page 49, section C, Public Services and Facilities regarding the services of Police Protection Services states that in its existing conditions, "The Lahaina patrol district includes 57 full-time personnel; in addition, there is also a police sub-station in Napili". If they are counting full time personnel to include civilian employees, the number would be 47. As for sworn police personnel, there are 42 sworn members assigned to the Lahaina district, far less than the 57 they are counting. As for the Napili Sub-station, this is not a manned station, therefore should not be included as a resource for police protection in the area. The primary use for the Napili sub-station is to allow for officers assigned in the country area an office to write police reports without having to come back into town.

A potential impact to the police would be more calls for police services with an additional 390 units added to the west side.

Due to the increasing amount of development on the west side of Maui, we should oppose another project like this due to the lack of infrastructure and the already overcrowding of vehicles traveling in and out of Lahaina on Honoapiilani Highway.

This project would add to the already congested roads that commuters face on a daily basis. With all the construction already going on, traffic has reached an unbearable level for those traveling along Honoapiilani Highway. Traffic is backed up during peak hours in the morning and afternoons and at times have caused people to sit in traffic in excess of an hour.

Projects like these should strongly be considered for opposition until such time that other mitigating measures be implemented to address our traffic situation.

WITHOUT SUBSTANTIAL  
 IMPROVEMENT TO  
 TRANSPORTATION +  
 PUBLIC SAFETY IN  
 INFRASTRUCTURE, ESP. IN  
 LIGHT OF OUR PERSONNEL  
 ... WE CANNOT SUPPORT THESE ...

Respectfully submitted,

[Signature]  
 Sgt. Ricky C. Uedol #1512  
 Lahaina Patrol Division  
 September 12, 2006 @ 0845 hours

SUBSTANTIAL RELIEF.  
 [Signature] 9/12/06



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

November 27, 2006

Thomas Phillips, Chief  
Maui Police Department  
55 Mahalani Street  
Wailuku, Hawai'i 96793

**SUBJECT:** Special Management Area (SMA) Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort Villas Lot 3 Project at TMK 4-4-014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM1 2006/0018)

Dear Chief Phillips:

We are in receipt of your memo dated September 15, 2006 providing comments on the subject project. On behalf of our client, Starwood Vacation Ownership Pacific, Inc. (SVOP), we would like to offer the following responses.

We thank you for the clarification on the number of personnel at the Lahaina Police Station. The information in our report was taken from the County of Maui's Fiscal Year 2006 budget, of which we understand that there is an employee allocation for 57 police personnel at the Lahaina Station. Further, we note your comments with regards to the Napili Substation and will clarify its purpose in future reports.

We note the Department's comment with regards to the traffic situation in West Maui. SVOP has and will continue to work with the Department of Public Works and Environmental Management, as well as the County's Department of Transportation (CDOT) to address traffic congestion issues. SVOP has contracted the transportation planning services of nationally known Charlier and Associates, the firm who is working with the Lahaina Bypass Now Committee. SVOP intends to propose, as part of its traffic mitigation package for the project, funds for transportation demand measures that would help alleviate traffic on the regional and local roadways. For example, SVOP, in its discussions with the CDOT, is exploring the possibility of funding an expansion of the bus service in West Maui, which could be utilized by employees and guests of the resort. Separately, SVOP has initiated a Lahaina Shuttle service for its guests, that operates on a daily basis. The shuttle service has been highly utilized by guests since initiation of operation on October 1, 2006. The shuttle runs daily on the hour and makes three (3) stops in Lahaina town from the Ka'anapali Ocean Resort.

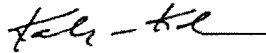
REPLY TO  
planning  
EXHIBIT 8  
government

Thomas Phillips, Chief  
November 27, 2006  
Page 2

Lastly, we note your comment with regards to the impact to police services. The construction of the project, on a parcel that has existing land entitlements, would allow for increased real property tax revenues to the County. This in turn, may allow for increases in the budgets for County services, including Police services.

Thank you again for your comments. Should you have any questions, please do not hesitate to call me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:tn

cc: Eric Crispin, Starwood Vacation Ownership Pacific, Inc.  
Jim Neely and Carlos Rivera, Starwood Vacation Ownership Pacific, Inc.  
Jim Dishinger, Starwood Vacation Ownership Pacific, Inc.  
Rob Iopa, WCIT Architecture  
Keith Niiya, Austin, Tsutsumi & Associates  
John Rapacz, Esq.  
Michael Foley, Department of Planning

F:\DATA\SVOKOR L3 Ph IISMAC\CommentLetters\mpdresp.ltr.wpd

FROM :

FAX NO. :

Oct. 09 2006 10:30AM P1

ALAN M. ARAKAWA  
Mayor



GLENN T. CORREA  
Director

JOHN L. BUCK III  
Deputy Director

(808) 270-7230  
Fax (808) 270-7934

**DEPARTMENT OF PARKS & RECREATION**

700 Hail's Nakoa Street, Unit 2, Wailuku, Hawaii 96793

KK  
MM  
X

06-1433

September 26, 2006

MEMO TO: Michael W. Foley, Director of Planning

FROM:   
GLENN T. CORREA, Director

SUBJECT: WESTIN KAAPALI OCEAN RESORT VILLAS LOT 3  
TMK: (2) 4-4-014:005  
SM1 208/0018

Thank you for the opportunity to review and comment on the subject project. Pursuant to Section 18.16.320, Maui County Code (MCC), timeshares are exempt from parks and playgrounds requirements

Be advised, the parks and playgrounds requirement will need to be satisfied if the proposed timeshare units are converted to dwelling units and apartments within, resulting from, or in any way relating to condominium property regimes, as defined in Section 18.16.320 A.6., MCC.

If there are any questions, please contact Mr. Patrick Matsui, Chief of Parks Planning and Development, at 270-7387.

c: Patrick Matsui, Chief of Parks Planning and Development

06 OCT -3 10:00  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

EX-111 9





MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

November 27, 2006

Glenn T. Correa, Director  
Department of Parks and Recreation  
**Attention: Patrick Matsui, Chief of  
Parks Planning and Development**  
700 Halia Nakoia Street, Unit 2  
Wailuku, Hawai'i 96793

**SUBJECT:** Special Management Area Use Permit Application and Shoreline Setback/Activity Determination for Proposed Westin Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK (2) 4-4-014:005, North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM12006/0018)

Dear Mr. Correa:

Thank you for your letter dated September 26, 2006 providing comments on the subject project.

On behalf of the applicant, Starwood Vacation Ownership Pacific (SVOP), Inc., we acknowledge the determination made by your office that the subject project, involving development of 390 timeshare units, is exempt from parks and playground assessment requirements. It is noted that the project is not proposing to convert any timeshare units into dwelling units or apartments or in any way relating to condominium property regimes, as defined in Section 18.16.320 (A.6.) of Maui County Code. Additionally, we note that SVOP is providing improvements to 10 acres of open space on Lot 3, which will be privately-owned and maintained by the North Beach Master Association and open to the public.

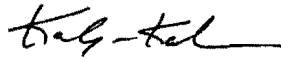
**REPLY TO  
EXHIBIT 9**

environment  
planning  
government

Glenn T. Correa, Director  
November 27, 2006  
Page 2

We appreciate the input provided by your office. Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:tn

cc: Michael Foley, Department of Planning  
Eric Crispin, SVO Pacific, Inc.  
Jim Dishinger, SVO Pacific, Inc.  
Jim Neely/Carlos Rivera, SVO Pacific, Inc.  
John Rapacz, Esq.

F:\DATA\ISVOIKOR L3 Pr ISMAC\CommentLetters\dpresp.ltr.wpd

FROM :

FAX NO. :

Oct. 09 2006 09:42AM P8

ALAN M. ARAKAWA  
Mayor

MICHAEL W. FOLEY  
Director

WAYNE A. BOTEILHO  
Deputy Director



COUNTY OF MAUI  
**DEPARTMENT OF PLANNING**

October 5, 2006

TRANSMITTAL

TO: Colleen Suyama, Staff Planner

FROM: Avelina L. Cabals, Land Use Building Plans Examiner

SUBJECT I.D.: SM1 2006/0018  
TMK: (2) 4-4-014:005  
Project Name: WESTIN KAAPALI OCEAN RESORT VILLAS LOT 3  
Applicant: SVO PACIFIC, INC.

---

TRANSMITTED TO YOU ARE THE FOLLOWING COMMENTS:

1. Provide a comprehensive parking analysis for every component use of land or building.
2. Provide calculations of the floor area/lot area ratio and lot coverage. The final numbers should be noted on the plans.
3. The property is located within the Special Flood Hazard Area Zones V12, A4 and C with a base flood elevation of 10 feet mean sea level, 1929 National Geodetic Vertical Datum (NGVD). A Special Flood Hazard Area Development Permit and applicable certifications, will be required for any work within Zones V12 and A4. Building permit plans shall be stamped and signed by an engineer or architect licensed in the State of Hawaii. Plans will be check for the following: Flood-proofing measures, delineation of the flood zone with proposed buildings, base flood and existing and finish elevations for the project relative to mean sea level, 1929 NGVD.
4. Yard setback requirements shall be shown on the site plan.

AHS:ALC:gan

c: Francis Certo, Staff Planner  
Avelina L. Cabals, Land Use Building Plans Examiner  
General File  
Project File  
K:\WP\_DOCS\PLANNING\bidgprnt\PlanningPmtComLtr\2006\0018\_GM1WestinKaapaliOceanResortVillas\0018

**EXHIBIT**

**10**



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

'06 NOV 30 P12:08

November 30, 2006

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

Francis Cerizo, Planner  
Department of Planning  
250 South High Street  
Wailuku, Hawai'i 96793

SUBJECT: Special Management Area Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort (KOR) Villas Lot 3 Project at TMK 4-4-014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM1 2006/0018)

Dear Mr. Cerizo:

We are in receipt of the comments dated October 5, 2006, regarding the Zoning and Enforcement Division's comments on the subject document. On behalf of our client, Starwood Vacation Ownership Pacific, Inc. (SVOP), we would like to offer the following responses to your comments.

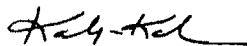
1. We note your comment with regards to the comprehensive parking analysis parking summary was included in the set of plans. It is SVOP's intention to provide the required parking on the project site or at an approved offsite location. Please note that the plans included in the application were preliminary plans. The project's architect will provide the detailed analysis on the building permit set of plans.
2. We note your comment with regards to the calculations for floor area/lot area ratio and lot coverage. The architect provided the calculations in the preliminary plans and will also include the data on the building permit set of plans.
3. We note your comment regarding the Special Flood Hazard Area (SFHA) for the project. The building permit set of plans for the project will be stamped by an architect or engineer, licensed in the State of Hawai'i. We appreciate your comments with regards to the flood information that will be provided in the building plan set.
4. Yard setbacks will be indicated on the building permit set of plans.

REPLY TO  
EXHIBIT 10  
environment  
government

Francis Cerizo, Planner  
November 30, 2006  
Page 2

Should you have any further questions, please feel free to contact me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:tn

cc: Eric Crispin, SVO Pacific, Inc.  
Jim Neely and Carlos Rivera, SVO Pacific, Inc.  
Jim Dishinger, SVO Pacific, Inc.  
Rob Iopa, WCIT Architecture  
John Rapacz, Esq.  
Mike Fujita, Wilson Okamoto Corporation  
Michael Foley, Department of Planning

F:\DATA\SVO\KOR L3 Ph IRSMACCommentLetters\planningresp.ltr.wpd

FROM :

FAX NO. :

Oct. 09 2006 09:48AM P1

ALAN M. ARAKAWA  
Mayor



GEORGE Y. TENGAN  
Director

ERIC H. YAMASHIGE, P.E., L.S.  
Deputy Director

**DEPARTMENT OF WATER SUPPLY**  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793-2155  
www.maulwater.org

October 2, 2006

Mr. Michael W. Foley, Director  
Planning Department  
250 South Street  
Wailuku, HI 96793  
Attn: Colleen Suyama

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED  
06 OCT -6 AM 11:31

SUBJECT: ID: SM1 2006/0018  
TMK: (2) 4-4-014:005 por  
Project Name: Westin Kaanapali Ocean Resort Villas Lot 3

Dear Mr. Foley:

Thank you for the opportunity to provide comments on the above-captioned project proposal.

**Source Availability and Consumption**

The project site is served by our Lahaina System. The main sources of water for this portion of the system are wells withdrawing from Launiupoko aquifer and surface water from Kanaha Stream. As of August 2006, pending projects in West Maui at some stage of discretionary review total roughly 18 MGD, of which about 8.8 MGD plan to connect to the county system. DWS does not grant or imply any guarantee of water until an application for water meter has been received and reviewed. Additional water for development is not currently available at the Lahaina System pending completion of new source projects. However, water availability will be determined at time of meter application. DWS will not issue reservations for future meters until new development efforts are completed.

The applicant has a projected daily demand of 212,921 gallons for domestic and irrigation uses. Anticipated consumption based on system standards is approximately 453,900 gpd. The applicant will be required to develop or participate in source development in order to meet its demand.

**System Infrastructure**

A 12-inch waterline borders the east side of the project site. The applicant plans to connect to the aforementioned waterline for domestic and irrigation services as well as fire protection needs of the project. Domestic, irrigation and fire flow calculations will be required during the building permit process. The applicant should contact our Engineering Division to discuss water system improvements proposed in the Preliminary Engineering Report.

EXHIBIT II

*"By Water All Things Find Life"*



Page 2

Mr. Michael W. Foley  
Westin Kaanapali Ocean Resort Villas Lot 3  
October 2, 2006

### **Conservation**

In order to reduce demand in the Lahaina system, we recommend that native plants be utilized to the maximum extent for landscaping. Native plants adapted to the area, conserve water and protect the watershed from degradation due to invasive alien species. The project is located in the Maui County Planting Plan - Plant Zones 3 & 5. Attached is a list of appropriate plants for the zones as well as potentially invasive plants to avoid for reference.

Additional water conservation measures are listed below. We encourage the applicant to consider these measures in the project design and construction:

Use brackish and/or reclaimed water sources for dust control and for all non-potable water uses during various phases of construction. Reclaimed water is readily available at the Lahaina Wastewater Reclamation Facility.

Eliminate Single-Pass Cooling: Single-pass, water-cooled systems should be eliminated per Maui County Code Subsection 14.21.20. Although prohibited by code, single-pass water cooling is still manufactured into some models of air conditioners, freezers, and commercial refrigerators.

Utilize Low-Flow Fixtures and Devices: Maui County Code Subsection 16.20A.680 requires the use of low-flow water fixtures and devices in faucets, showerheads, urinals, water closets, and hose bibs. Water conserving washing machines, ice-makers and other units are also available.

Maintain Fixtures to Prevent Leaks: A simple, regular program of repair and maintenance can prevent the loss of hundreds or even thousands of gallons a day. Refer to the attached handout, "The Costly Drip". The applicant should establish a regular maintenance program.

Limit Irrigated Turf: Limit irrigated turf to 25% or less of total landscaped area. Low-water use shrubs and ground covers can be equally attractive and require substantially less water than turf.

Look for Opportunities to Conserve Water: A few examples of these are as follows: When clearing driveways, etc. of debris, use a broom instead of a hose; check for leaks in faucets and toilet tanks.

### **Pollution Prevention**

The project overlies the Honokowai aquifer with an estimated sustainable yield of 8 MGD. In order to protect ground and surface water resources, we recommend that the applicant utilize Best Management Practices (BMPs) designed to minimize infiltration and runoff from construction and vehicle operations. We ask the applicant to take precautionary measures during construction to prevent construction materials and debris and eroded soils from entering coastal waters. We have attached sample BMPs for principle operations for reference. Additional mitigation measures are enumerated below and should be implemented during construction:

1. Prevent cement products, oil, fuel and other toxic substances from falling or leaching into the water.
2. Properly and promptly dispose of all loosened and excavated soil and debris material from drainage structure work.
3. Retain ground cover until the last possible date.
4. Stabilize denuded areas by sodding or planting as soon as possible. Replanting should include soil amendments, fertilizers and temporary irrigation. Use high seeding rates to ensure rapid stand establishment.

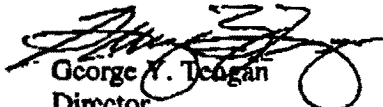
Page 3

Mr. Michael W. Foley  
Westin Kaanapali Ocean Resort Villas Lot 3  
October 2, 2006

- 5. Avoid fertilizers and biocides, or apply only during periods of low rainfall to minimize chemical run-off.
- 6. Keep run-off on site.

Should you have any questions regarding system infrastructure and requirements, please call our Engineering Division at 270-7835 and any questions on source availability or conservation and resource matters, please contact our Water Resources and Planning Division at 244-8550.

Sincerely,



George A. Deegan  
Director  
eam

- c: engineering division
- applicant, with attachments:
  - The Costly Drip
  - Maul County Planting Plan - Saving Water in the Yard - What and How to Plant in your Area
  - Ordinance No. 2108 - A Bill for an Ordinance Amending Chapter 16.20 of the Maui County Code, Pertaining to the Plumbing Code
  - Selected BMP's from "Guidance Specifying Management Measures for Sources of Nonpoint Pollution in Coastal Waters"-RPA
  - A Checklist of Water Conservation Ideas Hotels and Motels

F:\My Documents\WP\Proj Rev\Lahaina\_comment\KOR III\_SM1.wpd



FROM :

FAX NO. :

Oct. 18 2006 10:00AM P3

ALAN M. ARAKAWA  
Mayor



GEORGE Y. TENGAN  
Director

ERIC H. YAMASHIGE, P.E., L.S.  
Deputy Director

**DEPARTMENT OF WATER SUPPLY**  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793-2155  
www.maulwater.org

06 OCT 16 P2 40  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

06/15/06

October 13, 2006

Mr. Eric G. Crispin  
Vice President  
Starwood Vacation Ownership  
2155 Kalakaua Avenue, Suite 300  
Honolulu, Hawaii 96815

Dear Mr. Crispin:

Subject: Westin Kaanapali Ocean Villas Lot 3

At our meeting on October 10, 2006, you had two questions on our letter dated October 2, 2006 to Mr. Michael Foley, Planning Director:

1. Does the 8.8 MGD representing projects which intend on tying in to the County's water system include the subject project?  
  
No, it does not include the subject project.
2. How was the projected demand of 453,900 GPD calculated by the Department?

Based on information available to the Department upon review of the subject project, we had to use 17,000 gallons per day per acre of land included in the project. Please have your engineering consultant submit his calculations for review. I agree that there is a significant discrepancy between the two calculations.

Please contact me if I can be of further assistance.

Sincerely,

George Y. Tengan  
Director  
GYT:jaw  
copy: Planning Director  
Ellen Kraftsow  
Alva Nakamura

*"By Water All Things Find Life"*

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-5964 (voice and TDD)





MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

December 4, 2006

George Y. Tengan, Director  
Department of Water Supply  
200 South High Street  
Wailuku, Hawai'i 96793

**SUBJECT:** Special Management Area Use Permit Application for the Proposed  
Westin Ka'anapali Ocean Resort Villas Lot 3, SM1 2006/0018;  
TMK: (2) 4-4-014:005 por.

Dear Mr. Tengan:

We are in receipt of your letter dated October 2, 2006, in which you provided comments on the above application, and your follow-up letter of October 13, 2006.

In your letter of October 2, 2006, you stated: "The applicant has a projected daily demand of 212,921 gallons for domestic and irrigation uses. Anticipated consumption based on system standards is approximately 453,900 gallons per day." We inquired into the difference between our projection versus your figure for "anticipated consumption", and by your letter of October 13, 2006, you responded: "based on information available to the department upon review of the subject project, we had to use 17,000 gallons per day per acre of land included in the project. Please have your engineering consultants submit his calculations for review...."

Please find below an excerpt from the "Preliminary Engineering Report; Executive Summary", regarding the daily demand calculations, which was attached to the application we provided as "Appendix I".

On page iii of the Executive Summary of that report, it stated:

Water: based on programmed improvements to the Olinda and Lahaina Water Treatment Facilities, potable water service will be available from the municipal water system operated by the County of Maui's Department Water Supply (DWS). Based on the expected water demand of approximately 212,921 gallons per day for the resort timeshare, landscape irrigation, and supporting amenities, the DWS will have adequate capacity in the municipal system. Separate potable water service and fire protection lateral connections will be made to the existing 12-inch water main in Honoapi'ilani

Appendix B

Proposed Potable Water Demands Calculations

Assumptions:

Average Daily Demand (ADD) rates are as follows<sup>2</sup>:

350 gallons per day per timeshare unit

140 gallons per 1,000 square feet for restaurant and support facilities

60,111 gal/day irrigation demand (Provided by Walters Kimura Motoda)

14,070 gal/day water feature demand (Provided by Pacific Aqua Tech. Inc.)

$$\begin{aligned} \text{ADD} &= (\text{ADD rate per timeshare unit}) * (\text{no. of timeshare units}) \\ &+ (\text{ADD rate per restaurant area}) * (\text{restaurant area}) \\ &+ (\text{ADD rate per support facilities area}) * (\text{support facilities area}) \end{aligned}$$

$$\text{No. of timeshare units} = 390 \text{ units}$$

$$\text{Restaurant area} = 6,000 \text{ square feet}$$

$$\text{Support facilities area} = 10,000 \text{ square feet}$$

$$\begin{aligned} \text{ADD} &= 350 * 390 + (140/1,000) * 6,000 + (140/1,000) * 10,000 \\ &= 138,740 \text{ gallons per day (domestic)} \end{aligned}$$

$$\begin{aligned} \text{Total Demand} &= 138,740 \text{ gal/day} + 60,111 \text{ gal/day} + 14,070 \text{ gal/day} = \\ &212,921 \text{ gal/day} \end{aligned}$$

The total average daily demand for potable water for the Westin Kaanapali Ocean Resort Villas Lot 3 project will be approximately 212,921 gallons per day.

<sup>2</sup> County of Maui Department of Water Supply. *Water System Standards*. 2002.



**WILSON OKAMOTO CORPORATION**  
**ENGINEERS / PLANNERS**  
 1907 S. Beretania Street, Suite 400  
 Honolulu, Hawaii 96826  
 Phone: (808) 946-2277 / FAX: (808) 946-2253

**TO: Department of Water Supply**  
**200 South High Street, 5th Floor**  
**Walluku, Maui, HI 96793-7109**

**LETTER OF TRANSMITTAL**

DATE:	<b>6/6/2006</b>	JOB NO.:	<b>7475-02</b>
ATTENTION:	<b>Mr. Herbert Chang</b>		
RE:	<b>Westin Ka'anapali Ocean Resort</b>		
	<b>Villas Lot 3</b>		
	<b>TMK: 4-4-14: 05</b>		

GENTLEMEN, WE ARE SENDING YOU:  Shop Drawings  Plans  Attached  
 Prints  Reports  Under separate cover

ITEM	COPIES	DESCRIPTION
1	1	Wilson Okamoto Corporation Memo re: Westin Ka'anapali Ocean Resort Villas Lot 3 - Flow Requirements
2	3 sets	Westin Ka'anapali Ocean Resort Villas Lot 3 - Waterline Connection Plan

THESE ARE TRANSMITTED as checked:  For approval  As requested  
 For your use  For review & comment

REMARKS Mr. Chang, At this time we are submitting the attached documents for your review and approval.  
Please contact me at (808)946-2277 or via email at mfujita@wilsonokamoto.com should you have  
any questions or require additional information.

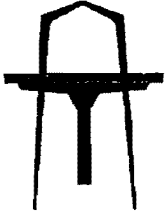
Thanks,

COPY TO: Mr. Eric Crispin, SVO Pacific w/o plans  
Mr. Larry Cunha, WCIT Architecture w/o plans

SIGNED: MMF  
Michael M. Fujita, P.E.  
 Project Manager

7475-02  
June 6, 2006

**WILSON**  
**OKAMOTO**  
CORPORATION



ENGINEERS  
PLANNERS

1907 S. BERETANIA STREET  
HONOLULU, HAWAII 96826  
PH: (808) 946-2277  
FAX: (808) 946-2253

**INFORMATION MEMO**

**SUBJECT:** Westin Ka'anapali Ocean Resort Villas Lot 3 – Flow Requirements

**TO:** Mr. Herbert Chang, Department of Water Supply

**INFORMATION ITEMS:**

Starwood Vacation Ownership is pursuing a new 8-inch meter installation based on the planned construction of 390 timeshare units. The 390 timeshare units will consist of 45 one-bedroom, 313 two-bedroom, and 32 three-bedroom units. The flow requirements based on the 390 units are presented below.

**(New 8-inch meter)**

**Flow Requirements:**

	Fixture Units (FU)	Gallons Per Minute (GPM)
Proposed Domestic	7,431 <sup>(1)</sup>	914.8 <sup>(1)</sup>
Proposed Water feature		9.7 <sup>(2)</sup>
Proposed Irrigation		143 <sup>(3)</sup>
Total Proposed GPM		1,067.5

- (1) See attached Plumbing Fixture Unit Count prepared by Notkin Hawaii dated April 26, 2006.
- (2) See attached Water Use Demands prepared by Pacific AquaTech, Inc. dated May 4, 2006.
- (3) See attached Estimated Irrigation Demand prepared by Walter Kimura Motoda dated April 8, 2006.

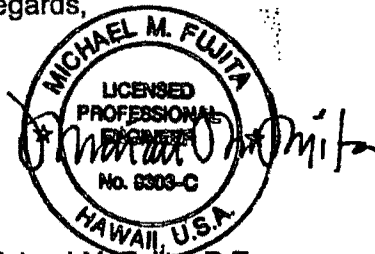
7475-02  
Information Memo  
Page 2  
June 6, 2006

**Meter Size Required:**

Proposed 1,067.5 GPM => 8" Compound type meter (REF: AWWA M22 T-5.7)

Please contact our office should you have any questions.

Regards,



Michael M. Fujita, P.E.  
Project Manager

Enclosure:      Plumbing Fixture Unit Count prepared by Notkin Hawaii  
dated April 26, 2006  
Water Use Demands prepared by Pacific AquaTech, Inc.  
dated May 4, 2006  
Estimated Irrigation Demand prepared by Walter Kimura  
Motoda dated April 8, 2006

**PLUMBING FIXTURE UNIT COUNT  
WESTIN KA'ANAPALI OCEAN RESORT VILLAS EXPANSION  
LOT 3**

**DATE: APRIL 26, 2006**

**PLUMBING FIXTURE UNIT COUNT SUMMARY**

<b>UNIT TYPE</b>	<b>TOTAL CW F.U.</b>	<b>NUMBER OF UNITS</b>	<b>TOTAL CW F.U.</b>
1 BEDROOM - OPTION A/B1/B2/C	12.1	45	544.5
2 BEDROOM UNIT	18.6	313	5821.8
3 BEDROOM UNIT	18.6	32	595.2
HEALTH SPA (ESTIMATED)	63.2	1	63.2
RESTAURANT/BAR (ESTIMATED)	46.6	1	46.6
POOL GRILL (ESTIMATED)	42	1	42
PUBLIC RESTROOM (ESTIMATED)	30.4	3	91.2
INSIDE THE BUILDING (ESTIMATED)	114	1	114
OUTSIDE OF THE BUILDING (ESTIMATED)	89.6	1	89.6
PUBLIC LAUNDRY (ESTIMATED)	23	1	23
<b>TOTAL F.U.</b>			<b>7431.1</b>
<b>TOTAL FLOW GPM</b>			<b>914.8</b>

**PLUMBING FIXTURE UNIT COUNT  
WESTIN KA'ANAPALI OCEAN RESORT VILLAS EXPANSION  
LOT 3**

<b>1 BEDROOM - OPTION A/B1/B2/C</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL FU</b>
WATER CLOSET (FT)	1	1.7	1.7
LAVATORY	2	0.6	1.2
BATHTUB	1	2.0	2.0
SHOWER	1	1.6	1.6
KITCHEN SINK	1	1.6	1.6
DISHWASHER	1	2.0	2.0
WASHER	1	2.0	2.0
<b>SUB-TOTAL</b>			<b>12.1</b>

<b>2 BEDROOM UNIT</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL FU</b>
WATER CLOSET (FT)	2	1.7	3.4
LAVATORY	4	0.6	2.4
BATHTUB	2	2.0	4.0
SHOWER	2	1.6	3.2
KITCHEN SINK	1	1.6	1.6
DISHWASHER	1	2.0	2.0
WASHER	1	2.0	2.0
<b>SUB-TOTAL</b>			<b>18.6</b>

<b>3 BEDROOM UNIT</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL FU</b>
WATER CLOSET (FT)	2	1.7	3.4
LAVATORY	4	0.6	2.4
BATHTUB	2	2.0	4.0
SHOWER	2	1.6	3.2
KITCHEN SINK	1	1.6	1.6
DISHWASHER	1	2.0	2.0
WASHER	1	2.0	2.0
<b>SUB-TOTAL</b>			<b>18.6</b>

<b>HEALTH SPA (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL FU</b>
WATER CLOSET (FV)	6	5.6	33.6
LAVATORY	6	1.2	7.2
SHOWER	4	3.2	12.8
URINAL	2	2.8	5.6
MOP SINK	1	4.0	4.0
<b>SUB-TOTAL</b>			<b>63.2</b>



<b>RESTAURANT/BAR (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL F.U.</b>
HAND SINK	2	1.2	2.4
PRE- SINK	2	3.2	6.4
3 COMPT. POT SINK (1 FAUCET)	1	3.2	3.2
PRE-RINSE UNIT	1	4	4
DISHWASHER	1	4	4
ICE MACHINE	1	2	2
FOOD WARMER	1	1	1
KETTLE	2	4	8
COFFEE/ TEA MAKER	1	1	1
WATER CLOSET (FV)	2	5.6	11.2
LAVATORY	2	1.2	2.4
ELECTRIC WATER COOLER	1	1	1
<b>SUB-TOTAL</b>			<b>46.8</b>

<b>POOL GRILL (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL F.U.</b>
HAND SINK	2	1.2	2.4
3 COMPT. SINK (1 FAUCET)	1	3.2	3.2
DISHWASHER	1	4	4
ICE MACHINE	1	2	2
WATER CLOSET (FV)	3	5.6	16.8
URINAL	1	2.8	2.8
LAVATORY	4	1.2	4.8
HOSE BIBB	2	3	6
<b>SUB-TOTAL</b>			<b>42.0</b>

<b>PUBLIC RESTROOM (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL F.U.</b>
WATER CLOSET	3	5.6	16.8
LAVATORY	4	1.2	4.8
URINAL	1	2.8	2.8
HOSE BIBB	2	3	6
<b>SUB-TOTAL</b>			<b>30.4</b>

<b>INSIDE THE BUILDING (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL F.U.</b>
ELECTRIC WATER COOLER	2	1	2
SERVICE SINK	28	4	112
<b>SUB-TOTAL</b>			<b>114.0</b>

<b>OUTSIDE OF THE BUILDING (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL F.U.</b>
OUTDOOR SHOWER	3	3.2	9.6
HOSE BIBB	16	5	80
<b>SUB-TOTAL</b>			<b>89.6</b>

<b>PUBLIC LAUNDRY (ESTIMATED)</b>			
<b>DESCRIPTION</b>	<b>QTY</b>	<b>FIXTURE UNIT F.U.</b>	<b>TOTAL F.U.</b>
LAUNDRY TRAY (TWO COMPARTMENT, SINGLE FAUCET)	1	4	4
WASHING MACHINE	4	4	16
HOSE BIBB	1	3	3
<b>SUB-TOTAL</b>			<b>23.0</b>

***Pacific AquaTech, Inc.***

---



TO: Wilson Okamoto & Associates, Inc.  
ATTENTION: Mike Fujita  
FROM: Wendell Lee  
DATE: May 4, 2006  
PROJECT: Kaanapali Ocean Resort – Lot 3  
SUBJECT: Water Use Demands

---

Mike,

We are providing the following analysis for water use, as requested. Please note that the calculations are based on schematic drawings and "mean" conditions over a yearly period.

**Water Consumption**

Main Swimming Pool

evaporation/splash out: 5,500 gal/day (estimate)  
backwash: 1,220 gal per filter (4,880 gal total per backwash cycle)  
total water make-up requirement: 10,380 gal (7.2 gpm)

1 – ¾" fixture @ 8 gpm maximum flow

Spa 1

evaporation/splash out: 110 gal/day (estimate)  
backwash: 500 gal per backwash cycle  
total water make-up requirement: 610 gal (0.4 gpm)

1 – ½" fixture @ 3 gpm maximum flow

Spa 2

evaporation/splash out: 110 gal/day (estimate)  
backwash: 500 gal per backwash cycle  
total water make-up requirement: 610 gal (0.4 gpm)

1 – ½" fixture @ 3 gpm maximum flow

Porte Cochere Water Feature

evaporation: 1,870 gal/day (estimate)  
backwash: 600 gal per filter (1,800 gal total per backwash cycle)  
total water make-up requirement: 2,470 gal (1.7 gpm)

1 – ½" fixture @ 3 gpm maximum flow

Total Water Requirement (all features): 9.7 gpm

Backwash cycles are based on a backwash program of 1 per 2 – 4 days. Individual filters can be backwashed on separate days, which is reflected in the total water make-up load.

Please contact me at your convenience if you have questions or require further information.

Best regards.



## LETTER OF TRANSMITTAL

Landscape Architects • 1148 Third Avenue • Honolulu, Hawaii 96816 • (808) 739-5591/FAX (808) 739-5595

---

TO: WCIT Architecture

ATTENTION: Mr. Larry Cunha

FROM: Janine Mori

PROJECT: KOR Lot 3: Estimated Irrigation Water Demand

DATE: 8 April 2006 No. of pages (incl. transmittal): 1

• If you have any questions or did not receive all pages specified, please contact sender •

---

### DESIGN CRITERIA FOR IRRIGATION MAINLINE SIZING FOR KOR LOT 3 (DOES NOT INCLUDE THE OPEN SPACE PARK):

1. The watering requirements are based on the evapotranspiration (ET) rate of 1.5" per week.
2. 1.5" of water on 1 acre is 40,731 gallons per week.
3. Watering window of 7 hours (11 p.m. to 6 a.m.)
4. Mainline pipe sizing:
  - a. 2" Schedule 40 PVC = 50 gpm
  - b. 3" Schedule 40 PVC = 110 gpm
  - c. 4" Schedule 40 PVC = 190 gpm
  - d. 6" Schedule 40 PVC = 450 gpm
5. Estimated Landscape Area = 450,000 s.f. (includes areas currently designated as Retention Water Features, in case they are deleted in the future)

450,000 s.f. + 43,560 s.f. per acre = 10.33 acres.

10.33 acres x 40,731 gallons per week (for 1.5" of water) = 420,775 gallons per week

420,775 gallons per week ÷ 7 days per week = 60,111 gallons per day

60,111 gallons per day ÷ 7 hours per day = 8,587 gallons per hour

8,587 gallons per hour ÷ 60 minutes per hour = 143 gallons per minute (gpm)

**4" schedule 40 PVC pipe is required for this flow.**

ALAN M. ARAKAWA  
Mayor

MILTON M. ARAKAWA, A.I.C.P.  
Director

MICHAEL M. MIYAMOTO  
Deputy Director

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



COUNTY OF MAUI  
**DEPARTMENT OF PUBLIC WORKS  
AND ENVIRONMENTAL MANAGEMENT**  
200 SOUTH HIGH STREET, ROOM 322  
WAILUKU, MAUI, HAWAII 96793

RALPH NAGAMINE, L.S., P.E.  
Development Services Administration

DAVID TAYLOR, P.E.  
Wastewater Reclamation Division

CARY YAMASHITA, P.E.  
Engineering Division

BRIAN HASHIRO, P.E.  
Highways Division

TRACY TAKAMINE, P.E.  
Solid Waste Division

November 2, 2006

NOV -3 10:32  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

MEMORANDUM TO: MICHAEL W. FOLEY, PLANNING DIRECTOR

FROM: MILTON M. ARAKAWA, A.I.C.P., DIRECTOR OF PUBLIC WORKS  
AND ENVIRONMENTAL MANAGEMENT

SUBJECT: APPLICATION FOR SPECIAL MANAGEMENT AREA USE PERMIT AND  
SHORELINE SETBACK STRUCTURE/ACTIVITY DETERMINATION  
FOR WESTIN KAA NAPALI OCEAN RESORT VILLAS LOT 3  
TMK: (2) 4-4-014:005  
SM1 2006/0018

We reviewed the subject application and have the following comments:

1. Section C.5.b.page 53, addresses the solid waste management plan.
2. Although wastewater system capacity is currently available as of September 11, 2006, the developer should be informed that wastewater system capacity cannot be ensured until the issuance of the building permit.
3. Wastewater contribution calculations are required before building permit is issued.
4. Developer shall pay assessment fees for treatment plant expansion costs in accordance with ordinance setting forth such fees (see Item No. 13 below).
5. Developer is required to fund any necessary off-site improvements to collection system and wastewater pump stations.

Memo to Michael W. Foley, Planning Director  
November 2, 2006  
Page 2

6. Plans should show the installation of a service manhole near the property line prior to connection to the County sewer.
7. Irrigation system should be designed to be in compliance with the Department of Health Water Reuse Guidelines and the County of Maui Rules for Reclaimed Water Service.
8. Once reclaimed water is available, the property will be required to connect. The irrigation system should be designed completely separate from the potable water system in anticipation of this change over.
9. Commercial kitchen facilities within the proposed project shall comply with pre-treatment requirements (including grease interceptors, sample boxes, screens etc.).
10. Non-contact cooling water, condensate, etc. should not drain to the wastewater system.
11. Indicate on the plans the ownership of each easement (in favor of which party). Note: County will not accept sewer easements that traverse private property.
12. Hold-Harmless Agreement should be executed. Signed agreement required before the Wastewater Reclamation Division (WWRD) will give recommendations for final subdivision approval.
13. Provide a letter from Kaanapali Development Corp. indicating that a portion of its wastewater allocation will be set aside to accommodate the subject project. The WWRD approved wastewater contribution calculations shall be attached.
14. In the Traffic Impact Assessment Report (TIAR), the discussion on Construction Traffic needs to be clarified. Access to the off-site parking needs to be shown on a map and the impacts to existing traffic needs to be defined.
15. The TIAR recommendations should be placed on a graphic to show the improvements and the assumed intersection configurations. Intersection spacing should be scaled to show potential conflicts between recommendations.

**Memo to Michael W. Foley, Planning Director  
November 2, 2006  
Page 3**

- 16. The plans submitted for this project do not adequately show sufficient detail to determine whether the project is compliant with building codes. We will review the project for building code requirements during the building permit application process.**

**Additional comments will be provided when our Engineering Division completes their review.**

**If you have any questions regarding this memorandum, please call Michael Miyamoto at 270-7845.**

**MMA:MMM:da**

**S:\LUCACZM\westin\_keanapali\_rst\_villas\_sm1\_44014005\_da.wpd**





MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO

KARLYNN KAWAHARA

January 17, 2007

Milton Arakawa, Director  
County of Maui  
Department of Public Works  
and Environmental Management  
200 South High Street  
Wailuku, Hawai'i 96793

SUBJECT: Special Management Area (SMA) Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort Villas Lot 3 Project at TMK 4-4-014:005 (por.), North Beach Subdivision, Ka'anapali, Maui, Hawai'i (SM1 2006/0018)

Dear Mr. Arakawa:

We are in receipt of your memo dated November 2, 2006 with your comments on the subject project. On behalf of our client, Starwood Vacation Ownership Pacific, Inc. (SVOP), we would like to offer the following responses.

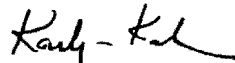
1. We acknowledge your comment with regards to the solid waste management plan.
2. We note your comment with regards to wastewater treatment capacity in West Maui. Please refer to Item 13. Since DPWEM has acknowledged that an allocation has been "set aside" for this project, through reservation by KDC (which was assigned to SVOP through Intrawest), SVOP assumes that DPWEM has, by oversight, included its "standard" comment that "system capacity cannot be assured until the issuance of the building permit.
3. Wastewater contribution calculations will be submitted prior to the building permit issuance.
4. We note your comment with regards to the wastewater assessment fees. Please note that SVOP has an allocation from the Kaanapali Development Corp. (KDC) portion of the wastewater treatment capacity as noted in your comment No. 13.
5. SVOP will provide any necessary off-site improvements for the project's wastewater infrastructure.

6. We note your comment with regards to the designation of a service manhole for the connection to the County sewer service. The project's civil engineer will insure that the manhole is designated on the project plans.
7. SVOP concurs with your comment and notes that it plans to install a dual irrigation system for the project. The reclaimed irrigation system will comply with State Department of Health rules and regulations.
8. SVOP acknowledges your comment with regards to the reclaimed water system.
9. We note your comment with regards to the requirements for commercial kitchens and pre-treatment requirements. The commercial kitchens at the subject project are being designed to comply with existing regulations.
10. We acknowledge your comment with regards to the disposal of non-contact cooling water and condensate. Said water will not be disposed of in the sewer system.
11. We concur with your comment on easements. The project plans will indicate ownership of easements.
12. We note your comment with regards to the Hold-Harmless agreement. Please note however, there is no subdivision action proposed for the project. Please let us know if a Hold-Harmless agreement will still be required.
13. A copy of the letters from Intrawest and KDC, the former owner of Lot 3, indicating the sewer capacity allocation for the project is attached as **Exhibit "A"**.
14. We note your comment with regards to the discussion of construction parking. We have forwarded your comments to the traffic engineer and will provide you with a figure indicating access point as well as impacts to existing traffic, under separate cover.
15. Your comments with regards to the graphics in the traffic report have been forwarded to the traffic engineer. Updated graphics will be submitted under separate cover.
16. We note your comment with regards to the building permit review for the project.

Milton Arakawa, Director  
January 17, 2007  
Page 3

We thank you for your comments and will look forward to the comments from the Engineering Division. Should you have any further questions, please do not hesitate to call me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:lh

Attachment

cc: Eric Crispin, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Jim Neely and Carlos Rivera, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Jim Dishinger, Starwood Vacation Ownership Pacific, Inc. (w/attachment)  
Rob Iopa, WCIT Architecture (w/attachment)  
Michael Fujita, Wilson Okamoto Corporation (w/attachment)  
Keith Niiya, Austin Tsutsumi & Associates, Inc. (w/attachment)  
John Rapacz, Esq. (w/attachment)  
Jeffrey S. Hunt, Department of Planning (w/attachment)

MAUI BEACH RESORT LIMITED PARTNERSHIP  
c/o Intrawest Resorts, Inc.  
221 Corporate Circle, Suite Q  
Golden, Colorado 80401

September 28, 2005

SVO Pacific, Inc.  
8803 Vistana Centre Drive  
Orlando, Florida 32821  
Attention: \_\_\_\_\_

Re: Assignment of Portion of Wastewater Allocation;  
Kaanapali North Beach, Lot 3 (TMK No. (2) 4-4-14:5)

Ladies and Gentlemen:

Pursuant to Section 3(c) of that certain Purchase and Sale Agreement effective as of September 12, 2005 by and between Maui Beach Resort Limited Partnership ("MBRLP") and SVO Pacific, Inc., a Florida corporation ("Assignee"), MBRLP hereby assigns to Assignee, as the owner of Kaanapali North Beach Lot 3 (TMK No. (2) 4-4-14:5) ("Lot 3"), any rights MBRLP may have under that certain letter agreement dated June 21, 2005, by and between Kaanapali Development Corp., a Hawaii corporation, and MBRLP, regarding the Assignment of Portion of Wastewater Allocation (the "Assignment of Wastewater Allocation"), and Assignee hereby assumes all of MBRLP's obligations under the Assignment of Wastewater Allocation.

Assignee acknowledges that MBRLP is not making any warranties, representations or assurances of any kind whatsoever, nor shall MBRLP have any liability, regarding such wastewater capacity.

By its countersignature below, Assignee hereby agrees to use such capacity for the benefit of Lot 3 only, and for no other purpose. Any portion of such allocation not needed by Assignee to develop Lot 3 shall belong to MBRLP's assignor, Kaanapali Development Corp.

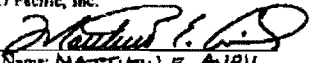
Very truly yours,

MAUI BEACH RESORT LIMITED PARTNERSHIP  
By: Northwest Maui Corporation  
Its General Partner

AGREED AND ACCEPTED:  
Date: \_\_\_\_\_, 2005

By \_\_\_\_\_  
Name:  
Title:

SVO Pacific, Inc:

By   
Name: MATTHEW E. AVRIL  
Title: SENIOR VICE PRESIDENT  
"Assignee"

"MBRLP"

MAUI BEACH RESORT LIMITED PARTNERSHIP  
c/o Intrawest Resorts, Inc.  
221 Corporate Circle, Suite Q  
Golden, Colorado 80401

September 28, 2005

SVO Pacific, Inc.  
8803 Vistana Centre Drive  
Orlando, Florida 32821  
Attention: \_\_\_\_\_

Re: Assignment of Portion of Wastewater Allocation;  
Kaanapali North Beach, Lot 3 (TMK No. (2) 4-4-14:5)

Ladies and Gentlemen:

Pursuant to Section 3(e) of that certain Purchase and Sale Agreement effective as of September 12, 2005 by and between Maui Beach Resort Limited Partnership ("MBRLP") and SVO Pacific, Inc., a Florida corporation ("Assignee"), MBRLP hereby assigns to Assignee, as the owner of Kaanapali North Beach Lot 3 (TMK No. (2) 4-4-14:5) ("Lot 3"), any rights MBRLP may have under that certain letter agreement dated June 21, 2005, by and between Kaanapali Development Corp., a Hawaii corporation, and MBRLP, regarding the Assignment of Portion of Wastewater Allocation (the "Assignment of Wastewater Allocation"), and Assignee hereby assumes all of MBRLP's obligations under the Assignment of Wastewater Allocation.

Assignee acknowledges that MBRLP is not making any warranties, representations or assurances of any kind whatsoever, nor shall MBRLP have any liability, regarding such wastewater capacity.

By its countersignature below, Assignee hereby agrees to use such capacity for the benefit of Lot 3 only, and for no other purpose. Any portion of such allocation not needed by Assignee to develop Lot 3 shall belong to MBRLP's assignor, Kaanapali Development Corp.

Very truly yours,

MAUI BEACH RESORT LIMITED PARTNERSHIP  
By: Northwest Maui Corporation  
Its General Partner

By Paul Woodward  
Name: Paul Woodward  
Title: Vice President

AGREED AND ACCEPTED:  
Date: \_\_\_\_\_, 2005

SVO Pacific, Inc.

By \_\_\_\_\_  
Name:  
Title:

"Assignee"

"MBRLP"

**KAANAPALI DEVELOPMENT CORP.**

10 Ho'ohui Road, Suite 305  
Lahaina, Hawaii 96761  
Phone: (808) 669-9650  
Fax: (808) 669-9658

June 21, 2005

Maui Beach Resort Limited Partnership  
c/o 1400-999 West Hastings Street  
Vancouver, V6C 2W2, Canada

Re: Assignment of Portion of Wastewater Allocation;  
Kaanapali North Beach, Lot 3 (TMK No. (2) 4-4-14:5)

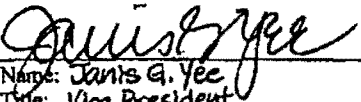
Ladies and Gentlemen:

Kaanapali Development Corp. ("KDC") hereby assigns to Maui Beach Resort Limited Partnership ("Assignee"), as the owner of Kaanapali North Beach Lot 3 (TMK No. (2) 4-4-14:5) ("Lot 3"), a portion of KDC's reserved wastewater capacity at the Lahaina Wastewater Treatment Plant in such amount as required by the County of Maui for Assignee's development on Lot 3 of 550 "Units" (defined below) or such lesser number of Units as shall be approved by appropriate governmental authorities for development on Lot 3. Such amount is estimated, as of the date hereof, to be 300 gallons per Unit per day, or 165,000 gallons per day for 550 Units. If the required amount is determined to be less than 300 gallons per day, Assignee shall notify KDC in writing, prior to any development of Lot 3, of the required amount and shall provide to KDC verification thereof from the County of Maui.

As used herein, the term "Unit" shall mean a single hotel room or suite hotel room, apartment unit, condominium unit, or dwelling of any kind; provided, however, that a single hotel room, apartment unit, condominium unit, or dwelling with a "lock-off" design (which is sometimes referred to as a "lock-off" unit or convertible apartment unit), but which the owner may use as two or more units, shall be counted as two Units.

By its countersignature below, Assignee hereby agrees to use such capacity for the benefit of Lot 3 only, and for no other purpose. Any portion of such allocation not needed by Assignee to develop Lot 3 shall belong to KDC.  
Very truly yours,

KAANAPALI DEVELOPMENT CORP.,  
a Hawaii corporation

By   
Name: Jants G. Yee  
Title: Vice President

"KDC"

Date: JUN 21 2005

AGREED AND ACCEPTED:

MAUI BEACH RESORT LIMITED  
PARTNERSHIP,  
a Delaware limited partnership

By Northwest Maui Corporation, a Delaware  
corporation  
Its General Partner

By \_\_\_\_\_  
Name:  
Title:

"Assignee"

Date: \_\_\_\_\_

KAANAPALI DEVELOPMENT CORP.  
10 Ho'ohui Road, Suite 305  
Lahaina, Hawaii 96761  
Phone: (808) 669-9650  
Fax: (808) 669-9658

June 21, 2005

Maui Beach Resort Limited Partnership  
c/o 1400-999 West Hastings Street  
Vancouver, V6C 2W2, Canada

Re: Assignment of Portion of Wastewater Allocation;  
Kaanapali North Beach, Lot 3 (TMK No. (2) 4-4-14:5)

Ladies and Gentlemen:

Kaanapali Development Corp. ("KDC") hereby assigns to Maui Beach Resort Limited Partnership ("Assignee"), as the owner of Kaanapali North Beach Lot 3 (TMK No. (2) 4-4-14:5) ("Lot 3"), a portion of KDC's reserved wastewater capacity at the Lahaina Wastewater Treatment Plant in such amount as required by the County of Maui for Assignee's development on Lot 3 of 550 "Units" (defined below) or such lesser number of Units as shall be approved by appropriate governmental authorities for development on Lot 3. Such amount is estimated, as of the date hereof, to be 300 gallons per Unit per day, or 165,000 gallons per day for 550 Units. If the required amount is determined to be less than 300 gallons per day, Assignee shall notify KDC in writing, prior to any development of Lot 3, of the required amount and shall provide to KDC verification thereof from the County of Maui.

As used herein, the term "Unit" shall mean a single hotel room or suite hotel room, apartment unit, condominium unit, or dwelling of any kind; provided, however, that a single hotel room, apartment unit, condominium unit, or dwelling with a "lock-off" design (which is sometimes referred to as a "lock-off" unit or convertible apartment unit), but which the owner may use as two or more units, shall be counted as two Units.

By its countersignature below, Assignee hereby agrees to use such capacity for the benefit of Lot 3 only, and for no other purpose. Any portion of such allocation not needed by Assignee to develop Lot 3 shall belong to KDC.

Very truly yours,

KAANAPALI DEVELOPMENT CORP.,  
a Hawaii corporation

By \_\_\_\_\_  
Name:  
Title:

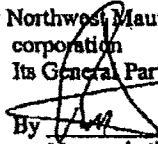
"KDC"

Date: \_\_\_\_\_

AGREED AND ACCEPTED:

MAUI BEACH RESORT LIMITED  
PARTNERSHIP,  
a Delaware limited partnership

By Northwest Maui Corporation, a Delaware  
corporation  
Its General Partner

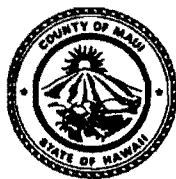
By   
Name: William B. Fox  
Title: Vice President

"Assignee"

Date: JUN 21 2005

AUG 06 2007

CHARMAINE TAVARES  
Mayor  
CHERYL K. OKUMA, Esq.  
Director  
GREGG KRESGE  
Deputy Director



TRACY TAKAMINE, P.E.  
Solid Waste Division  
DAVID TAYLOR, P.E.  
Wastewater Reclamation Division

**COUNTY OF MAUI  
DEPARTMENT OF  
ENVIRONMENTAL MANAGEMENT**  
2200 MAIN STREET, SUITE 175  
WAILUKU, MAUI, HAWAII 96793

August 1, 2007

Ms. Karlynn Kawahara  
Munekiyo & Hiraga, Inc.  
305 High Street Suite 104  
Wailuku, HI 96793

Dear Ms. Kawahara,

**SUBJECT: PROPOSED WESTIN KAAPALI OCEAN RESORT VILLAS  
NORTH BEACH SUBDIVISION - LOT 3  
TMK (2) 4-4-014:005**

The County of Maui Wastewater Reclamation Division (WWRD) has reviewed the sewer allocation submittal discussed at our meeting on July 27, 2007 for the subject project. Our planning staff has reviewed our files and the documentation submitted and determined that it is unable to grant an allocation at this time.

While WWRD acknowledges that there appears to be an existing private agreement between Kaanapali Development Corporation and the former purchasers of the parcel, WWRD has not reviewed or approved any wastewater discharge calculations or construction plans for the actual project to determine the required allocation volume. Upon submittal of these items we will begin our review process. Upon approval of the submitted calculations and prior to the issuance of a building permit we will request a letter from Kaanapali Development Corp. verifying that they will allocate the amount required. At permit issuance the actual capacity allocation will be recorded.

If you have any further question please contact Scott Rollins or Arnold Abe in our planning section at 270-7417.

Sincerely,

A handwritten signature in black ink, appearing to read "David Taylor".

David Taylor, Chief  
Wastewater Reclamation Division

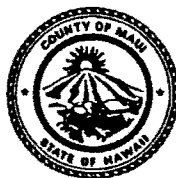
DT:sr( North Beach Lot 3 allocation PC7043)

EXHIBIT 13



SEP 07 2007

CHARMAINE TAVARES  
Mayor  
CHERYL K. OKUMA, Esq.  
Director  
GREGG KRESGE  
Deputy Director



TRACY TAKAMINE, P.E.  
Solid Waste Division  
DAVID TAYLOR, P.E.  
Wastewater Reclamation Division

**COUNTY OF MAUI  
DEPARTMENT OF  
ENVIRONMENTAL MANAGEMENT**  
2200 MAIN STREET, SUITE 175  
WAILUKU, MAUI, HAWAII 96793

September 5, 2007

Ms. Karlynn Kawahara  
Munekiyo & Hiraga, Inc.  
305 High Street Suite 104  
Wailuku, HI 96793

Dear Ms. Kawahara,

**SUBJECT: PROPOSED WESTIN KAAPALI OCEAN RESORT VILLAS  
NORTH BEACH SUBDIVISION - LOT 3  
SEWER ALLOCATION  
TMK (2) 4-4-014:005**

The County of Maui Wastewater Reclamation Division (WWRD) has further reviewed the sewer allocation requirements of the subject project and offers the following to clarify its letter of August 1, 2007.

Based on the June 21, 2005 agreement between Kaanapali Development Corporation (KDC) and the former owners of Lot 3 (Intrawest), it appears that KDC assigned to Intrawest an allocation of up to 165,000 gallons per day of KDC's reserve wastewater capacity at the Lahaina Wastewater Reclamation Facility (WWRF). When Starwood Vacation Ownership Pacific, Inc. (SVOP) purchased Lot 3, it also appears that Intrawest reassigned (by agreement of September 28, 2005) that wastewater allocation to SVOP.

This allocation amount is currently well within KDC's remaining reserve capacity. WWRD intends to grant the wastewater allocation (up to 165,000 gallons per day) upon SVOP's application for building permits (which will include wastewater discharge calculations) and upon confirmation by KDC of the assignment of capacity. WWRD will record the actual capacity allocation at the time of building permit issuance.

If you have any further question please contact Scott Rollins or Arnold Abe in our planning section at 270-7417.

Sincerely,

A handwritten signature in black ink, appearing to read "David Taylor".

David Taylor, Chief  
Wastewater Reclamation Division

FROM :

FAX NO. : 8082701775

Nov. 28 2006 09:40AM P1

ALAN M. ARAKAWA  
MAYOR



CARL M. KAUPALOLO  
CHIEF

NEAL A. BAL  
DEPUTY CHIEF

**COUNTY OF MAUI**  
**DEPARTMENT OF FIRE AND PUBLIC SAFETY**

200 DAIRY ROAD  
KAHULUI, MAUI, HAWAII 96732  
(808) 270-7561  
FAX (808) 270-7919

November 24, 2006

Ms. Colleen M. Suyama, Staff Planner  
Department of Planning  
250 South High Street  
Waiuku, Hawaii 96793

**Subject: Westin Kaanapali Ocean Resort Villas Lot 3, SM1 2006/0018**  
**TMK (2)4-4-014:005**

Dear Ms. Suyama,

Thank you for the opportunity to comment on the proposed application. As usual, we will take a detailed look at the project during the building permit process. Only at that time do we see details of the buildings proposed and related fire protection equipment.

We also are aware that an agreement with the Lot 4 project has been reached concerning the sharing of the roadway access. At this time, it appears adequate since there will also be access directly on to Honoapiilani Hwy.

Please feel free to contact Lt. Scott English at 270-7122 if there are any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Valeriano F. Martin".

Valeriano F. Martin  
Captain  
Fire Prevention Bureau

NOV 27 10:21:15  
COUNTY OF MAUI  
DEPARTMENT OF FIRE AND PUBLIC SAFETY



DEPARTMENT OF  
**HOUSING AND HUMAN CONCERNS**  
COUNTY OF MAUI

CHARMAINE TAVARES  
Mayor  
HERMAN T. ANDAYA  
Acting Director

200 SOUTH HIGH STREET • WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX (808) 270-7165

January 17, 2007

07 JAN 18 P3:32  
DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

**TO:** Colleen Suyama, Deputy Director  
Department of Planning

**FROM:** Herman Andaya, Acting Director *AB*  
Department of Housing and Human Concerns

**SUBJECT:** I.D.: SM1 2006/0018  
TMK: (2) 4-4-014:005  
Project Name: Westin Kaanapali Ocean Resort Villas (Lot 3)  
Applicant: SVO Pacific, Inc.

Please be advised that the applicant has entered into an affordable housing agreement and escrow agreement with the County of Maui for the subject project. Attached for your use is a copy of the October 17, 2006 agreement.

Thank you for the opportunity to comment.

Attachment

c: Housing Administrator

**AFFORDABLE HOUSING AGREEMENT AND ESCROW AGREEMENT FOR  
THE WESTIN KAAPALI OCEAN RESORT VILLAS LOT 3  
(Ver. 10/10/06)**

THIS AGREEMENT REGARDING AFFORDABLE HOUSING ("Agreement") is made and entered into on October 17, 2006, by SVO PACIFIC, INC. ("SVOP"), a Florida corporation, the address of which is 8801 Vistana Center Drive, Suite 140, Orlando, Florida 32821; the COUNTY OF MAUI, a political subdivision of the State of Hawaii ("COUNTY"), the address of which is 200 South High Street, Wailuku, Maui, Hawaii 96793; and HAWAII RESORT ESCROW, INC., a corporation organized under the laws of the State of Hawaii, whose address is 810 Richards Street, Suite 770, Honolulu, Hawaii 96813 ("Escrow Agent"), all of which are hereinafter collectively referred to as the "Parties".

**RECITALS:**

A. In July 2006, SVOP filed an Application for Special Management Area Use Permit ("SVOP SMA") for a 390-unit expansion of the Westin Kaanapali Ocean Resort Villas and related improvements on Lot 3 of the North Beach Subdivision ("SVOP Project"). SVOP anticipates Maui Planning Commission approval of the SVOP SMA, subject to a Condition, which will require that SVOP enter into an Affordable Housing Agreement with and to the satisfaction of the Department of Housing and Human Concerns.

B. By this Agreement, SVOP and the County desire to memorialize, ratify and implement their agreement regarding the satisfaction of certain affordable housing requirements imposed on or affecting certain land which is owned by SVOP, and is more particularly described as that certain parcel of land comprising approximately 26.692 acres and identified as Tax Map Key No. (2) 4-4-14: 05, which parcel constitutes Lot 3 ("Lot 3") of the approximately 96-acre parcel of land at Kaanapali known as the "NORTH BEACH SUBDIVISION" ("NORTH BEACH SUBDIVISION"), located approximately as shown on the map attached hereto as Exhibit A and made a part hereof.

C. Pursuant to Planning Director's Reports dated May 24, 1988 and July 19, 1988 and Supplemental Director's Report dated July 19, 1988, which were collectively adopted by the County's Planning Commission ("PLANNING COMMISSION") at its meeting on July 19, 1988 as its Findings of Fact, Conclusions of Law, Decision and Order ("NORTH BEACH SMA"), the County, through its Planning Commission, granted a special management area use permit and a shoreline setback variance for the North Beach Subdivision, subject to (among other conditions) the preparation and acceptance of an Employee Housing Plan, as expressed in Condition No. 17 ("EMPLOYEE HOUSING CONDITION") of the Supplemental Director's Report. In accordance with the Employee Housing Condition, the Applicant therein (an affiliate of Amfac Property Development Corp.) submitted the Kaanapali North Beach Employee Housing Concept Plan, which was approved by the County, through its Planning Commission, on December 10, 1996, and which was revised and resubmitted to the Planning Commission in January 1998 ("EMPLOYEE HOUSING PLAN"), a copy of which is attached hereto as Exhibit B and made a part hereof. The Employee Housing Condition provides that the Employee Housing Plan shall be coordinated with the plans of the State of Hawaii's Housing and Community Development Corporation of Hawaii ("HCDCH", formerly known as the Housing Finance and Development Corporation).

D. The Employee Housing Plan acknowledges the obligation of the developer of the North Beach Subdivision to provide employee housing or reasonable alternatives. Objective No. 5 of the Employee

Housing Plan provides that "[t]o the extent practicable, employee housing shall be priced in keeping with current housing affordability guidelines established by the County." The implementing principle/standard for Objective No. 5 of the Employee Housing Plan states:

In coordination with the County of Maui Planning Department and Department of Housing and Human Concerns, periodically review and update the Employee Concept Plan for the North Beach Subdivision. Alternative means of contribution shall be considered to include self-help housing lots or other alternatives, as approved by the Department of Housing and Human Concerns.

E. Pursuant to a letter dated January 3, 2003, attached hereto as Exhibit C and made a part hereof, the County's Department of Housing and Human Concerns ("DHHC") confirmed that the Employee Housing Condition of the North Beach SMA and the Employee Housing Plan applies to the SVOP (referred to therein as "Starwood Vacation Ownership") Project on Lot 2 of the North Beach Subdivision, and that the SVOP project is not subject to Maui County Code Chapter 2.94.

F. Pursuant to the Employee Housing Plan and the County's current housing policy, and considering the anticipated density of the SVOP Project at 390 units (with no "lock-offs), the County has required that SVOP make available a maximum of 65 Affordable Housing Units (as defined below) or reasonable alternatives ("ORIGINAL AFFORDABLE HOUSING REQUIREMENT"). SVOP and the County have agreed to a "reasonable alternative", pursuant to which SVOP will contribute \$2,600,000 based on 65 Affordable Housing Units x \$40,000 per unit ("SVOP PAYMENT"), which will be applied to the purchase of Affordable Housing Units as set forth in further detail below ("SVOP AFFORDABLE HOUSING REQUIREMENT").

G. SVOP and the County intend that SVOP will fully satisfy the SVOP Affordable Housing Requirement by depositing the SVOP Payment with Escrow Agent for disbursement at the County's direction as set forth in this Agreement, which disbursement shall not occur until after the lapse of the 30-day appeal period (without appeal being filed) following the Planning Commission's issuance of its written Final Decision and Order on the SVOP SMA.

H. SVOP and the County will execute this agreement, and place \$2,600,000 in escrow prior to the Maui Planning Commission's anticipated approval of the SVOP SMA. Therefore, the parties intend that Escrow Agent will not release any funds from escrow until after the lapse of the 30-day appeal period (without appeal being filed) following the Planning Commission's issuance of its written Final Decision and Order on the SVOP SMA (or, if an appeal is filed, upon any later issuance of the SVOP SMA). If the Planning Commission denies the SVOP SMA; approves the SVOP SMA for fewer than 390 units; or imposes any additional conditions or requirements related to affordable housing, then Escrow Agent will return all funds if the SVOP SMA is denied, or a portion of funds reduced in direct portion to any reduced number of approved units, or to the cost of satisfying any additional affordable housing-related conditions or requirements.

#### AGREEMENT:

In consideration of the Recitals set forth above, and other good and valuable consideration, the receipt

and sufficiency of which are hereby acknowledged, SVOP, Escrow Agent and the County hereby covenant and agree as follows:

1. Confirmation of Recitals. The Recitals set forth above are true and correct and are incorporated herein by this reference.

2. SVOP Payment. The SVOP Payment set forth herein, shall be and is hereby accepted by the County as full satisfaction of the Original Affordable Housing Requirement and the SVOP Affordable Housing Requirement (i.e., the Employee Housing Condition and of all remaining obligations under or pursuant to the Employee Housing Plan, as they may apply to and affect the SVOP Project). The County shall not otherwise require the satisfaction of the Employee Housing Condition, or any other or further employee or affordable housing obligations under or pursuant to the Employee Housing Plan, the North Beach SMA and/or the SVOP SMA, and Chapter 2.94 of the Maui County Code, as a condition to or in connection with the development and/or use permits, approvals or authorizations relating to development of the SVOP Project. It is the specific intent of this Agreement that following the deposit of the SVOP Payment with the Escrow Agent, that the County shall not impose on SVOP or the SVOP Project, any future affordable housing or employee housing obligations. The County hereby agrees that SVOP's compliance with its obligations under this Agreement shall constitute and is hereby accepted in full satisfaction of any and all such conditions or requirements of any kind.

3. Confirmation of SVOP Payment as Reasonable Alternative. Following the deposit of the SVOP Payment with Escrow Agent as herein provided, and upon the lapse of the 30-day appeal period (without appeal being filed) following the Planning Commission's issuance of its written Final Decision and Order on the SVOP SMA (or, if an appeal is filed, upon any later issuance of the SVOP SMA), SVOP will receive credit for, and shall have fully satisfied its Original Affordable Housing Requirement and the SVOP Affordable Housing Requirement by means of a reasonable alternative to the actual provision of those units which is acceptable to the County.

4. Escrow Agent's Acceptance. Escrow Agent hereby agrees to hold and disburse the SVOP Payment received from SVOP to the County pursuant to and in accordance with the terms and provisions contained in this Agreement.

5. Deposit of SVOP Payment to Escrow Agent. SVOP shall deliver to Escrow Agent within fifteen (15) days after the Effective Date of this Agreement the SVOP Payment, being the sum of TWO MILLION, SIX-HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,600,000.00) which represents the agreed upon payment to satisfy the Original Affordable Housing Requirement and the SVOP Affordable Housing Requirement with the County as it applies to and affects the SVOP Project.

6. Receipt and Deposit of SVOP Payment by Escrow Agent. The SVOP Payment to be held under this Agreement by Escrow Agent shall be deposited by Escrow Agent in an interest-bearing account (the "County Housing Escrow Account") with one or more federally insured banks or savings and loan associations authorized to do business in Hawaii, selected by the County and located in Maui, Hawaii and/or Honolulu, Hawaii. Such SVOP Payment shall be deposited according to instructions from the County at prevailing interest rates, and all interest earned thereon shall be credited to the account of the County. The County shall have the right to determine from such financial institutions at any time the status of the funds held in such County Housing Escrow Account. Escrow Agent shall be relieved of liability with respect to any investment losses on the County Housing Escrow Account during the time the SVOP Payment is invested in

accordance with investment instructions from the County. The County's federal tax identification number for purposes of any interest earned on the County Housing Escrow Account is 99-6000618.

7. Disbursements from County Housing Escrow Account. Disbursements of the funds by Escrow Agent in the County Housing Escrow Account shall be made from time to time, as follows:

a. County shall make no request for disbursement, until after the lapse of the 30-day appeal period (without appeal being filed) following the Planning Commission's issuance of its written Final Decision and Order on the SVOP SMA, (or, if an appeal is filed, upon any later issuance of the SVOP SMA).

b. From time to time Escrow Agent shall make disbursements from the County Housing Escrow Account within two (2) business days after Escrow Agent's receipt from the County of a certificate of disbursement in the form attached hereto as Exhibit D and made a part hereof (a "Certificate of Disbursement") duly signed by the Director of DHHC of the County and/or the Mayor of the County, and provided that sufficient funds remain in said County Housing Escrow Account to make such payments. Escrow Agent shall withdraw funds from said County Housing Escrow Account in an amount sufficient to make such disbursement in the appropriate sums directly to the payee or payees specified in any such Certificate for Disbursement. SVOP shall have no obligation or authority to review or approve any such Certificate of Disbursement.

c. At the end of each calendar quarter during the term of this Agreement, Escrow Agent shall be entitled to withdraw a sufficient amount from the County Housing Escrow Account to pay any escrow fees and charges due to Escrow Agent for the performance of its duties under this Agreement during such calendar quarter.

8. Protection of Escrow Agent; Indemnity of Escrow Agent. Escrow Agent shall not be responsible for the validity or sufficiency of any Certificate for Disbursement or other document received by it and shall be entitled for all purposes to assume that all Certificates for Disbursement or other document have been duly signed by the persons whose signatures purport to be thereon. If any dispute or difference arises between SVOP and the County or if any conflicting demand shall be made upon Escrow Agent, Escrow Agent shall not be required to determine the same or take any action in the matter; but Escrow Agent may await settlement of the controversy by final appropriate legal proceedings or otherwise as it may require, or Escrow Agent may file a suit in interpleader in the Circuit Court of the Second Circuit, State of Hawaii, for the purpose of having the respective rights of the parties adjudicated and may deposit with the Court any and all monies held hereunder. Upon institution of such interpleader suit or other action, depositing such money with the Court and giving notice of such action to the parties involved either by personal service, or in accordance with the Order of the Court, Escrow Agent shall be fully released and discharged from all further obligations hereunder with respect to the monies so deposited.

Escrow Agent shall be under no obligation or liability for failure to inform SVOP or the County regarding any transaction or facts within the knowledge of Escrow Agent even though said facts concern the properties or matters described herein, provided such facts do not prevent compliance by Escrow Agent with these instructions, nor shall Escrow Agent be liable for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited, nor as to the identity, authority, or rights of any person executing any of the same. The liability of Escrow Agent hereunder shall be confined to the things specifically provided for in the written instructions in this Agreement and Escrow Agent shall be entitled to rely upon the advice of competent legal counsel concerning any question of construction of this Agreement.

and the execution of Escrow Agent's duties hereunder. SVOP hereby agrees to pay to Escrow Agent on demand and to indemnify and hold Escrow Agent harmless from and against all costs, damages, judgments, attorneys' fees, expenses, obligations, and liabilities of every kind and nature reasonably suffered or incurred in connection with or arising out of this Agreement, including, but not limited to, all costs and expenses incurred in connection with the interpretation of this Agreement, or with respect to any interpleader or other proceeding. SVOP and the County agree that any sums payable to Escrow Agent hereunder may be deducted from the monies held hereunder prior to any payment thereof. Notwithstanding anything herein to the contrary, SVOP and the County will not indemnify Escrow Agent against any costs, damages, judgments, attorneys' fees, expenses, obligations, or liabilities which Escrow Agent suffers or incurs as a result of the negligence or misconduct of Escrow Agent.

9. Compensation of Escrow Agent. As Escrow Agent's compensation for its performance under this Agreement, Escrow Agent shall be paid \$2500, plus the applicable Hawaii general excise tax thereon, as an Escrow Agent set-up fee and for all disbursements made under and pursuant to this Agreement through the close-out of the County Housing Escrow Account. All fees and costs of Escrow Agent shall be paid from the funds held by Escrow Agent in the County Housing Escrow Account, unless such funds are insufficient for that purpose in which event the same shall be paid by SVOP.

10. County Confirmation. The County hereby confirms that its acceptance of the deposit of the SVOP Payment into the County Housing Escrow Account with Escrow Agent pursuant to this Agreement, and the lapse of the 30-day appeal period (without appeal being filed) following the Planning Commission's issuance of its written Final Decision and Order on the SVOP SMA (or, if an appeal is filed, upon any later issuance of the SVOP SMA) shall be full and complete satisfaction of the Original Affordable Housing Requirement and the SVOP Affordable Housing Requirement and confirms that the County's acceptance is not inconsistent with the rules, regulations and ordinances and policies of the County and its Department of Housing and Human Concerns relating to the implementation of the Employee Housing Condition and the Employee Housing Plan.

11. Consents and Approvals. Whenever under this Agreement the consent, waiver or approval of any party is required or permitted, such consent, waiver or approval shall be evidenced by a writing signed by such party and shall not be unreasonably withheld or delayed. Consent, waiver or approval by the County shall mean the consent to, or waiver, or approval of the Mayor and/or the Director of the DHHC of the County. No consent or waiver, express or implied, by SVOP or the County to or of any breach or default by the other party in the performance of the obligations hereunder shall be construed to be a consent or waiver to or of any other or further breach or default. Failure on the part of SVOP or the County to complain of any default by the other party, irrespective of the duration of such failure, shall not constitute a waiver by such party of any of its rights hereunder.

12. Notices. All notices, demands, requests, consent, approvals, or other communications ("notices") required or permitted to be given under this Agreement or which are given with respect to this Agreement shall be in writing and shall be delivered personally or sent either by facsimile transmission, by registered or certified mail, return receipt requested, postage prepaid, or by any other method, upon signature for receipt, addressed to the party to be notified at the following address, or to such other address as the party to be notified shall have specified most recently by like notice:

If to SVOP, then to: SVO Pacific, Inc.  
8801 Vistana Centre Drive



Orlando, Florida 32821  
Attention: Victoria H. Carter  
Fax No.: (407) 239-3016

With copies to: Starwood Vacation Ownership, Inc.  
8801 Vistana Centre Dr.  
Suite 2100  
Orlando, Florida 32821  
Attention: Senior Vice President & General Counsel  
Fax No.: (407) 239-3016

If to Escrow Agent,  
then to: Hawaii Resort Escrow, Inc.  
c/o International Escrow Services, Inc.  
Attn: Brenda Daniels, President  
5505 Interstate North Parkway, Suite 100  
Atlanta, GA 30328  
Fax No.: (404) 954-9888

With a copy to: Hawaii Resort Escrow, Inc.  
c/o International Escrow Services, Inc.  
Attn: Leo Rose, III, Esq., Vice President  
1600 Candler Building  
127 Peachtree Street, NE  
Atlanta, GA 30303-1845  
Fax No.: (404) 681-1046

If to the County,  
then to: Mayor, County of Maui  
200 South High Street  
Wailuku, Maui, HI 96793  
Fax No.: (808) 270-7870

With copies to: Director of Housing and Human Concerns  
County of Maui  
200 South High Street  
Wailuku, HI 96793  
Fax No.: (808) 270-7165

-and-

Planning Director  
County of Maui  
250 South High Street  
Wailuku, HI 96793  
Fax No.: (808) 270-7634

Notices given as provided in this section shall be deemed given on delivery if by personal delivery, or facsimile transmission, or on the third business day following the mailing thereof if by mail.

13. No Partnership or Joint Venture. Nothing contained in this Agreement shall constitute, or be construed to constitute or create, a partnership, joint venture, or lease by and between the Parties.

14. Binding Effect. Subject to the limitations on transferability contained herein, each and all of the covenants, terms, and provisions contained herein shall be binding upon SVOP and their successors and assigns. SVOP may, without prior written consent or approval of the County, assign the benefits, obligations, covenants, representations, and burdens contained in this Agreement to a wholly-owned subsidiary or an affiliate of SVOP (an affiliate shall be an entity in which SVOP, or its parent corporation owns more than 50 percent (50%) of the voting rights), which subsidiary or affiliate shall assume and thereafter be responsible to perform each and every covenant, obligation, representation, and burden to be observed and performed by SVOP as set forth in this Agreement. SVOP shall notify the County of its intent not less than thirty (30) days prior to the effective date of any assignment of the benefits, obligations, covenants, representations and burdens contained in the Agreement. Such notification shall include a description of the assignment and the name, mailing address and telephone number of the assignee.

15. Recordation of Short Form Memorandum of Agreement. This Agreement shall not be recorded with the Bureau of Conveyances, State of Hawaii (the "Bureau"). However, within thirty (30) days after the Effective Date of this Agreement, SVOP and the County shall execute and record in the Bureau a short form memorandum of this Agreement in the form attached hereto as Exhibit E and made a part hereof (the "Short Form Memorandum"). The County and SVOP shall execute and record an appropriate instrument terminating and canceling the Short Form Memorandum upon the deposit of the SVOP Payment with the Escrow Agent.

16. Satisfaction and Release of SVOP Affordable Housing Requirement. After deposit of the SVOP Payment with Escrow Agent, and upon the lapse of the 30-day appeal period (without appeal being filed) following the Planning Commission's issuance of its written Final Decision and Order on the SVOP SMA (or, if an appeal is filed, upon any later issuance of the SVOP SMA), SVOP will receive credit for the provision of 65 Affordable Housing Units, and the County will promptly execute and deliver to SVOP a Satisfaction of and Release of the SVOP Affordable Housing Requirement.

17. No Third Party Beneficiaries. This Agreement is made exclusively for the benefit of SVOP and the County, and no other persons or entity shall acquire any rights, powers, privileges, remedies, or claims thereby.

18. Amendment. This Agreement, or any provision thereof, may not be modified, altered or changed except by an instrument in writing signed by both SVOP and the County.

19. Remedies Not Exclusive. The Parties agree that each Party has the right to enforce or prosecute any breach of the terms of this Agreement by any other Party, or their respective successors or assigns. Except as otherwise specifically set forth herein, any remedies herein provided for breaches of obligations hereunder shall not be exclusive, and shall not impair the right of any Party to exercise any other right or remedy it may have, whether for damages, injunction or otherwise.

20. Attorneys' Fees. In the event that any Party brings an action or proceeding against any other

Party to enforce or to prevent the breach of any provision of this Agreement or for damages by reason of any breach of this Agreement, or for any other judicial or administrative remedy, then the prevailing party shall be entitled to be reimbursed by the non-prevailing party for all costs and expenses incurred in connection therewith, including, but not limited to, reasonable attorneys' fees and costs.

21. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

22. Captions. Section titles or captions contained in this Agreement are inserted as a matter of convenience and for reference and do not define, limit, extend or describe the scope of this Agreement or the intent of any provision thereof.

23. Identification. Whenever required by the context in which it is used, any pronoun shall include both the singular and plural, and any gender shall include the masculine, the feminine, and the neuter genders.

24. Neither Party Deemed Drafter. The Parties agree that none of the Parties shall be deemed the drafter of this Agreement, and further, that if this Agreement is ever construed by a court of law, such court shall not construe this Agreement or any provision thereof against any party as the drafter of this Agreement.

25. Effective Date. The effective date of this Agreement shall be the date on which the last of the Parties signs this Agreement.

26. Counterparts. This Agreement may be executed in one or more counterparts. It shall be fully executed when each party whose signature is required has signed at least one counterpart even though no one counterpart contains the signature of all of the Parties. Each executed counterpart shall be deemed an original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, SVOP and the County have executed this Agreement the day and year first above written.

SVOP:

SVO PACIFIC, INC.

By   
Its Sergio D. Rivera  
Senior Vice President

Date 10/13/06

Escrow Agent:

HAWAII RESORT ESCROW, INC.


By \_\_\_\_\_

Its \_\_\_\_\_

Date 10/16/06

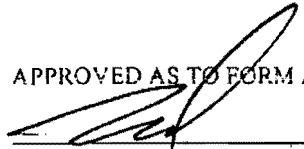
County:

COUNTY OF MAUI

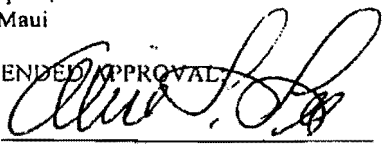
By   
Name: ALAN M. ARAKAWA  
Title: Mayor

Date \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

  
Deputy Corporation Counsel  
County of Maui

RECOMMENDED APPROVAL:

  
Alice L. Lee, Director  
Department of Housing and Human Concerns

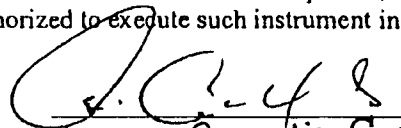
STATE OF \_\_\_\_\_ )  
: SS.  
COUNTY OF \_\_\_\_\_ )

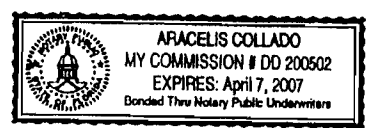
On this \_\_\_\_ day of \_\_\_\_\_, 2006, before me appeared \_\_\_\_\_, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of Hawaii  
My commission expires:

STATE OF Florida )  
: SS.  
COUNTY OF Orange )

On this 13<sup>th</sup> day of October, 2006, before me appeared Sergio Rivera, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

  
\_\_\_\_\_  
Name: Aracelis Collado  
Notary Public, State of Florida  
My commission expires: 04/07/07



STATE OF HAWAII            )  
  : SS.  
COUNTY OF MAUI            )

On this 17<sup>th</sup> day of October, 2006, before me appeared ALAN M. ARAKAWA, to me personally known, who being by me duly sworn did say that hē is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 9-18 of the Charter of the County of Maui; and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Kelii P. Nahookana  
Name: Kelii P. Nahookana  
Notary Public, State of Hawaii  
My commission expires: 4/30/10

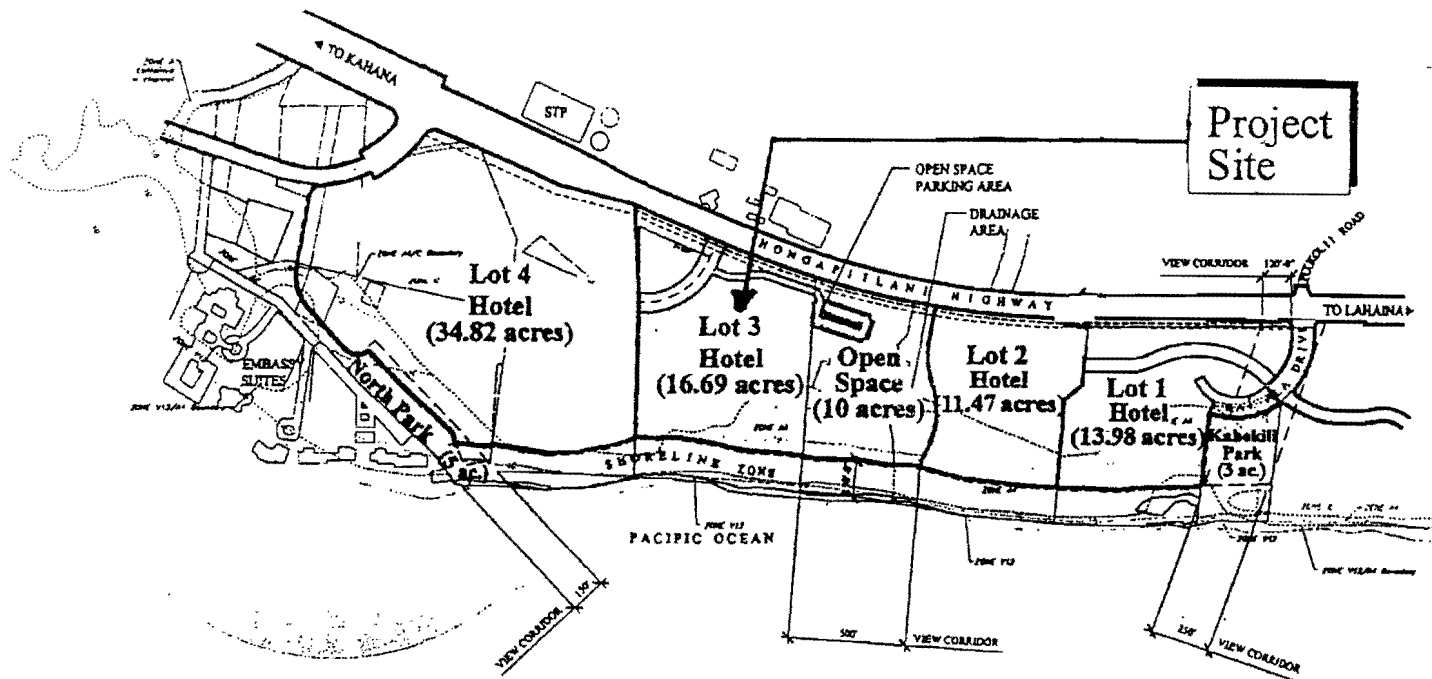
L.S.

## EXHIBITS

- A. ("NORTH BEACH SUBDIVISION"), located approximately as shown on the map attached as Exhibit A to this Agreement.
- B. 1998 ("EMPLOYEE HOUSING PLAN"), a copy of which is attached as Exhibit B.
- C. Letter dated January 3, 2003, attached hereto as Exhibit C, the County's Department of Housing and Human Concerns ("DHHC") confirmed that the Employee Housing Condition of the North Beach SMA applies to the SVOP Project on Lot 2 of the North Beach Subdivision, and that the SVOP Project is not subject to Maui County Code Chapter 2.94.
- D. Form of Certificate of Disbursement attached hereto as Exhibit D.
- E. Form of Short Form Memorandum of Agreement attached hereto as Exhibit E.

EXHIBIT A  
North Beach Subdivision Map





NOTE: Lot areas are approximate.

Exhibit "A"

EXHIBIT B  
Employee Housing Plan

This document available in the Planning Dept. upon request.

AUG 21 2007



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICK" HIRANO  
KARLENN KAWAHARA  
MARK ALEXANDER BOY

07/25/09

June 22, 2007

'07 JUN 22 P3:35

DEPT OF PLANNING  
COUNTY OF MAUI

Thorne Abbott, Planner  
Department of Planning  
250 South High Street  
Wailuku, Hawai'i 96793

**SUBJECT: Shoreline Setback Approval for the Proposed Westin Ka'anapali Ocean Resort Villas Beach Walk and Landscape Improvements for Lot 3, Located at TMK 4-4-014:005, Ka'anapali, Lahaina, Maui, Hawai'i (SSA206/0018)**

Dear Mr. Abbott:

Pursuant to our phone conversation on May 16, 2007 regarding the subject project, it is our understanding that the Shoreline Setback Approval (SSA), granted on December 20, 2006 for the proposed Westin Ka'anapali Ocean Resort Villas Beach Walk and Landscape improvements, applies to the entire beach walk, dune crossings and landscape activities proposed for the Starwood Ka'anapali Ocean Resort Lot 3 project. A SSA application was filed in July 2006, which covered the beach walk, dune crossings and landscape improvements in Lot 1, Lot 2 and the open space recreational park portion of Lot 3. A separate SSA application was also filed with the Special Management Area (SMA) Use Permit application for the proposed Westin Ka'anapali Ocean Resort Villas project (improved portion) of Lot 3, in July 2006. However, due to the similar nature of the beach walk, dune crossings and landscape activities proposed for the improved portion of the Lot 3 project, the Planning Department (Department) has determined that the previous SSA approval is valid for the entire project and is subject to the same conditions noted in the December 2006 approval. A copy of the December 2006 approval is attached as Exhibit "A".

Further, as discussed in our telephone conference, we note that the SSA approval Condition No. 4 requires, "...low impact and low rise post-and-rail and sand fencing be installed to prevent the public from crossing the dune at inappropriate locations or from walking upon the dune crest." It is our understanding that this condition may address the Department's concern of limiting public access across the dunes to the dune crossings to provide protection for the dune. The applicant, Starwood Vacation Ownership Pacific, Inc. (SVOP), will comply with all conditions of the SSA approval for its shoreline setback improvements for Lot 1, Lot 2 and Lot 3. Carlos Rivera of SVOP met with Zoe Norcross-

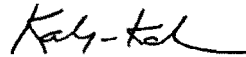
environment  
planning  
government  
JUN 17 2007

Thorne Abbott, Planner  
June 22, 2007  
Page 2

Nu`u of University of Hawai`i Sea Grant on June 18, 2007, to discuss improvements for the dune. SVOP will work with Ms. Norcross-Nu`u in the implementation of dune protection.

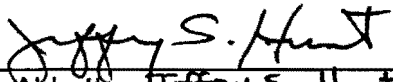
Should you concur with this conclusion, that the SSA approval applies to the entire Lot 3 project, please sign and date our letter below and kindly return it to our office in the enclosed, self-addressed envelope. Should you have any questions, please do not hesitate to call me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

I concur that SSA 2006/0018 applies to the entire Lot 3 project within the Ka`anapali North Beach Subdivision (TMK 4-4-014:005).

---

~~Thorne Abbott~~ Jeffrey S. Hunt

7-25-07  
Date

KK:tn

Attachment

cc: Eric Crispin, SVO Pacific, Inc. (w/attachment)  
Jim Neely and Carlos Rivera, SVO Pacific, Inc. (w/attachment)  
Tom Sunnarborg, SVO Pacific, Inc. (w/attachment)  
Rob Iopa, WCIT Architecture (w/attachment)  
John Rapacz, Esq. (w/attachment)

117

# Lahaina Bypass.com

March 16, 2007

Eric Crispin  
Starwood Vacation Ownership  
2155 Kalakaua Ave. Ste. 300  
Honolulu, HI 96815

Aloha Eric,

The West Maui Commuter Needs Survey resulted in a final report with specific recommendations for steps that employers can take to help ease the stress of commuting on their employees. The survey was developed as the result of an initiative by human resource managers at West Maui resorts concerned about the effects of daily commuting on their employees.

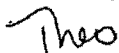
I am pleased to send you the final report with recommendations, written by the Colorado-based transportation planning firm Charlier Associates. As well as the recommendations for employers, the report contains specific recommendations on how to increase public transit use (p. 8) and carpooling (p. 16).

Starwood Vacation Ownership participated in the survey and had more than 20 respondents, so the back section of the enclosed report includes company-specific data for your company.

Lahaina Bypass Now is meeting with Maui Bus and Vanpool Hawaii officials as well as other key stakeholders to review and hopefully implement the recommendations in the report that will help address some of the traffic issues for commuters. We would like to keep in touch with you regarding in particular the employer-based strategies proposed in the report.

Thank you again for your participation in the West Maui Commuter Needs Survey.

Sincerely,



Theo Morrison  
Executive Director

# Lahaina Bypass.com

***Let's get it built!***

July 13, 2007

Mr. Eric Crispin  
Vice President – Development  
Starwood Vacation Ownership  
2155 Kalakaua Ave. Suite 300  
Honolulu, HI 96815

Dear Mr. Crispin,

Lahaina Bypass Now (LBN), a non-profit community organization in West Maui, supports Starwood's designation of \$1.6 million in Voluntary Contribution in Lieu of Traffic Impact Fees to Phase 1-C of the Lahaina Bypass.

LBN actively supports a regional transportation system for West Maui that includes a network of roads, increased public transit, biking paths, walking trails, and the completion of the Lahaina Bypass.

Sincerely,



Theo Morrison  
Executive Director



MICHAEL T. MUNEKIYO  
GWEN OHASHI HIRAGA  
MITSURU "MICH" HIRANO  
KARLYNN KAWAHARA  
MARK ALEXANDER ROY

July 27, 2007

Jeffrey S. Hunt, Director  
County of Maui  
**Department of Planning**  
Attention: Dan Shupack, Planner  
250 South High Street  
Wailuku, Hawai'i 96793

**SUBJECT:** Special Management Area Use Permit Application and Shoreline Setback Structure/Activity Determination for the Proposed Westin Ka'anapali Ocean Resort Villas, Lot 3, Located at TMK 4-4-014:005 (por.), Ka'anapali, Lahaina, Maui, Hawai'i (SM1 2006/0018)

Dear Mr. Hunt:

On behalf of our client, SVO Pacific, Inc. (SVOP) we are submitting supplemental information related to project revisions for the proposed Westin Ka'anapali Ocean Resort Villas, Lot 3 (KOR, Lot 3) Special Management Area Use Permit (SMA) application. The proposed project is located at Lot 3 of the Ka'anapali North Beach subdivision, also identified as TMK (2) 4-4-014:05.

Since the filing of the SMA application in July 2006, there have been proposed revisions to the project based on discussions with community groups, as well as County and State agencies. The information contained herein includes the following:

1. Revised plans for the proposed improvements within the open space recreation park, including the installation of a comfort station and benches (the requested revisions were offered by the North Beach Mauka/Makai Lands Advisory Group (NBAG));
2. A letter of support for the overall project by the members of NBAG;
3. A revised entry driveway at the intersection of Honoapi'ilani Highway, Halawai Drive and Kai Malina Parkway as approved by the State Department of Transportation (SDOT);

EXHIBIT 18

environment  
planning  
government

4. A Traffic Mitigation Measures Report, detailing SVOP's traffic mitigation proposal for the KOR, Lot 3 project to satisfy the "other mitigative measures" requirement of Condition No. 7 of the 1988 SMA permit for the North Beach Subdivision and Condition "cc" of the 1998 SMA permit for Lot 1.
5. Revised water calculations for the project, based on comments received by the Department of Water Supply (DWS); and
6. Information on a desalination operation which SVOP is considering as an alternative source for the provision of potable water for the project.

Regarding Item No. 1, the revised plans for the proposed improvements to the open space recreation park, the new plans reflect the addition of a comfort station, outdoor shower and benches within the park and additional trees. SVOP presented plans to and received concurrence from the NBAG prior to the filing of the SMA application for KOR, Lot 3. However, revisions were made to the open space park following the KOR, Lot 3 project review by the Urban Design Review Board (UDRB) and a suggestion from the board that a comfort station be added. While the Ka'anapali North Beach Master Association maintains all of the parks in the subdivision, there is a settlement agreement from the 1998 intervention on the Lot 1 SMA permit, which governs what activities can take place in the open space park. SVOP held discussions with the Lot 1 Intervenors, as well as the NBAG to determine whether such improvements would be acceptable in the open space park. Both the Lot 1 Intervenors and the NBAG members supported the installation of a comfort station in the park, as well as the installation of an outdoor shower, benches along the access path in the park, as well as additional landscaping to provide a "buffer" between the proposed KOR, Lot 3 project and the open space park. The plans submitted herein as **Exhibit "A"** reflect the approved revised plan for the open space park. Subsequently, the revised open space improvement plans were presented to the UDRB at its meeting on November 21, 2006 and were recommended for approval.

Item No. 2 is a formal letter of support for the proposed KOR, Lot 3 project from the members of the NBAG. This letter was submitted to the Department of Planning (Department) on June 12, 2007. See **Exhibit "B"** for a copy of the letter.

Item No. 3 is submitted following discussions with the SDOT and Intrawest Placemaking (Intrawest), owner of Lot 4 in the Ka'anapali North Beach Subdivision, regarding the roadway improvements at the intersection of Honoapi'ilani Highway, Halawai Drive and Kai Malina Parkway. Both KOR, Lot 3 and the Honua Kai Resort (a.k.a. Lot 4), will access Honoapi'ilani Highway via the Honoapi'ilani Highway, Halawai Drive and Kai Malina Parkway intersection. In the initial review of the plans provided in the SMA application, the SDOT expressed concerns about the potential for a large amount of vehicles queuing on



Honoapiʻilani Highway, waiting to turn-left into the Kaʻanapali North Beach Subdivision. To alleviate this problem, the SDOT suggested providing the inbound traffic into KOR, Lot 3, Lot 4, and the open space park, the right of through access (without yielding to oncoming traffic). Cars leaving the Honua Kai Resort would be required to stop at the internal subdivision intersection, thereby providing for queuing in the subdivision itself. The revised intersection and driveway plan was initially presented and approved by the SDOT Maui District Office on May 2, 2007. The revised intersection and driveway plan was then presented and approved by the SDOT administration on May 22, 2007. The revised intersection and driveway plan are submitted as **Exhibit "C"** herein.

While traffic in West Maui continues to be a concern, SVOP is submitting its Traffic Mitigation Measures (TMM) Report (see **Exhibit "D"**) to propose various measures to address traffic impacts related to the proposed KOR, Lot 3 Project, in satisfaction of the "other mitigative measures" requirement of Condition No. 7 of the 1988 SMA permit for the Subdivision and Condition "cc" of the 1998 SMA permit for Lot 1. The TMM Report also provides suggested SMA conditions for Lot 3, to implement SVOP's traffic mitigation program. In April 2007, SVOP submitted to the Planning Department its update to the North Beach Transportation Management Plan (NBTMP). The Maui Planning Commission reviewed the updated NBTMP on June 26, 2007, and by letter dated June 29, 2007, the Planning Department approved the NBTMP Update (see **Exhibit "E"**). SVOP has implemented some, and will implement the remainder of the measures in the update. Those measures will also contribute to traffic reduction for Lot 3, and thus will contribute to satisfying the "other mitigative measures" SMA conditions described above.

The DWS in their comments regarding the project's SMA application, noted that the water demand calculations should be revised since the project is proposing one-, two- and three-bedroom units. The DWS stated that multi-family standards should be utilized in calculating the water demand for the project as opposed to hotel use. As such, the revised water calculations, provided by the project's civil engineer in an updated Preliminary Engineering Report, is provided as **Exhibit "F"**.

Lastly, in the DWS comment letter for the project, it was noted that new water sources should be sought for the project as the West Maui system was at or near capacity. As such, SVOP is pursuing various options to provide the potable water for the project. Included in the options is a potential desalination system, which would be located in the basement of the KOR, Lot 3 project. The desalination process is commonly used in Hawai'i and throughout the world to convert sea/brackish water to potable water by use of Reverse Osmosis (RO) filters. The system will include, but not be limited to, source and return wells, pumps and filters. The desalination system will work in conjunction with a heat rejection system that will replace the need for cooling towers, thus further reducing the potable water and power needs as part of an energy efficient design. Pictures of a

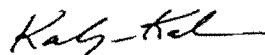
Jeffrey S. Hunt, Director  
July 27, 2007  
Page 4

desalination system that is similar in nature to the proposal for KOR, Lot 3 are attached as **Exhibit "G"**. Projects in Hawai'i that currently utilize a desalination system are the Four Seasons Resort (Kona, Hawai'i), Kukio Resorts (Kona, Hawai'i), Waimea Water Systems (Kona, Hawai'i) and Maui Highlands (Maui, Hawai'i). Projects in Hawai'i that utilize a heat rejection system are John A. Burns School of Medicine (O'ahu, Hawai'i), Kahala Mandarin Hotel (O'ahu, Hawai'i) and the Amfac Towers (O'ahu, Hawai'i).

We are in the process of soliciting comments from appropriate agencies to secure concurrence with the proposed project revisions and will forward a copy of comment letters to you.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Karlynn Kawahara  
Project Manager

KK:yp

Enclosures

cc: Eric Crispin, SVO Pacific, Inc. (w/enclosures)  
Tom Sunnarborg, SVO Pacific, Inc. (w/enclosures)  
Jim Neely and Carlos Rivera, SVO Pacific, Inc. (w/enclosures)  
Jim Dishinger, SVO Pacific, Inc. (w/enclosures)  
John Rapacz, Esq. (w/enclosures)  
Larry Cunha, WCIT Architecture (w/enclosures)  
Michael Fujita, Wilson Okamoto Corporation (w/enclosures)  
Keith Niiya, Austin Tsutsumi & Associates (w/enclosures)  
Janine Mori, Walters, Kimura, Motoda, Inc. (w/enclosures)

'07 JUN 12 P3:27

April 19, 2007

DEPT OF PLANNING  
COUNTY OF MAUI  
RECEIVED

Mr. Jeffrey S. Hunt, Director  
Members of the Maui Planning Commission  
County of Maui  
Department of Planning  
250 South High Street  
Wailuku, HI 96793

Subject: Application for Special Management Area Use Permit and Shoreline  
Setback Structure/Activity Determination  
Proposed Westin Kaanapali Ocean Resort Villas Lot 3 Project and Related  
Improvements at TMK: (2) 4-4-14: 05  
Kaanapali, Maui, Hawaii

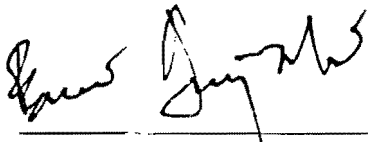
Dear Mr. Hunt and Members of the Maui Planning Commission

This letter is to inform you that we, members of the North Beach Makai and Mauka Lands Advisory Group (NBAG), which was created by AmFac in 1997, have been meeting monthly with SVO Pacific, Inc. (SVOP) for projects related to the North Beach Subdivision. Among our duties as members of the NBAG, we are to review and to provide our comments and recommendations regarding the North Beach Subdivision project documents such as site plans, landscape plans, SMA applications, etc.

We have been meeting monthly with SVOP, the Owner and Developer of Lots 1, 2 and 3 of the North Beach Subdivision. SVOP has consistently and satisfactorily addressed any concerns we have raised.

At this time, the NBAG wishes to formally inform you that it supports SVOP's resort development proposed to be located on Lot 3 of the North Beach Subdivision. (A copy of SVOP's site plan for its Lot 3 development is attached)

Very Truly Yours,



Bruno Ariyoshi  
NBAG Member

EXHIBIT 19

*Buck Buchanan*

Buck Buchanan  
NBAG Member

*Wally*

Walter Delos Reyes  
NBAG Member

*John Kuia*

John Kuia  
NBAG Member

*Star Medeiros*

Star Medeiros  
NBAG Member

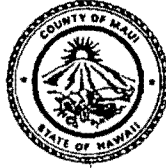
*Patty Nishiyama*

Patty Nishiyama  
NBAG Member

CHARMAINE TAVARES  
Mayor

JEFFREY S. HUNT  
Director

COLLEEN M. SUYAMA  
Deputy Director



COUNTY OF MAUI  
**DEPARTMENT OF PLANNING**

June 29, 2007

Mr. Eric G. Crispin  
SVO Pacific, Inc.  
2155 Kalakaua Avenue, Suite 300  
Honolulu, Hawaii 96815

Dear Mr. Crispin:

**SUBJECT: NORTH BEACH SUBDIVISION TRANSPORTATION  
MANAGEMENT PLAN UPDATE, PURSUANT TO  
CONDITION NO. 4 OF THE 1988 SPECIAL MANAGEMENT  
AREA USE PERMIT AND SHORELINE SETBACK  
VARIANCE FOR THE KAAPALI NORTH BEACH  
SUBDIVISION, KAAPALI, MAUI, HAWAII  
TMKS: 4-4-014:003;004;005;006 (SM1 88/0023)**

In accordance with Condition No. 4 of the Maui Planning Commission's (Commission) 1988 Approval of the Kaanapali North Beach Subdivision, the revised North Beach Transportation Management Plan (NBTMP) submitted by SVO Pacific, Inc. on April 23, 2007, has been reviewed and approved by the Maui Planning Department. This approval is based upon the applicant's representations made before the Commission at its regular meeting of June 26, 2007, that future updates of the NBTMP shall seek to reduce, by at least 30 percent, the total combined volume of hotel employee and guest automobile traffic.

Thank you for your cooperation. If additional clarification is required, please contact Mr. Dan Shupack, Staff Planner, [dan.shupack@mauicounty.gov](mailto:dan.shupack@mauicounty.gov) or at 270 5517.

Sincerely,

JEFFREY S. HUNT, AICP  
Planning Director

**EXHIBIT ES-1**

20

CHARMAINE TAVARES  
MAYOR



DON A. MEDEIROS  
Director  
WAYNE A. BOTELHO  
Deputy Director  
Telephone (808) 270-7511  
Facsimile (808) 270-7505

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI  
200 South High Street  
Wailuku, Hawaii, USA 96793-2155

July 12, 2007

Michael M. Miyamoto, Deputy Director  
Department of Public Works  
County of Maui  
Wailuku, Hawaii 96793

**SUBJECT: Transportation Mitigation Measures, North Beach, Lot 3**

Dear Mr. Miyamoto:

Thank you for the opportunity to comment on the abovementioned report which was developed in conjunction with a special management area (SMA) permit application for the subject property. The comments of the Maui County Department of Transportation (MDOT) are as follows.

Page 17 The MDOT has not solidified a position on a contribution of \$40,000 and thus yields to the Department of Public Works (the lead agency regarding North Beach transportation) regarding financial aspects. Moreover, while the MDOT is in support of coordination with the applicant, bilateral issues such as "coordination" being placed in a unilateral SMA condition is not appropriate since it may preclude the applicant's consideration of other measures.

As such, the following text from the applicant's SMA condition should be deleted.

- a. ~~SVO shall contribute \$40,000 annually to the County of Maui Department of Transportation for the implementation and continued operation of additional commuter transit, which serves West Maui.~~
- b. SVO shall institute a transportation allowance program as an incentive for utilizing alternative transportation.

- c. SVO shall continue to operate the Lahaina Shuttle at the same level of service or greater, at a minimum, for 15 years after the approval of the SMA permit for KOR, Lot 3.
- d. ~~SVO shall coordinate with MDOT to improve transit service in the following areas as identified in the West Maui Commuter Needs Survey:~~
  - 1. ~~Increasing the frequency of the Makawae-Kapalua Commuter run;~~
  - 2. ~~Increasing the frequency of the Wailuku-Kapalua Commuter run;~~
  - 3. ~~Introducing direct commuter service between Kihel and Ka'anapali;~~
  - 4. ~~Adding stops on existing West Maui Commuter routes closer to job destinations, including North Beach resorts; and~~
  - 5. ~~Using various private shuttle services to make connections between the County's West Maui commuter services and specific job destinations in West Maui, including the North beach resorts.~~
- e. SVO shall employ a KOR complex transportation coordinator to coordinate transportation programs for employees and guests.

Page 25 The applicant's report states that the final decision regarding impact fees will be done by the County. Therefore, attempting to ensure that an applicant will be "supportive" of certain projects is both unnecessary and inappropriate. SMA conditions are for ensuring unilateral mandates, and not for expressing preferences. Will the applicant be in violation of the condition if the County spends impact fees on differing projects and the applicant agrees?

As such, the following text from the applicant's SMA condition should be deleted.

- a. ~~SVO shall pay the applicable traffic impact fees for the project in accordance with Chapter 14.62 of the Maui County Code. As represented, the applicant has received a prioritized list of projects to be funded by its traffic impact fee from the following agencies and organizations: HDOT, DPWEM, MDOT and WMPA. As such, the applicant will be supportive of its traffic impact fee being utilized for the Mill Street project, the design of the Ka'anapali Connector and the Lahaina Bypass Phase 1C (Keawe Street to Ka'anapali Connector) and other road improvements north of Keawe Street to the Ka'anapali North Beach Subdivision.~~

Please do not hesitate contact me at 270-7511, if we can be of further assistance or clarification.

Sincerely,



DON MEDEIROS  
Director of Transportation



OCT 04 2007

CHARMAINE TAVARES  
Mayor

MILTON M. ARAKAWA, A.I.C.P.  
Director

MICHAEL M. MIYAMOTO  
Deputy Director

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



RALPH NAGAMINE, L.S., P.E.  
Development Services Administration

CARY YAMASHITA, P.E.  
Engineering Division

BRIAN HASHIRO, P.E.  
Highways Division

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

October 2, 2007

Ms. Karlynn Kawahara  
Project Manager  
Munekiyo & Hiraga, Inc.  
305 High Street, Suite 104  
Wailuku, Maui, Hawaii 96793

Dear Ms. Kawahara:

**SUBJECT: WESTIN KAAPALI OCEAN RESORT, LOT 3  
TRAFFIC MITIGATION MEASURES REPORT**

The Maui Planning Commission intended for immediate impact options to provide benefit to the traveling public. The two alternatives identified for immediate impact include the construction of Mill Street Extension and increasing mass transit. Other alternatives appear to be more long-term measures.

The construction of the Mill Street Extension by the developer would eliminate the need to use federal funds. The funds for design are waiting for the roadway to be classified for federal funding. Eliminating the need for federal funding could start the design process and accelerate construction.

The typical contribution to roadway improvements lead to the construction of infrastructure. Any contribution to mass transit needs to be made equal in the overall life span of the contribution. A typical roadway improvement has a life span of 20 years before major work needs to be done. The purchase of transit vehicles may have a life span of 10 years before needing replacement. A contingency needs to be included in the event that the reduction in vehicular traffic assumed for mass transit is not realized.

Given the intensity of development in the West Maui area, many regional traffic mitigative measures are proposed, approved and awaiting construction. We would like

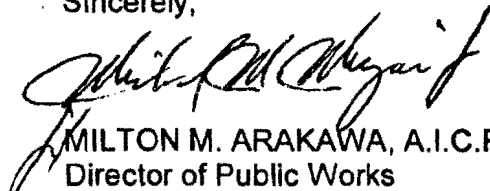
TYM:MS 23

Ms. Karlynn Kawahara  
October 2, 2007  
Page 2

to see a West Maui Transportation Master Plan be funded and completed as soon as possible. Such a master plan should document the past and proposed regional traffic mitigative measures proposed by the various developments. The plan would also serve as an audit of the past assumptions regarding regional traffic mitigative measures.

If you have any questions, please feel free to call me.

Sincerely,



MILTON M. ARAKAWA, A.I.C.P.  
Director of Public Works

MMA:MMM:jso

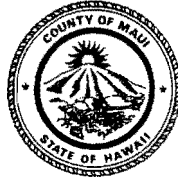
xc: Jeffrey Hunt, A.I.C.P., Planning Director

s:\mike\kkawahara\_westin kpali ocean resort lot 3 traffic mitigation measures report

CHARMAINE AVARES  
Mayor

JEFFREY S. HUNT  
Director

COLLEEN M. SUYAMA  
Deputy Director



COUNTY OF MAUI  
**DEPARTMENT OF PLANNING**

June 29, 2007

Mr. Eric G. Crispin  
SVO Pacific, Inc.  
2155 Kalakaua Avenue, Suite 300  
Honolulu, Hawaii 96815

Dear Mr. Crispin:

**SUBJECT: NORTH BEACH SUBDIVISION TRANSPORTATION  
MANAGEMENT PLAN UPDATE, PURSUANT TO  
CONDITION NO. 4 OF THE 1988 SPECIAL MANAGEMENT  
AREA USE PERMIT AND SHORELINE SETBACK  
VARIANCE FOR THE KAA NAPALI NORTH BEACH  
SUBDIVISION, KAA NAPALI, MAUI, HAWAII  
TMKS: 4-4-014;003;004;005;006 (SM1 88/0023)**

In accordance with Condition No. 4 of the Maui Planning Commission's (Commission) 1988 Approval of the Kaanapali North Beach Subdivision, the revised North Beach Transportation Management Plan (NBTMP) submitted by SVO Pacific, Inc. on April 23, 2007, has been reviewed and approved by the Maui Planning Department. This approval is based upon the applicant's representations made before the Commission at its regular meeting of June 26, 2007, that future updates of the NBTMP shall seek to reduce, by at least 30 percent, the total combined volume of hotel employee and guest automobile traffic.

Thank you for your cooperation. If additional clarification is required, please contact Mr. Dan Shupack, Staff Planner, [dan.shupack@mauicounty.gov](mailto:dan.shupack@mauicounty.gov) or at 270 5517.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey S. Hunt". The signature is written in a cursive, flowing style.

JEFFREY S. HUNT, AICP  
Planning Director

EXHIBIT 24

**NORTH BEACH SUBDIVISION - Conditions from SM1 880023 and SSV 880002 applicable to all lots:**

*Condition No. 1* of the 1988 SMA/SSV approval states that **“Within the subject North Beach development area, building heights shall not exceed 6 stories and in in no event greater than 80 feet on parcels zoned H-M Hotel District and 12 stories and in no event greater than 105 feet on the parcels zoned H-2 Hotel District, excluding the structure for the elevator shafts and other rooftop appurtenances of the building. The height of each building shall be measured from finished grade which shall not be raised for artificial reasons but may be raised from existing grade to comply with health and safety requirements, including but not limited to the flood zone ordinance and the drainage master plan for each project and the Subdivision.”**

*Condition No. 2* of the 1988 SMA/SSV approval and *Condition No. gg* of the 1998 SMA approval required design guidelines for the North Beach Resort development which were prepared and approved by the Maui Planning Commission. The updated Design Manual and Master Plan was approved on September 23, 2003. The Design Manual and Master Plan for Kaanapali Beach Resort North Beach, Revised October 2003 sets forth guidelines for land use, access and circulation, site planning, massing siting and setbacks, architectural design, landscape design, and signage for the North Beach Subdivision, as well as guidelines for physical and spacial elements for parks developments and beach access for the public use areas, landscaping, landscape irrigation, lighting, and signage. The guidelines addresses mauka and makai view planes and includes proposals for a public shoreline walkway system, public beach access and park improvements and public parking facilities; overflow and employee parking.

*Condition No. 3* of the 1988 SMA/SSV approval set the shoreline setback for buildings to be constructed on H-2 Hotel property at a minimum of 80 feet from the shoreline. However, since the 1988 approval the Shoreline Setback Rules were revised that set greater setbacks from the shoreline.

*Condition No. 4* of the 1988 SMA/SSV states that **“The Applicant shall submit to the Planning Department for review and approval a revised North Beach Transportation Management Plan dealing with employee and guest traffic. A goal of the Transportation Management Program shall be to reduce by at least 30 percent the total volume of project employee automobile traffic at the North Beach development. The Applicant is hereby advised that the program’s goals and implementing measures shall be reexamined two years after the opening of each new project by the County Planning Director and the project’s Transportation Coordinator any may be revised, based on mutual consent of the officials designated herein. In the event there is a dispute over the establishment of revised goals or implementing measures, the Planning Commission shall review the matter and determine the appropriate goals or implementing measures. The Applicant is further advised that implementation of said plan shall be required for the initial and subsequent projects within the Subdivision.”** (Emphasis added)

The Transportation Program for the first project, KOR I, was approved by the Planning Commission on May 27, 1997. Also, on May 28, 2002 the Commission approved a revised program for KOR I to accommodate community based planning into the transportation program in accordance with *Condition dd* of the 1998 SMA approval of KOR I.

Lot 1, KOR I: Opened in September 2003. An updated Transportation Management Program is required. Letter dated March 24, 2006 requested an updated Program.

*Condition No. 5* of the 1988 SMA/SSV approval states that **“Any Applicant for development of projects within the North Beach Subdivision shall provide verification to the Departments of Public Works and Planning that the reserved capacity in the county sewage treatment plant is adequate to accommodate its project, prior to the commencement of construction of the project.”**

*Condition No. 6* of the 1988 SMA/SSV approval requires public beach access/park improvements in accordance with plans approved by the Planning Commission.

Kahekili Park with 100 parking stalls and beach amenities have been constructed.

North Beach Park will be constructed in conjunction with the Honua Kai Resort.

Shoreline Walkway mauka of shoreline dunes required on Lot 1, Lot 2 and Lot 4 as part of SMA approvals granted.

*Condition No. 7* of the approval states that **“Prior to the commencement of the operation of the initial project to be constructed within the North Beach Subdivision, the Lahaina Bypass Highway or other mitigative measures or terms, as approved by the Planning Commission, shall be implemented.”**

Lot 1, 280 unit (timeshare) Kaanapali Ocean Resort Villas I (KOR I): The December 14, 1998 Maui Planning Commission approval deemed the construction of the four lane road widening of Honoapiilani Highway between the Kaanapali Parkway and Honokowai Stream and related intersection improvements as “other mitigative measures or terms, as approved by the Planning Commission”.

Lot 2, Kaanapali Ocean Resort Villas II: On October 8, 2004 the Maui Planning Commission approved the Special Management Area Use Permit for the 258 unit (timeshare) Kaanapali Ocean Resort (KOR) Villas on Lot 2 of the North Beach Subdivision. KOR Villas contribution of \$1.5 million toward the Keawe Street connector to the Lahaina Bypass (Phase 1a) was deemed as its “other mitigative measures or terms, as approved by the

Planning Commission”.

Lot 4, 700 unit Honua Kai Resort: Honua Kai Resort is required to contribute \$2.5 million for roadway improvements as its “other mitigative measures or terms, as approved by the Planning Commission”. This money can be allocated by the County of Maui for projects they deem appropriate. Projects include Lahaina traffic light synchronization, design fees for the extension of Mill Street from Keawe Street to Aholo Road, right turn lane from L. Honoapiilani Road to Honoapiilani Highway with acceleration lane, and intersection improvements at Lower Honoapiilani Road and the North Park access road.

*Condition No. 8* of the 1988 SMA/SSV approval limited the total number of hotel rooms and condominium units to 3,200 for a period of ten years after the start of operation of the initial project. In the 1998 SMA approval of Kaanapali Ocean Resort Phase I the condition was amended as *Condition No. ee*, to limit the total units to 1,950, including the use of one bedroom in the 487 two bedroom units as lock off units. If the lock off units exceed 487 units then the main unit and lock off unit shall be counted as two units and included in the total unit count. The total unit count for Kaanapali North Beach Resort is as follows:

ALLOWED UNITS	BUILT (KOR)	APPROVED (KOR II)	PROPOSED (Intrawest)	BALANCE
1,950 units	280 units	258 units	700 units	712 units
487 Lock Off Units	225 lock off units	258 lock off units	0	4 lock off units

*Condition No. 17* of the 1988 SMA/SSV approval required an Employee Housing Plan for the North Beach Resort. The developments within the North Beach Subdivision are subject to the provisions of the Employee Housing Plan.

*Condition No. 19* of the 1988 SMA/SSV approval required a Recreational and Park Plan for the North Beach Subdivision. The Planning Commission on December 19, 1990 approved the Kaanapali Recreation Plan which identifies the development of two park sites in the Kaanapali North Beach Subdivision and the public beach access. Kahekili Park on the south side of the subdivision has been constructed. The North Beach Park is to be constructed by the Honua Kai Resort on Lot 4.

On February 10, 2004 the Planning Commission amended the Kaanapali Recreation Plan to include the re-configured North Beach Park and the 10 acre Open Space area on Lot 3 which was part of the 1998 Settlement Agreement for KOR I.

SM1 970006, KAA NAPALI OCEAN RESORT VILLAS I (KOR I) Approved on December 14, 1998: Other Conditions applicable to all Lots:

Condition No. b states "A Public Open Space/Recreation Area, ten acres in size, as agreed upon by the parties, shall be open and available, in perpetuity, for public use for open space, parking and passive recreational uses as well as for certain Native Hawaiian traditional and customary uses, based upon the terms of the Settlement Agreement and the "Declaration of Perpetual Rights and Uses and Perpetual Restrictions" agreed to by the Applicant. The 150 foot Shoreline Setback Area throughout the Kaanapali North Beach Subdivision shall be open and available, in perpetuity, to members of the public for open space and passive recreational uses as well as for certain Native Hawaiian traditional and customary uses based upon the terms of the Settlement Agreement and the Declaration of Perpetual Rights and Uses and Perpetual Restrictions applicable to the Shoreline Setback Area agreed to by the Applicant."

The 10 acres Open Space/Park is located on Lot 3 containing the trapezoidal drainage channel and unpaved parking lot. A modified Open Space Plan developed in consultation with the North Beach Mauka/Makai Advisory Group was approved by the Maui Planning Department on November 25, 2005.

Condition No. c of the 1998 SMA approval states that "The parties have agreed upon the preparation, design, implementation, construction, operation and maintenance of a Master Drainage Plan and drainage plans for KOR and the terms and conditions with respect to each as they are set out in the Settlement Agreement and in the Declaration of Restrictions filed by the Applicant are hereby adopted as conditions to this SMA permit."

Condition No. bb of the 1998 SMA approval states that "The Applicant shall bring the engineering plans for the Master Drainage System (System), which shall include a phasing plan to the Maui Planning Commission for review and comment, and to the Maui Public Works and Waste Management Department for approval within 12 months of the approval of this SMA Use Permit. This System shall be built as needed prior to any further commercial development at the North Beach Subdivision (Subdivision) in accordance with the phasing plan for such Master Drainage System. The total volume of runoff over time through or from the Subdivision during a Design Criteria Storm (i) shall not decrease the water quality of the near shore waters adjacent to the Subdivision any more than had occurred as of July 1988 during a like storm event, and (ii) shall not decrease the water quality of the near shore ocean waters below Department of Health water quality standards for Class A waters and water quality limited segments any more than occurred as of July 1988 during the same storm event, as determined by the same methodology utilized by the State Department of Health. Such Master Drainage System shall be designed in accordance with the Settlement Agreement. The water quality program shall be

**enforced by the Clean Water Branch of the State Department of Health, and any other party provided for in the Settlement Agreement.** The Drainage Master Plan Kaanapali North Beach (Mauka and Makai) prepared by Sato and Associates, Inc. conducted a regional analysis of drainage in the area and was reviewed by the Maui Planning Commission.

Projects are also advised to use the Drainage Master Plan, the County of Maui drainage standards and the West Maui Watershed Owner's Manual prepared by the West Maui Watershed Management Advisory Committee in formulating its drainage plans for development.

*Condition No. cc* of the approval states that **"Prior to any further commercial development (beyond KOR) at the North Beach Subdivision, the Lahaina Bypass Highway or other mitigative measures or terms, as approved by the Maui Planning Commission, shall be implemented."**(See Condition No. 7 of the 1988 SMA/SSV)

*Condition No. dd* required the preparation of a Transportation Management Program through the use of a community based planning program. The KOR I Transportation Management Program was approved by the Planning Commission on May 27, 1997. Also, on May 28, 2002 the Commission approved a revised program for KOR I to accommodate community based planning into the transportation program in accordance with *Condition dd* of the 1998 SMA approval of KOR I.

*Condition No. ee* states that **"The Applicant shall limit the number of units in the overall North Beach Subdivision incorporating the "lock-off" design which permits the unit owner to use one bedroom in a two-bedroom unit as a separate guest unit to no more than 487 of the 1,950 units that may be constructed in this Subdivision. If more than 487 such "lock-off" units are constructed, the additional units incorporating the "lock-off" design shall count as two units for purposes of determining whether the 1,950-unit limit has been exceeded."** (See Condition 8 of the 1988 SMA/SSV approval)

*Condition No. gg* states **"Prior to any further commercial development (beyond KOR) at the North Beach Subdivision, and within 12 months after the KOR SMA permit is issued, the Applicant shall prepare a conceptual Master Plan for Amfac's North Beach Subdivision after conducting a community-based planning program, including build-out proposals and densities, and incorporating Native Hawaiian ideas, values, and concepts reflecting the history and culture of Keka'a. Applicants shall present to the MPC updates to the Design Guidelines (approved by the MPC in 1996) together with the Master Plan, for review and comment prior to submitting any further applications for SMA permits in this Subdivision."**