

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

December 21, 2018

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on May 15, 2018, and December 4, 2018, makes reference to County Communication 18-114, from Mayor Alan M. Arakawa, transmitting a proposed resolution entitled "AUTHORIZING THE DISPOSITION OF APPROXIMATELY 33.373 ACRES OF COUNTY REAL PROPERTY LOCATED IN LAUNIUpoko, MAUI, HAWAII, TO THE DEPARTMENT OF TRANSPORTATION, STATE OF HAWAII, FOR THE HONOAPIILANI HIGHWAY REALIGNMENT, PHASE 1B-2."

The purpose of the proposed resolution is to authorize the disposition of approximately 33.373 acres of County real property located in Launiupoko, Maui, Hawaii, identified for real property tax purposes as tax map key (2) 4-7-001:030 (por.) ("Property"), to the State Department of Transportation ("DOT") for the purpose of the realignment of Honoapiilani Highway, Phase 1B-2.

Your Committee notes Resolution 13-151, authorized the County to acquire 148.409 acres of real property from Makila Land Co, LLC located in Launiupoko, Maui, Hawaii, identified for real property tax purposes as tax map key (2) 4-7-001:030. The appraisal for the acquisition reflected a negotiated price adjustment in consideration of the future transfer of the right-of-way for the Lahaina Bypass ("Bypass") project. The right-of-way land area impacted by the road alignment is 22.25 acres and spans across the eight lots in the Makila Ranches III Subdivision.

Your Committee further notes debt service payments are made from the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund ("Open Space Fund") for the acquisition of the property located in Launiupoko, Maui, Hawaii.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 2

Committee
Report No. _____

The Deputy Director of the DOT, Highways Division, said with the completion of Phase 1B-2, approximately five miles of the Bypass have been constructed. He said the Bypass was opened on April 23, 2018, and since then, the Department has been addressing and mitigating operational concerns from the public.

The Deputy Director explained Phase 1B-2 was a design-build project to minimize the timeframe to build and maximize the efficiency of construction of the Bypass. He said after receiving the final design and completing the Special Management Area process, the southern connector of the roadway had to be relocated. He added moving the roadway further north provided better protection from the shoreline; therefore, the right-of-way mapping was not completed until February 2018.

Your Committee recommended the DOT explore alternatives in lieu of a direct transfer of property from the County to the State of approximately 33.373 acres for Phase 1B-2. Your Committee suggested a reimbursement to the County's Open Space Fund for the Property or a land exchange. The land exchange option would enable the County to use the land for parks or housing.

By correspondence dated November 21, 2018, the Department of the Corporation Counsel transmitted a revised proposed resolution to include the State's offer to pay the County \$1,251,798, for the additional acreage used by the DOT to construct the Bypass. The proceeds from the transaction would be deposited to the Open Space Fund.

The Director of Public Works confirmed the appraisal for the acquisition of 148.409 acres of real property located in Launiupoko, Maui, Hawaii, factored in approximately 22 acres needed for the Bypass and valued the acreage at zero. Once the alignment of the Bypass was completed, it was noted that the actual acreage used for the Bypass was in excess of the original 22 acres.

Your Committee noted the State DOT has agreed to a payment of \$1,251,798, or \$102,758 per acre, to the County for 12.182 acres used in addition to the original 22 acres.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 3

Committee
Report No. _____

Your Committee notes pursuant to Sections 3.44.020, 3.44.030, 3.44.050, and 3.44.070, Maui County Code, the Council may authorize the disposition of County real property in fee simple by resolution upon finding that it is in the public interest to do so, and may waive public auction, public hearing, and appraisal, provided that such resolution is approved by two-thirds of its members.

Your Committee voted 7-1 to recommend adoption of the revised proposed resolution and filing of the communication. Committee Chair Hokama, Vice-Chair White, and members Carroll, Cochran, Crivello, Guzman, and Sugimura voted "aye." Committee member Atay voted "no." Committee member King was excused.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Resolution _____, as revised herein and attached hereto, entitled "AUTHORIZING THE DISPOSITION OF APPROXIMATELY 33.373 ACRES OF COUNTY REAL PROPERTY LOCATED IN LAUNIUPOKO, MAUI, HAWAII, TO THE DEPARTMENT OF TRANSPORTATION, STATE OF HAWAII, FOR THE HONOAPIILANI HIGHWAY REALIGNMENT, PHASE 1B-2," be ADOPTED; and
2. That County Communication 18-114 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



RIKI HOKAMA, Chair

Resolution

No. _____

AUTHORIZING THE DISPOSITION OF APPROXIMATELY 33.373 ACRES OF COUNTY REAL PROPERTY LOCATED IN LAUNIUPOKO, MAUI, HAWAII, TO THE DEPARTMENT OF TRANSPORTATION, STATE OF HAWAII, FOR THE HONOAPIILANI HIGHWAY REALIGNMENT, PHASE 1B-2

WHEREAS, the COUNTY OF MAUI (hereinafter the "County") is the owner of the real property identified for real property tax purposes as tax map key number (2) 4-7-001:030 (por.) (the "Property"), more particularly depicted in Exhibit "A" and described in Exhibit "B" to Exhibit "1", attached hereto and incorporated by reference herein; and

WHEREAS, the State of Hawaii, Department of Transportation, desires to obtain title to the Property for the Honoapiilani Highway Realignment, Phase 1B-2 (the "Lahaina Bypass"); and

WHEREAS, the Property was acquired by the County pursuant to Resolution No. 13-151, which included an appraisal reflecting a negotiated price adjustment in consideration of the future transfer of the right of way for the Lahaina Bypass project; and

WHEREAS, the State of Hawaii has agreed to pay the County the sum of \$1,251,798; and

WHEREAS, Section 13-14 of the Charter provides for cooperation with the State of Hawaii; and

WHEREAS, pursuant to Sections 3.44.020, 3.44.030, 3.44.050, and 3.44.070, Maui County Code, the Council may authorize the disposition of County real property in fee simple by resolution upon finding that it is in the public interest to do so, and may waive public auction, public hearing, and appraisal, provided that such resolution is approved by two-thirds of its members; now, therefore,

Resolution No. _____

BE IT RESOLVED by the Council of the County of Maui:

1. That the Council hereby finds that it is in the public interest to grant the Property to the State of Hawaii, Department of Transportation, and waives public hearing, public auction, and an appraisal of the Property; and

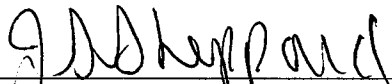
2. That pursuant to Section 3.44.020, Maui County Code, the Council hereby approves the disposition of the Property pursuant to the Quitclaim Deed attached hereto as Exhibit "1"; conditioned upon the County's receipt of payment by the State of Hawaii in the amount of \$1,251,798 for the additional area used for the Lahaina Bypass; and

3. That the proceeds shall be deposited to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund; and

4. That it does hereby authorize the Mayor of the County of Maui, or the Mayor's duly authorized representative, to execute all necessary documents in connection with the disposition of the Property; and

5. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Director of Public Works, the Director, Department of Parks and Recreation, and the State of Hawaii, Department of Transportation.

APPROVED AS TO FORM
AND LEGALITY:



JERRIE L. SHEPPARD
Deputy Corporation Counsel
County of Maui

LF 2018-0229

2018-11-21 Revised Resolution

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail () Pickup () To:

THIS DOCUMENT CONTAINS _____ PAGES
(including this page)

Tax Map Key: (2) 4-7-001: 030

QUITCLAIM DEED

GRANTOR: COUNTY OF MAUI
200 South High Street
Wailuku, Hawaii 96793

GRANTEE: STATE OF HAWAII
Department of Transportation
869 Punchbowl Street
Honolulu, Hawaii 96813

EXHIBIT " 1 "

QUITCLAIM DEED

KNOW ALL MEN BY THESE PRESENTS:

THAT, the COUNTY OF MAUI, a political subdivision of the State of Hawaii, whose business address is 200 South High Street, Wailuku, Hawaii 96793, hereinafter referred to as the "GRANTOR," in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), paid by the STATE OF HAWAII, by its Department of Transportation, whose office address is 869 Punchbowl Street, Honolulu, Hawaii 96813, hereinafter called the "GRANTEE", the receipt and sufficiency of which are hereby acknowledged, does hereby remise, release and forever quitclaim unto the GRANTEE, its successors and assigns, forever:

ALL of those certain abutter's rights of access into and from Kai Hele Ku Street, over and across Boundary 5, as shown on the on the Right-of-Way Map of Honoapiilani Highway Realignment, Phase 1B-2, Hokiokio Place to Vicinity of Olowalu, Federal Aid Project No. NH-030-1(051), situated at Launiupoko, Lahaina, Maui, Hawaii, which sheet is attached hereto as Exhibit A and incorporated herein by reference, and as more particularly described in Exhibit B attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD the same, together with all buildings, improvements, rights, tenements, easements, hereditaments, privileges and appurtenances thereunto belonging or appertaining or held and enjoyed therewith unto said GRANTEE, its successors and assigns, according to the tenancy hereinabove set forth forever.

SUBJECT, HOWEVER, TO THE FOLLOWING TERMS, CONDITIONS, COVENANTS AND ENCUMBRANCES:

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. Lease in favor of MAUI ELECTRIC COMPANY, LIMITED and HAWAIIAN TELCOM, INC., dated October 13, 1967, and recorded on December 8, 1967 in the Bureau of Conveyances, State of Hawaii in Liber 5893, Page 226.

3. Easement in favor of MAUI ELECTRIC COMPANY LIMITED and VERIZON HAWAII INC., dated April 8, 2002, and recorded on April 29, 2002 in the Bureau of Conveyances, State of Hawaii, as Document No. 2002-073483.
4. Declaration of Easement for Access and Utility Purposes, dated November 2, 2007, and recorded on November 8, 2007 in the Bureau of Conveyances, State of Hawaii, as Document No. 2007-196434.
5. Declaration of Non-Exclusive Easements for Roadway Use (Makila Ranches Phases 1, 2 and 3), dated January 31, 2008, and recorded on February 6, 2008 in the Bureau of Conveyances, State of Hawaii as Document No. 2008-017410.
6. Non-Exclusive Perpetual Easement for Roadway Purposes for Makila Ranches (Phases 1, 2 and 3), dated January 31, 2008, and recorded on February 6, 2008 in the Bureau of Conveyances, State of Hawaii as Document No. 2008-017411.
7. Utility Easement in favor of MAUI ELECTRIC COMPANY, LIMITED and HAWAIIAN TELCOM, INC., dated March 14, 2008, and recorded on April 2, 2008 in the Bureau of Conveyances, State of Hawaii as Document No. 2008-050836.
8. Covenants, Conditions, Restrictions, Reservations, Agreements, Obligations, Easements and other Provisions, set forth in Limited Warranty Deed and Reservations of Rights, dated and recorded on January 16, 2001 in the Bureau of Conveyances, State of Hawaii as Document No. 2001-006058, now in favor of MAKILA LAND CO., LLC, by Assignment and Assumption Agreement, dated and recorded on January 16, 2001 in the Bureau of Conveyances, State of Hawaii as Document No 2001-0060061.
9. Unilateral Agreement and Declaration for Construction of a Farm Dwelling on Lands Zoned County Agricultural District or Designated State Agricultural

- District, dated May 12, 2005, and recorded on April 26, 2006 in the Bureau of Conveyances, State of Hawaii as Document No. 2006-077871.
10. Subdivision Agreement (Agricultural Use) with the COUNTY OF MAUI, recorded in the Bureau of Conveyances, State of Hawaii as Document Nos. 92-103494, 2002-042693, 2002-226524, 2002-229575 and 2008-053915.
 11. Private Water System Agreement with the DEPARTMENT OF WATER SUPPLY of the County of Maui, dated September 29, 1992, and recorded on October 9, 1992 in the Bureau of Conveyances, State of Hawaii as Document No. 92-164418.
 12. Notice of Change of Agricultural Use to Dedication, dated April 3, 2000, and recorded on April 6, 2000 in the Bureau of Conveyances, State of Hawaii as Document No. 2000-046048.
 13. Kauaula Water System Agreement with MAKILA LAND CO., LLC, dated and recorded on January 16, 2001 in the Bureau of Conveyances, State of Hawaii as Document No. 2001-006060.
 14. Agreement for Allocation of Future Subdivision Potential with the COUNTY OF MAUI, recorded in the Bureau of Conveyances, State of Hawaii as Document Nos. 2002-042691, 2002-226525, as amended and restated by Document No. 2003-227640, as amended by Document Nos. 2006-107565 and 2007-169136.
 15. Memorandum of First Amendment to License Agreement, dated and recorded on May 1, 2013 in the Bureau of Conveyances, State of Hawaii as Document No. A-48690974.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their duly authorized officers as of the ___ day of _____, 20__.

GRANTOR:

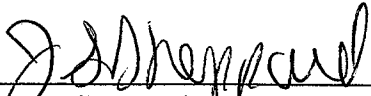
COUNTY OF MAUI

By _____
ALAN M. ARAKAWA
Its Mayor

APPROVAL RECOMMENDED

Name: _____

APPROVED AS TO FORM AND LEGALITY:




Deputy Corporation Counsel
Name: J. L. Sheppard
Dated: 11/21/2018

GRANTEE:

STATE OF HAWAII

By _____
JADE T. BUTAY
Its Director of Transportation

APPROVED AS TO LEGALITY, FORM EXCEPTIONS, AND RESERVATIONS:



Name: REUELS TOYAMA
Deputy Attorney General
Dated: 9/14/18

STATE OF HAWAII)
) SS:
COUNTY OF MAUI)

On this ___ day of _____, 20__ before me personally appeared ALAN M. ARAKAWA, to me personally known, who being by me duly sworn did say that he 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 by authority of its Charter, and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

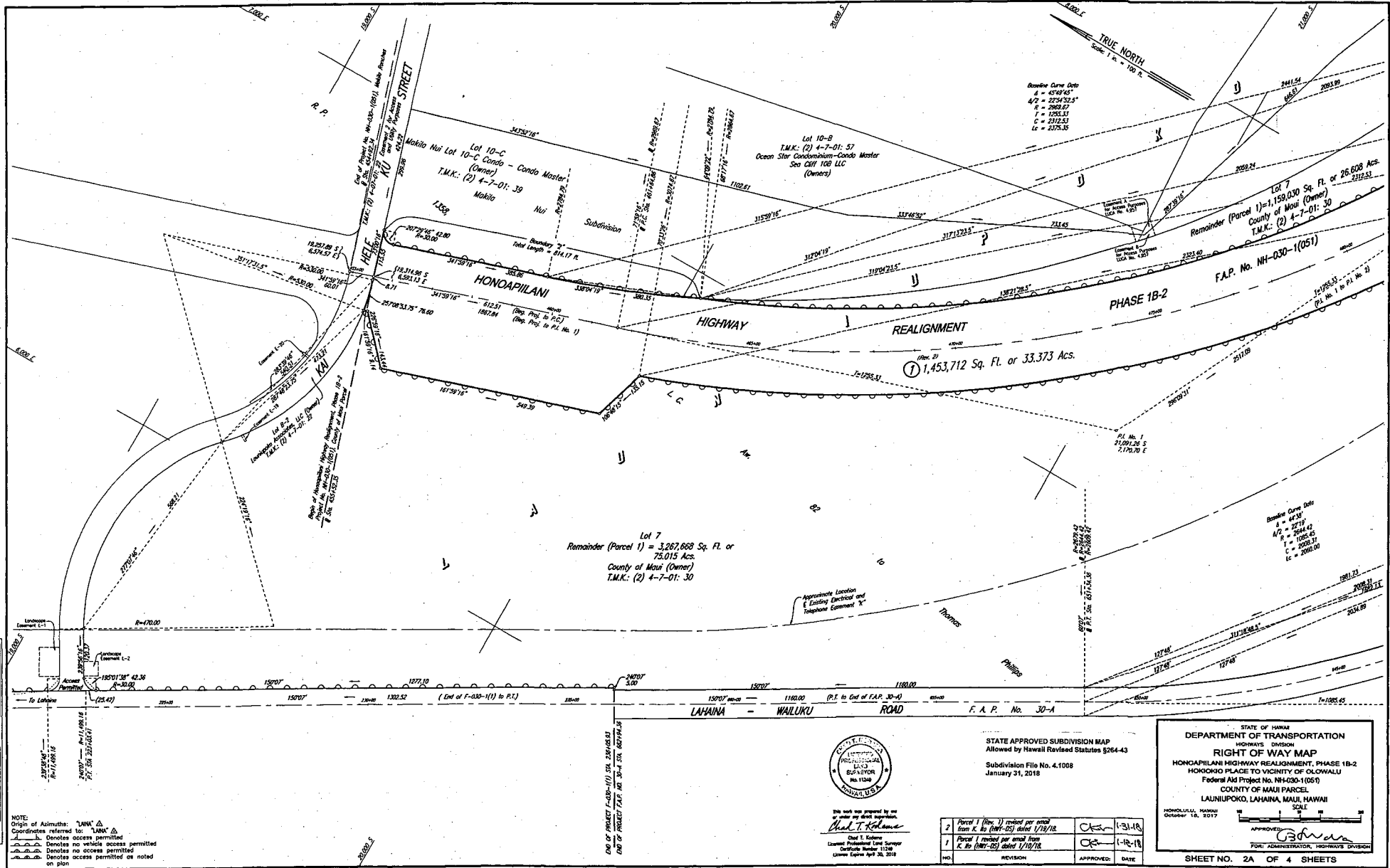
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Print Name _____
Notary Public, State of Hawaii

My commission expires: _____

Document Date : _____	# Pages : _____
Notary Name : _____	Circuit _____
Doc. Description : _____	

Notary Signature _____	Date _____



Baseline Curve Data
 Δ = 43°04'45"
 Δ/2 = 22°52'22.5"
 R = 2983.67
 T = 1255.53
 C = 2312.51
 Lc = 2375.35

Baseline Curve Data
 Δ = 42°31'
 Δ/2 = 21°15.5'
 R = 2044.42
 T = 1026.42
 C = 1626.37
 Lc = 2069.00



This seal was prepared by me or under my direct supervision.
 Chad T. Kikawa
 Civil Engineer
 License Professional License Surveyor
 Certificate Number 11348
 Issue Date April 30, 2018

STATE APPROVED SUBDIVISION MAP
 Allowed by Hawaii Revised Statutes §264-43
 Subdivision File No. 4.1008
 January 24, 2018

STATE OF HAWAII
 DEPARTMENT OF TRANSPORTATION
 HIGHWAYS DIVISION
RIGHT OF WAY MAP
 HONOPILANI HIGHWAY REALIGNMENT, PHASE 1B-2
 HOKOKO PLACE TO VICINITY OF OLOWALI
 Federal Aid Project No. NH-030-1(051)
 COUNTY OF MAUI PARCEL
 LAUNIPOKO, LAHAINA, MAUI, HAWAII

HONOLULU, HAWAII
 October 18, 2017

APPROVED: *[Signature]*
 FOR: ADMINISTRATOR, HIGHWAYS DIVISION

SHEET NO. 2A OF 4 SHEETS

NO.	REVISION	APPROVED	DATE
1	Parcel 1 (Rev. 1) revised per email from K. Ho (NH-05) dated 1/10/18	<i>[Signature]</i>	1-31-18
2	Parcel 1 revised per email from K. Ho (NH-05) dated 1/10/18	<i>[Signature]</i>	1-10-18

FIELD COMMENTS:

NO.	DATE	BY	DESCRIPTION
1	10/18/17	CHAD T. KIKAWA	PREPARED
2	10/18/17	CHAD T. KIKAWA	REVISED
3	10/18/17	CHAD T. KIKAWA	REVISED
4	10/18/17	CHAD T. KIKAWA	REVISED
5	10/18/17	CHAD T. KIKAWA	REVISED

NOTE:
 Origin of Azimuth: "LINA" Δ
 Coordinates referred to: "LINA" Δ
 Δ denotes access permitted
 ○ denotes no vehicle access permitted
 ○ denotes no access permitted
 ○ denotes access permitted as noted on plan

TAX MAP KEY: (2) 4-7-001, 030 & 039

22' x 34" = 5.5 SQ. FT. P.H. 636

HONOAPIILANI HIGHWAY REALIGNMENT, PHASE 1B-2
Hokiokio Place to Vicinity of Olowalu
Federal Aid Project No. NH-030-1(051)

Boundary "5"

Being a section of Kai Hele Ku Street (Lot B-2), Mahanalua Nui Subdivision Phase 1, right-of-way boundary of Honoapiilani Highway Realignment, Phase 1B-2, Hokiokio Place to Vicinity of Olowalu, Federal Aid Project No. NH-030-1(051), running along Lot 7 of the Launiupoko (Large-Lot) Subdivision No. 2.

Situated at Launiupoko, Lahaina, Maui, Hawaii

Beginning at the Southeasterly side of Kai Hele Ku Street (Lot B-2), Mahanalua Nui Subdivision Phase 1, on the North side of Lot 7 of the Launiupoko (Large - Lot) Subdivision No. 2, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAINA" being 19,334.54 feet South and 6,510.12 feet East, thence running by azimuths measured clockwise from True South:

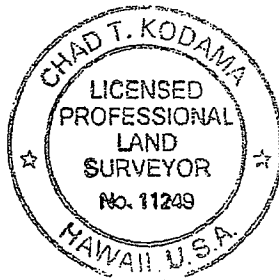
1. Along the North side of Lot 7 of the Launiupoko (Large - Lot) Subdivision No. 2 on a curve to the right with a radius of 530.00 feet, the chord azimuth and distance being
107° 48' 23.75" 473.21 feet;
2. Thence along same on a curve to the left with a radius of 470.00 feet, the chord azimuth and distance being:
99° 34' 03.5" 535.84 feet;
3. Thence along same on a curve to the left with a radius of 470.00 feet, the chord azimuth and distance being.
62° 22' 33.5" 39.99 feet;
4. 59° 56' 16" 120.37 feet along the North side of Lot 7 of the Launiupoko (Large-Lot) Subdivision No. 2;

5. Thence along same on a curve to the left with a radius of 30 00 feet, the chord azimuth and distance being:

15° 01' 38" 42.36 feet,

to the West end of the right-of-way boundary and having a total length of 1,268.10 feet.

Vehicle access shall not be permitted into and from Kai Hele Ku Street (Lot B-2), Mahanalua Nui Subdivision Phase 1. over and across Courses 1, 2, 4 and 5 of the above described Boundary "5".



May 7, 2018
Honolulu, Hawaii
Tax Map Key: (2) 4-7-001: 030

Chad T. Kodama
Chad T. Kodama
Licensed Professional Land Surveyor
Certificate Number 11249
License Expires April 30, 2020

Description Checked
[Signature]
for Cadastral Engineer
Date: 7/31/18