

**Makila Farms**  
**Changes from Final Application submitted April 2019**

<b>Final Application (April 2019)</b>		<b>Change (Sept 2019)</b>	<b>Rationale</b>
<b>Workforce Home Prices</b>			
<p>All workforce homes be priced in accordance with Chapter 2.96 MCC, Residential Workforce Housing Policy, which specifies that workforce homes be priced for eligible buyers earning between 81% to 140% of Maui's Annual Median Income (AMI).</p>	<p>Page/ Reference  Pages 23, 62</p>	<p>Homes will be priced for eligible buyers earning between 50% to 100% of Maui's AMI, which is a lower range that required under Chapter 2.96, MCC.</p>	<ul style="list-style-type: none"> <li>• Reduces the prices of the workforce homes.</li> <li>• Provides opportunities for people and families in the lower income ranges to own a home.</li> <li>• Evolved from input from community members, Council members, and agencies, regarding what is truly "affordable" and what income groups have the biggest unmet need.</li> </ul>
<b>Deed Restrictions to Maintain Affordability</b>			
<p>Workforce homes must be owner-occupied (i.e., cannot be rented) for a minimum period (per Chapter 2.96 MCC), as follows:</p> <ul style="list-style-type: none"> <li>• 10 years for Below Moderate income priced homes</li> <li>• 8 years for Moderate income priced homes</li> <li>• 5 years for Above Moderate income priced homes</li> </ul>	<p>Pages 24, 62</p>	<p>Deed restriction in force for 30 years that will require:</p> <ul style="list-style-type: none"> <li>• All workforce homes must be owner-occupied for a minimum of 30 years.</li> <li>• Any workforce homes sold within 30 years must be sold to eligible workforce buyers (per the DHHC Affordable Sales Price Guidelines in effect at the time of the sale).</li> <li>• Workforce sellers allowed to retain 3% appreciation per year.</li> </ul>	<ul style="list-style-type: none"> <li>• Keeps workforce homes affordable for workforce buyers for 30 years.</li> <li>• Eliminates workforce buyers from "flipping" the workforce home for a large profit.</li> <li>• Evolved from concerns from community members and Council members regarding the desire to keep workforce homes available to workforce buyers for a longer period than required under Chapter 2.96.</li> </ul>

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Tom Schnell, PBR

<b>Workforce Home Distribution</b>			
<p>Distribution of workforce homes (per Chapter 2.96):</p> <ul style="list-style-type: none"> <li>• <b>6 homes</b> (31%) priced for “<b>Below Moderate</b>” income households earning between 81% and 100% of the median income.</li> <li>• <b>10 homes</b> (53%) priced for “<b>Moderate</b>” income households earning between 101% and 120% of the median income.</li> <li>• <b>3 homes</b> (16%) priced for “<b>Above Moderate</b>” income households earning between 121% and 140% of the median income.</li> </ul>	<p>Pages 23, 62</p>	<p>Change in distribution of workforce homes:</p> <ul style="list-style-type: none"> <li>• <b>6 homes</b> (32%) priced for “<b>Very Low</b>” and “<b>Low Income</b>” households earning between 50% and 65% of the median income.</li> <li>• <b>7 homes</b> (37%) priced for “<b>Low Income</b>” households earning between 66% and 85% of the median income.</li> <li>• <b>6 homes</b> (31%) priced for “<b>Low Income</b>” and “<b>Below Moderate</b>” income households earning between 86% and 100% of the median income.</li> </ul>	<ul style="list-style-type: none"> <li>• Chapter 2.96, MCC requires workforce homes distributed per income ranges (between 80% to 140% of the median income).</li> <li>• The change distributes the workforce homes for buyers earning 50% to 100% of the median income.</li> <li>• The change provides the most workforce homes for “<b>Low Income</b>” households.</li> </ul>
<b>Workforce Types and Floor Plans</b>			
<p>Workforce home architectural style, elements, and plans.</p>	<p>Page 25; Appendix A-1</p>	<p>Types of units (1-bed/1-bath, 2-bed/1-bath, 3-bed/2-bath, 4-bed/2-bath) remains the same; however, the total square feet of each of the home types will be slightly less.</p> <p>The revised work workforce plans not be “ranch style” and will not include items board and batten exteriors, 10-foot vaulted ceilings, and enclosed garage (carports will be included).</p>	<p>The revised plans will enable the workforce homes to be provided quickly and at prices affordable to buyers earning 50 to 100 percent of the median income.</p>

<b>Non-Potable (Irrigation) Water</b>			
<p>In final 201H application two options for non-potable water were provided:</p> <ul style="list-style-type: none"> <li>Option 1: Construct an independent non-potable groundwater well and storage tank.</li> <li>Option 2: Purchase Water from Launiupoko Irrigation Company, Inc (LIC) if the LIC system has capacity and has developed sufficient ground water resources and is no longer drawing surface water from Kaua'ula Stream.</li> </ul>	<p>Page 20, 46, 52; Appendix L, page 4-5</p>	<p>Option 1, construct an independent non-potable groundwater well and storage tank, is the only option now proposed.</p>	<p>Option 1 is now the only option for non-potable water under consideration by Makila Farms, as if Makila Farms is approved, it is likely to be built and occupied before the LIC system will have capacity from groundwater sources to provide non-potable water to Makila Farms.</p> <p>Note (as stated in the Final 201H application): Makila Farms will comply with the requirements of Chapter 14.12, MCC (referred to as "Show Me the Water") to verify that there will be a long-term, reliable supply of water (potable and non-potable). In compliance, Makila Farms will submit detailed engineering reports so that DWS will be able to determine that there will be a long-term, reliable supply of water for Makila Farms. As provided in Chapter 14.12.040, MCC, Makila Farms' subdivision construction plans cannot be approved unless DWS verifies that Makila Farms will have a long-term, reliable supply of water.</p>
<b>Amenity</b>			
<p>A sidewalk (asphalt) will be provided along one side of the workforce housing road</p>	<p>Pages 20, 50, 96, Figure 9 (Conceptual Master Plan); Appendix A-2, Appendix L page 2-2, and Figure 2-3.</p>	<p>No sidewalk (asphalt) provided in keeping with the agricultural character of the area.</p>	<ul style="list-style-type: none"> <li>The change is in keeping with the agricultural character of the area.</li> <li>Sidewalks are not required in Agricultural zoned areas under Section 18.20.070, MCC; and under Section 18.32.030(F)(1) sidewalks may be eliminated if adequate grassed access is provided adjacent to a roadway.</li> <li>The change reduces the overall site development costs (and impervious surface area) and allows for the lower workforce home prices.</li> </ul>