WATER AUTHORITY, SOCIAL SERVICES, AND PARKS COMMITTEE

August 26, 2025	Committee
	Report No.

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

Chair and Members:

Your Water Authority, Social Services, and Parks Committee, having met on August 4, 2025, makes reference to Resolution 25-139, entitled "STATING THE COUNTY'S INTENT TO CONVEY A PORTION OF THE KAHULUI COMMUNITY CENTER PARK SITE TO HALE MAKUA HEALTH SERVICES TO SUPPORT THE DEVELOPMENT OF A WORKFORCE RENTAL HOUSING PROJECT."

Resolution 25-139's purpose is to express the County's intent to support a future land transfer or agreement for a portion of the Kahului Community Center Park site identified for real property tax purposes as tax map key (2) 3-8-007:097, located at 275 Uhu Street, Kahului, Hawai'i. The land would be used to develop an approximately 100-unit workforce rental housing project by Hale Makua Health Services, in partnership with Alaka'i Development II LLC.

Your Committee notes that the development of the Kahului Community Center Park site began in 2018 to address the need for a new healthcare delivery system with more home and community-based services in a central location for the care, education, and management of elderly services.

Your Committee notes that the Council previously supported granting Hale Makua a lease and creating a Kahului Community Center Park Master Plan, aimed at advancing the development of rehabilitation and senior facilities, healthcare services, and senior-oriented recreation (Resolutions 18-163 and 18-164).

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Your Committee further notes that the Council authorized the conveyance of a 2.831-acre portion of the Kahului Community Center Park in fee simple to Hale Makua for the development of a rehabilitation facility (Resolution 22-69, CD1).

Your Committee received a joint presentation from representatives of Hale Makua and Alaka'i Development relating to the project's history, design elements, and status.

The Hale Makua representative said the design process for the rehabilitation facility began in 2024. After consultation with the Maui Economic Recovery Commission, modifications were made to the Kahului Community Center Park Master Plan to incorporate a workforce rental housing project.

Your Committee noted the workforce rental housing project is targeted to entry- to mid-level healthcare and education professionals, along with individuals displaced by the August 2023 Maui wildfires, with the cost of rent and utilities capped at 30 percent of household income. The project would provide an opportunity for healthcare and education workers to remain on Maui while progressing their careers through workforce development programs.

The Alaka'i Development representative noted the importance of retaining Kokua Pool and the Kahului Community Center and supported planning efforts to ensure community benefit and access to these sites are maintained.

Your Committee acknowledged the need for workforce housing but also noted the importance of addressing the following concerns:

• Ensuring the land agreement or conveyance will keep the units affordable in perpetuity.

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- Clarifying that the rental cost includes the cost for utilities (water, electricity, sewer, or refuse).
- Providing transparency on any additional fees for parking stalls or pets.
- Determining whether the units will have in-suite laundry or whether an on-site laundry facility will be provided at no cost to occupants.
- Identifying the evacuation plan for occupants in the event of an emergency.
- Clarifying the legality of prioritizing healthcare and education workers as occupants of the project's units.
- Confirming Hale Makua's and Alaka'i Development's plans to advertise units to Maui County residents, including in-person and extended sign-up periods with evening and weekend hours.
- Determining whether the project targets the appropriate Area Median Income to qualify as workforce housing.

Your Committee expressed support for workforce housing that would further the expansion of Hale Makua's services in a central location within the community.

Your Committee also expressed appreciation to Hale Makua, Alaka'i Development, and the Administration for their collaborative efforts on this project.

Your Committee voted 7-0 to recommend adoption of Resolution 25-139. Committee Chair Sinenci, Vice-Chair Johnson, and members

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Cook, Kama, Lee, Paltin, and Sugimura voted "aye." Committee members Rawlins-Fernandez and U'u-Hodgins were excused.

Your Committee is in receipt of Resolution 25-139, CD1, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Water Authority, Social Services, and Parks Committee RECOMMENDS that Resolution 25-139, CD1, attached, entitled "STATING THE COUNTY'S INTENT TO CONVEY A PORTION OF THE KAHULUI COMMUNITY CENTER PARK SITE TO HALE MAKUA HEALTH SERVICES TO SUPPORT THE DEVELOPMENT OF A WORKFORCE RENTAL HOUSING PROJECT," be ADOPTED.

This report is submitted in accordance with Rule 3 of the Rules of the Council.

SHANE M. SINENCI, Chair

John M. Simo

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Resolution

No. <u>25-139, CD1</u>

STATING THE COUNTY'S INTENT TO CONVEY A PORTION OF THE KAHULUI COMMUNITY CENTER PARK SITE TO HALE MAKUA HEALTH SERVICES TO SUPPORT THE DEVELOPMENT OF A WORKFORCE RENTAL HOUSING PROJECT

WHEREAS, the County seeks to address critical affordable housing needs in the aftermath of the August 2023 wildfires and to advance its long-standing efforts to provide essential housing and healthcare services; and

WHEREAS, Hale Makua Health Services, in partnership with Alaka'i Development II LLC, has proposed a joint venture to develop an approximately 100-unit workforce rental housing project on a portion of the Kahului Community Center Park site, identified for real property tax purposes as a portion of Tax Map Key (2) 3-8-007:097, located at 275 Uhu Street, Kahului, Hawai'i; and

WHEREAS, the property is part of a broader 34.082-acre parcel that includes the Kokua Pool and Kahului Community Center, which are proposed to be excluded from the housing development area through subdivision of the parcel and retained by the County for public use and recreation; and

WHEREAS, the project will provide preference to and is targeted towards entry- to mid-level healthcare and education workers and individuals displaced by the August 2023 wildfires, and will consist of approximately 100 workforce rental units, with rents limited to no more than 30 percent of a resident's household income; and

WHEREAS, the project will be designed to emphasize affordability, operational efficiency, community living, and will include amenities such as in-unit laundry, lanais, walk-in closets, and spaces for resident services and engagement; and

WHEREAS, the project has received preliminary support from the County administration and has secured philanthropic funding to advance predevelopment work, contingent upon the County's continued

commitment to providing Hale Makua Health Services future site control as needed for the purposes of the project; and

WHEREAS, the proposed project builds upon previous Council actions, including Resolution 18-163 and Resolution 18-164, which enabled the advancement of healthcare-related uses and a master-planned approach for the Kahului Community Center Park site; and

WHEREAS, the Council finds that it is in the public interest to express its support for this workforce housing initiative and to allow the developer and the Administration to continue working towards a formal land subdivision and conveyance, consistent with future legislative approvals; now, therefore,

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

- 1. That it states its intent to support the development of workforce housing on a portion of the Kahului Community Center Park site through a future land transfer or agreement, subject to necessary due diligence, subdivision approvals, and Council authorization;
- 2. That it acknowledges the importance of retaining public recreational uses on this parcel, including the Kokua Pool and the Kahului Community Center, and supports planning efforts to ensure community benefit and access are maintained with the understanding that the Kahului Community Center may be moved to a different location, in which case, the existing facility would be repurposed; and
- 3. That certified copies of this Resolution be transmitted to the Mayor; Managing Director; Director of Housing; Dean Minakami, Executive Director, Hawai'i Housing Finance and Development Corporation; and Wesley Lo, Chief Executive Officer, Hale Makua Health Services.

Resolution No. 25-139, CD1

APPROVED AS TO FORM AND LEGALITY:

YUKARI MURAKAMI Department of the Corporation Counsel County of Maui

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INTRODUCED BY:

Upon the request of the Mayor.