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Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

November 27, 2023

Director Jade Butay
Department of Labor and Industrial Relations
Keelikolani Building
830 Punchbowl Street, Room 321
Honolulu, HI 96813

Via U.S. Mail and email: jade.butay@hawaii.gov

Dear Director Butay:

SUBJECT: HRS Chapter 104's applicability to the Pulelehua
Affordable Housing Project

I am requesting a departmental interpretation regarding the applicability of HRS Chapter 104 to the Pulelehua Affordable Housing Project.

Ordinance No. 5454 appropriates \$18 million for the Pulelehua Project, and Resolution 23-206 requests additional government funding and county resources to expedite the Project's construction. The developer of the Pulelehua Project received \$18 million from Maui County's Affordable Housing Fund¹ for the construction of the project and later commenced grading and grubbing work on the project site. The developer said he does not need to comply with HRS Chapter 104 for the grading and grubbing work since he plans to use the \$18 million for the vertical construction portion of the project.

The question is whether the contractor or contractor's subcontractors are required to pay all mechanics and laborers performing work on the Pulelehua

¹ Affordable Housing Fund (Section 9-20, Revised Charter of the County of Maui (1983), as amended; Chapter 3.35, Maui County Code.

Project, including the grading and grubbing work, prevailing wages as required under HRS Chapter 104?

Chapter 104-1 defines a “Public Work” as “...any project, including development of any housing pursuant to section 46-5 or chapter 201H and development, construction, renovation, and maintenance related to refurbishment of any real or personal property, **where the funds or resources required or used to undertake the project are to any extent derived, either directly or indirectly, from public revenues of the State or any county...**”

The term “public work” is further defined in Section 12-22-1, HAR.
Any building, structure, road, or real property, the construction of which is undertaken:

- (A) **By authority of;** and
- (B) **Through the use of funds,** grants, loans, bonds, land, or other resources of the State or any county, board . . . or other agency or instrumentality thereof, to serve the interest of the public, regardless of whether title thereof is held by a state or county agency.

Chapter 104-2(a), HRS, states that Chapter 104 “shall apply to every contract in excess of \$2,000 for construction of a public work project to which a government contracting agency is a party; provided that Chapter 104 shall not apply to experimental and demonstration housing developed pursuant to Section 46-15 or housing developed pursuant to Chapter 201H if the cost of the project is less than \$500,000 and the eligible bidder or eligible developer is a private nonprofit corporation.” Furthermore, “governmental contracting agency” includes (1) any person or entity that causes either directly or indirectly the building or development of a public work; and (2) any public-private partnership.

Since the developer of the Pulelehua Project has received \$18 million from the County of Maui for the construction of the project, it is my understanding that contractors and subcontractors working on the project at all phases, including the grading and grubbing phase, are required to comply with HRS Chapter 104. I request that the department issue an interpretation to this effect.

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Thank you for your time and assistance in reviewing this matter, and I look forward to hearing from you. Should you have any questions, please do not hesitate to contact me at (808) 318-0145.

Sincerely,

A handwritten signature in black ink that reads "Nohelani U'u-Hodgins". The signature is written in a cursive, flowing style.

NOHELANI U'U-HODGINS
Councilmember

ORDINANCE NO. 5454

BILL NO. 152 (2022)

A BILL FOR AN ORDINANCE AMENDING APPENDIX A
OF THE FISCAL YEAR 2023 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES -
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2023,
AFFORDABLE HOUSING FUND
(PULELEHUA AFFORDABLE HOUSING PROJECT)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 5392, Bill No. 69, CD1, FD2 (2022), as amended, "Fiscal Year 2023 Budget", Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2023, is hereby amended as it pertains to the Affordable Housing Fund by adding an appropriation for Maui Oceanview LP for the Pulelehua Affordable Housing Project for \$18,000,000, to read as follows:

**"II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2023**

	<u>ESTIMATED BALANCE AS OF 6/30/2022</u>	<u>ANTICIPATED REVENUES FOR FY 2023</u>	<u>TOTAL FOR FY 2023</u>
L. Affordable Housing Fund (Section 9-20, Revised Charter of the County of Maui (1983), as amended; Chapter 3.35, Maui County Code)	25,304,784	32,695,216	58,000,000
(1) Up to \$69,500 must be for Administrative expenses.			
(2) Up to \$2,000,000 must be for upgrade of the culvert on Waiale Road.			
(3) Up to \$6,000,000 must be for a grant to AHED Kenui LLC for property acquisition for a 142-unit multifamily rental project, for the Front Street Apartments Preservation, TMK: (2) 4-5-003:013, located at 1056 Front Street, Lahaina, Maui, Hawaii. The project will include 7 units at or below 30 percent of the AMI, 64 units at or below 50 percent of the AMI, 70 units at or below 60 percent of the AMI, and one unit for an on-site property manager. The affordability period is 51 years.			

- (4) Up to \$825,000 must be for a grant to Aina Pacific, LLC to extend Wela Street to Kilohana Drive as required by Condition 9 Exhibit B Conditions of Zoning, Ordinance 5151, Bill 114 (2020). The project consists of 28 single-family units, nine of which are at or below below-moderate income, fourteen units will be at or below moderate income, and five units will be at or below above-moderate income. The affordability period is 20 years.
- (5) Up to \$1,750,000 must be for master plans or feasibility studies for land suitable for affordable housing, including TMK: (2) 3-8-006-004-002(por.) located at Hansen Road, Puunene, Wailuku, Maui, Hawaii; TMK: (2) 2-2-002-070, located at 2201 Piilani Highway, Kihei, Maui, Hawaii; TMK (2) 2-3-800-504, located at Kuihelani Highway and Waiko Road, Wailuku, Maui, Hawaii; and TMK: (2) 4-9-002:058 (por.) located at 5th Street, Lanai City, Maui, Hawaii.
- (6) Up to \$250,000 must be for a contract to provide a Comprehensive Plan to End Houselessness in Maui County
- (7) Up to \$1,000,000 must be for a grant to Habitat for Humanity for the Wakiu affordable housing project located at 4356 Hana Highway, Hana, Maui, Hawaii, TMK: (2) 1-3-004:001 (por.) for roadways, drainage, and other infrastructure.
- (8) Up to \$134,000 must be for Water Use Development Fees for the Hale Pilina Project TMK: (2) 3-7- 013:026, located at Puunene Avenue, Kahului, Maui, Hawaii.
- (9) Up to \$11,000,000 must be for the acquisition of the Lāhaina Crossroads Apartments and property, a 20-unit complex to remain affordable in perpetuity, identified as TMK: (2) 4-6-009:058 and TMK: (2) 4-6-009:61, located at 767 Luakini Street, Lahaina, Maui, Hawai'i.

(10) Up to \$18,000,000 must be for Maui Oceanview LP for the Pulelehua Affordable Housing Project for 40 for-sale units at or below 100 percent AMI and 20 for-sale units at or below 120 percent AMI."

SECTION 2. Material to be repealed is bracketed. New material is underscored.

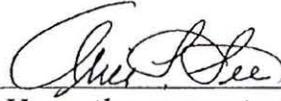
SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Mrs. Lee". The signature is written in black ink and is positioned above a horizontal line.

Upon the request of the Mayor.

WE HEREBY CERTIFY that the foregoing BILL NO. 152 (2022)

1. Passed FINAL READING at the meeting of the Council of the County of Maui, State of Hawaii, held on the 18th day of November, 2022, by the following vote:

Alice L. LEE Chair	Keani N. W. RAWLINS-FERNANDEZ Vice-Chair	Gabriel JOHNSON	Natalie A. KAMA	Kelly T. KING	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
Aye	Aye	Aye	Aye	Excused	Aye	Aye	Aye	Excused

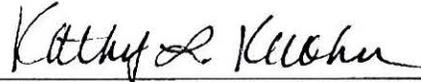
2. Was transmitted to the Mayor of the County of Maui, State of Hawaii, on the 21st day of November, 2022.

DATED AT WAILUKU, MAUI, HAWAII, this 21st day of November, 2022.

RECEIVED
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 OFFICE OF THE MAYOR

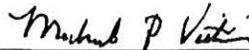


ALICE L. LEE, CHAIR
 Council of the County of Maui



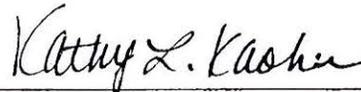
KATHY L. KAOHU, COUNTY CLERK
 County of Maui

THE FOREGOING BILL IS HEREBY APPROVED THIS *23rd* DAY OF *November*, 2022.



MICHAEL P. VICTORINO, MAYOR
 County of Maui

I HEREBY CERTIFY that upon approval of the foregoing BILL by the Mayor of the County of Maui, the said BILL was designated as ORDINANCE NO. 5454 of the County of Maui, State of Hawaii.



KATHY L. KAOHU, COUNTY CLERK
 County of Maui

Passed First Reading on November 4, 2022
 Effective date of Ordinance November 23, 2022

RECEIVED
 2022 NOV 25 AM 7:56
 OFFICE OF THE COUNTY CLERK

I HEREBY CERTIFY that the foregoing is a true and correct copy of Ordinance No. 5454, the original of which is on file in the Office of the County Clerk, County of Maui, State of Hawaii.

Dated at Wailuku, Hawaii, on

 County Clerk, County of Maui

CHARTER
COUNTY OF MAUI

2021 EDITION

APPENDIX II

Section 9-20. Affordable Housing Fund.

1. In adopting annual operating budgets and capital programs, the council shall appropriate a minimum of 3 percent of the certified real property tax revenues to a fund known as the affordable housing fund. In any fiscal year, the council may make appropriations to the fund in addition to the minimum required appropriations. The revenues and unencumbered balance in this fund shall be utilized for the provision, protection, and expansion of affordable housing and suitable living environments for persons of very low to gap income, as defined by ordinance, including the rehabilitation of existing structures, land purchase or other acquisition of land or property entitlements, planning, design, and construction.

2. On an annual basis, no more than three percent (3%) of this fund shall be used for administrative expenses.

3. Any unencumbered balance in this fund at the end of each fiscal year shall not lapse, but shall remain in the fund, accumulating from year to year. Any unencumbered balance in this fund shall not be used for any purpose except those listed in Subsection 1 of this Section, or as provided by ordinance.

4. The council shall by ordinance establish procedures for the administration and expenditure of the revenues in this fund. Any appropriations to this fund shall not substitute, but shall be in addition to, those appropriations historically made for the purposes stated in this section. (Amended 07/01/2021, 2014, 2010, 2006)

Chapter 3.35 AFFORDABLE HOUSING FUND

3.35.010 Purpose.

- A. There shall be deposited into the affordable housing fund all moneys paid to the County in lieu of providing residential workforce housing units, any council appropriations to the fund, and all moneys donated to the County for affordable housing projects. The revenues and unencumbered balance in the fund shall be used for the provision, protection, and expansion of affordable housing and suitable living environments for residents of very low to gap income, including the rehabilitation of existing structures, land purchase or other acquisition of land or property entitlements, planning, design, and construction.
- B. In adopting fiscal year annual operating budgets and capital improvement programs, the council must appropriate a minimum of 3 percent of the certified real property tax revenues to the affordable housing fund. Any appropriations to this fund must not substitute, but must be in addition to, those appropriations historically made for the purposes stated.
- C. The revenues and unencumbered balance in this fund shall not be used for any purpose except those defined in this chapter.
- D. On an annual basis, no more than three percent of this fund shall be used for administrative expenses.

(Ord. No. 5369 , § 2, 2022; Ord. 4323, § 2, 2016 ; Ord. No. 3817, § 1, 2011; Ord. 3481 § 1, 2007: Ord. 3418 § 2, 2006)

3.35.020 Fund established.

There is established and created a fund to be known as the "Affordable Housing Fund."

(Ord. 3418 § 2, 2006)

3.35.025 Definitions.

- A. Whenever used in this chapter, unless a different meaning clearly appears from the context, the definitions in section 2.96.020 of this code shall apply.
- B. "Gap income" shall refer to those households whose gross annual family income is more than one hundred forty percent, but not more than one hundred sixty percent, of the area median income as established by the United States Department of Housing and Urban Development or as adjusted by the department of housing and human concerns, for Hana, Lanai, and Molokai.

(Ord. 4323, § 3, 2016 ; Ord. 3481 § 2, 2007)

3.35.030 Administration.

- A. The director of finance shall establish a separate account to record revenues and supplemental transfers credited to, and expenditures made from, the fund.
- B. Any unencumbered balance in the fund at the end of each fiscal year shall not lapse, but shall remain in the fund, accumulating from year to year.

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- C. The director of housing and human concerns shall administer the fund.
 - D. The director of housing and human concerns and the director of finance may adopt administrative rules necessary to carry out the purposes of this chapter.
 - E. Revenues received from a developer to partner with a nonprofit organization or community land trust are deemed appropriated upon receipt and are authorized to be expended for the purposes of the fund.

(Ord. No. 3817, § 2, 2011; Ord. 3418 § 2, 2006)

3.35.040 Use of fund.

The council may make appropriations from the affordable housing fund for the provision, protection, and expansion of affordable housing and suitable living environments, including the rehabilitation of existing structures, land purchase or other acquisition of land or property entitlements, planning, design, and construction, for residents whose income is between very low income, as defined in section 2.96.020, and gap income, as defined in section 3.35.025(B), in addition to the following:

- A. To increase the supply of affordable, rental, and owner-occupied housing.
- B. To acquire interests in real property.
- C. For planning, design, or construction of affordable rental or owner-occupied housing for residents within income-qualified groups.
- D. To provide housing for elderly, disabled, and homeless residents lacking a permanent home.
- E. To provide grants or loans to an entity building 100 percent affordable projects or to any nonprofit or community land trust that complies with section 501(c) of the Internal Revenue Code and any other requirement under federal, state, and county law regulating the conduct of charitable or nonprofit organizations, provided that the purpose of any grant or loan must be for the purposes in section 3.35.010.
- F. To leverage funds provided by federal, state, nonprofit, or for-profit organizations and other non-County entities to further expand affordable housing opportunities.
- G. To acquire existing housing or cooperative units for rehabilitation as affordable rental or owner-occupied housing, or both.
- H. To increase investment in public infrastructure in connection with related affordable housing projects.
- I. To provide comprehensive infrastructure assessments for priority affordable housing projects.
- J. To provide long-term planning for affordable housing and houselessness solutions.
- K. To provide funds for payment of principal and interest on bonds issued.

(Ord. No. 5369, § 3, 2022; Ord. 3481 § 3 (part), 2007)

3.35.050 Term of affordability.

- A. Unless otherwise approved by the council by resolution:
 - 1. Ownership housing units financed by the affordable housing fund must be subject to the restrictions of subsection 2.96.060(B) of this code.
 - 2. Rental housing units financed by the affordable housing fund must be subject to the restrictions of subsection 2.96.070(B) of this code.

(Supp. No. 67)

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- B. The restrictions imposed by this section shall run with and bind the housing units, and the department shall record such restrictions with the bureau of conveyances or the land court of the State.

(Ord. No. 5131 , § 1, 2020; Ord. No. 4323, § 4, 2016 ; Ord. No. 4177, § 12[13], 2014; Ord. 3481 § 3 (part), 2007)

3.35.060 Criteria for selection of grant or loan proposals.

- A. Grant or loan proposals must include:
1. A detailed description of the proposed project and an outline of the income categories the project will serve.
 2. A brief overview of a long-term management plan for the proposed project.
 3. A description of all efforts to leverage or match funding from non-County sources for the project.
- B. Grant or loan proposals must meet the following criteria:
1. Demonstrate the project is consistent with the requirements set forth in section 3.35.010.
 2. Demonstrate the project can be effectively managed and maintained as affordable and significantly contribute to the creation of affordable housing units.
 3. Demonstrate the project directly advances the objective of providing affordable housing in perpetuity; however, a request for exemption from this provision may be approved by the council by resolution if:
 - a. All of the dwelling units are offered as affordable, with the exception of any managers' units.
 - b. The dwelling units remain affordable for not less than thirty years.

(Ord. No. 5131 , § 2, 2020; Ord. 3481 § 3 (part), 2007)

3.35.070 Grant or loan requirements.

- A. A grant or loan agreement for distribution of funds must contain the following conditions and restrictions, unless otherwise approved by the council by resolution:
1. Title to any real property must be held in perpetuity by the grantee or borrower unless conveyed to the County or to a qualified nonprofit or community land trust.
 2. The grantee or borrower must submit annual reports to the department of housing and human concerns documenting the progress toward implementing long-term management of the affordable housing project.
 3. The project must not be sold, exchanged, divested, or converted to other uses that are inconsistent with the purposes set forth in this chapter without the prior approval of the council by resolution.
 4. If the grantee or borrower dissolves or is adjudicated bankrupt, title to any real property that has been funded or improved by a grant or loan issued from the fund must be conveyed to the County or to a qualified nonprofit or community land trust as approved by the council by resolution.
 5. The grantee or borrower must not distribute or redistribute grant or loan funds to other organizations.
- B. Unless otherwise approved by council by resolution, loans from the fund must:
1. Be secured by a first mortgage lien in favor of the County or, subject to council approval by resolution, be secured by a second mortgage lien in favor of the County.
 2. Have a term set by the director of housing and human concerns.

-
3. Require the borrower to execute a promissory note in favor of the County.
 4. Include an interest rate set at three percent per annum.
 5. Be recorded with the bureau of conveyances or the land court of the State.
- C. If a borrower defaults or the project is not serving the affordable housing needs as set forth in this chapter, the following may be required of the borrower:
1. Forfeit the land or property to the County.
 2. Full repayment of the principal balance at an annual interest rate equal to two times the prime rate at the time of default.

(Ord. No. 5131 , § 3, 2020; Ord. 3481 § 3 (part), 2007)

3.35.080 Affordable housing fund annual plan.

The department shall propose an affordable housing fund annual plan for the use of affordable housing fund revenues, and transmit the affordable housing fund annual plan to the council for its consideration, along with a budget amendment or a request that the projects in the annual plan be included in a fiscal year budget. The affordable housing fund annual plan shall include the following:

- A. A description of the projects to be funded, including grants and loans, with a completed grant or loan proposal for each project;
- B. The total proposed appropriations for the subject fiscal year;
- C. The number of housing units that will be created and residents to be served;
- D. If housing is not the immediate result from a proposed appropriation, such as land acquisition or infrastructure improvements, provide an explanation on how the appropriation will result in housing; and
- E. The total expenditure for administrative expenses, which shall be consistent with section 3.35.010(D) of this chapter.

(Ord. No. 3779, § 1, 2010; Ord. 3481 § 3 (part), 2007)

3.35.090 Annual report.

- A. The department shall prepare and submit an annual report to the council on the expenditures and accomplishments resulting from appropriations from the affordable housing fund. The annual report shall provide the following information:
 1. The number and types of units created or assisted.
 2. Any non-dwelling unit improvements, such as land acquisition or infrastructure improvements.
 3. The geographic distribution of units or funded projects.
 4. Statistical data relative to the incomes of the households assisted.
 5. The amount of state, federal, and private funds leveraged or matched.
 6. Sales or rental prices established.
- B. The report shall also include an overview of how the department has met affordable housing fund annual plan goals and objectives.

(Ord. 4323, § 5, 2016 ; Ord. 3481 § 3 (part), 2007)

3.35.100 Project expenses.

Funds are deemed appropriated by project and not by fiscal year.

(Ord. No. 4323, § 5, 2016 ; Ord. No. 3779, § 2, 2010; Ord. 3481 § 3 (part), 2007)

Pulelehua Phase I. II. III.

Emergency Affordable Housing Plan

8.25.23

Paul Cheng

Maui Oceanview LP

paul@usaiinvestments.com

(214) 415-8868

Overview

Maui Oceanview LP proposes expediting the build-out of 740-800+ affordable housing units in phase I & II of Pulelehua, and a request to add additional *temporary* prefabricated housing units to phase III. for immediate temporary housing needs of displaced West Maui residents impacted by the August 2023 fires. Buildout would be over 30 months subject to funding rather than the multi phased 10-year build out originally planned.

Maui Oceanview LP has approached State Chief Housing Officer Medeiros, and Governor Green's office for assistance in obtaining Federal and State housing tax credits to offset project costs and a dedicated Housing Assistance Payments contract (HAP contract) to provide 20-year housing vouchers, so it can assist our residents and subsidizes a large portion of the rent.

If adequate dedicated Federal housing tax credits (LIHTC) and HAP contract vouchers are granted, Maui Oceanview LP is committed to converting any funded rental units to become an affordable rental housing unit and for the 60 affordable for sale units, follow the newly established housing price guidelines outlined in ordinance 5441 (2022) in phase I., and ordinance 5315 (2021), which prioritizes applicants based on length of residency. To the extent it may be legally permissible, the project desires to prioritize

applicants based on length of residency in West Maui and/or for those that have lost their homes to the fires in West Maui, as well.

Phase I.

This first phase of 60 affordable for rent units, 60 affordable for sale units and 120 market rate for rent units has already broken ground and it would be a challenge at this stage to change the scope and design but the market rate units can still become affordable rental units if funding in the form of tax credits and HAP vouchers are provided.

Specifications

Phase 1 60 For-Sale Units

Unit Type	Total Units	Size	Description
MK-A1	6	509	1 Bdrm
MK-A2	8	578	1 Bdrm
FSA	24	593	1 Bdrm
MK A3.1	2	663	1 Bdrm
MK-A3	4	673	1 Bdrm
FSB	6	773	2 Bdrm
MK-B1	4	843	2 Bdrm
MK-B2	4	943	2 Bdrm
MK-B3A	2	1029	2 Bdrm
Total	60		

2023 Maui County Pricing Guidelines			
AMI/ Annual Salary	100% AMI \$101,100	120% AMI \$121,320	Total
1 Bdrm	\$263,063	\$315,697	44
2 Bdrm	\$319,433	\$383,349	16
Total Units			60

Specifications

180 For-Rent Units: which can be all affordable upon funding.

Unit Name	Total Units	Size	Description
WFS-1	32	418	Studio
MK-A1	18	509	1 Bdrm
WF-A1	32	537	1 Bdrm
MK-A2	16	578	1 Bdrm
FSA	8	593	1 Bdrm
MK-A3.1	10	663	1 Bdrm
MK-A3	20	673	1 Bdrm
FSB	2	773	2 Bdrm
WF-B1	16	833	2 Bdrm
MK-B1	8	843	2 Bdrm
MK-B2	8	943	2 Bdrm
MK-B3A	10	1029	2 Bdrm
Total	180		

County Assistance Requested:

We believe the most effective way to finance affordable rental housing is to obtain a combination package of LIHTC credits and HAP vouchers. Using this method will allow Maui County to substantially add to its housing inventory allocating only 6% of the total costs for the new units.

Structure of Financing Proposed:

- A. Via an upcoming Lahaina Disaster Relief Bill, on a per unit basis, 55% of the costs to build the housing units can be funded by the Federal Credits.
- B. Secondly, to the extent there's an adequate market for State LIHTC Credits in that scale, another 22% of the cost of a unit can be funded from the State LIHTC source.
- C. HHFDC has a Housing Fund that can then fund another 12% of the cost of a unit and any shortfall from the sales of State Tax Credits. (And potential cash grant from the Federal Government Disaster Relief program)
- D. Leaving a balance of only 6% of the total cost of a new unit of County funding.**

Pulelehua will build the maximum amount of affordable rental units allowed using the above financing structure as State can obtain and provide from Federal Government and its own Housing Fund. Upon Funding, Pulelehua respectfully requests the following coordination approvals from County:

County Assistance Requested:

- 1) Maui Oceanview LP will need approval to use county water until Pulelehua's wells are approved for use by CWRM.
- 2) Expedited inspections and comments turnaround time to help construction schedule stay on time.
- 3) Expedited departmental permitting review and approval for building permits.

- 4) Certification of occupancy building by building to help house the community as quickly as possible.
- 5) An application for the Affordable Housing fund will be submitted by the deadline at the end of August 2023 requesting \$12 million for infrastructure costs associated with undergrounding utilities and expediting water delivery systems development for multiple phases at one time.

Phase II.

The second phase would satisfy the project's originally approved housing density allowance of 800 + units for phases one through three, by building 568 rental units as follows:

Unit Name	Total Units	Size	Description
A1	136	508	1BR/1BATH
A2	84	578	1BR/1BATH
A3	84	672	1BR/1BATH
B1	148	843	2BR/1BATH
C1	28	943	3BR/2BATH
C2	16	953	3BR/2BATH
LW A	9	800	1BR/1BATH
LW B	27	1200	3BR/2BATH
AF-LW A	9	650	1BR/1BATH
AF-LW B	27	900	3BR/2BATH
Total Units	568		

County Assistance Requested:

- 1) Maui Planning Department approval of the added density. Initial plan for the added units has been submitted to Planning Department for review.
- 2) Maui Oceanview LP may need county water until Pulelehua's wells are approved for use by CWRM.
- 3) Expedited construction plans permit review.
- 4) Expedited inspections and comments turnaround time to help construction schedule stay on time.
- 5) Expedited coordination with County Water engineering to design and build pumping and tank storage system to accommodate Pulelehua uses.

Phase III

The third phase of the project is proposed for immediate temporary housing for displaced West Maui residents and long-term additional housing units depending on funding availability. Currently, it is planned for 210 multi-family units but can accommodate double that amount if needs arise.

In the meantime, if County desires and permits, the area can be graded, solar microgrids installed, potable water systems installed and semi-permanent prefab homes deployed immediately.

Maui Oceanview LP is currently researching multiple potential partners for prefab homes that can withstand hurricane force winds and are built with materials compatible with Pulelehua's geographic location.

County Assistance Requested:

- 1) Expedited permits to grade and grub the area.
- 2) Permission to erect prefabricated housing units.
- 3) Permission to install solar and water supply.
- 4) Approval for future development of additional rental units in Phase III when prefabricated structures are relocated to a different permanent site.
- 5) Infrastructure funding for grading and grubbing and site roads and utilities prep.

Temporary School Site

State Department of Education has reached out to Pulelehua to consider building a temporary campus on the retail zoned land adjacent to a dedicated permanent school site. If DOE so chooses, Pulelehua would like to request County to grant all necessary approvals on an expedited basis to allow the temporary campus and future permanent campus to be built.

Maui Oceanview LP Commitments

1. Countywide housing down payment assistance for local families, totaling \$1.6M.
2. For-sale units will maintain affordability using a managed appreciation model.
3. New Phase 2 added 210 residential units to density, as well as added substantial amount of large 3 Bedroom units at the request of the community to help house larger families near the location of the future school. Phase 1 and 2 can be constructed simultaneously once closing for funding has been accomplished.

Commitments

Pulelehua is the logical location for new affordable housing to be built. It is the most shovel ready project. Plans are substantially complete for phase I., and phase II. plans will be available in a few short months. If a federal relief package is coming, having the right financing structure will allow Maui county to increase up to 740 units of affordable housing on a 15x leverage basis quickly.

Any grant will be usable. If 25% of requested funding is available, then 25% of 740 units will be added; and if 50% of requested funding is available, then 370 units will be added. The benefit to the County is substantial, with zero risk involved.

Project Amenities

- Over 80 Acres of open space
- Oceanview
- Multiple pocket parks
- Miles of jogging trails
- Bus Stations within walking distance
- Outdoor BBQ stations
- 5000 sf clubhouse
- Large swimming pool
- Hawaiian themed design concepts
- Quality building material
- Ample Parking
- Energy efficient windows and appliances
- Tiled flooring
- Individual controlled AC
- Individual unit water heaters