

**COUNCIL OF THE COUNTY OF MAUI**  
**AFFORDABLE HOUSING COMMITTEE**

February 7, 2020

**Committee**  
**Report No. \_\_\_\_\_**

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

Chair and Members:

Your Affordable Housing Committee, having met on January 8, 2020, makes reference to County Communication 19-15, from Council Chair Kelly T. King, relating to affordable housing projects in accordance with Chapter 201H, Hawaii Revised Statutes (“HRS”).

By correspondence dated December 31, 2019, the Director of Housing and Human Concerns transmitted:

1. An application for the development of the proposed Keawe Street Apartments at the Villages of Leiali`i in Lahaina, Maui, Hawaii, in accordance with Section 201H-38, HRS. The proposed project consists of 200 affordable rental housing units for qualified individuals earning 60 percent or below of the area median income, located on 28.5 acres at the intersection of Keawe Street and a new public road to be constructed in connection with the project. The parcel is identified for real property tax purposes as tax map key (2) 4-5-021:003 (portion), and is owned by the Hawaii Housing Finance and Development Corporation. The developer of the project is the nonprofit organization Ikaika Ohana.
  
2. A proposed resolution entitled “APPROVING THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEI’ALII BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES.” The purpose of the proposed resolution is to approve the proposed project with various exemptions from requirements contained in the Maui County Code and HRS, relating to planning, zoning, land development and improvement, and construction standards for subdivisions and dwelling units.

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3. A proposed resolution entitled "APPROVING WITH MODIFICATIONS THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEI'ALII BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES." The purpose of the proposed resolution is to approve the proposed project with modifications and various exemptions from requirements contained in the Maui County Code and HRS, relating to planning, zoning, land development and improvement, and construction standards for subdivisions and dwelling units.
  
4. A proposed resolution entitled "DISAPPROVING THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEI'ALII BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES." The purpose of the proposed resolution is to disapprove the proposed project.

Under Section 201H-38, HRS, the Council must approve, approve with modifications, or disapprove the proposed project within 45 days after the preliminary plans and specifications have been submitted to the Council, or the project will be deemed approved. The Council has until February 14, 2020, to act on the 201H application for Keawe Street Apartments, or the project will be deemed approved.

Your Committee received testimony from several individuals and organizations in support of the proposed development, citing the need for affordable housing in West Maui and confidence in the developer's capabilities.

Your Committee discussed the proposed development, including questions to the developer's representatives and County agencies, and the requested exemptions from otherwise applicable laws.

After due consideration, your Committee recommended exemptions from various Maui County Code provisions on development-related fees and land use, as follows:

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- Exemptions from the need to obtain a Community Plan Amendment under Chapter 2.80B and from the requirement of consistency in land use entitlements under Section 18.04.030(A).
- Exemption from Agricultural District standards in Chapter 19.30A to allow the project to proceed as if its zoning designation was A-1 Apartment District.
- Exemption from Section 19.36B.020 to lower the off-street parking requirements to 50 stalls.
- Exemptions from the need to pay development-related fees under Chapters 16.04C, 16.18B, 16.20B, and 16.26B, and Section 20.080.90.

Your Committee also discussed the need to modify the project to ensure its effectiveness in providing affordable housing and its suitability to West Maui. Your Committee recommended modifications as follows:

- to set construction start and completion time frames;
- to make the units available to local residents, to the degree possible;
- to have the project include connection to the County wastewater system, a second access road, safe pedestrian access, and access to burial sites;
- to have an archaeological monitoring plan submitted to the Council; and
- to require a culturally appropriate name and landscape plan, maximization of the project's useful life for affordable housing; and compliance with the developer's representations and with the modifications.

Your Committee voted 7-1 to recommend adoption of the revised proposed resolution approving with modifications the Keawe Street Apartments project; filing of the proposed resolution approving the project; and filing of the proposed resolution disapproving the project. Committee

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Chair Kama, Vice-Chair Molina, and members King, Lee, Rawlins-Fernandez, Sinenci, and Sugimura voted “aye.” Committee member Hokama voted “no.” Committee member Paltin was excused.

Your Committee is in receipt of a revised proposed resolution, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee’s recommended modifications and nonsubstantive revisions.

Your Affordable Housing Committee RECOMMENDS the following:

1. That Resolution \_\_\_\_\_, attached hereto, entitled “APPROVING WITH MODIFICATIONS THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEIALI’I BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES,” be ADOPTED;
2. That the proposed resolution, attached hereto, entitled “APPROVING THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEI’ALII BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES,” be FILED; and
3. That the proposed resolution, attached hereto, entitled “DISAPPROVING THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEI’ALII BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES,” be FILED.

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

  
\_\_\_\_\_  
TASHA KAMA, Chair

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# Resolution

No. \_\_\_\_\_

## APPROVING WITH MODIFICATIONS THE KEAWE STREET APARTMENTS AT THE VILLAGES OF LEIALI'I BY IKAIKA OHANA PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES

WHEREAS, Ikaika Ohana, a Hawaii nonprofit corporation, proposes the development of the Keawe Street Apartments at the Villages of Leialii ("the Project") for qualified residents on approximately 28.5 acres located in Lahaina, West Maui, on the parcel identified for real property tax purposes as tax map key (2) 4-5-021:003 (portion); and

WHEREAS, the Project will have a total of 200 affordable multifamily rental housing units, including two manager units; two community centers; on-site laundry facilities; a playground; community gardens; and off-street parking; and

WHEREAS, the affordable multifamily rental housing units will be developed and rented to qualified individuals earning 60 percent or below the Housing and Urban Development area median income; and

WHEREAS, the Project will provide needed affordable rental units to meet the current and growing demand for housing; and

WHEREAS, on December 31, 2019, the Department of Housing and Human Concerns submitted the preliminary plans and specifications and accompanying application to the Council of the County of Maui, recommending approval of the Project, in accordance with Chapter 201H, Hawaii Revised Statutes ("HRS"); and

WHEREAS, under Section 201H-38, HRS, the Council may approve certain exemptions for the Project, and the approved exemption list is attached as Exhibit "A"; and

WHEREAS, under Section 201H-38, HRS, the Council must approve, approve with modification, or disapprove the Project by resolution within forty-five days after the Department of Housing and Human Concerns submits preliminary plans and specifications for to the Council, which occurred for the Project on December 31, 2019; and

WHEREAS, in accordance with Section 4-1 of the Revised Charter of the County of Maui (1983), as amended, the Council is authorized to act by resolution; now, therefore,

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

Resolution No. \_\_\_\_\_

1. That based upon the transmittals and the representations of the Department of Housing and Human Concerns and Ikaika Ohana, the Council approves the Project with the modifications specified in Exhibit "B," including the Project's preliminary plans and specifications, as submitted to the Council on December 31, 2019, in accordance with Section 201H-38, HRS, if Ikaika Ohana complies with all statutes, ordinances, Charter provisions, and rules of governmental agencies relating to planning, zoning, and construction standards for subdivisions, development and improvement of land, and the construction of units, except for the exemptions specified in Exhibit "A";
2. That the final plans and specifications for the Project will be deemed approved by the Council if the final plans and specifications do not substantially deviate, as determined by the Director of Housing and Human Concerns, from the preliminary plans and specifications approved by the Council. Any substantial deviation from the preliminary plans and specifications must be submitted to the Council for prior approval. The final plans and specifications will constitute the zoning, building, construction, and subdivision standards for the Project; and
3. That certified copies of this Resolution be transmitted to the Director of Public Works, Planning Director, the Director of Housing and Human Concerns, and Ikaika Ohana.

APPROVED AS TO FORM AND LEGALITY



\_\_\_\_\_  
MIMI DESJARDINS  
Deputy Corporation Counsel  
County of Maui

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## EXHIBIT "A"

### **KEAWE STREET APARTMENTS AT THE VILLAGES OF LEIALI`I**

#### **EXEMPTIONS**

The following exemptions from Maui County Code provisions are approved for the Keawe Street Apartments at the Villages of Leiali`i ("the Project").

1. An exemption is granted to permit the Project to proceed without obtaining a Community Plan Amendment. County Code provision: **Chapter 2.80B, "General Plan and Community Plans."**
2. Exemptions are granted to exempt the Developer from fire, electrical, and plumbing inspection fees and from building permit, plan review, and inspection fees. County Code provisions: **Chapters 16.04C, "Fire Code"; 16.18B, "Energy Code"; 16.20B, "Plumbing Code"; and 16.26B, "Building Code."**
3. An exemption is granted to permit the Project to proceed without obtaining consistency in land use designations. County Code provision: **Section 18.04.030(A), relating to Subdivisions.** The Project site has a State land use designation of "Urban," is within the Urban Growth Boundary of the Maui Island Plan, has a Community Plan designation of "Agriculture", and has a County zoning designation of Agricultural District.
4. An exemption is granted to exempt the Project from the County zoning designation of Agricultural District and to allow the Project to follow the development standards and permitted uses of an A-1 Apartment District zoning designation, as contained in Chapter 19.12, Maui County Code—except that the maximum height limit may be increased from 35 feet to 55 feet above existing grade. County Code provision: **Chapter 19.30A, "Agricultural District."**
5. An exemption is granted to permit the Developer to provide 50 off-street parking stalls for the community center primarily intended to serve the Project residents. County Code provision: **Section 19.36B.020, relating to Off-Street Parking and Loading.**
6. An exemption is granted to exempt the Developer from grubbing and grading permit fees. County Code provision: **Section 20.080.90, relating to Soil Erosion and Sedimentation Control.**



## EXHIBIT "B"

### KEAWE STREET APARTMENTS AT THE VILLAGES OF LEIALI'I

#### MODIFICATIONS

1. **Start of construction:** The Keawe Street Apartments at the Villages of Leialii (the "Project") approved by this resolution and the exemptions set forth in Exhibit "A" will all lapse and become void if construction of the residential workforce housing units has not started within five years of the effective date of this resolution. Start of construction means the visible start of grading, in accordance with a valid grading permit as needed for the development of the 28.5 acres containing the residential workforce housing units. The developer has provided a start date of November 2020.
2. **Completion of construction:** The developer must act in good faith and with its reasonable best efforts to complete construction of all residential workforce housing units, with related roads and infrastructure, not later than the end of the year 2022.
3. **Wastewater:** The developer must ensure connection to the County's wastewater system is provided along the Kapunakea Street alignment, identified in the developer's presentation as the "green line" connection.
4. **Second access road:** The developer, in coordination with the County, must make its best efforts to provide a second access road to the project site.
5. **Safe pedestrian access:** The developer, in coordination with the County, must make its best efforts to provide safe pedestrian access from the project site to the commercial centers at Keawe Street.
6. **Access to burial sites:** The developer must ensure access is provided and maintained to native Hawaiian lineal descendant family burial sites mauka of the project site.
7. **Archaeological monitoring plan:** The developer must submit its proposed archaeological monitoring plan to the County Council for review concurrent with the State Historical Preservation Division's review.
8. **Name and landscape plan:** The developer must consult with the Councilmember for the West Maui residency area on a culturally

appropriate name and landscape plan for the development, including a plaque recognizing the historical significance of the land.

9. **Maximum useful life:** The developer must make its best efforts to maximize the useful life of the development as an affordable residential workforce housing project.
10. **Compliance:** The Project must be developed in substantial compliance with the representations made to the Council in obtaining approval of this resolution. The County has the right to deny the issuance of building permits if, and as long as, the developer is in breach of any of these modifications.

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