

August 5, 2025

MEMO TO: HLU-1(1) File

F R O M: Tasha Kama, Chair
Housing and Land Use Committee



SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENT RELATING TO
HOUSING PROJECTS UNDER CHAPTER 201H, HAWAII
REVISED STATUTES: KAIAHALE 'O KAHILUHILU AFFORDABLE
HOUSING RENTAL PROJECT** (HLU-1(1))

The attached informational documents pertain to Item 1(1) on the Committee's agenda.

hlu:ltr:001(1)afile02:jgk

Attachments

Received at 08/05/2025 HLU Committee meeting
from Committee Chair

Resolution

No. 15-129

APPROVING WITH MODIFICATIONS THE KENOLIO APARTMENTS PROJECT PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES

WHEREAS, Pacific West Communities, Inc., an Idaho corporation, proposes the development of the Kenolio Apartments (the "Project") for qualified residents on approximately 8.2 acres in Kihei, Maui, Hawaii, identified for real property tax purposes as Tax Map Key Nos. (2)3-9-001:157 and 158; and

WHEREAS, the proposed Project will have a total of one hundred and eighty six (186) units, with 2 units being considered "common area" to be used as on-site manager's units and the remaining units being rented to families earning up to sixty (60) percent of Maui County's median family income; and

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

WHEREAS, on September 8, 2015, the Department of Housing and Human Concerns submitted the preliminary plans and specifications and accompanying Application for Affordable Housing Subdivision ("Application") to the Council of the County of Maui ("Council") recommending approval of the Project pursuant to Section 201H-38, Hawaii Revised Statutes ("HRS"); and

WHEREAS, pursuant to Section 201H-38, HRS, the Council shall approve, approve with modification, or disapprove the Project by resolution within forty-five (45) days after the Department of Housing and Human Concerns has submitted the preliminary plans and specifications for the Project to the Council, which submittal occurred on September 8, 2015; and

WHEREAS, pursuant to 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:

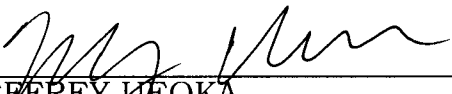
1. That based upon the transmittals and the representations of the Department of Housing and Human Concerns and Pacific West Communities, Inc., the Council approves the Project with the modifications specified in Exhibit "1", including the Project's preliminary plans and specifications, as submitted to the Council on September 8, 2015, pursuant to Section 201H-38, HRS; provided that Pacific West Communities, Inc., shall comply 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 thereon, except for the exemptions specified in Exhibit "2", attached hereto and made a part hereof; and

2. That the final plans and specifications for the Project shall 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 shall be submitted to the Council for prior approval. The final plans and specifications shall 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, the Planning Director, the Director of Housing and Human Concerns, and Pacific West Communities, Inc.

APPROVED AS TO FORM
AND LEGALITY:



JEFFREY HEOKA
Deputy Corporation Counsel
County of Maui

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2015-4825

MODIFICATIONS

100% Affordable Kenolio Apartments

The project is 100% affordable rental housing, including up to two on-site manager's units which are considered "common area" and will remain at the determined affordable rates for a duration of no less than 55 years after issuance of a Certificate of Occupancy.

These modifications will automatically terminate if the Kenolio Apartment project has not commenced construction within four (4) years of the date of the 201H Approval . For this purpose construction commencement will be defined as when the owner has obtained building permits and has executed a construction contract for the project. Extensions to this termination may be granted at the discretion of the County Council and passed by Resolution.

1. Developer shall enter into a Residential Workforce Housing Agreement ("RWHA") with the County, said RWHA shall be subject to the approval of the Director of the Department of Housing and Human Concerns ("Director") and shall be consistent with Chapter 2.96, Maui County Code ("MCC"), to the greatest extent practicable, as determined by the Director.
2. This project shall be eligible for up to 184 Residential Workforce Housing Credits which shall be issued in accordance with Chapter 2.96, MCC, and may only be used to satisfy the requirements of Chapter 2.96, MCC. Credits may only be issued upon completion of this project, which shall be evidenced by a certificate of occupancy. The RWHA shall include language limiting the use of the credits to any of the following:
 - Pay for the development of the Kenolio Apartment project by reimbursing short term loans or;
 - Fund future affordable housing developments in Maui County at the County's discretion or;
 - Return excess credits to the County of Maui at the County's discretion.
3. This project shall be allowed to defer payment of the Facility Expansion Assessment Fee set forth in Section 14.34.060, MCC. The fees shall be paid out of the project's residual receipts as per the Fee Deferral Agreement, attached hereto and made a part hereof, as Exhibit "A".
4. The North South Collector Road adjacent to the project site shall be improved with curbs, gutters, and sidewalk, with a pavement width of approximately 28 feet in width and 485 feet in length, from Kaonoulou Street to the south project entrance as shown in Exhibit "B", attached hereto and made a part hereof. The 28 feet of pavement will include an at-grade striped bike lane and sharrows as determined by the Department of Public Works. Prior to the

granting of a permanent or temporary certificate of occupancy for the final building in the project, the applicant shall have completed improvements, deeds, and related subdivision processing requirements to the satisfaction of the Department of Public Works for all road-widening lots and North South Collector Roadway lots and have these roadway lots dedicated to the County of Maui at no cost to the County. Prior to the granting of a permanent or temporary certificate of occupancy for the final building in the project, the applicant shall have completed the installation of no parking signs along the North South Collector Road to the satisfaction of the Department of Public Works. This modification shall not be applicable to any other roads within the project.

5. The project shall not be eligible for the exemption from park assessment fees as provided for in Section 18.16.320(I)(5). The project shall not be required to provide land for park purposes or improve a park, but shall instead pay the in -lieu fee set forth in Section 18.16.320(C), MCC. This project shall be allowed to defer payment of the park assessment fees set forth in Section 18.16.320(C), MCC. The fees shall be paid out of the project's residual receipts as per the Fee Deferral Agreement.
6. The County of Maui does not object to the Developer seeking an exemption under Section 201H-37, HRS.
7. All proposed new utility lines shall be underground to the extent practicable as determined by the Director of the Department of Public Works. This modification shall not apply to any existing utility lines that may be relocated.

EXHIBIT A

FEE DEFERRAL AGREEMENT

THIS FEE DEFERRAL AGREEMENT is entered into as of _____, 2015 by and between the County of Maui ("County") and Pacific West Communities, Inc. and/ or its Assigns ("Developer") with reference to the following facts:

RECITALS

- A. Developer intends to construct an 186-unit affordable housing project to be located at Kenolio Road, Kihei, Maui and known as The Kenolio Apartments ("Project").
- B. The County's fees for the Project are estimated to be \$3,067,000 (the "Fees"), which County has agreed to defer pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the promises and covenants set forth hereinbelow and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Fee Deferral. The Fees for the Project shall be no greater than \$3,100,000. So long as the Project receives financing commitments from other sources, which are sufficient to permit Developer to construct the Project, all Fees will be deferred. Pursuant to such deferral, all Connection Fees will accrue interest at a rate of one percent (1%) per annum and be paid by Developer pursuant to the Note.
2. Payment. The payment terms for the Connection Fees shall be as set forth in that certain Promissory Note dated as of even date herewith made by Developer in favor of County ("Note"). To the extent of any conflict between the terms of this Agreement and the Note, the Note shall prevail.
3. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page by facsimile or PDF transmission shall be as effective as delivery of a manually executed counterpart.
4. Governing Law. This Agreement will be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Hawaii, without regard to conflicts of laws principles that would require the application of the law of another jurisdiction, such that to the extent that the provisions of this Agreement are contrary to Hawaii law or decision of a court of proper jurisdiction in Hawaii, such law or court decision shall govern.
5. Indemnification. Developer shall indemnify and hold harmless County from and against any and all third party claims, actions, lawsuits, or other causes of action which challenges the validity of this Agreement (collectively, the "Claims"). The foregoing indemnity shall include

6. Notices. All notices given pursuant to this Agreement and the Note shall be sent by personal delivery, express or courier service, electronic means of transmitting written material (so long as an original is simultaneously transmitted by the United States Postal Service or express or courier service) or United States Postal Service. Notices shall be deemed to be delivered the earlier of: (a) the first (1st) business day after deposited for delivery with FedEx, UPS, or other reputable delivery company if sent for same day or next day delivery; or (b) three (3) business days after the date deposited with the United States Postal Service if sent certified mail, return receipt requested addressed to each party at the following address (or at such other address as such party may request in writing:

9. This Agreement and the Note are subject and subordinate to any construction and permanent loans or deed(s) of trust for which any indebtedness, liabilities and obligations exist for the Project. That certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing (as amended from time to time, "Senior Deed of Trust") executed by Trustor in favor of _____ ("Senior Lender") and securing promissory note(s) executed by Trustor in favor of Senior Lender in the aggregate face principal amount of \$ _____ (collectively, as amended from time to time, the "Senior Note"). Notwithstanding anything to the contrary set forth herein, Beneficiary agrees that neither Senior Lender, any successor to Senior Lender under the Senior Deed of Trust, nor any successor to Senior Lender as owner of the Property following any foreclosure or acceptance of a deed in lieu of foreclosure of the Senior Deed of Trust (collectively, the "Senior Lender Parties"; each a "Senior Lender Party")

shall have any obligation to pay any Fee deferred and/or waived pursuant to this Agreement (and no utility connection, approval, consent, concession or other entitlement issued or granted for the benefit of the Property under or in connection with this Agreement shall be revoked, invalidated, withdrawn or terminated as the result of any foreclosure or acceptance of a deed in lieu of foreclosure by any Senior Lender Party or the failure of any Senior Lender Party to pay any Connection Fee deferred and/or waived pursuant to this Agreement). Senior Lender is a third party beneficiary to this paragraph and this agreement may not be modified without Senior Lender's express written consent.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have executed, or have caused to be executed, this Agreement as of the date first written above

County:

County of Maui

By: _____

Name: _____

Its: _____

DEVELOPER:

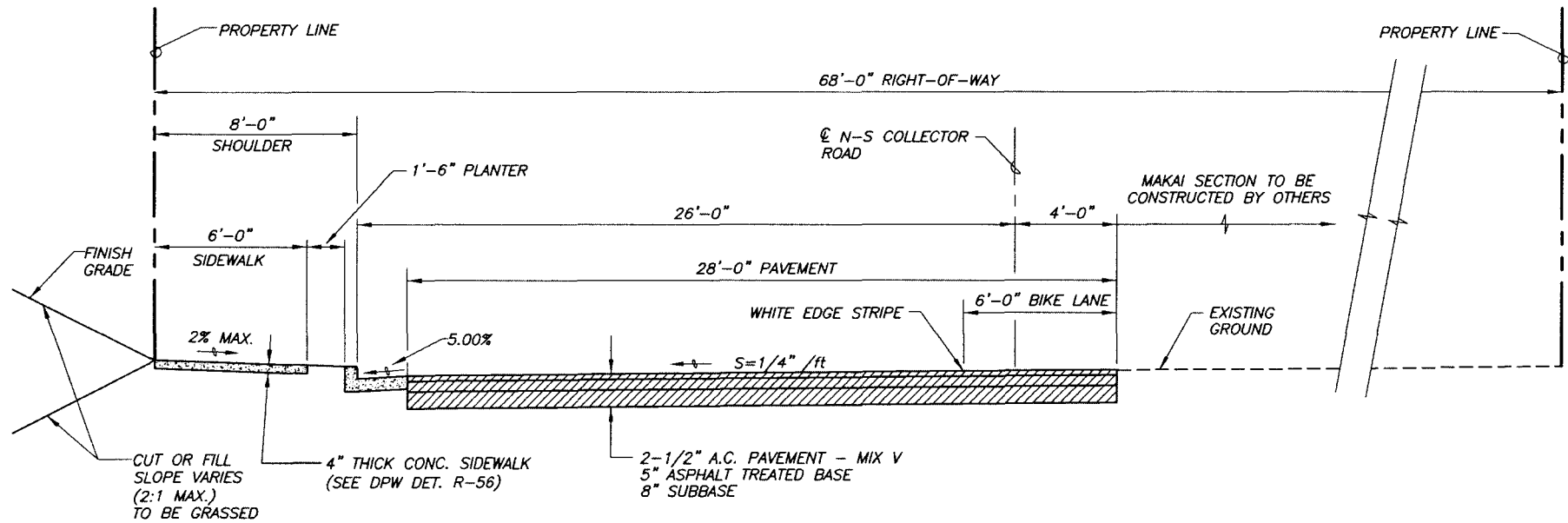
Pacific West Communities, Inc. and/ or Assigns

By: _____

Name: Caleb Roope

Its: President

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KENOLIO APARTMENT
PROPOSED SECTION - 68 FT. RIGHT-OF-WAY (N-S COLLECTOR ROAD)
SCALE: 1/4 INCH = 1 FEET

EXHIBIT B

Exemptions for the proposed 100% Affordable Kenolio Apartments

The project is 100% affordable rental housing, including up to two on-site manager's units which are considered "common area."

These exemptions will automatically terminate if the Kenolio Apartments project has not commenced construction within four years of the date of the 201H Approval. For this purpose construction commencement will be defined as when the owner has obtained building permits and has executed a construction contract for the project. Extensions to this termination will be granted at the discretion of the County Council and passed by Resolution.

A. Exemptions from Title 2, Maui County Code (MCC), Administration and Personnel

1. An exemption from Chapter 2.80B, MCC, General Plan and Community Plans, shall be granted to permit the project without obtaining a Community Plan Amendment.
2. An exemption from Section 2.96.050(A)(2), MCC, as it pertains to a limitation on the number of residential workforce housing credits a project developed pursuant to Section 201H-38, Hawaii Revised Statutes, is eligible for.

B. Exemption from Title 8, MCC, Health and Safety

1. An exemption from Chapter 8.04, MCC, Refuse Collection and Landfills, shall be granted to exempt the project from construction waste disposal permit and fees during the construction phase of the project but not long term ongoing operations.

C. Exemptions from Title 14, MCC, Public Services

1. An exemption from Section 14.34.070, MCC, Collection/transmission system project assessment fee, shall be granted to exempt the project from collection/transmission system upgrade fees for the Kihei Regional Wastewater Treatment System.
2. An exemption from Chapter 14.68, MCC, Impact Fees for Traffic and Roadway Improvements in Kihei and Makena Maui, Hawaii, shall be granted to exempt the project from traffic impact fees.

D. Exemptions from Title 16, MCC, Buildings and Construction

1. The project shall conform to Chapters 16.04C, Fire Code, 16.18B, Electrical Code, 16.20B, Plumbing Code, and 16.26B, Building Code, as stated at the time of the filing of the 201H-38 application, despite any subsequent amendments to Chapters 16.04C, 16.18B, 16.20B, or 16.26B, MCC, or any updates to the Fire Code, Electrical Code, Plumbing Code, or Building Code

adopted prior to the issuance of the last building permit for the project. This does not pertain to future renovations of buildings or units, only to new construction.

2. An exemption from Section 16.26B.3600, MCC, Improvements to Public Streets, to allow for construction of the portion of the North South Collector Road adjacent to the project site, to be in conformance with Exhibit "B" to the Modifications.

E. Exemptions from Title 18, MCC, Subdivisions

1. An exemption from Section 18.04.030, MCC, Administration, and related land use consistency and conformity requirements of Title 18, shall be granted to exempt the project from obtaining a Change in Zoning or Community Plan Amendment to enable subdivision approval.
2. An exemption from Chapter 18.16, MCC, Design Standards, to allow for the construction of the portion of the North South Collector Road adjacent to the project site, to be in conformance with Exhibit "B" to the Modifications.
3. An exemption from Section 18.20.140, MCC, Utility lines and facilities, shall be granted to allow for existing and the relocation of existing above ground utility lines (electric, telephone, street lighting, cable television, and other utilities, as may be applicable) on or near the project site to remain above ground. All proposed new lines will be located underground.

F. Exemptions from Title 19, MCC, Zoning

1. An exemption from Section 19.08.040, MCC, Area regulations, Section 19.08.050, MCC, Height regulations, Section 19.08.060, Yards, and Section 19.12.050, MCC, Development standards, shall be granted to exempt the project from the R-1 Residential and A-1 Apartment District development standards. The following zoning standards shall apply to the proposed project:

	Permitted in A-1 Apartment District	Permitted in R-1 Residential District	Proposed Kenolio Apartments
Minimum Lot Area	10,000 SF	6,000 SF	360,415 SF (8.2 acres)
Maximum Building Height	35 feet	30 feet	38' 4" Max roof height
Floor Area Ratio	40% (144,167 SF)	-	69.4% (250,199 SF)
Lot Coverage	25% (90,105 SF)	-	24% (86,325 SF)
Setbacks			
Front	15-20	15	20
Rear	15-20	6-10	20
Side	10-15	6-10	15
Note: The applicant is requesting a 29.4% increase in Floor Area Ratio and an allowance of an Additional 3 feet & 4 inches in building height for the architectural roof design.			

G. Exemption from Title 20, MCC, Environmental Protection

1. An exemption from Section 20.08.090, MCC, Grubbing and Grading Permit Fees, shall be granted to exempt the project from payment of grading, grubbing, and excavation permit fees, as well as inspection fees.

COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that RESOLUTION NO. 15-129 was adopted by the Council of the County of Maui, State of Hawaii, on the 16th day of October, 2015, by the following vote:

MEMBERS	Michael B. WHITE Chair	Donald S. GUZMAN Vice-Chair	Gladys C. BAISA	Robert CARROLL	Eleanora COCHRAN	Donald G. COUCH, JR.	S. Stacy CRIVELLO	G. Riki HOKAMA	Michael P. VICTORINO
ROLL CALL	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Aye	Excused


COUNTY CLERK

Resolution

No. 04-58

APPROVING THE LOKENANI HALE AFFORDABLE ELDERLY HOUSING
PROJECT PURSUANT TO SECTION 201G-118,
HAWAII REVISED STATUTES

WHEREAS, Ooka Super Market, Ltd., a Hawaii limited partnership, proposes the development of the Lokenani Hale project, a one hundred per cent (100%) affordable elderly housing project, and related improvements for elderly residents; and

WHEREAS, the proposed project will provide 61 one-bedroom units for elderly residents, defined as age 62 and older, with an annual income of fifty per cent (50%) or less of Maui County's median income, and one (1) resident manager's unit; and

WHEREAS, the four-story structure will contain other amenities such as a recreation room, laundry facilities and secured entry points; and

WHEREAS, the Lokenani Hale project will provide needed affordable housing for this growing segment of the population; and

WHEREAS, on March 25, 2004, the Department of Housing and Human Concerns submitted the preliminary plans and specifications to the Council recommending approval of the Lokenani Hale project pursuant to Section 201G-118, Hawaii Revised Statutes (HRS); and

WHEREAS, pursuant to Section 201G-118, HRS, the Council shall approve or disapprove the project by resolution within forty-five (45) days after the Department of Housing and Human Concerns has submitted the preliminary plans and specifications for the project to the Council, which submittal occurred on March 25, 2004; and

WHEREAS, pursuant to Section 4-1 of the Charter of the County of Maui, the Council is authorized to act by resolution; now, therefore,

Resolution No. 04-58

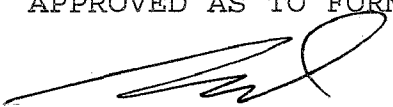
BE IT RESOLVED by the Council of the County of Maui:

1. That, based upon the transmittals and the representations of the Department of Housing and Human Concerns, and Ooka Super Market, Ltd., the Council approves the Lokenani Hale project, including the project's preliminary plans and specifications, as submitted to the Council on March 25, 2004, pursuant to Section 201G-118, HRS; provided that Ooka Super Market, Ltd. shall comply 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 thereon, except for the exemptions specified in Exhibit "A", attached hereto and made a part hereof; and

2. That the final plans and specifications for the Lokenani Hale project shall be deemed approved by the Council if the final plans and specifications do not substantially deviate from the preliminary plans and specifications submitted to the Council, as determined by the Director of Housing and Human Concerns. Any substantial deviation from the preliminary plans and specifications shall be submitted to the Council for prior approval. The final plans and specifications shall constitute the zoning, building, construction, and subdivision standards for the Lokenani Hale project; and

3. That certified copies of this resolution be transmitted to the Director of Public Works and Environmental Management, the Director of Planning, the Director of Housing and Human Concerns, and Ooka Super Market, Ltd.

APPROVED AS TO FORM AND LEGALITY



EDWARD S. KUSHI, JR.
Deputy Corporation Counsel
County of Maui

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**LOKENANI HALE ELDERLY AFFORDABLE HOUSING PROJECT
PROPOSED 201G-118 EXEMPTIONS**

A. EXEMPTION FROM TITLE 12, STREETS, SIDEWALKS AND PUBLIC PLACES

1. An exemption from Chapter 12.08 Driveways, shall be granted to exempt the project from driveway permit and inspection fees.

B. EXEMPTION FROM CHAPTER 14.35, MAUI COUNTY CODE, RELATING TO WASTEWATER ASSESSMENT FEES FOR FACILITY EXPANSION FOR THE WAILUKU/KAHULUI WASTEWATER TREATMENT SYSTEM

1. An exemption from Chapter 14.35 Wastewater Assessment Fees for Facility Expansion for the Wailuku/Kahului Wastewater Treatment System, shall be granted to exempt the project from the payment of the fees for facility expansion and collection/transmission system upgrades.

C. EXEMPTION FROM TITLE 16, BUILDINGS AND CONSTRUCTION

1. Exemption from Chapters 16.04A Fire Code, 16.18A Electrical Code, 16.20A Plumbing Code, and 16.26A Building Code shall be granted to exempt the project from fire, electrical, plumbing and building permit fees and inspection fees.

D. EXEMPTION FROM CHAPTER 18, SUBDIVISIONS

1. Exemption from Section 18.16.320, Parks and Playgrounds, shall be granted to exempt the project from park dedication and assessment requirements.

E. EXEMPTION FROM TITLE 20, ENVIRONMENTAL PROTECTION

1. An exemption from Section 20.08.090 Permit-Fees - shall be granted to exempt the project from grading, grubbing and excavation permit fees as well as inspection fees.

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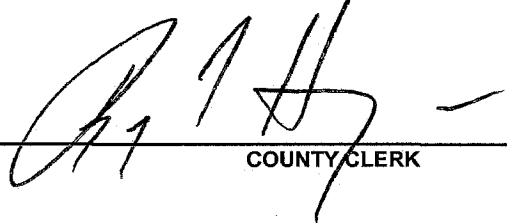
COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that RESOLUTION NO. 04-58 was adopted by the Council of the County of Maui, State of Hawaii, on the 16th day of April, 2004, by the following vote:

MEMBERS	Dain P. KANE Chair	Robert CARROLL Vice-Chair	G. Riki HOKAMA	Jo Anne JOHNSON	Dennis A. MATEO	Michael J. MOLINA	Wayne K. NISHIKI	Joseph PONTANILLA	Charmaine TAVARES
ROLL CALL	Aye	Excused	Aye	Aye	Aye	Aye	Excused	Aye	Aye


COUNTY CLERK