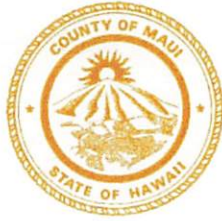


RICHARD T. BISSEN, JR.
Mayor

RICHARD E. MITCHELL, ESQ.
Director

SAUMALU MATA'AFA
Deputy Director



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DEPARTMENT OF HOUSING
COUNTY OF MAUI
2065 MAIN STREET, SUITE 108
WAILUKU, MAUI, HAWAII 96793
PHONE: (808) 270-7351
FAX: (808) 270-6284

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December 12, 2025

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Richard T. Bissen, Jr. 12-12-25

Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members of the Council:

**SUBJECT: AUTHORIZING A GROUND LEASE FOR REAL
PROPERTY LOCATED ON LANAI, HAWAII,
IDENTIFIED FOR REAL PROPERTY TAX PURPOSES
AS TAX MAP KEY (2) 4-9-002:058**

May I request that the following item be placed on the next available
Council meeting agenda:

Resolution Title and Purpose:

AUTHORIZING A GRANT OF GROUND LEASE TO A0745 LANAI, L.P., FOR REAL
PROPERTY LOCATED ON LANAI, HAWAII, IDENTIFIED FOR REAL PROPERTY
TAX PURPOSES AS TAX MAP KEY (2) 4-9-002:058, UNDER SECTIONS 3.40.200
AND 3.36.090, MAUI COUNTY CODE

E 'AE ANA I KA HANA O KA MĀLA PĀPA'I 'ĀINA I KA A0745 LANAI , L.P., NO KA WAIWAI 'ĀINA AIA MA LĀNA'I, HAWAI'I, I KAPA 'IA MA KE PĀPAKI PALAPALA 'ĀINA (TAX MAP KEY) (2) 4-9-002:058, A ME KA HO'OPAU 'ANA I NĀ KUMU 'AUHAU ALAKEA I HO'OKŪ 'IA NO KA 'ĀINA MA LALO O NĀ 'ĀPANA 3.40.200 A ME 3.36.090 O KE KĀNĀWAI KĀMALI'I O MAUI

The resolution's purpose is to grant a ground lease to A0745 Lanai, L.P. (Developer) to begin predevelopment and construction activities including planning and construction of infrastructure for development of the entire project parcel for an affordable housing project.

Department Contact:

Richard E. Mitchell, Esq.
Director, Department of Housing
Email: director.housing@co.maui.hi.us
Telephone: (808) 270-7110

Action Requested:

The Department of Housing (Department) requests Council authorization to enter into a ground lease with Developer for the tax map key listed above.

The Department is not requesting floor action and has not attached a draft ground lease as the Department of Corporation Counsel is continuing to work on the ground lease for Committee and Council review. However, the Department respectfully requests that:

1. The Council committee assigned to review the resolution schedule a presentation for the Administration to discuss the lease terms at its first opportunity in January 2026.
2. The Council authorize the ground lease by or before its second regularly scheduled meeting in January 2026.

The Developer will be applying for low-income housing tax credits (LIHTC) from the Hawaii Housing Finance and Development Corporation for Fiscal Year 2027 to develop affordable housing. The Developer's LIHTC application will receive competitive points if it secures the County's support and retains site control via the ground lease. The Developer's LIHTC application is due in mid-February.

On November 15, 2024, the Council adopted Resolution 24-179 (2024), which stated its intent to enter memoranda of understanding with the Developer to develop County affordable housing projects on Lanai and in Napili.

On June 10, 2025, Mayor Richard Bissen, Jr., approved Ordinance 5816 (2025), which supported the development of the Lānaʻi Affordable Housing Project with the following budget appropriations:

1. \$10 million grant for infrastructure plans, scope, and construction for water, wastewater, roads, curbs, gutters, and utilities.
2. \$7.2 million loan for the Kaiāulu O Lānaʻi Project.

On November 21, 2025, the Council adopted Resolution 25-211 (2025), which approved an exemption from Subsection 3.35.070(B), Maui County Code, to set the loan agreement interest rate at 0.25 percent per annum for the Kaiāulu O Lānaʻi Project loan appropriation.

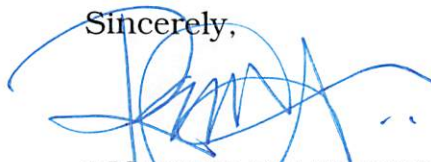
The Department is working closely with the Department of Corporation Counsel to execute the \$7.2 million loan and the \$10 million grant appropriations. The Department anticipates both agreements will be executed before December 31, 2025.

Attachments:

Closed Request for Legal Services – A0745 Lanai, L.P. Ground Lease and Resolution for Kaiāulu O Lānaʻi.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Mitchell', is written over a circular blue stamp.

RICHARD E. MITCHELL, ESQ.
Director of Housing

Attachment (1)

cc: Housing and Community Development Administrator