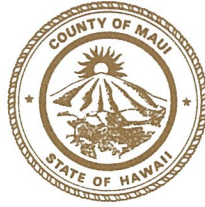


ALAN M. ARAKAWA
MAYOR



RECEIVED

KEITH A. REGAN
MANAGING DIRECTOR

2018 NOV -1 AM 9:36

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

OFFICE OF THE
COUNTY COUNCIL

October 31, 2018

Honorable Alan M. Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL
Alan Arakawa
Mayor
10/31/18
Date

For Transmittal to:

Honorable Riki Hokama
Chair, Budget and Finance Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Hokama:

SUBJECT: AMENDING THE FISCAL YEAR 2019 BUDGET: OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUND (MAKA`ALAE) (BF-183)

Pursuant to your letter dated October 24, 2018, requesting additional information regarding a proposed amendment to the Fiscal Year 2019 Budget, Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds, Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund to amend the existing appropriation for a land appraisal for lots in Maka`alae, please see attached response from Ke Ao Hali`i.

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at Ext. 7212.

Sincerely,

Handwritten signature of Sananda K. Baz in black ink.

SANANDA K. BAZ
Budget Director

Attachment

Ke Ao Hali'i

Save the Hana Coast
PO Box 115
Hana, HI 96712

Mr. Sananda K Baz, Budget Director
Office of the Mayor
County of Maui
Wailuku, Hawaii 96793

**SUBJECT: AMENDING THE FISCAL YEAR 2019 BUDGET: OPEN SPACE, NATURAL RESOURCES,
CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUND (HANA MAUI) (BF-183)**

Dear Mr. Baz:

October 26, 2018

In response to the letter submitted to you on October 24th, 2018 from Councilman Riki Hokama, Chair, Budget and Finance Committee regarding the above subject, we would like to offer our explanation and further clarification to the questions he raises in his letter.

1. Map of parcels included in the proposed appraisal: see attached document.
2. Explanation for why additional lots are being added to the proposed appraisal:
 - A) The original request for eight parcels: TMK (2) 1-4-012-002, 021, 022, 001, (2) 1-4-010-017, 027, 028 & 029 was submitted in April 2018 to meet County Budget deadline and was within a month of a buyer's decision to back out of their purchase deal, leaving the land available for Ke Ao Hali'i (KAH) to begin negotiations with the seller. At the time there were lengthy email communication between KAH board members and the Mayor's staff regarding broadening the scope of the appraisals and due diligence to cover additional parcels TMK (2) 1-4-010-030, 032, 033, 014 and 034.
 - B) Adding these additional five parcels (1-4-010-030, 032, 033, 014 and 034) shortly after the original submission would give KAH flexibility to choose which lots of the group we could afford to purchase, since all of them were within our goals.
 - C) By late August, we had further negotiated with the seller to include an additional contiguous six parcels designated as "Mokae Lands": TMK (2) 1-4-010:012, 010, 009, 008, 004 & (2)-4-007-001 for appraisals as part of our submission to the State of Hawaii Legacy Land Conservation Program (submitted Sept. 2018).
 - D) All 19 of these parcels are included in KAH's scope of lands to acquire. They are all contiguous and very similar in character, so appraising them all together would be the most economical approach because the Appraiser, having completed one parcel, can apply much of his research and knowledge to appraising all of the other parcels.

E) The parcel TMK (2) 1-3-07-024 which is not contiguous to the other sites, is no longer included in the scope of work for the appraisal and should be removed.

3. A summary of the organization's (KAH) efforts to source other funds to acquire the parcels:

- A) KAH submitted a grant application to the State of Hawaii Legacy Land Conservation Program in September 2018 for \$3M.
- B) KAH is working on a fund raising campaign with private donors.
- C) We are also setting everything in place for on-line donations through our website, Facebook page and gofundme site.
- D) KAH is also researching other private foundations that support conservation land acquisitions like the Doris Duke Foundation.
- E) KAH is also working with public organizations like OHA who fund conservation land purchases.
- F) Contingent on the completion of the sale, the seller has committed to donating the parcels under conservation easement as well as one or two additional parcels, depending on the number of parcels purchased.

Sincerely,



Scott Crawford,

President
Ke Ao Hali'i

CC: Councilman Riki Hokama, Dawn Lono,

