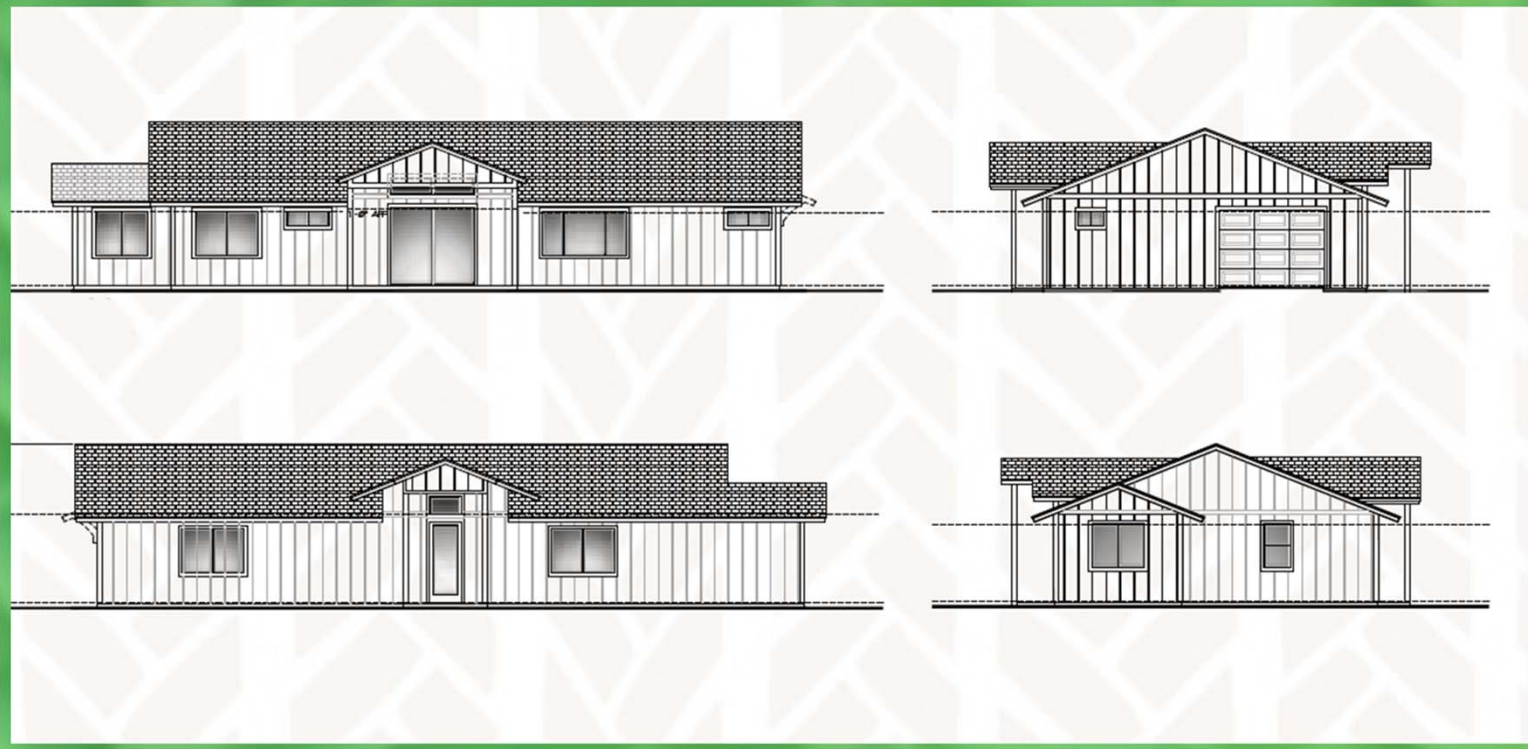


Makila Farms



Maui County Council Affordable Housing Committee
September 4, 2019



Makila Farms Team

Makila Farms – Landowner/Developer (Greg Brown)

PBR HAWAII – Planning

Warren S. Unemori Engineering, Inc. – Civil Engineer

Tom Nance Water Resource Engineering – Water Engineer

Austin Tsutsumi & Associates – Traffic Engineer

Advanced Compliance Solutions, Inc. – Wastewater Engineer

359 Design – Architect

SJ Ag Operations, LLC – Agronomist

Mancini, Welch & Geiger, LLP - Attorney

Scientific Consultant Services, Inc. – Archaeologist

A close-up photograph of green, waxy leaves with prominent veins, arranged in a dense, overlapping pattern. A dark green horizontal band is superimposed over the center of the image, containing the text "BACKGROUND & LOCATION" in white, bold, uppercase letters.

BACKGROUND & LOCATION

Landowner/Developer Background

Greg Brown

- Makila Farms Owner - Greg Brown
- Building homes since 2003 on Maui, Lanai, and Big Island
- Supportive of agriculture in Hawai'i
 - Working cattle ranch operated Greg and his family
 - Provided therapeutic horseback riding to disabled Maui children
 - Invited children from Maui schools for educational ranch field trips
- Committed to community
 - Brown family personal funds to help re-establish 4-H program on Lāna'i (2014).
 - Actively involved in and donated to Keiki Rodeo on Big Island
 - Numerous testimonials from West Maui business and homeowners

Vision

Put working people on agricultural land

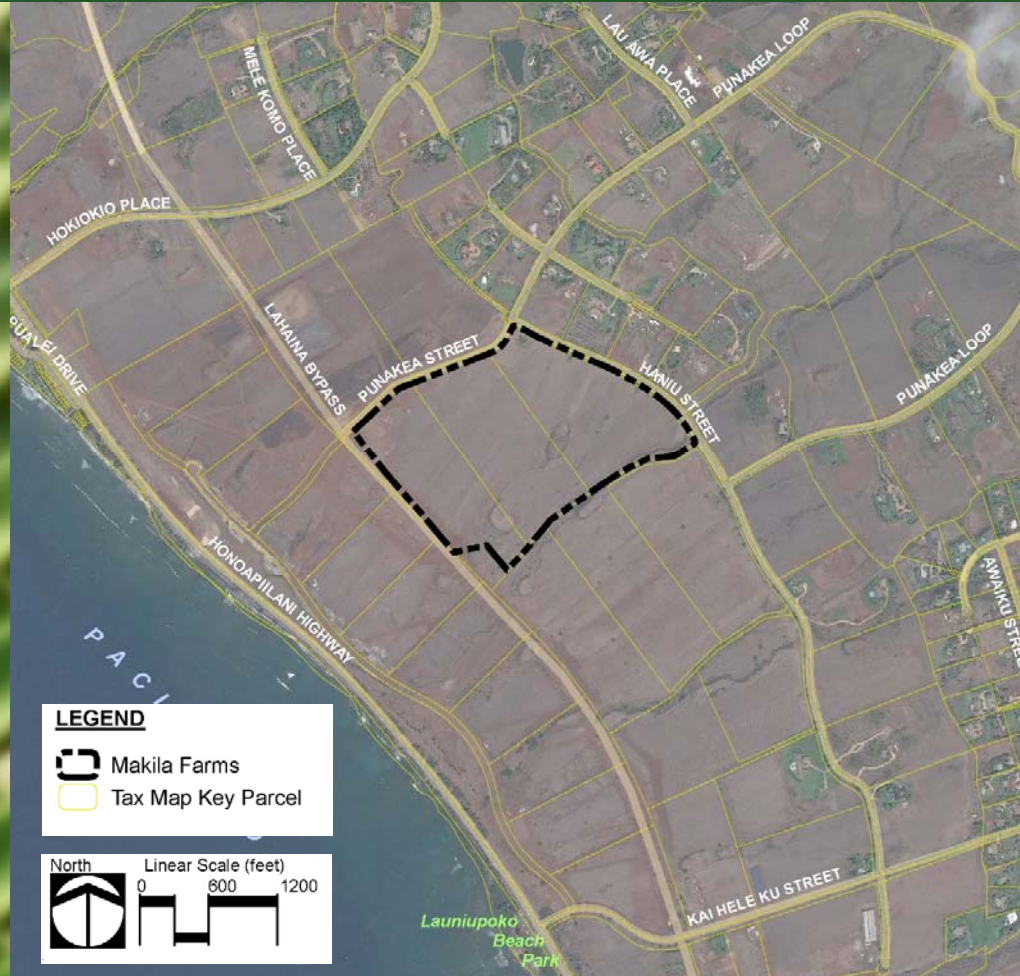
Give workforce buyers a choice

Put kids on ag land

West Maui & Hawai'i has turned into a place where only wealthy people can live on agricultural land.

Makila Farms will put Maui's workforce families on ag land

Location



Property Photo



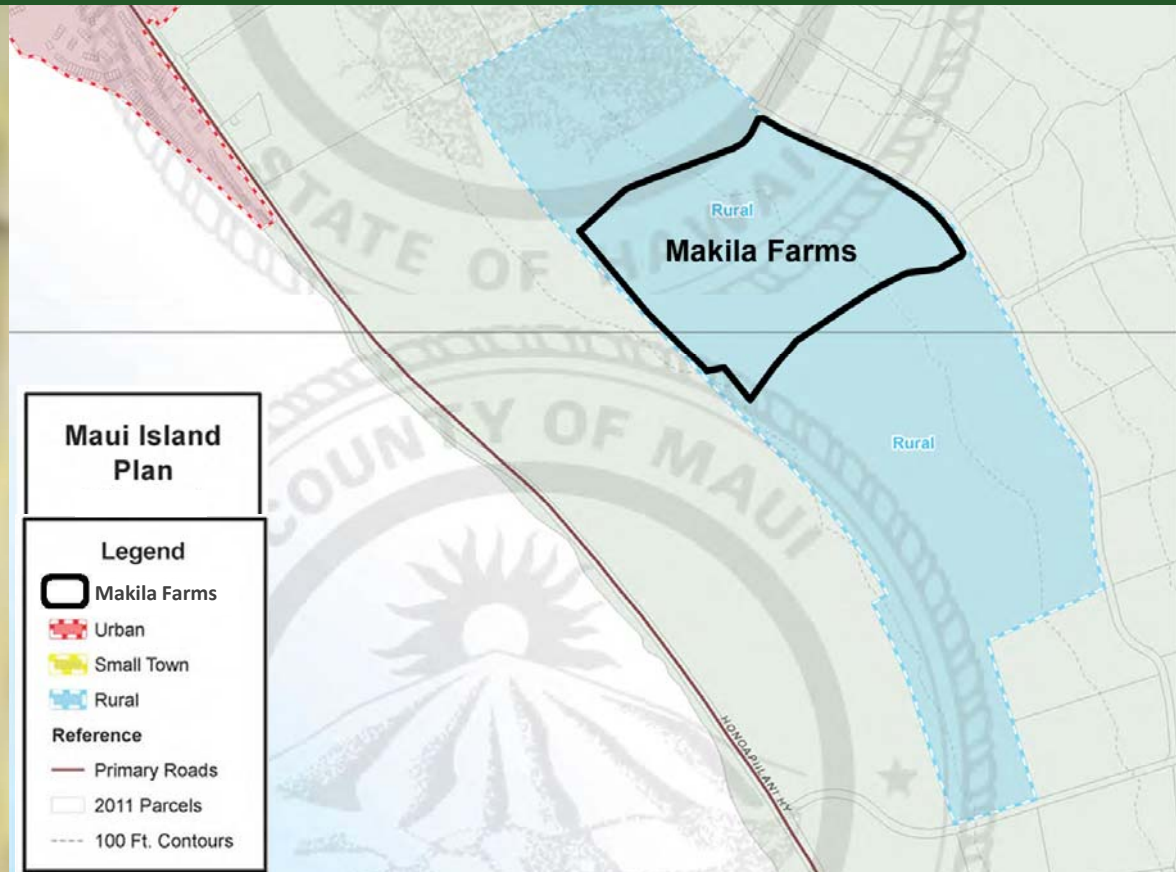
Property Photo



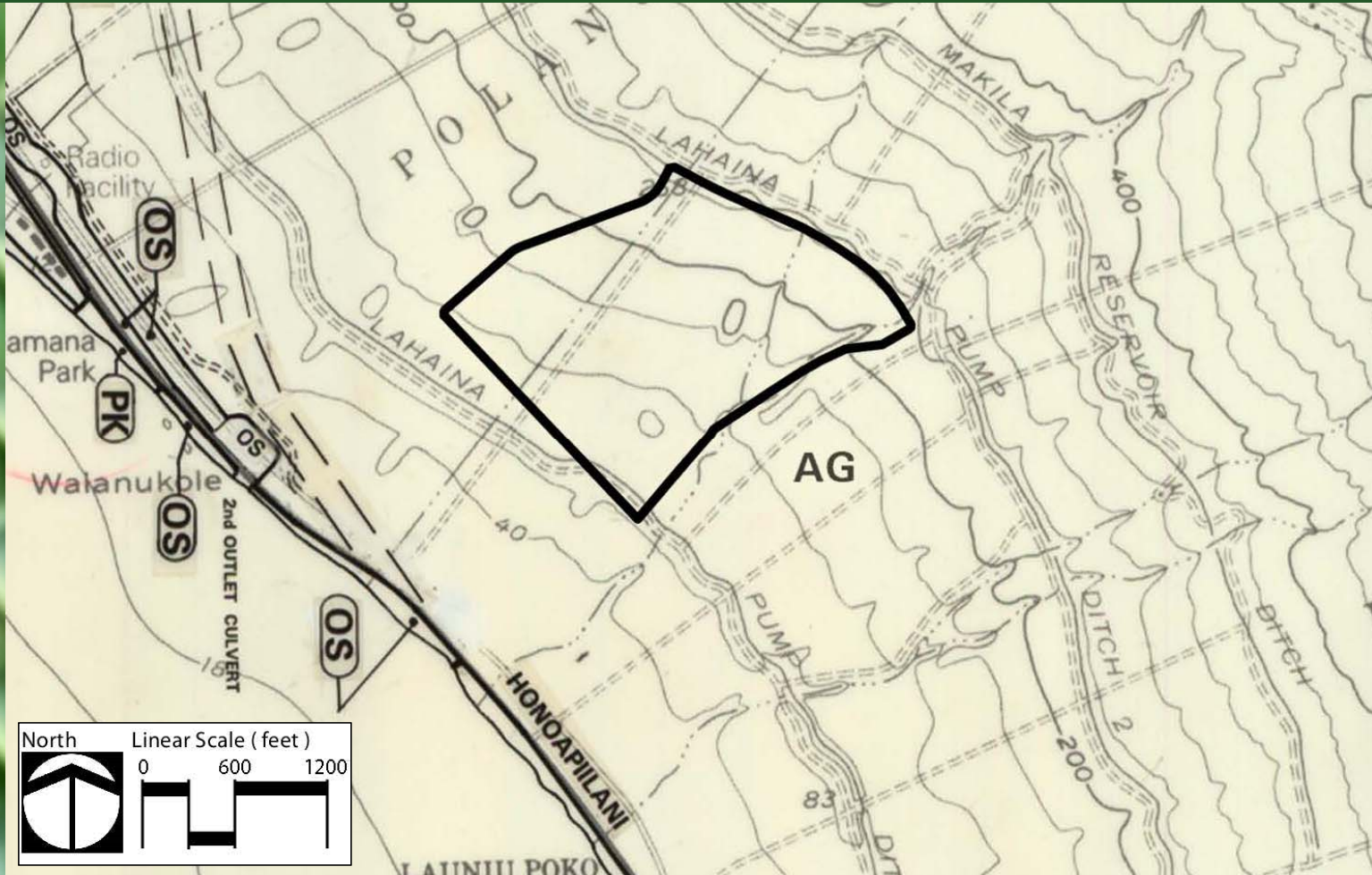
Property Photo



Maui Island Plan Within Rural Growth Boundary (Makila Planned Growth Area)



West Maui Community Plan



County Zoning



State Land Use District





MAKILA FARMS OVERVIEW

Makila Farms Summary

- 76.1 acres total area
- 19 workforce homes (56%)
 - 2+ acre lots
 - All workforce homes built in 1 phase
- 15 market-rate lots (44%)
 - 2+ acre lots
- Consistent with the purpose and intent of Chapter 201H, HRS
- Consistent with the purpose and intent of Chapter 2.96, MCC
- Processing agency: Dept. of Housing & Human Concerns

Makila Farms Concept Plan



Amenities & Features

- **Agricultural lots: 2+ acres**
- **Open Space:** Over 80% in greenbelt, ag areas, open space, and setback areas including:
 - **500-foot wide “greenbelt”** (approximately 18.8 acres) between Lahaina Bypass Highway & the workforce homes
 - **“No-build” areas on lots** (maximum building area of 10 percent) - provides separation between homes and preserves mauka-makai views
 - **Front and side yard setbacks** (front yards, 25'; side and rear yards, 15') conforms with Ag Zoning development standards (Section 19.30A.030 MCC)
- **Space for ag and homeowner gardens** for self-sufficiency and sustainability

Amenities & Features

- **No short-term rental homes (STRH), bed and breakfast (BNB) operations, or transient vacation rentals (TVR)**
 - Applies to all Makila Farms homes (workforce & market)
- **No further subdivision:** no further subdivision of any of the lots allowed under Chapter 19.30A MCC.
- **Mauka-makai trail:** mauka-makai trail easement on the south side of the community

Makila Farms Concept Plan



Makila Farms Ag Plan



Makila Farms Ag Plan

- **Ag Easement Areas**

- Cattle pasture within “greenbelt” along Lahaina Bypass
 - Operated by one rancher for efficiency and long-term productivity
 - Pivot irrigation for limited maintenance
- Halau resource cultivation area behind workforce homes
 - Operated by a halau to steward the land at nominal cost – ideal for ‘a‘ali‘i, ti leaf, and other cultural resource plants
 - Drip irrigation for efficiency

- **Ag Easement Benefits**

- Ensures ag uses
- Lessens large-lot maintenance for workforce homeowners
- Provides space for small-scale homeowner farms and gardens
- Regenerates the soil and reduces nitrogen content
- Decreases fire hazard

A close-up photograph of green, waxy leaves with prominent veins, arranged in a dense, overlapping pattern. A solid dark green horizontal band runs across the center of the image, containing the word "AFFORDABILITY" in white, bold, uppercase letters.

AFFORDABILITY

Affordability

(Per DHHC Affordable Sales Price Guidelines)

- **Median sales price in the Lahaina area (July 2019 YTD)**
 - \$750,000 single-family home
 - \$518,000 condominium
- **Median Family Income**
 - 100%: \$83,800
 - 50%: \$41,900
- **Workforce homes for buyers earning 50 to 100% of the median income on Maui:**
 - **1 Bed/1 bath starting at \$161,700 (up to \$323,330)**
 - **2 Bed/1 bath starting at \$196,350 (up to \$392,615)**
 - **3 bed/2 bath starting at \$231,000 (up to \$461,900)**
 - **4 bed/2 bath starting at \$265,650 (up to \$531,185)**
 - Prices based on 4% interest rate
- MKL will allow lottery winners to determine what size home they would like. For example, a single teacher or other similar workforce buyer could still afford a home as they could request a 1 bedroom/1 bath home (which they could expand in the future)

Affordability

Makila Farms - Loan Scenario

for 50% Median Income level, Combined family income \$41,900

There are many types of financing available, this scenario is just a sampling of options available, rates can be bought up or down through the loan fee, i.e. lower rate-higher fee, higher rate-lower fee. Larger down payment decreases monthly payment. This example is a 30 year fixed rate, conventional loan at 3% down payment.

	<u>1 Bdrm</u>	<u>2 Bdrm</u>	<u>3 Bdrm</u>	<u>4 Bdrm</u>
Purchase Price	\$161,700	\$196,350	\$231,000	\$265,650
Down Payment	\$ 4,851	\$ 5,890	\$ 6,930	\$ 7,969
1 st Mortgage	\$156,849	\$190,460	\$224,070	\$257,681
Principal & Interest	\$ 726.39	\$ 882.05	\$1,053.66	\$1,216.60
Mortgage Insurance	\$ 91.50	\$ 111.10	\$ 130.71	\$ 150.31
Property Tax	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Homeowner Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Refuse	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00
HOA Dues	\$ 235.00	\$ 235.00	\$ 235.00	\$ 235.00
Water	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00
Total Monthly	\$1,360.89	\$1,536.15	\$1,727.37	\$1,909.91
Interest Rate/APR	3.75%/4.832%	3.875%/4.848%	3.875%/4.954%	3.875%/4.94%

1 Bed/1 Bath



Home Type: M1

Typical One Bedroom

668 Gross SF

- 1 Bed
- 1 Bath
- Covered Porch
- Covered Tandem Carport



3 Bed/2 Bath



Home Type: M1, B2

Typical Three Bedroom

1,085 Gross SF

- 3 Bed
 - 1 Master Suite, 2 Secondary
- 2 Bath
 - 1 Master Suite, 1 Secondary
- Covered Porch
- Carport with Pergola



Who Can Buy?

- **Who can buy:**
 - **Must be a Maui County resident**
 - Cannot have an annual family income (or assets) more than 100% of the County's median income
 - Cannot have owned a home (more than 50% ownership) in the last three years
 - Must pre-qualify for a loan.
- **Workforce home eligibility**
 - **Wait list:** Makila Farms will establish a wait list for workforce homes.
 - **Lottery:** Selection for purchasing a workforce home will be by a lottery held by a third party (as required under Chapter 2.96, MCC)
- **Deed restrictions to maintain affordability**
 - Workforce homes must be owner-occupied for a minimum of 30 years
 - Any workforce homes sold within 30 years must be sold to eligible workforce buyers (per the DHHC Affordable Sales Price Guidelines in effect at the time of the sale)
 - Workforce home sellers allowed to retain 3% appreciation per year.

A close-up photograph of green leaves with prominent veins, overlaid with a dark green horizontal banner. The banner contains the text "INFRASTRUCTURE OVERVIEW" in white, bold, uppercase letters.

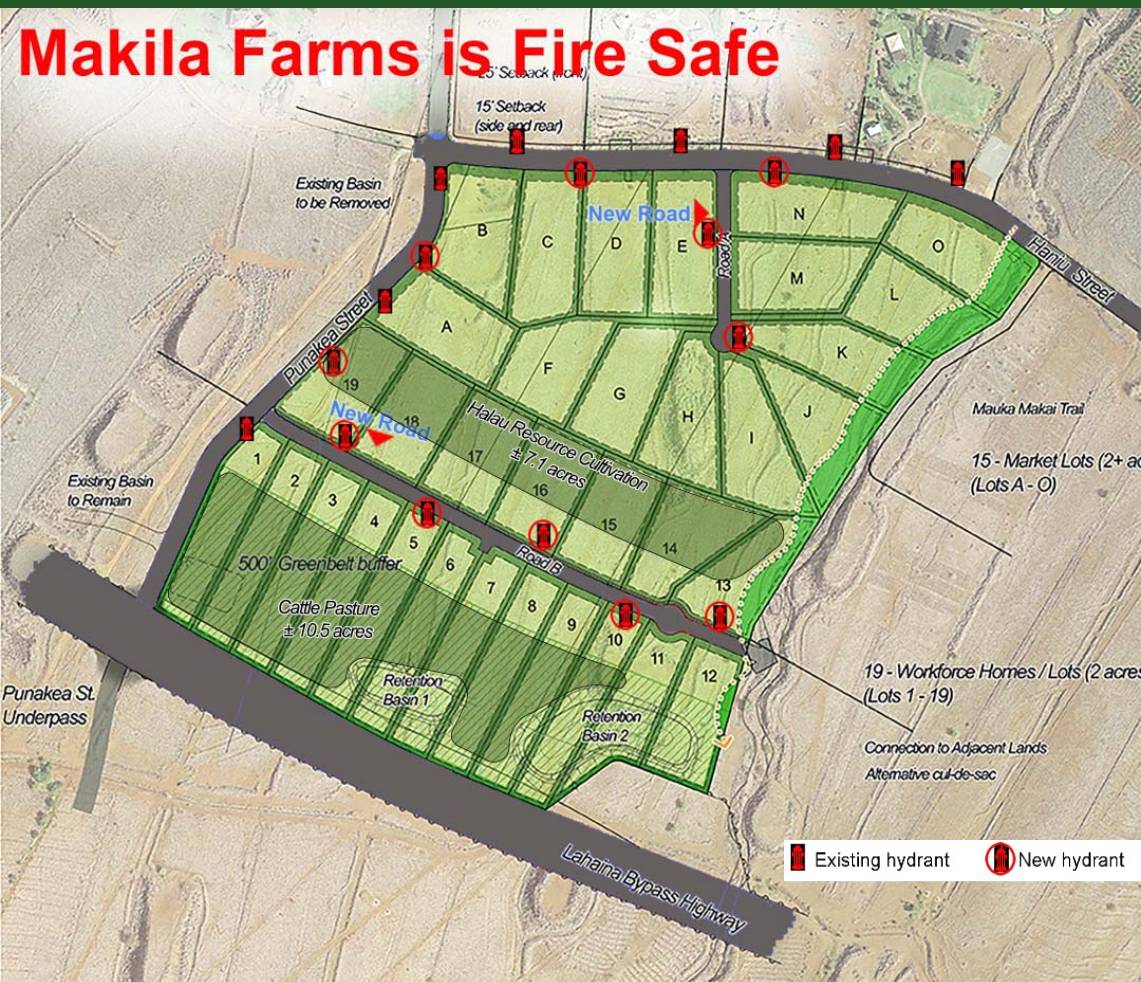
INFRASTRUCTURE OVERVIEW

Access



- **2 internal roads** for access to homes
 - Designed and constructed to Ag Street standards (Maui Subdivision Code, Section 18.16.050, MCC)
 - Not a gated community (workforce & market)

Fire Safety



- 5 asphalt roads around and within Makila Farms act as firebreaks
- Roads allow for Fire Dept access
 - Cul-de-sacs and hammerhead designed for ladder fire truck turn-around
- Fire hydrants placed every 350 feet, closer than the required 500'
- “Defensible Space”- large lots, setbacks, and spacing between homes protects from flames
- Homes and irrigation on the land lessens chance of wildfires compared to existing conditions.
- CC&R’s will require all brush and grass over 18” must be cut and cleared. HOA to manage and bill non-compliant owners.

Evacuation Routes



- Multiple existing emergency evacuation routes
- Requesting an emergency egress directly onto the Lahaina Bypass Hwy. from the State DOT

Evacuation Route # 3



Drainage

- **Two new oversized retention basins** within the greenbelt area
 - Exceed County requirements
 - Will improve downstream conditions to protect coastal waters
 - Will retain runoff from Makila Farms and upstream mauka properties to improve downstream drainage conditions from the entire drainage area in two significant ways:
 - Existing flows from mauka lands and the site reduced by approximately 60%, decreasing storm water flowing downstream to the ocean and decreasing the risk of downstream flooding
 - By capturing and holding stormwater storm water flows, the basins will reduce the amount of sediment and pollutants flowing downstream to the ocean
- **Low Impact Development (LID)** drainage features:
 - Existing landforms maintained
 - Impermeable surfaces minimized

Drainage

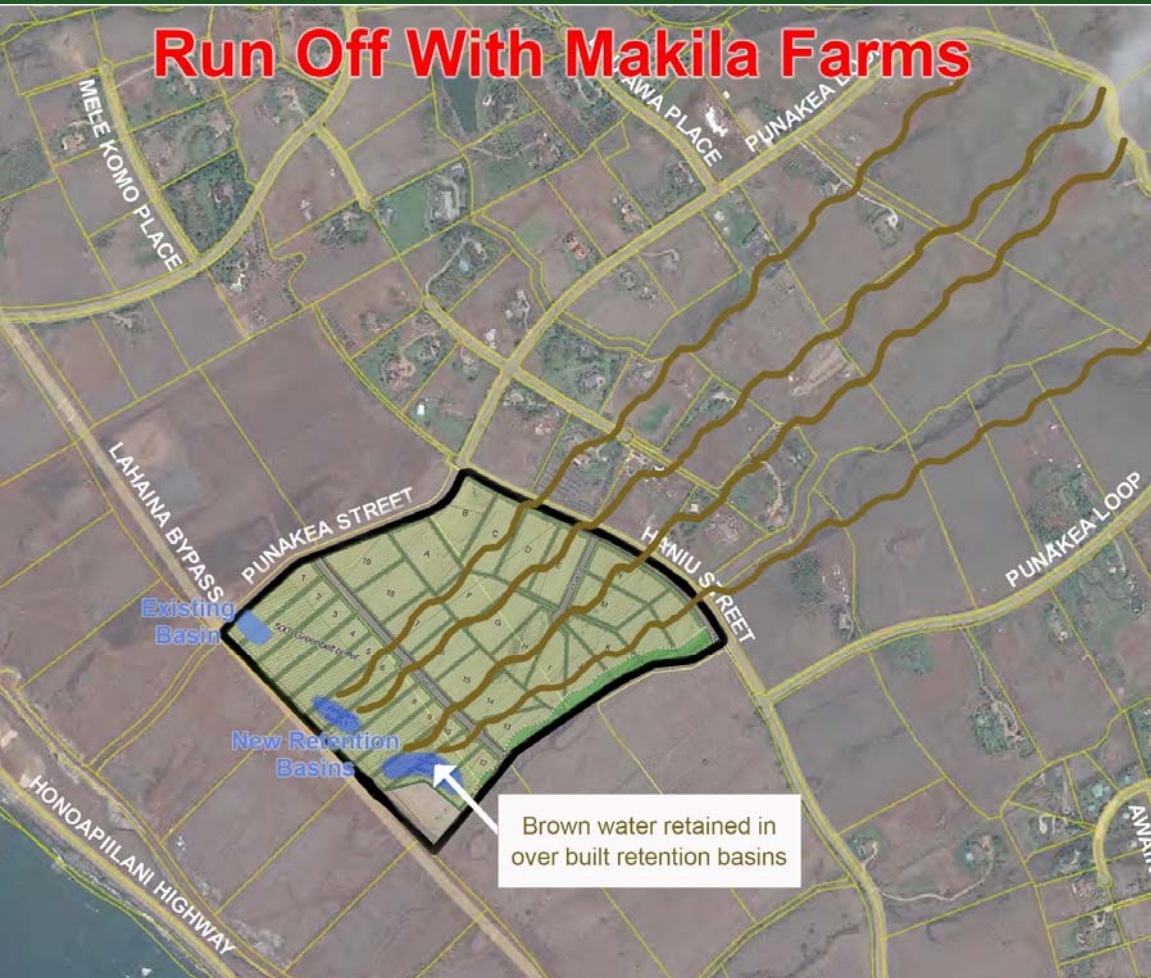
Run Off Without Makila Farms



- Currently, nearly all mauka runoff flows through the property to the ocean.

Drainage

Run Off With Makila Farms



- Makila Farms will improve drainage conditions
- Two new retention basins will decrease runoff
- Other homes will be built on the property if Makila Farms is not approved
- In that scenario, additional retention basins are not likely to be built

Water Launiupoko Aquifer

- **Launiupoko Aquifer**
 - Sustainable yield: 7 million gallons per day (MGD)
 - Existing water use: 0.40 MGD (5.7% of the sustainable yield)
 - Remaining sustainable yield: 6.61 MGD

Source: CWRM Water Resources Protection Plan 2019 Update (Public Review Draft Oct 2018)

Drinking Water

(potable water)

- **Drinking Water (potable water) source:**
 - High-level ground water wells pumping from Launiupoko Aquifer
 - 3 wells owned and operated by Launiupoko Water Company (a Public Utilities Commission (PUC) regulated water company)
 - 3 wells' capacity: approx. **800,000** gallons per day (long-term average)
 - Current use: approx. **200,000** gallons per day (average)
 - Extra capacity: approx. **600,000** gallons per day
 - Makila Farms expected potable water use: **29,400** gpd (average)
- **Makila Farms will comply with the requirements of “Show Me the Water” (Chapter 14.12.040, MCC):**
 - Requires written verification from the DWS Director of a long-term, reliable supply of water
 - Subdivision plans cannot be approved without compliance

Irrigation Water

(Non-Potable Water)

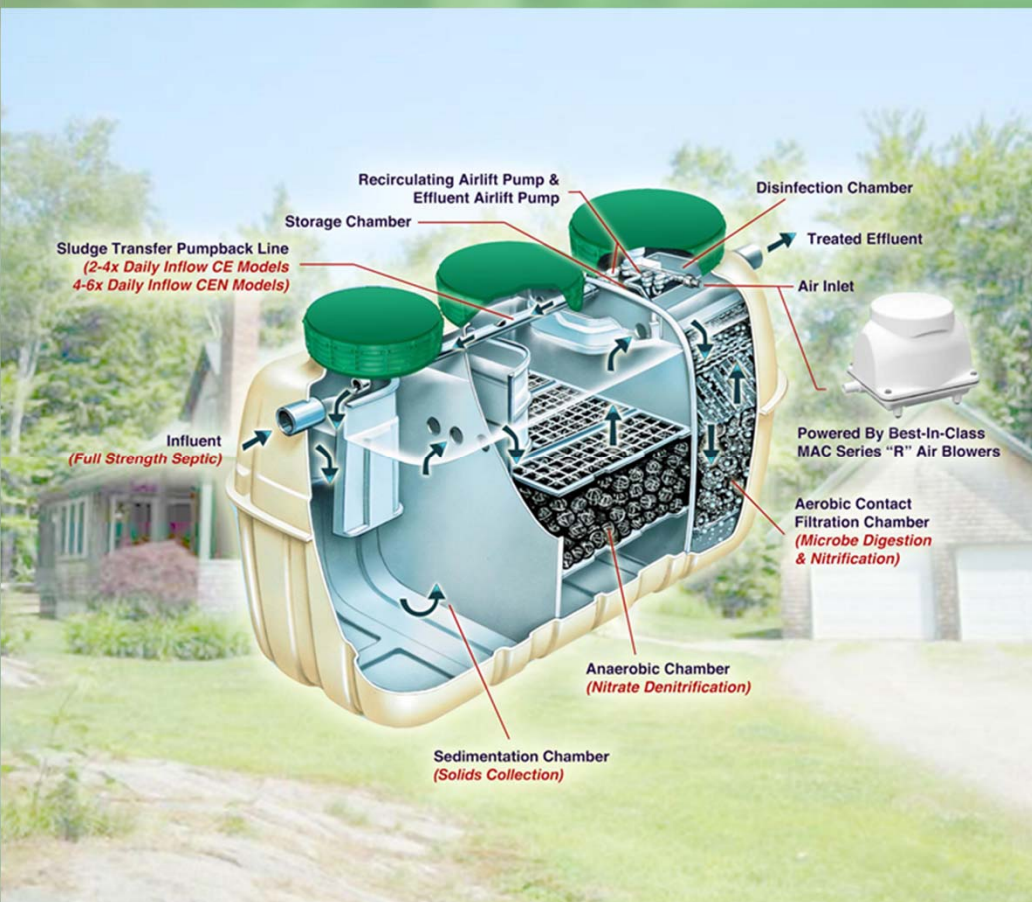
No Stream Water Used for Makila Farms



- Makila Farms will construct its own new irrigation (non-potable) well, storage tank, and irrigation system
- No water from Kaua'ula Stream used
- No water from Launiupoko Irrigation Company used
- Makila Farms expected non-potable use 184,280 gpd (average)

Wastewater

Aerobic Treatment Unit (ATU) individual wastewater systems



- ATUs provide a higher quality of treatment than a standard septic systems
 - Multi-stage treatment
 - Solids and organics settled out, then returned to aeration chamber for re-digestion
 - Can reduce solids by as much as 70-90% (compared to 30-50% from a septic system)
 - Substantial removal of nitrogen (to as low as 10-20 ppm) to prevent nutrient pollution
- State Dept. of Health (DOH) has approved the ATUs selected for Makila Farms for use in Hawaii

Roadways & Traffic

- **Access to Makila Farms** will be via:
 - Hāniu Street
 - Punakea Street (Punakea Loop extension)
 - Kai Hele Kū Street, Honoapi'ilani Highway (across from Launiupoko Beach Park & signalized)
 - The Lahaina Bypass (access via intersection with Kai Hele Ku Street)
- **Traffic Impact Analysis Report concludes:**
 - With Makila Farms, traffic will operate at acceptable levels with the completion of the Lahaina Bypass

Roadways



Public Meeting

NOTICE OF PUBLIC MEETING

MAKILA FARMS WORKFORCE HOUSING COMMUNITY

You are invited to a public information meeting for Makila Farms, a Workforce Agricultural Community:

Wednesday, August 14, 2019 from 4 pm – 6 pm
Lahaina United Methodist Church

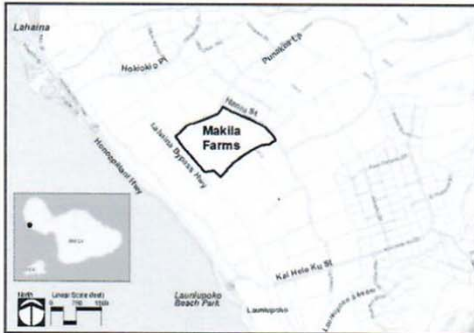
988 Front Street, Lahaina, in the "Fellowship Room"

At the meeting Makila Farms representatives will provide an overview of plans for the community and answer questions from the public.

The Makila Farms property is in the Launiupoko area, between the Lahaina Bypass Highway and Haniu Street (approximately 76 acres; TMK 4-7-013:003, 004 and 005).

Makila Farms will consist of 19 workforce homes on lots 2 acres or slightly larger in size, and 15 agricultural lots (2 acres or slightly larger) sold at market prices.

This public information meeting is open to all interested parties.



(MN: Aug. 9, 2019)

- Public meeting August 14, 2019
- Notice published in Maui News
- Letters sent to all property owners within 500 feet of Makila Farms
- Previous meetings with neighbors during planning for Makila Kai

Public Meeting



- Lahaina United Methodist Church
- Over 70 people attended (per sign-in sheets)
- Most people attending indicated they were interested in buying a home.

Other Consultation

- Draft 201H Application sent to all County Departments (Nov 2018)
- Meetings with Councilmembers (Feb 2019 – Aug 2019)
- All Department Meeting (July 29, 2019)
- Individual Department Meetings:
 - Fire Department
 - Dept of Public Works
 - Planning Dept
 - Dept Housing & Human Concerns
- Go Maui Board of Directors

Timeline

- All 19 workforce homes built as soon as all approvals are received
- All workforce homes built in 1 phase
- Workforce homes completed by 2021 (pending all approvals)
- Market rate homes built in phases (likely 5 – 6 homes at a time)
 - Projected 2028 build-out of all market homes

Makila Farms Positive Impacts

- **19 Maui families** will own a workforce single-family home in West Maui on a 2+ acre lot!
- **No other 201H project has provided such large lot sizes** (many in West Maui have been multi-family units)
- **Implements the Maui Island Plan**
- **Large lot sizes conform to State Land Use District designation and maintain the area's character**
- **Open space**, including greenbelt and setback areas
- **Single-story homes** protect views

Conclusion

- Drinking (potable) water source (Launiupoko Aquifer) has capacity—only 5.7% sustainable yield used.
- Irrigation Water – providing our own, well, pump, tank, and meters
- “ Show me the water” will comply—as required for approval of all subdivisions
- When you hear surrounding residents talk about lack of water this has nothing to do with Makila Farms. We are developing our own irrigation (non-potable) source
- Roads – Bypass Highway has greatly improved regional traffic flows
- Access/Egress – multiple emergency evacuation routes
- Wastewater – advanced ATU systems—significantly better than standard septic tanks
- Drainage – improves drainage conditions to safeguard ocean water quality
- Farming – implementing farm plan to ensure ag use
- Affordability – Selling all workforce homes to qualified buyers earning 50% -100% of median income; affordable for 30 years

A close-up photograph of several green holly leaves with prominent veins, set against a blurred brown lattice background. The leaves are arranged in a dense, overlapping pattern. The text "Thank You" is centered over the image in a bold, dark font.

Thank You