

3/6/2017

PROPOSED BILL TO  
AUTHORIZE THE COUNTY OF  
MAUI TO ENTER INTO AN  
INTERGOVERNMENTAL  
AGREEMENT WITH THE  
HAWAII HOUSING FINANCE  
AND DEVELOPMENT  
CORPORATION FOR THE LEASE  
OF TWO PARCELS ADJACENT  
TO THE LAHAINA CIVIC  
CENTER (PEA-7)

The State HHFDC is offering the County of  
Maui lease of two parcels in West Maui for a  
dollar (\$1.00) per year for sixty five (65) years.

Mayor Alan Arakawa  
COUNTY OF MAUI

RECEIVED AT PEA MEETING ON 3/6/17

PROPOSED BILL TO AUTHORIZE  
THE COUNTY OF MAUI TO ENTER INTO AN  
INTERGOVERNMENTAL AGREEMENT WITH THE HAWAII  
HOUSING FINANCE AND DEVELOPMENT CORPORATION FOR THE  
LEASE OF TWO PARCELS ADJACENT TO  
THE LAHAINA CIVIC CENTER (PEA-7)

Monday, March 6, 2017

**Policy, Economic Development, and Agriculture Committee**

Committee Chair  
Yuki Lei Sugimura

Committee Vice-Chair  
Honorable Stacy Crivello

Voting Members:

Honorable Alika Atay  
Honorable Robert Carroll  
Honorable Elle Cochran  
Honorable Don Guzman  
Honorable Riki Hokama  
Honorable Kelly T. King  
Honorable Mike White



## **BACKGROUND:**

The Hawaii Housing Finance and Development Corporation (HHFDC) controls two parcels in West Maui located adjacent to County of Maui facilities which include the Lahaina Civic Center, Lahaina Police Station, and the Lahaina Fire Station. The total acreage of these two parcels is 20.137 (Lot 1-A: 14.619 and Lot 1-B:5.518). The land was previously utilized for agricultural purposes but had remained in a fallow state for decades. The County of Maui was approached by HHFDC to determine if there may be interest in entering into an agreement for these two parcels since the County periodically utilizes Lot 1-A for parking and there may be a need for future facilities expansion.

## **CURRENT USES:**

As previously mentioned, Lot 1-A has been and continues to be utilized by the County of Maui, Department of Parks and Recreation as an overflow parking area. The following is an overview of some of the events that have utilized this location:

- Maui Jim Maui Invitational Basketball Tournament
- PGA Championship
- USTA Nationals
- Bi-weekly Craft fairs
- MIL Games
- Canoe Regattas
- Events at the amphitheater, including concerts
- All special events at the Civic Center
- Large parties by community members
- Multiple functions occurring at the same time (i.e. a wedding, weekly volleyball/basketball tournaments, and an event in the amphitheater.)

Lot 1-B is not currently utilized by the County of Maui.

**The two parcels** (Tax Map Key Nos. (2) 4-5-021: 018 and 019) are situated adjacent to the Lahaina Civic Center. Lot 1-A (mauka) is approximately 14.619 acres and Lot 1-B (makai) is approximately 5.518 acres. *See*, Maps attached as Attachments “A” and “B”.

## **PROPOSAL:**

To enter into a low-cost (\$1.00 per year), long-term lease agreement (65 years) between the County of Maui and the Hawaii Housing Finance and Development Corporation (HHFDC) for two parcels located adjacent to current existing County facilities (Lahaina Civic Center) to ensure the continued availability of these parcels for community benefit.

## **BENEFITS:**

Securing a long-term, low-cost lease for these two parcels in West Maui has numerous benefits to the taxpayers and residents of Maui County. The following is a brief listing of some of the identified benefits:

- Preserves these parcels for future growth of Maui County operations including the relocation of both the fire and police stations located nearby;
- Ensures that the County will continue to be able to utilize the overflow parking area and make any necessary improvements for users;
- Extremely low-cost at only \$65.00 for the duration of the 65 year lease.
- Available acreage in similar size and location may be challenging to locate in the future; and,

- Allow us to consolidate, in the future, other West Maui operations, such as the DMVL, onto County property to reduce costs.

## **FUTURE USES/FUTURE PLANNING:**

The County of Maui does not currently have existing plans for these two parcels. The community has discussed the need for improved public safety facilities in this area in addition to improved parking. Examples of possible future uses for these lots include:

- New Lahaina Fire Station
- New Lahaina Police Station
- Improved parking facilities
- Expanded parks-related activities and facilities

The Department of Management has created two working groups that are focused on identifying ways to reduce government spending:

- **“Cost Reduction Unit”** — tasked with identifying ways to reduce government spending, increase efficiency, and improve and optimize processes.
- **“County CIP Coordination Committee”** -- responsible for the review and coordination of capital improvement projects across all departments, reviewing ongoing and proposed CIP projects, and identifying ways to improve accountability and reduce spending across departments.

The purpose of mentioning this is that both of these working groups identified similar concerns as it pertained to spending funds on plans that may not come to fruition due to various circumstances. It was recommended that specific steps should be taken prior to expending funds on projects including the need to identify and secure lands needed for projects, soliciting input from the Council and public before paying for consultants and plans and only then proceeding with the development of formal plans.

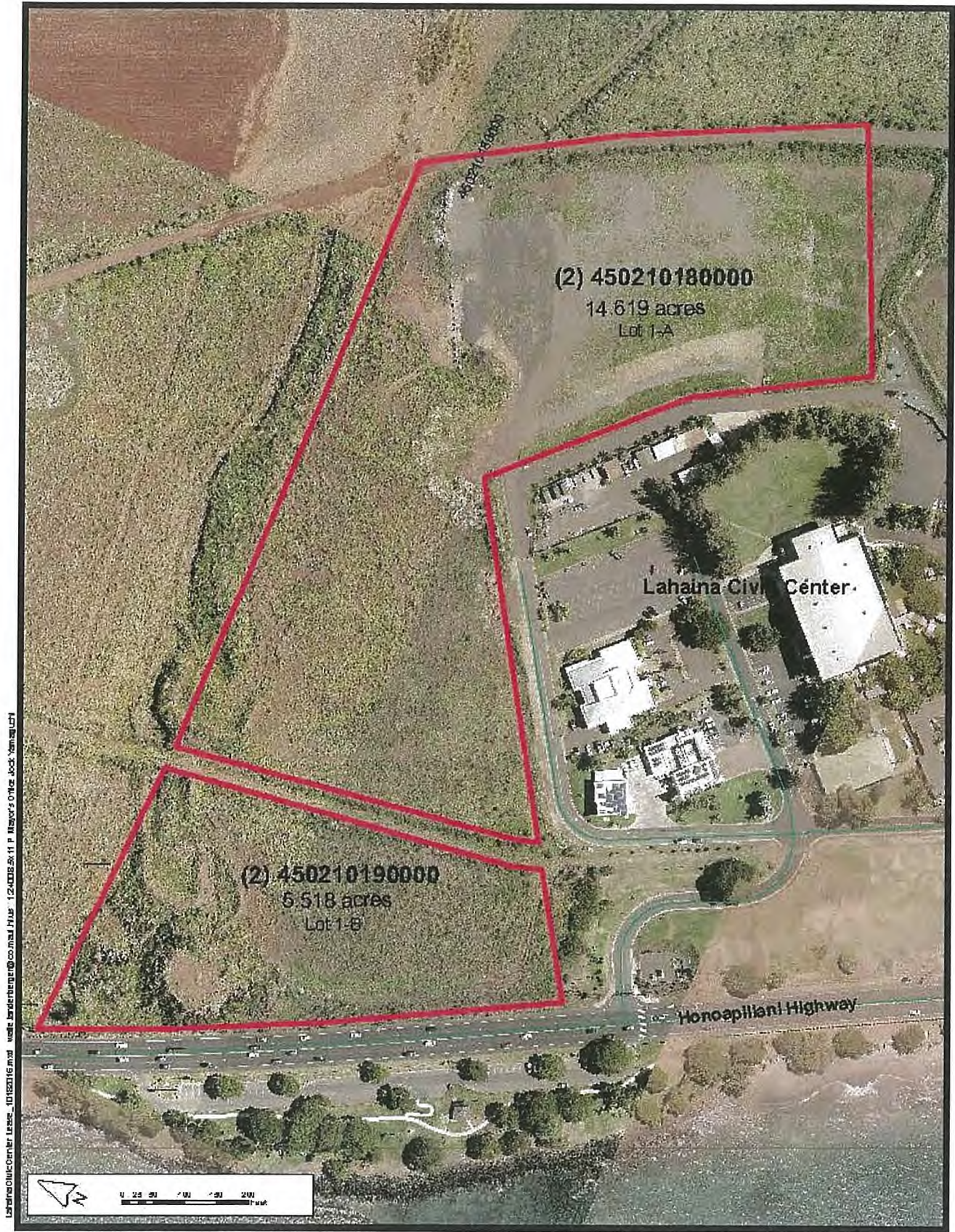
The concern raised by the working groups centered on wasting significant funds on consultants and plans, often in excess of \$100,000, for concepts that become stalled due to excessive costs, the lack of support from the policymakers and the public.

## **CONCLUSION:**

The administration humbly requests the Council’s affirmative support of this lease agreement for the benefit of the overall community. The long-term, low-cost lease secures the property for future County use and will ensure that the citizens of West Maui will have a strong, local-voice, in how this property is utilized. Parking at the Lahaina Civic Center has been a concern for years and has played a role in allowing or disallowing activities to take place at that location. By leasing these two parcels, the County eliminates the risk of the HHFDC leasing these parcels to other organizations or entities.

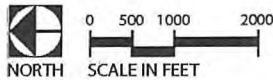
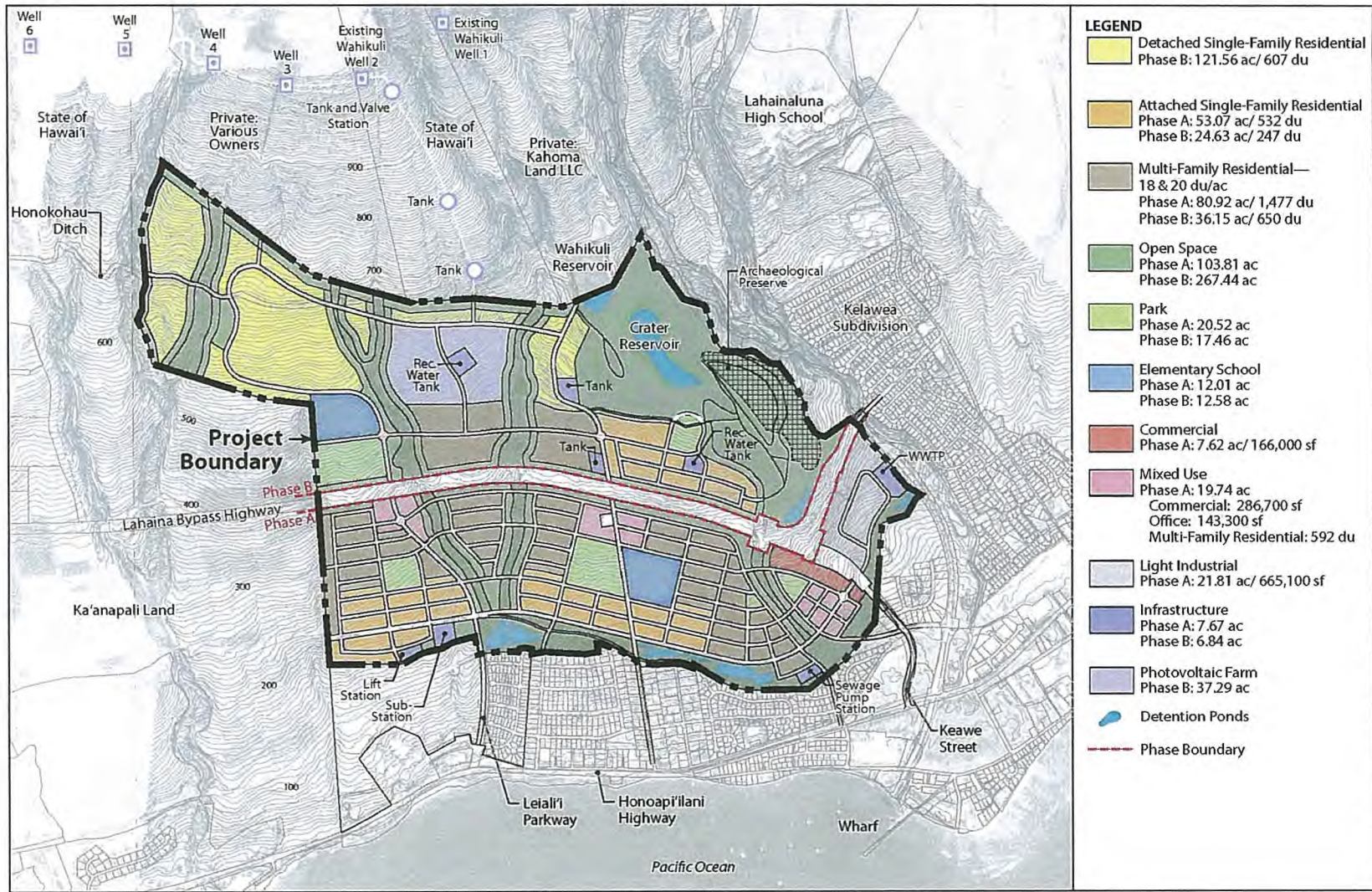
Permitted uses such as public parking, municipal baseyards, and expansion of public safety facilities for the purpose of carrying out the responsibilities of County departments and agencies will be preserved for West Maui. As mentioned, if the Council authorizes this lease the department(s) will be able to solicit input and recommendations from the Council and West Maui community for future use and expansion.





Attachment A





Note: Lot lines shown are approximate and for illustrative purposes. Imagery is from Google Earth Pro and is approximately matched to lot lines.