

Lots in the Fairways at Maui Lani

July 25, 2019
EDB Committee Meeting


RECEIVED AT EDB MEETING ON 7/25/19
(SANDY BAZ)



Background



County of Maui-owned Maui Lani Parcels.

 County-owned Parcel Boundary





Background

- ▶ County of Maui acquired TMK Nos. (2) 3-8-096:001 through 055 as part of the \$11.8 million settlement with developer VP & PK (ML), LLC
- ▶ The 58 lots comprised of the following:
 - ▶ One drainage lot
 - ▶ Four roadway lots
 - ▶ 50 Residential Lots comprising The Fairways at Maui Lani (“Fairways”) Subdivision
 - ▶ Three residential lots within the Sandhill Estates (“Sandhill”) Subdivision
- ▶ All 53 residential lots are have entitlements in place to build single family homes



Background (Cont'd)

- ▶ All infrastructure is in place (roads, sidewalks, electrical) and all lots have lateral stub outs for water and sewer
- ▶ None of the lots have water meters installed
- ▶ Lots range in size from 6,278 to 12,807 square feet and zoned SF-5, which is single family homes requiring a minimum lot size of 5,000 square feet.
- ▶ 3 Sandhill Lots are 10,349, 10,605, and 10,699 square feet and zoned PD-WK/1, which requires a minimum lot size of 8,000 square feet.
- ▶ Both Fairways and Sandhills lots are governed by the master CC&Rs of the Maui Lani Community Association.



Timeline

- ▶ ~2007 Goo v. Arakawa, and Goo v. Cheryl Cabebe, Gerry Riopta, and Melissa Riopta, Intervenor-Defendants/Appellees/Cross-Appellants. ICMA & HI Supreme Court 2013-14
- ▶ August 28, 2011 Council Adopted Ordinance 3848 amended the CZO's definition of height to the following: “[f]or structures within project districts that received phase II approval prior to September 4, 1991, finish grade shall be used to determine height.”
- ▶ 2011: County of Maui acquired TMK Nos. (2) 3-8-096:001 through 055 as part of the \$11.8 million settlement with developer VP & PK (ML), LLC



Timeline (Cont'd)

- ▶ October 2016: A task force on how to move forward with the Fairways at Maui Lani was convened.
 - ▶ Met five times between October 19, 2016 and March 14, 2017
 - ▶ March 2017: Final Summary Report with recommendations was issued
- ▶ February 27, 2017: Proposed Resolution Authorizing the Disposal of the Lots Comprising The Fairways at Maui Lani by Public Auction was transmitted to the Council
 - ▶ Upset Price of \$9,817,500.00
 - ▶ Based on January 2, 2017 Appraisal Report
- ▶ February 6, 2018: RFP was issued for the sale of The Fairways at Maui Lani Lots
 - ▶ Bid resulted in a no responsive or responsible bidders



Community Meeting

- ▶ 7/23/2019 Attendees included: council members, residents of neighboring streets, affordable housing advocates, and general public
- ▶ Majority of comments/concerns came from neighbors
 - ▶ Grade height, fill, condition of property, and direct impacts on their homes, concerns with affordable housing
- ▶ Affordable/Workforce housing suggestions also received at the meeting and via written or verbal communications
- ▶ Walking Site Visit 7/24/2019 and discussion with residents
- ▶ Mayor's memo dated 7/24/2019



Costs-to-Date

Acquisition Price: \$11,7500,000

Delinquent Real Property Tax (as of 6/30/19): \$132,956.05

HOLDING COSTS	FISCAL YEAR							TOTAL
	2013	2014	2015	2016	2017	2018	2019	
MLCA Dues	24,600	31,500	33,300	36,600	38,400	38,400	38,400	241,200
Irrigation Water Meters	117	549	661	672	739	744	806	4,288
Landscaping	22,708	10,390	33,960	18,430	15,600	15,600	15,600	132,288
TOTAL HOLDING COSTS	47,425	42,439	67,921	55,702	54,739	54,744	54,806	377,776
CUMULATIVE COST	11,797,425	11,839,864	11,907,785	11,963,487	12,018,226	12,072,970	12,127,776	12,127,776