



August 22, 2016

✓The Honorable Mike White, Chair
Members of the Maui County Council
200 S. High Street
Wailuku, Hawaii 96793

Ms. Carol Reimann, Director
Department of Housing & Human Concerns
County of Maui
2200 Main Street, Suite 546
Wailuku, Hawaii 96793

Subject: Annual Status Report for Haliimaile Change in Zoning
from Interim District to R-1 Residential District & PK-1
Neighborhood Park District
Maui County Ordinance No. 3312

Dear Council Chair White, Councilmembers and Ms. Reimann:

On behalf of Alexander & Baldwin, Inc., A&B Properties, Inc. (hereinafter "A&B") hereby submits this annual status report to the Maui County Council and the Department of Housing and Human Concerns pursuant to Condition No. 17, set forth in Exhibit "C" of Ordinance No. 3312.

Overview of Development Activities

Preliminary subdivision approval for the project was granted in 2006, and an extension was most recently granted in July 2016. Based on that plan, construction drawings were submitted to County agencies for review. More recently, A&B has undertaken more detailed planning of the project and is in the process of reevaluating the subdivision design. In order to meet a wider range of the Upcountry residential housing market needs, current plans utilize the County's Cluster Housing provisions and allow for a mixture of single family and multi-family housing types. A&B continues discussions with area landowners and the Department of Water Supply to identify a potential water source for the project, as well as measures to enhance the Upcountry potable water system.

Condition No. 1: That a left-turn storage lane shall be constructed on Haliimaile Road at its intersection with the project. (As recommended by the Department of Public Works and Environmental Management and the Department of Police).

GENERAL COMMUNICATION NO. 16-9

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A&B is incorporating this requirement in the subdivision plan and will construct a left-turn storage lane on Haliimaile Road at its intersection with the project.

Condition No. 2: That additional right-turn storage lane improvements shall be made to Haliimaile Road at its intersection with Haleakala Highway to the satisfaction of State of Hawaii Department of Transportation and Department of Public Works and Environmental Management. As recommended by the Department of Public Works and Environmental Management and modified by the Maui Planning Commission ("Commission").

The State of Hawaii Department of Transportation (DOT) has improved Haleakala Highway and the intersection at Haliimaile Road. Based on a traffic analysis report prepared by A&B, the DOT determined that the intersection will adequately serve expected traffic generated by the project.

Condition No. 3: That Alexander & Baldwin, Inc. ("A&B") shall assist the Department of Parks and Recreation in the site planning for the 10-acre park site, i.e., fields, parking, etc., and that the park site shall be graded, grassed, irrigated, and roadside perimeter landscaped. Further, the terms of the dedication to the County of Maui shall be to the mutual satisfaction of A&B and the Department of Parks and Recreation. (As recommended by the Department of Parks and Recreation).

In August 2010, A&B met with Mr. Pat Matsui of the Department of Parks and Recreation to discuss the master plan for the park and the terms for the dedication of the park to the County. A conceptual site plan will be submitted to the Department for review. Upon approval, construction plans will incorporate provisions for the planned play fields and improvements.

Condition No. 4: That A&B comply with those management measures as described by the State of Hawaii Department of Health (Department of Health) in its letter dated February 16, 1999. (As recommended by the Department of Health).

A&B will comply with the recommended management measures as described by the State of Hawaii Department of Health (DOH letter of February 18, 1999).

Condition No. 5: That a traffic signal be installed and operational at the intersection of Haliimaile Road and Haleakala Highway prior to the first final building inspection. (As amended by the Commission).

This condition has been satisfied. The traffic signal at the intersection of Haliimaile Road and Haleakala Highway has been installed and is operational.

Condition No. 6: That A&B shall participate in required infrastructural improvements for water, sewers, drainage, and roadway/traffic as determined by the appropriate County agencies to mitigate impacts resulting from the proposed development.

A&B is currently developing the required infrastructure design and is addressing plan review comments.

Condition No. 7: That the construction of homes within the project shall not commence unless A&B has first secured a new well and transmission lines. The water source must (a) be sufficient to provide 600 gallons per day of water for each home to be constructed, (b) be available prior to occupancy of the home, and (c) meet all applicable standards of the Department of Water Supply. The Department of Public Works and Environmental Management shall ensure that this condition is satisfied prior to issuing any building permits for construction of any homes in the project. (As amended by the Commission).

A&B continues discussions with area landowners to identify a potential water source for the project. A&B is also in discussions with the Department of Water Supply regarding potential service.

Condition No. 8: That A&B shall develop a new water storage tank to provide adequate water pressure to this development prior to final subdivision approval.

A&B will work with the Department of Water Supply to provide water storage facilities to adequately serve the project. Discussions with the DWS have included the provision of sites suitable for public water storage facilities which would serve the needs of the larger community.

Condition No. 9: That design plans for house and lot packages provided by A&B shall be submitted to the Urban Design Review Board for review and approval.

Upon formulation, the design plans for house and lot packages will be submitted to the Urban Design Review Board for their review and approval.

Condition No. 10: That an eight (8) ft. walking path be incorporated into the project's buffer areas. In addition, a bikeway and/or walking path shall be developed along Haliimaile Road fronting the project at such time as future road widening improvements are constructed. (As amended by the Commission).

The eight (8) ft. walking path has been incorporated on the construction plans within the project's buffer areas. Provisions for a bikeway and/or walking path along Haliimaile Road fronting the project will be incorporated in the event that future road widening of Haliimaile Road is undertaken.

Condition No. 11: That A&B shall work with the existing community, the Department of Planning, the Department of Public Works and Environmental Management and adjacent landowners in community-based workshops to create a vision for the entire community that would maintain the rural character of this and future developments. The workshops shall consider such things as school sites, trails, transit stops, churches, daycare centers, and commercial areas, as well as appropriate rural subdivision standards. A&B shall report back to the Commission within one year from the effective date of this ordinance. (Recommended by the Commission).

The planning process for this project has involved numerous community meetings to attain community input concerning the vision, character and features desired in the project. This has resulted in preferences for lesser density of lots, cul-de-sac roadways, views and a community association with CC&Rs. To meet a wider range of the Upcountry housing market, A&B is also seeking to expand the array of residential product types offered within the project. Accordingly, A&B is conducting more detailed land planning and design.

Condition No. 12: That A&B shall conduct soil testing to detect the presence of pesticides or other contaminants throughout the proposed subdivision for disclosure to potential buyers. A copy of the report shall be submitted to the Commission and the Department of Health within one year from the effective date of this ordinance. (Recommended by the Commission).

This condition has been complied with as stated in the 2006 annual report.

Condition No. 13: That at least two bus shelters shall be constructed within the project to accommodate pick-up and drop-off of the children.

In accordance with this condition, at least two bus shelters are being incorporated into the project's design.

Condition No. 14: That A&B shall provide for fifteen percent or twenty-five units, whichever is greater, of the total units to be affordable to persons or families whose incomes are identified as between one hundred and one hundred twenty percent of the area median income for the county as determined by the Department of Housing and Urban Development of the United States of America and the Department of Housing and Human Concerns. The affordable units shall be intermixed and constructed concurrently with the market-priced units.

A&B has discussed this matter with the Department of Housing and Human Concerns and will fulfill the terms of this condition. A&B expects to execute an Affordable Housing Agreement with the Department of Housing and Human Concerns prior to construction of any homes.

Condition No. 15: That the Corporation Counsel and counsel for A&B shall work together to come up with a plan that would give qualified residents of Maui County first preference with this housing.

A&B has discussed this matter with the County Corporation Counsel and will work with the Corporation Counsel and the Department of Housing and Human Concerns to address the provisions of this condition prior to construction and sale of any homes.

Condition No. 16: No transient vacation rentals shall be allowed within the subdivision.

A&B will assure that a provision be implemented to provide a restriction that no transient vacation rentals shall be allowed within the subdivision.

Condition No. 17: That A&B shall provide annual status reports to the Director of Housing and Human Concerns and the Council, commencing within one year of the effective date of the Change in Zoning, and ending five years after the last lot is sold. The status reports shall include: (a) the number of affordable units and market priced units completed; (b) the number of affordable units and market-priced units sold; (c) for each unit, the sales price, square footage, number of bedrooms and baths, and lot size; (d) the income bracket for each purchaser of an affordable unit; (e) the number of units sold to employees of A&B; (f) the number of units sold to individuals who are not qualified residents as defined in the housing agreement; (g) the number of units offered for resale and the number of units sold on the resale market, if any; and (h) any buyback provisions, owner-occupancy requirements, or ohana-unit restrictions that apply.

This annual report is being submitted in compliance with this condition. Upon commencement of construction and sale of the housing units, A&B will provide the applicable information pursuant to this condition.

Please contact the undersigned if you require any further information regarding this project.

Sincerely,

A&B PROPERTIES, INC.



GRANT Y. M. CHUN
Vice President

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