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COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

August 3, 2016

Mr. William Spence, Director
Department of Planning
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Spence:

**SUBJECT: AUTHORIZING GRANT OF A LEASE OF REAL
PROPERTY TO TEACH DEVELOPMENT LLC (OLD
MAUI HIGH SCHOOL CAMPUS) (EAR-63)**

At its meeting of August 2, 2016, the Economic Development, Energy, Agriculture, and Recreation Committee discussed a proposed resolution to authorize the Mayor, the Director of Finance, or their authorized representatives to enter into two leases with Teach Development LLC for the Old Maui High School Campus properties. The leases provide for \$1 per year in total rent for the subject properties, set a term of 60 years, and require use as a facility of innovative social, economic, and environmental benefit to Maui. The proposed resolution and leases may be found at the following link:
<http://mauicounty.us/agendas/>.

The Committee raised questions concerning zoning of the subject properties and the Department of Planning's role with regard to timely review and approval of necessary zoning modifications, entitlements, and permits. In its response to the Request for Proposal 14-15/P-15, Teach Development stated as follows: "Extending the length of the lease and the cooperation of the County of Maui in expediting entitlements and permits is critical to project funding" and "Accordingly, we both want and absolutely need assurances from the County of Maui those bonds, road improvements, historic tax credits, low-interest loans, new market tax credits, expedited entitlements, licenses, permitting and similar processes will be handled by the County on an expedited basis."

May I please ask that you provide responses to the following:

1. What are the current zoning districts, community plan designations, and state land use districts of the parcels subject to the leases? In response to this question, please provide a completed Zoning and Flood Confirmation form.
2. The subject parcels include two tax map key parcels, one of which is greater than 15 acres in size. The lessees' plans for the project included both educational and agricultural uses. My understanding is that the "historical" school portion of the land is approximately 14 acres. If a district boundary amendment is required (for example, from the Agricultural to the Urban district), may only the 14-acre portion be submitted for reclassification, or must the entire property be considered? Please comment under what circumstances reclassification may be considered at the County level by the planning commission, or if review by the State Land Use Commission will be necessary.
3. What assurances has the County given the lessee with regards to expediting entitlements, licenses, permits, or other County processes?
4. If assurances have been made, how will the lessee's applications be expedited, by whom, and in what manner? What would be the Department's role with regard to timely review and approval of district boundary amendments, change in zoning applications, community plan modifications, or other permits necessary for the proposed project?
5. Are you aware if any other County departments have given assurances to the lessee to expedite applications for the lessee?

May I further request your response be transmitted **no later than Monday, August 8, 2016**, so the Committee may continue discussing the proposed bill at its next meeting of August 16, 2016.

To ensure efficient processing, please include the relevant Committee item number in the subject line of your response.

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Thank you for your assistance in this matter. Should you have any questions, please contact me or the Committee staff (Sharon Brooks at ext. 7137, or Pauline Martins at ext. 8039).

Sincerely,

A handwritten signature in black ink, appearing to read "Don S. Guzman". The signature is fluid and cursive, with a long horizontal stroke at the end.

DON S. GUZMAN, Chair
Economic Development, Energy,
Agriculture, and Recreation Committee

ear:ltr:063apl01:scb

cc: Mayor Alan M. Arakawa
Danny Agsalog, Director of Finance
Teena Rasmussen, Economic Development Director