

## AH Committee

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**From:** Kurt Thompson <kbtagain@me.com>  
**Sent:** Wednesday, June 19, 2019 4:39 AM  
**To:** AH Committee  
**Subject:** Objection to Makila Rural East and Polanui Gardens Housing Developments  
**Attachments:** 2017 MC-letter.pages.pdf

**Importance:** High

Committee Members,

What follows is a letter that I submitted to Maui County officials TWO years ago when a similar development was proposed by Peter Martin and Gregg Brown. See attached letter (one of many) that was sent to directly to County Officials on our behalf.

Since that letter was sent, the prior proposals were DENIED. However various developers have continued to look for ways to fast-track the development of this area by merely “repackaging” the same basic proposals. The matters we raised in that letter have not been adequately addressed as of this date and additional concerns have come to light since then.

While the Maui community is in desperate need of affordable housing, it has to be done right and in the right areas. This proposed area is zoned agricultural, and does not have the infrastructure or resources to support 200+ new homes that these new developments would add. This area is not and cannot be connected to county sewer or water. The water here comes from Kaua'ula stream and the current residents of Makila/Launiupoko are often already under water restrictions because there isn't enough water available to support the homes that already exist. Plus last year the CWRM board implemented streamflow standards which lowers the amount of water that can be taken from the stream (and often eliminates the ability to divert any water from the stream). Our properties are zoned AG and REQUIRE, based on the size of the lot, up to 50% of the land to be under some form of agriculture, as defined. The ability to have a dependable source of AG water is essential and this has not been the case in the past 2 years and continues to this day. Many families on the “hillside” have made investments of hundreds of thousands of dollars on AG activities.

Since there are no sewer connections they would have to add 200+ new septic tanks which have increasing environmental and legal concerns associated with them.

Fires are a major risk to this area. There is only one road in and out of the area, and this is the most fire prone area on the west side of Maui. Our property experienced over \$175,000 in damage as a result of the fire and one of my neighbors' homes adjacent to our property was completely destroyed and burned to the ground. Had the wind been blowing the opposite direction during last years fires our home would have been a total loss and this whole area would have been wiped out. Without the proper roads and infrastructure the risk of being trapped and unable to escape the fire is extremely real. Last year during the fires the fire hydrants in the area did not even work because as stated above there isn't enough water to serve the area. There will be more fires in the area, in fact there was a small fire here recently.

The Polanui gardens area as it stands right now is only allowed to subdivide and build 3 properties on it. But by using a 201H affordable housing loophole they are able to build and then sell 66 properties turning what would have been perhaps a 6 million dollar profit into a 10's of millions dollar profit. Don't think they are building this development because they want to help the community and the need for affordable housing. They are doing it in this way to maximize their profit, without care for the fact that the area cannot support this amount of housing. This same developer also owns the entire area above the aquatic center and below the bypass which can be connected to county services and can have the infrastructure needed to support it, but they don't want to build there because they cannot sell that area for the same high end prices they can get in Launiupoko. They could build this exact development on that land which is less than a mile away and actually could support it, but they won't make as much money if they do it there. If they actually were trying to solve the housing crisis, they would also make these homes affordable in perpetuity, instead of only 10 years at which point they will turn into market price homes.

They are dangling the carrot of affordable housing hoping that by doing so all the other issues slide and fast track this development, while they take their millions of dollars and run leaving the people who bought those homes with the aftermath. This same area was disapproved for development for all these above reasons. The developer came back with nearly the same development plan but doubling the amount of affordable houses on it thinking now magically all the problems will go away because everyone will be blinded by the affordable housing.

Don't be fooled, don't fall for it.

Yes we absolutely need more affordable housing on Maui, but this proposed area cannot support these developments and it would be irresponsible. The bigger question is, why hasn't the County designated a lower cost area and properly incentivized developers to build affordable rentals in that lower cost area? Instead, they continue to find a "work around" excuse in the name of affordable housing to allow a huge developer to make larger profits by increasing density in an area that's not designed for it, even though they already can't provide enough water for those that already live there?

Kurt Thompson  
85 Lau Awa Place  
Lahaina, HI 96761

June 14, 2017

Re: CR 17-84 and CR 17-85 Committee Reports; Land Use Committee

Dear Robert Carroll,

We are writing to you to express our **extremely strong opposition** to the proposed Makila Kai development and Mr. Greg Brown's request for a fast track approval under Section 201H. We attended the Land Use Committee meeting on May 31 and presented our objections to the fast track approval of Makila Kai. Over 90% of those in attendance at the meeting expressed their OPPOSITION to this development and using Section 201H to fast track the process. We were shocked and appalled that the Land Use Committee voted 5-3 in favor of Mr. Brown's request for approval under Section 201H. The mere fact that Mr. Brown has made this project "49 homes" should be cause for alarm! By creating a small project, he avoids many required processes for developments of on a larger scale, including Environmental Impact Studies. It should be noted that his "49 homes" also allow for 24 additional Ohana units to be built that are in his plan, but not included in the total number of homes. The project does not really generate any significant "affordable homes" on Maui. Only 8 of the proposed 25 affordable homes are to be priced below moderate for incomes between 81% and 99% of Maui County medium income. His "gift" of a \$50,000 price reduction to qualified buyers is merely a shell game moving money from the profits of selling 24 market priced homes. Attached at the end of this letter is a schedule of proposed pricing from the Makila Kai website labeled as Exhibit 1.

We purchased our home in Makila Plantation in 2009 because of the AG nature of the entire area and to be able to enjoy a peaceful uninterrupted time on Maui. Over the years we have also been opponents of Bed and Breakfast permits being issued to homes in our area because we felt that they would detract from the rural AG development lifestyle. We strongly believe that the entire Launiupoko hillside area that is designated as Agricultural ("AG") must remain in the same land use designation.

We, like the vast majority of Launiupoko Makila Plantation owners and the other Launiupoko Homeowner's Associations disagreed by overwhelming majority with the previously proposed larger scale project that was abandoned over a year ago. Now, Mr. Brown and Peter Martin are proposing to create "mini" developments in order to avoid having to go to the State of Hawaii to get the zoning changed for these smaller projects. Don't be fooled! They are nothing more than a couple of wolves in sheep clothing. The overall impact on the combined smaller projects will have the same disastrous impact on

current homeowners in the area, and West Maui, as the larger project they abandoned last year. Breaking these larger AG lots into smaller rural lots and then "throwing the County a bone" with a few affordable homes where the developer "gives" \$50,000 to the buyers is just the first step in their plan to maximize their profits on the sale of the higher density lots adjacent to the affordable homes. Their aim is to maximize profits and their return on investment. It is NOT to be good citizens and develop homes to help County residents. Mr. Brown has a history on Maui of building homes that don't stand up to the test of time and he is not a well respected member of the County. I urge you and the other Council members to do your due diligence on him and his Company. This is not the kind of individual you want to "fast track" homes and avoid standard building permitting processes and checks and balances.

We believe there are areas that will have significant adverse impacts as a result of the proposed development(s):

- 1 - Traffic
- 2 - Water and Segmentation
- 3 - Environment and Beach access 4 - Lifestyle.

1 - **Traffic and Segmentation:** Everyone who lives in the Launiupoko area knows there are currently major issues with traffic at Kai Hele Ku. This is the only road that provides entry/exit for entire Launiupoko Hillside and this is the same road that would be used for Makila Kai proposed development as well as other future West Maui Land projects. The extension of the Lahaina bypass will make matter even worse as its

exit/entrance will be on Kai Hele Ku as well. Kai Hele Ku will become the only by-pass exit/entry for anybody trying to get to Launiupoko beach and beaches south. Currently, residents on the hillside have to often times wait at a red light for up to 5 minutes in order to make a left hand turn to head south towards Olowalu. Adding additional higher density developments to access Kai Hele Ku on top of expected additional traffic from the bypass will be disastrous and will greatly increase traffic congestion and the potential for car accidents. Kai Hele Ku also serves as the only real evacuation road in the event of a fire in the area. The additional density of homes will create a potentially dangerous fire evacuation situation. More detailed studies need to be performed and effective alternative evacuation routes need to be determined! This is not something that should be ignored and should not be something “to be determined later” once the 201H fast track is approved. We need an adequate plan and solution NOW not later!

On May 5<sup>th</sup> '17 Makila Planation owners had a meeting with Brown development to give him opportunity to present his development. He was asked how would Makila Kai residents exit and enter their development. He stated that they would use Waianukole Place road (newly built road by West Maui Land, parallel to Honoapiilani Highway). He was reminded that that road will most likely be gated off for future Makila Ranches

exclusive use (as per Maui News Jan 26<sup>th</sup> '17 article: developer requested that this road would not be public road and could be gated off, as county failed to purchase overpriced non buildable land bellow it). Mr. Brown proceeded to say that they would use emergency dirt road as an alternative. Brown did not say at any point that they would come up to Punakea loop or Haniu St. In his current proposal and on the Makila Kai web site the only direct access to his proposed development is from Haniu St. and Punakea Loop. Currently there is ongoing litigation affecting potential use of Haniu and Punakea Loop by the proposed development as these are private roads for the use of residences in the Launiupoko and Makila Homeowner's Associations.

In addition to the incremental traffic due to the increased population density on and around Kai Hele Ku, the larger and more significant impact will be on the traffic along the Honoapiilani Highway beginning at the Maalaea Harbor Area. This two lane road provides the only realistic access to the entire West Side of Maui. It is not uncommon for the 13 mile drive from Maalaea Harbor to Kai Hele Ku street to take more than ONE HOUR every day during heavy traffic times around tourist arrivals and worker shift changes at the West Maui resorts/ restaurants. Additionally, it seems that every week or two there are automobile accidents that cause the highway come to a standstill bringing the entire West Side to GRIDLOCK. Any additional development, of any kind, on the West Side of Maui should be curtailed until there is an adequate solution to this problem fully in place and operational.

2 - **Water:** We own an AG property of 5.5 acres. In order to be in compliance with the AG codes we were forced to come in to compliance by the County in order to be granted a permit to add Solar panels to our property. The property we purchased was built by Mr. Brown and was occupied for FIVE YEARS by the former owner and was NEVER in compliance with the AG requirements. At a cost of over \$100,000 we added agricultural activities to our property on over 2.5 acres of land that had no prior AG. As of today approximately 65% of our land is under some form of AG. However, the access to AG water has often been a very big issue. Plants require water!! On many occasions over the past 7 years we have had shortages of AG water or situations where AG water was shut off due to waterline breaks, damaged pipes or clogs. The results were disastrous to our AG activities and killed or damaged many of our plantings. What's going to happen when there are hundreds of additional homes using the water? Virtually ALL of the water for our area comes from the West Maui Mountains above the Launiupoko area. It does not matter where the wells are located, they ALL draw from the same source. We sat through the testimony at the Land Use Committee ("LUC) hearing on May 31 and virtually every resident discussed WATER issues. The LUC members asked questions about water to other members of County Departments and in our opinion, got very little

valuable information back from them. The issues with our water are with the PRIVATE Launiupoko Agricultural and Potable water companies. The County department officials advising the LUC do not have the information to make the claims they made!

Water issues are having major impact on all residents of Maui. Launiupoko has had its fair share of warnings of inadequate water supply and notices to conserve water. On May 5<sup>th</sup>, Makila Plantation Owners meeting, Brown stated that he would drill his own water well, “as there were issues with new well currently being drilled by the Launiupoko water company”. This new well currently being drilled by Launiupoko Water Company, is digging for additional water that will be needed for planned Makila Ranchers-another higher density non-Ag. development by West Maui Land. In April '17 Annual Makila Plantations meeting, Peter Brown-owner of West Maui Land and Launiupoko Water Company stated that he is planning on adding another 210 parcels with same purpose as Makila Kai and plans to use fast track 201H process as well. These wells access the SAME water we all use! The fact that these two developers are breaking their projects down into smaller pieces in order to avoid County oversight should be very alarming to you as a Council member. Why would they abandon their larger project a year ago only to return to the County and request a “fast track” Section 201H approval. This is in fact THE SAME LARGE SCALE DEVELOPMENT plan they had. Now they are just trying to maximize their profits and avoid County oversight and all of the research on environmental, public safety, water and traffic issues. You can't let them get away with this!!!

**3 - Environment and Beach Access:** Protection of shore lines and reduction of Ocean water pollution should and must be a priority for the County and State. Having septic tanks for the proposed higher density developments, so close to the ocean, has the potential to create leaching of untreated septic waste into the ocean and endanger even further our coral reefs, marine life and ocean water quality. Higher density developments should be done in areas that have septic processing facilities already available.

On most work days and especially on weekends it is very difficult to find parking at the Launiupoko beach. Mr. Brown's project about 50 new homes which can house up to 7 inhabitants, with assumption of 2.5 cars per house would yield about 123 cars. Another development that is in the planning process by Peter Martin and West Maui Land calls for an additional 210 homes of similar character. We are talking about another 525 cars on top of 123 for total of about 648 additional cars. If you create a precedent here and open the flood gates for the same type of rezoning to happen there will be cumulative adverse impacts on our lands, that will ultimately destroy our environment and appeal of Maui as a tourist destination.

**4 - Lifestyle:** Most homeowner's purchased property in this area because of it's lifestyle opportunities and financial value. The hillside is generally a peaceful and serene environment with expansive views, open space and agricultural activities. Having privacy on 1 to 25+ acre lots is what sold many homeowners on this area. Allowing for rezoning of the large AG lands below Haniu Street will DESTROY this lifestyle and will have a significant detrimental financial impact on many current homeowners as the \$value placed on their current "lifestyle" will be eliminated by higher density homes,

traffic, environmental issues and all the other problems caused by this proposed development and future proposed developments.

We strongly urge you to VOTE NO on Mr. Brown's request and to VOTE NO on any other future requests to change the zoning on any parcels of land in the Launiupoko area. The AG land designation should remain as such. Don't be fooled by the wolves wearing sheep clothing.

Sincerely,

Kurt & Beth-Ann Thompson 85 Lau Awa Place  
Lahaina, HI 96761