

AH Committee

From: Kyle Ginoza <kyle@hopebuildershawaii.com>
Sent: Tuesday, July 02, 2019 9:30 AM
To: AH Committee
Cc: peter@westmauiland.com
Subject: 201H and DBA Items - AH-1(1), AH-27, AH-1(2), and AH-28

Follow Up Flag: Follow up
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Aloha Councilmember Kama and Affordable Housing Committee Members,

We would like to provide the following responses to the key items raised by the community at the 6/19 Affordable Housing Committee hearing and Councilmembers at the 6/25 continued meeting for Polanui Gardens and Makila Rural East.

- **Location** – These projects are not the right place for this type of development

Response: **Makila Rural Growth Area** has been planned for in the adopted Maui General Plan/ Maui Island Plan (2012) that involved an island-wide community based planning process from 2007-2009. This County General Plan provides for the overall Rural and Urban growth boundaries for the island and provides the community planning framework for the planned updates of the islands Community Plans. Under the Maui Island Plan, Directed Growth Plan 2030, Makila Rural Growth Area includes 270 acres and was planned for 200 units (more if more affordable units provided). Under this current land use designation, the County approved and specified that the characteristics of a rural growth area shall include a mixture of agricultural activities (over 33 acres of farm area within the 500' buffer along the Lahaina Bypass Hwy), low density residential areas, and small villages (may contain limited amounts of State and County **urban** designated lands). **These two projects are totally consistent with the most current County Gen. Plan for West Maui.** In our presentation on 6/25, we presented the specifics of how these two projects are consistent with the Maui Island Plan/ County's General Plan 2030.

- **Fire** – This location is prone to fires and may not have adequate fire protection

Response: With respect to wildfire management, we have been in consultation with the Maui Fire Department and Maui Police Department in our efforts. In preparation for the fire season, we annually work very closely with the fire department to prescribe burns over roughly 200 acres of dry brush so the fire department can practice wildfire fighting techniques. These efforts also serve to reduce the fuel for fire in these areas. We also keep an inventory of water supplies available in the area as it is outside of the county's water service area. We maintain a network of potable and irrigation water resources and reservoirs as supplies for fire suppression.

During actual wildfire emergencies, our West Maui Land company deploys a multitude of resources to the area including water tankers, excavators, and other heavy equipment to assist fire and police. We are usually the first to respond as all of the west Maui staff is 24/7 on call during the fire season. The county heavily relies on us to provide resources as they do not have such resources available in the area. For most wildfires in the area, the combination of water resources and equipment, previous training burns, and fire breaks during the events help to control fires with minimal damage. The unfortunate events in August of last year in Lahaina with the high winds during the hurricane watch coupled with the multiple fires breaking out throughout the region significantly hindered our efforts to control the Lahaina fire.

We believe the projects proposed will reduce the fire risk in the area. Not only will the project reduce areas traditionally prone to dry brush, but the development of water services throughout the project will provide extended fire capabilities.

- **Water** – there is a lack of water – potable and agricultural

Response: The project Hydrologist/Engineer and Irrigation system operator provided a detailed accounting of the water resources of the area and the currently ongoing plans to improve those systems to meet the needs of the existing farms and these two projects. The Launiupoko Aquifer has a State determined **sustainable yield of 7 million gallons per day** and under the current pumpage of wells from this aquifer for both potable and non-potable water, is only approximately 1 million gallons per day. The current PUC regulated potable water system has existing capacity to serve the Makila Rural Area as planned with an additional well proposed to provide greater back-up should one of the existing well pumps fail. For the non-potable irrigation system, with the recent CWRM decision to significantly reduce the Kauaula Stream diversion and to keep more water in the stream, there are improvements to the system that are currently underway or in the planning and engineering phase. In advance of these projects being ready for residents to move in (estimated 2023-24), these improvements will be completed and the proposed farm lots and large farm area planned along the Lahaina By-pass Highway will have adequate irrigation water.

- **Wastewater** – are septic systems the appropriate solution to wastewater treatment – why isn't a treatment plant proposed given the cumulative number of residential units being sought

Response: Although a more expensive solution than the standard septic system (also allowed by Dept. of Health), ATU's alternative is proposed to add a high level of aerobic wastewater treatment. As noted in the testimony, the costs to maintain these systems is comparable to the cost (monthly sewer fees) a homeowner would have if they were connect to a County system. If the Council is more comfortable with a standard septic system approach, this is permitted by the State Dept. of Health and we could implement the project with that approach.

For projects of 50 or less homes (with a minimum lot size of 10,000 sf), the State Dept. of Health rules allow for the use of Individual Wastewater Systems (IWS), such as standard Septic Systems or, in this case, ATU's. Lots greater than 1 acre are excluded from that rule affecting the 50 residential housing units. This approach is both much more environmentally sensitive and energy conserving than creating consolidated project of greater than 50 units that would need a wastewater treatment facility under the Dept. of Health Rules. These two independent projects are in compliance with the State Dept. of Health rules.

In general, the costs for developing a wastewater treatment facility to serve a cumulative workforce housing project of 100 units is not feasible and the energy to run the facility and related costs that the residents would need to pay would be much greater than the proposed individual ATU or Septic Systems proposed. With the recent injection well issues on West Maui, that adds another level of complexity and cost for further support the proposed environmentally sensitive solution.

- **Wind**

Response: As a consideration of the wildfire management planning and related mitigation, agricultural windbreaks of vegetation may be one of the recommended measures. But the winds will still blow in this area as they have historically.

- **Stormwater/runoff** – how will you protect ocean environment from sedimentation?

Response: Both projects have been planned to incorporate Low Impact Design (LID) features to minimize run-off and maximize the infiltration of any drainage with each project. In addition, the drainage master plans will be designed and built to County standards so that no additional run-off will be leave the projects. Retention and detention pond areas have been planned along the By- Pass Highway in both projects to ensure no additional run-off reaches the ocean and that run-off generated by these projects will have a higher level of water quality with the LID systems planned.

- **Cumulative impact** – why aren't all three projects between addressed now?

Response: The two project teams, many of whom are the same for both projects, are aware of the three projects and, where cumulative impacts should be considered (infrastructure, traffic impacts, etc), these impacts have been assessed in the technical studies. All the technical studies that are typically undertaken under an environmental assessment were undertaken to ensure the community plans prepared address the potential impacts with appropriate mitigation measures incorporated, such as use of LID infrastructure. We have worked with the County departments over the last couple of years to address their concerns and the resultant plans reflect that consultation.

- **Sprawl** – These projects contribute to sprawl

Response: Considering the County's adopted General Plan for the Makila Rural Growth area, the Gen. Plan Advisory Committee (GPAC) recommended that this area be planned for growth to meet the West Maui needs. The Maui Planning Commission and subsequently the County Council and Mayor concurred and approved/adopted the General Plan in 2012. In this case, instead of expanding existing urban areas (which in many cases is considered "urban sprawl"),

the Maui Island Plan provided for a small portion of the regions projected housing needs to be accommodated in a rural village setting. This is a concept that they incorporated in the Gen. Plan and, as envisioned within these two workforce housing neighborhoods, is very similar to the traditional rural plantation villages but with much more sophisticated infrastructure to minimize environmental impacts.

As noted in the Maui General Plan for West Maui, there was a projected need in West Maui for over 29,000 units from 2010 to 2030. Of that need, the general plan assumed 18,244 units would be provided for under currently entitled housing units. In the last 9 years, how many of those units been built...we estimate less than 500 units. So the unmet demand is still over 25,000 units. This is a **housing crisis** that is taking a toll on the West Maui community; overcrowding, substandard housing, traffic on the Pali since so many employed in West Maui have to commute. The proposed 100 affordable workforce units will be a start and the developer is also committed to offering the 1+acre market lots to existing west Maui residents. As those residents move up to Makila, the ripple effect is more homes (or less crowded homes) available in west Maui.

- **Community Plan Process** – considering these projects while there is an active community planning process underway breaks the trust between the residents (the community) and the planners engaged in that process. If these projects are “good” then they should wait and be evaluated as part of the Community Plan.

Response: As the Planning Department noted, the existing General Plan provides the land use framework that the Community Plans will follow as the West Maui Community Plan process gets underway. The residents that are involved and are participating in the West Maui Community Plan must be aware of the County’s overriding General Plan (2012) that provided for the overall land use policies and designated the Urban Growth Areas and Rural Growth areas. The West Maui Community Plan, last updated in 1996 (over 20 years ago!), should be prepared within the framework of the adopted General Plan.

The 201H Process has been provided for under State Law to expedite this process. If not for this process, we do not see any opportunities to deliver affordable workforce housing under the convention method. As an example, the conventional process would involve the following likely steps and timeframes:

1. Wait for Community Plan Update (to affirm what is already on the Maui Island Plan)- 2023
2. County Zoning Process- 2023 -25 (usually 2 or more years)
3. County Subdivision Process- 2026-2027 (usually 1-2 years)
4. Site Development/ infrastructure- 2027-2029 (usually 12-18 months)
5. Home Building (50 workforce units 12-18 months) 2029-2030

Yes, the 201H process exempts the projects from these lengthy planning and approval processes. But in this case, the **planning of this area is consistent with the County’s General Plan**. Waiting to confirm that it will be consistent in the updated West Maui Community Plan, will not deliver the much needed affordable housing in West Maui.

A typical 10+ year land use entitlement planning process has not delivered any significant affordable housing on Maui for over 30 years, except for State or DHHL housing projects. And, in this case, to deliver 100 affordable workforce housing units as proposed, a project of 400 unit would need to be planned and developed.

These proposed 100 affordable workforce housing units are planned to be delivered to proud new homeowners within about 4+ years (2023)...about the time the County is anticipating the completion of the updated West Maui Community Plan. **The West Maui housing crisis cannot wait**...and many more projects like this are needed to start to have an impact on this Maui housing crisis.

OTHER ISSUES RAISED

Home Owner Association (HOA) Fees

Since these proposed neighborhoods will have private roads, parks (open to public) and landscaping that will need to be maintained, the anticipated HOA are anticipated to be

approximately \$130 per month. This expense is very comparable to other similar neighborhoods and should not impact the affordability of these homes.

Fire-wise Construction Materials/ Wildfire Hazard Planning

As suggested, the developer will examine the available fire retardant construction materials for application in these workforce housing units. Based on our initial research, some of the materials we are currently using on affordable workforce homes have a good fire retardant rating and we will examine other available materials that may be suitable.

Similarly, as part of the wildfire hazards in West Maui, these communities will also have planned “defensible spaces” to protect the neighborhood for wildfires. These features will also require maintenance and would be factored into the HOA fees and CC&R’s.

Thank you.

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