



OFFICE OF PLANNING STATE OF HAWAII

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GOVERNOR

LEO R. ASUNCION
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Ref. No. P-15716

August 30, 2017

Mr. Peter Martin, Managing Partner
Kipa Centennial, LLC
c/o West Maui Land Company, Inc.
305 E. Wakea Avenue, Suite 100
Kahului, Hawaii 96732
Bagoyo Development Consulting Group

RECEIVED AT AH MEETING ON 7/31/19
Councilmember Rawlins-Fernandez

Dear Mr. Martin:

Subject: Draft Application for Polanui Gardens 201H Workforce Housing Community
Chapter 201-H Application
Applicant: Kipa Centennial, LLC
Project: 50 Workforce Housing in the Urban District and 16 Market-rate Small Farm Lots in the Agricultural District
TMK: (2) 4-7-013: 001 and 002
Location: Launiupoko, West Maui, Maui, Hawaii
Land Area: Total Project Area 54.5 Acres; 13.9 Acres To Urban; 40.6 Acres to remain within the State Agricultural District

Thank you for the opportunity to review the proposal to establish a workforce housing community in the Launiupoko area. The proposal includes 50 workforce housing units with a minimum lot size of 10,000 square feet, and 16 market-rate agricultural lots with minimum lot size of one (1) acre to ten-acres. The development will include several parks, open space, a food park, buffer areas, and appurtenant uses. The project will be processed under Chapter 201H, Hawaii Revised Statutes (HRS), through the County of Maui. The Office of Planning (OP) has the following comments and concerns.

1. Page 39. III. Consistency & Relationship to Land Use Plans, Policies, & Controls. A. Hawaii State Land Use Law, Chapter 205, HRS. The document indicates that the site is currently within the State Agricultural District. The document states that Petitioner plans to request approval for a State Land Use District Boundary Amendment (DBA) through the Maui County Council. However, the Petitioner will seek exemptions from the actual filing of an application for a DBA, and also an exemption from proceedings and hearings for a DBA, for the approximately 13.9-acre area that will contain the workforce housing lots and homes. Thus, the Petitioner appears to be requesting that the

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County Council approve a DBA without following any of the necessary procedures for a State DBA.

OP believes a DBA cannot be acted upon by the County Council without any proceedings which normally characterize the filing and processing of a DBA. Further, OP notes that a project cannot be exempted through the § 201H-38 process for the project. § 201H-38, HRS, states that "...housing projects [shall] be exempt from all statutes, ordinances, charter provisions, and rules of any government agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon; provided that: ... (4) The land use commission shall approve, approve with modification or disapprove a boundary change within forty-five days after the corporation has submitted a petition to the commission as provided in § 205-4..." Based on this statutory language, at best, a 201H housing project may be provided an expedited 45-day DBA process, but it cannot be fully exempted from the DBA process.

2. The smaller proposed market one-acre lots are not conducive to promoting agricultural activity. OP does not support such use of the § 201H-38 process to enable lots smaller than the current County two-acre minimum lot size, as it further exacerbates the problem of gentlemen estate lots that inflate agricultural land value, benefit the homeowner via property tax exemptions and lower water rates, while providing no viable agricultural production on agricultural land, generally reducing land available for farming, and making it more expensive for farmers. Based on the overall project, it seems more appropriate for the Petitioner to seek reclassification of both the workforce housing and market one-acre lots to the State Urban District under a State DBA, which together would exceed 15 acres and require Land Use Commission approval.
3. List of Permits and Approvals Required. The document should provide a list of permits and approvals that the project requires. We note that the applicant intends to process a DBA through the County of Maui. This and other relevant approvals should be included within the document.
4. Appendix G. Archaeological Inventory Survey and SHPD Correspondence. Letters dated November 13, 2006 and April 29, 2014 from the Department of Land and Natural Resources, State Historic Preservation Division (SHPD) determined that the Archaeological Inventory Survey's (AIS) to be acceptable, however, the letter further states that archaeological monitoring is appropriate, and that a monitoring plan is needed prior to any deconstruction of the mounds within the project site. However,

we note that the Tax Map Key's noted on both letters from SHPD is unclear whether Tax Map Key 4-7-13: 001 was covered within these AIS. In addition, it is not clear whether an archaeological monitoring plan will be submitted to the SHPD prior to any earth moving activities. This should be explicitly stated or be made a condition of the approval for this project.

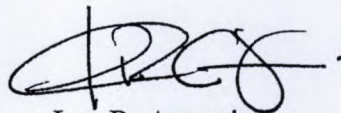
5. Page 15-16. Flora and Fauna. The document indicates that one Nene was found within the area, an endangered species. The document proposes various mitigation measures for the Nene and various other endangered species. Commitment to these measures should be indicated or made a condition of the approval.
6. Page 30. Schools. The application indicates that the proposed development is within the State Department of Education Lahainaluna Complex Area, in the West Maui School Impact District. The document states that the project will contribute the school impact fee to the Department of Education. This should be made a condition of the approval.
7. Page 31-33 Traffic. The document indicates that traffic should not be impacted by the project, and no additional roadway improvements are recommended. However, the State Department of Transportation should be consulted since there may be cumulative impacts to the State highway system.
8. Page 35-38 E. Potential Cumulative Impacts, and Figure 1: Regional Location and Surrounding Land Uses Map. Figure 1 indicates the location of three 201H Projects: Makila Kai 201H Project, Makila Rural East 201H project and this project, Polanui Gardens 201H Project. These projects are adjacent and similar in nature. OP has strong concerns regarding the cumulative impacts of projects within the entire Makila area. We note that a section on Cumulative Impacts has been provided, however, OP feels that this section needs to include more information to alleviate concerns for cumulative impacts of the proposed projects and additional increase in population and traffic in this area.
9. Page 55 F Maui Island Plan. We note that the Maui Island Plan designates the site within the Rural Growth Boundary, rather than the Urban Growth Boundary. Thus, the Urban designation does not appear to be consistent with the County's growth plans for this area.

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10. VI. Proposed Exemptions Pursuant to § 201H-38, HRS. Pages 67-69. While exemptions from subdivision and zoning requirements are permitted under § 201H-38, HRS, the process cannot be used to exempt requirements in the State Agricultural District, notably, the requirement in § 205-4.5(a)(4), HRS, relating to farm dwellings and the need for single-family dwellings to be connected to an agricultural use. We note that while the application indicates that farm plans will be submitted to the County, OP is concerned that the Petitioner understand that the requirements under § 205-4.5, HRS, are still in force and all housing within the State Agricultural Land Use District must be compliant farm dwellings.

Thank you for the opportunity to review this project. If you have any questions, please call Lorene Maki of our Land Use Division at (808) 587-2888.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leo R. Asuncion', with a stylized flourish at the end.

Leo R. Asuncion
Director

CC: County of Maui, Department of Housing and Human Concerns
County of Maui, Department of Planning
Land Use Commission

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300
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FAX: (808) 587-0600

IN REPLY REFER TO
17:DEV/082

September 11, 2017

Mr. Peter Martin, Managing Partner
Kipa Centennial, LLC
c/o West Maui Land Company, Inc.
305 E. Wakea Ave., Suite 100
Kahului, Hawaii 96732

Dear Mr. Martin:

Subject: Polanui Gardens Draft Application for a Workforce Housing Community
TMK#s (2) 4-7-013:001 and 002

The Hawaii Housing Finance and Development Corporation (HHFDC) has reviewed your Draft 201H Application for Polanui Gardens, a proposed Workforce Housing Community. Our comments are noted below.

1. As to the exemptions requested under Chapter 201H-38, Hawaii Revised Statutes, we have the following comments:

- a. Exemption from Section 18.20.060, Maui County Code, request to exempt the project from street light construction requirements.

We believe this exemption impacts health and safety. While we understand the need to match the "dark-skies" concept of the agricultural region, the 201H Application does not provide any examples as to where this concept has been implemented in an affordable housing or similar closely-packed housing setting. Without street lights, driver and pedestrian visibility may be reduced, which can affect the health and safety of the residents. Furthermore, the preliminary engineering report anticipated street lighting to be installed and meet all applicable County standards and requirements.

- b. Exemption from Section 18.20.040 to improve existing streets.

We believe this exemption impacts health and safety. If the existing streets do not meet the minimum requirements for subdivision, it may be difficult for fire, emergency vehicles and garbage trucks to access the project.

- c. Exemption from Section 205-3.1, HRS and county ordinances pertaining to land use reclassification. The parcels and the project are over 15 acres so we do not believe that Section 205-3.1, HRS applies, and we do not believe that 201H exemptions apply to LUC requirements of Section 205-3.1, HRS. We believe that the entire project should go through the LUC reclassification process. Note that section 201H-38, HRS provides for an expedited process before the LUC.

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2. What is the affordability commitment period? For-sale projects are typically governed by buy-back and shared appreciation equity provisions.
3. We understand that the project will be served by a private water system. Does the private water system have sufficient reservoir capacity to provide fire flow requirements and is the fire hydrant spacing adequate in compliance with the Maui Department of Water Supply standards?
4. With regards to the use of individual wastewater systems, we have the following comments:

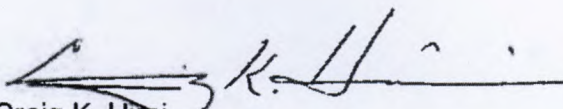
While we understand that State Department of Health may not require a wastewater treatment works for the project if each lot is individually responsible for its own wastewater system, there should be some arrangement or mechanism either within the homeowners' association documents or an agreement with a private entity to monitor the health and operational aspect of the individual wastewater systems so as to mitigate potential hazards from the individual wastewater systems and to minimize any potential conflicts between homeowners caused by non-compliant wastewater systems.

Also, is the affordable lot size of 10,000 square feet sufficient for individual wastewater systems? The project site appears to be in a sloping area, which would require more space for a house and individual wastewater system.

Please note that the comments are provided as a courtesy review within the time frame requested. It is our understanding that the project is being processed under the County of Maui's 201H process, and therefore, we have limited our review to our most pressing concerns.

Should there be any questions, please call Rick Prahler, Development Branch Manager, at 587-0527 or Leo Domingo, Project Coordinator, at 587-3170.

Sincerely,



Craig K. Hirai
Executive Director

Cc. County of Maui, Department of Housing and Human Concerns

ALAN M. ARAKAWA
Mayor



DON MEDEIROS
Director
MARC I. TAKAMORI
Deputy Director
(808) 270-7511

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI
2145 Kaohu Street, Suite 102
Wailuku, Hawaii, USA 96793

August 24, 2017

Mr. Peter Martin
Kipa Centennial
c/o West Maui Land Company
305 E. Wakea Ave., Suite 100
Kahului, HI 96732

Subject: Polanui Gardens Workforce Housing Community Project

Dear Mr. Martin,

We appreciate the opportunity to provide comments on your Draft Polanui Gardens Workforce Housing Application for a Workforce Housing Community project.

Two bus routes operate within the vicinity of Launiupoko. First is the Lahaina Islander route which travels between Central Maui and Lahaina Town hourly. Second is the Lahaina Villager route which circulates within Lahaina Town hourly. We were unable to find documentation of either route within the application.

While services are not currently provided within the Launiupoko area, planning for expansions is always considered. Such expansions are dependent on through streets within an area. We appreciate that the application prioritizes through streets over cul-de-sacs.

It is also noted that an exemption request is being made from Section 18.20.060, MCC, to provide street lights. Providing ample lighting in the evening is necessary for walkable communities and the safety of potential public transit riders.

Our bus services are not immune to traffic congestion. They experience the same traffic as residents and visitors do almost daily, especially during certain times of the day. **We are concerned that when this development is completely built out, it will add more traffic to the already congested highway.**

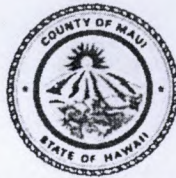
Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Medeiros", is written over a light blue horizontal line.

Don Medeiros
Director

ALAN M. ARAKAWA
Mayor



DAVID TAYLOR, P.E.
Director

GLADYS C. BAISA
Deputy Director

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DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2155
www.mauiwater.org

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August 29, 2017

Peter Martin, Kipa Centennial
C/O West Maui Land Company
305 E. Wakea Ave., Suite 100
Kahului, Hawai'i 96732

Re: TMK: (2) 4-7-013:001, and 002

Project Name: Polanui Gardens Draft Application for a Workforce Housing Community

Dear Mr. Martin:

Thank you for the opportunity to comment on the Polanui Gardens Draft Application.

Source Availability

The Project area is served by Launiupoko Water Company (LWC) and Launiupoko Irrigation Water Company, two private water utilities regulated by the PUC. According to the document, LWC has three potable wells supplying water to the Launiupoko lots. The Department of Water Supply (DWS) has no authority to impose requirements on subdivisions served by private water systems not owned and operated by the County. However, additional water use in the aquifer could impact the water quality of DWS wells. Please note that any proposal to dedicate this water system to the County should reference compliance with the department's rules and regulations, the Maui County Code, and the Water System Standards for Maui County.

Consumption

DWS notes in the Draft Application Engineering Report, the projected average daily potable and non-potable water demand is 137,340 gallons per day (gpd). These calculations are inconsistent with DWS standards. According to the Water System Standards, 2002, State of Hawaii, water demand for the project is calculated at approximately 227,640 gpd.

Pollution Prevention

The project overlies the Launiupoko aquifer, with the most current estimated sustainable yield of 7 million gallons per day (gpd) according to the Commission on Water Resource Management (CWRM). In order to protect groundwater resources and the aquifer, Best Management Practices (BMPs) should be implemented during construction. DWS notes that previous dumping on the site includes oils and chemicals that can contaminate the ground water. DWS also notes that environmental consultants are to be utilized and contaminants removals will be according to Federal, State, and County requirements.

"By Water All Things Find Life"

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Peter Martin

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The mitigation measures below will alleviate adverse impacts on water quality during construction:

- Prevent cement products, oil, fuel and other toxic substances from leaching into the water.
- Properly and promptly dispose of all loosened and excavated soil and debris material from drainage structure work.
- Retain ground cover until the last possible date.
- Stabilize denuded areas by sodding or planting as soon as possible. Replanting should include soil amendments and temporary irrigation. Use high seeding rates to ensure rapid stand establishment.
- Avoid fertilizers and biocides, or apply only during periods of low rainfall to minimize chemical run-off.
- Keep run-off on site.

Conservation

The DWS recommends the following conservation measures for implementation in the project.

Indoor Conservation Measures:

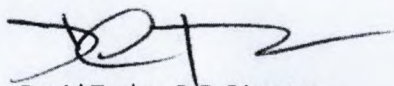
- Use EPA WaterSense labeled plumbing fixtures.
- Install flow reducers and faucet aerators in all plumbing fixtures wherever possible.
- Install dual flush toilets with high efficiency models that use 1.28 gallons per flush or less.
- Install showerheads with a flow rate of 1.5 gallons per minute (gpm) at 60 pounds per square inch (psi).
- Install bathroom sink faucets with fixtures that do not exceed 1 gpm at 60 psi. Laundry facilities and/or individual unit machines must use Energy Star labeled washers.

Outdoor Conservation Measures:

- Use Smart Approved irrigation products. Examples include evapotranspiration (ET) irrigation controllers, drip irrigation, and water saving spray heads.
- Avoid plant fertilizing and pruning that would stimulate excessive growth. Time watering to occur in the early morning or evening to limit evaporation. Limit turf to as small an area as possible.
- Use native climate-adapted plants for landscaping. Native plants adapted to the area conserve water and protect the watershed from degradation due to invasive alien species.

Should you have any questions, please contact Staff Planner Audrey Dack at 463-3109 or audrey.dack@mauicounty.gov.

Sincerely,



David Taylor, P.E. Director

apd

cc: engineering division