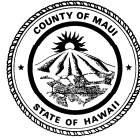


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Director of Council Services
Traci N. T. Fujita, Esq.

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

August 17, 2020

Mr. Raymond Phillips
Hale Kaiola LLC

Via email only rphill3636@aol.com

Dear Mr. Phillips:

**SUBJECT: HALE KAIOLA RESIDENTIAL WORKFORCE HOUSING
PROJECT (AH-3(1))**

The Affordable Housing Committee would like to thank you for submitting a well-organized and easy-to-read hard copy of your application. The Committee also appreciates you listening to the community and making an effort to address the feedback.

On the Committee's behalf, may I request you please be prepared to respond to the following at the reconvened meeting of August 19, 2020:

1. Why are you choosing to establish ownership through a Condominium Property Regime? How will creating a Condominium Property Regime affect property taxes for future homeowners compared to subdividing the property?
2. Page 15 of Section 1 proposes daycare nurseries as a permitted use on the property. Would the business owners or patrons of this nursery be limited to the residents?
3. Page 16 of Section 1 states that the project is "100% privately financed" and will receive "no government assistance." However, Page 21 lists the value of all project exemptions as \$1,164,679. The cost for these exemptions would come out of the County's General Fund. Do these exemptions not qualify as government assistance? Please clarify.

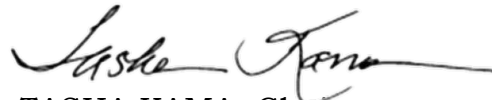
4. You have requested that the County allow 100% of the units to qualify for workforce housing credits. To clarify, are you requesting an additional 10 housing credits for a total of 40 credits? Are there plans to utilize these credits in another project? What is the anticipated value of each credit?
5. How will you dispose of the construction waste? Since you have requested an exemption from obtaining a construction waste disposal permit and paying disposal fees, who will ultimately pay for the disposal of the waste?
6. Would you oppose the Council in including a condition that would require you to provide monitoring whenever ground-altering activities take place?
7. What type of maintenance is required for the subsurface drainage system?
8. On Page 4 of Appendix 7, the application mentions a project on Ohukai. To clarify, would that be a project by the Department of Environmental Management or another housing project? If it is another housing project, would this be an affordable housing or workforce housing project? Who would be designing and constructing the project? If the Ohukai project owners are going to connect to the eight-inch water lines, will they be contributing?
9. Would you be willing to extend the affordability period for the units in the 120-140% range? Historically, the County has seen units in this range flip out of affordability. If you are unwilling to extend the affordability period, resulting in these units selling at market-rate, what happens to the credits given for those units? Are the credits contingent upon the units remaining affordable?

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

Mr. Raymond Phillips
August 17, 2020
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Should you have any questions, please contact me or the Committee staff (Alison Stewart at ext. 7661 or Stacey Vinoray at ext. 8006).

Sincerely,

A handwritten signature in black ink, appearing to read "Tasha Kama", with a long horizontal flourish extending to the right.

TASHA KAMA, Chair
Affordable Housing Committee

ah:ltr:003(1)a01:dr

cc: William Spence
Via email only mauiwill@gmail.com