

COUNCIL OF THE COUNTY OF MAUI
**HOUSING AND HUMAN SERVICES
COMMITTEE**

April 16, 2004

**Committee
Report No.**

04-75

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Housing and Human Services Committee, having met on April 2, 2004, makes reference to County Communication No. 03-139, from Councilmember Wayne K. Nishiki, relating to Council approval of proposed affordable-housing projects pursuant to Chapter 201G, Hawaii Revised Statutes.

By correspondence dated March 25, 2004, the Director of Housing and Human Concerns transmitted the following:

1. An application for the development of Ooka Super Market, Ltd.'s proposed Lokenani Hale Affordable Elderly Housing Project. The project proposes the construction of a four-story building consisting of 62 one-bedroom units, 61 of which will be affordable rentals and one of which will be assigned to a resident manager, and related improvements. One hundred percent of the rental units will be available for residents 62 and older who earn 50 percent or less of the County's median income. The 41,939-square-foot site (TMK (2) 3-4-012:045, 047, 048, 083 and 086) is bounded by Loke Street, Nani Street, Wailani Street, and Central Avenue in Wailuku, Maui, and is currently used for excess parking and storage in connection with Ooka Super Market, Ltd.'s operations. The Director recommended approval of the proposed project under Section 201G-118 of the Hawaii Revised Statutes.
2. A proposed resolution entitled "APPROVING THE LOKENANI HALE AFFORDABLE ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES". The purpose of the proposed resolution is to approve the subject project with various exemptions, including exemptions from requirements for driveways, park and playground dedications, and various fees relating to wastewater and fire, electrical, plumbing, building, grading, grubbing and excavation permit and inspection.

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3. A proposed resolution entitled "DISAPPROVING THE LOKENANI HALE AFFORDABLE ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES". The purpose of the proposed resolution is to disapprove the subject project.
4. A copy of correspondence dated January 23, 2004, from P. Holly McEldowney, Administrator, State Historic Preservation Division, Department of Land and Natural Resources (SHPD) to the Planning Director. In her correspondence, Ms. McEldowney recommended that the following three conditions be attached to the subject application, if approved: (1) that a qualified archaeological monitor be present during all ground-altering activities and that an acceptable archaeological monitoring plan be submitted to SHPD for review prior to the commencement of any ground-altering activities; (2) that the SHPD Maui and Oahu offices be notified of the start and completion of the undertaking; and (3) that requested revisions to the archaeological inventory survey report be submitted to the SHPD Maui and Oahu offices.
5. A copy of correspondence dated March 11, 2004, from Karlynn Kawahara, Land Use Planner, Munekiyo & Hiraga, Inc. to P. Holly McEldowney, Acting Administrator, SHPD. In her correspondence, Ms. Kawahara provided clarification on the following points: (1) there shall be 65 parking stalls within the project, including one loading stall; (2) no trenching will be done to connect the project to the County's sewer system, as it was learned that adequate connections exist; (3) there are no existing structures on the property; and (4) an archaeological monitoring plan has been submitted to SHPD for review and approval. Further, she noted that the archaeological monitoring during ground-altering activities would occur, and that the SHPD Maui and Oahu offices would be notified upon the onset of the undertaking.
6. Correspondence dated February 20, 2004, from the Director of Public Works and Environmental Management to the Director of Housing and Human Concerns. In his correspondence, the Director of Public

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Works and Environmental Management stated that he had no objections to waiving the driveway permit fees; however, he noted that the developer must pay for any overtime expenses if an inspection outside of regular working hours is requested. He also noted that he had no objections to waiving the wastewater assessment fees as long as the project meets the affordable housing definition in Maui County Code (MCC) Section 14.35.080. He further noted that he had no objections to exemptions from the building, electrical, and plumbing permit fees; however, the plan review (a.k.a. the building permit application fee) must be paid to fund Development Services Administration (DSA) staff salaries. Finally, he noted that he had no objections to waiving the grading permit fee, and noted that there is no separate inspection fee associated with the grading inspection. However, he noted that the developer would be required to pay for any overtime incurred. He noted that he had no comment regarding requested exemptions from the park dedication and assessment requirements or the fees required by the Fire Code.

7. Correspondence dated March 11, 2004, from Karlynn Kawahara to the Director of Public Works and Environmental Management. In her correspondence, Ms. Kawahara noted that the developer understands that overtime expenses for any inspections would need to be paid. She also noted that the developer feels that the exemption from the wastewater assessment fees are warranted, even though the project does not meet the definition of "affordable housing" in Section 14.35.080, MCC. Further, she noted that the developer has secured Federal and State tax credits from the Housing and Community Development Corporation of Hawaii (HCDCH). One of HCDCH's requirements is that the project remain an affordable elderly housing project for 50 years. Finally, she noted that the developer will pay the building permit application fee.

Your Committee notes that in accordance with Section 201G-118, Hawaii Revised Statutes, the Council has 45 days to either approve or disapprove of the proposed application. The Council therefore has until May 8, 2004 to act on this application, or it will be deemed approved.

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By correspondence dated March 25, 2004, the Council Chair transmitted a copy of correspondence from the Executive Director of HCDCH to the Council Chair relating to the HCDCH's Board of Directors' adoption of policies for improving the processing of affordable housing projects under Chapter 201G, Hawaii Revised Statutes, at a Board meeting on February 19, 2004.

By correspondence dated March 29, 2004, Ms. Kawahara transmitted a copy of correspondence to the Director of Public Works and Environmental Management dated March 25, 2004, clarifying her response dated March 11, 2004, regarding Item No. 3, *Exemption from Title 16, Building and Construction*. She clarified that the developer will pay the plan review fees, which are separate from the building permit fee. Therefore, the exemption request for the building permit fee still stands.

By correspondence dated March 29, 2004, Ms. Kawahara transmitted a copy of correspondence from the Planning Director to Michael T. Munekiyo, AICP, Munekiyo & Hiraga, Inc., dated March 23, 2004, relating to the Maui Redevelopment Agency's (MRA) March 19, 2004 approval of: (1) variances from the Wailuku Redevelopment Area Zoning and Development Code on design standards for setbacks, heights, and off-street and parallel parking requested by the applicant; (2) variances from provisions relating to improvements to existing streets under Maui County Code Chapters 18.20.040 and 16.26.3304; and (3) a list of 25 "standard" conditions.

At its meeting, your Committee met with the Planning Director; the Administrative Planning Officer, Department of Planning; the Director of Housing and Human Concerns; the Deputy Director of Public Works and Environmental Management; a Deputy Corporation Counsel; Karlynn Kawahara, Land Use Planner, Munekiyo & Hiraga, Inc.; Michael Munekiyo, Planner, Munekiyo & Hiraga, Inc.; Al Fujisawa, Developer Consultant, Fujisawa & Associates; Vernon Inoshita, Architect, Design Partners Inc.; Johnny Wu, Architect, Design Partners Inc.; Diane Kodama, Civil Engineer, M&E Pacific Inc.; and Russell Chung, Landscape Architect, PBR Hawaii.

Your Committee received written testimony in support of the proposed project from the Mayor and from Giovanni Rosati, Coordinator, Maui Nui Housing Task Force.

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Your Committee also received oral testimony in support of the proposed project from a Wailuku resident, who noted that the project would provide needed housing for the elderly community. She also noted that it would be wonderful if pets were allowed on the premises, and if a small community park could be designated within the project.

Your Committee also received a document entitled "Conceptual Landscape Plan" submitted by Design Partners, Incorporated.

Ms. Kawahara provided your Committee with an overview of the proposed project. She noted that the applicant is seeking consolidation of the five contiguous parcels upon which the proposed project will be constructed. With the exception of the resident manager's unit, all of the project's one-bedroom units will be elderly affordable rentals. She also noted that the project has received Federal and State low-income housing tax credits from HCDCH. Conditions for HCDCH tax credits include the following: (1) the project must remain elderly affordable housing for 50 years; (2) the rentals must be rented to persons 62 years or older, who make 50 percent or less of the County's median income (\$23,750 for a single person, and \$27,150 for a couple); and (3) rental rates must be approved by HCDCH (preliminarily set at \$595 per month including water and electricity).

Ms. Kawahara further noted that the project is located within the Wailuku Redevelopment Area; therefore, the developer sought design and construction variances from the MRA for the project. The project received MRA approval of the variances, along with conditions, at the MRA's meeting of March 19, 2004. The list of the approved variances and conditions is attached to correspondence from Ms. Kawahara to the Chair of your Committee dated March 29, 2004.

Finally, Ms. Kawahara requested the Council's consideration of the exemptions listed in Appendix F of the application, the majority of which focus on fees. She estimated that if the Council were to grant all of the requested exemptions, the project would save approximately \$575,000.

Your Committee questioned Mr. Chung, the Landscape Architect, regarding the types of trees that would be planted, the height of the trees, and the maintenance program for landscaping. Mr. Chung noted that Tulipwood, Kou, and Pink Tecoma trees will be planted at the project site, and root barriers

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will also be constructed. The trees will be six to eight feet in height when installed. He noted that a maintenance program will probably be developed by the owner at a later time.

Your Committee also questioned Mr. Inoshita, the Project Architect, about lighting and its importance for security in the area. Mr. Inoshita noted that there will be shielded lighting throughout the project, along with security lighting at the entryways. Further, security cameras will be placed strategically within the project area and monitored from a nearby office. As an added security feature, he noted that the windows in the main building comply with California standards for security penetration.

Your Committee questioned Mr. Inoshita about whether the bathrooms would comply with the Americans with Disabilities Act (ADA). Mr. Inoshita noted that some units would be fully ADA compliant, while the remaining units would comply with the Fair Housing Act, which requires hand bars in the tubs.

Your Committee noted that the project specifies that one ADA-compliant unit will be available on each floor, and questioned the safety of those residents in the event of an emergency, especially since the four-story building will only have a single elevator. Mr. Inoshita stated that the ADA requires that everyone be given the same opportunity to choose where to live; therefore, an ADA unit is located on each floor. As far as safety is concerned, there are areas where an intercom is available for rescue assistance. Mr. Inoshita also noted that the building would feature a commercial grade sprinkler system designed not to control a fire, but to extinguish it. Further, the walls are composed of materials that will help to contain a fire in units, and hallway doors will close off certain portions of the building to further assist in containing fires. The roof will also feature the same commercial grade sprinkler system as well as radiant barriers. There will also be alarms, smoke detectors, and video monitors to assist in the event of a fire. Finally, he noted that because the Wailuku Fire Station is located across the street, the response time should be less than a minute.

Your Committee requested that Mr. Inoshita consider insulating the walls facing the west side to reduce heat in the afternoon. Mr. Inoshita said that he would consider it.

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Your Committee further questioned Mr. Inoshita on the materials to be used on the exterior of the building and the color selection of the building. Mr. Inoshita noted that the exterior materials would be similar to those that are found in residential buildings, to soften the building's appearance. He also noted that the project would conform to the earth tones that are specified for the Wailuku Redevelopment Area.

Your Committee further questioned Mr. Inoshita on whether any of the materials utilized are recycled materials. Mr. Inoshita noted that where cost was not prohibitive, recycled materials would be utilized. He also noted that the project features a central solar-heating system, and the windows will be tinted to refract heat, as energy-friendly features.

Your Committee asked about plans to mitigate construction noise and traffic impacts. Mr. Inoshita stated that a traffic plan would be filed, which would indicate when and where trucks would gain access to the project site. Construction will be restricted to daytime hours only, Monday through Friday.

Your Committee asked if a management team for the rental project has been selected. Ms. Kawahara noted that the developer is in the process of selecting a property manager, but has not yet selected one.

Your Committee asked Ms. Kawahara and Ms. Kodama, the Civil Engineer, why Central Avenue will not be repaved as part of the project's improvements. Ms. Kawahara noted that at the March 19, 2004 MRA meeting, the Director of Public Works and Environmental Management indicated that it would not be necessary to repave Central Avenue because it was recently repaved, whereas Loke, Nani, and Wailani Streets are in greater need of repaving. Further, Ms. Kodama noted that the impact to Central Avenue would be minimal, as the plans call for digging a trench that is only two-feet wide. The trench will later be repaved, according to Code requirements, but not the entire road.

Your Committee asked Ms. Kawahara what would happen once the 50-year affordable housing requirement expired, and whether the owner would have the option to convert the units to market units at that point. Ms. Kawahara stated that the conversion to market priced rentals is an option.

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The Director of Housing and Human Concerns stated that the Department supports the project, especially in light of the need for affordable housing in the community.

The Planning Director also stated that the Department supports the project. He further noted that the Department has worked with the applicant to design the project. He also noted that the MRA's 25 conditions adequately address the Department's concerns regarding the project.

The Deputy Director of Public Works and Environmental Management noted that the Department also supports the project, and has worked with the applicant through the MRA process to address the concerns.

Your Committee questioned the Deputy Director of Public Works and Environmental Management about any concerns he may have with regard to drainage issues. The Deputy Director stated that the applicant would comply with drainage rules, which state that the minimum standard is that there be no net increase in runoff.

Your Committee questioned the Deputy Director of Public Works and Environmental Management about enhancing the project's crosswalks. The Deputy Director noted that the issue had not been discussed during the MRA process, other than to note that there would be a crosswalk on Central Avenue. He noted that he would look into utilizing speed tables or other crosswalk enhancements for the project.

Your Committee questioned the Deputy Director of Public Works and Environmental Management about why the developer is not being required to resurface Central Avenue. The Deputy Director explained that since Central Avenue was recently resurfaced, it was determined that portions of Loke Street, Wailani Street, and Nani Street that front the project would be resurfaced instead. Further, the Deputy Director noted that the six-year Capital Improvement Program (CIP) does not call for any drainage improvements or work on any of the aforementioned roadways; therefore, he does not anticipate any need for the expenditure of County funds to resurface these roadways within the six-year timeframe.

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Your Committee questioned the Administrative Planning Officer about whether or not the MRA was aware that it has the authority to assess property owners to fund improvements to the area, in accordance with Chapter 53, Hawaii Revised Statutes. The Administrative Planning Officer stated that the MRA is aware of its authority; however, it has chosen not to exercise this authority for this project due to the limited capacity of the agency to initiate and maintain such a program.

Your Committee questioned the Deputy Director of Public Works and Environmental Management about the traffic circulation plan. Specifically, your Committee asked whether or not Maui Economic Opportunity, Inc. (MEO) would be able to navigate its vehicles into the property. The Deputy Director noted that the Wailuku Redevelopment Area is a special area; therefore, normal standards will not apply. Further, he noted that although buses will have to navigate more slowly than normal because the streets in the area are narrower, the situation will be safe and the Department supports the circulation plan.

Your Committee requested a breakdown of the dollar value of each of the requested exemptions. Ms. Kawahara noted that the total estimated savings in permit fees would be approximately \$575,000. She noted that the driveway fee is \$90; the wastewater fee is \$72,000; the Fire Code fee is \$1,700 (approximately 12.5% of the building permit fee); the Electrical Code fee is \$4,300 (based on the number of fixtures); the Plumbing Code fee is \$1,200 (based on the number of fixtures); the building permit fee is \$13,500; the parks and playground fee is \$474,000; and the grading and grubbing fee is \$120.

The Fire Captain noted that the Department supports the project. The Department had requested that a commercial grade sprinkler system and a fire hydrant be installed, and the developer has agreed to both requests.

Your Committee questioned the Fire Captain about the concern for the safety of disabled residents in the event of a fire. The Fire Captain noted that the Department does not comment on the placement of ADA-compliant units. Further, he noted that although the building only features a single elevator, in the event of a fire, the elevator would not be used. He noted that the Department is satisfied that the building design, the materials being utilized, the commercial grade sprinkler system, and the close proximity to the Wailuku Fire Station would adequately protect the project's residents in the event of a fire.

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Your Committee discussed the possibility of creating a park-like space within the project to provide residents with an opportunity to walk their pets or do small-scale gardening. Ms. Kawahara noted that the MRA requirements for increased parking and specific types of landscaping left little within the project for open space or park use. However, there is a narrow, sloping sliver of land, approximately 12 to 20 feet wide, along the west side of the building that could be utilized for this purpose. Mr. Chung cautioned that there is also a privacy issue for the residents on the ground-floor units on the west side, whose privacy needs may conflict with other residents' utilization of the area for recreational purposes.

Your Committee noted that the project's calculations for water and wastewater are geared for 62 people, yet the maximum occupancy might be double that number. Ms. Kodama noted that revised calculations to account for maximum occupancy would be submitted at a later date.

Your Committee voted to recommend that the resolution to approve the project be adopted.

Your Housing and Human Services Committee RECOMMENDS the following:

1. That Resolution No. _____, attached hereto, entitled "APPROVING THE LOKENANI HALE AFFORDABLE ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES", be ADOPTED; and
2. That the Miscellaneous Communication dated March 25, 2004, attached hereto, be FILED.

Adoption of this report is respectfully requested.

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JOSEPH PONTANILLA Chair

JO ANNE JOHNSON Member

MICHAEL J. MOLINA Vice-Chair

DANNY A. MATEO Member

ROBERT CARROLL Member