

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

December 3, 2004

**Committee  
Report No.**

04-209

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 November 15, 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 (HRS).

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

1. An application for the development of the proposed Hale Mahaolu Ehiku Affordable Elderly Housing Project (the proposed project), prepared by Munekiyo & Hiraga, Inc. for Hale Mahaolu (the applicant). The proposed project would provide 112 one-bedroom units for residents 62 years of age and older who qualify under Federal standards as "low" or "very low" income; a manager's residence; a senior center/community building; an adult day care facility; and an adult residential care home. The proposed project would be located on approximately 6.012 acres in Kihei, bordered by Piilani Highway, the Old Welakahao Road, the future North-South Collector Road (also known as Liloa Drive), and the Keala Hills Subdivision. The Director recommended approval of the proposed project under HRS Section 201G-118.
2. A proposed resolution entitled "APPROVING THE HALE MAHAOLU EHIKU ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES". The purpose of the proposed resolution is to approve the proposed project with exemptions from various laws, including exemptions from various fees relating to wastewater assessment, traffic impact, and reclaimed water system; driveway, fire, electrical, plumbing, building, grubbing, grading, and excavation permit and inspection fees; Maui County

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

December 3, 2004  
Page 2

Committee  
Report No. 04-209

Code requirements relating to frontage improvements, parks and playgrounds, paving, sidewalks, curbs, and gutters; various requirements of the zoning ordinance; and a Maui County Administrative Rule requiring one water meter per lot, to allow two meters to service three parcels and to also allow water lines to cross property boundaries.

3. A proposed resolution entitled "DISAPPROVING THE HALE MAHAOLU EHIKU ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES". The purpose of the proposed resolution is to disapprove the proposed project.

Your Committee notes that HRS Section 201G-118 requires that the Council approve or disapprove proposed affordable-housing projects by resolution within 45 days after the preliminary plans and specifications for the proposed project have been submitted to the Council; otherwise, the proposed project shall automatically be deemed approved. The 45-day deadline for Council approval or disapproval of the proposed project expires on December 8, 2004.

By correspondence dated November 10, 2004, Karlynn Kawahara, Planner, Munekiyo & Hiraga, Inc., transmitted a copy of the executed Lease Agreement between the County and Hale Mahaolu Ehiku, Inc. The purpose of the Lease Agreement is to allow for the construction and operation of affordable rental housing for very low, low, and moderate income elderly or disabled persons on a nonprofit basis, along with related facilities. The Lease Agreement provides for a term of 75 years, commencing on May 29, 2003, at a rent of \$1.00 per year.

By correspondence dated November 10, 2004, the Chair of your Committee transmitted correspondence from Karlynn Kawahara, Planner, Munekiyo & Hiraga, Inc., providing the following documents: (1) a copy of correspondence dated October 25, 2004, from the Director of Public Works and Environmental Management to the Director of Housing and Human Concerns, commenting on the application; and (2) a copy of correspondence dated November 9, 2004 from Ms. Kawahara to the Director of Public Works and Environmental Management, responding to the Department's comments.

COUNCIL OF THE COUNTY OF MAUI

# HOUSING AND HUMAN SERVICES COMMITTEE

December 3, 2004  
Page 3

Committee  
Report No. 04-209

By correspondence dated November 12, 2004, Karlynn Kawahara, Planner, Munekiyo & Hiraga, Inc., provided an itemized list of the estimated values of the proposed project exemptions, totaling \$1,933,839. The two most significant valuations are for exemptions to park assessment fees, estimated at nearly \$1 million, and exemptions to improvements to the North-South Collector Road (Liloa Drive), estimated at \$410,000.

At its meeting, your Committee met with the Director of Housing and Human Concerns; the Planning Director; the Director of Public Works and Environmental Management; the Director of Water Supply; the Deputy Director of Parks and Recreation; a Fire Lieutenant, Fire Prevention Bureau, Department of Fire and Public Safety; a Police Captain, Department of Police; a Police Officer, Department of Police; the Planning Program Administrator, Department of Planning; a Deputy Corporation Counsel; a Construction Engineer/Assistant District Engineer, Maui District, Highways Division, State Department of Transportation (State DOT); Roy Katsuda, Executive Director, Hale Mahaolu; Robyne Nishida Nakao, Project Manager, Hale Mahaolu; Michael Munekiyo, President, Munekiyo & Hiraga, Inc.; Karlynn Kawahara, Planner, Munekiyo & Hiraga, Inc.; Gerald Hiyakumoto, Partner, Hiyakumoto+Higuchi Architects, Inc.; Michael Ishikawa, Project Engineer, Sato & Associates, Inc.; Russel Gushi, President, Russel Gushi, Landscape Architect; Julian Ng, President, Julian Ng, Inc.; and Glenn Karamatsu, Principal, ECS, Inc.

Your Committee received public testimony from one individual, the Executive Director of Maui Adult Day Care Centers, who voiced support for the proposed project. She stated that Kihei is the fastest-growing area in the County, and that the facility would serve an increasing elderly population in need of options for long-term care.

Mr. Katsuda informed your Committee of the need for affordable senior rental housing in South Maui. He described the housing and related facilities that would be contained within the proposed project, stating that the first phase would consist of 54 rental units, the manager's unit, a beauty salon, a maintenance shop, and office spaces. Although it is not a component of the application, he also noted that Hale Mahaolu hopes to accommodate a police substation on the premises.

COUNCIL OF THE COUNTY OF MAUI

# HOUSING AND HUMAN SERVICES COMMITTEE

December 3, 2004  
Page 4

Committee  
Report No. 04-209

According to Mr. Katsuda, the features of the proposed project would allow residents to improve their quality of life and reduce the incidence of premature institutionalization. Hale Mahaolu anticipates that the project will remain affordable in perpetuity. Mr. Katsuda further informed your Committee that the applicant has met with the Kihei Community Association, the Urban Design Review Board, and senior groups, all of whom support the proposed project.

Ms. Kawahara provided your Committee with an overview of the proposed project and the site location, using display boards and a model to illustrate the layout of the various facilities. She informed your Committee that the State Land Use Commission classification is Urban, and that the Kihei-Makena Community Plan designation and County zoning are Project District 5. A community recycling drop-off station currently occupies a portion of the site, while the remainder of the property is vacant.

The proposed project would be developed in phases due to funding considerations. The first phase would consist of a senior center, a community center, an adult day care building, four one-story buildings, and one three-story building. The second phase would consist of two three-story buildings, one one-story building, and a maintenance facility. The adult residential care home would be constructed in the third and final phase.

Ms. Kawahara further informed your Committee that a Final Environmental Assessment was published on September 23, 2004, and a Special Management Area (SMA) application was filed with the Department of Planning in April 2004.

Ms. Kawahara grouped the requested exemptions into three categories:

1. fee exemptions, including wastewater, future traffic impact, park assessment, building permit, and reclaimed water;
2. zoning, community plan, and subdivision exemptions, including exemptions from improvements to the North-South Collector Road; Project District processing requirements; and Kihei-Makena Project District 5 standards for building setbacks; and multi-family and open space standards (some of these exemptions would allow the adult residential care home to be operated without a County special use

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

December 3, 2004  
Page 5

Committee  
Report No. 04-209

permit and a maintenance facility to be built in an open space designated area); and

3. a Department of Water Supply exemption to allow three parcels to be serviced by two water meters.

Mr. Hiyakumoto, a project architect, described the site dimensions, land characteristics, and proposed building layout, noting the parking and grasscrete fire truck access that would be provided. He explained that the buildings are oriented to maintain view corridors along Piilani Highway from a mauka to makai direction. Further, solar collectors to be installed on the rooftops require the roofs to face south. Denser structures are planned as far away from the roadway as possible, and central breezeways are oriented to allow for natural ventilation. Mr. Hiyakumoto noted that, due to the elderly population it would serve, the proposed project has been designed for accessibility, while security concerns are addressed by providing an open walkway link and a secured perimeter for the clients of the adult day care center.

Your Committee discussed the fencing and landscaping that would be incorporated into the proposed project.

The Director of Housing and Human Concerns expressed support for the proposed project, noting a tremendous need for affordable elderly housing in Kihei.

The Planning Director also stated support for the proposed project, while noting the Department is primarily concerned with the proposed exemption for improvements to the North-South Collector Road, which is important for traffic circulation in Kihei.

The Director of Public Works and Environmental Management summarized the proposed exemptions relating to his Department, which include exemptions for roadway improvements, primarily for the North-South Collector Road, and basic code fees associated with plan review and connection for wastewater (reclaimed water and sewer lines).

Your Committee discussed the calculation of fees, which follows a straight formula, by ordinance, imposed for frontage improvements on developers of

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

December 3, 2004  
Page 6

Committee  
Report No. 04-209

adjacent properties. The Director of Public Works and Environmental Management noted that the amount of roadway usage is factored into the traffic plan, which reflects fewer trip generations because of the elderly population to be served. He also informed your Committee that the expense for curbs and gutters is typically borne by the developer of adjacent property if, as in this case, the developer plans to make improvements before the County does. However, since this is County property, if the County had decided to develop the site, it would likely have had to bear the associated roadway improvement costs.

Your Committee was informed that the waiver relating to reclaimed water is for fees only; reclaimed water is planned for use on some of the proposed project's landscaping.

The Director of Public Works and Environmental Management further advised your Committee that the Department will review a detailed drainage plan when it is submitted with the construction plans. The October 25, 2004 correspondence containing the Department's comments is largely intended to give the applicant notice of the areas that should be addressed in those plans.

Your Committee discussed the recycling drop-off facility currently situated on the site. The Director of Public Works and Environmental Management informed your Committee that initially the recycling bins would remain on the site. His Department and the Department of Parks and Recreation have discussed plans to later relocate the recycling center to a new regional park, subject to appropriate land use approvals.

Your Committee further discussed concerns expressed in correspondence dated July 30, 2004, from the Chief of Police over chlorine stored at a nearby wastewater plant. The Director of Public Works and Environmental Management advised your Committee that the building could be sealed in the event of a leak. In addition, the Department has submitted a supplemental budget request to make improvements to a supervisory control and data acquisition (SCADA) system at the wastewater plant to enhance preventative controls. Furthermore, protocols are currently in place and the Office of the Managing Director is coordinating additional plans for departmental responses in the event of a major spill.

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

December 3, 2004  
Page 7

Committee  
Report No. 04-209

The Director of Water Supply informed your Committee that the Department's comments were provided in correspondence dated July 16, 2004. The two main issues for the Department are waterline improvements and fire protection, including fire flow requirements and fire hydrant locations. With respect to the requested water meter exemption, the Director informed your Committee that it has no objection to waiving the requirement because the subdivision triggering the water meter requirement is only being pursued for funding, as opposed to infrastructure, purposes.

The Director further informed your Committee of work being done to develop new water sources, which are projected to be on-line within two to three years, and the estimated capacity of those sources. Water availability will depend upon when the applicant is ready to be connected to the water system.

The Deputy Director of Parks and Recreation voiced departmental support for the proposed park assessment exemptions. He noted that the proposed project does have some open space and self-contained recreational options for the residents. Accordingly, the proposed project would likely not have an impact on existing facilities.

The Police Officer stated that the Department of Police supports the proposed project. He noted that, in its earlier comments, the Department had expressed concerns that the data used for the traffic study was outdated. The traffic study was subsequently updated to address those concerns. The Police Officer informed your Committee that the Department's main concern is that chlorine stored at the nearby wastewater plant may pose a safety risk for residents in the event of a spill. The Department emphasized the need for containment and appropriate mitigation measures.

Your Committee broached the possibility of a police substation on the site with the Police Captain and Police Officer. Your Committee requested that the Chief of Police be apprised of the potential location and explore its feasibility.

The Fire Lieutenant advised that the Department had been required to collect plan review fees for past HRS Chapter 201G projects. Your Committee notes that the Council adopted Resolution No. 04-58, entitled "APPROVING THE LOKENANI HALE AFFORDABLE ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES" on April 16, 2004. The

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

December 3, 2004  
Page 8

Committee  
Report No. 04-209

resolution approved an exemption from the Fire Code (Chapter 16.04A, Maui County Code), for fire-related fees. Your Committee further notes that the Department of the Corporation Counsel has approved the proposed resolution, including the proposed exemptions, as to form and legality.

With respect to fire safety issues, the Fire Lieutenant noted that three-story buildings are required to have fire sprinklers and fire alarms. Accessible units are normally located on the ground floor. The Department does allow the use of grasscrete, but not on more than a two-percent grade.

A Construction Engineer/Assistant District Engineer, Maui District, Highways Division, State DOT, informed your Committee that the State DOT supports the project. The applicant's consultant responded to minor concerns raised, to the Department's satisfaction. In addition, the exemptions requested by the applicant are to County, not State, requirements.

The applicant's consultant responded to your Committee's questions regarding specific proposed exemptions, including the exemptions for sidewalks, curbs, and gutters along the North-South Collector Road, which are being requested to minimize costs.

Your Committee discussed the status of funding for the proposed project. Mr. Katsuda informed your Committee that funding for Phase I has been secured, and that the Department of Housing and Human Concerns is assisting with innovative approaches to funding other aspects of the proposed project.

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

Your Housing and Human Services Committee **RECOMMENDS** that Resolution No. \_\_\_\_\_, attached hereto, entitled "APPROVING THE HALE MAHAOLU EHIKU ELDERLY HOUSING PROJECT PURSUANT TO SECTION 201G-118, HAWAII REVISED STATUTES", be **ADOPTED**.

Adoption of this report is respectfully requested.



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

December 3, 2004  
Page 9

Committee  
Report No. 04-209

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JOSEPH PONTANILLA Chair

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MICHAEL J. MOLINA Vice-Chair

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DANNY A. MATEO Member

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