

COUNCIL OF THE COUNTY OF MAUI
LAND USE COMMITTEE

March 18, 2011

**Committee
Report No.** _____

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

Chair and Members:

Your Land Use Committee, having met on February 16, 2011, February 22, 2011, and March 2, 2011 (site inspection and meeting), makes reference to County Communication No. 11-27, from the Council Chair, relating to requests for Council approval of proposed affordable housing projects pursuant to Chapter 201H, Hawaii Revised Statutes (“HRS”).

By correspondence dated February 3, 2011, the Director of Housing and Human Concerns transmitted the following:

1. An application for the development of the proposed Kaiwahine Village affordable housing project on approximately 9.289 acres at the intersection of Kaiwahine Street and Hale Kai Street in Kihei, Maui, Hawaii, TMK: (2) 3-8-04:028, pursuant to Section 201H-38, HRS. The proposed project consists of a 120-multi-family-unit subdivision.
2. A proposed resolution entitled “APPROVING THE KAIWAHINE VILLAGE PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES”. The purpose of the proposed resolution is to approve the proposed project with various exemptions from certain requirements in the Maui County Code (“MCC”), relating to planning, zoning, construction standards for subdivisions, the development and improvement of land, and the construction of dwelling units; and from the conditions in Ordinance No. 3683 (2009), relating to a change in zoning from Agricultural District to R-1 Residential District (conditional zoning) for the subject property.

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3. A proposed resolution entitled “APPROVING WITH MODIFICATION THE KAIWAHINE VILLAGE PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES”. The purpose of the proposed resolution is to approve the proposed project with modifications identified in Exhibit “1”; and with various exemptions from certain requirements in the MCC, relating to planning, zoning, construction standards for subdivisions, the development and improvement of land, and the construction of dwelling units, and from the conditions in Ordinance No. 3683 (2009).

4. A proposed resolution entitled “DISAPPROVING THE KAIWAHINE VILLAGE PURSUANT TO SECTION 201H-38, HAWAII REVISED STATUTES”. The purpose of the proposed resolution is to disapprove the proposed project.

Your Committee notes that pursuant to Section 201H-38, HRS, the Council shall approve, approve with modifications, or disapprove affordable housing projects by resolution within 45 days after the preliminary plans and specifications for the project have been submitted to the Council, or the project shall be deemed approved. The Council has until March 21, 2011, to act on this application, or it will be deemed approved as submitted.

Your Committee further notes that Royal Main Properties, LLC (“the applicant”) proposes the development of Kaiwahine Village for qualified residents. By Ordinance No. 3682 (2009) and Ordinance No. 3683 (2009), the applicant received a District Boundary Amendment and a Change in Zoning, respectively, for the subject parcel in order to construct a 47-lot single-family residential subdivision. However, because of economic changes in the housing market, the applicant is now proposing a 100 percent affordable multi-family subdivision consisting of 120 one-, two-, and three-bedroom units in exchange for 120 housing credits, as a more economically feasible alternative. In order to receive housing credits to offset the costs to develop the project, the applicant is requesting exemptions from Chapter 2.96, MCC, the County’s Residential Workforce Housing Policy

Your Committee notes that by its own terms, the Residential Workforce Housing Policy does not apply to affordable housing projects proposed pursuant to Chapter 201H, HRS. Your Committee further notes that there is no provision in Chapter 201H, HRS, that would allow for housing credits.

