

COUNCIL OF THE COUNTY OF MAUI  
**PUBLIC WORKS AND  
TRAFFIC COMMITTEE**

July 9, 2004

**Committee  
Report No.**

04-110

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

Chair and Members:

Your Public Works and Traffic Committee, having met on January 15, 2004, February 19, 2004, and June 17, 2004, makes reference to County Communication No. 03-185, from the Director of Public Works and Environmental Management, transmitting a proposed resolution entitled "AUTHORIZING THE EXCHANGE OF A PORTION OF MAKANOE PLACE PROPERTY AT MAKAWAO, MAUI, HAWAII, PURSUANT TO SECTION 3.44.060, MAUI COUNTY CODE".

The purpose of the proposed resolution is to authorize the exchange of approximately 35,991 square feet of a County road remnant known as Makanoe Place (subject road) in Makawao, Maui, for 2,284 square feet of private property located at TMK: (2) 2-4-013:135, in Makawao, Maui, for the public purpose of creating a cul-de-sac.

By correspondence dated July 8, 2003, John Hills, a proposed grantee, transmitted copies of photographs of the properties involved in the proposed land exchange.

By correspondence dated July 11, 2003, your Committee's Chair requested that the Department of Public Works and Environmental Management provide an explanation for waiving the appraisal, define "public interest" and justify why the exchange appears to be lopsided (an exchange of 35,991 square feet of County property for 2,284 square feet of private property).

By correspondence dated July 18, 2003, the Director of Public Works and Environmental Management indicated that the exchange will serve the interest of the public by relieving the County of maintenance and liability responsibilities, which therefore, justifies the exchange.

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By correspondence dated August 6, 2003, your Committee's Chair requested that the Department of Public Works and Environmental Management consider conducting an appraisal for the proposed land exchange.

By correspondence dated January 13, 2004, the Director of Public Works and Environmental Management transmitted an appraisal, prepared by Paradise Appraisals, LLC, for the proposed land exchange. According to the appraisal, the value of the County property is \$115,170 and the value of the private property is \$7,310.

At its meeting of January 15, 2004, your Committee met with the Director of Public Works and Environmental Management; a Civil Engineer, Development Services Administration, Department of Public Works and Environmental Management; a Deputy Corporation Counsel; Glen Cole and Raymond Kirchner, Paradise Appraisals; John Hills, a proposed grantee; and Russell Karaviotis, a proposed grantee.

There was no public testimony.

The Director provided your Committee with an overview of the matter. He indicated that the subject road was originally conveyed to the County from the State of Hawaii, is unimproved, and serves four lots. He also indicated that the primary motivation to exchange the properties is to relieve the County of maintenance and liability responsibilities. He indicated that such value is not quantified in the appraisal.

Mr. Cole advised your Committee that since the exchange did not involve an eminent domain proceeding, the appraisal was conducted with the perspective that both parties were agreeable to the exchange. He further stated that the two parcels were appraised as agricultural land and then multiplied by the square footage.

Your Committee noted concerns regarding approximate costs for maintaining the subject road.

Mr. Karaviotis indicated that he paid for the installation of a concrete driveway along the subject road. He also noted concerns about the calculations utilized to determine the value of the parcels.

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Your Committee requested that the Department of Public Works and Environmental Management provide maintenance costs for the subject road and determine why the roadway has not been maintained to County standards.

Your Committee deferred the matter pending further discussion.

By correspondence dated February 11, 2004, your Committee's Chair requested that the Department of the Corporation Counsel revise the proposed resolution to delete provisions relating to waiving the appraisal and other technical revisions.

By correspondence dated February 11, 2004, the Department of the Corporation Counsel submitted a revised proposed resolution entitled "AUTHORIZING THE EXCHANGE OF A PORTION OF MAKANOE PLACE PROPERTY AT MAKAWAO, MAUI, HAWAII, PURSUANT TO SECTION 3.44.060, MAUI COUNTY CODE". The revised proposed resolution incorporates your Committee's suggested revisions.

By correspondence dated February 17, 2004, your Committee's Chair transmitted correspondence dated January 21, 2004, from John Hills noting concerns about the appraisal of the subject properties and outlining road improvements installed by various surrounding property owners.

At its meeting of February 19, 2004, your Committee met with the Director of Public Works and Environmental Management; a Deputy Corporation Counsel; John Hills, property owner; and Russell Karaviotis, property owner.

There was no public testimony.

The Director stated that the County made minor road improvements in 1990 and 1997. He noted that the estimated cost to improve the subject road, to County standards, is approximately \$206,000.

Mr. Karaviotis stated that he has resided along this portion of the subject road for the past 20 years. He indicated that he installed approximately 500 square feet of concrete along the roadway. He also noted that because of irregular topography, the balance of the road remained virtually unimproved. He also outlined storm water run-off repairs and landscaping that he has maintained.

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In response to an inquiry by your Committee, a Deputy Corporation Counsel stated that the private property, which the County would receive, will be utilized for the construction of a cul-de-sac. She noted that the County is not required to immediately construct the cul-de-sac.

Your Committee noted concerns that the County property involved in the exchange should remain a roadway to serve the residents in the adjacent subdivision. Your Committee further noted that based on correspondence submitted by the proposed grantees, it is their intention to maintain the County property as an access road to the neighboring properties.

Your Committee requested that the proposed resolution be revised to include the following conditions of approval to run with the land and be duly recorded with the Bureau of Conveyances or Land Court and the County Clerk:

1. that the County property involved in the exchange of land be maintained as a roadway in perpetuity; and
2. that the roadway access be maintained for the properties within the subdivision served by the roadway.

Your Committee voted to recommend adoption of the revised proposed resolution, as further revised, and the filing of the communication.

Your Committee notes that the Department of the Corporation Counsel subsequently advised your Committee's Chair to reschedule this matter for possible reconsideration so that the revised proposed resolution could be further revised for the purpose of ensuring the subject property's perpetual use as a roadway.

By correspondence dated June 8, 2004, the Department of the Corporation Counsel transmitted a revised proposed resolution entitled "AUTHORIZING THE EXCHANGE OF A PORTION OF MAKANOE PLACE PROPERTY AT MAKAWAO, MAUI, HAWAII, PURSUANT TO SECTION 3.44.060, MAUI COUNTY CODE". The revised resolution requires that the subject property be maintained as a roadway in perpetuity.

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At its meeting of June 17, 2004, your Committee met with the Director of Public Works and Environmental Management and a Deputy Corporation Counsel.

Your Committee received public testimony from one individual who provided background on the proposed land exchange.

Your Committee voted to reconsider its February 19, 2004 recommendations that the Council adopt the revised proposed resolution transmitted by the Department of the Corporation Counsel on February 11, 2004 and that the communication be filed.

The Deputy Corporation Counsel summarized the revised proposed resolution transmitted by the Department of the Corporation Counsel on June 8, 2004, highlighting the requirement that the subject property shall remain a roadway in perpetuity.

Your Committee voted to recommend adoption of the revised proposed resolution transmitted by the Department of the Corporation Counsel on June 8, 2004, and filing of the communication.

Your Public Works and Traffic Committee RECOMMENDS the following:

1. That Resolution No. \_\_\_\_\_, as revised herein and attached hereto, entitled "AUTHORIZING THE EXCHANGE OF A PORTION OF MAKANOE PLACE PROPERTY AT MAKAWAO, MAUI, HAWAII, PURSUANT TO SECTION 3.44.060, MAUI COUNTY CODE", be ADOPTED; and
2. That County Communication No. 03-185 be FILED.

Adoption of this report is respectfully requested.

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**MICHAEL J. MOLINA** Chair

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**DAIN P. KANE** Member

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**CHARMAINE TAVARES** Vice-Chair

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**JOSEPH PONTANILLA** Member

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**G. RIKI HOKAMA** Member