

# WEST MAUI LAND COMPANY, INC.

LAUNIUPOKO ■ OLOWALU ■ KAUAULA ■ KAHOMA ■ MAKILA

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April 11, 2017

Daniel E. Orodener  
Executive Officer  
Land Use Commission  
State of Hawaii  
P.O. Box 2359  
Honolulu, HI 96804-2359

2017 APR 13 A 8:35  
LAND USE COMMISSION  
STATE OF HAWAII

Re: ***2017 Annual Report for the State Land Use Commission  
Docket No. A12-795/West Maui Land Company - Kahoma Residential***

Dear Mr. Orodener:

This constitutes West Maui Land Company, Inc.'s ("West Maui") 2017 Annual Report for the Kahoma Residential Subdivision Affordable Housing Project ("Project").

**A. Project Background and Status.**

By its Decision and Order dated April 5, 2013, the State Land Use Commission ("Commission") granted approval of West Maui's petition to reclassify about 16.7 acres of land from the agricultural to the urban land use district at Lahaina, Maui, Hawaii. Approval of the petition was contingent upon 19 conditions. The development of the subject property is planned to include a residential community of about 68 units, a one acre neighborhood park, a detention basin and some open space areas.

As noted in the petition, additional land use approvals, including a subdivision, are required for the Project. On March 17, 2014 West Maui received Preliminary Subdivision approval of a preliminary subdivision plat. Construction plans have been approved by the County of Maui and appropriate federal and state agencies. Site work and infrastructure improvements commenced on or around October 27, 2014 and are substantially complete.

In addition, one of the Intervenor's in the above docket appealed the Decision and Order of the Commission to the Second Circuit Court in the County of Maui. On December 5, 2013, the Second Circuit Court entered its Findings of Fact, Conclusions of Law, and Decision and Order affirming the Commission's Decision and Order. Following a motion for reconsideration which was denied on January 27, 2014, a Final Judgment was entered January 27, 2014. On February 24, 2014, the Intervenor filed a Notice of Appeal with the Intermediate Court of Appeals of the State of Hawaii ('ICA'). An Order Denying Motion for Reconsideration was filed on Nov. 30, 2015 by the ICA followed with the filing of a Judgment on Appeal upholding the Second Circuit's Findings of Fact, Conclusions of Law, and Decision

and Order affirming the Commission's Decision and Order filed on December 16, 2015. The Intervenor filed a Writ of Certiorari with the Supreme Court of the State of Hawaii on January 6, 2016. The Supreme Court of the State of Hawaii filed an Order Rejecting the Application for Writ of Certiorari on February 16, 2016.

**B. Status of Activities Relating to Imposed Conditions.**

Listed below are each of the conditions imposed under the Decision and Order and the status of activities pertaining to each respective condition.

1. *Education Contribution Agreement. Petitioner shall contribute to the development, funding, and/or construction of school facilities in compliance with the School Impact Fee Agreement for Kahoma Residential Project, dated February 9, 2012, entered into by Kahoma Residential, LLC and the DOE. Petitioner shall ensure that prospective buyers, purchasers and subsequent owner/builders of lots are given notice of the requirement to pay the West Maui School Impact Fee in accordance with the School Impact Fee Agreement. Such notice shall be recorded and shall run with the land.*

West Maui will comply with the School Impact Fee Agreement. Compliance will include payment of the School Impact Fee on a per lot basis and paid out of escrow at the time of recordation and closing of each lot. The amount paid at each closing will be equal to West Maui School Impact fee at the time the fee is paid. The current West Maui School Impact Fee is \$5,778 for a new dwelling in the district. In addition, the notice of requirement to pay West Maui School Impact Fee shall be recorded with each deed for each of the subdivided lots.

2. *Water Conservation Measures. Petitioner shall implement water conservation measures and best management practices such as the use of indigenous and drought-tolerant plants and turf to the extent practicable and incorporate such measures into the Project's landscape planting.*

Petitioner will comply with this condition as construction and landscape plans have been reviewed and approved by the County of Maui. Landscape plans specify the native Milo for the street tree and Naupaka for hedging around the basin and park. El Toro Zoysai, a drought tolerant durable grass, is being planted in the Park. Landscaping is being installed in accordance with plans and specifications.

3. *Transportation. Petitioner shall implement traffic improvements and mitigation measures, if any, as required by the State Department of Transportation and the County of Maui, Department of Public Works.*

This condition has been satisfied. Petitioner has implemented traffic improvements and mitigation measures as required by the State Department of Transportation and the County of Maui, Department of Public Works.

4. *Street Lights. Petitioner shall use fully-shielded low sodium street lights within the Project to avoid impacts to avifauna and other populations and to prevent light diffusion upward into the night sky.*

This condition has been satisfied. Petitioner has installed County of Maui standard street lights which are fully-shielded sodium street lights typically operated and maintained by Maui Electric Company, Ltd.

5. *Affordable Housing. Petitioner shall design and construct the Project, and provide affordable housing opportunities in substantial conformance with Maui County Council Resolution No. 11-126 dated December 2, 2011, approving the Project as an HRS § 201H-38 Affordable Housing Project, and the Affordable Housing Agreement or any other agreement entered into by Petitioner and the County pursuant to said resolution.*

Petitioner will comply with this condition as development of the Project progresses.

6. *Establish Access Rights Protected. Petitioner shall preserve any established access rights of native Hawaiians who have customarily and traditionally used the Petition Area to exercise subsistence, cultural and religious practices or for access to other areas for such purposes.*

Petitioner will comply with this condition as development of the Project progresses.

7. *Archaeological Monitoring. Petitioner shall employ archaeological monitors to ensure that all ground disturbances associated with mass grading of the Petition Area, and the trenching and excavation related to the installation of utilities, do not impact any subsurface cultural remains within the Petition Area.*

An archaeological monitor was present during all ground disturbances associated with the on-going mass grading of the project site. Petitioner will continue to comply with this condition as development of the Project progresses.

8. *Previously Unidentified Burials and Archaeological/Historic Sites. In the event that historic or archaeological resources, including human skeletal remains, are found and identified during construction activities, all work shall cease in the immediate vicinity of the find, the find shall be protected from additional disturbance, and the SHPD, Maui Island Section, shall be contacted immediately as required by HRS Chapter 6E and its applicable regulations. Without limitation to any condition found herein, if any burials or archaeological or historic sites or artifacts not previously identified in studies referred to herein are discovered during the course of construction of the Project, all construction activity in the vicinity of the discovery shall stop until the issuance of an archaeological clearance from the SHPD that mitigation measures have been implemented to its satisfaction.*

Petitioner will comply with this condition as development of the Project progresses.

9. *Storm Water Management and Drainage. Petitioner shall design and construct storm water and drainage system improvements in compliance with applicable federal, state and county laws and rules, and maintain the improvements, or cause to be maintained, the improvements, as designed. To the extent feasible, Petitioner shall mitigate non-potent source pollution by incorporating low impact development practices for on-site storm water capture and reuse into the Petition Area's site design and landscaping to reduce run-off and prevent pollution of affected state highway facilities, downstream properties, receiving gulches and streams and estuaries that connect with coastal waters.*

Petitioner has complied with this condition in the development and implementation of its construction plans which have been reviewed and approved by the County of Maui and appropriate federal and state agencies.

10. *Best Management Practices. Petitioner shall implement applicable best management practices for each proposed land use to minimize infiltration or run-off from construction and vehicle operations, to reduce or eliminate soil erosion and ground water pollution, and to formulate dust control measures to be implemented during and after the development process in accordance with the State DOH guidelines and rules and applicable County ordinances.*

Petitioner will comply with this condition as development of the Project progresses.

11. *Compliance with Exhibit 1 of Resolution 11-126. Petitioner shall comply with all provisions of the Modifications stated in Exhibit 1 of Resolution 11-126 and any agreement entered into by Petitioner and the County of Maui in accordance with that resolution.*

Petitioner will comply with this condition as development of the Project progresses.

12. *Infrastructure Deadline. Petitioner shall complete construction of the proposed backbone infrastructure, which consists of primary roadways and access points, internal roadways, on- and off-site water, sewer, and electrical system improvements, and storm water/drainage improvements, within ten years from the date of the Decision and Order approving the Petition.*

This condition has been satisfied. Petitioner has completed the construction of the backbone infrastructure, which consists of primary roadways and access points, internal roadways, on- and off-site water, sewer, and electrical system improvements, and storm water/drainage improvements, within ten years from the date of the Decision and Order approving the Petition.