

August 21, 2017

Land Use Commission  
State of Hawaii  
P.O. Box 2359  
Honolulu, Hawaii 96804-2359

SUBJECT: 2017 Annual Report for Docket No. A-89-642  
Wailuku and Piihana Project Districts  
Wailuku, Maui, Hawaii

Dear Honorable Chairman and Members:

In response to Condition 12 of the Findings of Fact, Conclusions of Law, and Decision and Order, dated January 30, 1990, we are pleased to submit the following report.

**BACKGROUND**

On January 30, 1990, the Land Use Commission (the "Commission") issued its Findings of Fact, Conclusions of Law, and Decision and Order in Docket No. A89-642, granting the reclassification of approximately 624 acres of land situated at Wailuku and Piihana, County of Maui, State of Hawaii, comprised of approximately 545 acres of land identified on the Tax Maps of the State of Hawaii as Tax Map Key Number: 3-5-01:01 (portion), 17 (portion), and 3-4-07:02 (portion) (hereinafter referred to as "Wailuku Project District"); and 79 acres identified on the Tax Maps of the State of Hawaii as Tax Map Key Number: 3-3-01:16 (portion), 33, and 3-4-32:10, 18 and 01 (portion) (hereinafter referred to as "Piihana Project District") from the Agricultural to the Urban Land Use District.

Petitioner is currently developing the property pursuant to Maui County's three-phase "project district" zoning ordinance.

Petitioner submitted the "Phase I" applications for both Project Districts to the County of Maui in April 1990. These submittals petitioned the County to establish the Project Districts and define the zoning within them. The proposals were brought before the County Council for review and was approved in November 1991.

Petitioner submitted "Phase II" applications for both Project Districts to the County of Maui in December of 1991. These submittals further refine the designs of the projects and continue study of the projects' impacts on the surrounding communities. These submittals also set standards for architecture, occupancy, and specific uses within the Project Districts. The County of Maui has approved the Phase II submittals for each project.

In 2002, the Petitioner submitted a Phase II Amendment for a 65-acre portion of Wailuku Project District (Kehalani). The amendment reallocated the location of certain uses within the Project District, more specifically it centralized the location of the school and community park. County approval was granted for this request on September 16, 2002.

On June 28, 2016 an amendment to the Wailuku Project District 3 (Kehalani) Project District Phase II land use map identifying the residential sub-districts was approved by the Maui Planning Commission. See **Exhibit "A"**. A revised map dated November 1, 2016 addressed the Department of Planning comments. See **Exhibit "B"**.

Wailuku Project District - Phase III approvals are granted by the County of Maui for each individual neighborhood or project. Each approval requires the submittal of such information as site layout, product and landscaping design and a review of compliance with the zoning and Phase II conditions. The Phase III approval process will continue throughout the life of the Project District. To date, Kehalani has received Phase III approvals on 23 of the 28 planned neighborhoods in the Wailuku Project District. Of the approved neighborhoods, 7 are east (makai) of Honoapiilani Highway, and 16 are west (mauka) of the highway. An updated site map of the Kehalani Master Plan (refer to **Exhibit "B"**) and updated Development Summary dated November 29, 2016 are attached for your reference (see **Exhibit "C"**).

Piihane Project District - There is currently no activity at the Piihane Project District. This site has a number of exactions that make the development of this project difficult. Such exactions include but are not limited to construction of a bridge across Iao Stream, water system improvements, offsite roadway improvements, a wastewater pump station and affordable housing requirements. The Petitioner is currently looking into cost sharing opportunities to make development of Piihane more economically viable and working with the County of Maui, Department of Water Supply to obtain the necessary

water for the project. The Petitioner will keep the Commission updated on any progress on this topic and its effect on the original D&O.

**UPDATE ON COMPLIANCE TO LUC CONDITIONS:**

- 1. Petitioner shall provide housing opportunities for low, low-moderate, and moderate income residents of the State of Hawaii by offering for sale or lease a number of units equal to at least thirty percent (30%) of the residential units in each of the Project Districts of the Property, at prices which families with an income range of up to one hundred and twenty percent (120%) of the County of Maui's median income can afford, and a number of units equal to at least thirty percent (30%) of the residential units in each of the Project Districts of the Property, at prices which families with an income range of one hundred twenty to one hundred forty percent (120% - 140%) of the County of Maui's median income can afford.**

**This condition may be fulfilled through construction and distribution of units in the Property or through other projects within the same Community Plan District as the Property, under such terms as may be mutually agreeable, between Petitioner and the Housing Finance and Development Corporation of the State and the County of Maui.**

**This condition may also be fulfilled, with the approval of the Housing Finance and Development Corporation and the County of Maui, through construction of rental units to be made available at rents which families in the specified income ranges can afford.**

**In addition, Petitioner may obtain the special credit, as determined by the Housing Finance and Development Corporation and the County of Maui, for the provision of more than ten percent (10%) of the total units of housing affordable to persons with incomes less than eighty percent (80%) of Maui's median income and for the provision of housing for special needs groups, as determined by the Housing Finance and Development Corporation and the County of Maui.**

**Insofar as possible, the Petitioner shall implement this affordable housing requirement concurrently with the completion of market priced units for the residential project. The determination of median income, as the term is used in this condition, shall be based on median income figures published by the United States Department of Housing and Urban Development at the time that construction of such housing units is commenced.**

**Response:** The Petitioner continues to work with the Maui County Department of Housing and Human Concerns (DHHC) on fulfilling the affordable requirements associated with both Project Districts. As of August 31, 2016, the Petitioner has built and sold a total of 947 affordable units at Kehalani and within the surrounding Wailuku Community Plan area. Additionally, the Petitioner donated 11 acres of land adjacent to the Piihana Project District to MEO for the development of transitional housing. Affordable housing credits from these efforts are being used to satisfy the current requirements for Kehalani. A letter dated September 9, 2016 from the County of Maui, DHHC, and related summary confirming the total housing units built and affordable credits earned through August 31, 2016 is attached for your reference. See **Exhibit "D"**.

2. **Petitioner shall prepare, or participate in the preparation of, a regional traffic Impact study to address all traffic Impacts resulting from the Project in coordination with the State Department of Transportation and the County of Maui.**

**Petitioner shall participate on a pro rata share basis in the funding and construction of regional transportation improvements identified by, and to the satisfaction of the State Department of Transportation Department of Transportation and the County of Maui. The Petitioner shall also fund and construct the transportation improvements in the immediate vicinity, and necessitated by the proposed development as identified by, and to the satisfaction of, the State Department of Transportation and the County of Maui. In addition, Petitioner shall submit construction plans, traffic studies, and drainage reports associated with the Project Districts to the State Department of Transportation and the County of Maui for review and approval.**

**Response:**

Wailuku Project District - Petitioner has completed a Long Range Traffic Master Plan, which studied the impacts of additional traffic both within the Wailuku Project District and in the surrounding communities, which was submitted to the State Department of Transportation (SDOT) and the Maui County Department of Public Works (DPW). The long-range Traffic Master Plan has been approved by these agencies.

Petitioner has approval from the SDOT regarding the improvements required on Honoapiilani Highway to mitigate the impacts of the development. Petitioner also has the approval of the County of Maui for its plan to mitigate traffic. The most recent improvement was the completion of the improvements at the intersection of Honoapiilani Highway and Kuikahi Drive.

The Traffic Impact Assessment Report, dated March 2003, was accepted for the ongoing phases of work at Kehalani and SDOT has allowed the County to continue processing individual projects at Kehalani for development. An updated traffic evaluation report was completed in December 2014 and submitted to SDOT as part of the Kuikahi/Honoapiilani Intersection Improvement Project. Said improvement has been completed and inspected. See **Exhibit "E"**.

Piihana Project District - Petitioner, as a part of the approval process, completed a long-range Traffic Master Plan. Petitioner submitted this plan to both the SDOT and the DPW. The long-range Traffic Master Plan has been approved by these agencies. SDOT will have the opportunity to review and approve the project once development plans have been finalized for Piihana.

- 3. Petitioner shall prepare drainage and erosion control plan and shall fund and construct the necessary drainage improvements.**

**Response:**

Wailuku Project District - Drainage and erosion control plans are required by the County for each phase of development at Kehalani. The Petitioner has Agreements with the County of Maui to install regional on- and off-site drainage improvements that benefit both Kehalani and the surrounding areas. Copies of these agreements were included with the Annual Report for 2009. The drainage improvements are divided into two (2) basic areas, makai (serving areas below the Highway) and mauka (serving areas above the Highway). The makai drainage system is completed and the mauka system is 95% completed. Both systems are designed to handle both pre-and post-development runoff from Kehalani. The balance of the mauka drain improvements will be completed as additional mauka modules are developed.

Piihana Project District – Preliminary drainage plans were produced as part of the Project District approval process. More detailed plans will be completed, reviewed, and approved as development plans are finalized for this project.

- 4. Petitioner shall provide the necessary water source and transmission facilities to service the Project.**

**Response:** The Petitioner continues to work with the Maui Department of Water Supply (DWS) to address water system needs for both projects. The Agreement for Implementation of Water Master Plan for Kehalani and First Amendment to Agreement for Implementation of Water Master Plan outlines various water storage and transmission system improvements required at Kehalani. These

Agreements were submitted with the 2009 Annual Report. The Petitioner is current with the requirements under these Agreements.

In July 2003 the Iao Aquifer was officially designated as a ground water management area. The Petitioner applied for and was granted a new water use permit for Kehalani in 2007 for its Wailuku Shaft 33 well situated within the Kehalani lands. Kehalani entered into a development agreement with the DWS to develop Wailuku Well No. 2 as a replacement well for Shaft 33. The development of this well has been completed and was conveyed to the DWS on April 18, 2017.

5. **Petitioner shall pay its pro rata share to expand or improve the existing Kahului Wastewater Treatment Plant and/or route the wastewater to be generated by the Project to the proposed new Central Maui Wastewater Treatment Plant to the satisfaction of the County of Maui, Department of Public Works, and the State Department of Health. Petitioner shall also participate in the funding of the proposed new wastewater treatment plant and required transmission lines.**

**Response:** In January 1990, the planned expansion of the Central Maui Wastewater Treatment Plant was completed. The plant's capacity was increased from 6.0 to 7.9 million gallons per day. Currently, Petitioner is paying an impact fee on a per-unit basis for collection and treatment facility expansion. Petitioner will connect the Project's collection main to the County system, which will flow to the treatment plant. Petitioner and the County Department of Environmental Management (DEM) are jointly studying and evaluating the incremental increases to the public system as development proceeds within the Project Districts. The increased capacity of the Central Maui Wastewater Treatment Plant is anticipated to provide sufficient capacity for the Project.

The Petitioner has entered into an agreement with the County of Maui to participate in the upgrade of existing offsite sewer collection systems. A copy of this agreement was attached to the 2009 Annual Report. There are (3) phases of off-site sewer improvements required for Kehalani. The first two (2) phases have already been completed by the Petitioner. As noted in the 2016 Annual Report, the third and final phase of the offsite sewer collection system may no longer be required.

6. **Petitioner shall inform all prospective occupants of the Hawaii Right-to-Farm act, Chapter 165, Hawaii Revised Statutes, which limits the circumstances under which pre-existing farming activities may be deemed a nuisance.**

**Response:** Petitioner has prepared a disclosure form for its sales packages and will include restrictive covenants on all deeds for lots to be sold or leases for occupation in the Project disclosing the Hawaii Right-to-Farm Act, Chapter 165, Hawaii Revised Statutes, which limits the circumstances under which pre-existing farm activities may be deemed a nuisance.

7. **Petitioner shall provide its pro rata share for school facilities as may be required by and to the satisfaction of the State Department of Education.**

**Response:** Petitioner finalized the process of developing 14 acres for an elementary school site within the Wailuku Project District 3. The State Department of Education (DOE) completed construction of the new elementary school and the school opened on August 4, 2013. Improvements to the Waihee School site have also been completed. The Warranty Deed to the State Department of Education (DOE) has been executed and recorded. The Educational Contribution Agreement for Wailuku Project District and related amendments document the Petitioner's satisfaction of pro rata share requirements for education at Kehalani. Copies of these agreements and amendments were included in previous reports.

8. **Petitioner shall provide its pro rata share for police, fire, park, and solid waste disposal as may be required by and to the satisfaction of the County of Maui.**

**Response:** Petitioner is committed to provide its prorata share for police, fire, park, and solid waste disposal. Both Project Districts include areas for private and neighborhood parks. On September 21, 2012, Petitioner entered into a new park assessment agreement with the County of Maui for Wailuku Project District 3. The agreement calls for the completion of the Mauka and Makai Parks. The agreement and Resolution 12-92 was submitted with the 2014 Annual Report.

Petitioner initiated construction of the Makai Park in March 2014 and completed and conveyed the park to the County of Maui in May 2015. With regard to the Mauka Park, Petitioner has completed construction of the park in June 2017 and is in the process of formally conveying the park to the County of Maui.

9. **Petitioner shall perform further subsurface testing of the Piihana Project District to the satisfaction of the State Historic Preservation Office. Petitioner shall also submit a mitigation plan to the State Historic Preservation Office for review and approval.**

**Petitioner shall immediately stop work and contact the State Historic Preservation Office should any archaeological resources such as artifacts,**

**shell, bone or charcoal deposits, human burial, rock or coral alignments, pavings or walls be encountered during the Project's development.**

**Response:** Petitioner has worked with the State Historic Preservation Office to create a satisfactory mitigation plan. A key aspect of the plan is the creation of a Historical Preservation Easement designed to protect those areas within the Piihana Project District that are likely to contain significant archaeological material. Petitioner will continue to comply with this condition throughout the site development and construction of both Project Districts.

The completion of the mitigation plan shall coincide with the development of the adjacent areas within the Piihana Project District. This will allow for better integration of the plan to the specific overall plans for the area surrounding the dune. The Petitioner remains committed insuring the preservation of the dune area. To date, no work has been performed in the subject area.

Kehalani already has an approved mitigation plan in place for ongoing development. The Petitioner will continue to adhere to this plan for the remainder of the Kehalani project.

- 10. Petitioner shall develop the Property in substantial compliance with the representations made to the Land Use Commission in obtaining the reclassification of the Property.**

**Response:**

- A. Wailuku Project District - Petitioner has received "Phase II" approval from the County of Maui. The "Phase II" approval process is a public hearing process which evaluates a more specific site plan, architectural designs and conditions. Petitioner has also obtained Project District Phase III approval on 23 of the 28 planned neighborhoods within the project. During the Phase III approval process the County of Maui Planning Director reviews plans for site and conceptual building design to ensure its compliance with representations made at the Phase I and II approval process. The plans provided to the County of Maui are substantially in keeping with the information provided to the Commission. Therefore, the Commission can be assured that work for the various phases of the Project District will be carried out in accordance with the intent of the submittals made to the Commission.
- B. Piihana Project District - Petitioner has received Project District "Phase II" approval from the County of Maui. The "Phase II" approval process is a public hearing process which evaluates a more specific site plan,



architectural designs and conditions. Design work will be carried out within the intent of these same submittals. Further, the County of Maui's approval process for both projects also takes into consideration the SLUC conditions to assure Petitioner's compliance.

- 11. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interest in the Property covered by the approved petition, prior to the development of the Property.**

**Response:**

The Commission was notified of the following conveyance in the 2014 Annual Report.

- A. Wailuku Project District – All undeveloped land at Kehalani, including the Kehalani Village Center was conveyed to RCFC Kehalani, LLC on July 22, 2013.
- B. Piihana Project District – Land was conveyed to RCFC Piihana, LLC on July 22, 2013.
- C. Wailuku Project District – As noted in the 2014 Annual Report, Module 19, identified as TMK (2)3-5-001:090, was conveyed to HBT OF KEHALANI LLC on August 11, 2014.

The Commission was notified of the following conveyances in the 2016 Annual Report.

- D. Wailuku Project District – On December 23, 2015, Module 14, identified as TMK (2)3-5-001:110, was conveyed to D.R. Horton-Schuler Homes, LLC.
- E. Wailuku Project District – On January 4, 2016 Lot P-2-A, identified as TMK (2)3-5-001:106, was conveyed to the County of Maui (Wailuku Well No. 1 Site).
- F. Wailuku Project District – On January 4, 2016, Lot T-1, identified as TMK (2)3-5-001:091, was conveyed to the County of Maui (Iao Water Tank Site).
- G. Wailuku Project District – On April 16, 2016, Modules 12 and 13, identified as TMK (2)3-5-001:108 and 109, were conveyed to Kehalani Investors, LLC.

The Commission is hereby notified of the following conveyances in the 2017 Annual Report.

- H. Wailuku Project District – On February 7, 2017, Module 18, identified as TMK (2)3-5-001:089, was conveyed to HBT of Ilima LLC.
- I. Wailuku Project District – On March 8, 2017, Module 9, identified as TMK (2)3-05-001:112, was conveyed to D.R. Horton-Schuler Homes, LLC.
- J. Wailuku Project District – On April 18, 2017, Lot P-3-A, identified as TMK (2)3-5-001:117, was conveyed to the County of Maui (Wailuku Well No. 2 site).
- K. Piihana Project District – On August 1, 2017, 11.731 acres, identified as TMKs (2)3-4-032:010, (2)3-4-032:001(por.), and (2)3-4-032:018(por.), were sold to Wailuku Plantation LLC.

12. **Petitioner shall provide annual reports to the Commission, the Office of State Planning and the County of Maui Planning Department in connection with the status of the subject project and the Petitioner's progress in complying with the conditions imposed.**

**Response:** This report is submitted in compliance with this requirement. Copies of the report are being provided to the Office of Planning and the County Department of Planning.

13. **C. Brewer Properties, Inc. shall enter into an agreement with the Department of Hawaiian Home Lands (DHHL) that Petitioner shall take no action within four years of the date of said Agreement, on Petitioner's Piihana and Wailuku Project Districts, which will jeopardize the ability of DHHL to apply for or obtain an allocation of sewage treatment capacity from the County. Said Agreement shall be recorded within thirty (30) days of the effective date of the Commission's Decision and Order and shall run with the land.**

**Response:** As noted in previous Annual Reports, DHHL already completed its developments near the Piihana Project District and was not impacted by the subject Project Districts.

14. **In the event that Petitioner should sell its interest in its Piihana and Wailuku Project Districts, the Petitioner shall subject the property to deed restrictions to run with the land which shall require the successors and**

**assigns to comply with the terms and conditions set forth in the Commission's Decision and Order.**

**Response:** In the 2014 Annual Report it was noted that the Petitioner conveyed the Kehalani (Wailuku Project District 3) lands to RCFC Kehalani, LLC and Piihana lands (Wailuku Project District 2) to RCFC Piihana, LLC. In addition, RCFC Kehalani, LLC conveyed property in Kehalani (Wailuku Project District), identified as TMK (2)3-5-001:090 to HBT OF KEHALANI LLC on August 11, 2014, in 2016 TMK (2)3-5-001:110 to D.R. Horton, Schuler Homes, LLC, TMK (2)3-5-001:108 and 109 to Kehalani Investors, LLC, and TMK (2)3-5-001:091 and 106 to the County of Maui; and in 2017 TMK(2)-3-5-001:089 to HBT of Ilima LLC; TMK (2)3-5-001:112 to D.R. Horton-Schuler Homes, LLC; TMK (2)3-5-001:117 to County of Maui; and TMKs (2)3-4-032:010, (2)3-4-032:001(por.), and (2)3-4-032:018(por.) to Wailuku Plantation LLC. The properties are subject to the terms and conditions set forth in the Commission's Decision and Order.

- 15. The Commission may fully or partially release these conditions as to all or any portion of the Property upon timely motion, and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.**

**Response:** At this time, the Petitioner is not requesting release from any of the conditions originally imposed.

If you have any questions, or require further information with regard to this Annual Report, please do not hesitate to contact me.

Very truly yours,



Colleen Suyama  
Senior Associate

CS:tn

Enclosures

Cc: Brian Ige, Dowling Company, Inc. (w/enclosures)  
Department of Planning (w/enclosures)  
Office of Planning (w/enclosures)

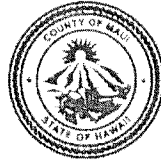
## **EXHIBIT A.**

**June 28, 2016 Maui Planning  
Commission Approval of  
Amended Project District Phase  
II Land Use Map**

ALAN M. ARAKAWA  
Mayor

WILLIAM R. SPENCE  
Director

MICHELE CHOUTEAU McLEAN  
Deputy Director



COUNTY OF MAUI  
**DEPARTMENT OF PLANNING**

July 15, 2016

Ms. Colleen Suyama, Senior Associate  
Munekiyo Hiraga  
305 High Street, Suite 104  
Wailuku, Hawaii 96793

Dear Ms. Suyama:

**SUBJECT: AMENDMENT TO A PROJECT DISTRICT PHASE II (PH2) APPROVAL IN ORDER TO CLARIFY THE RESIDENTIAL SUBDISTRICTS IN THE EXISTING KEHALANI PROJECT DISTRICT, LOCATED IN WAILUKU, ISLAND OF MAUI, HAWAII; (PH2 92/0001)**

At its regular meeting on June 28, 2016, the Maui Planning Commission (Commission) reviewed the above-referenced item. The Commission voted to grant approval of the map titled, "WAILUKU-KAHULUI PROJECT DISTRICT 3 (WAILUKU) PHASE II AMENDMENT: LAND USE MAP WITH DISTRICTS AND SUBDISTRICTS, DATED 06/23/16".

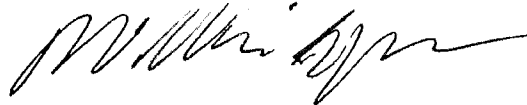
For clarification, the approved map only addressed the residential subdistricts within Kehalani, and did not specifically include or address any other aspect of the Kehalani Project District. The Commission did not include any conditions of approval. Please note the following for future reviews:

- The Residential district has four subdistricts as noted on the approved map;
- There is no "Residential VMX," "School VMX" or "Neighborhood Commercial VMX" district or subdistrict; there is a Village mixed use ("VMX") district with no subdistricts; the Commission's action on June 28, 2016 did not pertain to VMX;
- There is no "Park" district or subdistrict; there is a Park/open space district that has two subdistricts (Park subdistrict and Open Space subdistrict); the Commission's action on June 28, 2016 did not pertain to Park/open space; and
- There is no "Roadways/Open Space/Drainage" district or subdistrict; the Commission's action on June 28, 2016 did not pertain to these uses.

Ms. Colleen Suyama, Senior Associate  
July 15, 2016  
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Thank you for your cooperation. If additional clarification is required, please contact Staff Planner Danny Dias at [danny.dias@mauicounty.gov](mailto:danny.dias@mauicounty.gov) or at (808) 270-7557.

Sincerely,



WILLIAM SPENCE  
Planning Director

Attachments: (Approved Kehalani Residential Subdistrict Map)

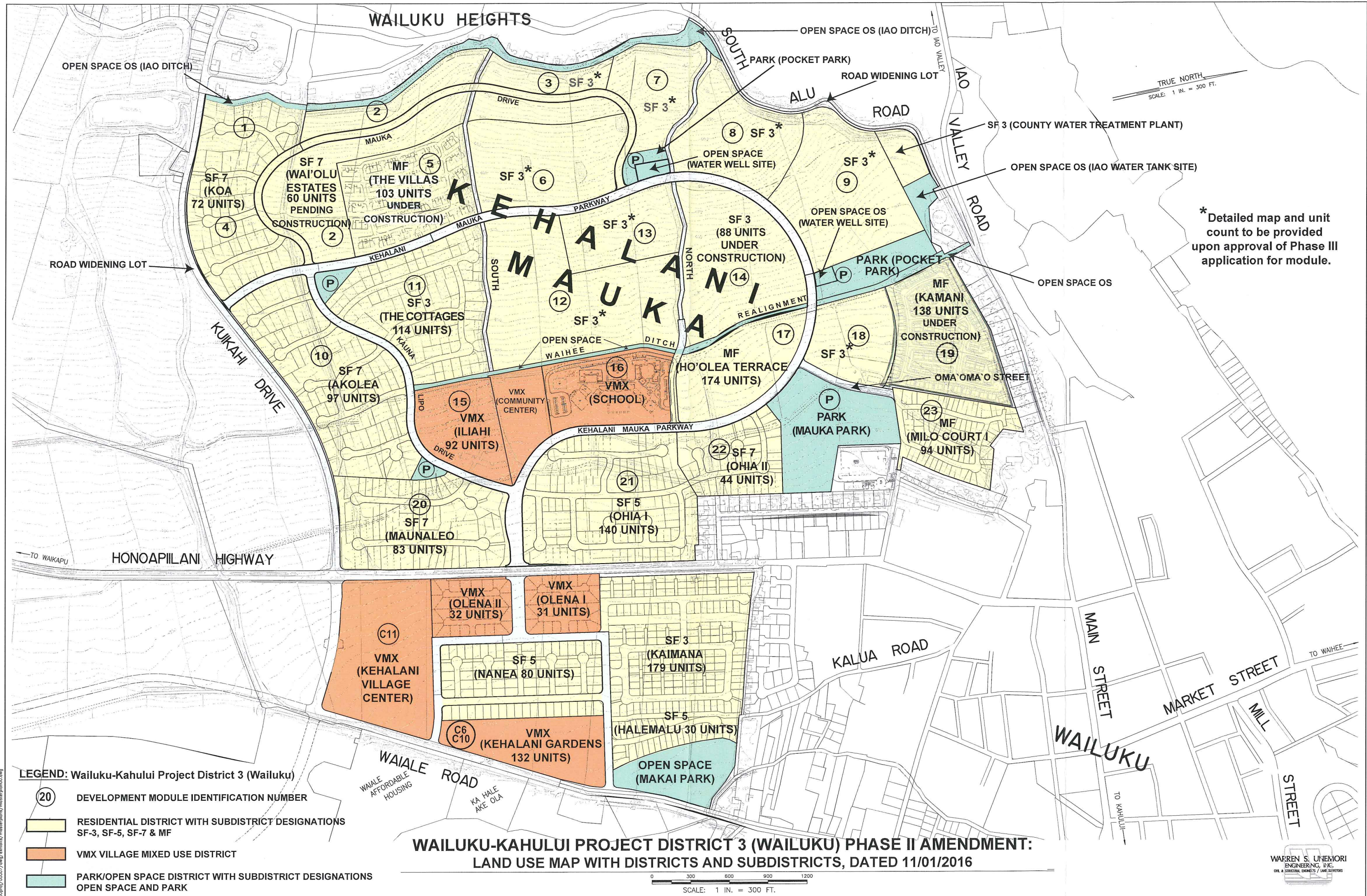
xc: Clayton I. Yoshida, AICP, Planning Program Administrator (PDF)  
John S. Rapacz, Planning Program Administrator (w/ attachment)  
Danny A. Dias, Staff Planner (PDF)  
Project File  
General File

WRS:DAD:nt

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## **EXHIBIT B.**

**Wailuku-Kahului Project District  
3 (Wailuku) Phase II Amendment  
Land Use Map Dated  
November 1, 2016**



\* Detailed map and unit count to be provided upon approval of Phase III application for module.

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WARREN S. UNEMORI  
ENGINEERING, P.C.  
ON A PROFESSIONAL SEAL / LAND SURVEYOR



# **EXHIBIT C.**

**Wailuku Project District  
(Kehalani) Development  
Summary Dated  
November 29, 2016**

**KEHALANI DEVELOPMENT SUMMARY**  
**Wailuku-Kahului Project District 3 (Wailuku)**  
**11/29/16**

MODULE / NEIGHBORHOOD	# OF UNITS	ACREAGE	DENSITY PER ACRE	VMX DISTRICT					RESIDENTIAL DISTRICT					PARK / OPEN SPACE				Subtotal Open Space, Drainage, Roadways	TOTAL (Acreage)			
				VILLAGE MIXED USE DISTRICT					RESIDENTIAL SUBDISTRICTS (Acreage)					PARKS SUBDISTRICT	OPEN SPACE SUBDISTRICT	Drainage	Roadways					
				Commercial	Residential	School	Other	Subtotal	SF3	SF5	SF7	MF	Subtotal	Park	Open Space							
<b>COMPLETED OR IN PROGRESS DEVELOPMENTS</b>																						
<b>Makai</b>																						
Kaimana	179	29.21	6.13							19.19									4.87	5.15	10.02	29.21
C-5 (Halemalu)	30	5.33	5.63								4.20								0.10	1.02	1.13	5.33
C-7 (Nanea)	80	17.19	4.65								12.45								0.71	3.51	4.22	17.19
C-3 (Olana I)	31	5.97	4.82					4.82												1.15	1.15	5.97
C-2 (Olana II)	32	6.86	4.99					4.99												1.87	1.87	6.86
C-6/10 (Kehalani Gardens)	132	11.10	11.89					11.10													0.00	11.10
C-1/11 (Kehalani Village Center)		21.34						21.34													0.00	21.34
Kehalani Makai Parkway		4.03																			4.03	4.03
Makai Park		7.52																		7.52	7.52	7.52
<b>Total Makai</b>	<b>484</b>	<b>109</b>	<b>4</b>	<b>21</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>42</b>	<b>19</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>8</b>	<b>6</b>	<b>17</b>	<b>30</b>	<b>109</b>			
<b>Mauka</b>																						
21 (Ohia I)	140	28.11	4.98							22.15			22.15			0.30	5.66	5.96				28.11
20 (Maunaleo)	83	20.48	4.05								15.87		15.87			1.49	3.12	4.61				20.48
1 & 4 (Koa)	72	24.98	2.88								24.98		24.98			0.00	0.00	0.00				24.98
15 (Iliahi)	92	9.80	9.39		9.80			9.80										0.00				9.80
22 (Ohia II)	44	10.01	4.40								8.06		8.06			0.21	1.74	1.95				10.01
10 (Akolea)	97	27.84	3.48								22.60		22.60	0.61		0.40	4.22	4.63				27.84
11 (Cottages)	114	22.86	4.99						18.61				18.61	1.00		0.02	3.22	3.25				22.86
5 (Villas)	103	16.08	6.41									16.08	16.08				0.00					16.08
23 (Milo Court I)	94	11.14	8.44									11.14	11.14				0.00					11.14
2 (Wai'olu Estates)	60	24.93	2.41								21.58		21.58				3.35	3.35				24.93
17 (Hoolea)	174	12.25	14.20									12.25	12.25				0.00					12.25
19 (Kamani)	138	16.76	8.23									16.76	16.76				0.00					16.76
14 (Alohilani)	88	19.92	4.42						15.85				15.85				3.97	3.97				19.92
Mauka Park		13.12												13.12			0.00					13.12
VMX / Community Center		4.65					4.65	4.65									0.00					4.65
VMX / School		14.10			4.00	10.10		14.10									0.00					14.10
North-South Pedestrian Bikeway (aka Waihee Ditch)		3.39														3.39						3.39
Mauka - Makai Drainage Corridor (North)		1.63															1.63					1.63
Mauka - Makai Drainage Corridor (South)		1.66															1.66					1.66
Road Widening Lots (Alu Rd, Kuikahi Dr.)		2.16																2.16				2.16
Iao Water Tank & Well Site		2.05													2.05							2.05
Kehalani Mauka Parkway		13.63															13.63	13.63				13.63
Oma'oma'o Street		1.06															1.06	1.06				1.06
Kauna Lipo Drive (aka South Collector)		3.46															3.46	3.46				3.46
<b>Total Mauka</b>	<b>1299</b>	<b>306</b>	<b>4</b>	<b>0</b>	<b>14</b>	<b>10</b>	<b>5</b>	<b>29</b>	<b>34</b>	<b>22</b>	<b>93</b>	<b>56</b>	<b>206</b>	<b>14</b>	<b>6</b>	<b>6</b>	<b>46</b>	<b>57</b>	<b>306</b>			
<b>TOTAL MAKAI AND MAUKA</b>	<b>1783</b>	<b>415</b>	<b>4</b>	<b>21</b>	<b>35</b>	<b>10</b>	<b>5</b>	<b>71</b>	<b>54</b>	<b>39</b>	<b>93</b>	<b>56</b>	<b>242</b>	<b>14</b>	<b>14</b>	<b>11</b>	<b>62</b>	<b>87</b>	<b>414</b>			
<b>FUTURE DEVELOPMENTS</b>																						
18 (SF)	50	9.01	5.55						9.01				9.01									9.01
3,6,7 (SF)	152	37.85	4.02						37.85				37.85									37.85
12 (SF)	144	29.09	4.95						29.09				29.09									29.09
13 (SF)	71	10.11	7.02						10.11				10.11									10.11
8 (SF)	25	14.21	1.76						14.21				14.21									14.21
9 (SF)	83	20.06	4.14						20.06				20.06									20.06
Pocket Parks		6.35	0.00											5.35	1.00			1.00				6.35
Iao Water Treatment Plant Site		2.54	0.00						2.54				2.54									2.54
Open Space / Water Well Site		0.68	0.00												0.68			0.68				0.68
Open Space / Iao Ditch		4.85	0.00												4.85			4.85				4.85
<b>Total Future Developments</b>	<b>525</b>	<b>135</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>122</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>122</b>	<b>6</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>135</b>			
<b>Total Kehalani</b>	<b>2308</b>	<b>549</b>	<b>4</b>	<b>22</b>	<b>34</b>	<b>10</b>	<b>5</b>	<b>71</b>	<b>175</b>	<b>39</b>	<b>93</b>	<b>56</b>	<b>364</b>	<b>20</b>	<b>20</b>	<b>11</b>	<b>62</b>	<b>94</b>	<b>549</b>			
<b>PD Ordinance</b>		<b>549</b>		<b>22</b>	<b>34</b>	<b>10</b>	<b>5</b>	<b>71</b>					<b>364</b>	<b>20</b>				<b>94</b>	<b>549</b>			
<b>Balance</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>					<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>			

## **EXHIBIT D.**

**September 9, 2016 Letter from  
Department of Housing and  
Human Concerns**



DEPARTMENT OF  
**HOUSING AND HUMAN CONCERNS**  
COUNTY OF MAUI

ALAN M. ARAKAWA  
Mayor  
CAROL K. REIMANN  
Director  
JAN SHISHIDO  
Deputy Director

2200 MAIN STREET • SUITE 546 • WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX (808) 270-7165  
MAILING ADDRESS: 200 SOUTH HIGH STREET • WAILUKU, HAWAII 96793 • EMAIL: director.hhc@mauicounty.gov

September 9, 2016

Mr. Everett Dowling  
Dowling Company, Inc.  
2005 Main Street  
Wailuku, HI 96793

RECEIVED  
SEP 13 2016

Dowling Company, Inc.

Dear Everett,

**Subject: Wailuku Project District 3 – Kehalani Master Planned Community**

This letter serves as confirmation of the affordable housing credits earned to date for the Kehalani Master Planned Community. As of August 31, 2016, the Project has earned 947 affordable housing credits through the sale of units at affordable prices on an overall basis. Upon completion of Phase III of the Project, and assuming sales at price ranges previously represented to the County, a total of 718 affordable housing credits will be required, leaving a surplus of 229 credits for use in future phases of the Project. This total is reflected in the attached Exhibit 1 (Kehalani Affordable Housing Summary as of 8-31-16).

Consistent with the Land Use Commission Annual Report for Docket No. A-89-642 submitted on September 15, 2012 any deficit in affordable housing units within an income group will need to be addressed by remaining undeveloped Kehalani modules or built offsite but within the same Community Plan Area. Likewise, the County expects any surplus of affordable housing within an income group will be used to offset the affordable housing requirements of that income group (or a higher income group) of future Kehalani modules.

As of August 31, 2016, the project has a surplus of 17 units within the 51% - 65% income group. As previously stated, Kehalani will need to be in compliance at the end of each year with the affordable housing requirement for the 51% - 65% income group.

Please call me at 270-7478 if you have any questions.

Sincerely,

CAROL K. REIMANN  
Director of Housing and Human Concerns

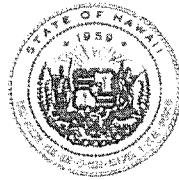
Attachment



**EXHIBIT E.**

**State Department of  
Transportation Letter Dated  
November 3, 2016**

DAVID Y. IGE  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
HIGHWAYS DIVISION  
MAUI DISTRICT  
650 PALAPALA DRIVE  
KAHULUI, HAWAII 96732-2321

FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN  
DARRELL T. YOUNG

IN REPLY REFER TO  
HWY-M 2.711-16

November 3, 2016

Mr. Kyle Niehaus P.E.  
Goodfellow Brothers, Inc.  
500 Welakahao Road  
Kihei, Hawaii 96753

Dear Mr. Niehaus:

SUBJECT: Re: Kuikahi Drive/Honoapiilani Highway Redesign Project

This is to acknowledge the subject permit work within the State right-of-way was inspected and satisfactorily completed as of November 1, 2016.

If no defects arise during the one (1) year guarantee period, the performance bond will be returned after November 1, 2017.

If you have any questions, please call Mr. Mark Adams, State Highway Inspector at (808) 873-3535.

Very truly yours,

  
FERDINAND CANIGAL  
District Engineer (Maui)

MKA\nsb

c: HWY-MM (M. Adams)