

**DOCKET NO. A11-792**  
**COUNTY OF MAUI**  
**DEPT. of HOUSING & HUMAN CONCERNS**  
**(Lānaʻi Affordable Housing Project)**

**Status Report Hearing**

***STAFF REPORT***

Hearing  
June 20, 2024



**Daniel E. Orodenker, Executive Officer**

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**Submitted: June 14, 2024**

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## 1. EXPLANATION OF PROCEEDING

Status and Progress Report hearings provide the Petitioner an opportunity to update the Commission on progress or problems in complying with the representations and conditions of the decision and order.

### **Legal precedent and obligation**

Pursuant to Hawai'i Administrative Rules ("HAR") 15-15-90(c) "The Commission may require the petitioner to submit periodic reports indicating what progress has been made in complying with any conditions that may have been imposed by the commission."

Pursuant to Hawai'i Revised Statutes ("HRS") 205 and HAR 15-15-79(a):  
"Petitioners granted district boundary amendments shall make substantial progress within a reasonable period, as specified by the commission, from the date of approval of the boundary amendment, in developing the property receiving the boundary amendment. The Commission may act to amend, nullify, change, or reverse its decision and order if the petitioner fails to perform as represented to the Commission within the specified time period."

Condition 18 of the [2011 Decision and Order](#) relating to annual reports "Petitioner shall timely provide without any prior notice, annual reports to the Commission, OP, and the County, and their respective successors, in connection with the status of the development of the Petition Area and Petitioner's progress in complying with the conditions imposed..."

After hearing from the Petitioner and other parties, the Commission may decide whether they are satisfied with Petitioner's progress and report; or, whether additional information may be needed from the Petitioner and hold further hearings on the matter; or, that there is a reason to believe that Petitioner is non-compliant with representations and conditions in the D&O and set an Order to Show Cause hearing pursuant to HAR 15-15-79 and 15-15-93(b).

## 2. BACKGROUND INFORMATION

The proceeding before the Land Use Commission ("LUC") is to hear a status report by Petitioners currently involved in Docket A11-792 Maui County Department of Housing and Human Concerns ("DHHC") for a certified HRS 201H-38 affordable housing project on the island of Lāna'i.

On March 5, 2010, the Council of the County of Maui approved and certified the project as an HRS section 201H-38 affordable housing project by way of Resolution 10-2.

Thirteen years ago, in 2011, the original Docket involved the reclassification of approximately 73 acres of land from the State Land Use Agricultural District to the State Land Use Urban District at Lānaʻi City, Island of Lānaʻi, County of Maui, Hawaiʻi, TMK Nos. (2) 4-9-02: portion of 58. The District Boundary Amendment (“DBA”) was granted on June 9, 2011, subject to 21 conditions.

At that time, the original project (Lānaʻi Affordable Housing Project or “the Project”) was to be developed over five phases and projected to be completed in approximately 17 years. The Project would consist of approximately 425 residential units split between 208 single-family residences and 217 multi-family units, two parks, and a site for a community center.

Petitioner – DHHC provided annual reports in 2013 and 2014. In 2018 an annual report covering 2015-2018 was received. On January 29, 2024 the LUC sent a delinquent annual report letter requesting the Petitioner to file an updated annual report. Petitioner filed an annual report covering 2019-2023 on February 26, 2024 (see [2019-2023 Annual Report](#))

**3. PETITIONER FILINGS**

DHHC [2013 Annual Report](#) (dated October 10, 2013)

DHHC [2014 Annual Report](#) (dated June 29, 2015)

DHHC [2015-2018 Annual Report](#) (dated December 20, 2018)

**4. OPSD POSITION**

The OPSD is responsible for representing the State’s interest in dockets before the LUC. As of 6/7/2024 no filings or position statement has been received from OPSD.

**5. COUNTY OF MAUI, PLANNING DEPARTMENT POSITION**

As of 6/7/2024 no filings or position statements have been received from the County. Staff has discussed with DHHC the interest in the updated 2019 Master Plan and requested that copies be sent to the LUC, OPSD, and Maui County Planning prior to the Status Report hearing date.

**6. WHY A STATUS REPORT?**

Consistent with messaging from the Governor’s office and State Legislature the provision of housing, particularly affordable housing, is a highest priority. Therefore, the LUC is actively looking at past dockets where housing was promised to better understand what progress has been made or the obstacles encountered.

The Status Report provides the Petitioner, OPSD, the County, other government agencies, and the general public an opportunity to share information about this project, steps needing to be taken to move it forward, and whether and which government agencies might be able to provide assistance.

Conclusion:

Any decisions by the Commission should be based on good cause (or lack of) shown by the Petitioner for its progress (or lack of ) and evidence put on the record:

- Should the Commission find that the responses regarding these issues are adequate it need not take any action.
- Should the Commission find that it is not satisfied with the responses received it may;
  1. Ask Petitioner to provide additional information and schedule further proceedings on this matter; or
  2. Request staff to schedule an Order to Show Cause hearing.

## **7. STAFF CONCERNS**

Staff reviewed the 2019-2023 annual report and asked Petitioner – DHHC to provide additional information on the status of funding for the Project, and a copy of the updated 2019 Master Plan that proposed development of 199 single family lots and 173 multi-family units. Staff has identified several areas that require more detailed information from the County DHHC:

- This project was intended to provide up to 425 residential housing units on Lānaʻi which has been experiencing a housing crisis. The Lānaʻi Affordable Housing Project was approved approximately 13 years ago and has not produced any housing units to date. No exact timetable for development of each increment has been provided and the availability of public funding for necessary infrastructure or development has also not been discussed. The Commission should ask the County to address questions regarding the status of funding and a projected timetable for developing the project.
- Reference to an updated 2019 Master Plan was made in the latest annual report. The proposed development of lots instead of residences needs to be explored in more detail as it appears to deviate from the original intent of the reclassification. The Commission should ask the County DHHC to provide a copy of the updated 2019 Master Plan so that it may be reviewed by the Commission, all parties, and the public.