



June 10, 2024

State of Hawaiʻi Land Use Commission
Department of Business and Economic Development and Tourism
P.O. Box 2359
Honolulu, Hawaiʻi 96804-2359
Attention: Daniel E. Orodener, Executive Officer
By electronic mail: daniel.e.oroedener@hawaii.gov

Re: 2024 Annual Report to the Land Use Commission (Condition 22)
Docket No. A21-810 (Pūlama Lānaʻi Hōkūao 201H Housing Project on Lānaʻi)

To Chairperson and Members of the Land Use Commission:

As required by Condition No. 22 of the Finding of Fact, Conclusion of Law, and Decision and Order, dated November 24, 2021 (“D&O”), in the above described docket Lānaʻi Resorts, LLC (dba Pūlama Lānaʻi), hereby submits this annual report (**Exhibit A**) to the Land Use Commission (“Commission”).

Should you have any questions, please contact me at kdancil@pulamalanai.com or 808-237-2216.

Very truly yours,

Keiki-Pua Dancil

[Keiki-Pua Dancil \(Jun 10, 2024 09:52 HST\)](#)

Keiki-Pua S. Dancil, Ph.D.
Senior Vice President

cc: Ms. Mary Alice Evans, Director, Office of Planning and Sustainable Development, State of Hawaiʻi,
Ms. Kate Blystone, Director, County of Maui Planning Department

EXHIBIT A: ANNUAL STATUS REPORT

Number	Condition	Status
<i>County Conditions</i>		
1	No condominium property regimes are allowed within the Hōkūao project site. No further subdivision of land for additional dwellings is allowed within the Hōkūao project site.	Petitioner acknowledges the condition. There are no condominium property regimes within the Hōkūao project site and no further subdivision of land for additional dwellings.
2	Petitioner must establish a policy to affirmatively protect any Pūlama Lānaʻi employee residing within the Project to express themselves freely, even in opposition to Pulama Lana' i or its affiliates, without fear of retaliation from the company, or loss of home or employment.	This condition is completed. Pūlama Lānaʻi has had an “anti-bullying” policy, long before the condition was imposed.
3	The Project's proposed one-acre park and community center must be completed prior to construction of the last market rate unit.	Petitioner acknowledges the condition. The building permit (B2024-00226 and LPAP2024-00005) for the community center was submitted on February 23, 2024 and March 14, 2024, respectively. Both permits are currently in the County’s review process.
4	Petitioner must reserve 10 residential workforce housing units for teachers in grades Pre- K through 12 residing on Lānaʻi. Teachers will be required to complete the same application and verification process as any other applicant. Should there be fewer than 10 teachers who apply or qualify for units, the remaining reserved units may be offered to other qualified applicants. Developer must coordinate with the Department of Housing and Human Concerns to establish the specific procedures for implementing the selection priority for teachers.	Petitioner acknowledges the condition. As of the date of this report, there are two (2) teachers residing at Hōkūao and we have not received any additional applications.
5	Petitioner must act in good faith and with best efforts to develop internal roads, side- walks, and pathways that promote safety and accessibility, multimodal transportation, and "Vision Zero Maui" and "Complete Streets" principles.	Petitioner acknowledges the condition. As of the date of this report, there are 73 homes completed. One (1) is being used as a model unit. The remaining 72 homes have been rented. The internal roads and sidewalks have been completed and these promote safety and accessibility.

Number	Condition	Status
6	Petitioner must develop a stub out for water and a stub out for wastewater in coordination with, and for the use of, the County's Lana'i Affordable Housing Project on the parcel adjacent to the Hōkūao Housing Project.	<p>This condition is completed.</p> <p>A stub out for water and wastewater has been established adjacent to the County's Lānaʻi Affordable Housing Project.</p>
7	Petitioner must develop all residential workforce housing units, including related roads and infrastructure, before or concurrently, and at the same ratio with the market rate units.	Petitioner acknowledges the condition. As of the date of this report, there are 73 homes completed. One (1) is being used as a model unit. The current occupied ratio is 1.05 (affordable to market).
8	Petitioner must complete construction of all residential workforce housing units, with related roads and infrastructure, within 10 years of receiving the first building permit, except that an extension may be granted by Maui County Council approval by County Resolution.	Petitioner acknowledges the condition. We anticipate construction to be completed by the end of 2025, which is well within the ten year limit.
9	The County Resolution and Exemptions will lapse and become void if construction of the units has not started within two years of receiving approved building permits for the residential workforce housing unit.	Petitioner acknowledges the condition. We anticipate construction to be completed by the end of 2025.
10	The County Resolution and Exemptions will lapse and become void if the required District Boundary Amendment (DBA) is not granted within two years of the effective date of the County Resolution.	<p>This condition is completed.</p> <p>The DBA was granted on November 24, 2021, within two months of the County Resolution and Exemptions (CR 21-136).</p>
11	Short-term rental homes and other transient accommodations are prohibited within the Project.	Petitioner acknowledges the condition. There are no short-term rental homes and other transient accommodations at Hōkūao.
12	Rental of residential workforce housing units at market rate is prohibited, even in the temporary absence of income-qualified applicants.	Petitioner acknowledges the condition.
13	Petitioner must satisfy the conditions of Chapter 14.12, Maui County Code, Water Availability.	<p>This condition is completed.</p> <p>Water Service is provided by Lānaʻi Water Company and they have certified that there is water available for the full development of Hōkūao.</p>

Number	Condition	Status
14	Petitioner must develop and manage the Project in substantial compliance with all representations made to the County Council and its Affordable Housing Committee to obtain approval of the County Resolution. The County has the right to deny the issuance of permits if, and as long as, the Developer is in breach of any of these Modifications	Petitioner acknowledges the condition.
<i>Commission Conditions</i>		
15	<u>Affordable housing.</u> Petitioner shall provide affordable housing opportunities in accordance with the certification of the Project as an HRS § 201H-38 Project.	Petitioner acknowledges the condition.
16	<u>Previously Unidentified Burials and Archeological/Historic Sites.</u> In the event that historic resources, including human skeletal remains, are identified during construction activities, all work shall cease in the immediate vicinity of the find, the find shall be protected from additional disturbance, and SHPD shall be contacted immediately. Petitioner shall comply with all interim and/or permanent mitigation and preservation measures recommended and approved by the State Department of Land and Natural Resources, State Historic Preservation Division ("SHPD") SHPD and that the SHPD shall be notified in writing at the initiation of the Project.	Petitioner acknowledges the condition. On December 22, 2021, SHPD was notified that archaeological monitoring would commence. As of the date of this report, no human skeletal remains have been identified during construction activities.
17	<u>BMPs.</u> Petitioner shall implement all appropriate BMPs to minimize infiltration and run-off from construction and vehicle operations, reduce or eliminate soil erosion and ground water pollution, and formulate dust control measures to be implemented during and after the development process in accordance with DOH guidelines and County ordinances and rules.	Petitioner acknowledges the condition. As of the date of this report, there have been no issues regarding infiltration and run-off from construction and vehicle operations, soil erosion, and ground water pollution.
18	<u>Compliance with Representations to the Commission.</u> Petitioner shall develop the Petition Area in substantial compliance with the representations made to the Commission. Failure to so develop the Petition Area may result in reversion of the Petition Area to its former classification, or change to a more appropriate classification.	Petitioner acknowledges the condition.

Number	Condition	Status
19	<u>Infrastructure Deadline.</u> Petitioner shall complete construction of the proposed backbone infrastructure, which consists of the primary roadways, internal roadways, water supply, sewer, drainage and electrical infrastructure within ten years from the date of the Decision and Order approving the reclassification of the Petition Area.	Petitioner acknowledges the condition. We anticipate construction to be completed by the end of 2025, which is well within the ten year limit.
20	<u>Order to Show Cause.</u> If Petitioner fails to complete the proposed backbone infrastructure within ten years from the date of the Decision and Order approving reclassification of the subject Increment, the Commission may issue and serve upon Petitioner an Order to Show Cause and Petitioner shall appear before the Commission to explain why the Petition Area should not revert to its previous State Land Use Agricultural District classification, or be changed to a more appropriate classification.	Petitioner acknowledges the condition. We anticipate construction to be completed by the end of 2025, which is well within the ten year limit.
21	<u>Notice of Change of Ownership.</u> Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Petition Area, at any time prior to completion of development of the Petition Area.	Petitioner acknowledges the condition.
22	<u>Annual Reports.</u> Petitioner shall timely provide without any prior notice, annual reports to the Commission, OPSD, and the County of Maui Planning Department, and their respective successors, in connection with the status of the development of the Petition Area and Petitioner's progress in complying with conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission. The annual report shall be due on or before the anniversary date of the Decision and Order for the reclassification of the Petition Area.	Petitioner acknowledges the condition. Exhibit A herein is the annual report.

Number	Condition	Status
23	<u>Release of Conditions.</u> The Commission may fully or partially release the conditions provided herein as to all or any portion of the Petition Area upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner or its successors and assigns.	Petitioner acknowledges the condition.
24	<u>Preserving Water Resources.</u> The Petitioner shall install water efficient fixtures and implement water efficient practices throughout the development to reduce the increased demand on the area's freshwater resources. Alternative water sources shall be used wherever practicable. The Petitioner shall adopt landscape irrigation conservation best management practices (BMPs) endorsed by the Landscape Industry Council of Hawai‘i.	Petitioner acknowledges the condition. As of the date of this report, homes that have been rented include water efficient fixtures and the landscaping includes conservation best management practices.
25	<u>Stormwater Management.</u> The Petitioner shall implement BMPs for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site filtration and preventing polluted runoff from storm events. The Petitioner shall also contain, manage, and mitigate all stormwater run-off generated by the project onsite so as not to impact the Kaumālapa‘u Highway Right-of-Way, including existing State drainage culverts, ditches, and channels.	Petitioner acknowledges the condition. As of the date of this report, the area where homes have been rented include drainage basins. There are no impacts to Kaumālapa‘u Right-of-Way, State drainage culverts, ditches and channels.
26	<u>FAA Notice of Construction.</u> Prior to construction, the Petitioner shall submit FAA Form 7460-1 Notice of Construction or alteration pursuant to the Code of Federal Regulations, Title 14, Part 77.9. Construction equipment and staging area heights, including heights of temporary construction cranes, shall be included in the submittal.	Petitioner acknowledges the condition.

Number	Condition	Status
27	<u>Notification of Proximity to Lāna‘i Airport.</u> The Petitioner shall notify and disclose to all prospective lessees within the Project, as part of any conveyance document (lease, rental agreement, etc.) required for the transfer of real property or any interest in real property, of the potential adverse impacts of aircraft activity at and from the Lāna‘i Airport such as noise, right of flight, emissions, vibrations, and other incidences of aircraft operations.	Petitioner acknowledges the condition. Language that addresses this condition has been included in the tenant leases.
28	<u>Hazards to Aircraft Operations.</u> The Petitioner shall work with DOT to minimize hazards to aircraft operations from Lāna‘i Airport, including but not limited to impacts from wildlife attractants, maturity heights of trees, PV systems glint and glare, and radio frequency interference. Stormwater retention basins shall be designed, engineered, constructed, and maintained to prevent standing water from accumulating for periods longer than 48 hours after a storm event. The Petitioner shall mitigate any hazardous conditions to aircraft operations from the Airport upon notification by the Hawaii Department of Transportation, Airports Division and/or the FAA.	Petitioner acknowledges the condition.
29	<u>Endangered Hawaiian Hoary Bat.</u> Because of the potential for the State listed Hawaiian Hoary Bat to occur in the vicinity of the project area, the Petitioner shall avoid removing any trees during the bat birthing and pup rearing season (June 1 through September 15). If this cannot be avoided, woody plants greater than 15 feet tall shall not be disturbed, removed, or trimmed without consulting the State DLNR-DOFAW	This condition is completed. There are no more trees that need to be removed.

Number	Condition	Status
30	<u>Impacts to Seabirds.</u> For night time lighting that might be required, Petitioner shall install fully shielded lights to minimize adverse impacts to passing seabirds. Petitioner shall also avoid nighttime work that requires outdoor lighting during the seabird fledging season from September 15 through December 15.	Peticioner acknowledges the condition.
31	<u>Invasive Species.</u> The Petitioner shall minimize the movement of plant or soil material between worksites, such as in fill, so as to prevent the spread of invasive fungal pathogens, and minimize importing soil or other plant material from off-island. Imported plants used in landscaping shall first be quarantined in an enclosed location away from the project site, and all imported plants shall be inspected to ensure that they are free from invasive species that could arrive inadvertently.	Peticioner acknowledges the condition.
32	<u>Cook Pines.</u> Petitioner shall preserve or relocate the mature Cook pines from the row mauka of the Community Gardens as identified in the Cultural Impact Assessment within the project area if practicable.	This condition is completed. Cook Pines have been planted on the egress and ingress roads to the Hōkūao Project area.