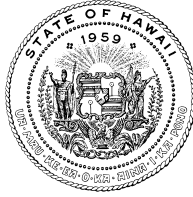


JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



DEAN MINAKAMI  
EXECUTIVE DIRECTOR

## STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION**

677 QUEEN STREET, SUITE 300

HONOLULU, HAWAII 96813

FAX: (808) 587-0600

IN REPLY REFER TO:

24:PECB/88

August 5, 2024

Ms. Mary Alice Evans, Director  
Office of Planning and Sustainable Development  
P.O. Box 2359  
Honolulu, Hawaii 96804-2359

Dear Ms. Evans:

Subject: Environmental Assessment Exemption Notice for the  
Aikanaha Residences Phase 1 and Phase 2 Affordable Housing Project (Project)  
Wailuku, Maui – Tax Map Key: (2) 3-6-002:003

Pursuant to administrative rules promulgated under the authority of Section 343-6(5), Hawaii Revised Statutes; and under sections 11-200.1-15, 11-200.1-16, and 11-200.1-17, Hawaii Administrative Rules, this letter serves as notification and a request for publication that the Hawaii Housing Finance and Development Corporation (HHFDC) has declared this Project exempt from the preparation of an environmental assessment.

Aikanaha Partners LP (Applicant) is proposing to build the Project, consisting of 212 affordable rental units that will accommodate households earning up to a maximum of 60% of the area median income plus two manager's units. The Applicant will commit to set aside all non-manager units as affordable for at least 66 years and comply with all permit conditions required to mitigate construction-related impacts.

After careful analysis as described in the attachment, HHFDC has considered primary, secondary, and cumulative impacts of the Project and has determined the Project is not anticipated to have significant impacts on the environment.

Sincerely,

Dean Minakami  
Executive Director

Attachment

## **AIKANAHA RESIDENCES PHASE 1 AND PHASE 2 PROJECT ENVIRONMENTAL ASSESSMENT EXEMPTION NOTICE**

Pursuant to Chapter 343, Hawaii Revised Statutes (HRS 343) and  
Section 11-200.1, Hawaii Administrative Rules (HAR 11-200.1)

### **AGENCY OR APPLICANT ACTION**

- This exempted action is an agency action as defined by HRS 343-5(b) and HAR 11-200.1-8.
- This exempted action is an applicant action as defined by HRS 343-5(e) and HAR 11-200.1-9.

### **EXEMPTION TYPE**

The Exemption Notice for the action described below is based on HHFDC's comprehensive exemption list,<sup>1</sup> which mirrors and exceeds the exemption criteria for the demolition of structures and construction of new affordable housing projects under HAR 11-200.1-15(c).

6. Demolition of structures, except those structures that are listed on the national register or Hawaii Register of Historic Places.

**Part 2 Actions** – Includes structures that require further consideration because of their potential impacts to the surrounding community. For example, demolition of structures that contains high levels of hazardous materials; demolition of structures that creates significant noise, fugitive dust or other adverse impacts; or demolition of structures that leads to a loss of amenities for the public.

10. New construction of affordable housing, where affordable housing is defined by the controlling law applicable for the state or county proposing agency or approving agency, that meets the following:
- A. Has the use of state or county lands or funds or is within Waikiki as the sole triggers for compliance with HRS 343;
  - B. As proposed conforms with the existing state urban land classification;
  - C. As proposed is consistent with the existing county zoning classification that allows housing; and
  - D. As proposed does not require variances for shoreline setbacks or siting in an environmentally sensitive area, as stated in HAR 11-200.1-13(b)(11).

---

<sup>1</sup> As concurred in by the Environmental Advisory Council on November 1, 2022, see: [https://files.hawaii.gov/dbedt/erp/Agency\\_Exemption\\_Lists/State-Hawaii-Housing-and-Finance-Development-Corporation-2022-11-01-Exemption-List.pdf](https://files.hawaii.gov/dbedt/erp/Agency_Exemption_Lists/State-Hawaii-Housing-and-Finance-Development-Corporation-2022-11-01-Exemption-List.pdf)

**Part 2 Actions** – Development of affordable housing provided pre-assessment consultations were conducted to determine the appropriateness of preparing an exemption notice or requiring an environmental assessment.

2. Construct multi-family residential units including, but not limited to, grading; roadway and traffic systems; utility systems; dwelling units; landscaping; and ancillary facilities; provided all applicable approvals and administrative permits are obtained.

**DESCRIPTION OF ACTION**

**Proposing Agency or Applicant:** The Applicant is Aikanaha Partners LP; 343 East Main Street, 10<sup>th</sup> Floor; Stockton, CA 95202. The approving agency of this exemption notice is the Hawaii Housing Finance and Development Corporation (HHFDC).

**Project Name & Address/Location:** The Aikanaha Residences Phase 1 and Phase 2 Project; Subdivision TC-5 located at 1670 Honoapi'ilani Highway, Wailuku, Maui

**Estimated Construction Schedule:** Construction start: 09/01/2025 / Construction completion: 04/30/2027.

**Tax Map Key (TMK) and latitude/longitude coordinates (in decimal degrees):** TMK: (2) 3-6-002:003. Coordinates: 20.510112, -156.301034.

**Anticipated Permits, Approvals, and Notifications:**

PERMITTING AGENCY	PERMIT TYPE
County of Maui	Development plan review (Maui County Planning Department) Building permit (Maui County Planning Department) Approvals from the Maui Board of Water Supply and Maui Fire Department
State of Hawaii	NPDES (Hawaii Department of Health) ADA Review (Disability and Communication Access Board)

**NARRATIVE**

Aikanaha Partners LP (Applicant) is proposing to build Aikanaha Residences Phase 1 and Phase 2 Project (Project), which will consist of 212 affordable rental units that will accommodate households earning up to a maximum of 60% of the area median income plus two manager’s units. The Applicant will commit to set aside all units as affordable for a minimum of 66 years. Below is a matrix detailing the number of units by affordability restriction and bedroom type for each phase:

RESTRICTED AT THE AMI	STUDIO	1 BEDROOM	2 BEDROOM	3 BEDROOM
60% of the AMI	15 units	38 units	50 units	2 units
Manager Units	0 unit	0 unit	2 units	0 unit
<b>Total Number of Units</b>	<b>15 Units</b>	<b>38 Units</b>	<b>52 Units</b>	<b>2 Units</b>

The Applicant has site control of the Project site through a fully executed Purchase and Sale Agreement dated January 30, 2023. The subject property is currently vegetated vacant land

with an active municipal pump station located in the middle of the Project site that was constructed in 1984. The Project site, located within the Waikapū Country Town (WCT) Master Planned Community, totals about 513,921 square feet (11.78 acres) and consists of three parcels.

1. Parcel 1 – 230,868 square feet (5.3 acres).
2. Parcel 2 – 200,376 square feet (4.6 acres).
3. Parcel 3 – 121,968 square feet (2.8 acres).

At this time, only Parcel 1 and Parcel 2 will be developed as Phase 1 and Phase 2, respectively. Parcel 3 is available for future development, but there are no active plans to develop it. Phase 3 will undergo its own HRS 343 review, if there is a trigger for it, once plans for it are finalized and funding for it is identified.

The Applicant is proposing to demolish and remove the municipal pump station that is located in the middle of the Project site once the backbone sewer infrastructure for the WCT community is constructed. After the parcel is cleared and graded, construction of the Project will begin. Phase 1 and Phase 2 will each have three, three-story residential buildings, which will be 39 feet tall. Each phase will have a single-story community building, which will include dedicated space for resident activities, computer stations, laundry facilities, and enclosed bicycle storage. Other amenities contained in each phase will include a playground, outdoor gathering spaces, and electric vehicle charging stations.

The Project will have a total of 327 parking stalls including 14 stalls compliant with the Americans with Disabilities Act. Phase 1 will have 166 stalls, and Phase 2 will have 161 stalls. The overall parking ratio is 1.54 spaces per unit.

There will be an open space easement between Honoapiʻilani Highway and the Project, which will provide a 96-foot-wide buffer between the main roadway and residents. Ingress into the Project and egress out from the Project will be provided via WCT’s proposed Main Street that will connect to Honoapiʻilani Highway.

The Applicant will seek financing from the Rental Housing Revolving Fund, Hula Mae Multi-Family, and/or other State financing programs. As such, HHFDC will be the approving agency for HRS 343 compliance because of the use of these State financing programs. In addition, Low-Income Housing Tax Credits will be sought to complement State financing.

## ENVIRONMENTAL ANALYSIS

HHFDC has considered the potential effects of the Project and all related activities against the criteria checked below:

	Not Applicable
<input checked="" type="checkbox"/> Land Use and Zoning Conformance	<input type="checkbox"/>
<input checked="" type="checkbox"/> Traffic (Vehicles, Bicycles, Pedestrian)	<input type="checkbox"/>
<input checked="" type="checkbox"/> Infrastructure (Roads, Building, Utilities)	<input type="checkbox"/>
<input type="checkbox"/> Social-Economic	<input checked="" type="checkbox"/>
<input type="checkbox"/> Public Health and Safety	<input checked="" type="checkbox"/>
<input type="checkbox"/> Recreational Resources	<input checked="" type="checkbox"/>



<input checked="" type="checkbox"/>	Cultural, Historic and Archeological Resources	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Visual and Aesthetic Resources	<input type="checkbox"/>
<input type="checkbox"/>	Terrestrial and Avian Resources	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Surface and Ground Water Resources	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Wetlands, Floodplains and Riparian/Coastal Resources	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Air Quality Pollutant Emissions	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Noise Emissions	<input type="checkbox"/>
<input type="checkbox"/>	Solid, Hazardous, and Liquid Waste Emissions	<input checked="" type="checkbox"/>
<input type="checkbox"/>	Other (As noted below)	<input checked="" type="checkbox"/>

Relevant environmental analysis of the Project is provided below:

1. *Land Use and Zoning.* The Project is located in the WCT District, which has its own development standards separate from Maui County. The Project site is zoned as 'Residential' and as such, it permits a minimum lot area of 10,000 square feet with no maximum, a minimum lot width of 60 feet with no maximum, a floor-area ratio (FAR) of no more than 90%, and a maximum building height of 40 feet. In addition, the Residential zoning permits a range of building types (i.e., single-family, multi-family, apartment and townhouse) and parking.
2. *Traffic.* The Project is located off Honoapi'ilani Highway in Wailuku, Maui. The Traffic Impact Assessment Report (TIAR) in the *Waikapū Country Town Final Environmental Impact Statement*<sup>2</sup> (WCT EIS) evaluated potential traffic impacts at full buildout of WCT as residents, employees, and customers fully occupy and use the area. The TIAR includes 216 mix-use multi-family dwelling units in its analysis for the Project site (Appendix L). Specifically, the TIAR at full buildout indicates there will be cumulative traffic impacts during one or both peak hours at six of the eighteen intersections located.

According to the EIS, the Project will directly impact the use of two intersections identified in the TIAR (i.e., intersections 9 and 11). At the intersection of Honoapi'ilani Highway and Main Street (intersection 9), no significant traffic impacts in the form of reduced level-of-service (LOS) are expected and consequently, no mitigation is required. The TIAR also found that, for the intersection of Honoapi'ilani Highway and East-West Residential Street (intersection 11), there is no mitigation required for the LOS demanded at this intersection.

3. *Infrastructure.*

*Sewer:* A Public-Private Partnership (PPP) Agreement dated April 28, 2022, subject to certain conditions being met, indicates sufficient sewer treatment capacity for the Project via a temporary connection to the existing Kahului Wastewater Treatment Facility (WWTF) until completion of the new Central WWTF on Maui. Specifically, Section II.C of the Agreement notes a maximum treatment capacity of 100,000 gallons per day for WCT, which exceeds the projected daily treatment capacity of 54,060 gallons per day required for the Project.

---

<sup>2</sup> [https://files.hawaii.gov/dbedt/erp/EA\\_EIS\\_Library/2017-01-08-MA-FEIS-Waikapu-Country-Town.pdf](https://files.hawaii.gov/dbedt/erp/EA_EIS_Library/2017-01-08-MA-FEIS-Waikapu-Country-Town.pdf)

Offsite sewer system improvements serving the Project include construction of 8-inch and 12-inch gravity mains that will outfall to an interim sewer pump station, and a 4-inch force main to transport wastewater to the existing Kahului WWTP per the PPP Agreement referenced above.

*Water:* A will-serve letter dated December 23, 2023, indicates there is sufficient water capacity for the Project through a private water system to be constructed by the master developer, which will be owned and operated by a private water association of which the Project will be a member. The letter references capacity for up to 287 multi-family dwelling units, which is in excess of the 214 total units making up the Project.

Offsite water system improvements to serve the Project include two wells west of the Honoapiʻilani Highway, 12-inch and 16-inch transmission/service mains, and related valves. The well installation plans are currently under review by the Hawaii Department of Health, Safe Drinking Water Branch.

*Drainage:* Offsite drainage improvements serving the Project include construction of 48-inch and 54-inch storm drains that will ultimately connect to a 72-inch by 96-inch primary storm drain line transporting runoff to an interim retention basin at the eastern portion of the WCT master plan. A larger retention basin farther to the southeast of WCT to be built on agricultural land will provide permanent drainage retention.

*Electricity:* Two will-serve letters (one for each phase of the Project) dated February 13, 2024, from Hawaiian Electric indicate, subject to certain conditions being met, there is sufficient electric service to the Project.

4. *Cultural, Historic and Archeological Resources.* As part of the WCT EIS, an archeological inventory survey (AIS) was prepared by Archeological Services of Hawaii, LLC. The draft AIS was submitted to the State Historic Preservation Division (SHPD) for review in 2013 in fulfillment of the HRS 6E process. During the AIS investigation, no evidence of traditional Hawaiian activities, with the possible exception of Site 7882 (remnant retaining wall or terrace) was recorded. Site 7882 is not located on the Project site.

In a letter from SHPD dated September 22, 2017, SHPD accepted the AIS. The Applicant will implement any mitigation deemed necessary by SHPD, which may include the preparation of an archaeological monitoring plan (AMP). If necessary, the AMP will be prepared and submitted to SHPD for review and approval.

In addition, a cultural impact assessment (CIA) was prepared by Hana Pono, LLC to describe existing native Hawaiian cultural activities, practices, and resources that occur on the Project site. The cultural practices and beliefs that are documented in the CIA include Hawaiian subsistence and residential agriculture on *kuleana* lands. These lands utilize the Waikapū Stream, which is a valuable cultural resource. Intricate irrigation systems built prior to western contact continue to be maintained and utilized. There are also on-going projects in the mauka portion of the Applicant's land that are being utilized for cultural site and native habitat restoration, while providing a traditional access point into the Waikapū Valley for gathering of *lā'au lapa'au* (medicinal plants) and native seed gathering. Kuleana farmers have expressed concerns about sedimentation entering Waikapū Stream during high rainfall events and from maintenance and management

needs related to the plantation irrigation infrastructure, some of which traverses through WCT agricultural lands.

5. *Environmental Site Assessment.* A Phase 1 Environmental Site Assessment of the site found no evidence of recognized environmental conditions, controlled recognized environmental conditions, or historical environmental conditions. However, a business environmental risk was identified. Based on the findings, the ESA recommended no further investigation of the Project site at this time.
6. *Noise.* The Project will cause an incremental increase in construction-related noise, but it will be temporary and is not anticipated to be significant in the surrounding area where the predominant source of noise would be from vehicular traffic. If the noise emissions are above standards stipulated in HAR 11-46 (Community Noise Control), a permit will be required regulating the permissible noise levels.
7. *Air.* The Project may have some short-term impacts on air quality in the form of fugitive dust emissions because of construction activities. Fugitive dust emissions can be controlled mostly by watering of active work areas, using wind screens, keeping adjacent paved roads clean and covering of open-bodied trucks.

In addition, the Project meets the four criteria under the Type 10 exemption in the following manner:

1. The sole trigger for compliance with HRS 343 is the use of State funds as described above.
2. The Project site is within the State Urban district. See Exhibit 2.
3. The Project location is within the WCT District, Residential, Apartment – Permitted County Zone Designation, which allows housing. See Exhibit 3.
4. The Project does not require variances for shoreline setbacks and is not in an environmentally sensitive area. The Project site:
  - a. Is not located within the Special Management Area. See Exhibit 4.
  - b. It is located in Flood Zone X and not within a floodway. See Exhibit 5.
  - c. Does not contain any streams or wetlands. See Exhibit 6.
  - d. Does not include any area designated critical habitat. See Exhibit 7.

The cumulative impacts of the use of the parcel for multi-family housing were addressed in the WCT EIS.

## **CONSULTATIONS**

The following parties were consulted as part of the exemption process (excluding consultations undertaken through the WCT EIS).

AGENCY / ORGANIZATION	NAME	CONSULTATION DATE
Hawaii Department of Transportation	Ed Sniffen, Director	05/17/2024
Hawaii Department of Education	Keith Hayashi, Superintendent	05/17/2024
Office of Planning and Sustainable Development	Mary Alice Evans, Director	05/17/2024
Maui County Planning Department	Kathleen Aoki, Director	05/17/2024
Maui County Department of Public Works	Jordan Molina, Director	05/17/2024
Maui County Department of Parks and Recreation	Patrick McCall, Director	05/17/2024
Maui County Department of Transportation	Marc Takamori, Director	05/17/2024
Maui County Department of Housing and Human Concerns	Lori Tshako, Director	05/17/2024

The following comments were received during the HRS 343 comment period. Responses are provided in italics.

1. Hawaii Department of Transportation (DOT).

- a. Comment: Discuss the WCT land use approval history after the WCT EIS was completed, the status of the traffic-related conditions, and the Applicant’s shared responsibility to meet the outlined conditions.

*Response: The history of WCT land use approvals include the following:*

- *State of Hawaii Land Use Commission (LUC) Docket A15-798 approved on February 26, 2018. It contains the Findings of Fact, Conclusions of Law, and Decision and Order, and Certificate of Service relating to WCT approved February 26, 2018.*
- *Maui County Ordinance 4996 was approved on September 20, 2019, which amended the Community Plan for WCT.*
- *Maui County Ordinance 4997 was approved on September 20, 2019, which amended the Maui County Code to include the WCT District.*
- *Maui County Ordinance 4998 was approved on September 20, 2019, which changed the zoning for WCT.*
- *LUC Order approved on October 26, 2022, which amended Docket A15-798 to incorporate the Public Private Partnership (PPP) Agreement dated April 28, 2022, between Maui County and WCT into its provisions.*
- *Maui County Ordinance 5556 was approved on September 1, 2023, which executed the PPP Agreement between the Maui County and WCT.*

*The WCT master developer and Applicant will continue to work with Maui County and State of Hawaii to obtain future land use approvals that will enable development of not just Aikanaha Residences Phases 1 and 2, but all components of the WCT Master Plan.*

*WCT's traffic-related conditions are contained within LUC Docket A15-798 and Maui County Ordinance 4998 referenced above. As for status of these conditions, WCT's developers have been collaborating with DOT on design of key roadway components. These components include signalization of WCT's "Main Street" entrance at the Honoapi'ilani Highway, which was approved by DOT in May 2024. All traffic-related mitigation measures will be defined in a Memorandum of Agreement between DOT and WCT. The WCT master developer and Applicant will be committed to building the required traffic-related infrastructure in a manner that will have the support of all stakeholders.*

- b. Comment: The Project is approximately 4.14 miles from the property boundary of Kahului Airport. All projects within 5 miles of Hawaii State airports are advised to read the *Technical Assistance Memorandum* for guidance with development and activities that may require further review and permits.

*Response: The WCT master developer and Applicant have reviewed the Technical Assistance Memorandum for development activities within 5 miles of state airports and will follow its guidance with respect to design of backbone and onsite infrastructure. Development activities will be undertaken in a manner to avoid impacts to Kahului Airport operations as well as the quality of life of future residents.*

- c. Comment: Due to the project's proximity to Kahului, the Applicant and future residents should be aware of potential single-event noise from aircraft operations. There is also a potential for fumes, smoke, vibrations, odors, etc., resulting from occasional aircraft flight operations over or near the project.

*Response: Future residents of the Project will receive a disclosure concerning the Kahului Airport and its operations. Such a disclosure will advise residents of the possible impacts of airport operations, such as fumes, noises, and vibrations, though their likelihood given the project's location to the airport is low.*

- d. Comment: The Project shall not provide landscape and vegetation that will create a wildlife attractant, which can potentially become a hazard to aircraft operations. Please review the Federal Aviation Administration (FAA) *Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants On Or Near Airports* for guidance. If the project's landscaping creates a wildlife attractant, the developer shall immediately mitigate the hazard upon notification by the DOT and/or FAA.

*Response: The WCT master developer and Applicant have reviewed the FAA Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants on Or Near Airports. The Circular will be shared with the Project's landscape architects, who will follow its guidance so that no landscape features become a wildlife attractant.*

## 2. Hawaii Department of Education.

- a. Comment: There is an Educational Contribution Agreement in place for WCT.

*Response: The WCT master developer and Applicant acknowledge the existence of a fully executed Educational Contribution Agreement for WCT, which covers*

*all requirements related to educational facilities to which the Project is subject. All of its requirements will be met.*

3. Maui County, Department of Planning.

- a. Comment: WCT and its developments are reviewed under Ordinance 4997 and by the *Waikapū Country Town Design Guidelines* (WCT Guidelines).

*Response: The buildings are parallel to the primary street and comply with the required setbacks and parking organization. Facade articulations define points of egress leading to the open-air stairs and corridors. The roof forms slope at 3:12, slightly lower than the 4:12 required by the WCT Guidelines, but with the intent to ensure a lower building profile and create a more balanced look with the three-story buildings.*

*The Project conforms to the form-based zoning code described in Ordinance 4997. The Project is well above the required minimum lot size and width, and well below the maximum FAR. The buildings and site comply with the height limits, setbacks, and parking organization required by the code. In addition, the Project provides elements described in the district intent by contributing to a required minimum number of multi-family residential units, supplying diverse product options for the affordable rental market, and providing plenty of common open space for passive recreation and visual relief.*

*The Project's interior roads consider connections to future roadway systems while working with the site planning to create better access to units and internal planted and community spaces. Views into the Project from the highway are protected by a wide, planted open space. The design of the multi-use path through this open space and parallel to Honoapi'ilani Highway will be developed once a landscape architect joins the team.*

- b. Comment: There is a design review process outlined in Section 9 of the WCT Guidelines.

*Response: Regarding the review of the Project by the WCT Design Review Board, attached is a letter dated July 19, 2024, from Albert Boyce, Manager of WCT, approving the Project design.*

4. Maui County, Department of Parks and Recreation (DPR).

- a. Comment: DPR response letter to the WCT EIS dated February 2016 requested continued discussions with the master developer regarding the proposed 18.5-acre park to be dedicated to Maui County as compliance with the park assessment requirements per Maui County Code 18.16.320. DPR expressed interest in discussing how the Project would tie into and augment the neighboring Waikapu Park and Community Center and the future County Base Yard and Central Maui Regional Park. As of yet, the Park Assessment Agreement for the Waikapu Country Town Project District has not yet been executed.

*Response: The WCT master developer and Applicant are committed to executing a PAA towards meeting the Project's requirements under Maui County Code 18.16.320. Included within this commitment is meeting all land dedication requirements to which WCT is obligated. WCT has shared a draft park design and rough grading plan with Maui County and is awaiting the scheduling of a meeting so a PAA can be completed. Included in this effort will be consideration of how the proposed park will both be complementary to and augment existing and future Maui County parks and recreation facilities. See attached both the July 19, 2024, letter Albert Boyce, Manager of WCT, on the status of the PAA and the draft design for an approximately 21-acre park to be located adjacent to the Project. The Applicant will work with WCT to ensure that the Project's onsite open spaces and amenities align with parks and recreation facilities identified in the WCT Master Plan.*

- b. Comment: DPR's review of the subject 214-unit affordable housing subdivision noted that it was not clearly described nor depicted on the site plans included in the WCT EIS.

*Response: While the WCT EIS did not specifically describe the Project, all analysis supporting the WCT EIS reflected the intended multifamily zoning designation of the site to which the Project conforms. Thus, the results of the WCT EIS did assume a high-density project like Aikanaha when considering impacts.*

- c. Comment: The developer is required to enter into a residential workforce housing agreement with the Department of Housing and Human Concerns.

*Response: Regarding the comment concerning the execution of a residential workforce housing agreement with Maui County, Department of Housing and Human Concerns (DHHC), the Applicant is aware of this requirement and is committed to finalizing such an agreement, subject to initiation of negotiations with DHHC.*

- d. Comment: DPR recommends for the preparation of an environmental assessment for the subject development.

*Response: Comment noted; however, after careful analysis of the concerns presented and those that were disclosed in the WCT EIS, HHFDC determined the Project is not anticipated to have significant impacts on the environment beyond what was disclosed in the WCT EIS. As such, HHFDC has declared the Project to be exempted from the preparation of an environmental assessment.*

## **MITIGATION**

The Applicant will comply with all permit conditions required to mitigate construction-related impacts. No other mitigation is necessary.

## EXEMPTION DECLARATION

Potential impacts of the Project have been evaluated in accordance with the significance criteria of HAR 11-200.1-13, and discussion of the Project's conformance to the criteria is presented below:

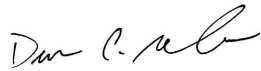
1. *Irrevocably commit a natural, cultural, or historic resource.* There are no known threatened or endangered species or critical habitats on the Project site. There are no known cultural, archaeological, or historic resources of significance on the Project site. In the event of unexpected discovery of archaeological or historic resources, SHPD will be notified pursuant to HAR 13-280-3.
2. *Curtail the range of beneficial use of the environment.* The Project will be implemented adjacent to existing residential developments of a similar nature, and the commitment of land resources required for the Project will not curtail the range of beneficial uses of the environment such as natural habitats, or areas of biological significance.
3. *Conflict with the State's environmental policies or long-term goals established by law.* The Project does not conflict with the policies and guidelines of HRS 343.
4. *Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community and State.* In the short term, construction expenditures will provide positive benefits to the local economy in the form of construction-related jobs. In the long-term, the Project will provide affordable housing opportunities for the area's residents.
5. *Have a substantial adverse effect on public health.* No identifiable adverse effects on public health or welfare are anticipated to result from the construction and operation of the Project.
6. *Involves adverse secondary impacts, such as population changes or effects on public facilities.* The Project is not anticipated to induce population growth in the state as the Project is affordable housing that can only be rented to Hawaii residents. Some redistribution of population may occur as the Project will include 214 more units than are currently on the site. Thus, some Hawaii residents from outside the immediate Project area may choose to relocate to the Project. Substantial impacts to public facilities are not anticipated to result from the construction and operation of the Project.
7. *Involves a substantial degradation of environmental quality.* The Project is not anticipated to substantially degrade environmental quality. Best Management Practices (BMPs) and appropriate erosion control measures will be utilized during the construction period.
8. *Be individually limited but cumulatively have substantial adverse effect upon the environment or involves a commitment for larger actions.* The Project is limited to the development of affordable housing. There are no commitments for further action beyond the scope presented within this EA Exemption Notice.
9. *Have a substantial adverse effect on rare, threatened, or endangered species, or its habitat.* The Project site is not located near critical habitats and will be adjacent to existing residential and commercial developments of a similar nature once the area is



fully developed. The Project is not anticipated to substantially affect rare, threatened, or endangered species, or their habitat.

10. *Have a substantial adverse effect on air or water quality or ambient noise levels.* Construction activities will result in short-term air quality and noise impacts from the operation of construction equipment. Dust control measures, such as regular watering and sprinkling, and installation of dust screens will be implemented to minimize wind-blown emissions. Construction noise impacts will be mitigated through compliance HAR 11-46. No long-term significant impacts to air or water quality, or noise levels within the Project site are anticipated because of the Project.
11. *Have a substantial adverse effect on or likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.* No significant impacts are anticipated as the Project site is not located within an environmentally sensitive area.
12. *Have a substantial adverse effect on scenic vistas and view planes, during day or night, identified in county or state plans or studies.* The Project will not result in significant impacts to view planes.
13. *Requires substantial energy consumption or emit substantial greenhouse gases.* The Project will not require more energy than used for comparable projects.

HHFDC has considered primary, secondary and cumulative impacts of the Project and has determined the Project is not anticipated to have significant impacts on the environment. HHFDC as the approving agency for this Project has declared this Project is exempt from the preparation of an environmental assessment.



\_\_\_\_\_  
Signature of Director or Delegate

Aug 6, 2024

\_\_\_\_\_  
Date

**List of Appendices:**

- Exhibits 1A, 1B, 1C and 1D – Location Map, Site Plan, Aerial View and Renderings
- Exhibit 2 – State Land Use District Map
- Exhibit 3 – Maui County Zoning Map
- Exhibit 4 – Special Management Area Map
- Exhibit 5 – Flood Zone Map
- Exhibit 6 – National Wetlands Inventory Map
- Exhibit 7 – Critical Habitat Map
- Exhibit 8 – Typical consultation packet (excluding exhibits listed above)
- Exhibit 9 – Comment Letter from Hawaii Department of Transportation
- Exhibit 10 – Comment Letter from Hawaii Department of Education
- Exhibit 11 – Comment Letter from Maui County, Department of Planning
- Exhibit 12 – Comment Letter from Maui County, Department of Parks and Recreation
- Exhibit 13 – Letter from Albert Boyce, Manager of WCT, approving Project design
- Exhibit 14 – Draft design of a 21-acre park

# Exhibit 1A: Location Map





# Exhibit 1B: Site Plan With Project Phasing





**Exhibit 1C: Aerial View  
View Looking Mauka**







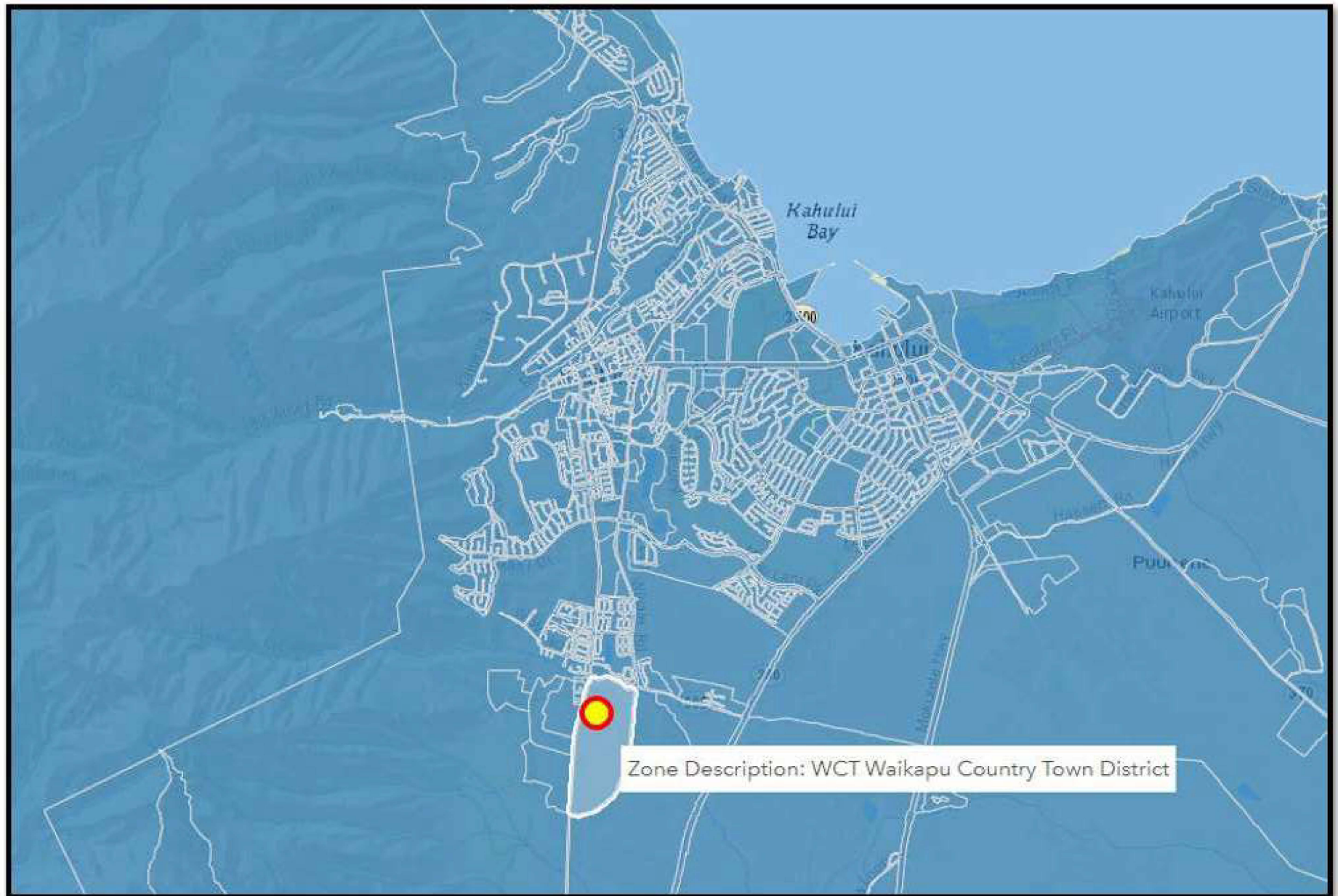
## Exhibit 2: State Land Use District Map



Source: State of Hawaii Land Use District Boundaries Map  
<https://histategis.maps.arcgis.com/apps/webappviewer/index.html?id=b843c728b4cb4333b1df015fdaa84104>



### Exhibit 3: Maui County Zoning Map



Source: Hawaii Statewide GIS Program, Zoning in Maui County.  
[https://geoportal.hawaii.gov/datasets/5a9219603d4b41719562928716a30def\\_6/explore?location=20.885594%2C-156.491951%2C13.07](https://geoportal.hawaii.gov/datasets/5a9219603d4b41719562928716a30def_6/explore?location=20.885594%2C-156.491951%2C13.07)

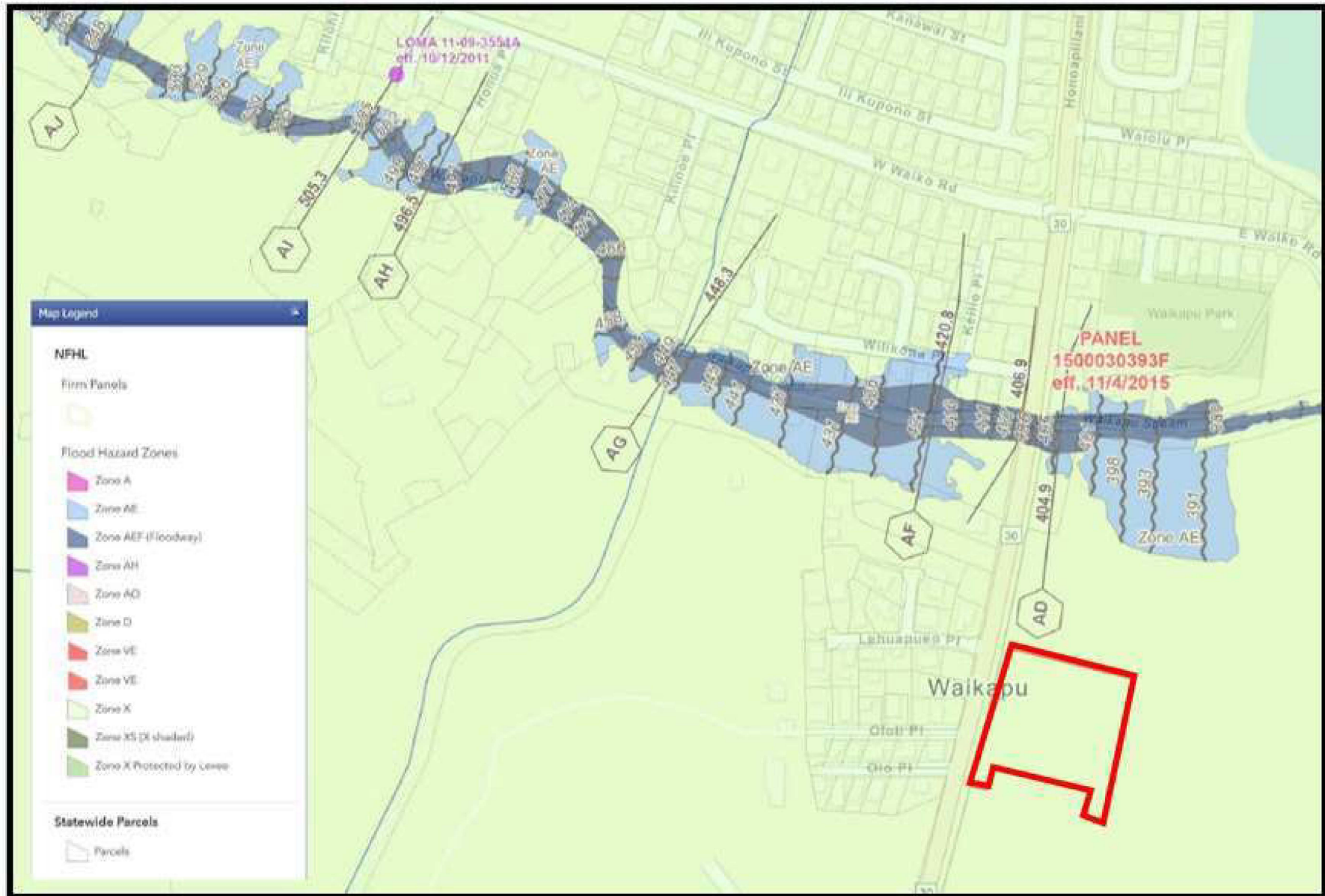


## Exhibit 4: Special Management Area Map



Source: Hawaii Statewide GIS Program, Special Management Areas in Maui County.  
<https://histategis.maps.arcgis.com/apps/Viewer/index.html?appid=f30604a60fe64945af7442c7c08174f9>

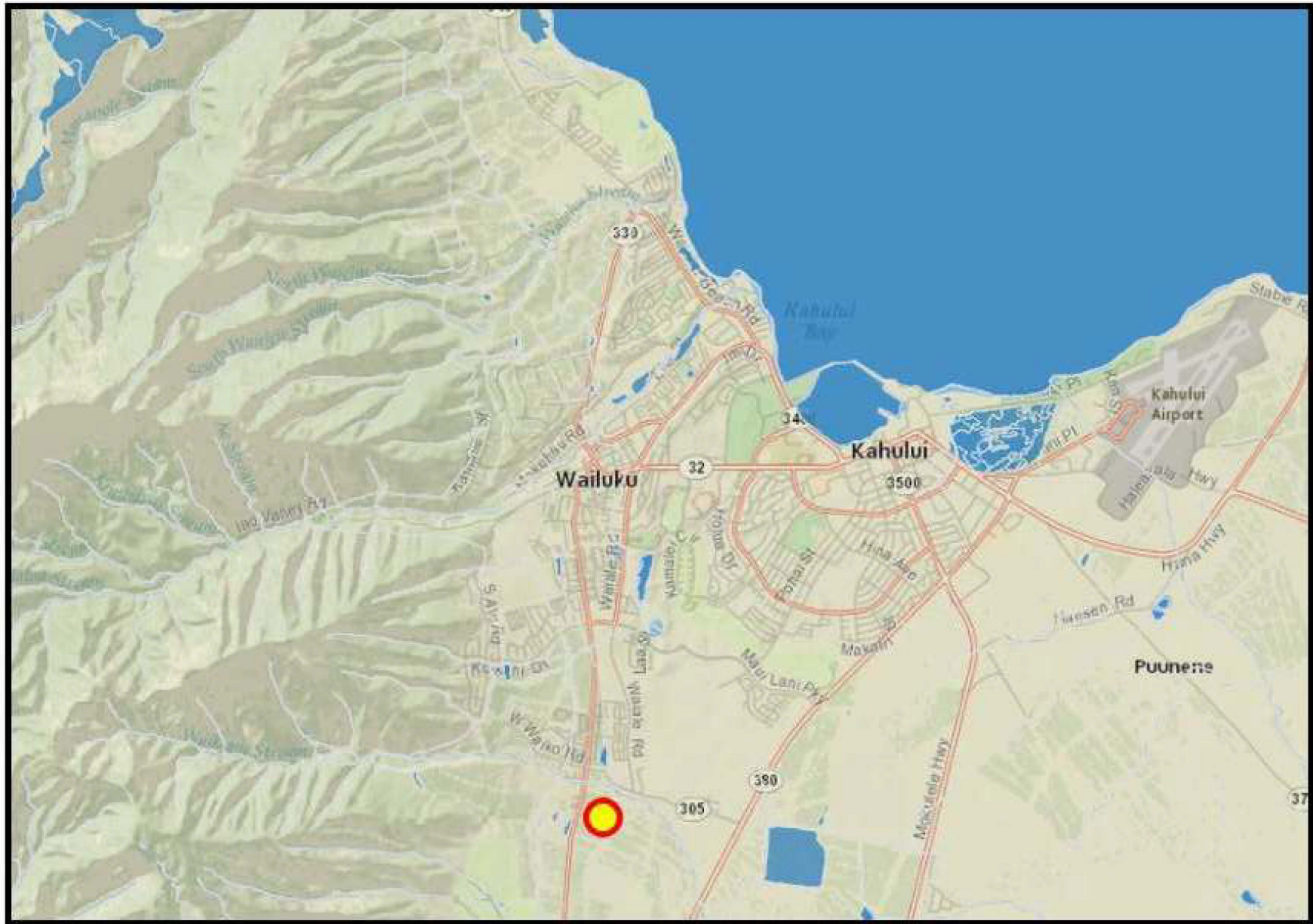
# Exhibit 5: Flood Zone Map



Source: State of Hawaii Flood Hazard Assessment Tool  
<https://fhat.hawaii.gov/>



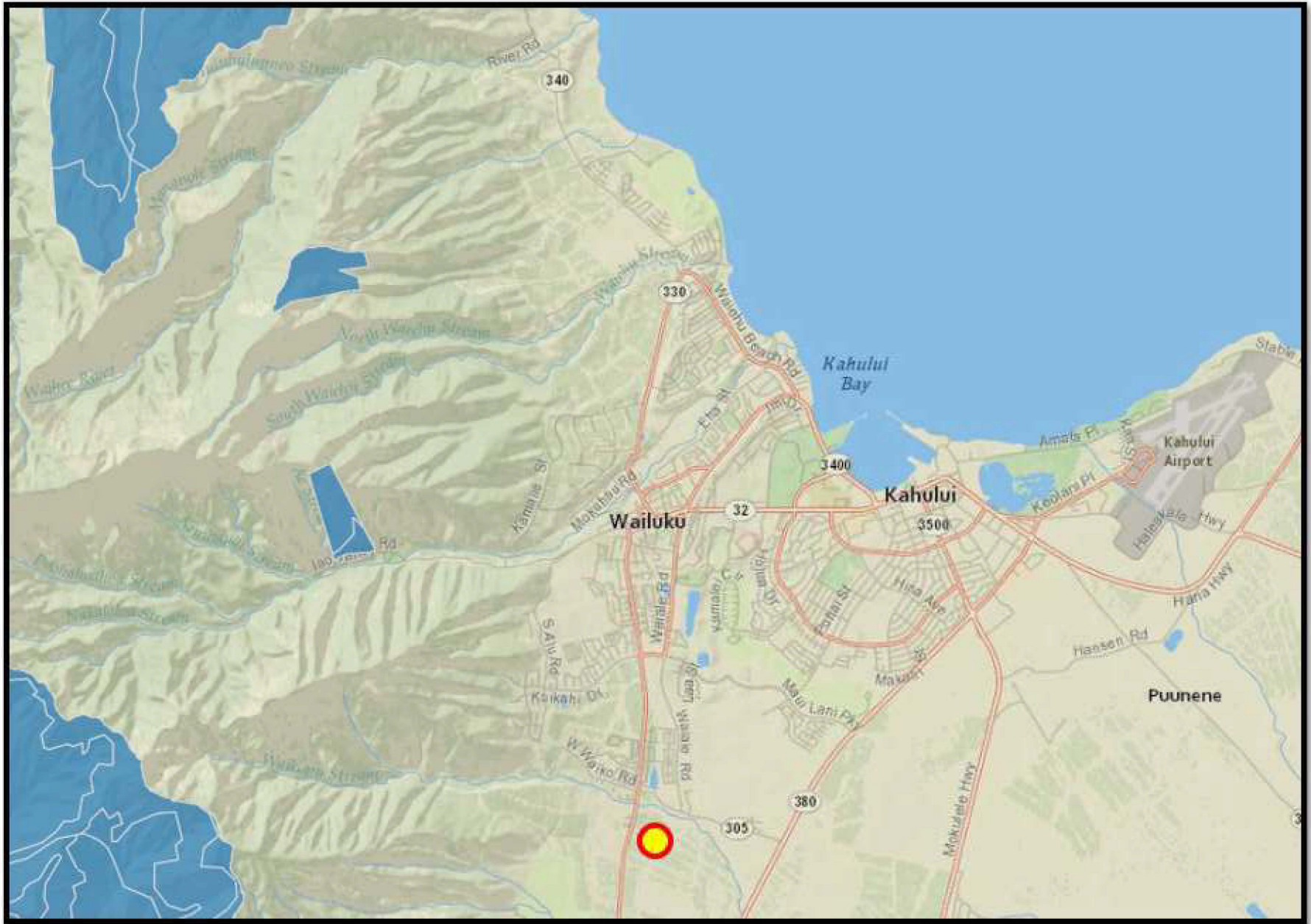
## Exhibit 6: National Wetlands Inventory Map



Source: Hawaii Statewide GIS Program, Wetlands in Hawaii

[https://geoportal.hawaii.gov/datasets/2250370303ef44c8becf4fbe549e3f43\\_39/explore?location=20.880504%2C-156.513365%2C12.89](https://geoportal.hawaii.gov/datasets/2250370303ef44c8becf4fbe549e3f43_39/explore?location=20.880504%2C-156.513365%2C12.89)

## Exhibit 7: Critical Habitat Map



Source: Hawaii Statewide GIS Program, State of Hawaii Areas of Critical Habitat. [https://geoportal.hawaii.gov/datasets/f1c109608df7445886daae2801f4a615\\_61/explore?location=20.884512%2C156.489876%2C12.90](https://geoportal.hawaii.gov/datasets/f1c109608df7445886daae2801f4a615_61/explore?location=20.884512%2C156.489876%2C12.90)



# Exhibit 8



JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

DEAN MINAKAMI  
EXECUTIVE DIRECTOR

## STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300

HONOLULU, HAWAII 96813

PHONE: (808) 587-0620

FAX: (808) 587-0600

IN REPLY REFER TO:  
24:PECB/49

May 17, 2024

Mr. Ed Sniffen, Director of Transportation  
Hawaii Department of Transportation  
869 Punchbowl Street  
Honolulu, Hawaii 96813

Dear Mr. Sniffen:

Subject: Consultation for an Environmental Assessment Exemption  
Aikanaha Residences Phase 1 and Phase 2  
Subdivision TC-5 located at 1670 Honoapiilani Highway, Wailuku, Maui  
Tax Map Keys: 3-6-002:003

In accordance with the State guidelines for preparing environmental review documents, the Hawaii Housing Finance and Development Corporation (HHFDC) is consulting with entities having jurisdiction or expertise to determine whether Aikanaha Residences Phase 1 & 2 (Project) may be exempt from the preparation of an Environmental Assessment (EA) pursuant to the administrative rules promulgated under the authority of Chapter 343-6(5), Hawaii Revised Statutes (HRS); and under Sections 11-200.1-15, 11-200.1-16, and 11-200.1-17, Hawaii Administrative Rules (HAR). HHFDC seeks your input on the subject Project by June 21, 2024, to make this determination.

Aikanaha Partners LP (Applicant) is proposing to build Aikanaha Residences Phase 1 and Phase 2, which will consist of 212 affordable rental units that will accommodate households earning up to a maximum of 60% of the area median income. The Applicant will commit to set aside all units as affordable for a minimum of 66 years. Below is a matrix detailing the number of affordable units by bedroom type for each phase:

Restricted at the AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom
60% of the AMI	15 units	38 units	50 units	2 units
Manager Units	0 unit	0 unit	2 units	0 unit
<b>Total Number of Units</b>	<b>15 Units</b>	<b>38 Units</b>	<b>52 Units</b>	<b>2 Units</b>

# Exhibit 8

Mr. Ed Sniffen

May 17, 2024

Page 2

The Applicant has site control of the Project site through a fully executed Purchase and Sale Agreement dated January 30, 2023. The subject property is currently vegetated vacant land with an active municipal pump station located in the middle of the Project site that was constructed in 1984. The Project site, located within the Waikapu Country Town (WCT) master planned community, totals about 513,921 square feet (11.78 acres) and consists of three parcels.

1. Parcel 1 – 230,868 square feet (5.3 acres)
2. Parcel 2 – 200,376 square feet (4.6 acres)
3. Parcel 3 – 121,968 square feet (2.8 acres)

At this time, only Parcel 1 and Parcel 2 will be developed as Phase 1 and Phase 2, respectively. Parcel 3 is available for future development, but there are no active plans to develop it. Phase 3 will undergo its own HRS 343 review once plans for it are finalized and funding for it becomes available.

The Applicant is proposing to demolish and remove the municipal pump station once the backbone sewer infrastructure for WCT is constructed. After the parcel is cleared and graded, construction of the Project will begin. Phase 1 and Phase 2 will each have three, three-story residential buildings, which will be 39 feet tall. Each phase will have a single-story community building, which will include dedicated space for resident activities, computer stations, laundry facilities, and enclosed bicycle storage. Other amenities contained in each phase will include a playground, outdoor gathering spaces, and electric vehicle charging stations.

The Project will have a total of 327 parking stalls including 14 stalls compliant with the Americans with Disabilities Act. Phase 1 will have 166 stalls and Phase 2 will have 161 stalls. The overall parking ratio is 1.54 spaces per unit.

There will be an open space easement between Honoapiilani Highway and the Project, which will provide a 96-foot-wide buffer between the main roadway and residents. Ingress into the Project and egress out from the Project will be provided via WCT's proposed Main Street that will connect to Honoapiilani Highway.

The Applicant will seek financing from the Rental Housing Revolving Fund, Hula Mae Multi-Family, and/or other State financing programs. As such, HHFDC will be the approving agency for HRS 343 compliance because of the use of these State financing programs. In addition, Low-Income Housing Tax Credits will be sought to complement State financing.

HHFDC believes the Project may be declared exempt from the preparation of an environmental assessment based on HHFDC's comprehensive exemption list<sup>1</sup>, which mirrors and exceeds the exemption criteria affordable housing projects under HAR 11-200.1-15(c).

***EXEMPTION TYPE 6: Demolition of structures, except those structures that are listed on the national register or Hawaii Register of Historic Places.***

---

<sup>1</sup> As concurred in by the Environmental Advisory Council on November 1, 2022, see: [https://files.hawaii.gov/dbedt/erp/Agency\\_Exemption\\_Lists/State-Hawaii-Housing-and-Finance-Development-Corporation-2022-11-01-Exemption-List.pdf](https://files.hawaii.gov/dbedt/erp/Agency_Exemption_Lists/State-Hawaii-Housing-and-Finance-Development-Corporation-2022-11-01-Exemption-List.pdf)

# Exhibit 8

Mr. Ed Sniffen

May 17, 2024

Page 3

**Part 2 Actions** – *Includes structures that require further consideration because of their potential impacts to the surrounding community. For example, demolition of structures that contains high levels of hazardous materials; demolition of structures that creates significant noise, fugitive dust or other adverse impacts; or demolition of structures that leads to a loss of amenities for the public.*

**Analysis:** The municipal pump station on the parcel is not on the Hawaii Register of Historic Places. The WCT EIS included the draft *Archaeological Inventory Survey* (AIS), which was accepted by the State Historic Preservation Division on September 22, 2017. The AIS did not identify any historic properties on the Project site.

**EXEMPTION TYPE 10:** *New construction of affordable housing, where affordable housing is defined by the controlling law applicable for the state or county proposing agency or approving agency, that meets the following:*

A. *Has the use of state or county lands or funds or is within Waikiki as the sole triggers for compliance with HRS 343;*

**Analysis:** Applicable, the sole trigger for compliance with HRS 343, which is the use of State funds as described above.

B. *As proposed conforms with the existing state urban land classification;*

**Analysis:** Applicable, the Project site is within the State Urban district. See Exhibit 2.

C. *As proposed is consistent with the existing county zoning classification provided that allows housing;*

**Analysis:** The Project location is within the Waikapu County Town District, Residential, Apartment – Permitted County Zone Designation. See Exhibit 3.

D. *As proposed does not require variances for shoreline setbacks or siting in an environmentally sensitive area, as stated in HAR 11-200.11-13(b)(11).*

**Analysis:** The Project does not require variances for shoreline setbacks and is not in an environmentally sensitive area. The Project site:

- a. Is not located within the Special Management Area. See Exhibit 4.
- b. Is located in Flood Zone X and not within a floodway. See Exhibit 5.
- c. Does not contain any streams or wetlands. See Exhibit 6.
- d. Does not include any area designated critical habitat. See Exhibit 7.

**Part 2 Actions** – *Development of affordable housing provided pre-assessment consultations were conducted to determine the appropriateness of preparing an exemption notice or requiring an environmental assessment.*

2. *Construct multi-family residential units including, but not limited to, grading; roadway and traffic systems; utility systems; dwelling units; landscaping; and ancillary facilities; provided all applicable approvals and administrative permits are obtained.*

# Exhibit 8

Mr. Ed Sniffen

May 17, 2024

Page 4

**Analysis:** The Project will be a multi-family affordable housing development. All applicable approvals and administrative permits will be obtained, including grading, roadway and traffic systems, utility systems, dwelling units, landscaping, and ancillary facilities.

The cumulative impact of the use of the parcel for multi-family housing has been addressed in the *Waikapu Country Town Final Environmental Impact Statement*<sup>2</sup> (December 2016).

Attached is a Project summary and impact analysis, which provides additional details.

If you have any questions, please have your staff contact Mr. Dean Watase, Housing Planning Manager, at 587-0639 or by email at [dean.k.watase@hawaii.gov](mailto:dean.k.watase@hawaii.gov).

Sincerely,



Chris Woodard  
Chief Planner

Attachment

---

<sup>2</sup> [https://files.hawaii.gov/dbedt/erp/EA\\_EIS\\_Library/2017-01-08-MA-FEIS-Waikapu-Country-Town.pdf](https://files.hawaii.gov/dbedt/erp/EA_EIS_Library/2017-01-08-MA-FEIS-Waikapu-Country-Town.pdf)



# Exhibit 8

## AIKANAHA RESIDENCES PHASE 1 and PHASE 2 PROJECT SUMMARY & IMPACT ANALYSIS

Location and Tax Map Key	Subdivision TC-5 located at 1670 Honoapi'ilani Highway, Wailuku, Maui TMK Nos. (2) 3-6-002:003
Project Site	≈ 11.78 Acres (513,921 square feet)
Total Units	212 Residential Dwelling Units
Affordability	Aikanaha Residences Phases 1 & 2 (Project) will be an affordable rental housing development with nearly 100% of the units set aside as affordable. There will be a total of 212 units, which includes two manager units. The project will remain affordable at 60% AMI for a minimum of 66 years. The units are split evenly between the two phases: <ul style="list-style-type: none"> <li>• 30 Studio Units</li> <li>• 76 One-bedroom Units</li> <li>• 104 Two-bedroom Units</li> <li>• 4 Three-bedroom Units</li> </ul>
Parking / Bicycle parking	327 parking stalls
Stories/Heights	Phase 1: Three, three-story buildings (39 feet above ground level each) Phase 2: Three, three-story buildings (39 feet above ground level each)

RESOURCE AREA	SUMMARY OF POTENTIAL IMPACTS
LAND USE & ZONING	The Project is located in the Waikapu Country Town (WCT) District, which has its own development standards separate from Maui County. The Project site is zoned as 'Residential' and as such, it permits minimum lot area of 10,000 square feet with no maximum, a minimum lot width of 60 feet with no maximum, a floor-area ratio of no more than 90%, and a maximum building height of 40 feet. In addition, the Residential zoning permits a range of building types (i.e., single-family, multi-family, apartment and townhouse) and parking.
TRAFFIC	<p>The Project is located off Honoapiilani Highway in Wailuku, Maui. The Traffic Impact Assessment Report (TIAR) in the WCT Environmental Impact Statement (EIS) evaluated potential traffic impacts at full buildout of WCT as residents, employees, and customers fully occupy and use the area. The TIAR includes 216 mix-use multi-family dwelling units in its analysis for the Project site (Appendix L). Specifically, the TIAR at full buildout indicates there will be cumulative traffic impacts during one or both peak hours at six of the eighteen intersections located.</p> <p>The Project will directly impact the use of two intersections identified in the TIAR (i.e., intersections 9 and 11). At the intersection of Honoapi'ilani Highway and Main Street (intersection 9), no significant traffic impacts in the form of reduced level-of-service (LOS) are expected and consequently, no mitigation is required. The TIAR also found that, for the intersection of Honoapi'ilani Highway and East-West Residential Street (intersection 11), there is no mitigation required for the LOS demanded at this intersection.</p>
INFRASTRUCTURE	<p><b>Sewer:</b> A Public-Private Partnership (PPP) Agreement dated April 28 2022, evidences, subject to certain conditions being met, sewer treatment capacity for Aikanaha Residences Phases 1 and 2 via a temporary connection to the existing Kahului Wastewater Treatment Facility (WWTF) until completion of the new Central WWTF on Maui. Specifically, Section II.C of the Agreement notes a maximum treatment capacity of 100,000 gallons per day for Waikapu Country Town, exceeding the projected daily treatment capacity of 54,060 gallons per day required for the Project.</p> <p>Offsite sewer system improvements serving the Project include construction of 8" and 12" gravity mains that will outfall to an interim sewer pump station, and a 4" force main to transport wastewater to the existing Kahului WWTP per the PPP Agreement referenced above.</p> <p><b>Water:</b> A will-serve letter dated December 23, 2023, evidences the provision of water for the Project through a private water system to be constructed by the master developer, which will be owned and operated by a private water association of which the Project will be a member. The letter references capacity for up to 287 multi-family dwelling units, well in excess of the 212 total units making up the Project.</p> <p>Offsite water system improvements to serve the Project include two wells west of the Honoapiilani Highway, 12", and 16" transmission/service mains, and related valves. The well installation plans are currently under review by the Hawaii Department of Health, Safe Drinking Water Branch.</p>

# Exhibit 8

	<p><i>Drainage:</i> Offsite drainage improvements serving the Project include construction of 48" and 54" storm drains serving the Project ultimately connecting to a 72' x 96" primary storm drain line transporting runoff to an interim retention basin at the eastern portion of the WCT master plan. A larger retention basin farther to the southeast of WCT to be built on agricultural land will provide permanent drainage retention.</p> <p><i>Electricity:</i> Two will-serve letters (one for each Phase of Aikanaha Residences) dated February 13, 2024, from Hawaiian Electric evidence, subject to certain conditions being met, the provision of electric service to the Project.</p>
ENVIRONMENTAL SITE ASSESSMENT	<p>A Phase 1 Environmental Site Assessment (ESA) of the site found no evidence of recognized environmental conditions (RECs), controlled recognized environmental conditions (CRECs), or historical environmental conditions (HRECs); however, a business environmental risks (BER) was identified. Based on the findings, the ESA recommends no further investigation of the Project site at this time.</p>
VISUAL	<p>The overall development of WCP will change the character of the existing open space, Haleakala and West Maui Mountain views along the frontage of Honoapi'ilani Highway where the urban and rural development is being proposed. The frontage that will be impacted stretches approximately 4,700 linear feet just south of Waikapu in the direction of Ma'alaea. While the existing character of the open space, Haleakala and West Maui Mountain views will be impacted by WCT, setbacks will be utilized along each side of the Honoapi'ilani Highway to separate the development from the public right-of-way. While WCP will produce an impact upon the character of views fronting the urban lands, it is important to note that WCP is also proposing to create a permanent 800-acre agricultural preserve that will exist on both the mauka and makai sides of Honoapi'ilani Highway. The preserved agricultural land will create a permanent open space buffer and permanent separation between Waikapu Town and Maalaea.</p> <p>The Project site is within WCP Residential District, and the zoning for the area allows for building heights of up to 40 feet high. The Project will be three stories and reach a maximum of 40 feet high, which will be visible from the surrounding community but is within the permitted building height.</p>
CULTURAL, HISTORIC & ARCHEOLOGICAL	<p>As part of the WCT EIS, an archeological inventory survey (AIS) was prepared by Archeological Services of Hawaii, LLC. The draft AIS was submitted to the State Historic Preservation Division (SHPD) for review in 2013 in fulfillment of the HRS 6E process. During the AIS investigation, no evidence of traditional Hawaiian activities, with the possible exception of Site 7882 (remnant retaining wall or terrace) was recorded. Site 7882 is not located on the Project site.</p> <p>In a letter from SHPD dated September 22, 2017, SHPD accepted the AIS. The Applicant will implement any mitigation deemed necessary by SHPD, which may include the preparation of an archaeological monitoring plan (AMP). If necessary, the AMP will be prepared and submitted to SHPD for review and approval.</p> <p>In addition, a cultural impact assessment (CIA) was prepared by Hana Pono, LLC to describe existing native Hawaiian cultural activities, practices, and resources that occur on the Project site. The cultural practices and beliefs that are documented in the CIA include Hawaiian subsistence and residential agriculture on kuleana lands. These lands utilize the Waikapū Stream, which is a valuable cultural resource. Intricate irrigation systems built prior to western contact continue to be maintained and utilized. There are also on-going projects in the mauka portion of the Applicant's land that are being utilized for cultural site and native habitat restoration, while providing a traditional access point into the Waikapū Valley for gathering of lā'au lapa'au (medicinal plants) and native seed gathering. Kuleana farmers have expressed concerns about sedimentation entering Waikapū Stream during high rainfall events and from maintenance and management needs related to the plantation irrigation infrastructure, some of which traverses through WCT agricultural lands.</p>
NOISE	<p>The Project will cause an incremental increase in construction-related noise, but it will be temporary and is not anticipated to be significant in the surrounding area where the predominant source of noise would be from vehicular traffic. If the noise emissions are above standards stipulated in HAR 11-46 (Community Noise Control), a permit will be required regulating the permissible noise levels.</p>
AIR	<p>The Project may have some short-term impacts on air quality in the form of fugitive dust emissions because of construction activities. Fugitive dust emissions can be controlled mostly by watering of active work areas, using wind screens, keeping adjacent paved roads clean and covering of open-bodied trucks.</p>

# Exhibit 9

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII  
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

EDWIN H. SNIFFEN  
DIRECTOR  
KA LUNA HO'OKELE

Deputy Directors  
Nā Hope Luna Ho'okele  
DREANALEE K. KALILI  
TAMMY L. LEE  
CURT T. OTAGURO  
ROBIN K. SHISHIDO

IN REPLY REFER TO:

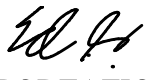
DIR 0000481  
STP 8.3770

June 21, 2024

VIA EMAIL: dean.k.watase@hawaii.gov

TO: JAMES KUNANE TOKIOKA, DIRECTOR  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND  
TOURISM

THROUGH: DEAN MINAKAMI, EXECUTIVE DIRECTOR  
HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION

FROM: EDWIN H. SNIFFEN   
DIRECTOR OF TRANSPORTATION

SUBJECT: CONSULTATION FOR AN ENVIRONMENTAL ASSESSMENT (EA)  
EXEMPTION  
AIKANAHA RESIDENCES PHASE 1 AND PHASE 2  
WAILUKU, MAUI, HAWAII  
TAX MAP KEY: (2) 3-6-002: 003

Thank you for your letter, dated May 17, 2024, requesting the Hawaii Department of Transportation's (HDOT) review and comments on the subject EA exemption. HDOT understands that Aikanaha Partners LP is proposing to build 212 affordable rental units on approximately 11.78-acres of land in three parcels located within the Waikapu Country Town (WCT) master planned community.

HDOT has the following comments:

1. HDOT supports the development of affordable housing for the public.
2. HDOT appreciates the 96-foot-wide open space setback from Honoapiilani Highway.
3. The project is located within the WCT and is subject to specific WCT development standards. The WCT Master Plan Final Environmental Impact Statement (EIS) includes a Traffic Impact Analysis Report (Appendix L) and a traffic memo (Appendix M) that presented a scenario without the Waiale Bypass. Year 2026 was used as the projected year of full WCT project build-out for the traffic studies.

# Exhibit 9

JAMES KUNANE TOKIOKA, DIRECTOR

STP 8.3770

June 21, 2024

Page 2

The key land use approvals for the project included the State Land Use Boundary Amendment petition under Docket No. A15-798 (2018), and County of Maui zone changes under Ordinance 4998 (2019).

Significant adverse regional impacts to traffic conditions were identified in the EIS traffic studies and traffic mitigation measures were identified as conditions of the land use approvals and amendments. The traffic related conditions include a Memorandum of Agreement among WCT landowners, the County of Maui, and the HDOT which details the pro rata fair share calculations for WCT's state highway improvements.

Please amend the consultation materials to discuss the WCT land use approval history after the 2016 EIS, the status of the traffic-related conditions, and the Aikanaha Partners LP shared responsibility to meet the outlined conditions.

4. The proposed residence project is approximately 4.14 miles from the property boundary of Kahului Airport (OGG). All projects within 5 miles from Hawaii State airports are advised to read the Technical Assistance Memorandum (TAM) for guidance with development and activities that may require further review and permits. The TAM can be viewed at this link: [http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOTAirports\\_08-01-2016.pdf](http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOTAirports_08-01-2016.pdf).
5. Due to the project's proximity to OGG, the applicant and future residents should be aware of potential single event noise from aircraft operations. There is also a potential for fumes, smoke, vibrations, odors, etc., resulting from occasional aircraft flight operations over or near the project. These incidences may increase or decrease over time and are dependent on airport operations.
6. The proposed development shall not provide landscape and vegetation that will create a wildlife attractant, which can potentially become a hazard to aircraft operations. Please review the Federal Aviation Administration (FAA) Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants On Or Near Airports for guidance. If the project's landscaping creates a wildlife attractant, the developer shall immediately mitigate the hazard upon notification by the HDOT and/or FAA.

Please submit any subsequent land use entitlement related requests for review or correspondence to the HDOT Land Use Intake email address at [DOT.LandUse@hawaii.gov](mailto:DOT.LandUse@hawaii.gov).

If there are any questions, please contact Mr. Blayne Nikaido, Planner, Land Use Section of the HDOT Statewide Transportation Planning Office at (808) 831-7979 or via email at [blayne.h.nikaido@hawaii.gov](mailto:blayne.h.nikaido@hawaii.gov).

# Exhibit 10

JOSH GREEN, M.D.  
GOVERNOR



KEITH T. HAYASHI  
SUPERINTENDENT

**STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
KA 'OIHANA HO'ONA'AUAO  
P.O. BOX 2360  
HONOLULU, HAWAII 96804**

OFFICE OF FACILITIES AND OPERATIONS

June 24, 2024

Mr. Chris Woodard  
Chief Planner  
Hawaii Housing Finance and Development Corporation  
677 Queen Street, Suite 300  
Honolulu, Hawaii 96813

Re: Consultation for an Environmental Assessment Exemption  
Aikanaha Residences Phase 1 and Phase 2  
Subdivision TC-5 located at 1670 Honoapiilani Highway, Wailuku, Maui  
Tax Map Key: 3-6-002:003

Dear Mr. Woodard:

Thank you for your letter dated May 17, 2024. The Hawaii State Department of Education (Department) has reviewed the information provided and has the following comment on Aikanaha Residences Phase 1 and Phase 2 (Project).

The Department has determined that the Project's tax map key number is covered by an Educational Contribution Agreement for Waikapu Country Town.

Should you have any questions, please contact Cori China, Professional Worker of the Facilities Development Branch, Planning Section, at (808) 784-5080 or via email at [cori.china@k12.hi.us](mailto:cori.china@k12.hi.us).

We appreciate the opportunity to comment.

Sincerely,

Roy Ikeda  
Interim Public Works Manager  
Planning section

RI:ctc

c: Facilities Development Branch

# Exhibit 11

**From:** [Kurt Wollenhaupt](#)  
**To:** [Watase, Dean K](#)  
**Subject:** [EXTERNAL] Aikanaha Residences and Consultation for an EA Exemption from Current Planning County of Maui  
**Date:** Wednesday, May 22, 2024 12:38:19 PM  
**Attachments:** [Ord. 4997.pdf](#)  
[WCT Implementation of Design Guidelines.pdf](#)

---

Dear Dean:

Waikapu Country Town (WCT) and its developments, including the Aikanaha Residences, are reviewed under Ordinance 4997 (attached below) and by extensive design guidelines along with a design review process outlined in Section 9 of the Design Guidelines (attached below). I also would like to mail you the complete Design Guidelines book which is 161 pages via mail. Is your address 677 Queen Street, Suite 300 in Honolulu?

Please indicate in your review of the Environmental Assessment Exemption how this project adheres to the form-based Code and Design Guidelines for multi-family buildings and a letter from the WCT-Design Review Board with their comments on Aikanaha Residences project design.

Thank you.

Kurt Wollenhaupt  
Planner  
County of Maui

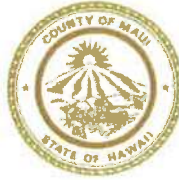
# Exhibit 12

**RICHARD T. BISSEN, JR.**  
Mayor

**JOSIAH K. NISHITA**  
Managing Director

**PATRICK S. MCCALL**  
Director

**SHANE T. DUDOIT**  
Deputy Director



**DEPARTMENT OF PARKS AND RECREATION**  
COUNTY OF MAUI  
700 HALI'A NAKOA STREET, UNIT 2  
WAILUKU, MAUI, HAWAII 96793  
[www.maui-county.gov](http://www.maui-county.gov)

June 18, 2024

Chris Woodard, Chief Planner  
State of Hawaii  
Department of Business, Economic Development & Tourism  
Hawaii Housing Finance and Development Corporation  
677 Queen Street, Suite 300  
Honolulu, HI 96813

Dear Mr. Woodard:

**SUBJECT: CONSULTATION FOR AN ENVIRONMENTAL ASSESSMENT EXEMPTION, AIKANAHA RESIDENCES PHASE 1 AND PHASE 2, SUBDIVISION TC-5 LOCATED AT 1670 HONOAPIILANI HIGHWAY, WAILUKU, MAUI, HAWAII, TMK (2) 3-6-002:003 (POR.)**

Thank you for the opportunity to review and comment on the subject project.

The Department of Parks and Recreation's (DPR) February 2016 response letter to the Draft Environmental Impact Statement for the proposed Waikapu County Town development requested continued discussions with the applicant regarding the proposed 18.5-acre park to be dedicated to the County as compliance with the park assessment requirements per MCC 18.16.320. DPR expressed interest in discussing how the project would tie into and augment the neighboring Waikapu Park and Community Center and the future County Baseyard and Central Maui Regional Park. As of yet, the Park Assessment Agreement for the Waikapu Country Town Project District has not yet been executed.

In addition, DPR's review of the subject 212-unit affordable housing subdivision noted that it was not clearly described nor depicted on the site plans included in the Waikapu Country Town Final Environmental Impact Statement (December 2016). Also, the developer is required to enter into a residential workforce housing agreement with the Department of Housing and Human Concerns.

# Exhibit 12

Chris Woodard, Chief Planner  
State of Hawaii  
June 18, 2024  
Page 2

DPR recommends for the preparation of an Environmental Assessment (EA) for the subject development.

Should you have any questions, please feel free to contact me or Samuel Marvel, Chief of Planning and Development, at samual.marvel@co.maui.hi.us or (808) 270-7931.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick S. McCall", written in a cursive style.

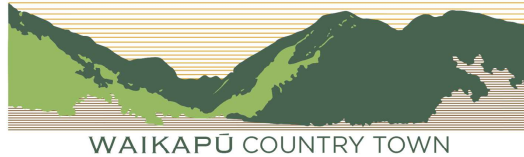
PATRICK S. MCCALL  
Director of Parks and Recreation

c: Samuel A. Marvel, Chief of Planning and Development

PSM:SAM:csa



# Exhibit 13



July 19, 2024

Mr. John Bacigalupi  
Pacific Development Group  
343 E. Main Street, 10<sup>th</sup> Floor  
Stockton, CA 95202

Re: Aikanaha Residences - Design Review

Aloha John,

Thank you for your submittal of architectural plans and other related documents, including cross-checking Ordinance 4997 compliance, allowing our Design Review Board ("DRB") to study in detail your proposed development within Parcel N5 of Waikapu Country Town ("WCT"). For your reference going forward, please find attached a recorded copy of WCT's Master Declaration of CC&R's.

Regarding your questions re the adjacent park, please be advised we have shared drafts of a park design and rough grading plan with the County and are awaiting the scheduling of a meeting so we can complete a Park Assessment Agreement. See attached draft plan for reference.

**Please receive this letter as our DRB acceptance of the proposed design of Aikanaha Residences on Parcel N5.** Please copy us on future plan submittals to the County so that we can ensure your design is consistent with what has been submitted to us. There is no review fee due at this time.

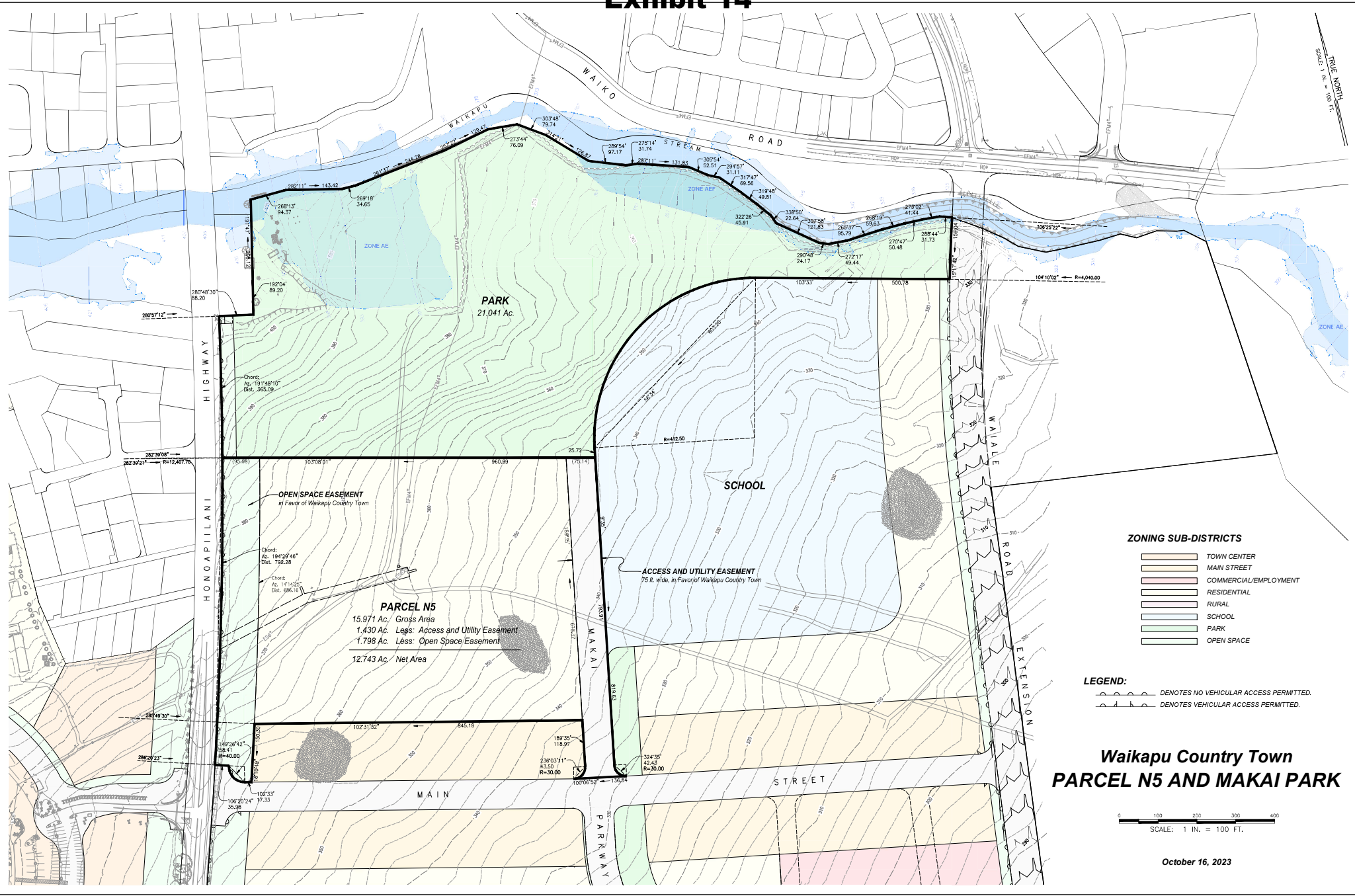
Sincerely,



Albert Boyce - Manager  
Waikapu Properties, LLC

cc: Jeff Ueoka

# Exhibit 14



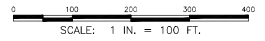
TRUE NORTH  
SCALE: 1 IN. = 100 FT.

- ZONING SUB-DISTRICTS**
- TOWN CENTER
  - MAIN STREET
  - COMMERCIAL/EMPLOYMENT
  - RESIDENTIAL
  - RURAL
  - SCHOOL
  - PARK
  - OPEN SPACE

**LEGEND:**

- DENOTES NO VEHICULAR ACCESS PERMITTED.
- DENOTES VEHICULAR ACCESS PERMITTED.

## Waikapu Country Town PARCEL N5 AND MAKAI PARK



October 16, 2023

V:\Projects\139600\139600\_0308\139600\_0308.dwg - Parcel N5 and N6 - 03.dwg