

July 16, 2021

Marc Takamori, Director
County of Maui
Department of Transportation
Maui County Service Center
110 Ala'ihi Street, Suite 210
Kahului, Hawai'i 96732

SUBJECT: Draft 201H-38 Hawai'i Revised Statutes Application for proposed
Hökūao 201H Housing Project at TMKs (2)4-9-002:061 (POR.), (2)4-
9-014:001 (POR.) and 009 (POR.), Lāna'i City, Hawai'i.

Dear Mr. Takamori:

Thank for your letter dated March 17, 2021, on the subject project. On behalf of Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we acknowledge that the Department of Transportation does not have any comments at this time.

We appreciate your input and will include a copy of your comment letter and this response in the final 201H-38 Hawai'i Revised Statutes Application. Should you have any questions or require further information regarding the proposed action, please contact me at 244-2015.

Very truly yours,



Chris Sugidono
Senior Associate

CEJS:ab

Cc: Buddy Almeida, County of Maui, Department of Housing and Human Concerns
Keiki-Pua Dancil, Pūlama Lāna'i

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MICHAEL P. VICTORINO
Mayor

MICHELE CHOUTEAU MCLEAN, AICP
Director

JORDAN E. HART
Deputy Director



APR 11 2021

DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

April 1, 2021

Mr. Chris Sugidono, Senior Associate
Munekiyo Hiraga
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Sugidono:

SUBJECT: REQUEST FOR COMMENTS REGARDING THE DRAFT APPLICATION FOR THE PROPOSED HOKUAO 201H-38 HOUSING PROJECT, LOCATED IN LANAI CITY, ISLAND OF LANAI, HAWAII; TMKS: (2) 4-9-002:61 (POR.), (2) 4-9-014:001 (POR.), AND (2) 4-9-014:009 (POR.) (RFC 2021/0042)

The Department of Planning (Department) is in receipt of the draft application for the proposed Hokuao 201H-38 Residential Housing Project. The Department understands from the project summary that the Hokuao Housing Project comprises approximately 76 acres of land in Lanai City. Hokuao is proposed to be developed as an affordable housing project under the provisions of Hawaii Revised Statutes (HRS) Chapter 201H. The Hokuao project proposes: 150 single family homes (76 affordable homes for lease, 74 market rate homes for lease); lot sizes will be generally 8,000 square feet; and homes will reflect the existing design vernacular of Lanai City. Along the east edge bordering the school fields, the project provides a one-acre park, a 1,500 square foot community center for use by the Lanai community, and 60 parking stalls for use by the Hokuao project residents. An existing drainage swale on the western boundary carries storm water away from the existing town and community center. On the western flank, the project sets back from the existing wastewater treatment plant (WWTP) with a 600 foot buffer between the closest lot at the WWTP edge.

Further, the Department understands that the use of County lands for the relocation of existing sewer lines and improvements in the County right-of-way for Ninth and Twelfth Streets is the HRS 343 trigger for the preparation of an Environmental Assessment (EA). The approving agency for the EA is the Department of Housing and Human Concerns, County of Maui. The EA covers actions for the State Land Use Commission District Boundary Amendment review and the Maui County Council 201H affordable housing application review.

The Department offers the following comments, which it also transmitted to the Department of Housing and Human Concerns in its January 22, 2021, letter in response to a Request for Comment on the Draft EA. Furthermore, the Department is attaching a letter outlining comments from the Lanai Planning Commission on the proposed project. These comments were generated from a meeting held by the Commission on January 20, 2021. This letter is referenced as **Exhibit 1. Please address comments from both this letter and Exhibit 1 in the combined EA/201-H38 review.**

For reference, the Department's comments are as follows:

1. The Department notes split land use designations for the parcel with regards to County Community Plan designations and County Zoning. Please overlay the detailed project site plan on maps/diagrams showing each of these plan and zoning designations and the "splits" for the project site in the DEA.
2. The Applicant requests an exemption from Section 18.20.070 Maui County Code (MCC), Sidewalks. Many traffic-related tragedies, including those involving pedestrians, can be prevented by taking a proactive and preventive approach to roadway safety. In line with Vision Zero, Complete Street principles are also paramount to healthy and safe communities. Complete Streets are designed and operated to enable safe access for all users including pedestrians, bicyclists, motorists and transit riders (e.g. DOE, MEO) of all ages and abilities. Communities that are designed and constructed with these fundamental and critical planning principles provide for socially equitable, convenient, safe and healthy living opportunities for all residents. Statistics indicate that pedestrian and bicycle related fatalities and injuries occur on both urban and rural roadways and in some cases there are more pedestrian deaths in rural areas than in urban areas. Maui County is currently in the process of developing a Vision Zero Maui Action Plan, with input from the Vision Zero Advisory Group, community members and partners, to identify strategies that will eliminate preventable traffic deaths and injuries. In light of the foregoing, the Department asks the Applicant to consider dedicated pedestrian connectivity throughout the project via walkways/sidewalks made of grasscrete, asphalt or concrete that connect to the project entry main points. It is difficult to ascertain if such sidewalks are proposed within the project between dwellings.
3. A 1,500 square foot community center for use by the Lanai community and 60 parking spaces for use by the Hokuao project residents are proposed. Are there parking spaces dedicated for non-Hokuao residents who will be

using the community center? Please elaborate on the facilities inside the center and the process of administration and reservations for use.

4. The development proposes a reduction in the front yard setback to five feet from the normally required 15 feet in residential districts in order to expand the usable area of the back yard and to promote greater separation between houses. Please provide additional information on the promotion of a safe pedestrian experience and if a reduction to a five-foot front yard setback is a substantive benefit to the project and community, given that the lots average 8,000 square feet.
5. Evaluate the mix and location of market rate and affordable rate dwellings in order to prevent a segregation of units by rental price within the project.
6. Elaborate on the affordable rental rate program and how such a program will work if qualified affordable rental candidates cannot readily be found. Is there a tiered approach to rental similar to that in a for-purchase project? What priorities and procedures, if any, will be used to determine allocation of rental dwellings?
7. The community center and one-acre park should be completed prior to the occupancy of the first dwelling unit.
8. Provide adequate storage space on-site for lawn and other equipment to maintain the property.
9. Provide a detailed site plan showing trash enclosure areas, all 60 parking spaces available to project residents, sidewalks and connectivity patterns from Ninth and Twelfth Streets, proposed house types on each lot, architectural design of the community center, and proposed signage for the project.
10. Do the units include a washer and dryer? If not, the Applicant should provide an onsite laundry facility for its residents (similar to Lahaina Surf, Front Street Apartments, Hale Mahaolu Kulamalu, Luana Gardens, etc.).
11. The Department is concerned about the project's proximity to the WWTP and requests the Applicant to assess wind patterns and smells with regards to the project location. Are there alternative site plans to reduce this possible nuisance?

12. Estimates of project absorption up to into eight years in the future, depending upon the timeline of other residential project buildouts on Lanai. As the Draft EA anticipates the 76 rental workforce homes will be oversubscribed, discuss the merits and concerns about increasing the ratio of affordable to market rate rentals for the project.
13. Good design is always critical, especially in affordable communities. Provide a series of streetscapes that demonstrates the look of homes along a typical street section. The Department requests that multiple dwelling elevations be mixed throughout the community to enhance visual interest.
14. Discuss the pros and cons of adding carports to the homes with slab parking and whether such carports could be used for the installation of photovoltaic panels.
15. Discuss installing photovoltaic panels on the roofs of the project houses to help offset energy demands and costs.
16. Are there fence separations between homes on the side and backyards? If so, what materials will be used for these fences?
17. Landscaping is frequently difficult to maintain. How will lawn maintenance and landscaping be done? Will individuals be able to personalize their dwellings with plantings?
18. What is the proposal for project lighting, especially with regards to pedestrian safety and dark skies?
19. The landscaping plan should consider the incorporation and the use of grass swales or bio swales, tailored to native plants, to capture and naturally filter urban storm water runoff from the parking lot for the 60 vehicles.

Thank you for the opportunity to comment on the preparation of the DEA for the Hokuao 201H Residential Project. Should you require further clarification, please contact the Planning Department at planning@mauicounty.gov or at (808) 270-8205.

Sincerely,


MICHELE MCLEAN, AICP
Planning Director

Mr. Chris Sugidono, Senior Associate
April 1, 2021
Page 5

1. Exhibit 1: January 22, 2021, letter from Lanai Planning Commission on Draft EA

xc: Jordan E. Hart, Deputy Director (PDF)
Clayton I. Yoshida, AICP, Planning Program Administrator (PDF)
John S. Rapacz, Planning Program Administrator (PDF)
Kurt F. Wollenhaupt, Staff Planner (PDF)
Kathleen Aoki, Planning Program Administrator (PDF)
Pam Eaton, Planning Program Administrator (PDF)
Paul Critchlow, Staff Planner (PDF)
LoriAnn Tzuhako, Direct, Department of Housing and Human Concerns (PDF)
Linda Munsell, Deputy Director, Department of Housing and Human Concerns (PDF)
Keiki-Pua Dancil, Pulama Lanai (PDF)
Peter Young, Consultant (PDF)
Buddy Almeida, Housing Administrator, DHHC (PDF)
Karlynn Fukuda, President, Munekiyo Hiraga (PDF)
Project File

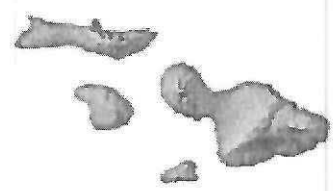
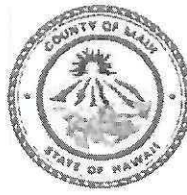
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MICHAEL P. VICTORINO
Mayor

MICHELE CHOUTEAU MCLEAN, AICP
Director

JORDAN E. HART
Deputy Director



DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

January 22, 2021

Mr. Buddy Almeida, Housing Administrator
County of Maui, Housing Division
2065 Main Street, Suite 108
Wailuku, Hawaii 96793

Dear Mr. Almeida:

**SUBJECT: REQUEST FOR COMMENTS REGARDING THE
PREPARATION OF AN ENVIRONMENTAL ASSESSMENT (EA)
FOR THE PROPOSED HOKUAO 201H-38 HOUSING PROJECT,
LOCATED IN LANAI CITY, ISLAND OF LANAI, HAWAII;
TMKS: (2) 4-9-002:61 (POR.), (2) 4-9-014:001 (POR.), AND
(2) 4-9-014:009 (POR.) (EAC 2020/0015)**

The Lanai Planning Commission (LPC) received the proposed Hokuao 201H-38 Residential Housing Project Request for Comments of the Draft Environmental Assessment (DEA) transmitted by the County of Maui Department of Planning. The LPC understands that the proposed Hokuao Housing Project comprises approximately 76-acres of land in Lanai City. Hokuao is proposed to be developed as an affordable housing community under the provisions of Hawaii Revised Statutes (HRS) Chapter 201H. The Hokuao project proposes: 150 single family homes (76 affordable homes for lease, 74 market rate homes for lease); lot sizes will be generally 8,000 square feet; and homes will reflect the existing design vernacular of Lanai City. Along the east edge bordering the school fields, the project provides a one-acre park, a 1,500 square foot community center for use by the Lanai community, and 60 parking stalls for use by the Hokuao project residents. An existing drainage swale on the western boundary carries storm water away from the existing town and community center. On the western flank, the project sets back from the existing wastewater treatment plant (WWTP) with a 600 foot buffer between the closest lot at the WWTP edge.

Further, the LPC understands that Applicant/Petitioner notes the use of county lands for the relocation of existing sewer lines and improvements in the County right-of-way for Ninth and Twelfth Streets is the HRS 343 trigger for the preparation of an EA. The approving agency for the EA is the Department of Housing and Human Concerns, County of Maui. The EA covers actions for the State Land Use Commission District Boundary Amendment review and the Maui County Council 201H affordable housing application review.

The LPC offers the following comments.

1. The LPC requests that the Applicant explain why the focus on providing affordable housing to the Lanai community appears to have shifted from a for-sale model to this 100% rental community, as was described in prior community meetings and in appendices of the DEA. Although the Commission recognizes the urgent need for housing on Lanai and supports a range of residential products, it recognizes the

hopes and expectations of community members that new housing projects would be available for fee simple ownership. Explain this shift to developing rental housing, rather than for-sale housing.

2. The LPC brought up a housing list which likely consists of people waiting for affordable housing. Will this list and names be used during the selection process for affordable rentals at this project? And if so, how would the list be used?
3. Part of the role of an EA is to explore alternatives to the project. While some discussion is noted in the DEA, the LPC would like to see alternative scenarios discussed as follows:
 - a. Analyze the alternative of developing a rent-to-own plan for some or the entire project.
 - b. Analyze the alternative of making this project a for sale affordable project.
 - c. Analyze the alternative of making some of the affordable homes "for sale" rather than only "for rent."
 - d. Analyze the alternative of making some of the affordable homes either a four or three bedroom dwelling, under for rent or for sale scenarios. None of the affordable homes are four bedrooms, yet many large families on Lanai are expected to be significantly under-housed due to the typical small size of dwelling units on the island of Lanai.
4. The LPC recognizes the legal and administrative challenges of targeting the affordable rental homes to specific groups such as teachers, nurses, long-time Lanai residents, longtime Lanai renters, small business owners, etc.; however, the LPC requests a discussion in the FEA of criteria for rental selection and methods that may be employed to assist in targeting this affordable rental community to high priority groups as previously mentioned. In particular, the LPC requests the Applicant clarify how this project will specifically support long-time Lanai residents/families who intend to live here long-term but have not been able to afford their own home. Please clarify the intent to whom this housing will be targeted, and the role Pulama Lanai will play in the renter selection process if any. Discuss potential lease terms for renters.
5. Please respond to the concern expressed that the proposed project would be used to house construction workers arriving from off-island for future projects, rather than for existing, qualifying residents in need of housing.
6. Clarify that Lanai Housing and Urban Development guidelines for affordable income limits for rental units will be employed for this project, recognizing the higher cost of living on Lanai. What are the target ranges of AMI to be considered for this project and associated rental rates?

7. Page 102 of the DEA states, *"Well 7 was drilled in 1987, it will be the water source for the Hokuao project. Well 7 is at ground level of 2,100 feet; the well depth is 1,650 feet. The well is expected to average sustainable pumping of 300,000 GPD; as noted in the following, the estimated water demand is lower than 121,700 GPD. The project fits within the Lanai WUDP. Well 7 has never been in regular use. Activating and using Well 7 has been identified as the planned source for domestic water needs at Hokuao 201H Housing Project."*

The LPC would like the FEA to describe the current status of Well 7, when the water was last tested at Well 7 and what the results were, and what the anticipated date of activation and use of Well 7 are.

8. Page 209 of the DEA states, *"Homes may include solar photovoltaic on-site generation with individual home battery."* Who would pay for such an installation on rental units? How would energy savings be passed through to the renter? What criteria would be used to determine which units could have PV installed?
9. Discuss the applicability of **HRS §196-6.5 Solar water heater system required for new single-family residential construction** for this project and any proposed applications for a variance from this requirement.
10. Local experience indicates that Kona winds will result in odor from the WWTP south/southwest of the Project. Please explain the methodology of determining that odors from the WWTP would only be a minor issue, and who made that determination.
11. Page 139 of the DEA states, *"At build-out the average daily de facto population of the community will be some 418 fulltime residents. The cumulative resident household income during the first 10 years of occupancy will total \$70.4 million, and will stabilize at \$12.1 million annually thereafter."* Discuss why the Applicant believes such estimates of household income are important for this project review. Is an increase in median income anticipated? If so, will that increase be driven by an increase in wages of current residents, or new residents to the island? Does the Applicant believe this new income will be generated by off-island residents moving to Lanai? If the homes are for people who are already on Lanai, does it make sense to discuss the total household income of the community when potential tenants may just be moving from another part of town to this new rental project?
12. Further elaborate on water usage and provide data that shows the project's proposed water demand, plus the island's current water usage combined with the approved water allocation for entitled projects. Plot this data graphically against the threshold set by the Commission on Water Resource Management. This data should be shown in an easily read graphical format. Please state the level of approved water consumption where the need for a well on the windward side of

the island will be triggered in the context of the current level of approved water consumption.

13. Page 9 of the DEA states, "*The project also includes a one-acre park, a 1,500 square foot community center for use by the Lanai community, and 60-parking stalls for use by the Hokuao project residents.*" What are these 60 parking stalls for project residents intended to be used for? Are residents allowed to park extra vehicles in these stalls? Are these stalls to be used by residents when they are using the community center? Where are non-project residents to park when they make use of the community center?
14. Where are resident's guests to park when visiting? What provision for parking is made for residents who have more than two cars? Is there adequate off-street parking for additional cars for residents and/or visitors?

Thank you for the opportunity to comment on the preparation of the EA for the Hokuao 201H Residential Project. Should you require further clarification, please contact the Planning Department at planning@mauicounty.gov or at (808) 270-8205.

Sincerely,



MICHELE MCLEAN, AICP
Planning Director

xc: Jordan E. Hart, Deputy Director (PDF)
Clayton I. Yoshida, AICP, Planning Program Administrator (PDF)
John S. Rapacz, Planning Program Administrator (PDF)
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Buddy Almeida, Housing Administrator, DHHC (PDF)
LoriAnn Tshako, Director, DHHC (PDF)
Karlynn Fukuda, President, Munekiyo Hiraga (PDF)
Leilani Ramoran (PDF)
Members of the Lanai Planning Commission (PDF) to be sent by Leilani Ramoran
Project File

MCM:KFW:lp

K:\WP_DOCS\Planning\EAC\2020\0015_Hokuao201HHousing\LPC Hokuao 201H Comment Letter

July 16, 2021

Michele McLean, Planning Director
County of Maui
Department of Planning
2200 Main Street, Suite 315
Wailuku, Hawai'i 96793

SUBJECT: Draft 201H-38 Hawaii Revised Statutes Application for proposed Hōkūāo 201H Housing Project at TMKs (2)4-9-002:061 (POR.), (2)4-9-014:001 (POR.) and 009 (POR.), Lāna'i City, Hawai'i.

Dear Ms. McLean:

Thank for your letter dated April 1, 2021, on the subject project. On behalf of Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we are providing responses in the attached **Exhibit "A"**, **Exhibit "B"**, and **Exhibit "C"**. The responses follow in the order of the comments in your letter. We note that the comments provided were similar to the comments provided on the Draft Environmental Assessment (EA) document. As such, the attached exhibits are the responses to the Department's and Lāna'i Planning Commission's Draft EA comments.

We appreciate your input and will include a copy of your comment letter and this response in the final 201H-38 Hawai'i Revised Statutes Application. Should you have any questions or require further information regarding the proposed action, please contact me at (808) 244-2015, extension 221.

Very truly yours,



Chris Sugidono
Senior Associate

CEJS:ab
Attachments

Cc: Buddy Almeida, County of Maui, Department of Housing and Human Concerns (w/attachments)
Keiki-Pua Dancil, Pūlama Lāna'i (w/attachments)

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Exhibit “A”

County of Maui, Planning Department

Response to Draft 201H-38 Comments

Comment 01: The Department notes split land use designations for the parcel with regards to County Community Plan designations and County Zoning. Please overlay the detailed project site plan on maps/diagrams showing each of these plan and zoning designations and the “splits” for the project site in the DEA.

Response 01:

Although the comment is not within the scope of the draft Environmental Assessment (DEA), the applicant recognizes the comment regarding the request and will provide the Department with information in **Exhibit “B”**. The following table is provided to assist in the “splits.”

TMK No.	Zoning: Community Plan	Zoning: County
[2] 4-9-002:061 (por)	Park	AG Agriculture
[2] 4-9-014:001 (por)	Park	Interim
	Public/ Quasi-public	Interim
	Mixed-Use Residential	Interim
	Open Space	Road
	Park	Road
		Road
[2] 4-9-014:009 (por)	Open Space	OS 2 Active Open Space
	Public/ Quasi-public	OS Open Space
	Park	OS Open Space

Comment 02: The Applicant requests an exemption from Section 18.20.070 Maui County Code (MCC), Sidewalks. Many traffic-related tragedies, including those involving pedestrians, can be prevented by taking a proactive and preventive approach to roadway safety. In line with Vision Zero, Complete Street principles are also paramount to healthy and safe communities. Complete Streets are designed and operated to enable safe access for all users including pedestrians, bicyclists, motorists and transit riders (e.g. DOE, MEO) of all ages and abilities. Communities that are designed and constructed with these fundamental and critical planning principles provide for socially equitable, convenient, safe and healthy living opportunities for all residents. Statistics indicate that pedestrian and bicycle related fatalities and injuries occur on both urban and rural roadways and in some cases there are more pedestrian deaths in rural areas than in urban areas. Maui County is currently in the process of developing a Vision Zero Maui Action Plan, with input from the Vision Zero Advisory Group, community members and partners, to identify strategies that will eliminate preventable traffic deaths and injuries. In light of the foregoing, the Department asks the Applicant to consider dedicated pedestrian connectivity throughout the project via walkways/sidewalks made of grasscrete, asphalt or concrete that connect to the project entry main points. It is difficult to ascertain if such sidewalks are proposed within the project between dwellings.

Exhibit “A”

County of Maui, Planning Department

Response to Draft 201H-38 Comments

Response 02:

On page 14 in the Draft Environmental Assessment (“DEA”), there is a discussion about the master planning for the Hōkūāo 201H Housing Project, which highlights the pedestrian connectivity throughout the the Hōkūāo 201H Housing Project. (See **Figure 1**).

- Along Ninth Street (extension), one of the primary ingress/egress roads, there will be curb/gutter and pedestrian sidewalks connecting the the Hōkūāo 201H Housing Project to Lāna‘i City.
 - The extension will have no parking signs along both sides for the first 250 feet.
 - The Ninth Street (extension) sidewalk will start at Fraser Avenue being 5.5 feet wide, then after the first 250 feet, it will be 7.5 feet wide, then go to 8 feet wide to the end of the roadway.
- The Twelfth Street (extension), the other primary ingress/egress road, sidewalk will be 8 feet wide throughout.

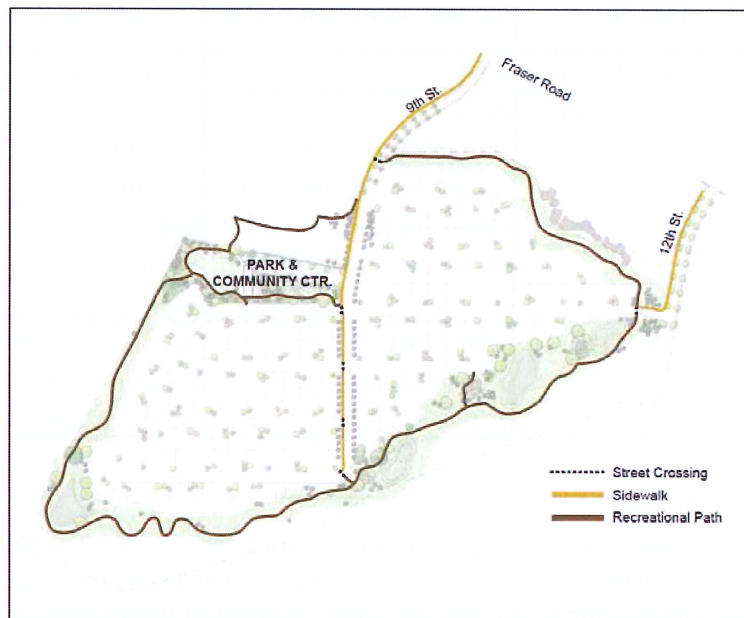


Figure 1: Sidewalk and Recreational path diagram for the Hōkūāo 201H Housing Project (see legend).

Comment 03: A 1,500 square foot community center for use by the Lanai community and 60 parking spaces for use by the Hokuao project residents are proposed. Are there parking spaces dedicated for non-Hokuao residents who will be using the community center? Please elaborate on the facilities inside the center and the process of administration and reservations for use.

Response 03:

Although the comment is not within the scope of the draft Environmental Assessment (“DEA”), the applicant recognizes the comment regarding the parking stalls located near the community center, details regarding facilities inside the center, and the process of administration and reservation for use.

The parking lot is intended to be used by community members (residents of Hōkūāo and non-residents of Hōkūāo) when visiting the community center or park.