County of Maui, Planning Department

Response to Draft 201H-38 Comments

The detailed design of the community center has not been finalized. The process of administration and reservation for use will be managed by Pūlama Lāna'i, this process has not been finalized as well.

<u>Comment 04:</u> 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.

Response 04:

See response to Comment 02. In addition, see the graphic below of streetscape renderings of a "typical" residential street. (See **Figure 2**).

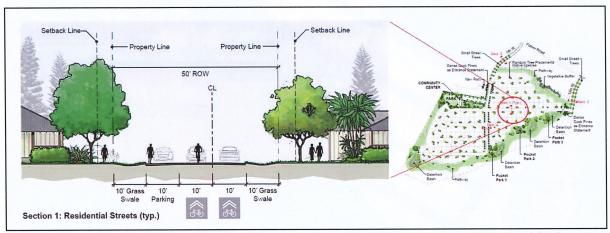


Figure 2: The graphic on the left is a "typical" streetscape in the residential streets, the graphic on the right shows you where this typical street is located within the Hōkūao 201H Residential Project.

<u>Comment 05:</u> 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.

Response 05:

The Hōkūao 201H Housing Project is compliant to the 201H guidelines, at least 51% of the proposed units would be rented at affordable rates as outlined by the County guidelines for Lāna'i. In the DEA on page 29, the project site plan is shown (conceptual lot plan). The market units surround the perimeter of the project and the affordable units comprise the center of the project site. There is no segregation of units by rental price within the project. (See **Figure 3**). Additionally, the affordable units and 2 bedroom market units are proposed to utilize the same plans and would therefore, be indistinguishable.

County of Maui, Planning Department

Response to Draft 201H-38 Comments

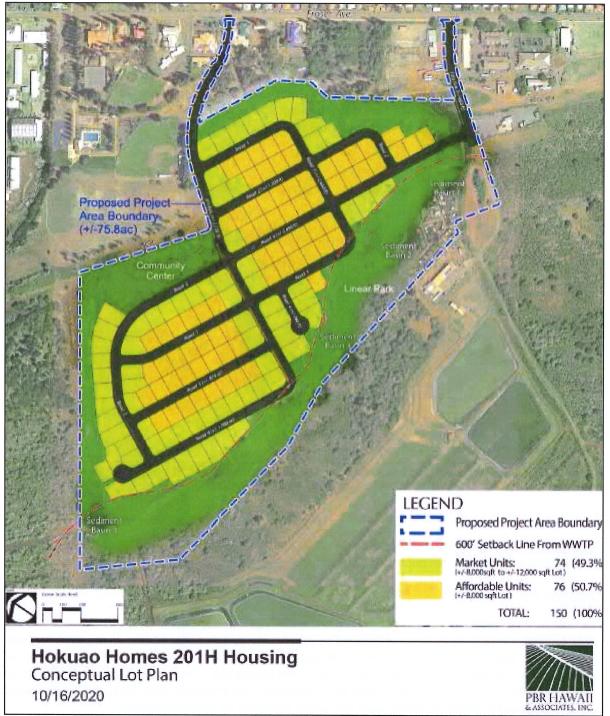


Figure 3: Market units are identified as "neon" green on the perimeter of the site plan and affordable units are identified as "orange" in the interior of the site plan.

County of Maui, Planning Department

Response to Draft 201H-38 Comments

<u>Comment 06:</u> 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?

Response 06:

Although the comment is not within the scope of the Draft Environmental Assessment ("DEA"), the applicant recognizes the comment regarding the affordable rental program. Several community meetings and smaller focus group meetings, facilitated by the applicant, have occurred regarding the Hōkūao 201H Housing Project over the last five years. The applicant evaluated many factors, including but not limited to comments and feedback received from the community, completed studies, laws, and <u>current market conditions</u> in the design and offering for the Hōkūao 201H Housing Project. The applicant's proposed project is the collective outcome of these considerations.

The applicant manages many rental units for the workforce on Lāna'i. The Hōkūao 201H Housing Project will add an additional 150 units, which is needed on the island. The applicant has visibility into the workforce on Lāna'i (demand) and is confident that there will be qualified candidates for the affordable units. The applicant has not finalized the rental application process at this time.

<u>Comment 07:</u> The community center and one-acre park should be completed prior to the occupancy of the first dwelling unit.

Response 07:

Although the comment is not within the scope of the Draft Environmental Assessment ("DEA"), the applicant recognizes the comment regarding schedule and timing for building the community center and one-acre park relative to the occupancy of the first dwelling unit.

<u>Comment 08:</u> Provide adequate storage space on-site for lawn and other equipment to maintain the property.

Response 08:

Although the comment is not within the scope of the Draft Environmental Assessment ("DEA"), the applicant recognizes the comment regarding the request to provide adequate storage space on-site for lawn and other equipment to maintain the property.

¹ Pūlama Lāna'i Community Information Meetings 01AUG16 (Former DHHC Director Carol Reinmann was an invited guest presenter), 12NOV18, and 22FEB21.

² Global pandemic, the impact of the Coronavirus has affected the world, including Lāna'i.

County of Maui, Planning Department

Response to Draft 201H-38 Comments

<u>Comment 09:</u> 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.

Response 09:

Although the comment is not within the scope of the Draft Environmental Assessment ("DEA"), the applicant recognizes the comment.

In the DEA the following illustrations can be located:

- Page 20: conceptual architectural drawings of the site plan, front elevation, and side elevation for the two bedroom home
- Page 21: conceptual architectural drawings of the site plan, front elevation, and side elevation for the four bedroom home
- Page 28: sample landscape plan outlining the connectivity of Ninth and Twelfth Street from Fraser Avenue to the proposed project
- Page 69: conceptual rendering of site plan of two bedroom row of homes
- Page 70: conceptual rendering of site plan of four bedroom cul-de-sac of homes

The detailed design of the community center and associated parking lot has not been finalized. Conceptual drawings of the landscape plan show the general location of the community center and associated parking on page 68 of the DEA.

The proposed signage for the project has not been finalized. The applicant will comply with regulations in the Maui County Code regarding signage.

<u>Comment 10:</u> Do the units include a washer and dryer? If not, the Applicant should consider an onsite laundry facility for its residents (similar to Lahaina Surf, Front Street Apartments. Hale Mahaolu Kulamalu, Luana Gardens, etc.).

Response 10:

Although the comment is not within the scope of the Draft Environmental Assessment ("DEA"), the applicant recognizes the comment regarding inclusion of a washer and dryer or on-site laundry facilities.

The homes will include a washer and dryer.

County of Maui, Planning Department

Response to Draft 201H-38 Comments

<u>Comment 11:</u> 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?

Response 11:

Site selection

The project location was selected due to the proximity to Lāna'i City (extension of the City) and community amenities (e.g., school, market, businesses, etc.). It is close enough that future residents of the Hōkūao 201H Housing Project could walk to these establishments.

Proximity to the Wastewater Treatment Plant ("WWTP")

Exhibit D and Section 4.12 Air Quality (starting on page 152) of the DEA includes an extensive discussion regarding the air quality impacts of the project area. A study by B.D. Neal & Associates, included as Exhibit D, described the methodology and findings of potential short and long term air quality impacts that could occur as a result of construction and use of the proposed development and suggested mitigation measures to reduce any potential air quality impacts where possible and appropriate. Potential impacts on the proposed development from the nearby wastewater treatment facility (aka WWTP) was also evaluated. The study utilized both national and state ambient air quality standards ("AAQS").3

As detailed in Section 8 in Exhibit D, generally WWTPs are not considered significant sources of air pollution, but they can result in the release of small amounts of airborne odorous compounds. It is further stated that these types and compounds in the air are generally not considered hazardous to human health, but when they occur in high concentrations at offsite locations, they can be detected by smell and potentially constitute a nuisance for nearby residents and businesses.

A study was conducted and described in Section 8. Hydrogen sulfide measurements were collected, there were no measurable hydrogen sulfide concentrations at any location along the plant perimeter. It was recommended by the consultant that it would be prudent for the proposed project to maintain a buffer distance at least 300 to 600 feet from the WWTP boundary.⁵ The Hōkūao 201H Housing Project implemented the maximum recommendation buffer of 600 feet from the WWTP boundary (see **Figure 4**).

³ National AAQS are specified in Section 40, Part 50 of the Code of Federal Regulations, while State of Hawaii AAQS are defined in Chapter 11-59 of the Hawaii Administrative Rules. Table 1 in Exhibit D summarizes the standards.

⁴ Exhibit D Section 8 Waste Water Treatment Plant

⁵ Exhibit D Section 9 Conclusions and Recommendations

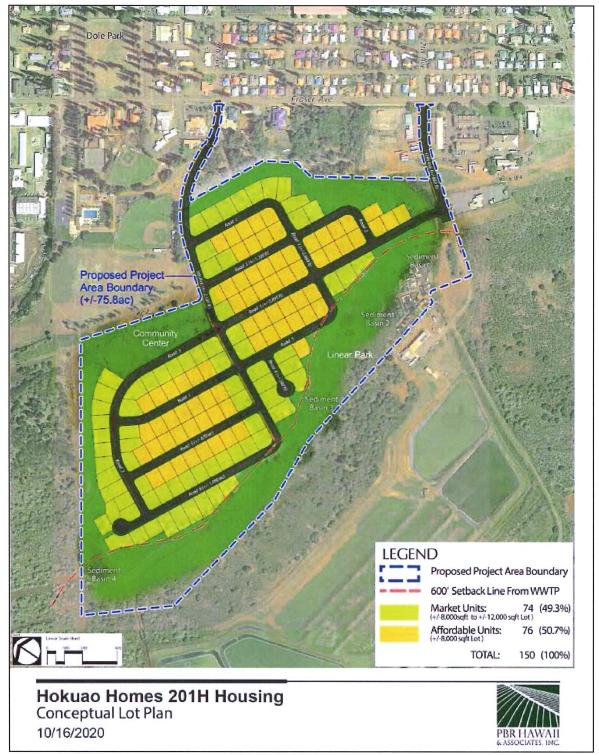


Figure 4: Dotted red line depicts the 600 foot setback line from the WWTP.

County of Maui, Planning Department

Response to Draft 201H-38 Comments

<u>Comment 12:</u> Estimates of project absorption run 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.

Response 12:

Although the comment is not within the scope of the Draft Environmental Assessment ("DEA"), the applicant recognizes the comment increasing the ratio of affordable to market rate rentals. Several community meetings⁶ and smaller focus group meetings, facilitated by the applicant, have occurred regarding the Hōkūao 201H Housing Project over the last five years. The applicant has evaluated many factors, including but not limited to comments and feedback received from the community, completed studies, laws, and current market conditions⁷ in the design and offering for the Hōkūao 201H Housing Project. The applicant's proposed project is the collective outcome of these considerations.

According to the 2019 American Community Survey, ⁸ Lāna'i has the lowest poverty rate in the County (see **Figure 5**). The applicant also has visibility into the income of their workforce. The applicant is concerned that the homes in the affordable category will sit empty if the ratio is increased to a higher proportion, due to income qualifications. Lāna'i is different than Maui. The main issue is the lack of inventory, not necessarily the "affordability" of homes. On Lāna'i, multi-generations live in one home because there is a lack of inventory, not because they cannot afford to relocate. As stated above, the applicant's proposed project, including the current ratio of affordable to market units, is the collective outcome of many considerations.

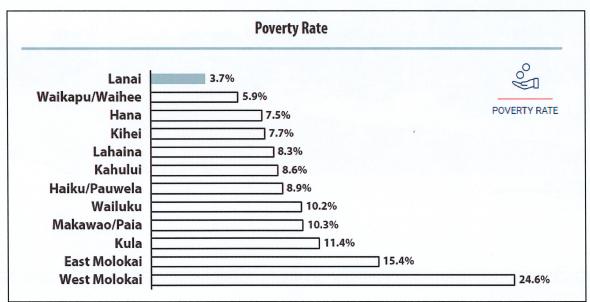


Figure 5: Poverty rate for Maui County according to 2019 American Community Survey.

⁶ Pūlama Lāna'i Community Information Meetings 01AUG16 (Former DHHC Director Carol Reinmann was an invited guest presenter), 12NOV18, and 22FEB21.

⁷ Global pandemic, the impact of the Coronavirus has affected the world, including Lāna'i.

⁸ Data downloaded on 16JAN21 from https://data.census.gov, 2019 American Community Survey