

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

January 10, 2020

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

EO 4590

Maui

Consent to Issuance of a Construction and Management Right-of-Entry by Hawaii Housing Finance and Development Corporation ("HHFDC") to County of Maui for Site Investigation, Planning, Design, Construction, Operation and Management of the New Maui Bus Hub on a Portion of Land Set Aside by Governor's Executive Order 4590 to HHFDC; Kahului, Island of Maui, Tax Map Key: (2) 3-7-004:003 (por.).

CONTROLLING AGENCY:

Hawaii Housing Finance and Development Corporation ("HHFDC")

APPLICANT:

County of Maui ("County")

LEGAL REFERENCE:

Sections 171-11 and 171-55, Hawaii Revised Statutes ("HRS"), as amended.

LOCATION

Portion of Government lands of "Kahului Mixed Use Project Site" situated at Kahului, Wailuku, Island of Maui, State of Hawaii, identified by Tax Map Key: (2) 3-7-004:003, as shown on the attached map labeled Exhibit A.

AREA:

0.73 acre, more or less.

ZONING:

State Land Use District:	Urban
County of Maui CZO:	B-2 Business-Community (draft)

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES__ NO X

CURRENT USE STATUS:

The portion of the TMK parcel designated for the new Maui bus hub is currently not in use, with remains of an unused parking lot.

CHARACTER OF USE:

Site investigation, planning, design, construction and management purposes.

TERM OF RIGHT-OF-ENTRY:

The term shall commence in January 2020 and expire upon execution of a ground lease for operation and management of the completed bus hub facility.

CONSIDERATION:

Gratis.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the Office of Environmental Quality Control's The Environmental Notice on October 08, 2019 with a finding of no significant impact (FONSI).

APPLICANT REQUIREMENTS:

Applicant shall be required to obtain written concurrence from all users of the subject property.

BACKGROUND

At its meeting of September 28, 2018, under agenda item D-3, the Board of Land and Natural Resources (“Board”) approved the cancellation of Governor’s Executive Order No. 3586 to the Department of Accounting and General Services (“DAGS”) and re-set aside to HHFDC, and the issuance of a management Right-of-Entry permit to HHFDC for the development of a mixed-use project at Kahului, Maui, TMK (2) 3-7-004: 003 (“Property”).

Pursuant to Senate Concurrent Resolution No. 145, S.D.1, from the 2017 legislative session, DAGS and HHFDC executed a Memorandum of Understanding (“MOU”) on February 1, 2018, to optimize development of the Property with a mixed-use project, including multi-family affordable rental housing, parking, office space and consideration of DAGS’ civic center needs in Kahului and Wailuku. Also, the County expressed interest in relocating its bus transit hub to a portion of the Property because it must vacate its current location by January 31, 2020.

The MOU indicates that the County’s parcel at 70 South High Street, Wailuku, Maui, designated as TMK (2) 3-4-013: 014 (“County Wailuku Parcel”), located adjacent to DAGS’ Wailuku Civic Center, also known as the State Office Building (“SOB”), may be available for long-term lease to DAGS for a complementary use with the SOB, subject to County Council approval.

Prior related Board approvals for this project have included:

1. September 28, 2018, Agenda Item D-3

Cancellation of Governor’s Executive Order No. 3586 and Reset Aside to Hawaii Housing Finance and Development Corporation (“HHFDC”); Issuance of Management Right-of-Entry to HHFDC for the Development of a Mixed-Use Project Consisting of Multi-Family Affordable Rental Housing, Office Space/Civic Center, Parking, New Maui Bus Hub and Other Incidental Uses Purposes; Kahului, Maui, Tax Map Key: (2) 3-7- 004:003

2. January 11, 2019, Agenda Item D-2

Amend Prior Board action of September 28, 2018, Agenda Item D-3, *Cancellation of Governor’s Executive Order No. 3586 and Reset Aside to Hawaii Housing Finance and Development Corporation (“HHFDC”); Issuance of Management Right-of-Entry to HHFDC for the Development of a Mixed-Use Project Consisting of Multi-Family Affordable Rental Housing, Office Space/Civic Center, Parking, New Maui Bus Hub and Other Incidental Uses Purposes; Kahului, Maui, Tax Map Key: (2) 3-7-004:003.*

The purposes of the amendment are to: (i) consent after the fact to the Department of Accounting and General Services’ (“DAGS”) issuance of a Right-of-Entry (“ROE”) permit to the County of Maui (“County”) for site investigation and planning purposes as the land is currently set aside to DAGS under Executive Order (“EO”) No. 3586, and (ii) consent to HHFDC’s issuance of a ROE permit to the County for site investigation and planning purposes, after EO No. 3586 is cancelled and the land is reset aside to HHFDC.

3. May 10, 2019, Agenda Item D-2

Second Amendment to Prior Board action of September 28, 2018, Agenda Item D-3, *Cancellation of Governor’s Executive Order No. 3586 and Reset Aside to Hawaii*

Housing Finance and Development Corporation (“HHFDC”); Issuance of Management Right-of-Entry to HHFDC for the Development of a Mixed-Use Project Consisting of Multi-Family Affordable Rental Housing, Office Space Civic Center, Parking, New Maui Bus Hub and Other Incidental Uses Purposes; Kahului, Maui, Tax Map Key: (2) 3-7-004:003.

The purpose of the second amendment is to consent to HHFDC’s issuance of the following right-of-entry (“ROE”) permits after Executive Order No. 3586 is cancelled and the land is reset aside to HHFDC: (i) ROE permit to the Department of Education for existing operations of adult education and lawnmower operations, and (ii) ROE permit to Group 70 International, Inc. for site investigation, surveying, master planning, environmental review, and special management area assessment purposes for the Kahului Civic Center Mixed-Use project.

REMARKS:

The County of Maui, Department of Transportation is required to vacate the existing Queen Ka'ahumanu Center transit hub currently located on a portion of TMK (2)3-7-002:020 in Kahului, and, pursuant to Executive Order No 4590 to HHFDC and the Second MOU, plans to relocate its bus transit hub to the Property. The site of the new transit hub is an approximately 0.85-acre site, of which 0.73 acre is on the Property owned by the State of Hawaii and recently set aside by Governor’s Executive Order 4590 to HHFDC. The remaining 0.12 acre, more or less, is located on private land on a neighboring parcel, TMK (2)3-7-005:003, now called Vevau Street, which is being developed and dedicated to the County by the landowner/developer of the adjacent Kahului Lani Senior Affordable rental housing project.

According to the project’s Final Environmental Assessment, the scope of improvements for the new bus hub on the Property includes a new ticket booth, a new restroom and storage building, roof structures to cover the passenger waiting and bus loading areas, and a transit hub employee parking lot. Related onsite improvements will involve grading work, removal and installation of asphalt pavement from an old parking lot, installation of bollards, access gates and fencing, and landscaping improvements.

Related improvements at the Vevau Street parcel include roadway frontage improvements, placement of existing overhead utility lines underground, sewer and water connections, sidewalks, and driveway access improvements.

The right-of-entry to the County of Maui is needed for site investigation, planning, design, construction and management purposes, and will need to be in effect until a long-term ground lease for operation of the new bus hub site can be executed.

HHFDC plans to seek Board consent to a ground lease with the County for the new bus hub site after (i) subdivision approval (if applicable), (ii) a ground lease has been negotiated with the County, and (iii) completion of all bus hub construction.

RECOMMENDATION: That the Board

1. Consent to the issuance of a right-of-entry permit by the Hawaii Housing Finance and Development Corporation to the County of Maui covering the subject area for site investigation, planning, design, construction and management of the new bus transit hub at the Property.
2. Affirm that, except as amended hereby, all terms and conditions listed in the Board's September 28, 2018 approval, as amended, to remain the same.

Respectfully Submitted,



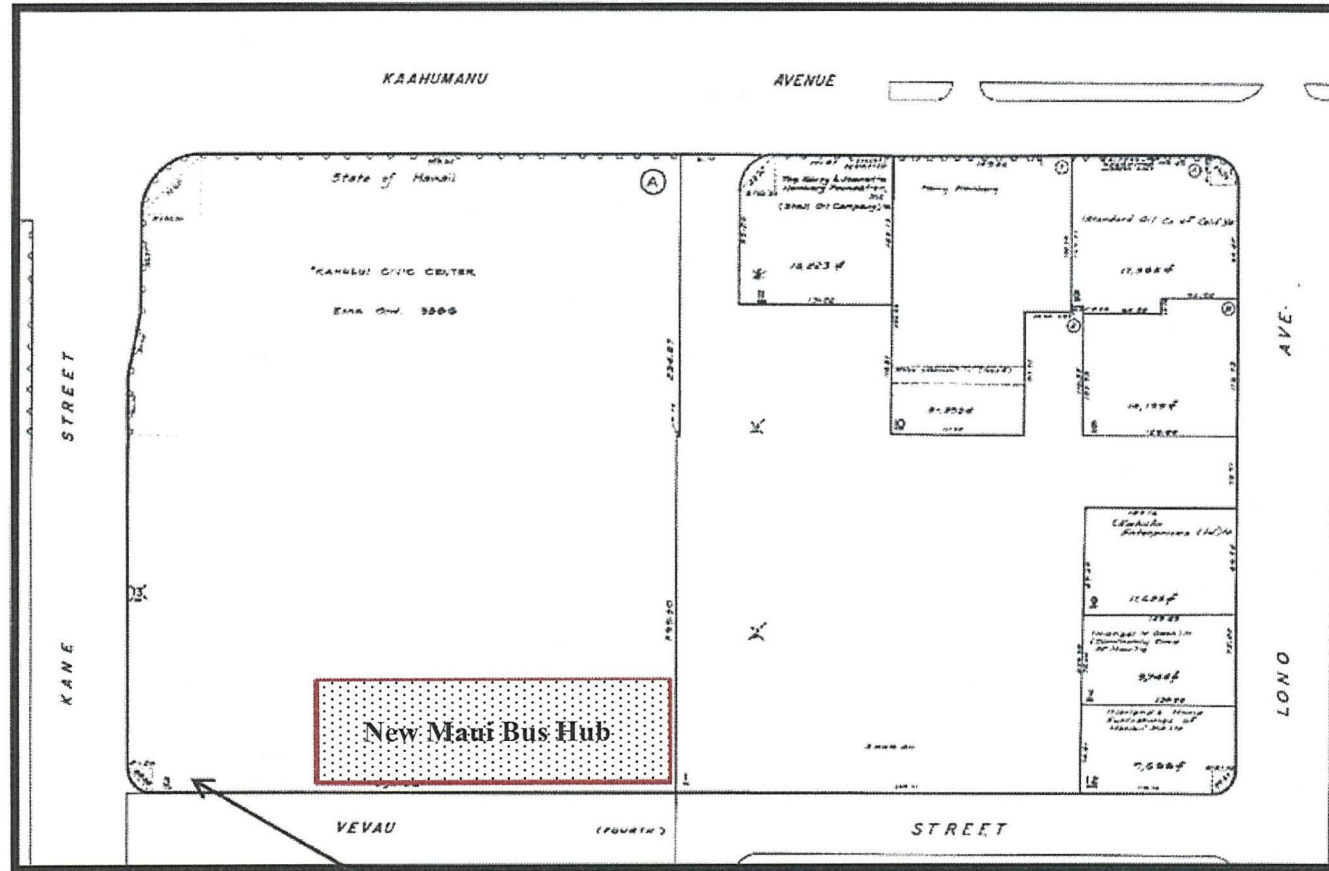
Barbara J. Lee
Special Projects and Development Specialist

APPROVED FOR SUBMITTAL:



Suzanne D. Case, Chairperson

Location of Right-of-Entry Area for New Maui Bus Hub



TMK No. (2) 3-7-004:003

EXHIBIT A