

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

September 11, 2020

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

PSF No.:20MD-045

Maui

Quitclaim of State's Interests, if any, in a 1.576 Acre (more or less) Remnant Parcel, Described as a Portion of Old Cane Haul Road, to Hawaii Housing Finance and Development Corporation (HHFDC); Wahikuli, Lahaina, Maui; Tax Map Key: (2) 4-5-021: 013

APPLICANT:

Hawaii Housing Finance and Development Corporation (HHFDC), a public body and a body corporate and politic of the State of Hawaii, whose business and mailing address is 677 Queen Street, Suite 300, Honolulu, Hawaii 96813.

LEGAL REFERENCE:

Sections 171-95(a)(5) Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Wahikuli situated at Lahaina, Maui identified by Tax Map Key: (2) 4-5-021: 013 Remnant Parcel, as shown on the attached map labeled Exhibit A.

EXHIBITS:

- Exhibit A- Site map with tax map keys (colored).
- Exhibit B- County of Maui aerial map overview (colored).
- Exhibit C - Villages of Leialii – DLNR Remnant Parcel map (colored).
- Exhibit D - Photo of State DLNR Land (On-Site Visit, colored).
- Exhibit E – Photo of DLNR Remnant Cane Haul Road Lot (colored).

Exhibit F - Letter of request from HHFDC dated July 20, 2020

AREA:

1.576 acres, more or less

ZONING:

State Land Use District: Urban  
County of Maui CZO: R-2 Residential

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

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

CURRENT USE STATUS:

Vacant and unencumbered

CONSIDERATION:

Not applicable.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

A revised Final EIS for VOL was published in the October 23, 2012 issue of the Environmental Notice and notice of the Governor's acceptance of the EIS was published in the Environmental Notice on December 23, 2012. The Final EIS included three concepts ranging from 2,923 to 4,105 units.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Provide survey maps and descriptions according to State DAGS standards at Applicant's own cost.

REMARKS:

HHFDC is the master developer of the Villages of Leialii (VOL) in Wahikuli, Lahaina, Maui, pursuant to a Memorandum of Understanding with the Department of Land and Natural Resources (DLNR) dated January 4, 1993, and Sections 10-13.6 and 171-18.5, HRS.

VOL is public trust (ceded) lands and was initially a master planned community consisting of approximately 4,800 residential units and other community facilities on approximately 1,128 acres, located on the mauka (east) side of Honoapiilani Highway, next to the Lahaina Civic and Recreation Center, as described in its master plan and Final Environmental Impact Statement (EIS) completed in February 1990, published in the OEQC Bulletin and accepted by the Governor on March 5, 1990.

On November 4, 1994, HHFDC's predecessor agency, the Housing Finance and Development Corporation (HFDC), acquired title to approximately 544 acres makai (seaward) of the proposed Lahaina Bypass Highway (Bypass Highway) from DLNR by Land Patent Grant No. S-15, 792 (Phase A).

**The subject lands were inadvertently excluded from the transfer for lands from DLNR to HFDC a.k.a. HHFDC. See attached Exhibits.**

In August 2018, HHFDC issued a request for proposals (RFP) for the leasehold development, ownership and operation of Keawe Street Apartments, a 200-unit multifamily rental housing project (Project) affordable to households at 60% or below the U.S. Department of Housing and Urban Development area median income at the southwest portion of VOL, north of the Keawe Street Extension, below the 130' elevation, mauka (east) of the Upper Kapunakea House lots subdivision at TMK (2) 4-5-021:003 (por.).

On January 10, 2019 the HHFDC Board of Directors approved Ikaika Ohana (IO) as the developer and their proposal for the Keawe Street Apartments project. In December 2019, IO submitted an application for 201H exemptions for the Project (201H Application) to the County of Maui Department of Housing and Human Concerns (DHHC).

On December 31, 2019, the County of Maui Department of Housing and Human Concerns submitted a 201H Application to the County Council Affordable Housing Committee.

On February 7, 2020, the full Council approved the 201H Application with modifications. A modification to the 201H exemptions approved by the Maui County Council under Item No. 4 of Resolution No. 20-11, states:

“Second access road: The developer, in coordination with the County, must make its best efforts to provide a second access road to the project site.”

Due to site topography and other geographic constraints, transfer of the subject remnant parcel is necessary to accommodate set-backs and an approximately 65 foot right-of-way to allow future expansion of Kapunakea Street.

On July 9, 2020, the HHFDC Board of Directors approved the request for transfer of the subject remnant parcel. Acquisition of the subject parcel by HHFDC is critical to effective execution of plans to provide affordable housing for Maui residents.

RECOMMENDATION:

That the Board, subject to the Applicant fulfilling all of the Applicant requirements listed above authorize the quitclaim of interests, if any, the State may have in the subject remnant parcel to HHFDC covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- a. The standard terms and conditions of the most current quitclaim deed form, as may be amended from time to time;
- b. Review and approval by the Department of the Attorney General; and
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

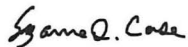
Respectfully Submitted,



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Ebony V. Butihi  
Documentation Specialist

APPROVED FOR SUBMITTAL:



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Suzanne Case, Chairperson

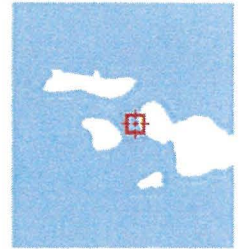








Overview



Legend

□ Parcels

Parcel ID	450210130000	Situs/Physical Address		Assd Land Value	\$200	Last 2 Sales			
Acreage	1.576	Mailing Address	STATE OF HAWAII	Assd Building Value	\$0	Date	Price	Reason	Qual
Class	NON-OWNER- OCCUPIED/RESIDENTIAL			Total Assd Value	\$200	n/a	0	n/a	n/a
				Exempt Value	\$200	n/a	0	n/a	n/a
				Taxable Value	\$0				

Brief Tax Description n/a

(Note: Not to be used on legal documents)

Date created: 7/6/2020  
Last Data Uploaded: 7/4/2020 8:25:54 PM

Developed by  **Schneider**  
GEOSPATIAL





**Villages of Leialii - DLNR Remnant Parcel**

- |                                                                                                         |                                                                                                                          |
|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
|  DLNR Remnant Parcel |  State of Hawaii Parcels              |
|  HHFDC Owned Parcels |  Dept. of Hawaiian Home Lands Parcels |
| Tax Map Key Parcels                                                                                     |                                                                                                                          |

**EXHIBIT "C"**



EXHIBIT D

State DLNR Land





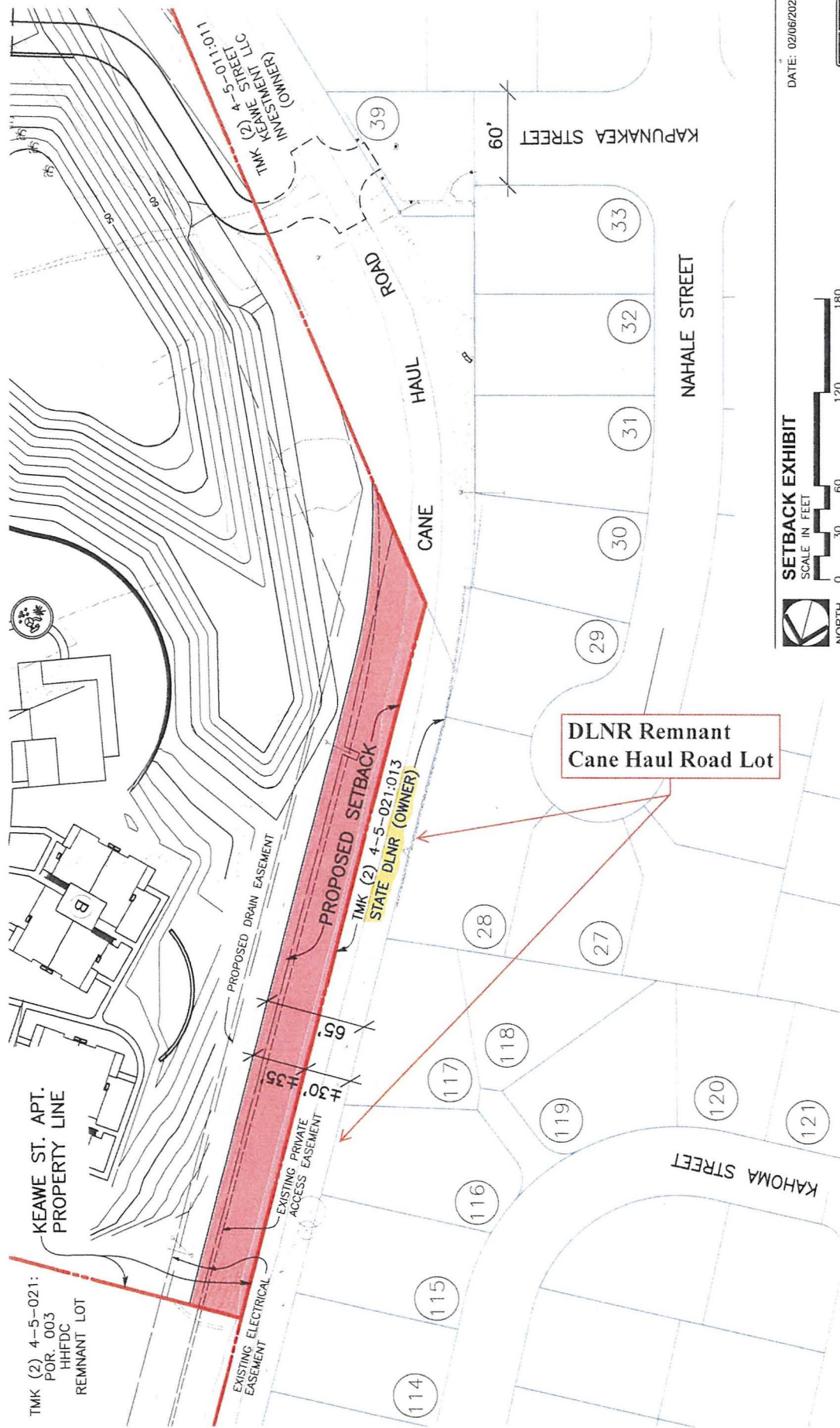


EXHIBIT E

SETBACK EXHIBIT

SCALE IN FEET



NORTH 0 30 60 120 180

DATE: 02/06/2020



PREPARED FOR: IKAHA OHANA

PREPARED BY: FUKUMOTO ENGINEERING, INC.  
KEAWE STREET APARTMENTS

DAVID Y. IGE  
GOVERNOR



RECEIVED  
AND DIVISION

JUL 21 AM 10:50

DENISE ISERI-MATSUBARA  
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:

20:DEV/0108

July 10, 2020

To: Suzanne D. Case, Chairperson  
Board of Land and Natural Resources

From: Janice Takahashi  
Interim Executive Assistant

Subject: Request For Fee Simple Title to a Remnant Parcel Adjacent to the  
Villages of Leiali'i  
Lahaina, Maui, Hawaii  
Tax Map Key No. (2) 4-5-021: 013

RECEIVED  
2020 JUL 20 AM 10:21  
DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

The Hawaii Housing Finance and Development Corporation (HHFDC) is the master developer of the Villages of Leiali'i in Lahaina, Maui, Hawaii. On November 4, 1994, HHFDC's predecessor agency, the Housing Finance and Development Corporation, acquired fee simple title to approximately 544 acres makai of the proposed Lahaina Bypass Highway from the Department of Land and Natural Resources (DLNR) by Land Patent Grant No. S-15,792.

On January 10, 2019, after a Request for Proposals process, the HHFDC Board of Directors approved Ikaika Ohana (IO) and their proposal for the leasehold development of a 200-unit affordable rental housing project now known as Kaiaulu O Kūku'ia (Project) at the Villages of Leiali'i north of the Keawe Street Extension, mauka of the existing Wahikuli Terrace Subdivision. During the entitlement and subdivision process for the Project, the County of Maui required a 60' right-of-way at the makai Project edge between the Project and the existing Wahikuli Terrace Subdivision for a future access roadway for future development at the Villages of Leiali'i north of the Project. Because of the topography of the terrain, the full 60' right-of-way could not be accommodated on the Project site.

However, between the makai boundary of the Project site and the existing homes at Wahikuli Terrace, there is a DLNR remnant parcel of approximately 30' width, which, together with a 35' setback on the Project site, is enough to satisfy the County's

EXHIBIT "F"

am  
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Suzanne D. Case, Chairperson  
July 10, 2020  
Page 2

requirement for a 60' right-of-way for a future roadway from Kapunakea Street northward along the makai edge of the Project site for future development at the Villages of Leiali'i.

In accordance with the enclosed For Action approved by the HHFDC Board of Directors on July 9, 2020, HHFDC requests for the fee simple title to the 1.58-acre remnant parcel between the Wahikuli Terrace Subdivision and the Villages of Leiali'i, known as Tax Map Key No. (2) 4-5-021: 013, to satisfy the County's requirement for a future access roadway makai of the Project for future development at the Villages of Leiali'i north of the Project, should such a roadway be necessary.

Your favorable consideration of this matter is appreciated.

Should there be any questions or comments regarding this matter, please contact Stan S. Fujimoto, Project Manager, at 587-0541.

Enclosure