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Hawai'i Housing Finance Development Corporation (HHFDC)

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From: Richard "Dick" Mayer dickmayer@earthlink.net

May 8, 2018

1111 Lower Kimo Dr. Kula, Maui HI 96790

RE: REVISED Wailuku Apartment Rental Housing Project DEA (AFNSI)

Since much of the material in this revised draft EA is similar to the original draft EA, and because the response comments by Bagoyo Development Consulting Group did not adequately respond to my original comments, I am having to resubmit parts of my original October-2017 letter with some supplementary material.

Fortunately, in several respects this revised EA has improved upon the original DEA document. I will try to cite those areas which have been improved.

SUMMARY Multiple affordable housing projects are needed on Maui, ones that will meet our local residents' housing needs. HOWEVER, this project includes:

- **too many market units resulting in a very crowded project with undesirable impacts;**
- **far too many 201-h exemptions that will cost the community dearly; and**
- **several severe impacts (some disclosed and others not described) that**

→ NECESSITATE A COMPLETE EIS, (not just an EA with a FONSI).

In view of the impacts and information deficiencies noted in the existing DEA, and the fact that the impacts of the project are significant, as defined by HAR 11-200-12, (See Appendix A below) an Environmental Impact Statement is required instead of an Environmental Assessment.

Specifically, the DEA does not adequately address:

- Cumulative impacts of traffic from new developments and roads
 - Cumulative impacts on over-capacity schools
 - Secondary impacts on other developments resulting from this project's water use
 - Cumulative impacts on Central Maui's sewage capacity
 - Cumulative impacts by housing off-shore residents instead of providing for local residents' needs
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Specific comments on the Wailuku Apartment Rental Housing Project D-EA (AFNSI):

1. **Full EIS**: This project is trying to use a Draft Environmental Assessment (DEA) with an "Anticipated Finding of NO Significant Impact" (AFNSI) in hopes of getting a "Finding of NO Significant Impact" (FONSI). Since significant major and many minor impacts and problems do

exist, a full Environmental Impact Statement (EIS) should be required by the Hawai'i Housing Finance Development Corporation (HHFDC) which is both the applicant and the approving authority for this project. **A "Full EIS" is needed and should be required to examine the many significant cumulative and secondary impacts and how they will be mitigated.**

2. **Implementation:** This REVISED Housing Project DEA mentions numerous impacts (intersections at "F levels", schools already beyond capacity, distance from parks with no safe routes, distant bus stops, etc.) indicates some possible mitigating solutions, **but does not promise to implement the needed mitigations.**

3. **Exemptions:** As stated on Draft-EA Page 5, the Applicant, in coordination with the HHFDC, will seek exemptions from certain statutes, ordinances, charter provisions, and rules relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon as provided by Section 201H-38, Hawaii Revised Statutes.

The document includes an absurdly high number of major exemptions (18 pages listed on D-EA pages 208-213, and in more detail on PDF Pages 1147-1158) that are being requested. The very fact that these 18 pages of exemptions (the most we have yet to see) are included may be a hint that there are numerous significant impacts that the applicant wishes to not disclose.

Although numerous exemptions are being requested, the impacts from the exempted statutes, ordinances, charter provisions, and rules relating to planning, zoning, construction standards for subdivisions, etc. MUST be discussed and mitigated. They are not.

4. **Traffic:** The Draft-EA's major omissions relate to traffic (PDF 55-73 + Appendix H).

4.A The Draft-EA TIAR traffic analysis has selectively underestimated the future impacts from several large, well-known, nearby housing and commercial developments. Specifically: A&B's 545 acre, already partially completely entitled 2,550 unit Waiale project; and the nearby, partially entitled, 1,450 unit Waikapu Town Center.

Both of these projects have already received initial entitlements, and it is likely that they will soon be impacting this 201-h affordable apartment project's traffic in a very significant manner. Similarly, this Wailuku Apartment Rental Housing will be impacting the traffic of those projects.

A full EIS with a proper TIAR is needed to evaluate and mitigate these cumulative impacts. Those other projects in their full EIS have already-approved environmental documents with comprehensive TIAR information, but they did not include this Wailuku Apartment Rental Housing in their TIAR analysis.

4.B In addition to not completely considering the planned growth of nearby projects, the DEA has not considered the effects of new highways that will affect the flows of traffic. For example, if the Waiale Road is extended southward to Honopiilani Hwy. there will be a great increase on all of the intersections on Waiale Road, especially those near this project. (See PDF 933:

The Waiale Road Extension and Waiko Road Improvements are planned roadway improvements to be constructed in the future. However, since they are unlikely to be built

by Year 2021 given their current status, **these roadway improvements were not included in this TIAR.**

They should have been included, and a full EIS would discuss these projects.

Since there is a total potential of: {Waikapu (1,440) +adjacent Waiale Road projects (146) + A&B Waiale (2,550) + Maui Lani (935) + Kehalani (956) + this Wailuku Apt. project (324)} = **6,351 units in this already congested area**, the cumulative future traffic being generated from these five nearby projects could significantly affect the already very limited roads in the area, I request that the HHFDC and the Maui Planning Organization (MPO) require:

i) that, along with the other developers, Wailuku Apartment Rental Housing Project be **required to provide a “fair share” of the cost of: a comprehensive traffic study of the Central Maui region which will examine the cumulative effects/impacts from all the projects and indicate the necessary costs to mitigate regional traffic problems;**

and

ii) that, along with the other major developments, Wailuku Apartment Rental Housing project be **required to pay its “fair share” to upgrade the highways, roads and intersections in this area.**

4.C Even though this project will not be completed until 2021, the TIAR has used 2021 as its “Base Year.” Furthermore, it has avoided looking clearly at the cumulative traffic impacts from the nearby projects that will soon be built and which will greatly impact all the intersections described in the TIAR.

5. **Housing Unit Numbers:** Draft-EA Page 16: Although this project is being described as a 201-h affordable housing rental project, in fact **only 110 out of 324 units (only 34% of the units) are for those under 100% of Maui’s median income (the AMI).** In other words, 214 units (the vast majority) are for those **over** the median Maui family income, either as 190 market units or 24 higher rent affordables.

This is hardly an affordable housing project if over half the people in Maui would be unable to afford to even rent a unit in the project. A condition should we put on this project to require at least half of all the units to be available to those who are earning less than 100% of the average family income.

With regard to the number of available units, and especially the number of available affordable units, there are inconsistencies in the Draft-EA.

For example: It clearly states on PDF page 25 that the affordable units will be rented out only to those between 80% and 140%. However, on the immediately preceding page in table 2 it indicates that there will be 55 units rented out to those between 51 to 80%. So what is the commitment?

Another example: throughout the draft EA it is stated that they will be 324 total units. However, in the table on PDF page 906, a total of 301 units is used.

6. **Off-Shore Residents:** Why is this project counting on demand from off-shore residents when there is such a great need for local residents.

See pages Draft-EA PDF page 881 for discussion of this.

“The market rate units are not dependent on local households as potential renters. Indeed, it opens up these market units to **offshore demand** in a significant way - significant in terms of higher potential demand and higher rental revenue. As mentioned earlier, the ability to have a **3-month lease period** is important, as that can take advantage of seasonal demand - meaning the winter and the summer 'high' periods.”

And on Draft-EA PDF page 885:

“A good part of the demand for these units - especially studios, we believe - would be from offshore renters coming into the market to enjoy a 3-4 month stay - using these units as a substitute for hotel rooms.”

And on Draft-EA PDF page 900:

“We expect that Maui's visitor industry will continue to enjoy success and thereby **cultivate amongst a portion of the shortterm visitors a desire to lengthen their stay the following trip by renting a unit for 3 months, the minimum period for this project.** We expect the demand here coming out of Canada and the northern states of the US.”

And on Draft-EA PDF page 901:

“We see all sources of demand being present and accounted for . . . Over the long run, the offshore demand being more remunerative or profitable, but more volatile. The local demand will be less remunerative, but valuable in terms of stability, both in terms of turnover and community responsibility. **We suggest there be a healthy mix, as the local presence will make project more attractive to the offshore rental demand.**”
the US.”

And on Draft-EA PDF page 905:

There will be additional demand from offshore renters. It may be likely that **offshore demand might even be as high as a quarter or a third of the units.** A reading of the comments on YELP in reviewing the current rental projects in Central Maui demonstrates that **there is an apparent offshore demand for these types of units.**

And finally on Draft-EA PDF page 906:

PROJECT MIX AND RENTAL RATES: That said, we have weighted the mix most onto the 2 bed room unit, as that is the most adaptable in the market, and has the highest preference. We have given second strongest weighting to the one bed room unit, as that has the deepest demographic, as an affordable unit. **Plus, we expect very good offshore demand for a small unit, such as this.**

Our rental mix shows a small number of three bedrooms, based on our belief that the housing stock of the island shows a scarcity of larger bedroom counts (3 bedrooms and above) units. The demand for the three bedroom units will come from multi-tenant renter occupants (room-mates teaming up), as well as multigenerational families. **We also see a**

good potential demand for renting them out on the minimum lease of 3 months to offshore visitors, grandparents who will cycle their grandchildren through the unit over the summer or winter months.

7. **Population:** The Draft-EA makes numerous references to the fact that the population of Central Maui and the adjoining districts is growing rapidly and that there is a significant need for housing, and in particular affordable housing.

However, when it comes to describing impacts on infrastructure (schools and other facilities), the Draft-EA states that there will be no impact at all because people are merely moving around. This reasoning neglects to point out that people moving into this Wailuku project may be coming from upcountry, South Maui, even Honolulu or the mainland. **In each case infrastructure (water, waste water, schools, will be “impacted” and should not be ignored.**

8. **Schools** which will service the Wailuku Apartment Rental Housing Project’s many families, are all significantly **over capacity NOW**.

“**Pu'u Kukui Elementary School** is currently over capacity by approximately 100 students and this over capacity condition is expected to remain over the next five (5) years. **Maui Waena Intermediate School** is over capacity of approximately 250 students and this over capacity condition is expected to remain over the next five (5) years. **Maui High School** is over capacity by approximately 300 students and this over capacity condition is expected to increase to approximately 400 students over the next five (5) years.” (Draft-EA PDF page 53)

The small school impact fee to be paid to the State (far less than \$1 million) will not begin to satisfy the DOE’s ability to build the additional classrooms or improve the schools’ capacities. South Maui cannot even gets its high school built.

9. **Finances:** Several nearby projects (A&B’s Waiale and Waikapu Town) have many more affordable units than this Wailuku Apartment Rental Housing project. They have already received several entitlements without trying to get any 201-h exemptions.

10. **Play Areas and Parks:** The Wailuku Affordable Apartment project will have 324 units and approximately 1,000 residents. There will be many children in a project catering to young families who do not have the income to purchase a home. That is great.

Among the 1,000 residents there will be many toddlers who will be able to use the children’s “play areas” (the total size of these 4 areas is only about 1/3 of an acre, hardly enough for the number of young children who will be living here). The greater impact will fall on the 100+ children of school age. These children will need to get to parks and playing fields along streets lacking bicycle routes and with minimum sidewalks and by crossing several very busy and dangerous high traffic avenues.

The so called “swimming pool” appears to be merely a small wading pool, totally insufficient for 1,000 residents.

11. **Solid Waste:** The Draft-EA on page 34 mentions a private company being responsible for Solid Waste disposal. “Solid waste collection services for the project will be provided by a

privately managed company and disposed at Maui County's Central Maui Landfill." Who will be required to pay for this company? Residents in affordable units?

The Draft-EA does not show any locations for solid waste disposal / trash bins. There will be many of these for 324 units. Nor does it seem that big rubbish trucks will be able to turn around at the end of the 300'+ driveway. Backing up early in the morning will be a noisy disturbance. The response to this statement in my previous letter was incomplete and inadequate, only that the developer would look into it. However, that did not happen.

12. **Pedestrian Safety**: This revised DEA has many improved safety features for pedestrians: sidewalks on Kuikahi and a cross-walk from the project to Foodland and Longs.

Unfortunately, there is only a partial sidewalk along Waiale Road. It goes from the driveway north to the intersection. However, to the south along Waiale there are other entitled projects and new ones proposed. To get to the nearby stores they will need a complete sidewalk along Waiale and it should be provided south of the Waiale Road exit/entrance. Because the project can gain 201-h approval only if "the proposed housing project is consistent with the purpose and intent of Section 201H-38, HRS, and **the project's design meets all health and life safety requirements per the building code and Maui County Code.**"

13. **A&B's 2,550 unit Waiale project**: Maps on PDF pages 18 +35 and throughout the DEA do not show the major project to the South and to the East. The map and text should include the largest project (A&B's 2,550 unit Waiale project), the one that will have the greatest impact on the proposed Wailuku Apt project, and vice versa will be affected by the Wailuku Apt't project.

14. **Water**: The Draft-EA PDF Pages 44 + 45 and Appendix D assume that the County Water system has existing adequate capacity for 189,000 GPD and 240,000 gallons for fire flow. What impact will the use of this water for this project have on not only Central Maui developments (many of which have sizeable affordable units), but also those planned in South Maui (again with sizeable affordable units)?

15. **Parking**: The original draft contained only 486 parking stalls. This DEA has over 600. How was this change made? Have all the stalls been reduced in width/size? Will there be adequate parking space for pick-ups and larger vehicles? Special visitor parking? Handicapped parking?

16. **300 foot+ driveway, cul-du-sac**: Since there is no turn around at the end of the 300'+ driveway and the parking lot could be full at night with 600+ cars, will firetrucks be able to access all buildings and be able to turn around, or even safely back-up?

17. **Project Management**: Will the County ever have any responsibilities if Legacy goes out of business? (Repairs? Ownership? Management? Utilities? Insurance? etc.)

Who will manage the property? Establish homeowner association fees?
The impacts have yet to be discussed.

18. **Long-Term**: After the 30 years what will happen? Will renters ever have the right to purchase? Will rents suddenly rise?

SUMMARY Multiple affordable housing projects are needed on Maui, ones that will meet our local residents' housing needs. **HOWEVER**, this project includes:

- **too many market units** resulting in a very crowded project with many impacts;
- **far too many 201-h exemptions** that will cost the community dearly; and
- **several severe impacts** (some disclosed and others not described) that necessitate a complete EIS, (not just an EA with a FONSI).

WARNING: Because there are so many actual impacts from this proposed project, it is likely that someone will sue the applicant and/or approving authority if the FONSI is granted and a full EIS is not required.

Mahalo for allowing me the opportunity to share my comments on the Draft-EA and to make my concerns known,

Richard D. Mayer

CC Maui County Councilmember Stacey Crivello, Chair, Housing Committee
Maui County Councilmember Kelly King, Chair, Planning Committee
Maui County Councilmember Alika Atay, Wailuku Residency Councilmember
Director Carol Reimann, Maui County Housing and Human Affairs Department
Director Will Spence, Maui County Planning Department

Appendix A

HAR §11-200-12 Significance criteria.

(a) In considering the significance of potential environmental effects, agencies shall consider the sum of effects on the quality of the environment, and **shall evaluate the overall and cumulative effects** of an action.

(b) In determining whether an action may have a significant effect on the environment, the agency shall **consider every phase of a proposed action, the expected consequences, both primary and secondary, and the cumulative as well as the short-term and long-term effects of the action**. In most instances, an action shall be determined to have a significant effect on the environment if it:

1. Involves an irrevocable commitment to loss or destruction of any natural or cultural resource;
2. Curtails the range of beneficial uses of the environment;
3. Conflicts with the state's long-term environmental policies, or goals, or/and guidelines as expressed in chapter 344, HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders;
4. Substantially affects the economic welfare, or social welfare, and cultural practices of the community or State;
5. Substantially affects public health;
6. Involves substantial secondary impacts, such as population changes or effects on public facilities;
7. Involves a substantial degradation of environmental quality;
8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions;
9. Substantially affects a rare, threatened, or endangered species, or its habitat;
10. Detrimentially affects air or water quality or ambient noise levels;
11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters;
12. Substantially affects scenic vistas and view planes identified in county or state plans or studies; or,
13. Requires substantial energy consumption.