

## Wailea 670: A History of Broken Promises Continues

### WAILEA 670: A HISTORY OF BROKEN PROMISES



1

**Promised 700 affordable Homes . Now only 288 affordables, and 862 multi-million dollar “market priced” homes that Maui’s people cannot afford.**

2

**Promised to widen Pi’ilani Highway to 4 lanes . Now saying they’ll do it later, or maybe DOT will do it instead.**

3

**Promised \$5 million for a South Maui Community Park. Never paid. Two years overdue.**

4

**Promised to build water system to County standards . Now asking for an exemption. Maui’s people strongly favor public water systems instead of control by private companies.**

**HELP HOLD THESE DEVELOPERS ACCOUNTABLE!**

TESTIFY on Tuesday, September 24th



**SEE DETAILS BELOW**

In 2008, Maui County Council members worked for months to make sure the Honua‘ula project (popularly known as Wailea 670) would be appropriately conditioned to serve the people of Maui, and then narrowly approved the project. Key to that approval was the developer’s promise to provide 700 affordable homes, 450 of which would be within the project district. It was a close 5-4 vote, but council members who voted for the project were very clear that the promise of 700 affordable units was a major factor in their decision.

The following quotes are from the minutes of various Maui County Council meetings:

**The Late Councilmember Gladys Baisa:**

*“It will provide 700 much needed affordable homes . . .”*

**Councilmember Joe Pontanilla:**

*“The Honua’ula Wailea 670 project will provide 700 affordable residential workforce housing units.”*

**Councilmember Michael Victorino:**

*“Instead of 700, I’d like to get eight or nine hundred, a thousand affordable houses, instead of just the 700 units.”*

*“None of us will know if we’ll be around 20 years from now. But I hope when this is all said and done that these developers don’t come back and try to see another Council. But if I’m still around, I will never change these, these conditions they brought forth. They, they going live with it. But if I’m not here, I hope that the record will show that I said, please do not change the conditions we put forward. You know, they were put there for a reason. And many Councilors, along with the community, wanted those conditions put in. And I think they’re fair conditions overall. Maybe a couple still, I might have a challenge with. But the bottom line is this is the first test. This is the first vote. This is the first time that this County can be the shining star within the State if done right and the developer puts forth what they had promised us and not back out later on. This could be the benchmark for which all other projects, not only in this County, but within the State, could be done in the future. And the affordable housing rentals, and all the other things we put in, the parks, and all the other ave..., avenues we’ve asked. The cultural, set, set, setback, the easements, all what he’s agreed upon, I hope they will not back off of because if I have any breath left in me in the future and they did, I’ll come back and work as hard as possible not to allow them to move forward.*

*So, Mr. Chair, I will support this. I will support this but I want the record to show that I’m gonna watch with all my, with all my eyes and ears, to make sure that thi project is done the way it’s been crafted, and that the people of Maui County, our keiki o ka aina, will be the beneficiaries. So, my grandchildren 25 years from now will say, papa, you did a good job, and we thank you.”*

**Councilmember Mike Molina:**

*“I believe all of the other applicants out there should know that Mr. Jencks [former Wailea 670 representative] has raised the bar for everybody else in terms of community benefits to be given back in return for land entitlements. Not only we’re looking at 700 affordables, the land for police, and fire station, and parks.*

**The Late Councilmember Danny Mateo:**

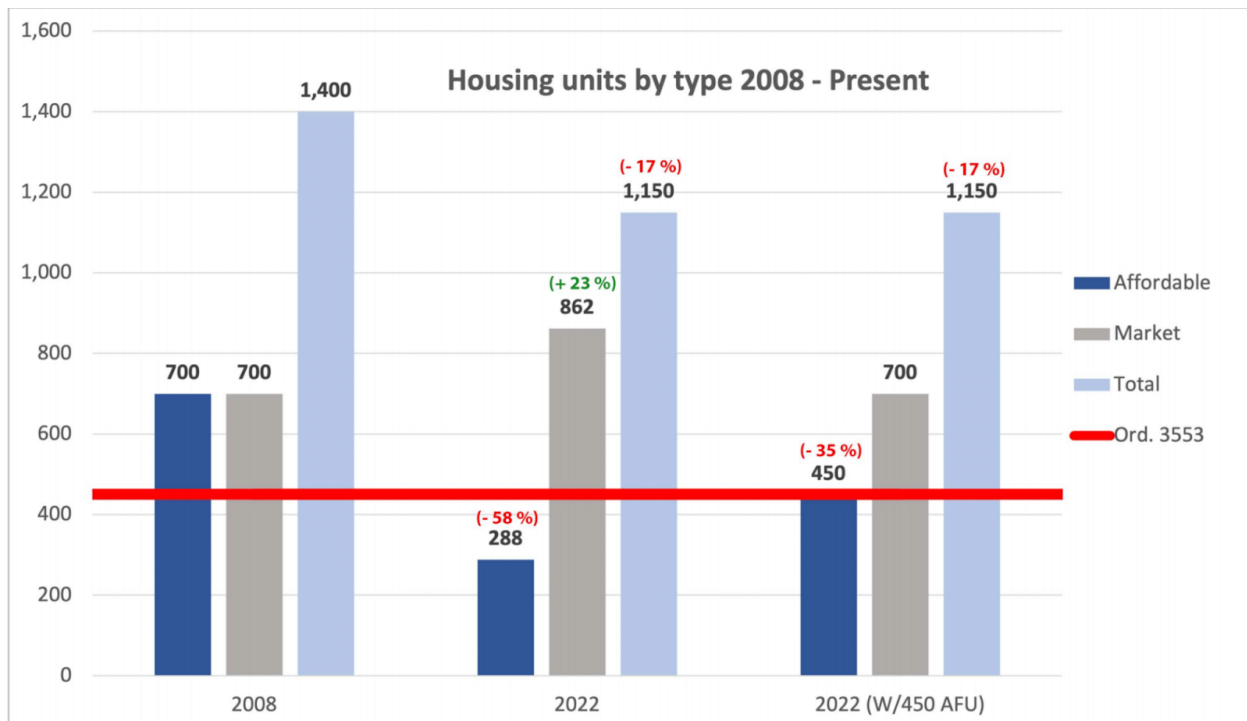
*“Seven hundred affordable units is nothing to sneeze at. I don’t remember the last time one developer helped to create this many affordable units. And yes, it is a long term build out. But nonetheless, we will be getting initial upfront and there’s 450 affordable units that will be provided within the development project itself.”*

*“ . . . if by allowing 700 market units to be built that will provide for the 700 affordables then I’m willing to give it that chance.”*

**Maui Tomorrow Vice President Lucienne de Naie, testifying in 2008:**

*“Let me just say that many things have been promised on this site already that have now been changed. I hope and pray that if you make this decision to move forward, that this is exactly what we see delivered. I guess just over the years you get a little cynical because so many--where's the worker's houses in Wailea that everyone thought was such a great idea? They don't exist . . .”*

The following chart shows the changes in the number of affordable vs. market priced homes since the Maui County Council approved the Wailea 670/Honua’ula project in 2008.



The first set of three bars shows that In 2008, the Council approved the project with 700 affordable units and 700 market-rate units, for a total of 1,400 units.

The red line across the chart shows the 450 affordable units that are required to be within the project district by Ordinance 3553, which the developer is now proposing to change. The existing ordinance reads, “450 affordable units shall be within the project district.”

The second set of three bars shows that In 2022, based on advice from the developer that the language requiring 450 affordable units did not mean that, the Maui Planning Commission approved the project with only 288 affordable units. Maui Tomorrow and our allies contested that approval as illegal because of the requirement for 450 affordable units; our appeal is now pending before the Intermediate Court of Appeals.

The third set of three bars shows that if the required 450 affordable units were to be built, out of a total of 1,150, there would be 700 market-priced homes – which is what the developer agreed to in the first place.

In 2022, the Maui Planning Commission approved a very different project - with only 288 affordable homes. The California developer assured the commissioners that this would be legal, even though the law said “450 affordable units shall be within the project district.” Maui Tomorrow and Ho‘opono‘opono O Mākena challenged that decision because of the clear language of the ordinance that required 450 affordable units. Our case is currently on appeal.

Now in 2024, the developer is telling the Maui Planning Commission the opposite of what they told them in 2022 - that they should now be okay with deleting the language in the law that requires 450 affordable units – language that the developer said did not matter - so they can get away with providing only 288 affordable units.

Maui is in the midst of an affordable housing crisis. We need truly affordable housing. We don’t need any more expensive homes. The Wailea 670 project is playing a classic game of bait and switch. Not only will they not provide 700 affordable homes like they promised, or even 450 affordable homes like the law currently requires, but they only want to provide 288, with the other 862 homes to be sold for market price - likely \$2 million and up - far too expensive for most local families to afford. They want to break this and other promises at our expense. These homes, likely sold to people from outside Maui, will take up scarce water and wastewater capacity that should be reserved for affordable housing.

**TO TESTIFY:**

IN PERSON at Maui Planning Commission Conference Room, Kalana Pakui Building, 250 South High Street, Wailuku, Hawaii

REMOTE TESTIMONY:

Webex Video conferencing

<https://mauicounty.webex.com/mauicounty/j.php?MTID=meff82db5360b4e8dab2fa3f251d2f1bc>

Meeting ID 2664 548 6338

Password 092424

SUBMIT WRITTEN TESTIMONY TO PLANNING COMMISSION VIA EMAIL

to [planning@mauicounty.gov](mailto:planning@mauicounty.gov) MUST BE RECEIVED BEFORE 9 AM ON MONDAY 9/23/24.

**TESTIMONY POINTS:**

**Please choose some or all of the following points that you can cover within the 3-minute time limit for testimony:**

**The Wailea 670/Honua‘ula developers need to live up to the promises they made to get their zoning approval in 2008. However, they are proposing several significant changes to increase their profits.**

- **Proposed Amendments to Ordinance 3553:**
  - **Please oppose deletion of the language that says “*four hundred fifty affordable units shall be within the project district*”. In 2022, the developer told the Maui Planning Commission that this language didn’t matter. Now they are being told that it does. This would replace affordable homes with “market-priced homes that will be priced at **several million dollars each. We need more affordable homes, not less.****
  - *The developer wants to replace Exhibit “1” (original concept plan with a golf course) with the updated concept plan as reflected in the approved Project District Phase II preliminary site plan (November 2022). **Please oppose this amendment. The November 2022 preliminary site plan violated Ordinance 3553, which said that “450 affordable homes shall be within the project district.” We need more affordable homes, not less.***
  
- **Proposed Amendments to Ordinance 3554:**
  - **Condition of Zoning #1:** Councilmembers weren’t sure that there would be a reliable water supply, and insisted that it be built to County standards. The developers agreed, but are now asking that they be exempted from County standards. **Please support the original 2008 Council condition and oppose this amendment. Ask that this private water system be built to County standards so the County can take it over if needed in the future, and is**

**offered to the County to be part of the public system if the County finds it useful. Maui Department of Water Supply also supports this.**

- **Condition of Zoning #2a:** The developer is proposing to delay the widening of Pi'ilani Highway to four lanes, **Please oppose this amendment. We need a four-lane Piilani Hwy from Kilohana Drive to Wailea Ike Drive NOW. The developer promised to build it 16 years ago.** It's time to hold them accountable to keep their promises. That's why council members voted for this project- because of the public benefits. It's time to deliver those public benefits. The proposed changes to allow the 250 affordable units to be built before the highway is widened don't make sense - all we would be doing is clogging up the two-lane road with more heavy construction traffic. Don't believe more promises about the affordable housing happening any faster. **When it comes to this developer, promises are made to be broken.**
- **Please oppose adding language about the State Department of Transportation possibly widening the road.** This is a pipe dream - no state funding plan mentions the road expansion, and saying that either the developer or DOT will do it could create a situation where neither one does it.
- **Condition of Zoning 10:** The original project promised South Maui 6 acres of ball fields in exchange for its 1990s land use entitlements. That never happened. Instead, the developers proposed changing that to a \$5 million donation to a South Maui Community Park; this was approved during the 2008 Council hearings. The \$5 million was supposed to have been paid upon Phase II approval, which happened in 2022 – it is now 2 years overdue. Now the developers want to change that commitment and instead give land and cash to an unknown non-profit - picked by them - to build a cultural/educational/community center within the project area. This “non-profit” could be any organization, and there is no assurance that it would serve the people of Maui. It's time for this developer to make good on its promise to donate money toward a park for the people of South Maui, and the amount should be *based on current land and construction cost estimates for the Little League Field; adjusting for inflation that would be \$7.5 million.* **The South Maui Community Park is incomplete, and the money should have been contributed 2 years ago. Please oppose this amendment and ask the Maui Planning Commission to keep the language requiring a donation toward the South Maui Community Park, and to update the amount to \$7.5 million to account for inflation.**

**MAHALO FOR HELPING TO PROTECT MAUI'S FUTURE!**