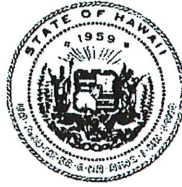


JOSH GREEN, M.D.  
GOVERNOR



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:

22:DEV/0177

January 6, 2023

The Honorable Richard Bissen, Mayor  
County of Maui  
200 South High Street  
Wailuku, HI 96793

Dear Mayor Bissen:

Subject: Offer to Relocate Existing Administration Building  
Kahului Civic Center Mixed-Use Complex  
153 West Kaahumanu Avenue  
Kahului, Maui, Hawaii  
Tax Map Key No. (2) 3-7-004: 003

The State of Hawaii is the fee simple owner of the 5.572-acre parcel located at 153 West Kaahumanu Avenue in Kahului, Maui, Hawaii, Tax Map Key No. (2) 3-7-004: 003 (Property). The Property has been set aside to the Hawaii Housing Finance and Development Corporation (HHFDC) by Executive Order No. 4590 for 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 use purposes (Project).

Existing improvements at the Property include the following:

1. A stone and mortar wall along West Kaahumanu Avenue and a portion of Kane Street;
2. A one-story building being used by the Department of Education's McKinley Community School for Adults (Administrative Building);
3. A one-story lawnmower maintenance building;
4. A one-story collapsed building (Cafeteria Building); and
5. A utility shed.

The new Maui bus hub is under construction at the southeastern portion of the Property.

On May 8, 2022, HHFDC published the Kahului Civic Center Mixed-Use Complex Final Environmental Assessment/Finding of No Significant Impact in the Environmental Review Program's bulletin, *The Environmental Notice* (FEA). The proposed conceptual Project described in the FEA includes demolition of existing buildings and structures and partial removal of the stone wall, 300 multi-family dwelling units, 66,000 square feet of civic center space, parking, and other incidental uses. More than 50% of the multi-family units will be affordable to families at 140% or below the U.S. Department of Housing and Urban Development area median income. The civic center component includes space for State offices, McKinley Community School for Adults, and the Kahului Public Library. The Project is a collaboration between HHFDC and the Department of Accounting and General Services (DAGS).

On December 1, 2022, the County of Maui Cultural Resources Commission adopted consultation comments to the proposed Project, which includes the suggestion that HHFDC make a demonstrated effort to preserve the Administrative Building by relocating it to another site. In order to maximize utility of the Property with critically needed affordable housing and State office space, HHFDC hereby offers the Administrative Building to the County of Maui (County) for relocation to another site under the following conditions:

1. If interested, the County will provide HHFDC with a written response expressing an interest in accepting this offer within two calendar months of this letter;
2. Relocation of the Administrative Building shall be completed within two calendar years of this letter;
3. All costs and expenses for all approvals, permits, relocation and cleanup after relocation of the Administrative Building shall be at the County's expense, including any environmental assessment required pursuant to Chapter 343, Hawaii Revised Statutes, and Special Management Area Use permits;
4. The County shall clean-up the Property of all trash and debris after the relocation and leave the Property in a reasonably clean condition;
5. The County accepts the Administrative Building in its "As Is" condition;
6. The County acknowledges that the Administrative Building has termite damage, and appears to be slab-on-grade construction, which may negatively impact the viability of relocating the Administrative Building for preservation purposes;
7. Entry to, and relocation of the Administrative Building shall be coordinated with the McKinley Community School for Adults; Mr. Kurt Ginoza, Vice Principal, phone (808) 873-3082, kurt.ginoza@k12.hi.us; and
8. The County shall indemnify, defend, and hold harmless HHFDC, the Department of Land and Natural Resources, the Department of Education, and the State of Hawaii, and their officers, employees, directors, agents, representatives, officials, successors and assigns from and against any and all liability, loss, damage, cost, and expense, including attorneys' fees, and all claims, suits, and demands

The Honorable Richard Bissen, Mayor  
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therefore, to the extent relating to, arising out of or resulting from the malicious, reckless, or negligent acts or omissions of the County or its employees, officers, agents, or subcontractors concerning the inspection, planning, approvals and relocation of the Administrative Building, and/or the use, occupation or operation of the Administrative Building on or off the Property. This provision shall survive relocation of the Administrative Building.

This offer shall be subject to the approval of the Board of Land and Natural Resources, if necessary.

HHFDC plans to issue a request for proposals for the development of affordable housing at the Property in early 2023, therefore, time is of the essence if the County is interested in accepting this offer.

Thank you for your consideration of this offer.


Should there be any questions or comments regarding this matter, please contact Stan S. Fujimoto, Project Manager, at (808) 587-0541.

Sincerely,



Denise Iseri-Matsubara  
Executive Director

c: DAGS

**Signature:**   
**Email:** stanley.s.fujimoto@hawaii.gov

**Signature:**   
**Email:** randy.n.t.chu@hawaii.gov

**Signature:** *Dean Minakami*  
**Email:** dean.minakami@hawaii.gov