JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU AIRPORTS

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September 12, 2024

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IN REPLY REFER TO:

AIR-PM 24.0567

MAUI

GRANT OF PERPETUAL, NON-EXCLUSIVE EASEMENTS TO MAUI OCEANVIEW LP FOR: (1) ACCESS PURPOSES AND (2) UTILITY PURPOSES AND ISSUANCE OF A TEMPORARY RIGHT-OF-ENTRY PERMIT FOR ACCESS AND UTILITY PURPOSES OVER AKAHELE STREET, KAPALUA AIRPORT

<u>APPLICANT</u>:

DOT Land Matters State of Hawaii Honolulu, Hawaii

Maui Oceanview LP, a Delaware limited partnership.

TAX MAP KEY: (2) 4-3-001:068 (PORTION)

LEGAL REFERENCE:

Hawaii Revised Statutes (HRS), Sections 26-19 and 171-2, as amended.

LOCATION:

Portion of Akahele Street, which is under the jurisdiction of the State of Hawaii, Department of Transportation (HDOT), leading to Kapalua Airport from Honoapiilani Highway, Island of Maui, identified by Tax Map Key: 2nd Division, 4-3-001:068 (portion).

AREA:

Access Easement – approximately 2.361 acres, as delineated on the map labeled Exhibit A; and

Utility Easement – approximately 6,400 square feet, as delineated on the map labeled Exhibit B, being Crossings 1, 3 and 5.

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ZONING:

State Land Use:

Agricultural (Akahele St.)/Urban (Kapalua Airport)

County:

Road (Akahele St.)/Airport (Kapalua Airport)

LAND TITLE STATUS:

Section 5(a), Hawaii Admission Act: Non-Ceded DHHL, 30% entitlement lands Yes No X

CURRENT USE STATUS:

Land encumbered under Governor's Executive Order No. 4552 (dated April 5, 2018) setting aside 57.296 acres designated as Kapalua-West Maui Airport to be under the control and management of HDOT for airport purposes.

CHARACTER OF USE:

<u>Access Easement</u>: Right, privilege and authority to construct, use, maintain and repair a right-of-way over, under and across State-owned land for access purposes.

<u>Utility Easement</u>: Right, privilege and authority to construct, use, maintain, repair, replace and remove water and sewer transmission pipelines over, under and across State-owned land for utility purposes.

CONSIDERATION:

Gratis. See Remarks section.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

The impacts of the proposed Right of Entry for access purposes over Akahele Street have been identified and analyzed in the <u>Pulelehua Final Environmental Impact Statement (FEIS)</u>, that was accepted by the Land Use Commission on July 13, 2005, and published by the Office of Environmental Quality Control in <u>The Environmental Notice on August 8, 2005</u>. The Pulelehua FEIS is still valid and relevant mitigation measures from the FEIS will be implemented to address the minimal impacts of this action.

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DCCA VERIFICATION:

Place of business registration confirmed:	YES X	NO
Registered business name confirmed:	YES X	NO
Good standing confirmed:	YES X	NO

REMARKS:

In June 2006, Maui Land & Pineapple Company, Inc. received approval from the Land Use Commission (LUC) to amend the State Land Use District Boundary designation from the Agricultural District to the Urban District for the development of a master planned residential community identified as Pulelehua on approximately 310 acres of land surrounding Kapalua Airport (Docket No. A04-751).

In June 2016, Maui Land & Pineapple Company, Inc. conveyed the 310 acres of land together with its land entitlements to Maui Oceanview LP. As a condition of the LUC's Decision and Order for Docket No. A04-751, Maui Oceanview LP as the new landowner, is required to enter into an agreement with HDOT for access to, and use of Akahele Street.

Numerous meetings with both HDOT and Maui Oceanview LP were held to discuss and negotiate terms and conditions for the use of Akahele Street. In January 2022, a Memorandum of Agreement (MOA) was executed which documented the parties' understandings, obligations and agreements regarding the future use, improvements, and maintenance of Akahele Street in connection with the Pulelehua project.

The MOA authorized the issuance of a non-exclusive right of entry agreement for Maui Oceanview LP's use of Akahele Street. In discussions with our Deputy Attorney General's office, it was recommended that instead of a right of entry agreement, that issuance of a grant of easement for access purposes would be in the best interest of the State. In addition, the MOA authorized the issuance of a limited number of non-exclusive underground utility easements within Akahele Street for use by Maui Oceanview LP. The access easement and utility easement shall run with the land and apply to all future owners of the real property identified as Tax Map Key: (2) 4-3-001:082 and (2) 4-3-001:083.

In consideration of HDOT issuing the non-exclusive access easement and utility easement at no charge, Maui Oceanview LP will replace HDOT's current, aging potable water and wastewater systems that serve Kapalua Airport and allow HDOT to connect to the Pulelehua project's potable water and wastewater systems. Additionally, Maui Oceanview LP will be responsible for all maintenance, operation, and liability for that portion of Akahele Street under the access easement.

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Issuance of the perpetual, non-exclusive access easement and the perpetual, non-exclusive utility easement will allow Maui Oceanview LP to proceed with the planning, construction, and development of the Pulelehua Project, subject to other government approvals.

REOMMENDATION:

Approve the issuance of a perpetual, non-exclusive access easement and a perpetual, non-exclusive utility easement, and issuance of a temporary right-of-entry permit for access and utility purposes to Maui Oceanview LP covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- 1. The standard terms and conditions of the most current perpetual easement document and right-of-entry permit forms, as may be amended;
- 2. The access easement and utility easement shall run with the land and apply to all future owners of the real property identified as Tax Map Keys: (2) 4-3-001:082 and (2) 4-3-001:083;
- 3. Review and approval by the Department of the Attorney General; and
- 4. Such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of HDOT.

Respectfully submitted,

CURT T. OTAGURO

Deputy Director of Transportation for Airports

Attachments



