BF Committee

From: Maui_County Council_mailbox
Sent: Friday, April 27, 2018 3:42 PM
To: BF Committee
Subject: FW: Vacation rentals

From: Catherine Velasquez [mailto:catherine_velasquez@yahoo.com]
Sent: Friday, April 27, 2018 2:32 PM
To: Maui_County Council_mailbox <county.council@mauicounty.us>
Subject: Vacation rentals

Dear County Council,
PLEASE- PLEASE- PLEASE

- Fund new positions to enforce the short-term rental rules.
- Use the affordable housing fund to provide infrastructure to 100% affordable housing projects in areas that are designated for housing by the community plans;
- Stop approving un-affordable residential, commercial and tourist developments that use up infrastructure capacity that should be reserved for truly affordable housing

Maui residents who work, me included are finding it near impossible to find affordable housing. Who's gonna be left to work here?
I feel that out of state real estate investors shall not be allowed to purchase homes unless they live full time in them, or they put the houses into the long term rental pool.
I VOTE.
Mahalo,
Catherine Velasquez

BF Committee

From: Cathreen Oshiro <coshiro@biodiesel.com>
Sent: Friday, April 27, 2018 1:45 AM
To: BF Committee
Subject: Reference to BF-1

Dear Council Members,

I would like to ask for your support voting against a 23 cent/gallon tax increase.

As a team member of Pacific Biodiesel, I stand behind our mission "to promote a clean, sustainable energy future through the community based production of renewable fuels".

The heart of what we do is the production of high grade 100% biodiesel. We utilize a variety of oils, tallow, used cooking oil and grease trap waste. We are engaged with community initiatives such as our local farmed multipurpose fuel crops and the collection of grease trap waste (which would otherwise go to our landfills).

Please support future renewable energy endeavors and the community we serve by not increasing biodiesel taxes and supporting the goal of 100% renewable ground transportation by 2045.

Thank you for your time and service on all the difficult decisions that affect our families.

"coming together is a beginning

keeping together is progress

working together is success"

-henry ford

BF Committee

From: Maui_County Council_mailbox
Sent: Friday, April 27, 2018 9:51 AM
To: BF Committee
Subject: FW: Vacation Rentals and the Impact on Maui

-----Original Message-----
From: Devin Levesque [mailto:devin.levesque94@gmail.com]
Sent: Friday, April 27, 2018 9:01 AM
To: Maui_County Council_mailbox <county.council@mauicounty.us>
Subject: Vacation Rentals and the Impact on Maui

Dear Maui County Council,

Our island clearly has a housing crisis and we as a people beg that you do something to help the people whose families have been here since the plantation times. We ask that you find new positions to enforce short term rental rules, increasing residentail taxing for home owners who aren't actual Hawaii residents (i.e. visitors and foreigners alike) and to STOP approving of unaffordable residential, commercial and tourist developments that create a system where affordable living is almost impossible to achieve. As someone whose family has lived here from generations and knows other families, our number one concern is what we are going to be able to provide for our children and their children, but what can we provide if we aren't even able to buy a home for them to grow in. Speaking to other families, we agree that during this upcoming election our number one issue is that development is heading in the wrong direction, and this will decide who we choose as country council, governor and mayor.

Mahalo.

BF Committee

From: Elizabeth Fujii <molokaicapp@gmail.com>
Sent: Friday, April 27, 2018 4:26 PM
To: BF Committee
Subject: Testimony for Maui County Council budget
Attachments: Budget Testimony - MCAPP - Paula Morelli 4.27.18.pdf; Testimony - MCAPP - Matt Yamashita 4-27-18.pdf

Aloha!

Attached, please find written testimony from Molokai resident and MCAPP Board President Matt Yamashita, and MCAPP Board Member Paula Morelli, in support of MCAPP's request for $95,000 from the county budget. Mahalo for your consideration.

Warm wishes,
Liz

--
Elizabeth Fujii
Molokai Child Abuse Prevention Pathways (MCAPP)
Executive Director
3 Oki Place, Suite 204
Kaunakakai, HI 96748
c: 808-375-5213

Testimony

To: Maui County Council Members

From: Paula T. Morelli, Ph.D. Consuelo Foundation Program Director

RE: Funding for Molokai Child Abuse Prevention Pathways (MCAPP)

April 27, 2018

Aloha Council Members:

I am Paula Morelli, the founding MCAPP executive director, now a board member of MCAPP, and currently the Hawaii Program Director for the Consuelo Foundation, in Honolulu, Hawaii.

In 2009, Consuelo Foundation conducted statewide research that determined that childhood sexual violence has inter-generationally undermined the wellbeing of its diverse citizens including the host culture Native Hawaiians. Over the last 6 years, the Consuelo Foundation invested in establishing MCAPP to secure the wellbeing of future generations with prevention education in order to establish and sustain a culture of safety on Molokai.

At this time, the Foundation must take a decreased role in MCAPP's sustainability. However, MCAPP's prevention work must continue if we are to stem the tide of crime victimization costs in the U.S. $450 billion annually (National Institute of Justice, 1996). We respectfully pray that the Maui County Council Members will continue this vital program for the sake of generations to come.

Mahalo nui loa,

Paula Morelli

PAULA T. MORELLI
110 N. Hotel St.
Honolulu, HI 96768
(808) 372-4578 cell
pmorelli@consuelo.org

TESTIMONY

TO: Maui County Council Members

FROM: Matt Yamashita

RE: **Funding for Molokai Child Abuse Prevention Pathways (MCAPP)**

April 27th 2018

Dear Council Members,

My name is Matt Yamashita and I am a founding board member of Molokai Child Abuse Prevention Pathways (MCAPP) 501(c)3. I am a multi-generation Molokai resident born and raised, father of 3, entrepreneur, and recently served 2 full terms (6 years) as a board member at the Molokai Community Health Center. I know our Molokai community well and I also understand the condition of our people's health and where our greatest needs are.

It is no secret that Molokai experiences a higher than normal rate of substance abuse, domestic abuse, and suicide. What has not been acknowledged is the role that sexual violence often plays as an underlying catalyst for these conditions. If we address the long hidden issue of sexual abuse prevalence on Molokai, we can begin address the source, the very core, of many of the painful issues that so many families suffer from here.

The recent "me too" campaign has exposed just how widespread the problem of sexual abuse is nationally. Here on Molokai, thanks to the work that MCAPP has done since 2012, we have been ahead of the curve in recognizing the problem. Even more importantly, MCAPP has spent the past 6 years designing and implementing school and community based prevention programs that are revolutionary in how they address the issue via K-12 education. Our unique outreach and prevention education has garnered the support of principals, teachers, police officers, counselors, parents, and clergy. It teaches youth how to recognize and report sexual abuse, how to talk about it and who to talk about it with, and also how to express feelings and desires in healthy and appropriate ways, so that they do not perpetuate unhealthy patterns.

So why do we need support from Maui County? Prior to 2017 MCAPP was a fully funded project of the Consuelo Foundation. Consuelo mandated that the project become an autonomous program by 2017. Community members, including myself, took on the task of incorporating MCAPP into a 501(c)3 and pursuing funding in an effort to continue the program. Consuelo rewarded our efforts by providing the bulk of our 2018 budget, but made clear that their support would necessarily be reduced the following year. Our board and staff has been working

overtime to pursue grants and other sources of funding. We have been successful in securing some significant support, but we are still well short of our operating budget for 2019.

This program deserves County funding because it has far reaching impacts on the health of our community. Our staff works directly with MPD in addressing and curbing incidences of sexual violence. They also work hand in hand with other social service providers. We go above and beyond our classroom-based prevention work by integrating our support/presence into every layer of the system that exists to prevent, address, and treat sexual violence and related outcomes. We are creating an entirely unique, community-driven model of addressing a longstanding problem that lies at the root of so much imbalance and discord within our island communities. This model is one that can be replicated throughout Maui County and the state. And we do all of this in a streamlined, economical manner that maximizes available resources thanks to our small team of incredibly resourceful and dedicated staff.

I urge you to please keep MCAPP in the County budget. Without the County's support we will very likely have to downsize our services when, in fact, we need to be expanding them.

If you have not already done so, please watch this short video highlighting our organization, programs, partners, and vision:

https://vimeo.com/226529872

Mahalo Nui,

Matt Yamashita

PO Box 1304 Kaunakakai, HI 96748

(808) 442-2740 / molokaimatt@hotmail.com

BF Committee

From: Jen Maydan <jenmaydan@yahoo.com>
Sent: Friday, April 27, 2018 8:46 AM
To: Mike White; Stacy S. Crivello; Elle Cochran; Riki Hokama; BF Committee; Yukilei Sugimura
Subject: Support for Maui Lani Roundabout

Dear Honorable Council Members,

I am the chair of the Healthy Eating Active Living (HEAL) Coalition for Maui, Molokai and Lanai and I strongly urge you to **support the Maui Lani roundabout**.

Many communities across the country and here in Hawaii have used roundabouts for decades to solve traffic and safety issues.

Roundabouts:

Reduce fatal collisions by 90%
Reduce traffic flow delay by 65%
Reduce pedestrian collisions by 40%
Reduce annual maintenance cost by 80%

The Department of Public Works has completed studies for the Maui Lanai intersection which confirm that a roundabout will be a safer and more efficient solution than a traffic signal.

A vote against the Maui Lani roundabout is:

A vote against fiscal responsibility;
A vote against smooth and hassle free traffic movement;
A vote against health;
A vote against cleaner air;
A vote against safe walking and bicycling;
A vote against our keiki!

A vote for the Maui Lani roundabout is:

A vote for wise use of public money;
A vote for efficient and hassle free traffic movement;
A vote for health & the environment;
A vote for safe walking and biking;
A vote for our keiki!

The community has spoken out loud and clear that they support the Maui Lani roundabout.

You as a council member represent the people. Will you really do that and represent the people and vote for the Maui Lani roundabout? I urge you to be a responsible and honest public representative. I urge you to support the Maui Lani roundabout.

Mahalo for your dedication to Maui County.

Jen Maydan
670 Awalau Road
Haiku, HI 96708
264-9135

BF Committee

From: Jordan Hart <JHart@chpmaui.com>
Sent: Friday, April 27, 2018 10:05 AM
To: BF Committee
Cc: Riki Hokama; Mike White; Alika A. Atay; Robert Carroll; Elle Cochran; Stacy S. Crivello; Donald S. Guzman; Kelly King; Yukilei Sugimura; Eric Ong (ecomaui@gmail.com)
Subject: FW: Kulanihakoi Gulch Parcels - Offering Letter to County of Maui
Attachments: Offering Letter - County of Maui.pdf; Kula Hakoi Gulch Project Summary.pdf; KULANI REPORT-FINAL.PDF

Aloha Chair & Members of the Budget & Finance Committee:

Pursuant to the testimony of Mr. Eric Ong this morning and questions by Council Member King; attached is the letter of offering that was transmitted to the County of Maui Director of Finance for consideration.

The property appraisal is also attached for your consideration.

Jordan E. Hart

Attachments: (3)

Chris Hart & Partners, Inc.
115 North Market Street
Wailuku, Maui, Hawaii
96793-1706

www.chpmaui.com
Direct: (808) 270-1563
Fax: (808) 242-1956
Email: jhart@chpmaui.com

From: Allen Yap [mailto:alleny@paynellahawaii.com]
Sent: Wednesday, April 18, 2018 2:02 PM
To: Mark Walker (Budget.Office@mauicounty.gov) <Budget.Office@mauicounty.gov>
Cc: Guy Hironaka (Guy.Hironaka@mauicounty.gov) <Guy.Hironaka@mauicounty.gov>; 'Doug Palin' <dpalin@inactive.net>
Subject: Kulanihakoi Gulch Parcels - Offering Letter to County of Maui

Aloha Director Walker:

I represent the interest of Valley Isle Ventures, LLC (Owner) and am sending you an attached Offering Letter for your review and consideration. For your information, I have also included a Project Summary previously designed by the Owner and presented to the Kihei Community.

The three (3) subject Properties are located in South Maui (Kihei), on the corner of South Kihei Road and Kaonoulu Road (Mauka of the Kula Hakoi bridge). The Properties provide a major drainway path for flood water detention and overflow exit into the ocean. Thereby, providing an important relief from torrential flood waters and safety for the immediate neighborhoods and North Kihei area of Maui. The Owner, majority of Kihei Community and associated groups agree that the Properties should remain as open space and/or conservation areas for flood control and benefit of the North Kihei area. We

have also discussed this matter with all Council Members and the majority of incumbents agree that the County should seriously consider the acquisition of the Properties for the safety and benefit of the South Maui community.

Upon your request, we can provide a current MAI appraisal, Preliminary Title Reports, soil reports, surveys, etc. for your review and evaluation of the Properties. Please note that the Properties are adjacent (Mauka) of the South Kihei Road bridge that spans over the Kula Ha Koi Gulch, which bridge is scheduled for replacement.

I would like to thank Guy Hironaka (Finance Department, RPT) for his assistance in this matter -- he provided direction for our submission of our Offering Letter to the County of Maui.

In conclusion, I thank you for your time and consideration of this matter. Please do not hesitate to contact me via cell phone or email if you have any questions or comments to discuss.

Allen T. Yap
Development Services

Paynella Hawaii, LLC
10 Kamaiki Circle
Kahului, Hawaii 96732

Mobile (808) 269-0236
Email: alleny@paynellahawaii.com

This email and attachment(s) is intend only for use by the addressee(s) and may contain information that is confidential or privileged. If you are not the intended recipient please advise the sender by return email, do not use or disclose the contents and delete the message and any attachment(s) from your system. Unless specifically stated, this email does not constitute formal advice or commitment by the sender.

Valley Isle Ventures, LLC

April 17, 2018

County of Maui
Department of Finance
200 South High Street
Wailuku, Hawaii 96793

Attention: Mark Walker, Director of Finance

Re: Offering Letter to Purchase Property(s) located at Ka'ono'ulu Road and South Kihei Road, Kihei, Maui, Hawaii 96753

Dear Director:

The purpose of this Offering Letter (the "**Letter**") is to express the interest of **Valley Isle Ventures, LLC**, a Hawaii corporation (the "**Seller**"), to enter into discussions with the **County of Maui** (the "**Buyer**") regarding the purchase of all the fee simple interests of three (3) properties (collectively referred to as the "**Property**"). The subject properties are summarized as follows:

Tax Map Key: 2-3-9-001-162
Lot No.: 6 "Ka'ono'ulu Estates, Phase III"
County Zoning: Apartment
Community Plan Designation: Park
Acres: 7.001
Square Feet: 304,964

Tax Map Key: 2-3-9-001-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)
County Zoning: Open
Community Plan Designation: Open Space
Acres: 3.335
Square Feet: 145,273

Tax Map Key: 2-3-9-062-019
Lot No.: 19, "Kenolio Makai Subdivision"
County Zoning: Apartment
Community Plan Designation: Multifamily
Acres: 2.4162
Square Feet: 105,251

1. <u>Purchase of Property</u>

In our discussions, we will seek to establish the price, terms and provisions of a Definitive Purchase Agreement, subject to the satisfactory results of your due diligence evaluation and receipt of governmental approvals.

Buyer shall purchase the fee simple interests of that certain Property described hereinbefore, including all land and improvements thereon. The Property shall be purchased on an "AS IS, WHERE IS" condition and basis with all faults, without representation or warranty, express or implied, as to the economic or physical condition or any other aspect of the Property.

It is understood that no binding contract is intended by this Letter. Neither Seller nor Buyer will be bound to consummate the sale and purchase unless and until the Definitive Purchase Agreement, in form mutually acceptable to both parties, is executed and delivered by both parties.

2. Purchase Price

Buyer shall pay to Seller, in cash, a bulk purchase price of Two-Million Five-Hundred Thousand Dollars and no/100 ($2,500,000.00) for the Property.

Please direct any future response and communicates to Allen T. Yap, Paynella Hawaii, LLC. (cell phone 808-269-0236 or email at alleny@paynellahawaii.com). Mr. Yap is authorized by me to discuss all matters contemplated herein; however, all agreements are subject to my final review and approval. If you desire to speak with me personally, please do not hesitate to call me on my cell phone at (360) 903-7400 or email at dpalin@inactive.net.

Sincerely,

Douglas R. Palin, Managing Member
Valley Isle Ventures, LLC
17311 NE 40th Street
Vancouver, Washington 98682

Subject: Project Description Summary for Kulani Hakoi Greenway Park located at Kihei, Maui, Hawaii 96753

TMKs: (2) 3-9-062: 019, (2) 3-9-001: 162, 164, & 149 (Por.)

The proposed Kulani Hakoi Greenway Park will utilize parcels 019 (2.416 Acres), 162 (7.001 Acres), 164 (3.335 Acres) which are owned by Valley Isla Ventures, LLC. Parcel 149 is owned by the Hawaiian Association of Seventh-Day Adventists (HASDA). Approximately 1 acre of the HASDA parcel, along the northern property boundary, where the existing Kulani Hakoi Gulch is located will be used for the greenway park.

With the participation of the HASDA, the proposed park will continue across the North South Collector Road through the adjacent HASDA parcel and a connection across all four parcels will be created. This will allow for a safe access route from Makai, under Pi'ilani Highway, to the future Kihei High School. The connection, will also benefit the neighborhoods adjacent to the park. Additionally, a safe route providing ocean/beach access via the future sidewalk and crosswalk at South Kihei Road will also be created.

The proposed park encompasses the existing Kulani Hakoi drainage way and will provide a new location for outdoor recreational uses to the public (See: Attachment 1, "Kulani Hakoi Greenway Park Proposed Plans"). The proposed use will include a new parking area and multiuse gravel trail for walking and bicycling with various access points from the surrounding neighborhoods and streets. The multiuse gravel trial will take advantage of the many views provided by the site with benches placed along the trail in scenic overlooks and rest areas. The trail will be located to the side and above the centerline of the gulch in areas that will require minimal grading and out of areas prone to flooding.

In addition to the benches, rest areas will incorporate interpretive signage and trash receptacles near vehicle access points for servicing. Signage will display wayfinding information as well as historic, botanic, and biologic uses within the park. To the highest extent possible, native plants will be used for their soil stabilization, erosion control, drought tolerance, restoration, and educational value. The existing cultural group work/use area will remain and be undisturbed by the proposed park use. Privacy fencing will be constructed along the boundary of the Villas at Kenolio lower lawn area to prevent access from the park area onto private property. However, secured access gates for residents from the Villas at Kenolio will be provided and fencing will be kept low to maintain visibility of views and security for park users.

COVERING
The As Is Fee Simple Market Land
Valuation For 3 Individual Tax Map Parcels,
Planned to be Developed Into the
"Kulani Hakoi Linear Park".

LOCATED AT
Kenolio Road, Kihei Road,
Kihei, Island of Maui, State of Hawaii

IDENTIFIED AS
Tax Map Key: Division 2, Zone 3,
Section 9, Plat 1, Parcels 162 and 164
Tax Map Key: Division 2, Zone 3, Section 9, Plat 62,
Parcel 19

HOWELL & ASSOCIATES

Real Estate Appraisers, Arbitrators & Consultants

SUMMARY
APPRAISAL REPORT

COVERING

The As Is Fee Simple Market Site
Valuation For 3 Individual Tax Map Key Parcels,
Planned to be Developed Into the "Kulani Hakoi Linear Park"

LOCATED AT
Kenolio Road, Kihei Road
Kihei, Island of Maui, State of Hawaii

IDENTIFIED AS
Tax Map Key: Division 2, Zone 3, Section 9, Plat 1, Parcels 162 and 164
Tax Map Key: Division 2, Zone 3, Section 9, Plat 62, Parcels 19

PREPARED FOR

Mr. Allen Yap, c/o.
Valley Isle Ventures LLC
17311 NE 40th Street
Vancouver, Washington 98682

AS OF AN EFFECTIVE
DATE OF VALUATION OF

February 28, 2018

March 3, 2018

Mr. Allen Yap c/o
Valley Isle Venture LLC
17311 NE 40th Street
Vancouver, Washington 98682

Re: APPRAISAL REPORT
Involving the Estimation of a Fee Simple Interest
Market Value For 3 Individual Tax Map Key Parcels,
Planned to be Developed Into the "Kulani Hakoi Linear Park"
Located on Kenolio Road, Kihei Road, Kihei, Island of Maui,
State of Hawaii
Tax Map Keys: Division 2, Zone 3, Section 9, Plat 1, Parcels 162, 164, and
Tax Map Key: Division 2, Zone 3, Section 9, Plat 62, Parcel 19

Dear Mr. Yap:

At your request, we have prepared and present herewith, an **Appraisal Report**, which, contains our opinions, together with supporting data, concerning an estimation of the market value of the fee simple interest in the above cited three individual subject real properties. The date of valuation for this assignment is February 28, 2018.

The 3 subject properties under appraisement, are summarized following:

Tax Map Key: 2-3-9-1-162
Lot No.: 6 "Ka'ono'ulu Estates, Phase III"
County Zoning: Apartment
Community Plan Designation: Park
Acres: 7.001
Square Feet: 304,964

Tax Map Key: 2-3-9-1-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)
County Zoning: Open
Community Plan Designation: Open Space
Acres: 3.335
Square Feet: 145,273

Tax Map Key: 2-3-9-62-19
Lot No.: 19, "Kenolio Makai Subdivision"
County Zoning: Apartment
Community Plan Designation: Multifamily
Acres: 2.4162
Square Feet: 105,251

As can be seen in a County Zoning and Community Plan Designations Map, two Subject Drone Aerial Photographs, and two Subject Location Maps, in the following Section 3, Property Description Section, the three subject properties form a master parcel, running downhill from Kenolio Road to the east (Lot 9) toward Kihei Road to the west (Lot 6, in the direction of the ocean), with subject Lot 19 located between Lots 6 and 9.

The **Type of Values** estimated for this report, as of the date of valuation, are the market values of the fee simple interest in the foregoing three cited subject real properties.

The **Intended Use** of this report, is to provide market data, real property information, and an estimate of subject real property fee simple interest market land values for the three subject properties, so that the owners of the three subject properties will be able to offer the properties to the County of Maui; and, the offering will include the negotiation for sale or otherwise of said properties.

The **Intended Users** for this appraisal report, are the owners of the subject properties.

An explanation of the valuation methodology used in the estimation of the subject properties fee simple interest market values, is provided within Section 4 of this Summary Appraisal Report.

The final concluded subject real properties fee simple interest market land values are reported following, and also in the following Valuation Section of this report (Section 4).

FINAL CONCLUDED AS IS
FEE SIMPLE SUBJECT MARKET LAND VALUES

It was the appraisers' opinion, that the as is, estimated fee simple market land values for three subject properties, as of a **valuation date of February 28, 2018,** are:

Subject Property	Estimated Fee Simple Market Value
Lot No. 6:	**$357,000**
Lot No. 9:	**$1(Nominal)**
Lot No. 19:	**$2,050,000**

The value conclusions reported forgoing, and in the following Valuation Section of this report (Section 4) are contingent upon and limited by all of the *Definitions and Terminology* that are provided at the beginning of Section I of this report, and the *Assumptions and Limiting Conditions* contained in *Exhibit A* in the following Addenda of the report. The market values indicated are the most probable prices in terms of cash or financing arrangements equivalent to cash.

FORMAT OF THIS REPORT

This Appraisal Report is broken down into a preceding Transmittal Letter/Summary of Values; and following, Photographs of the Subject Area and Properties; 4 Sections, a Final Value Conclusions Page, and an Addenda, which are all listed, following:

	Page
TRANSMITTAL/SUMMARY OF VALUES	**1-3**
PHOTOGRAPHS OF THE SUBJECT AREA AND PROPERTY	
SECTION 1: USPAP AND FIRREA, DEFINITIONS AND TERMINOLOGY	**5**
SECTION 2: SUBJECT AREA DESCRIPTIONS	**8**
SECTION 3: SUBJECT PROPERTY DESCRIPTION	**14**
SECTION 4: VALUATION	**25**
FINAL CONCLUSIONS OF SUBJECT FEE SIMPLE INTEREST MARKET LAND VALUES	**34**
ADDENDA	
Exhibit A, Assumptions and Limiting Conditions	

PHOTOGRAPHS OF THE SUBJECT AREA AND PROPERTY

Drone Aerial photograph perspective of Lot 6 (taken on February 28, 2018).

Drone Aerial photograph perspective of Lot 19 (taken on February 28, 2018).

Drone Aerial photograph perspective of Lot 19 (taken on February 28, 2018).

Drone Aerial photograph perspective of Lot 19 (taken on February 28, 2018).

Southerly view of Lot 6 from Kaonoulu Street, at the north boundary of the subject.

Easterly view of Lot 6 from Kihei Road

Westerly view of Lot 9 from east boundary of the master parcel.

Interior view of Lot 19, southerly perspective

SECTION 1: USPAP AND DEFINITION AND TERMINOLOGY

SECTION 1: USPAP AND FIRREA, DEFINITIONS AND TERMINOLOGY

USPAP AND FIRREA

This appraisal report was prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) and Title XI of the Financial Institutions Reform Act of 1989 (FIRREA). The appraiser's competency to complete this assignment is stipulated herein.

DEFINITIONS AND TERMINOLOGY

Throughout this report, the reader will encounter various technical words or phrases necessary to the appraisers for the proper presentation of material and conclusions. In addition, certain Hawaiian words, by common usage, which are a part of the everyday local and business language, will be utilized. Presented at this point, are those most commonly used in this report, together with brief explanations.

Market Value

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. Continual refinement is essential to the growth of the appraisal profession and the effective communication of value estimates.

For the purposes of this assignment, the current economic definition of market value, as defined under Title XI of FIRREA (*Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989*) and by the Office of the Comptroller of the Currency (*12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f]*), is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specific date and the title passing from seller to buyer under the following conditions whereby:

1) *Buyer and seller are typically motivated;*

2) *Both parties are well informed or well advised, and acting in what they consider their own best interests;*

3) *A reasonable marketing time is allowed for exposure to the open market;*

4) *Payment is made in terms of cash in U.S. dollars, or in terms of financial arrangements comparable thereto; and*

5) *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions arranged by anyone associated with the sale.*

Many of the legal definitions of market value are based on the following:

The highest price estimated in terms of money that the land would bring if exposed for sale in the open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adapted and for which it was capable of being used. {*Sacramento Southern R. R. Co. v. Heilbron* 156 Cal. 408, 104 P. 979 (1909).} **[2]**

A definition that incorporates concepts that are most widely agreed upon, such as willing, able, and knowledgeable buyers and sellers who act prudently, gives an appraiser a choice among three bases: 1) all cash, or 2) terms equivalent to cash, or 3) other precisely revealed terms, and still requires increments or diminution from the all-cash market value to be quantified in terms of cash. **[3]**

Highest and Best Use

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

Highest and best use of land or a site as though vacant. The use of a property based on the assumption that a parcel of land is vacant or can be made vacant through demolition of any improvements.

Highest and best use of property as improved. The use that should be made of a property as it exists. **[2]**

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate subject only to the four powers of government (*limitation of eminent domain, escheat, police power, and taxation)*. **[2]**

Leased Fee Estate

An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of the lessor or the leased fee owner, and leased fee interest are specified by contract terms contained within the lease. **[2]**

Leasehold Estate

The right to use and occupy real estate for a stated term and under certain conditions; conveyed by a lease. **[2]**

Easements

Easements represent another division of property ownership. An easement is *an interest in real property that conveys use, but not ownership, of a portion of an owner's property*

[1]. Easements frequently permit a specific portion of a property to be used for access to an adjoining property or as a public right-of-way. Although surface easements are the most common, subterranean and overhead easements are used for public utilities, subways, and bridges. **[3]**

Cash Equivalency Analysis

The procedure in which the sale prices of comparable properties sold with atypical financing terms are adjusted to reflect typical market terms. **[2]**

Directional Terms

The individual islands do not generally lie on a clear north/south axis. Directional terms, therefore, frequently make reference to location, such as: mauka - (*uka*) inland, upland, towards the mountain **[4]**; makai - (*kai*) toward the sea **[4]**; and townside - toward the town.

Sources:

[1] Rules and Regulations, *Federal Register*, Volume 55, No. 165, Page 34696 (*1989*).

[2] *The Dictionary of Real Estate Appraisal*, 3rd Ed., Appraisal Institute (*1992*).

[3] *The Appraisal of Real Estate*, 10th Ed., Appraisal Institute *(1992*).

[4] *Hawaiian Dictionary*, Pakui and Elbert (*1973*).

SECTION 2: SUBJECT AREA DESCRIPTION

SECTION 2: SUBJECT AREA DESCRIPTIONS

COUNTY OF MAUI

Maui County Geographic Description, Trends and Forecasts are discussed following. Sources: State of Hawaii Department of Business, Economic Development and Tourism (DBEDT); and Hospitality Advisers, and the Maui Board of Realtors.

Geographic Description

The second largest county in the State, Maui County includes four major islands with a land area of 1,159.3 square miles. Maui Island, also known as the "Valley Isle", reflects a land area of 727.2 square miles and is the economic center and seat of county government. Molokai, with an area of 260 square miles, and Lanai, with an area of 140.5 square miles, are also included within Maui County.

Trends and Forecasts

Population

Resident population (2012): 158,226
(Since 2000, the population in the County of Maui has increased by 23%.)

Tourism

Maui Island is Hawai'i's second most popular tourist destination. The visitor industry accounts for 40% of the County of Maui economy. In 2017, there were a total of 2,742,108 visitor arrivals by air to the Island Maui, reported by the Hawaii Tourism Authority. Overall the number of visitors by air increased by 4.1% from 2016, and 7.04% since 2015. Total visitor days logged hit record levels in 2017 for the sixth straight year, up 2.9 percent. Visitor spending hit a record $4.8 billion in 2017, the sixth consecutive record-setting year. The total was 5.2 percent more than 2016.

Popular visitor attractions are the historic whaling town of Lahaina, the Pacific Ocean Center, the sloped and vistas of Haleakala Crater, the winding road to Hana and the beaches of the Ka'anapali coast. Resort Areas: Ka'anapali, Kapalua, Kihei (location of the subject), Wailea/Makena.

As of March 2018, Maui County hotels led the state in both total RevPAR at $345 and the rate of RevPAR growth (+15.3%) in January, driven by the rise in average daily rate to $434 (+13.5%) and a slight increase in occupancy to 79.5% (+1.2 percentage points).

Housing

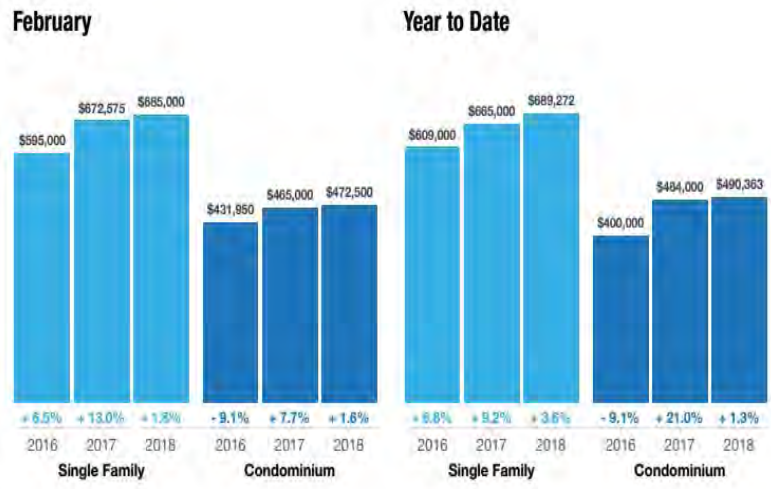
During February 2018, homes on the Island of Maui reflected residential 95 sales; whereas, 1 year earlier 57 home sales occurred. The residential median sales price increased 1.8% for February 2018 ($685,000) from February 2017.

During February 2018, condominiums on the Island of Maui reflected 122 sales; whereas, 1 year earlier 112 condominiums sales occurred.

An Island of Maui Map is provided following, which shows the subject master property location.

DELORME
Street Atlas USA© 2006
Area Map
Pacific Ocean
Kahakuloa
Pauwela
Paia
Wailuku
Lahaina
Puunene
Makawao
Pukalani
Olowalu
Maalaea
Kihei
Subject
Keawakapu
Ulupalakua
Kipahulu
Kaupo
Kahoolawe

Median Sales Prices

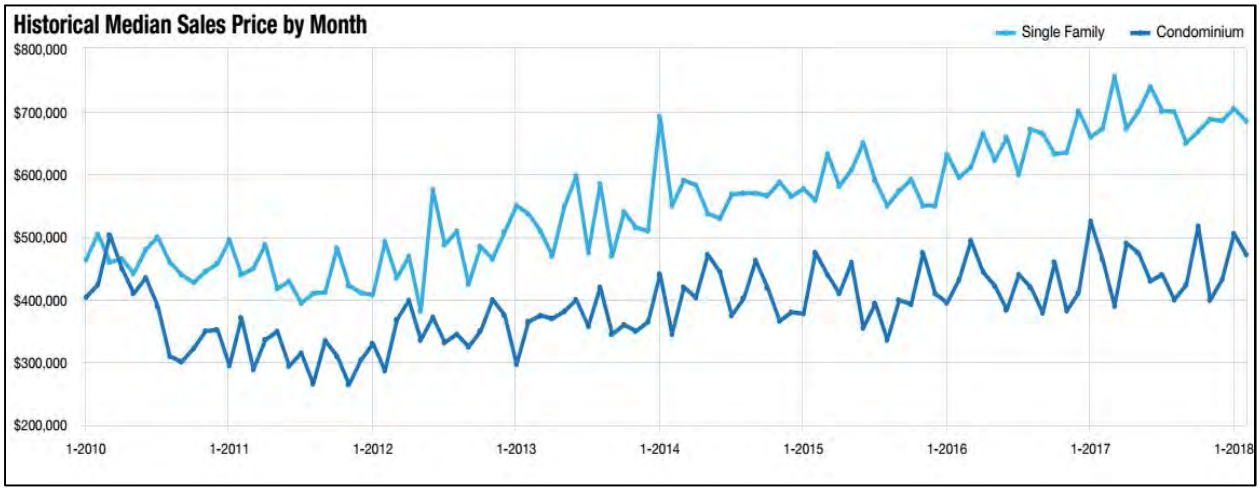


Median Sales Price	Single Family	Year-Over-Year Change	Condominium	Year-Over-Year Change
Mar-2017	$756,000	+ 23.6%	$390,000	- 21.1%
Apr-2017	$673,000	+ 1.2%	$490,000	+ 10.2%
May-2017	$700,000	+ 12.4%	$475,000	+ 12.6%
Jun-2017	$740,000	+ 12.3%	$430,000	+ 12.0%
Jul-2017	$701,000	+ 16.8%	$440,000	0.0%
Aug-2017	$700,000	+ 4.2%	$400,000	- 4.8%
Sep-2017	$650,000	- 2.3%	$423,750	+ 11.8%
Oct-2017	$668,675	+ 5.7%	$517,500	+ 12.5%
Nov-2017	$688,000	+ 8.3%	$399,500	+ 4.4%
Dec-2017	$685,500	- 2.2%	$432,500	+ 5.2%
Jan-2018	$705,000	+ 6.8%	$505,563	- 3.7%
Feb-2018	**$685,000**	**+ 1.8%**	**$472,500**	**+ 1.6%**
12-Month Avg*	$695,000	+ 6.9%	$448,250	+ 5.5%

* Median Sales Price for all properties from March 2017 through February 2018. This is not the average of the individual figures above.

Source Realtors Association of Maui

Sales Per Month



Source Realtors Association of Maui

Agriculture

Crops grown on the islands of Maui County are fruits (including pineapple), sugarcane and vegetables. Coffee is grown on the islands of Maui and Molokai.

Cut flowers and orchids are grown on Maui and Molokai. Proteas are a specialty of Maui Island.

Education

Maui Community College offers a two-year associate degree and is part of the University of Hawaii system. The Molokai Education Center is part of Maui Community College.

Science and Technology

There are four astronomical observatories on Mount Haleakala. The Maui Research and Technology Park is home to the Maui High Performance Computing Center which also supports the Pacific Disaster Center Project.

SUBJECT AREA DESCRIPTIONS

Overall, the Kihei Area: The subject properties are located within the Kihei community core, which enjoys an extensive western beach/ocean coast, dotted with hotels, resort condominiums, private residences and public beach parks and shopping centers. South Kihei Road, the main coastal road that runs along the entire 6 mile length of the Kihei area, borders the subject to the west. The resort areas of Wailea and Makena are 5 miles to the south.

According to the State of Hawaii Department of Business, Economic Development, and Tourism, the population of Kihei in 2013 was 20,881.

Immediate Subject Areas: The subject properties are located in the area of North Kihei. North Kihei is bounded by the intersection of North Kihei Road and Sugar Beach Resort to the north, Piilani Highway to the east, East Lipoa Street to the south and South Kihei Road and the Pacific Ocean to the west.

Kihei Bay Vista Condos and Kihei Bay Surf condominium complexes are adjacent to the west boundary of the subject master parcel. Haleakala Gardens is adjacent to the south boundary. Vacant land and Piilani Highway are adjacent to the east and the Villas at Kenolio is adjacent to the north.

The development of Lot 19 of the subject master site would enhance and add value to the subject master parcel area.

A Subject Area Map showing the location of the subject master parcel follows, with the three subject properties identified.

<u>KIHEI HOUSING STATISTICS (February 2018)</u>

Home Sales/Median Sales price – Year to date
17 sales (increase of 30% from 1 year prior).
Median sales price: $685,500 (an increase of 10% from 1 year prior).

Condominium Sales/Median Sales price – Year to date
46 sales (no change from 1 year prior).
Median sales price: $452,500 (an increase of 1`% from 1 year prior).

SECTION 3: SUBJECT PROPERTY DESCRIPTION

SECTION 3: SUBJECT PROPERTY DESCRIPTIONS

LEGAL DESCRIPTION (FOR APPRAISAL PURPOSES) AND TAX MAP KEYS

All those certain parcels of land, situated at Kihei, Island of Maui, State of Hawaii, summarized as following:

Tax Map Key: 2-3-9-1-162
Lot No.: 6 "Ka'ono'ulu Estates, Phase III"
County Zoning: Apartment
Community Plan Designation: Park
Acres: 7.001
Square Feet: 304,964

Tax Map Key: 2-3-9-1-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)
County Zoning: Open
Community Plan Designation: Open Space
Acres: 3.335
Square Feet: 145,273

Tax Map Key: 2-3-9-62-19
Lot No.: 19, "Kenolio Makai Subdivision"
County Zoning: Apartment
Community Plan Designation: Multifamily
Acres: 2.4162
Square Feet: 105,251

SITE DESCRIPTIONS

The three subject tax map key properties are shown in a following **County Zoning and Community Plan Designations Map**, two **Subject Drone Aerial Photographs**, and two **Subject Location Maps.**

As can be seen in the County Zoning and Community Plan Designations Maps, the two Subject Drone Aerial Photographs, and the two Subject Location Maps, the three subject properties form a master parcel, running downhill from Kenolio Road to the east (Lot 9) toward Kihei Road to the west (Lot 6, in the direction of the ocean), with subject Lot 19 located between Lots 6 and 9.

From east to west:

Tax Map Key: 2-3-9-1-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)

Drainage Canal.

Tax Map Key: 2-3-9-62-19
Lot No.: 19, "Kenolio Makai Subdivision"

Vacant land.

Tax Map Key: 2-3-9-1-162
Lot No.: 6 "Ka'ono'ulu Estates, Phase III"

Vacant land.

CENSUS TRACT DESIGNATION

The 2000 Island of Maui Census Tract containing the subject properties, is Census Tract 307.07, according to the U.S. Bureau of the Census, tabulated by the Hawaii State Department of Business, Economic Development & Tourism, Hawaii State Data Center.

STATE LAND USE CLASSIFICATION

The State land Use law was passed in 1961 to control and plan land use at the State level. The State land Use Commission's task is to classify the various islands in the State of Hawaii into four major districts. These districts are listed as such:

URBAN

AGRICULTURAL

RURAL

CONSERVATION

The subject properties have the following State Land Use Commission classifications:

Tax Map Key: 2-3-9-1-164
Lot No.: 9: CONSERVATION

Drainage Canal.

Tax Map Key: 2-3-9-62-19
Lot No.: 19: URBAN

Tax Map Key: 2-3-9-1-162
Lot No.: 6: URBAN

COUNTY ZONING AND COMMUNITY PLAN DESIGNATIONS OF THE SUBJECT PROPERTIES

The subject properties have the following County Zoning and Community Plan designations:

Tax Map Key: 2-3-9-1-162
Lot No.: 6 "Ka'ono'ulu Estates, Phase III"
County Zoning: Apartment
Community Plan Designation: Park
Acres: 7.001
Square Feet: 304,964

Tax Map Key: 2-3-9-1-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)
County Zoning: Open
Community Plan Designation: Open Space
Acres: 3.335
Square Feet: 145,273

Tax Map Key: 2-3-9-62-19
Lot No.: 19, "Kenolio Makai Subdivision"
County Zoning: Apartment
Community Plan Designation: Multifamily
Acres: 2.4162
Square Feet: 105,251

APARTMENT DISTRICT SYNOPSIS

INTENT: Multiple-family apartment districts are generally established outside of the high density core of the central portion of a town. It is applicable to areas where multiple-family units are indicated; yet, the areas have not reached a transitional stage wherein public, semi-public, institutional and other uses are desirable.

GUIDELINES: TYPICAL PERMITTED USES: Any use permitted in the residential and duplex districts. Apartment houses. Boarding houses, rooming houses, and lodging houses. Bungalow courts. Apartment courts. Townhouses. Transient vacation rentals in buildings and structures having building permits, special management area use permits, or planned development approval that were lawfully issued by and valid on April 20, 1989. Bed and breakfast homes, subject to the provisions of chapter 19.64 of this title. Short-term rental homes, subject to the provisions of chapter 19.65 of this title.

MINIMUM LOT AREA: 10,000 square feet.

MINIMUM PARCEL WIDTH AND DEPTH: SUBDIVISION POTENTIAL: 70 FEET

ALLOWABLE RESIDENTIAL DENSITY: 25%, 40% for lots 3 acres or more, 50% for lots less than 3 acres.

OPEN DISTRICT SYNOPSIS

INTENT: The open space zoning district is established to implement the land use policies of the County of Maui; protect and preserve areas with important environmental, scenic, and cultural resources; provide areas for outdoor recreation; direct development away from fragile ecosystems and agricultural areas; retain the spatial identity of existing urban areas and discourage urban sprawl; and manage development in hazardous areas. The open space district is also intended for lands that are removed from the conservation district pursuant to chapter 205, Hawaii Revised Statutes, until such time as the lands are designated into the most appropriate zoning district.

District Categories: There shall be two categories of open space district to distinguish between passive and active types of land uses. The following criteria shall be used when establishing the OS-1 "Passive" and OS-2 "Active" open space district categories:

OS-1 (Passive) Areas designated for open space use on the community plan map primarily to recognize sensitive ecological resources such as threatened and endangered species habitat, wetlands and other similar resources and cultural resources such as Hawaiian heiau and other significant cultural sites.

OS-2 (Active) Areas designated for open space use on the community plan map primarily to recognize scenic and recreational resources; hazardous areas; drainage ways; and open space greenbelts that provide visual relief from building mass and buffer sensitive ecological resources or agricultural activities from urbanized areas.

Permitted Uses

Uses	OS-1	OS-2	Special Conditions
1. Agriculture		x	No processing of products on premises.
2. Native Hawaiian traditional and customary uses	x	x	Customary and traditionally exercised subsistence, cultural and religious uses in accordance with article XII, section 7, of the Hawaii State Constitution, and Hawaii case law.
3. Outdoor recreation		x	Limited to hiking; fishing; hunting; noncommercial tent camping; picnicking; equestrian activities; walking, jogging and bicycling; and playfields with non-permanent seating. Uses not listed are not allowed as a principal use.
4. Park	x	x	OS-1 category: Limited to recreation, passive.

			OS-2 category: Not including golf courses. Not including commercial uses except when under the supervision of government agency in charge of parks and playgrounds.
5. Passive land use	x	x	
6. Recreation, passive	x	x	
7. Restoration of cultural sites	x	x	Includes retention, restoration, or rehabilitation of buildings, sites or cultural landscapes of historical or archeological significance.
B. Accessory uses.			
1. Assembly area		x	Includes only unenclosed and typically uncovered seating area in association with a park or outdoor recreation.
1. Agriculture	x	x	Agriculture within the OS-1 district and processing of agricultural products in the OS-2 district.
2. Cemetery		x	
3. Outdoor recreation	x	x	Outdoor recreation within the OS-1 district. Commercial tent camping, motorized recreational vehicles and playing fields with permanent seating are not permitted in the OS-1 district and a special use permit is required for these uses in the OS-2 district.
4. Park	x		Uses not permitted as a principal use; but not including golf courses, and not including commercial uses except when under the supervision of a government agency in charge of parks and playgrounds.
5. Resource extraction		x	Limited to the Island of Lanai only; and limited to the extraction of natural material only; no processing permitted on site.
6. Structure	x	x	Facilities associated with a principal use or approved special use, such as restrooms, information kiosks, required off-street parking, solar systems, and equipment sheds. Subject to the plan conditions of section 19.07.060.

MINIMUM LOT AREA: None

MINIMUM PARCEL WIDTH AND DEPTH: SUBDIVISION POTENTIAL: None and 15 feet.

COMMUNITY PLAN DESIGNATIONS

According to the appraisers' discussions with Maui County Planning Department officials, the subject property Community Plan Designations typically override the County Zoning of the properties.

SPECIAL MANAGEMENT AREA

The subject properties are in a Maui County Special Management Area (SMA). Any proposed development of the subject properties, consistent with the Maui County Community Plan designations of the subject properties, would have to have SMA approvals.

FLOOD HAZARD DISTRICTS

The National Flood Insurance Program has designated certain areas on all islands in terms of the flood potential in these areas. The program recognized that within certain areas of various islands, these areas may be subject to periodic inundation by flooding and/or tsunami activity which may result in the loss of life and property. The purpose of establishing Flood Hazard Districts is to protect life and property, and to reduce the public cost of flood control, rescue, and relief efforts, thereby promoting the safety, health, convenience, and general welfare of the community.

The Flood Hazard Districts are delineated on Flood Boundary and Floodway Maps and Flood Insurance Rate Maps, which, along with any amendments by the Federal Emergency Management Agency, are on file with the County of Kauai.

The subject properties are located in the following flood zones:

Tax Map Key: 2-3-9-1-162
Flood Insurance Rate Map: 1500030586G
Flood Zone: AE, No BFE determined. **Most of the parcel area.**
Flood Insurance Rate Map: 1500030586G
Flood Zone: Zone XS (X shaded): Areas of 0.2% annual chance flood: areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood. **Very small portion of parcel area.**

Tax Map Key: 2-3-9-1-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)
Flood Insurance Rate Map: 1500030586G
Flood Zone: AE, No BFE determined. **Most of the parcel area.**
Flood Insurance Rate Map: 1500030586G

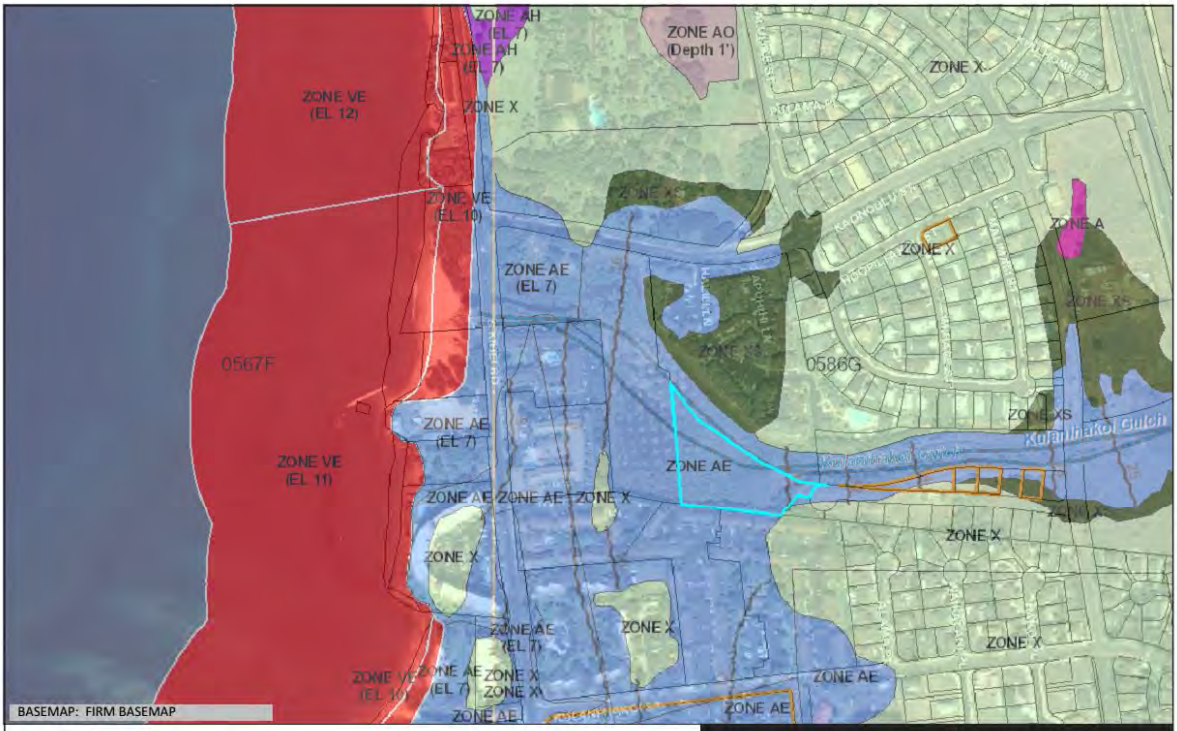
Flood Zone: X, Areas determined to be outside the 0.2% annual chance flood plain. **Very small portion of parcel area.**

Tax Map Key: 2-3-9-62-19
Flood Insurance Rate Map: 1500030586G
Flood Zone: AE, No BFE determined.

Properties subject to the regulations of the Federal Deposit Insurance Corporation require flood insurance prior to the granting of a mortgage on a property located in certain flood or tsunami zones.

According to the Federal Emergency Management Agency, flood insurance would be required for the subject properties, based on their flood zone designation in Zone "AE".

A **Subject Flood Map** is shown on a following page, with the subject properties shown.



Flood Hazard Assessment Report

www.hawaiinfip.org

Property Information

COUNTY:	MAUI
TMK NO:	(2) 3-9-062:019
WATERSHED:	HAPAPA
PARCEL ADDRESS:	0 KENOLIO RD KIHEI, HI 96753

Notes:

Flood Hazard Information

FIRM INDEX DATE:	NOVEMBER 04, 2015
LETTER OF MAP CHANGE(S):	NONE
FEMA FIRM PANEL:	1500030586G
PANEL EFFECTIVE DATE:	NOVEMBER 04, 2015

THIS PROPERTY IS WITHIN A TSUNAMI EVACUTION ZONE: YES
FOR MORE INFO, VISIT: http://www.scd.hawaii.gov/

THIS PROPERTY IS WITHIN A DAM EVACUATION ZONE: NO
FOR MORE INFO, VISIT: http://dlnreng.hawaii.gov/dam/

0 400 800 ft

Disclaimer: The Hawaii Department of Land and Natural Resources (DLNR) assumes no responsibility arising from the use, accuracy, completeness, and timeliness of any information contained in this report. Viewers/Users are responsible for verifying the accuracy of the information and agree to indemnify the DLNR, its officers, and employees from any liability which may arise from its use of its data or information.

If this map has been identified as 'PRELIMINARY', please note that it is being provided for informational purposes and is not to be used for flood insurance rating. Contact your county floodplain manager for flood zone determinations to be used for compliance with local floodplain management regulations.

FLOOD HAZARD ASSESSMENT TOOL LAYER LEGEND
(Note: legend does not correspond with NFHL)

SPECIAL FLOOD HAZARD AREAS (SFHAs) SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD - The 1% annual chance flood (100-year), also know as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. SFHAs include Zone A, AE, AH, AO, V, and VE. The Base Flood Elevation (BFE) is the water surface elevation of the 1% annual chance flood. Mandatory flood insurance purchase applies in these zones:

	Zone A: No BFE determined.
	Zone AE: BFE determined.
	Zone AH: Flood depths of 1 to 3 feet (usually areas of ponding); BFE determined.
	Zone AO: Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined.
	Zone V: Coastal flood zone with velocity hazard (wave action); no BFE determined.
	Zone VE: Coastal flood zone with velocity hazard (wave action); BFE determined.
	Zone AEF: Floodway areas in Zone AE. The floodway is the channel of stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without increasing the BFE.

NON-SPECIAL FLOOD HAZARD AREA - An area in a low-to-moderate risk flood zone. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities.

	Zone XS (X shaded): Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.
	Zone X: Areas determined to be outside the 0.2% annual chance floodplain.

OTHER FLOOD AREAS

	Zone D: Unstudied areas where flood hazards are undetermined, but flooding is possible. No mandatory flood insurance purchase apply, but coverage is available in participating communities.

UTILITIES

Public utilities are available to the subject properties. Sanitary sewer is available along Kaonoulu Street.

ASSESSED VALUATION

According to the Maui County, Real Property Tax Division, the subject tax map key parcels were assigned the following assessed values for land only, as of January 1, 2018.

Tax Map Key: 2-3-9-1-162 (Lot 6): $123,500

Tax Map Key: 2-3-9-1-164 (Lot 9): $300

Tax Map Key: 2-3-9-62-19 (Lot 19): $100

TITLE/OWNERSHIP SUMMARY

Fee Simple Interest Owner-All Subject Properties: Valley Isle Ventures LLC

EASEMENTS, RESTRICTIONS AND ENCROACHMENTS

Tax Map Key: 2-3-9-1-162 (Lot 6): Per the Preliminary Report provided by the client, dated 10-20-15, there is a non-exclusive easement (30 feet wide) for sewer line purposes.

Tax Map Key: 2-3-9-1-164 (Lot 9): Per a survey map provided by the seller, there is a drainage easement along the west boundary, affecting 187 square feet of land.

Tax Map Key: 2-3-9-62-19 (Lot 19): Per a survey map provided by the seller, there is a drainage easement along the east boundary, affecting 700 square feet of land.

PRESENT USE/IMPROVEMENTS DESCRIPTION

As of the date of valuation, each subject parcel is vacant of improvements.

PRIOR TRANSFER HISTORY

Subject Property Transactions Within Last 5 Years Prior to the Date of Valuation: On 9-11-13, all of the subject properties together, sold for $535,000. This was a deed transaction, that was recorded in Land Court Document 50020229. The Grantor for this transaction was Kalepolepo Kahawai LLC, and the Grantee was Valley Isle Ventures, LLC.

HIGHEST AND BEST USE

The four criteria that must be addressed in highest and best analysis are *legal permissibility, physical possibility, financial feasibility, and maximum productivity*. The highest and best use of a specific parcel of land is not determined through subjective analysis, rather, highest and best use is shaped by the competitive forces within the market where the property is located. Given the market orientation of highest and best use analysis and market value, highest and best use analysis is the basis for all valuation assignments. It is important to note that while the concept is linked to feasibility, the reasonable likelihood that a project will satisfy specific objectives, feasibility analysis often addresses considerations that are beyond the scope of highest and best use analysis.

Highest and best use is associated with the land residual concept of the classical economists which incorporates the principles of balance and the related concept of contribution which are concerned with equilibrium among the agents of production (*i.e., labor, capital, coordination and land*). Essentially, the theory is that land value is equivalent to the portion of total property income that remains after all of the improvement costs are paid. Implicitly, then, land is worth what it can earn. As such the use decision is fundamental to determining how much income a site can produce. Under the land residual concept, the income to the land is the driving force of property value. (**Note**: *in Hawaii, this traditional theory may have limitations in situations where the market data indicate that owner/users are willing to pay very high prices for sites in order to secure a place for their business operations; even in the face of prevailing rental rates for improved properties that would not support the prices paid*).

The definition of highest and best use applies to the use of a site as though vacant, as well as to the total property as improved. The highest and best use of the land, if vacant and available for use, may be determined to be different from the existing improved use. This will be true when the existing improvements do not reflect an optimum use, but still make a contribution to total property value in excess of basic land value (*i.e., an interim use*). The existing use will generally continue until the land value in its highest and best use exceeds the sum of the value of the entire property in its existing use plus the cost to remove the improvements. In appraisal reports where market value of an improved property is the purpose of the assignment, and where land value is estimated separately, it is appropriate to include summary statements that describe the appraiser's analyses and conclusions relative to the highest and best use of the site as vacant and as improved.

As the purpose of this report, was to estimate only an as is, fee simple market land value for the vacant subject properties, an improved highest and best use discussion was not provided, herein.

HIGHEST AND BEST USE AS VACANT

Lot 6: Park use was considered to be the highest and best use of this subject property as of the date of valuation. This was primarily supported by the Maui Community Plan Park designation of this property, as of the date of valuation. This use was considered to be legally permissible, physically possible, financially feasible, and maximally productive.

Lot 9: Open space was considered to be the highest and best use of this subject property as of the date of valuation. This was primarily because this property was a drainage canal, and Maui Community Plan classified Open, as of the date of valuation. This use was considered to be legally permissible, physically possible, financially feasible, and maximally productive.

Lot 19: Multi-family residential project was considered to be the highest and best use of this subject property as of the date of valuation. This was primarily because of the Maui Community Plan, Multi-family designation of the property, as of the date of valuation, and a preponderance of multi-family residential projects in the subject area. It is also because of the County Apartment zoning of the property, as of the date of valuation. This use was considered to be legally permissible, physically possible, financially feasible, and maximally productive.

SECTION V: VALUATION

SECTION 4: VALUATION

The purpose of this report is the estimation of the market value of the fee simple interest in three individual vacant subject properties, which are summarized following. The date of valuation for this assignment is February 28, 2018.

The 3 subject properties under appraisement, are summarized following:

Tax Map Key: 2-3-9-1-162
Lot No.: 6 "Ka'ono'ulu Estates, Phase III"
County Zoning: Apartment
Community Plan Designation: Park
Acres: 7.001
Square Feet: 304,964

Tax Map Key: 2-3-9-1-164
Lot No.: 9 "Kenolio Makai Subdivision" (Drainage Canal)
County Zoning: Open
Community Plan Designation: Open Space
Acres: 3.335
Square Feet: 145,273

Tax Map Key: 2-3-9-62-19
Lot No.: 19, "Kenolio Makai Subdivision"
County Zoning: Apartment
Community Plan Designation: Multifamily
Acres: 2.4162
Square Feet: 105,251

Lot 9 Given a Nominal |Value

Subject Lot 9 Given a Nominal Value: Subject Lot 9 was given a nominal fee simple market value of $1.00, because the lot is a drainage canal, with no utility of usage.

The land valuations of subject Lots 19 and 6 are summarized following.

LAND VALUATIONS OF SUBJECT LOTS 19 AND 6

LAND VALUATION METHODOLOGY

Typically, there are **six methods to value vacant land**, which are briefly described as such:

1) The **Sales Comparison Approach**, involves the comparison with the subject, of similar vacant properties which have recently sold, or similar properties, wherein a fee simple land value had to be determined, to establish ground rents,

2) The **Allocation Method**, involves the application of a typical ratio to the subject, of land value to property value, for improved properties in a particular area which have recently sold,

3) The **Extraction Method**, involves the deduction of depreciated improvement costs from the sales prices of improved properties which have recently sold, for comparison with the subject,

4) The **Subdivision or Anticipated Development Approach**, involves first, the estimation of individual lot or condominium unit values, as if the subject land were subdivided, or condominium units were developed; and second, the subtraction of total development costs and developer's profit from the estimated aggregate retail values of individual lots or condominium units; and third, the processing of any net income for product development planning, construction, and marketing/absorption time considerations,

5) The **Land Residual Technique**, involves the capitalization of estimated residual income attributable to land into value, for improved income producing properties, for comparison with the subject, and

6) The **Ground Rent Capitalization Technique**, involves the capitalization of ground rent into land value for ground leased properties with market ground rents.

Selected Land Valuation Technique

With adequate market data, typically, the land valuation technique of choice is usually the Sales Comparison Approach; as this approach typically, is usually considered to best reflect supply and demand factors and buyers and sellers typical activity in most markets.

The sales comparison approach was used to estimate the fee simple market values of subject Lots 19 and 6. This was assumed because adequate data did exist for the valuation of both subject parcels, and insufficient information and resources were available to value the subject lots via an anticipated development approach land valuation technique.

Lot 6 is county zoned Apartment, and county Community Plan designated Park. The appraisers' discussions with Maui County Planning Department planners, suggested that the Community Plan Park designation would typically prevail over the County Apartment designation, for any future use of Lot 6.

Lot 6 may have been valued as if the parcel would be put to an apartment use; however, the resources to gain county planning department approval were not available to the appraisers, and therefore beyond the scope of this assignment. If this approval could be reliably studied, and appear likely, then the value estimated for this parcel could be subject to change. The study that would be needed would mimic a proposal a developer would put forth to the county, to satisfy the Community Plan and SMA requirements for a community plan designation change.

See following **Table 2**, with open/conservation comparables.

Lot 19 is county zoned Apartment and Community Plan designated Multi-Family, which are similar land use designations. Hence, the Lot 19 land valuation analysis involved Apartment/Multi-family comparables, that are shown in following **Table 1.**

The subject and comparable properties shown in Table 1, are in Special Management Area (SMA) districts. As of the date of valuation and the dates of the transactions, no property had a SMA approval for any use of a property; hence, no adjustment category was included in Table 1 for SMA.

Two wood, wood frame dwellings were on the Transaction No. 1 property, as of the date of the transaction: a 1,430 gross square foot home built in 1943, and a 1,152 gross square foot home built in 1984. It was the appraisers' opinion, that interim rental income that could be achieved by the 2 rental homes could offset any demolition and removal costs, if any future redevelopment of the subject parcel should take place,

Land Transaction Area and Location Maps, Photographs, and Aerial Photographs (Google) for the selected Tables 1 and 2, land transactions may be found on following pages.

Valuation Unit of Comparison

The **valuation unit of comparison** selected for the subject Tables 1 and 2, sales comparison land valuation analyses was **transaction sales price per acre.** This selected **transaction price valuation unit of comparison** has a good acceptance by various typical buyers and sellers in the two different subject property marketplaces, represented by subject Lots 6 and 19. Additionally, by using this valuation unit of comparison, the difference in lot sizes was able to be taken into account, between the subject properties and the comparable properties shown in Tables 1 and 2. This valuation unit of comparison eliminated the need to have lot size adjustments in Tables 1 and 2, that may have not been reliable,

SUMMARY OF LOT 19 VALUATION

See following Table 1, with extensive references.

SALES LOCATION MAP

DELORME

Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2015.

www.delorme.com

MN (9.6° E)

0 ¼ ½ ¾ 1 1¼ mi

Data Zoom 12-0

Comparable Sale Photos

Comparable 1 – 1215 Uluniu Road

Comparable 2 – 2505 S Kihei Road.

Comparable 3 – 45 Kanani Road

TABLE 1

SUBJECT FEE SIMPLE MARKET LAND VALUATION
VIA THE SALES COMPARSON APPROACH
LOT 19, "KENOLIO MAKAI SUBDIVISION"
2.4162 ACRE PARCEL
KIHEI, ISLAND OF MAUI
TAX MAP KEY: (2) 3-9-62-19
DATE OF VALUATION OF FEBRUARY 28, 2018

TRANSACTION	SUBJECT	1	2	3
Address:	Kihei Road, Kihei	1215 Uluniu Road, Kihei	2505 S. Kihei Road, Kihei	45 Kanani Road, Kihei
Tax Map Key (Division 2):	3-9-62-19	3-9-8-18	3-9-20-32	3-9-17-2
Proximity to Subject:				
Views:	Ocean	Mountain, ocean.	Ocean, Mountain	Ocean, Mountain
Topography:	Level	Level	Level	Level
Land Area (Acres):	2.416	1.073	1.437	1.960
Usable Land Area (Acres):	2.416	1.073	1.437	1.960
County Zoning:	Apartment	A-1, Apartment	H-2, Hotel-Residential	A-1, Apartment
Community Plan Designation:	Multi-Family	Residental, Apartment, Hotel	Residental, Apartment, Hotel	Residental, Apartment, Hotel
Utilities:				
Water:	Public	Public	Public	Public
Sanitary Sewer:	Public	Public, sewer connected.	Public	Public, sewer connected.
Power:	Public, Above Ground	Public, Above Ground	Public, Above Ground	Public, Above Ground
Comments:		Two old homes on the property, as of the date of sale. Small wetland area (.12 acres), acts as a buffer from an adjacent property (U.S. Army Corp of Engineers area). Located within flood zone.	Vacant site, bordered by condo development. Moderate sloping topography. As of the date of this transaction, 48 condominium units were planned for this property, and Special Management Area (SMA) approval was needed. The AOAO of the neighboring Kihei Kai-Nani condominium development was the buyer; and, the property was purchased, to keep the property vacant in the future.	Sold as a vacant developer parcel, without entitlements, but planned for development with a 40 unit affordable condominium project, to be known as the Kalama Kai Condominium Project. As of the date of valuation, this property has all County of Maui entitlement approvals, including a Special Management Area (SMA) permit, and development is ongoing. Projected completion of development is the second quarter of 2019. This property also sold as of 12-11-14, for $1,610,000, via an inhouse, non arms length transaction. The verification of this property sale, revealed that the property enjoyed all entitlements, as of the 12-1-14. sale, especially regarding an SMA entitlement. It was noted that the difference between the $750,000, 4-29-11, transaction price and the $1,610,000, 12-11-14, sales price was attributed to the cost securing all entitlements for the property.
Verification: [2]		Stephen E Still - The Wailea Group listing brokerage firm.	Greg Walker - Victory Realty LLC listing brokerage firm.	Mr. Daniel Sandomire, development manager, Armstrong Builders, Kalama Kai Condomiinium Project.
Recordation/Dated:		Land Court Document, 62850188, Dated, 7-27-00	Land Court Document, 64180201, Dated, 7-28-17.	Land Court Document, 11-069990, Dated 4/29/2011
Date on Market (DOM)		125		
Seller:		Margaret Maureen Freeman, etal.	Victory Development Nani Loa LLC	Maui Independents Living Center LLC
Buyer:		Andrew John Harris	AOA of Kihei Kai-Nani INC	Armstrong Homes LTD
Transaction Date:		3-6-17	7/28/2017	4/29/2011
Transaction Price:		$920,000	$1,500,000	$750,000
Plus Improvements Demolition Costs:			$0	$0
Adjusted Transaction Price:		$920,000	$1,500,000	$750,000
Date on Market (DOM)		156	73	NA **[1]**
Sales Price Per Acre:		$857,409	$1,043,841	$382,653
TIME ADJUSTMENTS				
Annual Time Adjustment:		6.00%	6.00%	6.00%
Time Adjustment Factor:		5.50%	3.50%	42.00%
Time Adjusted Transaction Price:		$904,567	$1,080,376	$543,367
OTHER ADJUSTMENTS				
Location:		0.00%	-20.00%	0.00%
View:		0.00%	10.00%	0.00%
Project:		0.00%	-10.00%	-10.00%
Zoning/Density:		0.00%	0.00%	0.00%
Site Physical Chacteristics:				
Area (Acres): [3]		-20.00%	0.00%	0.00%
Terrain:		0.00%	10.00%	0.00%
Shape: [4]		0.00%	0.00%	0.00%
Utilities:				
Power:		0.00%	0.00%	0.00%
Water:		0.00%	0.00%	0.00%
Sanitary Sewage Disposal:		0.00%	0.00%	0.00%
Access/Road:		0.00%	10.00%	0.00%
Total Adjustments:		-20.00%	0.00%	-10.00%
Overall Adjustment Factor:		-20.00%	0.00%	0.00%
Overall Adjusted Adjusted Price:		$723,653	$1,080,376	$489,031
Overall Adjusted Adjusted Price				
Per Acre:		$674,421	$751,827	$249,505
Weight:		40.00%	45.00%	15.00%
Component:		$289,461	$486,169	$73,355
SUBJECT VALUATION SUMMARY				
SIMPLE AVERAGE ADJ. PRICE/ACRE:	$558,584			
WEIGHTED AVERAGE ADJ. PRICE/ACRE:	$848,985			
INDICATED SUBJECT FEE				
SIMPLE MARKET LAND VALUE:	$2,051,318			
ROUNDED:	**$2,050,000**			

SOURCE: HOWELL & ASSOCIATES, FEBRUARY 28, 2018
NOTES:
[1] Not available.

Sales Comparison Discussion

Following, are discussions of adjustments that were given to the selected comparables. Any comparable adjustment category not discussed, would mean that adjustments were not warranted in that category.

Time/Market Conditions Adjustments

Based on market trends for Maui between 2011 and the date of valuation, an annual appreciation rate of 6% was applied to the sales data.

Location Adjustments

Transaction No. 2 is located in South Kihei, which is considered superior market appeal due to proximity to Wailea and beaches compared to the subject location. Transaction No's 1 and 3 were considered to be equal with the subject.

View Adjustments

Transaction No1. has partial view amenity to the south west. Transaction No. 2 is bounded a condominium project to the west that blocks ocean view amenity to the west. Trans. No. 3 has partial view amenity to the west.

Project Adjustments

In Table 1 it may be seen that the Transaction No. 2 and No. 3 properties had plans for development with condominium units. As of the sales date of Transaction No.1, there were no plans for development of the property. As of the date of valuation, the subject had no plans for development. Based on the foregoing, adjustments were given to the market data, accordingly.

Zoning/Density Adjustments

Because of the foregoing zoning discussion for the subject and comparables, no adjustments were given to the comparables for zoning/density adjustments.

Parcel Area Adjustments

Parcel area differentials were taken into account by the use of a value/price per acre valuation unit of comparison.

Parcel Terrain Adjustments

Transaction No. 2 has moderate to rolling topography and required a downward adjustment for this negative factor compared to the subject mostly level topography. The subject and Transaction No.'s 1 and 3 were considered equal, regarding parcel terrain.

Utilities Adjustments

No adjustments were warranted.

Access/Road Adjustments

Transaction No. 2 lacked direct access to road. Access to the property at time of sale was via an easement through an existing condominium project.

Weighting of the Market Data

The market data were weighted based on the absolute adjustments given to each comparable, and the appraiser's judgement.

Transaction No.'s 1 and 2 were almost weighted the same, and Transaction No 2 was given a greater weight, because Transaction No. 1 had a small wetlands area. This made Transaction No. 1 the greatest weighted comparable. Transaction No. 3 was give the least valuation for valuation purposes, because the date of the comparable sale was much less recent, the other two transactions

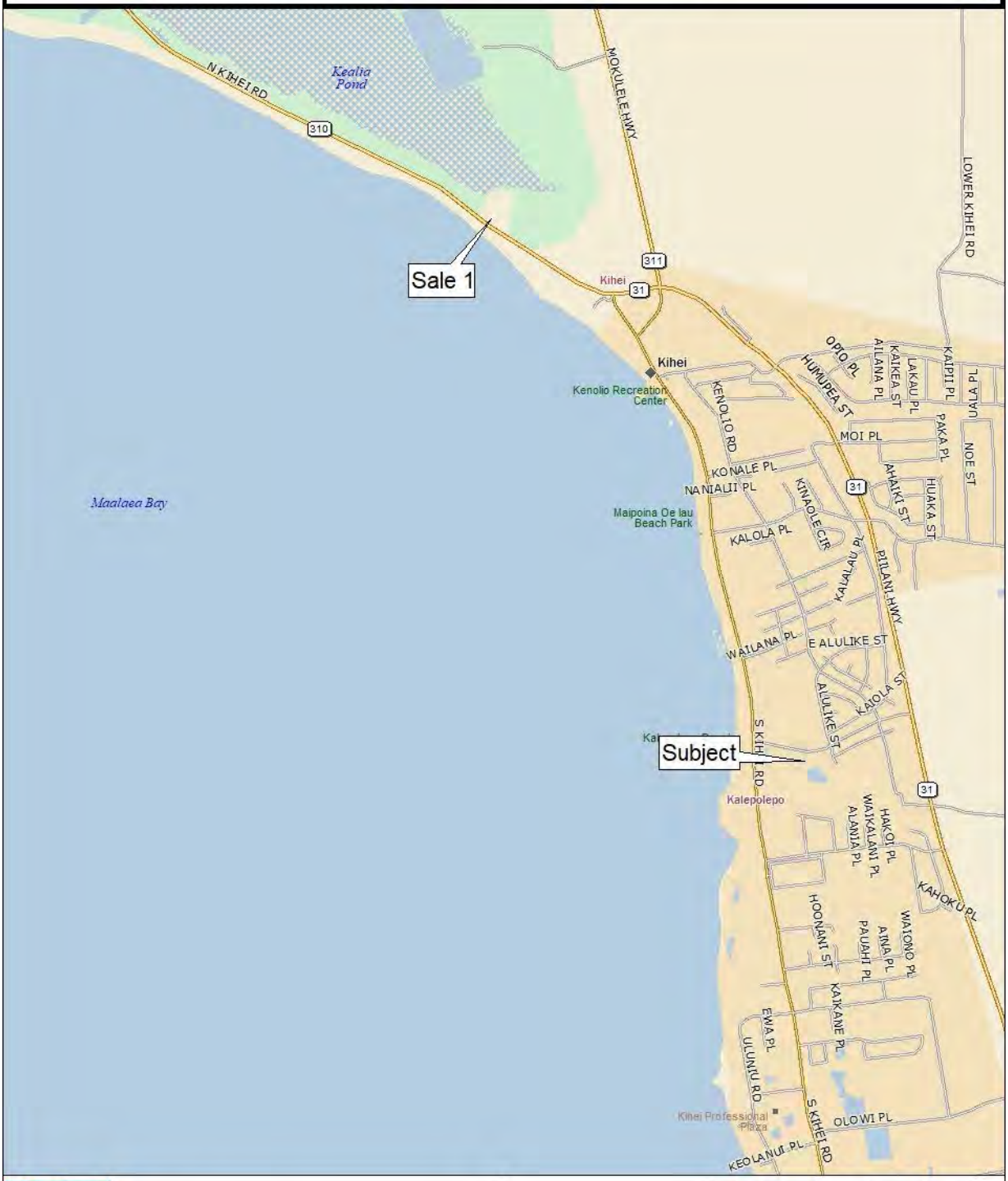
FINAL CONCLUDED AS IS FEE SIMPLE SUBJECT MARKET LAND VALUE-LOT 19

After comparing subject Lot 19 with the market data, it was the appraiser's opinion, that the estimated fee simple market land value for subject Lot 19, **as of a valuation date of December 31, 2017, was $2,050,000.**

SUMMARY OF LOT 6 VALUATION

See following Table 2, with extensive references.

MAUI CONSERVATION
SALES LOCATION MAP



DELORME
Data use subject to license.
© DeLorme. DeLorme Street Atlas USA® 2015.
www.delorme.com

MN (9.6° E)

0 800 1600 2400 3200 4000 ft
Data Zoom 13-0

KAUAI CONSERVATION SALES LOCATION MAP

DELORME

Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2015.

www.delorme.com

MN (9.5° E)

0 ¼ ½ ¾ 1 1¼ mi

Data Zoom 12-0

Comparable Sale Photos

Transaction No. 1 – Kihei Road

Transaction No. 2 – Koki Road

Transaction No. 3 – Koki Road

Transaction No. 4 – Koki Road

TABLE 2

SUBJECT FEE SIMPLE MARKET LAND VALUATION
VIA THE SALES COMPARSON APPROACH
LOT NO. 6, KA'ONO'ULU ESTATES, PHASE II
7.001 ACRE PARCEL
KIHEI, ISLAND OF MAUI
TAX MAP KEY: (2) 3-9-1-162
DATE OF VALUATION OF FEBRUARY 28, 2018

TRANSACTION	SUBJECT	1 KIHEI, MAUI	2 WAILUA, KAUAI	3 WAILUA, KAUAI	4 WAILUA, KAUAI
Address:	Kihei Road, Kihei Kihei	Kihei Road Waikapu, Wailuku	Koki Rd. Wailua Rice & Kula Lots, Kawaihau, Island of Kauai	Koki Rd. Wailua Rice & Kula Lots, Kawaihau, Island of Kauai	Koki Rd. Wailua Rice & Kula Lots, Kawaihau, Island of Kauai
Tax Map Key:	2-3-9-1-162	2-3-8-5-7,2-3-8-5-35, 2-3-8-5-36	4-4-1-1-5	4-4-1-2-16	4-4-1-2-17
Lot:	6				
Proximity to Subject:					
Views:					
Topography:	Level	Level	Level	Level	Level
Land Area (Acres):	7.001	7.310	3.280	1.120	1.380
Usable Land Area (Acres):	7.001	7.310	3.280	1.120	1.380
County Zoning:	Apartment	C, Conservation	Open	Open	Open
Community Plan Designation:	Park	C, Conservation	Conservation	Conservation	Conservation
Utilities:					
Water:	Public	Public	Public	Public	Public
Sanitary Sewer:	Public	Public, sewer connected.	Public	Public	Public
Power:	Public, Above Ground	Public, Above Ground	Public, Above Ground	Public, Above Ground	Public, Above Ground
Comments:		Two adjoining parcels with one smaller parcel on makai side of Kihei Road.	"Kuleana" landlocked parcel.	"Kuleana" landlocked parcel.	
Verification:		Stephen E. Still, The Wailea Group	**N/A [1]**	**N/A [1]**	**N/A [1]**
Recordation/Dated:		Land Court Document, 54780297, Dated, 12-31-14	Land Court Document, 61730468, Dated, 11-25-16.	Land Court Document, 61730503, Dated, 11-25-16.	Land Court Document, 61730504, Dated, 11-25-16.
Seller:		Warren K.H. Soon, etal.	Herbert S.Kimata	Herbert S.Kimata	Herbert S.Kimata
Buyer:		808 Holdings Corp.	KK Associates LLC	KK Associates LLC	KK Associates LLC
Transaction Date:		12-31-14	11-25-16	11-25-16	11-25-16
Transaction Price:		$350,000	$53,200	$36,000	$38,000
Transaction Price Per Acre:		$47,880	$16,220	$32,143	$27,536
TIME ADJUSTMENTS					
Time Adjustment:		9.50%	3.75%	3.75%	3.75%
Time Adjustment Factor:		1.0950	1.0375	1.0375	1.0375
Time Adjusted Transaction Price:		$383,250			
Time Adjusted Transaction Price Per Acre:		$52,428	$55,195	$37,350	$39,425
OTHER ADJUSTMENTS					
Location: [2]		-15.00%	20.00%	20.00%	0.00%
View:		-15.00%	0.00%	0.00%	0.00%
Zoning/Density:		0.00%	0.00%	0.00%	0.00%
Site Physical Chacteristics:					
Area (Acres): [3]		0.00%	0.00%	0.00%	0.00%
Terrain:		0.00%	0.00%	0.00%	0.00%
Shape:		0.00%	0.00%	0.00%	0.00%
Utilities:					
Power:		0.00%	0.00%	0.00%	0.00%
Water:		0.00%	10.00%	10.00%	10.00%
Sanitary Sewage Disposal:		0.00%	10.00%	10.00%	10.00%
Total Adjustments:		-30.00%	40.00%	40.00%	20.00%
Overall Adjustment Factor:		70.00%	140.00%	140.00%	120.00%
Overall Adjusted Price: Per Acre:		$36,700	$77,273	$52,290	$47,310
Weight:		30.00%	20.00%	20.00%	30.00%
Component:		$11,010	$15,455	$10,458	$14,193
SUBJECT VALUATION SUMMARY					
SIMPLE AVERAGE ADJUSTED PRICE PER ACRE:	$53,393				
WEIGHTED AVERAGE ADJUSTED PRICE PER ACRE:	$51,116				
WEIGHTED AVERAGE ADJUSTED PRICE PER ACRE (ROUNDED):	**$51,000**				
INDICATED SUBJECT FEE SIMPLE MARKET LAND VALUE:	$357,051				
ROUNDED:	**$357,000**				

SOURCE: HOWELL & ASSOCIATES, FEBRUARY 28, 2018

NOTES:

[1] Not available.

[2] The Transaction No.'s 2 and 3 parcels are "kuleana" landlocked parcels See further discussion in the narrative.

[3] No parcel area adjustments were given to the market data, because this consideration was taken care of by the use of a price per acre valuation unit of comparison.

Research and Determination of Comparable Data

Based on the forgoing subject zoning discussions, the subject has a State Land Use Commission classification of Urban, a county zoning classification of Apartment, and a Community Plan Designation of Park. Assuming that the Park designation takes precedence over the other land use designations, the appraisers conducted lot sales research for county open and state land use commission conservation designated properties, and county community planned Park designated properties. Very little data was found, first in Kihei, then on the entire island of Maui (only one comparable was found in Maalaeea, Transaction No. 1, in following Table 2). Hence other islands were also researched for market data, and three lot sales were found on the Island of Kauai. The chronological scope of research for market data went from 1-1-14 to 3-1-18.

The three lot sales found on the Island of Kauai, were located near the ocean, in the Wailua/Kapaa area, just behind, east/mauka of the Coco Palms Resort. The major coastal highway in the area is Kuhio Highway. In following Table 2, the parcels are shown as Transaction No.'s 2 through 4. Transaction No.'s 2 and 3 involve kuleana/landlocked properties, where it is uncertain whether access will be available. All three parcels do not had available water and sewer services; but, have available power.

Transaction No.2 abuts Opaekaa Stream.

Following, are discussions of adjustments that were given to the selected comparables. Any comparable adjustment category not discussed, would mean that adjustments were not warranted in that category.

Time/Market Conditions Adjustments

Transaction No. 1 reflects a sales date of 12-31-14. As of 12-14, the typical median home price on Kauai was $515,000. As of the end of 2017, a typical median home price was $695,000. The overall percentage increase in median sales price was calculated at +34.95%, or +11.65% per year, or 0.97 % or 1.0% per month.

Transaction No.'s 2, 3, and 4, all have the same sales date of 11-25-16. As of 11-16, the typical Kauai median home price was $632,000. As of the February 2018, the median home price was $732,000, an increase of 15.82%. The overall percentage increase in median sales price was calculated at +15.8%, or +13.54% per year, or 1.13% per month.
The foregoing market condition statistics involved large organized markets involving single family residential dwellings.

The conservation land transactions shown in Table 2 are in disorganized markets with few sales, ever, and properties with severe use restrictions (ie., no improvements, etc.).
Based on the foregoing, time/market conditions for all of the market data, were estimated at +3.0% per year, or 25% of 1.0% per month.

Location Adjustments

The Maui location of Transaction No. 1, in Maalaea, across the road from the ocean, was considered to be a superior location, to the low lying subject property.

The Transaction No.'s 2 and 3 properties, that are landlocked kuleanas, where considered to have locations inferior to the subject, which has road access. Transaction No. 4, located on Koki Road, near Transaction No's 2 and 3, in Wailua, on the Island of Kauai, had road frontage, as of the date of the transaction, equal to the subject.

View Adjustments

Transaction No. 1, by virtue of its location with nearby ocean views, has better view potential than the subject, with it's limited views. Transaction No.'s 2 through 4 have mountain views.

Zoning/Density Adjustments

The subject and comparables were roughly equal, regarding this adjustment category.

Parcel Area Adjustments

Parcel area differentials were taken into account in the use of the valuation unit of comparison (value per acre).

Parcel Terrain Adjustments

No adjustments were warranted.

Utilities Adjustments

All public utilities were available to Transaction No. 1 and the subject. The Kauai Transaction No's 2 through 4 properties have access to overhead power, but no water or sanitary sewage systems available.

Weighting of the Market Data

The market data were weighted based on the absolute adjustments given to each comparable, and the appraiser's judgement.

Transaction No. 1 was given equal primary weight, with Transaction No. 4, by virtue of the Transaction No. 1 property being on the Island of Maui, where the subject is located.

The Transaction No. 4 property was given equal primary weight, because its overall adjusted price per square foot of parcel area, fit well within all of the overall adjusted sales prices per square foot of parcel area for all of the comparables. Also, the Transaction No. 4 property has road frontage, as does the Transaction No. 1 property.

Transaction No.'s 2 and 3 were given equal secondary weight, because both properties are land locked.

FINAL CONCLUDED AS IS
FEE SIMPLE SUBJECT MARKET LAND VALUE-LOT 6

After comparing subject Lot 6 with the market data, it was the appraiser's opinion, that the estimated fee simple market land value for subject Lot 6, **as of a valuation date of March 1, 2018 was $357,000**

FINAL CONCLUDED AS IS
FEE SIMPLE SUBJECT MARKET LAND VALUES

It was the appraiser's opinion, that the as is, estimated fee simple market land values for three subject properties, as of a **valuation date of February 28, 2018,** are:

Subject Property	Estimated Fee Simple Market Value
Lot No. 6:	**$357,000**
Lot No. 9:	**$1.00 (Nominal)**
Lot No. 19:	**$2,050,000**

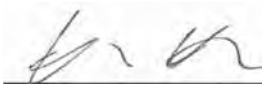
The value conclusions reported foregoing, are contingent upon and limited by all of the *Definitions and Terminology* that were provided at the beginning of Section I of this report, and the *Assumptions and Limiting Conditions* contained in *Exhibit A* in the following Addenda of this report. The market values indicated are the most probable prices in terms of cash or financing arrangements equivalent to cash.

The value conclusions reported foregoing, are contingent upon and limited by all of the *Definitions and Terminology* that were provided at the beginning of Section I of this report, and the *Assumptions and Limiting Conditions* contained in *Exhibit A* in the following Addenda of this report. The market values indicated are the most probable prices in terms of cash or financing arrangements equivalent to cash.

Thank you for the privilege of assisting you in this interesting valuation assignment.

Very truly yours,

HOWELL & ASSOCIATES



Hugh M. Howell MAI

Real Estate Appraiser and Consultant

Gabriel Winkler

Gabriel Winkler

Real Estate Appraiser

CERTIFICATION

It is hereby certified that, to the best of the appraisers knowledge and belief:

1) The statements of fact contained in this report are true and correct to the best of the appraisers knowledge.

2) The reported analyses, opinions, and conclusions in this appraisal report, are limited only by the reported assumptions and limiting conditions, and are the personal, impartial, unbiased professional analyses, opinions, and conclusions of the appraiser.

3) The appraiser has no present or prospective interest or bias invoving the property that is the subject of this report, and has no personal interest or bias with respect to the parties involved.

4) The appraiser's compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

5) The appraiser's analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, and with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

6) Gabriel Winkler,CGA, inspected the property that is the subject of this report, as of a June 19, 2017, date. Hugh M. Howell MAI, did not inspect the property that is the subject of this report.

7) No one else provided significant professional assistance to the appraiser who signed this report.

8) Hugh M. Howell, MAI, is currently certified under the voluntary continuing education program of the Appraisal Institute.

The appraiser's contractual arrangement with the client does not authorize the out-of-context quoting from or partial reprinting of this study, nor does it permit all or any part of this study to be disseminated to the general public by the use of media for public communication without the written consent and approval of the appraisers.

Hugh M. Howell, MAI
Hawaii State Certified General Appraiser, CGA-116
Expiration Date: 12/31/2019

Gabriel Winkler
Hawaii State Certified General Appraiser, CGA-727
Expiration Date: 12/31/2019

COMPANY PROFILE

Howell & Associates is a commercial and residential real estate appraisal, consultation, and arbitration firm located in Honolulu, Hawaii. The goal of the company is to offer appraisal, consultation, and arbitration services to clients in a professional and timely manner, covering all types of real estate located throughout the State of Hawaii and South Pacific. Owner/principal, Hugh M. Howell, MAI, is dedicated to carrying out the company's goals, which involve serving clients' needs to the fullest, by implementation of various traditional appraisal approaches, and also creative solutions to any real estate appraisal/consultation/arbitration problem.

The firm has had extensive experience in providing appraisal and consultancy services for all types of real property and real property interests, on a large and small scale, in the above-cited geographic areas. For example, the firm has been involved in valuing small and large retail, industrial and office properties in the Hawaii, or on the other hand, all of the real estate assets statewide for a large agribusiness company. Additionally, appraisals have been conducted involving small and large scale single-family residential, resort-residential, and rural/agricultural subdivision projects, or single unique residential properties.

Appraisals, market studies, and various consultations have involved properties with a wide range of geographical locations (*i.e., office building valuation in Guam, resort-residential and valuation projects on various neighbor islands, and resort-residential market studies in Pebble Beach, Los Angeles, and Palm Springs California, etc.*).

Hugh M. Howell, MAI (*Member Appraisal Institute*), has been actively involved in commercial real estate appraisal and consultation since 1977. Prior to the formation of Howell & Associates in 1993, Mr. Howell was the managing partner of Sylva, Howell & Associates, which was formed in 1988 with partner Richard H. Sylva, MAI. Before the formation of Sylva, Howell & Associates, Mr. Howell was a Senior Appraiser and Vice President with Raymond A. Lesher & Company, Ltd., where he worked for 11 years.

Mr. Howell's work experience is represented by a broad variety of past assignments, involving typical commercial appraisals (*i.e., office buildings, shopping centers, apartment buildings, industrial warehouse properties, industrial subdivisions, residential subdivisions, etc.*) and also more specialized and unique appraisals and/or consultation (*involving for example, master planned resorts, condemnation valuation, legal and expert testimony work, and highest and best use studies, etc.*), as well as arbitration assignments.

To assist the firm in in carrying out it's duties to clients, the firm has, at it's disposal, state of the art computer equipment, analytical software programs, an extensive library of comparable and resource data, maps, various computer data retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

HOWELL & ASSOCIATES COMPANY PROFILE - Page Two

PROFESSIONAL SERVICES

Valuation Reports: Market valuation is the major focus of most real property appraisal assignments. It involves defining an appraisal problem, and finding a solution via data collection and analyses, highest and best use analyses, application of three appraisal valuation approaches, if applicable, reconciliation and final value estimation, (*also if applicable*), and the reporting of a defined value. Other valuation studies may involve the estimation of investment value for various real property interests, or may involve the valuation of special use properties.

Real Estate Consulting: Consulting assignments covering all property types, are usually performed to assist clients with a specific problem or situation. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance in the real estate field. The firm has undertaken such tasks as highest and best use analyses, specific use valuations, various product market studies, subdivision analyses, resort analyses, office/retail analyses, project planning studies, market and feasibility analyses, expert witness services, etc.

Arbitration: Howell & Associates/Hugh M. Howell MAI has been involved in many real estate arbitration assignments, which have usually been for the purpose of determining or redetermining various real property interest rents, etc. Past arbitration assignments have been diverse, such as estimating fee simple land values and ground rents, for certain prime oceanfront hotel sites in Waikiki, Honolulu, or for various other types of Honolulu commercial properties, such as service station sites. Various Neighbor Island arbitration work has also been conducted.

Howell & Associates considers it's clients to be its most valuable assets. The firm has had the privilege of serving various large and small corporations, financial institutions, developers, private individuals, attorneys, residential community associations, governmental agencies, charitable organizations, and others. A sampling of various clients Howell & Associates has had the honor of serving, may be found on the following page.

HOWELL & ASSOCIATES COMPANY PROFILE - Page Three

SAMPLING OF CLIENTS

Ainalani Associates
Alexander & Baldwin Corporation
Aloha State Corporation
All Pool & Spa, Inc.
All Pacific Mortgage Company of Hawaii
Alston Hunt Floyd & Ing
American Landmark Development Co.
American Savings Bank, FSB
Amfac Corporation
Aston Hotels and Resorts
Atherton Family Foundation
Bank of America
Bank of Hawaii
Bay Street Investments
Bishop Square Management, Inc
Bishop Trust Company, Ltd.
Bradley Properties
C. Brewer and Company, Ltd.
California and Hawaiian Sugar
The Estate of James Campbell
Carlsmith, Wichman, Case, Mukai and Ichiki
Case & Lynch
Castle and Cooke Corporation
Chevron USA, Inc.
City and County of Honolulu
Continental Airlines
Crown Pacific - Hawaii
Damon, Key, Char & Boken
Davis & Levin
Ernst & Young LLP
F.J.Schumann Funding, Ltd.
Federal Savings & Loan
Finance Factors Ltd.
Finance Realty
First Federal Savings and Loan
First Hawaiian Bank
First Hawaiian Creditcorp, Inc.
First Interstate Bank
Frederick Fong M.D.
Fujiyama, Duffy & Fujiyama
Gannet Pacific Corporation
Gasco
GECC Financial Corporation
GE Capital
Gentry-Pacific, Limited
The Gentry Companies
Albert B. Glickman & Associates
Goodsill Anderson Quinn & Stifel
GSA
Guild Mortgage Company
Hawaii National Bank
Herbert K. Horita Realty Inc.
Hilton Hotels Corporation
Hiroshi Sakai, Esquire
HMF, Inc.
Home Financial Services
Honfed Bank, FSB
Honolulu Board of Realtors
Honolulu Cellular Corportion
The Honolulu Club
Honolulu Mortgage Company, Inc.
Huehue Ranch
Intelect, Inc.
Island Community Lending
JDC (America) Corporation
Kahala Shell Service Station
Kaiser Permanente
Kiuchi & Nakamoto
Kodak Corporation
Kohala Ranch
Knight Development Corporation
KRC Hawaii Company, Ltd.
L.A. Gear
Lanai Company
Long-Term Credit Bank of Japan, Ltd.
Malama Pacific Corporation
Mauna Loa Macadamia Nut Corporation
McDonald's Restaurants of Hawaii, Inc.
Meridian Pacific Corporation
Mitsubishi Bank
Mitsui Fudosan Company
Moon, O'Connor, Tam & Yuen
Nakamoto, Yoshioka & Okamoto
Nakano Company
Nansay Hawaii, Inc.
National Mortgage & Finance Co., Ltd.
The Nature Conservancy of Hawaii
Onipa'a Development
Pacific Construction Co., Ltd.
Pankow Development Co., Ltd.
Pannel Kerr Forster
Princeville Development Corporation
Property Resources Consultants, Inc.
Queen Emma Foundation
Reinwald O'Connor Marrack Hoskins & Playdon
Reynolds + Shidler
Richard Smart Trust
Royal Bank of Canada
San Wa Bank
Security Pacific Bank
Shell Oil Company
South Pacific Restaurants, Ltd.
Starn O'Toole Marcus & Fisher
Torkildson, Katz, Jossem Fonseca, Jaffe and Moore
Tobishima USA, Inc.
Waikiki Joy Hotel
W.H. Shipman, Ltd.
Waitec Development Inc.
Waterhouse Properties
Watt Hawaii, Inc.
Western Physicians Services, Inc.
Wilcox Estate

PROFESSIONAL QUALIFICATIONS
OF
HUGH M. HOWELL, MAI

PROFESSIONAL ORGANIZATIONS

- Appraisal Institute - MAI Designation Received March 1992.

PROFESSIONAL EXPERIENCE

- Owner/Principal, Real Estate Appraiser/Consultant, Howell & Associates, Honolulu, Hawaii, since April 1993. (*Experience consists of extensive appraisal/consultation assignments involving a wide variety of commercial investment, and residential real estate in the State of Hawaii, South Pacific, and Mainland U.S. West Coast.*)

- Managing Partner/Real Estate Appraiser, Sylva, Howell & Associates, Appraisers/ Consultants, Honolulu, Hawaii, July 1988 to March 1993.

- Senior Real Estate Appraiser/Consultant/Vice President, Raymond A. Lesher & Company, Ltd., Appraisers/Counselors, Honolulu, Hawaii, 1977 to 1988.

- Real Estate Sales Experience: John Stapelton & Company, Honolulu, Hawaii, 1977; Bishop Associates, Ltd., Honolulu, Hawaii, 1977 to February 1993; Howell Properties, Honolulu, Hawaii, March 1993 to May 2000, Hemmy & Associates, Honolulu, Hawaii, June 2000 to December 2000, and Current, to December 2008.

PROFESSIONAL LICENSES

- Hawaii State Certified General Appraiser, License No. CGA-116, Received: September 16, 1991; Expiration Date: December 31, 2015.

- Hawaii State Real Estate Salesman, License No. 17913, Received: January 24, 1977; Expiration Date: December 31, 2008. Currently inactive, and undergoing renewal.

EDUCATION

- Bachelor of Arts, Political Science (*With Distinction*), University of Hawaii, Honolulu, Hawaii, 1975.

- Various Real Estate Appraisal Courses and Seminars, 1977 through December 2013.

PROFESSIONAL FUNCTIONS

Appraisal Institute (Hawaii Chapter)/Appraiser Judge, of the Building Industry Association, 2005 Parade of Homes, August 2005

Appraisal Institute (Hawaii Chapter)/Appraiser Judge, of the Building Industry Association, 2006 Parade of Homes, September 2006

Appraisal Institute (Hawaii Chapter)/Appraiser Judge, of the Building Industry Association, 2009 Parade of Homes, September 2009

Professional Qualifications

Gabriel. M. Winkler

Education	University of Western Washington, B.A. History	1996
Appraisal Education	Narrative Report Writing	10/2008
	Market Analysis - Highest & Best Use	7/2006
	Advanced Applications	6/2005
	Advanced Income Capitalization	5/2005
	Basic Income Capitalization	8/2003
	Foundations of Real Estate Appraisal	9/2002
Seminars	Foundations of Appraisal Review	8/2013
	USPAP Update	12/2011
	Business Practice & Ethics	2/2011
	Hawaii Land Entitlement	9/2009
	Easement Valuation	10/2008
	Appraising in a down market	9/2008
	Agricultural Lease Valuation	4/2006
License	State of Hawaii Certified General Real Estate Appraiser #0000727	9/2005
Experience	Kona Appraisal Services (owner)	12/2005 - present
	Howell & Associates (contractor)	1/2012 - present
	PGP Valuation, Honolulu (contractor)	1/2008 – 12/2010
	Appraisal Pacific, Lakewood, CA	4/2004 – 8/2005
	Integra Realty Resources, RSM, CA	12/2002 – 2/2004

- Commercial assignments include: single & multi-tenant industrial, multi-family, multi-tenant commercial, special-use, restaurant, agricultural, retail, hotel & resort, office, mixed-use, leasehold, subdivision, market analysis & feasibility analysis.
- Government assignments include: Hawaii Department of Transportation, Hawaii DLNR, Senior/HUD housing, leasehold land rent re-opening & easement analysis.
- Residential assignments include: single family, luxury residential, condominium, family, land, leasehold analysis, estate portfolio, tax appeal, desk and field reviews for local and mainland institutions & historical analysis.

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

1) No responsibility is assumed for the legal description or for matters including legal or title consideration. Title to the property is assumed to be good and marketable unless otherwise stated.

2) The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

3) Responsible ownership and competent property management are assumed.

4) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

5) Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.

6) It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

7) It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in this appraisal report.

8) It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.

9) It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this appraisal report is based.

10) It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in this appraisal report.

11) All proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.

BF Committee

From: Matt Yamashita <molokaimatt@hotmail.com>
Sent: Friday, April 27, 2018 6:58 AM
To: BF Committee; County Clerk
Subject: Testimony - County Council Budget - MCAPP
Attachments: Testimony - MCAPP - Matt Yamashita 4-27-18.pdf

(printable pdf version attached)

TESTIMONY

TO: Maui County Council Members

FROM: Matt Yamashita

RE: **Funding for Molokai Child Abuse Prevention Pathways (MCAPP)**

April 27th 2018

Dear Council Members,

My name is Matt Yamashita and I am a founding board member of Molokai Child Abuse Prevention Pathways (MCAPP) 501(c)3. I am a multi-generation Molokai resident born and raised, father of 3, entrepreneur, and recently served 2 full terms (6 years) as a board member at the Molokai Community Health Center. I know our Molokai community well and I also understand the condition of our people's health and where our greatest needs are.

It is no secret that Molokai experiences a higher than normal rate of substance abuse, domestic abuse, and suicide. What has not been acknowledged is the role that sexual violence often plays as an underlying catalyst for these conditions. If we address the long hidden issue of sexual abuse prevalence on Molokai, we can begin address the source, the very core, of many of the painful issues that so many families suffer from here.

The recent "me too" campaign has exposed just how widespread the problem of sexual abuse is nationally. Here on Molokai, thanks to the work that MCAPP has done since 2012, we have been ahead of the curve in recognizing the problem. Even more importantly, MCAPP has spent the past 6 years designing and implementing school and community based prevention programs that are revolutionary in how they address the issue via K-12 education. Our unique outreach and prevention education has garnered the support of principals, teachers, police officers, counselors, parents, and clergy. It teaches youth how to recognize and report sexual abuse, how to talk about it and who to talk about it with, and also how to express feelings and desires in healthy and appropriate ways, so that they do not perpetuate unhealthy patterns.

So why do we need support from Maui County? Prior to 2017 MCAPP was a fully funded project of the Consuelo Foundation. Consuelo mandated that the project become an autonomous program by 2017. Community members, including myself, took on the task of incorporating MCAPP into a 501(c)3 and pursuing funding in an effort to continue the program. Consuelo rewarded our efforts by providing the bulk of our 2018 budget, but made clear that their support would necessarily be reduced the following year. Our board and staff has been working overtime to pursue grants and other sources of funding. We have been successful in securing some significant support, but we are still well short of our operating budget for 2019.

This program deserves County funding because it has far reaching impacts on the health of our community. Our staff works directly with MPD in addressing and curbing incidences of sexual violence. They also work hand in hand with other social service providers. We go above and beyond our classroom-based prevention work by integrating our support/presence into every layer of the system that exists to prevent, address, and treat sexual violence and related outcomes. We are creating an entirely unique, community-driven model of addressing a longstanding problem that lies at the root of so much imbalance and discord within our island communities. This model is one that can be replicated throughout Maui County and the state. And we do all of this in a streamlined, economical manner that maximizes available resources thanks to our small team of incredibly resourceful and dedicated staff.

I urge you to please keep MCAPP in the County budget. Without the County's support we will very likely have to downsize our services when, in fact, we need to be expanding them.

If you have not already done so, please watch this short video highlighting our organization, programs, partners, and vision:

https://vimeo.com/226529872

Mahalo Nui,

Matt Yamashita

PO Box 1304 Kaunakakai, HI 96748

(808) 442-2740 / molokaimatt@hotmail.com

Matt Yamashita
Owner, Quazifilms Media
808.442.2740 cell

TESTIMONY

TO: Maui County Council Members

FROM: Matt Yamashita

RE: **Funding for Molokai Child Abuse Prevention Pathways (MCAPP)**

April 27th 2018

Dear Council Members,

My name is Matt Yamashita and I am a founding board member of Molokai Child Abuse Prevention Pathways (MCAPP) 501(c)3. I am a multi-generation Molokai resident born and raised, father of 3, entrepreneur, and recently served 2 full terms (6 years) as a board member at the Molokai Community Health Center. I know our Molokai community well and I also understand the condition of our people's health and where our greatest needs are.

It is no secret that Molokai experiences a higher than normal rate of substance abuse, domestic abuse, and suicide. What has not been acknowledged is the role that sexual violence often plays as an underlying catalyst for these conditions. If we address the long hidden issue of sexual abuse prevalence on Molokai, we can begin address the source, the very core, of many of the painful issues that so many families suffer from here.

The recent "me too" campaign has exposed just how widespread the problem of sexual abuse is nationally. Here on Molokai, thanks to the work that MCAPP has done since 2012, we have been ahead of the curve in recognizing the problem. Even more importantly, MCAPP has spent the past 6 years designing and implementing school and community based prevention programs that are revolutionary in how they address the issue via K-12 education. Our unique outreach and prevention education has garnered the support of principals, teachers, police officers, counselors, parents, and clergy. It teaches youth how to recognize and report sexual abuse, how to talk about it and who to talk about it with, and also how to express feelings and desires in healthy and appropriate ways, so that they do not perpetuate unhealthy patterns.

So why do we need support from Maui County? Prior to 2017 MCAPP was a fully funded project of the Consuelo Foundation. Consuelo mandated that the project become an autonomous program by 2017. Community members, including myself, took on the task of incorporating MCAPP into a 501(c)3 and pursuing funding in an effort to continue the program. Consuelo rewarded our efforts by providing the bulk of our 2018 budget, but made clear that their support would necessarily be reduced the following year. Our board and staff has been working

overtime to pursue grants and other sources of funding. We have been successful in securing some significant support, but we are still well short of our operating budget for 2019.

This program deserves County funding because it has far reaching impacts on the health of our community. Our staff works directly with MPD in addressing and curbing incidences of sexual violence. They also work hand in hand with other social service providers. We go above and beyond our classroom-based prevention work by integrating our support/presence into every layer of the system that exists to prevent, address, and treat sexual violence and related outcomes. We are creating an entirely unique, community-driven model of addressing a longstanding problem that lies at the root of so much imbalance and discord within our island communities. This model is one that can be replicated throughout Maui County and the state. And we do all of this in a streamlined, economical manner that maximizes available resources thanks to our small team of incredibly resourceful and dedicated staff.

I urge you to please keep MCAPP in the County budget. Without the County's support we will very likely have to downsize our services when, in fact, we need to be expanding them.

If you have not already done so, please watch this short video highlighting our organization, programs, partners, and vision:

https://vimeo.com/226529872

Mahalo Nui,

Matt Yamashita

PO Box 1304 Kaunakakai, HI 96748

(808) 442-2740 / molokaimatt@hotmail.com

BF Committee

From: Nancy Johnson <nancyjoh@hawaii.edu>
Sent: Monday, April 30, 2018 10:42 AM
To: BF Committee; Leilani Ventura; Nancy K Johnson
Subject: BF-1 Maui Economic Development OED Grant Support
Attachments: letter to County.04.30.18.docx

Please find attached a letter of request for support from Maui County

--

Nancy Johnson, MSN, APRN
Professor, Nursing Faculty
310 Kaahumanu Avenue
Kahului, HI 96732
808-984-3250
Cell 280-1639
nancyjoh@hawaii.edu

UNIVERSITY of HAWAI'I®
MAUI COLLEGE

April 30, 2018

To: Budget and Finance Committee
County of Maui
From: Nancy Johnson, MSN, APRN
Professor, Nursing Faculty
University of Hawaii Maui College
Re: BF-1 Maui Economic Development Board OED Grant

I am writing to ask for your support for the $25,000 grant to establish a Healthcare Mentoring Program to implement a pilot program directly addressing the need identified by the Health Care Industry Sector Partners. I know you are aware that Maui County has a major shortage of health care provider across all sectors: Registered Nurses, Physicians, Nursing Assistants, Pharmacists, Pharmacy Technicians, Medical Assistants, and Dental Assistants.

The goal of this pilot program is to provide high school students with an introduction to the opportunities, on Maui, for a health career. The Program will be organized by MEDB and leveraged by federal funds.

Thank you for considering this important project.

Sincerely,

Nancy Johnson, M.S.N, APRN
Professor, Nursing Faculty
nancyjoh@hawaii.edu
310 Kaahumanu Avenue
Kahului, HI 96732

CC: Leilani Ventura

BF Committee

From: McAfee, Roni (OGGRM) <roni.mcafee@hyatt.com>
Sent: Friday, April 27, 2018 6:18 PM
To: BF Committee
Subject: Written support to keep the MVB Funding IN the proposed Council FY19 Budget
Attachments: MVBltr042718.pdf

Aloha,

Please find attached written support to keep the MVB $4.2 million Funding IN the proposed Council FY19 Budget.

Please let us know if you have any questions or need anything additional.

Mahalo!

Roni McAfee
Assistant to the General Manager

HYATT REGENCY MAUI RESORT AND SPA
200 Nohea Kai Drive, Lahaina, HI 96761, USA
T: +1 808 667 4470 E: roni.mcafee@hyatt.com
maui.regency.hyatt.com

THINK BEFORE YOU PRINT: Please consider the environment before printing this email.

Hawaii's First LEED EBOM Certified Resort at the Silver Level
2017 AAA Four Diamond Award, 22 Consecutive Years
2017 Smart Meetings "Best Outdoor Event Space" Smart Stars Award
2017 Travel Weekly Gold Magellan Award for Overall Beach Resort
2016 Conde Nast Traveler "Top Resorts in Hawaii" Readers' Choice
2016 Hyatt Thrive Leadership Award for Excellence in Environmental Sustainability
2016 Susan G. Komen for the Cure "Largest Fundraiser for the Hawaii Affiliate"

Follow us on

HYATT
REGENCY
RESORT

April 27, 2018

Council Member Riki Hokama
Chairman, Budget & Finance Committee
Maui County Council
200 South High Street, 8th Floor
Wailuku, Hawaii 96793

Dear Chair Hokama and Members of the Committee:

My name is Fred Findlen, General Manager at Hyatt Regency Maui resort and Spa. We are committed to support Maui's visitor industry.

On behalf of Hyatt Regency Maui, I ask for your support of the $4.2 million funding for the Maui Visitors Bureau in Maui County's FY2019 budget.

Global Competition: As the economic engine for the County, the marketing and promotion of Maui as a destination is crucial to the future viability of our island. The County funds are critical in giving us the ability to compete against other sun destinations, especially when we are seeing an increased amount of competition with new resort locations and other destinations' deeply discounted air/hotel packages.

Impact on Maui County's Workforce and Revenue: Maui Visitor Bureau's marketing efforts ensure our economic engine remains protected. Thousands of residents who work in the hotels, restaurants, activities, attractions and retail depend on its ability to market Maui County as a vacation destination. The visitor industry directly employs 40% of Maui residents, (indirectly, adding related businesses the percentage increases to 75%). Additionally, our hotel/resorts and timeshares generate revenues for the Maui County budget through Real Property taxes. In FY18 $124 million in property taxes will be collected, representing 40% of all County property taxes.

Industry Support of the Community: Not only is the industry the number one private sector employer in the County but it is a generous supporter of local community charities. Individual businesses donate money, goods, and services to worthy causes, while the Maui County Charity Walk raises over a million dollars annually that has benefitted hundreds of non-profit agencies reducing their dependence on government funding to fulfill their needs. The industry also provides nearly $25,000 a year in scholarships to public school seniors and UH Maui college students; distributes 25,000 pounds of rice every holiday; hosts an annual dinner for our Kupuna; partners with several environmental groups in working to protect the land and ocean.

Thank you for the opportunity to provide written testimony to support the $4.2 million funding for the Maui Visitors Bureau in Maui County's FY2019 budget.

Sincerely,

Fred Findlen
General Manager
Hyatt Regency Maui Resort and Spa

HYATT REGENCY
MAUI RESORT & SPA

200 Nohea Kai Drive
Lahaina, HI 96761
USA

T +1 808 661 1234
F +1 808 667 4497
maui.hyatt.com

BF Committee

From: County Clerk
Sent: Friday, April 27, 2018 2:35 PM
To: BF Committee
Subject: Fw: Highway Improvement Fee

From: Stan Walerczyk <mauistan@gmail.com>
Sent: Friday, April 27, 2018 2:31 PM
To: County Clerk
Subject: Highway Improvement Fee

Dear Sir or Madam

I hope I am sending this to the correct email address. If not, please forward.

Although I think it is good that EVs help pay for road maintenance and improvement, $250 is too high.

We have a Nissan Leaf and only drive about 8000 miles per year.

If we had a similar sized car that used gasoline, we would have one that would at least get 30 MPG. At 8000 miles per year that would be 267 gallons.

$250 divided by 267 gallons would be $.94 per gallon, which is probably much more that is charged for gasoline cars.

Thank you for your consideration.

Stan Walerczyk
687 Mililani Place
Kihei, HI 96753
808-344-9685

BF Committee

From: Nancy Timmons <ntimmons@brain-spine.com>
Sent: Monday, April 30, 2018 6:56 AM
To: budget.office@co.maui.hi.us; BF Committee
Subject: Tiered property tax

Dear Ms. Baz,
I was interested to read your proposal about the tiered property tax rates, and wondered if you aquired this scheme from Oahu.
We live in part-time in Wailea Pualani and have lived there now for 13 years, paying taxes to Maui county for schools, roads, and infrastructure used very seldom if at all.
I do not believe by taxing me more that you will affect the current problem of the medium home prices at $685,000.00.

Hopefully, everyone is aware of the fact that the United States Congress just passed a new tax plan that only allows a maximum of $10,000.00 deduction for state and local taxes. By raising property taxes you may scare away the very tax payers you are trying to attract.

Please reconsider this plan and have a fair mill levy for everyone with no discrimination involved in the assessment. I am against this proposal.
Thank you,
Timothy Wirt, M.D.

FRONT RANGE
CENTER FOR
BRAIN & SPINE
SURGERY, P.C.
Specialists in
Spine & Brain Surgery
Since 1978

CONFIDENTIALITY NOTICE Please note: Communication through this email account is not encrypted. Please do not use this mode of communication to send protected health information to our office. Please call us at (970) 493-1292 or (800) 458-0306 if you have any questions. The information contained in this transmission may contain privileged and confidential information, including patient information protected by federal and state privacy laws. It is intended only for the use of the person(s) named above. If you are not the intended recipient, you are hereby notified that any review, dissemination, distribution, or duplication of this communication is strictly prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.

BF Committee

From: Valerie Lasciak <valerielasciak@yahoo.com>
Sent: Friday, April 27, 2018 11:02 AM
To: BF Committee
Subject: Old Hana School

Please consider retaining the old Hana School . The Hana school needs to be tented and necessary maintenance performed. The community is adequately served by it and asks that you don't allow it to melt into the ground.
Please revamp[your current practices of

Build
Neglect
Destroy
Replace

We request that you

Build and
Maintain

There will be a lot of money saved, from finding land 1,000,000 and planning to build 250,000 for the future by maintaining what already exists and is love by the Community.

There is additional parking area in the rear of the building that can serve the building as well. It may need leveling but it can then be opened up for full time future use.

The Pier at Hana Bay is also loved by the community and efforts be made to retain and repair it as well.

Sincerely,

Valerie Lasciak

BF Committee

From: William Johns <mauiatlast@hawaiiantel.net>
Sent: Friday, April 27, 2018 8:30 AM
To: BF Committee
Subject: Electric Vehicle proposed tax

The Maui news carried an article explaining a potential tax for electric vehicles of $250. There are only about 7,000 Ev's in the state out of 1.1 million total vehicles...gasoline tax revenues are increasing in total every year despite the adoption of electric vehicles. We are trying to adopt new and better "green initiatives". Miles driven would be a more fair and equitable form of taxation.....$250 is equal to many more miles driven to generate that amount of revenue on gallons of gas consumed.
Thanks for thinking about being fair to those of us who are trying to be "green".

Sent from my iPad