
KIHEI KAI NANI NEWSLETTER

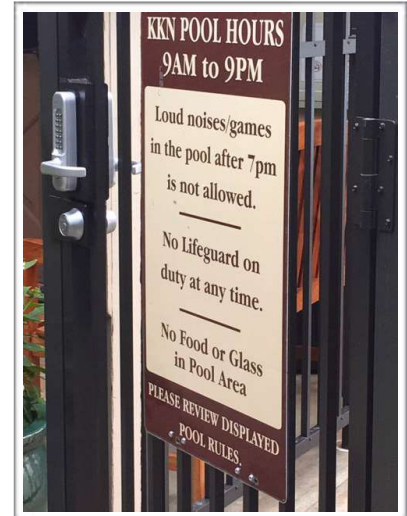


President's Message

Aloha,

The past six months have been very busy, and we have completed a number of projects. Our first objective was to staff the office. At an Executive Board meeting, we rehired Debbie Collins as our office receptionist. A Kihei Kai Nani Hiring Committee interviewed prospective candidates, and the Board hired Johnny Johnson as our new site manager. Glenna Pointer was hired as our new part time weekend receptionist, and a new Account Executive, Carol Gentz, was assigned to us by DMI. DMI Vice President, Nancy Price, has just announced her retirement. Nancy was our DMI rep for many years and was a great help to us. We will miss her.

Pool Fencing: The new pool fencing around the pool is finished. Push button locks were installed on both sides of each pool gate. The locks are coded on both sides, so you will need to use the code to enter and exit the pool. The door to the bathroom, from the pool, has also been replaced to accommodate the push button lock on the laundry side of the door, which is needed to enter the pool area. After 9:00 PM, the pool gates will be locked with the deadbolts installed on the gates. During daytime

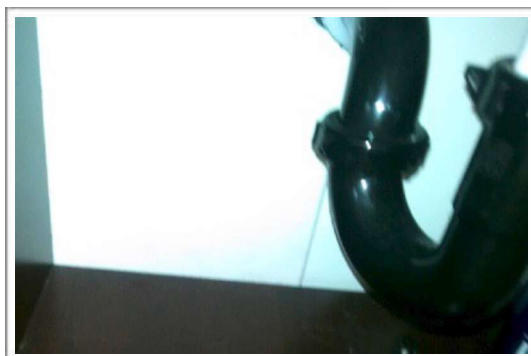


hours, the code to the pool will be provided to guests and owners when they register in the office.



A new sign directing guests to the office has been installed on the fence as well as pool warning signs on the pool gates.

Plumbing: Water leaks in the units remain a serious problem. Any leaks caused by common element pipes are the responsibility of the AOA; all others are the responsibility of the owner. To be proactive, the Board has notified all owners that our plumber will do a High Risk-Component Study in each unit at Kihei Kai Nani. He will check for leaks in all water connections, the age and condition of water heaters, and the access and condition of water shut off valves under the sink in the bathroom. Many of the old unit shut off valves do not work and should be replaced. In addition, some owners have dry walled over the shut off valves so they are not accessible in case of an emergency.



Inaccessible Shut Off Valves



Accessible shut off valves

Owners will be charged \$85 for their unit study and will receive an inspection report that will provide owners information about any problems they will need to repair. In addition,

each first floor unit will be checked with an infrared moisture detector. The Association seeks to prevent extensive damage from water leaks in the common element plumbing, and this procedure should detect moisture before the leaks cause extensive damage to the those units.This procedure will be paid for by the AOA and should help reduce the cost of future common element repairs.

Recycling: The Board has decided to discontinue recycling to reduce costs and to remove the garbage and recycling bins from the storm drain outlet at building 13. During past storms, those bins were washed down the outlet unless they had been moved. The two garbage bins that were at building 13 were relocated to buildings 1 and 9. There is also a garbage bin between buildings 3 and 4. Wire containers are available around the complex to collect Hawaii recyclable cans, plastic and glass bottles.



Smoking Areas have caused lots of complaints from owners about crowds gathering, loud noise especially at night, and the areas not being left clean. Each area now has one bench for seating. We hope this will eliminate the problems, so we can continue providing a place for smokers on property.



Board Member, Jamie Marisich, resigned from the Board after the sale of his unit in March. Jamie deserves many thanks for his service on the Board, especially for the solar project he initiated to reduce the office building electrical costs and for negotiating our wifi service with Oceanic Cable. The Board has decided to wait for the next Homeowners Meeting in January, 2017 to fill his position, as there will be 3 openings on the Board at that time.

Property Repairs: A consultant was hired to review the termite damage to the office roof that is evident on the exposed structure and to determine the condition of the interior support structure. It was recommended that we replace the roof. An architect has been hired to draw up



Termite damage

plans and get the permits. The office roof will probably be replaced next summer.

We are also getting estimates to repair or replace the surfaces on three walking decks.

House Rules: The Board has received many complaints about owners doing repairs on their units and making excessive noise during the holidays. As a result, the Board updated the House Rules to state that noisy renovation and repair work may not be done on Sundays, and the following holidays or the preceding day: Thanksgiving, Christmas and New Year's. In addition, all work that produces excessive noise, such as tile cutting, must be done inside the unit, not on the lanai or lawn areas outside the unit.

Finally, if your unit is empty for periods of more than 3 months, your on-island representative is required to run the water in the kitchen and bathroom sink drains, the tub or shower drain and flush the toilet. If plumbing is unused, water in the pipes dries and leaves a path for pests such as cockroaches to get into the unit. Please help us with pest control by doing this.

The Board is looking forward to a good summer with our site manager in place to accomplish our goals.

Ethel Belway, President KKN AOA

New Site Manager At Kihei Kai Nani



Johnny Johnson has joined KKN as our new Site Manager. Johnny has lived on Maui for over 36 years and brings with him over 16 years experience as a property manager. Johnny was born in San Pedro, California and grew up in the Sacramento area. After serving in Vietnam in 1967-68, he returned to California and attended Sierra College majoring in law enforcement. That led him to a job at Folsom Correctional Prison for 6 years; by that time Johnny was ready to be part of a more positive profession.

After Johnny and his family had vacationed in Maui, his wife told him the only place she would move to was to Maui. He said he got on a plane right away and took a job in construction and working as a bus boy! The rest is history. Johnny has had lots of construction experience, has managed a restaurant and

was the Resident Manager at the Polynesian Shores in Kahana for 12 years. He is definitely a hands' on manager. He enjoys working with the staff and has a true aloha spirit. Johnny has already initiated some projects at KKN and has lots of ideas for future projects to make our KKN even better. Be sure to meet Johnny on your next visit.



Red Crested Cardinal Joins Our Bird Menagerie

This charming bird hails from Brazil. It is much less shy than our Northern Cardinals and will actually take bread from your hand. We are also being visited by Love Birds throughout the property.

Kihei Kai Nani Office Staff Complete



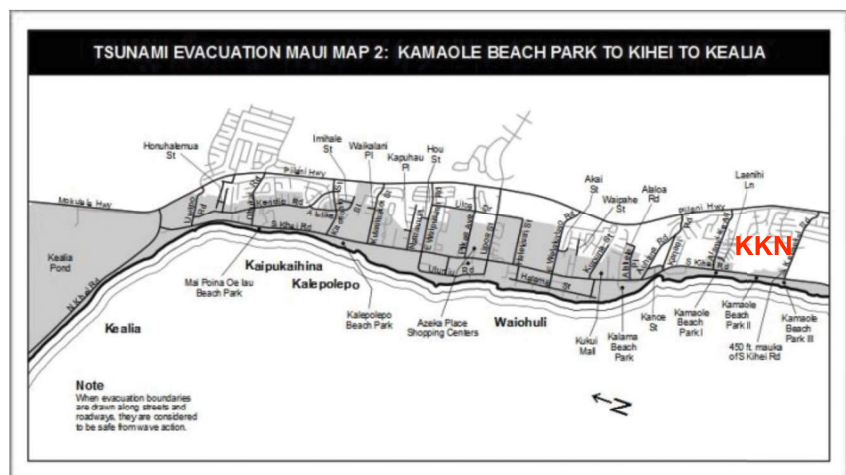
Debbie Collins is back working from Monday to Friday, and we have a new weekend receptionist: Glenna Pointer. Glenna has lived on Maui for over 24 years and considers Hawaii to be her home. She has a background in health education services as a



educational therapist, and worked over 20 years serving local families in that capacity. Like Debbie, Glenna has a pet companion - her 2 year old bulldog Grumpy Girl keeps her busy when she is not at work. Our new office hours are 8:00 AM until 5:00 PM. The office is closed for lunch from Noon to 1:00 PM. Owners and guests are now always assured of a warm aloha when they arrive.

Hurricane and Tsunami Season is Here Again

Our Hawaii hurricane season runs from June to November. The State and County are actively urging Hawaii residents to be ready in case of an emergency. Global warming has added to the possibility of hurricanes, a tsunami or flash flooding.



This is the State Emergency Preparedness List of what you should have:

- Enough non perishable food and water to last 7 days
- Manual can opener, knife and eating utensils.
- First Aid Kit
- Battery or solar powered radio and flashlight
- Whistle
- Matches
- Blanket, tarps and duct tape, clothing and personal hygiene items
- Medications
- Copies of important Documents, cash and a checkbook

Be sure to sign up for Emergency Notifications at: www.co.maui.hi.us/list.aspx

1950 Kihei and the History of Azeka's Place

In the year 1950, the island of Maui was still nine years away from statehood. The Territory of Hawaii had a governor. Maui had no mayor; the county was governed by a body of six supervisors. The island's entire population was 39,982.

On January 5, 1950, the first house was completed in the new Kahului town development called "Dream City" a planned community of 1,700 modern style homes.

On March 11, 1950 a four bedroom double walled home in excellent condition on 0.472 acres of land with an improved lawn, circular driveway and rose garden sold for \$8,500 in Wailuku.

For entertainment Mauians could select from a number of movie theaters. On March 13, 1950 the Iao Theater featured Glenn Ford and Ida Lupino in "Lust for gold" double-billed with a Shirley Temple film.

Three months later, on June 25th, the Korean War began, sending several Maui boys to the front lines.

On August 20, ground breaking ceremonies were held for the new \$1.5 million Maui Memorial Hospital in Wailuku

Two years earlier, in 1948, Bill Azeka's parents moved to Kihei, which was little more than barren swampland, with little more than dry scrub, Kiawe trees and dirt roads. Most of its residents were fishermen, plantation workers and cowboys with very little money. The Azeka's purchased a seven acre lot for \$10,000 to start a pig farm. Bill's family was criticized by many for spending so much money on the land, which would later become the site of today's Azeka's Place.

Twenty-nine year old Bill Azeka started the first Azeka's Place when he opened for business in a tiny 600 square foot store across from today's Kalama Park. Bill worked in the store everyday for 15 years and barely broke even. The family relied on his wife's income from the pineapple cannery to make ends meet.



In 1960, Bill secured a loan to build a new 40' x 60' Azeka's Place on his seven area pig farm parcel. Business wasn't much better, but Bill sensed a change coming to Kihei. The Maui Lu Resort opened, and the US Post Office signed a 40 year lease on a portion of Bill's lot. The Bank of Hawaii soon followed. Tourism was on its way and prosperity was coming to Kihei. Six years later, on the land originally intended for a pig farm, Azeka's Place had a grand opening as Kihei's largest shopping center.



Three years later, in 1969, Kihei Kai Nani was built, and many people who purchased condos and visited the island as tourists, bought their food at Azeka's Place, next to the post office. Especially popular were his famous Azeka's ribs. That was the place to shop in Kihei. Today the store that was the original Azeka's Place and Azeka's Snack Bar is occupied by ACE hardware. Bill Azeka passed away in 2000 at the age of 79, and his Rib shop closed in 2006. Bill's sauce is now available online at: azekasauce.com. (It is being produced and sold by family members.) Anyone craving Azeka's Ribs might want to check it out and tell us if it is the "real thing."

Starfruit Tree



One fruit tree at Kihei Kai Nani that always attracts visitors is our Starfruit or Carambola Tree, located right next to the office.



Starfruit originated in

Indonesia and is eaten throughout South Asia, India and the Philippines. The tree grows well in subtropical areas and is now popular in Australia, Central America and the Caribbean, as well as Hawaii. The whole fruit is edible, and the taste is crunchy, firm and very juicy, with a slightly tart flavor. They are delicious added to fruit salad or eaten as is. In Asia they are frequently stewed or cooked with fish or even pickled and made into jams or sorbets. It is also a great source of Vitamin C and antioxidants. Be sure to try them!

New Park In Kihei

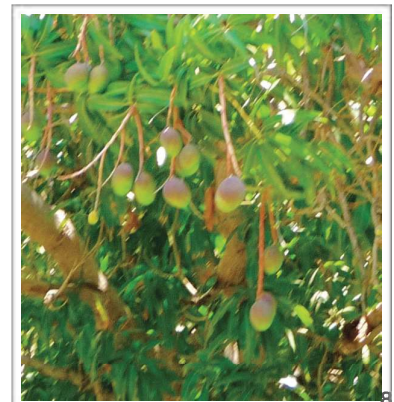


On July 1, 2016, the Parks and Recreation Department announced the opening of a small neighborhood park, located next to the collector road, adjacent to the Ke Alii Kai II subdivision. The Moana Estates Park will be open from 7AM - 7PM daily. It features a playing field and comfort station. (It is also a storage basin for flood waters.)

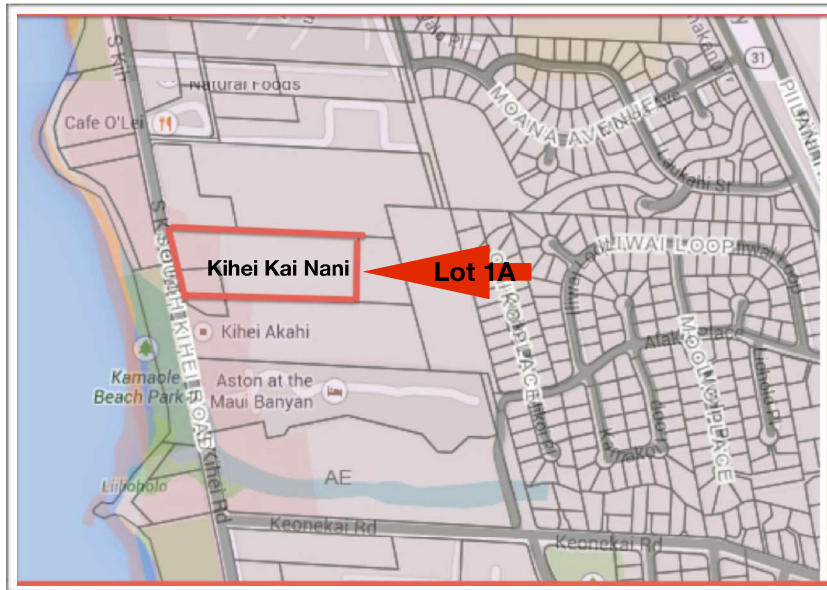


Our Bountiful 2016 Harvest

Bananas & Mangos galore this year. Enjoyed by all!



Lot 1A Nani Loa Update



At the January, 2016 owners meeting, our attorney, Tom Pierce, gave a presentation on what actions we had taken regarding the proposed Lot 1A Victory Development project known as the Nani Loa Development. The Planning Commission had approved Victory's revised EA (Environmental Assessment) on November 11, 2015, without the promised notification to KKN, so we had no knowledge of the hearing. Tom initiated a Challenge to the Planning Commission regarding this decision and their December 8, 2015 decision granting Victory's zoning request for Hotel status (H). Victory had also requested approval of their SMA (Special Management Area). Thanks to Tom's arguments before the Commission, the PC did not grant that request. Our challenge, which was filed in January, 2016 asserted that "the final EA violates HEPA's "purpose of informed decision making and public participation" by failing to conduct the full environmental impact analysis mandated by law." Allowing a FONSI (finding of no significant impact) failed to "adequately analyze and disclose direct impacts of the hotel . . . potential flooding and drainage issues . . . potential traffic issues and . . . failure to prepare an EIS (Environmental Impact Statement) to analyze potentially significant impacts . . . on the environment." Further, by changing the Kihei-Makena Community Plan zoning from (MF) (multi-family) to (H), the PC ignored the state approved plan and the years of community effort that had gone into it.

At the request of the Planning Commission, Judge Cardoza, from The Second Circuit Court, requested that our Challenge be expanded to include Victory as a defendant. We

have done that, and Victory responded in June, arguing against our assumptions. Judge Cardoza will preside over a hearing on September 14, 2016 to determine whether Victory's SMA should be forwarded to the Planning Commission for review, if HEPA applies and if there should be an EIS.

There is a lot of legalese in the previous paragraphs, but rest assured that the Board is diligently protecting KKN interests re any construction that may take place on Lot 1A in the future. Yes, there have been legal fees, and yes, there will be additional fees in the future. All legal costs have been covered within our budget so as of now, no assessments have been needed.

Some owners may question spending AOA dues to interfere with the rights of another owner (Victory) to build on their property. Keep in mind that Lot 1A owners may have easement rights up our driveway, but we have the right to question what they do. They will need to bring in a water line, fire line, sewer line and utilities, and possibly heavy construction trucks for a period of 2 years. Consider the problems for all owners - the 150 who rent their units as vacation rentals will feel an enormous economic impact trying to rent their units during the 24 months the construction is taking place; for those who live here the noise, dust and disruption will be a daily feature of their lives. Everyone's property values will also suffer during the construction period, and for Maui County there will be a substantial loss of TA, GET and Property Tax revenue as well.

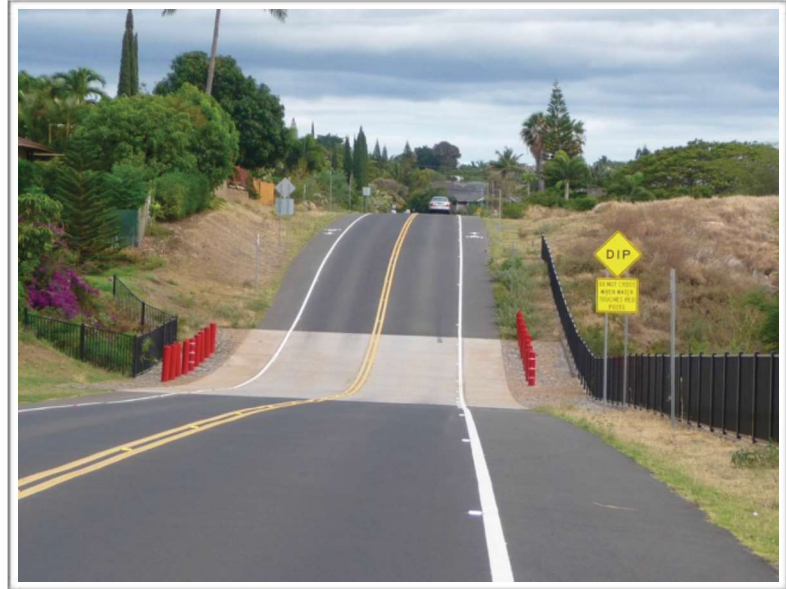


Lot 1 A shares circle with KKN

Our owner and legal actions are already causing Victory to seek an alternate entry for their trucks, as well as having to consider how to bring in their pipe lines without causing KKN owners further disruption. According to the Planning Commission, since KKN is a vacation rental resort and thus a business, Victory cannot destroy our income. This behooves all owners who currently rent their units to keep excellent records of their

rental income, so should Victory eventually build, owners will be able to show proof of income loss, which may become either a class action lawsuit against Victory or individual claims for recompense.

With each obstacle, it becomes more and more expensive and problematic for Victory to build. Since the N-S Collector Road (Liloa) has finally been completed and open, new issues have emerged. The hard surfaced road has a huge dip which will cause all flood waters to drain directly down through Lot 1A, on to KKN and to Kamaole 2 beach, either from the upcountry drain (see red posts on the left), or down from the drainage basin located at the new park. (The sign reads “Do not cross when water reaches posts.”) This was not addressed by Victory in their prospectus to the PC since the road had not yet been completed, thus our assertion that their gulch solution is inadequate has been borne out and may require additional changes in Victory’s plans.



The KKN Board and Lot 1A Committee Members will keep you apprised of all upcoming activity. We have been proactive and are determined to protect the interests of all Kihei Kai Nani owners. We hope all owners will continue to be supportive and respond to our calls for action with letters, when needed, to the powers that be. We can’t do it alone - we need everyone’s help!

Aloha,

Carole Eiserloh, Board member and Lot 1A Committee Chair

KKN Calendar
 October 11, 2016 -9:00 AM Walk around
 October 12, 2016 - 9:00AM Budget Meeting