ENVIRONMENTAL IMPACT STATEMENT PREPERATION NOTICE

FOR

PIILANI PROMENADE

August 15, 2013



STATE OF HAWAII LAND USE COMMISSION

Prepared for: Piilani Promenade North LLC. & Piilani Promenade South LLC. c/o Sarofim Realty Advisors, Mr. Robert Poynor, Vice President 8115 Preston Road, Ste. 400 Dallas, Texas, 75225

> Prepared by: Chris Hart & Partners, Inc. 115 N. Market Street Wailuku, Maui, Hawaii 96793 808/242-1955



EXHIBIT A

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> *Consultant:* Chris Hart & Partners, Inc. 115 North Market Street Wailuku, Hawaii, 96793-1717

Accepting Authority: Land Use Commission Department of Business, Economic Development & Tourism State of Hawaii

August 15, 2013

EXECUTIVE SUMMARY

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Project Name:	Piilani Promenade	
Type of Document:	Environmental Impact Statement Preparation Notice	
Applicable Chapter 343 Review "Trigger":	Use of State land for Roadway widening purposes (HRS sec. 343-5(a)(1))	
Approving Agency:	Hawaii State Land Use Commission Department of Business, Economic Development & Tourism State of Hawaii P.O. Box 2359, Honolulu, Hawaii 96804-2359 Contact: Mr. Daniel Orodenker, Executive Officer (808.587.3822)	
Applicant:	Piilani Promenade North LLC. and Piilani Promenade South LLC. c/o Sarofim Realty Advisors 8115 Preston Road, Ste. 400, Dallas, Texas, 75225 Contact: Mr. Robert Poynor, Vice President (214.692.4227)	
Consultant:	Chris Hart & Partners, Inc. 115 North Market Street, Wailuku, Hawaii 96753 Contact: Mr. Jordan E. Hart, President (808.242.1955)	
Property:	Kihei, Maui TMK's (2) 3-9-001:016, 170 - 174	
Land Use Controls:	State Land Use: Urban Community Plan: Light Industrial (LI) County Zoning: M-1 Light Industrial	
Project Summary:	The proposed project is to develop a mix of Light Industrial and Busi- ness/Commercial uses with approximately 200 apartment units on a to- tal of approximately 75 acres. The project will include associated onsite and offsite infrastructure improvements including but not limited to wa- ter, sewer, roads, drainage, electrical, bicycle and pedestrian pathways and landscaping. A Maui Electric Company (MECO) substation is also proposed on the project site.	
	Off-site improvements include re-routing the existing Maui County high pressure water line which runs through the property, installing a 1 million gallon drinking water tank, water transmission lines, offsite access to Ohukai road and utility connections. The project will also provide road widening lots and improve the intersection of Piilani Highway at Kaonoulu Street. An access easement will be provided <i>mauka</i> of the project site to increase future connectivity to Ohukai Road north of the project site.	

Anticipated Impacts:

/ . . . Short-term impacts include noise and air impacts from construction and vehicles associated with roadway improvements and subsequent grading and construction activities. The Applicant is preparing a Draft Environmental Impact Statement (DEIS) with supporting technical studies to analyze the potential impacts of the proposed project.

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I. **PROJECT OVERVIEW**

Property Location

The proposed project site is located in Kihei, *mauka* of the intersection of Kaonoulu Road and Piilani Highway. The project boundary is adjacent to the Kihei Commercial Center to the North, Kulanihakoi Gulch to the south, Piilani Highway to the West, and ranch land to the East extending up to Kula. The project site is 74.871 acres and is comprised of TMK's (2) 3-9-001:016, 170-174. Parcels 16, 170 & 171 are developable parcels. Parcel 172 is a roadway lot for the future Kaonoulu Street (first segment of the future Upcountry Highway). Parcels 173 and 174 are road widening lots along Piilani Highway. (See: Figure Nos. 1 -4)

Off-site infrastructure improvements include construction of a 1 million gallon drinking water storage tank to be dedicated to the County of Maui with transmission lines *mauka* of the project site. Additionally a 44-foot wide access and utility easement will be provided *mauka* of the project site. The easement will allow for future roadway connectivity to Ohukai Road to the North. Finally, a water well with storage tank for landscape irrigation will be constructed *mauka* of the project site. (See: Figure No. 4a)

Land Ownership and Project Applicant

The Applicant is the owner of the parcels comprising the project.

Project Background

On July 6, 1994, Kaonoulu Ranch filed a Petition for Land Use District Boundary Amendment with the Land Use Commission in Docket No. A94-706. Kaonoulu Ranch's petition related to approximately 88 acres of land located at Kaonoulu, Makawao-Wailuku (the "Petition Area"), including the entire 75 acres comprising the project site. Kaonoulu Ranch proposed to develop a 123-lot commercial and light industrial subdivision within the Petition Area.

On February 10, 1995, the Land Use Commission issued its Findings of Fact, Conclusions of Law, Decision and Order, in Docket No. A94-706 (the "1995 Decision and Order"). The 1995 Decision and Order reclassified the Petition Area from Ag to Urban subject to conditions specified therein.



In 2005, Kaonoulu Ranch sold the lands comprising the Petition Area to Maui Industrial Partners.

On September 10, 2010, Maui Industrial Partners sold the project parcels TMK's (2) 3-9-001:016, 170-174 to the Applicant. The project parcels comprise 75 of the 88 acres contained within the Petition Area. The remaining 13 acres are owned by a third party (Honua'ula Partners) and are not part of the project area.

The Applicant intends to file a Motion to Amend the 1995 Decision and Order with the Land Use Commission to facilitate the development of the project which is described in greater detail below. This Preparation Notice has been filed in anticipation of an Environmental Impact Statement for the project which will be submitted to the Land Use Commission for acceptance in connection with the Motion to Amend.

Proposed Action

The proposed project includes developing a mix of retail, office and commercial space, industrial uses and approximately 200 apartments, as well as a MECO substation on Parcels 16, 170 and 171. A network of vehicular roadways, bicycle and pedestrian pathways will establish connectivity throughout the project and will provide opportunities for connection with adjoining properties along Piilani Highway. In addition the proposed project would include construction of a portion of the future Kaonoulu Street roadway (parcel 172), and two (2) road widening lots (parcels 173 & 174).

Off-site improvements for the proposed project include construction of a 1 million gallon public drinking water tank that will serve all of South Maui, with waterlines to be connected to the existing Maui County high pressure water line. The high pressure water line currently crosses the project site but will be rerouted around the perimeter of the property. In addition, a roadway and utility easement will be provided to allow for future connectivity to Ohukai Road. (See: Figure No. 4a)

Parcel 16 is 30.132 acres in size and is proposed for mix of uses including Light Industrial, Business, Multi-family, and Public/Quasi-public. Approximately 20 acres of Parcel 16 are proposed as a mix of Light Industrial, Business and Commercial Uses. The remaining acreage will be allocated for Multi-Family Use and a MECO substation.

The proposed Multi-Family component will consist of approximately 200 units with necessary support infrastructure including but not limited to off-street parking, sewer, water, roadways and sidewalks. The project will comply with the Maui County Residential Workforce Housing Ordinance by providing affordable rental units on-site.

The MECO substation is to be located near the project boundary north of the Multi-Family component, in the northern portion of Parcel 16. (See: Figure No. 4)

Parcels 170 and 171 make up the southern portion of the project site and total approximately 38 acres. This area will consist of Business and Commercial uses including but not limited to retail, restaurants, and office space. This portion of the project will also provide vehicular, bicycle and pedestrian connectivity within the project and with neighbors along Piilani highway.

Parcel 172 is the new East Kaonoulu Street (first segment of the future Upcountry Highway) to be constructed as a four (4) lane divided roadway providing access to the project from Piilani Highway. The Street design will include designated bicycle lanes and pedestrian walkways separated from the street. (See: Figure No. 3)

Parcels 173 & 174 are the road widening lots along Piilani Highway, provided to construct the new intersection at Kaonoulu Street and Piilani Highway. The road widening parcels total 1.783 acres.

Off-site Improvements

Off-site infrastructure work includes construction of a 1 million gallon, above ground storage tank for drinking water, with transmission lines, *mauka* of the project site. The tank is located on a 1.154 acre parcel at TMK (2) 2-2-02: portion of 077 which is owned by Kaonoulu Ranch, to be dedicated to the County of Maui upon completion.

A water well and storage tank for landscape irrigation will be constructed *mauka* of the project site. The offsite irrigation well and storage tank will require an easement of approximately 0.135 acres on TMK (2) 3-9-01: portion of 169, owned by Honua'ula Partners. (See: Figure No. 4a)

Off-site Easements

A 44-foot wide (1.119 acre) access and utility easement will be provided to the north and *mauka* of the project site on TMK (2) 2-2-02: portion of 016, owned by Haleakala Ranch. The access easement will allow utility and future connectivity to Ohukai Road, North of the project site. (See: Figure No. 4a)

The transmission lines connecting the drinking water storage tank to the public water system will require an easement on Parcel (2) 2-2-02: portion of 082, owned by Kaonoulu Ranch.

Alternatives

The Draft EIS will analyze the potential impacts of various development alternatives, including the "no action" alternative of allowing the project site to remain as it is.

Entitlements and Approvals

The following is a list of anticipated entitlements and approvals for the proposed project.

Permit / Approval Required	Responsible Authority
Amendment of Decision & Order Docket No. A94-706	State Land Use Commission
HRS Chapter 343 Compliance, Draft En- vironmental Impact Statement	State Land Use Commission
Final Environmental Impact Statement (EIS)	State Land Use Commission
<u>Community Plan Amendment (CPA)</u>	<u>Maui Planning Commission & Maui</u> <u>County Council</u> (Note: Although the County of Maui has determined that the proposed pro- ject complies with the Kihei-Makena Community Plan, the Applicant is nev- ertheless considering the possibility of applying for a community plan amendment to further clarify the mat- ter. At the present time, no final deci- sion has been made as to whether such an application will be filed.)
<u>Driveway Permit</u>	Maui County, Public Works, Devel- opment Services Division



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Building Permit	<u>Maui County, Public Works, Devel-</u> opment Services Division
<u>Wastewater Discharge (Hookup) Permit</u>	<u>Maui County, Department of Envi-</u> ronmental Management, Wastewater <u>Division</u>
Grading and Grubbing Permit	Maui County, Public Works, Devel- opment Services Division
NPDES Permit	<u>State of Hawaii, DOH</u>
Air Pollution Control Permit	<u>State of Hawaii, DOH</u>
Community Noise Permit	<u>State of Hawaii, DOH</u>
Easements for Utilities and Roadways	Various
Drainage Approval	Maui Department of Public Works, Engineering Division, and State of Hawaii, DOT
Permit to Perform Work Within the State ROW	<u>State of Hawaii, DOT</u>

II. AFFECTED ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATION MEASURES

A. Physical Environment

1. Surrounding Land Uses

Existing Conditions. The proposed project site is adjacent to existing Urban areas and an existing Light Industrial subdivision in the State Urban District to the North. The Light Industrial Uses to the north include a gasoline filling station, a Commercial Light Industrial complex and a self storage facility.

On the *mauka* or eastern side of the property is a commercial nursery and ranch land extending to Kula. Kulanihakoi Gulch and the future Kihei High School are located south of the project site. On the *makai* side of the project site is Piilani Highway. Further *makai* is the Kaonoulu Estates residential subdivision, the Maui Lu Resort and South Kihei Road.

Potential Impacts and Mitigation Measures. The project proposes a mix of Commercial, Light Industrial and Residential Uses. The parcels are located in a Light Industrial Zone, therefore the proposed project is an appropriate use for the property.

2. Topography and Soils

Existing Conditions. Geologically, the island of Maui is comprised of two shield volcanoes, Mauna Kahalawai (West Maui Mountains) in the west, and Haleakala to the east. These land forms create the subsections of Maui characterized as East and West Maui.

The project site is located *mauka* of Piilani Highway and is gently sloping with an average gradient of 4.1 percent. Elevations range from approximately 124 feet above mean sea level to 31 feet above mean sea level. The project site consists of

one (1) soil type, as described in the *Soil Survey of the Islands of Kauai, Oahu, Maui, Molokai, and Lanai, State of Hawaii.* (See: Figure No. 10)

The soil type is (WID2) "Waiakoa extremely stony silty clay", 3 to 25 percent slopes is characterized by medium runoff and severe erosion hazard.

Potential Impacts and Mitigation Measures. Implementation of the project will require grading for roads and buildings. The developer will provide a list of Best Management Practices (BMP) for implementation at the project site in order to reduce the impacts of construction.

During site preparation, storm runoff from the project site will be controlled in compliance with the County's "Soil Erosion and Sediment Control Standards". Typical mitigation measures include appropriately stockpiling materials on-site to prevent runoff and building over, or establishing landscaping on disturbed soils as early as possible to minimize the length of exposure.

Impacts include the potential for soil erosion and the generation of dust during construction. Clearing and grubbing activities will temporarily disturb the soil retention values of existing vegetation and expose soils to erosion forces. Some wind erosion of soils could occur without a proper watering and a re-vegetation program. Heavy rainfall could also cause erosion of soils within areas of disturbed soil.

To the extent possible, improvements will conform to the contours of the land limiting the need for extensive grading of the site. Grading will be limited to specific areas for short periods of time.

BMP's observed to control erosion during the site development period may include:

- Minimizing the time of construction;
- Retaining existing ground cover as long as possible;
- Constructing drainage control features early;
- Using temporary area sprinklers in non-active construction areas when ground cover is removed;
- Providing a water truck on-site during the construction period to provide for immediate sprinkling as needed;
- Using temporary berms and cut-off ditches, where needed, for control of erosion;

- Watering graded areas when construction activity for each day has ceased;
- Grassing or planting all cut and fill slopes immediately after grading work has been completed; and
- Installing silt screens where appropriate.

Construction activities will comply with all applicable Federal, State and County rules and regulations for erosion control. Construction activities will comply with the provisions of Chapter 11-60.1, HAR, Section 11-60.1-33, Fugitive Dust.

After construction, the establishment of permanent landscaping will provide supplemental long-term erosion control.

3. Natural Hazards

Existing Conditions. Natural hazards impacting the Hawaiian Islands include hurricanes, tsunamis, volcanic eruptions, earthquakes, and flooding.

Devastating hurricanes have impacted Hawaii twice since 1980: Hurricane Iwa in 1982 and Hurricane Iniki in 1992. While it is difficult to predict these natural occurrences, it is reasonable to assume that future events will occur.

About 50 tsunamis have been reported in the Hawaiian Islands since the early 1800s. Seven (7) caused major damage, two (2) of these were locally generated. The project site is outside of the Civil Defense Tsunami Evacuation Zone.

Volcanic hazards are not a concern in the South Maui area due to the dormant status of Haleakala.

In Hawaii, most earthquakes are linked to volcanic activity. Each year, thousands of earthquakes occur in Hawaii, the vast majority of them are detectable only with highly sensitive instruments.

Flood hazards are primarily identified by the Flood Insurance Rate Map (FIRM) prepared by the Federal Emergency Management Agency (FEMA), National Flood Insurance Program. According to the September 2012 update of FIRM Panels 1500030580F and 1500030586F, the project parcels are located in Zone X, areas determined to be outside the 0.2% annual chance floodplain. (See: Figure No. 11).

Potential Impacts and Mitigation Measures. The project is located *mauka* of Piilani Highway and outside of the Special Management Area (SMA). The proposed project is not anticipated to exacerbate any hazardous conditions.

Potential impacts will be fully assessed during the preparation of the Draft EIS. Any structures built will be constructed for protection from earthquakes and the destructive winds and torrential rainfall of tropical hurricanes in accordance with the Building Code adopted by the County of Maui. The proposed project is not anticipated to significantly impact the neighboring properties with regard to flood hazard potential.

4. Hazardous Substances

Existing Conditions. The project site is vacant land and was previously used for cattle grazing by Kaonoulu Ranch. A Phase I Environmental Site Assessment is being conducted at the site and its results and recommendations will be included in the Draft EIS.

Potential Impacts and Mitigation Measures. The previous and current owners have indicated that hazardous substances have not been on the site; therefore no impacts from hazardous substances are anticipated at the proposed project site.

5. Flora and Fauna

Existing Conditions. The project site is vacant land with minimal vegetation.

Potential Impacts and Mitigation Measures. The findings and recommendations of a Botanical Flora and Faunal Survey will be presented in the Draft EIS. No impacts on sensitive or protected flora and fauna are anticipated as a result of project development.

6. Air Quality

Existing Conditions. The air quality in the South Maui area is generally good. Existing impacts to air quality include periodic increase in particulates from distant volcanic emissions (Vog) and possibly occasional localized impacts from traffic congestion or agricultural activities.

Both Federal and State standards have been established to maintain ambient air quality. Seven parameters are regulated: particulate matter, sulfur dioxide, hydrogen sulfide, nitrogen dioxide, carbon monoxide, ozone, and lead. State of Hawaii air quality standards are either equally or more stringent than the comparable national standards.

Potential Impacts and Mitigation Measures. During development, grading and construction-related activities will result in short-term impacts to air quality. Best Management Practices (BMPs) will help to mitigate such impacts. Adequate dust control measures, in compliance with Section 11-60-1-33, "Fugitive Dust", of the Hawaii Administrative Rules will be implemented during all phases of construction.

<u>Short-Term Construction Activities.</u> All construction activities will comply with the provisions of HAR, Chapter 11-60.1, "Air Pollution Control," Section 11-60.1-33, Fugitive Dust. In compliance with these provisions a dust control plan will be implemented during construction.

Fugitive dust emissions will be controlled to a large extent by watering of active work areas, using wind screens, keeping adjacent paved roads clean, and by covering of open-bodied trucks. Other dust control measures that may be implemented include limiting the area of disturbed soil at any given time and/or mulching or stabilizing inactive areas that have been worked. Paving and land-scape planting early in the construction schedule will also reduce the potential for dust emissions.

Exhaust emissions from construction equipment can be mitigated by moving equipment and workers to and from the site during off-peak traffic hours.

An Air quality Study is being prepared as part of the Draft EIS and will assess potential long-term impacts to air quality.

7. Noise Quality

Existing Conditions. The dominant noise sources in the vicinity of the project are vehicles using Pi'ilani Highway. The project site is located *mauka* of the Piilani Highway and the residential areas of central Kihei.

Potential Impacts and Mitigation Measures. An Acoustic Study is being prepared as part of the Draft EIS and will assess potential impacts to noise quality. Construction-related activities will be limited to normal daylight hours. Development will adhere to the Department of Health's noise regulations for construction equipment.

8. Historical and Archaeological Resources

Existing Conditions. An Archaeological Inventory Survey (AIS) was prepared for a previous project on the subject Parcels by Xamanek Researchers. The report documented twenty sites containing historic properties. Nineteen of the identified sites were determined significant for information content and the State Historic Preservation Division (SHPD) concurred that no further work was required. One site (petroglyph) was removed from the original location and preserved at TMK (2) 2-2-006:009. During an early review of the proposed Kaonoulu Ranch Large Lot Subdivision No. 2 in 2006, SHPD determined that there would be no effect to historic properties by the proposed subdivision. SHPD recommends that an archaeological monitor be present during all ground disturbing activities. An Archaeological Monitoring Plan (AMP) was prepared in 2011 by Scientific Consultant Services and approved by SHPD on August 10, 2011. The previous Archaeological work did not include the off-site improvement area such as the water tank, therefore an Archaeologist is preparing an AIS for the off-site improvement areas. The Draft EIS will include all applicable Archaeological reports and approval letters as appendices.

Potential Impacts and Mitigation Measures. SHPD determined that there would be no effect to historic properties by the previously proposed project; therefore the currently proposed project is not anticipated to generate impacts to historical and Archaeological resources (See: Appendix B). However the previous Archaeological work did not assess off-site improvement areas, therefore an AIS is being prepared for these locations. An Archaeologist is coordinating with SHPD for the completion of this work.

9. Cultural Impact Assessment

Existing Conditions. A Cultural Impact Assessment Report is being prepared and will be assessed in the Draft EIS.

Potential Impacts and Mitigation Measures. The Draft EIS will include a Cultural Impact Assessment (CIA) Report prepared in compliance with Chapter 343 requirements. The CIA will document the history of the site and assesses potential cultural impacts resulting from the proposed project.

10. Visual Resources

Existing Conditions. Environmental Planning Associates Inc. prepared a Maui Coastal Scenic Resources Study for the County of Maui, Planning Department on August 31, 1990 (See: Figure No. 12). The proposed project site is located in an area *mauka* of the Piilani Highway which offers views of the Pacific Ocean, Molokini Crater, Kahoolawe, Lanai, the West Maui Mountains and Haleakala.

Potential Impacts and Mitigation Measures. The proposed project will be developed in accordance with the requirements of the M-1 Light Industrial District. It is anticipated that the proposed project will impact views across the undeveloped project site.

11. Agricultural Resources

Existing Conditions. The project site is located in the State Land Use "Urban" District, the County's "M-1" Light Industrial Zoning District, and is designated for "LI" Light Industrial Use by the Kihei-Makena Community Plan.

ALISH. In 1977, the State Department of Agriculture developed a classification system to identify Agricultural Lands of Importance to the State of Hawaii (AL-ISH). The classification system is based primarily, though not exclusively, upon the soil characteristics of the lands. The three (3) classes of ALISH lands are: "Prime", "Unique", and "Other", with all remaining lands termed "Unclassified". When utilized with modern farming methods, "Prime" agricultural lands have a soil quality, growing season and moisture supply necessary to produce sustained crop yields economically. "Unique" agricultural lands possess a combination of soil quality, growing season, and moisture supply to produce sustained high yields of a specific crop. "Other" agricultural lands include those

that have not been rated as "Prime" or "Unique" but are still considered important agricultural lands.

The ALISH system classifies the majority of the project site as "Unclassified". Three (3) acres of the project site, located at the southwest corner are classified as "Prime".

<u>LSB.</u> The University of Hawaii, Land Study Bureau (LSB), developed the Overall Productivity Rating, which classifies soils according to five (5) levels, ranging from "A", representing the class of highest productivity soils, to "E", representing the lowest.

The lands underlying the project site are classified as "E", or very poorly suited for agricultural production.

Potential Impacts and Mitigation Measures. The Draft EIS will further assess potential impacts to agricultural resources.

B. Socio-Economic Environment

1. Population

Existing Conditions. According to the 2010 U.S. Census the resident population in Maui County was 154,834 and increased to 156,674 as of July 1, 2011. The proposed project site is located in Kihei, which had a population of 20,881 in 2010. There is no 2011 US Census data for the Kihei area as of the writing of this EISPN.

Potential Impacts and Mitigation Measures. The long-term implementation of the project will contribute to the increase in population projected for the Kihei-Makena region. This impact will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report prepared in support of the Draft EIS.

2. Housing

Existing Conditions. For a variety of reasons, there has been a generally high appreciation in real estate prices on Maui since the early 1970s. At the same time, the population has expanded dramatically, leading to high demand for residential units. According to the Maui Island Plan, there will be a demand for an additional 34,637 housing units on Maui through 2030.

Potential Impacts and Mitigation Measures. The Multi-Family component of the proposed project will be in compliance with the Work Force Housing ordinance, Chapter 2.96 MCC (Residential Workforce Housing Policy).

3. Economy

Existing Conditions. The visitor industry is the predominant driver of Maui County's economy. The *Maui Island Plan* (Chapter 4, Economic Development) states the following in its analysis of the island's challenges and opportunities:

"The Island of Maui, like the County as a whole, faces two fundamental challenges in economic development: (1) diversification; and (2) increasing the number and proportion of *living wage* jobs. There is a subset of more specific challenges, such as the high cost of housing and the need to strengthen public education".

Potential Impacts and Mitigation Measures. Development is expected to generate short-term economic benefits in the form of construction-related employment, as well as long-term benefits that include increased permanent employment and tax revenues. Short and long-term economic benefits will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report prepared in support of the Draft EIS.

C. Public Services

1. **Recreational Facilities**

Existing Conditions. Numerous public beach parks are located in South Maui, such as the three (3) Kamaole Beach Parks, Charley Young Park, and Kalama Park. Other recreational facilities include the Kihei Aquatic Center, the Kenolio Recreational Complex and the South Maui Community Park.

Potential Impacts and Mitigation Measures. The long-term implementation of the proposed project will contribute to the increase in population of the Kihei-Makena region. The impact of population growth on recreational facilities will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report prepared in support of the Draft EIS.

2. Medical Facilities

Existing Conditions. Maui Memorial Medical Center (MMMC) is located in Wailuku, approximately 10 miles from the project site, and is the island's only acute care hospital. The MMMC facility provides approximately 240 beds. Various private medical offices and facilities are located in the South Maui area.

Potential Impacts and Mitigation Measures. The long-term implementation of the project will contribute to the increase in population for the Kihei-Makena region. This impact, and its associated effect on the demand for medical facilities, will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report prepared in support of the Draft EIS.

3. Police and Fire Protection Services

Existing Conditions. The applicants' properties fall within the Maui Police Department's (MPD) District 6 – Kihei. This police district is served by the Kihei Station, located approximately 2.5 miles from the project at 1881 S. Kihei Road. A new permanent Kihei Station is under construction and is expected to be completed in 2014.

The project site is serviced by the Wailea Fire Station, which is located at 11 Waimahaihai St, approximately 2 miles from the project site.

Potential Impacts and Mitigation Measures. The long-term implementation of the proposed project would contribute to the increase in population for the Ki-hei-Makena region. This impact, and its associated impact to police and fire services, will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report prepared in support of the Draft EIS.

4. Schools

Existing Conditions. Maui schools are organized into two complex-areas. A complex consists of a high school and all of the intermediate/middle and elementary schools that flow into it. Groups of two to four complexes form a "complex area", which is supervised by a of a "complex-area superintendent".

The project site is located within the State Department of Education's (DOE) Maui Complex, within the Baldwin-Kekaulike-Maui Complex-Area. The Maui Complex is composed of the following schools:

Elementary Schools

- Kahului Elementary
- Kamalii Elementary
- Kihei Elementary
- Lihikai Elementary
- Pomaikai Elementary
- Maui PC Elementary School

Intermediate Schools

- Lokelani Intermediate
- Maui Waena Intermediate
- Maui PC Intermediate School

High Schools

- Maui High
- Kihei PC High School

Potential Impacts and Mitigation Measures. The long-term implementation of the proposed project would contribute to the increase in population for the Ki-

hei-Makena region. This impact, and its associated effect on the demand for school facilities, including the future Kihei High School will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report being prepared in support of the Draft EIS.

In 2007, the Hawaii Legislature enacted Act 245 as Section 302A, HRS, "School Impact Fees". Based upon this legislation, the Department of Education (DOE) will be enacting impact fees for residential developments that occur within indentified school impact districts. The applicant will coordinate with the DOE to determine the appropriate measures to be taken as required by the Section 302A-1603(b), HRS.

5. Solid Waste

Existing Conditions. Weekly, solid-waste collection is not provided by the County of Maui, Department of Environmental Management for commercial and multi-family developments.

The Central Maui Landfill, which is located in the Wailuku-Kahului Community Plan region, receives residential solid waste from the area. Green waste is collected by Eko Compost, which is located at the Central Maui Landfill. Construction and demolition (C&D) waste is accepted at the privately operated C&D Landfill in Ma`alaea.

Plastic, glass, metal, cardboard, and newspaper can be recycled when left at various drop-boxes throughout the County. Green waste recycling is provided by several private organizations.

Potential Impacts and Mitigation Measures. The proposed project will consist of industrial, Commercial and Multi-Family uses therefore the owners are required to contract a private refuse company to handle solid waste generated at the project site. In 2009 the Integrated Solid Waste Management Plan (ISWMP) for Maui County was updated and projected that the Central Maui Landfill will have adequate capacity to accommodate Residential and Commercial waste through the year 2026. This estimate does not take into account future increases in source reduction and waste diversion. Increases in waste diversion achieved through education, recycling, composting, and reuse programs are expected to decrease demand for landfill space and extend the life of the Central Maui Landfill beyond the currently projected closure year. The County's Department of Environmental Management, Solid Waste Division, anticipates that additional

phases of the Central Maui Landfill will be developed as needed to accommodate future waste.

Waste generated by site preparation will primarily consist of rocks, and debris from clearing, grubbing, and grading. Very little demolition material is expected, as the site is essentially vacant.

During the short term, construction activities will require the disposal of the existing onsite waste, as well as cleared vegetation and construction-related solid waste. A solid waste management plan will be coordinated with the County's Solid Waste Division for the disposal of onsite and construction-related waste material. The applicants will work with the contractor to minimize the amount of solid waste generated during the construction of the project.

The long-term implementation of the project will contribute to the increase in population projected for the Kihei-Makena region. The population increase, and its associated impact on solid waste, will be more thoroughly analyzed in the Socio-Economic Impact Analysis Report prepared in support of the Draft EIS.

6. **Public Transportation**

Existing Conditions. The island of Maui is served by the Maui Public Bus Transit System, operated by Maui County. Kihei is served by the Kihei Villager and Islander bus routes. The Kihei Villager route is the shorter of the two, serving Kihei and Maalaea. The Kihei Islander route extends further to the north and south, connecting Kahului to Makena via Maalaea and Kihei. Both routes operate with a headway of one hour throughout the day. Within Kihei, the Maui buses use South Kihei Road.

Potential Impacts and Mitigation Measures. The Applicant will coordinate with the Maui County Department of Transportation on construction of future Maui Bus stop(s).

D. Infrastructure

1. Roadways

Existing Conditions. The project site has no current roadway access. If constructed the project site would be accessed via East Kaonoulu Street, a proposed four-lane divided highway that connects to Pi'ilani Highway, the only arterial roadway in South Maui.

Potential Impacts and Mitigation Measures. A Traffic Impact Analysis Report (TIAR) was prepared for the previous project and will be revised for this new project. The revised TIAR will be included within the Draft EIS. This report will analyze current conditions and project conditions with and without full development of the proposed project. It will also make recommendations for traffic mitigation measures. Currently anticipated improvements include the signalization and construction of the intersection of Kaonoulu Street and Piilani Highway, and construction of a portion of the Kihei-Upcountry Highway.

2. Utilities

Existing Conditions. There are existing power, telephone, and cable television transmission infrastructure along Piilani Highway.

Potential Impacts and Mitigation Measures. Proposed electrical, telephone, and cable television distribution systems will be served from the existing infrastructure along Piilani Highway. Potential impacts to utilities will be more thoroughly analyzed in the Preliminary Engineering Report prepared in support of the Draft EIS.

3. Drainage

Existing Conditions. A Preliminary Drainage Report will be prepared for the Draft EIS. The report will analyze existing site conditions, including drainage patterns, existing improvements, and stormwater runoff calculations.

Potential Impacts and Mitigation Measures. The Preliminary Drainage Report will analyze anticipated changes in stormwater runoff and recommend improvements necessary to comply with County drainage requirements.

4. Water

Existing Conditions. The County of Maui high pressure water line currently diagonally bisects the property and provides drinking water south of the project site. The proposed project will reroute the high pressure water line *mauka* and south of the project area.

Potential Impacts and Mitigation Measures. A Preliminary Engineering Report will be prepared for the Draft EIS. The reports will analyze current water source and transmission requirements to support the implementation of the proposed project. Additionally, the reports will analyze anticipated increases in water demand, (drinking and non-drinking) and propose means of meeting that demand.

5. Wastewater

Existing Conditions. A Preliminary Engineering Report will be prepared for the Draft EIS. The report will analyze current wastewater system capacity and existing infrastructure to support the project.

Potential Impacts and Mitigation Measures. The Preliminary Engineering Report will analyze anticipated increases in wastewater flows and propose means of mitigating the increase in wastewater.

E. Cumulative and Secondary Impacts

Cumulative impacts are defined as the impact on the environment, which results from the incremental impact of an action when added to other past, present, and reasonably foreseeable future actions, regardless of what agency or person undertakes such other actions.

Secondary impacts are those that have the potential to occur later in time or farther in distance, but which are reasonably foreseeable. They can be viewed as actions of others that are taken because of the presence of the project. Secondary impacts from highway projects, for example, can occur because they can induce development by removing transportation impediments to growth.

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In accordance with HAR 11-200-17I the Draft EIS will further discuss potential cumulative and secondary impacts from the proposed project.

F. Summary of Unavoidable Impacts on the Environment and Resources

In accordance with HAR 11-200-17L the Draft EIS will discuss unavoidable impacts on the environment and resources and analyze their significance.

III. RELATIONSHIP TO GOVERNMENTAL PLANS, POLICIES, AND CONTROLS

A. State Land Use

Chapter 205, Hawaii Revised Statutes, relating to the Land Use Commission (LUC), establishes four (4) major land use districts in which all lands in the state are placed. These districts are designated as Urban, Rural, Agricultural, and Conservation. The project site is located within the State Urban district (See: Figure No. 5).

B. Hawaii State Plan

Chapter 226, HRS, also known as the Hawaii State Plan, is a long-range comprehensive plan that serves as a guide for the future long-range development of the State by identifying goals, objectives, policies, and priorities, as well as implementation mechanisms. As stated in Section 226-1:

The purpose of this chapter is to set forth the Hawaii state plan that shall serve as a guide for the future long-range development of the State; identify the goals, objectives, policies, and priorities for the State; provide a basis for determining priorities and allocating limited resources, such as public funds, services, human resources, land, energy, water, and other resources; improve coordination of federal, state, and county plans, policies, programs, projects, and regulatory activities; and to establish a system for plan formulation and program coordination to provide for an integration of all major state, and county activities.

The proposed project complies with the Hawaii State Plan and a more detailed analysis of the project's consistency with State Plan Objectives and Policies will be provided in the DEIS.

C. Maui County General Plan

The General Plan of the County of Maui refers to a hierarchy of planning documents that together set forth future growth and policy direction in the County. The General

Plan is comprised of the following documents: 1) County-wide Policy Plan; 2) Maui Island Plan; and 3) nine Community Plans.

County-wide Policy Plan

The County-wide Policy Plan was adopted in March 2010 and is a broad policy document that identifies a vision for the future of Maui County. It establishes a set of guiding principles and provides comprehensive goals, objectives, policies and implementing actions that portray the desired direction of the County's future. The County-wide Policy Plan provides the policy framework for the development of the Maui Island Plan and nine Community Plans.

The County-wide Policy Plan establishes a list of county-wide goals, objectives, policies, and implementing actions related to the following core themes:

- Protect the Natural Environment
- Preserve Local Cultures and Traditions
- Improve Education
- Strengthen Social and Healthcare Services
- Expand Housing Opportunities for Residents
- Strengthen the Local Economy
- Improve Parks and Public Facilities
- Diversify Transportation Options
- Improve Physical Infrastructure
- Promote Sustainable Land Use and Growth Management
- Strive for Good Governance

Maui Island Plan

The Maui Island Plan was adopted in December 2012 and functions as a regional plan and addresses the policies and issues that are not confined to just one Community Plan area, including regional systems such as transportation, utilities and growth management, for the Island of Maui.

The Maui Island Plan is comprised of the following ten elements: 1) Population; 2) Heritage Resources; 3) Natural Hazards; 4) Economic Development; 5) Housing; 6) Infrastructure and Public Facilities; 7) Land Use; 8) Directed Growth Plan; 9) Long Range Implementation Plan; and 10) Monitoring and Evaluation. Each element contains goals, objectives, policies and implementing actions. The Directed Growth Plan identifies the location of future development through 2030. The Directed Growth Plan is intended to

guide the location and general character of future urban development and will direct future Zoning changes and guide the development of the County's short-term and longterm capital improvement plan budgets.

The project complies with the Maui Island Plan and County-wide Policy Plan and a more detailed analysis of the project's consistency with the Plan's Objectives and Policies will be provided in the DEIS.

D. Kihei-Makena Community Plan

Within Maui County, there are nine (9) Community Plan regions. From a General Plan implementation standpoint, each region is governed by a Community Plan which sets forth desired land use patterns, as well as goals, objectives, policies, and implementing actions for a number of functional areas including infrastructure-related parameters.

The project site is located within the Kihei-Makena Community Plan region and is designated Light Industrial (LI) in the Community Plan. (See: Figure No. 7)

Although the County of Maui has determined that the proposed project complies with the Kihei-Makena Community Plan, the Applicant is nevertheless considering the possibility of applying for a Community Plan Amendment to further clarify the matter. At the present time, no final decision has been made as to whether such an application will be filed.

E. County Zoning

Title 19 of the Maui County Code provides comprehensive Zoning for the County. The purpose and intent of this comprehensive Zoning is to regulate the utilization of land in a manner encouraging orderly development and to promote and protect the health, safety and welfare of the people of the County. The property is Zoned M-1 Light Industrial. The proposed project is allowable in the M-1 Zoning District. (See: Figure No. 8)

F. Coastal Zone Management

Coastal Zone Management objectives and policies (section 205A-2 HRS) and the Special Management Area Rules for the Maui Planning Commission (Chapter 202) have been



developed to preserve, protect, and where possible, to restore the natural resources of the Coastal Zone of Hawaii. While the subject property is not located within the Special Management Area, (See: Figure No. 9) the Draft EIS will analyze the project's consistency with Coastal Zone Management Objectives and Policies.

IV. FINDINGS AND CONCLUSIONS

Under the provisions of Act 172 (12) the State Land Use Commission has determined at the outset that an environmental impact statement is required for the updated Piilani Promenade project; therefore this EISPN has been prepared in accordance with HAR 11-200.

V. CONSULTATION AND REVIEW

A. Early Consultation

Prior to the preparation of this Notice, consultation on the project was undertaken with the following agencies and groups:

- Kihei Community Association
- Maui County Planning Department
- Maui County Department of Public Works
- Department of Business, Economics Development and Tourism (DBEDT), Office of Planning

B. EIS Preparation Notice Distribution

This EIS Preparation Notice is being transmitted to the following agencies and organizations for review and comment:

Federal Agencies

Natural Resources Conservation Service US Army Engineer Division US Fish and Wildlife Service

State Agencies

Department of Agriculture Department of Accounting and General Services Department of Business, Economics Development and Tourism (DBEDT) DBEDT – Office of Planning Department of Education Department of Hawaiian Home Lands Department of Health Department of Human Services Department of Labor and Industrial Relations Department of Land and Natural Resources (DLNR)

DLNR – State Historic Preservation Division Department of Transportation Hawaii Housing Financing and Development Corporation Office of Hawaiian Affairs UH Environmental Center

Maui County Agencies

Department of Environmental Management Department of Fire and Public Safety Department of Housing and Human Concerns Department of Parks and Recreation Department of Planning Department of Public Works Department of Transportation Department of Water Supply Police Department

Others

Maui Tomorrow Kihei Community Association South Maui Citizens for Responsible Growth Daniel Kanehele


VI. REFERENCES

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FIGURES

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Photo Source: Google Maps

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FIGURE 11 Flood Hazard Map

TMK (2) 3-9-001: 016

Pi`ilani Promenade





CHRIS HARI & PARTNERSINC

FIGURE 11

TMK (2) 3-9-001: 170

Flood Hazard Map Pi`ilani Promenade



CHRIS HART & PARTNERSING

FIGURE 11

TMK (2) 3-9-001: 171

Flood Hazard Map Pi`ilani Promenade

APPENDICES

APPENDIX A

Docket No A94-706 Finding of Fact, Conclusions of Law, and Decision and Order BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of

KAONOULU RANCH

DOCKET NO. A94-706

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER

To Amend the Agricultural Land Use) District Boundary into the Urban Land Use District for approximately 88 acres at Kaônoulu, Makawao-Wailuku, Maui, Hawaii; Tax Map Key Nos. 2-2-02: por. of 15 and 3-9-01:16

This is to certify that this is a true and correct copy of the Decision and Order on file in the office of the State Land Use Commission, Honolulu Hawaii.

FEB 1 0 1995 by lath **Executive** Officer Data

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FINDINGS OF FACT.

CONCLUSIONS OF LAW. AND DECISION AND ORDER

BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of

KAONOULU RANCH

DOCKET NO. A94-706

To Amend the Agricultural Land Use) District Boundary into the Urban) Land Use District for) approximately 88 acres at) Kaonoulu, Makawao-Wailuku,) Maui, Hawaii; Tax Map Key Nos.) 2-2-02: por. of 15 and 3-9-01:16) FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION AND ORDER

FINDINGS OF FACT.

CONCLUSIONS OF LAW, AND DECISION AND ORDER

KAONOULU RANCH, a Hawaii limited partnership,

("Petitioner"), filed a Petition for District Boundary Amendment on July 6, 1994, a First Amendment to the Petition on August 4, 1994, and a Second Amendment to the Petition on October 21, 1994, (cumulatively "Petition"), pursuant to chapter 205, Hawaii Revised Statutes, ("HRS"), and chapter 15-15, Hawaii Administrative Rules ("HAR") to amend the Land Use District Boundary to reclassify approximately 88 acres of land at Kaonoulu, Makawao-Wailuku, Maui, Hawaii, specifically identified as Tax Map Key Nos. 2-2-02: portion of 15 and 3-9-01: 16 ("Property" or "Petition Area") from the Agricultural District to the Urban District, to develop a 123 lot commercial and light industrial subdivision ("Project"). The Land Use Commission ("Commission") having examined the testimony and evidence presented during the hearing, having heard the arguments of counsel, and having reviewed Petitioner's Proposed Findings of Fact, Conclusions of Law, and Decision and Order, the Office of State Planning's Response to the Petitioner's Proposed Findings of Fact, Conclusions of Law, and Decision and Order, the County of Maui Planning Departments' Stipulation to Petitioner's Proposed Findings of Fact, Conclusions of Law, and Decision and Order, and the record herein, hereby makes the following findings of fact, conclusions of law, and decision and order:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. The Petition for District Boundary Amendment was filed with the Commission on July 6, 1994. A First Amendment to Petition for Land Use District Boundary Amendment was filed with the Commission on August 4, 1994. A Second Amendment to Petition for Land Use District Boundary Amendment was filed with the Commission on October 21, 1994.

2. The Commission conducted a prehearing conference on October 11, 1994, at the Old Federal Building, 335 Merchant Street, Conference Room 238, Honolulu, Hawaii, with representatives of the Petitioner, and the Office of State Planning ("OSP"), present, and at which time the parties exchanged exhibits and witness lists. The County of Maui Planning Department ("County") was not present.

3. The Commission held a public hearing on November 1, 1994 upon notice published on September 12, 1994 in the Honolulu Advertiser and the Maui News.

4. Entering appearances at the hearing were B. Martin Luna, Esq. and Gilbert Coloma-Agaran, Esq. for Petitioners, Gary

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W. Zakian, Esq. and Ann Cua for the County of Maui, and Rick Eichor, Esq. and Lorene Maki for the OSP, State of Hawaii.

5. The County supported the Petition and filed a statement of Position of the Maui County Planning Department on September 9, 1994. The County also filed Testimony of the Maui County Planning Department in support of the Petition with conditions on October 11, 1994.

6. The Office of State Planning supported the Petition and filed a Statement of Position of the Office of State Planning in Support of the Petition with conditions on September 1, 1994. The Office of State Planning also filed Testimony of the Office of State Planning in Support of the Petition with conditions on October 20, 1994.

7. No written or oral public testimony was received.

8. No requests for intervention were filed.

DESCRIPTION OF PROPERTY

9. Petitioner is a Hawaii limited partnership having its principal place of business in Wailuku, Maui, Hawaii. The principals of the Petitioner are members of a family that has held the property for several generations.

10. Fee simple ownership of the Property is vested in the Petitioner.

11. The Property is located in Maui, consists of approximately 88 acres, and is identified for planning and regulatory purposes as a portion of the approximately 6,000 acres owned by Kaonoulu Ranch. The Property is specifically identified

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as Tax Map Key Nos. 2-2-02: portion of parcel 15 and 3-9-01: parcel 16.

12. The Property is located in the Kaonoulu ahupua'a, Wailuku and Makawao District, Island of Maui. From the intersection of Piilani Highway and Kulanihakoi Gulch, the Property boundary extends approximately 2,370 feet in a generally northerly direction following the east or mauka edge of the Piilani Highway right-of-way. The boundary of the Property then extends approximately 1,766 feet in an easterly or mauka direction. The boundary of the Property extends approximately 2,050 feet in a southerly direction to Kulanihakoi Gulch. The Property's boundary, along its southern extent, is approximately 1,660 feet following along the north edge of Kulanihakoi Gulch.

13. Portions of the Property are contiguous to existing urban areas and an existing light industrial area already in the State Urban District abuts the Property to the north. The light industrial uses clustered near Piilani Highway include a gasoline filling station, a commercial light-industrial complex, and a cold and self storage facility.

14. On the mauka or eastern side of the Property, there is a commercial nursery as well as broad expanses of vacant dry grassland which extend gradually higher in elevation to the Kula region. Kulanihakoi Gulch and vacant properties border the Property to the south. Lands further south include the Kihei Research and Technology Park and Silversword Golf Course. The Property is bounded on the makai or west side by Piilani Highway.

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Further makai lies the Ka Ono Ulu Estates residential subdivision and the Maui Lu Resort.

15. The Property is vacant and is being used for cattle grazing. The Property is generally characterized by kiawe and buffelgrass.

16. The Property soils, under the Detailed Land Classification of the Land Study Bureau rated the Property's overall (master) productivity rating as "E", or very poorly suited for agricultural production. The Agricultural Lands of Importance to the State of Hawaii (ALISH) system, classifies all but a three acre area of the Property as Unclassified. The remaining three acres, located at the southwest corner of the Property, are classified as "Prime."

17. The Property consists of Waiakoa extremely stony silty clay loam, 3 to 25 percent slopes, eroded (WID2) and Alae sandy loam, 3 to 7 percent slopes (AaB).

18. The Property is gently sloping with an average gradient of 4.1 percent, and elevations ranging from approximately 31 feet to 124 feet above sea level.

19. Average rainfall distribution in the Kihei-Makena region varies from under 10 inches per year to 20 inches per year in the higher elevations. Winds average 10 to 15 miles per hour during the afternoons with slightly lighter winds during mornings and nights.

20. The Property is designated as Zone "C", an area of minimal flooding, by the Flood Insurance Rate Map.

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PROPOSAL FOR RECLASSIFICATION

21. Petitioner proposes to develop the Property as the Kaonoulu Industrial Park, a 123-lot commercial and light industrial subdivision. Improved lots are proposed to be sold in fee simple or leased on a long-term basis. The size of the lots will range from approximately 14,000 square feet to 54,000 square feet.

22. The preliminary estimate for the cost of constructing the on-site and off-site infrastructure improvements is approximately \$19,929,995.00 in 1994 dollars.

23. Petitioner anticipates that the Project will be available for sales in the fourth guarter of 1996 and that the entire Project can be marketed by the year 2000, assuming the orderly processing of necessary land use approvals and avoidance of undue delays.

PETITIONER'S FINANCIAL CAPABILITY TO UNDERTAKE THE PROPOSED DEVELOPMENT

24. Petitioner's balance sheet as of December 31, 1993 reflects the total assets of \$3,884,568.00, which includes the Property, marketable securities and other assets. The balance sheet also indicates liabilities of \$3,884,568.00, which includes a mortgage loan, accounts payable, accrued expenses, and the partners' capital of \$908,952.

25. Petitioner has represented that it intends to either sell the equity in the project to a developer, enter into a joint venture to develop the property, or complete the development itself. Upon a sale of its equity interest to a

-6-

developer in the project, Petitioner has represented that it will commit to placing safeguards in the sales documents to assure that conditions for the boundary amendment are carried out. STATE AND COUNTY PLANS AND PROGRAMS

, . . . ,

> 26. The entire Property is located within the State Land Use Agricultural District as depicted on the State Land Use District Boundary Map, M-8 (Puu O Kali).

> 27. The proposed request to reclassify approximately 88 acres from the Agricultural District to the Urban District is in keeping with the following General Plan objective and policy:

> > <u>Objective</u>: To provide an economic climate which will encourage controlled expansion and diversification of the County's economic base.

> > Policy: Maintain a diversified economic environment compatible with acceptable and consistent employment.

28. The Property is located within the Kihei-Makena Community Plan region. The Property is designated Project District 3 by the existing Kihei-Makena Community Plan Land Use Map. A description of the project district is noted in the community plan as follows:

> "(Kihei Mauka) approximately 88 acres. This project district is located mauka of Piilani Highway and north of Kulanihakoi Gulch.

A mixture of single family and multi-family uses are envisioned for this residential project district."

Areas adjacent to the Property are designated as SF (Single-Family), LI (Light Industrial), PD4 (Project District 4), PD5 (Project District 5), OS (Open Space), P (Preservation), and AG (Agriculture).

29. The County of Maui is currently in the process of comprehensively updating each community plan.

The Kihei-Makena Citizen Advisory Committee ("CAC") reviewed the Kihei-Makena Community Plan from May 1992 to December 1992 and formulated a recommendation memorandum to the Maui County Planning Department's Director ("Director"). Petitioner initially had proposed a revision to the description of Project District 3 envisioning a mix of industrial, residential, recreational and public amenities. The CAC recommended approval of this proposal.

30. The Director reviewed the CAC's recommendations and formulated his own recommendations. Based on the number of residential projects developed and proposed for this area, it was concluded that there was a need for additional employment centers, particularly for light industrial uses. The Director proposed amending the Property's existing community plan designation from Project District 3 to Light Industrial.

31. The Maui County Planning Commission ("Planning Commission") reviewed the package of recommendations to the Kihei-Makena Community Plan. The Planning Commission agreed with the Director's recommendation of a Light Industrial designation for the Petition Area. A public hearing was held in September 1993 with the entire set of recommendations being transmitted to the Maui County Council in January 1994. Maui County Council action on the proposed changes to the community plan is pending.

32. The Project would conform with the proposed Light Industrial designation for the Property. Light industrial uses

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include warehousing, light assembly, and service and craft-type industrial operations.

33. The Property is not zoned by the County of Maui. The Maui County Planning Department has an application for change of zoning filed by the Petitioner. The application will be scheduled for Planning Commission review only if Urban State Land Use Classification is granted by the Land Use Commission and a Light Industrial designation is granted for the Property by the Maui County Council on the Kihei-Makena Community Plan map.

34. The Maui County Planning Department represented that they will request that the Maui County Council condition any change of zoning with appropriate limitations on commercial uses allowable under the County light industrial zoning ordinance as was done with Kahului Industrial Park.

35. The Property is located outside of the County's Special Management Area ("SMA").

NEED FOR THE PROPOSED DEVELOPMENT

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36. Petitioner has represented that the Project will provide new employment opportunities for Maui residents and will serve the needs of the Kihei-Makena region. There is a shortage of commercial and light industrial space for businesses servicing the Kihei-Makena region. Given the growth anticipated for the Kihei region, Petitioner believes that businesses will increasingly prefer to locate in Kihei rather than in Maui's urban core.

37. Petitioner has represented that the Property presents a convenient location for future commercial and light

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industrial development, resulting in the reduction of transportation and other costs. The Property is located along Piilani Highway, a two-lane, two-way State arterial highway. From its northern terminus with North/South Kihei Road, Piilani Highway extends to the Wailea-Makena region.

38. The adjacent light industrial park located to the north of the Project is composed of developed rental units marketed as building space. The 88 acre Petition Area would be subdivided and sold as individual parcels, providing businesses with the opportunity to purchase lots in fee simple and to build their own structures.

ECONOMIC IMPACTS

39. On a short-term basis, the Project will support construction and construction related employment. Over the long term, the Project will provide light industrial and commercial employment opportunities for Maui residents.

SOCIAL IMPACTS

40. South Maui's population is expected to expand nearly 30% between 1990 and the year 2000. The current resident population of the Kihei-Makena region is estimated at 15,365. The projected resident population for the years 2000 and 2010 are 19,885 and 24,514, respectively.

IMPACTS UPON RESOURCES OF THE AREA

41. The Project is not expected to have an adverse impact upon surrounding land uses.

42. The Petition Area is currently utilized for cattle grazing. The conversion of three acres of prime land is not

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anticipated to have a significant impact on the existing operations of Kaonoulu Ranch or agricultural resources of the State.

43. The project is not expected to significantly impact any rare, threatened, or endangered flora or fauna. Some native plants species, such as pili grass, 'ilima, 'uhaloa and alena, occur on the site but are found commonly in similar communities throughout the State.

44. Petitioner has represented that the Project will not adversely affect adjoining properties and sedimentation hazards to coastal waters and downstream properties will be minimized. However, the Department of Health (DOH) commented that measures should be taken to minimize surface and groundwater contamination from the proposed industrial activities on the project site. According to DOH, the runoff from the project will enter Kulanihakoi Gulch and drain into the coastal waters of Kihei. Currently, water quality standards are exceeded in this water body and cannot be met unless non-point source pollution is controlled. Thus, the potential impacts, particularly cumulative, of urban development in this area on the quantity of stormwater runoff and the pollution of stream and ocean water resources are major concerns.

45. DOH and the Coastal Zone Management Program recommended that conditions be imposed to assure that stormwater runoff from the project site to Kulanihakoi Gulch from a 100-year storm will not exceed the present rate of the undeveloped project site:

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46. Recreational facilities in close proximity to the Petition Area include the Silversword Golf Course, Kalama Park, Kalepolepo Park, the Kamaole Beach Parks, and numerous other beach parks along the Kihei coastline. The extent to which employees within the Project will reside in the Kihei-Makena region is not known; any impacts on recreational resources would be more appropriately addressed at the time of application of specific residential projects.

ARCHAEOLOGICAL RESOURCES

47. Petitioner submitted to the Department of Land and Natural Resources ("DLNR") a draft archaeological report by its consultant Xamanek Researches entitled <u>Archaeological Inventory</u> <u>Survey, Data Recovery and Botanical Survey Report, Ka Ono Ulu</u> <u>Light Industrial Park, Kaonoulu Ahupua'a, Wailuku and Makawao</u> <u>Districts, Island of Maui, E.M. Fredericksen, W.M. Fredericksen,</u> and D.L. Fredericksen (1994).

48. Twenty historic sites were identified in the Petition Area. DLNR concurred with the significance assessments and recommended treatments requiring no further archaeological work for nineteen of the twenty identified historic sites (50-10-3727 through -3745). The draft survey report recommended that the petroglyph site be either moved to a more secure location or incorporated into the landscaping. However, DLNR requested that additional information regarding the petroglyph site (50-10-3746) be provided prior to recommendation for final treatment.

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49. Petitioner submitted a revised inventory survey report which was accepted by DLNR on September 1, 1994. The revised inventory survey report suggested two alternative preservation strategies for the petroglyph site: curating the petroglyph stone at the Maui Historical Society Bailey House Museum or displaying the stone within the ahupuaa of Kaonoulu, perhaps within the landscaping of the Property. DLNR recommended consideration of the second alternative only if a secure location for the stone can be guaranteed. The DLNR also recommended that to fully determine the effects of the Project on the petroglyph site, a more specific preservation plan for the site should be submitted.

50. On August 30, 1994, Petitioner moved the petroglyph to an existing garden at Kaonoulu Ranch headquarters in Kula, Maui, Hawaii, within the mauka portion of the Kaonoulu ahupua'a for preservation and maintenance. A primary concern in the relocation of the petroglyph was its safety and security. The petroglyph has been placed within a garden cared for by the Rice family and Kaonoulu Ranch employees. At the time the boulder containing the petroglyph was moved, the persons involved with its relocation had no knowledge that a DLNR approved preservation plan was required prior to its relocation.

51. At its new location a blessing was held. "[T]he Rice family, as managing partners of the Petitioner, felt that the boulder should be retained within the same ahupua'a as its original location."

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52. Petitioner's consultant, Munekiyo & Arakawa, Inc., submitted an after-the-fact preservation plan to the State Historic Preservation Division for review. DLNR has indicated approval of the after-the-fact preservation plan for the interim preservation measures. However, approval of proposed long term measures is pending review by the DLNR.

53. Petitioner has represented that it will work with the Historic Preservation Division on a long-term preservation plan.

SCENIC AND VISUAL

54. The landscaping plan proposed for the Project will minimize the visual impacts of the proposed development on the Project's relatively long frontage along Piilani Highway. Design controls for setbacks will be imposed within the Project to further foster mitigation of visual impacts. The size and design of the individual lots provide relatively large areas so buildings can be constructed fairly deep in the lot to further minimize the visual impact of the Project from Piilani Highway. Petitioner has represented that site planning, architecture, landscape designs, signage and lighting will be addressed during the zoning process.

55. The 30 foot landscape setback will still allow widening of Piilani Highway without lessening the 30 foot setback along the frontage of the Kaonoulu Industrial Park project.

56. Landscaping materials and the irrigation system for the Project will apply County xeriscape principles and take into account Kihei's environs and water conditions.

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ENVIRONMENTAL OUALITY

57. The Project will not significantly impact ambient noise conditions in the vicinity. Potential noise impacts include increased traffic volumes and construction activities. Heavy manufacturing and processing of raw materials will not be allowed in the Project. Mitigation measures include limiting construction activities to daylight working hours, and maximum setbacks.

58. The project will have no significant impacts on air quality. Project-related traffic will generate automotive emissions but are not expected to adversely impact local and regional air quality conditions. Petitioner has represented that dust control measures will be implemented during construction to minimize expected wind-blown emissions.

ADEOUACY OF PUBLIC SERVICES AND FACILITIES

59. The Petitioner believes that public services and facilities will be adequate to meet the demands of the Project. SOLID WASTE DISPOSAL

60. The County's Department of Public Works and Waste Management ("DPWWM") recommended that Petitioner and its contractors implement solid waste reduction, re-use and recycling programs to reduce the amount of solid waste to be disposed of at the County landfill. DPWWM also recommended that alternative means of disposal of grubbed material and rock be utilized other than disposal at the County landfills. Finally, the DPWWM recommends that refuse collection be by a private collector.

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61. Petitioner has represented that it will develop a solid waste management plan in coordination with the Solid Waste Division of DPWWM, that the Project will be serviced by a private refuse collection company, and that waste will be disposed of in the Central Maui landfill.

SCHOOLS

62. Educational facilities for the Kihei area include Kihei Elementary School which serves K-5 and Lokelani Intermediate School which serves 6-8. Public school students in grades 9 through 12 attend Baldwin High School in Wailuku. A second Kihei elementary school is proposed to be constructed and operated by 1996 for the Kihei area. Petitioner has represented that the extent to which employees within the Project will reside in the Kihei-Makena region is not known; any impacts on educational resources would be more appropriately addressed at the time of application of specific residential projects. POLICE, FIRE PROTECTION AND HEALTH CARE FACILITIES

63. Police services are provided by the Kihei Patrol. The Police Department is headquartered at its Wailuku station.

64. Fire protection services are provided by the County's Department of Fire Control at its Kihei Station which is located on South Kihei Road approximately 2.6 miles from the Petition Area.

65. Maui Memorial Hospital, the only major medical facility on the island, services the Kihei-Makena region. Acute, general and emergency care services are provided by the 145-bed

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facility. Medical and dental offices are located in the Kihei area to service the region's residents.

66. The Project is not anticipated to affect service capabilities of police, fire and emergency medical operations. The Project will not extend existing service area limits for emergency services.

ELECTRICITY AND TELEPHONE SERVICE

67. Electrical and telephone trunk lines will be extended underground across Piilani Highway to the Petition Area from Kaonoulu Street. The distribution system for these facilities will also be placed underground in accordance with the provisions of the Maui County Code.

HIGHWAYS AND ROADWAYS

68. The Project fronts the Piilani Highway, which is the primary arterial highway in the region. The Project may result in a decline of intersection conditions if mitigation measures are not implemented. Projected regional highway improvements either forecasted or planned and proposed roadway improvements by the Petitioner would mitigate the increase in traffic.

69. Primary access to the Property is proposed from Piilani Highway through a new segment of East Kaonoulu Street, within an 80-foot wide right of way, designed to accommodate five (5) eleven-foot (11') lanes of traffic. The four access roadways into the Project off of East Kaonoulu Street are proposed within a 64 foot right-of-way to accommodate four (4) ten-foot (10')

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lanes. All other interior roadways will have a thirty-six (36) feet wide pavement section within a 60 foot right-of-way.

70. The proposed project would change the existing T-intersection of Piilani Highway and Kaonoulu Street to a cross intersection and alter the traffic demand in the vicinity of Kaonoulu Street. Left turn storage lanes and a deceleration lane for right turns would be required to the existing two-lane Piilani Highway to accommodate the proposed industrial subdivision. Improvements to accommodate traffic would also be required on the makai side of the Kaonoulu intersection, such as a conversion of the existing right turn only lane to a right turn and through option lane. This improvement would require striping, signage, and may require the removal and/or relocation of a small traffic island.

71. A road widening strip will also be provided along the westerly boundary of the project for future widening of Piilani Highway. Widening of the highway will not affect the landscaping setback planned for the frontage along Piilani Highway.

72. The DPWWM has indicated that a traffic signal should be installed at the intersection of the proposed subdivision and Piilani Highway to the satisfaction of DPWWM. DPWWM has also indicated that Petitioner should construct at a minimum all traffic road improvements stated in the Traffic Impact Analysis Report dated March 1994 for the year 2010 requirements. This would include the expected need to signalize at least one of the internal intersections within the Kaonoulu

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Industrial Park. DPWWM also represented that the Petitioner provide a road widening lot wide enough to accommodate the anticipated road connection of the Kula-Kihei road through the subdivision to its connection with Piilani Highway.

73. A condition of the SMA approval for the Ka Ono Ulu Estates residential subdivision requires that they construct or install the traffic signals at the intersection of Kaonoulu Road and Piilani Highway upon 25% occupancy of that subdivision. The traffic generated by the Kaonoulu Industrial Park project by the year 2000 would also justify signalization at the intersection of the proposed subdivision and Piilani Highway.

74. Petitioner has represented that it will construct all streets within the industrial park to County standards in compliance with the comment by DPWWM that streets include concrete curbs and gutters, six foot sidewalks, and four feet wide planting strips, which improvements would be dedicated to the County upon completion.

75. Completed improvements to South Kihei Road, currently being undertaken, to expand the number of lanes, will help traffic conditions in the area of the Project.

76. Roadways connecting neighboring existing and future developments, and a frontage road system would result in less traffic on Piilani Highway, and would mitigate the need for additional intersections on the Highway.

WATER

77. Petitioner has represented that water for the Project will be provided by the domestic system servicing the

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area and that the average daily demand for the Project is estimated to be approximately 429,500 gallons per day based on Department of Water Supply criteria of 6,000 gallons per acre per day.

78. Petitioner also represented that a new 12-inch line is proposed to be installed between Ohukai Road and the Project site. An easement would have to be obtained across land owned by Haleakala Ranch. A new distribution system would be installed within the subdivision streets to meet the required fire and domestic flow demands of the Project. Fire hydrants would be installed at appropriate intervals throughout the project. The existing 36-inch transmission line which extends diagonally across the Petition Area may be relocated within the subdivision street right-of-ways.

79. The County testified that the issue of water availability and required improvements could be reviewed in greater detail during the change of zoning process for the proposed project.

80. Petitioner's pro-rata share water source development and storage assessments are expected to be paid as part of the new County of Maui water meter fees.

81. Petitioner has been meeting with representatives of the Board of Water Supply, County of Maui, to participate in developing new water sources in north Waihee if necessary. On October 24, 1994, the Director of the Board of Water Supply, County of Maui, wrote:

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Kaonoulu Ranch ha[s] agreed to assist the Board of Water Supply (BWS) in developing water, if negotiations with C. Brewer Properties, Inc. are not concluded by early 1995 when Brewer's pump installation permit expires. The assistance would be on the property the BWS has a land option position which will allow development of water without condemnation of property.

The Board of Water Supply concludes: "We feel that this assistance will satisfy the demands of the project." WASTEWATER TREATMENT AND DISPOSAL

82. The Project when completed will generate an average flow of approximately 300,000 gallons per day of wastewater.

83. A new wastewater collection system will be installed within the subdivision streets to be connected by gravity lines to the existing sewer system located makai of Piilani Highway at the intersection of Kaiola and Kenolio Streets. Petitioner is willing to participate with the County and other users in upgrading the wastewater transmission treatment and reclamation facilities on an equitable pro-rata basis if necessary.

84. Petitioner has represented that there is a little over half a million gallon capacity left in the existing Kihei Wastewater Treatment Facility. The County's capacity ordinance for the allocation of commercial use is presently depleted. Petitioner has the option of going to the County Council to request the release of more capacity for commercial use. However, the expansion of the County wastewater facility by another 2 million gallons per day is expected to be completed by

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late 1996, and will be adequate to handle the needs of the Kaonoulu Industrial Park. Based on this expansion, the County has represented that they will re-analyze its existing capacity ordinance.

DRAINAGE

85. The Property is designated Zone "C", an area of minimal flooding, by the Flood Insurance Rate Map.

86. Currently, runoff from lands mauka of the Property sheet flows through the Property by means of a natural drainageway. The drainageway discharges into Kulanihakoi Gulch approximately 1,200 feet downstream of the Petition Area.

87. The Project is expected to generate 228.8 cfs of on-site drainage volume, representing a net increase of approximately 168.3 cfs of surface runoff due to the proposed development.

88. The primary concern of the County is that no additional flows are added to Kulanihakoi Gulch to impact downstream properties.

89. Petitioner has represented that various erosion control measures will be in place during development of the Project. The Project will not adversely affect adjoining properties and sedimentation hazards to coastal waters and downstream properties will be minimized.

90. Petitioner has represented two options for on-site drainage improvements, neither of which will increase the runoff into Kulanihakoi Gulch. One option is to send all runoff generated from the individual lots to subsurface systems

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constructed in each lot and buried in the parking lot; while runoff from the common areas of the Project, approximately 45 cfs, would be collected into a storm drain system and directed to Kulanihakoi Gulch. The other option is to build a detention basin offsite and mauka of the Project, on other property owned by the Petitioner to retain and release offsite runoff slowly while onsite runoff will flow directly into Kulanihakoi Gulch. The detention basin will be designed in a way that does not release the runoff flowing into Kulanihakoi Gulch from both offsite and the post-development project site beyond the current levels.

91. Petitioner proposes, as an off-site drainage improvement, construction of a concrete-lined diversion ditch along the easterly boundary of the Project site. The diversion ditch would intercept the off-site surface runoff which presently flows through the Project site and divert it around the Project site, where it will be discharged into Kulanihakoi Gulch as it is presently doing.

92. The drainage improvements will mitigate silt and maintenance of the system will be spelled out in the Covenants and Restrictions for the Project.

93. Petitioner has represented that it is willing to discuss its participation in improvements to Kulanihakoi Gulch.

94. The County has represented that it requires all development to contain runoff on site, and that the Petitioner's drainage plan will be subject to County review and will be required to meet all county requirements for drainage.

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95. DPWWM commented that Petitioner should provide to DPWWM a copy of the approved water quality report including mitigation measures (acceptable to the Department of Health) which evaluated the quality of the storm water discharging into the ocean receiving waters and which includes a discussion on sediment and nutrient loadings at all drainage outlets. CONFORMANCE TO APPLICABLE DISTRICT STANDARDS

96. The Project is proposed as an industrial park which would be sold in fee simple to purchasers or leased on a long-term basis. Uses are anticipated to primarily be light industrial and commercial uses oriented to serve the Kihei-Makena community.

97. The Project would provide needed commercial and light industrial business services in the region. The Project will provide additional job opportunities in an area with predominantly resort and service-oriented employment opportunities.

98. The Project is consistent with the current urban designation of the Property in the Kihei-Makena Community Plan, and the Planning Director's and Maui Planning Commission's light industrial urban designation in the recommended update of the Kihei-Makena Community Plan.

99. The Project would have a minimal impact on agriculture in the State.

100. Public services either exist or will be expanded to correspond with the projected needs of the Project.

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101. The market analysis and the County recommendation indicates a significant need for the Project.

CONFORMANCE WITH THE GOALS, OBJECTIVES AND POLICIES OF THE HAWAII STATE PLAN; RELATIONSHIP WITH APPLICABLE PRIORITY GUIDELINES AND FUNCTIONAL PLANS

102. The Project supports and is consistent with the applicable objectives, policies and priority guidelines of the Hawaii State Plan and the State Functional Plans. <u>CONFORMANCE WITH COASTAL ZONE MANAGEMENT OBJECTIVES AND POLICIES</u>

103. The Project is consistent with applicable objectives and policies of the Hawaii Coastal Zone Management Program.

104. Although the Property is within the State Coastal Zone Management Area, it is not within the Special Management Area established by the County of Maui pursuant to chapter 205A, HRS.

RULING ON PROPOSED FINDINGS OF FACT

Any of the proposed findings of fact submitted by any of the parties to this proceeding not adopted by the Commission by adoption herein, or rejected by clearly contrary findings of fact herein, are hereby denied and rejected.

Any conclusion of law herein improperly designated as a finding of fact should be deemed or construed as a conclusion of law; any finding of fact herein improperly designated as a conclusion of law should be deemed or construed as a finding of fact.

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CONCLUSIONS OF LAW

Pursuant to chapter 205, HRS, and the State Land Use Commission Rules, under chapter 15-15, HAR, this Commission finds upon the clear preponderance of the evidence that the reclassification of approximately 88 acres, which is the subject of this Petition, from the Agricultural District to the Urban District, subject to the conditions stated in the Order below, is reasonable, not violative of section 205-2, HRS and consistent with the Hawaii State Plan as set forth in chapter 226, HRS, and the Coastal Zone Management Program as set forth in chapter 205A, HRS.

ORDER

IT IS HEREBY ORDERED that the Property being the subject of Docket No. A94-706 by Kaonoulu Ranch consisting of approximately 88 acres situated at Kaonoulu, Makawao-Wailuku District, Island of Maui, and being more particularly described as Tax Map Key Nos. 2-2-02: portion of parcel 15 and 3-9-01: parcel 16, shall be and the same is hereby reclassified from the Agricultural District to Urban District, and the State Land Use District Boundaries are amended accordingly, subject to the following conditions:

1. The Petitioner shall obtain a Community Plan Amendment and Change in Zoning from the County of Maui.

2. Petitioner shall cooperate with the State Department of Health and the County of Maui Department of Public Works and Waste Management to conform to the program goals and

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objectives of the Integrated Solid Waste Management Act, Chapter 342G, Hawaii Revised Statutes.

3. Petitioner shall contribute its pro-rata share to fund and construct adequate wastewater treatment, transmission and disposal facilities, as determined by the State Department of Health and the County of Maui Department of Public Works and Waste Management.

4. Petitioner shall fund and construct adequate civil defense measures as determined by the State and County Civil Defense agencies.

Petitioner shall fund, design and construct 5. necessary local and regional roadway improvements necessitated by the proposed development in designs and schedules accepted by the State Department of Transportation and the County of Maui. Petitioner shall provide traffic signals at the intersection of Piilani Highway and Kaonoulu Street, and shall submit a warrant study in coordination with the Department of Transportation. Petitioner shall also install a fence and appropriate screening, i.e. landscaping, etc., along the highway right-of-way in coordination with the State Department of Transportation. Petitioner shall provide for a frontage road parallel to Piilani Highway and other connector roads within the Petition area, in coordination with other developments in the area with the review and approval of the State Department of Transportation and the County of Maui.

6. Petitioner shall fund and construct adequate potable and non-potable water source, storage, and transmission

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facilities and improvements to accommodate the proposed project. Water transmission facilities and improvements shall be coordinated and approved by the appropriate State and County agencies.

7. Petitioner shall participate in an air quality monitoring program as determined by the State Department of Health.

8. Petitioner shall fund the design and construction of its pro-rata share of drainage improvements required as a result of the development of the Property, including oil water separators and other filters as appropriate, and other best management practices as necessary to minimize non-point source pollution into Kulanihakoi Gulch, in coordination with appropriate state and county agencies, such as the following:

a. All cleaning, repairs and maintenance of equipment involving the use of industrial liquids, such as gasoline, diesel, solvent, motor oil, hydraulic oil, gear oil, brake fluid, acidic or caustic liquids, antifreeze, detergents, degreasers, etc., shall be conducted on a concrete floor, where roofed or unroofed. The concrete floor shall be constructed so as to be able to contain any drips or spills and to provide for the recovery of any spilled liquid. Water drainage from these concrete floors, if necessary, shall pass through a separator sump before being discharged.

b. All employees shall be instructed to immediately collect and contain any industrial liquid spills on the concrete floor and should be informed against discharging or spilling any

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industrial liquids. Employees shall be instructed to prevent any industrial liquid spills onto the bare ground.

c. Barrels for the temporary storage of used oil or other industrial liquids shall be kept on a concrete surface. The surface shall be bermed to prevent the loss of liquid in the event of spills or leaks. The barrels shall be sealed and kept under shelter from the rain. (The Department of Labor and Industrial Relations' Occupational Safety and Health regulations, sections titled, "Housekeeping Standards" and "Storage of Flammable or Combustible Liquids," shall be followed, along with the local fire code.)

9. Should any human burials or any historic artifacts, charcoal deposits, or stone platforms, pavings or walls be found, the Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation District. The significance of these finds shall then be determined and approved by the Division, and an acceptable mitigation plan shall be approved by the Division. The Division must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, Hawaii Revised Statutes.

10. A long term preservation plan for the petroglyph stone (Site 50-10-3746) that was removed from the project area shall be reviewed and approved by the State Historic Preservation Division. Long term preservation measures shall be implemented within 60 days after final approval of the preservation plan.

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11. Petitioner shall contribute its pro-rata share to a nearshore water quality monitoring program as determined by the State Department of Health and the State Division of Aquatic Resources, Department of Land and Natural Resources.

12. Petitioner shall implement effective soil erosion and dust control methods during construction in compliance with the rules and regulations of the State Department of Health and the County of Maui.

13. Petitioner shall create a buffer zone between lands designated as SF (Single-Family) by the County's Kihei-Makena Community Plan and industrial uses on the Property to mitigate impacts between future residential activities and the proposed industrial development.

14. In the event Petitioner sells its interest in the Project, Petitioner shall subject the Property to deed restrictions to run with the land which shall require the successors and assigns to comply with the terms and conditions set forth in the Commission's Decision and Order.

15. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.

16. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.

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17. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of State Planning, and the County of Maui Planning Department in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall include written documentation from each State and County agency responsible, indicating that the terms of the condition(s) are progressing satisfactorily or have been completed to the satisfaction of the agency. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

18. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

19. Within seven (7) days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Land Use Commission in the reclassification of the Property; and (b) shall file a copy of such recorded statement with the Commission.

20. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.

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DOCKET NO. A94-706 - KAONOULU RANCH

Done at Honolulu, Hawaii, this <u>10th</u> day of February 1995,

per motion on February 2, 1995.

LAND USE COMMISSION STATE OF HAWAII

K. H By ALLEN K. HOE Chairperson and Commissioner By ALLEN Y. KAJICKA Vice Chairperson and Commissioner (absent) By EUSEBIO LAPENIA, JR. Vice Chairperson and Commissioner M. Casey pro By M. CASEY JARMAN Commissioner By LLOYD F. KAWAKAMI Commissioner Q By (m-JOANN N. MATTSON Commissioner (absent) By RENTON L. K. NIP Commissioner Judy b Op By TRUDY K. SENDA Commissioner

By ELTON WADA Commissioner

Filed and effective on February 10, 1995

Certified by: Executive Officer

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BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of

KAONOULU RANCH

DOCKET NO. A94-706

CERTIFICATE OF SERVICE

To Amend the Agricultural Land Use District Boundary into the Urban Land Use District for approximately 88 acres at Kaonoulu, Makawao-Wailuku, Maui, Hawaii; Tax Map Key Nos. 2-2-02: por. of 15 and 3-9-01:16

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Findings of FAct, Conclusions of Law, and Decision and Order was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

> GREGORY G.Y. PAI, PH.D., Director Office of State Planning P. O. Box 3540 Honolulu, Hawaii 96811-3540

CERT. BRIAN MISKAE, Planning Director CERT. Planning Department, County of Maui 250 South High Street Wailuku, Hawaii 96793

GUY A. HAYWOOD, ESQ. Corporation Counsel CERT. Office of the Corporation Counsel County of Maui 200 South High Street Wailuku, Hawaii 96793

B. MARTIN LUNA, ESQ., Attorney for Petitioner CERT. Carlsmith Ball Wichman Murray Case & Ichiki 2200 Main Street, Suite 400 Wailuku, Hawaii 96793-1086

DATED: Honolulu, Hawaii, this 10th day of February 1995.

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ESTHER UEDA Executive Officer

APPENDIX B

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SHPD Acceptance Letter dated August 10, 2011.

NEIL ABERCROMBIE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

> STATE HISTORIC PRESERVATION DIVISION 601 KAMOKILA BOULEVARD, ROOM 555 KAPOLEI, HAWAII 96707

August 10, 2011

Robert Spear, Ph.D. Scientific Consultant Services, Inc. 711 Kapiolani Blvd., Suite 975 Honolulu, Hawaii 96813

LOG NO: 2011.2060 DOC NO: 1108MD12 Archaeology

WILLIAM J. AILA, JR. CIADPERSON BOARD OF LAND AND NATURAL RESOURCES CONDISSION ON WATER RESOURCE MANAGEMENT

GUY KAULUK UK UI FIRST DEFUTY WILLIAM M. TAM DEFUTY DURITOR - WATER AQUATIC RESOURCES DOATDST AND OCEAN RECREATION BREADOF CONTRYLANCES COMPOSITION AND CONSTANCES COMPOSITION AND CONSTANCES

CONSERVATION AND CONSTAL LANDS CONSERVATION AND RESOLUCITS ENFORCEMENT ENGINEEDUNG FORESTRY AND WILDLIFE INSTORE MESERVATION KALIOOLAWE ISLAND RESERVATION

LAND STATEPARKS

Dear Dr. Spear:

SUBJECT: Chapter 6E-42 Historic Preservation Review – Archaeological Monitoring Plan for the Pi'ilani Promenade South Project Ka'ono'ulu Ahupua'a, Makawao District, Island of Maui TMK: (2) 2-5-002:015 (por.) and 3-9-001:016

This letter summarizes our review of the aforementioned plan (Chaffee and Dega July 2011; An Archaeological Monitoring Plan for the Kaonoulu Marketplace Project Located in Kihei, Ka'ono'ulu Ahupua'a, Makawao District, Maui Island, Hawai'i [TMK: 3-9-01:16 and (2) 2-2-002:015 por.]/SCS Project Number 1224 AMP-1), which we received on July 29, 2011.

The proposed project will involve grubbing, grading and development of 88 acres. A search of our records indicates that an archaeological inventory survey of this location was conducted (Xamanek Researches 1994). SHPD previously determined that a similar proposed project would have no effect in 2006, and more recently we recommended archaeological monitoring during a grubbing and grading permit review from Maui County (Log No. 2011.0536, Doc No. 1103MD05).

This plan is accepted as final pursuant to HAR §13-279-4. Please notify the Maui and Oahu offices via fax at the start and completion of archaeological monitoring. Upon receipt of this letter please submit one paper copy of your report marked Final to our Kapolei office along with a CD containing a searchable pdf version of the final report and a copy of this approval letter, marked to the attention of the Kapolei Library. If you have questions about this letter please contact me at (808) 243-5169 or via email to: morgan.e.davis@hawaii.gov.

Aloha,

Mology

Morgan E. Davis Lead Archaeologist, Maui Island Section State Historic Preservation Division



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LANDSCAPE ARCHITECTURE & LAND USE PLANNING