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STATE OF HAWAII
LAND USE DIVISION

Mr. Chair and members of the commission, thank you for hearing testimony today. My name is Chantal Dugied Lonergan, a 37 year resident of Maui County speaking on behalf of the Construction Industry of Maui representing over 1530 working class citizens. Our Mission Statement is to unify the building community through active advocacy, communication, and education to sustain growth through best practices. We are engaged with holding our members to a high standard for the betterment of our community.

When clear requirements are communicated, quality projects can be developed to meet our community expectations and make an overall positive impact on our quality of life. We are here today because a project Environmental Impact Statement has been prepared and submitted for processing and acceptance by you, the State Land Use Commission. We respect and advocate for the process and applaud participants who engage with the community to develop visionary planning for future generations. We ask you to listen specifically to the experts who have reviewed the complete document.

We understand the project originally accepted back in 1994 has evolved in response to community input and economic conditions. On behalf of over 1530 working class Maui residents, and in order to have an opportunity to discuss changes during the Motion to Amend - within the confines of this Environmental Impact Study - which was developed under the purview of Hawaii Revised Statutes, Chapter 343, I ask that you accept the EIS as submitted for processing.

Further, in an effort to save time, Mr. Chair, may I ask anyone in the room not represented by the Construction Industry of Maui who is in favor of the State Land Use Commission accepting the EIS to please raise their hands. Mr. Chair, please consider these are in addition to the already over 1530 members that I represent here today.

Thank you.

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PI'ILANI PROMENADE / MEGA MALL KEHEI
LUC PUBLIC HEARING

STATE OF HAWAII
LAND USE COMMISSION

ALOHA COMMISSIONERS AND ALL IN ATTENDANCE.

I am Basil Oshiro

Kula Makai Aha Moku Representative

WE AGREE THAT THIS FINAL EIS IS NOT COMPLETE FOR THE FOLLOWING REASONS;

- 1) NEW SITES NOT RECORDED OR BEING IGNORED.
- 2) SOME SITES ARE CONSIDERED MILITARY; OUR TAKE IS; THE MILITARY FOLLOWED THE ANCIENT CULTURAL TRAILS, MAUKA TO MAKAI, FOR EASIER ACCESS.
- 3) THE PLANNED ALTERED DRAINAGE AND GRADING PLAN WILL WILL DAMAGE OR AFFECT THE CULTURAL SITES IN THE CONSTRUCTION AREA. THE KA'ONO'ULU GULCH IS A NATURAL DRAINAGE AND THERE ARE CULTURAL SITES IN IT.
 - A) ALTERING THIS NATURAL DRAINAGE CAN / WILL AFFECT MAKAI, AND PROTECTING OUR WETLANDS, THAT ARE PART OF OUR CULTURE, THE KULANIHAKO'I MULIWAI AND THE KALEPOLEPO FISH POND. ALL AFFECTING OUR FISHING TRADITIONS WE HAVE PRACTICED FOR DECADES.
 - B) THIS" EIS" HAS NOT ADDRESSED THESE CONCERNS OF PROTECTING OUR CULTURAL SITES AND TRADITIONAL WETLANDS MAKAI OF THE PROJECTED CONSTRUCTION AREA.
- 4) AS NOTED IN PREVIOUS WRITTEN TESTIMONY: THIS PROJECTED CONSTRUCTION SITE HAS MANY CULTURAL SITES YET TO BE DISCOVERED, AS NOTED THIS AREA / AHUPUA'A HAS MORE TO BE DESIRED IN FINDING AND PRESERVING THE CULTUREal SITES, (PRE-CONTACT ARTIFACTS DISCOVERED, BURIED, ARE THESE BEING PROTECTED) LOTS MORE RESEARCH AND STUDIES NEEDS TO BE DONE BEFORE THIS "EIS" CAN BE COMPLETE.
- 5) THE NEED, TO FOLLOW UP ON INTERVIEWING MORE LINEAL KUPUNA (S) AND LINEAL OF THIS GENERATION TO CERTIFY THE IMPORTANCE OF THEIR CULTURAL AND THEIR GENERATIONAL KNOWLEDGE OF THE AREA.
- 6) HOW CAN IT BE SAID; THAT THERE ARE NO CULTURAL PRACTICES GOING ON? THESE PRACTICES ARE NOT ADVERTISED, JUST DONE.
- 7) CULTURAL PROTOCOL ARE NOT BEING FOLLOWED, ALL CULTURAL SITES SHOULD BE PRESERVED FOR EDUCATION FOR THE FUTURE GENERATIONS AND VISITORS ALIKE.

MAHALO FOR LISTENING.

Basil Oshiro (Kula Makai)
Aha Moku O Maui Inc.

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LAND USE COMMISSION

My name is Mario Cardone, and I am a commercial real estate broker specializing in the North Kihei industrial area. I have been involved in this area for the past 24 years. I live in North Kihei across the highway on Ohukai Road, and have lived there for over 30 years. The Piilani Promenade project has a direct impact on where I live and where I work.

The current project is greatly improved over the previous plan proposed by Eclipse Development. I did not believe that the scale and type of retail that was previously proposed was appropriate. However, I would like to see Piilani Promenade's EIS accepted by the Land Use Commission, to give this project the chance it deserves to provide the community based industrial, apartment, and commercial uses it is promising.

All parcels in the Piilani Business Park and Kihei Commercial Center subdivisions, which are immediately to the north of Piilani Promenade, have been developed, and the vacancy of ground floor industrial and commercial space is very low. The vacancy rate island wide for industrial space is less than 1%, and adding space for warehousing, light manufacturing, industrial service businesses, and the like is very much needed.

Community based commercial space is also very much needed. This would be for all sorts of personal and business services, home improvement businesses, and flex spaces for office and retail uses coupled with warehouse or manufacturing space.

The more apartment projects that we can encourage, the better. Apartments at any economic level help fill the housing needs of a growing community. This project will provide more than its fair share, as well as related pedestrian and bicycle paths and a park.

Community based retail meant to provide Kihei residents with alternatives to shopping in Kahului would be beneficial for the Kihei community, and will help control traffic congestion. We need commercial areas that do not primarily cater to the visitor market.

In conclusion, I would hope that the Land Use Commission will approve the project's EIS and move it to the next step in the process.

Thank you.

To: Hawaii Land Use Commissioners
From: Professor Dick Mayer dickmayer@earthlink.net
RE: Testimony on the Pi'ilani Promenade Final-EIS

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July 19, 2017

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LAND USE COMMISSION

HRS 343 has Significance Criteria

In most cases, an agency determines that an action may have a significant impact on the environment if it meets **any** of the following criteria:

#4. Substantially affects the economic or social welfare of the community or State;

EIS Content Requirements

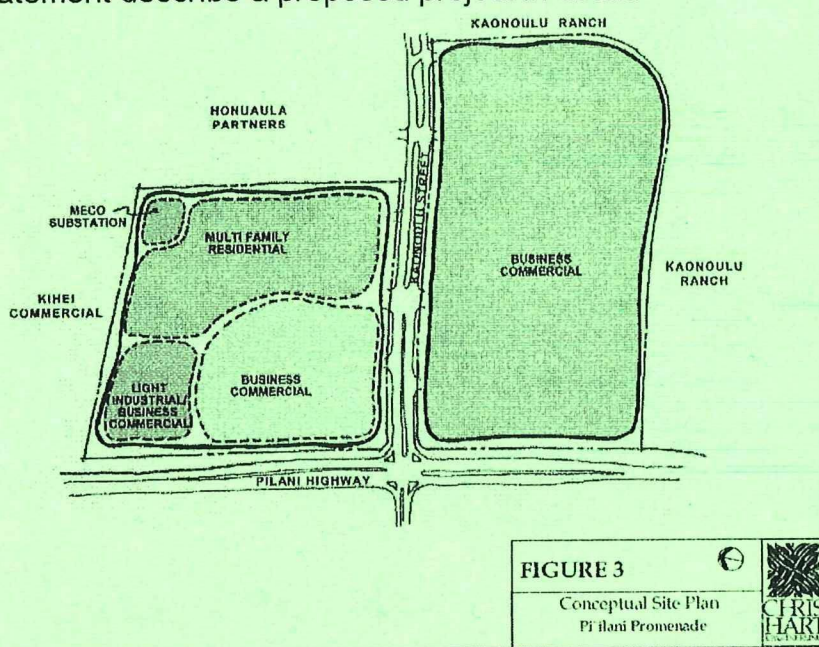
Section 11-200-18, HAR, prescribes the contents of a FEIS. The rules that govern the EIS process require at least the following elements:

- A concise summary and table of contents;
- A detailed project description including maps, technical data, economic and cultural effects and historical perspective;
- A statement of the relationship of the proposed action to land use plans, policies and controls for the affected area;
- A description of the probable impacts of the project including the direct, indirect and cumulative impacts, as well as impacts on both the natural and human environments;

The proposed Pi'ilani Promenade FEIS does not meet requirements of HRS 343 and HAR 11-200 in at least the following ways:

1. The FEIS is huge, but terribly organized, and virtually incomprehensible; the actual project is never properly described

Section 11-200-17, HAR requires, "A detailed project description including maps, technical data, economic and cultural effects and historical perspective". From the start the project description is vague and merely "Conceptual". What will actually be developed on the site remains a mystery. The Final-EIS is insufficient to meet the threshold requirement that an environmental impact statement describe a proposed project in detail.



"Bubble Map" from PDF page 361

The closest to a project description is a vague, inadequate, "Bubble Map" (Figure 3 on PDF page 361). Missing is: the actual acreage of each "bubble"; the size and height of the proposed buildings; the location of the "approximate 2 acre park"; the location and capacity of any internal roads to handle normal traffic and emergency vehicles; a description of multiple intersections

within the project connecting the two large shopping malls plus the two housing projects to East Kaonoulu Street; the interaction between the two neighboring housing projects; and all the other elements that will constitute an actual light-industrial land use.

This makes it extremely difficult for the community, the County, or the LUC to later hold the developer accountable should the bubbles not emerge as indicated or at all.

No overall "Table of Contents" for the complete FEIS. Pages 1 - 350 are numbered. The remaining 3,800 pages have no sequential page numbers and thus make the FEIS most difficult to examine. There are no page numbers relating the Appendices to the rest of the document. Each Appendix has its own Appendices. This denies public testifiers or Land Use Commissioners or staff the ability to cite specific pages in any figure, table, or appendix when giving testimony or making comments.

Incomprehensible In so many ways the 4,100+ page document has repeated itself over and over again, bloating the document and making it almost unusable for the LUC Commissioners and for the public. Its many iterations and comments back and forth, withdrawal, renumbering and republication render the tome indecipherable in complexity.

2. The Project Is Not Compliant with the COMMUNITY PLAN

The Kihei-Makena Community Plan specifically requires that additional commercial development be located in 4 definite areas, all **makai** of Pi'ilani Highway. Pi'ilani Promenade is a proposal to construct a major retail complex **mauka** of the highway where no retail center is community planned.

Land Use: . . . objectives and policies of the Kihei-Makena Community Plan:

*Page 17 h. Develop commercial services **at the following locations to meet community needs:***

- 1) North Kihei, between the existing South Kihei Road, Pi'ilani Highway and Uwapo Road.*
- 2) A central business and commercial center for Kihei clustered about the South Kihei Road / Road "C" intersection.*
- 3) In existing commercially zoned areas along South Kihei Road in the vicinity of Kalama Park.*
- 4) Along South Kihei Road opposite the Kamaole Beach parks.*

*Page 18 k. Provide the limited expansion of light industrial services in the area south of Ohukai and mauka of Pi'ilani Highway, . . . These areas should **limit retail business or commercial activities to the extent that they are accessory or provide service to the predominate light industrial use.***

The FEIS does not address the obvious inconsistency between the clear community plan language with its explicit community plan map reserving the entire property for light-industrial use, and this proposed Pi'ilani Promenade retail project. The FEIS states without foundation or legal authority why it does not need to comply with the community plan.

If the small "bubble" referencing "light industrial/business commercial" morphs into even more retail use, enforcement of any light-industrial representations made here to the LUC will be very difficult, particularly when the Applicant has been careful to characterize the whole project description and its "bubble-map" as "conceptual." It could also mean that the entire non-residential area is taken up by retail. In other words it is quite likely that this project will have no Light-Industrial use which is called for in the community plan and the zoning. Will it? Will it not?

3. The Project Is Not Compliant with the ZONING

The Pi'ilani Promenade Final-EIS misinterprets Maui County Code 19.24. It correctly states that some non-light industrial activities may take place in a "Light-Industrial" zoned area. However, it neglects to point out and intentionally ignores the guiding, operating sentence which states in very precise language in Chapter 19.24 - M-1 LIGHT INDUSTRIAL DISTRICT 19.24.010 - Purpose and intent:

The M-1 light industrial district is designed to contain mostly warehousing and distribution types of activity, and permits most compounding, assembly, or treatment of articles or materials with the exception of heavy manufacturing and processing of raw materials. Residential uses are excluded except for dwelling units located above or below the first floor and apartments. (Emphasis added)

The Pi'ilani Promenade project, as described in the FEIS, is not MOSTLY light industrial, but mainly business commercial (retail). Thus without seeking a zoning change to align proposed uses with correct zoning, the FEIS has a major flaw and deserves to be denied.

4. Existing South Maui Retail will be Killed

A further reason to not accept this FEIS is the negative impact of the proposed Pi'ilani Promenade on the community-planned and properly zoned Krausz' "Kihei Downtown" shopping area as well on existing, South Maui, retail operations, especially along South Kihei Road. This could cause a major blight in the South Maui area. The written testimony of Jay Krigsman on behalf of the Kihei Downtown project indicates the Pi'ilani Promenade project will kill his company's infill shopping center which has been permitted, is community plan-compliant, and has public support. None of this is sufficiently discussed in the economic study, which offers passing mention to the Downtown project without assessment of impact.

5. Weakening Retail Sector; no need for so much additional retail

Since the retail study in the FEIS was completed in 2013, much retail space on Maui has closed and is now vacant: Borders, Sports Authority, Savers, and Kmart. The Kukui Mall in Kihei as well as Maui Market Place on Dairy Road in Kahului are prime examples of vacant space. In other words the Final-EIS's justification for a large retail shopping complex is out-of-date.

6. Limited Community input into the Future of their Community

The Maui County Code provides for amendments to community plans only after a County Council hearing in the affected area. This Final-EIS fails to recognize the need for a community plan amendment and simply claims none is due. The FEIS fails to recognize or discuss the need for community input to any change in a community plan. The FEIS does not acknowledge the upcoming community plan amendment process or discuss how it might integrate its proposal into the community plan.

Fortunately, Maui County is now beginning to update all the Maui Island community plans. Following the West Maui Community Plan scheduled to begin later this year, the Kihei-Makena Community Plan will allow for extensive community input into the formulation of an updated community plan. That is where this proposed Pi'ilani Project will have its proper hearing by residents of South Maui and the County. LUC acceptance of this FEIS may preclude a comprehensive community planning process for this area.

7. Fewer Construction Jobs; and Long-term Retail vs. Light-Industrial Employment

An important part of evaluating a Final-EIS's impacts is to examine the impacts on employment. Constructing a shopping center (especially a mainland-based big-box type mall) will probably have fewer construction jobs than a large number (123 in the present configuration) of locally-based light-industrial businesses as was approved by the LUC in 1995. Similarly, there will be fewer good paying jobs in a retail shopping center, compared to the employment in a light industrial setting. Denial of this Final-EIS will reduce negative employment impacts and protect future jobs.

8. Unsafe Pedestrian Access

The project proposes that the adjoining high school and R&T Park be connected over a dangerous, narrow highway bridge spanning the intervening gulch. Pi'ilani Highway traffic routinely travels at 40 - 60 MPH, posing a significant danger to bicyclists and students walking to/from the neighboring high school campus (perhaps for after-school employment). While the Applicant offers to work with the HDOT to design a safe bridge walkway, HDOT is short of funds even for repairs. The Applicant's FEIS makes no commitment to build the needed walk/bikeway that will result in an impact that will put many students in serious jeopardy.

9. Assessment of Housing Impacts are Isolated

There is a need to combine this Pi'ilani Promenade 226 unit housing project with the adjoining 250 unit Honua`ula housing project. The overall impact of 476 units demands more than an "approximately 2 acre park". Where will school buses pick up the children? This is just one of the many impacts that will need to be resolved and are not treated in this Final-EIS.

10. The TIAR Traffic Appendix has many Critical Deficiencies

- a) In the first paragraph the TIAR says the project is only 68 acres. What did it not consider?
- b) 2016 TIAR totally neglects the many intersection within the project, for example, vehicles entering and leaving the malls onto Kaonoulu Street; pedestrians crossing Kaonoulu Street going from one mall to the other; the need for signals; etc. In many smaller projects, internal traffic is a major FEIS element; here it is totally ignored in 4,100+ pages.
- c) Pi'ilani Highway is actually a very long cul-de-sac with all traffic to the south having to pass the Kaonoulu Street intersection. Unfortunately, traffic from many large, fully-entitled, South Maui developments are left out of the FEIS TIAR analysis: Maui Research and Technology Park, Wailea Resort, Honua`ula (Wailea 670), ATC Makena Resort, etc. Traffic from those developments is dismissed as needing a mauka aligned highway which the TIAR says is beyond the scope of the TIAR. Those big developments are accounted for as "background growth". Since funding for a mauka-aligned highway is unlikely, the R&T and resort traffic (workers, tourists, emergency vehicles, delivery trucks) is ignored on all of the Pi'ilani Highway intersections.
- d) Despite all of the "F" ratings along Piilani Highway, the TIAR boldly claims that emergency vehicles will have no problems since they will remotely control signal lights. The additional traffic resulting from the Pi'ilani Promenade will certainly delay emergency vehicles.
- e) The TIAR makes no effort to describe emergency vehicle (fire, ambulance, police) access to the retail malls, proposed housing, and (if built) the light-industrial facilities. These are neglected impacts.
- f) Formulas are used on page 40 in Table 13 of Appendix M-1 without the needed explanations for "X" and "T".
- g) State HDOT replied to Draft-EIS at end of Appendix M-1's Appendix A, "Piilani Promenade shall provide satisfactory pedestrian connections between the project and Kihei High School." The FEIS provides No such plan.

11. The 2016 TIAR Traffic Appendix M-1 reveals a Serious Impact with no Logical Mitigation

Significantly, the TIAR on its page 58, in its summary of the 2032 traffic situation at the intersection right in front of the Pi'ilani Promenade, states,

"d) Pi'ilani Highway and Kaonoulu Street

The signalized intersection of Pi'ilani Highway at Kaonoulu Street resulted in poor LOS as well. Additional roadway capacity, such as the construction of the North-South Collector Road or mauka roadway, is needed to accommodate the vehicle demand at this intersection and improve LOS."

The TIAR could have added that the South Maui community has already been waiting decades for the North-South Collector Road, and no one realistically thinks that the *mauka* road will be built (given the needs to first improve the route into West Maui and for the Paia By-Pass).

12. Draft-EIS Comments Unfortunately, the Final-EIS has not adequately responded to those who responded to the Draft-EIS. Misleading or incomplete responses were often made. With regard to the response to my own Draft EIS "Comments", I received a long but inadequate, and in places, misleading and "Response".

13. The North Kihei Area Floods

The area immediately downstream from the project suffers from recurrent significant flooding and brown water events calling into question whether complying with existing county surface water management policies is sufficient; the FEIS does not explore or offer any funding for other alternatives, such as a possible larger upslope water-management plan and actions.

14. OEQC officially published this project on page 4 in its July 8, 2017 Environmental Notice with a very misleading statement, "Comments are not taken on this action."

There may be citizens who wanted to comment on the Final-EIS, but were dissuaded from giving any public testimony at today's LUC meeting by the OEQC official notice statement.

Testimony of Tom Blackburn-Rodriguez

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**85 Manino Circle, #202
Kihei, HI
96753**

**State Land Use Commission
July 19, 2017**

**Maui Arts and Cultural Center
2:00 PM**

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STATE OF HAWAII
LAND USE COMMISSION

Aloha Chair Aczon and members of the Land Use Commission,

Thank you for coming to Maui and holding this hearing to provide the opportunity for public comment and to request that the Commission accept the FEIS for Piilani Promenade.

I have lived in Kihei since 1998 and my family has been in Hawaii since 1870 when my ancestor became the assistant to the Bishop of Honolulu.

I am a consultant to the Piilani Promenade project and have brought to the commissioners copies of individual signed postcards of 183 individuals who support the Piilani Promenade with its 226 rental apartments and jobs but were unable to attend this meeting due to work or family obligations.

These are actual post cards and not an Internet point and click survey. Had they been able to attend we would have needed to double the theater style seating capacity of this room.

In closing, I respectfully ask that the commissioners accept the FEIS for the Piilani Promenade project allowing us to move on to the issuance of a Decision and Order on the uses of the property.

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STATE OF HAWAII
LAND USE COMMISSION

TO: Members of the Hawaii State Land Use Commission

FROM: Joan Martin, Kihei Resident,

RE: Testimony regarding Docket A94-706 Ka'ono'ulu Ranch OSC,
Piilani Promenade Acceptance of Final Environmental Impact
Statement.

DATE: July 19, 2017

I have lived in Kihei since 1998 and I wish to indicate my strong support for for acceptance of the Final Environmental Impact Statement (FEIS) submitted for the Piilani Promenade project in Kihei, Hawaii.

I believe that the FEIS is complete and responds to all Environmental questions regarding the project, including extensive cultural surveys of the property.

While this hearing is focused on the acceptance of the FEIS I do want to note that when completed the project will include 226 apartments with 25% affordable under the Maui County Workforce housing requirements for those earning 80-120% of the area median income. The lack of sufficient affordable rentals in our community is at a crisis and I support this effort.

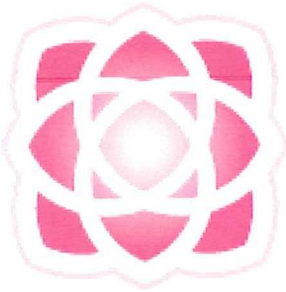
I also support the creation of additional retail opportunities in South Maui and the jobs that will come with it. Right now, if I want to buy a pair of socks I have to drive into Central Maui and back. I can get shaved ice and a tourist T-shirt easily enough in Kihei but what about shoes or a birthday gift? No luck.

I want to close my remarks by thanking the commission for coming to Maui after a long day already on Kauai. Thank you for your service and for the courtesy of hearing my testimony today.

Thank you.

Joan Martin
85 Manino Circle, Apt. 202
Kihei, HI 96753
(808) 254-0118

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MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

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STATE OF HAWAII
LAND USE COMMISSION

Testimony on A94-706

Re: Ka'ono'ulu Ranch (Maui) - Acceptance of Pi'ilani Promenade
Final Environmental Impact Statement
before the State Land Use Commission
Wednesday, July 19, 2017

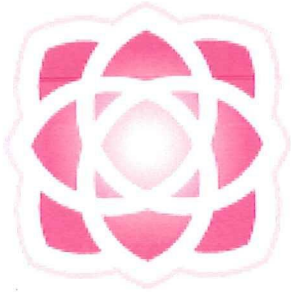
Dear Members of the Land Use Commission,

Aloha, My name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce, here in support of the Piilani Promenade project.

The Maui Chamber of Commerce supports growth which promotes the quality of life in Maui County and enhances the attractiveness of Maui as a visitors' destination. It is the Chamber's position that development should occur only in conjunction with appropriate planning processes and be coordinated with the development of adequate physical and social infrastructure.

Since its initial proposal, this project has greatly progressed to better support our community. A series of discussions with the community was held, which helped shape the current vision. The project now includes multi-family affordable rental housing, needed light industrial uses, pedestrian and bicycle access paths, and a park. It is intended to be a vibrant regional and sub-regional center providing residential, light industrial, and commercial opportunities for local residents and visitors. It is a project that would create jobs during the development and long after, generate revenue for the County and State and improve both economies, and provide amenities and infrastructure for the area.

It contributes to one of our community's top priorities – desperately needed affordable housing units. A recent statewide study indicates that Maui County will need close to 14,000 new affordable housing units by the year 2025 and the Maui Island Plan indicates there will be demand for an additional 34,367 housing units in just Maui through 2030, with 9,735 units in Kihei-Makena. Whatever the correct number is, we are woefully behind. However, this project will be a tremendous help and start as it will fill roughly 2% of the projected Kihei-Makena demand through 2030 with the development of 226 multi-family rental units, with the pricing for these units expected to be affordable for Maui Island residents in a market with very limited supply. Further at least 25% of the 226 units (57 units) will be rented at an affordable rate determined by the Maui County Department of Housing and Human Concerns. The apartment units will be a mix of one and two bedroom units and are targeted at the full spectrum of workers in the development. When fully built out, the total resident population of the multi-family developments is projected to be 607 persons. Therefore, this project is a key component to meeting our affordable housing goals.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

Testimony on Ka'ono'ulu Ranch (Maui) - Acceptance of Pi'ilani Promenade
Final Environmental Impact Statement
Wednesday, July 19, 2017
Page 2.

In support of businesses, the project will help meet regional commercial demand by providing space in South Maui for expand retail that will help alleviate the need to travel to other locations on the island for shopping. According to an economic study the by The Hallstrom Group, all of the quality/competitive spaces along S. Kihei Road or in newer, modern centers were occupied, and that there is a lack of quality, modern, well-located inventory. The Piilani Promenade project will help satisfy the market demand by providing needed light industrial and commercial uses.

Also important to the Maui Chamber of Commerce is jobs and the Piilani Promenade will deliver in that areas as well! We understand that construction of the proposed project alone will create approximately 878 worker years' worth of construction jobs; not to mention the estimated 1,210 permanent jobs after completion.

For these reasons, along with the physical and social infrastructure this project will create, we stand in support of the Piilani Promenade project.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

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To the Land Use Commission Members:

7/19/17

Notes and Comments on the Economic Section of the FEIS as proposed by Pi'ilani Promenade.

STATE OF HAWAII
LAND USE COMMISSION

Kihei Community Association (KCA), Members of the community at large, and many small business people contend that **Pi'ilani Promenade FEIS does not adequately address multiple Economic and Community Plan issues that will occur because of this project. We request that you reject the FEIS.**

As presented in the FEIS:

3. Economy

Potential Impacts and Mitigation Measures

While there will inevitably be some cross-over, the Pi'ilani Promenade and Downtown Kihei development will appeal to different customer and tenant types. Downtown Kihei does not offer the exposure, access, intercept or site characteristics that Pi'ilani Promenade does. According to Downtown Kihei market study, the primary patrons of the Project will be visitors.

KCA response: Because the "Downtown Kihei" development (Kihei Town Center) has been planned in cooperation with the Community and KCA, the primary patrons will be residents and 2nd home owners, as well as some visitors staying for extended periods, not primarily visitors as stated above. It is not along the "Beach corridor" and therefore will likely not draw significant tourist clientele.

Importantly the Krausz *Kihei Town Center* project will provide over 300,000 s.f. of new commercial space to the community even before this project is started. Being easily accessed from Pi'ilani Hwy this additional commercial retail space will provide locals access to their stores as well as enhance the value of the shopping areas just to the east (Safeway et al) and west (Long's et al). This will create a massive corridor of 450,000-500,000 sq ft of easily accessible local and tourist friendly shopping choices for Kihei residents along Pi'ikea St. ---- AKA Kihei Town Center.....

Important to the community was / is the style, size and layout of the Kihei Town Center (KTC) commercial space and how it fit into the community. The overall project was developed in conjunction with the community and used much of their input. It is our belief that the KTC reflects the community's scale assessment and commercial needs as well as being sensitive to the cultural and walk-able, bike-able and mass transit objectives of the community. The scale, position and look of the stores as well as the parking layout is representative of the community at large.

The proposed new 530,000 s.f. of commercial space for the Pi'ilani Promenade would require 10 stores the size of Safeway to fill the proposed space or 26.5 stores the size of Longs Drugs. This would represent a huge increase in available square footage. No commitment to working with the community is being presented by the developer and no commitment to meeting the econometric, visual, access and local market or cultural needs are being presented by the developer.

The expected large Box stores in this Mega-mall are likely to be already be existing in the ever growing Kahalui A&B projects (recent opening of Loews and Target for example). Reproducing them a mere 20 mins away via highway seems inconsistent the communities needs for greater housing.

This is particularly relevant in the coming times considering that many stores are failing due to major shifts in the buying habits of consumers. The most significant emerging trend is the move toward online purchasing and the implications to Hawaii residents of “free” shipping (Amazon Prime for example). The EIS ignores this trend away from brick-and-mortar stores to online shopping when proposing to increase local retail space by 55%.

The Kihei economy simply does not support this project from an economic perspective and its failure over the long run will blight the community with underutilized large concrete massive mall with large parking lots, highly visible from the highway, blocking view planes, disturbing cultural pathways and sites has the potential of having a significant negative economic effect on the community.

Lastly, the proposed development would compromise the beauty of our view planes, the quality of our water and air, and would increase traffic beyond acceptable levels --- all of which will have a major negative impact on our economy if it reduces the number of visitors who come to South Maui each year.

Bottom line: The local Kihei population cannot economically support this much additional retail commercial business given the significant square footage already underutilized in Kihei and the additional square footage of commercial retail space already planned and underway.

Some supporting research on trends in retail.

Business Intelligence (September 16, 2014) reports

The retail industry is undergoing a dramatic shift: E-commerce is capturing a larger share of sales than ever before. ...Hundreds of retail stores are closing.

A chart shows the following US retail store closings: JC Penny: 33 stores by May 2014; Aeropostale: 175 stores to close between 2014 and 2019; Abercrombie & Fitch: 180 stores to close by 2015; Gap: 189 stores closed in 2012 and 2013; GameStop: 200 stores closed in 2013; Staples: 225 stores to close by the end of 2015; Barnes & Noble: 226 stores to close between 2011 and 2021.

A ***Forbes*** article (2/12/2014) headlined *Retail In Crisis* states

There is a crisis in retail. During the 2013 holiday season, U. S. retailers received approximately half the holiday foot traffic they experienced just three years ago... With consumer confidence growing in leaps and bounds, the decline in foot traffic signifies a tectonic shift in the way consumers buy and shop. ..Consumers find researching and shopping on the Web far more convenient than brick-and-mortar visit.

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Maui Tomorrow Foundation
55 N. Church St, Suite A-4
Wailuku, HI 96793

July 19, 2017

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STATE OF HAWAII
LAND USE COMMISSION

To: Hawaii State Land Use Commission Members
Re: A94-706 Ka'ono'ulu Ranch
Issuance of Acceptance of Pi'ilani Promenade North and Pi'ilani Promenade South FEIS

Aloha Commissioners,

My name is Albert Perez, and I am Executive Director of the Maui Tomorrow Foundation.

By way of background, I earned a Masters in Planning from UH, and have previously worked for the Office of Planning and Maui County Planning Department.

I have reviewed many EIS's. I have never seen one that is so large with so little useful content. Rather than describing impacts, it is largely a self-serving recitation of the benefits of the project. This is specifically prohibited in HAR § 11-200-14, which says,

"An EIS draws its meaning from the conscientious application of the EIS process as a whole, and shall not be merely a self-serving recitation of benefits and a rationalization of the proposed action."

Unfortunately, that is exactly what they have done with this EIS. The applicant does not use the incredible length of this EIS to fully describe the impacts of this largely undefined project, or to discuss the clear conflict of this proposal with the Kihei-Makena Community Plan.

For example, the EIS' treatment of land use plans picks and chooses items that support the project, but ignores or minimizes conflicting policies. A good EIS would consider both.

HAR 11-200-19 EIS says that,

"Preparers shall make every effort to convey the required information succinctly, in a form easily understood."

This Final EIS is over 4,000 pages long, and was preceded by a new thing called a Pre-Final EIS of about the same length that we received just a couple of weeks before this one. So we had to go through over 8,000 pages. It is certainly not succinct, and instead presents an undue burden to people who would like to thoroughly review it. If accepted by the LUC, it will not be a useful tool for decisionmakers to understand the impacts of the proposal.

The conceptual "bubble map" is not adequate to determine impacts. Even if they evaluate the "maximum buildout" of the most intensive possible uses within the bubbles, that will not allow us to determine appropriate mitigation. We don't know what they're doing. One bubble says

“Light Industrial/Business Commercial”. Which is it? Light Industrial uses have very different impacts than Business Commercial uses. As was done with the previous iteration of this project, a 123 unit Light Industrial development, the EIS needs to evaluate specific uses so we can determine their impacts.

Flooding:

South Kihei Road, makai of the project is one of the worst flooding areas on Maui. County drainage standards and Best Management Practices DO NOT prevent flooding when we get greater than 50-year storms. The EIS needs to talk about the flooding and offshore sedimentation impacts that WILL occur when we get 100-year or bigger storms.

Old Information:

The Hallstrom Group economic study cited in the EIS was done in 2013, and showed a Kihei floor area vacancy rate of 10 percent, but conditions have changed. According to an April 2017 Maui News article, a 2016 Colliers study shows a floor area vacancy rate of 31 percent in Kihei. This information needs to be updated in order for the EIS to be valid.

We urge you to reject this EIS due to its many inadequacies, and require the applicant to do a better job that complies with the law.

Mahalo for your attention,

Albert Perez
Executive Director
Maui Tomorrow Foundation

To: Hawaii State Land Use Commission

Re: Pre-Final Environmental Impact Statement for

Pi'ilani Promenade, April 2017 (and later)

Docket No. A-94-706

From: Jay Krigsman

Hearing Date: July 19-20, 2017

LAND USE COMMISSION
STATE OF HAWAII

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Aloha,

My name is Jay Krigsman. I am a Principal in and represent Krausz Kihei One, LLC who owns roughly 15 acres of land on the North side of Pi'ikea between the Roundabout and Longs; and Krausz Kihei Two, LLC who owns roughly 15 acres of land on the South side of Pi'ikea between the Roundabout and the Azeka Mauka Shopping Center. Combined, these two properties make up the land area for the to be developed project known as "Downtown Kihei". I also am a Principal in and represent KP Hawaii I, LLC who owns the Piilani Village Shopping Center.

Over eleven years ago we purchased the roughly 15 acres of land on the North side of Pi'ikea, approximately 10 acres of which is developable, the balance is wetland. At the time, the idea was to develop an extension of the already successful Piilani Village Shopping Center to include larger format big box tenants such as Ross, TJ Maxx, Marshalls etc., along with convenience retail in line and on outparcels, much like you see now in Kahului and in many areas on the Mainland.

As we always try to do with any project we are involved in, we met with the local community (the Kihei Community Association "KCA") and also with the County Planning Department to share our vision. What we learned in our meetings was that the local residents, the KCA and the County had a very different vision for the infill land we purchased. KCA and the County envisioned Pi'ikea becoming a central corridor for retail and commercial development in South Maui. They showed us that this vision was outlined in detail in the already in place Kihei Makena Community Plan, and was also set to be implemented on the new Maui Island Plan which was being finalized. They had plans for a Roundabout to keep traffic flowing along this corridor and wanted commercial development focused on creating a sense of place, was pedestrian friendly, did not have large parking fields visible from the street and gave South Maui locals a gathering spot.

To create a great sense of place, we subsequently purchased the land on the South side of Pi'ikea which is another approximately 15 acres of land of which roughly ten acres is developable with the balance being wetland. We continued to work closely with the County and KCA over a period of years to come up with a project, now known as Downtown Kihei, that met the needs and wishes of the community as shown in the Kihei Makena Community Plan (and is also now shown specifically on the Maui Island Plan). The Downtown Kihei concept, while an exciting one, brought with it many challenges. For instance, the costs involved in creating a walkable center are much higher than the costs involved in building a simple concrete big box type center. In addition, the County zoning for the site conflicted with the wishes and visions of the KCA and the County. Finally, and most critically, Downtown Kihei is in the

SMA zone which imposes another complicated layer of rules and requirements on our development and our tenants. These SMA rules and requirements by the way are placed on all land Makai of the Piilani Highway which is the Mauka boundary of the SMA Zone in South Maui. The SMA zone is also specifically where the Kihei Makena Community Plan requires all future commercial development to occur in South Maui.

We spent many years working through the County SMA and rezoning process to bring Downtown Kihei into compliance with the Kihei Makena Community Plan. We were happy to do this because the vision of the Community Plan, which is also the direction we were assured Maui County would be taking, was to fulfill a Maui vision for the future that focused on infill development and redevelopment to avoid the urban sprawl often seen on the Mainland and Oahu. Throughout the process, we were required to make changes to our plan to better meet the needs and wishes of the County and the KCA which are not ideal for retail tenants. We were required to pull our buildings as close to Pi'ikea as possible and to put parking behind as many buildings as possible, all of which are counter to the normal thinking of a retailer who wants a sea of parking right outside their front door. The KCA desires a walkable community, but traffic flow and the effects on the Roundabout came into play requiring the elimination of many of the pedestrian crossings connecting the North and South parcels. The County and the KCA also insisted on architectural guidelines that added tremendous cost to the development, especially since the nature of walkable streets means there is no "back" to be hidden and therefore all four sides of the buildings must have architectural "icing on the cake". We did everything possible to give the County and the KCA a great infill downtown project as envisioned by the Kihei Makena Community Plan.

We spent over a decade working with the County and the KCA to complete a development plan that respected the wishes of the entire community as documented in the Kihei Makena Community Plan. We did this with the understanding and assurance that the Kihei Makena Community Plan was the guideline which all future development in South Maui would follow.

If the Piilani Promenade is permitted to move forward Mauka of the Piilani Highway contrary to the express wording of the Community Plan, if it is not required to abide by the guidelines outlined in the Community Plan and is not required to abide by the rules, restrictions, architectural guidelines etc. that are currently enforced through the County SMA approval process, then our project will, without a doubt, die.

A retailer will not put up with all of the restrictions placed on them by the SMA and the Kihei Makena Community Plan when they can go across the highway to the Piilani Promenade where there will be large asphalt parking fields fronting concrete box buildings with low common area costs and plenty of visibility. A retailer will not agree to pay more rent to compensate for the downtown sense of place designed with Hawaiian architecture and local community gathering spots called for in the Community Plan which we will create at Downtown Kihei, when they can lease space in a traditional power center that will allow them to dress their building in a style that is the same as every building they occupy on the Mainland and will not be subject to the restrictions and protections required by the County to open and operate in the SMA.

If the Piilani Promenade is allowed to go through as planned, the wishes of the local residents and the County will be thrown out and treated from this day forward as unimportant and insignificant and South Maui will no longer have commercial boundaries for development. Developers will simply point to the Piilani Promenade as a precedence for future approvals of projects that are also outside of the wishes

and guidelines identified in the Kihei Makena Community Plan and once that genie is out of that bottle, there is no putting it back in.

As a member of the State Land Use Commission you are in a trusted role to respect and represent the wishes of the people of the State of Hawaii, as expressed in the Hawaii State Plan, which includes the Kihei Makena Community Plan. Downtown Kihei is a culmination of the local resident's wishes for a central business district, a central sense of place in Kihei on infill land that will allow Kihei to avoid the negatives that come with unrestricted urban sprawl. It needs a chance to succeed so that infill redevelopment will continue in South Maui. It will always be easier and more cost effective to develop a new project outside of the SMA zone than it will be to abide by the rules of the SMA zone and the Kihei Makena Community Plan. If developers can break through the commercial boundaries contained in the Community Plan, then redevelopment of older obsolete properties in the commercial zone of the Community Plan, which is inside the SMA zone, will most likely never occur. Continued vacancy and blight will begin to expand inside of the area specifically slated to be a vibrant part of the island and the urban sprawl that the Kihei Makena Community Plan specifically looked to avoid will occur.

There is already an excess of big box space available on the island. Examples of this excess have recently occurred in Central Maui. With the new A&B development near the airport, large anchor tenants moved from the commercial corridor on Dairy Road to the new shopping centers just behind. The Maui Marketplace currently has 175,000 square feet of space available including a vacant Lowe's who moved to a new store around the corner and a Sports Authority that has been closed for a long time and remains available. Target opened a new store and the developer is building several big box spaces next to Target. They show over 67,000 square feet of space available. Savers is closed and to my knowledge is still available, K-Mart is closing this year with no prospects committing to lease that space. In South Maui the Kukui Mall remains mostly vacant, the Lipoa Center has vacancy with much more to come when the Charter School leaves next year, and there are other older shopping centers starting to feel the pains of their age. This blight will continue to creep throughout South Maui if commercial development boundaries and guidelines that are currently in place are not followed.

If the Piilani Promenade is allowed to go forward as planned, over ten years of work with the County and the locals on Downtown Kihei will be thrown away and we will be forced to come back with a plan that has little if anything to do with the wishes of the community. If we are ever able to get that new plan approved, by that point it will be too late, because the Piilani Promenade will have been built and opened and why would a retailer lease space at a typical shopping center on an infill site when they can lease on the Highway? Thus, an infill piece of land that currently acts as a magnet for dumping and homeless camps will remain fallow in the heart of South Maui, while a piece of land with vistas toward upcountry will be developed as a mainland style, "Anywhere U.S.A." power center that will truly spit in the eye of the generations of South Maui residents who have fought to implement and enforce what is now known as the Kihei Makena Community Plan.

Yes, I am a developer who has a stake in what happens to the Piilani Promenade, but that is not why I am writing this. I have been in the commercial real estate arena for over 30 years. I have been involved in millions of square feet of development all of the country, and as I hope you can tell by my group's actions above, we try to develop projects with a respect and a responsibility towards the communities we will serve. We are not afraid of competition from others, that is not why I am writing this to you either. We have many years of real experience seeing what can happen when a good land use plan is

not followed. We are afraid of what will happen to South Maui if development of commercial projects is permitted to happen outside the commercial zone of the Community Plan. I encourage you to please respect and follow the wishes of the Community Plan put into place by the people who you serve in the County of Maui and do not allow the Piilani Promenade to go forward Mauka of the Piilani Highway as proposed.

Mahalo.

Jay Krigsman

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Pedestrian/Bicycling Safety for High School Teens

The FEIS does not acknowledge the significant danger posed to high school age Project residents via-a-via pedestrian and bicycle access to Kihei High School even though the high school will be located "next door" nor does it propose a sufficient alternative.

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- A Gulch lies at the southern boundary of the Property. (FEIS Figure 5.)
- Kihei High School will be developed just south of the Gulch.
- The only direct access from the Project to the high school site is via Pi'ilani Highway.
- Pi'ilani Highway is a high-speed, pedestrian unfriendly state highway; cars typically travel 40-60 MPH on this roadway which is signed for 40 MPH.
- The highway bridge over the Gulch narrows. See attached photo.
- Nowhere does the FEIS acknowledge the extreme danger posed to high school age children/pedestrians posed by lack of safe access to the high school.
- The only safe route from the Project to the high school is a circuitous route to Ohukai, across Pi'ilani Highway, down to South Kihei Road, south on South Kihei Road, then up Kulanihakoi Street and across Pi'ilani Highway to the campus. Google Maps estimates this to be 2 miles, taking roughly 45 minutes to walk.
- One can assume the most likely route teens will take is directly from the Project site to the high school via Pi'ilani Highway over the narrow bridge.
- Upon reclassification of land for the high school, the LUC recognized the dangerous nature of the highway and required an overpass or underpass be built to enable teens to cross the highway safely from the *makai* side of the road to the campus.
- All Applicant offers in mitigation is "[T]he project owner has offered to assist the State DOT in the design of a separate crossing facility located within the right of way and outside the road way section for pedestrian and bicycling safety."
- The DOT has limited funds, significant road repair needs and many demands statewide.
- The Maui MPO and HDOT plans have no provision for improvement to the bridge. The community plan states: "adequate facilities and infrastructure will be built concurrent with future development." (KMCP, p. 15.)

STATE OF HAWAII
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Mitigation Solution

Applicant will work with the HDOT to design and fund, and there shall be constructed before a certificate of occupancy is issued for any residences constructed within the Project, a separate crossing facility within the right of way and outside the roadway section for pedestrian and bicycling safety concurrent with Project development.

South Maui Citizens for Responsible Growth by Mark Hyde, President
Testimony: July 19-20, 2017

