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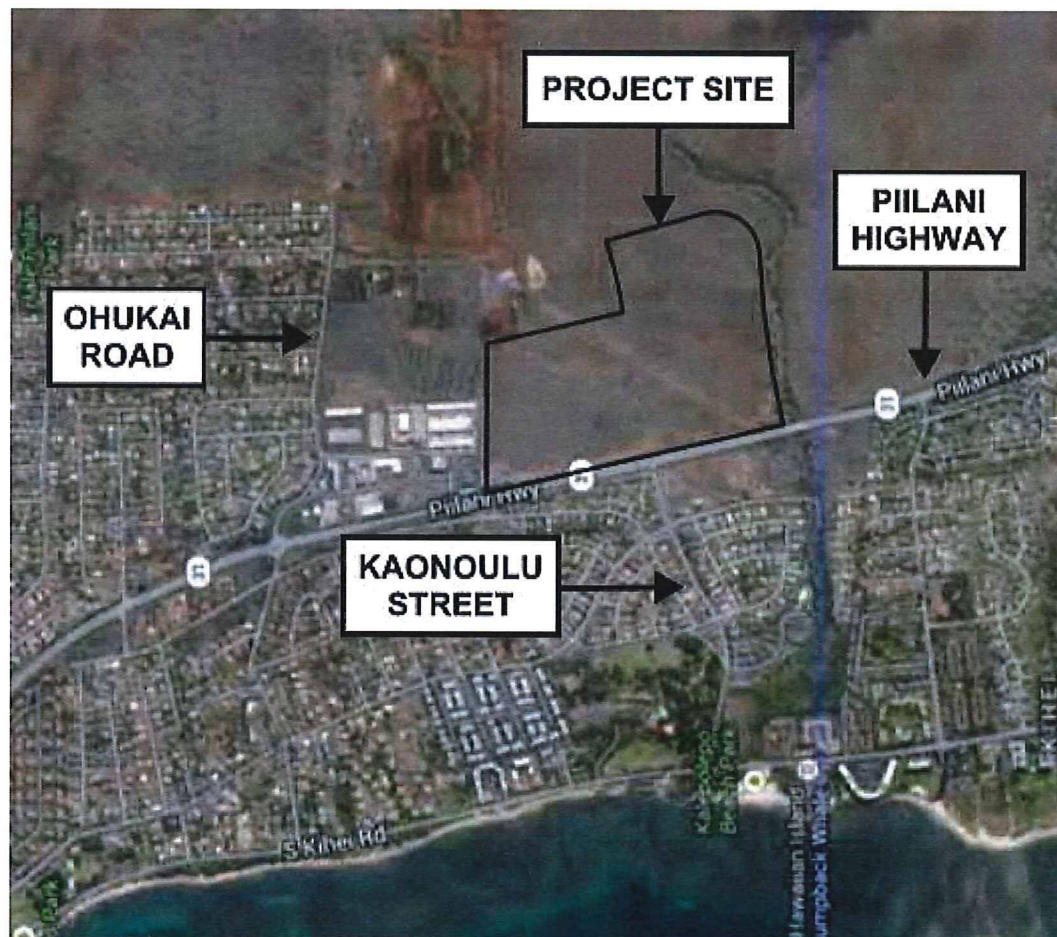
STATE OF HAWAII
LAND USE COMMISSION

PIILANI PROMENADE

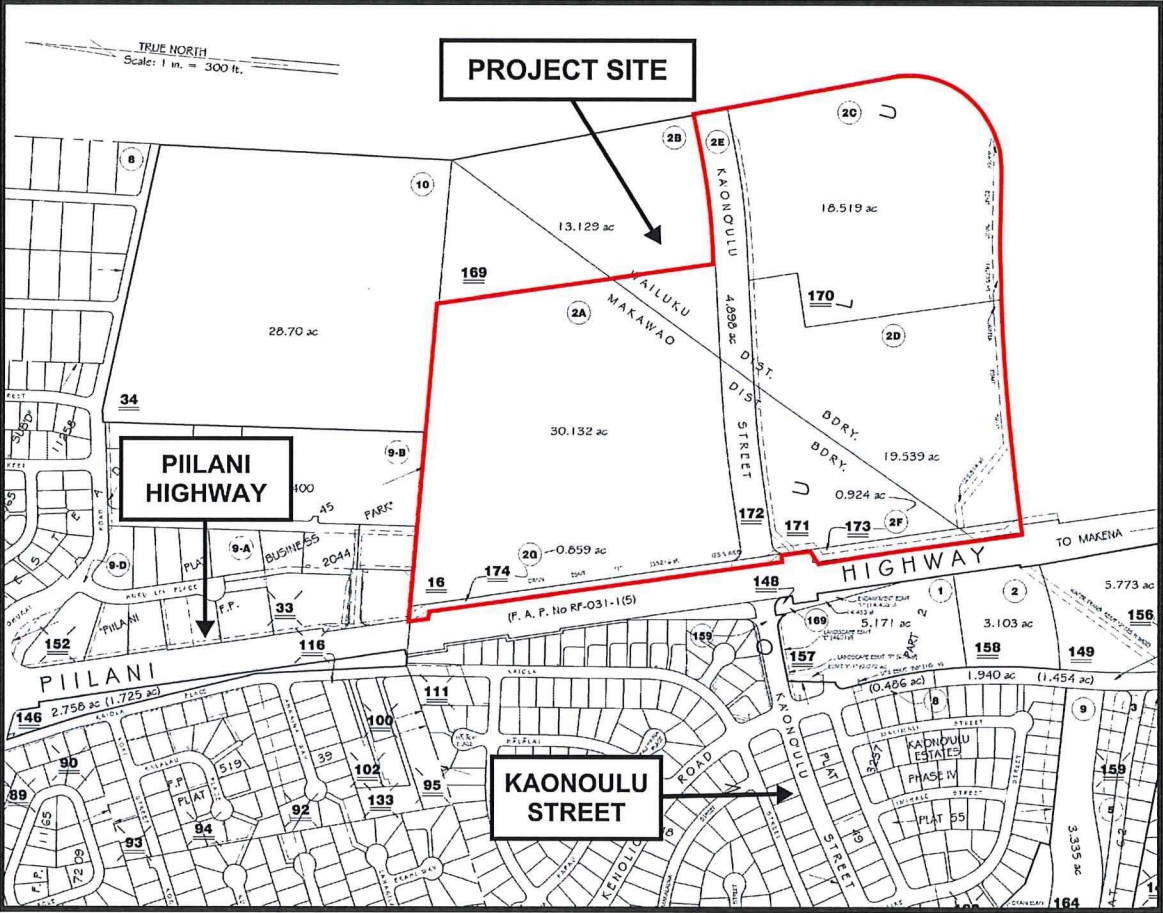
FINAL ENVIRONMENTAL IMPACT STATEMENT

PIILANI PROMENADE NORTH, LLC & PIILANI PROMENADE SOUTH, LLC

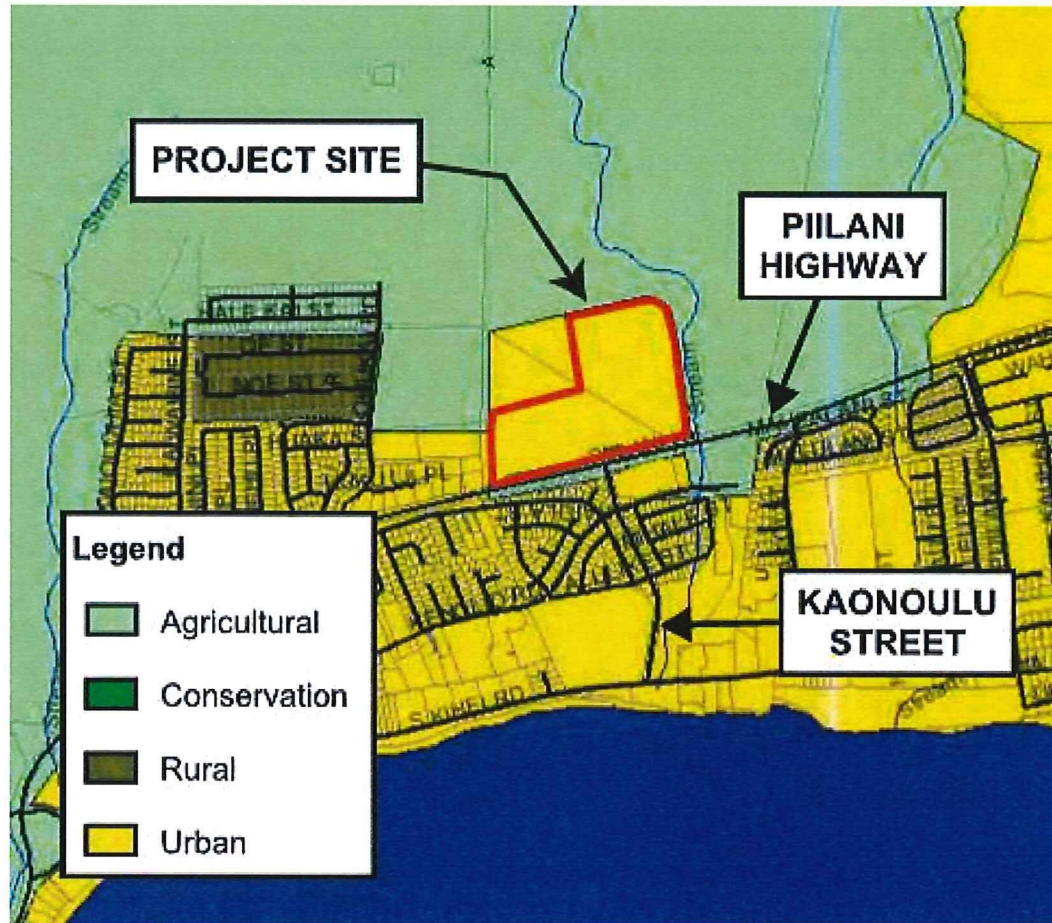
PROJECT LOCATION



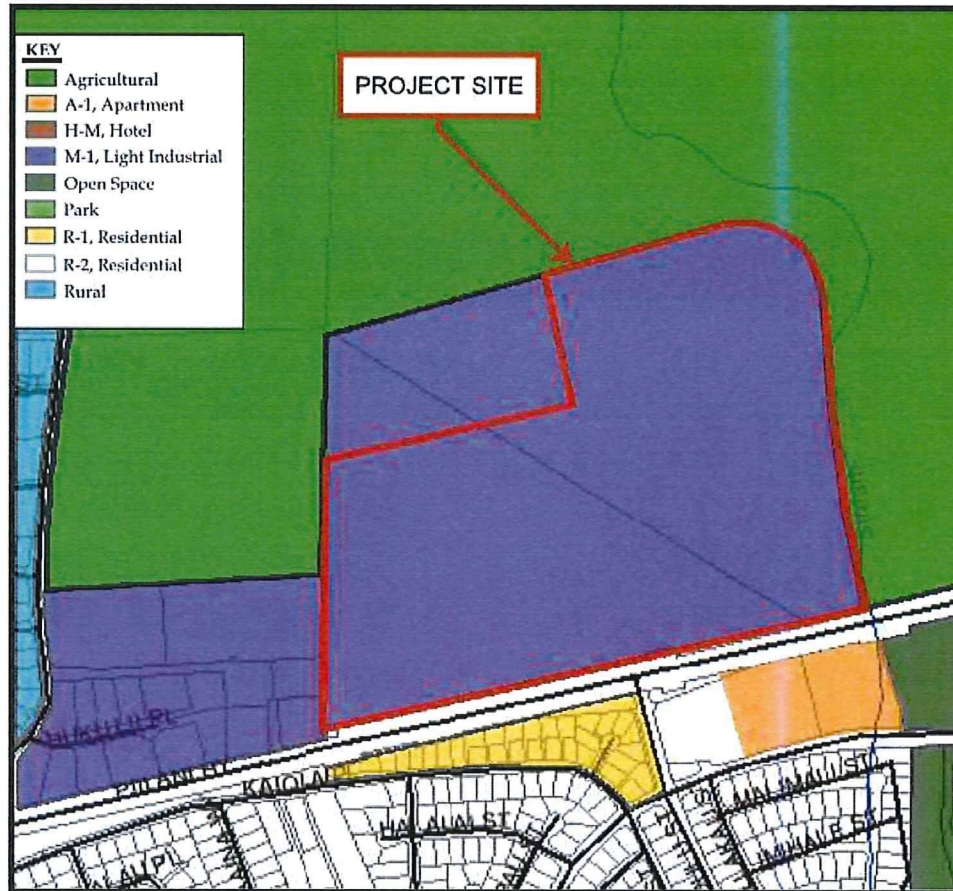
TAX MAP



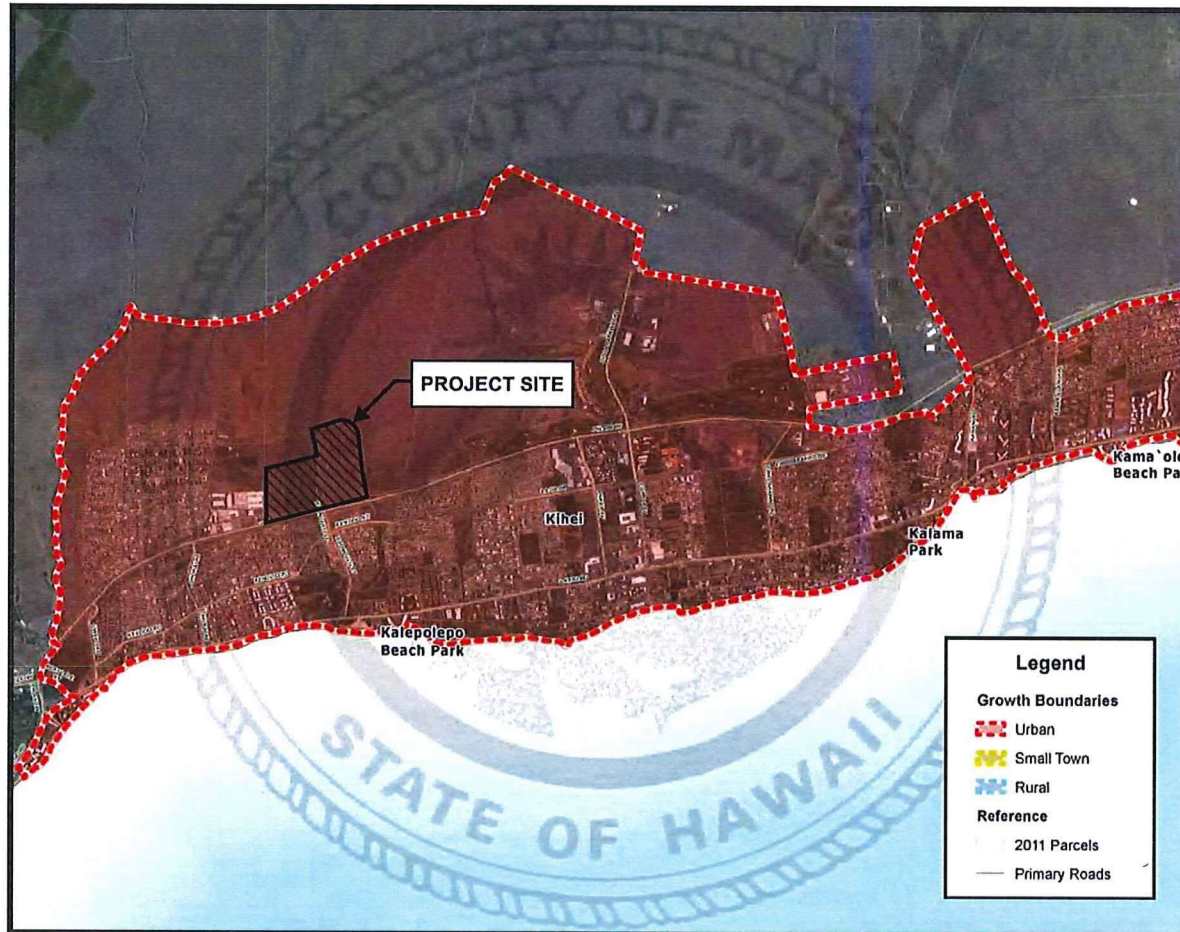
STATE LAND USE MAP



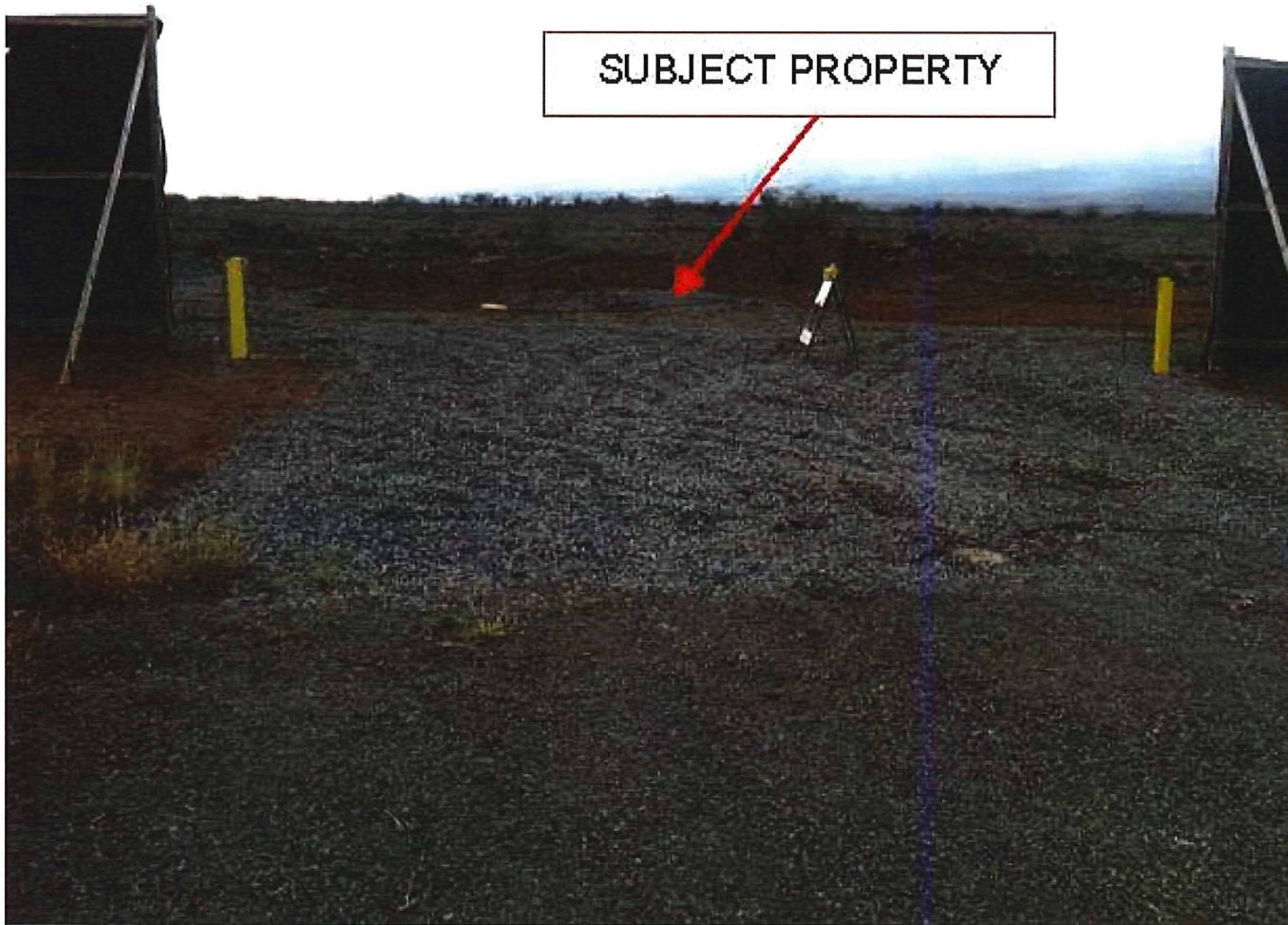
MAUI COUNTY ZONING MAP



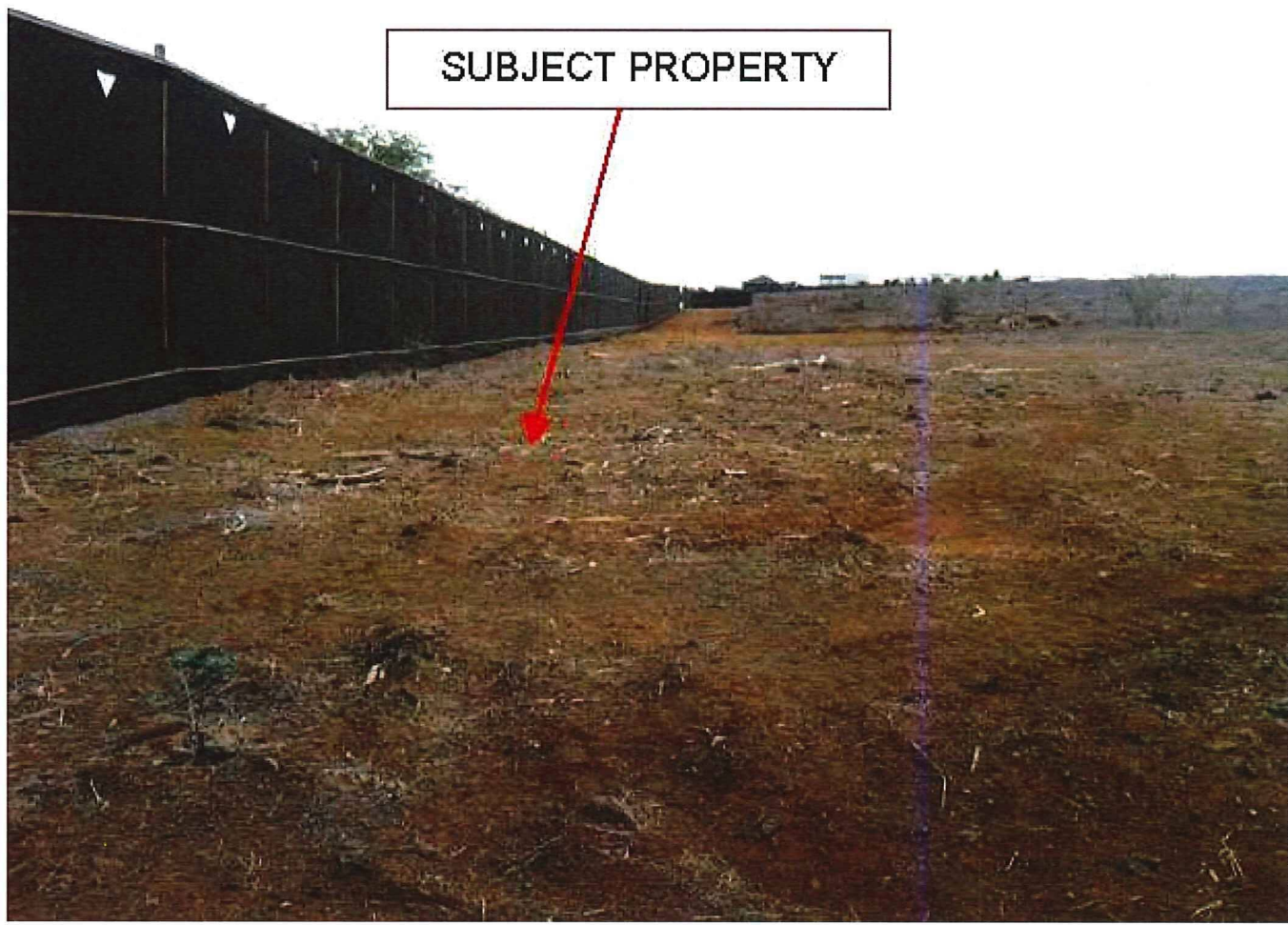
MAUI ISLAND PLAN DIRECTED GROWTH MAP







View of the property construction entrance from Piilani Highway.



SUBJECT PROPERTY

View from the southwest corner of the subject property looking North.



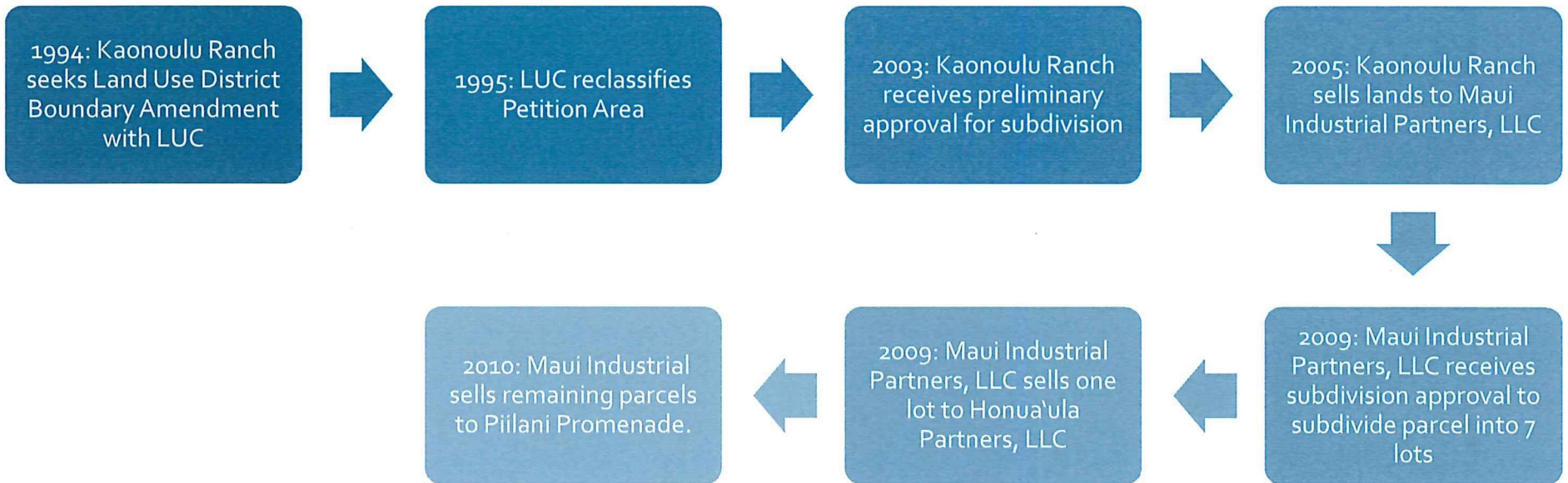
View of concrete drainage culvert that runs along the western boundary of the subject property and under Piilani Highway.



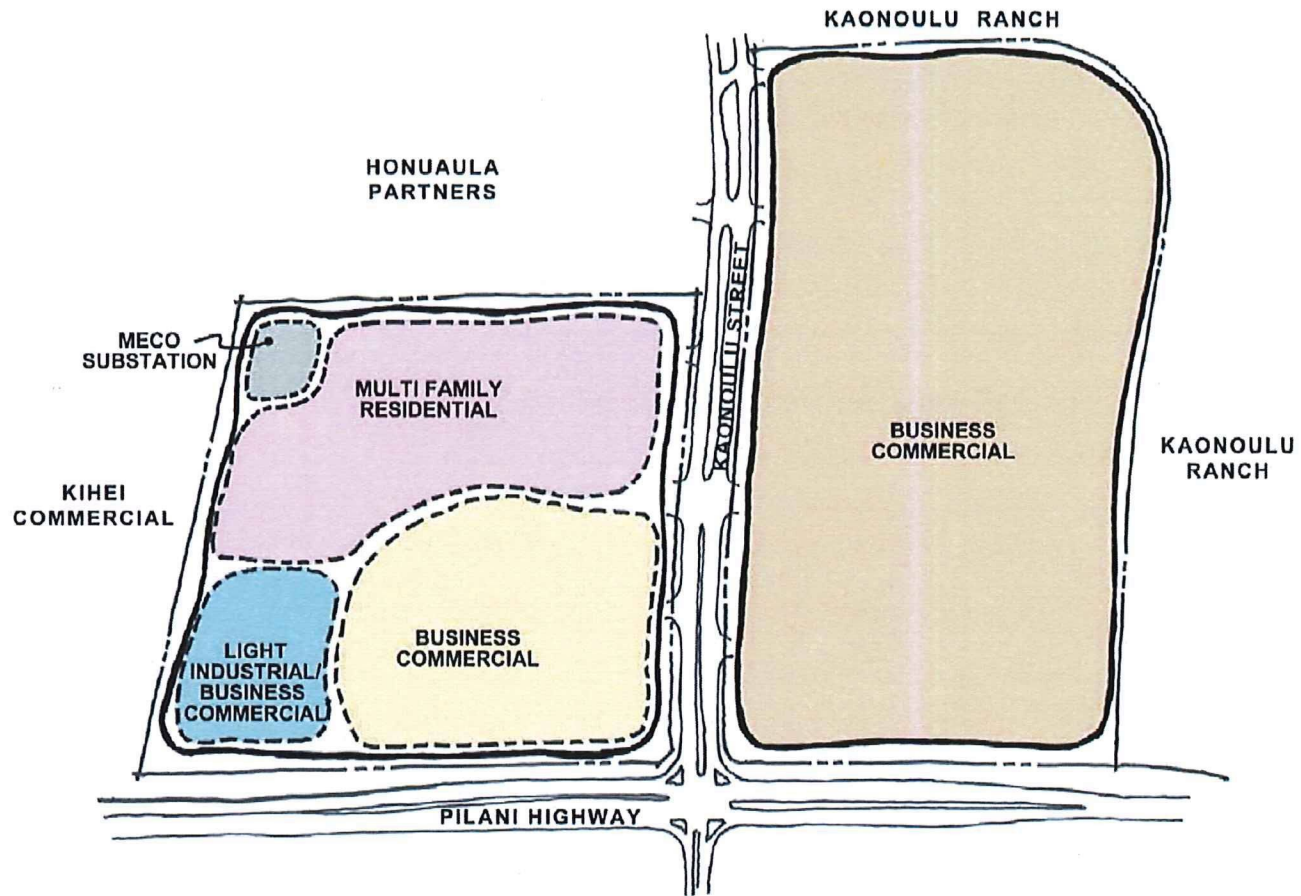


Ranch enclosures located near the southwest corner on Parcel 171.

PROJECT HISTORY



SITE PLAN



COMMUNITY MEETINGS

Aha Moku Council:

- April 2016
- January 2017
- May 2017

Kihei Community Association:

- April, June, September 2013
- April 2017 with Design Review Committee

Maui Chamber of Commerce:

- September 2013

Native Hawaiian Chamber of Commerce:

- September 2013

Maui Contractors Association:

- September 2013

Maui Nutrition and Physical Activity Coalition:

- June 2013

Meetings with Commenters on DEIS

- October 27, 2014: Meeting to discuss Environment and Project Impacts. Kihei Community Association members attended.
- October 30, 2014: Meeting to discuss the Economy and Project Impacts. A representative of the Maui Chamber of Commerce attended.

Public Information Meetings

- November 5, 2013: attendance by 150 community members
- February 25, 2014 (archaeological concerns)

Site Visits

- January 22, 2016: archeological sites
- March 8, 2017: LUC/Public Site visit

THE FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS)



STUDIES TO SUPPORT FEIS

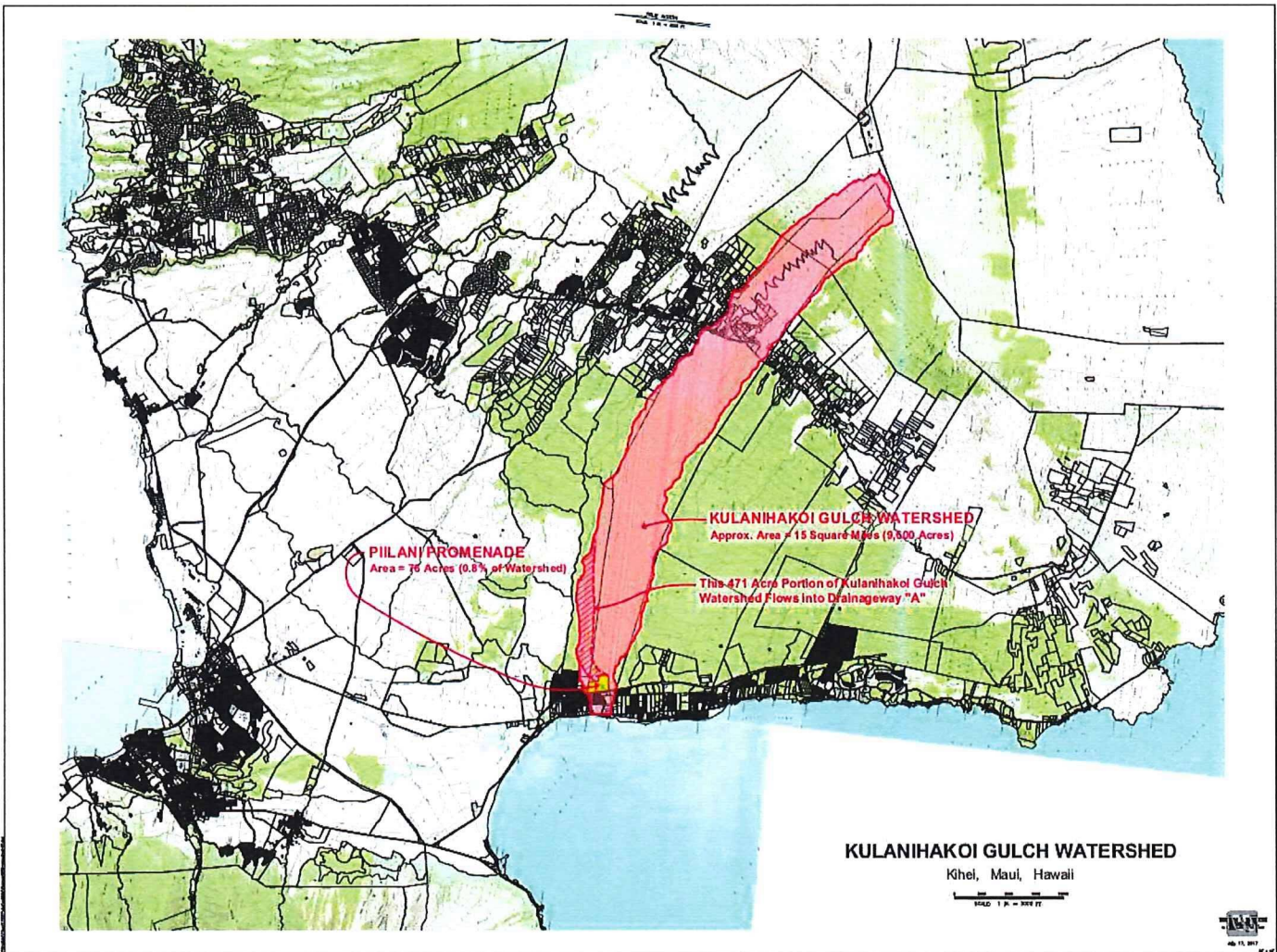
1. Environmental Site Assessment: December 2013, update letter dated January 2017
2. Botanical and Fauna Survey: July 2013
3. Air Quality Survey: February 2014, updated March 2016 and February 2017
4. Acoustic Study: February 2014, updated March 2016 and January 2017
5. Archaeological Inventory Survey: March 2014, revised August 2015, with SHPD acceptance letter dated January 2016
6. Archaeological Monitoring Plan dated July 2011, with SHPD acceptance letter dated August 2011
7. Cultural Impact Assessment ("CIA"): December 2013, revised March and August 2016
8. Supplemental CIA: March 2017
9. Baseline Assessment of Marine Water Chemistry And Marine Biotic Communities: February 2014
10. Economic and Fiscal Impact Assessment: December 2013, revised July 2015
11. Preliminary Engineering Report: December 2013, revised February 2017
12. Traffic Impact Analysis Report ("TIAR"): June 2014
13. Supplemental TIAR: December 2016
14. Soil Investigation Reports: August 2011
15. Waimea Water Services Report: August 2016

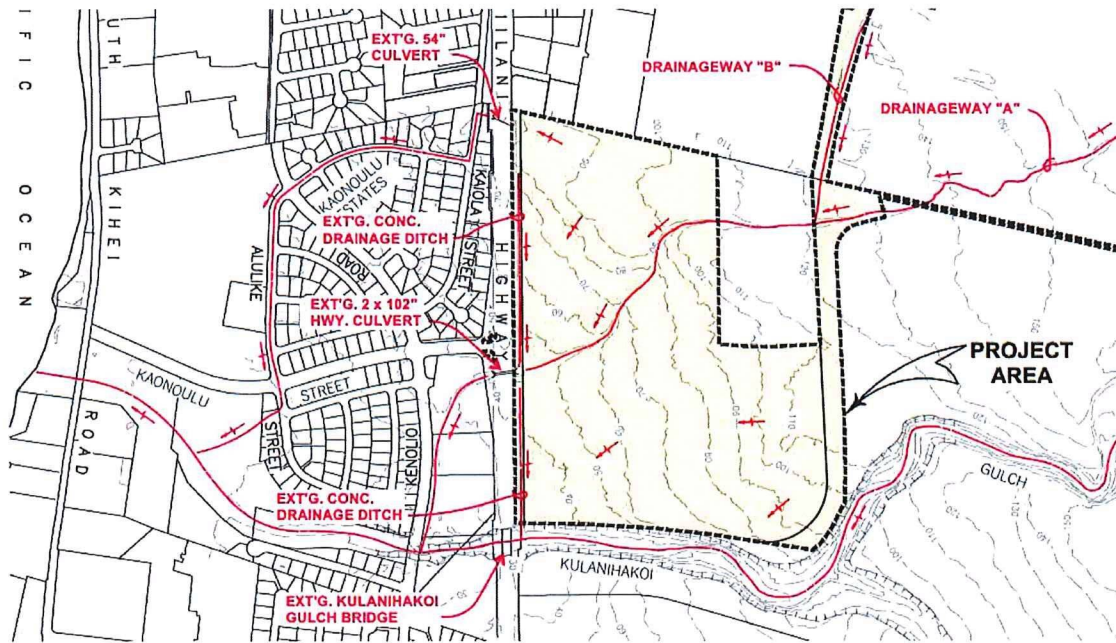
GENERAL CONCLUSIONS

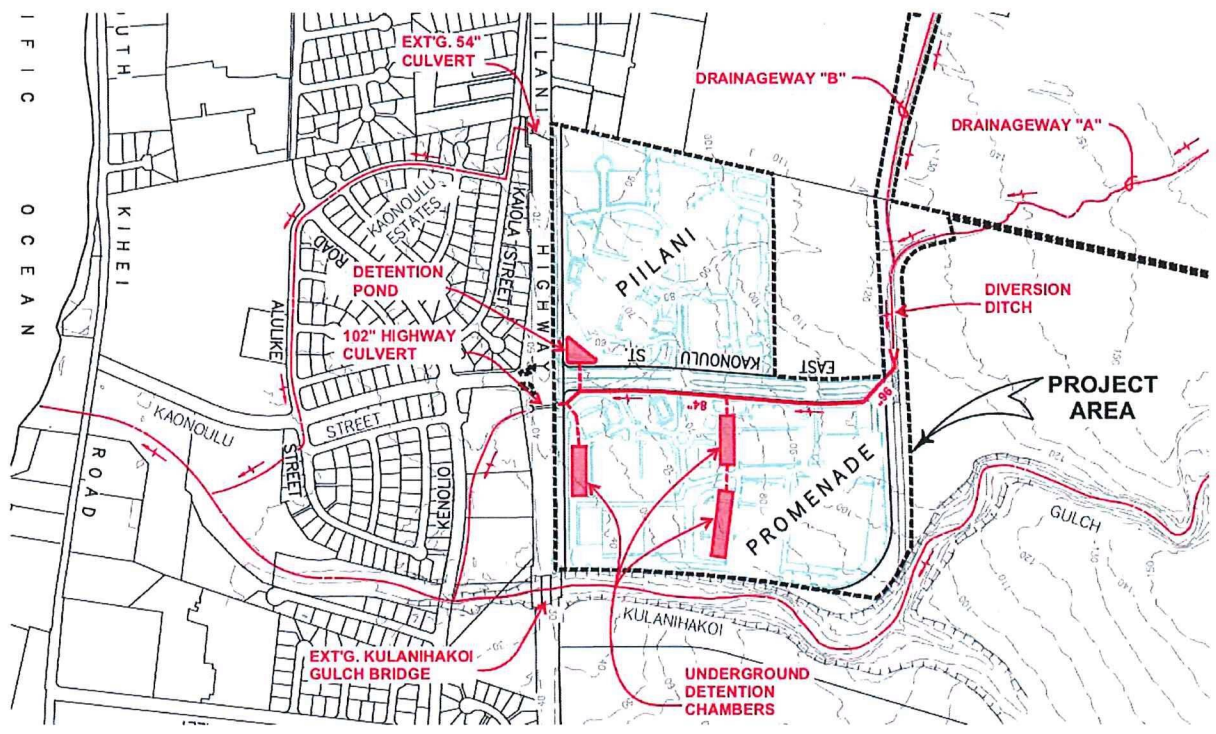
- **Botanical and Fauna Survey** – There are no rare or protected plant or animal species on or nearby the Project Site.
- **Air Quality Survey** –Employ mitigation measures during construction. Long-term impacts on air quality are “negligible” after construction.
- **Acoustic Study** –Residences that may be affected by increased traffic noise have adequate setbacks that result in generally acceptable noise levels.
- **Traffic Impact Analysis Report** – Application of the proposed improvements will improve the level-of-service (“LOS”) and traffic movements to meet an acceptable standard.
- **Engineering Report** – Drainage plan will result in downstream stormwater discharges at rates that do not exceed current levels and comply with Maui County’s Drainage Rules. No additional potable water sources beyond the County water meters are needed to implement the Project.
- **Soil Investigation Report** – Lots 2A, 2C, and 2D can be developed to support mass grading of the site, if the recommendations of the report are followed.
- **Water Services Report** – Adverse impacts are unlikely so long as the Proposed Action stays within its water allocation.

GENERAL CONCLUSIONS

- **Cultural Impact Assessment** – There are no known cultural practices or resources in the project area.
- **Supplemental Cultural Impact Assessment** – There are no specific valued cultural, historical, or natural resources within the project area; nor are any traditional and customary native Hawaiian rights being exercised within the project area. To the extent concerns were raised regarding flooding or drainage, please refer to the Engineering Report.
- **Baseline Assessment of Marine Chemistry and Marine Biotic Communities** – Proposed Project will not have significant negative, or even measurable, effect on water quality or marine biota in the coastal ocean offshore of the property. Changes to the marine environment due to the Project will likely be undetectable.
- **Economic and Fiscal Impact Analysis** - The Kihei-Makena Corridor is under-serviced with commercial, industrial and residential inventory. Development of the Project will generate approximately \$450 million in economic activity and 2,933 worker-years of jobs, with the stabilized operations at \$729 million in economic activity and 6,626 worker-years annually statewide.









Piilani Highway

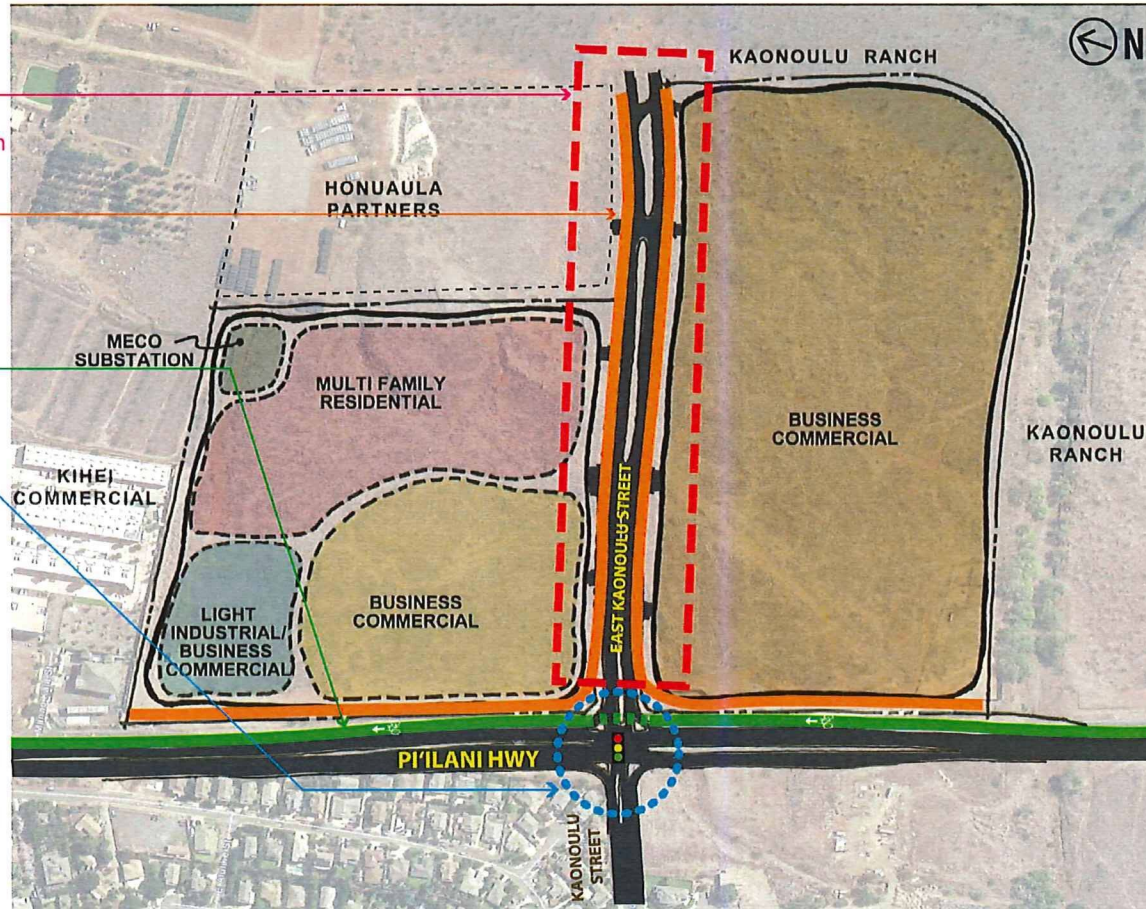
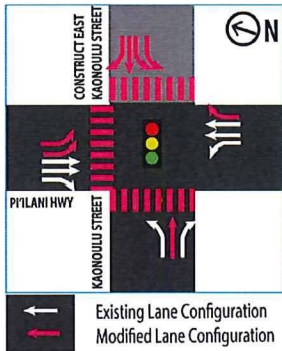
Level of Service	Delay (seconds/vehicle)	
	Traffic Lights	Stop Signs
A	0-10	0-10
B	10-20	10-15
C	20-35	15-25
D	35-55	25-35
E	55-80	35-50
F	>80	>50

1 Construct East Kaonoulu Street Extension

2 Construct Off-Street Shared-Use Pedestrian and Bike Path

3 Install Bike Lane on Pi'ilani Hwy

4 Signalize Intersection and Create New Lane Configurations



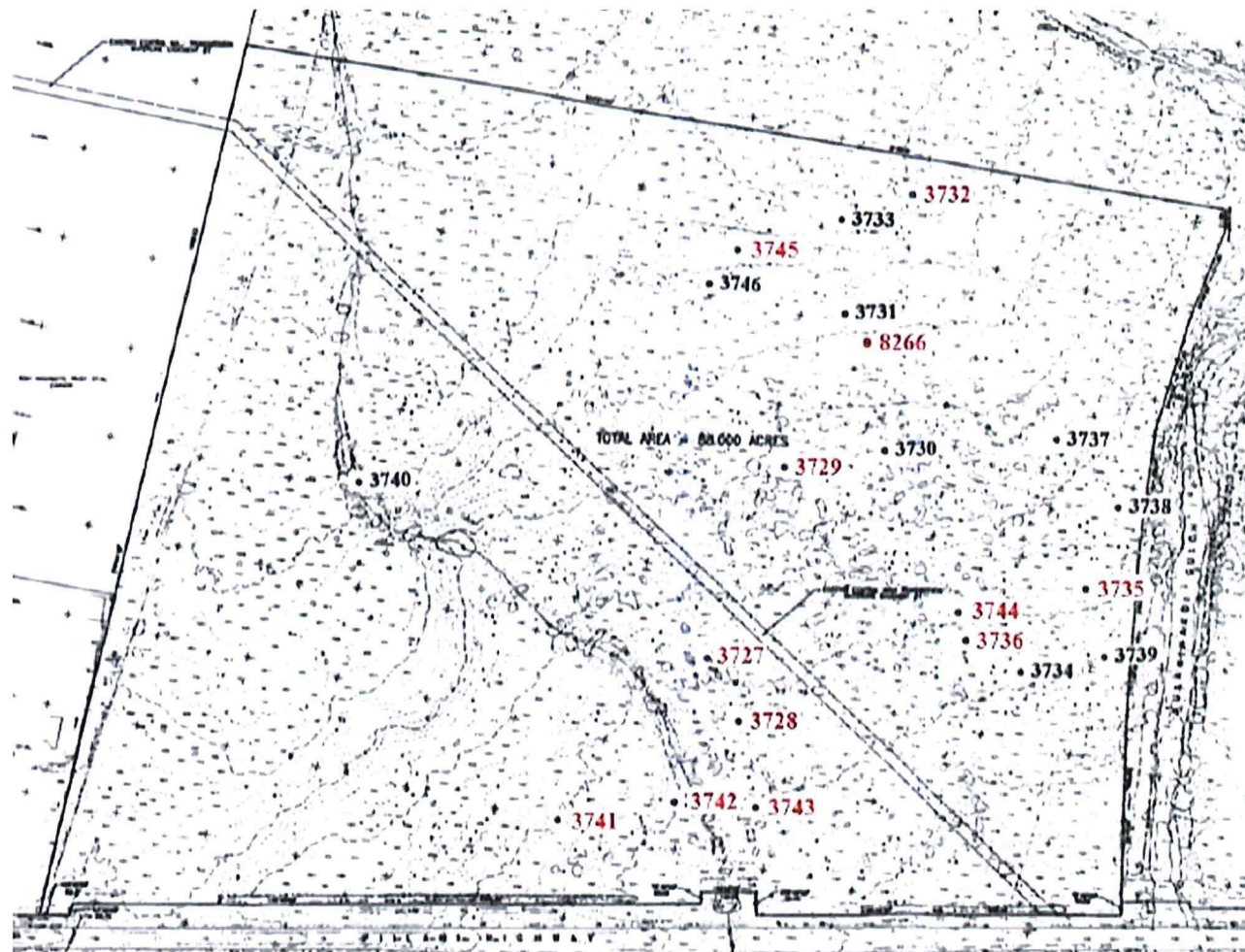
Pi'ilani Promenade Site Plan – Kihei, Maui

ARCHAEOLOGY

The following archaeological studies have been conducted on the Project Site:

- **1994: Archaeological Inventory Survey ("AIS") of 88 acres, including Project Site**
 - 1994: State Historic Preservation Division ("SHPD") accepted the 1994 AIS as final
- **2011: Archaeological Monitoring Plan**
 - 2011: SHPD approved the Archeological Monitoring Plan as final
- **2014-2015: AIS of approximately 102 acres, including Project Site and off-site improvement project area**
 - January 2016: SHPD accepted the 2015 AIS as final
- **June 2016: Data Recovery Plan submitted to SHPD**
 - Response from SHPD pending

Topographic map with proposed data recovery site locations in red



Site Evaluations and Recommendations

Site # 50-50-10-	Site Type	Recommendation
3727	Stone piles	Data Recovery (DR)
3728	Stone piles	DR
3729	Stone cairn	DR
3730	Stone cairn	No further work (NFW)
3731	Stone cairn	NFW
3732	Stone cairn	DR
3733	Stone cairn	NFW
3735	Enclosure	DR
3736	Enclosure	DR
3737	Parallel alignment	NFW
3738	Parallel alignment	NFW
3740	Erosion containment walls	NFW
3741	Surface scatter	DR
3742	Surface scatter	DR
3743	Surface scatter	DR
3744	Surface scatter	DR
3745	Surface scatter	DR
8266	Enclosure	DR

CULTURAL IMPACT

- A Cultural Impact Assessment (“CIA”) and a Supplemental CIA were conducted in 2016 and 2017, respectively.
- Both assessments concluded that there are no known cultural practices or resources in the project area.

MARKET STUDY INDICATIONS

- The Kihei-Makena Corridor is an expanding market area under-serviced with commercial, industrial and residential inventory. Significant additions in each sector will be needed as the populations increase by 50 to 70 percent by 2035.
- Commercial Space – An additional 950,000 to 1.5 million square feet of new, competitive retail, restaurant, service, and medical floor space will be needed in South Maui by 2035.
- Industrial Space – The demand for new industrial space in Kihei-Makena by 2035 will reach as high as 1.1 million square feet of gross floor space and 100 acres of building sites.
- Rental Apartments – Residential rental opportunities in South Maui are in scarce supply and have rising rents. There will be a need in the region for an additional 3,300 to 5,300 rental housing units by 2035 with a significant share for households in the workforce/affordable housing spectrum.

MARKET STUDY INDICATIONS: LOCATION/ABSORPTION

- The Piilani Promenade site is one of the best vacant commercial and industrial development sites on Maui.
- During the Project's marketing period, we anticipate the commercial component will capture up to 45 percent of regional activity, the industrial component up to 25 percent and the apartments up to 33 percent of South Maui demand.

ECONOMIC IMPACTS

(2013 CONSTANT DOLLARS)

- Piilani Promenade will require capital investment of more than \$210 million in direct costs and generate some \$348 million in annual business activity on a stabilized basis after completion and ramp-up.
- Building the various components will create some 878 worker-years of direct construction industry employment with wages totaling \$66.5 million.
- The operating businesses within the finished project will have some 1,200 full-time-equivalent employees, with another 300 directly-related off-site positions with total annual wages of \$49 million.
- The rental apartments are projected to have a resident population of 607 persons with household earnings of \$17.2 million per year.

ECONOMIC IMPACTS

(2013 CONSTANT DOLLARS)

Application of the State Input-Output Economic Model indicates development of Piilani Promenade would generate some \$450 million in economic activity and 2,933 worker-years of jobs, with the stabilized operations at \$729 million in economic activity and 6,626 worker-years annually statewide.

ESTIMATES OF TOTAL ECONOMIC IMPACT FROM SUBJECT OPERATIONS USING STATE INPUT-OUTPUT MODEL TYPE II* MULTIPLIERS Market Study of the Proposed Piilani Promenade Kihel, Maui, Hawaii All Amounts Expressed in Constant 2013 Dollars					
Year	Development Year			Totals	Stabilized
	2018 to 2022	2023 to 2027	2028 to 2032	During Build-Out	Annually
Operating Revenues	\$265,433,354	\$806,484,190	\$1,245,517,761	\$2,317,435,305	\$348,719,376
1. Economic Output Multiplier	2.09	2.09	2.09	2.09	2.09
Total State Economic Output	\$554,755,711	\$1,685,551,957	\$2,603,132,120	\$4,843,439,787	\$728,823,496
2. Earnings Multiplier	0.66	0.66	0.66	0.66	0.66
Total Increase in State Earnings	\$175,184,014	\$532,279,565	\$822,041,722	\$1,529,507,301	\$230,154,788
3. State Tax Multipliers	0.16	0.16	0.16	0.16	0.16
Total Increase in State Taxes	\$42,469,337	\$129,037,470	\$199,282,842	\$370,789,649	\$55,795,100
4. Total Job Multipliers	19.00	19.00	19.00	19.00	19.00
Total State Jobs Created	5,043.2	15,323.2	23,664.8	44,031.3	6,625.7
Operating Employment	1,328	3,425	6,158	11,111	1,210
5. Direct-Effect Job Multipliers	2.05	2.05	2.05	2.05	2.05
Total Direct Jobs Created	2,722.4	7,431.7	12,624.0	22,778.2	2,481.1
Operating Wages	\$15,091,499	\$71,258,521	\$153,409,782	\$244,265,924	\$48,859,144
6. Direct-Effect Earnings	1.89	1.89	1.89	1.89	1.89
Total Increase in Direct Earnings	\$28,522,934	\$134,678,605	\$289,944,489	\$461,662,596	\$92,343,782

Source: State Input-Output Model (approved July 2011), and The Hallstrom Group, Inc.

PUBLIC FISCAL IMPACTS

County of Maui

- Real Property Taxes and other secondary receipts and impact fees:
 - \$34 million during the 17-year construction and absorption period.
 - \$2.6 million annually on a stabilized basis thereafter.
- Net benefit to the County purse:
 - \$25.9 million during development.
 - \$594,600 annually on a stabilized basis.

State of Hawaii

- Gross Excise and Income Taxes, secondary revenues, and impact fees:
 - \$210.7 million during the build-out and ramp-up time frame.
 - \$26 million per year thereafter
- Net benefit to the State purse:
 - More than \$194.9 million during development
 - Stabilized "profit" of \$20.7 million per year.

QUESTIONS?