PIILANI PROMENADE

FINAL ENVIRONMENTAL IMPACT STATEMENT

PIILANI PROMENADE NORTH, LLC & PIILANI PROMENADE SOUTH, LLC
MAUI COUNTY ZONING MAP

KEY
- Agricultural
- A-1, Apartment
- H-M, Hotel
- M-1, Light Industrial
- Open Space
- Park
- R-1, Residential
- R-2, Residential
- Rural

PROJECT SITE
View of the property construction entrance from Piilani Highway.
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

1994: Kaonoulu Ranch seeks Land Use District Boundary Amendment with LUC

1995: LUC reclassifies Petition Area

2003: Kaonoulu Ranch receives preliminary approval for subdivision

2005: Kaonoulu Ranch sells lands to Maui Industrial Partners, LLC

2010: Maui Industrial sells remaining parcels to Pillani Promenade.

2009: Maui Industrial Partners, LLC sells one lot to Honua'ula Partners, LLC

2009: Maui Industrial Partners, LLC receives subdivision approval to subdivide parcel into 7 lots
SITE PLAN

KAONOLU RANCH

HONUAULA PARTNERS

MECO SUBSTATION

MULTI FAMILY RESIDENTIAL

LIGHT INDUSTRIAL / BUSINESS COMMERCIAL

BUSINESS COMMERCIAL

KIHEI COMMERCIAL

PILANI HIGHWAY

KAONOLU RANCH

BUSINESS COMMERCIAL
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

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

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.
THE FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS)

- EISPN Published: 9/23/2013
- DEIS Published: 8/23/2014
- FURTHER INVESTIGATION TO RESPOND TO COMMENTS
- FEIS Published: 7/8/2017
- LUC HEARING TO ACCEPT FEIS
STUDIES TO SUPPORT FEIS

1. Environmental Site Assessment: December 2013, update letter dated January 2017
2. Botanical and Fauna Survey: July 2013
5. Archaeological Inventory Survey: March 2014, revised August 2015, with SHPD acceptance letter dated January 2016
7. Cultural Impact Assessment ("CIA"): December 2013, revised March and August 2016
8. Supplemental CIA: March 2017
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.
TRAFFIC

Project Site

Pillani Highway
<table>
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<tr>
<th>Level of Service</th>
<th>Delay (seconds/vehicle)</th>
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<tbody>
<tr>
<td></td>
<td>Traffic Lights</td>
<td>Stop Signs</td>
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</tr>
<tr>
<td>A</td>
<td>0-10</td>
<td>0-10</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>10-20</td>
<td>10-15</td>
<td></td>
</tr>
<tr>
<td>C</td>
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<tr>
<td>D</td>
<td>35-55</td>
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<td>E</td>
<td>55-80</td>
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<td></td>
</tr>
<tr>
<td>F</td>
<td>&gt;80</td>
<td>&gt;50</td>
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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
ARCHEOLOGY

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
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<th>Site Type</th>
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<tr>
<td>3728</td>
<td>Stone piles</td>
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<tr>
<td>3729</td>
<td>Stone cairn</td>
<td>DR</td>
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<tr>
<td>3730</td>
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<tr>
<td>3732</td>
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<tr>
<td>3733</td>
<td>Stone cairn</td>
<td>NFW</td>
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<tr>
<td>3734</td>
<td>Enclosure</td>
<td>DR</td>
</tr>
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<td>3735</td>
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<tr>
<td>3736</td>
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<tr>
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<td>Parallel alignment</td>
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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 inscarce 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.
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.
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?