

OFFICE OF PLANNING

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LAND USE COMMISSION
STATE OF HAWAII

2017 JUL -7 A 8:47

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A15-798
)	
WAIKAPU PROPERTIES, LLC; MTP)	OFFICE OF PLANNING'S STATEMENT
LAND PARTNERS, LLC; WILLIAM S.)	OF POSITION; CERTIFICATE OF
FILIOS, TRUSTEE OF THE WILLIAM)	SERVICE
FILIOS SEPARATE PROPERTY TRUST)	
DATED APRIL 3, 2000; AND WAIALE)	
905 PARTNERS, LLC)	
)	
To Amend the Agricultural Land Use District)	
Boundaries into the Rural Land Use District)	
for certain lands situate at Waikapu, District)	
of Wailuku, Island and County of Maui, State)	
of Hawaii, consisting of 92.394 acres and)	
57.454 acres, bearing Tax Map Key No. (2))	
3-6-004:003 (pot) and to Amend the)	
Agricultural Land Use District Boundaries)	
into the Urban Land Use District for certain)	
lands situate at Waikapu, District of Wailuku,)	
Island and County of Maui, State of Hawaii,)	
consisting of 236.326 acres, 53.775 acres, and)	
45.054 acres, bearing Tax Map Key No. (2) 3-)	
6-002:003 (por), (2) 3-6-004:006 and (2) 3-6-)	
005:007 (por))	
)	

OFFICE OF PLANNING'S STATEMENT OF POSITION

Pursuant to Hawai'i Administrative Rules ("HAR") § 15-15-55, the Office of Planning ("OP") submits this Statement of Position of support for the reclassification of the Petition Area, subject to certain conditions. This Statement of Position summarizes OP's position based on information currently available, including the representations of the Petitioner and documents filed in these proceedings, coordination with the Petitioner and affected government agencies, and the statutes and regulations applicable to these proceedings. Additional information that becomes available to us will be reflected in OP's written testimony.

PETITION OVERVIEW

General Information

The Petitioners, Waikapu Properties, LLC; MTP Land Partners, LLC, William S. Filios, Trustee of the William S. Filios Separate Property Trust dated April 3, 2000, and Waiale 905 Partners, LLC ("Petitioner") are fee simple owners of the Petition Area. Petitioner requests that the Land Use Commission ("Commission or LUC") reclassify approximately 149.848 acres of land from the State Agricultural District to the State Rural District, and 335.155 acres of land from the State Agricultural District to the State Urban District at Waikapu, Wailuku, Island of Maui. Puhi,

The Petitioner is the fee owner of the parcels, Tax Map Key Nos.: 3-6-004: 003 por.; 3-6-002: 003 por.; 3-6-004: 006, and 3-6-005007 por. being proposed for reclassification under this Petition.

Proposed Use of the Petition Area

Petitioner proposes to develop the Waikapu Country Town Project, as a complete master-planned community. The Project will include affordable and market priced housing in a variety of types including multi- and single-family residential, live-work, and rural residential uses. The Project will also include commercial, civic and other types of development. According to the Petition a major objective of the Project will be to facilitate walking and biking between different land uses. The Project will include a pedestrian oriented Main Street, and about eight miles of greenways, walking and hiking trails, and mountain biking trails. Travel time within the Project

may be approximately five to ten minutes if walking or biking to schools, shopping, park and transit stops.

According to the Petition, Petitioner is proposing to develop approximately 1,433 residential units. The Petition Area also adjoins Agricultural designated lands owned by the Petitioners, some of which will be preserved in perpetuity for agricultural use. Design practices will also be used to preserve additional rural land for farming, open space and open land recreation.

The Petition Area surrounds the existing Maui Tropical Plantation, a visitor destination, which is currently within the State Urban District. The Project will incorporate existing buildings and grounds into a village center, which would provide for various commercial and agricultural uses. The portion of the Petition Area that is located mauka of Honoapiilani Highway and the village center is proposed to be single-family residential neighborhoods, which will be convenient to the village center area. Beyond the single-family neighborhoods will be rural lands. The Petitioner proposes rural lots between one-half and one and one-half acres in size. Beyond the rural lands will be the State Agricultural Designated lands that Petitioner will dedicate for agricultural uses in perpetuity.

Petitioner proposes to develop the lands Makai of Honoapiilani Highway on a pedestrian oriented community with nearby school and parks, where walking and biking are preferred modes of transportation.

Petitioner proposes to develop the Project in two, five-year phases. According to the Petition, the development will be as follows, as the market allows.

PHASE I	PHASE II	TOTAL
Approximately 323 Single-family dwellings	Approximately 647 Single-family dwellings	970 Single-family dwelling on 131 acres
Approximately 16 Rural units	Approximately 64 Rural units	80 Rural units on about 125 acres
Approximately 86 Multi-family units	Approximately 170 Multi-family units	256 Multi-family units on about 21 acres
127 Country town/mixed use units	0	127 Country town/mixed use units
58,000 square-foot commercial space	0	58,000 square-foot commercial space

According to the Petition, the sales of the units are set in the marketing plan, however, if any of the units are developed as workforce housing, the sales prices will be set in accordance with the County provisions.

Petition Area Description and County Land Use Designations

The Petition Area is shown in Petitioner's Exhibit 18 (Original Petition).

KEY ISSUES OF CONCERN TO THE STATE

The following summarizes key issues related to areas of State concern in HRS §§ 205-16 and 205-17. OP's written testimony will recommend appropriate conditions, as necessary, to address any reasonably foreseeable impacts from the proposed project that have not been addressed by commitments made by Petitioner to avoid, minimize, or mitigate these impacts.

Impacts on Areas of State Concern

Natural Systems and Habitats

According to the Final Environmental Impact Assessment (EIS), three native plants were found in the Petition Area, and are commonly found in the State and worldwide. There were no endangered Hawaiian bats found in the Petition Area. No endangered, threatened or candidate species of birds were found on the Petition Area. Similarly for insects, except that tree tobacco plants were found, which are the hosts for the endangered Blackburn's Sphinx Moth. Two mature eggs of the Moth were found on one of the plants. According to the EIS, the U.S. Fish and Wildlife Service will be consulted on the mitigation measures for this species. Other mitigation measures will include shielding of outdoor night lighting to protect seabirds.

Archaeological, Historic, and Cultural Resources

A letter, dated March 24, 2016, from the State Historic Preservation Division, Department of Land and Natural Resources (SHPD) indicated that an archaeological inventory survey (AIS) was submitted for review to SHPD in 2013. However, this report was never reviewed and approved. No other letter or approval from SHPD has been included within the Final EIS. The Final EIS indicates that some archaeological and cultural resources were found on the Petition Area. The AIS recommended monitoring of some of the sites during earth moving activities.

Agricultural Resources

The Petition area is designated by the Land Study Bureau with soil productivity ratings A and B. Within the Agricultural Lands of Importance within the State of Hawaii, the Petition area is “Prime” Agricultural lands, with some areas as “Other” Lands of Agricultural Importance. See Figures 41 and 42 in the Petitioner’s EIS. The EIS also includes an Agricultural Impact Assessment. Petitioner will dedicate approximately 800 acres of land adjacent to the Petition Area to remain within agricultural use in perpetuity.

Transportation

The EIS includes a Traffic Impact Study. Access will be provided by Honoapiilani Highway that bisects the Petition Area, and Kuihilani Highway on the eastern boundary of the Petition Area. The Traffic study recommended various measures to mitigate traffic impacts. The State Department of Transportation will be contacted to provide comments on the proposed measures.

Groundwater and Surface Water Resources

The EIS indicates that the primary water source will be through a private water system with potable and non-potable water lines. The Waihee Irrigation Ditch and Waikapu stream runs through the Petition Area, and will be incorporated into the Petition’s recreation and pedestrian proposals.

Wastewater

Petitioner is proposing a private Wastewater Treatment plant adjacent to the Petition Area.

CONCLUSION

Based on our preliminary assessment of the Project with respect to the Commission’s decision-making criteria, OP supports the proposed boundary amendment with possible conditions to address the concerns raised herein to be provided in OP’s forthcoming testimony. The proposed boundary amendment does not conflict with HRS Chapter 205 and generally meets the Commission’s decision-making criteria contained in HRS Chapter 205 and HAR Chapter 15-15. OP’s position is contingent on the Petitioner’s commitment to avoid, minimize, or mitigate Project impacts identified by the State herein and in this proceeding to the satisfaction of the

relevant State agencies prior to the close of the Petitioner's case-in-chief, or by agreed-to conditions of approval.

OP distributed the Petition to State agencies for their review and comments; additional information or concerns may be forthcoming. Specific impacts on areas of State concern and recommendations on conditions to mitigate Project impacts will be discussed further in OP's written testimony.

DATED: Honolulu, Hawaii, July 7, 2017.

OFFICE OF PLANNING
STATE OF HAWAI'I



LEO R. ASUNCION
Director

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of) DOCKET NO. A15-798
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WAIKAPU PROPERTIES, LLC; MTP) OFFICE OF PLANNING'S STATEMENT
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6-002:003 (por), (2) 3-6-004:006 and (2) 3-6-)
005:007 (por))

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon the following by either hand delivery or depositing the same in the U.S. Postal Service by regular mail.

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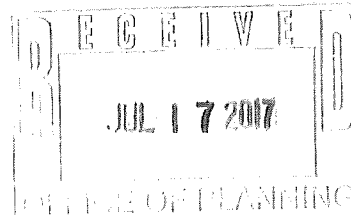
DATED: Honolulu, Hawaii, July 7, 2017.

OFFICE OF PLANNING
STATE OF HAWAII



LEO R. ASUNCION
Director

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
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DIRECTOR

Deputy Directors
JADE T. BUTAY
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EDWIN H. SNIFFEN
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IN REPLY REFER TO:
DIR 0793
HWY-PS 2.5168

July 14, 2017

TO: LEO R. ASUNCION
DIRECTOR
OFFICE OF PLANNING
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT
AND TOURISM

FROM: FORD N. FUCHIGAMI
DIRECTOR OF TRANSPORTATION

SUBJECT: MOTION TO AMEND FOR TIME EXTENSION TO CONDITION 18 & 19
PUKALANI ASSOCIATES, LLC - KAUAHALE LANI RESIDENTIAL
SUBDIVISION PROJECT
LAND USE COMMISSION DOCKET NO. A05-760
KULA, MAKAWAO, MAUI, TMK: (2) 2-3-009: 007 AND 064

2017 AUG -4 A 11:45
LAND USE COMMISSION
STATE OF HAWAII

Thank you for the opportunity to respond to the motion filed by Pukalani Associates, LLC, (Petitioner) on June 1, 2017, to the Land Use Commission. The project request under Docket No. A05-760 was approved for a total of 87.702 acres of land to be reclassified from the Agricultural District into the Urban District for the development of 176 residential lots with an open space park. The Petitioner is currently requesting for a five-year extension to fulfill the Decision and Order, Condition 18, for the completion of the backbone infrastructure to be constructed within a 10-year period (expires June 29, 2019). In addition, the extension request also applies to Condition 19 relating to an Order to Show Cause requirement in the event Condition 18 is not met.

The Hawaii Department of Transportation (HDOT) would like to respond to your letter dated June 15, 2017, to address the issues of statewide concerns shown below:

1. Programs, facilities, or resources under the jurisdiction of your agency that will be affected by the project proposal, for example, impacts to natural resources regulated by your agency or infrastructure maintained and under the jurisdiction of your agency.

The primary access for the project subdivision will be from Old Haleakala Highway via Aeloa Road, both are County roadways. A portion of the residential subdivision and the entirety of the open space park are bordered by Haleakala Highway (also known as the Pukalani Bypass, State Route 37), which is under the State jurisdiction. The HDOT is responsible for the State-owned facility. We have reviewed the motion and find that the request for the five-year extension to Conditions 18 and 19 will not trigger any State concerns nor affect Haleakala Highway at this time.

2. Recommended mitigation measures to address the above issues if the petition were to be approved (please cite your agency or program's legislative and regulatory authority for your recommendations).

It is the responsibility of the Petitioner to provide transportation improvements to mitigate any transportation impacts caused by the subject project at their cost. The previous Revised Traffic Impact Analysis Report (TIAR) submitted by the Petitioner is outdated due to the recent changes in the traffic volumes. Therefore, the Petitioner shall submit a new revised TIAR and a fair share determination acceptable to the HDOT, which shall also address prior concerns expressed in our previous letters (HWY-PS 2.8635 and PS 2.0405) prior to any approval of a Change of Zoning application.

If you have any questions, please contact Ken Tatsuguchi, Engineering Program Manager, Highways Division, Planning Branch, at (808) 587-1830. Please reference file review number PS 2017-092.

c: William Spence, County of Maui, Department of Planning