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OFFICE OF PLANNING

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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)
LAND PARTNERS, LLC; WILLIAM S.)
FILIOS, TRUSTEE OF THE WILLIAM)
FILIOS SEPARATE PROPERTY TRUST)
DATED APRIL 3, 2000; AND WAIALE)
905 PARTNERS, LLC)

OFFICE OF PLANNING'S STATEMENT)
OF POSITION; CERTIFICATE OF)
SERVICE)

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-feet commercial space	0	58,000 square-feet 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

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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.

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STATE OF HAWAII



LEO R. ASUNCION
Director