d. <u>Cross Boundary Effects on County Land Use Plans and State and County Transportation Systems</u>

Cross boundary effects refer to the effects the proposed action will have on areas outside the limits of the affected action. For example, the withdrawal of water in one aquifer may affect the water level in an adjacent aquifer or over pumping of a well in close proximity to another well can result in less pumpage capacity from the adjacent welleffects of increased land uses and improved infrastructures may encourage intensification in the use of neighboring properties.

The evaluative criteria for cross boundary effect considers whether the proposed action will affect future land uses and transportation systems for the West Maui region.

County Land Use Plans

Future land uses are guided by the County's General Plan, including the community plans. As previously stated, the County of Maui as part of updating its General Plan is in the process of adopting adopted the MIP which proposes to by Ordinance No. 4004 effective on December 28, 2012. The MIP established Urban Growth Boundaries UGB and Rural Growth Boundaries RGB for the island of Maui. The MIP is a comprehensive review of comprehensively considered the future land use needs for Maui to the year 2030 in order to accommodate anticipated growth. In the context of this comprehensive planning process for the West Maui region, both the GPAC and MPC have recommended inclusion of the Master Plan in the Urban Growth Boundary and Rural Growth Boundary in Olowalu. Olowalu Town LLC and Olowalu Ekolu LLC continue to participate in the MIP process to ensure the Master Plan is included in the MIP. The General Plan update process then, seeks to look at the West Maui region comprehensively, with the results being full consideration of cross boundary effects portions of the OTMP were included in the MIP UGB and RGB.

As noted previously, the MIP included a provision that allows consideration of the makai lands in the UGB in the context of the West Maui Community Plan Update or a community plan amendment. Alternative 1 will pursue inclusion of the makai lands in the UGB during the community plan

amendment process. Alternative 2 is in compliance with the MIP's UGB and RGB.

Further, during the General Plan Update and adoption of the MIP, the Maui County Council comprehensively reviewed the West Maui region and was fully aware of cross boundary effects on the adjacent land uses, especially on Kapai'ki, OCR, Olowalu General Store, and the 14-lot Olowalu Mauka Subdivision. Proposed mitigation includes developing park land as a buffer area adjacent to Kapai'ki, expansion of the OCR, and developing agricultural lots along Olowalu Stream, developing the commercial core adjacent to Olowalu General Store, and developing proposed rural lots as a transition in land uses between the urban uses and the 14-lot Olowalu Mauka agricultural subdivision.

State and County Transportation Systems

The 2002 Hawai'i Statewide Transportation Plan provides policy-guidance to the horizon year 2025 for the development and management of Hawai'i's transportation systems. The goals of the Plan were to achieve a multi-modal transportation system, ensure the safety and security of our transportation systems, protect and support Hawai'i's unique environment, improve the quality of life, support Hawai'i's economic vitality, and implement a Statewide planning process. The 2014 Federal-Aid Highways 2035 Transportation Plan for the District of Maui was prepared to aid the State of Hawai'i in its decision making process relating to its long range transportation planning to the Year 2035 to modernize its transportation systems, improve safety and meet the sustainable goals of the State of Hawai'i. To increase roadway capacity, safety, and multi-modal facilities, the 2035 Transportation Plan recommends two (2) additional travel lanes for Honoapi'ilani Highway. The Master Plan for Alternatives 1 and 2 include the corridor for the realignment of Honoapi'ilani Highway further inland while maintaining the existing highway. This will provide an additional two (2) lanes of travel in the Olowalu Town area.

As part of the Statewide planning process, the HDOT has initiated the Honoapi'ilani Realignment/Widening (Mā'alaea to Launiupoko) project to connect to the Lāhainā Bypass currently under construction. The relocation and widening project will relocate the highway away from existing shoreline

erosion problems, improve highway capacity, and improve the reliability of access to and from the West Maui region. HDOT is in the process of preparing an EIS for the project. Olowalu Town LLC and Olowalu Ekolu, LLC, in conjunction with discussions with the HDOT, have included a future relocated highway through Olowalu to accommodate a future four-lane divided highway and landscaping. Ongoing dialogue with the HDOT is envisioned to determine the preferred alignment of the relocated highway.

In 2012, the HDOT, in coordination with FHWA and with the cooperation of the landowner, West Maui Land Company, proposed the relocation of the Lāhainā By-Pass Southern Terminus to the vicinity of the former Olowalu landfill. This roadway improvement is included in the 2015-2018 STIP. The proposed realignment of Honoapi'ilani Highway in Olowalu connects to the Lāhainā By-Pass.

The County of Maui Long-Range Land Transportation Plan, February 1997, recommended island-wide highway improvements which included widening of Honoapi'ilani Highway to a four-lane roadway four (4) miles west of Mā'alaea Harbor to the Lāhainā Bypass. In 2005, the County prepared the Pali to Puamana Parkway Master Plan which recommended realigning the highway further mauka from the shoreline and development of open space and parks makai of the new highway alignment. The Master Plan is for Alternatives 1 and 2 is a refinement of this Plan in Olowalu and is consistent with the purpose of the County's proposed Pali to Puamana Parkway Master Plan. The Master Plan for Alternatives 1 and 2 includes a mauka relocation of Honoapi'ilani Highway. Makai of Honoapi'ilani Highway, Alternative 1 includes an open space/park north of Olowalu Stream and south at Camp Olowalu while Alternative 2 does not affect land use conditions makai of the The Pali to Puamana Parkway Master Plan recommended highway. approximately 28 acres for park use in Olowalu, while the Master Plan includes approximately 223 acres of green space which includes parks, open space, landscape medians and grassed swales along roadways and large lawns at public and civic facilities. makai of Honoapi'ilani Highway. Alternative 1 proposes approximately 23 acres makai of Honoapi'ilani Highway for park use. Alternative 2 does not include the makai lands.

Inasmuch as the Master Plan hasfor Alternatives 1 and 2 has been and will continue to be a part of larger ongoing planning processes, it is anticipated that cross boundary effects will be appropriately addressed.

e. Fragmentation Effects on Existing Neighboring Land Uses

Fragmentation refers to changes to landscape patterns as a result of a proposed action. For example, fragmentation of a historic district may occur if development approvals for a project having non-historic architectural design elements are approved and developed adjacent to such district. Fragmentation may also result with the construction of a new highway through a habitat area, where the functional continuity of the habitat may be disrupted by the highway.

Existing Neighboring Land Uses

In the case of the Master Plan for Alternatives 1 and 2, the development will create a new community in the once thriving plantation town of Olowalu which will alter the area's character. The issue is whether an increase in the urban and rural landscape is deemed to be an adverse effect on Olowalu and the West Maui region. As stated previously, in its comprehensive review of the West Maui region, the GPAC and MPC recommended the Master Plan be included in the growth boundaries of the MIP. As such, if the MIP is adopted to include portions or the entire Master Plan then such changes are planned in the context of future growth in Olowalu and the West Maui region. Maui County Council included portions of OTMP in the UGB and RGB of the MIP through Ordinance No. 4004 effective on December 28, 2012. The MIP also included provisions that will allow consideration of the makai lands in the UGB through the proposed community plan amendment process. Location of population growth to Olowalu will disperse growth outside of the Lāhainā to Kapalua area and reduce the outward expansion of the urban boundaries between these existing urban centers.

Historically, Olowalu has been a distinct and separate community with its own sense of place. The Olowalu Ahupua'a boundaries and the mountain ridges surrounding Olowalu physically separates it from Ukumehame and Launiupoko. The Master Plan has for Alternatives 1 and 2 has been developed in consultation with the existing Olowalu Town community in order to ensure

a cohesive development pattern compatible with the existing landscape. The Master Plan for Alternatives 1 and 2 proposes to develop two (2) small country town cores with a country town character that will integrate into the existing community.

The formulation of the preferred infrastructure system elements required careful engineering analysis, taking into account land use relationships, environmental impact mitigation, and relationships to existing and planned infrastructure systems. The alignment of the mauka Honoapi`ilani Highway and site planning for infrastructure, such as the wastewater facility and public services considered the location of sensitive habitat, endangered and threatened flora and fauna, archaeological and cultural sites and other environmental constraints. These constraints were evaluated to minimize any disruptions to the environment and community.

f. Compounding Effects on County Land Use Plans and Infrastructure Systems and Public Services

Compounding effects relate to the additive and synergistic effects of impacts arising out of multiple pathways. For example, the implementation of new infrastructure which will ultimately serve new residential communities must be analyzed not only in terms of the Master Plan for Alternatives 1 and 2 itself, but also the reasonable foreseeable future developments which may develop as a result of the Master Plan for Alternatives 1 and 2.

County Land Use Plans

With regard to the Master Plan for Alternatives 1 and 2, compounding effects were assessed in connection with anticipated growth within Olowalu and the West Maui region.

Implementation of the Master Plan for Alternatives 1 and 2 will accommodate future population growth outside of Lāhainā town reducing the land use practice of outward urban sprawl between Lāhainā and Kapalua. The physical constraints of the West Maui Mountains surrounding Olowalu, current land ownership and environmental constraints limit future opportunity to develop Olowalu beyond the Master Plan for Alternative 1. Also, the land uses north and south of the Master Plan area for Alternatives 1 and 2 are limited to

agriculture, park and open space and are not proposed for any housing developments.

Infrastructure Systems and Public Services

The nearest existing agricultural subdivisions located at Launiupoko and Ukumehame have self-contained infrastructure to serve their developments and are not conveniently located adjacent to Olowalu to take advantage of the new infrastructure being provided in the Master Plan for Alternatives 1 and 2. As such, benefits of new infrastructure, except for the regional highway improvement, to be constructed in conjunction with the Master Plan for Alternatives 1 and 2 in the foreseeable future will accrue primarily to existing residents and future residents of the Master Plan for Alternatives 1 and 2.

If public facilities, such as a school, police and fire station, are constructed within the Master Plan for Alternatives 1 and 2, these services will become available to existing residents creating new operational relationships among the Master Plan residents of Alternatives 1 and 2, existing residents and agencies providing the respective public services. For example, new police and fire protection services in Olowalu will reduce the service area limits of the Lāhainā fire and police stations, thereby creating operational improvements for these services. From a recreational services perspective, the OCR, as well as the open space and park lands proposed in the Master Plan for Alternatives 1 and 2, will be open to residents and visitors outside of Olowalu, thereby relieving demand on other existing recreational facilities.

g. <u>Indirect EffectsSecondary Impacts on County Land Use Plans and Infrastructure Systems and Public Services</u>

Indirect effects are also referred to as secondary impacts, secondary effects, or indirect impacts. According to Section 11-200-2 of the Hawaii Administrative Rules, Chapter 200, entitled Environmental Impact Statement Rules, a secondary impact or indirect effect means:

Effects which are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. Indirect effects may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and

related effects on air and water and other natural systems, including ecosystems.

County Land Use Plans

The indirect effect associated with the Master Plan for Alternatives 1 and 2 pertains to its implications for future growth in Olowalu and the West Maui region. Implementation of the Master Plan for Alternatives 1 and 2 will accommodate future population growth outside of Lāhainā Town reducing the land use practice of outward urban sprawl. This particular indirect effect will allow for the development of a new sustainable community while enabling a more moderate pace of development in existing urbanized areas of West Maui. As stated previously, the physical constraints of the West Maui Mountains surrounding Olowalu, current land ownership and environmental constraints limit future opportunity to develop Olowalu beyond the Master Plan area for Alternative 1, while opportunity exists to expand into the makai lands. The Master Plan for Alternatives 1 and 2 as a sustainable community proposes to include potential employment centers and public services to reduce the need to commute outside of the Master Plan for Alternatives 1 and 2. Importantly, the Master Plan is for Alternatives 1 and 2 is envisioned as a housing project for residents that will encourage in-migration from other areas of Maui so workers who work in West Maui but live outside of the district can reduce their commute time and distance.

Infrastructure Systems and Public Services

New infrastructure needs created by the Master Plan for Alternatives 1 and 2 will result in additional water usage, increased stormwater runoff; additional wastewater and solid waste disposal needs in order to accommodate the increased population. The need for these services will improve the existing services in Olowalu Town with an expanded and upgraded water source and transmission system, including fire protection, for the existing residents. Stormwater runoff will be collected by a system of retention basins and filtration measures that will prevent flooding in the area, as well as improve the near shore water quality by removing a portion of the sediment that currently enters the ocean. The construction of an environmentally sound wastewater treatment facility adjacent to the County's Recycling and Refuse Convenience Center will provide an opportunity for portions of the existing

community to connect to the system and eliminate individual cesspools and septic systems as well as create an opportunity for the convenience center to expand into the Master Plan area for Alternatives 1 and 2. The Master Plan for Alternatives 1 and 2 will also require an increase in energy. To reduce dependency on fossil fuels, the Master Plan for Alternatives 1 and 2 proposes to utilize renewable energy systems, such as hydro-electric power, photo voltaic, solar, etc.

In this context, the Master Plan for Alternatives 1 and 2 is anticipated to have beneficial indirect or secondary impacts in the West Maui region.

h. <u>Triggers and Thresholds Effects on Water Resources and State and County Transportation Systems</u>

Triggers and thresholds refer to impacts which may be tied to indicators established through laws, policies, regulations or standards. Triggers and thresholds may include standards which identify key indicators which, when exceeded, would require special study or mitigation efforts. In traffic analysis for example, the LOS "F" reflects a worst case condition in terms of traffic operations. Such a LOS would require that traffic mitigation be implemented to bring conditions back within the acceptable range of operations.

Water Resources

With regards to the Master Plan for Alternatives 1 and 2, the parameter identified as requiring evaluation with respect to triggers and thresholds is the effect of the project on water resources. The threshold which must be considered is the two (2) MGD sustainable yield of the Olowalu Aquifer. The Master Plan for Alternatives 1 and 2 will require two (2) additional wells, however, at full build-out the project is estimated to require 672,300951,000 GPD, well belowwithin the two (2) MGD sustainable yield for the Olowalu Aquifer, although the U.S.G.S. has indicated the sustainable yield may be greater at 7.0 MGD. The future development of the new wells will follow the process for well construction and pump installation set forth under Chapter 174, HRS. Pump capacity limits for the wells will be required to respect the Olowalu Aquifer's two (2) MGD sustainable yield.

State and County Transportation Systems

The proposed Master Plan for Alternatives 1 and 2 envisions a system of arterials, collectors and local roads, integrated to provide an efficient and effective network for multiple forms of transportation including automobiles, bicycles, pedestrian and mass transit. Traffic impact evaluation will be required on an ongoing basis, over the 10-year project development timeframe to ensure that appropriate design features are incorporated into project plans as each phase of transportation infrastructure is implemented. In particular, at each phase of Project District development, traffic operations will need to be considered to ensure that applicable HDOT and County of Maui operational thresholds are met, either through design measures or transportation management measures.

i. Summary

The evaluation of cumulative and secondary impacts addressed key issues raised through the EIS process. Each issue has been analyzed with respect to applicable cumulative impact evaluative criteria. In general, appropriate mitigation measures and/or regulatory oversight processes have been identified to ensure that cumulative impacts for each key issue is managed, such that adverse conditions affecting the natural and man-made environments are mitigated and/or minimized.

HI. ALTERNATIVES ANALYSIS

III. ALTERNATIVES ANALYSIS

This chapter addresses alternatives considered in the development of the Master Plan and its various implementation components.

A. PREFERRED ALTERNATIVE

The preferred alternative described in Chapter I of this document was developed through an extensive community-based planning process referred to as "Olowalu Talk Story", which began in November 2005. The "Olowalu Talk Story" workshop or planning charette included the input of participants consisting of residents, community organizations, professionals, town planners, and government agencies. Project plans were continuously evaluated, assessed, and updated to incorporate the views of the participants and their stated desires in order to preserve Maui's quality of life, provide affordable housing for local residents, and preserve natural resources. Significant natural resources that were identified in the planning process for preservation or protection in recognition of the ahupua'a system of land management included the Olowalu Cultural Reserve (OCR), the archaeological and cultural resources of Olowalu, Olowalu Stream, Kapa'iki, the historic Olowalu Church, Camp Olowalu (formerly Pecusa), Olowalu Wharf, Olowalu General Store, the monkey pod trees on Honoapi'ilani Highway, the makai open spaces and recreational uses, and the coastal waters of Olowalu.

Refinement of the Master Plan has been through continued dialogue with interested parties established during "Olowalu Talk Story", especially with the residents of Olowalu. The preferred alternative of the Master Plan took six (6) years to develop and numerous iterations of the plan. The basic concepts of a sustainable and walkable community have been incorporated in the Master Plan. The country town centers are on relatively flat land and residential uses are within a five (5) minute walk to or one fourth mile of centers of activity to reduce the dependency on the automobile.

Concurrent with the refinement of the Master Plan, Olowalu Ekolu, LLC and Olowalu Town, LLC have participated in the Maui Island Plan (MIP) process to include the Master Plan in the proposed Urban Growth and Rural Growth Boundaries. Both the General Plan Advisory Committee and Maui Planning Commission have recommended the Master Plan in the MIP which is under review by the Maui County Council.

B. NO ACTION OR AGRICULTURAL SUBDIVISION ALTERNATIVE

On September 12, 2000 the Olowalu lands were granted Special Management Area Use Permit No. 990021 to develop the existing agricultural lots, including the Olowalu Makai Subdivision and Olowalu Mauka Subdivision. The agricultural lots sold in the Olowalu Makai Subdivision and portion of the lots in the Olowalu Mauka Subdivision have limited agricultural use, mainly landscaping or agricultural conservation. The lots are not being utilized for commercial farming. Of the remaining agricultural lots under the control of Olowalu Ekolu, LLC and Olowalu Town, LLC, there is limited diversified farming occurring on the properties. These include a tomato farm, cattle and horse grazing, and raising roosters. It is noted that these current agricultural enterprises share the benefit of low lease rents which support the business-side element of the farming operations.

The No Action Alternative would result in the continued sale of the remaining agricultural lots and the current limited agricultural use of the lots. While this option is considered a potential alternative use, the planning context for the proposed Master Plan is that of creating a comprehensively planned sustainable community which meets housing needs for local residents. The latter priority, established by the applicant, is deemed to yield a greater community benefit than the No Action Alternative. The rationale for the foregoing is provided below.

With the demise of Pioneer Mill in 1999 and cessation of pineapple cultivation in West Maui in 2009, there is an abundance of agricultural lands available for farming operations. Existing constraints, such as the ease in getting out-of-State agricultural products to State-wide markets at lower cost, limits diversified agriculture from expanding at a pace that would absorb the available agricultural lands. In the foreseeable future, there is no cash crop similar to sugarcane or pineapple envisioned that will be able to absorb the available vacant agricultural lands that were created with the demise of these two (2) plantations. There is interest in biofuel crops by the last remaining plantation on Maui. However, from an economic feasibility perspective, growing of such crops will more than likely require large-scale commercial farms rather than smaller diversified agricultural lots, such as those found in Olowalu.

With the surplus of agricultural lands available for farming operations on Maui, planning for future communities on the island must then discern lands which are most appropriate for meeting the needs of the island's residents and businesses, from historic, spatial relationship, infrastructural and environmental points of view. Based on the planning analysis and technical studies conducted for the Master Plan, the Olowalu area is considered a functionally appropriate opportunity for new community development:

C. DEFERRED ACTION ALTERNATIVE

The Deferred Action Alternative means that the land use entitlements and development implementation phases of the project would be undertaken at some future point in time. As noted previously, the proposed action has been in the planning and analyses phases of work since 2005. The process for securing appropriate land use entitlements typically span a number of years, to be followed by detailed design and engineering. In order to successfully program work for new community development, careful plotting of development milestones is needed to ensure that unnecessary delays are minimized. The Deferred Action Alternative is not considered applicable in this case as the need for a new community addressing local housing needs fall within a more immediate timeframe to coincide with the County of Maui's comprehensive planning processes of the MIP and update of the West Maui Community Plan.

D. OTHER USES ALTERNATIVE

From a master planning standpoint, alternative uses considered included developing resort uses, such as hotel units, with limited commercial support services to take advantage of the natural resources, especially the shoreline and ocean resources; as well as developing the area as a suburban residential area. These types of uses, however, are viewed as more traditional, taking away opportunity for focusing on a comprehensively planned sustainable community. The applicant's proposal is based on a philosophical priority which yields the land uses, product mixes and spatial relationships identified in the Master Plan.

E. INFRASTRUCTURE DEVELOPMENT CONSIDERATIONS

As a sustainable community, creative solutions for infrastructure systems will be required. The formulation of the preferred infrastructure system elements required careful engineering analysis, taking into account land use relationships, environmental impact mitigation, and relationships to existing and planned infrastructure systems. The basis for developing the preferred infrastructure system alternatives are described below.

Wastewater treatment and disposal requires utilization of technology that eliminates injection wells, locates facilities down gradient of water resources, locates facilities outside of any potential hazard area, such as the flood zones, and locates facilities in an area readily accessible, with limited impacts on existing and proposed residential and commercial uses. The wastewater facility site was selected on the northern portion of the property adjacent to the existing County of Maui's Recycling and Refuse Convenience Center which generates existing nuisances from noise, dust and odors and is accessible from an existing driveway.

Additionally, the site needed to be accessible to large landscaped areas in order to utilize the R-1 recycled water for irrigation, as well as provide for the natural treatment systems consisting of a constructed wetland and soil aquifer treatment system. The facility's proposed location next to the County's Recycling and Refuse Convenience Center also will accommodate the solid waste to be generated by the project.

The existing private water system needs to be upgraded with additional source wells, storage and transmission lines. The area on the mauka side of the future relocated Honoapi'ilani Highway near the existing well and water storage tank was selected as the most likely area for the new source wells and storage for convenient connection to the existing system. This location is up-gradient to allow gravity flow transmission lines and minimize the need for pump stations to supply potable water to the proposed and existing communities.

The alignment of the future relocated highway was designed to be consistent with the County's Pali to Puamana Master Plan, as well as the objectives of the Hawai'i Department of Transportation's (HDOT) Honoapi'ilani Highway Realignment/Widening Project (Mā'alaea to Launiupoko). The mauka alignment was selected based on the criteria of the Federal Highway Administration (FHWA) and HDOT, the topography of the site, and the existing natural constraints of the property where it narrows at both entrances to Olowalu along the shoreline. Relocating the highway further mauka will change the existing Honoapi'ilani Highway from a higher speed arterial to a lower-speed secondary roadway. The lower-speed secondary roadway will enhance and improve traffic safety of recreational users seeking to access the shoreline and create the opportunity to expand parks with associated amenities along the shoreline.

Drainage will be handled through a system of retention basins located within the approximate 140 acres of 223 acres of open space and park lands in the Master Plan. There is adequate acreage of open space and park lands included in the Master Plan to handle not only drainage but to provide necessary open spaces and park lands for both passive and active recreation. As a fundamental design criterion, the drainage system also needed to retain all the post development flows, as well as some of the pre-development flows in order to minimize impacts on the nearshore water quality, especially at the Olowalu Stream outlet.

F. SUMMARY

The alternatives considered by the applicant in formulating plans and systems for the Master Plan were based on lengthy study, in recognition that planning for a new sustainable community requires diligent and detailed analysis across a range of disciplines. The evaluation

of alternatives also involved a full process of community engagement which facilitated the identification of design and engineering options and their evaluative criteria.		
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HH.IV. RELATIONSHIP TO GOVERNMENTAL PLANS, POLICIES AND CONTROLS

HI.IV. RELATIONSHIP TO GOVERNMENTAL PLANS, POLICIES AND CONTROLS

A. STATE CONSTITUTION

Hawaii Constitution Article XI, Sec. 1 states:

For the benefit of present and future generations, the State and its political subdivisions shall conserve and protect Hawaii's natural beauty and all natural resources, including land, water, air, minerals and energy sources, and shall promote the development and utilization of these resources in a manner consistent with their conservation and in furtherance of the self-sufficiency of the State.

All public natural resources are held in trust by the State for the benefit of the people.

Article XI. Sec 7. states:

The State has an obligation to protect, control and regulate the use of Hawaii's water resources for the benefit of its people.

The legislature shall provide for a water resources agency which, as provided by law, shall set overall water conservation, quality and use policies; define beneficial and reasonable uses; protect ground and surface water resources, watersheds and natural stream environments; establish criteria for water use priorities while assuring appurtenant rights and existing correlative and riparian uses and establish procedures for regulating all uses of Hawaii's water resources.

The proposed action is not in conflict with the provisions of the State Constitution.

AB. STATE LAND USE DISTRICT

Chapter 205, Hawai'i Revised Statutes (HRS), relating to the State Land Use Commission (SLUC), establishes four (4) major land use dDistricts in which all lands in the state are placed. These dDistricts are designated as "Urban", "Rural", "Agricultural", and "Conservation". The Master Plan area is for Alternatives 1 and 2 is located within the "Agricultural" dDistrict with limited areas falling in the "Conservation" District. Refer to Figure 56.

A State Land Use (SLU) District Boundary Amendment (DBA) for those portions of the Master Plan area for Alternatives 1 and 2 located within the "Agricultural" dDistrict for reclassification to the "Urban" dDistrict and "Rural" dDistrict is being requested as part of the land use entitlements process to enable implementation of the proposed project. The proposed project does not may include passive recreational uses within the Conservation District but will not involve development within the Conservation district, such as single-family residences, nor does it propose reclassification of these lands. In Alternative 1, approximately 266 acres will be reclassified from the "Agricultural" District to the "Urban" District and approximately 168 acres to the "Rural" District. In Alternative 2, approximately 228 acres will be reclassified from the "Agricultural" District to the "Urban" District and approximately 168 acres to the "Rural" District. SLUC Rules (Section 15-15-50, Hawaii Administrative Rules (HAR)) require projects seeking reclassification to the "Urban" District to demonstrate that development of the project will be accomplished before ten (10) years after the date of the SLUC's approval of the DBA. In the event that full Urban development cannot be substantially completed within ten (10) years or seek incremental approval that timeframe, the Applicants must submit a schedule of development of the total of the project showing 10-year increments. The market study indicated the project, once all land use entitlements are obtained, can be absorbed within eight (8) to ten (10) years within the time frame of the SLUC. Criteria considered in the reclassification of lands are set forth in the SLUC Rules (Chapter 15-15, HAR). These criteria are discussed in the following section of this report:

BC. STATE LAND USE DISTRICT CRITERIA

URBAN DISTRICT

Pursuant to Section 15-15-18 of HAR, the proposed Master Plan for Alternatives 1 and 2 meets the standards for determining the "U" Urban District boundaries, as follows:

(1) It shall include lands characterized by "city-like" concentrations of people, structures, streets, urban level of services and other related land uses;

Historically, Olowalu included concentrations of people and structures from pre-contact to the present day. As a plantation community, Olowalu was a thriving community consisting of housing, employment centers, such as the Olowalu Mill and its surrounding agricultural fields. The old wharf was used to transport agricultural goods, and the existing Olowalu Store served as the community's gathering place. The demise of sugarcane in West Maui marked the decline in the community. The

Master Plan for Alternatives 1 and 2 proposes to establish a new community in this former plantation town.

(2) It shall take into consideration the following specific factors:

(A) Proximity to centers of trading and employment except where the development would generate new centers of trading and employment;

The Master Plan for Alternatives 1 and 2 proposes to establish a new community in the once thriving Olowalu plantation town through the creation of new opportunities for housing, employment, and support services. The Master Plan for Alternatives 1 and 2 includes a range of land uses. The Within the area proposed for the "Urban" District, the proposed project includes an estimated 375,000 square feet of commercial space. At full buildout, the project is expected to support approximately 1,000 jobs in commercial and industrial sectors. The Master Plan for Alternatives 1 and 2 would also provide for approximately 1,500 new residential units. Although the proposed project has a greater number of housing units than jobs, the Master Plan is for Alternatives 1 and 2 is located in proximity to major employment centers in West Maui, including Lāhainā, Kā'anapali, and Kapalua. As previously mentioned, the Master Plan for Alternatives 1 and 2 will target the workforce market segment, which has consistently been in high demand. Central Maui has historically housed the largest proportion of the island's workforce population and many residents commute from Wailuku and Kahului to jobs in West Maui. The proposed project will provide workforce housing opportunities closer to West Maui employment destinations.

The "Conservation" District and "Agricultural" District lands are aimed at preserving the cultural history of the area and re-establishing the once thriving ahupua'a agricultural system of the early Hawaiians. The Rural and Urban land uses are envisioned to be the main centers of housing and employment opportunities with their supporting services.

(B) Availability of basic services such as schools, parks, wastewater systems, solid waste disposal, drainage, water, transportation systems, public utilities, and police and fire protection; and

The Master Plan for Alternatives 1 and 2 includes basic services, such as opportunities for public facilities, including, but not limited to, parks, schools,

police, and fire. Approximately 223 acres and 200 acres, respectively, of active and passive parks and open space will be provided in the Master Plan for Alternatives 1 and 2. Additional detail regarding public facilities within the Master Plan for Alternatives 1 and 2 will be discussed with appropriate State and County agencies as the planning process for the project progresses to detailed engineering and design phases of project development. Infrastructure services, such as a private water system, wastewater treatment facility, and a future corridor for the inland relocation of Honoapi'ilani Highway, are addressed by the Master Plan for Alternatives 1 and 2.

(C) Sufficient reserve areas for foreseeable urban growth;

The Master Plan is for Alternatives 1 and 2 represents a comprehensively planned community intended to be implemented over a 10-year horizon and includes sufficient areas for foreseeable urban growth. In a larger regional and islandwide context, the County of Maui's 2030 General Plan update process will examined other areas appropriate for urban growth. The General Plan's Maui Island Plan (MIP) component is specifically designed to establishes urban and rural growth areas on directed growth maps through the year 2030. The General Plan Advisory Committee (GPAC) recommended that the Olowalu Master Plan be included within these directed growth boundaries. The Maui Planning Commission (MPC) recommended that the portion of the Master Plan mauka of Honoapi'ilani Highway be located within the directed growth boundaries. The MIP was transmitted to the Maui County Council on October 16, 2009 and is currently under review. See Appendix "O". The MIP was adopted by Ordinance No. 4004, effective on December 28, 2012. The Implementation component of the MIP was adopted by Ordinance No. 4126, effective on May 29, 2014. As a directed growth strategy, the MIP identifies the Olowalu area for future growth by including Olowalu in the Urban Growth Boundaries (UGB) and Rural Growth Boundaries (RGB) on the directed growth maps. The MIP's UGB and RGB at Olowalu encompass lands mauka of Honoapi'ilani Highway. The MIP states that "the future delineation of potential urban growth areas makai of the existing Honoapi'ilani Highway may be undertaken in conjunction with updates or amendments to the West Maui Community Plan" (MIP at 8-64).

(3) It shall include lands with satisfactory topography, drainage, and reasonably free from the danger of any flood, tsunami, unstable soil condition, and other adverse environmental effects;

The Master Plan has for Alternatives 1 and 2 has been formulated to accommodate natural and man-derived constraints, such as flood, tsunami, soil conditions, historic and cultural sites, and related land use-governing environmental parameters. It should be noted that the Master Plan Alternative 1 observes a minimum the existing 150-foot shoreline setback, as well as maintenance of the while Alternative 2 does not impact the properties makai of Honoapi'ilani Highway and the existing shoreline setback. Both Alternatives 1 and 2 maintain the Olowalu Cultural Reserve (OCR) to preserve archaeological, historic, and cultural resources. The proposed Master Plan Alternatives 1 and 2 does not propose any development within the portion of the Master Plan area that is within Flood Zone VE. Apart from this, construction within flood hazard areas will be in compliance with Maui County Code (MCC) Section 19.62.060, relating to standards for development within flood hazard areas. It is noted that the proposed drainage improvements are expected to prevent the existing low level flooding in the AE Zone (less than one (1) foot) that occur in portions of the Master Plan area).

(4) Land contiguous with existing urban areas shall be given more consideration than non-contiguous land, and particularly when indicated for future urban use on state or county general plans or county community plans or development plans;

While the Master Plan area is for Alternatives 1 and 2 is not contiguous to other urban lands or currently it is designated on the County General PlanMIP for future urban growth, the. Master Plan is Alternatives 1 and 2 are viewed as an opportunity to establish a village community in the former plantation town of Olowalu to meet the island's growing need for housing. In this context, except for lands makai of Honoapi'ilani Highway, the GPAC recommended County Council approved inclusion of the Master Plan area in the Urban and Rural Growth Boundaries of the directed growth maps of the MIP. The MPC as well, recommended the Master Plan be included in the future growth boundaries. The Planning Department's recommendation to the Maui County Council, however, excludes the Master Plan from designation as a future urban and rural growth area. The MIP was transmitted to the Maui County Council on October 16, 2009 and is currently under review. The applicant will continue its participation in the MIP process to ensure appropriate consideration for urban and rural growth boundaries for the Master Plan. However,

due to the uncertainties surrounding the timing of the County Council's approval of the MIP and the lengthy entitlement process for the proposed project, the applicant is continuing to proceed with the DBA and other entitlement approvals for the proposed project while the MIP review continues. If the MIP is adopted prior to the submittal of the Final EIS, the Final EIS will address the project's compliance with the MIP goals, objectives, and policies. Refer to Appendix "O".

(5) It shall include lands in appropriate locations for new urban concentrations and shall give consideration to areas of urban growth as shown on the state and county general plans of community plans or development plans;

As noted, the context for urban growth direction up to 2030, is being addressed through the MIP. Although the process of deliberating and delineating the MIP maps is ongoing, the applicant is actively participating in the process, as reflected in the GPAC's and MPC's recommendations to include the Master Plan in the island's directed growth boundary. The MIP designates Olowalu as an appropriate location for new urban concentrations. The MIP's UGB and RGB at Olowalu encompass lands mauka of Honoapi'ilani Highway. The MIP states that "the future delineation of potential urban growth areas makai of the existing Honoapi'ilani Highway may be undertaken in conjunction with updates or amendments to the West Maui Community Plan" (MIP at 8-64). As such, Alternatives 1 and 2 are appropriate locations for new urban concentrations.

- (6) It may include lands which do not conform to the standards in paragraphs (1) to (5):
 - (A) When surrounded by or adjacent to existing urban development; and
 - (B) Only when those lands represent a minor portion of this district;

The Master Plan Alternatives 1 and 2 involves the establishment of a community in the former plantation town of Olowalu to provide workforce housing opportunities within the community and in closer proximity to jobs in West Maui. Planning for the proposed project via a master planning framework has considered the criteria for land use standards conformance. It is in this master planning context, that conformance to the standards have been addressed. The applicant Applicants proposes to reclassify 460 acres approximately 434 acres in Alternative 1 and 396 acres in Alternative 2 of SLU "Agricultural" District land to the SLU "Urban" District and "Rural designation"

District. This represents less than 0.020.18 and 0.17 percent, respectively of the roughly 235,770 acres of agricultural lands on the island of Maui.

(7) It shall not include lands, the urbanization of which will contribute toward scattered spot urban development, necessitating unreasonable investment in public infrastructure or support services;

The Master Plan is Alternatives 1 and 2 are envisioned to establish a new, spatially and functionally integrated community at the location of the former Olowalu plantation town. Infrastructure services, parks and the right-of-way for the future inland relocation of Honoapi`ilani Highway will be provided by the Applicants. The Master Plan Alternatives 1 and 2 includes provisions for public services, such as educational facilities, police and fire protection services. Based on the master planning framework used in project planning, there is no unreasonable investment in public infrastructure or support services anticipated. Property tax revenues, mainly from the commercial uses, generated by the new development would help to offset County investment in public infrastructure or support services.

(8) It may include lands with a general slope of twenty per cent or more if the commission finds that those lands are desirable and suitable for urban purposes and that the design and construction controls, as adopted by any federal, state, or county agency, are adequate to protect the public health, welfare and safety, and the public's interests in the aesthetic quality of the landscape.

The Master Plan's urban-related uses for Alternatives 1 and 2 are to be located on lands with three (3) to five (5) percent slope and do not include lands with a general slope of twenty percent or more.

RURAL DISTRICT

Pursuant to HAR Section 15-15-21, the Master Plan for Alternatives 1 and 2 meets the standards for determining the "R" rural district boundaries, as follows:

(1) Areas consisting of small farms; provided that the areas need not be included in this district if their inclusion will alter the general characteristics of the areas;

The Master Plan for Alternatives 1 and 2 includes a range of land uses, including proposed rural lots which are envisioned to be adjacent to existing agricultural lands and serve as a transitional zone between the agricultural lands and the proposed urban town centers. The Master Plan envisions a reclassification of approximately 168 acres

from the SLU "Agricultural" District to the SLU "Rural" District. The rural lots in the "Rural" District will also provide residential flexibility which is not found within the agricultural SLU "Agricultural" dDistrict.

(2) Activities or uses as characterized by low-density residential lots of not less than one-half acre and a density of not more than one single-family dwelling per one-half acre in areas where "city-like" concentration of people, structures, streets, and urban level of services are absent, and where small farms are intermixed with the low-density residential lots; and

The rural designated SLU "Rural" District lands are envisioned to be a transitional zone between the existing agricultural lands and the future urban town center. The lots will range from the minimum one-half acre to larger lots and provide for larger residential house lots.

(3) It may also include parcels of land which are surrounded by, or contiguous to this district, and are not suited to low-density residential uses for small farm or agricultural uses.

The Less than 0.1 percent of land within the State of Hawai'i is in the "Rural" District. Accordingly, the areas proposed for "Rural" reclassification are not surrounded by or contiguous to rural "Rural" District lands. However, these areas are designated within the RGB of the directed growth maps of the MIP. The Rural District lands within the Master Plan serve as a transition zone between the urban uses and agricultural lots. Currently, there are no Rural-designated lands in Olowalu. Areas proposed for "Rural" designation are envisioned as a low-density residential transition zone between the existing agricultural lands and the future urban town centers and does not preclude small-scale agricultural operations. The proposed Rural District designation is not anticipated to adversely impact neighboring agricultural activity on lands within the Agricultural District.

CD. HAWAI'I STATE PLAN

Chapter 226, HRS, also known as the Hawai'i State Plan, is a long-range comprehensive plan which serves as a guide for the future long-term development of the State by identifying goals, objectives, policies, and priorities, as well as implementation mechanisms. Examples of State objectives and policies relevant to the proposed Master Plan project are as follows discussed below:

1. <u>Section 226-5 Objective and policies for population.</u>

It shall be the objective in planning for the State's population to guide population growth to be consistent with the achievement of physical, economic, and social objectives contained in this chapter.

To achieve the population objective, it shall be the policy of this State to:

- a. Manage population growth statewide in a manner that provides increased opportunities for Hawai'i's people to pursue their physical, social, and economic aspirations while recognizing the unique needs of each county.
- b. Encourage an increase in economic activities and employment opportunities on the neighbor islands consistent with community needs and desires.
- c. Promote increased opportunities for Hawai'i's people to pursue their socioeconomic aspirations throughout the islands.
- d. Plan the development and availability of land and water resources in a coordinated manner so as to provide for the desired levels of growth in each geographic area.

2. <u>Section 226-6 Objectives and policies for the economy--in general.</u>

Planning for the State's economy in general shall be directed toward achievement of the following objectives:

- a. Increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawai'i's people while at the same time stimulating the development and expansion of economic activities capitalizing on defense, dual-use, and science and technology assets, particularly on the neighbor islands where employment opportunities may be limited.
- b. A steadily growing and diversified economic base that is not overly dependent on a few industries, and includes the development and expansion of industries on the neighbor islands.

To achieve the economic objectives, it shall be the policy of the State to: Promote and protect intangible resources in Hawai'i, such as scenic beauty and the Aloha spirit, which are vital to a healthy economy.

3. §Section 226-11 Objectives and policies for the physical environment-land-based, shoreline, and marine resources.

Planning for the State's physical environment with regard to land-based, shoreline, and marine resources shall be directed towards achievement of the following objectives:

- a. Prudent use of Hawai'i's land-based, shoreline, and marine resources.
- b. Effective protection of Hawai'i's unique and fragile environmental resources.

To meet these objectives, it shall be the State policy to:

- a. Ensure compatibility between land-based and water-based activities and natural resources and ecological systems.
- b. Take into account the physical attributes of areas when planning and designing activities and facilities.
- c. Manage natural resources and environs to encourage their beneficial and multiple use without generating costly or irreparable environmental damage.

4. §Section 226-12 Objective and policies for the physical environment--scenic, natural beauty, and historic resources.

Planning for the State's physical environment shall be directed towards achievement of the objective of enhancement of Hawai'i's scenic assets, natural beauty, and multicultural/historical resources.

To achieve the scenic, natural beauty, and historic resources objective, it shall be the policy of this State to:

- a. Promote the preservation and restoration of significant natural and historic resources.
- b. Promote the preservation of views and vistas to enhance the visual and aesthetic enjoyment of mountains, ocean, scenic landscapes, and other natural features.
- c. Protect those special areas, structures, and elements that are an integral and functional part of Hawai'i's ethnic and cultural heritage.
- d. Encourage the design of developments and activities that complement the natural beauty of the islands.

5. §Section 226-13 Objectives and policies for the physical environment--land, air, and water quality.

Planning for the State's physical environment with regard to land, air, and water quality shall be directed towards achievement of the following objectives:

- a. Maintenance and pursuit of improved quality in Hawai'i's land, air, and water resources.
- b. Greater public awareness and appreciation of Hawai'i's environmental resources.

To achieve the land, air, and water quality objectives, it shall be the policy of this State to:

- a. Reduce the threat to life and property from erosion, flooding, tsunamis, hurricanes, earthquakes, volcanic eruptions, and other natural or man-induced hazards and disasters.
- b. Encourage design and construction practices that enhance the physical qualities of Hawai'i's communities.

6. Section 226-14 Objective and policies for facility systems--in general.

Planning for the State's facility systems in general shall be directed towards achievement of the objective of water, transportation, waste disposal, and energy and telecommunication systems that support statewide social, economic, and physical objectives.

To achieve the general facility systems objective, it shall be the policy of this State to:

- a. Accommodate the needs of Hawai`i's people through coordination of facility systems and capital improvement priorities in consonance with state and county plans.
- b. Encourage flexibility in the design and development of facility systems to promote prudent use of resources and accommodate changing public demands and priorities.
- c. Ensure that required facility systems can be supported within resource capacities and at reasonable cost to the user.

7. <u>Section 226-15 Objectives and policies for facility systems--solid and liquid</u> wastes.

Planning for the State's facility systems with regard to solid and liquid wastes shall be directed towards the achievement of the following objectives:

- a. Maintenance of basic public health and sanitation standards relating to treatment and disposal of solid and liquid wastes.
- b. Provision of adequate sewerage facilities for physical and economic activities that alleviate problems in housing, employment, mobility, and other areas.

To meet these objectives, it shall be the State's policy to encourage the adequate development of sewerage facilities that complement planned growth.

8. Section 226-16 Objective and policies for facility systems--water.

Planning for the State's facility systems with regard to water shall be directed towards achievement of the objective of the provision of water to adequately accommodate domestic, agricultural, commercial, industrial, recreational, and other needs within resource capacities.

To achieve the facility systems water objective, it shall be the policy of this State to:

- a. Coordinate development of land use activities with existing and potential water supply.
- b. Reclaim and encourage the productive use of runoff water and wastewater discharges.
- c. Assist in improving the quality, efficiency, service, and storage capabilities of water systems for domestic and agricultural use.
- d. Support water supply services to areas experiencing critical water problems.
- e. Promote water conservation programs and practices in government, private industry, and the general public to help ensure adequate water to meet long-term needs.

9. Section 226-17 Objectives and policies for facility systems--transportation.

Planning for the State's facility systems with regard to transportation shall be directed towards the achievement of the following objectives:

- a. An integrated multi-modal transportation system that services statewide needs and promotes the efficient, economical, safe, and convenient movement of people and goods.
- b. A statewide transportation system that is consistent with and will accommodate planned growth objectives throughout the State.

To achieve the transportation objectives, it shall be the policy of this State to:

- a. Design, program, and develop a multi-modal system in conformance with desired growth and physical development as stated in this chapter.
- b. Promote a reasonable level and variety of mass transportation services that adequately meet statewide and community needs.
- c. Encourage transportation systems that serve to accommodate present and future development needs of communities.
- d. Encourage the design and development of transportation systems sensitive to the needs of affected communities and the quality of Hawai'i's natural environment.
- e. Encourage safe and convenient use of low-cost, energy-efficient, non-polluting means of transportation.

10. Section 226-18 Objectives and policies for facility systems--energy.

Planning for the State's facility systems with regard to energy shall be directed toward the achievement of the following objectives, giving due consideration to:

- a. Dependable, efficient, and economical statewide energy systems capable of supporting the needs of the people;
- b. Increased energy self-sufficiency where the ratio of indigenous to imported energy use is increased.

To achieve the energy objectives, it shall be the policy of this State to:

- a. Promote all cost-effective conservation of power and fuel supplies through measures, including:
 - (1) Development of cost-effective demand-side management programs
 - (2) Education, and

(3) Adoption of energy-efficient practices and technologies

11. Section 226-19 Objectives and policies for socio-cultural advancement--housing.

Planning for the State's socio-cultural advancement with regard to housing shall be directed toward the achievement of the following objectives:

- (1) Greater opportunities for Hawai'i's people to secure reasonably priced, safe, sanitary, and livable homes, located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals, through collaboration and cooperation between government and nonprofit and forprofit developers to ensure that more affordable housing is made available to very low, low- and moderate-income segments of Hawai'i's population.
- (2) The orderly development of residential areas sensitive to community needs and other land uses.
- (3) The development and provision of affordable rental housing by the State to meet the housing needs of Hawai'i's people.

To achieve the housing objectives, it shall be the policy of this State to:

- a. Effectively accommodate the housing needs of Hawai'i's people.
- b. Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households.
- c. Increase home ownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.
- d. Foster a variety of lifestyles traditional to Hawai'i through the design and maintenance of neighborhoods that reflect the culture and values of the community.

12. Section 226-23 Objective and policies for socio-cultural advancement--leisure.

Planning for the State's socio-cultural advancement with regard to leisure shall be directed towards the achievement of the objective of the adequate provision of resources to accommodate diverse cultural, artistic, and recreational needs for present and future generations. To achieve the leisure objective, it shall be the policy of this State to:

a. Foster and preserve Hawai'i's multi-cultural heritage through supportive cultural, artistic, recreational, and humanities-oriented programs and activities.

- b. Provide a wide range of activities and facilities to fulfill the cultural, artistic, and recreational needs of all diverse and special groups effectively and efficiently.
- c. Enhance the enjoyment of recreational experiences through safety and security measures, educational opportunities, and improved facility design and maintenance.
- d. Promote the recreational and educational potential of natural resources having scenic, open space, cultural, historical, geological, or biological values while ensuring that their inherent values are preserved.
- e. Ensure opportunities for everyone to use and enjoy Hawai`i's recreational resources.
- f. Assure the availability of sufficient resources to provide for future cultural, artistic, and recreational needs.

13. Section 226-25 Objective and policies for socio-cultural advancement--culture.

Planning for the State's socio-cultural advancement with regard to culture shall be directed toward the achievement of the objective of enhancement of cultural identities, traditions, values, customs, and arts of Hawai'i's people.

To achieve the culture objective, it shall be the policy of this State to:

- a. Foster increased knowledge and understanding of Hawai'i's ethnic and cultural heritages and the history of Hawai'i.
- b. Support activities and conditions that promote cultural values, customs, and arts that enrich the lifestyles of Hawai'i's people and which are sensitive and responsive to family and community needs.

The foregoing State Plan objectives and policies will be advanced through the implementation of the proposed Master Plan for Alternatives 1 and 2.

The State Plan also includes priority guidelines which identify desirable courses of action in six (6) major areas of statewide concern which merit priority attention: economic development, population growth and land resource management, affordable housing, crime and criminal justice, quality education, and principles of sustainability. Examples of State priority guidelines relevant to the proposed Master Plan for Alternatives 1 and 2 are discussed below:

1. Section 226-103 Economic priority guidelines.

Priority guidelines to stimulate economic growth and encourage business expansion and development to provide needed jobs for Hawai'i's people and achieve a stable and diversified economy:

- Provide public incentives and encourage private initiative to develop and attract industries which promise long-term growth potentials and which have the following characteristics:
 - (A) An industry that can take advantage of Hawai'i's unique location and available physical and human resources.
 - (B) A clean industry that would have minimal adverse effects on Hawai'i's environment.
 - (C) An industry that is willing to hire and train Hawai'i's people to meet the industry's labor needs at all levels of employment.
 - (D) An industry that would provide reasonable income and steady employment.

Priority guidelines to promote the growth and development of diversified agriculture and aquaculture:

- Identify, conserve, and protect agricultural and aquacultural lands of importance and initiate affirmative and comprehensive programs to promote economically productive agricultural and aquacultural uses of such lands.
- Assist in providing adequate, reasonably priced water for agricultural activities.
- Encourage public and private investment to increase water supply and to improve transmission, storage, and irrigation facilities in support of diversified agriculture and aquaculture.
- Encourage the development and expansion of agricultural and aquacultural activities which offer long-term economic growth potential and employment opportunities.
- Support the continuation of land currently in use for diversified agriculture.

Priority guidelines for water use and development:

- Maintain and improve water conservation programs to reduce the overall water consumption rate.
- Encourage the improvement of irrigation technology and promote the use of non-drinking water for agricultural and landscaping purposes.

Priority guidelines for energy use and development:

- Encourage the development, demonstration, and commercialization of renewable energy sources.
- Encourage the development and use of energy conserving and cost-efficient transportation systems.

2. Section 226-104 Population growth and land resources priority guidelines.

Priority guidelines to effect desired statewide growth and distribution:

- Manage a growth rate for Hawai'i's economy that will parallel future employment needs for Hawai'i's people.
- Ensure that adequate support services and facilities are provided to accommodate the desired distribution of future growth throughout the State.
- Encourage major state and federal investments and services to promote economic development and private investment to the neighbor islands, as appropriate.

Priority guidelines for regional growth distribution and land resource utilization:

- Seek participation from the private sector for the cost of building infrastructure and utilities, and maintaining open spaces.
- Pursue rehabilitation of appropriate urban areas.
- Direct future urban development away from critical environmental areas or impose mitigating measures so that negative impacts on the environment would be minimized.
- Identify critical environmental areas in Hawai'i to include but not be limited to the following: watershed and recharge areas; wildlife habitats (on land and in the ocean); areas with endangered species of plants and wildlife; natural streams and water bodies; scenic and recreational shoreline resources; open space and natural areas; historic and cultural sites; areas particularly sensitive to reduction in water and air quality; and scenic resources.

- Utilize Hawai'i's limited land resources wisely, providing adequate land to accommodate projected population and economic growth needs while ensuring the protection of the environment and the availability of the shoreline, conservation lands, and other limited resources for future generations.
- Protect and enhance Hawai'i's shoreline, open spaces, and scenic resources.

3. Section 226-105 Crime and criminal justice.

Priority guidelines in the area of crime and criminal justice:

 Support law enforcement activities and other criminal justice efforts that are directed to provide a safer environment.

4. Section 226-106 Affordable housing.

Priority guidelines for the provision of affordable housing:

- Seek to use marginal or nonessential agricultural land and public land to meet housing needs of low- and moderate-income and gap-group households.
- Encourage the use of alternative construction and development methods as a means of reducing production costs.
- Encourage public and private sector cooperation in the development of rental housing alternative.
- Give higher priority to the provision of quality housing that is affordable for Hawai'i's residents and less priority to development of housing intended primarily for individuals outside of Hawai'i.

5. Section 226-107 Quality education.

Priority guidelines to promote quality education:

- Explore alternatives for funding and delivery of educational services to improve the overall quality of education;
- Development resources and programs for early childhood education.

6. Section 226-108 Sustainability.

Priority guidelines and principles to promote sustainability shall include:

- Encouraging balanced economic, social, community, and environmental priorities;
- Promoting a diversified and dynamic economy;
- Encouraging respect for the host culture;
- Promoting decisions based on meeting the needs of the present without compromising the needs of future generations;
- Considering the principles of the ahupua'a system; and
- Emphasizing that everyone, including individuals, families, communities, businesses, and government, has the responsibility for achieving a sustainable Hawai'i.

7. Section 226-109 Climate Change Adaptation.

Priority guidelines to prepare the State to address the impacts of climate change, including impacts to the areas of agriculture; conservation lands; coastal and nearshore marine areas; natural and cultural resources; education; energy; higher education; health; historic preservation; water resources; the built environment, such as housing, recreation, transportation; and the economy shall:

- Consider native Hawaiian traditional knowledge and practices in planning for the impacts of climate change;
- Encourage the preservation and restoration of natural landscape features, such as coral reefs, beaches and dunes, forests, streams, floodplains, and wetlands, that have the inherent capacity to avoid, minimize, or mitigate the impacts of climate change;
- Explore adaptation strategies that moderately harm or exploit beneficial opportunities in response to actual or expected climate change impacts to the natural and built environments:
- Promote sector resilience in areas such as water, roads, airports, and public health, by encouraging the identification of climate change threats, assessment of potential consequences, and evaluation of adaptation options;
- Foster cross-jurisdictional collaboration between county, state, and federal agencies and partnerships between government and private entities and other nongovernmental entities, including nonprofit entities;

• Encourage planning and management of the natural and built environments that effectively integrate climate change policy.

There are also priority guidelines identified in the Hawai'i State Plan that require consideration of competing policy directions. These are illustrated by the following:

1. The priority guidelines to promote the growth and development of diversified agriculture and aquaculture includes the following:

Identify, conserve, and protect agricultural and aquacultural lands of importance and initiate affirmative and comprehensive programs to promote economically productive agricultural and aquacultural uses of such lands.

Comment: With the demise of the plantation in 1999, the former sugarcane lands have been left fallow and unproductive. Limited agricultural uses exist on these former sugarcane lands consisting of the tomato and tree farms and the efforts of the OCR to re-establish the *lo`is* and promote native plants. Although land is being removed from agricultural use, it will have other benefits to the community which advance other priority guidelines. The Master Plan for Alternatives 1 and 2 will provide housing and employment opportunities as well as preserve cultural resources and enhance recreation in the Olowalu area.

As noted previously, according to the Agricultural Assessment, agriculture in the future will become more efficient in the use of land and resources. Hydroponic farming, represented by the tomato farm, will increase and will produce higher yields on less land, use of less water, and is not dependent on soil characteristics.

2. The priority guidelines and principles for regional growth distribution and land resource utilization also includes the following:

Encourage urban growth primarily to existing urban areas where adequate public facilities are already available or can be provided with reasonable public expenditures, and away from areas where other important benefits are present, such as protection of important agricultural land or preservation of lifestyles.

<u>Comment:</u> Although Alternatives 1 and 2 are not within an existing urban area, they are located in an area historically utilized for housing first by native Hawaiians and more recently as plantation housing before enactment of Chapter 205, HRS and

the State Land Use Districts. Basic infrastructure, such as drinking and non-drinking water systems and transportation networks, are available in Olowalu Town. Implementation of the Master Plan for Alternatives 1 and 2 will be undertaken concurrent with the development of infrastructure and public services and facilities, such as development of a sewage treatment facility and transmission lines, construction of a drainage system, additional transportation networks, upgraded water systems and provisions for public facilities such as fire and police protection, educational facility and parks. In this context, the Master Plan for Alternatives 1 and 2 meets the intent of the priority guidelines relating to growth and land resources while providing housing and employment opportunities to Maui residents.

The State Functional Plans define actions for implementation of the Hawai'i State Plan through the identification of needs, problems and issues, and recommendations on policies and priority actions which address the identified areas of concern. Twelve (12)Thirteen (13) State Functional Plans were adopted in the 1980s and updated in 1984, 1989, 1990, and 1991. The proposed Master Plan is for Alternatives 1 and 2 is consistent with the following State Functional Plans' objectives:

1. Education Functional Plan

Objective A(4): Services and Facilities. Ensure the provision of adequate and accessible educational services and facilities that are designed to meet individual community needs.

Objective C(2): Hawai'i's Cultural Heritage. Promote educational programs which enhance understanding of Hawai'i's cultural heritage.

<u>Comment:</u> The Master PlanAlternatives 1 and 2 includes the provision offor educational facilities. It is envisioned that the future educational facilities within the Master Plan for Alternatives 1 and 2 will incorporate lessons learned within the OCR as core components of its curriculum.

2. <u>Employment Functional Plan</u>

Objective D: Improve Quality of Life for workers and families.

<u>Comment:</u> The proposed project provides for a mix of commercial, public/quasipublic, and residential facilities, allowing residents the opportunity to live near employment opportunities. The Master Plan for Alternatives 1 and 2 will also provide workforce housing opportunities in closer proximity to resort- and tourism-related jobs in Lāhainā, Kā`anapali, and Kapalua. Currently, the majority of workforce housing on the island is located in Central Maui and many people commute from Wailuku and Kahului to jobs in West Maui.

3. Historic Preservation Functional Plan

Objective A: Identification of historic properties.

Objective B: Protection of historic properties.

Objective C: Management and treatment of historic properties

Objective D: Provision of adequate facilities to preserve historic resources.

<u>Comment:</u> The proposed Master Plan Alternatives 1 and 2 includes the 74-acre OCR. It is envisioned that the future education facilities within the Master Plan for Alternatives 1 and 2 will incorporate lessons learned within the OCR as core components of its curriculum. Also, the significant archaeological, historic and cultural sites and features are being preserved in accordance with the preservation and maintenance plans approved by SHPD.

The Applicants and their consultants are conducting additional research relating to preserving and enhancing the project's sense of place. Such research includes reviewing historic land use records, maps and surveys, as well as interviews with kupuna to assemble names of Hawaiian families who are descendants of Olowalu or who resided in Olowalu; as well as the historic Hawaiian place names in the area, including the names of small districts within the Olowalu Ahupua'a. As the Master Plan progresses to implementation, consideration will be given to re-establishing these family names and historic place names in public places such as civic facilities, parks, streets and other places.

4. Housing Functional Plan

Objective A: Homeownership for at least sixty percent, or roughly 248,500 households by the year 2000.

Objective B: Acquire and designate land suitable for housing development in sufficient amount to locate the deficit in housing units by the year 2000.

<u>Comment:</u> The proposed Master Plan for Alternatives 1 and 2 will provide for a mix of residential housing types for a variety of income groups. Half of the proposed 1,500 units will be reserved for workforce housing serving households earning between 80 percent and 160 percent of median income. Affordable housing will be provided in accordance with Chapter 2.96, Maui County Code (MCC), Workforce Housing Policy. However, as much as possible, the Applicants propose to provide as much affordable housing, as possible, greater than the requirements of Chapter 2.96, MCC.

5. Recreation Functional Plan

Objective II.C: Improve and expand the provision of recreation facilities in urban areas and local communities.

Objective III.A: Prevent the loss of access to shoreline and upland recreation areas due to new developments.

Objective IV.A: Promote a conservation ethic in the use of Hawai`i's recreational resources.

Objective IV.B: Prevent degradation of the marine environment.

Objective V.A: Properly maintain existing parks and recreation areas.

Comment: The proposed project includes provisions for active and passive parks, as well as open space areas. Approximately 223 acres of the Master Plan for Alternative 1 and approximately 200 acres for Alternative 2, have been designated for drainage, park and open-space. The Master Plan for Alternative 1 also provides for the preservation and enhancement of shoreline access to the existing beach reserve area and shoreline in the vicinity of the project. Alternative 2 will maintain existing access to the shoreline.

6. Transportation Functional Plan

Objective I.B: Reduction of travel demand through zoning and decentralization initiatives.

Objective I.E: Planning and designing State highways to enhance inter-regional mobility.

Objective II.A: Development of a transportation infrastructure that supports economic development initiatives.

Comment: The Master Plan involves for Alternatives 1 and 2 includes the corridor for the proposed relocation of Honoapi ilani Highway along a mauka alignment to provide a route which is consistent with the County of Maui's proposed Pali to Puamana Parkway Master Plan. The Pali to Puamana Parkway Master Plan includes recommendations for parks and open space areas makai of Honoapi ilani Highway. The recent MIP recognizes that the location of these boundaries requires further review. As such, the MIP states that "the distinct boundaries of the parks and open space, specific location of the recreational uses, and the precise amenities will be further defined during the West Maui Community Plan Update and the project review and approval process". Alternative 1, during the various entitlement processes, will develop more specificity as to the location, uses and amenities to be provided. Alternative 2 does not include the makai lands which will remain in its existing condition.

The project is also coordinating the mauka alignment with the proposed Honoapi`ilani Highway Realignment/Widening from Mā`alaea to Launiupoko with the State of Hawai`i, Department of Transportation (HDOT). The mauka realignment of Honoapi`ilani Highway will facilitate the State's and County's vision to move the highway inland, away from its existing, more environmentally sensitive coastal alignment. In addition, the project is designed to be a pedestrian-friendly community which will allow residents to live within walking distance of corner stores, schools, parks, employment opportunities, gathering centers, beaches/shoreline, and other social and civic resources, reducing reliance on automobiles.

E. STATE OF HAWAI'I PLANS

1. Federal-Aid Highways 2035 Transportation Plan for the District of Maui:

In July 2014, the HDOT prepared the Federal-Aid Highways 2035 Transportation Plan for the District of Maui, to aid the State of Hawai'i in its decision making process relating to its long range transportation planning to the year 2035 in modernizing transportation systems, improving safety on highways, and meeting the State's ambitious, yet obtainable, sustainability goals. The Plan applies to Federal-aid

highways on Maui. Honoapi'ilani Highway (Route 30), between Main Street in Wailuku to Front Street in Lāhainā, is categorized as a National Highways System facility or Federal-aid highway.

Starting from the south shoreline, Honoapi'ilani Highway is classified as a principal arterial, changes to a minor arterial through Lāhainā, and then becomes a collector roadway through Kapalua. These highways serve as the primary "belt road" access around West Maui and connects the area's town and communities. Honoapi'ilani Highway from Wailuku through Mā'alaea, Lāhainā, and Kā'anapali would expect to see greater volumes by 2035. Nearly 51,000 daily vehicles could be expected to travel on the highway near Kā'anapali. This represents roughly 30 percent growth in traffic over existing conditions and would result in increased daily congestion and travel times between communities.

Issues identified in the 2035 Transportation Plan include 1) congestion, 2) shoreline and hillside protection of roadways, 3) improving safety for non-motorized modes of transportation, and 4) improving transit services. To increase roadway capacity, safety and multi-modal facilities, the 2035 Transportation Plan recommends two additional travel lanes for Honoapi`ilani Highway from Mā`alaea to Launiupoko, as well as from Wailuku to Mā`alaea. The estimated costs in 2011 dollars was \$650 million and \$121.4 million, respectively.

Implementation of the 2035 Transportation Plan will be conducted in a three (3) tier system. Tier 1 is the Statewide Transportation Improvement Program (STIP), which identifies projects that can be reasonably completed with available funds within four (4) years. Tier 2 is the Mid-Range Plan between the STIP and Long-Range Plan which are solutions that are anticipated to take eight (8) to ten (10) years to implement. Tier 3 is the Long-Range Plan which are solutions that are anticipated to take between ten (10) to twenty (20) years to implement.

The 2015-2018 STIP includes the following improvements to Honoapi`ilani Highway (See **Table 41**):

Table 41. 2015-2018 STIP For Honoapi'ilani Highway

Project#	Project Description	Estimated Construction
MS6	Honoapi'ilani Highway Realignment, Phase 1B2 - Hokiokio Place to Relocated Southern Terminus west of the former Olowalu Landfill and Phase 1C - Keawe Street Extension to North of Kā'anapali Connector. Estimated total project cost is \$95,000,000.00 for the continuation of Lāhainā Bypass from Hokiokio Place to Relocated Southern Terminus and from Keawe Street Extension to North of the Kā'anapali Connector.	FY 2018
MS7	Honoapi'ilani Highway (Route 30), Safety Improvements from Ukumehame to Olowalu with an estimated Project Cost of \$1,500,000.00. The scope of work includes, but is not limited to, installation of milled rumble strips on centerline and shoulders, pavement markings; and signing.	FY 2017
MS8	Honoapi'ilani Highway (Route 30), preservation improvements in the vicinity of Olowalu for shoreline protection for approximately 1,000 feet of Honoapi'ilani Highway on the west side of Hekili Point with an estimated cost of \$3,500,000.00.	FY 2015

2. Ocean Resources Management Plan (ORMP)

The Ocean Resources Management Plan (ORMP) is a comprehensive plan mandated by HRS Chapters 205A and 225M. The ORMP is prepared to address activities by agencies and entities in the State of Hawai'i. The ORMP provides a framework and implementation strategy for State agencies and others working with State agencies. The framework considers ecological, cultural, historic, aesthetic, recreational, scenic, and open space values. The framework considers coastal hazards and it balances protection with economic development in marine and coastal areas.

The ORMP pays serious attention to and is investing in effective ocean management to protect the public health, promote public recreation, respect traditional practices, advance food security, enhance tourist activity, and grow Hawai'i's economy as a whole. The 2006 ORMP represents Phase I (2006-2012) of a phased approach to move from a sector-based approach implemented by jurisdictional entities to a place-based approach implemented by a broad base of stakeholders.

The 2013 ORMP addresses priorities for the Adaptation Phase (2013-2020). The third phase is termed Institutionalization (2020-2030) and will more firmly implant the perspectives in agency work plans. The final phase is termed Mainstreaming (2030 and beyond) and will come when the perspectives are practiced as standard, without the need to consider them for priority attention.

The 2013 ORMP establishes the following management priorities, which are the goals and actions agencies of the State of Hawai'i have committed to address and to make substantial and measurable progress during the period of 2013 to 2018. Collectively they contribute to resource protection.

Perspective 1: Connecting Land and Sea

Management Priority #1 Appropriate Coastal Development

Management Priority #2 Management of Coastal Hazards

Management Priority #3 Watershed Management

Perspective 2: Preserving our Ocean Heritage

Management Priority #4 Marine Resources

Management Priority #5 Coral Reef

Management Priority #6 Ocean Economy

Management Priority #7 Cultural Heritage of the Ocean

Perspective 3: Promoting Collaboration and Stewardship

Management Priority #8 Training, Education, and Awareness

Management Priority #9 Collaboration and Conflict Resolution

Management Priority #10 Community and Place-Based Ocean Management Projects

Management Priority #11 National Ocean Policy and Pacific Regional Ocean

Initiatives

The ORMP includes goals to achieve the management priorities, which are being implemented in the Master Plan for Alternatives 1 and 2:

Management Priority #1 Appropriate Coastal Development:

Goal A: Adoption of county plans which specify guidance on coastal

development.

Goal B: Strengthen and integrate data management to ensure appropriate

coastal development.

Goal C: Expand options to protect existing developments from further coastal

erosion.

Comment: The MIP includes a portion of the Master Plan for Alternative 1 and the

Master Plan for Alternative 2 in the UGB and RGB of the directed growth

map for the Olowalu region. The MIP excluded the makai lands, however, in conjunction with a community plan amendment the makai area may be considered for development in the context of implementing the Pali to Puamana Parkway Master Plan and protecting water quality and the reefs.

Structures within the Master Plan for Alternative 1 will be located outside of the existing 150-foot shoreline setback area, which may be affected by shoreline erosion as identified on the County of Maui-adopted Erosion Rate Maps for the Olowalu Region. Alternative 2 does not include the lands makai of Honoapi'ilani Highway. Refer to **Figure 16**, **Figure 17** and **Figure 21**.

Management Priority #2 Management of Coastal Hazards

Goal A: Support adoption of county laws for Best Management Practices to reduce risks from coastal hazards, including the impacts from climate

change.

Goal B: Complete coastal mapping of the Main Hawaiian Islands to assist with

management of coastal hazards such as coastal erosion and sea level

rise.

Goal C: Collaborate and support county and state efforts to develop climate

change risk analysis and adaptation strategies for public facilities.

<u>Comment</u>: The National Oceanic and Atmospheric Administration's (NOAA) anticipated 3-feet sea level rise projections for the Olowalu region by 2100. The result of this increase is estimated to be near the shoreline and is not projected to reach beyond the existing 150-foot shoreline setback area. Refer to **Figure 19**, **Figure 20**, and **Figure 21**.

Management Priority #3 Watershed Management

Goal A: Increase the amount of protected watershed priority areas based on

climatic conditions (elevation and moisture zones) and land cover types that provide higher recharge and fog capture as stated in the

"Rain Follows the Forest Plan" (2011).

Goal B: Improve coastal and stream water quality.

Comment:

Alternatives 1 and 2 of the Olowalu Town Master Plan (OTMP) propose Stormwater Quality Enhancements to improve water quality by minimizing runoff and sedimentation into Olowalu Stream and the ocean, to protect the coastal marine environment. Refer to **Appendix "C-2"**.

Management Priority #4 Marine Resources

Goal A: Promote protection and sustainable use of marine resources.

Goal B: Reduce and remove accumulated marine debris on all islands and

shores.

Goal C: Minimize the spread of aquatic invasive species from bays where there

is coral or water quality degradation.

Goal D: Minimize the likelihood of aquatic invasive species introductions and

spread into and within Hawai'i from sources associated with vessels.

Goal E: Promote fishing practices that increase fish stocks.

Comment: The proposed Stormwater Quality Enhancements to minimize runoff and

sedimentation into the ocean are expected to improve water quality and protect

coral and marine life along the Olowalu coastline.

Management Priority #5 Coral Reef

Goal A: Improve the health and productivity of coral reef ecosystems at priority

sites identified by the Hawai'i Coral Reef Program.

Goal B: Implement place-based projects that demonstrate effective stewardship

practices that can be applied to other areas.

Goal C: Implement an effective day-use moorings program that minimizes

impacts to coral reef ecosystems and user conflicts.

Comment: As noted previously, the Stormwater Quality Enhancements are expected to

improve the health and productivity of coral reef ecosystems along the

Olowalu coastline by minimizing stormwater runoff and sedimentation.

Management Priority #6 Ocean Economy

Goal A: Develop aquaculture standards, based on current scientific data, to

support culturally, environmentally, and economically sustainable

operations which increase production for local consumption.

Goal B: Encourage use of ocean-based energy to contribute towards achieving

Hawai'i Clean Energy Initiative while balancing the need to protect

ocean resources.

Goal C: Ensure a healthy shipping industry that uses ocean and coastal

resources sustainably.

Goal D: Ensure a healthy tourism industry that uses ocean and coastal resources

sustainably.

Comment: The Applicants have identified multiple mitigation measures and practices

which promote environmental and energy sustainability.

Management Priority #7 Cultural Heritage of the Ocean

Goal A: Preserve cultural heritage of the ocean and protect Native Hawaiian

rights for access and gathering in ocean and on coastline, and protect ocean and coastal resources upon which Native Hawaiian cultural

practices depend.

Goal B: Support restoration of Hawaiian fishponds through permitting,

community projects, and technical assistance.

Comment: The OCR extends from the mountains to the ocean along Olowalu Stream

reflecting the ahupua'a system of land management. The OCR and public access along the coastline preserves the cultural heritage of the ocean and protect Native Hawaiian rights for access and gathering in the ocean and on the coastline, and protects ocean and coastal resources upon which Native

Hawaiian cultural practices depend.

Management Priority #8 Training, Education, and Awareness

Goal A: Develop training curriculum, at the fundamental and advanced levels,

for state and county agency staff as well as boards and commissions working on ocean and coastal protection and begin annual training.

Goal B: Partner to expand existing citizen stewardship awareness and active

engagement curriculum for widespread dissemination through various

community outlets.

Comment: The OCR non-profit organization includes programs that educate the public on Native Hawaiian heritage, as it establishes Hawaiian agriculture, restoration of stream flow to Olowalu Stream and restoration of native habitats within the OCR.

Management Priority #9 Collaboration and Conflict Resolution

Goal: Fully utilize the ORMP Policy Group as a forum to discuss State ocean resource management, and to raise and resolve issues, and to resolve conflicts when appropriate.

Comment: To the extent practicable and appropriate, the Applicants will support

partnerships aimed at resolving issues and conflicts.

Management Priority #10 Community and Place-Based Ocean Management Projects

Goal A: Advance community level eco-based, place-based ocean management

projects currently in place.

Goal B: When funding becomes available, assist in the creation of additional

community level ecobased, place-based ocean management projects.

Goal C: Partner with communities to better manage Hawai'i's marine

resources.

<u>Comment</u>: As noted previously, the OCR is a community based non-profit group that educates the public on Native Hawaiian heritage, establishes Hawaiian agriculture, restores stream flow to Olowalu Stream and restores native habitats within the OCR.

Management Priority #11 National Ocean Policy and Pacific Regional Ocean Initiatives

Goal A: Contribute to the Pacific Regional Priorities for Pacific Regional

Ocean Partnership, which include, but are not limited to, climate change adaptation and the support of Coastal and Marine Spatial

Planning.

Goal B: Formalize Hawai'i Sub-Regional Ocean Partnership using existing

partnerships and focus on ORMP implementation.

Goal C: Through the Regional Planning Body, establish a coastal and marine

spatial plan to be used throughout the Pacific Region.

Comment: To the extent practicable and appropriate, the Applicants will support

partnerships and collaboration which advance coastal and marine planning

initiatives.

D.F. MAUI COUNTY GENERAL PLAN

As indicated by the Maui County Charter, the purpose of the General Plan shall be:

...indicate desired population and physical development patterns for each island and region within the County; shall address the unique problems and needs of each island and region; shall explain the opportunities and the social, economic, and environmental consequences related to potential developments; and shall set forth the desired sequence, patterns, and characteristics of future developments. The General Plan shall identify objectives to be achieved, and priorities, policies, and implementing actions to be pursued with respect to population density, land use maps, land use regulations, transportation systems, public and community facility locations, water and sewage systems, visitor destinations, urban design, and other matters related to development.

Chapter 2.80B of the Maui County Code (MCC), relating to the General Plan and Community Plans, implements the foregoing Charter provision through enabling legislation which calls for a Countywide Policy Plan and a MIP. The Countywide Policy Plan was adopted as Ordinance No. 3732 on March 24, 2010. The MIP is currently in the process of review and formulation by the Maui County Council.

With regard to the Countywide Policy Plan, Section 2.80B.030 of the MCC states the following.

The countywide policy plan shall provide broad policies and objectives which portray the desired direction of the County's future. The countywide policy plan shall include:

- 1. A vision for the County;
- 2. A statement of core themes or principles for the County; and
- 3. A list of countywide objectives and policies for population, land use, the environment, the economy, and housing.

Core principles set forth in the Countywide Policy Plan are listed as follows:

- 1. Excellence in the stewardship of the natural environment and cultural resources;
- 2. Compassion for and understanding of others;
- 3. Respect for diversity;
- 4. Engagement and empowerment of Maui County residents;
- 5. Honor for all cultural traditions and histories;
- 6. Consideration of the contributions of past generations as well as the needs of future generations;
- 7. Commitment to self-sufficiency;
- 8. Wisdom and balance in decision making;
- 9. Thoughtful, island-appropriate innovation; and
- 10. Nurturance of the health and well-being of our families and our communities.

Congruent with these core principles, the Countywide Policy Plan identifies goals objectives, policies and implementing actions for pertinent functional planning categories, which are identified as follows:

- 1. Natural environment
- 2. Local cultures and traditions
- 3. Education
- 4. Social and healthcare services
- 5. Housing opportunities for residents
- 6. Local economy
- 7. Parks and public facilities
- 8. Transportation options
- 9. Physical infrastructure
- 10. Sustainable land use and growth management
- 11. Good governance

With respect to the Master Plan for Alternatives 1 and 2, the following goals, objectives, policies and implementing actions are illustrative of the project's compliance with the Countywide Policy Plan.

GOALS, OBJECTIVES AND POLICIES

Protect the Natural Environment

Goal: Maui County's natural environment and distinctive open spaces will

be preserved, managed, and cared for in perpetuity.

Objective:

Improve the opportunity to experience the natural beauty and native biodiversity of the islands for present and future generations.

Policies:

Perpetuate native Hawaiian biodiversity by preventing the introduction of invasive species, containing or eliminating existing noxious pests, and protecting critical habitat areas.

Preserve and reestablish indigenous and endemic species' habitats and their connectivity.

Restore and protect forests, wetlands, watersheds, and stream flows, and guard against wildfires, flooding, and erosion.

Protect baseline stream flows for perennial streams, and support policies that ensure adequate stream flow to support native Hawaiian aquatic species, traditional kalo cultivation, and self-sustaining ahupua'a.

Protect undeveloped beaches, dunes, and coastal ecosystems, and restore natural shoreline processes.

Protect the natural state and integrity of unique terrain, valued natural environments, and geological features.

Preserve and provide ongoing care for important scenic vistas, view planes, landscapes, and open-space resources.

Expand coordination with the State and nonprofit agencies and their volunteers to reduce invasive species, replant indigenous species, and identify critical habitat.

Comment: The Applicants recognize the importance of the environment, history and culture of Olowalu. This recognition resulted in following the ahupua'a concept in the planning of the Master Plan for Alternatives 1 and 2. In following this concept, a significant element of the Master Plan for Alternatives 1 and 2 is Olowalu Stream and the OCR which provides the mauka to makai orientation of the ahupua'a. The Applicants are working actively with the OCR to preserve the historic and cultural sites and to remove invasive species and re-establish the *lo'i* and native species within the cultural reserve.

Objective:

Improve the quality of environmentally sensitive, locally valued natural resources and native ecology of each island.