

**Miki Basin Industrial Park  
Environmental Assessment**

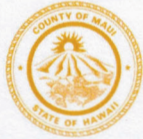
**Exhibit K**

**Draft Environmental Assessment  
Comments and Responses**

MICHAEL P. VICTORINO  
Mayor

LORI TSUHAOKO  
Director

LINDA R. MUNSELL  
Deputy Director



DEPARTMENT OF HOUSING  
& HUMAN CONCERNS  
COUNTY OF MAUI  
2200 MAIN STREET, SUITE 546  
WAILUKU, MAUI, HAWAII 96793  
PHONE: (808) 270-7805

November 26, 2019

Mr. Peter T. Young  
President  
Ho'okuleana LLC  
1539 Kanapu'u Drive  
Kailua, Hawaii 96734

Dear Mr. Young:

**Subject: Miki Basin Industrial Park – Adjoining Lanai Airport, Lanai  
Draft Environmental Assessment (DEA)  
TMK: (2) 4-9-002:061**

The Department has reviewed the Draft Environmental Assessment for the above subject project. Based on our review, we have determined that the subject project is not subject to Chapter 2.96, Maui County Code. The owner will not be required to comply.

Please call Mr. Buddy Almeida of our Housing Division at 270-7355 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Almeida".

C. BUDDY ALMEIDA  
Housing Administrator

cc: Director of Housing and Human Concerns

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Buddy Alameida, Housing Administrator  
County of Maui  
Department of Housing and Human Concerns  
2200 Main Street, Suite 546  
Wailuku, HI 96793

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Alameida:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note that the Department has made a determination that the project is not subject to Chapter 2.96, Maui County Code.

Thank you for your comments.

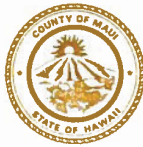
Sincerely,  
HO'OKULEANA LLC

A handwritten signature in black ink, appearing to read "Peter T. Young".

Peter T. Young  
President

Do well by doing good.

MICHAEL P. VICTORINO  
Mayor  
MICHELE CHOUTEAU MCLEAN, AICP  
Director  
JORDAN E. HART  
Deputy Director



DEPARTMENT OF PLANNING  
COUNTY OF MAUI  
ONE MAIN PLAZA  
2200 MAIN STREET, SUITE 315  
WAILUKU, MAUI, HAWAII 96793

December 16, 2019

Mr. Peter T. Young  
Hookuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawaii 96734

Dear Mr. Young:

**SUBJECT: COMMENTS ON DRAFT ENVIRONMENTAL  
ASSESSMENT (DEA) FOR THE MIKI BASIN INDUSTRIAL  
PARK, ON 200 ACRES OF LAND ADJACENT TO THE  
LANAI AIRPORT, LANAI, HAWAII; TMK: (2) 4-9-002:061  
(POR.) (EAC 2019/0011)**

The Department of Planning (Department) is in receipt of the Draft Environmental Assessment (DEA) for the Miki Basin Industrial Park (Park) located on approximately 200 acres adjacent to the Lanai Airport on the Island of Lanai at TMK: (2) 4-9-002:061 (POR.). The applicant is Pulama Lanai.

On September 25, 2019, the State of Hawaii Land Use Commission (LUC) made a determination that the proposed project on Lanai triggered HRS Chapter 343 review and that the LUC would be the accepting authority for the environmental assessment. Also, the LUC made a determination that the applicant's DEA at that time warranted an anticipated Finding of No Significant Impact (FONSI). The Department concurred with the LUC decision at its September meeting.

The Park will provide 100 acres for light industrial uses and 100 acres for heavy industrial uses as defined in the Maui County Code (MCC) and as to be further defined through the Change in Zoning review by the Lanai Planning Commission and Maui County Council (Council). Full buildout of the proposed 200-acre Park will be done incrementally over a period of about 30 years. Having industrial entitled land ready for development should assist in providing diversified employment opportunities on Lanai through the growth of small businesses that could quickly ramp up if such land were available. Additionally, relocating some "industrial" uses currently operating in Lanai City to the Miki Basin Industrial Park likely will enhance safety by moving certain "industrial" uses further away from the residential core of Lanai City. Although 200 acres may seem like a lot of land to be moved into the industrial zone, the Department recognizes that this is a 30 year build-out plan and that it is consistent with the goals of the Lanai Community Plan in providing sufficient space for placement of industrial operations.

MAIN LINE (808) 270-7735 / FACSIMILE (808) 270-7634  
CURRENT DIVISION (808) 270-8205 / LONG RANGE DIVISION (808) 270-7214 / ZONING DIVISION (808) 270-7253

Mr. Peter T. Young  
December 16, 2019  
Page 2

This project implements the vision for logical placement of industrial land uses on Lanai and expands the industrial zoned land area called for in the 2016 Lanai Community Plan. Consequently, a District Boundary Amendment (DBA) from Agricultural to Urban and a Change in Zoning from Agricultural to M-1 Light Industrial, M-2 Heavy Industrial, and M-3 Restricted Industrial will provide for consistent land designations with the Lanai Community Plan.

The Department is pleased to see in the DEA the comment that, "*Pulama Lanai will work with Maui County in establishing the allowable uses in the Miki Basin Industrial Park from the overall permitted uses allowed by zoning. Of note, while apartments and many other business-related use are permitted under zoning, no form of residential use will be permitted in the Miki Basin Industrial Park. The Park will focus on Light and Heavy Industrial uses, as well as relocation of their cement/asphalt facility to this site.*" Page 19, DEA. The Department notes that many industrial uses are regulated by layers of state and federal laws which regulate and monitor potential environmental impacts.

The Department is aware that Pulama Lanai in its hearings before the Lanai Planning Commission and Maui County Council will further define which particular industrial uses are likely to be located in the Park at least in the near term and that the Lanai Planning Commission and the Council will review conditional zoning in detail. The Department welcomes additional detail on which uses currently operating on Lanai may be relocated to the Park and what effect this relocation may have on service provisions to the community.

Thank you for the opportunity to comment on this project. Should you have any questions about the comments in this letter, please contact the Department by email at [planning@mauicounty.gov](mailto:planning@mauicounty.gov) or by phone at (808) 270-8205.

Sincerely,

A handwritten signature in dark ink, appearing to read "michèle".

MICHELE MCLEAN, AICP  
Planning Director

xc: Clayton I. Yoshida, AICP, Planning Program Administrator (PDF)  
John S. Rapacz, Planning Program Administrator (PDF)  
Pam Eaton, Planning Program Administrator (PDF)  
Kathleen Aoki, Administrative Planning Officer (PDF)  
Peter Young, Hookuleana LLC (PDF)  
Lynn McCrory, Pulama Lanai (PDF)  
State Land Use Commission (PDF)  
State Office of Planning  
Project File

MCM:CIY:KFW:lak  
K:\WP\_DOCS\Planning\EAC\2019\0011\_MikiBasinIndustrialPark\FOR AX\AgencyResponse.doc

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Michele McLean, Planning Director  
County of Maui  
Department of Planning  
2200 Main Street, Suite 315  
Wailuku, HI 96793

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Ms. McLean:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note that the proposed project on Lanai triggered HRS Chapter 343 review and that the SLUC would be the accepting authority for the environmental assessment. Also, the SLUC made a determination that the applicant's DEA, at that time, warranted an anticipated finding of no significant impact (AFONSI). The Department concurred with this decision of the SLUC at its September meeting.

You also noted that having industrial entitled land ready for development should assist in providing diversified employment opportunities on Lanai through the growth of small businesses that could quickly ramp up if such land were available. Additionally, relocating some "industrial" uses currently operating in Lanai City to the Miki Basin Industrial Park likely will enhance safety by moving certain "industrial" uses further away from the residential core of Lanai City. Although 200 acres may seem like a lot of land to be moved into the industrial zone, the Department recognizes that this is a 30 year building out plan and that it matches the goals of the Lanai Community Plan in providing sufficient space for placement of industrial operations.

You also noted that this project implements the vision for logical placement of industrial land uses on Lanai and expands the industrially-zoned land area called for in the recently adopted Lanai Community Plan. Consequently, a District Boundary Amendment (DBA) from Agricultural to Urban and a Change in Zoning from Agricultural to M-1 Light Industrial, M-2 Heavy Industrial, and M-3 Restricted Industrial will provide for consistent land designations with the Lanai Community Plan.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

Peter T. Young  
President

Do well by doing good.



MICHAEL P. VICTORINO  
MAYOR

OUR REFERENCE

YOUR REFERENCE

## POLICE DEPARTMENT

COUNTY OF MAUI

55 MAHALANI STREET  
WAILUKU, HAWAII 96793  
(808) 244-6400  
FAX (808) 244-6411



TIVOLI S. FAAUMU  
CHIEF OF POLICE

DEAN M. RICKARD  
DEPUTY CHIEF OF POLICE

December 9, 2019

Mr. Peter T. Young, President  
Ho'okuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawaii 96734

**Re: Draft Environmental Assessment on Miki Basin Industrial Park**

Dear Mr. Young:

This is in response to your letter dated November 23, 2019 requesting comments on the Draft Environmental Assessment on Miki Basin Industrial Park.

In review of the submitted documents, we have no comments or recommendations at this time.

Thank you for giving us the opportunity to comment on this project.

Sincerely,

Assistant Chief John Jakubczak  
for: TIVOLI S. FAAUMU  
Chief of Police

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Tivoli Faaumu, Chief of Police  
County of Maui  
Police Department  
55 Mahalani Street  
Wailuku, HI 96793

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Chief Faaumu:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note the Police Department has no comments or recommendations at this time.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

  
Peter T. Young  
President

Do well by doing good.



## United States Department of the Interior

### FISH AND WILDLIFE SERVICE

Pacific Islands Fish and Wildlife Office  
300 Ala Moana Boulevard, Room 3-122  
Honolulu, Hawaii 96850



In Reply Refer To:  
01EPIF00-2020-TA-0092

December 9, 2019

Mr. Peter T Young  
Ho'okuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawaii 96734

Subject: Technical Assistance for the Development of the Miki Basin Industrial Park,  
Lanai

Aloha Mr. Young,

The U.S. Fish and Wildlife Service (Service) received your correspondence on November 23, 2019 regarding the presence of federally endangered or threatened species and designated critical habitat near the proposed development of the Miki Basin Industrial Park on the island of Lanai (TMK 2-4-9-002:061). This project, which is slated to be developed incrementally over a 30-year timespan, would provide 100 acres of light industrial and 100 acres of heavy industrial development. The initial phase will be the development of the needed infrastructure, including roads and power lines, in order to facilitate additional site-specific development within the complex.

Based on information you provided and pertinent information in our files, including data compiled by the Hawaii Biodiversity and Mapping Project, there is one listed species in the vicinity of the project area or that may pass through the project area: endangered Hawaiian petrel (*Pterodroma sandwichensis*). There is no proposed or designated critical habitat within the vicinity of the project area. We offer the following recommendations to avoid and minimize project impacts to listed species pursuant to the Endangered Species Act of 1973 (ESA), as amended (16 U.S.C. 1531 *et seq.*).

#### Hawaiian Petrel:

Lanaihale, the mountain just above Lanai City, is home to one of the largest and densest Hawaiian petrel colonies known to exist. The Hawaiian petrel may traverse the project area at night during the breeding, nesting and fledging seasons (March 1 to December 15). Outdoor lighting could result in seabird disorientation, fallout, and injury or mortality. Seabirds are attracted to lights and after circling the lights they may become exhausted and collide with nearby wires, buildings, or other structures or they may land on the ground. Downed seabirds are subject to increased mortality due to collision with automobiles, starvation, and predation by dogs, cats, and other predators. Young birds (fledglings) traversing the project area between



Mr. Peter Young

2

September 15 and December 15, in their first flights from their mountain nests to the sea, are particularly vulnerable.

The Service acknowledges the following avoidance and minimization measures included in the Environmental Assessment and recommends full implementation in the development of the final project:

- The proposed project will use appropriate lighting so as not to unnecessarily attract seabirds.
- The project will not have nighttime construction occurring during the fledging season (September 15 through December 15).
- Use of lower-power (180 Watt) monochromatic and low-pressure sodium lighting (as opposed to the more common full-spectrum and high-pressure sodium lighting), which provides high contrast with sharply reduced brightness and glare, yet the yellow light does not attract insects and is not believed to be used for avian navigation.
- Use of light fixtures with “top-visor” shielding to minimize the potential for stray light up-scatter and side-scatter, so that the bulb is not visible at lamp height from the side.
- Installation of automatic motion sensor switches and controls on all outdoor lights or turn off lights when human activity is not occurring in the lighted area.
- Limiting light levels and hours of use to the minimum levels allowable under Occupational Safety and Health Administration (OSHA) worker safety and security.

Even with the incorporation of these avoidance and minimization measures, it is possible that the project may not be able to fully avoid adverse effects to Hawaiian petrels. If this potential project should receive federal funding, federal permits, or any federal authorization, it will require a Section 7 consultation with the Service. The Service only conducts Section 7 consultations with the federal action agency or their designated representative.

Thank you for your efforts to conserve listed species and native habitats. Please contact Fish and Wildlife Biologist John Vetter (808-792-9406, email: john\_vetter@fws.gov) if you have any questions or for further guidance. When referring to this project, please include this reference number: **01EPIF00-2020-TA-0092**.

Sincerely,

Michelle Bogardus  
Island Team Leader  
Maui Nui and Hawaii Island

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Michelle Bogardus, Island Team Leader, Maui Nui and Hawaii Island  
United States Department of the Interior  
Fish And Wildlife Service  
Pacific Islands Fish and Wildlife Office  
300 Ala Moana Boulevard, Room 3-122  
Honolulu, Hawaii 96850

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment  
01EPIF00-2020-TA-0092

Dear Ms. Bogardus:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park and Technical Assistance for the Development of the Miki Basin Industrial Park.

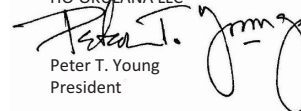
You noted that based on information in the DEA and pertinent information in your files, including data compiled by the Hawaii Biodiversity and Mapping Project, there is one listed species in the vicinity of the project area or that may pass through the project area: endangered Hawaiian petrel (*Pterodroma sandwichensis*). There is no proposed or designated critical habitat within the vicinity of the project area.

You noted that the Service acknowledges that several avoidance and minimization measures were included in the Environmental Assessment and you recommended full implementation in the development of the final project. We intend to do so, and understand, as you note, that even with the incorporation of these avoidance and minimization measures, it is possible that the project may not be able to fully avoid adverse effects to Hawaiian petrels.

At this time, there is no intent to receive federal funding, federal permits or any federal authorization for the project.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

  
Peter T. Young  
President

Do well by doing good.

## Peter T Young

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**From:** Debra Greene <debra@DebraGreene.com>  
**Sent:** Monday, December 23, 2019 5:34 PM  
**To:** daniel.e.orođenker@hawaii.gov  
**Cc:** Imccrory@pulamalanai.com; PeterYoung@Hookuleana.com  
**Subject:** Re: Opposing proposed Lana'i land use change

Aloha Director Orodēnker,

I just wanted to clarify that my comments below are on the draft environmental assessment (the 469 page document) and I understand will receive a response. Thank you.

Sincerely,

Debra

---

Debra Greene, PhD  
Founder  
[KeepYourPower.org](http://KeepYourPower.org)

PHONE: 808-874-6441  
WEBSITE: [www.KeepYourPower.org](http://www.KeepYourPower.org)

Sent from my faster, safer, more secure HARDWIRED computer

On Dec 23, 2019, at 1:59 PM, Debra Greene <[debra@debragreene.com](mailto:debra@debragreene.com)> wrote:

Aloha Executive Director Daniel Orodēnker,

I am writing on behalf of Keep Your Power, a coalition of concerned citizens, residents of Hawaii, who oppose the application submitted by Pulama Lana'i to change the land use designation for the area by Lana'i airport from agricultural to urban.

In June of this year the Research Corporation of the University of Hawaii (RCUH), on behalf of Alphabet (Google), tech giant SoftBank and defense contractor AeroVironment, submitted an application to the Lana'i Planning Commission to approve use of agricultural land to [build a second airport and turn Lana'i into a giant drone manufacturing plant and launchpad](#).

In fact, RCUH went ahead and built an airstrip and a 16,500 square foot drone hangar on agricultural land without permits or approvals. Clearly they were not acting in good faith.

The "after-the-fact" RCUH application was resoundingly opposed by Hawaii residents, to the extent that the application was quickly modified due to opposition and eventually withdrawn. Their application was also opposed by Hawaiian cultural practitioners in a lawsuit. Despite this opposition, the current proposed upzoning from agricultural to urban would accomplish what RCUH was trying to do. That is not right.

We oppose this zoning change. Lana'i does not need a second airport, nor the loss of agricultural land. Food production is more important than industrial development. And the rest of the state, and our

ocean inhabitants, should not have to suffer the onslaught of highly experimental football field sized drones beaming down toxic radiation in our airspace, because of the desire of a few.

Sincerely,

Debra

---

Debra Greene, PhD  
Founder  
[KeepYourPower.org](http://KeepYourPower.org)

PHONE: 808-874-6441  
WEBSITE: [www.KeepYourPower.org](http://www.KeepYourPower.org)

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## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Debra Greene, PhD

Founder

KeepYourPower.org

PHONE: 808-874-6441

WEBSITE: [www.KeepYourPower.org](http://www.KeepYourPower.org)

debra@DebraGreene.com

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Ms. Greene:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note several issues related to a suggested second airport on Lanai, a drone manufacturing plant and launchpad. The link in your email notes:

- Flying football field sized drones beaming toxic wireless radiation into the ocean and parts of Maui county
- new airborne overhead 5G communication, which would provide strong wireless service over a large area, including deep valleys, remote lands, and over the ocean
- land on Lānaʻi for high tech drone experiment blanketing the Earth with wireless radiation

You are apparently suggesting something different from the proposed use, as called for in the draft EA. I will call your attention to the mapping and explanations in the Lānaʻi Community Plan.

The Pūlama Lānaʻi proposal mirrors the mapping and land use types for light and heavy industrial uses. That plan notes that "The island's primary industrial areas are located southwest of Lānaʻi City, near the Lānaʻi Airport, and at Kaumālapaʻu Harbor." The proposed uses are consistent with the intent to consolidate industrial uses and the Community Plan notes that "Light industrial uses in Lānaʻi City will also be moved and consolidated in this area. The area will also serve as a staging area for shipments from the harbor to be distributed closer to town."

Related to "loss of agricultural land", I call you attention to the analysis related to agricultural lands that notes,

The development of the Project will result in a loss of 200 acres of fallow agricultural lands on Lānaʻi. However, there are approximately 18,000 acres of former plantation lands on Lānaʻi which remain available for agricultural use, and over 200,000 acres statewide.

The lack of significant growth of diversified crops reflects increased competition from overseas resulting from technology and other advances that have improved the delivery of fresh produce (faster, less spoilage, better coordination of supply to demand), along with trade agreements which increased food exports to the U.S. from low-cost producers in Mexico, Central America, South America, and elsewhere.

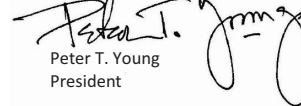
Do well by doing good.

The loss of 200 acres of agriculture land on Lānaʻi, plus the loss of agricultural land due to other projects (i.e., the cumulative impact), is too small to affect the growth of diversified agriculture on Lānaʻi or Statewide.

With respect to your comment that "Lana'i does not need a second airport", please note that the proposed action in the draft EA does not suggest a second airport for the Island. The only association to airports is that the project is adjacent to the Lanai Airport, as well as other industrial types of uses. As noted in the draft EA, "The site is well-suited for industrial development. It is adjacent to the most significant industrial uses on Lānaʻi, the Lānaʻi Airport, the Miki Basin Industrial Condominium, and Maui Electric Company's (MECO) generating facility."

Thank you for your comments.

Sincerely,  
HO'OKULANA LLC



Peter T. Young  
President



December 22, 2019

Daniel Orodener, Executive Director  
State of Hawai'i Land Use Commission  
235 S. Beretania Street, Room 406  
Honolulu, Hawai'i 96813 [daniel.e.oroedner@hawaii.gov](mailto:daniel.e.oroedner@hawaii.gov)

Lynn McCrory, Senior Vice President of Government Affairs  
733 Bishop Street, Suite 2000  
Honolulu, Hawai'i 96813 [lmccrory@pulamalanai.com](mailto:lmccrory@pulamalanai.com)

Peter T Young, President Ho'okuleana LLC  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734 [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)

**RE:**

Docket No. A19-809 Pulama Lana'i  
Draft Environmental Assessment (DEA) and AFONSI  
Proposed Miki Basin Industrial Park  
Lana'i Airport, Lana'i, State of Hawai'i  
Tax Map Key No. (2) 4-9-002:061 (por.)

Dear Mr. Orodener:

Pūlama Lāna'i has requested the LUC act as the accepting authority for a petition requesting a Land Use District Boundary Amendment, Change in Zoning, and building and subdivision permits for a proposed 200-acre Miki Industrial Park, and submitted an Environmental Assessment in support of a FONSI designation. (EA-2).

I. THE PROPOSED MIKI INDUSTRIAL PARK MUST BE ASSESSED FOR ITS CUMULATIVE IMPACTS AND EFFECT ON THE ISLAND'S WATER RESOURCES.

On September 25, 2019, in response to LUC Commissioner Okuda's question, Pūlama Lāna'i's attorney insisted that the proposed Miki Basin Industrial Park was a "stand-alone" proposition.<sup>1</sup>

This contention should be heavily scrutinized.

<sup>1</sup> <http://files.hawaii.gov/luc/minutesofmtgs/2019/09252019kahului.pdf>

Pūlama Lāna'i estimates an additional 1,099,500 GPD will be required to support the Industrial Park at full build-out, which it estimates could take 30 years. There is not a single mention of incremental usage over that period, nor commitment to provide usage figures as it develops. Instead, the EA offers simply that "*there is time to monitor [water] as the incremental development moves forward.*" EA at 67.

The 2016 Lāna'i Community Plan starkly laid out the limitations on Lāna'i's existing water system:

*"The capacity of existing water resources may be insufficient to support new growth. Projects that already have entitlements could consume most of the remaining capacity of Lana'i's single aquifer. It may be necessary to increase the capacity of water resources for new development."* CP at 2-4.

As a result, Pūlama Lāna'i proposed developing a desalination plant in the Community Plan:

Pūlama Lāna'i told the community that it was "*exploring the option of developing desalination plants that would create potable water out of saltwater. Producing potable water through desalination would greatly decrease the potential of over pumping the aquifer*" and these desal plants would "*increase available daily fresh water from the current 4 MGD to 10 MGD.*" CP at 2-7 and 6-2.

Although the Lāna'i Community Plan Advisory Committee clearly relied on Pūlama's desal promises in stating it had: "*predicated their decisions on the availability of significant additional water sources for future development proposals.*" CP at 7-3, Pūlama Lāna'i has since abandoned any plans for desal; all exploratory wells have been capped; and the EA makes no mention of desalination.

Now, along with proposing additional long-term industrial build-out at Miki Basin, Pūlama Lāna'i simply kicks the can down a 30-year road with respect to how it might meet the additional water demands the Miki Industrial Park would require;<sup>2</sup> this is especially troubling in light of the fact that a mere 20-acre industrial condominium development at Miki has yet to be completed - after 20 years - its water use as a result is unknown, and there are a multitude of additional development plans on the books, only two of which were mentioned in the EA: a 201H housing development that will require

<sup>2</sup> Section 4.6.1 of the EA states that sometime in 2019 some unidentified entity at CWRM "*allowed for the possibility that there are seven additional aquifers that could provide water to Lāna'i with up to a SY of 36M GPD.*" EA at 49. Notably this assertion is made with no citation or attribution and is thoroughly useless as predictive of the island's sustainable yield, which remains 6M GPD.

121,700 GPD (EA-68) and a Koele Project District amendment that projects use of 246,392 GPD (EA-70).

Not mentioned or discussed are many additional development plans detailed in the Community Plan (which largely relied on the abandoned desal proposal), among which are:

- A 73-acre County affordable housing project (this is in addition to and separate from Pūlama’s housing plans);
- A 50-acre Tennis Academy Park, including housing;
- A 524-acre University and Research Institute;
- A Gateway Park of 16 acres;
- Rural Residential 50-acre area; and
- 105-acre Mixed Use Residential development, Manele-Mauka.

The following chart details proposed additional developments from the Community Plan:

9 | LAND USE

Table 9.2. Lānaʻi Community Plan Acreage by Growth Area and Land Use Designations									
Growth Area	Land Use Designations								Total Acres
	Mixed-Use Residential	Hotel	Airport	Light Industrial	Heavy Industrial	Public/Quasi-public	Park	Rural	
Lānaʻi City									1,483
Lānaʻi City Expansion*	546								
University Campus						524			
Tennis Academy							50		
Linear Park/Drainage							280		
Gateway Park							16		
Rural Residential								50	
Film Studios				22					
Airport									246
Enhancement of present airport facilities			46						
Miki Basin Industrial				100	100				
Mānele									181
Mānele Mauka	165								
Rural Residential								75	
Kaunākapāʻu									60
Ocean Resources									
Heavy Industrial					19				
Kaunākapāʻu Mixed-Use Residential	50								
TOTAL ACRES	701		46	122	110	524	346	126	1,975

\*Note: Includes proposal to incorporate County Affordable Housing Project into new land use designation.

II. PŪLAMA LĀNAʻI HAS FAILED TO SUPPORT SMALL SUSTAINABLE BUSINESS GROWTH IN THE PAST.

Pūlama Lānaʻi states in the EA that the Miki Industrial Park expansion is consistent with the Lānaʻi Community Plan and furthers Pūlama’s desire to “*foster the growth of small businesses by providing support in key areas such as marketing and human resources and*

*by expanding the amount of commercial and industrial space available for lease and for sale.”* CP at 6-2.

Unfortunately, Pūlama’s practices have not always supported this philosophy, to the detriment of Lānaʻi residents trying to contribute to Lānaʻi’s economy.

For several years, a native Hawaiian-owned business — The Lānaʻi Ohana Poke Shop — operated out of a small space controlled by Pūlama Lānaʻi in Lānaʻi City. This very successful family-operated shop served poke to residents, construction workers, and tourists alike. Its poke bowls were statewide favorites. And then Larry Ellison’s Richard’s Market began selling poke bowls, with larger portions and lower prices. When Pūlama Lānaʻi’s then-Vice President for Community Relations was asked why they would do that, her response was “we believe that competition is good.” Really? Competition between the deep pockets of Larry Ellison and a small, Lānaʻi native Hawaiian family?

A similar result of the proposed “sustainability” proclaimed by Pūlama Lānaʻi in this EA happened to a small fishing charter operation. Pūlama Lānaʻi simply brought in their own boats, hired their own operators, and put the local fishing charter business out of work.

Lānaʻi had a small car rental operation. Pūlama Lānaʻi put them out of business and now runs its own Lānaʻi Car Rental.

Pūlama states that it provides green waste recycling and makes compost available to residents. EA at 72. Although residents continue to supply green waste to Pūlama, compost has not been available to residents for close to six months.

Pūlama Lānaʻi says its 200-acre master-planned light and heavy industrial development will abut “the existing 20-acre Miki Basin Industrial Condominium,” EA-11, but this 20-acre project has languished uncompleted for close to 20 years; there was no discussion before the LUC in September, nor is there any in the EA, on the status of a mandate to sell 50% of it fee simple.

Not only has the Miki Basin 20-acre condominium project not materialized, Pūlama now apparently wants to reserve the right to maintain total control over the additional 200-acre industrial development. EA at 2.

So it’s with a hearty dose of salt that the LUC should digest Pūlama Lānaʻi’s “commitment” to making Lānaʻi’s economy diversified and sustainable.

### **Conclusions:**

- 1) No further approvals for additional industrial development should be granted until the conditions of Ordinance No. 2895 (Bill No. 79 of 2000) have been complied with. Specifically, PL is required to offer 50% of the 20 acres in fee and has not done so. \_
- 2) A FONSI is an inappropriate conclusion to reach, given the fragile water resource available to Lānaʻi and the many published development plans already on the books for Lānaʻi, without further exploration and firm and timely commitments from Pūlama Lānaʻi regarding funding of additional water resource; there is a reason why most of Lānaʻi's high-level wells have been drilled in the Leeward aquifer: the windward side is steep, mountainous, and inaccessible. To simply say that it's "available" for future wells is an empty promise.
- 3) No amendments, zoning changes or approvals should be granted until significant conditions and strenuous reporting requirements are put in place by the LUC.
- 4) Pūlama should be held to its representations regarding supporting sustainable growth for small businesses and required to explain and justify to the LUC any decision to withhold any portion of the 200-acre industrial park from sale.

Sincerely,

Robin Kaye  
511 Ilima Ave.  
Lānaʻi city, HI 96763  
808-559-6124 [rkayelny@gmail.com](mailto:rkayelny@gmail.com)

## **Hoʻokuleana LLC**

*... to take responsibility ...*

**Peter T. Young**

1539 Kanapuʻu Drive  
Kailua, Hawaiʻi 96734  
(808) 226-3567 (Cell Phone)  
[PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)  
[www.Hookuleana.com](http://www.Hookuleana.com)



Robin Kaye  
511 Ilima Ave.  
Lānaʻi City, HI 96763

[rkayelny@gmail.com](mailto:rkayelny@gmail.com)

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Kaye:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note several issues related to water availability for the project, desalination and noted several other projects are noted in the Lānaʻi Community Plan that are not noted in the draft EA.. You conclude with matters not directly related to the land use matter, but focus on claims against Pūlama Lānaʻi.

Based on your comments, additional information was added to the final EA. Of note, discussion on other projects that are noted in the Lānaʻi Community Plan was added to the final EA, including the Lānaʻi City Expansion, Tennis Academy, Gateway Park, University, Rural Residential and Mānele Mauka. Summary information is provided for each.

You suggested that a FONSI is inappropriate, especially in the context of water resource availability. The final EA includes further discussion on the recommendations and conclusions from the Lānaʻi Water Use and Development – especially as it relates to water sourcing for future developments.

Related to this, information from the final review and discussion on the 2011 WUDP by the Commission on Water Resource Management was added that notes the resource development strategy for additional development on Lānaʻi includes new ground water source development, water reuse expansion, and desalination, in addition to both supply-side and demand-side conservation.

The Lānaʻi Water Use and Development Plan includes a list of potential supply options sufficient to meet the forecast land uses. These sources include recommissioning old wells, drilling new wells, desalination and other source options. With this was a long list of new potential wells.

In discussing new wells, the WUDP notes that new wells "could be developed to provide additional water supply for Lānaʻi. Aside from additional supply, benefits provided by additional wells would include improved geographical distribution of well pumping, increased production redundancy for system reliability, and potentially increased flexibility of operations."

With respect to Leeward versus Windward well development strategies, the Lānaʻi WUDP (2011) notes the need to "Plan and ultimately develop operable groundwater sources in the Windward aquifer to distribute groundwater pumping and provide resources, as necessary, to provide for system growth beyond the capacity of the Leeward aquifer." (Lānaʻi WUDP; 31)

As noted in the draft EA, it has been anticipated that initially the water system growth would be to expand upon the Leeward system, but then look at new well development on the Windward system. This is consistent with the recommendations and findings in the Lānaʻi WUDP.

**Do well by doing good.**

The Lānaʻi Water Use and Development Plan notes that “Desalination of seawater offers essentially unlimited ultimate source capacity but is more expensive than other available options.” (Lānaʻi WUDP; 5-38) In 2013, Pūlama Lānaʻi submitted an application for “a reverse osmosis desalination water treatment facility located on property described as Tax Map Key (TMK) (2) 4-9-002:001 (por.)” The request was for a “proposed Reverse Osmosis (“RO”) Well No. 3 (source well), water transmission lines, and access roads.”

In 2015, the Lānaʻi Planning Commission found that “The proposed project could prove to be a dependable alternative water supply that reduces the island’s reliance on the High Level Aquifer, and could positively contribute to the availability of potable and non-potable water on the island and meeting the anticipated long-term water demand.” The Maui Planning Department recommended approval of the Project District Application and recommended approval of the Special Use Permit Application that included the desalination project.

However, after Pūlama Lānaʻi’s request/explanations and the Planning Department’s recommendation for approval as submitted, the Lānaʻi Planning Commission granted a permit for only a 15-year term (rather than the 30-years applied for, which was based on the significant financial cost and the anticipated useful life of the desalination plant) and also added a condition that “Once the desalination plant is operational no High Level Aquifer water will be pumped to or used in the Mānele Project District except in the event of an emergency as determined by the Lānaʻi Water Company and the Lānaʻi Water Advisory Committee, and then only for human consumption.”

As such, construction of the desalination plant was halted on September 12, 2014. Pūlama Lānaʻi has indicated it has not given up on development of a desalination plant. I will also repeat that the Lānaʻi WUDP notes a number of new wells in the Leeward and Windward systems, suggesting that groundwater wells are reasonable and reliable sources for water to Mānele and elsewhere on the Island.

You also note some situations that you suggest call into question Pūlama Lānaʻi’s commitment to support economic growth, economic diversity/sustainability and support for small business growth on the Island. I have passed those on to representatives at Pūlama Lānaʻi and they reaffirm their commitment to the people and businesses on the Islands.

As the proposed project relates to the proposed designation of the site for light and heavy industrial uses, I will call your attention to the mapping and explanations in the Lānaʻi Community Plan. The Pūlama Lānaʻi proposal mirrors the mapping and land use types for light and heavy industrial uses. That plan notes that “The island’s primary industrial areas are located southwest of Lānaʻi City, near the Lānaʻi Airport, and at Kaumālapaʻu Harbor.” The proposed uses are consistent with the intent to consolidate industrial uses and the Community Plan notes that “Light industrial uses in Lānaʻi City will also be moved and consolidated in this area. The area will also serve as a staging area for shipments from the harbor to be distributed closer to town.”

Thank you for your comments.

Sincerely,  
HO’OKULEANA LLC

Peter T. Young  
President

DAVID Y. IGE  
GOVERNOR OF HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

December 23, 2019

Ho’okuleana LLC  
Attention: Mr. Peter Young  
1539 Kanapu’u Drive  
Kailua, Hawaii 96734

via email: [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)

Dear Mr. Young:

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park** located at Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.) on behalf of Pūlama Lanai

Thank you for the opportunity to review and comment on the subject matter. In addition to our previous comments dated December 19, 2019, enclosed are comments from the Commission on Water Resource Management on the subject matter. Should you have any questions, please feel free to contact Darlene Nakamura at (808) 587-0417 or email: [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

Sincerely,

Russell Y. Tsuji  
Land Administrator

Enclosures  
cc: Central Files

DAVID Y. IGE  
GOVERNOR OF HAWAII



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STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

November 27, 2019

**MEMORANDUM**

TO: **DLNR Agencies:**  
\_\_\_\_ Div. of Aquatic Resources  
\_\_\_\_ Div. of Boating & Ocean Recreation  
☒ Engineering Division  
☒ Div. of Forestry & Wildlife  
\_\_\_\_ Div. of State Parks  
☒ Commission on Water Resource Management  
☒ Office of Conservation & Coastal Lands  
☒ Land Division – Maui District  
☒ Historic Preservation

FROM: Russell Y. Tsuji, Land Administrator

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park**

LOCATION: Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.)

APPLICANT: Ho'okuleana LLC on behalf of Pulama Lanai

Transmitted for your review and comment is information on the above-referenced subject matter. Please submit any comments by **December 18, 2019**.

The DEA can be found on-line at: <http://health.hawaii.gov/oegc/> (Click on *The Environmental Notice* in the middle of the page.)

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417 or by email at [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

( ) We have no objections.  
( ) We have no comments.  
(x) Comments are attached.

Signed: /s/ M. Kaleo Manuel

Print Name: Deputy Director

Date: December 16, 2019

Attachments  
cc: Central Files

FILE ID: RFD.4984.5  
DOC ID: 22035

SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

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DAVID Y. IGE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
P.O. BOX 621  
HONOLULU, HAWAII 96809

SUZANNE D. CASE  
CHAIRPERSON

BRUCE S. ANDERSON, PH.D.  
KAMANA BEAMER, PH.D.  
MICHAEL G. BUCK  
NEIL J. HANNAHS  
WAYNE K. KATAYAMA  
PAUL J. MEYER  
M. KALEO MANUEL  
DEPUTY DIRECTOR

December 16, 2019

REF: RFD.4984.5

TO: Mr. Russell Tsuji, Administrator  
Land Division

FROM: M. Kaleo Manuel, Deputy Director *Kaleo*  
Commission on Water Resource Management

SUBJECT: Draft Environmental Assessment for Miki Basin Industrial Park

FILE NO.: RFD.4984.5  
TMK NO.: (2) 4-9-002:061 (por.)

Thank you for the opportunity to review the subject document. The Commission on Water Resource Management (CWRM) is the agency responsible for administering the State Water Code (Code). Under the Code, all waters of the State are held in trust for the benefit of the citizens of the State, therefore all water use is subject to legally protected water rights. CWRM strongly promotes the efficient use of Hawaii's water resources through conservation measures and appropriate resource management. For more information, please refer to the State Water Code, Chapter 174C, Hawaii Revised Statutes, and Hawaii Administrative Rules, Chapters 13-167 to 13-171. These documents are available via the Internet at <http://dlnr.hawaii.gov/cwrm>.

Our comments related to water resources are checked off below.

- ☒ 1. We recommend coordination with the county to incorporate this project into the county's Water Use and Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.
- ☐ 2. We recommend coordination with the Engineering Division of the State Department of Land and Natural Resources to incorporate this project into the State Water Projects Plan.
- ☐ 3. We recommend coordination with the Hawaii Department of Agriculture (HDOA) to incorporate the reclassification of agricultural zoned land and the redistribution of agricultural resources into the State's Agricultural Water Use and Development Plan (AWUDP). Please contact the HDOA for more information.
- ☒ 4. We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at <http://www.usgbc.org/leed>. A listing of fixtures certified by the EAP as having high water efficiency can be found at <http://www.epa.gov/watersense>.
- ☒ 5. We recommend the use of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMPs may earn credit toward LEED certification. More information on stormwater BMPs can be found at <http://planning.hawaii.gov/czm/initiatives/low-impact-development/>
- ☒ 6. We recommend the use of alternative water sources, wherever practicable.
- ☒ 7. We recommend participating in the Hawaii Green Business Program, that assists and recognizes businesses that strive to operate in an environmentally and socially responsible manner. The program description can be found online at <http://energy.hawaii.gov/green-business-program>.
- ☒ 8. We recommend adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii. These practices can be found online at [http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH\\_Irrigation\\_Consevation\\_BMPs.pdf](http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH_Irrigation_Consevation_BMPs.pdf).



Mr. Russell Tsuji  
Page 2  
December 17, 2019

- ☒ 9. There may be the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.
- ☐ 10. The proposed water supply source for the project is located in a designated water management area, and a Water Use Permit is required prior to use of water. The Water Use Permit may be conditioned on the requirement to use dual line water supply systems for new industrial and commercial developments.
- ☒ 11. A Well Construction Permit(s) is (are) are required before the commencement of any well construction work.
- ☐ 12. A Pump Installation Permit(s) is (are) required before ground water is developed as a source of supply for the project.
- ☐ 13. There is (are) well(s) located on or adjacent to this project. If wells are not planned to be used and will be affected by any new construction, they must be properly abandoned and sealed. A permit for well abandonment must be obtained.
- ☐ 14. Ground-water withdrawals from this project may affect streamflows, which may require an instream flow standard amendment.
- ☐ 15. A Stream Channel Alteration Permit(s) is (are) required before any alteration can be made to the bed and/or banks of a stream channel.
- ☐ 16. A Stream Diversion Works Permit(s) is (are) required before any stream diversion works is constructed or altered.
- ☐ 17. A Petition to Amend the Interim Instream Flow Standard is required for any new or expanded diversion(s) of surface water.
- ☐ 18. The planned source of water for this project has not been identified in this report. Therefore, we cannot determine what permits or petitions are required from our office, or whether there are potential impacts to water resources.
- ☒ OTHER: The DEA should provide a simple summary table in Section 4.6.2, showing the existing withdrawal amounts from the Leeward and Windward Aquifer System Areas, respectively, as well as the projected future demands for each aquifer system area associated with this project.

We also recommend a discussion of the consistency of this current proposal for the Miki Basin Industrial Park with the projected buildout described in the 2011 Lanai Water Use and Development Plan.

If you have any questions, please contact Lenore Ohye of the Commission staff at 587-0216.

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
PeterYoung@Hookuleana.com  
www.Hookuleana.com



Kaleo Manuel, Deputy Director  
Commission on Water Resource Management  
Department of Land and Natural Resources  
Post Office Box 621  
Honolulu Hawaii 96809

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Manuel:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You recommend and Pūlama Lāna'i intends to implement coordination with the county; that efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources; of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events; use of alternative water sources, wherever practicable; adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii.

The two versions of the EA (draft and final) include summaries of the existing water systems on Lāna'i, including the withdrawal amounts from the Leeward and Windward Aquifer System Areas. As noted in the draft and final EAs, the intent is to use available water capacity to handle the initial needs. As needs increase over time and the development of industrial park expands, then new wells will be drilled in the Leeward and Windward aquifers. It is not clear specifically when and where those new wells will be added; Pūlama Lāna'i and Lāna'i Water Company will be in regular communication with the Water Commission on any future well development.

This is a 30-year project and the water needed will depend on what types of industries come to the island. As we do not know what industries will want to start operations on Lāna'i, we don't have any way to be specific as to what will be needed, produced from where, and in what order. We do know that if we do not rezone the land, expanding the opportunities beyond tourism will not occur for the Lāna'i community. Limiting the island to tourism is not moving toward sustainability. Sustainability for Lāna'i will require multiple options and this is one of them.

Information from the final review and discussion on the 2011 WUDP by the Commission on Water Resource Management was added that notes the resource development strategy for additional development on Lāna'i includes new ground water source development, water reuse expansion, and desalination, in addition to both supply-side and demand-side conservation.

The Lāna'i Water Use and Development Plan includes a list of potential supply options sufficient to meet the forecast land uses. These sources include recommissioning old wells, drilling new wells, desalination and other source options. With this was a long list of new potential wells.

Do well by doing good.



In discussing new wells, the WUDP notes that new wells "could be developed to provide additional water supply for Lāna'i. Aside from additional supply, benefits provided by additional wells would include improved geographical distribution of well pumping, increased production redundancy for system reliability, and potentially increased flexibility of operations."

With respect to Leeward versus Windward well development strategies, the Lāna'i WUDP (2011) notes the need to "Plan and ultimately develop operable groundwater sources in the Windward aquifer to distribute groundwater pumping and provide resources, as necessary, to provide for system growth beyond the capacity of the Leeward aquifer." (Lāna'i WUDP; 31)

As noted in the EA (draft and final), it has been anticipated that initially the water system growth would be to expand upon the Leeward system, but then look at new well development on the Windward system. This is consistent with the recommendations and findings in the Lāna'i WUDP.

With respect to the demand estimates and overall water consumption estimates into the future that are reflected in the Water Use and Development Plan, please note that Pūlama Lāna'i has made significant progress in reduction of leaks, conservation efforts and changes to existing projects resulting in reduced water demands and usage.

In addition to the reduced scale, densities and number of units called for in the proposed Kō'ele Project District and Mānele Project District amendments, during the recent refresh at Mānele, there was also a reduced number of hotel units at Mānele Hotel. Likewise, at Mānele, Pūlama Lāna'i reduced the irrigation and pool water usage for the pool area changes. They changed types of plantings and left large areas to be in a natural state, rather than grass; so there is no irrigation needed. The pool area uses artificial turf rather than grass. And, Mānele went with two pools, rather than the prior three.

Lāna'i Water Company has completed a 100% replacement program for all water meters on Lāna'i with the installation of Smart Meters. These meters allow 15 minute increment readings for all meters, and have an App that consumers can use to see their usage. The system also provides notifications to LWC and the consumer if there appears to be a leak.

Because of this, we believe that the WUDP overestimates the water demand into the future.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

Peter T. Young  
President

DAVID Y. IGE  
GOVERNOR OF HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

December 19, 2019

Ho'okuleana LLC  
Attention: Mr. Peter Young  
1539 Kanapu'u Drive  
Kailua, Hawaii 96734

via email: [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)

Dear Mr. Young:

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park** located at Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.) on behalf of Pūlama Lanai

Thank you for the opportunity to review and comment on the subject matter. The Land Division of the Department of Land and Natural Resources (DLNR) distributed or made available a copy of your request pertaining to the subject matter to DLNR's Divisions for their review and comments.

At this time, enclosed are comments from the (a) Engineering Division and (b) Land Division – Maui District on the subject matter. Should you have any questions, please feel free to contact Darlene Nakamura at (808) 587-0417 or email: [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

Sincerely,

Russell Y. Tsuji  
Land Administrator

Enclosures  
cc: Central Files

DAVID Y. IGE  
GOVERNOR OF HAWAII



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DEC-5 AM 11:27



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

November 27, 2019

**MEMORANDUM**

TO:

**DLNR Agencies:**

- ☐ Div. of Aquatic Resources
- ☐ Div. of Boating & Ocean Recreation
- ☒ **Engineering Division**
- ☒ Div. of Forestry & Wildlife
- ☐ Div. of State Parks
- ☒ Commission on Water Resource Management
- ☒ Office of Conservation & Coastal Lands
- ☒ Land Division – Maui District
- ☒ Historic Preservation

FROM:

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park**  
LOCATION: Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.)  
APPLICANT: Ho'okuleana LLC on behalf of Pulama Lanai

Transmitted for your review and comment is information on the above-referenced subject matter. Please submit any comments by **December 18, 2019**.

The DEA can be found on-line at: <http://health.hawaii.gov/oeqc/> (Click on The Environmental Notice in the middle of the page.)

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417 or by email at [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

- ( ) We have no objections.
- ( ) We have no comments.
- (✓) Comments are attached.

Signed:

Print Name: Carty S. Chang, Chief Engineer

Date:

12/4/19

Attachments

cc: Central Files

DEPARTMENT OF LAND AND NATURAL RESOURCES  
ENGINEERING DIVISION

LD/Russell Y. Tsuji

Ref: **Draft Environmental Assessment for Miki Basin Industrial Park**

Location: **Lanai City, Island of Lanai**

TMK(s): (2) 4-9-002:061 (por.)

Applicant: **Ho'okuleana LLC on behalf of Pulama Lanai**

**COMMENTS**

The rules and regulations of the National Flood Insurance Program (NFIP), Title 44 of the Code of Federal Regulations (44CFR), are in effect when development falls within a Special Flood Hazard Area (high risk areas). State projects are required to comply with 44CFR regulations as stipulated in Section 60.12. Be advised that 44CFR reflects the minimum standards as set forth by the NFIP. Local community flood ordinances may stipulate higher standards that can be more restrictive and would take precedence over the minimum NFIP standards.

The owner of the project property and/or their representative is responsible to research the Flood Hazard Zone designation for the project. Flood Hazard Zones are designated on FEMA's Flood Insurance Rate Maps (FIRM), which can be viewed on our Flood Hazard Assessment Tool (FHAT) (<http://gis.hawaiiinfip.org/FHAT>).

If there are questions regarding the local flood ordinances, please contact the applicable County NFIP coordinating agency below:

- o Oahu: City and County of Honolulu, Department of Planning and Permitting (808) 768-8098.
- o Hawaii Island: County of Hawaii, Department of Public Works (808) 961-8327.
- o Maui/Molokai/Lanai County of Maui, Department of Planning (808) 270-7253.
- o Kauai: County of Kauai, Department of Public Works (808) 241-4896.

Signed:

CARTY S. CHANG, CHIEF ENGINEER

Date:

12/4/19

DAVID Y. IGE  
GOVERNOR OF HAWAII



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2019 DEC 16 AM 11:37



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

November 27, 2019

**MEMORANDUM**

TO:

**DLNR Agencies:**

- ☐ Div. of Aquatic Resources
- ☐ Div. of Boating & Ocean Recreation
- ☒ Engineering Division
- ☒ Div. of Forestry & Wildlife
- ☐ Div. of State Parks
- ☒ Commission on Water Resource Management
- ☒ Office of Conservation & Coastal Lands
- ☒ Land Division – Maui District
- ☒ Historic Preservation

FROM: Russell Y. Tsuji, Land Administrator  
SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park**  
LOCATION: Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.)  
APPLICANT: Ho'okuleana LLC on behalf of Pulama Lanai

Transmitted for your review and comment is information on the above-referenced subject matter. Please submit any comments by **December 18, 2019**.

The DEA can be found on-line at: <http://health.hawaii.gov/oeqc/> (Click on The Environmental Notice in the middle of the page.)

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417 or by email at [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

- ☐ We have no objections.
- ☒ We have no comments.
- ☐ Comments are attached.

Signed: 

Print Name: Daniel Ornelles

Date: 12/6/19

Attachments  
cc: Central Files

**Ho'okuleana LLC**  
... to take responsibility ...

Peter T. Young  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
[PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)  
[www.Hookuleana.com](http://www.Hookuleana.com)



Russell Tsuji, Land Administrator  
Department of Land and Natural Resources  
Post Office Box 621  
Honolulu Hawaii 96809

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Tsuji:

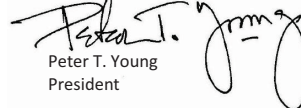
Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

We note that the Engineering Division noted rules related to the National Flood Insurance Program and acknowledge that the property owner is responsible to research the Flood Hazard Zone designation for the project. We also note that the draft EA indicates that the subject property is within the X flood zone.

We note the Maui Land Division has no comments.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

  
Peter T. Young  
President

Do well by doing good.

**Standard Comments for Land Use Reviews  
Clean Air Branch  
Hawaii State Department of Health**

If your proposed project:

Requires an Air Pollution Control Permit

You must obtain an air pollution control permit from the Clean Air Branch and comply with all applicable conditions and requirements. If you do not know if you need an air pollution control permit, please contact the Permitting Section of the Clean Air Branch.

s  
Includes construction or demolition activities that involve asbestos

You must contact the Asbestos Abatement Office in the Indoor and Radiological Health Branch.

Has the potential to generate fugitive dust

You must control the generation of all airborne, visible fugitive dust. Note that construction activities that occur near to existing residences, business, public areas and major thoroughfares exacerbate potential dust concerns. It is recommended that a dust control management plan be developed which identifies and mitigates all activities that may generate airborne, visible fugitive dust. The plan, which does *not* require Department of Health approval, should help you recognize and minimize potential airborne, visible fugitive dust problems.

Construction activities must comply with the provisions of Hawaii Administrative Rules, §11-60.1-33 on Fugitive Dust. In addition, for cases involving mixed land use, we strongly recommend that buffer zones be established, wherever possible, in order to alleviate potential nuisance complaints.

You should provide reasonable measures to control airborne, visible fugitive dust from the road areas and during the various phases of construction. These measures include, but are not limited to, the following:

- a) Planning the different phases of construction, focusing on minimizing the amount of airborne, visible fugitive dust-generating materials and activities, centralizing on-site vehicular traffic routes, and locating potential dust-generating equipment in areas of the least impact;
- b) Providing an adequate water source at the site prior to start-up of construction activities;
- c) Landscaping and providing rapid covering of bare areas, including slopes, starting from the initial grading phase;
- d) Minimizing airborne, visible fugitive dust from shoulders and access roads;
- e) Providing reasonable dust control measures during weekends, after hours, and prior to daily start-up of construction activities; and
- f) Controlling airborne, visible fugitive dust from debris being hauled away from the project site.

If you have questions about fugitive dust, please contact the Enforcement Section of the Clean Air Branch

Clean Air Branch  
(808) 586-4200  
[cab@doh.hawaii.gov](mailto:cab@doh.hawaii.gov)

Indoor Radiological Health Branch  
(808) 586-4700

April 1, 2019

**Ho'okuleana LLC**  
... to take responsibility ...

**Peter T. Young**  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
[PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)  
[www.Hookuleana.com](http://www.Hookuleana.com)



Barry Ching  
Department of Health  
Clean Air Branch  
Hale Ola Building  
2827 Waimano Home Road, Room 225  
Pearl City, HI 96782-1487

[Cab.General@doh.hawaii.gov](mailto:Cab.General@doh.hawaii.gov)

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

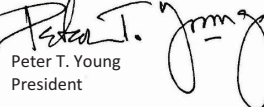
Dear Mr. Ching:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

We acknowledge that you provided April 1, 2019 Standard Comments for Land Use Reviews from the Clean Air Branch. These relate to required permitting, procedures and points of contact in addressing clean air concerns.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

  
Peter T. Young  
President

**Do well by doing good.**





**OFFICE OF PLANNING  
STATE OF HAWAII**

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846  
Fax: (808) 587-2824  
Web: <http://planning.hawaii.gov/>

DAVID Y. IGE  
GOVERNOR

MARY ALICE EVANS  
DIRECTOR  
OFFICE OF PLANNING

DTS201912121110HE

December 31, 2019

TO: Daniel Orodener, Executive Officer  
Land Use Commission

FROM: Mary Alice Evans, Director *Mary Alice Evans*  
Office of Planning

SUBJECT: Docket No. A19-807/Lanai Resorts, LLC dba Pulama Lanai  
Miki Basin Industrial Park  
Draft Environmental Assessment – Anticipated Finding of No Significant Impact  
Lanai Airport, Lanai, Hawaii  
TMK: (2) 4-9-002: por. 061

Pulama Lanai is seeking a State Land Use District Boundary Amendment (Land Use Commission Docket No. A19-807) to reclassify 200 acres from the State Agricultural District to the Urban District to develop the Miki Basin Industrial Park. The subject Draft Environmental Assessment – Anticipated Finding of No Significant Impact (DEA-AFONSI) is in support of the reclassification action.

Pulama Lanai proposes a master-planned light and heavy industrial development located 3.2 miles southwest of Lanai City and connected to Kaunapali Highway (State Route 440) via Miki Road. The 200-acre project site is designated for industrial use on the Lanai Community Plan Land Use Map and adjoins the Lanai Airport, the 5-acre Maui Electric Company power plant, and the existing 20-acre Miki Basin Industrial Condominium. All three neighboring facilities are in the State Urban District. The site is on fallow agricultural land, rated “D” by the Land Study Bureau, that has not been used since 1992 when pineapple production ceased.

As a master-planned project, Pulama Lanai will develop the major common infrastructure, such as roads and electric and water utility lines. Industrial park users will be responsible for connection to their individual lots. Pulama Lanai does not intend to build the project all at once and anticipates that full buildout will occur over a 30-year time period.

Mr. Daniel Orodener  
December 31, 2019  
Page 2

The Office of Planning (OP) has reviewed the DEA-AFONSI and offers the following comments:

1. Development Timetable

Pulama Lanai states that full buildout of the project is expected to take 30 years. Please be aware that projects seeking State Land Use reclassification are required to be *substantially completed within ten years* or seek incremental approvals (Hawaii Administrative Rules § 15-15-50 (c) (20)). The Final Environmental Assessment (FEA) should provide a schedule of development for each phase of the total development and a map showing the location and timing of each phase or increment. Regarding infrastructure, e.g. highway improvements, new water source, storage and distribution system, the FEA should discuss how improvements will be completed to ensure that mitigation coincides with the impact created by the proposed project.

2. Low Impact Development

OP acknowledges that Sections 4.5 (pgs. 42-48) of the DEA-AFONSI contains an extensive evaluation on geology, soils, slope stability and proposed drainage infrastructure that will be incorporated into the industrial park. Page 45 states that offsite runoff will be intercepted before entering the project site by proposed drainage ditches. The drainage ditches will divert runoff around the perimeter of the project site to an offsite discharge point downstream. Onsite runoff will be collected by a proposed underground storm drain system consisting of pipes and inlets. Page 48 goes on to state that storm water treatment will not be provided for this project since the runoff flows into an existing offsite sump with no outlet to the ocean.

Industrial activity in the Miki Basin may alter the absorption rate with the introduction of impervious surfaces, lead to increased sheet flow, and overwhelm drainage infrastructure intended to divert rainwater to detention zones. Low impact development (LID) designs include enhanced landscaping, bio-swales, permeable pavement, rain catchment systems, and bio-detention basins. LID design elements are effective at keeping stormwater in place, and treat toxins, sediment, and loose soil onsite.

Pulama Lanai should consult with the County of Maui on the feasibility and effectiveness of onsite stormwater treatment systems.

3. Water Resources

OP notes that the DEA-AFONSI contains an extensive discussion of the project's impact on water resources, including Lanai Water Company's conformance with the State Commission on Water Resource Management requirements, identification of new sources of water, water infrastructure improvements needed to support full buildout of the

Mr. Daniel Orodener  
December 31, 2019  
Page 3

project, and the cumulative impact of other development projects on water resources (pgs. 49-72). In addition, a Water Master Plan is also included (Exhibit H).

4. Cultural Resources

OP notes that the DEA-AFONSI partially discusses the project's potential impact on traditional and customary native Hawaiian rights on Pages 37-38. A fuller discussion and a specific finding consistent with the Hawaii Supreme Court's Ka Paakai holding is contained in the DEA-AFONSI, Exhibit A, September 24, 2019 letter to Kurt Matsumoto from Kepa Maly.

5. Previous Comments

Our previous response letter to an Early Consultation Request, dated November 30, 2018, requested that the DEA:

- Examine the project's relevancy with the provisions of Hawaii Revised Statutes (HRS) Chapter 226, the Hawaii State Planning Act; and
- Assess the project's adherence with HRS § 205A-2, the objectives and supporting policies of the Hawaii Coastal Zone Management (CZM) program.

OP acknowledges that our prior comments have been addressed in the DEA-AFONSI.

If you have any questions, please contact Aaron Setogawa of our Land Use Division at (808) 587-2883 or Joshua Hekekoa of our CZM program at (808) 587-2845.

Sincerely,



Mary Alice Evans  
Director

c: Lynn McCrory, Senior Vice President of Government Affairs, Pūlama Lanai  
Peter T. Young, President, Hookuleana LLC  
Michele McLean, AICP, Director, Department of Planning, County of Maui

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapū'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

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Mary Alice Evans, Director  
Office of Planning  
Post Office Box 2359  
Honolulu Hawaii 96804

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mary Alice:

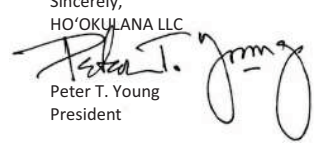
Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

We note the development timetable, drainage, water resources (you note that there is extensive discussion on water resources) and cultural resources. You note the cultural analysis included in the Exhibits section of the report is consistent with requirements and also acknowledge that your previous comments have been addressed in the EA.

We are aware of State Land Use reclassification timing you reference and understand that the project needs to be substantially completed within ten years or Pūlama Lāna'i should seek incremental approvals. As noted in the EA, the development timeframe is dependent on market conditions; the present estimate is that the project will be developed incrementally over a period of 30-years, depending on the market conditions. With respect to drainage, as you suggest, Pūlama Lāna'i will consult with the County of Maui on the feasibility and effectiveness of onsite stormwater treatment systems.

Thank you for your comments.

Sincerely,  
HO'OKULANA LLC



Peter T. Young  
President

Do well by doing good.