



STATE OF HAWAII OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR

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: <https://planning.hawaii.gov/>

Coastal Zone
Management
Program

DTS 202111221357SE

Environmental Review
Program

December 30, 2021

Land Use Commission

TO: Scott Derrickson, Chief Planner
Land Use Commission

Land Use Division

Special Plans Branch

FROM: Mary Alice Evans, Director
Office of Planning and Sustainable Development

State Transit-Oriented
Development

SUBJECT: 2nd Draft Environmental Assessment for the Proposed Miki
Basin Industrial Park
TMK (2) 4-9-002:061 (por.)
Lanai, Hawaii

Statewide Geographic
Information System

Statewide
Sustainability Program

Dear Mr. Derrickson,

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 2nd Draft Environmental Assessment (2nd DEA) is in conjunction with the proposed reclassification.

Pulama Lanai proposes a master-planned light and heavy industrial development located 3.2 miles south of Kaunalapau Highway (State Route 440) in Lanai City. 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 (MECO) power plant, and the 20-acre Miki Basin Industrial Condominium. The three neighboring facilities are in the State Urban District. The project site is on fallow agricultural land, rated "D" by the Land Study Bureau, that has not been used since 1992 when pineapple production ceased.

The project includes the following proposed uses:

- 127 acres for renewable energy projects (e.g., photovoltaic plus battery energy storage)
- 12.5 acres for the relocation of an existing asphalt plant

- 14.5 acres for the relocation of an existing concrete recycling and rock crushing operation, and for the storage and stockpiling of aggregate and construction materials
- 26 acres for new industrial uses (e.g., a slaughterhouse, warehouse space for cold storage, laboratory/testing facilities, product development, automotive services, multi-media facility, animal hospital), and
- 20 acres for infrastructure.

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 connecting to their individual lots.

Pulama Lanai anticipates that full buildout of the project will occur over a 20-year period. Relocation of the existing asphalt plant and concrete recycling and rock crushing operation and storage of aggregate and construction materials will occur during the first 10 years and the remainder of the project completed over the following 10 years.

The Office of Planning and Sustainable Development (OPSD) has reviewed the 2nd DEA and offers the following comments:

1. Conceptual Plan

The Final Environmental Assessment (FEA) should provide a conceptual plan showing the anticipated location of each of the proposed relocated and new uses, project access, new industrial lots, and internal roadways.

2. Renewable Energy Projects

The FEA should discuss whether the renewable energy projects are intended to supply all the electrical energy needs of the proposed industrial park at full buildout, and what relationship if any they will have with the adjoining MECO power plant.

3. Development Timetable

Pulama Lanai states that full buildout of the project is expected to take 20 years. As we noted in our comments on the previous DEA, 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 FEA should provide a schedule of development for each phase of the total development. The FEA should also discuss when infrastructure and energy improvements (e.g., highway

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improvements, new water source, storage and distribution system, renewable energy sources) are anticipated to be completed to ensure that mitigation coincides with the impacts created by the proposed project.

4. Previous Comments

OPSD provided comments on the previous DEA in a letter dated December 31, 2019 (see 2nd DEA REF-166) and notes that our comments regarding low impact development, water resources, and cultural resources have been addressed.

If you have any questions regarding these comments, please email Aaron Setogawa at aaron.h.setogawa@hawaii.gov.

cc. Chris Sugidono, Munekiyo Hiraga