Chapter 1 - Introduction

This Environmental Assessment (EA) represents Pūlama Lāna'i's analysis in compliance with State environmental review statutes including Chapter 343, Hawai'i Revised Statues (HRS). This EA evaluates the activities proposed for the proposed light and heavy industrial park that will adjoin the Lāna'i Airport. The purpose of the EA is to inform the relevant county and state agencies and the public of the likely environmental consequences of the activities noted in the industrial development.

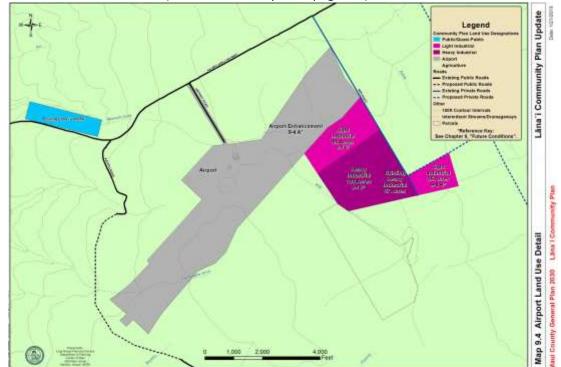
1.2 Purpose & Need

The purpose of the proposed action is to increase the amount of land available for light and heavy industrial uses and to develop the infrastructure necessary to encourage and support the development of new and expanding industrial enterprises critical to the growth and diversification of Lāna'i's economy.

For decades, Lāna'i's economy has been almost entirely dependent upon the pineapple industry. Today, Lāna'i's economy is, again, too reliant on a single industry; this time luxury tourism. A key goal expressed in the Lāna'i Community Plan is the diversification of Lāna'i's economy.

The first Strategy of the first Issue of the Economic Development chapter of the Lāna'i Community Plan seeks to help diversify the Lāna'i economy. In order to do this, the plan notes the need to attract and develop "new industries providing appropriate infrastructure and increasing the supply of commercial and industrial spaces." (Lāna'i Community Plan, page 6-3)

The proposed industrial land use expansion is consistent with the Lāna'i Community Plan which states, "Pulama Lāna'i would like 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." (Lāna'i Community Plan, page 6-2)



Lāna'i Community Plan – Airport Land Use Map (Red tones note Subject Property, as well as MECO and Industrial Condo)

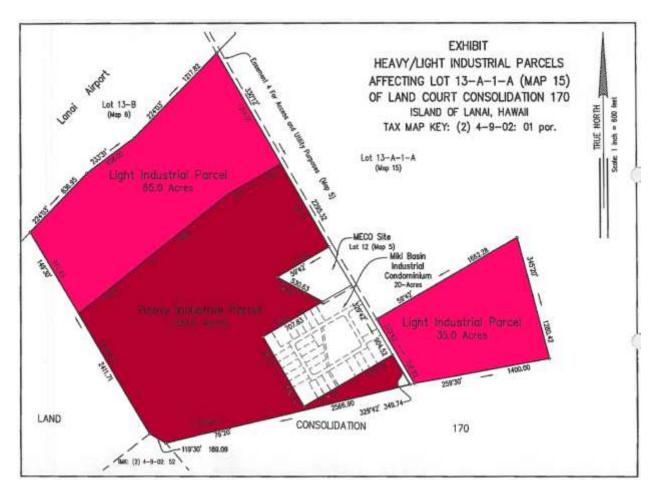


The proposed project site matches the Lāna'i Community Plan Land Use Map that calls for this 200-acre site to be in light and heavy industrial uses. (The 200-acres does not include the MECO facility (5 acres) nor the Miki Basin Industrial Condominium project (20-acres).) The proposed site is identified on tax maps as a portion of TMK: (2) 4–9–002:061.

The Lāna'i Community Plan identifies fostering a robust and diversified economy as a critical component to establishing a sustainable and resilient future for Lāna'i. The Lāna'i Community Plan goes on to explain:

This requires diversifying the tourism industry, supporting agriculture, encouraging new industries, expanding education and support services for small businesses, and providing necessary infrastructure, land, and affordable sea and air transportation options. Lowering energy costs by reducing dependence on fossil fuels and increasing renewable energy is also key to providing stronger economic opportunities and becoming more sustainable.

This will be achieved by increasing the generation and use of renewable energy sources, promoting the use of electric vehicles, and exploring options for biofuels, biodiesel, and waste-to-energy technology. Water resources will be used in a sustainable and economic manner by recycling one hundred percent of wastewater for irrigation and exploring options for reuse of household graywater for lawn and garden irrigation. (Lāna'i Community Plan, page 2-12)



Some of the ventures identified in the foregoing paragraph are industrial activities that would need to be located in industrial-zoned areas. The other enterprises listed will have ancillary needs for industrial spaces, such as warehouses, fleet baseyards, food collection and distribution systems, automotive sales and repair shops, plumbing, electrical and irrigation services and supplies, among many others.

Currently, only about 3,000 acres, or 3.4 percent of the land on Lana'i is in the Urban District. Most of the Urban lands are in the Lāna'i City central business area and along the coastline, areas not ideal for industrial activities.

The island's primary industrial areas are located southwest of Lāna'i City, near the airport and at Kaumālapa'u Harbor. They comprise a very small percentage of the total lands on Lāna'i and have very little room for expansion. Thus, an increase in the supply of industrial spaces for economic growth and diversification requires an expansion of lands classified as Urban sited in an area suitable for industrial activities.

The project area is well-suited for industrial development. It is adjacent to the most significant industrial uses on Lāna'i, the Lāna'i Airport and MECO's generating facility. At 3.2-miles southwest of Lāna'i City, it is far enough removed from the island's main business center and residential area as to minimize those impacts common to industrial areas but unsuitable for business and residential areas, such as noise, odors, and heavy vehicles. Yet, the project site is close enough to be conveniently and easily accessible to businesses, residents and the workforce.

Development of the 200-acre industrial park will

- (i) allow existing industrial facilities inappropriately scattered in business and residential areas in Lāna'i City to relocate to a more appropriate location having the infrastructure and buffers necessary for industrial uses; and
- (ii) provide opportunities for future industrial development on Lāna'i which will add to the diversification of Lāna'i's economy and thereby contribute to the island's resiliency and sustainability.

The proposed action is necessary for the implementation of the Lāna'i Community Plan.

1.3 Responsible Agencies

Accepting Agency: State of Hawai'i Land Use Commission

1.4 Project Development Status & Implementation Schedule

The project is in the planning and permitting phases at this time. It will be developed, following receipt of the necessary permits. Full buildout will be developed incrementally over a period of 30-years.

1.5 Required Permits & Approvals

A number of permits or other approvals may be necessary. The following list represents those permits or approvals identified to date. Additional permits might be identified subsequently if warranted by modifications, mitigation measures or refinements in final design.

Permits and Approvals

Permit/Approval	Applicable Activities	Applicable Areas	Regulatory Agency
Land Use District Boundary Amendment (Agriculture to Urban)	District Boundary amendment for consistent land use	Statewide	State of Hawai'i Land Use Commission
Maui County Rezoning	Rezoning	Countywide	Maui County Council (recommendation to come from Lāna'i Planning Commission)
Maui County Department of Public Works Subdivision approval	Approval for the subdivision of lands (Pūlama Lāna'i may or may not go through the subdivision process; it may lease sites, rather than sell the land and subdivide.)	Countywide	County of Maui Department of Public Works
Maui County Department of Public Works Permits approval	Permits for construction of infrastructure improvements (Developers/users of the individual sites will be responsible for infrastructure and services within their sites and for all permitting and regulatory requirements associated with their individual developments.)	Countywide	County of Maui Department of Public Works
Grading Permit	Permit for construction related activities	Countywide	County of Maui Department of Public Works