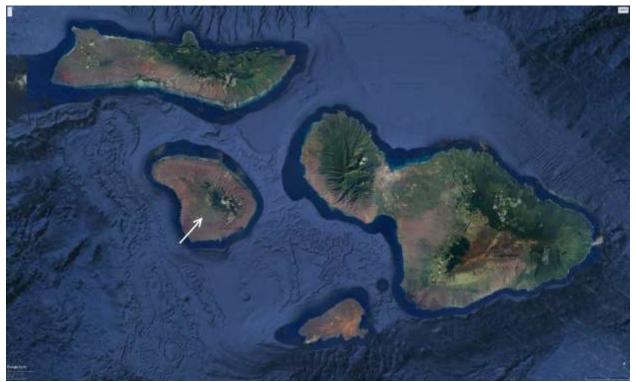
Chapter 2 - Project Description

This chapter gives a general description of the project, its location and proposed actions.

1.1 Proposed Action

Lāna'i Resorts, LLC, a Hawai'i Limited Liability Company doing business as Pūlama Lāna'i, is proposing the Miki Basin Industrial Park, a 200-acre master-planned light and heavy industrial development on land adjoining the Lāna'i Airport, the Maui Electric Company (MECO) 5-acre power plant and the existing 20-acre Miki Basin Industrial Condominium.

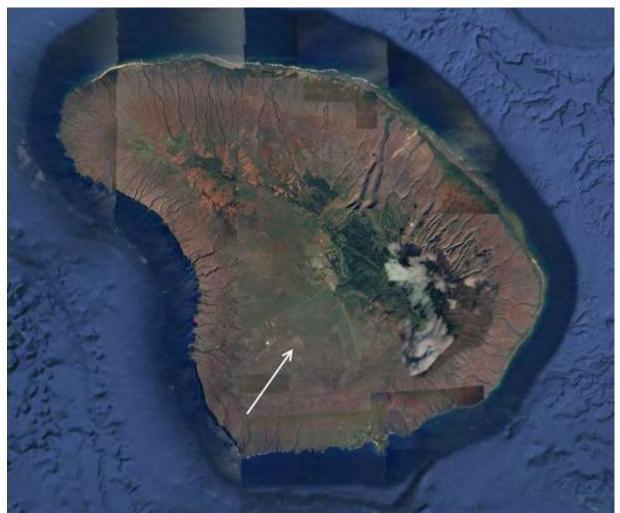
This project implements the vision for placement of industrial land uses on the island and expands upon the much-needed industrially-zoned land area called for in the Lāna'i Community Plan.



Maui Nui (Google Earth) with White Arrow noting the general location of the Miki Basin Industrial Park

The project site is located on Tax Map Key (TMK) (2) 4-9-002:061, approximately 3.2-miles south of Kaumālapa'u Highway in Lāna'i City, Maui County, Hawai'i. The site is located approximately three and a half miles to the east of the Pacific Ocean, the Site topographic elevation is approximately 1,247 feet above mean sea level (MSL), and local topography slopes to the southeast.

It encompasses 200-acres within Miki Basin. Lāna'i Airport is located along the northern boundary of the project site and Pālāwai Basin is located to the east of the site. The project will provide 100-acres for light industrial uses and 100-acres for heavy industrial uses. Full buildout of the proposed 200-acre Miki Basin Industrial Park will be developed incrementally over a period of 30-years (not all at once.)



Lāna'i (Google Earth) Noting general Location of the Miki Basin Industrial Park (White Arrow)

As a master-planned project, the master developer will develop the major common infrastructure, such as roads and electric and water utility lines, so as to encourage others to locate light and heavy industrial uses on individual sites within the project.

Developers of the individual lots/leased areas will be responsible for infrastructure and services within their sites and for all permitting and regulatory requirements associated with their individual developments.

Given the Lāna'i community's vision and goal of maintaining its rural, small town sense of community and ohana, the Lāna'i Community Plan calls for the management of development to ensure that the island's population growth does not expand beyond 6,000 people over the next 20 years (from the 3,135 residents counted in the 2010 census).

By pacing the island's development, population growth can occur without adversely affecting the island's ecosystems, natural resources, water resources, and sense of place. As a result of such managed population growth, industrial development likewise is anticipated to be paced over the long-term.

Implementation of the proposed action requires reclassification of the 200-acre site from Agriculture to Urban by the State Land Use Commission, and rezoning of the land for light and heavy industrial uses by Maui County.

Following completion of the land use entitlement processes, it is anticipated that full build out of the Miki Basin Industrial Park will take approximately 30-years.

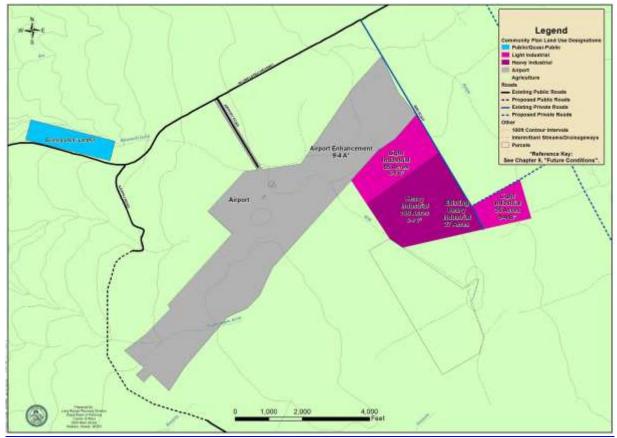
2.1 Project Location

The property and proposed activities are situated on land adjoining the Lāna'i Airport, the Maui Electric Company (MECO) 5-acre power plant and the existing 20-acre Miki Basin Industrial Condominium approximately 3.2-miles south of Kaumālapa'u Highway in Lāna'i City, Maui County, Hawai'i.

2.2 Project Description

In 2012 Lāna'i Resorts, LLC purchased approximately 98-percent of Lāna'i from Castle & Cooke, Inc. In July 2013, Lāna'i Resorts began doing business as Pūlama Lāna'i.

Lāna'i Resorts, LLC, a Hawai'i Limited Liability Company doing business as Pūlama Lāna'i, is proposing the Miki Basin Industrial Park, a 200-acre master-planned light and heavy industrial development on land adjoining the Lāna'i Airport, the Maui Electric Company (MECO) 5-acre power plant and the existing 20-acre Miki Basin Industrial Condominium.



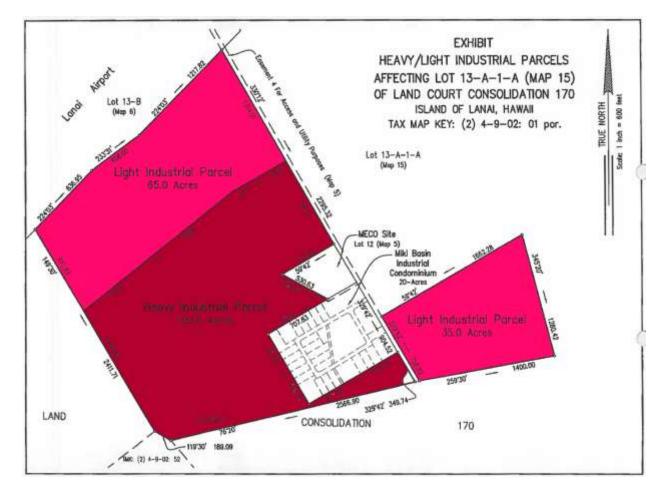
Lāna'i Community Plan – Airport Land Use Map (Red tones note Subject Property, as well as MECO and Industrial Condo)



This project implements the vision for placement of industrial land uses on the island and expands upon the much-needed industrially-zoned land area called for in the Lāna'i Community Plan.

The project site is located on Tax Map Key (TMK) (2) 4-9-002:061, approximately 3.2-miles south of Kaumālapa'u Highway in Lāna'i City, Maui County, Hawai'i. It encompasses 200-acres within Miki Basin. Lāna'i Airport is located along the northern boundary of the project site and Pālāwai Basin is located to the east of the site.

The project will provide 100-acres for light industrial uses and 100-acres for heavy industrial uses. As a master-planned project, the master developer will develop the major common infrastructure, such as roads and electric and water utility lines, so as to encourage others to locate light and heavy industrial uses on individual sites within the project.



Developers of the individual lots/leased areas will be responsible for infrastructure and services within their sites and for all permitting and regulatory requirements associated with their individual developments.

Given the Lāna'i community's vision and goal of maintaining its rural, small town sense of community and ohana, the Lāna'i Community Plan calls for the management of development to ensure that the island's



population growth does not expand beyond 6,000 people over the next 20 years (from the 3,135 residents counted in the 2010 census).

By pacing the island's development, population growth can occur without adversely affecting the island's ecosystems, natural resources, water resources, and sense of place. As a result of such managed population growth, industrial development likewise is anticipated to be paced over the long-term.

Implementation of the proposed action requires reclassification of the 200-acre site from Agriculture to Urban by the State Land Use Commission, and rezoning of the land for light and heavy industrial uses by Maui County.

Following completion of the land use entitlement processes, it is anticipated that full build out of the Miki Basin Industrial Park will take approximately 30-years.

Permitted Uses in the Light and Heavy Industrial Zoning Districts (Maui County Permitted Uses)

Pūlama Lāna'i is considering only some of the permitted uses allowed by County zoning in the Miki Basin Industrial Park. The following listing identifies permitted uses under the Maui County Zoning regulations:

M-1 Light Industrial District

"19.24.010 Purpose and intent. The M-1 light industrial district is designed to contain mostly warehousing and distribution types of activity, and permits most compounding, assembly, or treatment of articles or materials with the exception of heavy manufacturing and processing of raw materials. Residential uses are excluded except for dwelling units located above or below the first floor and apartments."

M-1 Light Industrial Permitted Uses:

- 1. Permitted uses from B-1, B-2, and B-3 Business Districts
- 2. Animal kennels
- 3. Apartment houses
- 4. Assembly of electrical appliances, radios, and phonographs including the manufacture of small parts such as coils, condensers crystal holders and the like.
- 5. Carpet cleaning plants
- 6. Cold storage plants
- 7. Communication equipment, antenna or towers
- 8. Commercial laundries
- 9. Craft cabinet and furniture manufacturing
- 10. Day Care Facilities
- 11. Educational institutions
- 12. Education, specialized
- 13. Farm implement sales and service
- 14. General food, fruit, and vegetable processing and manufacturing plants
- 15. Harbor facilities
- 16. Ice cream and milk producing, manufacturing and storage
- 17. Laboratories—experimental, photo or motion picture, film or testing
- 18. Light and heavy equipment and product display rooms storage and service
- 19. Machine shop or other metal working shop

- 20. Manufacture, compounding or treatment of articles or merchandise from the following previously prepared materials: aluminum, bone, cellophane, canvas, cloth, cork, feathers, felt, fiber, fur, glass, hair, horn, leather, plastics, precious or semi-precious metals or stones, shell, tobacco and wood.
- 21. Manufacture, compounding, processing, packing or treatment of such products as candy, cosmetics, drugs, perfumes, pharmaceutical, toiletries, and food products (Except the rendering or refining of fats and oils.)
- 22. Manufacture, dyeing and printing of cloth fabrics and wearing apparel.
- 23. Manufacture of musical instruments, toys, novelties and rubber and metal stamps
- 24. Manufacture of pottery and figurines or other similar ceramic products
- 25. Milk bottling or central distribution stations.
- 26. Mortuaries and morgues
- 27. Plumbing Shops.
- 28. Poultry or rabbit slaughter incidental to a retail business on the same premises
- 29. Production facility, multimedia.
- 30. Radio transmitting and television stations; provided, that towers are of the self-sustaining type without guys
- 31. Replating shop
- 32. Retail lumber yard including mill and sash work. (Mill and sash work shall be conducted within a completely enclosed building.)
- 33. Small boat building
- 34. Soda water and soft drink bottling and distribution plants
- 35. Tire repair operation including recapping and retreading
- 36. Utility facilities, minor, and substations up to, and including, 69 kv transmission
- 37. Warehouse, storage and loft buildings
- 38. Wearing apparel manufacturing
- 39. Wholesale business, storage buildings, nonexplosive goods and warehouses
- 40. Other similar retail businesses or service establishments that provide goods or services primarily for residents of the surrounding neighborhood. Provided such uses shall be approved by the direct or planning as conforming to the intent of this title.
- 41. Accessory uses from B-1, B-2, and B-3 Business Districts and M-1 Light Industrial District
 - a. Energy systems, small-scale. Provided the system is within a distance of four hundred feet of the nearest point of the lot it serves and there will be no detrimental or nuisance effect upon the neighbors.
 - b. Fences, walls, patios, decks and other landscape features
 - c. Garages, porte-cochere, mailboxes, ground signs, and trash enclosures
 - d. Security/watchman or custodian outbuildings
 - e. Warehouses and yards. (Conducted wholly within a completely enclosed building or within an area enclosed on all sides by a solid fence or wall at least six feet in height; and provided, that no goods, material, or objects shall be stacked higher than the fence or walls so erected.)
 - f. Other uses that are determined by the director of planning to be clearly incidental and customary to a permitted use.
- 42. Special uses from B-1, B-2, and B-3 Business Districts and M-1 Light Industrial. These need approval of the Lāna'i Planning Commission.
 - a. Mortuaries
 - b. Other uses that are similar in character to permitted and special uses and that are not detrimental to the welfare of the surrounding area.

M-2 Heavy Industrial District

"19.26.010 Purpose and intent. Those uses which include the manufacture or treatment of goods from raw materials are permitted in the M-2 heavy industrial district. Those uses which are listed under section 19.26.040 cannot be automatically included in the M-2 heavy industrial district because of their hazardous or offensive nature. Provision is made whereby the location and conduct of these uses is subject to review and approval of the commission as conforming to the intent of this title."

M-2 Heavy Industrial Permitted Uses

- i. All of the above uses allowed in M-1 Light Industrial Permitted Uses
- ii. Alcohol Manufacture
- iii. Automobile wrecking, if conducted within a building.
- iv. Boiler and steel works
- v. Brick, tile or terra cotta manufacture.
- vi. Canneries except fish canneries
- vii. Chemical manufacture
- viii. Concrete or cement products manufacture
- ix. Factories
- x. Foundries
- xi. Freight classification yard (railroad)
- xii. Junk establishment used for storing, depositing, or keeping junk or similar goods for business purposes. (Such establishment shall not be nearer than 8 feet from any other property line for the storage of the junk or similar goods except in buildings entirely enclosed with walls.)
- xiii. Lime kilns which do not emit noxious and offensive fumes
- xiv. Lumber yard
- xv. Machine shops
- xvi. Material recycling and recovery facilities
- xvii.Oilcloth or linoleum manufacture
- xviii. Oil storage slants
- xix. Paint, oil (including linseed), shellac, turpentine, lacquer, or varnish manufacture
- xx. Petroleum products manufacture or wholesale storage of petroleum
- xxi. Planing mill
- xxii. Plastic manufacture
- xxiii. Railroad repair shops
- xxiv. Rolling mills

xxv.Ship works

- xxvi. Soap manufacture
- xxvii. Sugar mills and refineries
- xxviii. Utility facilities, major
- xxix. In general those uses which may be obnoxious or offensive by reason of emission of order, dust, smoke, gas, noise, vibration, and the like and not allowed in any other district. (Provided, however, that any use not specified in this section shall not be permitted unless approved by the planning director as conforming to the intent of this title.

M-2 Heavy Industrial Accessory Uses

- 1. Energy systems, small-scale
- 2. Fences, walls, patios, decks, and other landscape features
- 3. Garages, porte-cochere, mailboxes, ground signs, and trash enclosures



- 4. Security/watchman or custodian outbuildings
- 5. Subordinate uses and structures which are determined by the planning director to be clearly incidental and customary to the permitted uses listed herein.

M-3 Restricted Industrial District

"19.25.010 Purpose and intent. Those uses which include the manufacture, processing, storage or treatment of goods from raw materials are permitted in the M-3 restricted industrial district. The district is intended to include manufacturing and nuisance industries. General retail and office uses are specifically excluded from this district."

M-3 Restricted Industrial Permitted Uses

- 1. Acetylene gas manufacture storage or bulk
- 2. Acid manufacture
- 3. Alcohol manufacture
- 4. Ammonia, bleaching powder or chlorine manufacture
- 5. Asphalt manufacture of refueling and asphaltic concrete plant
- 6. Automobile wrecking
- 7. Blast furnace or coke oven
- 8. Boiler and steel works
- 9. Brick, tile or terra cotta manufacture
- 10. Canneries
- 11. Cement, lime, gypsum, or plaster of paris manufacture
- 12. Chemical manufacture
- 13. Concrete or cement products manufacture
- 14. Crematories, morgues
- 15. Energy systems, power plants, substations, and utility facilities, major
- 16. Explosives manufacture or storage
- 17. Factories
- 18. Fertilizer manufacture
- 19. Fish canneries
- 20. Foundries
- 21. Freight classification yard (railroad)
- 22. Garbage, offal or dead animals reduction or dumping
- 23. Gas manufacture
- 24. Glue manufacture
- 25. Heavy equipment storage, servicing, and sales
- 26. Junk establishment used for storing, depositing, keeping junk or similar goods for business purposes
- 27. Landfill, solid waste processing and disposal
- 28. Lime kilns
- 29. Lumber yard and wood treatment facilities
- 30. Machine shops
- 31. Oilcloth or linoleum manufacture
- 32. Oil storage plants
- 33. Paint, oil (including linseed), shellac, turpentine, lacquer, or varnish manufacture
- 34. Petroleum or biofuel product manufacturing or wholesale storage of petroleum or biofuels
- 35. Petroleum refinery

- 36. Planing mill
- 37. Plastic manufacture
- 38. Quarry or stone mill
- 39. Railroad repair shops
- 40. Recycling processing facilities or material recycling and recovery facilities
- 41. Rock, sand, gravel, or earth excavation, crushing or distribution
- 42. Rolling mills
- 43. Saw mill
- 44. Ship works
- 45. Slaughter of animals
- 46. Soap manufacture
- 47. Stock yard or feeding pens
- 48. Sugar mills and refineries
- 49. Tannery or the curing or storage of raw hides
- 50. Telecommunication towers, antenna and equipment
- 51. Utility facilities, major
- 52. Wood treatment plants
- 53. In general those uses which may be obnoxious or offensive by reason of emission of odor, dust, smoke, gas, noise, vibration and the like., and not allowed in any other district. Provided, however, that any use not specified in this section shall not be permitted unless approved by the planning director as conforming to the intent of this title

As noted, uses in the B-1, B-2 and B-3 Business Districts are permitted in the various Industrially zoned sites. The Maui County Code defines the B-1, B-2 and B-3 Business Districts as:

B-1 Neighborhood Business District. - Description and Purpose. A neighborhood business district is one wherein retail business or service establishments supply commodities or perform services to meet the daily needs of the neighborhood.

B-2 Community Business District. - Description and Purpose. A community business district is intended to provide all types of goods and services for the community, with the exception of those uses more generally associated with industrial districts, but at a lower intensity of use than in the central business district.

B-3 Central Business Districts. - Description and Purpose. This district is applied to the central business district and permits general business enterprises, particularly financial, governmental, commercial and professional activities. Its distinguishing feature is the greater height limit permitted in the area. Manufacturing and nuisance industries are excluded from the zone.

Pūlama Lāna'i will work with Maui County in establishing the allowable used in the Miki Basin Industrial Park from the overall permitted uses allowed by zoning. Of note, while apartments and many other business-related uses 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.

