

Hakoda, Riley K

From: Orodenker, Daniel E
Sent: Sunday, December 22, 2019 6:42 PM
To: Hakoda, Riley K
Subject: Fwd: Comments on Docket No. A19-809 Pulama Lana'i for Miki Basin Industrial Park
Attachments: Comments on Docket No. A19-809 Pulama Lana'i.pdf

FYI

Daniel E Orodenker
Executive Officer, Land Use Commission

From: Robin Kaye <rkayelny@gmail.com>
Sent: Sunday, December 22, 2019 10:50:26 AM
To: Orodenker, Daniel E <daniel.e.orozenker@hawaii.gov>; Lynn McCrory <lmccrory@pulamalanai.com>; Peter T Young <PeterYoung@hookuleana.com>
Subject: Comments on Docket No. A19-809 Pulama Lana'i for Miki Basin Industrial Park

Please see the attached comments on Docket No. A19-809 Pulama Lāna'i's Draft EA for Miki Basin Industrial Park.

Aloha,

Robin Kaye

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December 22, 2019

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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. Orodenker:

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.¹

This contention should be heavily scrutinized.

¹ <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;² 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

² 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

| Growth Area | Land Use Designations | | | | | | | | Total Acres |
|---|-----------------------|-------|-----------|------------------|------------------|---------------------|------------|------------|--------------|
| | Mixed-Use Residential | Hotel | Airport | Light Industrial | Heavy Industrial | Public/Quasi-public | Park | Rural | |
| Lānaʻi City | | | | | | | | | 1,488 |
| Lānaʻi City Expansion* | 546 | | | | | 524 | | | |
| University Campus | | | | | | | 50 | | |
| Tennis Academy | | | | | | | 280 | | |
| Linear Park/Drainage | | | | | | | 16 | | |
| Gateway Park | | | | | | | | 50 | |
| Rural Residential | | | | | | | | | |
| Film Studios | | | | 22 | | | | | |
| Airport | | | | | | | | | 246 |
| Enhancement of present airport facilities | | | 46 | | | | | | |
| Miki Basin Industrial | | | | 100 | 100 | | | | |
| Manele | | | | | | | | | 181 |
| Manele Mauka | 105 | | | | | | | | |
| Rural Residential | | | | | | | | 76 | |
| Kaunālapaʻi | | | | | | | | | 60 |
| Ocean Resources Heavy Industrial | | | | | 10 | | | | |
| Kaunālapaʻi 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 Lāna’i residents trying to contribute to Lāna’i’s economy.

For several years, a native Hawaiian-owned business — The Lāna’i Ohana Poke Shop — operated out of a small space controlled by Pūlama Lāna’i in Lāna’i 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 Lāna’i’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, Lāna’i native Hawaiian family?

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

Lāna’i had a small car rental operation. Pūlama Lāna’i put them out of business and now runs its own Lāna’i 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 Lāna’i 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 Lāna’i’s “commitment” to making Lāna’i’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 Lāna'i and the many published development plans already on the books for Lāna'i, without further exploration and firm and timely commitments from Pūlama Lāna'i regarding funding of additional water resource; there is a reason why most of Lāna'i'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,

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