

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

June 8, 2012

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 11MD-117
Maui

Report to the Board of Land and Natural Resources on Land Division's Efforts to
have certain Public Lands Included in the Maui Island Plan Urban Growth Boundary,
Pu'unene, Maui, Hawaii Tax Map Key: (2) 3-8-008:001 and 038

APPLICANT:

Department of Land and natural Resources, Land Division

BRIEF SUMMARY:

This is a report to the Board on Land Division's efforts to have approximately 692 acres of public lands in Pu'unene, Maui, included the Maui Island Plan Urban Growth Boundary ("UGB"). Land Division believes these lands have excellent development and revenue generating potential and having these lands included in the UGB will facilitate Land Division's efforts to offer industrial and commercial ground leases for these lands.

LEGAL REFERENCE:

Section 171-41, Hawaii Revised Statutes, as amended.

SUBJECT PROPERTY:

Approximately 692 acres of Government lands of Pu'unene, Maui, Hawaii identified by Tax Map Key Nos: (2) 3-8-008:001 and 038, shown as Parcels 1 and 2 on the attached map labeled **Exhibit A**.

ZONING:

State Land Use District:	Agriculture
County of Maui CZO:	Agriculture

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES

CURRENT USE STATUS:

LOD 28690: Waterline Easement to County of Maui
LOD 28477: Utility Easement to Maui Electric Company
LOD 26985: Waterline Easement to County of Maui
RPS-7368: Alexander and Baldwin, Inc. for Agriculture Use

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action is merely a report to the Board on Land Division's efforts to seek a County land use approval. This action does not, in and of itself, constitute a use of State lands or funds and is not subject to the provisions of Chapter 343, HRS, relating to environmental impact statements.

REMARKS:

Background.

DLNR owns approximately 692 acres of land in the Pu'unene region of the Island of Maui. The lands are located along Mokulele Highway, which is the main highway that connects the Kahului area (which includes Maui's major airport and harbor facilities) and the Kihei/Wailea area. These lands have excellent development and income producing potential and are located near other proposed projects and developments, including the Department of Hawaiian Home Lands' industrial-commercial lands, the State's proposed Maui Regional Public Safety Complex, the U.S. Department of Defense National Guard facility; and the County of Maui's proposed public recreational facility. (See **Exhibit A**).

Because there are several State agencies seeking to develop projects in the area, the agencies formed an interagency working group to pursue the coordinated, cost-efficient development of their various lands/projects. This coordinated effort seeks to (1) incorporate the long-range goals and policies of the State, County, and other landowners/stakeholders in the area; (2) incorporate proper land use planning practices to promote the efficient use of State lands (rather than develop the lands in a piecemeal fashion); (3) reduce the cost of developing new infrastructure by coordinating the plans and needs of the various landowners and projects in the area; and (4) address the needs and concerns of the community and other stakeholders. The interagency group has been working together for approximately one year.

Maui Island Plan ("MIP").

The Maui County Council is currently reviewing the draft Maui Island Plan, i.e., the County's 2030 General Plan. The following is an excerpt from the draft plan, which summarizes the purpose of the MIP:¹

"The primary purpose of the Maui Island Plan is to establish a managed and directed growth strategy to accommodate population and employment growth in a manner that is fiscally prudent, safeguards the island's natural and cultural resources, enhances the built environment, and preserves land use opportunities for future generations. The directed growth strategy is based on sound planning practices and principles and utilizes information gathered from public outreach events, the Maui General Plan Advisory Committee and technical studies.

The Directed Growth Plan, which is grounded on the recommendations found throughout the Maui Island Plan, establishes the location and general character of future development, and the necessary supporting infrastructure and public facility systems required to service this development. The Directed Growth Plan will direct future community plan and zoning changes and guide the development of the County's shortterm [sic] and long-term capital improvement plan budgets."

¹ The MIP is scheduled to be updated by the County every ten years.

Maui Island Plan - Urban Growth Boundaries ("UGB").

The MIP establishes urban and rural growth boundaries ("UGBs" and "RGBs"), which boundaries are depicted with lines on the MIP Directed Growth Maps. The Urban Growth Boundaries ("UGB") depict the areas where future growth is desired and where urban-density development requiring a full range of services, such as new multi-user sewer and water, is supported conceptually. The UGB is one of Maui's long-range planning tools and will be used to evaluate proposals involving community plan amendments, change in zoning, development proposals or utility extensions.

The UGBs and RGBs take into account future growth projections through 2030, the availability of infrastructure and services, environmental constraints, and an approximate density of land development to determine the placement of the boundary. Land outside of the UGB is intended to remain rural in character with a strong agricultural and natural resource presence.

Status of DLNR Land Division's Efforts.

Land Division believes the Subject Property has excellent long-range development and income producing potential. As such, Land Division would like the ability to offer long-term industrial and/or commercial ground leases for these lands.

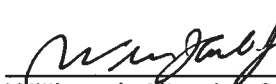
In furtherance of these efforts, Land Division is currently (1) developing a long-range master plan for the Subject Property and coordinating the plan with the interagency working group; and (2) requesting the County of Maui include the Subject Property in the MIP UGB. Land Division has retained a planning consultant to assist with the master plan and UGB efforts, and has met with each member of the Maui County Council, the Maui Mayor, Planning Director, and various other county staff members. Land Division believes the County supports including at least a portion of the Subject Property in the UGB. County Council hearings on the draft MIP are currently taking place.

Respectfully Submitted,



Keith Chun
Planning and Development Manager

APPROVED FOR SUBMITTAL:



William J. Aifa, Jr., Chairperson

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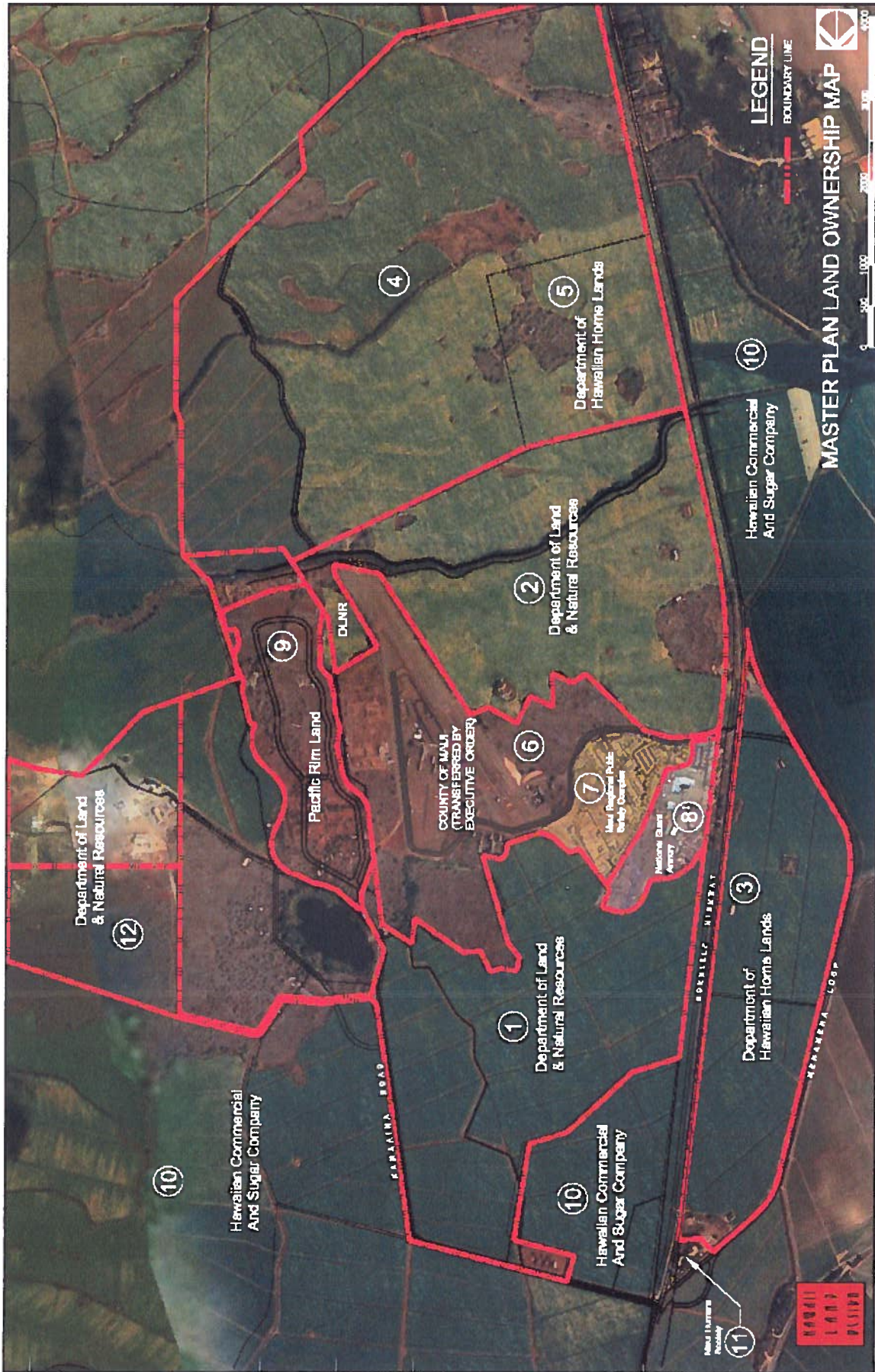


EXHIBIT A