STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of State Parks
Honolulu, Hawaii 96813

March 28, 2014

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

Acquisition of Private Lands for Park Purposes, Waikapū, Wailuku, Maui, Tax Map Key:
(2) 3-8-007:104

APPLICANT AGENCY:

Department of Land and Natural Resources, Division of State Parks (State Parks).

PRIVATE LANDOWNER:

Alexander and Baldwin, Inc., a Hawai‘i Corporation.

LEGAL REFERENCE:

Sections 107-10, 171-11 and 171-30, Hawaii Revised Statutes, as amended, and Chapter 101,
HRS, as may be necessary.

LOCATION:

Privately-owned lands of Waikapū situated at Wailuku, Maui identified by Tax Map Key: (2) 3-
8-007:104, as shown on the attached description and map labeled Exhibit A.

AREA:

65.378 acres, more or less.

ZONING:

State Land Use District: Urban
County of Maui CZO: Agricultural

CURRENT USE:

Vacant and subject to encumbrances of record.

ITEM E-3
CONSIDERATION:

Pursuant to mutual agreement, a one-time payment of One Million, Six Hundred Thirty-Four Thousand Dollars ($1,634,000) for fee simple title.

PURPOSE:

For outdoor recreation park purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the OEQC’s Environmental Notice on June 23, 2013, with a Finding of No Significant Impact (FONSI).

APPLICANT REQUIREMENTS:

Applicant has completed the requirements below:

1) An appraisal has been completed to determine the value of the property;
2) Final subdivision approval has been obtained from Maui County and the park parcel is now a subdivided, legal lot with its own tax map key parcel number;
3) A survey map and description have been completed indicating a total area of 65.378 acres;
4) A title status report has been obtained, it will need updating prior to closing to reflect changes as a result of the subdivision;
5) Environmental site assessments have been completed. The Phase I environmental site assessment indicated four (4) recognized environmental conditions which should be addressed in a Phase II environmental site assessment. The Phase II environmental site assessment concluded the site does not require any further remedial action or restrictions on land use prior to its development into a public park.

REMARKS:

This submittal seeks the Board’s approval to acquire 65.378 acres of land in Waikapū, Maui (TMK: 2) 3-8-007:104), for park purposes and is referred to as the Central Maui Regional Park (“CMRP”). It is located within the master planned community known as Waiʻale owned by Alexander and Baldwin, Inc. (A&B). A map depicting the Waiʻale master plan is attached as Exhibit B. A boundary description and map for the CMRP parcel is attached as Exhibit A.

The initiative in support of CMRP began as a way to address the demand for youth playing fields in the expanding area of Central Maui. In 2011, the Hawai'i State Legislature appropriated $9,000,000 to the Division of State Parks (State Parks) in general obligation bonds as a legislative add-on for this project and since then, the appropriation increased to approximately $18.5 Million for both land acquisition and park design/construction.

On December 9, 2011 (under Agenda Item E-3), the Board approved, in concept, the acquisition of private lands in Waikapū for the purpose of creating CMRP as described above. Following the Board’s approval, State Parks was tasked with conducting the due diligence as outlined in the 2011 Submittal. Simultaneously, the Department of Land and Natural Resources’ Engineering Division has been working on design and construction plans for the park
together with the preparation of an Environmental Assessment which the Board accepted at its meeting on October 11, 2013 under agenda item L-2.

**Location**
The lands are located within the undeveloped master planned community known as Wai’ale owned by Alexander and Baldwin, Inc. The property is unimproved, except for some fencing surrounding an area currently under a month to month lease for pasture purposes. That lessee is being relocated and the property will be conveyed free of any leases.

The property is bordered by Kuihelani Highway to the southeast, the Maui Lani subdivision to the north, a planned community center and cultural preserve to the west, planned county housing, a planned middle school and other planned commercial uses to the south, and South Kamehameha Avenue to the northwest. On November 4, 2011, the Land Use Commission accepted the Final Environmental Impact Statement for the project which included the development of a regional park in the location of CMRP.

**Park Design and Phasing**
The total development costs of CMRP which includes nine (9) baseball/softball fields and three (3) soccer fields is estimated to be over $25 Million. Because this amount exceeds the total appropriation, the plans call for the project to be built in two phases. (A site plan depicting the layout of the fields is attached as Exhibit C.) Phase 1 will include a high school baseball field and two softball fields together with bathroom facilities, a concession building and parking. An additive bid to Phase 1 will include two additional youth softball fields and will be constructed as part of Phase 1 should bid prices come in lower than expected. Phase 2 will include the remainder of the improvements including an additional four (4) softball playing fields, soccer fields and other ancillary park improvements. Phase 1 construction is planned for completion in late 2015. The Phase 2 completion date will depend on future appropriations and the construction bidding process.

Initial vehicle access to CMRP will be from S. Kamehameha Avenue which runs through the adjacent master planned community of Maui Lani. When Wai’ale is completed, primary access will change to the southern portion of CMRP off of what is now called “Road C” which gets its access from Kuihelani Highway.

**Subdivision, Consolidation and Reclassification**
The 2011 Submittal noted that the park site was a portion of Tax Map Key: (2) 3-8-007:101 and that it was not subdivided and was classified as Agricultural land. Owner A&B has since consolidated other parcels as part of Wai’ale development and created a separate parcel for CMRP consisting of 65.378 acres (i.e. what is now parcel 104). Final subdivision approval was granted on October 24, 2013. On June 21, 2012, the State Land Use Commission issued its Finding of Fact, Conclusions of Law and Decision and Order (the “LUC D&O”) reclassifying Wai’ale (including CMRP) as Urban lands.

Regarding county zoning, under Maui County rules, the use of playing fields on lands zoned as Agriculture is not authorized. With the approval of A&B, a special use permit from Maui County is being sought to allow for the use of playing fields until either the property is re-zoned or there is a change in zoning rules allowing such use.
Environmental Assessment
On October 11, 2013, the Board accepted an Environmental Assessment for CMRP which encompassed the development of the park and included the development of a water well for irrigation purposes. Numerous agencies at both the state and county level were consulted pursuant to the HRS Chapter 343 environmental review process.

Irrigation Water
Officials with the Maui County Department of Water Supply indicated there were insufficient resources to supply irrigation water to CMRP with county potable water. Potable water service for bathrooms, water fountains and concession buildings was available however. In light of this, CMRP will rely on a well located within the property to supply sufficient water for irrigation needs. Depending on the season and rainfall levels, when CMRP if fully developed, it will need between 175,000 and 375,000 gallons of water per day for irrigation purposes. In a March 3, 2014 final report, consultant Tom Nance (Water Resource Engineering) indicated the test results from Step Drawdown Test to show the CMRP’s well hydraulic capacity to be ‘excellent’ and that the water quality was sufficient for its intended use. Several years from now and upon A&B’s completion of the Wai’ale waste water treatment facility as part of the LUC D&O requirements, R1 effluent will be available for CMRP for irrigation purposes which will meet regulatory requirements for park irrigation purposes.

Park Management
Staff believes the most appropriate jurisdiction for the day to day management and maintenance of CMRP would be at the county level. Discussions between State Parks and Maui Parks and Recreation are ongoing and should an agreement be reached with Maui County, a set aside would be warranted to Maui County for park purposes. Staff believes it would be appropriate to address the issue of a set aside once that determination has been made and would return to the Board for appropriate action.

Appraisal
An April 2, 2012 appraisal indicating a value of $1,647,000 was obtained while the subdivision process was on-going. Since the completion of the appraisal, the property was consolidated and certain assumptions contained in the appraisal have changed.

During the subdivision process, a Department of Transportation set back requirement (from Kuiahelani Highway) reduced the size of the parcel from 66.476 acres to the present 65.378 acres. In addition, pursuant to the LUC D&O, the property is required to house a drainage basin which was initially planned to be 34 acres and shallow in depth, to a smaller, two tiered basin which encompasses approximately 15 acres. As a result of these changes, the new indicated value stands at $2,025,000 exceeding the price agreed to by the State and A&B of $25,000 per acre totaling $1,634,000 and is consistent with appraisal requirements under HRS §171-30.

Phase I and II Environmental Site Assessments
A Phase I Environmental Site Assessment (Phase I) was completed by Pacific Consulting Services, Inc. in July of 2012. The Phase I indicated four (4) Recognized Environmental Conditions (REC’s). The REC’s included 1) a history of pesticide use, 2) the high potential for Unexploded Ordnance (UXO), 3) an area of stressed vegetation, and 4) solid waste accumulations. The Phase I concluded that a Phase II Environmental Site Assessment (Phase II) would be necessary to address these concerns. State Parks contracted with Element Environmental, LLC (EE) to complete the Phase II based on the REC’s identified in the Phase I.
The Phase II investigation consisted of various tests and soil sampling of areas called Decision Units (DU’s) in accordance with relevant regulation (including Department of Health guidelines) to determine the likelihood of the presence of contamination or UXO. The DU’s were investigated and no actionable levels of contamination or any UXO were found.

The solid waste accumulations consisted of push piles and because they were to be removed as part of the development of the CMRP, there was little point in testing them. Rather, EE determined a better approach would be to simply remove the push piles with a monitor present and if evidence of further contamination existed, appropriate action be taken. As part of the construction process, the piles will be removed and reimbursement to the State for contamination costs will be negotiated with A&B. In short, the Phase II concluded that CMRP does not require any further action or restrictions on land use prior to its development of a public park.

Based on the demand for youth playing fields, the completion of the due diligence and the appropriation of funds for CMRP, State Parks recommends the Board’s approval of the acquisition of the property subject to the terms contained herein and the recommendation below.

RECOMMENDATION: That the Board:

1. Authorize the acquisition of the subject private lands under the terms and conditions cited above which are by this reference incorporated herein and further subject to the following:
   A. The standard terms and conditions of the most current deed document form, as may be amended from time to time; and,
   B. Review and approval by the Department of the Attorney General;

2. Authorize the Chairperson to prescribe other terms and conditions as may be necessary to carry out the intent of the Board and to best serve the interests of the State.

Respectfully Submitted,

DANIEL S. QUINN
Administrator

APPROVED FOR SUBMITTAL:

William J. Aila, Jr., Chairperson
DESCRIPTION

PORTION OF LOT 12-A
OF
MAUI LANI SUBDIVISION

TAX MAP KEY: (2) 3-8-007:101

All of that certain parcel of land, being portions of Grant 3152 to Henry Cornwell and Grant 3343 to Claus Spreckels situated at Waikapu and Wailuku Commons, Wailuku, Island and County of Maui, State of Hawaii

Beginning at the northwesterly corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 6,177.64 feet South and 2,707.87 feet East and running by azimuths measured clockwise from True South:

1. 284° 48' 20" 306.74 feet along Lots 155, 62, 61, 58 and 57 of Maui Lani Phase 7, Increment 4 Subdivision (F. P. 2473);

2. 304° 00' 3,214.71 feet along Lots 57 to 36, inclusive of the Maui Lani Phase 7, Increment 4 Subdivision (F. P. 2473) and Lots 137 to 133, inclusive and Lots 127 to 122, inclusive of the Maui Lani Phase 7, Increment 3 Subdivision (F. P. 2442) and Lots 67 to 48, inclusive of the Maui Lani Phase 7, Increment 2 Subdivision (F. P. 2433) and Lot 11-C-2 of the Maui Lani Development Subdivision;

3. Thence along the northwesterly side of Kuihelani Highway [F.A.S.P. No. S-0380 (4)] (being along Road widening Lot 12-A-5 of the Maui Lani Subdivision) on a curve to the left with a radius of 11,612.16 feet, the chord azimuth and distance being: 34° 00' 53.15" 527.70 feet;

4. 122° 42' 46" 12.00 feet along same;

Page 1 of 3

EXHIBIT A
5. Thence along same on a curve to the left with a radius of 11,624.16 feet, the chord azimuth and distance being:
   31° 39' 26"   428.28 feet;

6. Thence along the remainder of Lot 12-A of the Maui Lani Subdivision on a curve to the right with a radius of 50.00 feet, the chord azimuth and distance being:
   121° 39' 45"   1.64 feet;

7. 122° 36'   1,065.80 feet
   along the remainder of Lot 12-A of the Maui Lani Subdivision;

8. Thence along same on a curve to the left with a radius of 2,380.87 feet, the chord azimuth and distance being:
   116° 18'   522.53 feet;

9. 144° 04'   840.97 feet
   along the remainder of Lot 12-A of the Maui Lani Subdivision;

10. Thence along same on a curve to the right with a radius of 503.22 feet, the chord azimuth and distance being:
    150° 30' 50"   113.01 feet;

11. 156° 57' 40"
    526.93 feet
    along the remainder of Lot 12-A of the Maui Lani Subdivision;

12. 106° 11'
    470.00 feet
    along same;

13. 196° 55'
    490.95 feet
    along same to the point of beginning and containing an Area of 65.378 Acres.

SUBJECT, HOWEVER to existing Easements 16 and 17 for water transmission line purposes in favor of the County of Maui per Grant of Easement recorded in Liber 14533, pages 181,192 and 203.

SUBJECT, ALSO to a restriction of vehicular access rights affecting Course Nos. 3, 4 and 5 of the above described parcel of land.
January 7, 2013

This work was prepared by me or under my supervision.

Ken T. Nomura
Licensed Professional Land Surveyor
Certificate No. LS-7633
Expiration Date: 4/30/2014