

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
	)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
	)	
To Amend the Agricultural Land	)	
Use District Boundary into the	)	
Urban District for approximately	)	
545.229 acres at Wailuku and	)	
Waikapu, County of Maui, State of	)	
Hawai'i, TMK: 3-8-05: portion of	)	
23 and 37, 3-8-07: 71, portion of	)	
101 and 104	)	
_____	)	

LAND USE COMMISSION  
 STATE OF HAWAII  
 2010 AUG 25 P 2:07

PETITION FOR LAND USE DISTRICT BOUNDARY AMENDMENT  
VERIFICATION  
EXHIBITS "1" THROUGH "8"  
AFFIDAVIT OF SERVICE OF PETITION  
FOR LAND USE DISTRICT BOUNDARY AMENDMENT  
AFFIDAVIT OF NOTIFICATION OF PETITION FILING  
AND  
CERTIFICATE OF SERVICE

BENJAMIN M. MATSUBARA, #993-0  
 CURTIS T. TABATA, #5607-0  
 Matsubara – Kotake  
 888 Mililani Street, 8<sup>th</sup> Floor  
 Honolulu, Hawai'i 96813

Attorneys for Petitioner  
 A&B PROPERTIES, INC.

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
	)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
	)	
To Amend the Agricultural Land	)	
Use District Boundary into the	)	
Urban District for approximately	)	
545.229 acres at Wailuku and	)	
Waikapu, County of Maui, State of	)	
Hawai'i, TMK: 3-8-05: portion of	)	
23 and 37, 3-8-07: 71, portion of	)	
101 and 104	)	
_____	)	

**PETITION FOR LAND USE DISTRICT BOUNDARY AMENDMENT**

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

A&B PROPERTIES, INC., ("Petitioner") by and through its attorney, BENJAMIN M. MATSUBARA, respectfully petition the Land Use Commission of the State of Hawai'i ("Commission") to amend the land use district boundary of approximately 545.229 acres of land at Wailuku and Waikapu, Maui, Hawai'i, ("Property") more particularly described below, from the State Land Use Agricultural District to the State Land Use Urban District for the planned Wai'ale Community Project ("Project"). In support of this Petition, Petitioner respectfully presents the following:

1. Standing. The fee simple ownership of the Property is vested in Alexander & Baldwin, Inc., a Hawai'i corporation, whose principal place of business is

822 Bishop Street, Honolulu, Hawai'i 96813. Petitioner is a wholly owned subsidiary of Alexander & Baldwin, Inc. Attached as Exhibit 1 is the written authorization of Alexander & Baldwin, Inc. permitting Petitioner to file the subject Petition. Petitioner possess the requisite standing to file this Petition pursuant to Hawai'i Revised Statutes ("HRS") Section 205-4(a) and Hawai'i Administrative Rules ("HAR") Section 15-15-46(3).

2. Authorized Representatives. Mr. Benjamin M. Matsubara, Mr. Curtis T. Tabata and the law firm of Matsubara - Kotake have been appointed to represent the Petitioner pursuant to HAR Section 15-15-35(b). All correspondence and communications in regard to this Petition shall be addressed to, and served upon, Mr. Benjamin M. Matsubara, Matsubara - Kotake, 888 Mililani Street, 8<sup>th</sup> Floor, Honolulu, Hawai'i 96813 and Mr. Daniel Yasui, A&B Properties, Inc., 822 Bishop Street, Honolulu, Hawai'i 96813.

3. Relief Sought. Petitioner desires to amend the land use district boundary to reclassify approximately 545.229 acres of land at Wailuku and Waikapu, Maui, Hawai'i from the State Land Use Agricultural District to the State Land Use Urban District.

4. Authority for Relief Sought. Petitioner A&B Properties, Inc. files this Petition pursuant to Section 205-4, of the HRS and the Land Use Commission Rules of the State of Hawai'i, Title 15, Subtitle 3, Chapter 15 of the HAR.

5. Description of the Property. The Property is situated in Wailuku and Waikapu, Maui, Hawai'i and consists of approximately 545.229 acres and is identified as Tax Map Key Nos. (2) 3-8-05: portion of 23 and 37; and Tax Map Key Nos. (2) 3-8-07: 71, portion of 101 and 104. Tax Maps are attached hereto as Exhibit 8. A map identifying the location of the Property is attached as Exhibit 2. A survey map and metes and bounds description of the Property is attached as Exhibit 3.

6. Petitioner's Property Interest. The fee simple ownership of the Property is vested in Alexander & Baldwin, Inc., a Hawai'i corporation, whose principal place of business is 822 Bishop Street, Honolulu, Hawai'i 96813. Attached to this Petition as Exhibit 4 are documents evidencing Alexander & Baldwin, Inc.'s ownership of the Property. Petitioner is a wholly owned subsidiary of Alexander & Baldwin, Inc. Attached as Exhibit 1 is the written authorization of Alexander & Baldwin, Inc. permitting Petitioner to file the subject Petition.

7. Petitioner's Financial Condition. Petitioner is a wholly owned subsidiary of Alexander & Baldwin, Inc. Attached as Exhibit 5 are the financial statements of Alexander & Baldwin, Inc. Development of the Project is intended to be financed through internally generated funds.

8. Reclassification Sought, Proposed Use of Property. The Property is presently classified within the State Land Use Agricultural District. Petitioner seeks to reclassify the Property to the State Land Use Urban District to develop the Project. The

Project is a master planned residential community which would include the following uses: Village Mixed Use, Commercial, Business/Light Industrial, Multi Family and Single Family Residential, Community Center, Regional Park, Neighborhood Parks, Greenways and Open Space, Cultural Preserve, Middle School, and related infrastructure. The conceptual master plan of the Project is attached as Exhibit 6. The conceptual master plan is consistent with the guidelines and parameters specified in "Chapter 8: Directed Growth Plan" of the Draft Maui Island Plan (December 2009) as it relates to the Wai`ale planned growth area. A total of approximately 2,550 residential units are planned at the Project. A major regional park is planned within the Property, just south of the Maui Lani project, along with a system of neighborhood parks, greenways and open space. The regional park concept is described in the Draft Maui Island Plan and to include both active and passive park uses. Park development will be undertaken by the County of Maui. The Project will provide for a network of trails and bike paths which will connect to parks and open space areas. The Project includes approximately 50 acres near the Property's northern border with Maui Lani that will be conveyed to the County of Maui for affordable housing (40 acres), park (3 acres) and community center (7 acres). This land contribution is to satisfy Maui County zoning conditions for another project (Maui Business Park Phase II) in the Wailuku-Kahului region.

9. Environmental Impact. Attached as Exhibit 7 is an Environmental Impact Statement Preparation Notice ("EISPN") prepared for the Project. As the proposed Project will require an amendment to the Wailuku-Kahului Community Plan and may involve the use of State and/or County lands and the development of an onsite wastewater treatment facility, the preparation of this EISPN is being undertaken to address requirements under Chapter 343, HRS. Use of State and/or County lands could include, but not be limited to roadway, traffic, water, sewer, utility and drainage facilities affecting State and/or County roadways or other lands. While the specific nature of each improvement is not known at this time, the EISPN is intended to address all current and future instances involving the use of State and/or County lands relating to the Project. The filing of this Petition is the earliest practicable time to determine whether an Environmental Impact Statement ("EIS") shall be required to assess the Project pursuant to Section 343-5(c), HRS. Accordingly, Petitioner requests that the Commission determine: (a) that the Commission is the appropriate accepting authority for the EIS and (b) that the EISPN is warranted.

10. Description of the Property, Surrounding Area and Use of Land. The Property is located at Wailuku and Waikapu, Maui, adjacent and south of the Maui Lani project. The Property borders Kuihelani Highway on the east. Waiko Road intersects Kuihelani Highway and divides the Property into two sections, one section lies north of Waiko Road (Petition Area "A" comprising approximately 422.594 acres)

and the other south of Waiko Road (Petition Area "B" comprising approximately 122.635 acres). Kamehameha Avenue currently terminates within the Maui Lani project along the northern border of the Property. Kamehameha Avenue will be extended south through the Project as shown on the conceptual master plan. Current uses at the Property include: pasture (cattle and horses), cattle feed lot, orchid farm, base yard, sand stockpile and fallowed sugar fields. The northwestern portion of the property was previously used for sand mining. Surrounding land uses include the Maui Lani project to the north, Kuihelani Highway and sugar fields to the east, Waikapu Stream and sugar fields to the south, and Waikapu Village and light industrial uses to the west. Current access to the Property is off of Waiko Road, Kuihelani Highway and Kamehameha Avenue.

11. Assessment of the Impacts of the Proposed Development on the Environment. A preliminary discussion of the impacts of the proposed development on the environment is contained herein and in Petitioner's EISPN (Exhibit 7). Additional details concerning the proposed development's impacts on the environment will be provided as such information becomes available through the various studies which will be carried out in connection with the preparation of Petitioner's Draft Environmental Impact Statement ("DEIS").

## Flora and Fauna

A Botanical and Fauna Survey of the Property was conducted by Robert Hobdy, Environmental Consultant. The vegetation observed throughout the Property was dominated by a variety of non-native plants, including buffelgrass, kiawe, koa haole and Guinea grass. Four (4) native plant species: ilima, 'uhaloa, kou and popolo and three (3) of Polynesian origin: kukui, niu and ko or sugar cane, were found on the Property, but all are common species found throughout Hawai'i. No federally-listed endangered or threatened native species were found on the Property. Due to the dominance of non-native plants and the absence of any rare or protected native plant species, the proposed Project is not expected to have a significant negative impact on botanical resources. Mammals, including cattle, horses, axis deer and mongoose were observed on the Property. Other mammals likely to be found on the Property include, rats, mice, and feral cats. Seventeen (17) bird species were observed, including fifteen (15) non-native species, one indigenous water bird (black-crowned night heron) and one migrant bird (Pacific golden plover). No federally-listed endangered or threatened mammal, bird or insect species were found on the property.

The proposed development is not anticipated to have a significant negative impact on botanical and fauna resources. The Botanical and Fauna Survey will be included in the DEIS.



### Streams, Wetlands and Reservoirs

Waikapu Stream is situated to the south of the Property. While the stream is not included within the subject Property, a park/open space greenway will be provided along the northern border of the stream, within the Property. The natural drainage characteristics of Waikapu Stream are not intended to be altered. The DEIS will include a preliminary drainage report to describe the proposed drainage system for the Project. Mitigation measures such as Best Management Practices (“BMPs”) will be addressed by the preliminary drainage report.

### Archaeological and Historical Resources

An archaeological inventory survey of the Property has been conducted and will be included in the DEIS. This includes archaeological work undertaken in conjunction with Hawaiian Cement’s sand mining activities within the northwestern portion of the Property. Burials have been identified within this area and mitigation measures, including a plan for long term preservation are being formulated in consultation with the State Department of Land and Natural Resources Historic Preservation Division (“SHPD”) and the Maui/Lanai Islands Burial Council. Several cultural preserves are planned within the Project to safeguard these burial sites.

### Cultural Resources

A cultural impact assessment of the Property will be conducted to identify existing cultural resources and practices associated with the Property and the Project’s

potential impact on such resources and practices. The cultural impact assessment report will be included in the DEIS.

### Agriculture

In 1977, the State Department of Agriculture developed a classification system to identify Agricultural Lands of Importance to the State of Hawai'i ("ALISH"). The classification system is based primarily, though not exclusively, upon the soil characteristics of the lands. The three (3) classes of ALISH lands are: "Prime", "Unique", and "Other", with all remaining lands termed "Unclassified". When utilized with modern farming methods, "Prime" agricultural lands have a soil quality, growing season, and moisture supply necessary to produce sustained crop yields economically. "Unique" agricultural lands possess a combination of soil quality, growing season, and moisture supply to produce sustained high yields of a specific crop. "Other" agricultural lands include those that have not been rated as "Prime" or "Unique". The Property has been classified as "Other" by the ALISH classification system.

The University of Hawai'i, Land Study Bureau ("LSB") developed the Overall Productivity Rating, which classified soils according to five (5) levels, with "A" representing the class of highest productivity soils and "E" representing the lowest. These letters are followed by numbers which further classify the soil types by conveying such information as texture, drainage and stoniness. The vast majority of subject Property is located on lands designated "E" or very poor by the LSB. These

lands have the lowest productivity rating under the LSB classification system. Machine till ability is very poorly suited, thus grazing is the typical use for this type of soil. A small portion of the Property along its northeast boundary with Maui Lani is designated "C" by the LSB.

The proposed Project will involve the use of approximately 545 acres of land, which represents approximately 0.2 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui. A more detailed assessment of the agricultural impact of the proposed Project will be included in the DEIS.

#### Air and Noise Quality

Air quality in the vicinity of the Property is considered good with existing airborne emissions attributed primarily to nearby agricultural and industrial activities. Other potential sources of airborne emissions include construction activities at Maui Lani, vehicular traffic along nearby roadways and vog. However, these sources are typically intermittent, with prevailing trade winds quickly dispersing any particulates which are generated. Air quality data available for the area from the State Department of Health ("DOH") indicates that ambient air concentrations are well within State and national air quality standards. Noise generators in the vicinity of the Property are those associated with the nearby agricultural, industrial and construction activities. Another noise source in the area can be attributed to vehicular traffic along Kuihelani Highway and Waiko Road.

Anticipated air quality impacts attributed to the Project include dust generated by short-term construction-related activities. Dust control measures, such as regular watering and sprinkling, will be implemented to minimize wind-blown emissions. Graded and grubbed areas will be vegetated to mitigate dust-generated impacts. In the long term, the Project is not expected to adversely impact local and regional ambient air quality.

Ambient noise conditions will be temporarily impacted by construction activities. Heavy construction equipment, such as bulldozers, front-end loaders, and material-transport vehicles, will likely be the dominant source of noise during the construction period. The overall long-term impact of the Project on ambient noise levels is not anticipated to be significant.

#### Scenic and Open Space Resources

The subject Property is situated within the central valley of Maui, just south of Maui Lani. The slopes of Haleakala and the West Maui Mountains are visible from the Property. However, the subject Property is not a scenic resource nor located within a scenic view corridor.

The proposed Project will be developed as an architecturally integrated master planned community with extensive landscaping. Landscaping will be installed as part of the development improvements to ensure visual buffering and softening of the built landscape. The master plan includes regional and neighborhood parks, greenways and

open space. No adverse impacts to scenic or open space resources resulting from the Project are anticipated.

12. Assessment of the Impacts of the Proposed Development on the Availability of Public Services and Facilities

Roadways

The Property is situated adjacent to Kuihelani Highway, a primary vehicular arterial serving Central Maui. Kuihelani Highway is a median separated four-lane, two-way State Highway that runs in a north-south direction between Kahului and Ma`alaea. In addition to paved shoulders, Kuihelani Highway has traffic signals and turning lanes at major intersections, including at Waiko Road. The Property is also served by Waiko Road, which intersects Kuihelani Highway and divides the Property into two sections. Waiko Road is a two-lane collector roadway connecting Kuihelani Highway, Waiale Drive, and Honoapi`ilani Highway. Honoapi`ilani Highway is a two-lane State highway running in a north-south direction between Wailuku and Ma`alaea. Kamehameha Avenue is a two-lane County collector roadway within the adjacent Maui Lani project that currently terminates just north of the Property. Kamehameha Avenue will be extended south through the Property and connect with Waiko Road. As shown on the master plan, accesses to the Project are planned off of Waiko Road, Kuihelani Highway and Kamehameha Avenue.

A Traffic Impact Analysis Report ("TIAR") for the proposed project will be prepared and included in the DEIS. The TIAR will address the impacts of traffic

generated from the proposed Project and identify measures required to mitigate the impacts. Coordination with the State Department of Transportation (“DOT”) and County Department of Public Works (“DPW”) will be undertaken in the preparation of the TIAR.

### Water System

Water service for the region is provided by the County Department of Water Supply (“DWS”). Domestic water and fire flow for the Waikapu area is provided by the Mokuahau Wells in Happy Valley and the 300,000 gallon Waikapu Tank. A series of 8-inch and 12-inch waterlines traverse Waiko Road providing service to existing users. An existing 12-inch main is also situated within Kamehameha Avenue in Maui Lani.

To address the potable water needs of the Project, Petitioner is pursuing several alternatives. Petitioner, in cooperation with the County of Maui, is planning the development of a new water treatment facility on lands adjacent to the Waiale Reservoir, just north of the Project. The Waiale WTF (“WTF”) is planned as a joint effort with the County of Maui to address a portion of the future potable water needs of both the County and the Petitioner.

The development of new potable well sources in Central Maui is another potable water alternative. As example, the Petitioner has drilled two (2) wells in the Kahului aquifer. These wells are situated within the northeastern portion of the Property near

Kuihelani Highway. Each of these wells has a sustainable capacity of approximately 0.648 mgd and demonstrates the potential for potable well sources to serve the Project.

A preliminary engineering report will be included in the DEIS which will analyze the existing and proposed water system for the Project based upon calculated water demands.

#### Wastewater System

The County's existing Wailuku-Kahului Wastewater Reclamation Facility serving the greater Wailuku-Kahului region has a plant capacity of 7.9 mgd and currently treats an estimated 5.5 mgd. The facility is located on Amala Place in Kahului. The facility's total allocation, including projects already permitted, is estimated at 6.9 mgd. Within Maui Lani, an existing 12-inch sewer line is situated within Kamehameha Avenue, just north of the Property.

A preliminary engineering report will be included in the DEIS which will estimate demand generated by the Project and analyze wastewater collection and treatment requirements, as well as alternatives to accommodate the needs of the proposed Project.

#### Drainage

The property is generally flat along the eastern boundary along Kuihelani Highway, with a gentle slope rising from the northeastern to the northwestern corner. At its lowest point (at the northeastern corner), the property is approximately 150 feet

above mean sea level (msl). Higher elevations occur along the western edge of Waiko Road at approximately 310 above msl. Slopes generally increase from the north to the south, and the topography of the property at the southern tip is approximately 200 feet above msl. With gentle overall terrain, the average slope is about 3 percent or less. The majority of the Property is designated Zone "C", areas of minimal flooding, according to Federal Emergency Management Agency's ("FEMA") Flood Insurance Rate Map ("FIRM"). A small portion of the Property near Waikapu Stream is designated Zone "A", areas subject to flooding.

Onsite surface drainage currently sheet flows across the Property from the southwest to the northeast. Along Kuihelani Highway, existing drainage improvements include three (3) drainage crossings, which intercept and divert flows. A 42-inch culvert located near the intersection of Waiko Road and Kuihelani Highway, intercepts runoff from a swale parallel to Kuihelani Highway.

Waikapu Stream is situated to the south of the Property. The natural drainage characteristics of the stream will not be altered. The master plan includes a park/green way buffer along the stream to allow uninterrupted natural flows to occur and for recreational use.

The DEIS will include a preliminary drainage report covering the drainage characteristics of the Property, potential impacts resulting from the proposed Project,



and proposed mitigation measures. The findings and recommendations for drainage will be based on drainage studies prepared by a licensed civil engineer.

#### Electrical, Telephone, and Cable Television Services

Electrical power, telephone, and CATV services to the region are provided by Maui Electric Company, Hawaiian Telcom, and Oceanic Time Warner Cable of Hawaii, respectively.

Although it is anticipated that electrical, telephone, and CATV service capacity will be available for the proposed development and will not have an adverse impact on service providers, the respective providers will be consulted regarding potential impacts as well as measures to mitigate said impacts. The results will be included in the DEIS.

#### Police and Fire Protection

The proposed Project is situated within the Maui Police Department's ("MPD") Wailuku Patrol District, which covers the Kahului area. The Maui County Department of Fire and Public Safety ("MFD") provides fire prevention, suppression, protection and emergency services to the area. The MFD's Kahului Fire Station is situated on Dairy Road in Kahului.

An assessment of the impacts to police and fire protection services will be undertaken during the DEIS process. The EISPN will be circulated to the MPD and MFD to solicit comments on the proposed Project.

### Educational Facilities

The State Department of Education ("DOE") operates two (2) high schools, two (2) intermediate schools and four (4) elementary schools in the Wailuku-Kahului region, these include: Maui High School, Henry P. Baldwin High School, Iao Intermediate School, Maui Waena Intermediate School, Kahului Elementary School, Lihikai Elementary School, Wailuku Elementary School and Pomaikai Elementary School. Pomaikai Elementary School recently opened (2007) and is situated just north of the Property along Kamehameha Avenue in Maui Lani. Maui Community College, a branch of the University of Hawai'i system, is the primary higher education institution serving the County.

An assessment of the Project's impact to educational facilities in the region will be undertaken. Preliminary discussions have been held with the DOE Facilities Branch concerning the proposed Project. Based on its assessment of existing and planned DOE facilities in the region, the DOE has concurred with the need to plan for a future middle school site within the Project. The EISPN will be circulated to the DOE to solicit comments on the proposed Project.

### Recreational Facilities

Diverse recreational opportunities are available in the Wailuku-Kahului region. Numerous park facilities are within a relatively short distance of the Project site, including: Honolii Park, Kahului Community Center & Pool, Lihikai Park, Mokuhau

Park, Pomaikai Park, Wai'ale Neighborhood Park, War Memorial Complex & Keopuolani Regional Park and Wells Community Complex. However, there are regional recreational needs that the County would like to plan for within the Project.

The Project's master plan includes lands reserved for active regional and neighborhood parks, greenways and open space. The provision of lands for park purposes will be undertaken in consultation with the County Department of Parks and Recreation ("DPR") to ensure that park and playground assessment requirements are appropriately addressed. Lands planned for park purposes are expected to far exceed County park dedication requirements for the Project and will be discussed with the DPR. The EISPN will be circulated to the DPR to solicit comments on the proposed Project.

#### Solid Waste Disposal

Single family residential solid waste collection service is provided by the County of Maui. Residential solid waste collected by County crews is disposed of at the County's Central Maui Landfill facility, located 4.0 miles southeast of the Kahului Airport. The Central Maui Landfill is operated by the County Department of Environmental Management ("DEM"). In addition to County-collected refuse, the Central Maui Landfill also accepts commercial waste from private collection companies. A new expansion to the Central Maui solid waste landfill facility was recently opened. According to the County's Draft Integrated Solid Waste Management Plan (February

2008), there is adequate capacity at the Central Maui Landfill with planned improvements to the year 2026. Privately owned facilities, such as the Maui Demolition and Construction Landfill and the Pohakulepo Concrete Recycling Facility, accept solid waste and concrete from demolition and construction activities. These facilities are located at Ma`alaea, near Honoapi`ilani Highway's junctions with North Kihei Road and the Kuihelani Highway. A County supported green waste recycling facility is located at the Central Maui Landfill.

At the appropriate time and in consultation with the DEM, a solid waste management plan, incorporating measures for recycling during and after construction, will be prepared. The planned single family residential units within the proposed Project will be served by the County of Maui's solid waste disposal facilities. Other project components, including commercial and multi family residential units will likely be served by private waste collection companies. Further coordination will be carried out with the DEM during the DEIS process to identify Project implications to solid waste facilities. The findings will be incorporated into the DEIS document.

#### Medical Facilities

The only major medical facility on the island is Maui Memorial Medical Center, which is located in Kahului less than two (2) miles in distance from the proposed Project. The 196-bed facility provides general, acute, and emergency care services.

Non-emergency health care is provided by medical clinics and offices throughout Wailuku-Kahului, including Kaiser Permanente, which operates clinics in Maui Lani and Wailuku.

An assessment of the impacts to medical treatment and care services will be undertaken in the DEIS process. The EISPN will be circulated to the Maui Memorial Medical Center for review and comment.

13. Location of the Proposed Development to Adjacent Land Use Districts and Centers of Trading and Employment. The Property is contiguous with the existing Urban District and the greater Wailuku-Kahului urban area. The Property is located adjacent and south of the Maui Lani master planned community. The Waikapu Urban District is situated to the west of the Property at Waiko Road and Honoapiʻilani Highway. A light industrial area is also situated within the Urban District along Waiko Road. The site abuts the existing Kuihelani Highway, a major north/south roadway serving the Wailuku-Kahului region. The Property is proximate to existing infrastructure, has good access to existing roadways and topography suitable for urban development. The Property is located in an area of existing, urbanized lands.

14. Economic Impacts of the Proposed Development. The Project is intended to provide housing and employment opportunities in close proximity to the existing urban core and employment center at Wailuku-Kahului. On a short-term basis, the project will support construction and construction-related employment. Accordingly,

the project will have a beneficial impact on the local economy during the period of construction. Long term employment opportunities will also arise from the commercial components of the Project. An analysis to address tax, income and property valuation parameters will be undertaken during the DEIS process.

15. Housing Needs. The proposed Project would add approximately 2,550 residential units, including affordable units, to the supply of housing on the island of Maui. The proposed Project would assist in providing relief to the current overall shortage of housing. Moreover, the subject Property's central location in Wailuku-Kahului suggests that its impact will be very beneficial to Maui's residential and commercial sectors. No significant adverse impacts on housing conditions are anticipated. The DEIS will include a more thorough assessment of the proposed project's anticipated impacts on housing.

16. Need for the Reclassification. As previously noted, the conceptual master plan is consistent with the guidelines and parameters specified in "Chapter 8: Directed Growth Plan" of the Draft Maui Island Plan (December 2009) as it relates to the Wai'ale planned growth area. As noted in the Directed Growth Plan, Wai'ale is the largest planned growth area in the Wailuku-Kahului community plan region and will provide roughly 50% of the additional residential units needed in the Central Maui region to address the housing needs of Maui residents. The Project will also meet the requirements of the Maui Residential Workforce Housing Policy ("MRWHP").

Additionally, and to the extent feasible, housing credits (through the development of affordable housing units in excess of that required by the MRWHP) may be sought through the development of the Project. These housing credits could be applied to Petitioner's other projects. The Project also includes 50 acres that will be conveyed to the County of Maui for affordable housing (40 acres), park (3 acres) and community center (7 acres). This land contribution is to satisfy Maui County zoning conditions for another project (Maui Business Park Phase II) in the Wailuku-Kahului region. The proposed Project will provide needed housing in close proximity to existing urban development, infrastructure, and employment centers. The Project's location is central to employment centers on the island of Maui. The reclassification of the Property as proposed herein will not result in scattered, spot urban development. A detailed analysis of the need for the Project will be included in the DEIS.

17. Conformance with the Hawai'i State Plan. Chapter 226, HRS, also known as the Hawai'i State Plan, is a long-range comprehensive plan which serves as a guide for the future long-term development of the State by identifying goals, objectives, policies, and priorities, as well as implementation mechanisms. Examples of State objectives and policies relevant to the proposed Project are as follows:

1. Section 226-05, Objectives and policies for population. To achieve this objective, it shall be the State policy to:

a. *Promote increased opportunities for Hawai'i's people to pursue their socio-economic aspirations throughout the islands.*

- b. *Plan the development and availability of land and water resources in a coordinated manner so as to provide for the desired levels of growth in each geographic area.*

2. Section 226-19, Objectives and policies for socio-cultural advancement-housing. To achieve the housing objectives, it shall be the policy of the State to:

- a. *Effectively accommodate the housing needs of Hawai`i's people.*
- b. *Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households.*
- c. *Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.*

The DEIS will include a full review of applicable State Plan objectives and policies, as well as priority guidelines. In addition, the DEIS will examine the proposed Project's relationship to applicable State Functional Plans.

18. Conformance with the Coastal Zone Management Program. Hawai`i's Coastal Zone Management Program ("CZM"), Chapter 205 A, HRS establishes numerous objectives, policies and standards to guide and regulate public and private uses within the designated coastal management area. Although the Property is not located within the County's Special Management Area ("SMA"), the proposed development's relationship to the following applicable CZM objectives and policies have been reviewed. A more detailed discussion of the Project's conformance to the CZM will be included in the DEIS.



Recreational Resources Section 205A-2(b)(1)(A) provides that the CZM objective is to “provide coastal recreational opportunities accessible to the public.” Applicable policies to achieve this objective include:

*Provide adequate, accessible and diverse recreational opportunities in the coastal zone management area by:*

*Providing an adequate supply of shoreline parks and other recreational facilities suitable for public recreation.*

The proposed Project will not adversely affect coastal zone recreational opportunities. Accessibility to the shoreline will not be impacted by this Project. Additional recreational opportunities will be provided by additional park and open space that will be part of the proposed development.

Historic Resources Section 205A-2(b)(2)(A) provides that the CZM objective is to “protect, preserve and, where desirable, restore those natural and manmade historic and prehistoric resources in the coastal zone management area that are significant in Hawaiian and American history and culture.” Applicable policies to achieve this objective include:

*Identify and analyze significant archaeological resources.*

*Support state goals for protection, restoration, interpretation and display of historic resources.*

An archaeological inventory survey of the Property has been conducted and will be included in the DEIS. This includes archaeological work undertaken in conjunction with Hawaiian Cement’s sand mining activities within the northwestern portion of the Property. Burials have been identified within this area and mitigation measures,

including a plan for long term preservation are being formulated in consultation with the State Department of Land and Natural Resources Historic Preservation Division (“SHPD”) and the Maui/Lanai Islands Burial Council. Several cultural preserves are planned within the Project to safeguard these burial sites. With appropriate mitigation measures, the proposed Project is not anticipated to adversely impact historic or archaeological resources.

Scenic and Open Space Resources Section 205A-2(b)(3)(A) provides that the CZM objective is to “protect, preserve and, where desirable restore or improve the quality of coastal scenic and open space resources.” Applicable policies to achieve this objective include:

*Ensure that new developments are compatible with their visual environment by designing and locating such developments to minimize the alteration of natural landforms and existing public views to and along the shoreline.*

*Encourage those developments which are not coastal dependent to locate in inland areas.*

The proposed Project will not adversely impact scenic or open space resources. The Project is located inland of the shoreline and will not affect public views to and along the shoreline.

Coastal Ecosystems Section 205A-2(b)(4)(A) provides that the CZM objective is to “protect valuable coastal ecosystems, including reefs, from disruption and minimize adverse impacts on all coastal ecosystems.” Applicable policies to achieve this objective include:

*Minimize disruption or degradation of coastal water ecosystems by effective regulation of stream diversions, channelization, and similar land and water uses, recognizing competing water needs.*

Petitioner will ensure that appropriate erosion control measures are implemented during construction of the proposed development to prevent significant impacts upon coastal water ecosystems. The natural drainage characteristics of Waikapu Stream will not be altered. The master plan for the Project provides a greenway and open space buffer along the stream to enable uninterrupted natural flows to occur. All drainage improvements within the Project will be designed in accordance with applicable County standards to ensure no adverse impacts to downstream properties. The DEIS will include a preliminary drainage report covering the drainage characteristics of the Property, potential impacts resulting from the proposed Project, and proposed mitigation measures.

Coastal Hazards Section 205A-2(b)(6)(A) provides that the CZM objective is to “reduce hazard to life and property from tsunami, storm waves, stream flooding, erosion, subsidence and pollution.” Applicable policies to achieve this objective include:

*Control development in areas subject to storm wave, tsunami, flood, erosion, hurricane, wind, subsidence, and point and nonpoint pollution hazards.*

*Ensure that developments comply with requirements of the Federal Flood Insurance Program.*

As previously noted, the natural drainage characteristics of Waikapu Stream will not be altered. The master plan for the Project provides a greenway and open space

buffer along the stream to enable uninterrupted natural flows to occur. Development of the Project will be done in compliance with Federal Flood Insurance Program standards. All drainage improvements will be designed in accordance with applicable County standards to ensure no adverse impacts to downstream properties. The DEIS will include a preliminary drainage report covering the drainage characteristics of the Property, potential impacts resulting from the proposed Project, and proposed mitigation measures.

Managing Development Section 205A-2(b)(7)(A) provides that the CZM objective is to “improve the development review process, communication, and public participation in the management of coastal resources and hazards”. Applicable policies to achieve this objective include:

*Facilitate timely processing of applications for development permits and resolve overlapping of conflicting permit requirements.*

*Communicate the potential short and long term impacts of proposed significant coastal developments early in their life cycle and in terms understandable to the public to facilitate public participation in the planning and review process.*

The land use district boundary amendment process initiated by this Petition, as well as the associated environmental review process being undertaken pursuant to Chapter 343 HRS, will involve a comprehensive review of the proposed Project by various governmental agencies and community organizations. Public participation concerning the proposed Project will be afforded via public hearings and written comments concerning the DEIS.

Based on the foregoing, the proposed development is not anticipated to have an adverse impact on the SMA and is consistent with the objectives and policies of the CZM.

19. Conformance with the County General Plan, Community Plan, and Zoning. The Maui County General Plan (1990 Update) sets forth broad objectives and policies to help guide the long-range development of the County. As stated in the Maui County Charter, the General Plan shall:

*"...indicate desired population and physical development patterns for each island and region within the County; shall address the unique problems and needs of each island and region; shall explain the opportunities and the social, economic, and environmental consequences related to potential developments; and shall set forth the desired sequence, patterns, and characteristics of future developments. The General Plan shall identify objectives to be achieved, and priorities, policies, and implementing actions to be pursued with respect to population density, land use maps, land use regulations, transportation systems, public and community facility locations, water and sewage systems, visitor destinations, urban design, and other matters related to development."*

The Maui County General Plan advances five (5) major themes that focus on the overall goals of the plan. The proposed project responds to the following General Plan themes:

Theme Number 2      *Prepare a Directed and Managed Growth Plan*

*Amendments to the General Plan will preserve a desired quality of life where areas of urban settlement must be managed and directed within a framework that consistently and concurrently balances growth demands against human service needs and physical infrastructure supply.*

Theme Number 5      *Provide for Needed Resident Housing*

*Amendments to the General Plan address the development of resident housing as a major social need in our community.*

The proposed action is in keeping with the following General Plan objectives and policies:

POPULATION

Objective

*To plan the growth of resident and visitor population through a directed and managed growth plan so as to avoid social, economic and environmental disruptions.*

Policy

*Balance population growth by achieving concurrency between the resident employee work force, the job inventory created by new industries, affordable resident/employee housing, constraints on the environment and its natural resources, public and private infrastructure, and essential social services such as schools, hospitals, etc.*

LAND USE

Objectives

1. *To preserve for present and future generations existing geographic, cultural and traditional community lifestyles by limiting and managing growth through environmentally sensitive and effective use of land in accordance with the individual character of the various communities and regions of the County.*

2. *To use the land within the County for the social and economic benefit of all the County's residents.*

Policies

1. *Provide and maintain a range of land use districts sufficient to meet the social, physical, environmental and economic needs of the community.*
2. *Encourage land use methods that will provide a continuous balanced inventory of housing types in all price ranges.*
3. *Encourage programs to stabilize affordable land and housing prices.*

HOUSING

Objective

*To provide a choice of attractive, sanitary and affordable homes for all our residents.*

Policies

1. *Encourage the construction of housing in a variety of price ranges and geographic locations.*
2. *Ensure that each community plan region contains its fair share of affordable housing.*

URBAN DESIGN

Objective

*To encourage developments which reflect the character and the culture of Maui County's people.*

Policy

*Encourage community design which establishes a cohesive identity.*

RECREATION AND OPEN SPACE

Objective

*To provide high-quality recreational facilities to meet the present and future needs of our residents of all ages and physical ability.*

Policy

*Develop facilities that will meet the different recreational needs of the various communities.*

Draft Maui Island Plan (December 2009)

The Draft Maui Island Plan (December 2009) is a part of the County's on-going effort to prepare the General Plan 2030 of the County of Maui. Intended to provide a long-term comprehensive strategic planning document for the physical, economic, environmental development and cultural identity of the County, it encompasses goals, policies, programs and actions that are recommended based on an assessment of current and future needs and available resources. As noted in Chapter 8, "Directed Growth Plan" of the Draft Maui Island Plan (December 2009), Wai`ale is the largest planned growth area in the Wailuku-Kahului community plan region. Wai`ale is expected to provide roughly 50% of the additional residential units needed in the Central Maui region to address the future housing needs of Maui residents within the 2030 planning horizon. The Project's conceptual master plan has been prepared consistent with the



guidelines and parameters specified in Directed Growth Plan. As discussed in the Draft Maui Island Plan, the rationale for planned growth at Wai'ale includes its proximity to existing employment centers and infrastructure, good highway access and buildable topography. The Directed Growth Map within the Draft Maui Island Plan, includes the Property within the proposed Urban Growth Boundary.

Within Maui County, there are nine (9) community plan regions. From a General Plan implementation standpoint, each region is governed by a community plan which sets forth desired land use patterns, as well as goals, objectives, policies, and implementing actions for a number of functional areas including infrastructure-related parameters. The proposed Project is located within the Wailuku-Kahului Community Plan region. The existing Community Plan land use designations for the Property are set forth in the Wailuku-Kahului Community Plan Land Use Map. The subject Property is designated "Agriculture" on the Wailuku-Kahului Community Plan Map. To modify the Community Plan to be consistent with the draft Maui Island Plan (2009), the applicant will file a community plan amendment application to change the designation from "Agriculture" to "Project District". The intent of the Project District designation is to allow for flexibility and creativity in the master planning and development of the Project. Project Districts are governed under Section 19.45.010 of the Maui County Code.

The proposed Project is also in conformance with the following, more general, goals, objectives, and policies of the Wailuku-Kahului Community Plan.

## LAND USE

### Goal

*An attractive, well-planned community with a mixture of compatible land uses in appropriate areas to accommodate the future needs of residents and visitors in a manner that provides for the social and economic well-being of residents and the preservation and enhancement of the region's environmental resources and traditional towns and villages.*

### Objectives and Policies

1. *Establish an adequate supply of urban land use designations to meet the needs of the community over the next 20 years.*
2. *Maintain a project district approach for the major residential growth areas adjacent to Wailuku, Kahului and Waiehu to allow flexibility in master planning. These project districts may contain a variety of residential unit types as well as supporting community services, including business, public, recreational and educational facilities.*

## HOUSING

### Goal

*A sufficient supply and choice of attractive, sanitary and affordable housing accommodations for the broad cross section of residents, including the elderly.*

### Objectives and Policies

1. *Utilize a project district planning approach for major housing expansion areas which will allow flexibility in project planning. This will provide for flexible development standards and a mix of*

*housing types which can result in more efficient site utilization and potential reductions in housing development costs.*

2. *Provide sufficient land areas for new residential growth which relax constraints on the housing market and afford variety in type, price, and location of units. Opportunities for the preservation of housing are presently constrained by a lack of expansion areas. This condition should be relieved by a choice of housing in a variety of locations, both rural and urban in character.*
3. *Seek alternative residential growth areas within the planning region, with high priority given to the Wailuku and Kahului areas. This action should recognize that crucial issues of maintaining important agricultural lands, achieving efficient patterns of growth, and providing adequate housing supply and choice of price and location must be addressed and resolved.*
4. *Coordinate the planning, design and construction of public infrastructure improvements with major residential projects that have an affordable housing component.*

## SOCIAL INFRASTRUCTURE

### Goal

*Develop and maintain an efficient and responsive system of public services which promotes a safe, healthy and enjoyable lifestyle, accommodates the needs of young, elderly, disabled, and disadvantaged persons, and offers opportunities for self-improvement and community well-being.*

### Objectives and Policies

1. *Provide park and recreation areas as an integral part of project district specifications which will accommodate the needs of population growth.*
2. *Ensure that adequate regional/community park facilities are provided to service new residential developments.*

The subject Property is currently zoned "Agricultural" by the County of Maui. A change in zoning application will be filed as part of the entitlement applications to implement the proposed Project. The zoning application will seek Project District designation pursuant to Section 19.45.010 of the Maui County Code.

20. Development of the Property. Substantial development of the Property is anticipated to be accomplished within ten (10) years after the date of the Commission's approval.

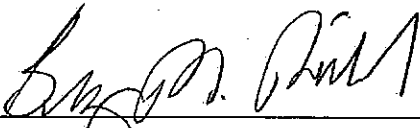
21. Hawaiian Customary and Traditional Rights. Petitioner is aware of and sensitive to the existence and practice of native Hawaiian customary and traditional rights that are protected by Article XII, Section 7 of the Hawai'i State Constitution. A cultural impact assessment for the Property will be prepared and included in the Project's DEIS. As previously noted, burials have been identified within this area and mitigation measures, including a plan for long term preservation are being formulated in consultation with the State Department of Land and Natural Resources Historic Preservation Division ("SHPD") and the Maui/Lanai Islands Burial Council.

22. Written Comments From Agencies and Organizations. Assuming the Commission determines that it is the appropriate accepting authority for the EISPN, the EISPN will be circulated for agency and public comment. Written comments to the EISPN from various agencies and organizations, including responses, will be included in the Project's DEIS.

Based on the foregoing, Petitioner respectfully requests that the Commission finds that the Petition meets the standards for determining Urban District boundaries pursuant to HAR Sections 15-15-18 and 15-15-21, and amends the land use district boundary of the Property from the State Land Use Agricultural District to the State Land Use Urban District.

DATED: Honolulu, Hawai'i, August 25, 2010.

Of Counsel:  
MATSUBARA – KOTAKE  
A Law Corporation

  
\_\_\_\_\_  
BENJAMIN M. MATSUBARA  
CURTIS T. TABATA  
Attorneys for Petitioner  
A&B PROPERTIES, INC.

BEFORE THE LAND USE COMMISSION

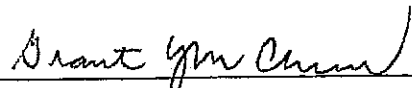
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
	)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
	)	
To Amend the Agricultural Land	)	
Use District Boundary into the	)	
Urban District for approximately	)	
545.229 acres at Wailuku and	)	
Waikapu, County of Maui, State of	)	
Hawai'i, TMK: 3-8-05: portion of	)	
23 and 37, 3-8-07: 71, portion of	)	
101 and 104	)	
_____	)	

VERIFICATION

Grant Y. M. Chun, being first duly sworn, on oath, deposes and says that he is Vice President of A&B Properties, Inc., a Hawai'i corporation, and as such is authorized to make this verification on behalf of said corporation; that he has read the foregoing petition and knows the contents thereof; and that the same are true to the best of his knowledge, information and belief.

Dated: Kahului, Maui, Hawai'i, August 23, 2010

  
\_\_\_\_\_  
GRANT Y. M. CHUN  
A&B Properties, Inc.  
Its Vice President

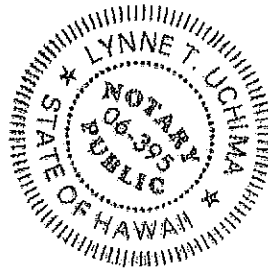
Subscribed and sworn to me  
this 23<sup>rd</sup> day of August 2010

Lynne T. Uchima

Name: Lynne T. Uchima

Notary Public, State of Hawai'i

My Commission expires: 7/2/2014



NOTARY CERTIFICATE (Hawai'i Administrative Rules §5-11-8)

Document Identification or Description: Petition For Land Use District Boundary Amendment; Verification; Exhibits "1" Through "8"; Affidavit Of Service Of petitioner For Land Use District Boundary Amendment; Affidavit Of Notification Of Petition Filing And Certificate Of Service

Doc. Date: Undated at time of notarization No. of Pages: 40

Jurisdiction: Second Circuit

(in which notarial act is performed)

Lynne T. Uchima

8/23/10

Signature of Notary

Date of Certificate

Lynne T. Uchima

Printed Name of Notary



(Official Stamp or Seal)