

BEFORE THE MAUI PLANNING COMMISSION  
COUNTY OF MAUI  
STATE OF HAWAII

In the Matter of the Application of	)	
	)	Docket CIZ 980013
MR. HENRY RICE,	)	
KAONOULU RANCH COMPANY, LTD.,	)	KAONOULU INDUSTRIAL PARK
	)	(ATC)
to Obtain a Change in Zoning from the	)	
County Agricultural District to the	)	
M-1 Light Industrial District for the	)	
Kaonoulu Industrial Park Project, a Light	)	
Industrial Subdivision and Related	)	
Improvements on Approximately 88 Acres)	)	
of Land at TMK 3-9-01: 16 and	)	
<u>2-2-02: portion of 15, Kihei, Maui, Hawaii</u>	)	

Maui Planning Department's Report  
for the  
Maui Planning Commission Meeting on  
August 25, 1998

Change In Zoning  
a:\kaonociz.rpt

Department of Planning  
County of Maui  
250 S. High Street  
Wailuku, Maui, Hawaii 96793

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**THE APPLICATION**

This matter arises from an application for a Change in Zoning from the County Agricultural District to the M-1 Light Industrial District filed on April 22, 1998, and deemed complete and ready for processing by the Department of Public Works and Waste Management on April 23, 1998. The application was filed pursuant to Title 19, Section 19.510.040 of the Maui County Code, by Mr. Henry Rice of Kaonoulu Ranch Company Ltd., ("applicant"), on approximately 88 acres of land, in Kihei, Island and County of Maui, identified as Maui Tax Map Key No.: 3-9-1: 16 and 2-2-02: portion of 15 ("property").

**PURPOSE OF THE APPLICATION**

The applicant is requesting a Change in Zoning in order to develop an Industrial Park and related improvements on approximately 88 acres in Kihei.

## **APPLICABLE REGULATIONS**

### **CHANGE IN ZONING**

Pursuant to Title 19, Chapter 19.510, Section 19.510.040 Change in Zoning of the Maui County Code, the appropriate planning commission shall hold a public hearing on all applications for zoning changes and make a recommendation to the County Council. The County Council may grant a change in zoning if all the following criteria are met:

1. The proposed request meets the intent of the general plan and the objectives and policies of the community plans of the county;
2. The proposed request is consistent with the applicable community plan land use map of the county;
3. The proposed request meets the intent and purpose of the district being requested;
4. The application, if granted, would not adversely affect or interfere with public or private schools, parks, playgrounds, water systems, sewage and solid waste disposal, drainage, roadway and transportation systems, or other public requirements, conveniences and improvements;
5. The application, if granted, would not adversely impact the social, cultural, economic, environmental, and ecological character and quality of the surrounding area; and
6. If the application change in zoning involves the establishment of an agricultural district with a minimum lot size of two acres, an agricultural feasibility study shall be required and reviewed by the Department of Agriculture and the United States Soil and Conservation Service.

Pursuant to Title 19, Chapter 19.510, Section 19.510.050 Conditional zoning of the Maui County Code, the County Council may impose conditions upon the applicant's use of the property. The conditions shall be imposed if the Council finds them necessary to prevent circumstances which may be adverse to the public health, safety and welfare. The conditions shall be reasonably conceived to mitigate the impacts emanating from the proposed land and shall meet the following criteria:

1. That the public shall be protected from the potentially deleterious effects of the proposed use; and
2. That the need for public services created by the proposed use shall be fulfilled.

### **PROCEDURAL MATTERS**

1. On April 20, 1998, the applicant mailed a "Notice of Application to all owners and recorded lessees within 500 feet of the subject property notifying them of the applicant's intent to file the change in zoning application with the County of Maui. A copy of the "Notice of Application" is on file in the Maui Planning Department.

2. On July 9, 1998, 48 days prior to the hearing, the Maui Planning Department mailed a "Notice of Completeness of Application and Acceptance" to the applicant and appropriate state and county agencies notifying them of the scheduled public hearing.

3. On July 27, 1998, the applicant mailed a letter of notification and location map for the Change in Zoning application to all owners and recorded lessees within 500 feet of the subject property describing the application and notifying them of the scheduled hearing date, time and place by either certified or registered mail receipt. Copies of the letter, location map, list of owners and recorded lessees, certified and registered mail receipts are on file in the Planning Department.

4. On July 24, 1998, a notice of hearing on the application was published in the Maui News by the Maui Planning Department.

5. On July 27, August 3, and August 10, 1998, the applicant published a Notice of the Change in Zoning in the Maui News.

### **PROPERTY DESCRIPTION**

The Property is located in Kihei, on the island of Maui. It is situated on the easterly side of Piilani Highway in the vicinity of the Kaonoulu Street-Piilani Highway intersection, and the northerly side of Kulanihakoi Gulch. (Exhibit 1) The property is currently vacant and is being used for cattle grazing purposes. Vegetation is predominantly buffel grass and kiawe.

The property is bordered to the north by several commercial and light industrial uses which are adjacent to Piilani Highway. Some of the uses include a gasoline fueling station, a commercial light-industrial complex and a cold and self storage facility. Uses on the mauka side of the property include pasture land. Lands further South include the Kulanihakoi Gulch, vacant properties, the Kihei Research and Technology Park, and Silversword Golf Course.

The Land Use designations for the property are as follows:

- a. State Land Use District -- Urban
- b. Kihei-Makena Community Plan -- Light Industrial
- c. County Zoning -- Agriculture
- d. Special Management Area (SMA) -- The subject property is not located within the SMA Boundary of the County of Maui

### **EXISTING SERVICES**

1. Water -- The subject project area is served by the Central Maui Water System. Source wells located in upper Waiehu provide water for the region. Water is supplied to the Kihei region by a 36-inch water transmission line extending along Mokulele Highway.

The transmission line then extends in a southerly direction from Mokulele Highway and intersects with the mauka terminus of Ohukai Road. From this point, a 16-inch line branches off from the 36-inch transmission line and supplies a 2.0 million gallon storage tank located approximately 2,800 feet mauka of the Ohukai Road terminus. From the tank, a 16 inch line conveys water to consumers along Ohukai Road mauka of Piilani Highway. The 16 inch line also connects with the 18-inch low level transmission system for Kihei located makai of the Piilani Highway/Ohukai Road intersection.

The 36-inch transmission line carrying water from Central Maui extends diagonally across the subject property in a northeast to southeast direction. Since it is a high pressure transmission line, direct hookup is not permitted. The closest point of water hookup for the proposed project would be the 16-inch line located on Ohukai Road approximately 1,100 feet north of the project site.

2. Wastewater System --The project area is serviced by the Kihei Wastewater Reclamation Facility, which is located to the south of the Silversword Golf Course. The Kihei Wastewater Reclamation Facility was expanded December, 1997 and presently has a plant capacity of 8.0 million gallons per day (MGD)

The project site is not sewered. The nearest County gravity collection system is located 800 feet west of the project site at the intersection of Kenolio and Kaiola Streets makai of Piilani Highway.

3. Drainage -- Approximately 60.5 cubic feet per second (cfs) of on-site surface runoff is presently generated by the subject property. This surface runoff volume presently sheet flows across the project, where it is intercepted by existing drainage ways, and eventually discharges into Kulanihakoi Gulch, which extends along the southerly boundary of the subject property.

Off-site surface runoff of approximately 911 cfs from the area located immediately mauka of the subject property flows through the subject property by means of an existing natural drainage way. The drainage way discharges into Kulanihakoi Gulch approximately 1,200 feet downstream of the mauka boundary of the subject property.

4. Roadway System -- In the vicinity of the proposed project, four (4) intersections along Piilani Highway, at Mokulele Highway, Uwapo Road, Ohukai Street, and Lipoa Street are presently signalized. Other side streets, including Kaonoulou Street, are stop-controlled at their intersections with Piilani Highway.

5. Electrical and Telephone Service -- There are no power or telephone distribution lines within the subject property. However, electrical power and telephone systems are available across Piilani Highway on Kaonoulou Street, approximately 600 feet away.

6. Police and Fire Protection -- Police services for the Kihei-Makena subdistrict are currently provided by patrol officers on assignment from the Wailuku Patrol Division. Each eight (8) hour watch is staffed by a minimum of four (4) patrol officers.

Fire prevention, protection and suppression services are provided by the Maui Fire Department's Kihei Station. This station is located approximately 2.6 miles south of the project site and is equipped with a 1,500 gallon pumper, and is staffed by one (1) captain and five (5) firefighters per twenty-four (24) hour shift.

7. Medical Facilities -- The major hospital facility on the Island is Maui Memorial Hospital which provides service to the Kihei-Makena region. Acute, general and emergency care services are provided by the 185-bed facility. Medical dental offices are located in the Kihei area to serve the region's residents.

8. Recreational Facilities -- Recreational facilities, in close proximity to the subject property, include the Silversword Golf Course, Kalama park, Kalepolepo Park, the Kamaole Beach Parks, and numerous other beach parks along the Kihei coastline. Shoreline recreation includes swimming, fishing, picnicking, snorkeling and windsurfing.

The Wailea-Makena Resort areas to the south of the project site offers additional opportunities for golf, tennis and ocean-related activities.

9. Schools -- The State of Hawaii, Department of Education operates three (3) public schools in the Kihei area. Kihei Elementary School covers grades K to 5, with an enrollment of approximately 766 students. Kamali'i Elementary School, a second elementary school with an enrollment of approximately 778 students, opened in August 1996. Lokelani Intermediate School includes grades 6 to 8, with an enrollment of approximately 672 students. Public school students in grades 9 through 12 attend Maui High School in Kahului.

10. Solid Waste -- Single-family residential solid waste collection service is provided by the County of Maui on a once-a week basis. Residential solid waste collected by County crews are disposed at the County's 55-acre Central Maui Landfill located four miles southeast of the Kahului Airport. In addition to County collected refuse, the Central Maui Landfill accepts commercial waste from private collection companies.

#### PROJECT DESCRIPTION (Exhibits 2 and 3)

The proposed project is a commercial and light industrial subdivision where improved lots are proposed to be sold in fee simple to interested purchasers. Conceptual site studies reflect a mixture of lots (approximately 123 lots) ranging in size from approximately 10,000 square feet to about 3.0 acres and that depending on market conditions, lot density within the subdivision may be adjusted to provide a broader mix of lots.

Roadway and drainage improvements are proposed to service the project. Access to the project will be from Piilani Highway through a new segment of East Kaonoulu Street, within a 112-foot wide right-of-way. Main entry roadways to the subdivision from East Kaonoulu Street are proposed within a 64 foot right-of-way, while interior roadways are proposed within a 60 foot right-of-way. A concrete lined diversion channel, proposed to be constructed mauka of the property, directs runoff to Kulanihakoi Gulch.

## **AGENCY REVIEWS**

### **County Agencies:**

1. Department of Public Works and Waste Management - Memo dated June 29, 1998 (Exhibit 4)
2. Department of Water Supply - Letter dated June 9, 1998 (Exhibit 5)
3. Maui Police Department - Memo dated May 28, 1998 (Exhibit 7)
4. Maui Fire Department - Letter dated June 3, 1998 (Exhibit 9)
5. Department of Parks & Recreation -- Memo dated June 18, 1998 (Exhibit 10)

### **State Agencies:**

6. Department of Health - Letter dated June 8, 1998 (Exhibit 11)
7. Department of Transportation - Letter dated July 13, 1998 (Exhibit 12)
8. Department of Hawaiian Home Lands - Letter dated May 18, 1998 (Exhibit 14)
9. Department of Land and Natural Resources, State Historic Preservation Division - Letter dated June 2, 1998 (Exhibit 15)
10. Department of Land and Natural Resources (Land Division) - Letters dated June 1 and June 25, 1998 (Exhibits 16 and 17)
11. Office of Hawaiian Affairs - Letter dated May 27, 1998 (Exhibit 18)
12. Department of Education - Letter dated May 26, 1998 (Exhibit 20)

### **Federal Agencies:**

13. U.S. Department of Agriculture Natural Resources Conservation Service Letter dated May 19, 1998 (Exhibit 21)
14. Department of the Army, Planning and Operations Division and Operations Branch - Letter dated May 29, 1998 (Exhibit 23)
15. U. S. Fish & Wildlife Service -- Letter dated May 28, 1998 (Exhibit 24)



Others:

16. Maui Electric Company - Letter dated May 26, 1998  
(Exhibit 25)

## **ANALYSIS**

### **LAND USE**

1. The State land Use Commission reclassified the subject property from the Agricultural District to the Urban District in 1995. The Decision and Order is dated February 10, 1995 (Exhibit 26).

2. The Maui County General Plan, updated in 1991, sets forth broad objectives and policies to help guide the long-range development of the County. As expressed in the Maui County Charter:

"The purpose of the General Plan is to recognize and state the major problems and opportunities concerning the needs and the development of the County and the social, economic and environmental effects of such development and set forth the desired sequence, patterns and characteristics of future development."

The proposed action is in keeping with the following General Plan objective and policy:

"To provide an economic climate which will encourage controlled expansion and diversification of the County's economic base."

"Maintain a diversified economic environment compatible with acceptable and consistent employment."

3. The Maui County General Plan calls for the establishment of nine Community Plans for the regions of Maui County. Planning for each region is guided by the respective Community Plans. Each Community Plan contains recommendations and standards which guide the sequencing, patterns, and characteristics of future development in the region.

The County of Maui recently completed the process of comprehensively updating the Kihei-Makena Community Plan. The process involved review by the Kihei-Makena Citizen Advisory Committee (CAC), the Planning Department, the Maui Planning Commission, and the Maui County Council.

The Maui Planning Commission held a public hearing on the Kihei-Makena Community Plan Update in September 1993. The Commission's recommendations were transmitted to the County Council in January 1994.

The Maui County Council approved the adoption of the Kihei-Makena Community Plan in March 1998.

The proposed project conforms with the Light Industrial designation identified in the updated Community Plan. Light industrial uses include warehousing, light assembly, service and craft-type industrial operations.

4. The property is presently zoned Agriculture by the County of Maui. The applicant is requesting that the property be zoning M-1 Light Industrial. The M-1 Light Industrial Zoning District (Chapter 19.24, Maui County Code) permits, in addition to industrial type uses, uses in the B-1, B-2 and B-3 Business Districts. The Planning Department has previously gone on record as being concerned with light industrial subdivisions becoming merely additional commercial space and has tried to impose conditions on zoning applications to require that a percentage of the net property to be developed be leased or sold as restricted to uses permitted in the M-1 Light Industrial District, under Maui County Code, Title 19, Chapter 19.24, excluding the uses permitted in the B-1, B-2, and B-3 Business District.

The most recent project where the Planning Department recommended this similar type of condition was for the Lahaina Business Park Light Industrial Subdivision in 1995. In this particular change in zoning application, the Planning Department recommended:

"That seventy percent (70%) of the net property to be developed shall be leased or sold as restricted to uses permitted in the M-1 Light Industrial District, under Maui County Code, Title 19, Chapter 19.24, excluding the uses permitted in the B-1, B-2 and B-3 Business District."

Both the Planning Commission and the County Council did not support the Planning Department's recommendation. (Exhibit 30)

In A&B's Kahului Industrial Park Expansion Project (now developed as the Maui Marketplace), the Planning Department and Planning Commission recommended a condition that read: (Exhibit 31)

"That at least 80% percent of the project shall be set aside for light industrial uses and no more than 20% of the project for

commercial or other business uses."

The County Council in its approval of the Change in Zoning request amended the above condition to read: (Exhibit 32)

*"That the Declarant shall comply with its representation that no more than fifty percent (50%) of the lots developed in Phase 1A shall be leased for commercial uses, that is for uses permissible (pursuant to the M-1 Light Industrial District) under Title 19, Chapters 19.16, 19.18 and 19.20 of the Maui County Code and no more than twenty percent (20%) of the lots developed in Phase 1B shall be leased for commercial uses, that is for uses permissible (pursuant to the M-1 Light Industrial District) under Title 19, Chapters 19.16, 19.18 and 19.20 of the Maui County Code, provided that this condition (Number 5) shall terminate and have no force and effect upon commencement of construction, that is, notice to proceed, for either the airport access road or the widening of Dairy Road to four lanes."*

The Rainbow Ranch, Napili Trade Center project in which M-1 Light Industrial Zoning (conditional zoning) became effective on January 7, 1992, includes the following condition:

*"That at least 80% of the project shall be set aside for light industrial uses and not more than twenty percent (20%) of the project for commercial or other business uses."*

This project, however, has never been developed.

The Planning Department is recommending that the following condition be imposed on this change in zoning application:

*"That seventy percent (70%) of the net property to be developed shall be leased or sold as restricted to uses permitted in the M-1 Light Industrial District, under Maui County Code, Title 19, Chapter 19.24, excluding the uses permitted in the B-1, B-2 and B-3 Business District."*

When looking a few of the newly developed light industrial subdivisions such as the Mill Yard Subdivision in Wailuku, A&B's Kahului Industrial Park Expansion (Maui Marketplace), and the Kihei Gateway Plaza Light Industrial Subdivision (directly north of the proposed project), the reality is that these light industrial

subdivisions have been occupied predominantly by commercial uses. In the case of the Kihei Gateway Plaza which is the only light industrial subdivision in Kihei, existing uses include, Gas Express, a Discount Golf Shop, a church, offices, clothing shops, restaurants, a fitness facility, a cold storage facility, and other retail shops.

The ability for retail users to pay less to occupy space in an industrial district has made industrial space less available for true industrial uses such as warehousing facilities and construction baseyards. They have thus resorted to locating themselves to the Agricultural District.

## **AGRICULTURE**

The project site is currently utilized for cattle grazing. The site is part of the expansive dry lowland area extending up to the Kula region. Vegetation in this area consists primarily of buffel grass. Additional species include kiawe, 'uhaloa, 'ilima and koa haole.

The Detailed Land Classification of the Land Study Bureau rates the overall productivity rating as "E", or very poorly suited for agricultural production. The State Agricultural Lands of Importance to the State of Hawaii system (ALISH) classifies all but a three (3) acre area at the Southwest corner of the Property as unclassified. The three acres at the southwest corner of the property is classified "PRIME". The property is part of an approximately 6,000 acre parcel owned by the applicant, Kaonoulou Ranch and used for cattle pasture.

## **ARCHAEOLOGICAL, HISTORIC AND CULTURAL RESOURCES**

An archaeological inventory study was completed for the subject property in 1994 by Xamanek Researches (Erik M. Fredericksen, Walter M. Fredericksen and Demaris L. Fredericksen). The study identified twenty historic sites (50-10-3727 through 3746), including eight stone piles or cairns, two enclosures, three sets of parallel alignments, an erosion wall, five surface midden/lithic scatters, and a petroglyph. The parallel alignments and one of the enclosures were determined to be of post-contact period construction. Three sites, including two cairns and the erosion control wall were determined to be of post-contact period construction. The surface midden deposits, one enclosure, and the petroglyph were determined to be of pre-contact period use, representing temporary habitation and a marker. Subsurface testing was conducted at eight sites, including two stone piles, a cairn, both enclosures, and three of the surface midden deposits. Subsurface cultural deposits were identified at two of the surface midden deposits. In both cases, these deposits occurred only in the upper 10 cm of soil.

The Department of Land and Natural Resources (DLNR), State Historic Preservation Division (SHPD) by letter dated July 12, 1994 (Exhibit 19A) has determined that no further archaeological work is recommended for sites 3727 - 3745. The Department also concurred with the archaeological report that the petroglyph (site 3746) either be moved to a more secure location or incorporated into the landscaping.

In a letter dated June 2, 1998, (Exhibit 15) the DLNR SHPD comments that a preservation plan for the petroglyph boulder was submitted to their office by the applicant. DLNR SHPD has found that the long-term protection measures which includes placement of the boulder in the garden of Kaonoulu Ranch with curation by Rice Family members is adequate.

### INFRASTRUCTURE AND PUBLIC FACILITIES AND SERVICES

1. WATER - The project report states that water for the project will be furnished by the domestic system servicing the area. The report further indicates that the average daily demand for the project is estimated to be approximately 429,500 gallons per day based on Department of Water Supply criteria of 6,000 gpd. Fire flow for industrial and commercial projects is 2,000 gallons per minute.

A new 12-inch line is proposed to be installed between Ohukai Road and the project site. An easement will have to be obtained across land owned by Haleakala Ranch. A new distribution system will be installed within the subdivision streets to meet the required fire and domestic flow demands of the project. Fire hydrants will also be installed at appropriate intervals throughout the project. The existing 36-inch transmission line which extends diagonally across the subject property may be relocated within the subdivision street rights-of-way. Water source development and storage assessments are expected to be paid as part of the new water meter fees.

The Department of Water Supply (DWS) has commented by letter dated June 9, 1998 (Exhibit 5) that based on their calculations, the estimated usage for the project is 528,000 gpd. The DWS advises that a project of this size will require the applicants to participate in source development. The applicants should contact DWS's engineering division as soon as possible to discuss options for participation.

The DWS also comments that the project area lacks adequate storage for the project. The applicant should be advised that they will be required to participate in the development of storage sufficient to serve the project.

The DWS further states that as the project is served by the Central Maui System and the major source of water for this system is the Iao Aquifer, the timing of this project may be affected with possible delays until new sources can be brought on line. Rolling annual average groundwater withdrawals from the Iao Aquifer as of April 1, 1998 were 19.25 MGD. The regulatory sustainable yield of this aquifer is 20 MGD. On August 13, 1997, the State Commission on Water Resource Management (CWRM) elected not to designate Iao Aquifer as a State Groundwater Management Area. However, if rolling annual average withdrawals exceed 20 MGD, CWRM will designate the Iao Aquifer. Two wells in North Waihee, pumping a combined rate of 1.5 MGD, were brought on line in July 1997. The DWS is continuing to implement a plan to bring new sources on-line and to mitigate withdrawals. No guarantee of water is granted or implied as a result of DWS's comments or the approval of the requested permit. Water availability will be reviewed at the time of application for meter or meter reservation.

Relative to conservation, the DWS has provided suggestions on how to incorporate water conservation measures in the development and operation of the project.

The applicant has responded to the DWS by letter dated July 25, 1998 (Exhibit 6) indicating that they will coordinate with DWS to ensure that water source and storage requirements are addressed. In addition, the applicant will implement water conservation measures in connection with the development of the proposed project.

The DLNR Commission on Water Resource Management has also discussed concerns regarding the Iao Aquifer (Exhibit 17). In addition, they recommend that the applicant work with the County to incorporate this project into the County's Water Use and Development Plan.

2. WASTEWATER - The proposed project when completed will generate an average flow of approximately 300,000 gallons per day of wastewater. A new wastewater collection system will be installed within the subdivision streets. This system is proposed to be connected to the existing sewer system located makai of Piilani Highway at the intersection of Kaiola and Kenolio Streets. The applicant is willing to participate with the County and other users in upgrading the wastewater transmission treatment and reclamation facilities on an equitable pro-rata basis if necessary.

The DPWWM comments that they cannot insure that wastewater system capacity will be available for the project. Wastewater calculations are required before a building permit is issued. The developer shall pay assessment fees for

treatment plant expansion costs in accordance with the ordinance setting such fees. The developer will also be required to fund any necessary off-site improvements to the collection system and wastewater pump stations.

3. **DRAINAGE** - The proposed project is expected to generate 228.8 cfs of on-site surface runoff volume. This represents a net increase of approximately 168.3 cfs of surface runoff due to the proposed development. As part of the subdivision improvements, new curb-inlet type catch basins will be installed within the subdivision roadways to intercept on-site surface runoff. Discharge from the subdivision streets will then be conveyed to Kulanihakoi Gulch via a new drainline to be installed within an existing drainage easement along Piilani Highway. To ensure that the total post development runoff leaving the project site will be equal to or less than pre-development flows, post development runoff from individual lots will be directed into a subsurface detention system within the parking lot in each lot. The proposed onsite subsurface systems will also help to intercept the transmission of waterborne silt and debris into Kulanihakoi Gulch from project sources.

The applicant's drainage report also states that off-site drainage improvements will consist of constructing a concrete-lined diversion channel along the easterly boundary of the project site. The diversion ditch will intercept the off-site surface runoff which presently flows through the project site and divert it around the project site, where it will be discharged into Kulanihakoi Gulch.

Regarding erosion control, site grading will be limited to less than fifteen (15) acres per phase. After completion of grading for each phase, all exposed areas will be grassed. Measures to control erosion include:

1. Minimizing time of construction;
2. Retaining existing ground cover until the latest date to complete construction;
3. Early construction of drainage control measures;
4. Use of temporary area sprinklers in non-active construction areas when ground cover is removed;
5. Leaving the water truck on-site during the construction period to provide for immediate sprinkling;
6. Use of temporary berms and cut-off ditches, where needed;
7. Thorough watering of graded areas after construction activity has ceased for the day and on weekends; and
8. Sodding and planting of all cut and fill slopes immediately.

The DPWWM is advising the applicant that the project is subject to possible flood inundation. As such, the project must conform to Ordinance No. 1145 pertaining to flood hazard districts. In addition, a detailed final drainage report and an erosion control Best Management Practices (BMP) plan shall be submitted with the construction plans for review and approval prior to issuance of grading permits.

The Department of Agriculture, Natural Resources Conservation Service (NRCS) has expressed concern over the concrete line diversion ditch at the eastern boundary of the parcel. (Exhibit 21) They are concerned with the ninety degree turn as the ditch connects to the intermittent gulch as well as the possibility of debris and rocks flowing into the ditch. Depending on the storm flow and its velocity, a retention/debris basin may be recommended at the end of the ditch.

The applicant has responded to the NRCS by letter dated June 25, 1998 (Exhibit 22) indicating that to prevent overtopping of the channel, water surface superelevation at the turns of lined channels will be addressed during the design phase of development. In addition, the applicant believes that because existing drainage conditions above the channel will not be altered, providing a retention/debris basin at the head of the proposed concrete lined channel will not be necessary. Finally, the applicant comments that appropriate design and maintenance criteria will be examined during the detailed engineering phase of development to mitigate impacts of rocks and debris flowing into the channel.

4. ROADWAYS -- A Traffic Impact Analysis Report (TIAR) was prepared for the proposed project in 1994. The TIAR analyzed potential traffic impacts related to the development of the project and included recommendations to provide for adequate roadway capacity. The applicant maintains that while the scope of the project remains unchanged, an updated TIAR was recently completed to assess more recent traffic data and projections using analytical procedures which have been revised after the TIAR was completed. (Exhibit 27) For purposes of traffic analysis, the reports assume full occupancy of the project by the year 2010.

According to the TIAR, the proposed project would change the existing T-intersection of Piilani Highway and Kaonoulu Street to a cross intersection since Kaonoulu Street would be extended eastward to provide vehicular access to the proposed light industrial subdivision. This access road would bisect the subdivision; an eastward extension of this access road is being considered as a route for the proposed Highway between Kihei and Upcountry Maui. In addition to the access road, two (2) secondary roadways would cross the access road to form two (2) additional cross intersections east of Piilani Highway and provide access to the lots within the subdivision.



The TIAR notes that the existing two-lane Piilani Highway would not have adequate capacity to serve future traffic volumes and the widening of the Highway to four (4) lanes will be needed even without the proposed project. The installation of traffic signals at the currently unsignalized Piilani Highway and Kaonoulu Street intersection would be warranted based on peak hour volumes even without the project. If signalized, the report states that this intersection would operate at acceptable conditions provided separate lanes for left and right-turns from the Highway are designated.

The TIAR also examined the two (2) cross intersections formed by the subdivision's two (2) secondary roadways with the Kaonoulu Street extension. Analyzed as unsignalized intersections, these "stop sign" control intersections (on the north and southbound approaches) reflect adequate capacities for each traffic movement. Generally, delays at these intersections are acceptable, however, should the Kihei-Upcountry Highway traverse the project site, left-turn movements from the project's northbound secondary roads onto the Kaonoulu Street extension toward Piilani Highway may result in lengthy delays during the AM and PM peak hours. The TIAR comments that because the projected peak hour volumes do not meet the minimum requirements for signalization, no improvements are recommended at this time, although it is recommended that the mauka intersection be constructed with conduits for future signalization when warrants are met.

The TIAR also notes that with the projected traffic and full occupancy of the Kaonoulu Industrial Park in the year 2010, the Piilani Highway and Kaonoulu Street intersection would have adequate capacity whether or not the Kihei-Upcountry Highway is constructed.

The main access connection to Piilani Highway opposite Kaonoulu Street will have a 112 foot ROW. Main entry roadways to the subdivision from East Kaonoulu Street are proposed within a 64 foot ROW, while interior roadways are proposed within a 60 foot ROW.

The State Department of Transportation (DOT) has provided the following comments on the proposed change in zoning application in a letter dated June 29, 1998 (Exhibit 4):

- a. The Maui Long Range Land Transportation Plan includes widening Piilani Highway from two to four lanes. The developer should be required to reserve sufficient right-of-way (ROW) for the roadway widening and a landscaping easement along Piilani Highway as proposed in the developer's conceptual development plan.

- b. East Kaonoulu Street has been identified as a potential Kihei terminus for the Kihei-Upcountry Highway. The developer should coordinate with our Highway's Division to provide for ROW requirements and a landscape easement should East Kaonoulu Street be selected as the Kihei terminus. The landscaping within the easement will also need to be coordinated for our approval.
- c. As a condition for Highway access, the developer will be required to construct appropriate channelized intersection improvements including traffic signals and turning lanes. The developer is advised to coordinate with adjacent developers to investigate the possibility of cost share arrangements.
- d. The developer will be charged an administrative fee to process the request for relocation and change in purposed of Highway access. An enhanced valuation fee may also be assessed. The developer should consult our Highways Division, Right-of-Way Branch to determine enhancement value considerations for Highway access.
- e. A drainage master plan must be submitted to our Maui District Office for review and approval. Although proposed drainage improvements are acceptable in concept, we need additional information about the proposed "new drainline" to be installed within an existing drainage easement along Piilani Highway.
- f. All plans for construction work within the State Highway ROW must be submitted to our Maui District Office for review and approval.

The applicant has responded to the DOT by letter dated July 31, 1998 indicating their intent to coordinate road-widening and landscaping requirements with the Highways Division for the future widening of Piilani Highway, as well as for the development of East Kaonoulu Street, should it be selected as the Kihei terminus for the Kihei-Upcountry Highway.

The applicant also understands that the applicant for the Kaonoulu Estates subdivision is required to install traffic signals at the Piilani Highway-Kaonoulu Street intersection. The applicant has informed DOT that they will coordinate with the developer of the Kaonoulu Estates project to ensure that future signal upgrades required for the Kaonoulu Light Industrial project can be accomplished in a smooth

and cost-effective manner. In addition, the applicant acknowledges that an administrative fee will be charged regarding the relocation of Highway access.

Finally, the applicant comments that they will provide DOT with additional information regarding the new drainline to be installed within the existing drainage easement along Piilani Highway I connection with the project's detailed engineering design phase and the submittal of construction plans for work within the Highway right-of-way.

The Planning Department has had additional discussions with the DOT relative to coordination of improvements on this developer as well as the developer of the above project (Kaonoulu Estates) by Kenolio Ranch Partners project directly across the proposed industrial project, makai of Piilani Highway. The Kenolio Ranch Partners are proposing a single family residential and commercial development and will also be subject to traffic improvements along Piilani Highway. After lengthy discussions, the Planning Department and the DOT have agreed that the following language should be placed as a condition on the Kaonoulu Industrial Subdivision Change In Zoning:

"That the applicant shall participate in intersection improvements, which includes but is not limited to, traffic signals and turning lanes to the satisfaction of the Department of Transportation (DOT). The applicant is encouraged to explore opportunities of cost share arrangements with adjacent developers."

This similar condition will also be placed on the Kenolio Ranch Partners SMA permit for the 53 unit residential subdivision as well as their change in zoning for the commercial project.

The DPWWM did not specifically comment on the updated TIAR however in discussions with its Deputy Director, it is assumed that all streets within the industrial park will be constructed to County standards to include but not be limited to concrete curbs and gutters, six foot sidewalks, and four foot wide planting strips. Said improvements will be dedicated to the County upon completion.

The Police Department in a letter dated May 28, 1998 (Exhibit 7) has commented that upon completion and full occupancy of the proposed project, traffic will increase enough to require signalization of the intersection at Piilani Highway and Kaonoulu Street. Increased traffic to the area will make left turns onto Piilani Highway hazardous and untimely, especially during rush hour. In addition, the existence of yet another four (4) way intersection in such close proximity to those at Ohukai/Piilani, Uwapo/Piilani, and Lipoa/Piilani may require a reduction in the current posted 45 mph speed limit in this section of the Highway.

The Police Department also comments that bicycle lane traffic needs to be taken into consideration and may require the subsequent addition of crosswalks. Finally, the Police Department states that the developer must have adequate traffic control plans for the intersection during the construction phase of the project to keep Piilani traffic running smoothly and safely.

## 5. SOLID WASTE DISPOSAL

The applicant has indicated that a solid waste management plan will be developed in coordination with the Solid Waste Division of the County DPWWM for the disposal of clearing and grubbing material from the site during construction. Once completed, the proposed project will be served by a private refuse collection company. Solid waste generated from the project will be disposed at the County's Central Maui Landfill.

The applicant is advised that the County encourages that owners and their contractors implement solid waste reduction, re-use and recycling programs to reduce the amount of solid waste to be disposed of at the County landfills. The County also encourages that alternative means of disposal of grubbed material and rock be utilized other than disposed of at the County landfills.

## 6. ELECTRICAL AND TELEPHONE SERVICES

Electrical and telephone trunk lines will be extended underground across Piilani Highway to the project site from Kaonoulu Street. The distribution system for these facilities within the development will also be placed underground in accordance with the provisions of the Maui County Code.

Maui Electric Company (MECO) is encouraging the developer's electrical consultant to meet with them as soon as practical to verify the project's electrical requirements so that service can be provided on a timely basis. MECO is stressing early contact since this is a substantial load which will impact their load capacity at the existing substation.

## 7. POLICE, FIRE AND MEDICAL SERVICES

The applicant maintains that the proposed project is not anticipated to affect service capabilities of police, fire and emergency medical operations. The project will not extend existing service area limits for emergency services.

Relative to services, the Police Department has commented that the project in itself should not affect the beat officer's ability to service the area. However, when taken into consideration with other development going on in Beat 40, such as the Ma'alaea Triangle area, the beat burden may increase significantly.

The Fire Department has no comments to offer on the subject application.

## **8. EDUCATION AND RECREATIONAL RESOURCES**

The applicant has stated that although the proposed project will generate jobs and employment within the project will reside in the Kihei-Makena region is not known. Any impacts upon recreational and educational resources would be more appropriately addressed at the time of application of specific residential projects.

The Department of Parks and Recreation has provided the following comments on the application:

- a. The street landscaping and irrigation plans including trees, ground cover, and grass, shall be submitted to the Maui County Arborist Committee and Department of Parks and Recreation for review, comment and approval.
- b. The developer should provide a permanent irrigation system to ensure that automatic, controllable source of watering will always be available.
- c. Pursuant to Maui County Code, Chapter 12.24A Landscape Planting and Beautification, the planting strip within the dedicated right-of-way be the responsibility of the street frontage property owner.

The Planning Department would like to clarify this comment. It is the general provisions contained in the Maui County Planting Plan which requires the maintenance of the Street Tree Planting by the owners of abutting properties.

- d. The continued maintenance of the irrigation system and maintaining, weeding and fertilizing of the planting strip would be the responsibility of the abutting property owner. A common area maintenance contract funded by each landowner, the developer of a property owner's association would ensure uniform appearance of the planting strip.

## **SOCIO-ECONOMIC IMPACTS**

The projects report comments that on a short-term basis, the project will support construction and construction-related employment. Over the long term, the project will provide added light industrial and commercial services in the Central Kihei region. The applicant comments that there is currently very little light industrial and service commercial space in the Kihei region. The project would provide space for these services in close proximity to the region's residents and businesses.

The population of the County of Maui has exhibited relatively strong growth over the past decade, with the 1990 population estimated to be 100,374, a 41.7 percent increase over the 1980 population of 70,847. Growth in the County is expected to continue, with resident population projections to the year 2000 and 2010 estimated to be 124,562 and 140,060, respectively.

Economic activities such as distribution and light industrial activities take place primarily in Wailuku-Kahului. The applicant indicates that one of the more compelling economic reasons for the proposed project is the reduction in transportation and other costs to Kihei's residents and businesses arising from the project's location within the district. It is expected that the entire project, whether phased or developed completely, can be marketed within five (5) to seven (7) years. The success of marketing these parcels will rely heavily on the economic conditions of Hawaii, and more particularly of Maui.

The applicant maintains that due to the shortage of land available in South Maui for light industrial activities, the proposed project is anticipated to have a positive impact on the region by addressing the community's need for light industrial land uses.

The Planning Department concurs with the applicant that additional light industrial zoned land is needed in Kihei. There is an inherent competition for land between retailers and people who have purely industrial uses such as construction baseyards. Businesses such as Fong Construction and Shimizu and Sons have been driven out to the Agricultural district because they cannot afford the lease rents when the competition is from big box retailers such as Kmart and Costco.

As such, the Planning Department's proposed condition relating to pure industrial uses supports the applicants justification for both urbanizing the property in 1995 and zoning the property to satisfy a demand for industrial uses in the Kihei area.

## **ENVIRONMENTAL IMPACTS**

1. The Department of Health (DOH) has commented that noise created during the construction phase of the project may exceed the maximum allowable levels as set forth in Hawaii Administrative Rules (HAR), Chapter 11-46, "Community Noise Control". A noise permit may be required and should be obtained prior to the commencement of work. In addition, the DOH states that HAR, Chapter 11-46, "Community Noise Control" sets maximum allowable levels for noise from stationary sources such as air conditioning units, compressors, and generators. The attenuation of noise from these potential sources should be considered during the design phase of the project.

2. The DOH also comments that any construction discharge into state waters will require a National Pollutant Discharge Elimination System (NPDES Permit).

3. The Department of the Army states that a DA Permit may be required as the proposed drainage improvements. The applicant is advised to contact the Operations Branch for further information. (Exhibit 23)

4. The U. S. Fish & Wildlife has commented (Exhibit 24) that no significant adverse impacts to fish and wildlife are expected to result from the proposed zoning change.

## **OTHER AGENCY COMMENTS**

1. The Office of Hawaiian Affairs (OHA) is concerned that if the change in zoning is approved, highly suitable soils for agriculture will be irreversibly lost. OHA urges the applicant to list alternative lands for the proposed industrial park.

In addition, OHA has reviewed the archaeological survey report and specifically the 21 sites of archaeological significance. OHA disagrees with the recommendation that no further archaeological work is required. In view of the high density of cultural resources found in the area, OHA feels that a more in-depth archaeological study is warranted with close participation of the Maui Burial Council and other Hawaiian organizations.

The applicant has responded to OHA on both of the above issues. (Exhibits 19, 19A, 19B, and 19C) First, they confirm that approximately 97 percent of the lands underlying the project site are designated as "Unclassified" by the ALISH map, while the remaining three (3) percent is classified as "Prime". In addition, the Land Study Bureau's detailed Land Classification map reflects an overall

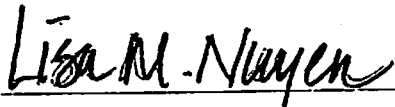
productivity rating of "E". As such the applicant maintains that, the use of the 88 acres for light industrial purposes is not anticipated to have an adverse effect upon Kaonoulu Ranch's operations or agricultural activities in the region.

Relative to the archaeological report, the applicant has reiterated the past approvals by DLNR SHPD on the archaeological inventory survey and revised preservation plan.

#### TESTIMONY

As of August 10, 1998, the Planning Department has received two (2) letters from adjoining landowners indicating that they have no objection to rezoning of the proposed 88 acres for Light Industrial Use. (Exhibits 28 and 29).

APPROVED:

A handwritten signature in black ink that reads "Lisa M. Nuyen". The signature is written in a cursive style with a horizontal line underneath the name.

LISA M. NUYEN  
Director of Planning  
(a:kaonociz.rpt)



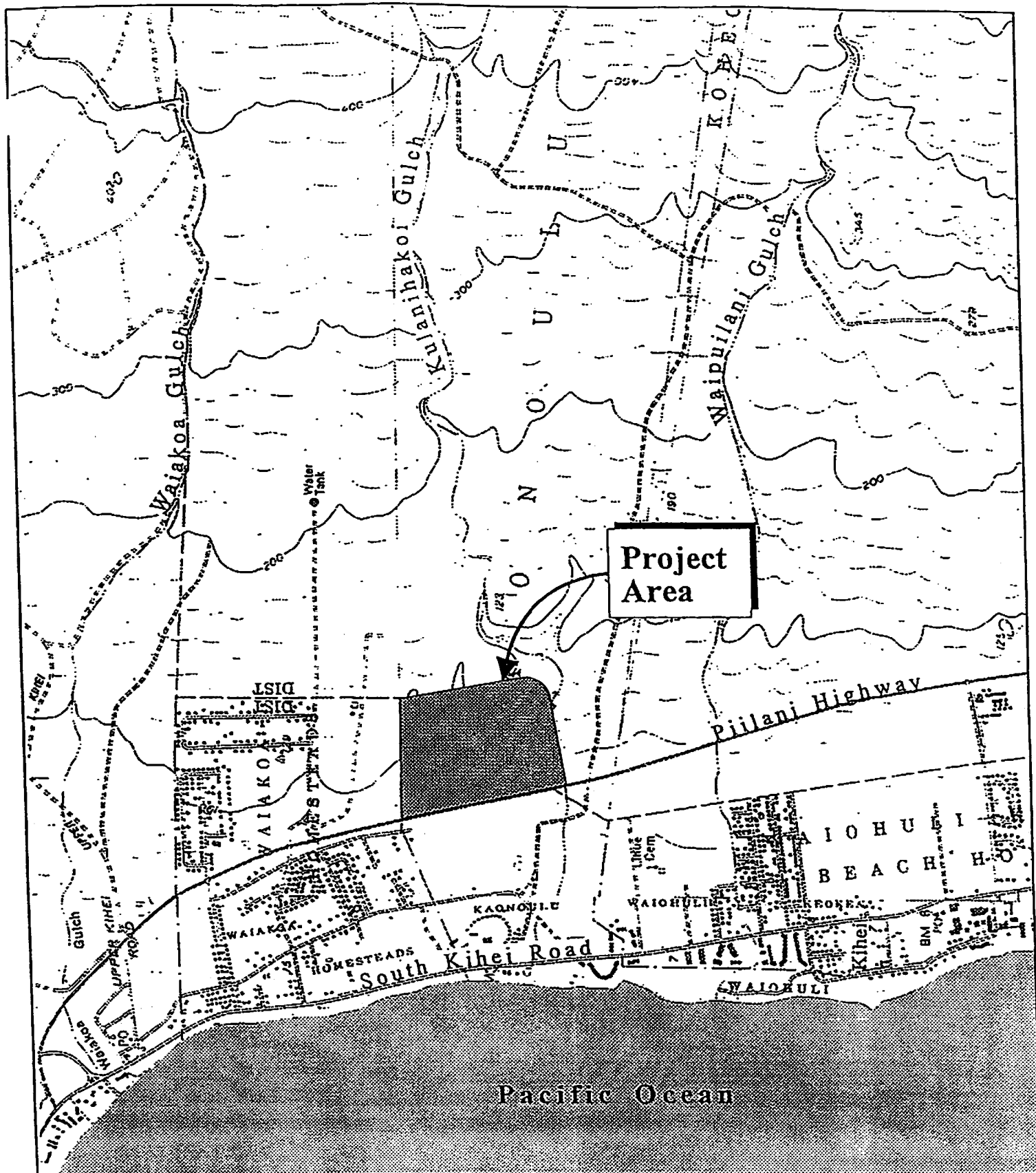


Figure 1 Kaonoulu Industrial Park  
Regional Location Map



EXHIBIT 1



## EXHIBIT 2

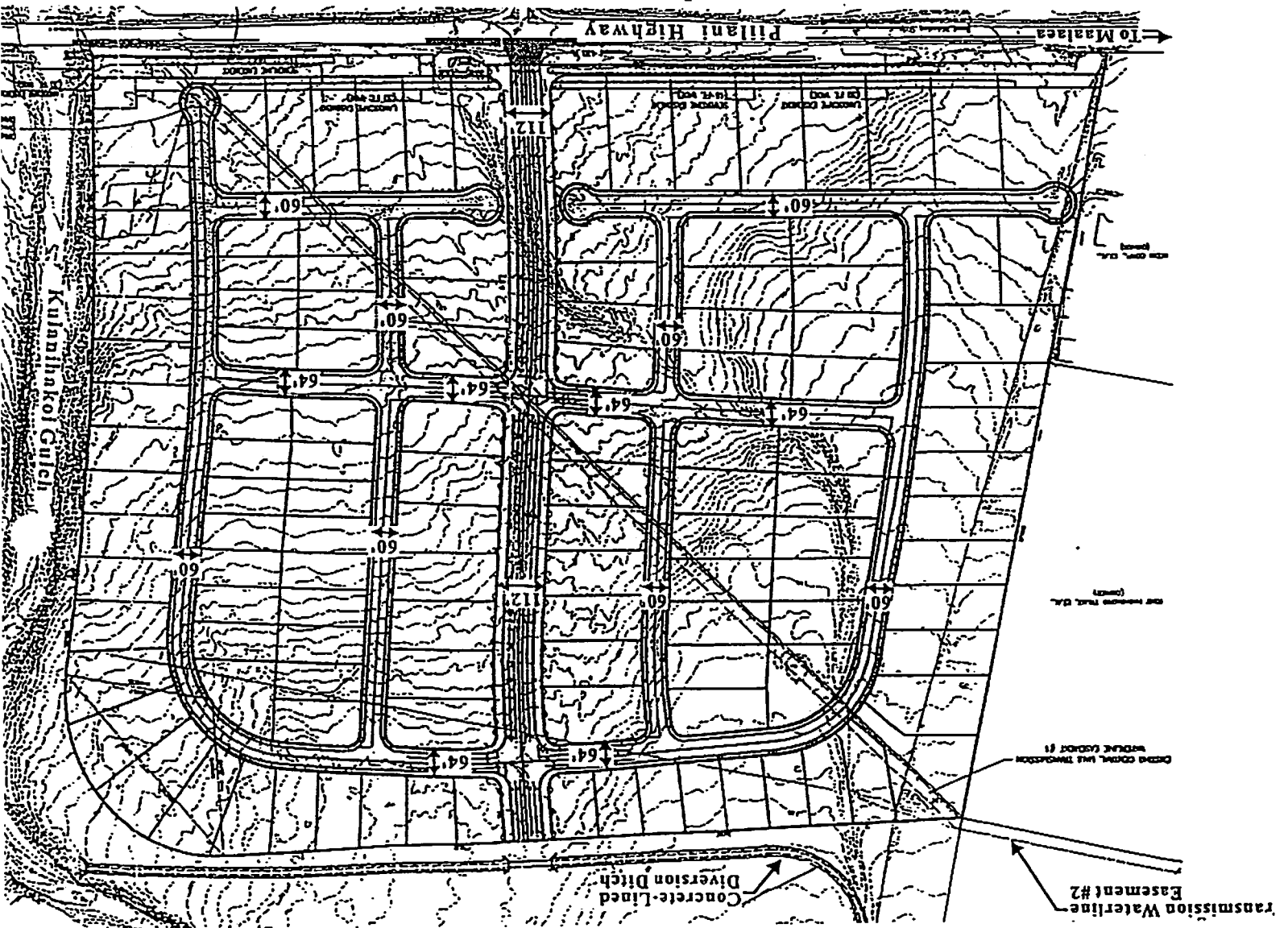


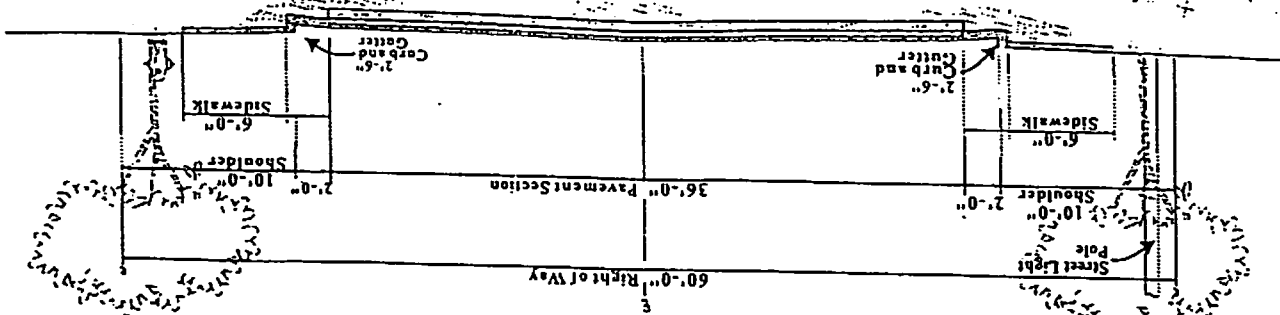


Figure 5

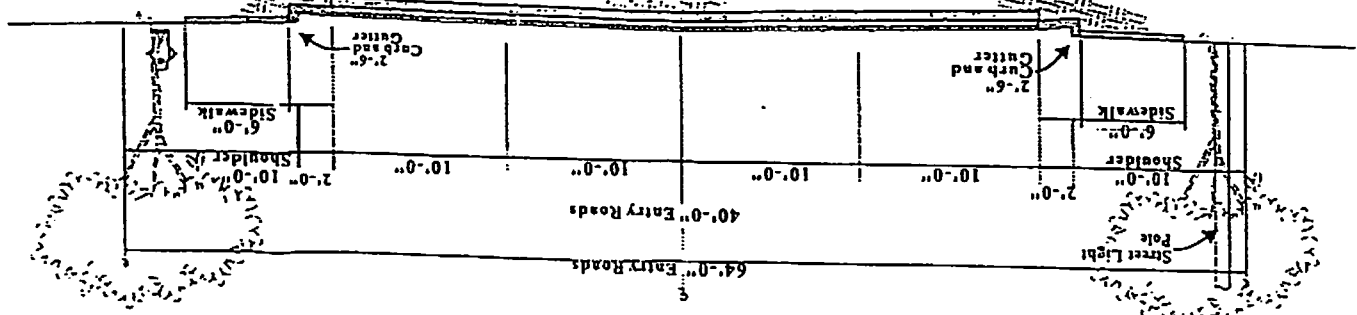
Kaonouli Industrial Park  
Typical Roadway Sections for East Kaonouli  
Street, Main Entry Roads and Internal Roads

Source: Warren S. Unemoff Engineering, Inc

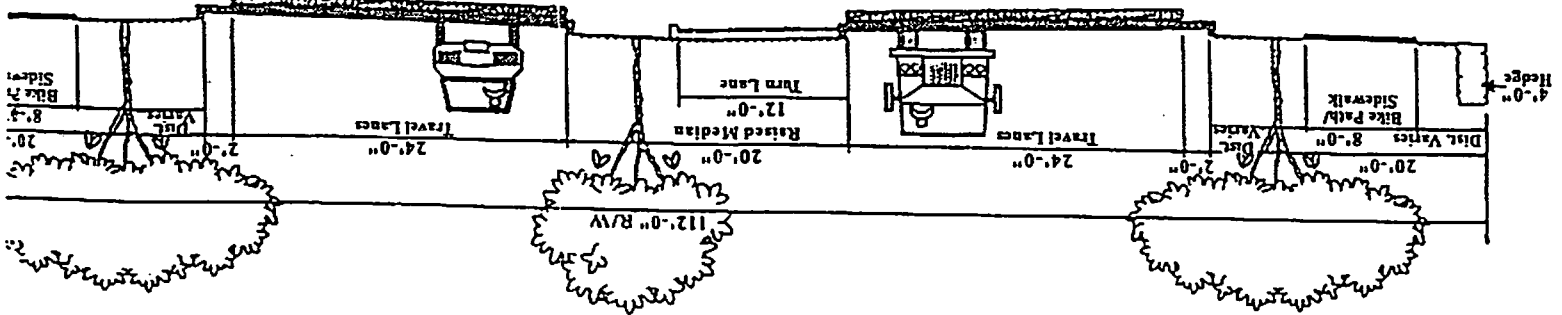
Typical Roadway Section - Internal Roads



Typical Roadway Section - Main Entry Roads



Typical Roadway Section - East Kaonouli Street

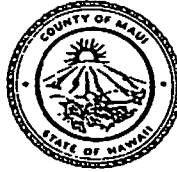


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'98 JUN 30 10:03

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LLOYD P.C.W. LEE, P.E.  
Engineering Division

BRIAN HASHIRO, P.E.  
Highways Division

Solid Waste Division

June 29, 1998

MEMO TO: LISA M. NUYEN, DIRECTOR OF PLANNING

F R O M: *for* CHARLES JENCKS, DIRECTOR OF PUBLIC WORKS AND  
WASTE MANAGEMENT *Charles Jencks*

SUBJECT: CHANGE IN ZONING  
KAONOULU RANCH INDUSTRIAL PARK  
TMK (2) 2-2-002:015 AND 3-9-001:016  
CIZ 98/013

We reviewed the subject application and have the following comments.

1. The architect and owner are advised that the project is subject to possible flood inundation. As such, said project must conform to Ordinance No. 1145 pertaining to flood hazard districts.
2. A detailed final drainage report and an erosion control Best Management Practices (BMP) plan shall be submitted with the construction plans for review and approval prior to issuance of grading permits. The drainage report shall include hydrologic and hydraulic calculations and the schemes for disposal of runoff waters. It must comply with the provisions of the "Rules for Design of Storm Drainage Facilities in the County of Maui" and must provide verification that the grading and runoff water generated by the project will not have an adverse effect on adjacent and downstream properties. The BMP plan shall show the location and details of structural and non-structural measures to control erosion.
3. The developer should be informed that the Wastewater Reclamation Division cannot insure that wastewater system capacity will be available for the project.

EXHIBIT 4