

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)
2-2-02: portion of 15, Kihei, Maui, Hawaii)

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

Change In Zoning
a:\kaonociz.rec

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

PIILANI EXHIBIT 7

EXHIBIT " D "

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, Kaonoulu 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.