

S & F LAND COMPANY, INC.

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LAND USE COMMISSION
STATE OF HAWAII

23 FEB 15 A10 :32

February 14, 2023

Mr. Daniel Orodener Executive Officer
Land Use Commission
P O Box 2359
Honolulu, HI 96804-2359

Dear Daniel:

Enclosed herewith are two copies of sections 1 and 2 of the 2022 reports on General Progress and Specific Conditions of Docket #A96-717 for Central Maui Baseyard on Maui. We have concurrently copied the landowner Alexander and Baldwin, Inc., together with the others whom you have previously requested we provide copies.

Those receiving copies and the amount of copies forwarded are set forth at the bottom of the page. Should you have any questions regarding this report please advise us and we will try to respond as quickly as possible.

Sincerely yours ,



Robert Stoner

RS/tlo

Enclosure

CC: Michael Oh, Alexander and Baldwin (1)
luc@dbedt.hawaii.gov
Riley Hakoda (1)
Clayton Yoshida (1)
Scott Derrickson (1)

SECTION 1

**Report on General Progress of S & F Land Company, Inc.
On Docket #A96-717 for Calendar 2022**

23 FEB 15 AIO 32

As stated in previous reports, development has been completed on the entire Baseyard, which includes lots 1A, 1B, and 1C and totals approximately 50 acres of combined M1 and M2 Industrial zoned property. All improvements to the Baseyard necessary for 100% occupancy have been completed. This includes paved roadways, fire and potable water service, landscaping, all onsite grading and drainage improvements, perimeter and internal lot fencing, and any related offsite work such as water service lines, highway frontage improvements, etc.

The project has been complete since 2011. Our occupancy has held at nearly 100% as we managed the pandemic and moved towards normalcy. Our tenant count at the end of 2022 was approximately 140. Demand for space continues to be strong.

Having completed the development, we petitioned the Commission in 2011 to remove all of the conditions placed upon the property and were successful in having a number of the conditions removed. Those that remain are reported on in Section Two. We are hopeful that the LUC will consider removal of the remaining conditions and we are prepared to submit a petition for consideration sometime in calendar 2023.

This constitutes the general progress on the subject docket during calendar year 2022.

SECTION 2

**Specific Conditions of Docket #A96-717 and Progress on Bid FEB 15 AIO :33
Conditions During calendar year 2022**

7. Petitioner shall require its tenants who utilize such materials to establish appropriate systems to contain spills and prevent materials associated with light industrial usage (such as petroleum products, chemicals or other pollutants) from leaching or draining into above ground or subsurface storm drainage collection areas. Petitioner will use and/or cause to be used best management practices to minimize non-point source pollution into the irrigation ditches and Pulehu Gulch. Petitioner shall consult with the State Department of Health and County of Maui, Public Works and Waste Management and obtain any permits required or construct improvements required for storm water discharge on the property.

Petitioner, long ago completed all surface drainage improvements for Central Maui Baseyard. This includes catchment systems, catch basins, and drain lines throughout. General grading of the property was completed as each area was developed. To minimize any pollution for the irrigation ditches that run through or adjacent to Central Maui Baseyard, we have installed a catchment and pipe system which completely removes the protentional of any tenant lot drainage into the irrigation ditches.

Further, we have installed two large catchment areas within the Baseyard to catch run off waters and to allow them to safely percolate into the earth without entering into irrigation ditches or the Pulehu stream. Our leases provide strict rules that require paved catchment areas that retain potential run off of any materials that may be spilled or spread by storm waters, together with strict rules as to the storage and maintenance of such pollutants.

8. Petitioner shall require all tenants of the property to implement best management practices to minimize possible subsurface and ground water contamination from activities on the property. This shall include all activity including delivery, removal, storage, use and handling of industrial agents on tenant or common areas of the property.

All tenant activities are controlled by our tenant leases. We have previously provided you copies of sections of our lease which specifically refer to such tenant controls. In addition we conduct a major annual inspection of all tenant lots which we instituted with the original construction of the Baseyard and which is now also a requirement in our master lease with our Landlord. We have historically had no record of releases of pollutants throughout the Baseyard property.

10. Petitioner and/or landowner shall limit disturbance of the natural drainage features of Pulehu Gulch, and shall consult with the Army Corps of Engineers should any activity be proposed that would impact Pulehu Gulch.

For several years any tenant lots fronting on Pulehu Gulch have been fenced along the top bank of Pulehu Stream. Now that we have 100% occupancy, the entire stream area has been fenced along that top bank with the exception of a very small area within one tenant lease which will be fenced within the next year. That particular area is barricaded with pile butts and is impassable for access into the gulch. Accordingly, there has been no disturbance of Pulehu Gulch during our entire period of occupancy of the Central Maui Baseyard property. With the recent sale by Alexander and Baldwin of the surrounding agricultural lands to Mahi Pono we have recently completed a boundary survey along Pulehu Stream at the top of bank location where our fence is installed. Because this fence line will now become the separation between the ourselves and adjacent agricultural properties on that perimeter, we wanted to assure that the acreage reflected in our original Land Use Commission action together with subsequent zoning acreages was accurate and defined by appropriate metes and bounds. We are presently completing the survey mapping and expect to submit maps to both the State Land Use Commission and the County of Maui to reflect concurrence with the various actions taken during prior years. We expect to submit this detailed information within the next few months.

12. Petitioner shall maintain a buffer of undisturbed kiawe and vegetative cover on the property along Pulehu Gulch to minimize disturbance to native bird habitat provided by Pulehu Gulch.

Per this requirement the Petitioner maintained a buffer of undisturbed kiawe and vegetative cover on the property along Pulehu Gulch which provided the requested native bird habitat. However, the fire of August 2020 seriously affected Pulehu Gulch and other perimeters of our property. Because the entire gulch is now fenced, (per our comments on condition #10) and has never been a part of our leased premises, there is no physical access to Pulehu Gulch from the Baseyard, so native bird habitat has and will remain good along Pulehu Gulch as the trees and related growth in the gulch continue to regrow.

13. Petitioner shall fund and construct adequate civil defense measures as may be required by the State Civil Defense and County Civil Defense Agencies.

We have previously had lengthy discussions with the State Civil Defense Agency with respect to the requested Civil Defense measures for and within the Baseyard. Our recent discussions with the State Department of Civil Defense resulted in their requiring no additional improvements at this location.

16. Petitioner shall ensure that the proposed project will not negatively impact the use of cane haul roads and irrigation ditches or otherwise interfere with continued agricultural operation of adjoining sugar cane cultivation areas.

The entire perimeter of Central Maui Baseyard is presently fenced with the west and north perimeters separated from agricultural lands by roadways. A portion of our north boundary together with our east boundary will front on some agricultural operations from Mahi Pono, however this is also separated by fencing, drainage improvements, or agricultural roadways which we cannot access. The entire south perimeter is along the north bank of Pulehu stream and therefore also cannot be accessed from our property. For that reason there should be no impact with respect to the adjacent roadways and agricultural areas together with the irrigation ditch that crosses a portion of our property and a portion of our eastern boundary.

The agricultural operations of Mahi Pono differ substantially from HC&S (A&B former ag operation for Maui). Most of their plantings to date are tree crops or similar plantings which do not have the needs of sugar cane with its every two years harvest , grading, and replanting of each field.

19. Petitioner shall inform prospective tenants and shall include in all tenant license agreements language informing tenants of possible odor, noise, and dust pollution resulting from surrounding Agricultural District lands, and the Hawaii Right-to-Farm Act, Chapter 165, Hawaii Revised Statutes, limits the circumstances under which pre-existing farming activities may be deemed a nuisance.

All tenant leases at Central Maui Baseyard provide information for all tenants that surrounding agricultural activities continue and will continue in the future. We are not aware of any incursion or damage to agricultural operations, facilities or croplands adjacent to Central Maui Baseyard during its entire existence since 1980.

23. Petitioner shall provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall include any supporting documentation from State and/or County agencies relating to progress in complying with said conditions. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

This is the annual report for the calendar year 2022.

26. The Commission may fully or partially release these conditions as to all or any portion of the property upon timely motion, and upon the provisions of adequate assurance of satisfaction of these conditions by the Petitioner and/or landowner.

Petitioner petitioned for release of certain conditions in 2011. Said petition resulted in the release of the conditions that were omitted from this report. As noted in Section 1 we intend to submit a petition in 2023 to request removal of all remaining conditions for this docket.

This completes section 2.