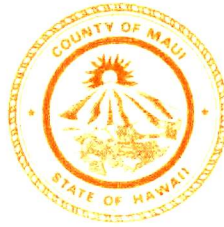


RICHARD T. BISSEN, JR.
Mayor

KATE L.K. BLYSTONE
Acting Director

GARRETT E. SMITH
Deputy Director



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DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

January 29, 2024

Honorable Richard T. Bissen Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Richard T. Bissen Jr. 1-31-24
Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

**SUBJECT: APPLICATION FOR A CHANGE OF ZONING FOR THE MIKI
BASIN INDUSTRIAL PARK LOCATED ON LĀNA'I, ON 200
ACRES OF LAND IDENTIFIED BY MAUI TAX MAP KEY:
(2)4-9-002:061(POR.) (ZPA2022-00005)**

The Department of Planning (Department) is transmitting for your review and action the Change of Zoning (CIZ) (Conditional) for the Miki Basin Industrial Park located on the Island of Lāna'i. The subject property is located on approximately 200 acres of land adjacent to the Hawaiian Electric generating plant and Lāna'i airport. The Change of Zoning will change the Zoning District from "Agricultural" to "M-1, Light Industrial" on 100 acres, and from "Agricultural" and "Interim" to "M-2, Heavy Industrial" on 100 acres.

The proposed project will consist of 20 acres for infrastructure purposes (10 percent of the project area, which will be used for roads, common areas, and other related uses); 127 acres for renewable energy projects (e.g., photovoltaic plus battery energy storage); 14.5 acres for the relocation of an existing concrete recycling and rock crushing operation (and for the storage and stockpiling of aggregate and construction materials); 12.5 acres for the relocation of an existing asphalt plant; and 26 acres for new industrial uses. Additionally, a County Special Use Permit (CSUP) was prepared and submitted for the asphalt plant and rock crushing facilities which are identified special uses within the proposed "M-2, Heavy Industrial" zoning district. The Lāna'i Planning Commission is the authority on CSUP and approved the CSUP with 12 conditions on August 16, 2023, contingent upon passage of the Change of Zoning.

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A summary of the application is as follows:

APPLICATION SUMMARY																					
Application - CIZ	<p>The Change of Zoning Amendment (Conditional Zoning) along with updated maps reflecting changes, additions, and deletions by individual TMK is outlined in Table A below.</p> <p>Table A. Summary of maps associated with proposed changes by TMK for the Maui County Zoning Designation.</p> <table> <tr> <th rowspan="2">TMK</th><th colspan="2">Maui County Zoning</th><th rowspan="2">MAP #</th></tr> <tr> <th>Existing</th><th>Proposed</th></tr> <tr> <td>(2) 4-9-002:061(portion)</td><td>Agricultural</td><td>M-2, Heavy Industrial</td><td>L-2634</td></tr> <tr> <td>(2) 4-9-002:061(portion)</td><td>Interim</td><td>M-2, Heavy Industrial</td><td>L-2635</td></tr> <tr> <td>(2) 4-9-002:061(portion)</td><td>Agricultural</td><td>M-1, Light Industrial</td><td>L-2636</td></tr> </table>			TMK	Maui County Zoning		MAP #	Existing	Proposed	(2) 4-9-002:061(portion)	Agricultural	M-2, Heavy Industrial	L-2634	(2) 4-9-002:061(portion)	Interim	M-2, Heavy Industrial	L-2635	(2) 4-9-002:061(portion)	Agricultural	M-1, Light Industrial	L-2636
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(2) 4-9-002:061(portion)	Agricultural	M-1, Light Industrial	L-2636																		
Applicant	Lānaʻi Resorts, LLC doing as Pūlama Lānaʻi																				
Owner	Lānaʻi Resorts, LLC doing as Pūlama Lānaʻi																				
Tax Map Key	(2)4-9-002:061(portion)																				
Address	Miki Road, Lānaʻi, Hawaiʻi																				
Area	The project area is 200 acres.																				
Land Use Designations	<p>State Land Use District - Urban</p> <p>Lanai Community Plan - Light Industrial and Heavy Industrial</p> <p>Maui County Zoning - Proposed M-1, Light Industrial and M-2 Heavy Industrial to match Lānaʻi Community Plan</p>																				
Brief Description	The Applicant is requesting a Change of Zoning on 100 acres to M-1, Light Industrial and 100 acres to M-2, Heavy Industrial to match the Lanai Community Plan																				
Public Hearing	Held by Lānaʻi Planning Commission (LPC) on August 16, 2023, via BlueJeans Video conferencing platform.																				
Testimony	Time for verbal testimony was offered during the hearing.																				
Recommendation	<p>The LPC recommended approval of the proposed application for a CIZ by a vote of six ayes with two Commissioners excused.</p> <p>The LPC approved the CSUP with 12 conditions contingent upon passage of the CIZ by the Council.</p>																				

The LPC conducted a public hearing on the subject application at its August 16, 2023, meeting, recommending approval to the Council subject to five conditions stated as follows:

1. That the permitted uses in the “M-1, Light Industrial” District shall be limited to those outlined in the following table:

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M-1 Light Industrial
Any use permitted in a B-1, B-2, or B-3 business district except single-family dwellings, duplexes, bungalow courts, short-term rental homes, and transient vacation rentals
Dwelling units located in the same building as any non-dwelling permitted use
Assembly of electrical appliances, radios and phonographs including the manufacture of small parts such as coils, condensers crystal holders and the like
Carpet cleaning plants
Cold storage plants
Commercial laundries
Craft cabinet and furniture manufacturing
Education, specialized
Farm implement sales and service
General food, fruit and vegetable processing and manufacturing plants
Ice cream and milk producing, manufacturing and storage
Laboratories – experimental, photo or motion picture, film or testing
Light and heavy equipment and product display rooms, storage and service
Machine shop or other metal working shop
Manufacture, compounding or treatment of articles or merchandise from the following previously prepared materials: aluminum, bone, cellophane, canvas, cloth, cork, feathers, felt, fiber, fur, glass, hair, horn, leather, plastics, precious or semi-precious metals or stones, shell, tobacco and wood
Manufacture, compounding, processing, packing or treatment of such products as candy, cosmetics, drugs, perfumes, pharmaceutical, toiletries, and food products. (except the rendering or refining of fats and oils)
Manufacture, dyeing and printing of cloth fabrics and wearing apparel
Manufacture of musical instruments, toys, novelties and rubber and metal stamps
Manufacture of pottery and figurines or other similar ceramic products
Milk bottling or central distribution stations
Plumbing shops
Production facility, multimedia
Radio transmitting and television stations; provided, that towers are of the self-sustaining type without guys
Replating shop
Retail lumberyard including mill and sash work (Mill and sash work shall be conducted within a completely enclosed building)
Small boat building
Soda water and soft drink bottling and distribution plants
Solar energy facilities
Tire repair operation including recapping and retreading
Utility facilities, minor, and substations up to, and including 69 kv transmission
Warehouse, storage and loft buildings

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Wearing apparel manufacturing

Wholesale business, storage buildings, nonexplosive goods and warehouses
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2. That the permitted uses and special uses in the “M-2, Heavy Industrial” District shall be limited to those outlined in the following table.

M-2 Heavy Industrial
Any use permitted in a B-1, B-2, and B-3 business district and M-1 light industrial district except single-family dwellings, duplexes, bungalow courts, short-term rental homes, and transient vacation rentals and apartments (Except for living quarters used by security/watchmen or custodians of an industrially used property)
Automobile wrecking, if conducted within a building
Boiler and steel works
Concrete or cement products manufacture
Factories
Junk establishment used for storing depositing, or keeping junk or similar goods for business purposes (Such establishment shall not be nearer than 8 feet from any other property line for the storage of the junk or similar goods except in buildings entirely enclosed with walls)
Lumber yard
Machine shops
Material recycling and recovery facilities
Oil storage plants
Petroleum products manufacture or wholesale storage of petroleum
Planing mill
Utility facilities, major
In general those uses which may be obnoxious or offensive by reason of emission of odor, dust, smoke, gas, noise, vibration and the like and not allowed in any other district. Provided, however, that any use not specified in this section shall not be permitted unless approved by the Planning Director as conforming to the intent of this title
M-2 Heavy Industrial Special Uses
Asphalt manufacture of refueling and asphaltic concrete plant
Rock, sand, gravel, or earth excavation, crushing or distribution

3. That the conditions associated with Decision & Order for Docket No. A19-809 approved by the State of Hawaii Land Use Commission shall be applicable to the project area.
4. The Applicant shall provide the Commission and Department with an Annual Report regarding occupancy of the Miki 200 Industrial Park. Information shall include number of inquiries and number of executed leases. Without disclosing

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private and proprietary information, the Applicant should include whether the inquiry was made or executed lease is held by a resident of Lānaʻi. Reports shall be provided as long as the Commission deems necessary.

5. The Applicant shall provide the Commission and Department with Semi-Annual Water Usage Reports for each category of water (i.e., drinking, brackish, R-1, etc.) for the Miki 200 Industrial Park for as long as the Commission deems necessary.

Inasmuch as Council approval is required for the Change of Zoning, the Department transmits the subject application to the Council for consideration. Accordingly, attached for your review are the following documents:

1. Proposed bill entitled, "A BILL FOR AN ORDINANCE TO CHANGE ZONING FROM AGRICULTURAL AND INTERIM TO M-1, LIGHT INDUSTRIAL AND M-2 HEAVY INDUSTRIAL FOR PROPERTY SITUATED AT LĀNAʻI, HAWAII TAX MAP KEY (2) 4-9-002:061,
2. Letter from Kathleen Ross Aoki, Planning Director to Dr. Keiki-Pua S. Dancil, Senior Vice President, Pulama Lanai, dated August 29, 2023, with the Lanai Planning Commission's recommendation for Council approval of the Change of Zoning with conditions, and approval of the County Special Use Permit with conditions contingent upon passage of the Change of Zoning by the Council.
3. Department's Staff Report and Recommendation to the LPC, dated August 16, 2023;
4. LPC minutes of the August 16, 2023, meeting;
5. Applications for the Change of Zoning and County Special Use Permit; and
6. Final Environmental Assessment dated February 2022.

Thank you for your attention to this matter. Should you have any questions, please transmit them to the Department of Planning via transmittal through the Office of the Mayor.

Sincerely,



KATE L. K. BLYSTONE
Acting Planning Director

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Attachments: Proposed Bill
Lanai Planning Commission Recommendation Letter dated August 29, 2023
Department Staff Report and Recommendation
Lanai Planning Commission Minutes dated August 16, 2023
Change of Zoning and county Special Use Permit Applications
Final Environmental Assessment dated February 2022
xc: Jordan E. Hart, Planning Program Administrator (PDF)
Danny A. Dias, Planning Program Administrator (PDF)
Kurt F. Wollenhaupt, Staff Planner (PDF)
KLKB:KFW:lp
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