

JADE T. BUTAY
INTERIM DIRECTOR

Deputy Directors ROSS M. HIGASHI EDWIN H. SNIFFEN DARRELL T. YOUNG

IN REPLY REFER TO:

DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

Board of Land and Natural Resources State of Hawai'i Honolulu, Hawai'i

APPROVAL IN CONCEPT FOR THE ACQUISITION OF PRIVATELY-OWNED LANDS FOR AIRPORT PURPOSES, SITUATED AT KAHULUI, ISLAND AND COUNTY OF MAUI TAX MAP KEY NOS: (2) 3-8-001:005, 015 AND 135

<u>MAUI</u>

APPLICANT AGENCY:

Department of Transportation, Airports Division ("DOT").

PRIVATE LANDOWNER:

Alexander & Baldwin, LLC, a Delaware limited liability company ("A&B").

LEGAL REFERENCE:

Sections 107-10, 171-11, 171-30, 261-4, Hawai'i Revised Statutes ("HRS"), as amended, and Chapter 101, HRS, as may be necessary.

LOCATION:

Privately-owned lands situated at Kahului, Island and County of Maui, identified by Tax Map Key Nos. (2) 3-8-1-005, (2) 3-8-1-015 and (2) 3-8-1-135 as shown on attached Exhibits "A" and "B".

AREA:

Tax Map Key No. (2) 3-8-001:005, 83.544 acres, more or less. Tax Map Key No. (2) 3-8-001:015, 49.68 acres, more or less. Tax Map Key No. (2) 3-8-001:135, 164.74 acres, more or less. (hereinafter referred to as "Subject Area")

ZONING:

State Land Use District:

Agricultural District

County of Maui CZO:

Agricultural

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LAND TITLE STATUS:

Not applicable. Private lands
DHHL 30% entitlement lands pursuant to the Hawai'i State Constitution: YES NO X

CURRENT USE:

Vacant land subject to encumbrances of record.

CONSIDERATION:

One-time payment, in the amount of the fair market value as determined by an independent appraiser contracted by the State, pursuant to Section 171-30(e), HRS. Said appraisal shall be subject to review and approval by the DOT.

PURPOSE:

This request is for approval in concept for the acquisition of privately-owned lands for the purpose of preventing incompatible land uses of future development by the current landowner. The Subject Area lands are needed for a new parallel runway, east of the existing Runway 2-20, as described in the Kahului Airport Master Plan Update, dated December 2016 ("Master Plan").

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

A Final Environmental Impact Statement (FEIS) was issued in September 1997 for Kahului Airport Improvements (includes the acquisition of the Subject Area) and published in the OEQC's <u>The Environmental Notice</u> on October 23, 1997. The FEIS was accepted by the Governor on February 18, 1998. The Chapter 343 environmental requirements will apply to DOT's future development of the lands, and the DOT shall then be responsible for compliance with Chapter 343, HRS, as amended.

REQUIREMENTS:

DOT shall be required to:

1) Contract and pay for an independent appraisal to determine the market value of the subject lands to be acquired.

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A&B shall be required to:

- 1) Provide survey maps and descriptions for the privately-owned property according to State DAGS Survey Office standards;
- 2) Obtain a title report for the privately-owned property, subject to review and approval by DOT;
- Pay for and conduct a Phase 1 Environmental Site Assessment and, if the Phase 1 identifies the potential for hazardous materials release or the presence of hazardous materials, conduct a Phase II environmental sampling and analysis plan and, if the Phase II identifies the existence of hazardous materials, conduct a Phase III to perform any and all remediation, abatement and disposal as may be warranted and as satisfactory to the standards required by the United States Environmental Protection Agency and/or the State of Hawai'i, Department of Health, all at no cost to DOT and to the satisfaction of the DOT.

<u>REMARKS</u>:

DOT is requesting that the Board of Land and Natural Resources ("Board") approve in concept the acquisition of the Subject Area for airport purposes. The Subject Area has been identified in the Master Plan as the area needed for a new parallel runway. Furthermore, the Master Plan's recommendation is to acquire the land during the planning period to allow for development options for airport expansion beyond the planning period and to prevent the development of incompatible land uses adjacent to existing and planned airport improvements.

A&B designated the Subject Area as Important Agricultural Lands with the State of Hawai'i, Land Use Commission (LUC). DOT will discuss this item with A&B and determine the optimal process for DOT to convert the zoning to Urban, subject to LUC's approval.

Funding for the acquisition of the Subject Area was approved by the Hawai'i State Legislature in the 2013 Regular Session, Act 134, SLH 2013. The release of funds was approved in April 2017. DOT expects to request reimbursement from the Federal Aviation Administration using Airport Improvement Program grant funds or Passenger Facility Charge funds.

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RECOMMENDATION:

That the Board:

- 1. Approve, in concept, the acquisition of lands pursuant to the terms cited above, which by this reference, are incorporated herein, provided that the proposed details of the acquisition shall be submitted to the Board for review and remain subject to final approval by the Board and the Department of the Attorney General prior to documentation.
- 2. Such other terms and conditions as may be prescribed by the Director of Transportation or the Chairperson of the Board of Land and Natural Resources to best serve the interests of the State.

Respectfully submitted,

Interim Director of Transportation

APPROVED FOR SUBMITTAL:

SUZÁMNE D. CASE Chairperson and Member

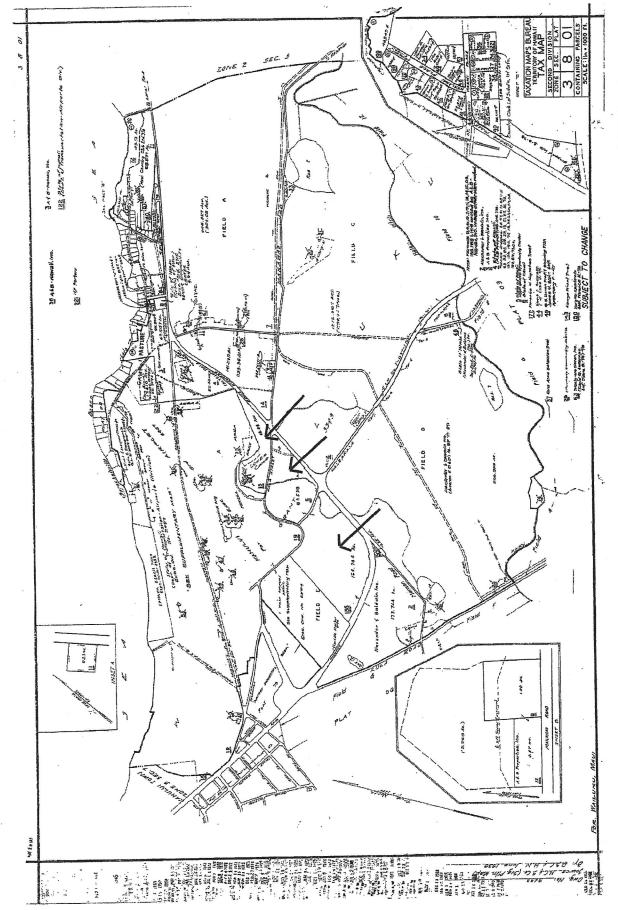


EXHIBIT "B"