STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

March 11, 2016

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii PSF No.: 15HD-203

Island of Hawai'i

Set Aside to the County of Hawaii, for Elderly, Affordable Rental Housing and Issuance of a Right-of-Entry Permit to the County of Hawaii, Waiakea, South Hilo, Hawaii, Tax Map Key: (3) 2-4-001:168.

APPLICANT:

County of Hawaii.

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands of Waiakea, South Hilo, Hawaii, identified by Tax Map Key: (3) 2-4-001:168, as shown on the attached map labeled Exhibit A.

AREA:

9.091 acres, more or less.

ZONING:

State Land Use District:

Agriculture

County of Hawaii CZO:

Agriculture (AG-1)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

PURPOSE:

Elderly and/or Affordable Rental Housing and related purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is merely a transfer of management jurisdiction and does not constitute a use of State lands or funds, and therefore, this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

To the extent that the proposed set-aside constitutes a use of State lands, and in accordance with the Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item Nos. 43 and 51 as stated in the Exemption Notification attached as Exhibit B.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Process and obtain the necessary change in Land Use Designation, Zone Change and any other land use approvals or permits appropriate for the Proposed purpose;
- Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;
- 4) Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

REMARKS:

By letter dated November 10, 2015, Mayor William P. Kenoi is requesting the Board's approval for a set aside to the county of Hawaii for the parcel identified by TMK (3) 2-4-001:168 and containing approximately 9.019 acres. The County of Hawaii would like to develop the subject parcel for an elderly housing project. The County of Hawaii proposes to work with the Hawaii Island Community Development Corporation (HICDC), a Hawaii non-profit corporation, through a long-term lease, in the development of senior residences. The County has successfully worked with HICDC on a number of other elderly and affordable housing projects. Upon agreement on the long-term lease, the proposed agreement will be brought to the Board for its consent as required pursuant to Chapter 171-11, HRS.

Proposed Project Description:

Location:

The proposed site is located in the heart of Hilo town just above the intersection of Komohana and Mohouli Streets. This central location provides ready access by short vehicle trips to all financial, medical, retail and personal services available in Hilo. This location is also convenient for Hilo, Puna and Hamakua residents who wish to visit their senior relatives and friends residing in the proposed development.

The Plan:

The proposed development will be an integrated series of senior residences focused around a central activity core. This core complex would form the nucleus of the neighborhood and would encourage continuing social interaction by the resident seniors as well as supplying much needed services.

As previously envisioned, the complex would contain residential units in multi-unit structures. The units will primarily be one bedroom units, while studio and two bedroom units are possible depending on the demand and financing available. All units would be accessible or adaptable to make daily living easier for all tenants.

The units would be arranged in 30-40 unit clusters, a scale that encourages neighbor to neighbor relations. Covered walkways are planned between the clusters and connecting to the central core. This will help the neighborhood remain functional throughout the typical Hilo weather patterns.

Target Market:

This neighborhood is planned for seniors 62 years of age and older. The income ranges would include those qualifying for low and moderate income housing and would be matched to the various complexes based on project funding.

Phasing:

The initial phase would include all environmental and planning studies, including the development of a master plan for the entire site. Subsequent phases would include incremental development of the residential complexes and central core.

Services:

It is anticipated that a variety of public and private agencies will be providing services in the development project. These services are expected to include transportation, exercise, personal and professional care. Meal services will be sought consistent with the limitations imposed by the various funding programs.

DISCUSSION:

Executive Order No. 4224 was issued on June 24, 2008 setting aside approximately 15 acres of land to the County of Hawaii for the Mohouli Heights Senior Neighborhood. This

senior housing development has proven to be very successful and is continuing its expansion on land within close proximity of the current proposed site (see Exhibit A). According to the County of Hawaii, Office of Housing and Community Development, there is a strong demand for this type of housing now and the demand is expected to increase in the near future.

The agency's proposed request for the set aside is appropriate and satisfies a public purpose – to develop additional elderly affordable rental housing in East Hawaii.

A request for comments was distributed to various government agencies and their responses are included below.

County of Hawaii Agencies	Comments
Environmental Management	No Comments
Fire Department	Comments Below
Planning	No Comments
Police Department	No Comments
Public Works	No Response
State of Hawaii Agencies	Comments
DLNR-Historic Preservation	No Response
DLNR-DOFAW	No Comments
DOH–Environmental Management	No Response
DHHL	No Response
Other Agencies	Comments
Office of Hawaiian Affairs	No Response
Corps of Engineers	No Response

The County of Hawaii Fire Department requests the Applicant comply with the current NFPA1, UNIFORM FIRE CODE, 2006 EDITION.

Right of Entry:

The County of Hawaii is also requesting the Land Board's favorable consideration for a right-of-entry permit for management purposes. This will allow the County and their consultants to start the necessary environmental studies, surveying, etc.

RECOMMENDATION:

That the Board, subject to Applicant fulfilling the Applicant Requirements above:

1. Declare that, after considering the potential effects of the proposed set-aside and right-of-entry dispositions as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and are therefore exempt from the preparation of an environmental assessment.

- 2. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 3. Authorize the issuance of an immediate management right-of-entry permit to the County of Hawaii covering the subject area, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time; and
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

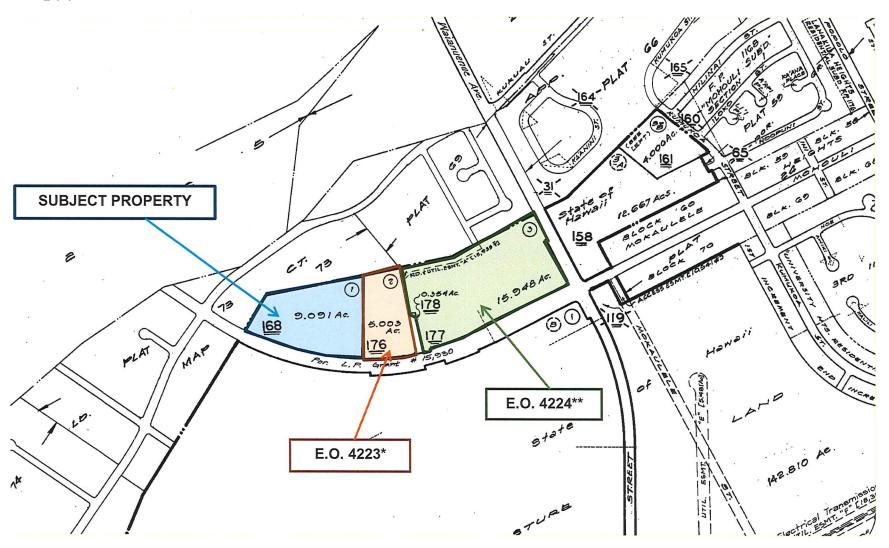
District Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson

EXHIBIT A

TMK: (3) 2-4-001:168



*E.O. 4223 – to County of Hawaii for Public Safety and Related Purposes (Fire Dept.)

^{**}E.O. 4224 – to County of Hawaii for Elderly and/or Affordable Rental Housing and Related Purposes

DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809 SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA FIRST DEPUTY

JEFFREY T. PEARSON, P.E.

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

EXEMPTION NOTIFICATION

From the preparation of an environmental assessment under the authority of Chapter 343, HRS and Chapter 11-200, HAR

Project Title:

Set Aside to the County of Hawaii, for Elderly, Affordable Rental

Housing and Issuance of a Right-of-Entry Permit to the County of

Hawaii.

Project Number:

PSF No. 15HD-203

Project Location:

Waiakea, South Hilo, Hawaii, TMK: (3) 2-4-001:168.

Project Description:

The County of Hawaii recognizes the demand for an increase in affordable senior housing in the east Hawaii area. The subject property has been identified as a suitable location for this project and the County of Hawaii is asking for the set aside of this property and is also asking for a right-of-entry so that they may initiate the necessary environmental studies and surveys.

Consulted Parties:

None

Exemption Class No.:

In accordance with the "Exemption List for the Department of Land and Natural Resources", approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item No. 43 that states "Transfer of management authority over State-owned lands, such as setting aside of State lands to or from other government agencies through a Governor's Executive Order" and No. 51 that states "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing."

Recommendation:

It is anticipated this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

Suzanne D. Case, Chairpersor

Date