

KAPOLEI HARBORSIDE CENTER

TMK: (1) 9-1-14:33 (por), 34, and (1) 9-1-15:20 (por),
Honouliuli, 'Ewa District, Kapolei, O'ahu

Environmental Impact Statement Preparation Notice



**Kapolei Property
Development LLC**
an affiliate of the Estate of James Campbell



Architecture • Planning • Interior Design • Environmental Services

March 2006

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Honouliuli, 'Ewa District, Kapolei, O'ahu

Environmental Impact Statement Preparation Notice

This environmental document is prepared pursuant to Hawai'i Revised Statutes, Chapter 343, Environmental Impact Statement Law and Chapter 200 of Title 11, Administrative Rules, Department of Health, Environmental Impact Statement Rules.

Landowner/Petitioner:

**Kapolei Property
Development LLC**
an affiliate of the Estate of James Campbell

1001 Kamokila Blvd., Suite 250
Kapolei, Hawai'i 96707

Prepared by:



Architecture • Planning • Interior Design • Environmental Services
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March 2006

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1.0 INTRODUCTION

This Environmental Impact Statement Preparation Notice (EISPN) has been prepared in accordance with the requirements of Chapter 343, Hawai'i Revised Statutes (HRS), and Chapter 11-200 Hawai'i Administrative Rules (HAR). The proposed action involves a State Land Use Boundary Amendment from the Agricultural District to the Urban District for approximately 332 acres of the project area.

1.1 PROJECT INFORMATION SUMMARY

Petitioner: Kapolei Property Development, LLC
1001 Kamokila Blvd., Suite 250
Kapolei, Hawai'i 96707
Contact: Mr. Dan Davidson, Vice-President, Development
Phone: (808) 674-3201
dand@campbellestate.com

EIS Preparer: Group 70 International, Inc.
925 Bethel Street, 5th Floor
Honolulu, Hawai'i 96813
Contact: Jeff Overton, AICP
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jho@group70int.com

Project Name: Kapolei Harborside Center

Project Location: 'Ewa, Kapolei, Island of O'ahu

Tax Map Key: TMK (1) 9-1-14:33 (por) (137.529 acres)
TMK (1) 9-1-14:34 (19.947 acres)
TMK (1) 9-1-15:20 (por) (174.198 acres)

Landowners: Kapolei Property Development, LLC,
Aina Nui Corporation, and
The Estate of James Campbell

Petition Area: 331.674 acres

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State Land Use District: Agricultural

City & County Zoning: 173.987 acres: AG-1 Restricted Agriculture
157.687 acres: AG-2 General Agriculture

**City & County of Honolulu
'Ewa Development Plan:** Industrial

SMA: Not in SMA

Flood Zone: FIRM Zone D (area of undetermined, but possible floods)

1.2 PROJECT SITE

The project area assessed in this EISPN includes approximately 332 acres of land in Honouliuli, 'Ewa District, Kapolei. The project is part of the City and County of Honolulu's plan for a secondary urban center at Kapolei. It is strategically located between Kalaeloa/Barbers Point Harbor and the existing industrial areas of Campbell Industrial Park and Kapolei Business Park, on the periphery of the rapidly expanding City of Kapolei (Figure 1.1).

Both long-term plans guiding development in the region, the 'Ewa Development Plan and the Kapolei Area Long Range Master Plan, designate the project area as industrial consistent with the uses assessed in this report. The proposed project is an industrial park. The development will play an important role in stimulating new businesses opportunities, which will produce new employment prospects for West O'ahu residents.

The project area is bounded on the east, west and south by existing industrial areas and on the north by vacant land proposed for the master planned community of Kapolei West. It is identified by Tax Map Key (TMK) parcels (1) 9-1-14:33 (por), 34, and (1) 9-1-15:20 (por) (Figure 1.2). Table 1 shows the acreage for each TMK parcel within the petition area. The property is privately owned by Kapolei Property Development, LLC, Aina Nui Corporation and the Estate of James Campbell and proposed for development by Kapolei Property Development, LLC.

The project area currently has several uses operating on-site although the majority of the parcel is vacant. Existing uses include a nursery, intermittent agricultural use, a greenwaste collection and compost processing operation, fill material stockpiling, and a coal conveyor belt that transports coal from the harbor to HECO power stations to the south of the site.

Table 1
Parcel Tax Map Keys and Areas

TMK		Area (acres)
9-1-14: 33 (por.)	por. of Lot 14082	137.529
9-1-14: 34	Lot 14084	19.947
9-1-15: 20 (por.)	por. of Lot 14083	174.198
Total Petition Area		331.674

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Figure 1.1 Location Map

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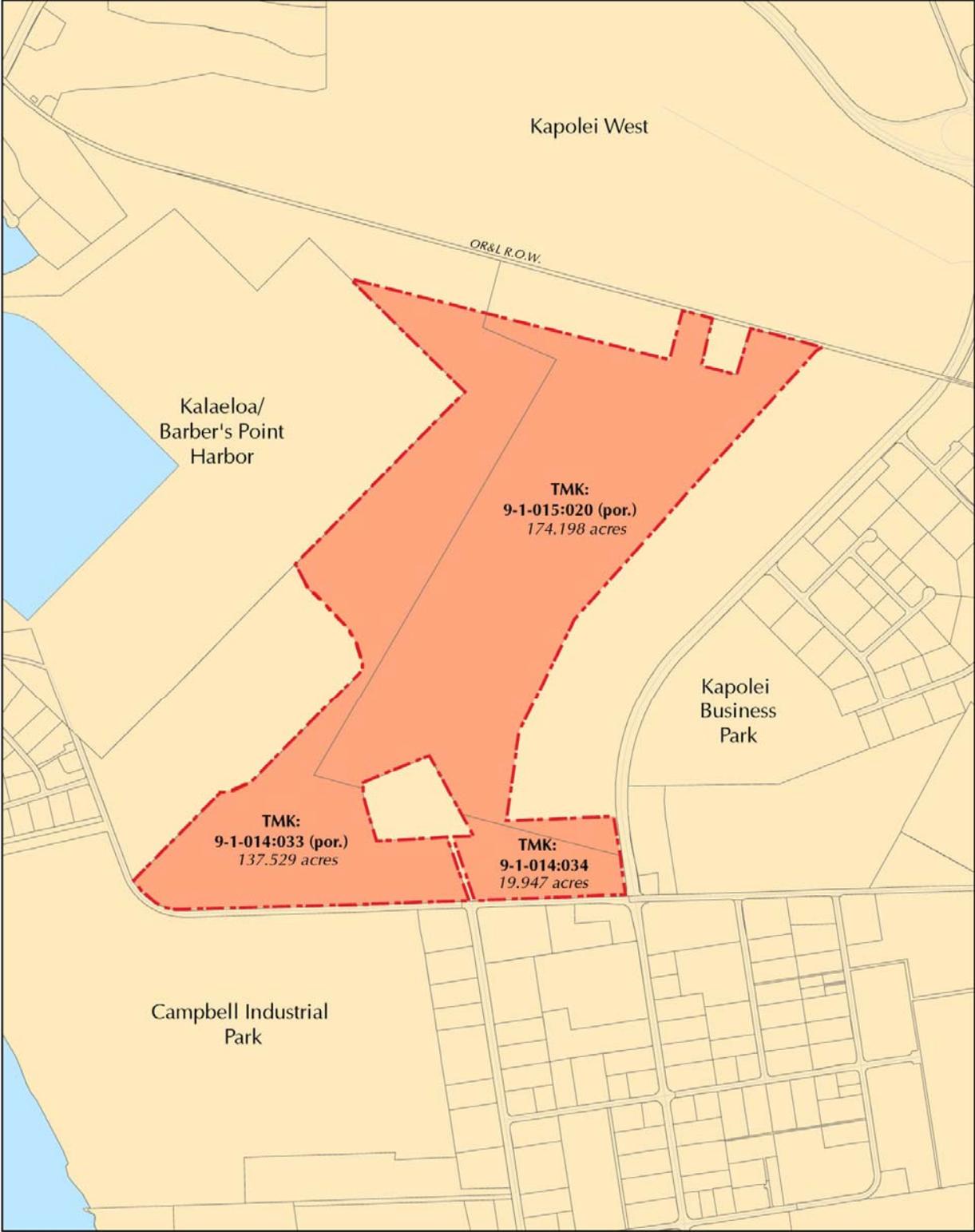


Figure 1.2 TMK Map

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1.2 PROPOSED ACTION

The project site, including the surrounding Campbell Industrial Park and Kapolei Business Park, was first proposed as an industrial area in the master planning for the Estate of James Campbell over 50 years ago. The area was chosen for urban and industrial uses because of its proximity to Kalaeloa/Barbers Point Harbor. The stated goal of the City and County of Honolulu and the Estate is to create more jobs and a secondary urban center in the 'Ewa region.

To support the proposed uses, an application for a 'Ewa Development Plan Amendment and Environmental Assessment for the project area were submitted to the City and County of Honolulu in 1990. The action was subsequently determined to require an EIS which was then accepted by the City in April of 1990. The Development Plan Amendment from the Agricultural to Industrial designations was approved in 1991.

Throughout the 1990's and this decade, adjoining properties were zoned and developed. The project represents the last phase of industrial development in the Kapolei area at the adjoining areas of James Campbell Industrial Park and the Kapolei Business Park. The proposed State Land Use Boundary Amendment from the Agriculture to Urban District will be followed by a Change in Zone request to the City and County of Honolulu.

1.3 CONTENTS OF THE EISPN

This EISPN is being filed with the State of Hawai'i's Office of Environmental Quality Control (OEQC) for preparation of a Draft Environmental Impact Statement (Draft EIS). The EISPN and the subsequent Draft EIS and Final EIS will evaluate the potential impacts of the proposed Kapolei Harborside Center project on the natural and human environments.

This document is presented in seven sections. Section 1.0 contains an introduction including an overview of the purpose of the EISPN. Section 2.0 describes the proposed project. Section 3.0 discusses project setting. Section 4.0 discusses potential impacts and mitigative measures. Section 5.0 identifies alternative actions to the proposed project. Section 6.0 reviews the determination and findings of this report. Section 7.0 identifies parties consulted during the preparation of this report.

1.4 CONSULTATION PROCESS

The public review and consultation for this EIS is being processed pursuant to Hawai'i Revised Statutes, Chapter 343 and Chapter 200 of Title 11 Administrative Rules, Department of Health, "Environmental Impact Statement Rules".

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1.5 ENVIRONMENTAL REVIEW PROCESS

A Final EIS was prepared in April 1990 for Kapolei Harborside Center, then named Kapolei Business-Industrial Park (William E. Wanket, Inc.). The prior EIS a 533-acre project which included the current Petition Area.

Inasmuch as the proposed action involves the use of State lands (i.e., planned roadways, water, sewer, utility and drainage facilities, etc.), an Environmental Impact Statement Preparation Notice has been prepared pursuant to Hawai'i Revised Statutes ("HRS") Chapter 343. In accordance with Chapter 343, Petitioner intends to prepare the appropriate environmental documents and believes that the Commission should be the approving agency.

The purposes of this EIS are to disclose the probable environmental effects of the proposed development; describe measures proposed to minimize adverse effects; and discuss alternatives to the proposed development. This EIS provides an assessment of the proposed uses as part of a Petition for a State Land Use Boundary Amendment from the Agricultural to Urban District, and a subsequent County Change of Zone request.

This EISPN was prepared in accordance with HRS, Chapter 343, Environmental Impact Statement Law and Chapter 200 of Title 11, HAR, Department of Health, Environmental Impact Statement Rules. This EISPN provides an overview of the technical, environmental, social and economic aspects of the proposed project. The Draft EIS will identify possible impacts of the proposed project and their significance. Strategies to mitigate potential impacts are also outlined in the Draft EIS.

2.0 PROJECT DESCRIPTION

This section describes the overall master plan for the proposed project. A more detailed presentation will be included in the Draft EIS.

2.1 OVERALL PROJECT OBJECTIVES AND BENEFITS

The proposed Kapolei Harborside Center is consistent with the State's goals to provide economic vitality, stability and growth for present and future generations. The requested changes from Agriculture to Urban will further urbanize the area and strengthen the concept of the secondary urban center at Kapolei. The proposed project will provide diversified economic and employment options for a growing population in the Kapolei/'Ewa area. A major consideration in public policy is to redirect traffic currently flowing into Honolulu proper by providing alternative employment centers outside of the existing urban core.

The development of industrial sites in this location will assist in providing new job opportunities for the expanding communities of Kapolei, 'Ewa, Central O'ahu and the Wai'anae Coast. Proposed as industrial use, Kapolei Harborside Center will provide broader outlets for new or expanded Hawai'i businesses, expand existing markets and create new markets for products and services, encourage labor intensive activities, and help increase the State's capacity to adjust to and capitalize upon economic changes and opportunities occurring outside the State. The employment base for the area population is growing but limited. Currently over 25,000 jobs are in the Kapolei/'Ewa region. Campbell Industrial Park is the area's largest job center, providing approximately 4,600 jobs. Most other jobs are located in service sector industries. A broader choice of jobs will result from the proposed project. By 2025, 65,000 jobs are expected to be located in the Kapolei/'Ewa region.

The project will be of benefit to an area with substantial employment needs, and foster greater cooperation between government and the private sector. The provision of the industrial site for maritime uses in the vicinity of the Kalaeloa/Barbers Point Harbor represents important economic opportunity for the State and the Petitioner. Availability of industrial lands at the proposed location will contribute to an improved competitive position for Hawai'i-based businesses and would stimulate economic activity through a multiplier effect. Providing designated areas for industrial land and maritime support activities will help foster a favorable business climate in Hawai'i.

2.2 PROJECT COMPONENTS

The Kapolei Harborside Center Land Plan is shown in *Figure 2.1*. The project area is proposed to be developed with four primary components including industrial lands, preservation, roadways and support infrastructure.

2.2.1 Industrial Uses

The character of the Kapolei Harborside Center will be complimentary to the existing Campbell Industrial Park and Kapolei Business Park. Projected uses in the project area include: light manufacturing and warehousing in proportions similar to other industrial parks on O'ahu, industrial service businesses that would support the population in 'Ewa and innovative land uses within the current City and County of Honolulu Land Use Ordinance parameters for industrially zoned lands.

2.2.2 Preservation Use

A significant number of historically relevant sinkholes exist in a 7.4-acre area within the project area. The close concentration of sinkholes has scientific value, and the area around the sinkholes will largely be preserved. Measures will be implemented at significant sites to protect the resources from vandalism and/or destruction from unauthorized entry. The site will be accessible for future research, as well as site visitations by the archeological community and interested segments of the public.

2.2.3 Infrastructure Support

Roadways and Circulation: Presently, Kalaeloa Boulevard, a divided four-lane highway, in a north-south direction, serves as the roadway access into the existing James Campbell Industrial Park and Kalaeloa/Barbers Point Harbor. The two-lane Malakole Road intersects Kalaeloa Boulevard in a stop-controlled cross intersection and serves at the access into the Kalaeloa/Barbers Point Harbor area.

Hanua Street, a second major road serving Kalaeloa/Barbers Point Harbor is planned, connecting to the Kapolei Parkway extension. Additional major roadway improvements include extending Opakapaka Street in an east-west direction from Kalaeloa Boulevard, and constructing Lauwiliwili Street also running in an east-west direction from Kalaeloa Boulevard, through the project site to the existing Kalaeloa/Barbers Point Harbor. Minor roads are proposed for internal site circulation. Phased improvements may be recommended, such as signalizing intersections and adding lanes to existing roadways to accommodate the anticipated increase in traffic.

Drainage: The proposed drainage improvements include an onsite drainage systems and a regional drainage system channel running through the Kapolei Harborside Center. The on-site drainage system will be sized to accommodate the peak runoff rate determined by the City's Storm Drainage Standards. The onsite drainage system is intended to prevent flooding resulting from runoff from the proposed development.

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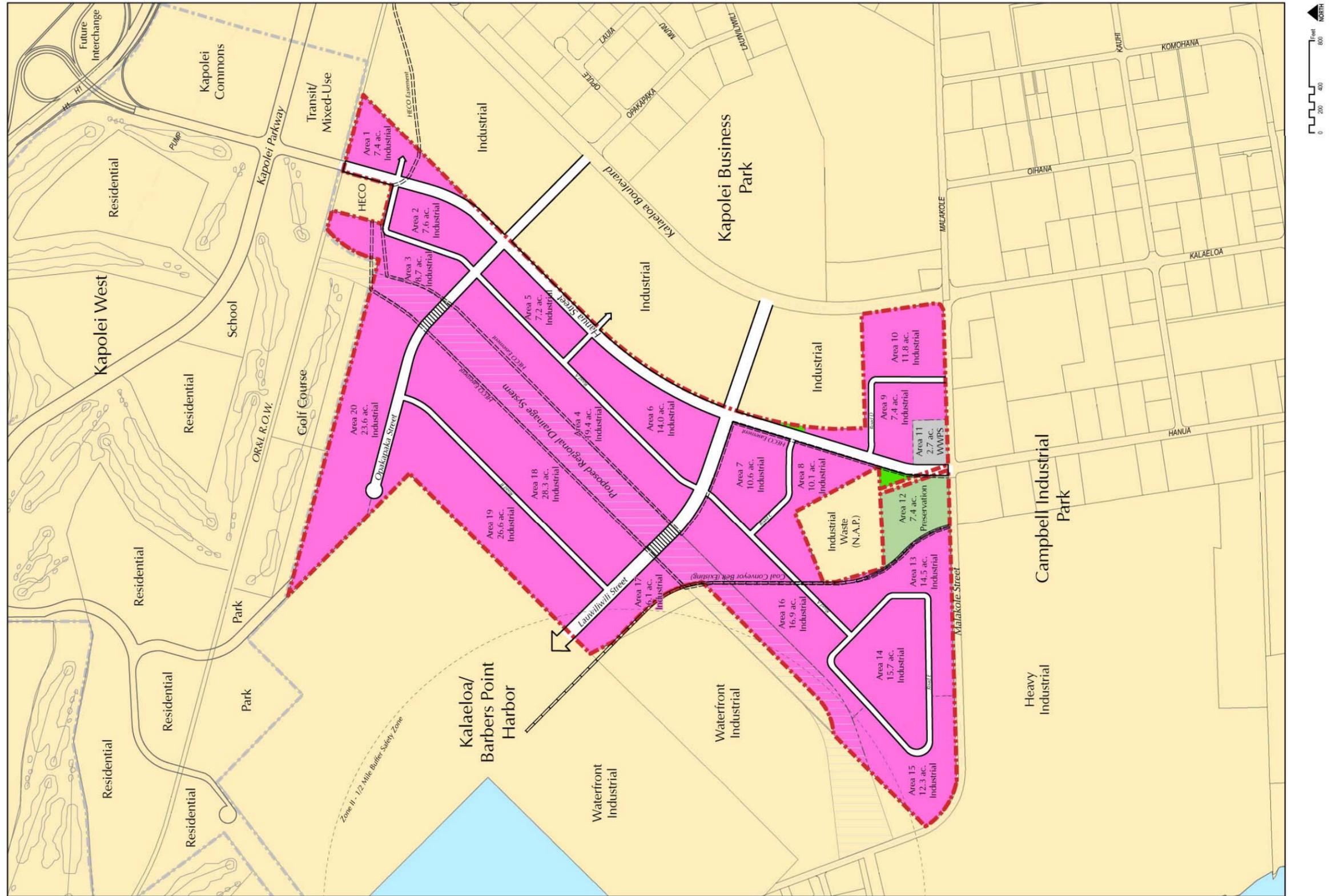


Figure 2.1: Kapolei Harborside Center Project Master Plan

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Wastewater: Wastewater generated from the Kapolei Harborside Center is expected to be mainly of domestic composition. Industrial discharges will require on-site pretreatment before release to the municipal sewer system. Management of the wastewater flows from the proposed project will be required to prevent negative health and environmental impacts. A new regional wastewater pump station connected to the existing wastewater collection system is proposed in the project area.

Water Supply: Initial review of the 'Ewa Water Master Plan and a preliminary hydraulic analysis using data from the master plan as the basis, indicates that the 24-inch and 20-inch mains in Kalaeloa Boulevard should be able to accommodate demands from the proposed project.

Distribution lines will be located in the interior roadways to services the lots. A dual water system is anticipated which will use potable water for domestic uses and non-potable water for irrigation and other non-consumptive uses. According to Board of Water Supply's design criterion for dual systems in industrial areas, the potable water requirements area reduced by approximately 65%. The project will install 12- and 16-inch water lines that will serve the potable water and fire protection requirements.

Utilities: Electrical systems will be installed to serve the new industrial operations. There will also be communication systems installed to serve these parcels. An analysis of electrical power demand and supporting utility infrastructure will be presented in the Draft EIS.

2.3 PURPOSE AND NEED FOR THE PROPOSED PROJECT

The project is part of the City of Kapolei Urban Center. It is strategically located between Kalaeloa/Barbers Point Harbor and the existing industrial areas of Campbell Industrial Park and Kapolei Business Park. The project area is bounded on the east, west and south by existing industrial areas and on the north by currently vacant land proposed for the master planned community of Kapolei West.

Development is creating critical mass for employment opportunities and increased need for dedicated public services. Since the mid 1990s over \$1 billion in commercial investments have been made and almost 800 businesses have been established providing over 25,000 jobs in the Kapolei region. Since 1997, forty-three major development projects have been completed. Over the next 20 years, 'Ewa is expected to grow three times faster than the Primary Urban Center. Population growth is expected to translate into job growth, which in turn generates a demand for additional industrial land in the region. Development of Kapolei Harborside Center satisfies some of this needed demand and in doing so, presents new employment opportunities to residents of the region. This is especially important recognizing that Kapolei is the fastest growing region in the State of Hawai'i.

A market feasibility study by Robert Charles Lesser and Co., LLC will be included in the EIS. Kapolei Harborside Center is expected to capture a significant share of Honolulu County's growing industrial demand and absorb the majority of its approximately 332 acres over a period of ten years (2009-2018). This absorption timeframe is based on pent-up demand, annual

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employment driven demand, and transient demand (from transitioning markets and industrial tenants with expiring ground leases).

The Draft EIS will include a full analysis of projected employment. The lack of available industrial land is a major island-wide problem. Hawai'i's robust economy makes Honolulu's industrial real estate market one of the tightest in the nation, according to a 2005 report by commercial real estate firm Colliers Monroe Friedlander.

The project will not directly increase the residential population. However, it will contribute to the development of Kapolei by adding jobs. Kapolei Harborside Center is being proposed at this time to respond to the needs and opportunities described above in a comprehensive manner. The project will accommodate future industrial growth by providing additional acreage for demand-generated growth in jobs. Moreover, the project will accommodate existing businesses that are being displaced in Honolulu. It will also accommodate the need for maritime industrial uses.

More than 600,000 square feet of new industrial space is scheduled to become available by 2007 in West O'ahu, yet this is not expected to be adequate to satisfy demand from the expanding labor market. Honolulu's current 1.8 percent vacancy rate is creating difficulties for industrial tenants who want to lease warehouse or industrial space. Colliers Monroe Friedlander predict rents will be 8 to 12% higher in 2006 than the previous year. An economic assessment study of the 'Ewa region by Decision Analysts Hawai'i, Inc. (2005), estimates the need for an additional 16 million square feet of light and heavy industrial space in the 'Ewa region by 2025. The proposed project will help meet the demand for industrial land by increasing the island-wide supply of industrial land and will therefore likely create an island-wide identity, rather than being solely a regional asset.

2.4 PRELIMINARY PROJECT SCHEDULE

Project development and implementation is scheduled to begin immediately following approvals of necessary land use amendments, zoning, permits and available funding.

Full buildout for the Kapolei Harborside Center project is intended to be implemented by 2018. Construction of roads, industrial pads, along with support infrastructure and utilities would be phased over a ten-year period. Industrial pad development, partially dependant upon sales and absorption, is estimated at ten years.

3.0 PROJECT SETTING

This section presents the existing land use setting, existing natural/terrestrial environment, and the human environmental conditions.

3.1 SITE CHARACTERISTICS AND LAND USE DESIGNATIONS

The project area is approximately 332 acres of land in Honouliuli, 'Ewa District, Kapolei, O'ahu. The site, in general, is bounded by vacant industrially-zoned land, Kalealoa Boulevard and Kapolei Business Park to the east, Malakole Road and Campbell Industrial Park to the south, Kalaeloa/Barbers Point Harbor and supporting industrial areas to the west and the proposed Kapolei West master planned community to the north.

The project site is owned by Kapolei Property Development, LLC, Aina Nui Corporation and the Estate of James Campbell and is proposed for development by Kapolei Property Development, LLC. The project area encompasses several parcels including Tax Map Key (TMK) (1) 9-1-14:33 (por) (137.529 acres), (1) 9-1-14:34 (19.947 acres), and (1) 9-1-15:20 (por) (174.198 acres).

The project area currently has several uses operating on-site although the majority of the parcel is vacant. Existing uses include a nursery, intermittent agricultural use, a greenwaste collection and compost processing operation, fill material stockpiling, and a coal conveyor belt that transports coal from the harbor to HECO power stations to the south of the site.

Full-time agricultural uses on the site ended in 1995 after O'ahu Sugar Company ceased cultivation of approximately 145 acres in sugar cane cultivation. Over 200 acres of the site was previously utilized for coral mining operations for the manufacture of cement and concrete products.

The project area has the following State and County land use designations (*Figure 3.1, 3.2, 3.3*):

Jurisdiction	Existing Designation	Proposed Designation
State Land Use	Agricultural District	Urban District
City & County of Honolulu 'Ewa Development Plan	Industrial	Industrial (no change)
City & County of Honolulu Zoning District	AG-1 Restricted Agriculture (51%) AG-2 General Agriculture (47%)	Industrial

The project area is designated as Industrial in the Estate of James Campbell Kapolei Area Long-Range Master Plan (*Figure 3.4*).

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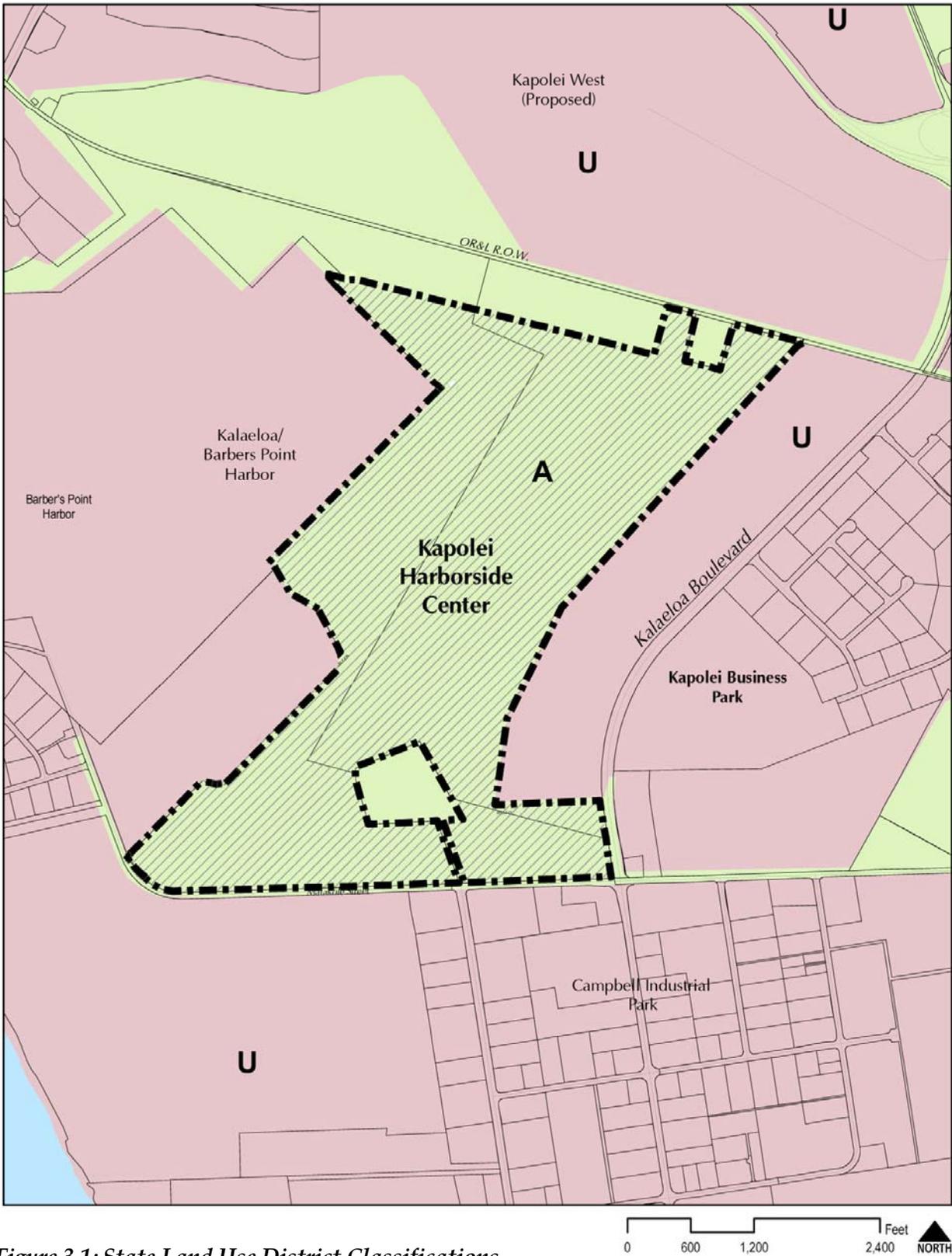
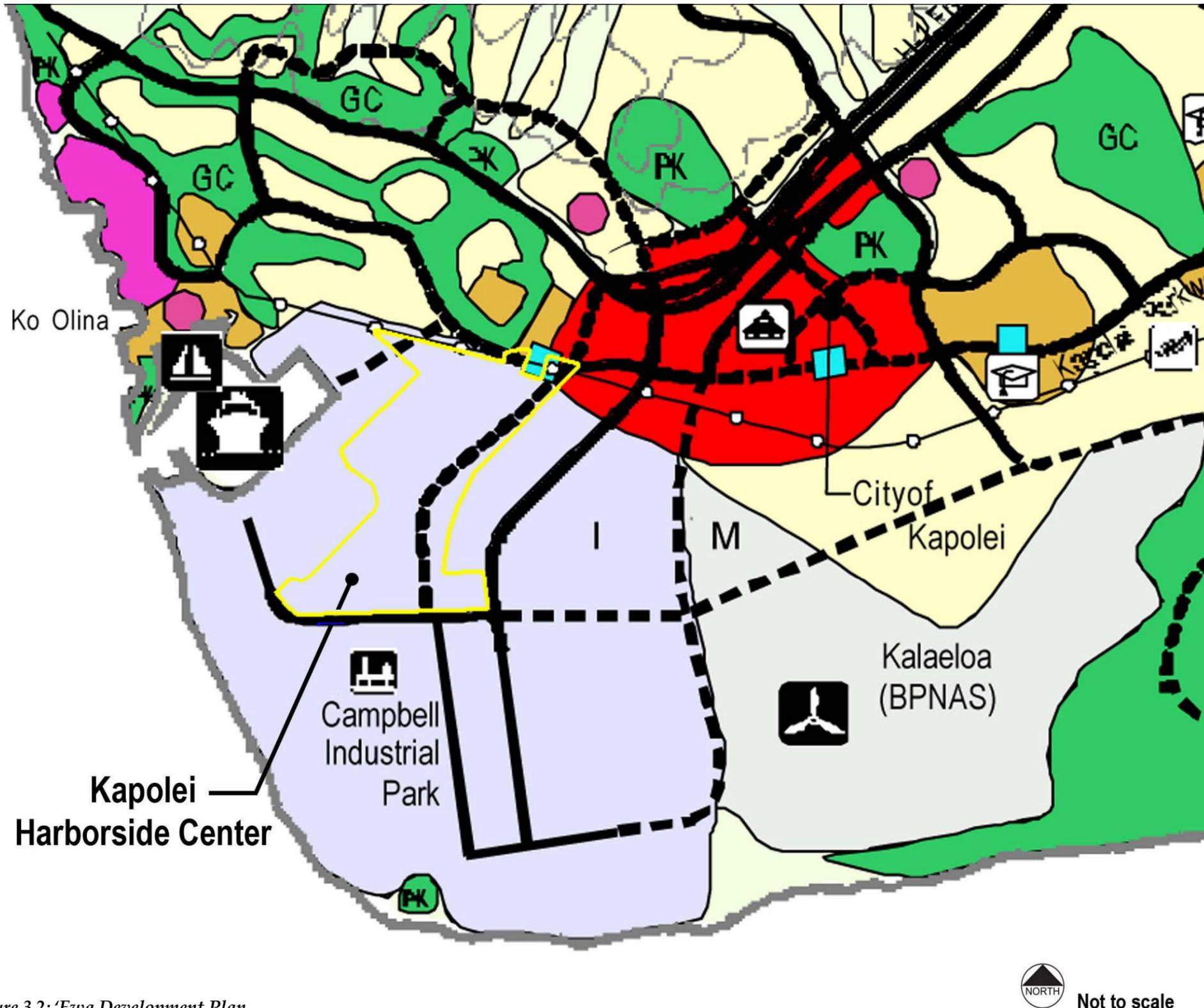


Figure 3.1: State Land Use District Classifications



EWA DEVELOPMENT PLAN

Urban Land Use Map

- Low and Medium Density Residential
- High Density Residential
- Community Commercial Center
- City of Kapolei (High Density Residential and Commercial)
- Resort/Recreation Area
- Industrial
- Military
- Public Institution
- Agricultural Land Preservation
- Parks and Golf Courses
- Transit Node (High Density Residential and Commercial)
- Urban Growth Boundary

EXISTING FUTURE

- | | | |
|--|--|------------------------------------|
| | | Civic Center |
| | | Electric Power Plant |
| | | Wastewater T.P. |
| | | Intermediate School |
| | | High School |
| | | U.H. West Oahu |
| | | Hospital |
| | | Small Boat Marina |
| | | Commercial Harbor |
| | | Airfield |
| | | Highways, Arterial & Major Streets |
| | | Historic Railway |

NORTH
 Not to scale



Planning Department
 City & County of Honolulu
 August 1997

Figure 3.2: Ewa Development Plan

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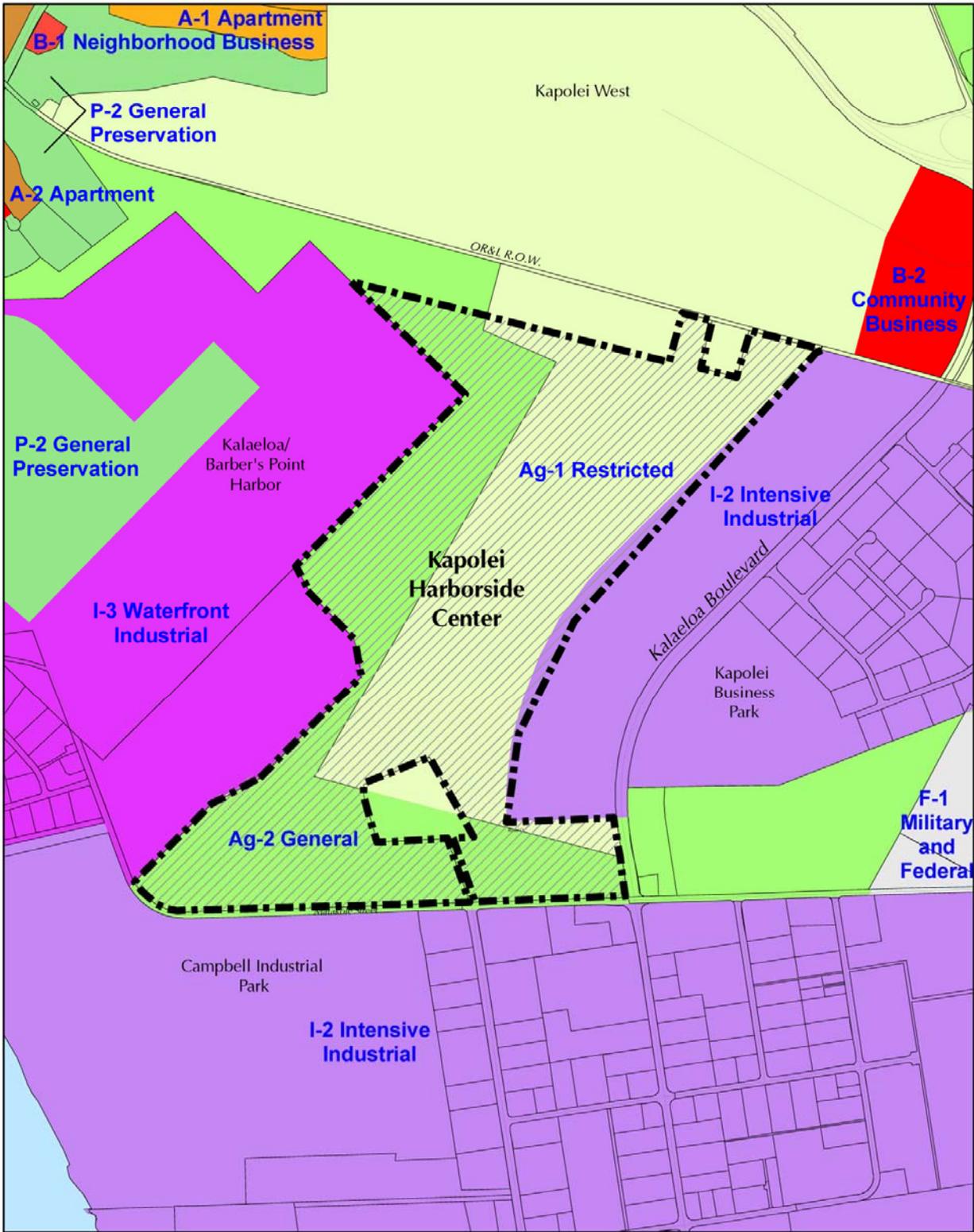


Figure 3.3: City & County Zoning



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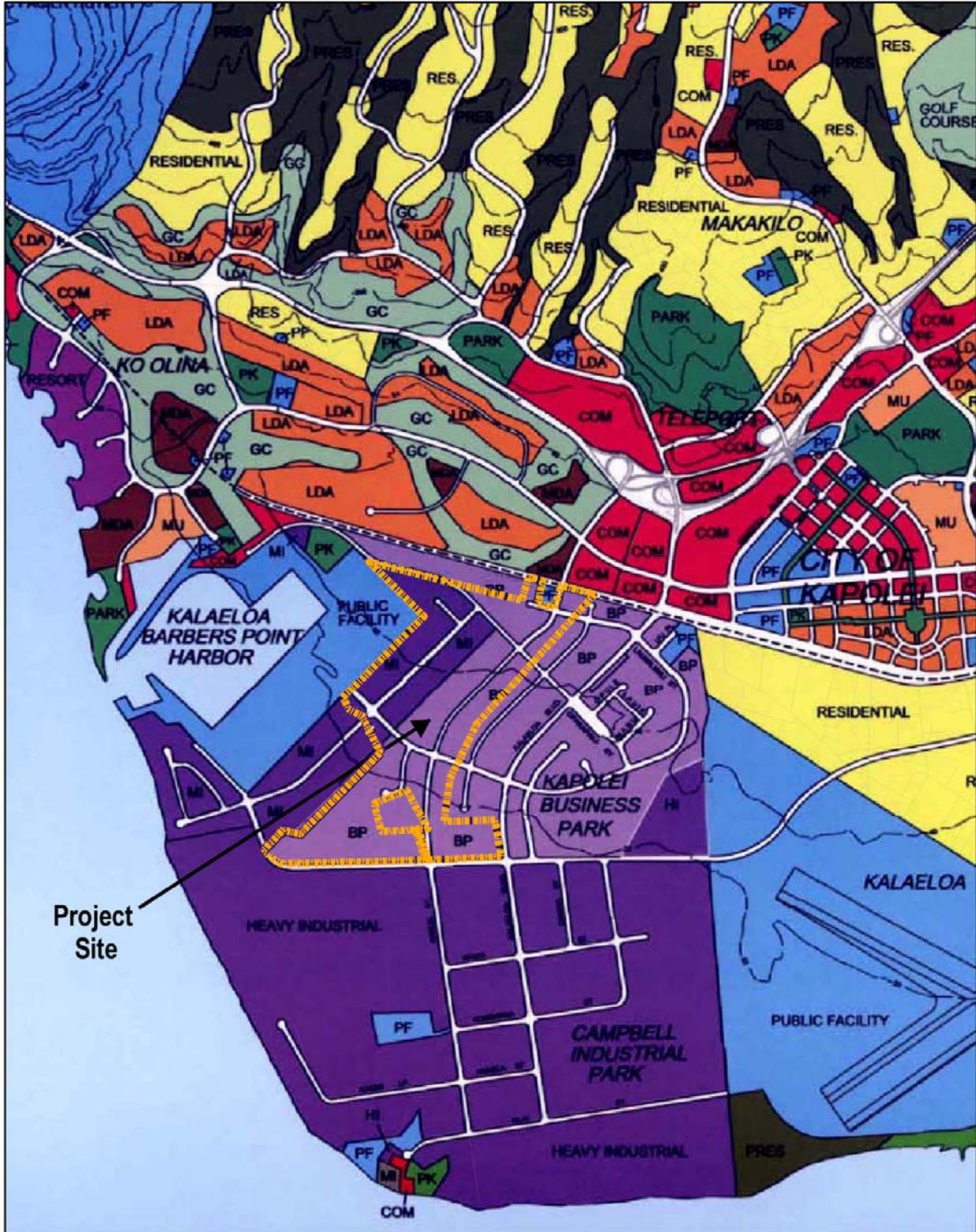


Figure 3.4: The Estate of James Campbell Kapolei Area Long Range Master Plan

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3.2 NATURAL ENVIRONMENT CONDITIONS

This section summarizes the elements of the natural environment that will be addressed in the Draft EIS.

Site Topography: The natural topography of the project area is generally level with mounds and depressions scattered across the site. Elevations range from five feet above mean sea level near the intersection of Kalaeloa Boulevard and Malakole Road to approximately 70 feet above mean sea level near the northeast corner of the site. In general, the project area slopes from north to south with an average slope of approximately one percent.

A large stockpile of coralline material from the excavation of Kalaeloa/Barbers Point Harbor occupies approximately 50 acres in the southwestern corner of the project area. A complete topographic survey will be conducted in the project design phase.

Soils: Several soil types are found within the project area based on the U.S. Department of Agriculture natural Resource Conservation Service's descriptions:

- Coral Outcrop (CR) is the predominate soil type on the project site, and comprises approximately 82% (278 acres) of the project area.
- Mamala stony silty clay loam, 0 to 12 percent slopes (MnC) comprises approximately 16% (55 acres) of the project area.
- 'Ewa silty clay loam, moderately shallow, 0 to 2 percent slopes (EmA) comprises approximately 4% (6 acres) of the project area.

Additional information on soil conditions will be presented in the Draft EIS.

Groundwater: The Kapolei Harborside Center project area overlies the Malakole Sector of the 'Ewa (Limestone) Caprock Aquifer. This aquifer is recharged through local rainfall and infiltration from surface water drainage. It is not potable and is used primarily as irrigation water. It is within the designated groundwater management area regulated by the State Commission on Water Resource Management (CWRM). Water supply will be provided by the Board of Water Supply system. There are no plans to develop new wells at this site. Groundwater conditions will be discussed further in the Draft EIS.

Flora: A botanical survey of the project area was conducted by Char and Associates (1989), and an updated botanical survey will be conducted for the Draft EIS. During the 1989 survey, three major vegetation types were recognized. At the time, actively cultivated sugar cane fields along with weedy species associated with agricultural lands covered more than 60% of the site. Uncultivated areas were occupied by kiawe forests and abandoned sugar cane fields. The proposed improvements will affect vegetation dominated almost exclusively by introduced species such as California grass, koa-haole, Guinea grass, buffel grass, and an assortment of other weedy plants. None of the natives plants on this site are considered threatened or endangered species and none of the species are endemic.

Fauna: An avifaunal and feral mammal survey was conducted on the property by Philip L. Bruner (August 1989) and an updated survey will be conducted for the Draft EIS. A total of seventeen species of exotic (introduced) birds were found during this field survey. No endemic

land birds were recorded during the course of the field survey. Endemic species that might occasionally forage in the area are the Hawaiian Owl or Pueo (*Asio flammeus sandwichensis*) and the Hawaiian Stilt (*Himantopus mexicanus knudseni*).

No resident indigenous land birds were recorded in the 1989 survey. No resident indigenous seabirds were found during the survey and it is unlikely any would nest at this site due to an abundance of predators.

The only feral mammals observed during the 1989 survey were cats and the Small Indian Mongoose (*Herpestes auropunctatus*). Without a trapping program it is difficult to conclude much about the abundance of rats, mice, cats and mongooses at the site. It is likely however, that their numbers are typical of what one would find elsewhere in similar habitat on O'ahu. None of the natives animals on this site are considered threatened or endangered species and none of the species are endemic.

3.3 HUMAN ENVIRONMENT CONDITIONS

Agriculture: The agricultural utility of land in Hawai'i was assessed and mapped in the 1970s by the U.S. Soil Conservation Service in the Agricultural Lands of Importance to the State of Hawai'i (ALISH) map series. Three categories of agricultural land were identified in the mapping: Prime, Unique and Other. Most of the soils (84%) in the project area are poor and, therefore, are not rated in the ALISH classification system. However, 15% of the project area is designated as Other and only one percent is Prime. Land designated as Other are important to agriculture in Hawai'i despite properties such as seasonal wetness, erosion properties, limited rooting zone, slope, flooding or drought that exclude them from either the Prime or Unique categories.

The Land Study Bureau of the University of Hawai'i evaluated all lands in the State except those in the Urban District and classified the land types. This classification rates soils according to five levels, with "A" representing the class of highest productivity and "E" representing the lowest. The LSB rating for soils on this site are about 14 percent B, 21 percent C, while the remaining 65 percent is rated E. The Draft EIS will address potential impacts to agricultural potential of this site.

Archaeological and Historic Resources: An archaeological assessment was done for the project site by Cultural Surveys Hawai'i in February 2006 (McDermott and O'Leary). The area has been the subject of over 40 archeological reports since the 1970's.

Several Malakole Road/Hanua Road sinkholes are significant sites that will be preserved from development. A number of sinkholes (+/- 100 over 1 meter wide were found in an 8-acre area located at the NW corner of Malakole Road and Hanua Road. Some of the sinks still have Polynesian cultigens (noni, *Morinda citrifolia*, and *Ti Taetsia fructose*) growing in them. It has been estimated that 80 percent of these contain fossil bird bone. Due to its accessibility, the close concentration of sinkholes and its scientific value, the area with the sinks has been recommended for preservation.

The project area was extensively studied, and it is unlikely that significant subsurface remains will be encountered during the course of excavation and construction. The archaeological findings in the project area as well as the mitigative measures that are proposed will be presented in the Draft EIS.

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Cultural Resources: Potential effects to Native Hawaiian practices, culture and traditions will be considered in a cultural assessment study to be completed for the Draft EIS. Efforts are being made to contact Hawaiian cultural organizations, government agencies and individuals who may have knowledge of or concerns about traditional cultural practices specifically related to the development area.

The cultural impact assessment will address the potential for people who may utilize this site to conduct concluded traditional cultural practices for subsistence and religious purposes or access to other areas in order to exercise those practices (i.e. gathering of plant and marine resources; presence of burials, historic properties and storied places; documentation of trails).

Historic documentation and archaeological studies indicate that the project area was probably never permanently inhabited during traditional Hawaiian times due to its location in a relatively barren and waterless area. However, bird catchers, gatherers, and fishermen traveling to the coast could have used the area for temporary shelter.

Traffic: Traffic in the area is primarily from commercial and industrial activity. A traffic impact assessment will be prepared by Wilbur Smith & Associates to address the subject project. The access to James Campbell Industrial Park and Kalaeloa/Barbers Point Harbor is Kalaeloa Boulevard, a divided four-lane highway, with two lanes in each direction. The two-lane Malakole Road intersects Kalaeloa Boulevard in a stop-controlled cross intersection and serves as the access into the Kalaeloa/Barbers Point Harbor area.

Hanua Street, a second major road serving Kalaeloa/Barbers Point Harbor is planned, connecting to the Kapolei Parkway extension. Phased improvements to the roadways may be needed, such as signaling intersections and adding lanes to existing roadways to accommodate the anticipated increase in traffic. The traffic impact assessment will be completed for the Draft EIS.

Noise: A noise impact assessment for the development was conducted by Darby and Associates (1990). An updated noise investigation will be conducted for the Draft EIS. The existing acoustical environment at the project site is affected by traffic movements on Kalaeloa Boulevard, Malakole Street and the quarry road; aircraft operations associated with Honolulu International Airport (HNL) and Kalaeloa Airport; industrial activities; and automobile racing at the Hawai'i Raceway Park.

Air Quality: An air quality assessment was conducted by Jim Morrow (1990). An updated air quality investigation will be conducted for the Draft EIS. The study will include the potential impacts associated with vehicular emissions, construction activities, electrical generation, solid waste disposal and agricultural activities.

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Visual Resources: The project area is mostly vacant with the exception of a nursery, a greenwaste collection and processing operation, fill material stockpiling, and a coal conveyor belt. As the majority of the site is currently open space, there are broad panoramic views from high points across the site and from mauka locations. However, views of the site from makai locations are limited by surrounding industrial development in Campbell Industrial Park and Kapolei Business Park, such as storage tanks, smoke exhaust stacks and roof masses. On-site mounding and uneven terrain limit views across the entire site at ground level.

3.4 INFRASTRUCTURE AND UTILITIES

Existing infrastructure support facilities in the project area will be evaluated along with additional requirements generated by the project. Roadways, potable water, wastewater, irrigation water, drainage, electrical power and utilities will be evaluated in further detail in the Draft EIS. Engineering Concepts, Inc. (ECI) will prepare a civil engineering study for the Draft EIS.

Roadways: Kalaeloa Boulevard, a divided four-lane highway, with two lanes in each direction, is, at present, the access to the existing James Campbell Industrial Park and Kalaeloa/Barbers Point Harbor. The two-lane Malakole Road intersects Kalaeloa Boulevard in a stop-controlled cross intersection and serves as the access into the area. New roadway development to serve the petition area will be presented in the Draft EIS.

Hanua Street, a second major road serving Kalaeloa/Barbers Point Harbor is planned, connecting to the Kapolei Parkway extension. Additional major roadway improvements include extending Opakapaka Street in an east-west direction from Kalaeloa Boulevard, and constructing Lauwiliwili Street also running in an east-west direction from Kalaeloa Boulevard, through the project site to the existing Kalaeloa/Barbers Point Harbor. Minor roads are proposed for internal site circulation. Phased improvements may be recommended, such as signalizing intersections and adding lanes to existing roadways to accommodate the anticipated increase in traffic.

Potable Water: The area is currently served by 24-inch and 20-inch mains in Kalaeloa Boulevard. These mains were installed by the Estate of James Campbell and dedicated to the Board of Water Supply. The two mains extend down Kalaeloa Boulevard to Malakole Road where a 20-inch main runs toward the harbor and a 16-inch main runs toward Kalaeloa. The existing water mains in Kalaeloa Boulevard are intended to supply the potable water for the expansion areas. The Draft EIS will address potable water supply for the project area.

Non-Potable/Irrigation Water: Long-term non-potable water is intended to be sourced mauka of Farrington Highway when future reservoirs are built. In the short-term, non-potable water will be sourced from an R-1 line near Kalaeloa Boulevard. Potential uses for non-potable water include irrigation and cooling. Non-potable water use will be addressed in the Draft EIS.

Wastewater: There are no existing wastewater facilities currently within the project site. Individual wastewater treatment systems such as cesspools and septic tanks are currently used by tenants in the neighboring James Campbell Industrial Park to dispose of sewerage. The project area will be served by a new sewage collection system and new pump station. Wastewater from the project areas will be conveyed from the new pump station to the Honouliuli Wastewater Treatment Plant (WWTP). The primary means of treated effluent disposal are reclaimed water reuse in the 'Ewa region and deep ocean outfall discharge with a

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design capacity of 112 mgd. Wastewater facilities serving the project will be addressed in the Draft EIS.

Flood and Drainage Conditions: The project area is designated as Zone D, an area of undetermined, but possible flood hazards on the Flood Insurance Rate Map (FIRM). Because of the elevation and distance from the shore, the project area is not subject to coastal flooding hazards such as storm waves and tsunami inundation. To alleviate potential flooding problems and to prevent flooding from the proposed development, major drainage improvements are planned for the project area that will serve this site as well as surrounding developments. These improvements will include an underground onsite drainage system of catch basins/manholes and pipe culverts, with conveyance to a drainage channel bisecting the site.

There are no existing drainage improvements in the petition area. Runoff generated on the site and from adjacent areas drain overland via sheet flow and small ditches to the depressions on the site. With the exception of major storms, very little runoff is generated under existing conditions due to the infiltration characteristics of the soil. The Draft EIS will include a completed evaluation of drainage conditions at this site.

Solid Waste Disposal: A refuse collection service does not presently serve the project site. Currently, the site is undeveloped and does not generate solid wastes. The City and County is currently operating a landfill site in Waimanalo Gulch and the H-POWER waste energy recovery facility on the leeward side of O'ahu. The City and County is currently exploring alternative means of handling solid waste to address an ongoing City and County-wide concern. Other programs being implemented include recycling and the reuse of green waste. The Draft EIS will address the anticipated solid waste disposal requirements and recycling plans for these industrial users.

Power and Utilities: The project area is currently vacant and not served by Hawaiian Electric Company (HECO) and Hawaiian Telcom. HECO and Hawaiian Telcom provide service to Kapolei and the existing industrial parks as well as to the nearby developments at Ko 'Olina and Kalaeloa (former Barbers Point Naval Air Station). An existing HECO substation is located adjacent to the petition area, makai of the railroad right-of-way and west of Kalaeloa Boulevard. HECO also has various easements along Malakole Road and easements for existing and future 138kV and 12kV overhead lines within the project area. There is a coal conveyor corridor that intersects the property from the harbor to Malakole Road. The plan for future uses of this property will integrate the various ongoing needs of HECO, as addressed in the Draft EIS.

Police Services: The project development area is within the City Police Department's District 8, which encompasses the Wai'anae Coast and the 'Ewa Plain. There are approximately 100 field officers assigned to this district. Response time for the entire district fluctuates between five and seven minutes. In order to meet the growing needs of the 'Ewa Plain communities, in 2000, the City and County of Honolulu opened the Regional Kapolei District Station at 1100 Kamokila Boulevard. The HPD expects to expand its presence in the region as Kapolei develops into the Second City. Based on population growth estimates, the City and County of Honolulu anticipate the need for two additional substations to service the region. These are planned to be in operation by 2020 at 'Ewa Villages and Ko 'Olina. The Draft EIS will address police protection requirements of this project.

Fire Protection: Fire protection in Kapolei and 'Ewa is provided by the City and County of Honolulu Fire Department (HFD) 'Ewa Beach Fire Station (an engine company), Makakilo Fire

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Station (an engine company), and Kapolei Fire Station (an engine and ladder company, and the Battalion 4 Headquarters). Located in Kapolei Business Park, the Kapolei Fire Station was completed in 1995 to serve the expanding development on the 'Ewa Plain. According to the 'Ewa Development Plan, to meet the projected population and economic growth in 'Ewa by 2020, additional fire stations in the area are planned, but service dates have not been determined. The Draft EIS will address fire protection requirements of this project.

Medical Services: The project area is readily assessable to a variety of health care facilities. There are more than 25 choices of health care providers. St. Francis Medical Center – West is the nearest hospital to the West Kalaeloa properties. Ambulance service is coordinated with the City and the hospital has a helipad. Additionally, the Kapolei Medical Park, Kapolei Park Square, and Nanaikeola Clinic also provide non-emergency medical services. The Draft EIS will address the medical service requirements of this project.

3.5 SOCIO-ECONOMIC CONDITIONS

The lack of available industrial land is a major island-wide problem. Hawai'i's robust economy makes Honolulu's industrial real estate market one of the tightest in the nation, according to a 2005 report by commercial real estate firm Colliers Monroe Friedlander.

The project will not directly increase the residential population. However, it will contribute to the development of Kapolei by adding jobs. Kapolei Harborside Center is being proposed at this time to respond to the needs and opportunities described above in a comprehensive manner. The project will accommodate future industrial growth by providing additional acreage for demand-generated growth in jobs. Moreover, the project will accommodate existing businesses that are being displaced in Honolulu. It will also accommodate the need for maritime industrial uses.

Kapolei Harborside Center is being proposed at this time to respond to the needs and opportunities described above in a comprehensive manner. The project will accommodate future industrial growth by providing additional acreage for demand-generated growth in jobs and displacement of existing businesses while providing an adequate vacancy factor. It will accommodate the need for critical harbor support functions as well as the overall spectrum of industrial development. The project will provide long-range opportunities for the location of industrial uses. Additionally, it proposes a land use pattern within the park that maximizes compatibility of existing and planned industrial uses.

More than 600,000 square feet of new industrial space is scheduled to become available by 2007 in West O'ahu, yet this is not expected to be adequate to satisfy demand from the expanding labor market. Honolulu's current 1.8 percent vacancy rate is creating difficulties for industrial tenants who want to lease warehouse or industrial space. Colliers Monroe Friedlander predict rents will be 8 to 12% higher in 2006 than the previous year. An economic assessment study by Decision Analysts Hawai'i, Inc. (2005), estimates the need for an additional 16 million square feet of light and heavy industrial space in the 'Ewa region by 2025. The proposed project will help meet the demand for industrial land by increasing the island-wide supply of industrial land and will therefore likely create an island-wide identity, rather than being solely a regional asset.

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Economic Setting and Impacts: Economic and fiscal considerations of the project will be presented in the Draft EIS. Considerable development is planned and projected for the City of Kapolei and the 'Ewa region. The amount and variety of development reflects the ongoing transformation of 'Ewa from its past role as largely a suburb of the Honolulu central business district (CBD) to the second largest city and urban center in Hawai'i.

As a major city and urban center, 'Ewa is increasingly becoming a major supplier of jobs for those who live in the region and surrounding communities, and provides a full range of goods and services (both private and public) to residents, visitors, and businesses in 'Ewa and beyond. When measured by population, 'Ewa already exceeds the population of Kauai County. By about 2025 or soon thereafter, it will approximately equal the current population of Maui County or Hawai'i County.

Employment Impacts: As of 2005, over 25,000 jobs are in the region. Campbell Industrial Park is the area's largest job centers providing approximately 4,600 jobs. By 2025, 65,000 jobs are projected to be retained within the Kapolei/'Ewa region. There are almost 800 businesses in the 'Ewa region, which have made over \$1 billion in commercial investments since 1995. A 2005 OmniTrack study of 'Ewa economic impacts reports that approximately 80% of 'Ewa region residents work outside the area, however, 67% of residents would prefer to work in the area.

4.0 PROBABLE IMPACTS AND MITIGATIVE MEASURES

There are adverse impacts that are anticipated to result from the construction and operation of the Kapolei Harborside Center project that are unavoidable. Mitigative measures, however, will be presented to minimize these impacts.

The Draft EIS will discuss probable impacts, short term and long term, and propose mitigative measures to minimize the adverse affects related to the proposed Kapolei Harborside Center project. Short-term impacts are generally associated with construction, and prevail only for the duration of the construction period. Long-term effects generally follow completion of the improvements, and are permanent. The Draft EIS will also discuss the extent of which short term or long-term effects are adverse and unavoidable.

4.1 SHORT-TERM IMPACTS

Construction-related activities will create noise, increase air pollution, disrupt traffic circulation and generate dust from various construction vehicles and equipment. During grading operations, the existing vegetation cover will be lost and surface soils will be subject to erosion. Construction activities will result in short-term adverse impacts to the environment. However, completion of the project construction in accordance with local standards, will provide sufficient mitigation measures to minimize those temporary conditions. Nevertheless, increased traffic, concentrations of carbon monoxide (CO) and ambient noise levels will increase upon completion of the project.

Numerous jobs will be created during the construction period for the overall site development and the individual facility development. This will result in short-term positive impacts on employment within the area. A large number of construction workers are expected to commute to the site from the Wai'anae Coast and Central O'ahu locations.

4.2 LONG-TERM IMPACTS

Following construction traffic volumes will increase, water resources will be used, and demand on public services and facilities will increase. Archaeological resources will be protected, in consultation with the State Historic Preservation Division, DLNR. There will be an increase in employment and government revenues from sales, income and property tax will result.

Urbanization of the land forecloses the land's future option for agriculture. This urbanization for industrial uses, however, supports existing growth policies of the General Plan of the City and County of Honolulu that calls for continued development of a Secondary Urban Center. Industrial use is consistent with the Petition Area's 'Ewa Development Plan designation.

The Draft EIS will include a full analysis of the potential impacts of the proposed project to natural and human environments.

4.3 SIGNIFICANCE CRITERIA

The Draft EIS will assess the overall impact on the environment based on criteria established in Title 11 Administrative Rules, Chapter 200 Environmental Impact Statement Rules, Section 12.

These include the following:

1. *Involves an irrevocable commitment to loss or destruction of any natural or cultural resource;*

The Land Plan recognizes the richness of the cultural history of this area and intends to avoid effects to known significant sites of natural or cultural significance. Archaeological studies and cultural assessments will be conducted to verify the existence of such resources, and appropriate mitigation measures will be taken. The Cultural Impact Assessment will include additional recommendations for preservation and protection. A flora and fauna study will include recommendations for protection of biological significant sites, as applicable.

2. *Curtails the range of beneficial uses of the environment;*

The development at Kapolei Harborside Center intends to increase the range of beneficial uses of the site. This project will provide an increased industrial stock, employment and preservation uses.

3. *Conflicts with the State's long-term environmental policies or goals and guidelines as expressed in Chapter 344, HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders;*

Design and construction of Kapolei Harborside Center will consider topography, climate, wind direction, views, and other physical attributes during site planning and design of structures.

4. *Substantially affects the economic or social welfare of the community or State;*

The Kapolei Harborside Center development will improve the economic and social welfare of the State through increased dollars that are anticipated with development. More jobs will be created in service, industrial and warehouse industries.

The construction of the project will provide both short-term construction jobs and long-term jobs in the industrial sector. The project would generate permanent jobs and add revenues to the County and State economies. A detailed analysis will be provided in the Draft EIS.

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5. *Substantially affects public health;*

The effect of the proposed development on public health will generally be positive. Effects to public health will be examined in the Draft EIS.

6. *Involves substantial secondary impacts, such as population changes or effects on public facilities;*

The project is not expected to significantly increase population to the area. Public facilities will be improved by the proposed project. These impacts will be evaluated more fully in the Draft EIS

7. *Involves a substantial degradation of environmental quality;*

The proposed project is for an industrial park that will comply with applicable County, State, and Federal regulations relating to environmental quality. The project will not degrade the environmental quality.

8. *Is individually limited but cumulatively has a considerable effect upon the environment or involves a commitment for large actions;*

All developments have the potential for incremental and cumulative impacts. However, the project will seek to minimize negative environmental effects. The project will add traffic, use water and create waste, all manageable effects of a well-planned industrial park. Positive benefits from the proposed project include more jobs, and improvements to the local infrastructure i.e.: roads, water, and wastewater systems.

Mitigation strategies to minimize the impacts to the environment at the proposed project site will be discussed in Draft EIS. These strategies include mitigation to preserve potential areas of significant natural and cultural resources within the project area.

9. *Substantially affects a rare, threatened, or endangered species, or its habitat;*

The project does not anticipate substantial affects to rare, threatened or endangered species.

10. *Detrimentially affects air or water quality or ambient noise levels;*

The most noticeable impacts are expected to occur during construction and are short-term. Acoustic and air quality studies will be conducted for the Draft EIS. The drainage system will be designed to avoid impacts to water quality.

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11. *Affects or is likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters;*

The project site is not an environmentally sensitive area.

12. *Substantially affects scenic vistas and view planes identified in county or state plans or studies;*

Generally, the project is planned as an industrial park that will not affect scenic vistas of view planes. Site planning will create setbacks and buffers to soften the impact of development on the landscape.

13. *Requires substantial energy consumption.*

The development of Kapolei Harborside Center will require short- and long-term energy consumption for construction. New work locations will increase demand on utilities including roadways, electricity and water, as well as sewage systems. Sustainable design practices that reduce waste, conserve energy and increase efficiency will be encouraged.

New job creation at the Kapolei Harborside Center will provide an additional major work center in the growing Second City of Kapolei, thereby reducing vehicular commuter traffic to and from Honolulu.

4.4 REASON FOR PREPARATION OF AN EIS

Inasmuch as the proposed action involves the use of State lands (i.e., planned roadways, water, sewer, utility and drainage facilities, etc.), an Environmental Impact Statement Preparation Notice has been prepared pursuant to Hawaii Revised Statutes ("HRS") Chapter 343. In accordance with Chapter 343, Petitioner intends to prepare the appropriate environmental documents and believes that the Commission should be the approving agency.

4.5 CONSULTANTS

The following is a list of original studies that will be conducted to analyze the potential impacts of the proposed development. The Draft EIS will summarize the analyses and findings of these studies. Copies of the studies will be included as appendices in the Draft EIS.

Industrial Market Study

Robert Charles Lesser

Civil Engineering / Infrastructure Analysis

Engineering Concepts, Inc.

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Traffic Impact Assessment

Wilbur Smith Associates

Cultural, Preservation and Archaeological Impact Assessment

Cultural Surveys Hawai'i, Inc.

Agricultural, Economic and Fiscal Impact Analysis

Decision Analysts Hawai'i, Inc.

Air Quality Study

B.D. Neal and Associates

Botanical, Avian, and Mammalian Resources Study

Rana Productions, Ltd.

Noise Impact Assessment

D.L. Adams Associates, Ltd.

5.0 CONFORMANCE WITH LAND USE PLANS, POLICIES AND CONTROLS

An important consideration in the EIS is the potential impacts of a proposed action on the environment is how the action may conform or conflict with approved or proposed land use plans, policies and controls for the affected area. Conformance of the proposed project land use plans, policies and controls will be discussed in the Draft EIS. Permits and approvals needed for plan implementation will be identified.

5.1 Hawai'i State Plan

An assessment of compliance of the requested actions to the applicable goals, objectives, and policies of the Hawai'i State Plan, Chapter 226, HRS, and applicable priority guidelines will be covered in this section. Priority guidelines relating to the economy, housing, population growth, transportation, facility systems, and the physical environment (land based, shoreline, and marine resources; scenic, natural beauty, and historic resources; land, air, and water quality) will be discussed as they relate to the proposed Kapolei Harborside Center.

It is the goal of the State, under the Hawai'i State Planning Act (Chapter 226, HRS), to achieve the following:

- A strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawai'i's present and future generations.
- A desired physical environment, characterized by beauty, cleanliness, quiet, stable natural systems, and uniqueness, that enhances the mental and physical well-being of the people.
- Physical, social, and economic well being, for individuals and families in Hawai'i, that nourishes a sense of community responsibility, of caring, and of participation in community life (Chapter 226-4, HRS).

The objectives and policies of the State Plan that are relevant to the Kapolei Harborside Center are discussed below.

Economy: General

The objectives for planning the State's economy include increasing and diversifying employment opportunities to provide a better economic quality of life for Hawai'i's people. It is also the objective of the State to create a diversified economic base that is not overly dependent on a few industries, and includes the development and expansion of industries on the neighbor islands. It is the policy of the State to:

- Achieve a strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawai'i's present and future generations (Chapter 226-4, HRS).

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- Expand existing markets and penetrate new markets for Hawai'i's products and services (Chapter 226-6, HRS).

Discussion: The Kapolei Harborside Center is consistent with the State's goals to provide economic vitality, stability and growth for present and future generations. The requested changes from Agriculture to Urban will further urbanize the area strengthening the concept of Kapolei as a major urban center. The proposed project provides diversified economic and employment options for a growing population in the Kapolei/'Ewa area. A major consideration in public policy is to redirect traffic currently flowing into Honolulu proper by providing alternative employment centers and residences outside of the existing urban core. The Kapolei Harborside Center is consistent with these goals and the concept of growth in the Kapolei Urban Center.

The development of industrial sites in this location will assist in providing job opportunities for the expanding communities of Kapolei, 'Ewa, Central O'ahu and the Wai'anae Coast. Proposed as industrial use, Kapolei Harborside Center will provide broader outlets for new or expanded Hawai'i businesses, expand existing markets and create new markets for products and services, encourage labor intensive activities, and help increase the State's capacity to adjust to and capitalize upon economic changes and opportunities occurring outside the State. The employment base for the area population is growing but limited. Currently over 25,000 jobs exist in the Kapolei /'Ewa region. A broader choice of jobs will result from the proposed project with substantial new long-term employment.

Economy: Agriculture

Planning for the State's economy with regard to agriculture shall be directed towards achievement of the following objectives:

- Growth and development of diversified agriculture throughout the State.
- An agriculture industry that continues to constitute a dynamic and essential component of Hawai'i's strategic, economic, and social well-being.

Discussion: Much of the soil is coral outcrop. Based on various soil classification systems which rate Hawai'i soils, little of the property has good soils from 0 to less than 25% depending on the particular soil rating system. The loss of the site for agricultural purposes should not adversely impact the economic vitality of agricultural production, and could serve as a means of promoting economically competitive activities that increase Hawai'i's agricultural self-sufficiency, and provide alternatives to agricultural employment.

Physical Environment: Land Based, Shoreline, & Marine Resources

It is the objective of the State to make prudent use of Hawai'i's land-based, shoreline, and marine resources as well as to establish effective measures to protect Hawai'i's unique and fragile environmental resources. It is the policy of the State to:

- Ensure compatibility between land-based and water-based activities and natural resources and ecological systems.

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- Take into account the physical attributes of areas when planning and designing activities and facilities.
- Pursue compatible relationships among activities, facilities, and natural resources (Chapter 226-11, HRS).

Discussion: Within the project site, no endemic, endangered, or protected flora or fauna have been recorded. The present environment, a generally flat coral bed terrain, provides limited range of habitats utilized by the typical array of exotic plants and animals found at this elevation and type of environment on O’ahu. Unusual or distinctive habitat or fauna are not present.

Facility Systems: Transportation

It is the objective of the State to achieve an integrated multi-modal transportation system that services state-wide needs and promotes the efficient, economical, safe, and convenient movement of people and goods. It is the policy of the State to:

- Provide for improved accessibility to shipping, docking, and storage facilities.
- Encourage transportation systems that serve to accommodate present and future development needs of communities.
- Increase the capacities of airport and harbor systems and support systems to effectively accommodate transshipment and storage needs.
- Encourage the development of transportation systems and programs that would assist statewide economic growth and diversification (Chapter 226-17, HRS).

Discussion: Availability of industrial land in proximity to the Kalaeloa/Barbers Point Harbor will contribute to a reduction of overland transportation costs. A significant amount of cargo currently arriving at Honolulu Harbor is bound for the Wai’anae area of O’ahu. New job creation at the Kapolei Harborside Center will provide an additional major work center in the growing Second City of Kapolei, thereby reducing vehicular commuter traffic to and from Honolulu.

5.2 Hawai’i State Functional Plans

Part of the overall Hawai’i State Plan system is the development of State Functional Plans, which are approved by the Governor. While the Hawai’i State Plan establishes long-term objectives for Hawai’i, the purposes of the Functional Plans are to identify major statewide concerns, define current strategies for the functional area, and to provide strategies for departmental policies, programs, and priorities. The Functional Plans are designed to address issues pertaining to physical resource needs and development. The following State Functional Plans will be discussed in detail in the Draft EIS: Employment Functional Plan, Agricultural Functional Plan, Energy Functional Plan, Transportation Functional Plan, and Water Resources Functional Plan.

5.3 Coastal Zone Management Program

In 1972, the Federal government enacted the Coastal Zone Management Act to protect and preserve the natural resources, land and water uses of the coastal zone. This process is achieved by providing assistance to coastal states, to develop and manage Coastal Management Programs. Enforcement authority for the Federal Coastal Management Program (Public Law 104-150, as amended in 1996) has been delegated to the State of Hawai'i under Hawai'i Revised Statutes (HRS), Chapter 205A, which is presented in Section 6.3.4 of this document.

Discussion: A CZM federal consistency review process will be conducted under the guidance of 15 CFR Part 930, Subpart C. The process will ensure that the proposed actions of this project that directly affect the coastal zone are undertaken in a manner consistent with the policies of the State's Coastal Management Program.

5.4 City and County of Honolulu General Plan

The General Plan for the City and County of Honolulu was adopted in 1977, and has been subsequently amended (most recently in 2003). The Plan is the primary policy tool governing long-range and comprehensive development, conservation, use and allocation of land within the county. One of the primary focal points of the General Plan is addressing specific concerns and providing alternative solutions to existing and future land uses within the county sectors. The General Plan provides policies and courses of action intended to guide and coordinate growth patterns through the designation and preservation of lands for specified uses. As envisioned in the General Plan, Kapolei is designated as O'ahu's Secondary Urban Center, with major residential, commercial and employment development targeted for the region. The following areas of the General Plan will be discussed in detail in the Draft EIS.

Economic Activity

- To promote employment opportunities that will enable all the people of O'ahu to attain a decent standard of living.
- To make full use of the economic resources of the sea.
- To bring about orderly economic growth on O'ahu.

Discussion: The proposed project area adjoins and will serve to expand and support the facilities at the Kalaeloa/Barbers Point Harbor, James Campbell Industrial Park and the City of Kapolei. The industrial sites will provide employment and business development opportunities for the regional populations as well as suppliers and others servicing the secondary urban center.

Natural Environment

- To protect and preserve the natural environment.
- To preserve and enhance the natural monuments and scenic views of O'ahu for the benefit of both residents and visitors.

Discussion: The proposed project is generally consistent with the General Plan's objectives and policies to protect and preserve the natural environment. Within the project site, no endemic,

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endangered, or protected flora or fauna have been recorded. The present environment, a generally flat coral bed terrain, provides limited range of habitats utilized by the typical array of exotic plants and animals found at this elevation and type of environment on O'ahu. Unusual or distinctive habitat or fauna are not present.

A large part of the western portion of the project area has been altered from the construction of Kalaeloa/Barbers Point Harbor and the stockpiling of dredged material removed from the harbor basin. The Petitioner has stipulated the preservation of historic sites of importance.

Consideration will be taken to avoid structure heights causing any adverse impacts on coastal views, residential viewing corridors, or apartment areas mauka of the site. Urban design controls shall consider the overall visual effects of the proposed development as seen from off-site locations.

Transportation and Utilities

- To create a transportation system which will enable people and goods to move safely, efficiently, and at a reasonable cost; serve all people, including the poor, the elderly, and the physically handicapped; and offer a variety of attractive and convenient modes of travel.
- To meet the needs of the people of O'ahu for an adequate supply of water and for environmentally sound systems of waste disposal.
- To maintain transportation and utility systems which will help O'ahu continue to be a desirable place to live and visit.

Discussion: The proposed project is consistent with the General Plan's transportation and utility policies. Availability of industrial land in proximity to the Kalaeloa/Barbers Point Harbor will contribute to a reduction of overland transportation costs. A significant amount of cargo currently arriving at Honolulu Harbor is bound for the Wai'anae area of O'ahu. The project proposes new roadways that will help alleviate traffic congestion in the region by providing a new north-south collector road and two east-west collector roads. Just north of the development area, and part of the Petitioner's Kapolei West development area, will be a transit hub to designed to service the western portion of the 'Ewa area. This is in direct support of the State and County's desire to develop multi-modal transit options for O'ahu. New job creation at the Kapolei Harborside Center will provide an additional major work center in the growing Second City of Kapolei, thereby reducing vehicular commuter traffic to and from Honolulu.

5.5 'Ewa Development Plan

In support of the General Plan policies, the 'Ewa Development Plan: Provides a secondary employment center with its nucleus in the City of Kapolei to supplement the Primary Urban Center (PUC) and to divert commuter traffic from the PUC; Concentrates primary employment activities at industrial and resort areas and at government service and higher education centers around the City of Kapolei so that secondary markets are created for office and retail activities; Provides for significant residential development throughout 'Ewa, consistent with the General Plan to meet the needs of O'ahu's citizens; Provides for a variety of housing types from affordable units and starter homes to mid-size multi-family and single family units; Promotes

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diversified agriculture on prime agricultural lands along Kunia Road and surrounding the West Loch Naval Magazine in accordance with the General Plan policy to support agricultural diversification in all agricultural areas on O'ahu; Provides a secondary resort area at West Beach (Ko 'Olina); Helps relieve urban development pressures on rural and urban fringe Development Plan Areas (Waianae, North Shore, Ko'olau loa, and Ko'olau Poko) so as to preserve the "country" lifestyle of these areas; and Provides, along with the PUC, a focus for directed and concentrated public and private infrastructure investment for growth.

Discussion: The development of industrial sites in this location will assist in providing job opportunities for the expanding communities of Kapolei, 'Ewa, Central O'ahu and the Wai'anae Coast. Most importantly, though, this development, will provide a linked major employment center to the growing City of Kapolei. Proposed as industrial use, Kapolei Harborside Center will provide broader outlets for new or expanded Hawai'i businesses, expand existing markets and create new markets for products and services, encourage labor intensive activities, and help increase the State's capacity to adjust to and capitalize upon economic changes and opportunities occurring outside the State. The employment base for the area population is growing but limited. Currently over 25,000 jobs are in the Kapolei/'Ewa region. This project will provide a substantial number of new permanent jobs at buildout.

6.0 ALTERNATIVES TO THE PROPOSED PROJECT

The potential benefits and impacts of several alternative development schemes will be evaluated in the Draft EIS, along with no-action alternative. Brief summaries of these alternatives are presented below.

6.1 NO-ACTION ALTERNATIVE

This alternative will assume the development of the land in accordance with the current zoning on the property, which is agriculture. Under this alternative, the land would probably remain undeveloped. The rural character would remain and any adverse or beneficial impacts created by the proposed project would not be generated. If the project was not implemented at this time, it is probable that the land would remain in its present condition until other alternatives, more profitable to the owners, surfaced. No employment created.

6.2 RESIDENTIAL ALTERNATIVE

The 332-acre Petition Area could be considered for the development of a new residential community. There would be challenges due to adjoining industrial uses as James Campbell Industrial Park and Kalaeloa/Barbers Point Harbor. This project would help satisfy a portion of the needs for both market and affordable housing in the region, but it would also be in conflict with the City and County's General Plan. No long-term jobs would be created by this development.

6.3 MIXED USE ALTERNATIVE

The Petition Area could also be considered for a new mixed use commercial development. However, there are a number of other commercial/mixed use developments in the City of Kapolei area. The current and planned industrial uses of neighboring parcels would also present a conflict. There would be some job creation by this development.

A more detailed evaluation of the alternatives to the proposed action will be provided in the Draft EIS.

7.0 DETERMINATION AND FINDINGS

In consideration of the significance criteria of Chapter 200 of Title 11 of the Hawai'i Administrative Rules (11-200-12, HAR), and the comments received during the pre-assessment consultation process, it has been determined that the potential environmental effects of the Proposed Action are significant enough to warrant the preparation of an EIS. Pursuant to the provisions of Chapter 343, HRS and Chapter 11-200, HAR, an EIS will be prepared in consideration of the State Land Use District Boundary Amendment to reclassify the approximate 332 acres of the Petition Area described in this preparation notice from the Agricultural to the Urban District.

8.0 AGENCIES AND PARTIES CONTACTED

This section identifies agencies, organizations and individuals which will be contacted during the preparation of the Draft EIS for the Kapolei Harborside Center project. This document serves as notification of the intent to file a Draft EIS.

The applicant is conducting a community involvement process as well as meeting with relevant government agencies in the preparation of the Draft EIS.

8.1 AGENCIES AND PARTIES CONSULTED IN PREPARATION OF THE EISPN

8.2 AGENCIES AND PARTIES TO BE CONSULTED IN PREPARATION OF THE DRAFT ENVIRONMENTAL IMPACT STATEMENT

The following agencies will be sent a copy of the Kapolei Harborside Center Environmental Impact Statement Preparation Notice:

Federal Agencies

- U.S. Army Corps of Engineers
- U.S. Department of Interior, Fish and Wildlife Services
- U.S. Department of Interior, Geological Survey
- U.S. Environmental Protection Agency
- U.S. Department of Agriculture, Natural Resources Conservation Service
- Federal Highway Administration

State of Hawai'i Agencies

- 19th Senatorial District
- 40th Representative District
- 44th Representative District
- Department of Agriculture
- Department of Budget and Finance
- Department of Business, Economic Development and Tourism (DBEDT)
- DBEDT, Energy Resources and Technology Division
- DBEDT, Office of Planning
- Department of Defense
- Department of Education
- Department of Hawaiian Home Lands (DHHL)
- Department of Health (DOH)
- Department of Human Services, Housing and Community Development Corporation
- Department of Labor and Industrial Relations
- Department of Land and Natural Resources (DLNR)
- Department of Land and Natural Resources, Historic Preservation Division
- Department of Transportation (DOT)

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DOH, Environmental Management Division, Clean Water Branch
O'ahu Metropolitan Planning Organization
Office of Environmental Quality Control (OEQC)
Office of Hawaiian Affairs (OHA)
Public Utilities Commission
University of Hawai'i at Mānoa, Environmental Center
University of Hawai'i at Mānoa, Water Resources Research Center

City and County of Honolulu Agencies

Board of Water Supply
Department of Community Services
Department of Design and Construction
Department of Education
Department of Environmental Services
Department of Facility Maintenance
Department of Parks and Recreation
Department of Planning and Permitting
Department of Transportation Services
Honolulu City Council
Honolulu Fire Department
Honolulu Police Department
O'ahu Civil Defense Agency
Office of the Mayor

Other Agencies, Associations and Individuals

Todd Apo, Honolulu City Councilmember, District 1
Nester Garcia, Honolulu City Councilmember, District 9
Michael Puamamo Kahikina, State Representative, District 44
Mark Moses, State Representative, District 40
Brian Kanno, State Senator, District 19
Common Cause Hawai'i
Gas Company
Hawai'i Audubon Society
Hawai'i Building and Construction Trade Council
Hawai'i Farm Bureau Foundation
Hawai'i's Thousand Friends
Kamehameha Schools
Hawaiian Civic Club
Hawaiian Electric Company
Kapolei Rotary Club
Land Use Research Foundation of Hawai'i
League of Women Voters
Leeward O'ahu Transportation Management Association
Life of the Land

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Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34
'Ewa Neighborhood Board No. 23
Makakilo-Kapolei Lions Club
Outdoor Circle
Sierra Club, Hawai'i Chapter
Soroptimist International of West O'ahu
The Nature Conservancy
Verizon Telephone
Wai'anae Coast Neighborhood Board No. 24
West O'ahu Economic Development Association