WILLIAM W. PATY, CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES JOHN WAIHEE GOVERNOR OF HAWAII DEPUTIES KEITH W. AHUE MANABU TAGOMORI Dan T. Kochi RECTO AQUACULTURE DEVELOPMENT PROGRAM AQUATIC RESOURCES STATE OF HAWAII AQUATIC RESOURCES CONSERVATION AND ENVIRONMENTAL AFFAIRS CONSERVATION AND RESOURCES ENFORCEMENT CONVEYANCES FORESTRY AND WILDLIFE HISTORIC PRESERVATION PROGRAM LAND MANAGEMENT STATE PARKS DEPARTMENT OF LAND AND NATURAL RESOURCES '91 JUN 12 AIC :29 P. O. BOX 621 HONOLULU, HAWAII 96809 1991 **7** - 1991 OFL.JI :--**BUALITE LEAN** Ref: LM-SS (ACQ) STATE PARKS WATER AND LAND DEVELOPMENT DN 6342F Refer to: ACQ-91: .267 Mr. Brian Choy, Director Office of Environmental Quality Control 220 South King Street, 4th Floor Honolulu, Hawaii 96813 Dear Sir: SUBJECT: Negative Declaration for Proposed Acquisition of Campbell Estate Lands, (Hawaii Raceway Park) Barbers Point, Honouliuli, Ewa, Oahu, TMK: 9-1-15: por. 15 Enclosed are four (4) copies of an Environmental Assessment for the State of Hawaii's proposed acquisition of the Campbell Estate land (Hawaii Raceway Park) located at Barbers Point, Honouliuli, Ewa, Oahu.

Based on the assessment, we have concluded that the proposed acquisition will not have any significant environmental impact and therefore does not require the preparation of an environmental impact statement.

We also enclose a copy of the OEQC form for publication in the OEQC Bulletin.

Please call Sojin Serikaku of our Land Management office at 8-6460 if there are any questions.

tru Verv WILLIAM W.

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Enclosure

1991 - 06-23-0A-FEA

JOHN WAIHEE



STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES P. O. BOX 621 HONOLULU, HAWAII 95809

FILE COPY

ENVIRONMENTAL ASSESSMENT

WILLIAM W. PATY, CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES

DEPUTIES KEITH W. AHUE MANABU TAGOMORI DAN T. KOCHI AQUACULTURE DEVELOPMENT PROGRAM AQUATIC RESOURCES CONSERVATION AND ENVIRONMENTAL AFFAIRS CONSERVATION AND RESOURCES ENFORCEMENT CONVEYANCES FORESTRY AND WILDLIFE HISTORIC PRESERVATION PROGRAM LAND MANAGEMENT STATE PARKS WATER AND LAND DEVELOPMENT

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* STATE ACQUISITION OF RACEWAY PARK LANDS Barbers Point, Oahu *

May 1991

JOHN WATHEE

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STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES P. O. BOX 621 HONOLULU, HAWAII 95809 WILLIAM W. PATY, CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES

DEPUTIES KEITH W. AHUE MANABU TAGOMORI DAIN T. KOCHI AQUACULTURE DEVELOPMENT PROGRAM AQUATIC RESOURCES CONSERVATION AND ENVIRONMENTAL AFFAIRS CONSERVATION AND RESOURCES ENFORCEMENT CONVEYANCES FORESTRY AND WILDLIFE HISTORIC PRESERVATION PROGRAM LAND MANAGEMENT STATE PARKS WATER AND LAND DEVELOPMENT

ENVIRONMENTAL ASSESSMENT

State Acquisition of Raceway Park Lands Barbers Point, Oahu

This document is prepared pursuant to Chapter 343, Hawaii Revised Statutes, because State funds are being utilized. It is determined that the subject acquisition will have negligent impacts and therefore no environmental impact statement is needed.

Determined By: William Pat⊮ Chairman

Chairman Board of Land and Natural Resources JUN -6 1991

Date

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SUMMARY SHEET

Project Proponent:

Property Location:

Parcel Identification:

Area:

Existing Use:

State Land Use District:

City Development Plan:

City Zoning:

EIS Required:

State of Hawaii Dept. of Land & Natural Resources

Campbell Industrial Park Barbers Point, Oahu

TMK: 9-1-15, Portion of Parcel 15

58.811 acres

Motor Sports Facility

Agricultural

Agricultural

Ag-2 (General Agricultural District)

No

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1.0 PROJECT DESCRIPTION

1.1 DESCRIPTION OF THE PROPOSED ACTION

The State of Hawaii, by its Board of Land and Natural Resources, hereinafter referred to as the "State," is proposing to acquire approximately 59 acres of land owned by the Estate of James Campbell. The subject parcel, currently used as a motor sports facility, is located at Barbers Point, Oahu and is represented by Tax Map Key (TMK) 9-1-15, portion of parcel 15. The land acquisition will be undertaken pursuant to the State's land banking authority cited in Article XI, Section 4 of the State Constitution which states, "The State shall have the power to acquire interests in real property to control future growth, development and land use within the State. The exercise of such power is deemed to be for a public use and purpose."

The State will be acquiring the aforementioned lands with funds appropriated under Act 274, SLH 1990 for the amount of \$37,146,000.

1.2 PURPOSE OF THE STATE ACQUISITION

The acquisition of the subject parcel is to provide for the State's ability to meet its long-term industrial needs through land banking. While the subject parcel is zoned for agricultural uses, most of the surrounding areas consisting of Campbell Industrial Park are zoned for industrial uses. At the appropriate time, zoning will be changed for industrial uses and offered first to the fee and leasehold owners of the parcels being acquired by the State for expansion of the Honolulu International Airport. Existing recreational uses, however, will remain the same until such time.

An Environmental Assessment (EA) is required when State funds or State Lands are used. This EA has been prepared pursuant to Chapter 343 of the Hawaii Revised Statutes.

1.3 PROJECT LOCATION

The subject parcel, consisting of 58.811 acres, is situated at Barbers Point, Oahu, as shown in Figure 1. The project site borders Kalaeloa Boulevard to the west and Malakole Street to the South. Barbers Point Naval Air Station lies east of the subject parcel.

The lands are located near Campbell Industrial Park, a major industrial complex which is home to a variety of light and heavy industrial tenants. Northwest of Campbell Industrial Park is the Barbers Point Harbor which provides waterway access to the region. Proposed and ongoing urban expansion in the area include the Villages of Kapolei, the City of Kapolei, Ewa Marina, Ko Olina Resort, and West Loch Estates, in the establishment of Oahu's secondary urban center.

1.4 OWNERSHIP AND BRIEF HISTORY OF EXISTING LAND USE*

The 59-acre project site is owned by the Estate of James Campbell and is currently leased to the City and County of Honolulu for use as a motor sports facility known as Hawaii Raceway Park.

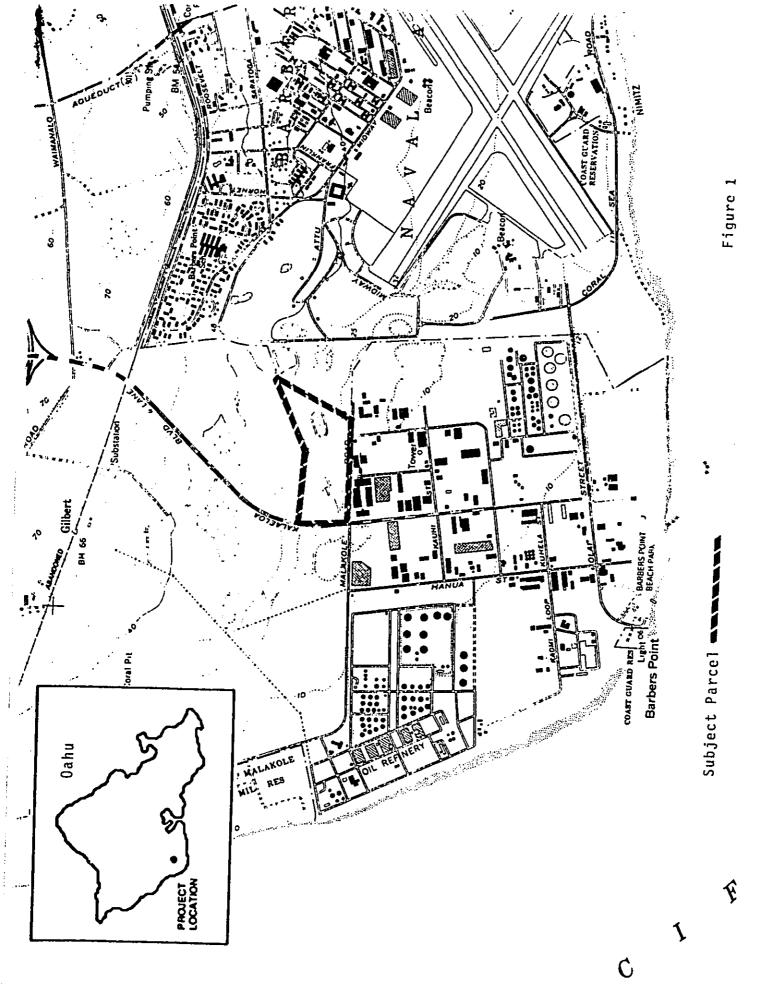
The raceway, established in 1964, originally included about 114 acres identified by Tax Map Key: 9-1-15: 14 and 15. Initially, improvements included a paved road course and paved drag strip. The road course was used by sports cars and motorcyclists. A dirt oval track was added in the early 1970's. For a variety of reasons, pavement and other fixed improvements were not well maintained.

In Spring 1979, Campbell Estate excavated a deep 90-foot wide drainage canal along the eastern edge of property leased for Hawaii Raceway Park. The canal cut across the eastern tip of the drag strip and the eastern end of

^{*}History of existing use was summarized from the <u>Report on an Oahu Motor Sports Facility</u> prepared by the City & County of Honolulu, Department of Parks and Recreation - November 1989.



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the former road course. The rest of the drag strip and parts of the road course continued in use. In February 1980, the Navy acquired the 47.5acre parcel identified by Tax Map Key: 9-1-15: 14 because it was within the Barbers Point Naval Station aircraft Accident Potential Zone (APZ). The eastern end of the drag strip and road course were located on this property. The Navy allowed but did not officially lease Navy property for continued use of the drag strip. About this time, use of the road course by sports cars ended. This may have been due to disagreements between local sports car racers and Hawaii Raceway Park operators over necessary repairs and alterations to the road course.

After the original lease ended in 1983, Campbell Estate granted the current lease to Mr. Clay Miller for about 66 acres identified by Tax Map Key: 9-1-15: 15. This lease expires at the end of 1991, but can be cancelled by the Estate after 180 day notice. Mr. Miller then assigned his lease to Mr. Donald Nakano in September 1985, who in turn subleases the parcel to various vendors and racing operators. Low-key operation of Hawaii Raceway Park's drag strip and oval track continued without significant improvements or major efforts to promote attendance at motor vehicle racing events.

Following a catastrophic injury to a dirt motorcycle racer in the oval track in 1986, Campbell Estate became concerned about the risk of Estate liability if there were unpaid damage claims against Hawaii Raceway Park. Campbell Estate required progressively higher insurance coverage of their lessee. Hawaii Raceway Park closed in December 1988 when the operator was unable to purchase the level of insurance required by Campbell Estate.

The insurance issue was resolved in Summer 1989 by the City assuming the remainder of the Campbell Estate lease for the raceway site. The former \$90,000/year lease rent was renegotiated to \$72,000/year. The City and former lessee signed an operating agreement under which the latter will run Hawaii Raceway Park as the salaried employee of a non-profit organization. The organization will theoretically pay all costs of operating Hawaii Raceway Park including insurance and lease rent. Since the City rather than Campbell Estate will be the "deep pocket" to cover future

unpaid catastrophic damage claims stemming from racing accidents, the City is now actively supervising safety improvements and practices at Hawaii Raceway Park.

Currently, about 3,000 participants and spectators attend Hawaii Raceway Park activities each Saturday night. Other racing activities held throughout the state have drawn as much as 55,000 attendees.

1.5 ALTERNATIVE ACTIONS

A. <u>No Action</u>: One of the alternatives is to take no action. This will not allow for industrial land "reserves" for possible airport relocation and other industrial needs. The raceway park may be maintained by the City at least until the present lease expires.

B. <u>Alternative Site</u>: An option would be for the State to purchase land at another location, whether on Oahu or another island. Because demand for industrial lands are highest on Oahu, characteristics that make this land a prime candidate for acquisition are: 1) the subject parcel is contiguous to a major industrial park, 2) planned development in the surrounding area includes the subject parcel designated for industrial uses, 3) the parcel is contained within planned urban expansion in the West Oahu region. Finding another parcel with these characteristics may be quite difficult.

2.0 DESCRIPTION OF THE ENVIRONMENTAL AND POTENTIAL IMPACTS AND MITIGATION MEASURES

2.1 PHYSICAL ENVIRONMENT

The existing land use will remain unchanged for several years and therefore no new impacts on the physical environment are anticipated.

2.2. SOCIAL AND ECONOMIC CHARACTERISTICS

The existing land use will remain unchanged for several years and therefore no new impacts on the social environment are anticipated.

While monies have already been appropriated by the State Legislature, the expenditure of \$37,146,000 to purchase the 59-acre parcel would prohibit the State to fund other potential projects and programs. While other economic and social benefits may not be immediately realized, when reclassification and zoning of the subject lands for industrial purposes are completed, higher economic returns to the State can be anticipated. Also the subject lands will provide opportunities for tenants located in the State's airport expansion area to relocate their business operations to the raceway park area.

2.3. PUBLIC FACILITIES

The existing land use will remain unchanged for several years and therefore no new impacts on public facilities, traffic, flood and drainage are anticipated until such time.

3.0 RELATIONSHIP TO LAND USE PLANS AND POLICIES

3.1 HAWAII STATE PLAN

The Hawaii State Plan serves as a guide to future development in Hawaii. Chapter 226, Hawaii Revised Statutes states the purpose of the state plan:

"[it] shall serve as a guide for the future long-range development of the state; identify the goals, objectives, policies, and priorities and allocating limited resources, such as public funds, services, manpower, land, energy, water, and other resources; improve coordination of state and county plans, policies, programs, projects, and regulatory activities; and to establish a system for plan formulation and program coordination to provide for an integration of all major state and county activities."

The raceway park acquisition for future industrial uses and is consistent with the objectives of the Hawaii State Plan.

3.2 STATE LAND USE LAW

There are four classifications into which the State Land Use System classifies all land in the State of Hawaii: Urban, Rural, Agricultural, and Conservation. All of the land in this project site is within the Agricultural district, and will not require an immediate district boundary amendment because existing activities will not change. When the subject lands are ready for industrial uses, however, a land use district boundary amendment will be required.

3.3 CITY DEVELOPMENT PLAN AND ZONING

The proposed site is designated for agricultural use on the Development Plan (DP) and zoned for general agricultural use (Ag-2). There will be no need for immediate changes in the DP and zoning since the land use will remain the same for a few years. When the subject lands are ready for industrial uses, however, DP and zone changes will be required.

4.0 REQUIRED PERMITS AND APPROVALS

The land acquisition process by the State is as follows:

1) The Legislature appropriates funds for the purchase of land.

2) The Governor releases the funds to purchase the land.

3) The Board of Land and Natural Resources (BLNR) authorizes the land acquisition.

When the subject lands are urbanized and upzoned for industrial uses, the following steps need to be taken:

1) An Environmental Impact Statement may be required.*

2) A land use district boundary amendment from the Agricultural District to the Urban District must be obtained by the State Land Use Commission.

3) A Development Plan amendment to designate the subject lands for industrial use must be approved by the City Council.

4.) A zone change from Ag-2 to industrial uses must be obtained from the City Council.

^{*}An Environmental Impact Statement for the Kapolei Business-Industrial Park, which includes the subject parcel, was prepared by Campbell Estate and accepted by the Department of General Planning on May 30, 1990 as part of an application to the Honolulu City Council for a Development Plan amendment.

5.0 DETERMINATION

The objective of the State's acquisition is to provide for future industrial needs of the State through land banking. At a later appropriate time, the subject lands will be offered to fee and leasehold owners who will be displaced from industrial areas due to the expansion of the Honolulu International Airport. The current acquisition will not impact the physical or socioeconomic resources of the site because existing recreational activities will remain the same until such time.

It is, therefore, concluded that an environmental impact statement is not needed for the acquisition of the subject property.

6.0 LIST OF INDIVIDUALS, ORGANIZATIONS, AND AGENCIES CONSULTED

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State Department of Land and Natural Resources State Department of Transportation City & County of Honolulu, Department of Parks & Recreation Mike Oakland, General Business Consultant