January 3, 1991

Office of Environmental Quality Control
220 South King Street, 4th Floor
Honolulu, Hawaii 96813

Re: Environmental Assessment/ Negative Declaration
Piihonua Camp Conversion Project

Enclosed are the Environmental Assessment and Negative Declaration
of Impact for the proposed Piihonua Camp Renovation/Conversion
Housing Project. Please publish the enclosed Negative
Declaration in your January 23, 1991 OEQC publication.

Should you have any questions or need further information please
contact Mr. Stanley Ishii of my staff at 961-8379.

Brian T. Nishimura
Administrator

Enclosure

cc: William Moore, Planner
    Conrad Hokama, Piihonua Camp Corp.
    Stephen Menezes, Atty at Law
ENVIRONMENTAL ASSESSMENT
Negative Declaration of Impact

GENERAL INFORMATION

Name of Project: Piilona Camp Community Renovation/Conversion Housing Project

Type of Action: Agency (Implementing)

Office of Housing and Community Development
County of Hawaii
50 Wailuku Drive
Hilo, Hawaii 96720

Brian T. Nishimura, Administrator

In Joint Venture with:

Piilona Camp Corporation
100 Pauahi Street, Suite 204
Hilo, Hawaii 96720

Approving Agency:

Office of the Mayor
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Authorized Signatures:

Lorraine K. Inouye, Mayor
Date 12-27-91

Norman K. Hayashi, Director
Planning Department

Environmental Assessment Prepared By:

William L. Moore Planning
NEGATIVE DECLARATION
PIIHOINA CAMP COMMUNITY RENOVATION/CONVERSION PROJECT
PIIHOINA, SOUTH HILO, COUNTY OF HAWAII

Proposing Agency: Office of Housing and Community Development

Agencies Consulted

County: Planning Department
        Department of Public Works

State: Department of Health
        Department of Land and Natural Resources

Project Characteristics

General: The Office of Housing and Community Development (OHCD),
County of Hawaii and the Piihonua Camp Corporation (PCC), a Hawaii
Non-Profit Corporation are seeking to implement a housing
renovation/lease conversion project on lands in Piihonua, South
Hilo, Hawaii. The lands are identified as Tax Map Key: 2-6-09:
por. of S.

The project site is a portion of an existing plantation camp
originally developed on state lands under lease to Mauna Kea Sugar
Company, a subsidiary of C. Brewer. The site was subsequently
subleased to residents of the Piihonua Camp when Mauna Kea Sugar
terminated its sugar operations in this area.

Technical: The County of Hawaii, through the OHCD is proposing to
acquire the land from the State of Hawaii, renovate the existing
homes up to the U.S. Department of Housing and Urban Development’s
(HUD) Section 8 housing quality standards, and to subdivide the
leasehold property into individual lots for sale to existing
sublessees. The residential renovation and subdivision will be
undertaken by the PCC through a joint venture agreement with the
County. The house and lot packages will then be sold to the
Piihonua Camp lessees.

There are a total of 38 existing houses and a community
meeting hall (Kaikan) within the project area. The real property
under the existing houses and the Kaikan will be subdivided to
allow its conveyance to the Piihonua Camp lessees, or in the case
of the Kaikan, to the Piihonua Camp Corporation. In addition,
approximately four (4) vacant lots may be created. These lots will
be conveyed to Piihonua Camp lessees who are no longer residing on
the subject property, including individuals whose house burned down
or were destroyed for other reasons. One lot may be sold to help
off-set the costs of the proposed project. Although not part of this project, it is possible that dwellings may be constructed on these lots in the future.

A portion of the project site, below the Wailuku River is within the State Land Use Urban district and is zoned Single Family Residential with a minimum lot size of 15,000 square feet (RS-15) by the County. The area adjacent to and including Wailuku River is within the State Land Use Conservation District; and the County's Open zoned district, while the areas mauka of Wailuku River are within the State Land Use Agricultural District and are zoned Agricultural-20 acre (A-20A) by the County.

The OHCd is proposing to use its experimental housing powers provided under Section 46-15, Hawaii Revised Statutes to allow the creation of lots ranging in size from approximately 5,500 square feet to over 16,000 square feet in area within the portions of the project site designated as Urban and Agricultural by the Land Use Commission. These experimental housing powers allow the County Council to exempt certain affordable housing projects from applicable planning, development, and other regulatory requirements provided that health and safety of the residents is not compromised. Once the requirements of Chapter 46-15, HRS are complied with, the proposed activities would be considered a permitted use on the subject parcel.

For the areas within the State Land Use Conservation District, a Conservation District Use Permit will be sought from the Board of Land and Natural Resources to allow the creation of lots and the renovation of the existing houses in order to permit their sale to the tenant. A total of six houses is situated within this area.

No improvement other than the renovation of the existing houses are proposed. However, to the extent the County may require road and water improvements for this project, those improvements shall be provided. The project area is already served by a County water system, overhead electrical and telephone line, and roads. The existing cesspools will be used for waste disposal. Several of the existing units are served by gang cesspools where more than one unit utilizes a cesspool. In these cases, the requirements of the State Department of Health will be complied with regarding waste disposal.

The subject property is owned by the State of Hawaii and was leased to Mauna Kea Sugar Company under General Lease No. S-3662, which expired on August 15, 1991. These lands were subleased to the Piihonua Sugar Planters Association under sublease P-795, which expired on August 12, 1991. The Department of Land and Natural Resources has agreed to allow the Piihonua Sugar Planters Association to remain on the property until this project is
Social: Pihonua Camp presently consists of a total of 101 houses, including the 28 houses on the leasehold parcel. A total of 249 people reside in the community.

Pihonua Camp was established early this century as a housing community for immigrant sugar plantation workers. By 1913, the camp was well established. Until recently, the community supported a general store, post office, and public school, in addition to the community meeting hall (Kalikan). The post office and general store have closed and the school is now operated as a Head Start center.

Economic: The estimated total project cost is $580,000. Other than providing an interim "seed money loan", the OHCD does not anticipate any County or State subsidies being used on this project. In addition, any excess revenues from the project will be turned over to the County upon completion of the project. It is possible that Community Development Block Grant (CDBG) funds may be used to assist this project, either through grants or loans to PCC or its members. In addition, Farmer Home Administration (FmHA) mortgage programs may be used to secure long term financing for the existing tenants to purchase their homes.

Environmental: A portion of the project area, including six existing houses, is situated within a Special Flood Hazard Area as identified by the Department of Public Works. In addition, during high rainfall, the bridge across Wailuku River may flood restricting access to and from the areas above the bridge. No other environmental impacts are anticipated.

Summary of the Affected Environment

The project area is currently in residential use. There are no endangered fauna, critical habitats, historical/archaeological or cultural sites in the project area.

Summary of Major Impacts

Short Term: Short term impacts will be limited to impacts related to the renovation of the existing homes and possible improvements to the area's infrastructure. Minor adverse impacts may include:

1. Depletion of labor and material resources for construction.
2. Some dust and noise during construction.
3. Some congestion along roads during construction.
LONG TERM:

Air Quality: No significant impact to air quality is expected.

Water Quality: No significant impact to water quality is expected.

Noise: No significant noise impact is expected.

Traffic: There may be a slight increase in traffic if the vacant lots are developed for residential uses. No significant traffic impact is expected.

Archaeology: No significant archaeological impact is expected.

Flora: No significant impact on the flora is expected.

Fauna: No significant impact on the fauna is expected.

Visual: No significant impact on visual resources is expected.

Agricultural resources: The proposed project will not affect existing agricultural activities on adjacent properties.

Drainage and Flooding: During periods of major storms, the bridge crossing the Wailuku River has been overtopped and access to the mauka areas have been cut off.

In addition, there is an existing drainage channel adjacent to the former Piihonua School. According to the County Department of Public Works, this channel has overtopped during major rainstorms. Consequently, by virtue of their location adjacent to the existing drainageway, six of the existing residential units are considered to be within a Special Flood Hazard Area. According to County requirements, existing units may be maintained as non-conforming. However, no improvements exceeding 50% of current value or any new construction shall be permitted unless a hydrologic study is conducted showing that the proposed improvements are not within the floodway.

Alternatives Considered

There are no reasonable alternatives to the proposed project. If the project is not implemented, the property would revert to the State upon termination of the lease. The State has no intention to re-lease the property to the individual lessees. The homes located on the leasehold lots would have to be relocated or razed and
residents would be forced to relocate. Approximately forty percent of the community's residents would be displaced and forced to seek alternative housing opportunities.

**Proposed Mitigation Measures**

1. For all lots created mauka of the bridge crossing of Wailuku River, notice of this potential flooding, including the fact that access to and from the residential areas mauka of the bridge may be affected during these periods, shall be recorded with the State Bureau of Conveyances. The affected property owners shall agree to hold the State and County harmless from any impact resulting from access to the residential areas being restricted during periods of flooding.

2. For the properties within the Special Flood Hazard Area, deed restrictions shall be placed notifying the property owner that no improvement exceeding 50% of current value, nor any new construction shall be permitted unless the owner first obtains a hydrologic study. This study shall at a minimum show the floodway and flood fringe area. Any proposed development or improvement shall conform to the requirements of the Department of Public Works with respect to flood hazard area. The affected property owners shall agree to hold the State and County harmless from any flood damage. These restrictions shall be recorded with the State Bureau of Conveyances.

**Determination**

The Pihioua Camp Community Renovation/Conversion Housing Project is not expected to cause significant impacts to the environment. Therefore it has been determined that a negative declaration is being filed with this environmental assessment.

**Findings and Reasons for Supporting Determination**

1. The proposed project will not involve an irrevocable commitment to loss or destruction to any natural or cultural resource.

2. The proposed project will not curtail the range of beneficial uses of the environment.

3. The proposed project will not conflict with the State or County's long-term environmental policies.

4. The proposed project will not substantially affect the economic or social welfare of the community or State.
5. The proposed project will not involve substantial secondary impacts, such as population changes or effects on public facilities.

6. The proposed project will not involve a substantial degradation of environmental quality.

7. The proposed project will not substantially affect any rare, threatened or endangered species of flora or fauna or habitat. No endangered species of flora or fauna are known to exist in the project site.

8. The proposed project will not detrimentally affect air or water quality or ambient noise levels.

9. The proposed project is not located in a tsunami zone, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters. While a portion of the project is situated in a Special Flood Hazard Area, mitigation measures are being proposed to address potential impacts.

For the reasons above, the proposed project will not have any significant effect in the context of Chapter 343, Hawaii Revised Statues, and Section 11-200-12 of the State Administrative Rules.