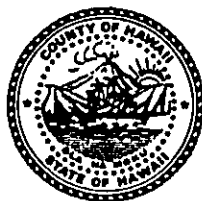


Stephen K. Yamashiro
Mayor



Virginia Goldstein
Director

Norman Olesen
Deputy Director

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County of Hawaii 95 APR 24 P1:53

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-9615

DEC. OF ENVIRONMENTAL
QUALITY CONTROL

April 21, 1995

Gary Gill, Director
Office of Environmental Quality Control
220 South King Street, 4th Floor
Honolulu, HI 96813

Dear Mr. Gill:

Final Environmental Assessment (FEA) - Negative Declaration for the Construction of a
30-Bed Addition to the Existing 60-Bed Hillhaven Kona Healthcare Center
Applicant: First Healthcare Corporation
Tax Map Key: 7-8-10: 91

The County of Hawaii Planning Department has reviewed the Final Environmental Assessment for the subject project. No comments were received by this office during the 30-day public comment period on the draft environmental assessment-notice of determination which began on March 8, 1995. The Planning Department has determined that this project will not have significant environmental effect and has issued a negative declaration. Please publish notice of this determination in the May 8, 1995, OEQC Bulletin.

We have enclosed a completed OEQC Bulletin Publication Form and 4 copies of the final environmental assessment as required. Please contact Daryn Arai or Connie Kiriu of this office should you have any questions.

Sincerely,

For *Constance R. Kiriu*
VIRGINIA GOLDSTEIN
Planning Director

DSA:syw
Enclosures (OEQC publication form & 4 copies of FEA)
LH11H06.DSA
cc/enc: West Hawaii Office

49

1995-05-08-HI-*FEA*- 30 bed Addition To 60 bed Hillhaven
Kona Health Care Center MAY - 8 1995

**FINAL
ENVIRONMENTAL ASSESSMENT
PROPOSED 30-BED ADDITION
HILLHAVEN KONA HEALTHCARE CENTER
NORTH KONA, HAWAII**

April 17, 1995

**FINAL
ENVIRONMENTAL ASSESSMENT
PROPOSED 30-BED ADDITION
HILLHAVEN KONA HEALTHCARE CENTER
NORTH KONA, HAWAII**

April 17, 1995

**Applicant:
First Healthcare Corporation**

**Approving Agency:
Planning Department
County of Hawaii**

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I. APPLICANT

The applicant is First Healthcare Corporation, a subsidiary of Hillhaven Corporation which is the owner in fee of the subject property.

II. APPROVING AGENCY

The approving agency is the Planning Department, County of Hawaii.

III. AGENCIES CONSULTED

State Agencies

State Health Planning & Development Agency
State Historic Preservation Division

County Agencies

Planning Department
Water Supply Department

IV. TECHNICAL DESCRIPTION OF THE PROPOSED ACTION

Project location

The 3.73-acre subject property is located in The Crown Lands of Keauhou, North Kona, Hawaii at the street address of 78-6957 Kamehameha III Road. Its Tax Map Key (TMK) is 7-8-10: 91, Third Division (See Figures 1 & 2).

Statement of Objectives

The applicant currently operates a long-term care facility that accommodates elderly and infirm residents. Its existing facility, which is named Hillhaven Kona Healthcare Center, includes 60 beds, an administration office, activities room, kitchen, dining room, and medical dispensary.

Operating since 1989, the Hillhaven facility has been at or near capacity from the first year it opened. Notably, the Kona healthcare center is only one of two facilities of its type on the island; the other is in Hilo and is operated by another institution.

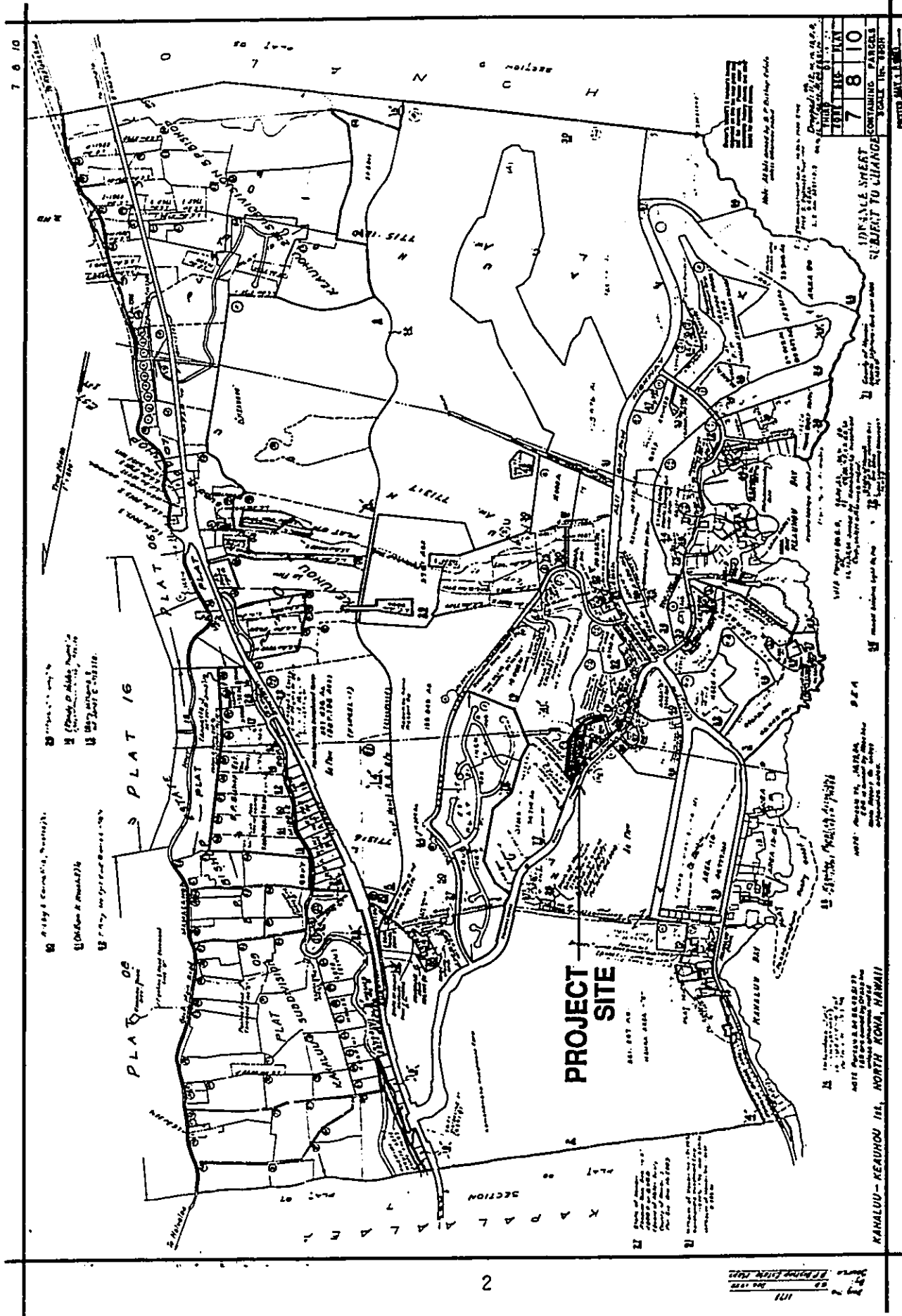


Figure 1
 TAX MAP KEY AND LOCATION MAP
 Hillhaven Kona Healthcare Center

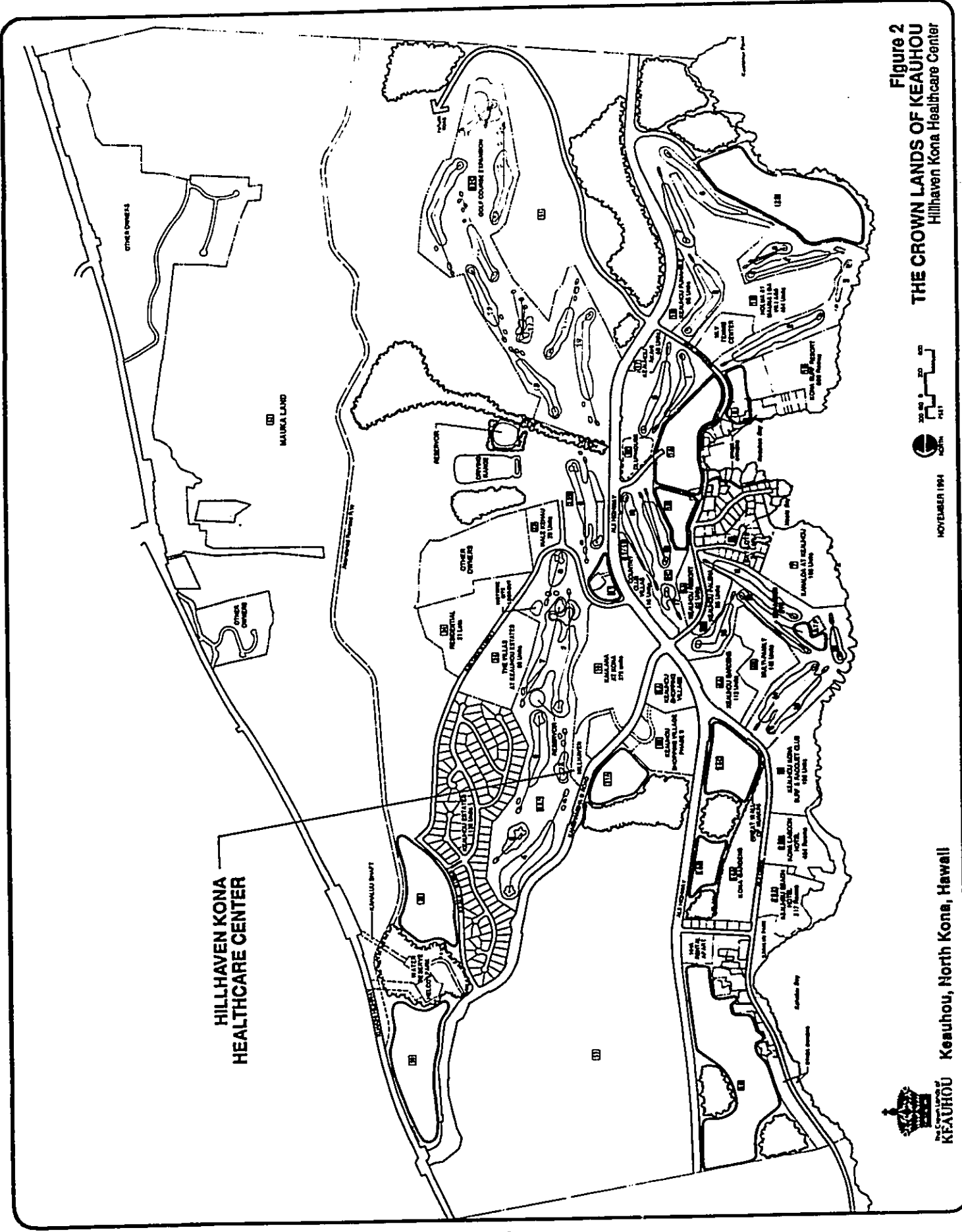


Figure 2
THE CROWN LANDS OF KEAUHOU
 Hillhaven Kona Healthcare Center

NOVEMBER 1984



Keauhou, North Kona, Hawaii

As part of its original development plan, First Healthcare had planned to develop the long-term care facility in two phases. The first phase was completed in 1989. The owner is now ready to proceed with the second and final phase. This latest phase is designed to meet the increasingly heavy demand for additional beds in the West Hawaii region. A Certificate of Need document for the new facility was prepared by the owner over a year ago, and on November 15, 1993, the State Health Planning and Development Agency of the Department of Health approved the submittal.

Description of Proposed Project

The proposed project calls for modifying approximately 1,886 sq. ft. of the existing building and providing 30 additional beds in a new 10,400 sq. ft. building to be attached to the existing building. The addition will be a one-story structure similar in architectural style as the existing structure. It will be of wood construction with a concrete slab foundation and hipped-style roof. Its appearance will be of a long one-story residential building (See Figure 3).

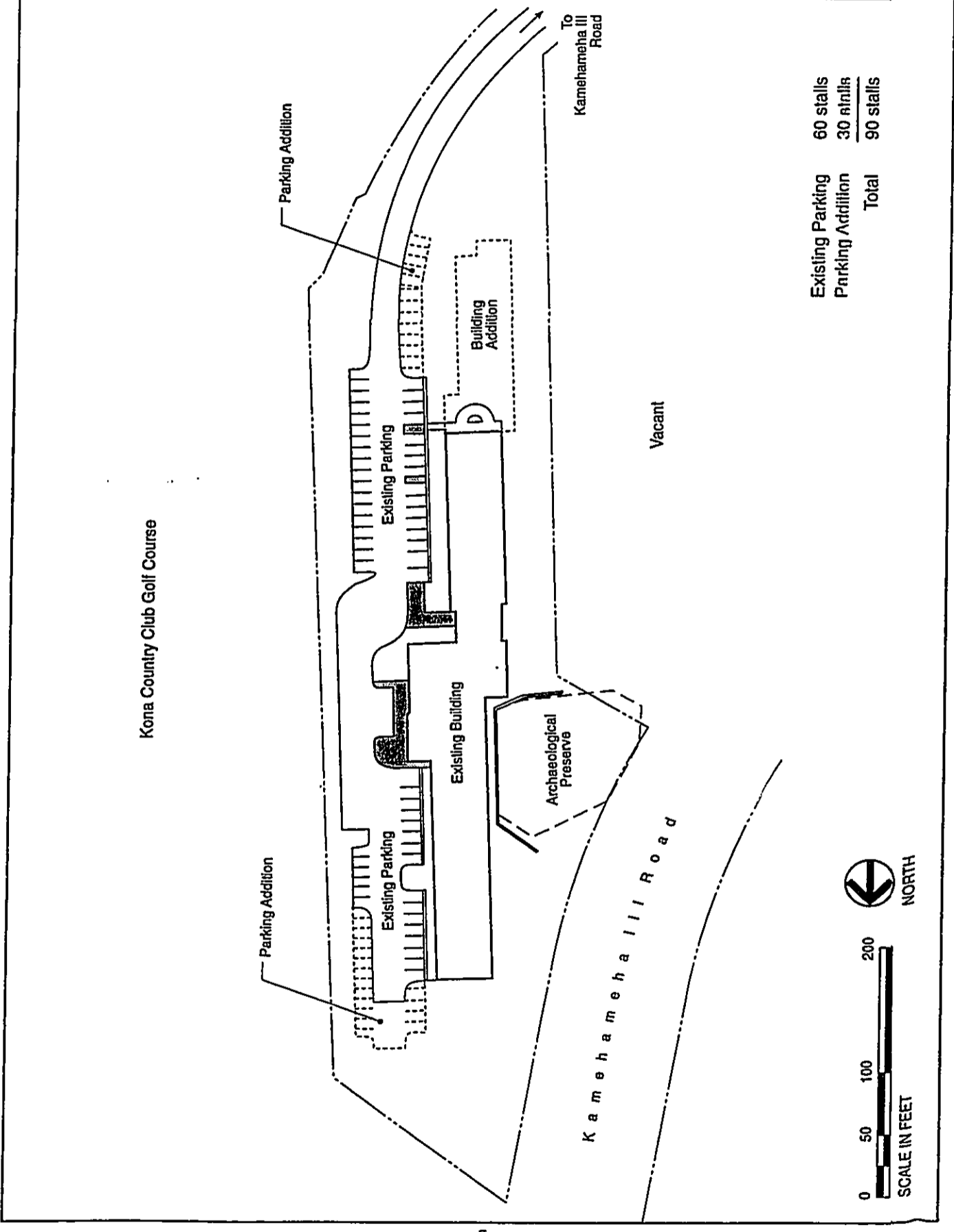
The interior space will include sixteen 2-bed units, two 1-bed units, occupational therapy/physical therapy room, day rooms, dining rooms, nurse's station, medical dispensary, staff office, entry/lounge, special bath rooms and utility/storage rooms. A portion of the existing building will be renovated to provide a connection and transition between the existing and new buildings. Four beds in the existing inventory will be replaced in the new addition. Thus, the total beds in the existing and new buildings will be 90 beds.

In addition to the 30 new beds, Hillhaven will expand its parking area to include space for 30 additional vehicles or whatever is required by the County zoning ordinance.

Landscaping also will be provided with the project. Planting around the existing facility will be extended around the new facility. The new landscaping will include a variety of groundcover, shrubs and trees which have a tropical look.

With the new addition, the Hillhaven facility will continue to provide all of the services required by the State Department of Health and the Medicare and Medicaid programs, including the following:

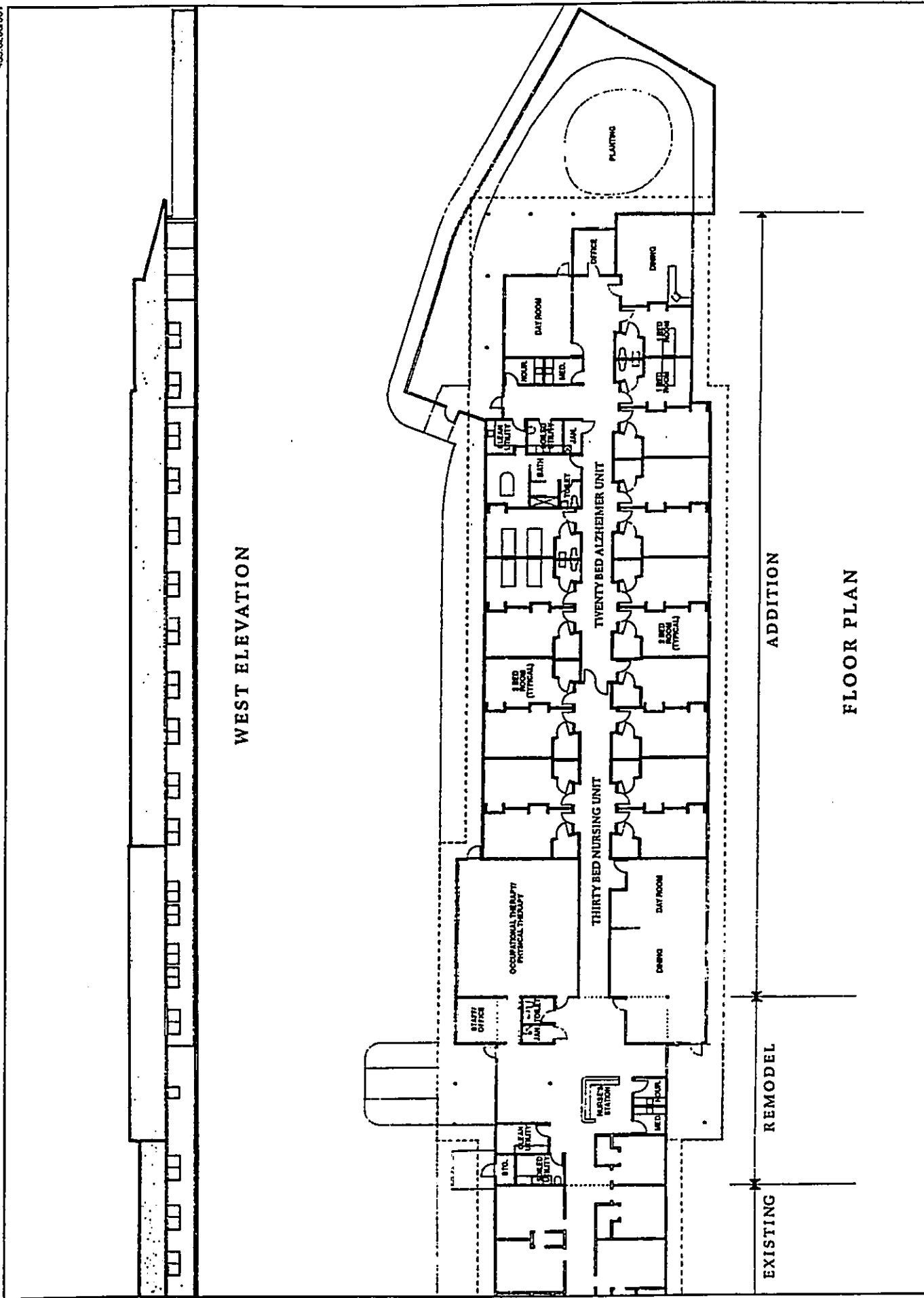
| | |
|----------------------|----------------------------|
| Physician services | Heavy skilled nursing care |
| Physical therapy | Speech therapy |
| Occupational therapy | Social work |
| | Activity services |



| | |
|------------------|------------------|
| Existing Parking | 60 stalls |
| Parking Addition | 30 stalls |
| Total | 90 stalls |

Figure 3
SITE PLAN
 Hiihaven Kona Healthcare Center

433.62001001



WEST ELEVATION

FLOOR PLAN

ADDITION

REMODEL

EXISTING



NORTH

Figure 4
30 BED BUILDING ADDITION
Hillhaven Kona Healthcare Center

The Hillhaven facility will specifically offer rehabilitative services as a cost-effective alternative to more costly hospital confinement for post-surgery recovery or for extended rehabilitation from injury or illness such as stroke. It will offer respite care on an availability basis and continue to offer special care accommodations for residents suffering from Alzheimer's disease.

Project Cost

The new addition will cost an estimated \$2.1 millions and will be funded entirely by the applicant. No public funds will be involved.

Construction Schedule

Construction of the new addition is expected to begin in mid-1995 and be completed in about 8 months.

V. RELATIONSHIP OF PROPOSED ACTION TO STATE AND COUNTY LAND USE POLICIES

State Land Use Law

The project site is located within the Urban District as classified by the State Land Use Commission. This district covers a significant portion of the Crown Lands of Keauhou, a major resort in the North Kona District of Hawaii. A long-term care facility is a permitted use in the Urban District.

Hawaii County General Plan

In the Health and Sanitation policy section of the General Plan, it is stated that the County should encourage the development of new or improvement of existing health care facilities to serve the needs of Hamakua, North and South Kohala, and North and South Kona.

Additionally, it should be noted private health care facilities supplement the network of public facilities and often supply services that are not readily or normally supplied by those facilities. The Land Use Pattern Allocation Guide (LUPAG) Map recognizes existing land uses and designates future land uses in the County where they are appropriate. In its long range objectives for the North Kona District, the LUPAG provides opportunities for various health care facilities.

The project site is designated Medium Density Urban Development which allows residential, commercial and institutional facilities. The proposed project qualifies under these allowable uses.

Hawaii County Zoning

The project site is currently zoned RM-3 Residential Multi-Family. The principal permitted uses in this district include multi-family residential units, duplex or double family dwellings, single family residential dwellings, boarding/rooming/lodging houses, country clubs, home occupations, family care/family boarding homes and uses directly accessory to these primary uses.

A long-term care facility is not specifically identified as a permitted use in the RM-3 zoning district. Such a use will require a Use Permit which is designed to allow a compatible use in the district provided it meets certain conditions and does not generate significant adverse environmental effects. According to Section 25-28 of the Hawaii County Zoning Code, in all County zoning districts (except S and O zoning districts) within State Urban District classification, old age, convalescent, nursing, and rest homes, and other similar uses devoted to the care or treatment of the aged, the sick, or the infirm, a Use Permit shall be obtained from the County Planning Commission.

The zoning code requires that all lots in the RM zoning district have a minimum area of 10,000 sq. ft. The project site exceeds this minimum area requirement.

The proposed project is an expansion of an existing facility that was allowed on the property through Use Permit No. 48 (granted in 1987). The proposed project, thus, seeks an amendment to the existing permit to allow the addition of the new facility.

Special Management Area

The proposed project is located in the Special Management Area which extends from the shoreline to more than 5,000 feet inland at an elevation of 670 feet. The proposed project, thus, is subject to the SMA Rules and Regulation of the County of Hawaii.

An SMA Use Permit was granted in 1987 for the existing facility. An application to amend the existing SMA Use Permit No. 356 to cover the proposed expansion will be filed with the County.

The Hawaii Coastal Zone Management Act (Chapter 205A, Hawaii Revised Statutes) established State policies on actions affecting the coastal zone. The act specified objectives and policies in seven broad categories relating to the shoreline environment. A discussion on the relationship of the proposed project to these broad policy categories is provided below.

Recreational Resources:

The proposed project is located more than 2,800 feet from the shoreline and is not directly tied to the recreational resources of the coastal zone. The Crown Lands of Keauhou, in which the project site is located, is a master planned resort where recreational opportunities, such as a beach park, golf course, boat ramp, and recreational pier, are provided and are accessible to the public. The proposed project will not interfere with the public's use of these facilities.

Historic Resources:

The new building addition will be on the grounds of the existing Hillhaven Kona Healthcare Center. It will be located in an area that has already been rough graded. There are no existing surface archaeological features on the property.

Should subsurface cultural remains be uncovered during any excavation of the site for drainage and utility installations, work will cease in the immediate area and not resume until clearance is first obtained from the State Historic Preservation Division of the Department of Land and Natural Resources and the County of Hawaii.

Scenic and Open Space Resources:

The proposed project will not impact coastal scenic and open space resources. It is situated above the Keauhou Shopping Center more than 2,800 feet from the shoreline. Kahaluu Beach Park, the nearest coastal open space resource, is located along the shoreline makai of Alii Drive and, visually, is not expected to be obstructed by the Hillhaven project.

Coastal Ecosystems:

Located far from the shoreline, the proposed project will not impact the marine coastal waters. Its small-scale size will generate insignificant quantities of runoff during rainfall. The surrounding areas, notably, would act as a quick absorbent before any runoff reaches the shoreline.

The proposed project is situated outside of any watershed area and is located below the Underground Injection Control area. Wastewater from the facility will be collected by gravity sewer lines and transported to the wastewater treatment facility in the existing Kona Country Club golf course. Groundwater is not expected to be adversely affected by the proposed project.

Economic Uses:

Although the proposed project is not coastal dependent, it is part of a master planned resort which is visitor-oriented and coastal dependent. As a visitor destination area, the Crown Lands of Keauhou is part of the largest industry in the state and therefore important to the state's economy.

Coastal Hazards:

Flood Insurance Rate Map (FIRM) Community-Panel Nos. 155166-0928C and 155166-0929C show no riverine floodplain or coastal high hazard area affecting the project site. The site is also not expected to be affected by any land subsidence or upslope erosion.

The minor size of the property and distant location from the shoreline will not result in any coastal flooding generated by construction or operation of the new facility.

Managing Development:

The policies in this category relate more to government agencies which would implement the management development policies of Chapter 205A, HRS.

PROPOSED DEVELOPMENT IN RELATION TO THE SPECIAL MANAGEMENT AREA GUIDELINES

The proposed project falls within the Special Management Area and is therefore subject to the Special Management Area Rules and Regulations of the County of Hawaii. The following is a discussion of the proposed project's relationship to the SMA Guidelines as provided in Rule No. 9 of the Hawaii County Planning Commission's Rules of Practice and Procedures.

SMA Guidelines A.1 to A.5:

The proposed project is located at the 260-foot elevation more than 2,800 feet from the shoreline. It will have no significant adverse effect on ground, surface and coastal waters.

The proposed project is located above the region's coastal road and will not impact view corridors of the shoreline.

The visual appearance of the new facility will blend with the surrounding environment. It will be one-story in height and situated within the terrain. The

colors of the building will be gray with white on the trimmings while landscaping will be provided to soften building lines.

Development of the project will be on land that is classified as "lava flow" and rated very poor for agricultural cultivation. Therefore, the proposed project will not adversely affect potential or existing agricultural uses of land.

SMA Guidelines B.1 to B.3:

The proposed project will not have any significant adverse effect on the environment, and mitigating measures will be employed, wherever possible, to reduce or lessen any major negative environmental effects as described earlier in this environmental assessment.

The proposed project is consistent with the objectives and policies of Chapter 205A, HRS, and SMA Guidelines. As stated in the State and County Land Use Policies section of this assessment, the proposed expansion is consistent with the Hawaii County General Plan and allowed in the County zoning district by approval of a Use Permit by the County Planning Commission. A permit such as this has been granted for the existing Hillhaven facility.

The proposed project meets with all applicable requirements of the County subdivision code.

SMA Guidelines C.1 to C.6:

The proposed project will not affect public accesses to publicly owned or used beaches, recreation areas and natural reserves. It is located in a distant location away from the shoreline, natural refuges and other important resource areas. The proposed project is situated adjacent to the Kona Country Club golf course, but is isolated from the recreational amenity by topographic barriers.

Wastewater from the building addition will be collected and treated at the nearby wastewater treatment facility.

The proposed project will not have any significant adverse impact on water, scenic and recreational resources. It is not located in any area prone to flooding, landslides, erosion, siltation, or failure in the event of an earthquake and thus will not increase the danger or risk to human life. Any on-site erosion or siltation, which would occur during construction, will be dealt with by erosion control and other mitigating measures approved by the Chief Engineer of the County of Hawaii.

As stated in the previous section, no significant adverse impacts on the environment are anticipated, however mitigative measures will be employed, wherever needed, to reduce or lessen other major negative effects.

The proposed project is consistent with the goals, policies and standards of the Hawaii County General Plan.

Comprehensive Design Principles for Keauhou Kona

In 1980, the County of Hawaii approved Zoning Ordinance No. 820 which amended the zoning districts over a large section of Keauhou to allow resort and other support uses. One of the conditions of approval required that siting and development of all projects in the area be in compliance with the Comprehensive Design Principles For Keauhou Kona (CDPKK). This plan focuses on the overall development concept of Keauhou, required infrastructure to implement the plan, and design guidelines for common areas and landscape features to enhance the overall character of the area.

Although the plan shows multi-family residential for the project site, the CDPKK indicates that such land use designations are also intended for certain community support facilities. Notably, the proposed project is a compatible facility that fits within the development concept of the area. It is especially consistent with Keauhou's development philosophy and overall design guidelines which calls for proposed projects to respect the natural and cultural resources of the land and be consistent with the resort's overall identity, quality and continuity of style. Further, the plan indicates that it is intended to be flexible and adaptable to change.

Subdivision Code

The proposed project will not require subdivision approval from the County of Hawaii, because all improvements will be within the applicant's existing parcel. As shown on Figure 3, the proposed building and parking addition will occur within the existing boundaries of the property.

VI. DESCRIPTION OF THE AFFECTED ENVIRONMENT AND PROBABLE IMPACTS OF THE PROPOSED PROJECT

PHYSICAL ENVIRONMENT

Existing Land Use

The project site, which is situated within a 3.73-acre parcel, is located along Kamehameha III Road at an intersection that serves the Keauhou Shopping Center and Hillhaven site. Mauka or east of the project site is the Kona Country Club golf

course, and south of the property is a 275-unit condominium development known as the Kaulana at Kona.

The project site is currently occupied by the first phase of the Hillhaven Kona Healthcare Center. Its second and final phase will be developed adjacent to the existing facility. The expansion area, which comprises approximately 29,500 sq. ft., is currently vacant.

Physiography, Geology and Soils

Although the terrain is relatively level, the overall topography slopes toward the west or Kamehameha III Road. Overall, the site is located more than 2,800 feet from the shoreline and its elevations range from 250 feet to 280 feet. There are no distinct physical features on the property such as drainage channels, mounds or promontories.

According to the U.S. Soil Conservation Service, soil on the property is classified as A'a lava flow and is relatively young by geological standards. As a result of its youth, the land has not yet undergone extensive weathering and decomposition to form soil on the site. Thus, for landscaping purposes, topsoil and special irrigation systems will be required for any new planting treatment.

From an agricultural standpoint, the Land Study Bureau's *Detailed Land Classification - Island of Hawaii* classifies the soil on the property as Type "E" land. This indicates the soil has a site productivity rating of less than 30 percent, which is very poor for agricultural productivity. Consequently, there will be no loss of good agricultural land when the proposed project is implemented. This assessment is further confirmed by the Agricultural Lands of Importance to the State of Hawaii (ALISH) Map No. H-8, which shows no important agricultural land designation for the property.

Hydrology and Drainage

As described in the previous section, the property's soil type is basaltic lava. It is highly permeable and allows much of the precipitation to percolate into the ground rather than to rapidly sheet flow over the surface to the makai lands.

The new facility would increase site runoff but only in a limited quantity. The roof of the new building and additional parking area will create new impervious surfaces and thus increase surface runoff. The surrounding highly permeable land, however, will quickly absorb the flow. Drywells may be installed to supplement drainage runoff on the site should the County require mitigative measures. Notably, the Underground Injection Control (UIC) Line is located at the 500'

elevation which is well above the project site. With Department of Health approval, drywells are allowed below the UIC boundary.

The new landscaping may also increase surface runoff as new planting may include soil additives in the lava material which tends to retard percolation. This anticipated increase in runoff, however, is expected also to be insignificant.

The proposed project is not located within any 100-year riverine floodplain nor in any coastal high hazard area according to the Flood Insurance Rate Map (FIRM) prepared by the Federal Emergency Management Agency.

Flora

Located on one of the more recent lava flows in the district and in an area that has been altered extensively during past construction activities, the project site has very sporadic vegetation consisting primarily of fountain grass. There are a few scattered juvenile trees or shrubs such as keawe, hale koa and opiuma. Construction of the proposed project will require removal of the existing vegetation, however, it will not affect any rare, threaten or endangered species.

The proposed project will involve landscaping around the new building addition and would likely involve use of various plant species that would match the property's existing inventory.

Fauna

The barren landscape of the project site leaves little desirable habitats for wildlife. The only signs of fauna on the property are low-land urban birds, mice, cats and dogs that stray into the area. There are no rare, endangered, or threatened wildlife species that occupy the site.

Archaeological

In a preliminary review of the proposed project, the County Planning Department determined that the project site is located within the Kahalu'u Historic District. Thus, pursuant to Section 343-5 (4), Chapter 343, Hawaii Revised Statutes (H.R.S.), an environmental assessment is required for the proposed action. This document has been prepared to fulfill the Chapter 343 requirement.

In 1980, Archaeological Research Center Hawaii, Inc. found four archaeological features on a 35-acre parcel that included the project site. In 1983, Paul H. Rosendahl, PhD., Inc. conducted a follow-up survey and found no additional sites. The follow-up survey was required in part by Ordinance No. 820 which called for, as a condition, an overall archaeological/historic interpretative management plan for

the rezoned areas of Keauhou. This condition resulted in the preparation of the present cultural resource management plan for the resort.

In Rosendahl's study of the 35-acre area that included the project site, two of the four sites were further investigated and only one of the two, Site 4624 (possible heiau or high status residence), was later recommended for preservation. Site 4624 is located along Kamehameha III Road immediately east of the existing Hillhaven facility and is presently preserved in an archaeological easement. The proposed expansion site will not impact this preserved feature.

The approximately 29,500 sq. ft. project site is currently vacant but has been altered by past construction activities in the area. Currently, there are no surface archaeological features presently on the site. Should, however, any subsurface cultural remains be uncovered during construction, work will cease in the immediate area and not resume until clearance is first obtained from the State Historic Preservation Division and the County Planning Department.

Visual

The project site is located more than 2,800 feet from the shoreline at about the 260-foot elevation. The nearest coastal road is Alii Drive which is situated approximately 30 to 600 feet from the shoreline and about 1,600 feet makai of the project site. View corridors to the shoreline from this coastal road will not be disrupted by the proposed development.

Additionally, view planes from the shoreline to the mauka lands will not be significantly affected by the new building addition. Considering its distance from the ocean, the new addition would constitute only a small component of the mauka land visual environment.

Further, the applicant is planning to use visually sensitive colors of its project. They would be similar to the gray and white colors on the existing facility which blend with the predominantly gray color of the site's disturbed lava terrain.

Air Quality

There are no major air pollution sources in the area such as industrial or manufacturing facilities, incinerators, or agricultural burning operations. The project is located in a rural setting where good quality air is predominant.

The proposed project will not affect Keauhou's long-term air quality. It will not create air pollution by burning fossil or petroleum based fuel or consist of activities that directly generate airborne pollutants.

Short-term adverse impacts are expected to occur during construction when various earthmoving equipments are used. These include gasoline- or diesel-powered machinery which emits airborne particulates. They could also generate dust during site grading operations. If necessary, mitigation measures will be employed by the contractor to minimize construction-generated dust impacts.

Sonic Quality

Sound levels in this rural area are relatively low. Surrounding the project site are a golf course, vacant land and commercial facility. There are no major existing sources of high-level noise such as factories, manufacturing plants, high-usage recreational facilities, airports or multi-lane highways.

The proposed project is a long-term healthcare facility for primarily elderly and infirm residents and is designed to operate in a quiet environment. The operations of the proposed facility will not impact the long-term sonic quality of the area.

Short-term impacts, however, are expected to occur during the construction phase of the project. These impacts would result primarily from the use of heavy machinery for site preparation work. Proper mitigation measures will be employed by the contractor, if necessary, to minimize any significant impact on the ambient sonic environment.

INFRASTRUCTURE Circulation and Traffic

Hillhaven is located along Kamehameha III Road at an intersection that provides access to the Hillhaven facility and Keauhou Shopping Center. The intersection is channelized and has turning lanes and a traffic light.

Kamehameha III Road is the primary mauka-makai access in Keauhou. It connects Kuakini Highway in the mauka land and Alii Highway near the shoreline. Ingress/egress onto the two-lane road is limited as a result of its relatively steep grade and current traffic speed (posted speed limit is 35 mph). The Hillhaven facility, notably, does not have direct access onto Kamehameha III Road. It enters and exits via a driveway and interior road.

Existing traffic on Kamehameha III Road is less than 1,100 vehicles per hour (vph) during the afternoon peak hour (3:30 p.m. - 4:30 p.m.). During the morning peak hour (7:30 a.m. - 8:30 a.m.), traffic is less than the afternoon volume because commuters leave for work over a longer period of time. The peak hour traffic on Kamehameha III Road is expected to increase noticeably as more retailers open for

business in the Keauhou Shopping Center - Phase II which was just completed in the fall of last year.

When the second phase of the Keauhou Shopping Center was under review by the County in 1990, a traffic impact assessment report (TIAR) was prepared. The study projected traffic on Kamehameha III Road to reach approximately 1,389 vph during the afternoon peak hour by the year 1994. This is when the shopping center expansion and adjacent planned office complex were projected to be in full operation. The anticipated traffic increase, thus, resulted in the installation of a traffic light at the Kamehameha III Road and shopping center entrance road intersection.

The new building addition is expected to generate approximately 14 new vehicles in the early morning when the first shifts begins. It would occur between 5:00 a.m. and 6:00 a.m. which is prior to the regional peak hour that occurs between 7:30 a.m. and 8:30 a.m. The project-generated traffic, thus, would have very limited impact on the area roadways.

In the afternoon when the first shift ends and the second shift begins, the new facility would generate approximately 21 new vehicles on Kamehameha III Road between 2:45 p.m. and 3:45 p.m. This is slightly before the regional peak hour that occurs between 3:30 p.m. and 4:30 p.m.

The traffic light at the shopping center/Hillhaven intersection should be more than adequate to accommodate the anticipated traffic increase generated by the Hillhaven project. Other traffic that would be generated by the new facility would consist primarily of visitors and business clientele who would arrive at the healthcare center in small numbers at various hours throughout the day and would have minimum effect on the area's peakhour traffic.

Water

The existing facility is currently connected to an 8-inch water line along Kamehameha III Road. The line is adequate in size to accommodate the expansion of the Hillhaven facility, however, additional water will be required from the County Water Supply Department to service the new 30-bed addition. Preliminary estimates by the project engineer indicate that the proposed expansion will generate a demand of approximately 7,500 gallons per day (gpd) on the existing water system.

Sewer

The Hillhaven facility is currently connected to an 8-inch gravity sewer line along Kamehameha III Road. This line follows the road in the makai direction and then traverses across several development sites to a wastewater treatment facility

(WWTF) in the Kona Country Club golf course. The 30-bed addition will generate approximately 6,000 gpd of wastewater. The capacity of the WWTF has been recently expanded from 0.75 million gallons per day (mgd) to 1.8 mgd and will provide more than adequate capacity to accommodate the new Hillhaven expansion.

Electricity

Electrical power is available from Hawaii Electric Light Co. which has an underground line along Kamehameha III Road.

Telephone

Hawaiian Telephone Company provides telephone services to the Keauhou area. The proposed expansion will connect through an existing connection in the present Hillhaven facilities.

Solid Waste

Solid waste is presently hauled away by a private contractor to a public disposal site. The new building addition will utilize the same contractor to haul the additional solid waste generated by the expansion.

VII. SOCIO-ECONOMIC ENVIRONMENT

Employment

The new addition is expected to increase the present Hillhaven staff from 60 to approximately 84 full-time equivalent (FTE) employees, an increase of 24 employees or 40 percent. With the addition of the new employees, the total staff at Hillhaven would consist of:

| <u>Staff</u> | <u>No. of FTE</u> |
|--------------------------|-------------------|
| Administration | 6 |
| Nursing | 50 |
| Therapy | 7 |
| Education and Recreation | 2 |
| Consultants | 1 |
| Kitchen/Laundry | 11 |
| Housekeeping | 5 |
| Maintenance | <u>2</u> |
| Total | 84 |

The new positions will be newly created and would not involve transfers from other Hillhaven facilities in the state.

Working hours at Hillhaven are divided into three shifts. These shifts will continue to be the same after the new addition is in operation. The first shift currently runs from 6:00 a.m. to 3:30 p.m. and will comprise of a staff of approximately 49; the second shift runs from 3:00 p.m. to 11:30 p.m. and will operate with a staff of about 25; and the third shift runs from 11:00 p.m. to 7:30 a.m. and will include a staff of about 10.

Short-term employment will result in the construction industry during the development phase of the project. Construction labor is expected to be hired from the local pool.

Housing

The proposed project will not result in any displacement of existing homes or other existing facility. The expansion will occur over a vacant area.

Employees of the new facility are expected to already have homes in the North Kona District. Some may commute from distant locations, but the new employees are expected to be existing residents of the island.

Similarly, it is anticipated that construction workers will be hired from the local labor pool and already have housing accommodations. No off-island labor is expected to be hired.

Public Facilities

The residents of the Hillhaven facility would have virtually all of their daily needs provided by the staff and facilities of the healthcare center. There would be no need for the residents to leave the facility to patronize the local schools, parks, libraries and government offices.

Some public services, however, will still be required to accommodate the residents of the Hillhaven facility. Police and fire protection, in particular, will be needed from the County. These services, notably, are already available in the Keauhou area.

Economic Impact

With the employment of 24 new full-time-equivalent employees, the proposed project will have a modest impact on the local economy. The direct impact would include construction spending on the island of Hawaii, employee income spent in the local economy and operational expenses that include the purchase of supplies and material and acquisition of services.

Indirect impacts would be generated from the spending of income and purchases of supplies and material from vendors that service the proposed project.

Fiscal Impact

The proposed project will generate income for the local government through gross receipt tax (excise tax) on purchases of supplies and materials in the operation of the Hillhaven facility, personal income tax on wages and salary incomes, business income tax, and property tax. While the majority of the tax revenues would go directly to the State, property tax revenues would go to the County.

VIII. ALTERNATIVES TO THE PROPOSED ACTION

No Action

An alternative to the proposed action is to forego any plans for expansion. This would result in no change to the status quo. There would be no new building addition, no alteration to the project site and no consequent effect to the physical, socio-economic and biological environment.

In selecting this alternative, the owner would not be fulfilling its need to accommodate an increasing demand for additional long-term care beds. This problem would continue to compound itself year after year and would result in a severe shortage of needed facilities in the near-term future.

Alternative Location

An alternative location in Kona for the building addition would not be feasible since Hillhaven already has a facility adjacent to the proposed site. The new facility would be added to and supplement the existing facility. It would share a number of the building's existing functions and operations and utilize many of its infrastructure. The proposed addition was planned from the original conception of the Hillhaven facility and is being implemented as a second and final phase development. No alternative site was considered.

Alternative Size

The proposed expansion was planned from the project's initial conception. Notably, it was designed to work as an integral component of the existing facility. Any larger than what is being proposed, the new facility would be less efficient, and any smaller, the addition would be too little to function economically.

Furthermore, the 30-bed addition will sit snugly within the site. There are no additional plans for expansion. Hillhaven does not desire to raise the height of the

building, thus a second floor is not a consideration. The present building design is functional and efficient and is intended to provide safe, easy and convenient circulation for its residents and employees.

IX. PROBABLE ADVERSE IMPACTS WHICH CANNOT BE AVOIDED

Construction impacts, such as dust, noise and traffic, are expected to occur but in a temporary nature over the project's 8-month construction period. Noise would be particularly noticeable to occupants of the healthcare center. Most of the generated dust and noise would occur during the first two months of construction when the property is undergoing site preparation. Once the site preparation stage is completed and the building stage is underway, construction impacts would consist primarily of lighter noise from hand tools and sporadic truck traffic that involve hauling of building materials.

X. MITIGATION MEASURES

Construction-Related Impacts

Construction of the proposed project will generate noticeable short-term impacts, such as dust, noise and traffic. These impacts, which would occur only during the construction phase of the project, are expected to be temporary in nature.

Mitigating measures will be implemented if necessary to reduce or lessen any intense impacts. For example, noise generated by construction equipment would be mitigated by limiting the use of heavy machinery to normal daylight working hours and employing muffler devices or noise suppressants on gasoline and diesel-powered equipment.

Construction-generated dust could be controlled by water sprinkling, dust screens or other measures prescribed by the Chief Engineer of the County of Hawaii. Equipment used for on-site construction will emit some air pollutants via engine exhaust. Construction equipment will be properly maintained by the contractor to maximize the efficiency of fuel combustion and minimize excessive emissions from heavy equipment exhaust pipes.

During construction, there will be some construction vehicles on the local roadways transporting material to and from the site. The number of vehicles involved in this operation would be small and should have little effect on traffic except when the heavier, slow-moving vehicles travel up Kamehameha III Road. These vehicles, notably, would be travelling at various hours during the day and would not be concentrated during the region's regular peak hour traffic.

Operational Stage Impacts

Any improvement to a site will have a visual effect on the environment. To reduce or lessen this effect, certain design considerations were made and mitigation measures proposed. The new building addition will be kept at a low profile by keeping operations of the facility in a one-story building. The property has been somewhat graded into the terrain to reduce the amount of building protrusion from the site. Colors of the building will be gray with white on the trimmings to match the existing facility and integrate with the overall color tones of the altered lava background.

Finally, landscaping will be provided around the building to soften the buildings lines of the new expansion.

Traffic generated by the proposed project will not significantly impact vehicular movement on Kamehameha III Road. A traffic light has been installed at the intersection of Kamehameha III Road and the Hillhaven entrance road which should mitigate anticipated delays from heavy turning movements.

XI. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

Development of the proposed project will commit the site to long-term care use. Private funds, labor, construction equipment, building materials, landscape materials, and energy sources, water resources, wastewater disposal, solid waste disposal and other utility services will be committed to the construction of the project.

Existing vegetation will be removed from the property and replaced with a new facility and landscape plantings.

Long-term commitment of resources for the project will include the use of: 1) skilled personnel; 2) supplies and materials in the operation of the new facility; and 3) utilities, including water, sewage collection, electricity, and telephone.

XII. DETERMINATION

This assessment presently demonstrates that the proposed action will have no significant impact on the environment and that an Environmental Impact Statement is not warranted. Therefore, a Negative Declaration for this project is in order.

XIII. FINDINGS AND REASONS SUPPORTING THE DETERMINATION

The following findings and reasons indicate that the proposed action will have no significant adverse effect on the environment, and consequently, support the above determination.

1. There will be no significant adverse social or economic impact resulting from the proposed action.
2. The impacts associated with construction activities are short-term and temporary. All short-term impacts will be minimized in accordance with applicable County of Hawaii, State of Hawaii and Federal Rules and Regulations.
3. No rare or endangered wildlife or flora species are anticipated to be affected by the proposed action.
4. No archaeological feature is present on the project site.
5. The proposed action will not result in a significant adverse impact on the visual environment.
6. The proposed action will be consistent with Hawaii County's General Plan, Hawaii Coastal Zone Management Program and Special Management Area Policies and Objectives.
7. The proposed action will improve long-term care facility in the area and will not result in a need to substantially expand existing public services.
8. The proposed action will not displace any existing homes or facilities on the site or require the need to provide housing for employees to operate the facility.