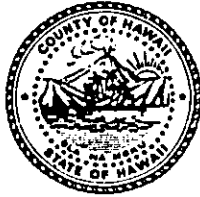


To: Kelley Min

Stephen K. Yamashiro
Mayor



William G. Davis
Managing Director

Henry Cho
Deputy Managing Director

County of Hawaii

25 Aupuni Street, Room 215 • Hilo, Hawaii 96720-4252 • (808) 961-8211 • Fax (808) 961-6553
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OFC. OF ENVIRONMENTAL
QUALITY CONTROL

March 3, 2000

Ms. Genevieve Salmonson, Director
Office of Environmental Quality Control
235 South Beretania Street, Suite 702
Honolulu, Hawaii 96813

Subject: Finding of No Significant Impact for Proposed
Public Auction Sale, in Fee Simple or by Lease,
of Lot 6 at Crossroads situate at Lanihau 1st,
North Kona, Hawaii, Tax Map Key: 3rd/7-5-04:63

The Director of Finance, subject to authorization from the
Council of the County of Hawaii, is proposing to sell at public
auction, in fee simple or by lease, Lot 6 at Crossroads, for
commercial development purposes.

The County of Hawaii has issued a finding of no significant
impact for the Proposed Action because it will have no major,
negative impacts on the surrounding environment. The Proposed
Action will not disturb any known historical or archaeological
sites, will have minimal effect on existing flora and fauna,
will not detrimentally affect air or water quality or ambient
noise levels and will not have a detrimental social impact.

Please publish notice of availability for this Proposed Action
in the next scheduled edition of the OEQC Environmental
Notice. We have enclosed a completed OEQC Publication Form,
four (4) copies of the final environmental assessment and the
project summary on disk. Should you or your staff have any
questions on this matter, please feel free to call on Executive
Assistant Glenn Y. Taguchi at (808) 961-8503.

Sincerely,

STEPHEN K. YAMASHIRO
Mayor

Enclosures

36

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FILE COPY

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OFFICE OF THE MAYOR
COUNTY OF HAWAII

FINAL ENVIRONMENTAL ASSESSMENT FOR THE
PUBLIC AUCTION SALE, IN FEE SIMPLE
OR BY LEASE, OF (LOT 6 AT "CROSSROADS")

SITUATE AT LANIHOU 1ST, NORTH KONA, HAWAII
TAX MAP KEY: 3RD/7-5-04:63

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Appendix D: Letter/Responses to Draft Environmental Assessment

SUMMARY

Project: Proposed disposition of Lot 6 at "Crossroads"

Proposing Agency: Department of Finance, County of Hawaii
25 Aupuni Street, Room 118,
Hilo, Hawaii 96720

Approving Agency: Office of the Mayor, County of Hawaii
25 Aupuni Street, Room 215
Hilo, Hawaii 96720

Location: Lot 6 at "Crossroads", Lanihau 1st,
North Kona, Hawaii

Tax Map Key: 3rd/7-5-04:63

Class of Action: Use of County-owned lands

Proposed Action: The public auction sale, in fee simple or by
lease, of Lot 6 at "Crossroads" and the
subsequent commercial development

LUC District: Urban

Zoning: General Commercial (CG-20)

Mitigation: A portion of the Great Wall of Kuakini
(Site 7276) is located along the eastern
boundary of Lot 6. To insure that any
development on Lot 6 would have "no adverse
effect" on the wall, (1) Interior Protection
Measures during construction; and (2) a
permanent buffer zone, ten feet (10') wide,
measured from the base of the Wall shall be
required.

Determination: Finding of No Significant Impact (FONSI)

PROPOSED DISPOSITION OF LOT 6 AT "CROSSROADS"

1.0 INTRODUCTION

1.1 Introduction of Proposed Action

The County of Hawaii is considering the public auction sale, in fee simple or by lease, of Lot 6 at "Crossroads", for commercial development purposes.

The proposed action involves County-owned lands which is one of the "triggers" of the environmental review requirements under Chapter 343, Hawaii Revised Statutes, as amended, and the Environmental Impact Statement Rules, Title 11, Chapter 200, Hawaii Administrative Rules of the Department of Health.

1.2 Proposing Agency

Department of Finance
County of Hawaii
25 Aupuni Street, Room 118
Hilo, Hawaii 96720

1.3 Accepting Authority

Office of the Mayor
County of Hawaii
25 Aupuni Street, Room 215
Hilo, Hawaii 96720

1.4 Parties Being Consulted

Federal
U.S. Army Engineer Division, Pacific Ocean

State of Hawaii
DBEDT-Office of Planning
Department of Hawaiian Home Lands
Department of Health
Office of Hawaiian Affairs - Big Island
Office of Hawaiian Affairs - Honolulu
DOT-Highways Division
Department of Land and Natural Resources
State Historic Preservation Division
Division of Water Resource Management
Land Division
Land Division-Hawaii District Branch

County of Hawaii

Hawaii County Civil Defense Agency
Planning Department
Department of Public Works
Department of Research and Development
Department of Water Supply
Hawaii County Fire Department
Hawaii County Police Department

Other Interested Parties

Council of the County of Hawaii
Adjacent businesses, landowners, and interested parties

2.0 PROPOSED ACTION

2.1 Ownership

Lot 6, further described as Tax Map Key: 3rd/7-5-04:63, is owned by the County of Hawaii.

2.2 Location

Lot 6, being 43,562 square feet, is located on Henry Street and is a part of the Crossroads development.

2.3 Uses

Project Site. Lot 6 is currently vacant. A portion of the lot is used for parking by people working in the area.

Surrounding Properties. To the north and east of Lot 6 is a pasture. To the south and west are other lots of the Crossroads development. These properties have been developed into retail complexes and office buildings. Area businesses include Safeway, Borders, Crossroads Dental Group, Central Pacific Bank, Maryl Realty, Maryl Group and Wal-Mart.

2.4 Project Description

The County of Hawaii is considering the public auction sale, in fee simple or by lease, of Lot 6 at "Crossroads". The public auction shall be held at the main entrance of the County Building, located at 25 Aupuni Street, Hilo, Hawaii or at such other place as is convenient in North Kona, Hawaii. Notice of the public auction shall be published in accordance with Section 2-116, Notice, Hawaii County Code.

It is anticipated that the successful bidder will develop Lot 6 in a manner consistent with other developments in the area, i.e. - commercial office buildings, commercial retail space, etc. However, other types of uses will be allowed, provided, said use is permitted under Section 25-2-112, Permitted Uses (General Commercial District), Hawaii County Code. All new building construction shall conform to all requirements of code and statutes pertaining to building construction.

Timetable. It is anticipated that a public auction shall be held within one (1) year of the date of approval of the disposition by the Council of the County of Hawaii.

3.0 AFFECTED ENVIRONMENT

3.1 Physical Characteristics

Climate. The average annual precipitation for Kailua-Kona is 25 inches per year. The average temperature is 72.1 degrees F. in the coolest month and 77.3 degrees F. in the warmest month. The wind patterns for Kailua-Kona are driven by the difference in land and water temperature. Particularly on warm days, this system produces light off-shore winds in the mornings and early afternoon and on-shore winds in the late afternoon and evenings.

Topography. Lot 6 is slightly sloping. The elevation rises from 220 feet, more or less, to 250 feet, more or less, above sea level, along the approximately 416 foot frontage. Topographic information was obtained from the construction plans titled Crossroads - Henry Street Extension.

Soils. The Soil Survey of the Island of Hawaii, State of Hawaii, classifies the soil as Punaluu extremely rocky peat, 6 to 20 percent slope (rPYD) and Lava Flows, Pahoehoe (rLW).

In soils classified as Punaluu extremely rocky peat, 6 to 20 percent slope (rPYD), rock outcrops occupy 40 to 50 percent of the surface. In a representative profile, the surface layer is black peat about 4 inches thick. It is underlain by pahoehoe lava bedrock. This soil is medium acid.

Lava flows, pahoehoe (rLW), has been mapped as a miscellaneous land type. This lava has a billowy, glassy face that is relatively smooth. Pahoehoe has no soil coverings, however, in areas of higher rainfall or on older flows, scattered ohia trees and other hardy vegetation have gained a foothold in cracks and crevices.

Flora and Fauna. Lot 6 was previously mechanically altered and cleared, except for the buffer zone adjacent to the Great Wall of Kuakini. The mechanically cleared portion of Lot 6 is relatively free of vegetation. Only a few weed species were observed.

There were several Koa haole (*Leucaena leucocephala*) and Kiawe (*Prosopis pallida*) trees within the buffer zone. Also observed growing in the buffer zone and on top of the wall were ivy gourd vines (*Coccoloba grandis*).

The project site is not a habitat, nesting area or flight path for any known threatened or endangered wildlife.

Air Quality and Noise. There will be a certain amount of noise associated with the construction phase of the project. This short term impact should be mitigated by requiring that construction activities shall comply with the provisions of Title 11, Chapter 46, Hawaii Administrative Rules of the Department of Health titled "Community Noise Control." The rules require, among other things, that a noise permit shall be obtained if the noise levels from the construction activities are expected to exceed the allowable levels of the rules, and that construction equipment and on-site vehicles requiring an exhaust of gas or air shall be equipped with mufflers. Air quality is also expected to be impacted during the construction phase. The development and implementation of a dust control plan shall be required.

No long term adverse effects are foreseen as a result of the proposed disposition of Lot 6. Under normal conditions and with proper maintenance, there should be no significant air quality problems. Further, it is not anticipated that the noise levels generated from any development on Lot 6 will be greater than a similar type commercial development in any other sector of the urban core.

3.2 Natural Hazards

Flood Hazard. Lot 6 is designated Zone X on the Flood Insurance Rate Map (FIRM) which means the site is outside the 500 year flood plain.

Tsunami Hazard. Lot 6 is outside of the Hawaii County Civil Defense Tsunami Evacuation Zone.

Volcano Hazard. Lot 6 is classified as Lava Flow Hazard Zone 4 by the U.S. Geological Survey.

Seismic Hazard. The entire County of Hawaii is rated Zone 4, Seismic Probability Rating, according to the Uniform Building Code, Appendix, Chapter 25, Section 2518, on a scale of ascending risk 0 to 4. The Code contains certain structural requirements to address the potential seismic hazards.

3.3 Social and Cultural Issues

Ceded Land. Lot 6 is not classified as ceded lands.

Historic Resources. In conjunction with petitions for State Land Use Boundary Amendments (SLU 93-1, 93-2 and 93-3) and County of Hawaii Applications for Change of Zone (REZ 93-11, 93-12 and 93-13), a report titled "Lanihau, North Kona, Hawaii: Archaeological Inventory Survey" was prepared by William Barrera, Jr., of Chiniago, Inc. dated September 1990.

The report identifies one historic site (Site 7276) on the subject property, the Great Wall of Kuakini. The Wall is located along the eastern boundary of Lot 6.

To insure that any future development would have "no adverse effect" on the Wall, the following mitigation measures shall be followed:

- (1) Interior Protection Measures During Construction. An appropriate buffer zone shall be fenced off with highly visible fencing material during land alteration and preparation activities and during the entire period of construction. The Hawaii island staff archaeologist with the State Historic Preservation Division shall be notified (Tel. [808]933-0482), and an inspection of the

fenceline shall be completed prior to the start of any land alteration and/or construction activity; and

- (2) Permanent Buffer Zone. A buffer zone, ten feet (10') wide, measured from the base of the Wall shall be required.

In his report, Barrera notes the observations made by Marion Kelly, Na Mala o Kona: Gardens of Kona, A History of Land Use in Kona, Bernice P. Bishop Museum, Department of Anthropology, 1983: "It has long been presumed that this wall was built sometime during the governorship of John Adams Kuakini [1820-1844] to protect the cultivated uplands from the depredations of cattle. However, as the Wall is at all points less than a mile from the seacoast, only the food plots in the coastal region would have been protected by it. It probably would have only kept cattle and horses grazing on the kula away from theouselots and small gardens along the shoreline."

Barrera concludes his report by stating that "Site 7276, the Kuakini Wall, is significant for its association with broad patterns of history, its association with a significant person, its importance to an ethnic group [the native Hawaiians] and because it contains important historical information, specifically, information on methods and techniques of stone wall construction. Every effort should be made to stabilize and protect this site. Breaches of the Wall for access should be allowed, with the prior consultation and approval of the Historic Sites Section [State Historic Preservation Division]."

Visual Impact. Lot 6 is currently vacant. Its development for commercial office and/or for retail purposes will be in harmony with the existing commercial developments at "Crossroads."

3.4 Infrastructure and Public Services Requirements

Roads. Lot 6 is serviced by Henry Street. Henry Street was constructed within an 80 foot right-of-way with a median strip, sidewalks, street lights at appropriate intersections, street lamps, and is landscaped with palm trees.

Access to Henry Street is from the Queen Kaahumanu Highway and Palani Road.

In their study titled Traffic Impact Analysis Report for Crossroads Phase 2, (which includes Lot 6) dated April 1993, Barton-Aschman Associates, Inc., of Honolulu, Hawaii, analyzed the traffic impact for the development of Phase 2 of "Crossroads" for Maryl Development, Inc. Three intersections were selected for the study. They are:

- (1) Palani Road and Queen Kaahumanu Highway;
- (2) Henry Street and Queen Kaahumanu Highway (future condition); and
- (3) Palani Road and Henry Street (future condition).

The analysis was based on the construction of the Henry Street extension through Phase 2 and the following off-site improvements:

- (1) Extend Henry Street from the applicant's mauka property line to Palani Road on property provided by others. This segment would be developed as a four lane collector with a turn lane within an 80' right-of-way, matching the cross-section of Henry Street makai of Queen Kaahumanu Highway;
- (2) Construct one-half of the Henry Street/Palani Road intersection; the other half should be provided by the developer of the Mid-Level Road.

In their summary, Barton-Aschman Associates, Inc. discussed the results of the level-of-service (LOS) analysis that would identify project-related impacts on the surrounding roadway network and mitigation measures, if any.

Barton-Aschman Associates, Inc. writes:

"Criteria have been established in various cities to define a significant traffic impact requiring mitigation. These criteria were used in this study as specific guidelines have not been established in Kailua-Kona. Generally, the criteria are as follows: if the level-of-service (LOS) under cumulative conditions without the project is E or F, and the volume/capacity (V/C) ratio changes 0.030 or less, the project's traffic impacts are considered insignificant. However, if the V/C ratio change is

greater than 0.030, then mitigation measures that will reduce the V/C ratio change to less than 0.030 must be identified. If the LOS with project traffic is D or better or if the V/C ratio changes are less than 0.030, then no mitigation is required. For this project, the 0.030 criterion has been used."

A summary of the level-of-service analysis results for the intersections under study showed that "none of the intersections that indicate Level-of-Service E or F under Cumulative Conditions demonstrate a change of 0.030 or greater during the AM peak or PM peak hours."

Thus, Barton-Aschman Associates, Inc. concluded that "the LOS for cumulative plus project conditions is either D or better or the V/C ratio changes less than 0.030 at all three intersections analyzed. Therefore, no mitigation measures are required in addition to the off-site improvements noted above."

Water Services. Water service is available to Lot 6 from an existing 12" ductile iron pipeline along Henry Street.

Wastewater Services. The development on Lot 6 shall be required to hook up to the 12" PVC sewer line which is in place along Henry Street.

Electrical and Telephone Services. Underground electrical and telephone lines are available along Henry Street.

Drainage System. Any increase in runoff attributed to the development of Lot 6 will be disposed of on site through drywells constructed on Lot 6 or through an alternative method acceptable to the Department of Public Works. Runoff shall not be directed toward any adjacent properties. The construction of drywells may require an Underground Injection Control (UIC) permit in accordance with Title 11, Chapter 23, Hawaii Administrative Rules of the Department of Health.

Emergency Services. If required, fire and emergency medical personnel are stationed at the Kailua Fire Station on Palani Road. If police assistance is required, the Hawaii County Police Department's Kealakehe Station is located off of Queen Kaahumanu Highway. The Kona Community Hospital is located in Kealahou.

Solid Waste Services. Construction waste, debris, etc., generated during the land clearing and construction phases on Lot 6 shall be disposed of at an authorized disposal site.

After occupancy, the business entities located on Lot 6 shall be individually or collectively responsible for the disposal of the solid waste generated on the site. Good conservation practices and a recycling program should be implemented.

Other Public Services. The proposed project should not impact other public services.

4.0 LAND USE PLANS AND POLICIES

4.1 Hawaii State Planning Act

Section 226-6, Hawaii Revised Statutes, as amended, reads as follows:

Objectives and policies for the economy - in general.

- (a) Planning for the State's economy in general shall be directed toward achievement of the following objectives:
 - (1) Increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawaii's people.
 - (2) A steadily growing and diversified economic base that is not overly dependent on a few industries, and includes the development and expansion of industries on the neighbor islands.
- (b) To achieve the general economic objectives, it shall be the policy of this State to:
 - (1) Expand Hawaii's national and international marketing, communication, and organizational ties, to increase the State's capacity to adjust to and capitalize upon economic changes and opportunities occurring outside the State.
 - (2) Promote Hawaii as an attractive market for environmentally and socially sound investment activities that benefit Hawaii's people.

- (3) Seek broader outlets for new or expanded Hawaii business investments.
- (4) Expand existing markets and penetrate new markets for Hawaii's products and services.
- (5) Assure that the basic economic needs of Hawaii's people are maintained in the event of disruptions in overseas transportation.
- (6) Strive to achieve a level of construction activity responsive to, and consistent with, state growth objectives.
- (7) Encourage the formation of cooperatives and other favorable marketing arrangements at the local or regional level to assist Hawaii's small scale producers, manufacturers, and distributors.
- (8) Encourage labor-intensive activities that are economically satisfying and which offer opportunities for upward mobility.
- (9) Foster greater cooperation and coordination between the government and private sectors in developing Hawaii's employment and economic growth opportunities.
- (10) Stimulate the development and expansion of economic activities which will benefit areas with substantial or expected employment problems.
- (11) Maintain acceptable working conditions and standards for Hawaii's workers.
- (12) Provide equal employment opportunities for all segments of Hawaii's population through affirmative action and nondiscrimination measures.
- (13) Encourage businesses that have favorable financial multiplier effects within Hawaii's economy.
- (14) Promote and protect intangible resources in Hawaii, such as scenic beauty and the aloha spirit, which are vital to a healthy economy.

- (15) Increase effective communication between the educational community and the private sector to develop relevant curricula and training programs to meet future employment needs in general, and requirements of new, potential growth industries in particular.
- (16) Foster a business climate in Hawaii - including attitudes, tax and regulatory policies, and financial and technical assistance programs - that is conducive to the expansion of existing enterprises and the creation and attraction of new business and industry.

The proposed sale, in fee simple or by lease, and its subsequent development will provide for additional growth within the commercial core in Kailua-Kona. The construction and development of Lot 6 will provide additional employment opportunities for our residents.

4.2 State Land Use Commission

The project site is zoned urban by the State Land Use Commission.

In accordance with Chapter 205 of the Hawaii Revised Statutes, as amended, titled Land Use Commission, urban districts shall include activities and uses as provided by ordinances or regulations of the county within which the urban district is situated.

4.3 The General Plan-County of Hawaii

The County of Hawaii's General Plan is the policy document for the long-range comprehensive development of the County of Hawaii. The General Plan provides the direction for the future growth of the County. It brings into focus the relationship between residents and their pursuits and institutions, offering policy statements which embody the expressed goals for present and future generations.

The Hawaii County Charter mandates that the General Plan contain the following:

"A statement of development objectives, standards and principles with respect to the most desirable use of land within the county for residential, recreational,

agricultural, commercial, industrial and other purposes which shall be consistent with proper conservation of natural resources and the preservation of our natural beauty and historical sites; the most desirable density of population in the several parts of the county; a system of principal thoroughfare, highways, streets, public access to the shorelines, and other open space; the general locations, relocations and improvements of public buildings, the general location and extent of public utilities and terminals, whether public or privately owned, for water, sewers, light, power, transit, and other purposes; the extent and location of public housing projects; adequate drainage facilities and control; air pollution; and such other matter as may, in the council's judgment, be beneficial to the social, economic, and governmental conditions and trends and shall be designed to assure the coordinated development of the county and to promote the general welfare and prosperity of its people."

In its policies for the long range development of the County, the Economic goals listed in the General Plan includes the following:

- (1) Provide residents with opportunities to improve their quality of life; and
- (2) Economic development shall be in balance with the physical and social environments of the island.

The disposition of Lot 6 is consistent with the stated goals of the General Plan. The disposition will allow for the development of Lot 6. Initially, employment opportunities will exist in the land clearing, building and landscaping of Lot 6. After completion, the new commercial development will provide added employment opportunities in a variety of businesses.

The disposition of Lot 6 will allow for economic growth within the commercial core of Kailua-Kona. Placing Lot 6 on the market will provide an opportunity to guide growth concentrically around the established commercial core.

The General Plan Land Use Pattern Allocation Guide Map (LUPAG) designates Lot 6 as High Density Urban. The designation is characterized by commercial, multiple residential (up to 87 units per acre) and related services (general and office commercial).

4.4 Zoning Code of the County of Hawaii

Lot 6 is zoned General Commercial (CG-20) according to Chapter 25, Zoning, Hawaii County Code.

4.5 Coastal Zone Management

Chapter 205A, Hawaii Revised Statutes, as amended, titled Coastal Zone Management, provides the following definitions:

"Coastal zone management area means all lands of the State and the area extending seaward from the shoreline to the limit of the State's police power and management authority, including the United States territorial sea;" and

"Coastal zone management program means the comprehensive statement in words, maps, or the permanent media of communication, prepared, approved for submission, and amended by the State and approved by the United States government pursuant to Public Law No. 92-583, as amended, and the federal regulations adopted pursuant thereto, which describes objectives, policies, laws, standards, and procedures to guide and regulate public and private uses in the coastal zone management area....."

Since all lands of the State is subject to Chapter 205A, the proposed project shall comply with the objectives and policies of the coastal zone management program. Lot 6 is a non-coastal site. The proposed disposition of Lot 6 and any development thereon will conform to the policy that those "developments which are not coastal dependent to locate in inland areas."

4.6 Special Management Areas

Lot 6 is not within the boundaries of the special management area as delineated by the Planning Commission of the County of Hawaii.

4.7 Kailua Village Design Plan

Lot 6 is not within the boundaries of the Kailua Village Design Plan.

4.8 Hawaii Redevelopment Agency

Lot 6 is not within an area under the jurisdiction of the Hawaii Redevelopment Agency.

5.0 OTHER PERMITS, APPROVALS, ETC.

The following permits, approvals, etc., will be required as part of this proposed project:

State of Hawaii

The proposed project may require compliance with Title 11, Chapter 23, Hawaii Administrative Rules of the Department of Health titled "Underground Injection Control."

The contractor for the proposed project shall comply with the provisions of Title 11, Chapter 46, Hawaii Administrative Rules of the Department of Health titled "Community Noise Control."

All buildings constructed on Lot 6 shall conform to all applicable requirements of the Hawaii Revised Statutes pertaining to building construction.

County of Hawaii

The public auction sale of Lot 6 shall require the approval of the majority of the Council of the County of Hawaii, as provided for in Section 2-111, Powers of Council, Hawaii County Code.

The development of Lot 6 shall require a Plan Approval from the Planning Department in accordance with Chapter 25 of the Hawaii County Code titled Zoning.

Design plans and specifications for the proposed project which shall include drainage, off-site plans as may be necessary and all earthwork activity, including grading and grubbing, shall be submitted to the Department of Public Works as a part of the Grading Permit application process as provided for in Chapter 10 of the Hawaii County Code titled Erosion and Sediment Control.

A driveway to Lot 6 already exists. However, should the development on Lot 6 require additional driveway work within the County roadway (Henry Street), a Driveway

Connection Permit in accordance with Chapter 22, Streets and Sidewalks, Hawaii County Code, from the Department of Public Works, is required.

All buildings constructed on Lot 6 shall conform to all applicable requirements of the Hawaii County Code pertaining to building constructions.

6.0 SUMMARY OF PROBABLE IMPACTS AND MITIGATION MEASURES

6.1 Construction Phase

To mitigate any noise generated during the construction phase of the development of Lot 6, the contractor shall comply with the provisions of Title 11, Chapter 46, Hawaii Administrative Rules of the Department of Health titled Community Noise Control.

To mitigate any impact to air quality during the construction phase, the contractor shall be required to develop and implement a dust control plan.

To mitigate any increase in runoff attributed to the proposed project, drywells or an alternative drainage system acceptable to the Department of Public Works will be designed and constructed.

To mitigate any potential impact to the Great Wall of Kuakini during the development of Lot 6, interior protection measures shall be implemented.

An appropriate buffer zone shall be fenced off with highly visible fencing material during land alteration and preparation activities and during the entire period of construction. The Hawaii island staff archaeologist with the State Historic Preservation Division shall be notified (Tel. [808] 933-0482), and an inspection of the fence line shall be completed prior to the start of any land alteration and/or construction activity.

6.2 Operational Phase

To minimize any adverse environmental and ecological impacts, proper maintenance shall be performed at the project site.

To mitigate any potential impact to the Great Wall of Kuakini, a permanent buffer zone, ten feet (10') wide, measured from the base of the Wall shall be required.

7.0 ALTERNATIVES TO THE PROPOSED ACTION

7.1 No Action

If no action is taken, Lot 6 will remain vacant, unimproved County-owned lands.

7.2 Alternative Sites

The County of Hawaii does not have any other commercially zoned property available for disposition.

8.0 DETERMINATION

In accordance with Chapter 343, Hawaii Revised Statutes, the technical and environmental issues, their potential impacts and significance as they relate to the proposed disposition and subsequent development of Lot 6, has been discussed in the Final Environmental Assessment. It is anticipated that the proposed disposition and subsequent development of Lot 6 will not significantly impact the environment, therefore, the determination is to issue a Finding of No Significant Impact (FONSI). This determination is based on the significant criteria listed in Section 11-200-12, Hawaii Administrative Rules of the Department of Health titled Environmental Impact Statement Rules which are discussed below:

- (1) The proposed project does not involve an irrevocable commitment or loss or destruction of any natural or cultural resources.

A portion of the Great Wall of Kuakini (Site 7276) is located along the eastern boundary of Lot 6. To insure that any development on Lot 6 would have "no adverse effect" on the Wall, (1) Interior Protection Measures during construction; and (2) a permanent buffer zone, ten feet (10') wide, measured from the base of the wall shall be required.

- (2) The proposed project does not curtail the range of beneficial uses of the environment.

No restriction of beneficial uses would occur as the proposed use of the site is consistent with existing land use plans and policies.

- (3) The proposed project does not conflict 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.

The broad goals of the State's long-term environmental policies are to conserve natural resources and enhance the quality of life. The proposed public auction sale and development of Lot 6 will not conflict with these goals.

- (4) The proposed project does not substantially affect the economic or social welfare of the community or State.

The proposed public auction sale of Lot 6 will have a positive economic effect since it will provide additional monies to the General Fund of the County of Hawaii. Development of Lot 6 will add short-term economic opportunities in the construction industry and for the long term, provide for additional economic growth within the commercial core of Kailua-Kona.

- (5) The proposed project does not substantially affect public health.

The public auction sale of Lot 6 and its subsequent development will not substantially affect public health and/or safety.

- (6) The proposed project does not involve substantial secondary impacts, such as population changes or effects on public facilities.

No secondary effects are expected. The availability of public services such as roads, water, wastewater, electrical and telephone service was addressed during the development of "Crossroads" of which Lot 6 is a part.

- (7) The proposed project does not involve a substantial degradation of environmental quality.

The public auction sale of Lot 6 will not involve a substantial degradation of environmental quality. The subsequent development will utilize Best Management Practices and shall comply with all applicable statutes, laws, ordinances, rules and regulations of the Federal, State and County of Hawaii governments.

- (8) The proposed project is not one which is individually limited but cumulatively may have considerable effect upon the environment or involves a commitment for larger actions.

The proposed project is limited to the public auction sale of Lot 6 and its subsequent development in accordance with applicable land uses, zoning and building requirements. The proposed project is not related to other activities in the area in such a way that it would produce adverse cumulative effects or involve a commitment of a larger action.

- (9) The proposed project does not substantially affect any rare, threatened or endangered species or its habitat.

Lot 6 is not a habitat, nesting area or flight path for any known rare, threatened, or endangered species of flora or fauna.

- (10) The proposed project does not detrimentally affect air or water quality or ambient noise levels.

No substantial effects to air, water or ambient noise levels will occur from the public auction sale of Lot 6 and its subsequent development. Temporary effects will occur during the construction period but will be mitigated by employing Best Management Practices and strict adherence to applicable Department of Health regulation regarding air, water and noise.

- (11) The project does not affect nor would it likely to be damaged as a result of being located in environmentally sensitive area such as a flood plain, tsunami zone, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal area.

Although the proposed project is located in a zone exposed to seismic hazard, there are no reasonable alternatives that would avoid such exposure. The proposed action would not expose any person to unreasonable risk.

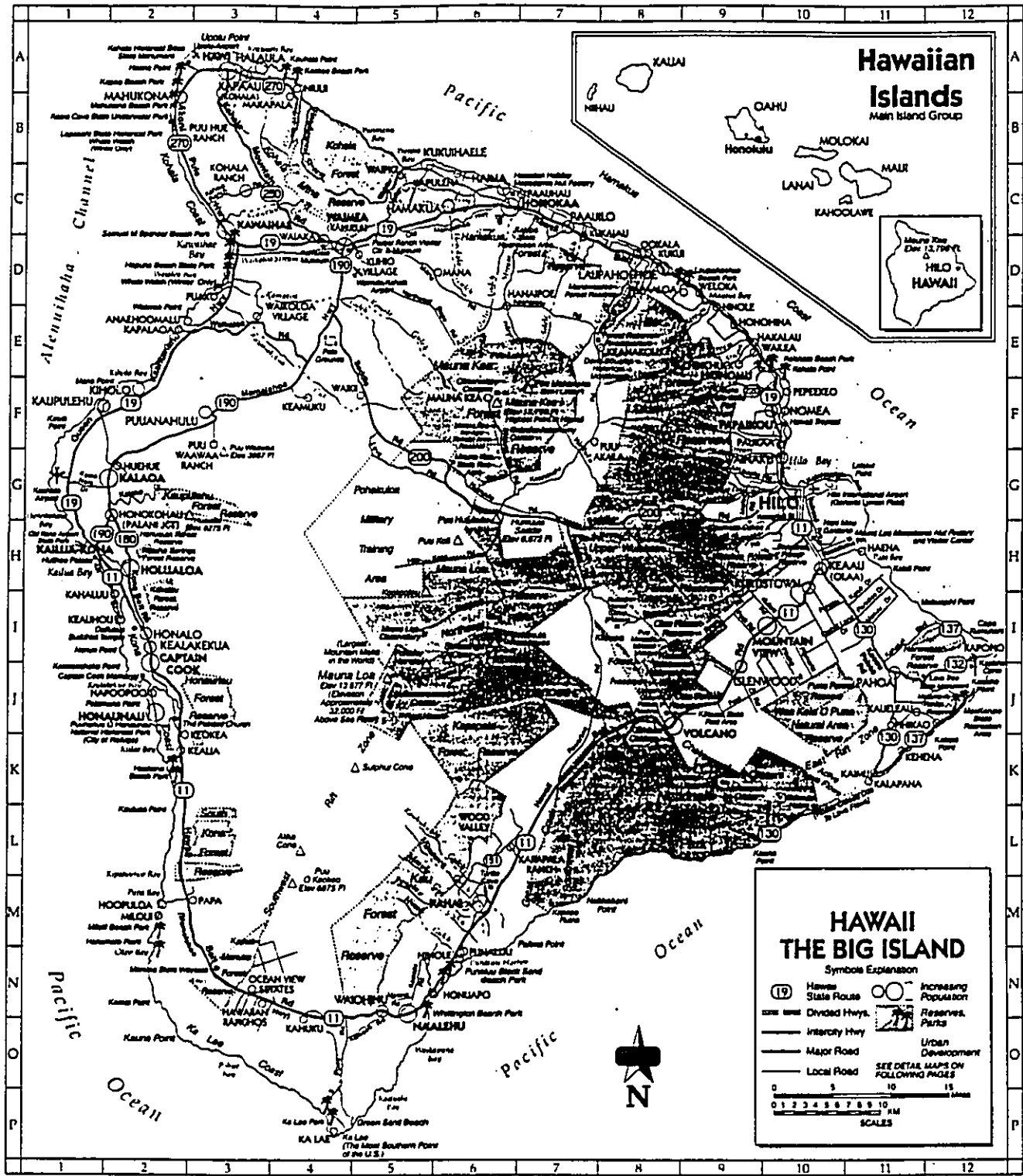
- (12) The project will not substantially affect scenic vistas and viewplanes identified in county or state plans or studies.

Lot 6 does not lie within scenic vista and viewplanes identified in the General Plan - County of Hawaii.

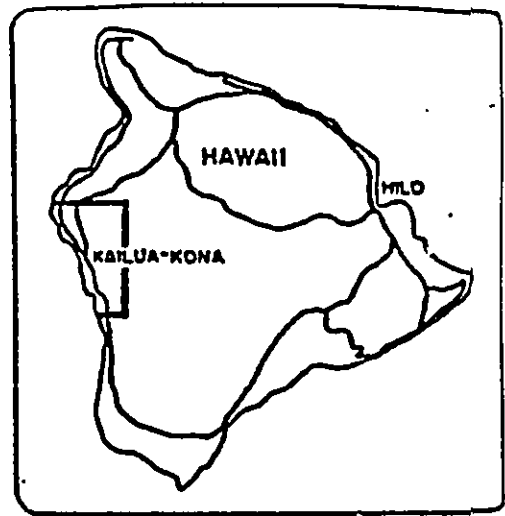
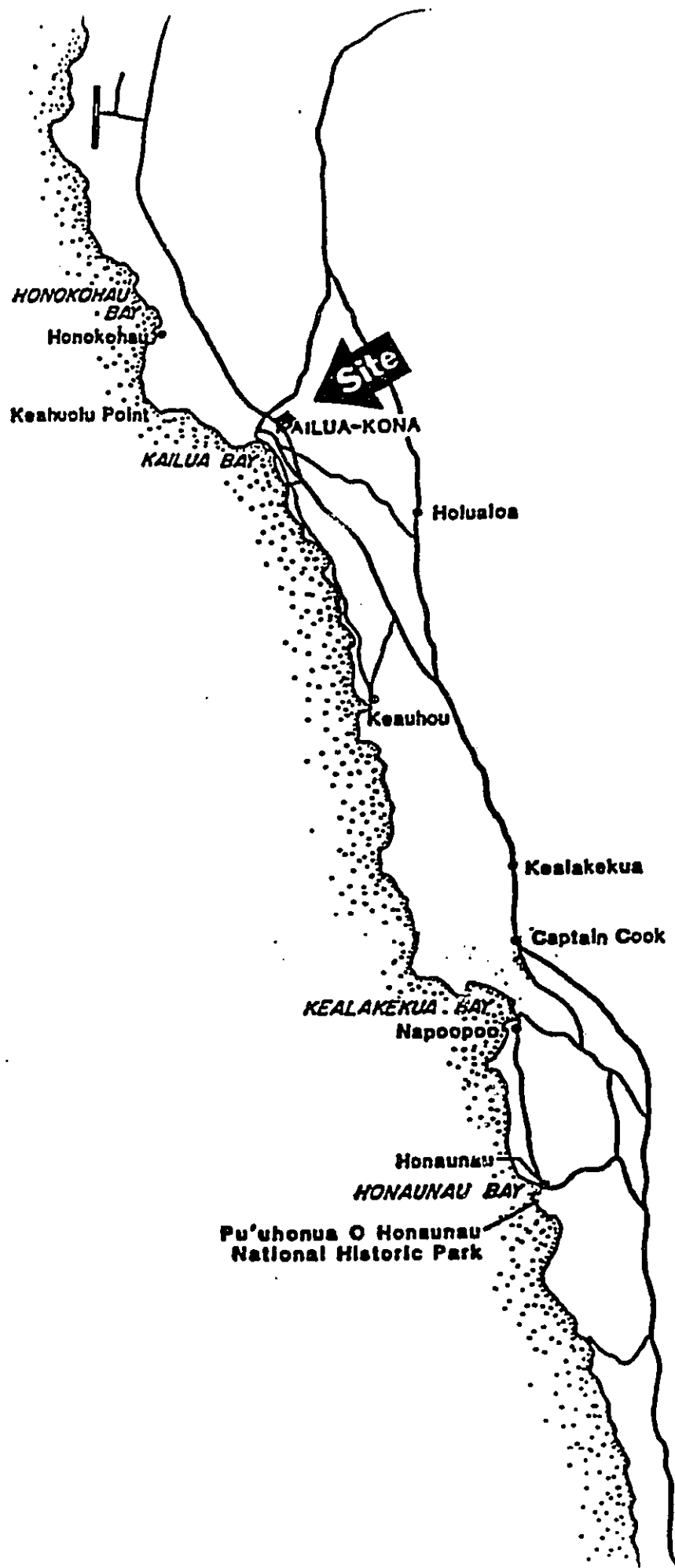
(13) The project will not require substantial energy consumption.

The public auction sale of Lot 6 and its subsequent development will not require substantial energy consumption.

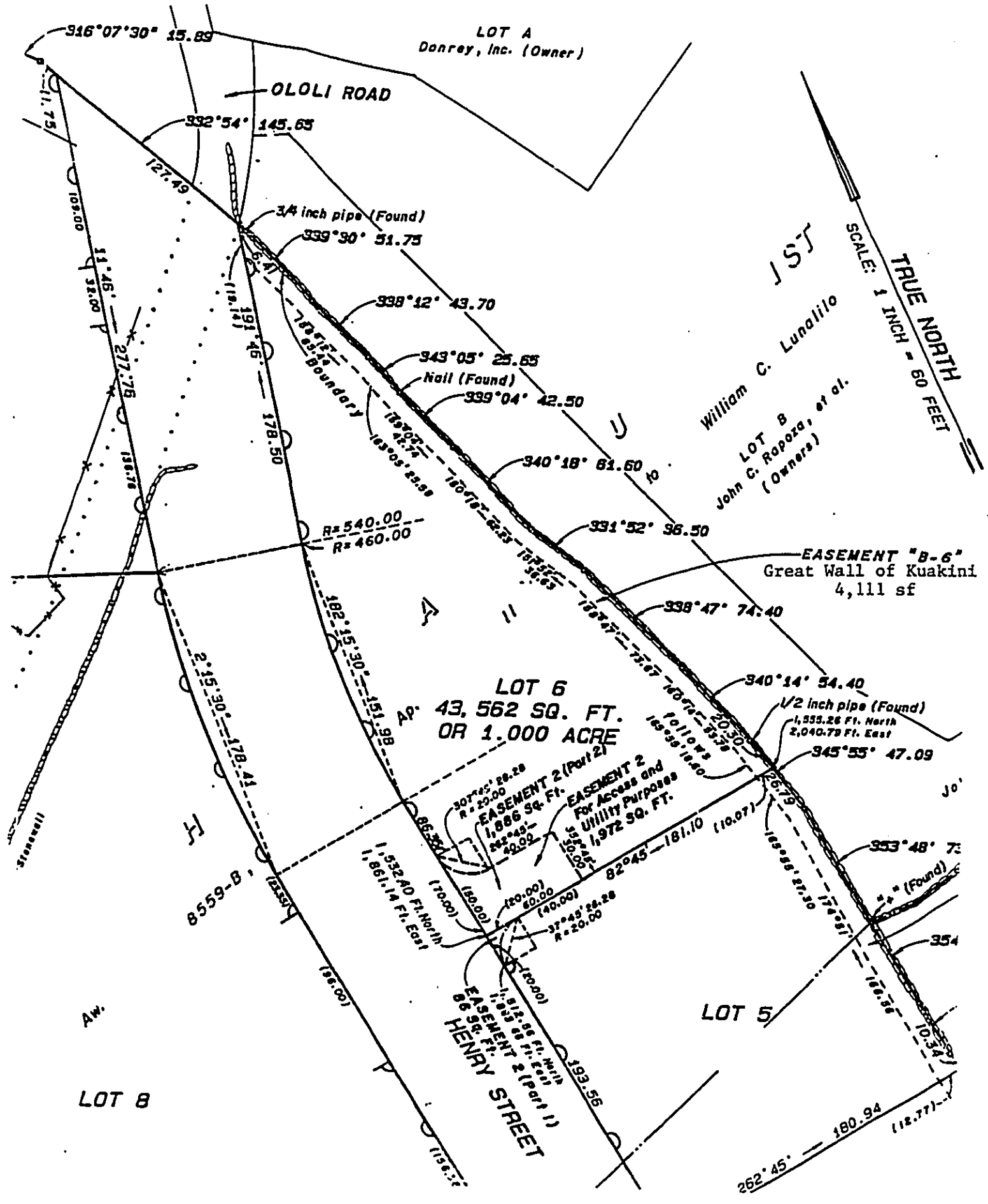
M A P S



Map 1...ISLAND OF HAWAII



Location Map



LOT A
 Danrey, Inc. (Owner)

OLOLI ROAD

1ST
 William C. Lunailo
 LOT B
 John C. Rapozo, et al.
 (Owners)

SCALE: 1 INCH = 60 FEET
 TRUE NORTH

LOT 6
 43,562 SQ. FT.
 OR 1.000 ACRE

EASEMENT "B-6"
 Great Wall of Kuakini
 4,111 sf

EASEMENT 2 (Part 2)
 1,866 Sq. Ft.
 EASEMENT 2
 For Access and
 Utility Purposes
 1,972 SQ. FT.

EASEMENT 2 (Part 1)
 66 Sq. Ft.
 HENRY STREET

LOT 5

LOT 8

Aw.

8559-B

307°25' 28.28
 R = 25.00
 1,532.40 Ft. North
 1,861.14 Ft. East
 (10.00)
 (10.00)
 (20.00)
 (40.00)
 37°45' 28.28
 R = 20.00
 (10.00)
 (10.00)
 1,812.58 Ft. North
 1,835.58 Ft. East
 (10.00)

1/2 inch pipe (Found)
 1,535.26 Ft. North
 2,040.79 Ft. East

316°07'30" 15.89
 332°54' 145.63
 127.49
 111.75
 105.00
 11.45
 38.00
 277.78
 198.78
 191.46
 118.14
 178.50
 3/4 inch pipe (Found)
 339°30' 51.75
 338°12' 43.70
 343°05' 25.83
 Nail (Found)
 339°04' 42.50
 340°18' 81.60
 331°52' 96.50
 R=540.00
 R=460.00
 182°15' 30" 151.98
 2°15' 30" 178.41
 340°18' 81.60
 331°52' 96.50
 338°47' 74.40
 340°14' 54.40
 1/2 inch pipe (Found)
 1,535.26 Ft. North
 2,040.79 Ft. East
 345°55' 47.09
 307°25' 28.28
 R = 25.00
 1,532.40 Ft. North
 1,861.14 Ft. East
 (10.00)
 (10.00)
 (20.00)
 (40.00)
 37°45' 28.28
 R = 20.00
 (10.00)
 (10.00)
 1,812.58 Ft. North
 1,835.58 Ft. East
 (10.00)
 353°48' 73
 * (Found)
 354
 262°45' 180.94
 (12.77)

APPENDIX A: REFERENCES

REFERENCES

1. Chapter 343, Hawaii Revised Statutes, as amended, titled Environmental Impact Statement.
2. Environmental Impact Statement Rules, Title 11, Chapter 200, Hawaii Administrative Rules of the Department of Health.
3. Data Book 1998, County of Hawaii, Department of Research and Development.
4. United States Geological Survey (USGS) map, Kailua quadrangle.
5. Soil Survey of the Island of Hawaii, State of Hawaii, 1973, United States Department of Agriculture, Soil Conservation Service in cooperation with the University of Hawaii Agricultural Experiment Station.
6. In Gardens of Hawaii by Marie C. Neal, 1965.
7. Federal Emergency Management Agency, Flood Insurance Rate Map.
8. United States Department of the Interior, United States Geological Survey (USGS), Hawaii Volcano Observatory map as published in the Data Book 1998, County of Hawaii, Department of Research and Development.
9. Underground Injection Control, Title 11, Chapter 23, Hawaii Administrative Rules of the Department of Health.
10. Section 226-6, Hawaii Revised Statutes, as amended, titled Hawaii State Planning Act.
11. Chapter 205, Hawaii Revised Statutes, as amended, titled Land Use Commission.
12. The General Plan, Hawaii County 1989.
13. Chapter 25, Hawaii County Code, titled Zoning, as amended by Ordinance No. 96 160.
14. Chapter 205A, Hawaii Revised Statutes, as amended, titled Coastal Zone Management.

15. Section 205A-21, Hawaii Revised Statutes, as amended, titled Special Management Areas, Findings and purposes.
16. Lanikai, North Kona, Hawaii Island: Archaeological Inventory Survey, prepared by William Barrera, Jr., of Chiniago, Inc., September 1990.
17. Ordinance No. 93 124, amending Section 25-87, North Kona Zone Map, Article 3, Chapter 25, Zoning, Hawaii County Code.
18. Traffic Impact Analysis Report for Crossroads, Phase 2 in Kailua-Kona, Hawaii prepared by Barton-Aschman Associates, Inc., April 1993.
19. Kailua Village Design Plan 1988 prepared by Wil Chee-Planning, July 1988.

APPENDIX B: LETTERS

Development

Architecture & Planning

Construction

Landscaping



Realty

Commercial Sales
& Leasing

Commercial Property
Management

July 19, 1999

The Honorable Mayor Stephen Yamashiro
County of Hawaii
25 Aupuni Street
Hilo HI 96720

- REVISED -
VIA FACSIMILE & REGULAR MAIL
961-6553

RE: UPPER HENRY STREET PARCEL, KAILUA-KONA, HAWAII
TMK (3)7-5-4:63, CROSSROADS LOT 6

Dear Mayor Yamashiro:

We would like to enter into a lease/purchase or straight purchase for the above referenced County owned lot.

We are prepared to offer:

1. \$500,000 cash for the parcel, or
2. A 7-1/2% per annum return lease, valuing the parcel at \$500,000, with an option to purchase.

We are prepared to close escrow 30 days following the necessary County approval for the transaction.

We look forward to hearing from you regarding this proposal.

Sincerely,

Mark S. Richards
President

MSR/jr

Cc: Ed Rapoza, Vice President
Ken Melrose, Vice President/Development

Maryl Group, Inc.

1001 Kailua-Kona, Hawaii 96745-1928
Henry Street Suite 200 Kailua-Kona, Hawaii 96740
Tel: 949-231-1111 • Fax: 949-231-1111

Development
Architecture & Planning
Construction
Landscaping



Realty
Commercial Sales
& Leasing
Commercial Property
Management

August 9, 1999

Glen Taguchi, Special Assistant
Office of the Mayor
County of Hawaii
25 Aupuni Street
Hilo HI 96720

VIA FACSIMILE & REGULAR MAIL
961-6553

RE: LOT 6 AT CROSSROADS, KAILUA-KONA, HAWAII

Dear Glen:

This confirms our telephone conversation on Friday, August 6th regarding Maryl Group's interest in pursuing acquisition of the County-owned above referenced parcel per our written offer dated July 19, 1999 to Mayor Stephen Yamashiro.

If any "pot holes" show up, please advise so we may assist.

Very sincerely,

A handwritten signature in black ink, appearing to read "MSR", written over a horizontal line.

Mark S. Richards
President

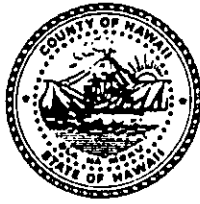
MSR/jr

cc: Ed Rapoza, Vice President
Ken Melrose, Vice President/Development

Maryl Group, Inc.
2101 Kona Rd. #210 Kailua-Kona, Hawaii 96741-1929
5000 Aupuni Street, Suite 200 Hilo, HI 96720 Hawaii 96720
Tel: 949-933-1111 • Fax: 949-933-1112

**APPENDIX C: LETTER/RESPONSES TO
PRE-ASSESSMENT CONSULTATION**

Stephen K. Yamashiro
Mayor



William G. Davis
Managing Director
Henry Cho
Deputy Managing Director

County of Hawaii

25 Aupuni Street, Room 215 • Hilo, Hawaii 96720-4252 • (808) 961-8211 • Fax (808) 961-6553
KONA: 75-5706 Kuakini Highway, Suite 103 • Kailua-Kona, Hawaii 96740
(808) 329-5226 • Fax (808) 326-5663

October 12, 1999

MEMORANDUM

To: All Cooperating Agencies and Interested Parties
From: Stephen K. Yamashiro, Mayor
County of Hawaii
Subject: Pre-Assessment Consultation for the Proposed
Public Auction Sale, in Fee Simple or by Lease,
of Lot 6 at "Crossroads" situate at Lanihau 1st,
North Kona, Hawaii, Tax Map Key: 3rd/7-5-04:63

The County of Hawaii is considering the public auction sale, in fee simple or by lease, of Lot 6 at "Crossroads".

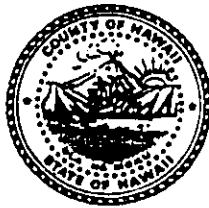
Since the proposed action involves County-owned lands, an environmental assessment is being prepared in accordance with the requirements of Chapter 343, Hawaii Revised Statutes, as amended, and the Environmental Impact Statement Rules, Title 11, Chapter 200, Hawaii Administrative Rules of the Department of Health.

Your review of the enclosed pre-assessment consultation document is appreciated. We would appreciate receiving any comments you may have by November 12, 1999. Should you have any questions on this matter, please feel free to call on Executive Assistant Glenn Y. Taguchi at (808) 961-8503.

Enclosure

c: U.S Army Engineer Division, Pacific Ocean
DBEDT-Office of Planning
Department of Hawaiian Home Lands
Department of Health
Office of Hawaiian Affairs
DLNR-State Historic Preservation Division
DLNR-Land Division
DLNR-Land Division, Hawaii District Branch
DLNR-Division of Water Resource Management
DOT-Highways Division
Hawaii County Civil Defense Agency
Planning Department
Department of Public Works
Department of Research and Development
Department of Water Supply
Hawaii County Fire Department
Hawaii County Police Department
Bank of Hawaii
Cades Schutte Fleming & Wright
Easley Corporation
First Hawaiian Bank
Greenwell Farms, Inc.
Hawaii Electric Light Company, Inc.
Honokohau Properties
Hualalai Development Company
Kahua Ranch, Limited
Kamehameha Schools/Bernice Pauahi Bishop Estate
Kona Transportation Co.
Lanihau Partners, L.P.
L'Orange and Associates
MacFarms of Hawaii, Inc.
Mauna Lani Service, Inc.
McCandless Ranch
Mooers Enterprises
Oceanside 1250
Parker Ranch
Pono Holo Ranch
Riehm Owensby Planners Architects
Sea Cliff Development
Sun Cablevision
The Nature Conservancy of Hawaii
Waimea Water Services, Inc.
Water Resources International, Inc.
West Hawaii Concrete

Stephen K. Yamashiro
Mayor



William G. Davis
Managing Director

Henry Cho
Deputy Managing Director

OCT 12 2 36 PM '99

County of Hawaii

25 Aupuni Street, Room 215 • Hilo, Hawaii 96720-4252 • (808) 961-8211 • Fax (808) 961-6553
KONA: 75-5706 Kuakini Highway, Suite 103 • Kailua-Kona, Hawaii 96740
(808) 329-5226 • Fax (808) 326-5663

October 12, 1999

MEMORANDUM

To: All Cooperating Agencies and Interested Parties

From: Stephen K. Yamashiro, Mayor
County of Hawaii

Subject: Pre-Assessment Consultation for the Proposed
Public Auction Sale, in Fee Simple or by Lease,
of Lot 6 at "Crossroads" situate at Lanihau 1st,
North Kona, Hawaii, Tax Map Key: 3rd/7-5-04:63

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Your review of the enclosed pre-assessment consultation document is appreciated. We would appreciate receiving any comments you may have by November 12, 1999. Should you have any questions on this matter, please feel free to call on Executive Assistant Glenn Y. Taguchi at (808) 961-8503.

Enclosure

10/13/99

The DLNR Land Division (HI District Branch)
has no comments regarding this request.



OCT 14 1999
DLNR
KAILUA-KONA
HAWAII

October 18, 1999

NOTE TO FILE

Per Route Slip from Jiro Sumada, Deputy Chief Engineer, Department of Public Works, the Building Division and the Engineering Division reviewed the pre-assessment consultation document for the public auction sale of Lot 6 and had no comments to the proposal.

October 5, 1999



Fax to: Glenn Taguchi
961-6553

From: Rick Vidgen

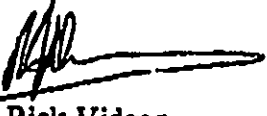
Dear Glenn,

This note is in support of the proposed County sale by auction of the 1-acre lot known as Crossroads Lot 6.

I fully appreciate that the real estate activities of the County are often over-scrutinized by some of our zealous citizens. However, in this case, the proposed sale seems a complete win/win for the community. The Crossroads Center is a very successful commercial model for Hawaii with good planning and excellent execution being obvious. It is logical and sensible to expand this area and the sale of Lot 6 will allow this to happen.

As an interested taxpayer, I fully support the proposed sale.

Sincerely,


Rick Vidgen
President
MacFarms of Hawaii, Inc.

RV:mkh

RECEIVED
OCT 5 10 05
MACFARMS OF HAWAII



October 9, 1999

Mr. Glenn Taguchi
Executive Assistant
Mayor's Office
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

RE: Crossroads Lot 6

Dear Glenn:

I am writing this letter in support of the County putting the commercial lot 6 up for public auction. I think this is a good idea to generate funds for the County and allow this lot to be developed privately versus sitting vacant in one of Kailua-Kona's most successful commercial developments. I fully support any effort to auction this parcel.

Sincerely,

Michael J. Riehm, A.I.A.



WEST HAWAII CONCRETE

Glenn Y. Taguchi
Executive Assistant
Office of the Mayor
County of Hawaii
25 Aupuni Street
Hilo Hi 96720

Re: Proposed Public Auction Sale of Lot 6 at "Crossroads" TMK 3rd/7-5-04:63

I appreciate receiving information on the proposed public auction sale of the fee simple interest of the above property.

I believe this property was initially intended to be used for the site of a County building in West Hawaii. Since then commitments were made to use other facilities and with no immediate County use for this property I believe it would be a good decision to sell the property and use the funds for much needed improvements in the West Hawaii area.

Carl L. Simons
President

P.O. Box 1390
Kailua-Kona
Hawaii
95745-1390
COUNTY DOC

CONSTRUCTION MATERIALS AND SERVICES
Ready Mix Concrete Aggregates
Pumping WHC Ltd 11/8/99 Block

Sales Office
(808) 329-3507
Administrative Office
Page 808) 329-3561
808) 329-2267 Fax




October 13, 1999

RECEIVED
'99 OCT 15 AM 11 48
COUNTY OF HAWAII
BY
MAYOR

MEMORANDUM

To: Mayor Stephen K. Yamashiro
County of Hawaii

From:  Stephen P. Bowles
CEO

Subject: Comments regarding the Proposed Public Auction Sale, in Fee Simple or Lease, of Lot 6 at "Crossroads" situate at Lanihau 1st, North Kona, Hawaii, Tax Map Key: 3rd77-5-04:63

I have reviewed the pre-assessment consultation document as you requested.

As an interested citizen and a member of the Hawaii Leeward Planning Conference I find that the document more than adequately describes the subject parcel, its potential uses and the environs.

The proposed public auction/lease is readily supported as being appropriate. It has been declared surplus to the immediate needs of the County of Hawaii and its disposal can only help the financial position of the County.

L'ORANGE & ASSOCIATES
Land Use & Agricultural Consultants

H. Peter L'Orange

Ph: 885-4582

RECEIVED

OCT 15 AM 11 '99

P. O. Box 988
Kamuela, HI 96743

OF THE
CITY OF
HAWAII

October 14, 1999

Glen Taguchi, Special Assistant
Office of the Mayor
County of Hawaii
25 Aupuni St.
Hilo, HI 96720

VIA FACSIMILE & REGULAR MAIL
961-6553

Dear Mr. Taguchi:

I have reviewed the pre-assessment consultation document for the public auction in fee simple or by lease of Lot 6 at "Crossroads." I have no additional comments to make regarding the assessment. I support the sale by public auction of Lot 6 as an appropriate and prudent action.

Very truly yours,

H. Peter L'Orange
H. Peter L'Orange
President

HPL/ba

October 14, 1999

NOTE TO FILE

Per telecon of October 14, 1999, Mr. Monty Richards of Kahua Ranch, Limited, expressed his support for the fee simple sale of Lot 6 at "Crossroads".

Greenwell Farms, Inc.

P.O. Box 248
Kealahou, Hawaii 96750
(808) 323-2862

October 19, 1999

Stephen K. Yamashiro, Mayor
County of Hawaii
25 Aupuni Street, Room 215
Hilo, Hawaii 96720

RE: Pre-Assessment Consultation for the Proposed Public Auction Sale,
in Fee Simple or by Lease, of Lot 6 at "Crossroads" situate at
Lanihau 1, North Kona, Hawaii, TMK: 3rd 7-5-04:63.

Dear Mr. Mayor,

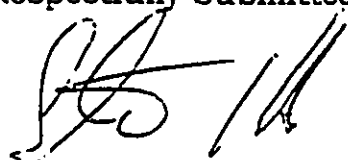
Thank you for the opportunity to review the above referenced document
regarding the proposed disposition.

We have reviewed the document, agree with its findings, and would like
to encourage the County to proceed with the proposed action in due
course for the following reasons:

- The proposed sale or lease will provide funds for the county.
- This action will allow private sector investment to initiate jobs and
commerce in the area.
- Annual real property taxes associated with Lot 6 which not currently
being collected will go directly to the County.

We believe this action to be in the best interest for the citizens of the
County of Hawaii.

Respectfully Submitted,

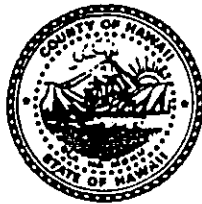


Stephen D. Hicks
Managing Director

MAILED
OCT 25 1999
12 57 PM '99

**APPENDIX D: LETTER/RESPONSES TO
DRAFT ENVIRONMENTAL ASSESSMENT**

Stephen K. Yamashiro
Mayor



William G. Davis
Managing Director

Henry Cho
Deputy Managing Director

County of Hawaii

25 Aupuni Street, Room 215 • Hilo, Hawaii 96720-4252 • (808) 961-8211 • Fax (808) 961-6553
KONA: 75-5706 Kuakini Highway, Suite 103 • Kailua-Kona, Hawaii 96740
(808) 329-5226 • Fax (808) 326-5663

January 4, 2000

MEMORANDUM

To: All Cooperating Agencies and Interested Parties

From: Stephen K. Yamashiro, Mayor
County of Hawaii

Subject: Draft Environmental Assessment for the Proposed Public Auction Sale, in Fee Simple or by Lease, of Lot 6 at Crossroads situate at Lanihau 1st, North Kona, Hawaii, Tax Map Key: 3rd/7-5-04:63

Thank you for participating in the pre-assessment consultation phase of this Proposed Action. All comments received are included in Appendix C and where applicable, have been addressed in the Draft Environmental Assessment.

The County of Hawaii would like to proceed, subject to authorization from the Council of the County of Hawaii, with the public auction sale, in fee simple or by lease, of Lot 6 at Crossroads for commercial development purposes. A Draft Environmental Assessment has been submitted to the Office of Environmental Quality Control. The DEA describes the Proposed Action, the technical and environmental issues, and their potential impacts and significance. The County of Hawaii believes that the Proposed Action will have no major, negative impacts on the environment.

Your review of the enclosed draft environmental assessment is appreciated. The thirty (30) day comment period expires on February 7, 2000. Should you have any questions on this matter, please feel free to call on Executive Assistant Glenn Y. Taguchi at (808) 961-8503.

Enclosure

c: U.S Army Engineer Division, Pacific Ocean
DBEDT-Office of Planning
Department of Hawaiian Home Lands
Department of Health
Office of Hawaiian Affairs
DLNR-State Historic Preservation Division
DLNR-Land Division
DLNR-Land Division, Hawaii District Branch
DLNR-Division of Water Resource Management
DOT-Highways Division
Hawaii County Civil Defense Agency
Planning Department
Department of Public Works
Department of Research and Development
Department of Water Supply
Hawaii County Fire Department
Hawaii County Police Department
Council of the County of Hawaii



DEPARTMENT OF THE ARMY
U. S. ARMY ENGINEER DISTRICT, HONOLULU
FT. SHAFTER, HAWAII 96858-5440

REPLY TO
ATTENTION OF

January 20, 2000

Civil Works Technical Branch

Mr. Glenn Y. Taguchi
County of Hawaii
Office of the Mayor
25 Aupuni Street, Room 215
Hilo, Hawaii 96740

Dear Mr. Taguchi:

Thank you for the opportunity to review and comment on the Draft Environmental Assessment (DEA) for the Proposed Public Auction Sale of Lot 6 at Crossroads, North Kona, Hawaii (TMK 7-5-4: 63). The following comments are provided in accordance with Corps of Engineers authorities to provide flood hazard information and to issue Department of the Army (DA) permits.

a. Based on the information provided, a DA permit is not required for the project.

b. The flood hazard information provided on page 8 of the DEA is correct.

Sincerely,

James Pennaz

James Pennaz, P.E.
Chief, Civil Works
Technical Branch

RECEIVED
'00 JAN 29 PM 1 11
BY
MAYOR

BENJAMIN J. CAYETANO
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

FEB 4 2000

BY
MAYOR

DEPT. OF THE
COUNTY OF HAWAII

00 FEB 10 PM 3 12

RECEIVED

KAZU HAYASHIDA
DIRECTOR
DEPUTY DIRECTORS
BRIAN K. MINAII
GLENN M. OKIMOTO

IN REPLY REFER TO:
HWY-PS
2.7128

00 FEB 7 PM 2 46
COUNTY OF HAWAII

Ms. Virginia Goldstein
Director
Planning Department
County of Hawaii
25 Aupuni Street, Room 109
Hilo, Hawaii 96720-4252

Dear Ms. Goldstein:

Subject: Draft Environmental Assessment for the Proposed Public Auction Sale,
in Fee Simple or by Lease, of Lot 6 at Crossroads, Situated at Lanihau 1st,
North Kona, Hawaii, TMK: 7-5-04: 63

Thank you for your transmittal of January 4, 2000, requesting our review and comments on the
above subject.

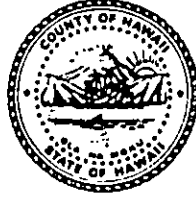
We have no objections to the proposed public lot auction sale. However, we are interested in the
future use of the lot and its impact on the intersection of Henry Street with our State highway.

Very truly yours,

KAZU HAYASHIDA
Director of Transportation

0011.36

Stephen K. Yamashiro
Mayor



Virginia Goldstein
Director

Russell Kokubun
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-8742

January 27, 2000

Mr. Glen Taguchi, Executive Assistant
Office of the Mayor – Hawaii County
25 Aupuni Street, Room 215
Hilo, HI 96720-4252

Dear Mr. Taguchi:

Your Request for Comments Re:
Draft EA (Environmental Assessment)
for Proposed Public Auction Sale,
Fee Simple or Lease at Crossroads,
Kailua-Kona, Lanihau, N. Kona
TMK: 7-5-04: 63, Lot 06

In response to the above request, provided below is our comments on the draft EA (DEA). These comments are made pursuant to Hawaii Administrative Rule 11-200-9(a)(1) in our capacity as the county agency responsible for implementing the Hawaii County GP (General Plan).

Land Use Zoning & Designations. The DEA discussion at items 4.2 – 4.8, 8.0 (12) is consistent with parcel 63's land use zoning and other designations. We confirm that for this parcel the County zoning is CG (Commercial-General); the designated County GP land use is High Density Urban Development and the state land use is "Urban." Parcel 63 is not in the County's SMA (Special Management Area), the Kailua Village Special District or subject to the jurisdiction of the Hawaii Redevelopment Agency.

The DEA's discussion on protection measures at 3.3, 6.1 & .2, and 8.0(1) of the Historic Resources issue and the Great Wall of Kuakini is consistent with the County GP's Historic Sites element for protection, enhancement, and access, GP at 4. Additionally, consistent with the GP Support Document at 35-36, parcel 63 is not a site or vista listed in the GP's Natural Beauty element.

Mr. Glen Taguchi, Executive Assistant
Office of the Mayor – Hawaii County
Page 2
January 27, 2000

The proposed public auction sale for future development consistent with the County's commercial zoning would be congruent with the GP's land use for this parcel.

Thank you for providing this opportunity to comment on the proposed action. Any questions on these comments may be addressed to Earl Lucero, Phone: 961-8288.

Sincerely,


VIRGINIA GOLDSTEIN
Planning Director

EML:gp
P:\wp60\earl\trdcacrossroads.doc

cc: West HI Planning Office

BENJAMIN J. CAYETANO
GOVERNOR



GENEVIEVE SALMONSON
DIRECTOR

STATE OF HAWAII
OFFICE OF ENVIRONMENTAL QUALITY CONTROL

235 SOUTH BERETANIA STREET
SUITE 702
HONOLULU, HAWAII 96813
TELEPHONE (808) 586-4185
FACSIMILE (808) 586-4186

February 7, 2000

RECEIVED
'00 FEB 8 PM 1 31
BY
MAYOR

Mr. Glenn Taguchi
County of Hawai'i, Office of the Mayor
25 Aupuni Street, Room 215
Hilo, Hawai'i 96720

Dear Mr. Taguchi:

This is in response to your draft environmental assessment and anticipated finding of no significant impact for proposed public auction sale, in fee simple or by lease, of Lot 6 at Crossroads, situate at Lanihau 1st, North Kona, Hawai'i, Tax Map Key: 3rd/7-5-04:63. We offer the following comments for your response.

THE GREAT WALL OF KUAKINI, ELIGIBLE FOR LISTING ON THE NATIONAL REGISTER OF HISTORIC PLACES: The County is considering the public auction sale, in fee simple, or by lease, of Lot 6 (county owned land) at "Crossroads" for commercial development purposes. The eastern border of Lot 6 consists of the Great Wall of Kuakini, Site Number 10-27-6302 or 10-27-7276, listed as "eligible" for placement on the National Register of Historic Places, and therefore, triggering the requirement for an environmental assessment under Chapter 343, Hawai'i Revised Statutes. You need to consult immediately with the State Historic Preservation Division about the proposed sale and work with SHPD to specify the dimensions (not given in the draft environmental assessment) of both the construction and permanent buffer zones to protect the Great Wall of Kuakini. These buffer zone dimensions and any correspondence relating thereto must be included in the environmental assessment.

Thank you for the opportunity to comment. If you have any questions, please call Mr. Leslie Segundo of my staff at (808) 586-4185.

Sincerely,

A handwritten signature in cursive script, appearing to read "Genevieve Salmonson".
GENEVIEVE SALMONSON
Director

February 9, 2000

MEMORANDUM

To: File

Subject: Draft Environmental Assessment for the Proposed
Public Auction Sale, in Fee Simple or by Lease, of
Lot 6 at Crossroads situate at Lanihau 1st, North
Kona, Hawaii, Tax Map Key: 3rd/7-5-04:63

On February 9, 2000, I spoke by telephone with Marc Smith,
Hawaii Island Staff Archaeologist, State Historic Preservation
Division, regarding SHPD's comments on the subject DEA. MSmith
said that SHPD would like a permanent buffer of ten feet (10'),
measured from the base of the Great Wall of Kuakini.

Written comments would be forthcoming.



Honi's Beach Association
P.O. Box 2891
Kamuela, HI 96743

(808) 885-8022
Fax: 887-1157

Glenn Taguchi
Office of the Mayor
25 Aupuni Street
Hilo, HI 96720

RECEIVED
'00 FEB 8 PM 1 31
OFFICE OF THE MAYOR
COUNTY OF HAWAII
Feb 4, 2000

Re: Lot 6 at Crossroads, Lanihau, North Kona

Dear Mr. Taguchi,

I am writing on behalf of the Honi's Beach Association and have the following concerns regarding the sale of the Crossroads parcel.

There has been much discussion about the possibility of this crossroads parcel being part of a land exchange for the acquisition of the Honi's Beach parcel now owned by SoBay Hawaii.

I met with you in 1998 at Honi's Beach where we discussed the feasibility of a Public Beach Park on this 3/4 acre beach lot.

What is the status of the three-way land exchange for this shoreline parcel ?

Sobay's SMA permit was re-instated by the Planning Commission and could move forward on construction soon. This land exchange and/or purchase of the beach needs to move forward soon and with a transfer of development rights to a third party developer would be a win-win for both SoBay and our Islands residents.

I recently spoke with Dan Bolton, the landowner of the 18.00 acre parcel across the street and he is still interested in being involved in this exchange. Dan also said he would provide a parking area for the beach users when his parcel is developed.

I have submitted over 3,000 signatures to your department from the residents of Hawaii County in support of a Beach Park at Wai'aha Bay. This shows strong community support for this acquisition and/or exchange.

If the crossroads lot is sold at auction I would like to see the proceeds set aside for the purchase of the Wai'aha Beach parcel.

I respectfully ask of you to work with the Mayor and try to acquire this shoreline parcel for a much needed public park for all the citizens of Hawaii County.

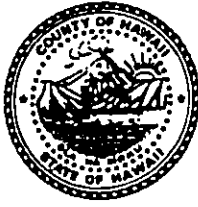
Thanks you for your time and consideration on this very important matter.

Sincerely,



Michael L. Varney

Stephen K. Yamashiro
Mayor



William G. Davis
Managing Director

Henry Cho
Deputy Managing Director

County of Hawaii

25 Aupuni Street, Room 215 • Hilo, Hawaii 96720-4252 • (808) 961-8211 • Fax (808) 961-6553
KONA: 75-5706 Kuakini Highway, Suite 103 • Kailua-Kona, Hawaii 96740
(808) 329-5226 • Fax (808) 326-5663

February 9, 2000

Michael Varney
Honl's Beach Association
Post Office Box 2891
Kamuela, Hawaii 96743

Dear Mr. Varney:

This is to confirm receipt of your letter of February 4, 2000 and our telecon of February 9, 2000 regarding the public auction sale of Lot 6 at "Crossroads" and the acquisition of the Waiaha Bay parcel (Honl's Beach).

As you correctly stated in your letter, there have been discussions involving the County of Hawaii, So Bay Hawaii, Inc. and other interested parties about a land exchange that may include Lot 6 as part of the compensation package for Honl's Beach. However, to date, we have been unsuccessful in developing a course of action acceptable to each of the parties.

Further, as discussed, Council Member J. Curtis Tyler, III, has introduced Bill No. 198-00, which amends the FY 1999-2000 budget to add the following project under the Department of Parks and Recreation:

Waiaha Beach Park Land Acquisition (110-599-5597.80-115)	\$1,000,000
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to be funded by General Obligation Bonds, Capital Projects Fund, Fund Balance and/or other sources.

Thank you for your continued hard work on behalf of the Honl's Beach Association and for your support for the public auction sale of Lot 6 at "Crossroads".

Should you have any other ideas that we may explore, please feel free to call on me at 961-8503.

Sincerely,


GLENN Y. TAGUCHI
Executive Assistant to the Mayor

DEPARTMENT OF PUBLIC WORKS
COUNTY OF HAWAII
HILO, HAWAII

DATE: January 31, 2000

Memorandum

TO: Stephen K. Yamashiro, Mayor
County of Hawaii

FROM: *for* *KG* Department of Public Works

SUBJECT: **DRAFT ENVIRONMENTAL ASSESSMENT**
for the Proposed Public Auction Sale, in Fee Simple
or by Lease, of Lot 6 at Crossroads
Location: Lanihau 1st, North Kona, Hawaii
TMK: 7-5-04: 063

RECEIVED
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COUNTY OF HAWAII
DEPARTMENT OF PUBLIC WORKS
MAYOR

We have reviewed the subject Assessment forwarded by your memo dated January 4, 2000 and have the following comments.

1. All new building construction shall conform to all requirements of code and statutes pertaining to building construction.
2. All development generated runoff shall be disposed of on-site and shall not be directed toward any adjacent properties.
3. All earthwork activity, including grading and grubbing, shall conform to Chapter 10, Erosion and Sedimentation Control, of the Hawaii County Code.
4. Driveway connections to Henry Street shall conform to Chapter 22, Streets and Sidewalks, of the Hawaii County Code.

KG

c: ENG-KON