ENVIRONMENTAL IMPACT STATEMENT
PREPARATION NOTICE

VILLAGES OF ‘ĀINA LE‘A

Waikoloa, South Kohala District, Island of Hawai‘i
TMK: (3) 6-8-001: 25, 36, 37, 38, 39, 40

Accepting Agency: County of Hawai‘i Planning Department
Applicant: Bridge Aina Le‘a, LLC
Prepared By: Makani Resources

November 2007
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# LIST OF ACRONYMS, ABBREVIATIONS AND TERMS

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<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tr>
<td>ALISH</td>
<td>Agricultural Lands of Importance to the State of Hawai‘i</td>
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<td>CZM</td>
<td>Hawai‘i Coastal Zone Management</td>
</tr>
<tr>
<td>dBA</td>
<td>Decibels (Acoustic)</td>
</tr>
<tr>
<td>DLNR</td>
<td>Department of Land and Natural Resources</td>
</tr>
<tr>
<td>DOH</td>
<td>State Department of Health</td>
</tr>
<tr>
<td>DPW</td>
<td>County of Hawai‘i Department of Public Works</td>
</tr>
<tr>
<td>DWS</td>
<td>County of Hawai‘i Department of Water Supply</td>
</tr>
<tr>
<td>EIS</td>
<td>Environmental Impact Statement</td>
</tr>
<tr>
<td>EISPN</td>
<td>Environmental Impact Statement Preparation Notice</td>
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<tr>
<td>FHA/HUD</td>
<td>Federal Highway Administration/Housing &amp; Urban Development</td>
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<td>FIRM</td>
<td>Flood Insurance Rate Map</td>
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<tr>
<td>HAR</td>
<td>Hawai‘i Administrative Rules</td>
</tr>
<tr>
<td>HELCO</td>
<td>Hawai‘i Electric Light Company</td>
</tr>
<tr>
<td>HPD</td>
<td>Historic Preservation Division</td>
</tr>
<tr>
<td>HRS</td>
<td>Hawai‘i Revised Statutes</td>
</tr>
<tr>
<td>Ldn</td>
<td>Level day/night (day/night average sound level)</td>
</tr>
<tr>
<td>mgd</td>
<td>millions of gallons per day</td>
</tr>
<tr>
<td>msl</td>
<td>mean sea level</td>
</tr>
<tr>
<td>NPDES</td>
<td>National Pollutant Discharge Elimination System</td>
</tr>
<tr>
<td>NRCS</td>
<td>Natural Resources Conservation Services</td>
</tr>
<tr>
<td>OEQC</td>
<td>Office of Environmental Quality Control</td>
</tr>
<tr>
<td>TIAR</td>
<td>Traffic Impact Analysis Report</td>
</tr>
<tr>
<td>TMK</td>
<td>Tax Map Key</td>
</tr>
<tr>
<td>USDA</td>
<td>US Department of Agriculture</td>
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<tr>
<td>WWTP</td>
<td>Wastewater Treatment Plant</td>
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**Makai** | Ocean, or directionally towards the ocean  
**Mauka** | Inland, or directionally towards the mountain
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1. INTRODUCTION

This Environmental Impact Statement Preparation Notice (EISPN) serves as an Environmental Assessment and is prepared in accordance with Chapter 343, Hawai'i Revised Statutes (HRS), and the Department of Health's Title 11, Chapter 200, Hawai'i Administrative Rules (HAR), Environmental Impact Statement Rules, for the proposed Villages of 'Āina Le'a at Waikoloa, South Kohala, Island of Hawai'i.

1.01 Project Summary Information

Project Name          Villages of 'Āina Le'a
Project Location      Waikoloa, Island of Hawai'i
Judicial District     Hawai'i
Tax Map Key Nos       (3) 6·8·001: 25, 36, 37, 38, 39, 40
Applicant             Bridge Aina Le'a, LLC
                      John K. Baldwin, Managing Member
                      2500 Kalakaua Avenue, #2404
                      Honolulu, Hawai'i 96815
                      Phone: 808-922-4030/Fax: 926-9767
Landowner             Bridge Aina Le'a, LLC
Size of Project Area  3,000 acres
Project Description   Infrastructure improvements, subdivision of property, five golf courses, golf academy, 40-unit lodge, up to 3,269 multi-family and single-family units, 863 rural-agricultural lots, commercial uses, related improvements/uses.
Project Compliance    Use of State Lands due to proposed highway intersection improvements
                      Possible wastewater treatment facility
Proposed Actions      Project District Zoning Application
                      Amendments to Zoning Ordinance No. 93-1
                      as amended by Ordinance No. 96-153
                      Subdivision Application(s)
                      Plan Approval(s)
                      Grading/Grubbing/Building Permits
                      All necessary permits and approvals
EIS Accepting Authority County of Hawai'i Planning Department
VILLAGES OF ‘ĀINA LE‘A
Environmental Impact Statement Preparation Notice

EIS Preparer
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Hilo, Hawai‘i 96720
Phone: 808-959-1803/Cell: 938-7385/
Email: makaniresources@yahoo.com

General Plan LUPAG
Map Designation
Urban Expansion Area
Conservation (Highway Buffer)

State Land Use
Urban (1,060 acres)/Agricultural (1,940 acres)

Zoning Designations
Multiple-Family Residential (RM-4)
Multiple-Family Residential (RM-7)
Multiple-Family Residential (RM-14.5)
Village Commercial (CV-10)
Residential-Agricultural (RA-1a)
Agricultural (A-5a)

Special Management Area/Shoreline Setback Area/Conservation District: No

1.02 Applicant and Landowner

The applicant and landowner is Bridge Aina Le‘a, LLC, whose address is 2500 Kalakaua Avenue, #2404, Honolulu, Hawai‘i, 96815. John K. Baldwin is the Managing Member and contact for Bridge Aina Le‘a, LLC.

1.03 EIS Preparation

The EIS will be prepared by Constance R. Kiriu, Makani Resources, 195 Makani Circle, Hilo, Hawai‘i 96720: Telephone: (808) 959-1803, Cellphone: (808) 938-7385; Email address: makaniresources@yahoo.com.

1.04 Accepting Authority

The accepting authority for this Environmental Impact Statement ("EIS") is the County of Hawai‘i Planning Department.

1.05 Compliance With State of Hawai‘i and Hawai‘i County Environmental Laws

The EIS is being prepared pursuant to Chapter 343-5(a)(1), HRS, since the project will involve the use of State or County lands, which includes, but may not be limited to, connecting planned roadways to existing (State/County) roads, improving those intersections, and improving and connecting to existing...
County water systems. Further, should it become necessary to construct a wastewater facility on the Property, this EIS is being prepared pursuant to Chapter 343-5(a)(9), HRS. Please refer to attached letter from Planning Director Christopher J. Yuen to Planning Consultant dated October 11, 2007 (Exhibit 1).

The EIS is intended to support a Project District Zoning Application, requested Amendments to Conditions of Ordinance No. 96-153, and all subsequent permits and applications, including, but not limited to, subdivision, plan approval, grading, grubbing, and all infrastructural construction drawings.

1.06 Agencies Consulted

In preparing the EISPN for the Villages of 'Āina Le'a, the following agencies (or agency documents) were consulted:

Federal: Federal Emergency Management Agency
U.S. Department of Agriculture
U.S. Geological Survey
U.S. Fish and Wildlife

State: Department of Agriculture
Department of Land and Natural Resources
Department of Education
Department of Health, Office of Environmental Quality Control
University of Hawai‘i, Land Study Bureau

County: Department of Environmental Management
Department of Planning
Department of Public Works
Department of Water Supply
2. GENERAL DESCRIPTION OF PROJECT

The proposed action is to subdivide and construct infrastructure improvements for a golf community called the Villages of ‘Āina Le’a ("Project") on 3,000 acres of land in South Kohala, Waikoloa, Island of Hawai‘i, TMK Nos. (3) 6-8-001: 25, 36, 37, 38, 39, 40 ("Property"). To provide greater flexibility in project design and implementation, the Applicant is requesting rezoning of 1,060 acres of the Property to a Project District zoning and amendments to conditions of the current zoning ordinance.

Please refer to the attached Location Map (Figure 1), Vicinity Map (Figure 2), Current Zoning and TMK Map (Figure 3), and Conceptual Master Plan (Figure 5).

2.01 Physical Setting

The Property is located mauka, or east, of the Queen Ka‘ahumanu Highway, generally between the entrance to Mauna Lani Resort and moving north towards the entrance to Puako in the land division of Waikoloa and district of South Kohala. It is bounded by the Queen Ka‘ahumanu Highway to the west or makai direction, and by privately-owned lands to the north, east, and south. The Property’s frontage along the Queen Ka‘ahumanu Highway is a little more than two miles in length. (Figures 1 and 2)

The Property is gently to moderately sloping from east to west at about a 20% grade. Elevations range from 150 feet above mean sea level (msl) at the western boundary adjacent to the Queen Ka‘ahumanu Highway and 700 feet at the eastern boundary of the Property. The Property is located approximately 9,000± feet mauka of the shoreline and is not a coastal property.

The Property is vacant of any structures and contains no active use. It is essentially an open expanse of ‘a‘ā and pāhoehoe lava flows with limited vegetation.

2.02 Overall Master Plan and Project Description

The overall master plan for the Property encompasses 3,000 acres of land, of which 1,060 acres are proposed to be rezoned into the Project District. The balance of the Property, or 1,940 acres, would be developed in accordance with its existing A-5a and RA-1a zoning.

The original overall master plan in the early 1990’s proposed the development of six golf villages that would include six 18-hole golf courses and associated recreational amenities, a golf academy, a total of 3,220 multiple-family residential and agricultural lots/units, and commercial uses (Figure 4). The Draft EIS will elaborate on the specifics of the original master plan.
Although some of the Project’s components, marketing strategy, and infrastructure layouts may have changed, the basic concept of the permitted Villages of ‘Āina Le’a has not.

The proposed overall master plan is to develop 2,406 residential units in the Project District Urban area while maintaining the 363 residential-agricultural lots in the Agricultural District (Figure 5). The overall master plan contains 385 affordable housing units.

Five 18-hole golf courses are planned with a golf academy, associated recreational amenities, golf maintenance facilities, and a 40-unit golf lodge. Commercial areas would be located at the entrance of the Villages of ‘Āina Le’a and in the core of the village community.

Approximately 234 acres of open space will be set aside to provide a buffer along Queen Ka‘ahumanu Highway. Recreational amenities such as parks, bicycle paths, a swimming pool and tennis courts, are planned. As required by the current zoning ordinance, 10 acres of land for active recreational activities and a 16-acre park for passive uses will be developed within the Property. The parks will be dedicated to the County when completed. A 5-acre red ilima preserve area next to a nature park will be preserved for interpretation and public education. Two archaeological sites and buffers will be maintained and preserved in accordance with approvals from the Department of Land and Natural Resources-State Historic Preservation Division (DLNR-HPD).

There are two approved permitted access points along the Queen Ka‘ahumanu Highway serving the six lots containing 3,000 acres. These accesses have temporary access pads on the Highway. The northern temporary access serves as the egress for the Waikoloa Village Emergency Evacuation Access Road, which extends 2.13 miles from the Highway to the end of Hulu Street in Waikoloa Village. The Waikoloa Village Emergency Evacuation Access Road provides more than 5,000 Waikoloa residents with an alternative exit in case of fire, flooding or other disasters.

Access to the Villages of ‘Āina Le’a will be from Queen Ka‘ahumanu Highway via the two permitted points. Major spine roads would connect to the permitted access points and would contribute to the regional roadway network. A proposed north-south road would also provide regional interconnectivity to adjoining parcels. All other interior roads would be constructed to meet with the requirements of the County Department of Public Works (DPW). Since some of the roads will be private and, in an effort to create a compatible resort-like ambiance, the Applicant may consider modification of the road standards.

The County of Hawai‘i’s public water system does not serve the Project site. However, an agreement with the County Department of Water Supply (DWS) allows the Applicant to develop and construct up to four wells at the ‘Ouali Well Field, which includes an existing well (State No. 6046·01). The anticipated
capacity for each well is 1.0 to 1.2 million gallons per day (mgd). The initial construction increment includes developing and outfitting the existing well and two new wells. Connection to these wells to DWS' system will be via a new mauka-makai transmission route. This will provide much-needed backup to the existing water system serving Mauna Lani, Mauna Kea, Kawaihae and Puakō. The County will retain 20% of the water the Applicant puts into the system.

The Applicant is pursuing connection of the Project to Mauna Lani Resort's wastewater treatment plant (WWTP) in lieu of constructing a WWTP on the Property. If negotiations are not successful, the WWTP is planned on the southwestern boundary of the Property.

The Applicant is in the process of discussing the needs of the Department of Education (DOE) with respect to acreage demands of the school district and the project. At this time, there has been a commitment of 32 acres of the Property to expand the Waikoloa complex.

The Draft EIS will include more information about the Project, including a development timetable and projected costs.

2.03 Adjacent Uses

Lands in this area are vacant. Mauna Lani Resort and related facilities are nearly a mile from the Highway. The County of Hawai‘i Fire Station is situated makai (west) of the Highway and near the middle of the Property's western boundary.

The surrounding properties to the north, east, and south are vacant of any structures. There is no visible active use of these properties.

The Property is part of the South Kohala Coast Resort community, consisting of Waikoloa, Mauna Lani, Hapuna, and Mauna Kea. All of these resorts are located less than five miles from the Property. Puakō and Waikoloa Village are neighboring residential-resort support communities.

2.04 Existing Project Approvals

The basic entitlements for the Villages of ʻĀina Leʻa (formerly called Puakō Residential Golf Community) were secured in the latter part of 1980 and early 1990's.

Effective January 17, 1989, 1,060 acres were reclassified into the State Land Use Urban district. In 1993, the County rezoned 3,000 acres from Unplanned to RA-1a, RM-4.0, RM-7, RM-14.5, and CV-10 by Ordinance No. 93-1. On December 11, 1991, a Use Permit was granted by the Planning Commission for six 18-hole golf courses affecting portions of the entire 3,000-acre project site. In 1996, amendments to conditions of zoning Ordinance No. 93-1 were enacted.
by Ordinance No. 96-153. Non-significant zoning changes to the Project’s zoning boundaries were approved by the Planning Director in 2000. In 2005, the State Land Use Commission approved the Applicant’s request to revise its affordable housing condition from 60% to 20% of the total units developed.

2.05 Purpose and Need for Action

Consistent with existing land use approvals, the purpose of the proposed action is to create a mixed use residential golf community with resident and visitor opportunities for recreation, commercial nodes, and lodging, which are compatible with surrounding resort and residential support communities.

The concept of this project has not changed. However, to facilitate site planning, marketing, and other considerations, the Applicant is seeking to rezone the 1,060-acre Urban-designated area into the Project (TMK: (3) 6-8-001:25, 36, 38, and 39). The Applicant also requesting amendments to certain conditions of zoning Ordinance No. 96-153.
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VICINITY MAP
Puako Residential Golf Community
Figure 2
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# The Villages of Aina Lea

**CONCEPTUAL MASTER PLAN**

**Land Use Summary (Land Within Urban District)**

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Proposed Approx. Acreage</th>
<th>Proposed Approx. Units</th>
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<tbody>
<tr>
<td>Single Family (SF)</td>
<td>± 227</td>
<td>± 584</td>
<td>-</td>
</tr>
<tr>
<td>Multi-Family (MF)</td>
<td>± 169</td>
<td>± 1,437</td>
<td>-</td>
</tr>
<tr>
<td>Mixed Use (MU)</td>
<td>± 25</td>
<td>-</td>
<td>± 80,000 sf</td>
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<tr>
<td>Affordable Housing (AH)</td>
<td>± 32</td>
<td>± 385</td>
<td>-</td>
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<tr>
<td>Commercial (C)</td>
<td>± 56</td>
<td>-</td>
<td>± 340,000 sf</td>
</tr>
<tr>
<td>Golf Course (GC)</td>
<td>± 251</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Golf Course Club House</td>
<td>± 4</td>
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<td>-</td>
</tr>
<tr>
<td>Highway Buffer</td>
<td>± 234</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Parks / Open Space</td>
<td>± 37</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Major Roadways</td>
<td>± 45</td>
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Total: ± 1,060 ± 2,406 ± 420,000 sf

*Note: The approximate location of the flood inundation area was mapped from a scan of a print of the "Drainage Study for the Parks Residential Golf Community" prepared by BMI Towell Corporation, August 1999, entitled "Peak Flood Boundary Study (Developed Conditions, 100-Year Storm, No-Flow Duration)."*
3. SUMMARY DESCRIPTION OF AFFECTED ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATION

3.01 Climate

The Project area receives approximately 9 inches of rainfall annually. The mean annual temperature is about 75 degrees Fahrenheit with an average high of 83 degrees Fahrenheit and an average low of 67 degrees Fahrenheit. Relative humidity is about 40% during the late morning and afternoon hours.

Potential Impacts and Mitigation

The Villages of 'Āina Le'a is not anticipated to have an effect on climatic conditions and no mitigation is planned.

3.02 Topography

The project area is gently to moderately sloping from east to west at about a 20% grade. Elevations range from 150 feet above msl at the western boundary adjacent to the Queen Kaʻahumanu Highway and 700 feet at the eastern boundary of the Property.

The Project site is bisected by the ʻAuwaiakekua Gulch. The area north of this Gulch is characterized by gently rolling hills. There are some trees in this area and large boulders. The southern portion is characterized more by lava fields, a few trees and large boulders.

Potential Impacts and Mitigation

The Villages of 'Āina Le'a will change the topography of the Property as it prepares and constructs roads, building pads, and infrastructural improvements. Appropriate engineering, design and construction measures will utilize the gentle slopes in the design of the golf courses and in village planning efforts. Further, compliance with grading and grubbing permits will assure that potential erosion is minimized.

3.03 Soils and Agricultural Potential

The US Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS) classifies the soil as being of the Kawaihae and Puakō series (rLV – a’a Lava Flows; KNC – Kawaihae extremely stony very fine sandy loam; PVD – Puu Pa Extremely stony very fine sandy loam; rVS – Very stony land). These types of soils are characterized by volcanic ash, medium texture, rocky, very well drained, and unsuited for machine tillability.

There are no existing agricultural activities on the site due in large part to the absence of arable soil on the site. The soil survey maps plotted by the
University of Hawai‘i Land Study Bureau's (LSB) soil classification system identifies the soil as Class E, or very poorly suited for agricultural purposes.

The State’s Agricultural Lands of Importance to the State of Hawai‘i (ALISH) system does not identify the project area as Prime, Unique, or Other Important Agricultural Land.

**Soils: Potential Impacts and Mitigation**

Construction activities will require grading and filling of various portions of the site. Development of the golf course, roadways, and building sites will require fine grading and importation of material for the golf course and landscaping.

The grading and associated construction work will have short-term impact on air quality in the area. Due to its distance from the shoreline (+1.5 miles), offshore water quality resulting from increased levels of construction dust should not be impacted.

Construction activities will comply with all applicable laws for erosion control. Additional erosion and dust control measures will be discussed in the Draft EIS if any are recommended by government agencies.

Soils engineering will be performed at specific sites as they are developed. Recommendations will be made for mitigating building types and locations. This could include removing unsuitable soils under foundations and/or special foundation designs.

**Agriculture: Potential Impacts and Mitigation**

Given the land’s limited resource from an agricultural perspective, the Villages of ‘Āina Le‘a should have little, if any, direct negative agricultural impact. There will likely be more backyard gardening activities with the introduction of non-potable water to the Property. The Project does have some potential indirect agricultural impact relative to the use of locally-grown agricultural products in the planned restaurants on site. There will also be a demand for landscape plants and turf throughout the Project.

The Draft EIS will include USDA-SCS, ALISH, and LSB soil maps of the Property.

**3.04 Hydrology and Drainage**

The Project is located in the Pohakuloa watershed, which has a tributary area of about 507 square miles. Three gulches enter the site: Puakō Gulch #4, ‘Auwaiakekua Gulch, and an unnamed gulch. All three gulches discharge along the western boundary of the project site.
The U.S. Army Corps of Engineers Flood Insurance Rate Map (FIRM) designates the project area Zone X (areas determined to be outside the 500-year flood plain. This classification is partly the result of the area not being fully surveyed in the past.

Two drainage studies have been performed of the Property: (1) *Puako Residential Golf Community Drainage Study* by RM Towill Corporation, March 1992, and (2) *Master Drainage Report for the Village of Aina Le'a* by SSFM International, June 2007.

The 2007 *Master Drainage Report* identifies and quantifies existing and future conditions for the purpose of planning drainage facilities to ensure that storm water runoff rates and volumes leaving the site are at or below the pre-existing conditions.

**Potential Impact and Mitigation**

According to the 2007 *Master Drainage Report*, surface water runoff is likely to increase as a result of grading and the importation of soil for the short-term. The construction of buildings, roads, and other impermeable surfaces will have a long-term impact.

Likewise, there is a potential for short- and long-term impacts to water quality caused by construction activities and operational practices associated with the golf course, landscaping and roads.

To address both drainage and water quality impacts generated by surface runoff and percolation, a number of structural and non-structural measures are proposed for mitigation. These include retention/detention basins, drywells, erosion controls, drainage improvements, and the application of best management practices.

The Draft EIS will include the 2007 *Master Drainage Report* as an appendix, and will present a detailed discussion of anticipated impacts and recommendations for mitigation.

**3.05 Natural Hazards**

The U.S. Geological Survey (USGS) has identified nine volcanic hazard zones for the island of Hawai‘i with Zone 1 representing the most hazardous areas and Zone 9 the least hazardous areas. The Property is situated in lava hazard Zone 3.

The entire island of Hawai‘i has been designated in Zone 4 Seismic Probability Rating (Uniform Building Code). Zone 4 is the highest zoning designation on a scale from 0 to 4. Zone 4 areas are at risk from major earthquake damage, especially to structures that are poorly designed or built.
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Environmental Impact Statement Preparation Notice

Relative to the hazard of tsunamis, the site is located more than one mile inland from the ocean at elevations of 150 to 700 feet above msl. The Project site is not in the tsunami inundation or evacuation areas.

Potential Impacts and Mitigation

The Villages of ‘Āina Le‘a should have little to no impact on natural hazards and no mitigative measures are required. The design of structures will be mindful of the seismic hazards of the island and will be constructed in accordance with prevailing building standards.

Although not within the tsunami inundation or evacuation zone, a tsunami evacuation plan can be prepared if required. Due to the uncertainty of volcanic eruptions, the most practical mitigative measure is the provision of an early warning alert system. An early warning protocol can be prepared if required by the County.

3.06 Botanical Resources

A botanical assessment was conducted by Evangeline J. Funk in February 1991. The survey identified four vegetation types: (1) Prosopis/Fountain Grass, (2) Prosopis/Grass, (3) Savanna, and (4) Prosopis/Chenopodium. Of the vegetation types, the red 'ilima (Abutilon menziesii) and fern species (Ophioglossum consinnum) were determined to be most significant.

The Abutilon menziesii, commonly known as the ko‘oloa‘ula or red 'ilima, is a federally-listed endangered species. The survey found at least 38 plants within a 30 square foot area. The plant was not mapped to avoid having them removed by plant collectors. The fern species has been determined by the US Fish and Wildlife Service as being eligible to be placed on the “proposed endangered species” list. The survey found more than 60,000 of these fern plants on the site and noted that this fern grows in other parts of the island and State. The study noted that, because of its abundance, it is questionable whether this plant species is actually endangered.

Potential Impacts and Mitigation

There will be impacts to a federally-listed endangered species, the red 'ilima, if care is not exercised. The red 'ilima will be preserved intact at its present location in a 5-acre preserve using preservation protocols developed in consultation with the Department of Land and Natural Resources and the US Fish and Wildlife Service.

While the habitat for some of the fern plants will be altered, transplantation of the ferns are known to have a relatively high survival rate. Thus, the fern species will be preserved in undeveloped areas of the site, transplanted off-site or to undeveloped areas, or used in project landscaping.
To minimize adverse impacts on the vegetative resources of the site, erosion control measures will be taken during the construction phase to avoid impacts to the undisturbed vegetation areas. Revegetation will be timed so that soil exposure will be kept to a minimum. The Applicant will also implement a landscaping program that uses a lot of native plants that would be climatically suitable to the semi-arid, coastal environment.

The Draft EIS will contain the complete botanical assessment as an appendix, and will elaborate on planned mitigation measures.

3.07 Avifaunal and Mammal

Phillip Bruner conducted an avifaunal and feral mammal study of the area dated January 1991. Bruner's survey did not find any rare or endangered animal species on the site. The only native bird species found were the migratory Pacific Golden Plover and the Ruddy Turnstone. Bruner concluded that the "conversion of this site into golf course and residential property should result in an increase in the population of plover and turnstone."

Although the short-eared owl or Pu‘eo and Hawaiian hawk or ʻio were not observed, both birds may occur on occasion or may forage in this area according to Bruner.

A number of exotic birds were observed and/or speculated to be found within this area. These include the gray francolin, spotted dove, common myna, and yellow-billed cardinal, among others.

The small Indian mongoose, feral cats, and feral goats were among the feral mammal species identified in the survey. The endemic and endangered Hawaiian Hoary Bat was not observed in the field survey despite evening searches of the area.

Potential Impacts and Mitigation

The Project will cause some measure of disruption of wildlife use of the site, particularly during the construction phase. According to the Bruner study, most birds and feral mammals are expected to migrate to neighboring undeveloped areas during this period. When the project is completed, however, it is anticipated that the site will be attractive to many birds.

No threatened or endangered wildlife species will be affected by the project; thus, no specific mitigation measures are needed.

The Draft EIS will include the bird and mammal survey as an appendix.
3.08 Archaeological and Historical Resources

Investigations and surveys of archaeological and historic features were conducted of the Property on six separate occasions. One was performed in June 1987 by Archaeological Consultants of Hawaii, Inc. The second survey and final revised report entitled "Archaeological Survey and Evaluation Puako Residential Golf Community South Kohala, Hawaii Island Golf Course Portion," dated August 1992 was performed by Ogden Environmental and Energy Services Company. Three additional reports were commissioned by and prepared for the Applicant in January 2001, December 2002, and March 2003. Moreover, a survey was conducted by the US Army Corps of Engineers on the former Waikoloa Maneuver Area dated January 2002.

A total of fourteen archaeological sites were identified in the 1987 and 1992 surveys. Of these sites, Site 15033, a burial, was recommended for further data recovery and then preservation. Other sites were determined to be recent historic features attributed to military training activities or hunting and were not considered significant.

As a result, a "Burial Treatment Plan, Site 15033, Land of Waikoloa, South Kohala District, Island of Hawaii (TMK: 6-8-01-37)" dated February 2004 was prepared for the Applicant by Haun and Associates. The Plan proposes preservation in place through the establishment of a buffer zone of 20 feet within which no land disturbing activity would occur. No land modification or other activities would be permitted to occur within the buffer except for appropriate cultural activities and periodic maintenance. The Plan recommends delineation of the buffer area by a low stone wall approximately two feet in height resembling traditional Hawaiian structures using local stone.

Short-term preservation measures include a) accurate plotting of the site on grading and construction plans prior to initiating those activities, b) identifying and fencing a 50-foot temporary buffer zone, which will be verified and documented by the archaeologist in a letter to DLNR-HPD, and c) explicit notification of construction supervisors of the significance of the site and its buffer zone.

Site 22514, a rock shelter with cultural and invertebrate/vertebrate remains, will be preserved in place adjacent to a golf course. A treatment plan will be prepared and submitted to the DLNR-HPD for its approval when its interface with the golf course is understood.

Potential Impacts and Mitigation

The DLNR-HPD determined the collection of surveys and reports to be sufficient. With the implementation of treatment and interpretation plans, archaeological impacts should be minimal.
A Burial Treatment Plan of Site 15033 has been prepared and will be included as an appendix in the Draft EIS. With the Applicant’s implementation of the short-term construction and long-term preservation recommendatons of the Burial Treatment Plan, impacts to the one significant site will be mitigated.

Site No. 22514, the rock shelter, will be preserved in place. A treatment and interpretation plan will be prepared for review and approval by the DLNR-HPD when its interface with the golf course is determined.

The Draft EIS will include the 1992 archaeological survey report, subsequent archaeological reports, and the DLNR-HPD letter as appendices.

3.09 Cultural Resources

A Cultural Impact Assessment of the proposed Project dated August 2007 was conducted by Helen Wong Smith.

The cultural assessment reviewed a wide range of written material, including archaeological reports, government and historical records, Hawaiian language sources, and transcripts of a long series of interviews with native Hawaiians who resided and worked the lands.

Cultural features have been found for the general Waikoloa area, but not specific to the project area. Most cultural sites in this section of South Kohala occur between 40 and 280 feet elevation with the greatest amount near gullies and gulches.

The Assessment says that, with the exception of one burial, archaeological surveys uncovered remains of remnants of military operations from World War II.

In preparing the Burial Treatment Plan, legal notices were published in newspapers of local and statewide distribution requesting that any person having any information concerning the unmarked grave within the Project area contact the Office of Hawaiian Affairs, the project archaeologist and/or DLNR-HPD’s Burial Sites Program. No individuals claiming lineal descent responded to the notices.

Potential Impacts and Mitigation

Given the information gathered for the Cultural Impact Assessment report, cultural impacts should be minimal.

While no lineal descendants or persons having knowledge of the burial site responded to the published legal notice, access to the burial site for appropriate cultural activities would be permitted to any lineal and/or cultural descendant formally recognized by the Hawai‘i Island Burial Council or the
DLNR·HPD. Specific arrangement for access would be made by direct, mutual agreement between the landowner and recognized descendants.

The Draft EIS will contain the complete cultural impact assessment as an appendix.

3.10 Noise

The existing noise environment consists of ambient noise levels resulting from wind and foliage, birds, and intermittent flyby events of helicopters and aircraft. Noise for vehicular traffic is most evident near the Highway.

Potential Impacts and Mitigation

Noise levels will increase in the short-term during construction of the infrastructure and, then intermittently, with construction of homes, commercial buildings, and golf courses. To mitigate noise impacts during the construction period, compliance with State Department of Health (DOH) noise regulations will be enforced.

For the long-term operational control, the design and siting of the public structures (clubhouse, commercial buildings) and the possible WWTP will take into account ways to minimize noise impacts. These include the siting of air conditioning units, exhaust fans, and sound insulation.

Long-term impacts are also anticipated with the increased volume of traffic on the Highway. The amount of increase, at most, should be 1.0 dBA. Such an increase is usually not noticeable to the normal hearing, and, thus, the impact is relatively negligible.

Due to setbacks integrated into the proposed development plan, noise levels at the Project's housing units should not exceed the 65 Ldn FHA/HUD noise standards, and are expected to be approximately 55 Ldn or less.

3.11 Air Quality

The Project area is subjected to air pollutants from natural and/or vehicular sources. There are no industrial or agricultural air pollution sources nearby.

The on-going volcanic eruption activity in Puna is the largest intermittent natural contributor to air pollution. Volcanic emissions contain significant amounts of mercury and sulfur dioxide. Volcanic haze and gas, referred to as vog, can encompass the region when winds are light. The closest air quality monitoring station in Captain Cook, South Kona, measures sulfur dioxide levels.
Potential Impacts and Mitigation

The Project has the potential for short-term air quality impacts during construction activities.

Locally, emissions from motor vehicles generated by residents and visitors to/from the Project would be the greatest source of pollutants in the long-term.

The Draft EIS will discuss these anticipated impacts and present recommendations for mitigation.

3.12 Socio-Economic Environment

Although there are agricultural activities in West Hawai‘i, resort activities continue to be the major economic generator. The Villages of ‘Āina Le‘a, because of its relationship to the resorts and support communities, will be consistent with that economic pattern. The Project is anticipated to attract a significant amount of second home or part-time residents and/or retirees.

Given past trends, these people will generally tend to be older than the average for the County with an average age of 55 years. The number of school-age children should be quite small. There would also be some increase in the resident population resulting from in-migration to fill permanent project-related jobs. This group of people are more likely to have school-age children.

The County of Hawai‘i’s housing policy in Chapter 11, Hawai‘i County Code, outlines the affordable housing obligation of projects. In this situation, the obligation would be 20% of the total units to be developed. This is also captured in a condition of the zoning and in the 2005 State Land Use Decision and Order for the Project. The Applicant will comply with the stated affordable housing conditions and Chapter 11.

The Villages of ‘Āina Le‘a will generate direct and indirect employment opportunities in the many years ahead. Many construction jobs will be created in the initial phases of this project, particularly in relation to the golf course, clubhouse, and infrastructural construction. Once completed, there will be full-time operational jobs.

Potential Impact and Mitigation

The Project will have a significant positive impact on government revenues, employment opportunities, and personal income.

The Draft EIS will include a socio-economic study as an appendix, and will present anticipated impacts and recommendations for mitigation.

While this Project is not considered to be in the ‘affordable’ range, it will provide affordable housing in compliance with the County’s Housing Policy and
conditions of the State Land Use Commission and zoning. The Villages of Aina Lea will provide a spectrum of housing opportunities to satisfy some of the housing preferences and needs of existing and future residents of the region.

3.13 Visual and Scenic Resources

The Property is bounded by undeveloped properties to the north, south, and east, and the Queen Ka'ahumanu Highway on the makai side. The land has an average slope of 20%. The mauka end has a varying elevation of 700 feet above msl and dropping to 150 feet at the makai end.

Potential Impact and Mitigation

Any development or structures on the project site would generate some measure of visual impacts. Accordingly, there will be visual changes of the site as it transforms from a vacant, lava field to varying islands of vegetative oases and structures.

Given the rising topography of the site, however, the project should have little visual impacts of the existing mountain backdrops.

To mitigate these potential impacts, standards for use and building design coupled with the average 1,200-foot wide natural open space buffer from the Queen Ka'ahumanu Highway will be employed. The golf courses will also increase the sense of open space.

The Draft EIS will contain a visual simulation of the Project from the Queen Ka'ahumanu Highway and will present recommendations for further mitigation.

3.14 Transportation and Traffic

Access to the Project would be from the Queen Ka'ahumanu Highway, a two-lane, limited access, Class I State Highway between Kawaihae and Kailua-Kona. It has a posted speed limit of 55 miles per hour and a two-way capacity of 2,000 vehicles per hour. The roadway is in a 350-foot right-of-way at the Waikoloa Road intersection and is in a 425-foot wide right-of-way at the Mauna Lani Drive intersection. Intersections on the Queen Ka'ahumanu Highway in this area are fully channelized and signalized where warranted.

Portions of the Waikoloa Emergency Evacuation Road traverse the Property. This gravel, gated road currently connects Waikoloa Village to the Queen Ka'ahumanu Highway at the Project's northern access point.

Traffic impact analyses of this Project were performed in 1992 and in 1999. Since there have been more developments in the region, an updated Traffic Impact Analysis Report With Traffic Signal Warrant Study for the Villages of Aina Le'a (TIAR) was prepared in August 2007 by SSFM International Inc.
The TIAR identified current traffic and roadway conditions, forecasted future traffic conditions with and without the proposed Project, analyzed existing and future traffic conditions, and analyzed future conditions with traffic generated by other adjacent properties with unscheduled plans.

Potential Impact and Mitigation

The Applicant intends to construct a fully-channelized intersection at the Mauna Lani Drive/Queen Ka'ahumanu Highway intersection in conjunction with construction of the Project's first phase. A pro-rata contribution will be made for the installation of a traffic signal at this intersection.

The intersection of Queen Ka'ahumanu Highway and the Project's northern access roadway (Waikoloa Emergency Evacuation Road) will need to be signalized when it is open for operation. The Applicant proposes to install this traffic signal in conjunction with full improvements of the emergency road.

Further, should the State establish a fair share program for a grade-separated interchange in this area that would affect and/or benefit this Project and the fair share amount is determined prior to start of the Project, the Applicant would be willing to participate in said program.

The Draft EIS will include the 2007 TIAR as an appendix, and will present a detailed discussion of anticipated impacts and recommendations for mitigation.

3.15 Public Services and Facilities

3.15.01 Water System

A water resource study was performed by Water Resource Associates (March 1992). The study concluded that both irrigation and potable water could be made available to support the project. Pursuant to this study, the former owner of the Property drilled and tested two wells at the well field at 'Ouli approximately seven miles from the Property. Initial test results indicated that water from these and future wells should be sufficient for the overall Project's needs. Based on this finding, the Planning Director confirmed the availability of water for this project. More recently, Water Manager Milton D. Pavao informed the County Council that the Applicant's willingness to develop the 'Ouli Well Field by designing, constructing, replacing and creating a transmission system to connect to the County's existing water system at Lalamilo allows the entire operation to be more efficient by providing back up water sources to the system. The Project would be primarily served from the Lalamilo/Parker Well Field.

A Preliminary Engineering Report dated August 2007 by SSFM International estimates potable water use demand for the entire Project to be about 2.0 mgd with a peak hour demand of about 4.0 mgd. To service the Project initially, a
1.0 million gallon water storage tank, water transmission main, and
distribution system would be constructed as described and illustrated in the
Preliminary Engineering Report. The water system proposed for the Project
will accommodate all of the daily demands and the fire flows.

The sustainable yield of the groundwater basin in this area (Kawaihae to
‘Anaeho’omalu Bay) is estimated to be 50 mgd. The requirements of this
project (2.0 mgd potable and 0.34 mgd brackish) would represent less than 5%
of the basin’s estimated yield. Thus, the long-term impact of developing less
than 5% of the basin’s sustainable yield should not be significant.

The groundwater resources should be adequate to meet the demand of the
proposed project.

Potential Impacts and Mitigation

To reduce the amount of draw to the potable water supply, it is proposed that a
combination of brackish water and treated wastewater effluent be used to
irrigate golf courses and landscaped areas.

Relative to the use of non-potable water for irrigation, it will be mixed with the
effluent at a 70:30 ratio. This results in a lower salinity of the irrigation water
and will minimize the need for over-irrigation to reduce or remove the
dissolved salt from the plants/grasses. The use of irrigation water should
result in an overall increase of the recharge volume by about 6%.

The Draft EIS will include additional mitigation measures to address impacts
to the area’s water supply and groundwater quality.

According to the DWS, the design and construction of a transmission system
connecting to the Lalamilo system will positively impact the County’s water
system by providing redundancy in the system. The Draft EIS will include the
2007 Preliminary Engineering Report and letters from the Planning Director
and the Water Manager.

3.15.02 Utilities

Electrical power would be brought to the Project from an existing Hawai‘i
Electric Light Company (HELCO) substation located near the intersection of
Hoohana Street and Puako Beach Drive with Queen Ka‘ahumanu Highway.
Within the Project, the balance of the lines are planned to be underground.

Telephone services will be available to the Project through the use of HELCO’s
poles or by sharing direct burial trenches and concrete encased ducts for
electrical lines.
Potential Impact and Mitigation

The Draft EIS will include a discussion of the anticipated impact on utilities, and will present recommendations for mitigating the anticipated impact.

3.15.03 Recreation

There are a myriad of recreational activities in the region. These include golf courses, a boat harbor, hiking trails, beaches, state and county parks, and archaeological and cultural activities within ten miles of the Property.

The Project will provide recreational amenities for its residents and guests such as golf courses, swimming pools, tennis courts, and bike/jogging trails. A 10-acre active park and 16-acre passive park, which will be dedicated to the County, are planned within the Project.

Potential Impact and Mitigation

The Villages of ‘Āina Le‘a is expected to attract second home buyers, retirees and professionals. The resident profile indicates that the recreational amenities in the Project will be used more frequently than public parks or beaches.

The Draft EIS will include discussion on the anticipated impact on public recreational facilities, and will present recommendations for mitigating the impact.

3.15.04 Wastewater

There is no municipal wastewater facility in this area.

According to the Preliminary Engineering Report dated July 2007 prepared by SSFM International, the Project will generate an estimated average wastewater flow of 1.86 mgd.

The Applicant is exploring connecting the Project’s wastewater system with Mauna Lani Resort's private treatment plant. If negotiations are not successful, the Applicant will construct a WWTP on the southwestern boundary of the Property.

Potential Impact and Mitigation

The Draft EIS will include the 2007 Preliminary Engineering Report as an appendix. There will be no impact to public sewerage systems as none service the Property.
3.15.05 Solid Waste

The community is serviced by the Puakō transfer station. The transfer station is scheduled to be improved with perimeter fencing and concrete pads for recycling bins by the end of 2007.

The West Hawai‘i Landfill, which accepts commercial haulers and individuals from the region, receives approximately 385 tons of trash per day.

Potential Impact and Mitigation

The Draft EIS will discuss the anticipated impact of the Project on the County's solid waste facilities, and will present recommendations to mitigate the impact.

3.15.06 Fire and Police Services

Fire and police protective services are available directly across from the Project site. Backup fire protection and the district police station are available from the Waimea Fire Station with a response time of 30 minutes.

Potential Impact and Mitigation

The Draft EIS will discuss the anticipated impact of the Project on the County's protective services, and will present recommendations to mitigate the impact.

3.15.07 Health Care

Emergency services are provided through the Fire Department's emergency medical unit located directly across from the Project. There are hospitals in Waimea, North Kohala, and Kona.

Potential Impact and Mitigation

The Draft EIS will discuss any anticipated impact of the Project on health care, and will present mitigation measures if any.

3.15.08 Schools

The Project is situated in the South Kohala District. The public educational needs would be tentatively serviced at Waikoloa (K-8), and the Kealakehe High School, which moved from a K-8 to a K-12 facility.

In furtherance of a State Land Use Commission condition requiring participation in educational improvements, the Applicant is in the process of discussing the needs of DOE with respect to the number of acres needed to
meet the demands of the district and the Project. At this time, there has been a commitment of 32 acres within the Property to expand the Waikoloa complex.

**Potential Impact and Mitigation**

The number of school children coming from the Villages of ‘Āina Le‘a is not expected to be high. The Villages will probably be a second home to many people or residents will have children out of school. Nevertheless, the possible siting of a school on the Property will have significant positive effects on the Waikoloa school complex and families of the district. Participating in educational facility improvements will mitigate potential impacts from the Project.
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4. RELATIONSHIP OF PROJECT TO LAND USE PLANS, POLICIES AND REGULATIONS

The Draft EIS will discuss the relationship of the proposed Villages of 'Āina Le'a to state and county land use plans, policies, and regulations. These include the following:

4.01 Chapter 343, HRS, Environmental Impact Statements

Compliance with Chapter 343, HRS, is required as described in Section 1.5.

4.02 Chapter 226, HRS, Hawai'i State Plan

The Hawai'i State Plan is the comprehensive statewide planning document that serves to guide long-range development in the State by describing desired future for Hawai'i residents and providing goals, objectives and policies intended to shape the direction of public and private development.

The Draft EIS will discuss the Project's consistency with the State Plan's objectives and with applicable functional plan(s) policies.

4.03 Chapter 205A, HRS, Coastal Zone Management (CZM) Act

The CZM area is defined in Chapter 205A, HRS, as all lands of the State of Hawai'i. The Property is in the CZM area, and, therefore, the Draft EIS will include discussion on the Project's consistency with CZM objectives.

4.04 Chapter 205, HRS, Land Use.

The State Land Use Law establishes the State Land Use Commission and authorizes the Commission to designate all lands into one of four districts: Urban, Rural, Agriculture, and Conservation.

Approximately 1,060 acres of the Property were classified Urban by the State Land Use Commission in 1989. The balance of the Property, 1,940 acres, is in the Agriculture District.

4.05 County General Plan

The Hawai'i County General Plan is the policy document guiding the long range comprehensive development of the island of Hawai'i. The General Plan provides direction for balanced growth of the County. The Plan contains goals, policies, and standards concerning twelve functional areas as well as a series of maps referred to as General Plan Land Use Pattern Allocation Guide (LUPAG) Maps.
The General Plan (LUPAG map and document) designates the subject site as *Urban Expansion*. The designation of *Urban Expansion* "[A]llows for a mix of high density, medium density, low density, industrial, industrial-commercial and/or open designations in areas where new settlements may be desirable, but where the specific settlement pattern and mix of uses have not yet been determined."

The General Plan also designates a band of Conservation along the Property's frontage with Queen Ka'ahumanu Highway. Conservation is described as "Forest and water reserves, natural and scientific preserves, areas in active management for conservation purposes, areas to be kept in a largely natural state, with minimal facilities consistent with open space uses, such as picnic pavilions and comfort stations, and lands within the State Land Use Conservation District."

The Draft EIS will discuss the Project's conformance with applicable goals, policies, and objectives of the General Plan.

### 4.06 Community Development Plans

The Draft EIS will identify community development plans that have been or are being prepared for the region.

### 4.07 County Zoning Code

In 1993, the Property was rezoned to Agricultural (A-5a), Multiple-family (RM-4, RM-7, and RM-14.5), Village Commercial (CV-10), and Residential-Agriculture (RA-1a). Minor nonsignificant zoning changes were requested and approved by the Planning Director in November 2000.

A five-year extension of time to comply with Condition C (submit subdivision plans/secure final subdivision approval) was granted by the Planning Director until September 21, 2009.

The County Council's Resolution No. 229-00 authorizes the establishment of timeshare units on the Project site. The Applicant acknowledges that approval of this use is still needed from the State Land Use Commission.

To allow for greater flexibility in site planning and project implementation, the Applicant is seeking Project District (PD) zoning for 1,060 acres of the Property.

### 4.08 Community Facilities District

A Community Facilities District No. 2006-1 has been petitioned by the Applicant. Following the County Council's adoption of Resolution No. 486 06, a December 2006 facilities report was prepared and forwarded to the Council pursuant to Chapter 32-21, Hawai'i County Code.
4.09 Anticipated Approvals and Permits Needed

In order to implement the Villages of ʻĀina Leʻa, there will be a number of other approval and permits required. With the exception of the zoning, the approvals are administrative in nature. Anticipated approvals or permits are listed below:

State Department of Land and Natural Resources

- Well Construction Permit
- Pump Installation Permit

State Department of Health

- Wastewater Treatment Plant
- National Pollution Discharge Elimination System Permit
- Potable Water System
- Underground Injection Control
- Clean Water Act Section 401 Water Quality Certification
- Possible Approval for Wastewater Treatment Facility

State Department of Transportation

- Permit to Perform With Within a State Right-of-Way
- Storm Water Drainage Connection Permits

Hawaii County Council

- Project District Zoning Application
- Amendments to Conditions of Ordinance No. 96-153

County Planning Department

- Project District Site Plan
- Plan Approval
- Subdivision Approval

County Department of Public Works

- Grading, Grubbing, and Stockpiling Permits
- Building Permits
- Drainage System Improvements
- Subdivision Construction Plans

County Department of Water Supply

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- Water Master Plan
- Water System Construction Plans

County Department of Environmental Management

- Solid Waste Disposal Permit
5. ALTERNATIVES

Title 11, DOH, Chapter 200, EIS Rules, Section 11-200-17(f), provides that 'known feasible' alternatives to the proposed project be limited to those that would allow the objectives of the Project to be met while minimizing potential adverse environmental impacts.

The Draft EIS will contain a discussion of the alternatives that would meet the project objectives including the 'No Action' alternative. The following alternatives will be presented:

1. No Action/Undeveloped
2. Develop According to Original Master Plan
3. Develop According to Existing Zoning
4. Develop at Lower Densities
5. Develop According to Preferred Alternative

1. The 'No Action' alternative would mean the Property would be left undeveloped. This alternative does not meet the Project objectives to develop village communities as an integral and contributing part of the Puako and Waikoloa communities. The Waikoloa community is in need of regional road networks. Mauka-makai and north-south regional connectivity would not be realized under the No Action alternative.

2. The original master planned development proposed six golf courses, a golf academy, 3,220 residential and rural-residential units/lots, and a commercial area. This master plan will not meet the County's goal of greater roadway connectivity nor will it meet the objectives of the Project while complementing market needs.

3. The existing zoning in the Urban District alone would allow development of a maximum density of about 3,436 units/lots. The rigid zoning lines discourage creative community planning.

4. The alternative of developing at lower residential densities is not feasible given the cost to develop needed infrastructure for the Project and, as it relates to roads and water, for the greater community.

5. The preferred alternative has been chosen because the Villages of 'Āina Le'a is of such proportion that flexibility to market demands, project design, and evolving community needs are high priorities. Maintaining the numerous zoning classifications on a major portion of the Property will affect the siting of any future projects, such as roadways, the golf course, commercial nodes, affordable housing projects, and residential communities. The Applicant has received one non-significant zoning boundary amendment approval from the Planning Director. If the current zoning classifications were not changed, it is highly probable that non-significant zoning requests would be frequent and time-consuming for Planning Department
staff. The preferred alternative would be to align the goal of the Project with the goals of the Project District zoning. That is, to provide for a flexible and creative planning approach and in locations of specific uses and mixes of structural alternatives. The Applicant seeks to provide a quality and meaningful approach to building this community.
6. SIGNIFICANCE CRITERIA AND FINDINGS

Section 11-200-12, HAR, establishes thirteen significance criteria which agencies must use to evaluate a project's impacts. Although this EISPN is preliminary to the Draft EIS, the known information has been evaluated according to the significance criteria. As a result of this preliminary evaluation, it is anticipated that the proposed Villages of Aina Lea:

1. Is not likely to involve an irrevocable commitment to loss or destruction of any natural or cultural resource;

2. Will increase the range of beneficial uses of the environment;

3. Will 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;

4. May substantially and positively affect the economic or social welfare of the community or state;

5. Will not substantially affect public health;

6. Will involve secondary impacts, such as population changes or effects on public facilities;

7. Is not likely to involve a substantial degradation of environmental quality;

8. Is individually limited but cumulatively may have a considerable effect upon the environment or involves a commitment for larger actions;

9. Is not anticipated to substantially affect a rare, threatened, or endangered species, or its habitat;

10. Will not detrimentally affect air or water quality or ambient noise levels;

11. Will not affect, or be likely to suffer damage by being located within an environmentally sensitive area such as flood plain, tsunami zone, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters;

12. Will not substantially affect scenic vistas and viewplanes identified in county or state plans or studies;

13. Will result in additional energy consumption.
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7. **ANTICIPATED AGENCY DETERMINATION**

The applicant, in consultation with the County Planning Department, has determined that an Environmental Impact Statement will be required for the project, pursuant to Chapter 343, HRS, due to its connection to and anticipated intersection improvements of the State's Queen Ka'ahumanu Highway.

The DEIS is being prepared in accordance with Chapter 343, HRS, EIS content requirements. It will identify relevant elements of the physical, biological, and man-made environment, evaluate potential impacts associated with the Project, and present mitigation measures.
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8. DISTRIBUTION AND CONSULTATION

At a minimum, the following agencies, citizen groups or organizations will be consulted:

8.01 Federal

US Army Corps of Engineers
US Fish and Wildlife Service
US Geological Survey
US National Marine Fisheries Service
US Natural Resources Conservation Service

8.02 State

Office of the Governor
Department of Agriculture
Department of Business, Economic Development and Tourism
   Office of Planning
      Energy, Resources and Technology Division
Department of Education
Office of Environmental Quality Control (4 copies)
Department of Health, Environmental Management Division (3 copies)
Hawaii Housing and Finance Development Corporation
Office of Hawaiian Affairs
Department of Hawaiian Home Lands
Department of Labor and Industrial Relations
Department of Land and Natural Resources (5 copies)
Department of Land and Natural Resources-Historic Preservation Division
Department of Public Safety
Department of Transportation
State Land Use Commission
University of Hawai‘i
   Environmental Center
   Water Resources Research Center

8.03 Hawai‘i County

Office of the Mayor
Planning Department (2 copies)
Department of Public Works (4 copies)
   Building, Engineering, Highways Maintenance, Traffic Divisions
Department of Environmental Management (2 copies)
   Solid Waste and Wastewater Divisions
Department of Finance (2 copies)
   Real Property Tax Office
VILLAGES OF 'ĀINA LE'A
Environmental Impact Statement Preparation Notice

Fire Department
Office of Housing and Community Development
Mass Transit Agency
Department of Parks and Recreation
Police Department
Department of Research and Development
Department of Water Supply

8.04 Organizations, Individuals and Interested Parties

Hawai'i Island Community Development Corporation
Hawai'i Leeward Planning Conference
Kona-Kohala Chamber of Commerce
Mauna Lani Resort
Mauna Lani Resort Association
Mauna Lani Homeowners Association
Puakō Community Association
South Kohala Community Development Plan Steering Committee
Waikoloa Community Development Corporation
Waikoloa Land Company
Waikoloa Outdoor Circle
Waikoloa Village Association

8.05 Libraries and Depositories

Hawai'i Documents Center, Hawai'i State Library
Bond Memorial Library
Thelma Parker Memorial Library
Kailua-Kona Library

8.06 News Media

Hawai'i Tribune Herald
West Hawai'i Today

8.07 Elected Officials

State Senator Paul Whalen, District 3
State House Representative Cindy Evans, District 7
County Council Chair Pete Hoffmann, District 9

8.08 Utility Companies

Hawaiian Electric Light Company
Oceanic Time-Warner
Hawaiian Telcom
Waikoloa Water Company
October 11, 2007

Mr. Sidney Fuke
Planning Consultant
100 Pauahi Street, Suite 212
Hilo, Hawaii 96720

Dear Mr. Fuke:

Project District Application
Bridge Aina Le’a, LLC
TMK: 6-8-1:25, 36-40

This is in regards to the Project District Application filed on behalf of your client, Bridge Aina Le’a, LLC, along with proposed amendments to Ordinance No. 96-153.

In our letter to you dated October 10, 2007, which included staff memorandum no. 07-20, you were informed that because of two recent events, we have re-evaluated our practice in reviewing applications to see whether the proposed project(s) would require compliance with Chapter 343, Hawaii Revised Statutes, particularly when a land use application for private development will require improvements within the state or county road right-of-way. For your information, one of the events was a recent memo from the State Department of Transportation which stated that they would not process applications from a private landowner for improvements within the state right-of-way unless the landowner could show that there had been compliance with Chapter 343 when the permits for the land use were granted. The other event was the State Supreme Court’s recent opinion on the Superferry case.

With regards to the Project District application filed on behalf of your client, Bridge Aina Le’a LLC, we have determined that an Environmental Impact Statement is required for this large development since improvements will be required within the state right-of-way. The construction of a wastewater treatment facility will also trigger this requirement. Since this project will require compliance with Chapter 343, it would be best if this were taken care of prior to the submittal of the Project District application. We are, therefore, returning your entire submittal including the $5,000.00 check.

EXHIBIT 1
Mr. Sidney Fuke
Page 2
October 11, 2007

Should you have any questions, please feel free to contact me or Norman Hayashi at (808) 961-8288.

Sincerely,

[Signature]

CHRISTOPHER J. YUEN
Planning Director

Enclosures

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