February 7, 2022

Via Electronic Mail Only
Ms. Mary Alice Evans, Director
State of Hawaii
Office of Planning & Sustainable Development
235 South Beretania Street, Suite 702
Honolulu, Hawaii 96813

Dear Ms. Evans:

RE: NOTICE OF DECLARATION OF EXEMPTION FOR THE PROPOSED NA HALE MAKOA (FORMERLY KAMAKOA NUI WORKFORCE RENTAL HOUSING DEVELOPMENT) PROJECT AT TMK (3) 6-8-042:022, WAIKOLOA, HAWAII

With this letter, the County of Hawaii, Office of Housing and Community Development (OHCD) hereby requests publication of the attached Declaration of Exemption for the proposed project in the next issue of ERP’s The Environmental Notice.

Pursuant to the administrative rules promulgated under the authority of Chapter 343-6(7), Hawai‘i Revised Statutes, and specifically Section 11-200.15, and Section 11-200.1-16 Hawai‘i Administrative Rules (HAR), the Office of Housing and Community Development has determined that the project is exempt from the preparation of an environmental assessment.

Should you have any questions, please call TJ Oesterling at (808) 323-4302.

Susan K. Kunz
Housing Administrator

Attachments:
Memorandum: Exemption Declaration for proposed Na Hale Makoa Project
Environmental Review Program 343 Exemption Worksheet
February 7, 2022

MEMORANDUM:

TO: Susan K. Kunz, Housing Administrator, OHCD
    Harry Yada, Deputy Housing Administrator, OHCD
    Mary Alice Evans, Director, State Office of Planning & Sustainable Development,
    Environmental Review Program
    Audrey Awaya, Pacific Housing Assistance Corporation
    Karen Arakawa, Pacific Housing Assistance Corporation

FROM: TJ Oesterling, OHCD

SUBJECT: Exemption Declaration for the Proposed Nā Hale Mākoa (formerly Kamakoa
         Nui Workforce Rental Housing Development) Project at TMK (3) 6-8-042:022,
         Waikoloa, Hawai‘i

*******************************************************************************

BASIS OF EXEMPTION

Check applicable box

☐ This Exemption Declaration for the action described below above is based on the
  Exemption List for the County of Hawai‘i Office of Housing and Community
  Development, reviewed and concurred in by the Environmental Council on (July 11,
  2018), Exemption Class and Number___

☒ This Exemption Declaration for the action described below is based on

§11-200.1-15.c(10):

New construction of affordable housing, where affordable housing is defined by the controlling law applicable for the state or county proposing agency or approving agency, that meets the following:

(A) Has the use of state or county lands or funds or is within Waikiki as the sole triggers for compliance with chapter 343, HRS;

(B) As proposed conforms with the existing state urban land use classification:
(C) As proposed is consistent with the existing county zoning classification that allows housing; and

(D) As proposed does not require variances for shoreline setbacks or sitting in an environmentally sensitive area, as stated in section 11-200.1-13(b)(11).

Nā Hale Mākoa is planned as a 100% affordable project. It would serve a broad market mix, with 45%, or 63 units meeting the strong needs in the under-60% AMI range that is the target of LIHTC funding. It is an Applicant action which is located on lands which were donated to the County of Hawaii by the Waikoloa Resort, referred to as the “Waikoloa Employee Housing Project”, and approved for experimental and demonstration housing projects under HRS Chapter 46-15 via County Council Resolutions 439-06, 416-07, and 353-14. The trigger for compliance with Chapter 343, Hawai‘i Revised Statutes (HRS) is the use of County lands. The Waikoloa Affordable Housing Master Plan Final Environmental Impact Statement was accepted by the Mayor, County of Hawaii on April 30, 1991, and published in the May 8, 1991, issue of the “OEQC Bulletin” (now “Environmental Notice”).

The project site falls within the State Urban Land Use classification and the proposed use is consistent with the permissible uses Chapter 205, HRS, Land Use Commission.

While the underlying County zoning for the property is RS-10 (Residential), the Waikoloa Employee Housing Project was approved for experimental and demonstration housing projects under HRS Chapter 46-15 via County Council Resolutions 439-06, 416-07, and 353-14.

The subject property will not require a shoreline setback variance (three miles from the nearest coastline) nor is it located within an environmentally sensitive area, such as an area that will be impacted by future sea level rise, a floodway (Exhibit 1), a wetland (Exhibit 2), or affected historic properties (Exhibit 3).

**DESCRIPTION OF ACTION**

**Name of Agency or Applicant:** Pacific Housing Assistance Corporation

**Project Location and Tax Map Key No.:** Waikoloa, Hawaii, TMK No.: (3) 6-8-042:022

**Brief Description of the Action:**

The proposed action involves the construction of 140 affordable apartments in fifteen two-story buildings, on an approximately 10.324-acre site. Units will provide
Exemption Declaration for the Proposed Na Hale Makoa Project at TMK (3) 6-8-042:022, Waikoloa, Hawai‘i
February 4, 2022
Page 3

one (1), two (2), or three (3) bedrooms. Onsite parking will also be provided. The project's amenities will include a lobby and common areas, recreational room, landscaped central park with walking paths, picnic areas and a playground, and exterior walking paths.

RESEARCH AND CONSULTATIONS

Exhibit 1: Flood Hazard Assessment Report
Exhibit 2: National Wetlands Inventory
Exhibit 3: HRS Chapter 6E-8 Historic Preservation Review
Exhibit 4: County of Hawaii, Planning Department, South Kohala Community Development Plan

CHAPTER 343, HRS EXEMPTION ASSESSMENT

The project is deemed to be exempt from Chapter 343, HRS, in accordance with Section 11-200.1 Hawai‘i Administrative Rules. It should be noted that if the proposed Project qualifies for Federal funds (US Department of Housing and Urban Development), then it will necessitate documentation of compliance with the National Environmental Policy Act (NEPA), pursuant to 24 CFR Part 58.

As part of the NEPA environmental documentation process, the applicant and/or its consultants will be conducting technical studies relating to preliminary engineering, traffic impact, flora and fauna resources, archaeology, and cultural impacts (through Section 106 National Historic Preservation Act consultation). The project site is not located in sensitive environments such as streams (Exhibit 1) or wetlands (Exhibit 2). While the Na Hale Makoa Project will eventually be part of a larger action once the rest of the Waikoloa Employee Housing Project is built out, the Waikoloa Employee Housing Project has long been planned (Exhibit 4) and zoned for residential use.

APPROVAL OF EXEMPTION

I have considered the direct, cumulative, and potential impacts of the action described above pursuant to Chapter 343, Hawai‘i Revised Statutes and Chapter 11-200.1, Hawai‘i Administrative Rules. I declare that the action described above will have minimal or no significant impact on the environment and is therefore exempt from the preparation of an environmental assessment.

This document is on file in our office and is available for public review.

[Signature]
Director, Office of Housing and Community Development (Date)
Flood Hazard Assessment Report
www.hawaiinfip.org
Na Hale Makoa Project

Property Information

<table>
<thead>
<tr>
<th>COUNTY</th>
<th>HAWAI'I</th>
</tr>
</thead>
<tbody>
<tr>
<td>TMK NO:</td>
<td>(3) 6-8-042:022</td>
</tr>
<tr>
<td>WATERSHED:</td>
<td>POHAKULOA</td>
</tr>
<tr>
<td>PARCEL ADDRESS:</td>
<td>ADDRESS NOT DETERMINED WAIKOLOA, HI 96738</td>
</tr>
</tbody>
</table>

Flood Hazard Information

| FIRM INDEX DATE: | SEPTEMBER 29, 2017 |
| LETTER OF MAP CHANGE(S): | none |
| FEMA FIRM PANEL: | 1551660310F |
| PANEL EFFECTIVE DATE: | SEPTEMBER 29, 2017 |

Flood Hazard Areas

- **Zone A**: No BFE determined.
- **Zone AE**: BFE determined.
- **Zone AH**: Flood depths of 1 to 3 feet (usually areas of ponding); BFE determined.
- **Zone AO**: Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined.
- **Zone V**: Coastal flood zone with velocity hazard (wave action); no BFE determined.
- **Zone VE**: Coastal flood zone with velocity hazard (wave action); BFE determined.
- **Zone AEF**: Floodway areas in Zone AE. The floodway is the channel of stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without increasing the BFE.

Non-Special Flood Hazard Area

- An area in a low-to-moderate risk flood zone. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities.

Other Flood Areas

- **Zone XS (X shaded)**: Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.
- **Zone X**: Areas determined to be outside the 0.2% annual chance floodplain.
- **Zone D**: Unstudied areas where flood hazards are undetermined, but flooding is possible. No mandatory flood insurance purchase apply, but coverage is available in participating communities.

Disclaimer: The Hawaii Department of Land and Natural Resources (DLNR) assumes no responsibility arising from the use, accuracy, completeness, and timeliness of any information contained in this report. Viewers/Users are responsible for verifying the accuracy of the information and agree to indemnify the DLNR, its officers, and employees from any liability which may arise from its use or its data or information.

If this map has been identified as 'PRELIMINARY', please note that it is being provided for informational purposes and is not to be used for flood insurance rating. Contact your county floodplain manager for flood zone determinations to be used for compliance with local floodplain management regulations.
February 4, 2022

Wetlands
- Estuarine and Marine Deepwater
- Estuarine and Marine Wetland
- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Freshwater Pond
- Lake
- Other
- Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.
May 22, 2006

Rex M. Jitchaku
County of Hawai‘i Office of Housing and Community Development
50 Wailuku Drive
Hilo, Hawai‘i 96720-2456

Dear Mr. Jitchaku:

SUBJECT: Chapter 6E-8 Historic Preservation Review (County/OHCD) – Request for Confirmation of Determination of “No Historic Properties Affected” for Waikoloa Affordable Housing Project Waikoloa Ahupua‘a, South Kohala District, Island of Hawai‘i
TMK: (3) 6-8-002:031, portion of 26

This project consists of development of affordable housing on 279-acres of land in Waikoloa.

We believe that no historic properties will be affected by this undertaking because:

☐ a) intensive cultivation has altered the land
☐ b) residential development/urbanization has altered the land
☐ c) previous grubbing/grading has altered the land
☒ d) an acceptable archaeological assessment or inventory survey found no historic properties
☐ e) this project has gone through the historic review process, and mitigation has been completed
☐ f) other: DLNR previously reviewed the EIS for this project in 1991 and determined that no historic properties would be affected (Paty to Hayashi, FILE NO. 91-223, DOC NO 9545E). This determination was based on the archaeological survey by Bonk (1988) during which no historic properties were identified and some evidence of military training (ordnance) was noted. Other and more recent archaeological studies in the immediate vicinity of the project area at this elevation (Hurst et. al. 1991; Jenson 1990; Sinoto 2004) further suggest that expectations for archaeological sites within the project area are low.

In the event that historic resources, including human skeletal remains, are identified during the construction activities, all work needs to cease in the immediate vicinity of the find, the find needs to be protected from additional disturbance, and the State Historic Preservation Division, Hawai‘i Section, needs to be contacted immediately at (808) 327-3691.

Aloha,

Melanie Chinen, Administrator
State Historic Preservation Division

MM jet
South Kohala Community Development Plan

Kamakoa Nui

11/30/2021

EXHIBIT 4

WAKOLOA VILLAGE
+/- 2,800 UNITS
AS OF JAN. '08

Wakoloa Heights
50 ACRES
200 + UNITS

Kamakoa Workforce Housing
268 ACRES
1,200 Affordable Units

Perimeter Firebreak/Trails

Wakoloa Village Association

Plako Ilo Development
1668 Acres
AG-5a AG-201

Maintain Ag. Zoning

Wehilani Kai
256 Acres
756 Units

Community Center
and Park Alt. #4

Wehilani Kai
256 Acres
756 Units

Community Center
and Park Alt. #4

General Plan
"Urban Expansion
and Industrial"

Commercial Center

Wakoloa Village
Association

PARCEL 17
2,150 ACRES
AG-5a

Maintain Ag. Zoning

PARCEL 27
5 ACRES
AG-5a

Emergency Access Road

Second Access Road to Queen Ka'ahumanu Hwy.

Water Treatment Plant

Community Center
and Park Alt. #2

Community Center
and Park Alt. #3

Perimeter Firebreak/Trails

Wakoloa Heights
50 ACRES
200 + UNITS

Wakoloa Village
Association

Wehilani Kai
256 Acres
756 Units

Community Center
and Park Alt. #4

General Plan
"Urban Expansion
and Industrial"

Commercial Center

OUTDOOR LINEAR SCALE (FEET)

0 1,100 2,200 4,400

Island of Hawaii
Exemption
Office of Housing and Community Development (County of Hawaii)

TJ Oesterling, (808) 323-4852, timothy.oesterling@hawaiicounty.gov

February 2, 2022

The project site is located within the Waikoloa Affordable Housing Master Plan area owned by the County of Hawai’i. An EIS assessing the potential impacts of the master plan was prepared in 1991 in accordance with Chapter 343, HRS. The Final EIS was accepted by the Office of the Mayor on April 30, 1991 and subsequently published in the May 8, 1991 OIOC Bulletin. Chapter 11-200 of the Hawaii Administrative Rules ("HAR") does not place a time limit on the validity of an accepted EIS. Further, Section 11-200.1-15, HAR allows certain types of actions to be exempted from the requirements of Chapter 343, HRS. Section 11-200.1-16, HAR, further allows each agency to develop its own list of actions which may be exempted from Chapter 343. The proposed Project meets the criteria for exemption under these sections.

<table>
<thead>
<tr>
<th>File No.</th>
<th>Island</th>
<th>Street Address</th>
<th>City</th>
<th>Zip Code</th>
<th>TMK</th>
<th>Applicant</th>
<th>Exempt under HAR 11-200</th>
<th>Action: Title and Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>Hawaii</td>
<td>N/A</td>
<td>Waikoloa</td>
<td>96738</td>
<td>(3) 6-8-042-022</td>
<td>OHCD</td>
<td>6-8-042-032</td>
<td>NS Hale Mākua is a proposed 140-unit multi-family affordable workforce housing rental housing development.</td>
</tr>
</tbody>
</table>

8514dpi