

EXEMPTION NOTICE FORM

County of Hawai'i
Office of Housing and Community Development
1990 Kino'ole Street, Suite 102
Hilo, HI 96720-5293

TO: Agency-Maintained Public Files for Chapter 343 HRS Exemption Determinations

FROM: Housing Administrator of the Office of Housing and Community Development (OHCD)

SUBJECT: Exemption Notice for 2324-30038 Affordable Housing Production Program
Mental Health Kokua, Manago Mauō Project

DATE: 12/28/2023

AGENCY OR APPLICANT ACTION

Check applicable box

- This exempted action is an agency action as defined by Section 343-5(b), Hawai'i Revised Statutes (HRS), and Section 11-200.1-8, Hawai'i Administrative Rules (HAR)
- This exempted action is an applicant action as defined by Section 343-5(e), HRS, and Section 11-200.1-9, HAR

EXEMPTION TYPE:

The Exemption Notice for the action described below is based on the general types enumerated in Section 11-200.1-15(c), Hawai'i Administrative Rules (HAR), Exemption Types **1, 2 and 3**.

- 1) Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features involving minor expansion or minor change of use beyond that previously existing;
- 2) Replacement or reconstruction of existing structures and facilities where the new structure will be located generally on the same site and will have substantially the same purpose, capacity, density, height, and dimensions as the structure replaced;
- 3) Construction and location of single, new, small facilities or structures and the alteration and modification of the facilities or structures and installation of new, small equipment or facilities and the alteration and modification of the equipment or facilities.

As of December 2023, OHCD is developing an agency-specific Exemption List per Section 11-200.1-16 but has not yet had the list reviewed and concurred to by the Environmental Council.

DESCRIPTION OF ACTION

Proposing Agency or Applicant: County of Hawai'i, Office of Housing and Community Development

Project Name & Address/Location: Manago Mauō , Manago Hotel, 82-6151 Hawaii Belt Road, Kealahou

Anticipated Funding Date: 3/1/2024

Island and District: Hawai'i South Kona

Tax Map Key(s) and other geolocation means: (3) 8-2-015:019

All Necessary Permits and Approvals: No discretionary approvals required

NARRATIVE

Describe the action and why it qualifies for the exemption:

The County of Hawai'i, Office of Housing and Community Development (OHCD), intends to award a \$5,500,000 grant under the Affordable Housing Production (AHP) Program authorized by Hawai'i County Code § 11-21, to Mental Health Kōkua (MHK) for its Manago Mauō project in Kealahou, South Kona. The funds would be used to acquire the Manago Hotel, and subsequent plans include minor infrastructure enhancements.

Manago Hotel currently has 22 dorm rooms that share 4 bathrooms. MHK intends to update the current bathrooms and to use 2 of the existing dorm rooms to create 2 kitchenettes with sinks, refrigerators, and countertop appliances for microwave ovens. No walls will be removed, and no demolition or additions will occur. By creating shared kitchens and bathrooms for the remaining 20 units, these units will be considered SRA residential units. The hotel also has 42 motel rooms with private bathrooms to which MHK intends to add small kitchenettes to create residential living units. The minor renovation includes adding kitchen sinks from existing plumbing, apartment size refrigerators, microwave ovens, and prefabricated cabinet and countertop units for storage. No walls will be removed, and no demolition or additions will occur. This will require minor electrical and plumbing work such as breakers for the refrigerators and minor plumbing for the kitchen sinks.

MHK will also update the existing laundry area by removing commercial washers and dryers and replacing them with energy efficient residential washers and dryers, necessitating minor plumbing and electrical adaptations. In a previously disturbed area on the west of the property, a parking lot with 76 stalls will be built.

These improvements aim to facilitate the operation of the facility as workforce housing which consists of approximately 72 units. The purpose of the project is to provide a substantial number of affordable rentals for Kona workers employed in various organizations that play a crucial role in sustaining and improving the quality of life within the Kona community. Kona is experiencing a hiring crisis that is largely driven by the spiraling cost of housing, which prices most workers out of the market significantly impacting the ability to attract and retain a skilled and dedicated workforce. This, in turn, severely reduces these organizations' ability to deliver services. Many existing and potential workers have relocated or left Hawai'i altogether because they can no longer afford to live and thrive in the communities they serve.

RECEIVING ENVIRONMENT

Describe the site, including any impacts on the receiving environment: The project is located on TMK (3) 8-2-015:019, a 2-acre site that contains the Manago Hotel (see Figure below). The site is fully developed for hotel uses except for the western portion, which consists of a previously disturbed area with various non-native trees and other vegetation. The hotel is comprised of four main structures built between 1925 and 1963. Several sheds are also present. A parking lot is present north of the hotel, and an additional area for parking is present on the western portion but is not currently utilized.

Manago Hotel Location



ENVIRONMENTAL ANALYSIS

I have considered the potential effects of the proposed project and all related activities against the criteria checked below:

	Not Applicable
<input checked="" type="checkbox"/> Land Use and Zoning Conformance	<input type="checkbox"/>
<input checked="" type="checkbox"/> Traffic (Vehicles, Bicycles, Pedestrian)	<input type="checkbox"/>
<input checked="" type="checkbox"/> Infrastructure (Roads, Buildings, Utilities)	<input type="checkbox"/>
<input checked="" type="checkbox"/> Air Quality Pollutant Emissions	<input type="checkbox"/>
<input checked="" type="checkbox"/> Noise Emissions	<input type="checkbox"/>
<input checked="" type="checkbox"/> Solid, Hazardous, and Liquid Waste Management	<input type="checkbox"/>
<input checked="" type="checkbox"/> Social	<input type="checkbox"/>
<input checked="" type="checkbox"/> Economic	<input type="checkbox"/>
<input checked="" type="checkbox"/> Health and Safety	<input type="checkbox"/>
<input type="checkbox"/> Recreation	<input checked="" type="checkbox"/>
<input type="checkbox"/> Public Beach Access	<input checked="" type="checkbox"/>
<input type="checkbox"/> Cultural Resources and Practices	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Visual/Aesthetic	<input type="checkbox"/>
<input checked="" type="checkbox"/> Environmental Justice	<input type="checkbox"/>
<input checked="" type="checkbox"/> Rare, Threatened, and/or Endangered Species	<input type="checkbox"/>
<input checked="" type="checkbox"/> Surface and Ground Water Resources	<input type="checkbox"/>
<input checked="" type="checkbox"/> Wetlands	<input type="checkbox"/>
<input checked="" type="checkbox"/> Floodplains	<input type="checkbox"/>
<input checked="" type="checkbox"/> Riparian/Coastal Resources	<input type="checkbox"/>
<input type="checkbox"/> Other	<input checked="" type="checkbox"/>

Comments/summary of impact analysis: The area is within the Urban State Land Use District and is County-zoned CV-10, which allows residential uses. No threatened or endangered species, wetlands, cultural gathering areas, recreational sites, water bodies, flood zones, hazardous conditions or other sensitive resources are present on the project site. The historic character of the Manago Hotel will not be affected by the minor improvements. In the future, there may be additional alterations to the exterior and interior of rooms that will be conducted in compliance with all environmental and historic preservation laws.

MITIGATION

Describe all mitigation measures and best management practices planned to address impacts during the project activities and after project completion: In order to ensure adequate parking for workers, a new parking area will be developed within the property, makai of the hotel. No other mitigation is necessary for any impacts related to the proposed action.

CONSULTATION

The following parties were consulted about this exemption notice on December 8, 2023:

- Department of Parks and Recreation Director Maurice Messina, maurice.messina@hawaiicounty.gov
- Department of Public Works Director Steve Pause, steve.pause@hawaiicounty.gov
- Department of Water Supply Manager Keith Okamoto, kokamoto@hawaiidws.org
- Planning Director Zendo Kern, planning@hawaiicounty.gov
- Department of Environmental Management (DEM) Director Ramzi Mansour, ramzi.mansour@hawaiicounty.gov
- Solid Waste Division DEM Acting Chief Gene Quiamas, swd@hawaiicounty.gov
- DEM Wastewater Division Acting Chief, Christopher Laude, wwd@hawaiicounty.gov
- Fire Department Fire Chief Kazuo Todd, todd.kazuo@hawaiicounty.gov
- Mass Transit Agency Administrator Victor Kandle, victor.kandle@hawaiicounty.gov
- Council Chair Heather Kimball, heather.kimball@hawaiicounty.gov
- Councilmember District 6 Michelle Galimba, michelle.galimba@hawaiicounty.gov
- Councilmember District 7 Rebecca Villegas, rebecca.villegas@hawaiicounty.gov
- Councilmember District 8 Holeka Inaba, holeka.inaba@hawaiicounty.gov

Each party was supplied with a brief description of the project, the draft determination of exemption under HRS 343, and a request to reply within two weeks days if at all possible. As of December 22, 2023, three responses have been received (see Attachment 1).

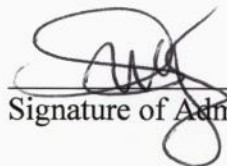
Hawai'i County Council Member Holeka Inaba stated in an email on December 11, 2023, that there is nothing to share at the time regarding the environmental consultation for the project.

Hawai'i County Planning Director Zendo Kern stated in an email on December 13, 2023, that he had reviewed the proposed project and agreed with the referenced exemptions (HAR 11-200.1-15(c) Exemptions (1), (2) & (3)).

Hawai'i County Department of Environmental Management, Solid Waste Division, Acting Deputy Chief Gene Quiamas stated in an email on December 16, 2023 that his agency is primarily concerned with the potential of projects to involve solid waste in such a way as to cause significant adverse impacts as defined in Hawai'i Administrative Rules 11-200.1-13. He cited various categories where potential significant impacts can occur related to the ability of the agency to effectively deal with solid waste, including increased volume, problematic solid waste types, solid waste transport issues, and conflicts with environmental policies. As there are no existing solid waste issues related to the operation of the Manago Hotel, and the Manago Mauō project will not noticeably change the solid waste characteristics, there does not appear to be any potential for significant impacts related to solid waste. In addition, Mr. Quiamas recited his agencies policies concerning solid waste. OHCD is aware of these policies and does not see any potential for violation of these policies as part of the Manago Mauō project.

EXEMPT DECLARATION

The direct, cumulative, and potential impacts of the action described above have been considered 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 requirement to prepare an environmental assessment.



Signature of Administrator or Delegate

12/28/23

Date

This document is to be kept on file in the agency's records and made available for public review

- Please check here if a summary of this document is being submitted to the Office of Planning and Sustainable Development, Environmental Review Program Control for voluntary publication in *The Environmental Notice*

Summary of Exemption Notice for County of Hawai'i, Office of Housing and Community Development Affordable Housing Grant for Manago Mauō Project, Environmental Review Program Control for publication in *The Environmental Notice*

The Hawai'i County, Office of Housing and Community Development intends to award a \$5,500,000 grant under the County's Affordable Housing Production Program to non-profit Mental Health Kokua to acquire the Manago Hotel in Kealahou to operate the facility as approximately 72 units of workforce housing for Kona workers employed in various organizations that play a crucial role in sustaining and improving the quality of life within the Kona community. The area is within the Urban State Land Use District and is County-zoned CV-10, which allows residential uses. No threatened or endangered species, wetlands, cultural gathering areas, recreational sites, water bodies, flood zones, hazardous conditions or other sensitive resources are present on the project site. The historic character of the Manago Hotel will not be affected by the change of use, the addition of 76 parking stalls at the rear of the property, and the minor interior improvements needed to convert the hotel rooms to residential use.

Attachment 1
Consultation Responses

From: Kern, Zendo <Zendo.Kern@hawaiicounty.gov>
Sent: Wednesday, December 13, 2023 9:54 AM
To: OHCD AHP <ohcd.ahp@hawaiicounty.gov>
Cc: Ley, Rachele <Rachele.Ley@hawaiicounty.gov>; gpayton@mhkhawaii.org; Kristy Lungo <klungo@mhkhawaii.org>; rterry@hawaii.rr.com
Subject: RE: Ch.343 Environmental Exemption Consultation for Manago Mauo

Aloha Royce and OHCD AHP Team,

We have reviewed the proposed project and agree with your referenced exemptions (HAR 11-200.1-15(c) Exemptions (1), (2) & (3)).

Thank you for reaching out to us for consultation.

Please let us know if you need a more formal response by letter.

Mahalo!

Zendo

From: Quiamas, Gene <Gene.Quiamas@hawaiicounty.gov>
Sent: Saturday, December 16, 2023 9:10 AM
To: OHCD AHP <ohcd.ahp@hawaiicounty.gov>
Cc: rterry@hawaii.rr.com; gpayton@mhkhawaii.org; klungo@mhkhawaii.org; Solid Waste Internet Email <swd@hawaiicounty.gov>
Subject: RE: Ch.343 Environmental Exemption Consultation for Manago Mauo

Thank you for providing the Hawaii County DEM, Solid Waste Division (SWD), the opportunity to comment on the proposed exemption for the subject project. SWD is primarily concerned with the potential of projects to involve solid waste in such a way as to cause significant adverse impacts as defined in Hawai'i Administrative Rules 11-200.1-13. The decision to exempt a project shall remain with the approving agency.

The approving agency should consider the potential for significant effects related to the following categories of impact, among others, that could increase the potential for air or water pollution or inhibit the ability of our agency to effectively deal with solid waste:

- Whether the quantity of solid waste generated from the project could be of a magnitude as to unduly burden the collection and disposal system.
- Whether the type of solid waste generated from the project could unduly burden the collection and disposal system.
- Whether transport of the solid waste from the project could unduly burden State and or County roadways.

- Whether the project would involve solid waste in any other ways that could conflict with the County's environmental policies, or adversely affect public health and welfare or County solid waste facilities or properties.

Each of the above categories of impact should be considered from the short-term, long-term, and cumulative perspectives, to ensure that impacts are properly analyzed.

In addition to Chapter 343, HRS, we take this opportunity to refer you more generally to SWD's policies concerning solid waste:

- Commercial operations, government agencies, religious entities and non-profit organizations shall not use County Transfer Stations for disposal.
- Aggregates and any other construction/demolition waste should be responsibly reused to its fullest extent.
- Ample and equal room should be provided for rubbish and recycling.
- Green waste may be transported to the green waste sites located at the West Hawai'i Organics Facility and East Hawai'i Organics Facility, or other suitable diversion programs.
- Construction and demolition waste is prohibited at all County Transfer Stations.

More detailed information is available at 23-04-19 Env Mgt Administrative Rules of Practice and Procedure - Final.pdf (hawaiicounty.gov). Should you have additional questions, please call our main office at (808) 961-8270.

Gene Quiamas
Acting Deputy Chief
Solid Waste Division
Department of Environmental Management
County of Hawaii

From: Inaba, Holeka <Holeka.Inaba@hawaiicounty.gov>
Sent: Monday, December 11, 2023 5:17 PM
To: OHCD AHP <ohcd.ahp@hawaiicounty.gov>
Subject: Re: Ch.343 Environmental Exemption Consultation for Manago Mauo

Aloha,
Nothing to share at this time. Mahalo!

Na'u me ke aloha,
Holeka Goro Inaba, Ed.D.
Hawai'i County Council Member, District 8 (North Kona)

Phone: (808) 323-4280
Email: holeka.inaba@hawaiicounty.gov