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Director

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Deputy Director



DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA
2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

January 29, 2025

Ms. Mary Alice Evans, Director
Office of Planning and Sustainable Development
State of Hawai'i
P.O. Box 2359
Honolulu, Hawai'i 96804-2359

Dear Ms. Evans:

SUBJECT: DETERMINATION OF NO ADDITIONAL ENVIRONMENTAL REVIEW NEEDED TO SATISFY CHAPTER 343, HAWAII REVISED STATUTES FOR HĀNA HEALTH'S WORKFORCE HOUSING AND SPECIALTY CLINIC PROJECT (PROJECT), LOCATED AT 4590 HĀNA HIGHWAY, HĀNA, ISLAND OF MAUI, HAWAII; TMK: (2) 1-4-003:022 (ZPA2024-00003)

Pursuant to Section 11-200.1-4, Hawai'i Administrative Rules (HAR), this letter serves as notification and a request for publication in the next available edition of *The Environmental Notice* of the determination by the County of Maui, Department of Planning (Department), made pursuant to Section 11-200.1-11, HAR, that no additional environmental review is required for construction of the Project.

The Project consists of six units of workforce housing (6,800 square feet total, including lanais) and a 1,900 square foot specialty clinic at the Hāna Health Center at Kawaipapa, Hāna, Maui, located on TMK: (2) 1-4-003:022 (Parcel 22). The Department carefully reviewed and analyzed (1) the Final Environmental Assessment/Finding of No Significant Impact (FEA/FONSI) that was published in *The Environmental Notice* on December 8, 2004, for a much larger Community Health and Wellness Village that would have added more than 70,000 square feet of new buildings on Parcel 22 and an adjacent parcel designated as TMK: (2) 1-4-003:024 (Parcel 24), and (2) the May 2000 FEA/FONSI approved by the Office of the Mayor of the County of Maui for an earlier action that would have added more than 30,000 square feet of new buildings on Parcels 22 and 24. Both the 2000 and 2004 FEAs analyzed actions that would have included residential units of a number and size similar to those included in the Project as well as facilities similar in size and function to the proposed specialty clinic, and both FEAs included the current Project within the alternatives analyzed. Neither of the earlier

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proposed projects was built. The Project, which is limited to Parcel 22 and totals 8,700 square feet, is anticipated to have direct, indirect, and cumulative effects less than the proposed projects analyzed in the 2000 and 2004 FEAs. (See Attachment for further details.)

If additional clarification is required, please contact Staff Planner Wilton Leauanae at wilton.leauanae@co.maui.hi.us or at (808) 270-8036.

Sincerely,

A handwritten signature in blue ink that reads "Ana S." with a long, sweeping underline.

for KATE L. K. BLYSTONE
Director

Attachment: Analysis

xc: Danny A. Dias, Planning Program Administrator (PDF)
Jordan E. Hart, Planning Program Administrator (PDF)
Wilton Leauanae, Staff Planner (PDF)
Will Spence, William Spence & Associates, Consultant (PDF)
Pamela Bunn, Counsel for Applicant (PDF)
Cheryl Vasconcellos, Hāna Health Center

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ATTACHMENT

COUNTY OF MAUI, DEPARTMENT OF PLANNING, ANALYSIS OF HĀNA HEALTH'S SPECIALTY CLINIC & WORKFORCE HOUSING PROJECT UNDER SECTION 11-200.1-11, HAWAI'I ADMINISTRATIVE RULES (HAR)

INTRODUCTION

The Planning Department has determined that Hāna Health's proposed Specialty Clinic & Workforce Housing Project (the Project) at 4590 Hāna Highway, Hāna HI 96713, TMK No. (2) 1-4-003:022 (Parcel 22) satisfies the requirements of Section 11-200.1-11(a), HAR, and therefore no further environmental review of the Project is required under HRS Chapter 343. The Planning Department's determination is based on Final Environmental Assessments (FEAs) prepared in 2000 and 2004, which were issued Findings of No Significant Impact (FONSIs) by the Office of the Mayor of the County of Maui and the State of Hawai'i Department of Land and Natural Resources (DLNR), respectively (see December 8, 2004 *The Environmental Notice*). Both of the previous FEAs analyzed projects much larger and more intensive than what Hāna Health is currently proposing, and both projects were determined to have no significant environmental impacts. Neither of the projects for which FONSIs were issued was built.

COMPARISON OF PROJECTS PREVIOUSLY ANALYZED AND CURRENTLY PROPOSED PROJECT

Act 263, Session Laws of Hawai'i 1996, established an affiliation between the State (through its Department of Health) and the community of Hāna (through a to-be-formed Hāna non-profit health care organization) to support the development of a community-based health care program. Hāna Health was formed as the non-profit organization and, in 1998, the State leased the Hāna Medical Center to Hāna Health for a term of 55 years. In addition to the 10.071-acre Parcel 22, the leased premises includes TMK. No. (2) 1-4-003:024, the 2.035-acre parcel where the current buildings are located ("Parcel 24").

The premises were antiquated and inadequate when Hāna Health took possession from the Department of Health, and Hāna Health worked with the community to plan a facility that would meet the community's healthcare needs. The initial effort resulted in a plan that included, as described in the 2000 FEA/FONSI:

- Construction of a 10,850 sf Community Healthcare Center housing facilities for medical and ancillary services, as well as shared administrative and support uses;
- Construction of a 10,360 sf Health and Wellness Center housing a conference center, gym, pool, and office;
- Construction of 9,800 sf of employee housing for the executive director, on-site physician, and staff nurses;
- Renovation of the existing health center building;
- Construction of a total of approximately 104 parking stalls;
- Establishment of a future garden area; and
- Demolition of all existing structures with the exception of the original health center building.

See 2000 FEA/FONSI at 1-8.

In its discussion of the alternatives to the proposed action, the 2000 FEA/FONSI considered “Alternative Site Development Concept,” and anticipated there would be modifications to the proposed project as design development progressed. *Id.* at 5.1.

There were, in fact, subsequent modifications. In the ongoing community planning process, many wanted to see a more comprehensive facility, and Hāna Health retained consultants to prepare a revised EA reflecting the changes. The result was the far more ambitious proposed Hāna Community Health and Wellness Village (“Wellness Village”) analyzed in the 2004 FEA/FONSI (published in the December 8, 2004 *The Environmental Notice*), which explained that, “since the issuance of the [2000] FONSI, programmatic and design requirements for the project have been modified, incorporating a revised site plan and additional facility uses.” 2004 FEA/FONSI at 1.

The Wellness Village analyzed in the 2004 FEA/FONSI included 33 new buildings (with the existing Health Center potentially to be expanded by approximately 5,924 sf and the other existing buildings retained). The new buildings ranged from approximately 694 square feet to approximately 24,352 square feet, totaling 72,235 sf spread over both parcels. The buildings included an Administrative Office Building, a Conference and Technology Center, a Physical Therapy/Fitness Center, a Nutrition Training Center, six units of Kupuna Housing, twenty Wellness Cottages, a Reception/ Information Area, a Traditional Healing Center, and Maintenance and Laundry buildings. 2004 FEA/FONSI at 6-9.

Hana Health never built the Wellness Village. After the 2004 FONSI was issued, Hāna Health sought a District Boundary Amendment (DBA) for Parcel 22 to change the Agricultural portion to Rural to accommodate the Wellness Village. Facing the expiration of grant funding prior to the completion of the DBA, Hāna Health moved forward only with the construction of the 1,200 sf Nutrition Center on Parcel 24 (which is already in the State Rural District and thus did not require a DBA). The Nutrition Center was completed in 2012. The only other new building at the Hāna Health facility is a Rehabilitation Center completed in early 2023, also on Parcel 24.

Hāna Health now proposes to construct six units of workforce housing and a specialty clinic on Parcel 22, and the Maui County Council has initiated a DBA for that parcel to accommodate the Project. To mitigate the effect that Hāna’s decades-long housing shortage has had on its ability to attract and retain healthcare employees, Hāna Health proposes to build 4,700 square feet of workforce housing: 2 units each of studio (500 sf), 2 BR (750 sf), and 3 BR (1,100) housing. Hāna Health also plans a 1,900 sf specialty clinic that will include exam rooms, a small CLIA waived lab, restrooms, a reception area, and an office. Specialty services will initially include OB/GYN, cardiology, dermatology, and pediatric dentistry.

ANALYSIS

Hāna Health’s proposed Specialty Clinic and Workforce Housing Project satisfies the three-prongs of HAR Section 11-200.1-11(a) as follows:

- (1) The proposed action was a component of, or is substantially similar to, an action that received an exemption, FONSI, or an accepted EIS (for example, a project that was analyzed in a program EIS)

The proposed workforce housing will comprise six housing units totaling 4,700 square feet (6,800 square feet under roof including lanais). Workforce housing – five units totaling 9,800 sf -- was a component of the action analyzed in the 2000 FEA/FONSI. *Id.* at 1-8. The workforce housing is also substantially similar

to the Kupuna Housing (6 units totaling 4,906 sf) that was a component of the action analyzed in the 2004 FEA/FONSI (which also included 20 Wellness Cottages totaling 15,210 sf). *Id.* at 8.

The facilities included in the 1,900 sf specialty clinic (i.e., exam rooms, office, reception, restrooms, etc.) were components of the actions analyzed in both FEA/FONSIs. The action considered in the 2000 FEA/FONSI included a 10,850 sf Community Healthcare Center to house facilities for medical and ancillary services, as well as shared administrative and support uses. *Id.* at 1-8. The action considered in the 2004 FEA/FONSI included 9 treatment rooms of unspecified size and an administrative office building, *id.* at 6-8, and potentially an almost 6,000 sf expansion of the existing Health Center building, which would house, among other things, an expanded Urgent Care Clinic, *id.* at 11-14.

(2) The proposed action is anticipated to have direct, indirect, and cumulative effects similar to those analyzed in a prior exemption, final EA, or accepted EIS

The 2000 FEA/FONSI considered an action that would have added more than 30,000 sf of new buildings. *Id.* at 1-8. The 2004 FEA/FONSI analyzed the Wellness Village, an action that would have added more than 70,000 sf of new buildings. *Id.* at 8-9. Those actions were determined, by the Maui Mayor's Office and the DLNR, respectively, to have no significant environmental impacts. The much smaller proposed Project -- which would add 8,700 sf under roof -- is anticipated to have similar direct, indirect, and cumulative effects, i.e., none. Like the Wellness Village and the initial plan, the workforce housing and specialty clinic will have unavoidable construction-related impacts, including noise and air quality impacts associated with the construction equipment and dust, but those impacts will be temporary and the construction will take far less time to complete than the projected eight years to construct the Wellness Village. The proposed Project will also use less land (the Wellness Village would have had approximately 5.7 acres under roof or paved over, see 2004 FEA at 37), energy, and water, and will generate less wastewater, and less traffic, than the Wellness Village.

(3) In the case of a final EA or an accepted EIS, the proposed action was analyzed within the range of alternatives

The alternatives analyzed in the 2000 FEA/FONSI were the "No Action" alternative and an "Alternative Site Development Concept," which became the Wellness Village analyzed in the 2004 FEA/FONSI. The alternatives analyzed in the 2004 FEA/FONSI ranged from the Wellness Village (the "Preferred Alternative") to the "No Action" alternative, differentiated primarily by the number and size of the buildings. 2004 FEA/FONSI at 58-61. The first alternative was the original plan analyzed in the 2000 FEA/FONSI, which included two large (approximately 10,500 square foot) new buildings and five modest residential units for executive staff and nurses. *Id.* at Figure 3 and p. 58. The second alternative was a "Modified Alternative" that modified the preferred alternative by reducing the size of some of the buildings and would also have included 6 units of workforce housing as well as the expansion of the existing health center. *Id.* at Figure 3 and pp. 59-61. The proposed Project falls between the Modified Alternative and the No Action Alternative.

Accordingly, the Planning Department has determined that no additional environmental review is required for the Project.