



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

235 South Beretania Street, 6th Floor, Honolulu, Hawaii'i 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii'i 96804



Coastal Zone
Management
Program

DTS 202507031010SE

Environmental Review
Program

November 21, 2025

Land Use Commission

TO: Daniel Orodener, Executive Officer
Land Use Commission

Land Use Division

FROM: Mary Alice Evans, Director *Mary Alice Evans*
Office of Planning and Sustainable Development

Special Plans Branch

State Transit-Oriented
Development

SUBJECT: A02-737 U of N Bencorp
University of the Nations, Kona, Inc. – Master Plan Update
Final Environmental Impact Statement
Tax Map Key: (3) 7-5-010:085 and (3) 7-5-017:006
Kailua-Kona, Hawaii

Statewide Geographic
Information System

Statewide
Sustainability Branch

The Office of Planning and Sustainable Development (OPSD) has reviewed the subject Second Final Environmental Impact Statement (FEIS) prepared by the University of the Nations, Kona, Inc. (Applicant) and filed on November 17, 2025, in support of its 2020 Master Plan Update. OPSD finds that the FEIS meets the requirements of Hawaii Revised Statutes (HRS) Chapter 343 and Hawaii Administrative Rules (HAR) Chapter 11-200.1.

I. BACKGROUND

The Applicant is a 501(c)(3) non-profit corporation that operates a mission-based educational institution. It was founded in 1978 with its existing campus on 45 acres of land in Kailua-Kona, Hawaii. At the existing campus, there are currently approximately 774 students enrolled each quarter and 602 staff members throughout the school year, with additional mission builders and guest speakers.

On November 21, 2002, the Applicant's benefit corporation, U of N Bencorp, filed a petition with the State Land Use Commission (LUC) to reclassify two parcels totaling 62 acres (Petition Area) adjacent to the Applicant's existing campus from the State Agricultural District to the Urban District. The purpose was to allow the construction of the Hualalai Village Development Project and generate revenue for the Applicant. The proposed project included 400 market-rate condominiums, a for-profit Pacific Cultural Center, and a small educational facility. On August 8, 2003, the LUC issued its Findings of Fact, Conclusions of Law, and Decision and Order (2003 D&O) approving the reclassification of the Petition Area subject to 19 conditions.

The original proposed project under the 2003 D&O was never constructed, and after several changes in ownership among the Applicant's affiliates and an aborted 2006 Motion to Amend the 2003 D&O, the Applicant took direct control of the Petition Area and filed a 2020 Motion to Amend the 2003 D&O (2020 Motion). The 2020 Motion proposed to eliminate the previous development plan and instead use the entire Petition Area to expand the Applicant's existing campus. In support of the 2020 Motion, the Applicant prepared a Master Plan Update (MPU), which is described in more detail in Section II below, that includes a new sewer connection within Kuakini Highway, a county roadway, which serves as trigger to prepare a disclosure of environmental impacts of the proposed MPU. Consequently, the Applicant was required to conduct an environmental review under HRS Chapter 343.

On January 21, 2021, the Applicant filed a motion asking the LUC to be the accepting authority for an Environmental Impact Statement (EIS); and to determine that the MPU warrants an EIS. On February 18, 2021, the LUC issued an order granting the Applicant's motion. LUC action on the 2020 Motion is suspended until the LUC rules on the acceptability of the FEIS, which is the matter currently before the LUC.

II. MASTER PLAN UPDATE

The MPU includes:

- dormitories for students and staff;
- pre-school, elementary, middle, high school, and university facilities;
- disciple classrooms and a student resource center;
- an athletic complex and training areas;
- a discovery center (science, technology, linguistics);
- a chapel;
- support facilities, including storage and maintenance facilities; and
- preservation and integration of archaeological sites.

At full buildout, the MPU anticipates a total enrollment of 1,775 students per quarter. Approximately 67% (1,200 students) will be university students and approximately 32% (575 students) will be pre-kindergarten through grade 12 students. The Applicant also anticipates a support staff of up to 600 persons and up to 300 volunteers per quarter. Full buildout of the MPU is expected to occur in three phases over a 30-year period. Phase 1 will encompass the development of 26 acres, Phase 2 will encompass 22 acres, and Phase 3 will encompass 14 acres. Undeveloped portions of the Petition Area will be maintained as open space, landscaped areas, or playfield spaces.

III. RESPONSES TO COMMENTS FROM OPSD AND OTHER STATE AGENCIES

OPSD provided comments on the Draft Environmental Impact Statement (DEIS) in a letter dated April 3, 2024. OPSD's comments requested confirmation of the following:

- That the only access to the Applicant's campus will be through the existing driveway and a planned second driveway off Kuakini Highway, and that vehicular access via the Hualalai Village's driveways will only be allowed during emergencies.
- The Applicant's commitment to implement green building design measures such as permeable pavements and sidewalks and solar PV panels on buildings where feasible.
- The total number of students and staff at full buildout, the number of acres developed in each phase, and the total water demand anticipated, including irrigation, at full buildout.

See FEIS, pgs. 8-23 to 8-25, 8-36, and Appendix P. The Applicant's response provides the necessary information and confirmations to adequately address OPSD's comments.

Other State agencies, including the Department of Health, the Department of Defense, the Department of Land and Natural Resources (DLNR)-Engineering and DLNR-Division of Forestry and Wildlife, also provided comments on the EIS Preparation Notice and the DEIS. The Applicant responded to these comments and agreed to implement measures to mitigate any potential adverse impacts. *See FEIS*, pgs. 8-5 to 8-40 and Appendices N and P.

IV. UNRESOLVED ISSUES

Unresolved issues are required to be listed in an EIS. The following unresolved issues were identified: 1) water availability for the proposed project at full buildout, 2) impact on State educational facilities, and 3) impact on State Highway facilities. These issues are ongoing issues that the Applicant is either in the process of resolving or intends to resolve at the appropriate time. A DEIS is required to summarize unresolved issues and either discuss how such issues will be resolved prior to the commencement of the action, or what overriding reasons there are for proceeding without resolving the issues pursuant to HAR Section 11-200.1-24 (q). Thus, a list of unresolved issues is not a deficiency in an EIS, it is a fulfillment of a requirement for acceptability.

1. Water

The DLNR-Commission on Water Resource Management (CWRM) provided comments related to stormwater best management practices, water conservation measures such as use of water efficient fixtures, participation in the Hawaii Green Business Program, and adoption of landscaping irrigation best management practices. The Applicant has stated its intent to implement the recommended measures.

CWRM also noted that the Hawaii County Water Use Development Plan for the Keauhou Aquifer System (KAS) discourages new development north of the Keahuolu QLT 1 4057-001 Well in that high level aquifer and any new wells in the basal aquifer portions of the aquifer area. In addition, the Water Use Development Plan encourages future wells between 1,500-feet and 1,800-feet ground elevations mauka of Mamalahoa Highway. CWRM asked about the status of two basal wells the Applicant had planned to drill for which permits expired in May 2020, and that the proposed water sources and proposed water demand for both potable and non-potable water required by the MPU be disclosed.

The Department of Hawaiian Home Lands (DHHL) also expressed concern over the MPU's potential impact on the KAS. DHHL noted that 3.389 million gallons per day (MGD) of groundwater is reserved for future DHHL developments serving its beneficiaries. In addition, DHHL is concerned that future withdrawals from the KAS may reduce the amount of freshwater flow to the coastline and impact biological resources and Native Hawaiian traditional and customary practices that may be conducted in the vicinity of the Kaloko-Honokohau National Historic Park.

The KAS has an estimated total sustainable yield of 38 MGD. As of June 2022, the existing groundwater demand for the KAS is 14.452 MGD, 38% of the total sustainable yield. The MPU at full buildout is expected to generate a demand of 95,000 gallons per day (GPD). Consequently, the increase in demand due to the MPU is not expected to negatively impact DHHL's ability to provide water for its developments nor impact freshwater flow to the coastline in the vicinity of the National Historic Park. The Applicant's existing campus receives water from the county Department of Water Supply (DWS). However, the DWS has stated that its existing facilities cannot support the MPU campus expansion, and a new water source must be identified and secured.

The Applicant states that it has abandoned plans to drill the two previously permitted basal wells in the Petition Area due to the insufficiency of the basal lens and potential seawater intrusion. The Applicant has identified two potential new well sites for the MPU, which are both within the KAS.

The well site that is more likely to move ahead at this stage is located on Tax Map Key No. (3) 7-5-017:044 (Bolton Property), and the Applicant is in discussion with Waiaha System, LLC, the private well developer of the Property, to secure a potable water allotment. The new well would draw fresh water from the deep confined freshwater zone at a depth below sea level. Other than the Keopu Deep Monitor Well, there are no other wells within the KAS that have discovered and drawn water from the zone. If successfully developed, the new Bolton Property well has the potential to produce an estimated 1.0 million GPD.

Waiaha System, LLC has a Memorandum of Agreement with the county Water Board to design and construct the Bolton Property well, which would connect to the DWS system. However, several steps are still needed before the Applicant can secure potable water for the MPU, such as obtaining appropriate well permits from CWRM and entering into a final well development agreement with the DWS to formalize the number of water commitments, the water design criteria, and water credits available. Once the well is dedicated to the DWS, the water drawn would be allocated to the DWS, Waiaha System, LLC, and other potential third-party users, including the Applicant.

The MPU is also projected to need approximately 31,050 GPD of non-potable water for irrigation purposes. The DWS has asked the Applicant to use alternative methods to secure non-potable water such as reclaimed or reused water. The Applicant states that it will investigate non-potable water sources such as expanding the catchment system on its existing campus, downspout disconnects, graywater treatment and reuse, condensate water reuse, and measures such as xeriscaping and use of synthetic turf to minimize demand. *See FEIS*, Section 4.5, pgs. 8-24 to 8-25, Appendices D and P.

2. Impact On State Educational Facilities

The Department of Education (DOE) noted that Condition 3 of the 2003 D&O requires a fair-share contribution for the development, funding, and/or construction of school facilities, as determined by and to the satisfaction of the DOE, and a written agreement before seeking building permits. No such agreement has been executed yet. The Applicant acknowledged its obligation under Condition 3 and states that it anticipates that the LUC will impose the same or similar conditions when it acts on the 2020 Motion to Amend. At the appropriate time, the Applicant will consult with the DOE to determine its obligation. If it is determined that the MPU will trigger such obligations, the Applicant will enter into and comply with the appropriate educational contribution agreement with the DOE. *See FEIS*, Section 4.14.1, pgs. 8-15 to 8-16, 8-35, Appendix N.

3. Impact on State Highway Facilities

The Department of Transportation (DOT) found the Applicant's 2021 Mobility Analysis Report (MAR) lacked detailed conclusions on traffic improvements and recommendations for addressing local and regional impacts due to the MPU and asked that the MAR be revised. DOT also noted that Condition 9, requiring a pro-rated contribution to local and regional transportation improvements, and Condition 10, requiring a revised Traffic Impact Analysis Report for DOT approval prior to obtaining county zoning, from the 2003 D&O remain in effect.

In response, the Applicant prepared a revised 2023 MAR that found that the MPU will not directly impact the nine intersections around the MPU that were evaluated. At the intersection of Kuakini Highway (a county road), and the entrance to the existing campus, the revised MAR recommended that the south leg be restriped and a refuge lane for westbound left turning traffic be provided with Phase 1. Also, the revised MAR recommended that the intersections of Queen Kaahumanu Highway, a State roadway, and Kuakini Highway and Queen Kaahumanu Highway and Hualalai Road (a county road) be evaluated before the buildout of Phase 2 and Phase 3 to determine if installation of a traffic signal is warranted. After reviewing the 2023 MAR, DOT noted that access to the MPU will be from Kuakini Highway and that no direct access to Queen Kaahumanu Highway is planned; consequently, DOT agreed with the MAR finding that no direct or indirect adverse impact on State highways during the construction or operation of Phase 1 is anticipated, and that a traffic warrant signal study at the two intersections with Queen Kaahumanu Highway should be done before the certificate of occupancy for Phase 2.

The Applicant also acknowledged Conditions 9 and 10 of the 2003 D&O, and stated that it anticipates the LUC will impose new or amended transportation conditions when it acts on the 2020 Motion to Amend. The Applicant states that it will comply with all conditions that may be imposed by the LUC in approving the MPU. *See FEIS*, Section 4.12, pgs. 8-17 to 8-20, 8-36, Appendices I, N, and P.

V. HRS CHAPTER 343 ACCEPTABILITY ANALYSIS

Section 11-200.1-28, HAR, sets forth the criteria for evaluating the acceptability of a Final EIS. Evaluation is based on whether the Final EIS represents an information disclosure document that fulfills the definition of an EIS, adequately describes all identifiable environmental impacts and satisfactorily responds to review comments. An EIS, defined in Section 11-200.1-2, HAR, must fully comply with Subchapter 10 of Chapter 11-200.1, HAR. Subchapter 10 covers Sections 11-200.1-23 through -30, HAR. A Final EIS must meet the following criteria to be deemed an acceptable disclosure document:

1. Procedures for assessment, consultation process, review, and the preparation and submission of the EIS, from proposal of the action to publication of the final EIS have all been completed satisfactorily as specified in Chapter 11-200.1, HAR;
2. Content requirements described in Chapter 11-200.1, HAR have been satisfied; and
3. Comments submitted during the review process have received responses satisfactory to the accepting authority, including properly identifying comments as substantive and responding in a way commensurate to the comment, and have been appropriately incorporated into the final EIS.

Mr. Daniel Orodener
November 21, 2025
Page 7

VI. OPSD RECOMMENDATION

Based on an assessment of the three acceptability criteria: process, content, and comment responses, and the Applicant's additional information and clarification provided in response to OPSD's comments and those of other state agencies, OPSD recommends that the LUC determine that the Applicant has satisfied the requirements of HRS Chapter 343 and HAR 11.200.1 and accept the FEIS.

Thank you for the opportunity to make a recommendation regarding acceptance of the FEIS. If you have any questions, please contact Aaron Setogawa, aaron.h.setogawa@hawaii.gov, (808) 587-2883. If you wish to respond to this comment letter, please include DTS 202507031010SE in the subject line.