# EXHIBIT 2



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DEPARTMENT OF HOUSING & HUMAN CONCERNS COUNTY OF MAUI 2200 MAIN STREET, SUITE 546 WAILUKU, MAUI, HAWAI'I 96793 PHONE: (808) 270-7805

May 10, 2021

Dr. Keith Kawaoka, Acting Director State of Hawai'i Department of Health Office of Environmental Quality Control 235 South Beretania Street, Room 702 Honolulu, Hawai'i 96813

Dear Dr. Kawaoka:

SUBJECT:

Proposed Hōkūao 201H Housing Project at TMKs (2)4-9-002:061 (POR.), (2)4-9-014:001 (POR.) and 009 (POR.), Lāna'i City, Hawai'i; Publication of the Final Environmental Assessment and Finding of No Significant Impact Determination

With this letter, the County of Maui, Department of Housing and Human Concerns hereby transmits the Final Environmental Assessment and Finding of No Significant Impact determination (FEA-FONSI) for the Proposed Hōkūao 201H Housing Project at (2) 4-9-002:061 (por.), (2) 4-9-014:001 (por.) and 009 (por.) on the island of Lāna'i, for publication in the next available edition of the Environmental Notice.

Enclosed are an Adobe Acrobat PDF file of the FEA-FONSI and a zip file that contains the shapefile of the project's location map.

If there are any questions, please contact Buddy Almeida of the Housing Division at (808) 270-7351.

Sincerel

LORI TSUHAKO, LSW, ACSW

Director of Housing and Human Concerns

Enclosures

CC:

Keiki-Pua Dancil, Pülama Lāna'i Karlynn Fukuda, Munekiyo Hiraga Buddy Almeida, Housing Administrator From: webmaster@hawaii.gov

To: HI Office of Environmental Quality Control

**Subject:** New online submission for The Environmental Notice

**Date:** Friday, May 14, 2021 9:32:30 AM

### **Action Name**

Proposed Hokuao 201H Residential Project

# Type of Document/Determination

Final environmental assessment and finding of no significant impact (FEA-FONSI)

# HRS §343-5(a) Trigger(s)

• (1) Propose the use of state or county lands or the use of state or county funds

# **Judicial district**

Lāna'i, Maui

# Tax Map Key(s) (TMK(s))

(2)4-9-002:061 (por.), (2)4-9-014:001 (por.) and 009 (por.)

# **Action type**

**Applicant** 

# Other required permits and approvals

County grading and building permits, County Subdivision Approval

# Discretionary consent required

HRS 201H-38 Affordable Housing Approval by Maui County Council and District Boundary Amendment by State Land Use Commission

# Approving agency

County of Maui, Department of Housing and Human Concerns

# Agency contact name

Lori Tsuhako

# Agency contact email (for info about the action)

director.hhc@mauicounty.gov

# Email address or URL for receiving comments

planning@munekiyohiraga.com

# Agency contact phone

(808) 270-7351

# Agency address

2200 Main Street, Suite 546 Wailuku, HI 96793 United States Map It

# **Applicant**

Lanai Resorts, dba Pulama Lanai

# Applicant contact name

Keiki-Pua Dancil

# **Applicant contact email**

kdancil@pulamalanai.com

# **Applicant contact phone**

(808) 237-2216

# **Applicant address**

733 Bishop Street, Suite 1500 Honolulu, Hawaii 96813 United States Map It

# Was this submittal prepared by a consultant?

Yes

### Consultant

Munekiyo Hiraga

### Consultant contact name

Chris Sugidono

# Consultant contact email

planning@munekiyohiraga.com

# Consultant contact phone

(808) 244-2015

# Consultant address

305 South High Street, Suite 104 Wailuku, Hawaii 96793 United States Map It

### **Action summary**

The proposed Hōkūao Housing Project comprises approximately 76-acres of land in the Kamoku Ahupua'a of Lāna'i Island. Hōkūao is proposed to be developed as an affordable housing project under the provisions of Chapter 201H (Hawai'i Revised Statutes). The Hōkūao project proposes: 150-single family homes (76 affordable homes for rent, 74-market rate homes for rent); lot sizes will be generally 8,000 square feet; and all homes will reflect the existing design vernacular of Lāna'i City. Along the east edge bordering the school fields, the project provides a one-acre park, a 1,500-square foot community center for use by the Lāna'i community, and 60 parking stalls for intermittent parking. An existing drainage swale on the western boundary carries storm water away from the existing town and community center. On the western flank, the project sets back from the existing wastewater treatment plant (WWTP) with a 600-foot buffer between the closest lot at the WWTP edge.

# Reasons supporting determination

See Chapter 6 - Determination with Findings and Reasons Supporting

# Attached documents (signed agency letter & EA/EIS)

- <u>OEQC-DHHC-FONSI-Letter.pdf</u>
- Hokuao 201H Housing Project May-2021.Final-EA-Volume-I-of-II.pdf
- Hokuao 201H Housing Project May-2021.Final-EA-Volume-II-of-II.pdf

# Shapefile

• The location map for this Final EA is the same as the location map for the associated Draft EA.

# **Action location map**

• Hokuao 201H Housing Project TMKs.shape.zip

# **Authorized individual**

Chris Sugidono

### Authorization

• The above named authorized individual hereby certifies that he/she has the authority to make this submission.

# VOLUME I OF II

# Final Environmental Assessment

# HŌKŪAO 201H HOUSING PROJECT LĀNA'I CITY, LĀNA'I, HAWAI'I

(TMK NO. (2)4-9-002:061(por.); (2)4-9-014:001(por.); (2)4-9-014:009(por.))

# Prepared for:

Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i

May 2021

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# VOLUME I OF II

# Final Environmental Assessment

# HŌKŪAO 201H HOUSING PROJECT LĀNA'I CITY, LĀNA'I, HAWAI'I

(TMK NO. (2)4-9-002:061(por.); (2)4-9-014:001(por.); (2)4-9-014:009(por.))

Prepared for:

Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i

May 2021

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Ho'okuleana LLC, October 2020)

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# **Executive Summary**

Project Name:	Hōkūao 201H Housing Project
Type of Document:	Final Environmental Assessment
Legal Authority:	Chapter 343, Hawai'i Revised Statutes
Anticipated Determination:	Finding of No Significant Impact (FONSI)
Applicable Environmental Assessment review "Trigger":	Relocation of Existing Sewerline and Improvements to County Right-of-Way for Ninth and Twelfth Streets
Location:	Lāna'i Island Lāna'i City TMK Nos. (2)4-9-002:061 (portion) (2)4-9-014:001 (portion) (2)4-9-014:009 (portion)
Applicant & Landowner:	Lana'i Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i 733 Bishop Street, Suite 1500 Honolulu, Hawai'i 96813
Approving Agency:	County of Maui Department of Housing and Human Concerns 2200 Main Street, Suite 546 Wailuku, Hawai'i 96793 Contact: Buddy Almeida Phone No.: (808) 270-7351
Consultant:	Munekiyo Hiraga 305 High Street, Suite 104 Wailuku, Hawai'i 96793 Contact: Chris Sugidono Phone: (808) 244-2015
Project Summary:	In response to the current and projected shortage of affordable housing on Lāna'i Island, Pūlama Lāna'i (Applicant) proposes to develop 76 affordable rental homes as part of a 150-single-family residential housing project in Lāna'i City, Lāna'i, Hawai'i. The subject

property is identified by (2) 4-9-002:061 (portion), (2) 4-9-014:001 (portion) and (2) 4-9-014:009 (portion), and covers an area of approximately 76 acres of land. The project site is located near the Lana'i Police Station and Dole Park to the northeast and will connect to Lana'i City via 9th Street and 12th Street extensions, which intersect with Fraser Avenue. Pūlama Lāna'i Central Offices are located to the southeast of the project and the County Wastewater Treatment Plant is to the southwest. The proposed project site covers portions of three neighboring parcels owned by Lāna'i Resorts, LLC, with most of the project located on former pineapple fields. TMK (2) 4-9-002:061 (por.) (Parcel 061) is a large parcel of approximately 16,124 acres that covers a significant portion of Lana'i Island and includes both undeveloped lands and most of the abandoned pineapple fields. TMK (2) 4-9-014:001 (por.) (Parcel 001) is approximately 84 acres and includes the Pūlama Lāna'i Nursery, community gardens for residents and vacant lands. TMK (2) 4-9-014:009 (por.) (Parcel 009) comprises approximately 25.65 acres and includes the island's original power plant -- now demolished -- and a graded yard used to store shipping containers.

The Hōkūao 201H Housing Project proposes construction of 150-single-family homes, with 76homes exclusively for rent to households falling within the HUD low-income guidelines, adjusted for Lana'i by the County of Maui Department of Housing and Human Concerns, and 74-homes to be rented at market rates. The project also includes a 1-acre park, a 1,500-squarefoot community center for use by the Lāna'i community, and 60-parking stalls for intermittent parking (e.g., community events at the community center, quests visiting residents of the Hōkūao residential units, etc.). Ninth and 12th Streets, both of which are currently dirt roads, will be improved as part of this project. The project site is designated "Urban" and "Agricultural" by the State Land Use Commission; "Park", "Open Space", "Road", "Mixed-Use Residential", and "Public/Quasi-Public" by the Lana'i Community Plan; and "Interim", "Open Space", "Active Open Space", "Road" and "Agricultural" by Maui County Zoning. The project area is not located in the Special Management Area (SMA) of the island of Lāna'i. The Applicant proposes to seek approval from the Maui County Council through a Section 201H-38. Hawai'i Revised Statutes (HRS). application. Section 201H-38, HRS, promotes the delivery of affordable housing by exempting endorsed projects from "all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of units thereon." Among other exemptions, the Applicant will be seeking exemption from the Community Plan Amendment (CPA) and Change in Zoning (CIZ) approval processes, as well as County requirements, including public infrastructure fees.

It is anticipated that offsite improvements potentially affecting County of Maui Right-of-Way (ROW) lands and the relocation of an existing County sewerline will be required for the proposed project. As such, a Chapter 343, Hawai'i Revised Statutes (HRS) Environmental Assessment (EA) will need to be prepared due to use of County lands. The Chapter 343, HRS EA will serve as the primary technical supporting document for the 201H-38 housing application. As the 201H application will be the first discretionary approval sought for the project, Department of Housing and Human Concerns (DHHC) was determined to be the Approving Agency for the Chapter 343, HRS EA.

# **List of Acronyms**

12-MAP 12-Month Moving Average

AIS Archaeological Inventory Survey

ALISH Agricultural Lands of Importance to the State of Hawai'i

AMI Area Median Income

AOC area of concern

bgs below ground surface

BMPs Best Management Practices

C-EHMP Construction Specific Environmental Hazard Management Plan

cf Cubic Feet

cfs Cubic Feet per Second
CIA Cultural Impact Assessment

CIZ Change of Zoning

CMRP Central Maui Regional Park
CO2 EQ Carbon dioxide equivalent
COPCs chemicals of potential concern
CPA Community Plan Amendment

CRECs controlled recognized environmental conditions
CWRM Commission on Water Resource Management

CZM Coastal Zone Management

DEM Department of Environmental Management
DHHC Department of Housing and Human Concerns
DLNR Department of Land and Natural Resources

DOE Department of Education

DOFAW Department of Fish and Wildlife

DU decision unit

EA Environmental Assessment
EALs Environmental Action Levels
EHE Environmental Hazard Evaluation
EPA Environmental Protection Agency

ESA Environmental Site Assessment

FEMA Federal Emergency Management Agency

FONSI Findings of No Significant Impact FSAP Final Sampling and Analysis Plan

GHG Greenhouse Gases
GPD Gallons per day
gpm gallons per minute

GPS Global Positioning System
HAR Hawai'i Administrative Rules

HCZMP Hawai'i Coastal Zone Management Program

HDOH Hawai'i Department of Health HECO Hawaiian Electric Company, Ltd

HEER Hawai'i Evaluation Emergency Response

HRS Hawai'i Revised Statutes

HRWA Hawai'i Rural Water Association

HTCO Hawaiian Telcom

IPCC Intergovernmental Panel on Climate Change

ITE Institute of Transportation Engineers

km kilometer

kVA kilo-volt Amperes

LCP Lāna'i Community Plan

LOS Level of Service
LSB Land Study Bureau

LWAC Lāna'i Water Advisory Committee
LWC Lāna'i Water Company (LWC)

m meters

MCC Maui County Code
MECO Maui Electric. Co.
MG Million Gallons

mgd Million Gallons per Day

MI multi-increment
MIP Maui Island Plan
mph miles per hour
NFA No Further Action

NPDES National Pollutant Discharge Elimination System

PD Project District

PER Preliminary Engineering Report

PRV pressure reducing valve

PUC State Public Utilities Commission
RACR Removal Action Completion Report

RAM Robust Analytical Modeling
RAWP Removal Action Work Plan

RECs recognized environmental conditions

ROW Right-of-Way

SAP Sampling and Analysis Plan

SCR/EHE Site Characterization Report & Environmental Hazard Evaluation

SHPD State Historic Preservation Division

SMA Special Management Area

SY sustainable yield

TGM Technical Guidance Manual
TIAR Traffic Impact Analysis Report

TMK Tax Map Key

TPH-D Total Petroleum Hydrocarbons as Diesel TPH-O Total Petroleum Hydrocarbons as Oil

UGB Urban Growth Boundary

USDA U.S. Department of Agriculture USFWS U.S. Fish and Wildlife Service

USGS U.S. Geological Survey UST underground storage tank

WUDP Water Use and Development Plans
WWRD Wastewater Reclamation Division
WWRF Wastewater Reclamation Facility

PROJECT OVERVIEW

# I. PROJECT OVERVIEW

# A. PROPERTY LOCATION, EXISTING USE, AND LAND OWNERSHIP

In response to the current and projected shortage of affordable housing on Lāna'i Island, Pūlama Lāna'i (Applicant) proposes to develop 76 affordable rental homes as part of a 150-single-family residential housing project in Lāna'i City, Lāna'i, Hawai'i. See Figure 1. The subject properties are identified by Tax Map Key (TMK) parcel numbers (2)4-9-002:061 (portion), (2)4-9-014:001 (portion), and (2)4-9-014:009 (portion), and covers an area of approximately 76 acres of land (hereafter referred to as "project site"). See Figure 2. The project site is located near the Lāna'i Police Station and Dole Park to the northeast and will connect to Lāna'i City via 9th Street and 12th Street extensions, which intersect with Fraser Avenue. Pūlama Lāna'i's Central Offices are located to the southeast of the project and the County Wastewater Treatment Plant is located to the southwest. The proposed project site covers portions of three (3) neighboring parcels owned by Lāna'i Resorts, LLC, with most of the project located on former pineapple fields. TMK (2)4-9-002:061 (por.) (Parcel 061) is a large parcel of approximately 16,124 acres that covers a significant portion of Lana'i Island and includes both undeveloped lands and most of the abandoned pineapple fields. TMK (2) 4-9-014:001 (por.) (Parcel 001) is approximately 84 acres and includes the Pūlama Lāna'i Nursery, community gardens for residents and vacant lands. TMK (2) 4-9-014:009 (por.) (Parcel 009) comprises approximately 25.65 acres and includes the island's original power plant -- now demolished -- and a graded yard used to store shipping containers.

# B. PROPOSED ACTION

The Hōkūao 201H Housing Project proposes construction of 150-single-family homes, with 76-homes exclusively for rent to households falling within the Department of Housing and Urban Development (HUD) low income guidelines, adjusted for Lāna'i by the County of Maui Department of Housing and Human Concerns, and 74-homes to be rented at market rates. The project's affordable units are proposed to remain affordable in perpetuity. The project also includes a 1-acre park, a 1,500-square-foot community center for use by the Lāna'i community, and 60-parking stalls for intermittent parking (e.g., community events at the community center, guests visiting residents of the Hōkūao residential units, etc.). See **Appendix "A"**. Ninth and 12th Streets, both of which are currently dirt roads in the project area, will be improved as part of this project. See **Figure 3**.

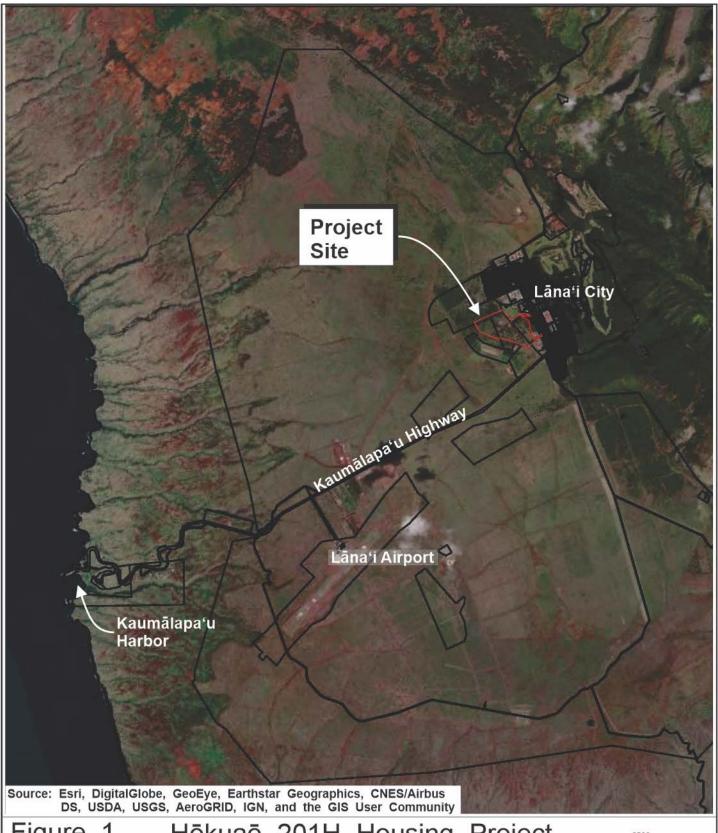


Figure 1

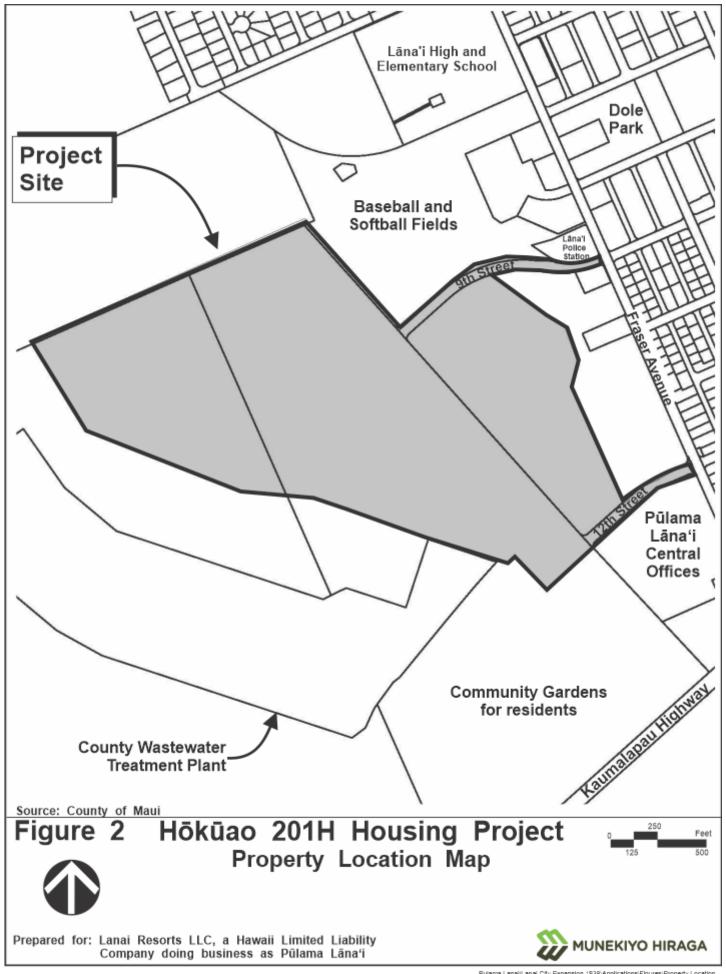
Hōkuaō 201H Housing Project Regional Location Map

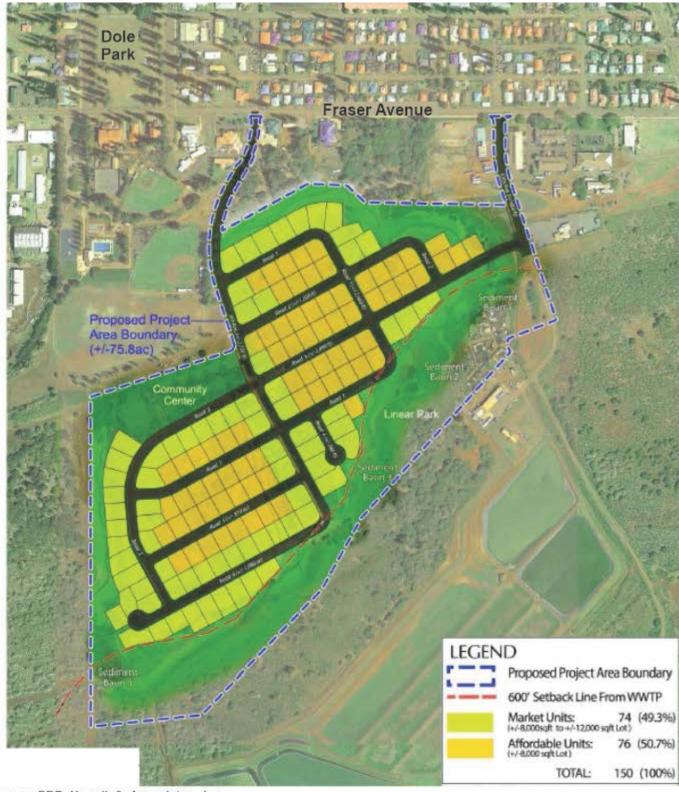


**O** 

Prepared for: Lanai Resorts LLC, a Hawaii Limited Liability Company doing business as Pūlama Lāna'i







Source: PBR Hawaii & Associates, Inc.

Figure 3 Hōkuaō 201H Housing Project Conceptual Site Plan

NOT TO SCALE



The project's Draft EA included a summary of the proposed improvements, which noted that 135 2-bedroom units and 15 4-bedroom units were proposed. The 76 affordable units were proposed as 2-bedroom units, while the 74 market units would be a combination of 2-bedroom and 4-bedroom homes. However, due to recent substantial increases in construction costs, the project is proposing to utilize 2-bedroom homes for all units. The total number of units (150 units) and the unit counts for affordable and market units remain unchanged.

Adjustment of the unit size mix does not represent a material change in the proposed action. The analysis of impacts and mitigation measures associated with a development consisting of 150 2-bedroom units and a development consisting of 135 2-bedroom and 15 4-bedroom units is substantially the same, though it is recognized that a unit mix consisting entirely of 2-bedroom homes may have associated water and wastewater usage that is slightly lower than a unit mix that includes 15 4-bedroom units. Any difference in impacts and mitigation measures, however, would be negligible.

It is noted that the project's technical studies considered the impacts for a limited amount of the larger 4-bedroom homes as well as a greater number of total units (200 homes) than planned (150 homes).

The project site is designated "Urban" and "Agricultural" by the State Land Use Commission; "Park", "Open Space", "Mixed-Use Residential", and "Public/Quasi-Public" by the Lāna'i Community Plan; and "Interim", "Open Space", "Active Open Space", and "Agricultural" by Maui County Zoning. The project site is not located in the Special Management Area (SMA) of the island of Lāna'i.

# C. CHAPTER 343, HAWAI'I REVISED STATUTES

The proposed project also involves improvements in the County right-of-way for 9<sup>th</sup> and 12<sup>th</sup> Streets as well as the relocation of an existing County of Maui, Department of Environmental Management sewerline. Use of County lands is a trigger for preparation of an Environmental Assessment (EA) pursuant to Chapter 343, Hawai'i Revised Statutes (HRS). As the proposed project is not able to meet the criteria for a Chapter 343, HRS exemption for affordable housing projects, an EA was prepared in support of the Section 201H application. As the Section 201H application will be the first discretionary approval sought for the project, the County of Maui, Department of Housing and Human Concerns (DHHC) was designated the Approving Agency for the Chapter 343, HRS EA.

# D. <u>SECTION 201H-38, HAWAI'I REVISED STATUTES</u>

The Applicant proposes to seek a fast track affordable housing project approval from the Maui County Council pursuant to Section 201H-38, HRS. The Section 201H-38 approval will allow the Applicant to amend or waive certain conditions relating to planning, zoning,

construction standards for subdivisions, development and improvement of land, and the construction of the units thereon provided that the project still meets the minimum requirements for health and safety. Among other exemptions, the Applicant will be seeking exemptions from Change in Zoning, Community Plan Amendment consistency, as well as waivers from design related requirements such as sidewalk widths and yard setbacks. Due to the project covering more than 15 acres, the Applicant will seek a District Boundary Amendment from the State Land Use Commission via the Section 201H-38, HRS process.

# E. PROJECT TIME SCHEDULE AND COSTS

Construction of the proposed project will commence upon the Section 201H approval by the Maui County Council, approval of the 201H-38 HRS State District Boundary Amendment from the State Land Use Commission, and upon receipt of construction permit approvals. The project is anticipated to be completed within 10 years, subject to any significant delays that are not within the Applicant's control (e.g., global pandemic, etc.). The Applicant will be privately funding the project with assistance from the County on permitting and procedural requirements.

# DESCRIPTION OF THE EXISTING ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATION MEASURES

# II. DESCRIPTION OF THE EXISTING ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATION MEASURES

# A. PHYSICAL SETTING

# 1. Surrounding Land Uses

# a. **Existing Conditions**

The proposed project site covers portions of three neighboring parcels owned by Lanai Resorts, LLC, with most of the project located on former pineapple fields. Parcel 061 is a large parcel of approximately 16,124 acres that covers a significant portion of Lāna'i Island and includes both undeveloped lands and most of the abandoned pineapple fields. Parcel 001 is approximately 84 acres and includes the Pūlama Lāna'i Nursery, community gardens for residents and vacant lands. Parcel 009 comprises approximately 25.65 acres and includes the island's original power plant --now demolished -- and a graded yard used to store shipping containers.

The project site is located near the Lāna'i Police Station and Dole Park to the northeast and will connect to Lāna'i City via 9th Street and 12th Street extensions, which intersect with Fraser Avenue. Pūlama Lāna'i's Central Offices are located to the southeast of the project and the County Wastewater Treatment Plant is to the southwest.

# b. Potential Impacts and Mitigation Measures

The proposed project is located adjacent to the existing urbanized areas of Lāna'i. The proposed project is compatible with the surrounding existing residential uses of the area. In the context of surrounding land uses, the proposed project is not anticipated to have a significant adverse effect on the surrounding landscape. The proposed project will provide much needed affordable rental housing in an area central to commercial activity (e.g., businesses, markets, etc.) and community services (e.g., school, community center, churches, etc.).

# 2. Climate

# a. Existing Conditions

Like most areas of Hawai'i, the climate of Lāna'i is relatively uniform year-round. The tropical latitude of Lāna'i, its position relative to storm tracts and the Pacific anticyclone, and the surrounding ocean combine to produce this stable climate. Variation in climate among different regions on Lāna'i is largely left to local terrain. Daily temperatures in the region range between an average low of 67.8 degrees and a high of 75.1 degrees Fahrenheit. Temperature data collected at the Lāna'i Airport station show that on average, January is the coolest month and August as the warmest month (County of Maui, Office of Economic Development, 2019). Recent rainfall gauge data was not available for Lāna'i Airport, however, past data shows that rainfall in the region is seasonal, with the wettest month being January and the driest month being July. Precipitation data for Lāna'i shows an average annual rainfall of 15.59 inches (County of Maui, Office of Economic Development, 2019).

# b. <u>Potential Impacts and Mitigation Measures</u>

The proposed project involves the development of 150-single-family homes on approximately 76 acres of land. The project also includes a 1-acre park, a 1,500-square-foot community center for use by the Lāna'i community, and 60-parking stalls for use by the project residents. The proposed project will not adversely impact climatic conditions in and around the area.

# 3. <u>Agricultural Lands</u>

# a. **Existing Conditions**

In 1977, the State of Hawai'i, Department of Agriculture developed a classification system to identify Agricultural Lands of Importance to the State of Hawai'i (ALISH), based primarily, though not exclusively, on soil characteristics of the underlying land. The three (3) classes of ALISH lands are "Prime", "Unique", and "Other Important" agricultural land, with the remaining non-classified lands termed "Unclassified". When utilized with modern farming methods, "Prime" agricultural lands have soil quality, growing season, and moisture supply needed to produce sustained crop yields economically; while "Unique" agricultural lands contain a combination of soil quality, growing season, and moisture supply to produce sustained yields of a specific crop. "Other Important" agricultural lands include those important agricultural lands that have not been rated as "Prime" or "Unique".

The project site is located on lands that are designated as "Unique" agricultural land by the ALISH map. See **Figure 4**.

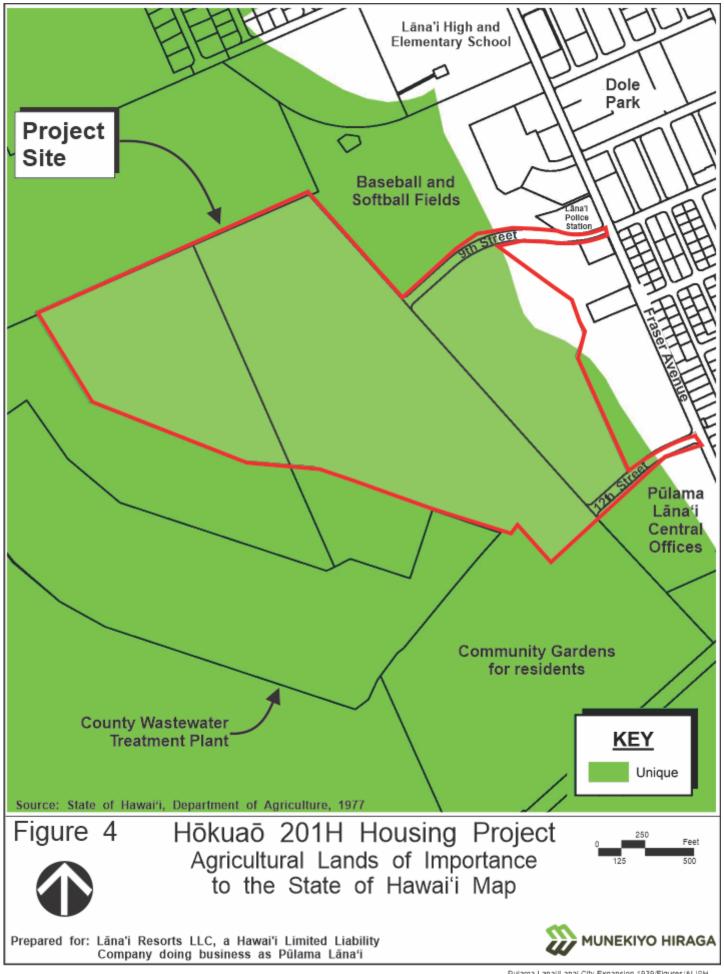
Additionally, the University of Hawai'i, Land Study Bureau (LSB) developed the Overall Productivity Rating, which classified soils according to five (5) levels, with "A" representing the class of highest productivity soils and "E" representing the lowest. The lands underlying the proposed project site are primarily rated "C". See **Figure 5**.

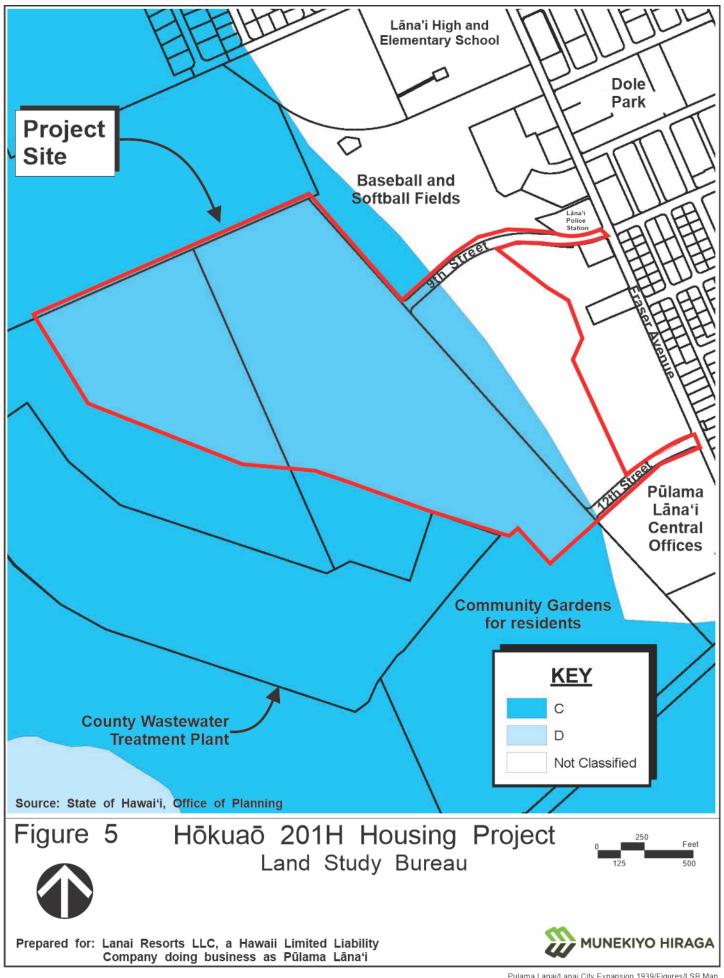
CBRE Valuation and Advisory Services prepared an Agriculture Impact Assessment regarding the proposed Hōkūao 201-H Housing project to assess the affect the project will have, if any, on the agriculture land base and industry on the Island of Lāna'i; complying with State of Hawai'i guidelines associated with moving land within the State Land Use Agricultural District into another district. See **Appendix "B"**.

The agricultural, socio-economic conditions and public services and facilities in the region and in the project area, and the potential long-term socio-economic impacts of the proposed use were also reviewed. It should be noted that at the time the Agriculture Impact Assessment was written, the Hōkūao project was estimated to be approximately 50 acres. As the project has since developed to include retention ponds, an additional 26 acres was added to the project site. The additional 26 acres do not impact the analyses and conclusions in this section.

Once commonly referred to as the "Pineapple Island" the Dole Lāna'i Plantation had sustained a cultivated area of some 13,000 acres, reportedly periodically reaching as high as 15,000 to 20,000 from its inception in the early 1920's until active operations shut down in 1992. It is reported to have supplied up to 75 percent of the world's pineapple crop at peak production.

The cultivation of pineapple began in Lāna'i in 1910 by Charles and Louisa Gay with the first successfully crop. By 1917, the Gay family had a going-concern pineapple business focusing on lands near present-day Lāna'i City. The crop was harvested and taken to Mānele Landing via truck for loading on boats to Maui for canning. The lack of infrastructure made the trip difficult resulting in the loss of much fruit due to bruising.





In 1922, James Dole purchased much of Lāna'i (which eventually became the Pūlama Lāna'i lands). In 1923, the Dole Hawaiian Pineapple Company began operations of what would be the world's largest pineapple plantation. In 1985, David Murdock purchased Castle & Cooke, and began the evolution of company focus from pineapple cultivation to planning for new resort and residential development on Lāna'i.

In 2012, Larry Ellison, Founder of Oracle Corporation, purchased 98-percent of Lāna'i from Castle & Cooke, Inc; operations are under Lanai Resorts LLC. In July 2013, Lāna'i Resorts began doing business as Pūlama Lāna'i.

# b. Potential Impacts and Mitigation Measures

The primary findings of the CBRE analysis are:

- A portion of the Hōkūao site was cultivated with pineapple as part of the larger Dole Lāna'i Plantation for decades before production ceased in 1992.
- The site has lain fallow for 27 years with no plans forwarded for replanting with any crop.
- The site soils are primarily Lahaina and Waihuna Clay types which are suitable for pineapple, sugar cane, small scale truck farming or pasture uses, and wildlife habitats.
- Some of the classifications are specifically noted as being suitable for "homesites".
- The site is classified on ALISH maps as "unique" which is defined as "land other than Prime Agricultural Land and is used for the production of specific high-value food crops", a secondary classification to "prime".
- The Hōkūao site represents an infinitesimal portion of the available agricultural lands on Lāna'i, or about 0.38 percent of the 13,000+ acres of the previously cultivated pineapple plantation.
- The Hōkūao site is not a critical or unique agricultural site; its inclusion would not be critical to agricultural development elsewhere on the island or its exclusion would not diminish agricultural use elsewhere.

- There is no demonstrated market demand for agricultural use of the Hōkūao site and there is sufficient available supply to meet near to mid-term demand in existing, serviced agricultural subdivisions with some 105 cultivatable acres available for lease.
- The proposed subdivision will create more jobs and greater economic activity on the site than occurred under current agricultural use (0 jobs, \$0 economic activity) or historic pineapple use (maximum 5 jobs, \$350,000 economic activity).
- Agricultural use on the Hōkūao site could be in conflict with and/or deleterious to existing abutting residential use.
- There is an evident demand for the site being residentiallydeveloped to house Lāna'i households.

The project site consists of mostly abandoned pineapple fields and vacant lands. The proposed project will utilize the property for needed affordable rental housing. The proposed affordable housing development is considered an infill development, as the property is located adjacent to existing urbanized areas with other similar residential subdivisions, and nearby infrastructure systems. The proposed actions will occur on property that is currently agriculturally unproductive. As the lands are not currently actively cultivated, there are no anticipated adverse impacts to agriculturally productive lands as a result of the proposed action. Further, on the island of Lāna'i, there are over 13,000 acres of available agricultural lands. As such, the use of 76 acres, or approximately 0.58 percent, of the available agricultural lands on Lāna'i, and an even lesser fraction of approximately 0.38 percent of up to 20,000 potentially cultivatable acres for much needed affordable rental housing is not considered a substantial adverse impact in the context of the overall agricultural lands on the island. As such, significant adverse impacts to agricultural productivity are not anticipated as a result of the proposed project.

# 4. <u>Topography and Soils Characteristics</u>

# a. <u>Existing Conditions</u>

Soils and vegetation adjacent to the roadway have been disturbed by previous flooding, grading, and sidecasting of asphalt and construction debris. The soils on the project area consist predominantly of silty clay and all are well drained (USDA 2014a). None of these soils series meet the definition of a hydric soil on the current Hydric Soil List (USDA 2014b).

The area is underlain by Pleistocene lava flows from the Lāna'i shield volcano (Sherrod et al. 2007). Soils at the site are predominantly "Lahaina Silty Clay" types (LaA, 0 to 3 percent slopes; LaB, 3 to 7 percent slopes; and LaC, 7 to 15 percent slopes) and "Waihuna Clay" (WoA, 0 to 3 percent slopes) (NRCS 2013). See **Figure 6**. The area surrounding the Lāna'i and Fraser Avenue culverts is underlain by Quaternary alluvial surficial deposits (Qa), and most of the area encumbered by the Lāna'i City interceptor ditch is underlain by Lāna'i basalts (QII) (Sherrod et al. 2007). See **Appendix "C"**.

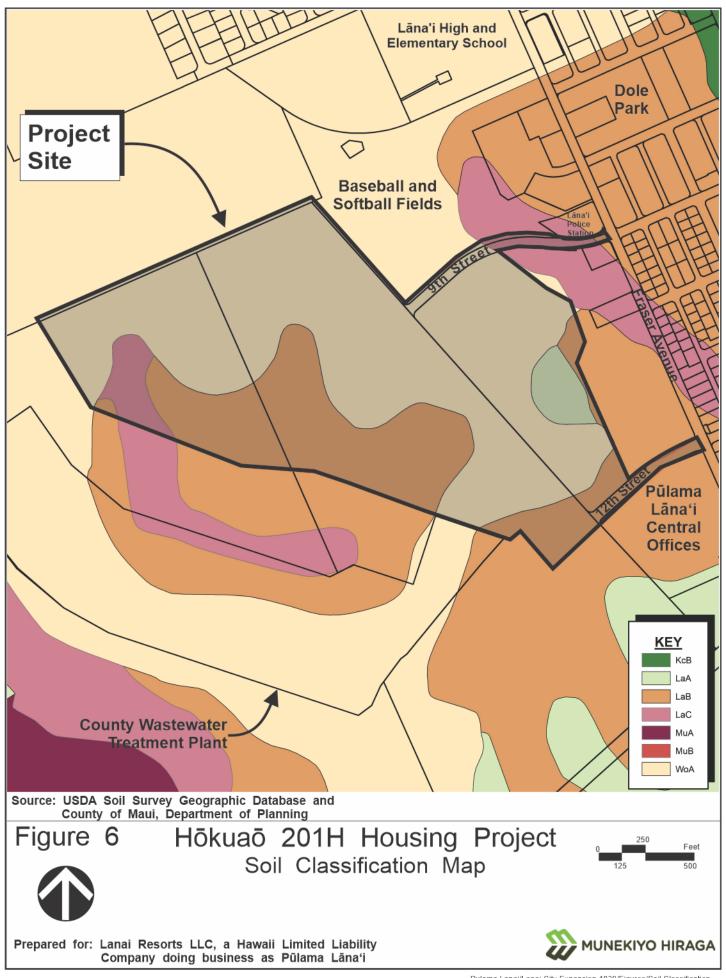
# b. <u>Potential Impacts and Mitigation Measures</u>

Most of the project area's topography consists of flat to gently sloping open, patchy forest and scrub lands. An existing drainage swale on the western boundary of the site carries storm water away from the existing town and community center. On the western flank, the project sets back from the existing wastewater treatment plant with a 600-foot buffer between the closest lot and the wastewater facility boundary.

The proposed improvements will terrace the land to maintain characteristics which are very similar to the existing conditions. The general terrain of the developed condition will generally conform to the existing terrain, which slopes toward the south, and the tributary drainage area will remain the same as the existing.

Grubbing and grading will be required for project implementation. The project will comply with Chapter 20.08, Soil Erosion and Sediment Control, of the Maui County Code. An erosion control plan will be prepared to minimize soil erosion from wind and rain, and, if applicable, a grading plan will be prepared and submitted for review and approval to the Development Services Administration, County Department of Public Works.

During the construction phase, Best Management Practices (BMPs) will be utilized, including temporary erosion control measures to minimize soil loss and erosion hazards. Upon completion of construction, adverse impacts to topography or soil characteristics are not anticipated.



# 5. Flood, Tsunami Hazards and Sea Level Rise

# a. Existing Conditions

As indicated by the Flood Insurance Rate Map for the County of Maui, the project site is located within Zone X. The Zone X designation corresponds to areas of minimal flood hazard, which are the areas outside the Special Flood Hazard Area and higher than the elevation of the 0.2-percent-annual-chance flood. See **Figure 7.** 

The project site is located approximately 4.3 miles inland from the western shoreline and is not within the tsunami inundation zone. Additionally, it is noted that the proposed improvements are located outside of the projected 3.2-ft. sea level rise hazard area as identified in the <a href="Hawai">Hawai</a>'i Sea Level Rise <a href="Vulnerability">Vulnerability</a> and Adaptation Report published in 2017 by the Hawai'i Climate Change Mitigation and Adaptation Commission.

# b. <u>Potential Impacts and Mitigation Measures</u>

Absence from flood risk, obviates the need for flood mitigation measures. The proposed project is intended to be beneficial as the proposed drainage improvements will provide protection to nearby properties from ongoing erosion and flooding due to severe weather events. The improvements are also located beyond the projected 3.2-ft. sea level rise hazard area for the property. As such, the project is not anticipated to be affected by flood and tsunami hazards.

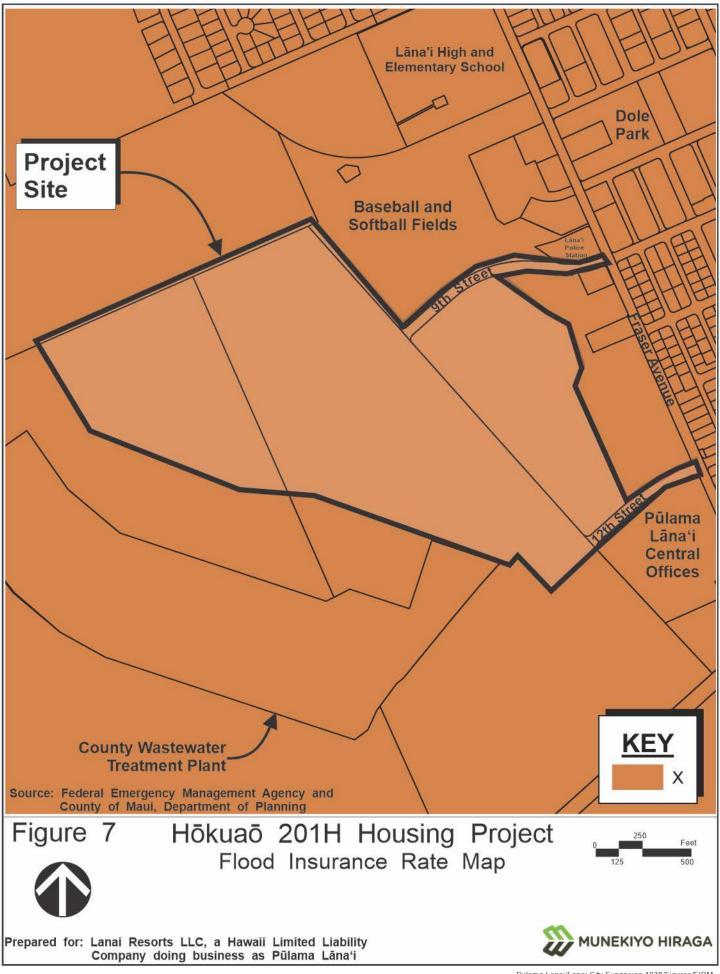
# 6. Streams and Wetlands

# a. Existing Conditions

Although historical evidence suggests the existence of perennial streams, no surface water resources currently exist on the island. There are also no wetlands located on or in the immediate vicinity of the proposed project site.

# b. <u>Potential Impacts and Mitigation Measures</u>

During the short term, construction Best Management Practices (BMPs) will be carried out to ensure the proposed project will not adversely impact adjacent and downstream properties. Dust control fences and temporary drainage diversion channels will be constructed to prevent fugitive dust and stormwater runoff from entering adjacent properties. In the long term, the



proposed project is not anticipated to adversely impact adjacent properties, streams or wetlands in the vicinity of the project site.

## 7. Flora and Fauna

## a. **Existing Conditions**

The analysis noted the occurrence of terrestrial plants and wildlife resources in a portion of Lāna'i City, Hawai'i associated with a proposed action to establish a site plan for new homes. Cardno was tasked with conducting biological surveys and preparing a report of findings to address the results from this and previous surveys. See **Appendix "C"**.

The study area lies on the margin between developed portions of Lāna'i City and former commercial pineapple fields. The site encompasses fallow pineapple fields, tree lines, graded weedy lots with vehicle tracks/dirt roads, an electrical power transfer station, stockpiled soil, green waste, construction debris, a plant nursery, and a community garden where chickens, pigs, and other livestock are maintained.

Terrestrial wildlife and vegetation surveys were conducted by biologists John Ford and Maya LeGrande. Prior to conducting field work, the biologists reviewed existing scientific literature, previously prepared environmental compliance documents, biological survey reports, topographic maps and images, and engineering drawings relevant to the proposed project, including previous surveys in the vicinity of the project by Bruner (2000), Char (2000), Guinther (2008), Hobdy (2008), ICF International (2013, 2014, and 2015), and Nagata (1986, 1990, and 1991).

All observed plant species were documented. Plant associations and distribution, disturbances, topography, substrate types, exposure, drainage, and related factors were noted.

Birds were identified visually with binoculars as well as by their vocalizations.

Observations of mammals, amphibians, reptiles, and insects were made incidental to the avian surveys and related surveys of vegetation. Visual observations of animals, animal vocalizations, tracks, and scat were tallied. No effort was made to develop quantitative estimates of animal populations within the survey areas.

Native plant habitats within the proposed project area have been highly modified by human activities, including agricultural activities, road building,

grading, residential construction, and the intentional and accidental introduction of alien species. The overwhelming abundance of non-native plant species throughout the project area is in direct correlation to disturbance over the last several hundred years.

The site consists largely of undeveloped lands and encompasses a commercial plant nursery and community gardens. A total of 156 plant species were observed within the proposed project area. One hundred fifty five (155) species are alien (introduced) and 3 are native (two indigenous and one endemic).

The undeveloped land to the west of the community gardens and to the north of the existing sewage treatment ponds is dominated by a mix of sourgrass (*Digitaria insularis*) and golden crown-beard (*Verbesina encelioides*) along with trees including Christmas berry (*Schinus terebinthifolius*), Formosa koa (*Acacia confusa*), and koa haole (*Leucaena leucocephala*).

Other weedy species observed scattered throughout the area included lantana (Lantana camara), apple of Sodom (*Solanum linnaeanum*), jimson weed (*Datura stramonium*), tree tobacco (*Nicotiana glauca*), balloon plant (*Asclepias physocarpa*), spiny amaranth (*Amaranthus spinosus*), and Guinea grass (*Panicum maximum*).

Two (2) native plant species commonly found within the undeveloped lands, included the indigenous 'uhaloa (Waltheria indica), which was scattered along existing dirt roadways, and a single endemic koa (Acacia koa) tree that was observed near the center of the survey area. Sections near the southern boundary of the survey area were colonized by a nearly impenetrable forest of Formosa koa and Christmas berry with Guinea grass understory.

The eastern section of the undeveloped lands lies just off Fraser Avenue. Ironwood (*Casuarina equisetifolia*) is the dominant tree species in the area with a thick understory of matted ironwood needles where little else grows.

Species observed along the edges of the forest include Guinea grass, balloon plant, lantana, spiny amaranth, prickly lettuce (*Lactuca serriola*), popolo (*Solanum americanum*), and Jamaican vervain (*Stachytarpheta jamaicensis*). Other tree species include African tulip (*Spathodea campanulata*), Chinese banyan (*Ficus microcarpa*), Formosa koa, and Christmas berry.

The plant nursery is located at the center of the overall survey area and is dominated by ornamental species. These species are not included in the overall species list so as to not skew the naturalized species data for the overall survey area. Weedy and/or naturalized species noted along the periphery of the nursery were included in the species list. These included laua'e (*Phymatosorus grossus*), Chinese banyan, African tulip, pigweed (*Portulaca oleracea*), and Guinea grass.

Many large ornamental trees are located within the nursery and have either become established by growing into the ground from their containers or appear to have been intentionally planted. Established tree species include Cook Island pines (*Araucaria columnaris*), orchid tree (*Bauhinia sp.*), kukui (*Aleurites moluccana*), coconut (*Cocos nucifera*), variegated hau (*Hibiscus tiliaceus*), magnolia, mango (*Mangifera indica*), jacaranda (*Jacaranda mimosifolia*), puakenikeni, and Moreton Bay fig (*Ficus macrophylla*).

A community garden lies to the south east of the company nursery. It is composed of numerous small lots subdivided by makeshift fences and corrugated metal sheets and contains various structures that house farm animals such as goats and chickens. Many of the parcels have fruits and vegetables planted including papaya, banana, avocado, malangay, citrus species, and mulberry. The majority of the area is bare dirt with few weedy plants species growing within the parcels. The periphery of this area is dominated by Guinea grass, African tulip trees, and indigo (Indigofera suffruticosa).

During the study, thirteen (13) species of birds were observed and/or heard during four 8-minute point counts at representative locations within the proposed project area. Four (4) additional species of birds were observed incidentally within the proposed project area, including the rock pigeon (Columba livia), cattle egret (Bulbulcus ibis), wild turkey (Meleagris gallopavo), and gray francolin (Francolinus pondicerianus).

The most conspicuous species observed and/or heard throughout the project area during this survey was the common mynah (Acridotheres tristis). Species commonly observed/heard within densely vegetated areas include common mynahs, Japanese white-eye (Zosterops japonicus), Japanese bush warbler (Horornis diphone), and Northern cardinal (Cardinalis cardinalis).

In open and edge habitats, the most conspicuous species of birds observed/heard included common mynah (Acridotheres tristis), zebra dove

(Geopelia striata), and house sparrow (Passer domesticus). Wild turkey (Meleagris gallopavo) were occasionally seen around edge habitats.

Previous studies within the same general vicinity reported finding some species not seen, including the Pacific golden plover (Pluvialis fulva), wandering tattler (Tringa incana), ruddy turnstone (Arenaria interpres), sanderling (Calidris alba), red-crested cardinal (Paroaria coronata), barn owl (Tyto alba), Hawaiian short-eared owl or pueo (Asio flammeus sandwichensis), white-rumped shama (Copsychus malabaricus), northern mockingbird (Mimus polyglottos), and Java sparrow (Padda oryzivora), and nutmeg manikin (Lonchura punctulata).

All but three of the avian species observed within the study area were naturalized alien species. These findings are consistent with previous biological surveys in the vicinity of Lāna'i City.

## b. <u>Potential Impacts and Mitigation Measures</u>

Because the vegetation in this project area and in the surrounding urban neighborhoods is dominated by common non-native plants, and because there are no rare or protected native species in or near this area, there is little of botanical concern with regard to this project.

None of the project area is encumbered by proposed or designated critical habitat for endangered species (U.S. Fish and Wildlife Service 2013). Refer to **Appendix "C"**.

No listed threatened or endangered species of birds were found within the boundaries of the proposed project; however, should any night work occur for the project, outdoor lights will be shielded and directed downwards to avoid upward directed accent lighting in order to minimize impacts to seabirds.

No listed endangered Hawaiian hoary bats, or 'ope'ape'a (Lasiurus cinereus semotus) were observed. Their populations on Lāna'i are believed to be very low (Tetra Tech EC 2004), and scientists have speculated that bats found on Lāna'i are probably itinerants from neighboring islands with higher elevations. Refer to **Appendix "C"**.

Although endangered Hawaiian petrels or 'ua'u (Pterodroma sandwichensis) do not nest within or near the study area, a breeding colony was found in 2006 (Tetra Tech 2008) at Lānaihale approximately three (3) miles to the east south east of the center of the proposed development.

'Ua'u attend the colony at night and nest in burrows in the ground, under dense uluhe ferns (Tetra Tech 2008). In studies conducted in 2007, Hawai'i Department of Land and Natural Resources, Division of Forestry and Wildlife (DOFAW) biologists found that petrels fledged from Lānaihale colony between early November and December. Fledgling petrels are known to be confused by bright lights and have collided with man-made structures (DOFAW 2005). Refer to **Appendix "C"**.

There is no federally delineated Critical Habitat for any species present on or adjacent to the project area. Thus, the proposed actions will not result in impacts to federally designated Critical Habitat. The nature of the land and its present and historical disturbances very much limit the natural botanical resources anticipated to occur here. The results of the Terrestrial, Vegetation and Wildlife surveys substantiate this prediction. The rare frequency of native plant species is an indication that because of constant disturbances (habitat modification, invasive plant species, feral ungulates), only species adapted to such conditions can survive, with few exceptions.

Care will be taken during construction to ensure that noxious weeds or other invasive alien species are not accidentally introduced to the construction site. If high-pressure water guns are used, unnecessary runoff should be avoided by applying only as much water as is needed.

All materials imported to the project site, including gravel, soil, rock, and sand, should be free of invasive plants. Graded sites should be revegetated as soon as practicable with plants from Lāna'i. Imported plants used in landscaping should first be quarantined in an enclosed location away from the project site.

All imported plants should be inspected to ensure that they are free from invasive species that could arrive inadvertently, such as coqui frogs (*Eleutherodactylus coqui*), little fire ants (*Wasmannia auropunctata*), and Miconia (*Miconia calvescens*) seedlings. A list of invasive plant and animal species of particular concern in Hawai'i may be found on the Hawai'i Invasive Species Council website: http://dlnr.hawaii.gov/hisc/info/invasive-species-profiles/.

If seed mixtures are to be applied by hydro-seeding and hydro-mulching, they should be free of non-native weeds. Any species of plants other than those intended to be in the hydro-seed/hydro-mulch should be removed. In particular, plant species that are not known to occur on Lāna'i and those that are actively being controlled on Lāna'i should be removed.

To the maximum extent possible, landscaping would be done with indigenous and endemic flora which are known from elevations and climate regimes on Lāna'i and/or elsewhere in Hawai'i similar to that of the proposed project area. It would be beneficial to retain as many of these large mature trees within the study area as possible during the construction of the housing.

Industry-standard BMPs should be employed when working within drainage ways to minimize the risk of soil erosion into adjacent drainage ways. These may include but not be limited to the use of silt curtains, coir logs and/or blankets, sediment traps, slope and inlet protection, temporary stabilization, and dust control.

Maintenance of a 600 foot buffer from the existing sewage treatment ponds should be sufficient to prevent disturbance of listed endangered Hawaiian stilt and coot, and should not interfere with seasonal foraging by migratory shorebirds and waterfowl at the ponds. Additional fencing associated with the proposed housing development will help deter disturbance of the water birds at the sewage ponds by humans and house pets.

The project activity will comply with all County, State, and Federal laws and rules. The project will also follow Cardno's recommended mitigation measures to minimize impacts. As such, the project will not have a significant negative impact on any native botanical (flora or fauna) resources.

## 8. <u>Archaeological Resources</u>

## a. **Existing Conditions**

Thomas Dye and Kepā Maly prepared an Archaeological Inventory Survey (AIS) (Log No.: 2019.00221) for the proposed Hōkūao 201H Housing Project at Lāna'i City in 2018. Dye was assisted in the field by Zeth Kipi and Taz Del Rosario. The backhoe used for test excavations was operated by Terrence Sarme. See **Appendix "D"**.

On August 14, 2020, the State Historic Preservation Division (SHPD) accepted the AIS and the Field Inspection End-of-Fieldwork Summary Report with conditions and requested that Pūlama Lāna'i submit an Archaeological Monitoring Plan (Log No. 2020.00018, Doc. No. 2008IK01, Archaeology, Architecture). See **Appendix "D-1"**.

Historical information indicates that the entire proposed Hōkūao 201H Housing Project area has been modified by the introduction of pineapple

agriculture to the island and the founding of Lāna'i City in the 1920s. Most of the project area, except for the sloping lands adjacent to Fraser Avenue, can be characterized as abandoned pineapple fields. An aerial photograph from the 1920s shows the sloping lands adjacent to Fraser Avenue recently worked by heavy machinery.

Only one (1) historic property was assigned a State Inventory of Historic Places site number, Site 50–40–98–6649, a historic-era culvert head wall located just outside the northern boundary of the proposed project. The culvert was determined eligible for listing on the Hawai'i Register of Historic Places under Criterion D, "because of the potential to yield information important for understanding the history of the region". However, no further historic preservation work for the site was recommended. Refer to **Appendix "D-1"**.

Based on this historical information, potentially significant surface structural remains were not anticipated in the proposed Hōkūao 201H Housing Project area.

In this situation, archaeological interest in surface survey turns to the discovery and identification of secondarily deposited artifact scatters that might indicate locations of past human activity and the presence of significant buried deposits. Archaeological survey of a 100–150 ft. wide corridor through the proposed Hōkūao 201H Housing Project area in 1993, shortly after the area went out of pineapple cultivation and surface visibility was excellent, did not observe any artifact scatters.

Now, more than two decades since the pineapple fields were abandoned, fallow growth of grasses, herbs, lantana, and Christmas berry trees is vigorous, which makes surface visibility poor throughout the proposed Hōkūao 201H Housing Project area.

Pedestrian survey of the project area was completed at a low level of intensity on July 18, 2016. Two north–south transects of the western portion of the project area, west of the Pūlama Lāna'i Nursery and the Community Gardens, were completed. Two north–south transects of the eastern portion of the project area, one on the slope adjacent to Fraser Avenue and the other on the flatland at the base of the slope, were also completed. In these two areas, vigorous vegetation growth made surface visibility poor.

Open plots within the Pūlama Lāna'i Nursery were investigated for the presence or absence of secondarily deposited cultural material. The northern portion of the project area, north of the Pūlama Lāna'i Nursery, is

the site of ongoing green waste disposal and propane gas storage. It was not traversed during the pedestrian survey.

The bulk of the inventory survey effort was directed to test excavation using a backhoe. The test excavations were designed to determine whether or not the proposed Hōkūao 201H Housing Project area included places where potentially significant cultural deposits might be buried.

A backhoe with a blade fitted to the bucket, rather than teeth, excavated 25 test trenches typically 2 meters (m) long, 0.8 m wide, and more than 1 m deep. In each case, excavation ended within the natural subsoil. These excavations were carried out over a period of two and a half days on July 19–21, 2016.

Each trench was photographed and described. A sample was taken of each sediment layer exposed in the excavations and returned to the laboratory for standard description using a Munsell soil color chart and a flowchart to determine texture by feel.

Test excavation locations were determined with a handheld Global Positioning System (GPS) rover with post-processing for differential correction. Differentially corrected GPS points typically achieved horizontal precision less than 2 m.

They were plotted on publicly available base maps using geographic information system software. Because no sites were found, a method to determine site boundaries was not employed.

The collections made during the archaeological inventory survey were limited to soil sediment samples, which were analyzed and discarded.

The following is a summary listing of some of the prior uses of the site:

- The project area was once part of the Lāna'i Ranch lands;
- The project area was taken over by the pineapple industry which ended in 1992;
- The project area is currently overgrown with tall grasses, shrubs and trees;
- The now defunct Power Plant was previously operating in a section of the project area; it has been demolished;

- The Company Nursery and Community Gardens will be relocated;
   the majority of the gardens houses fighting chickens;
- A kukui tree in the project area may have been harvested by an interviewee's father so there is an interest in preserving it;
- There are two 'historic' structures that were relocated to the project area, but are currently neglected and in disrepair surrounded by overgrown vegetation;
- A row of historic Cook pine trees were planted as wind break and now mauka of the Community Gardens

Results of Present Archaeological Analysis:

The AIS included surface survey and test excavations with a backhoe. Three potentially significant historic properties were identified during the surface survey, all of which are historic-era artifacts that were transported into the project area for preservation. Two (2) wood-frame buildings from the Kōʻele School complex, in poor condition a decade ago, have now been overgrown by vegetation and lack the integrity of condition to be listed on the Hawaiʻi Register of Historic Places.

A pineapple harvester, "Machine 1," in the possession of the Lāna'i Culture & Heritage Center, possesses sufficient integrity to be significant under Criterion "A" due to its association with the commercial pineapple fields that for seven decades were the primary economic pursuit on the island.

At the time of the AIS, "Machine 1" was situated on the Hōkūao site and it was recommended that it be moved away from the proposed Hōkūao 201H Housing Project area prior to any construction activities and that funds for its restoration and interpretive display be pursued.

No potentially significant historic properties were found in the test excavations. The plow zone with pieces of black plastic mulch that was found throughout the western portion of the proposed Hōkūao 201H Housing Project area was actively farmed into the 1990s and does not meet the age criterion for a historic property. The negative results of the test excavations are typical for the former pineapple fields.

#### b. <u>Potential Impacts and Mitigation Measures</u>

The AIS included surface survey and test excavations with a backhoe. Three potentially significant historic properties were identified during the surface survey, all of which are historic-era artifacts that were transported into the project area for preservation. Two wood-frame buildings from the Kō'ele School complex, in poor condition a decade ago, have now been overgrown by vegetation and lack the integrity of condition to be listed on the Hawai'i Register of Historic Places.

A pineapple harvester, "Machine 1", in the possession of the Lāna'i Culture & Heritage Center, possesses sufficient integrity to be significant under Criterion "A" due to its association with the commercial pineapple fields that for seven decades were the primary economic pursuit on the island.

The AIS recommended that "Machine 1" should be moved away from the proposed Hōkūao 201H Housing Project at Lāna'i City prior to any construction activities and that funds for its restoration and interpretive display be pursued.

No potentially significant historic properties were found in the test excavations. The plow zone with pieces of black plastic mulch that was found throughout the western portion of the proposed Hōkūao 201H Housing Project area was actively farmed into the 1990s and does not meet the age criterion for a historic property. The negative results of the test excavations are typical for the former pineapple fields.

The property owner will comply with all applicable Federal, State, and County laws and rules regarding the treatment of archaeological and historic sites.

In addition, mitigation measures include monitoring during construction and establishing a visible 10 ft-radius buffer around the perimeter of the historic culvert headwall (SIHP #-6649). These measures will mitigate potentially adverse effects of the residential development of Hōkūao 201H Housing project. Subsequent to mitigation, the project will have a less than significant impact.

Further, per consultation with the SHPD, the Applicant submitted an Archaeological Monitoring Plan for review and approval by the SHPD. See **Appendix "D-2"**. Said Monitoring Plan would be adhered to during ground-altering activities at the project site.

## 9. <u>Cultural Resources</u>

## a. Existing Conditions

Maria Orr prepared a Cultural Impact Assessment (CIA) for the proposed project site. See **Appendix** "E". No legendary/mythical entities or ali'i nui were directly connected to the project area, but two (2) post-contact konohiki were mentioned in the literature. No Contact or Historic people were directly connected to the project area, other than in relation to lands used in the brief Mormon colonizing period, the ranching era, and the pineapple industry.

Various resource use patterns are often physically evident as well as recounted in the literature. The physical evidence remains in the form of landmarks, stone ruins that are fortunate to have been preserved relatively intact and cultural material remains (surface and sub-surface). Clues regarding function and use can sometimes be extrapolated from the stories, songs, chants, and ethno-historical observations that were also fortunately recorded or passed on; and the continuing cultural practices of today's people of Kamoku.

#### **Ancient Use:**

There is no current evidence of ancient use in the project area although it can be assumed that it was once part of the ancient ahupua'a system.

#### Post-Contact/Historic Land Use:

The following is a summary listing of some of the prior uses of the site:

- The project area was once part of the Lāna'i Ranch lands.
- The project area was taken over by the pineapple industry which ended in 1992.
- The project area is currently overgrown with tall grasses, shrubs, and trees.
- The now defunct Power Plant was previously operating in a section of the project area; it has been demolished.
- The Company Nursery and Community Gardens will be relocated; the majority of the gardens houses fighting chickens.
- A kukui tree in the project area may have been harvested by an interviewee's father; there is an interest in preserving it.

- There are two (2) "historic" structures that were relocated to the project area, but both are currently neglected and in disrepair surrounded by overgrown vegetation.
- A row of historic Cook pine trees were planted as a wind break and now sit mauka of the Community Gardens.

## b. <u>Potential Impacts and Mitigation Measures</u>

According to the Environmental Council (EC) Guidelines, the types of cultural practices and beliefs subject to assessment may include subsistence, commercial, residential, agricultural, access-related, recreational, religious, and spiritual customs. The following actions were taken to meet the EC Guidelines Criteria for conducting this CIA based on the statement of work:

• Conduct historical and other culturally related documentary research.

Documentary research, particularly on identifying traditional and cultural uses of the area, was completed. Much of what is known about the traditional and cultural uses of the area comes from written records that tell of its prehistory (e.g., moʻolelo and 19th century ethnographic works), the stories associated with early coastal and upland area uses by early Hawaiians, and scientific studies (i.e., archaeological, botanical, geological, and biological).

 Identify individuals with knowledge of the types of cultural resources, practices, and beliefs found within the broad geographical area (e.g., district or ahupua'a), or with knowledge of the area potentially affected by the proposed action (e.g. past/current oral histories).

The project lands have been in continual use since ancient times, however, not in exclusive kanaka maoli use since Contact. The interviewees were selected because of their use and knowledge of the project area.

 Identify and describe the cultural resources, practices, and beliefs located within the potentially affected area.

Archival research in the Cultural and Historical Background Review and ethnographic research (Ethnographic Data Review and Analysis) produces the data utilized to identify and describe the cultural resources, practices, and beliefs located within the potentially affected area in the Summary of Findings above. There were no identified cultural resources or practices connected to the project area.

• Assess the impact of the proposed action on the cultural resources, practices, and beliefs identified.

The CIA concluded that as there were no cultural resources, practices, and beliefs identified in or connected to the proposed project area, the proposed project will not create any cultural impacts. Refer to **Appendix "E".** 

## 10. Air Quality

## a. Existing Conditions

An Air Quality Study for the Proposed Hōkūao 201H Housing Project was prepared by B. D. Neal & Associates and finalized in January 2019. See **Appendix** "**F**". The ambient air quality of the project site is typically clean and subject to the prevailing on shore winds. There are no major sources of air pollution in the immediate vicinity such as agricultural burning, manufacturing plants, and incinerators.

Potential impacts on the project could occur from the nearby Lāna'i City Wastewater Treatment Plant. Wastewater treatment plants generally are not considered significant sources of air pollution, but they can result in the release of small amounts of airborne odorous compounds. The types and amounts of compounds in the air are generally not considered hazardous to human health, but when they occur at sufficiently high concentrations at offsite locations, they can be detected by smell and potentially constitute a nuisance for nearby residents and businesses. There were no measurable concentrations at any location along the plant perimeters. Further, there was no noticeable odor present at any location along the plant perimeters.

Short-term impacts from fugitive dust will likely occur during the project construction phases. To a lesser extent, exhaust emissions from stationary and mobile construction equipment, from the disruption of traffic, and from workers' vehicles may also affect air quality during the period of construction.

After construction, motor vehicles coming to and from the proposed development will result in a long term increase in air pollution emissions in the project area.

To assess the impact of emissions from these vehicles, a computer modeling study was undertaken to estimate current ambient concentrations of carbon monoxide at intersections in the project vicinity and to predict future levels both with and without the proposed project. During worst-case conditions, model results indicated that present 1-hour and 8-hour carbon monoxide concentrations are well within both the state and the national ambient air quality standards.

In approximately 10-years (estimated build-out) without the project, carbon monoxide concentrations were predicted to remain unchanged. With the project, after full build-out, carbon monoxide concentrations compared to the without-project case were projected to remain nearly unchanged or increase very slightly, and worst-case concentrations should remain well within air quality standards.

Project-related traffic should have no measurable impact on air quality in the project area. Implementing any mitigation measures for traffic-related air quality impacts is probably unnecessary and unwarranted.

Winds at the site can be expected to be predominantly trade winds from the northeast with speeds in the 10 to 25 mph range. The prevalent "fresh" winds could potentially promote volatilization at the plant, but they will also tend to enhance the dilution and dispersion of the emissions at downwind locations. With trade wind conditions, which occur about 80 percent of the time, emissions will be carried toward locations to the southwest. The proposed project will be situated to the northeast of the wastewater treatment facility and thus will be upwind most of the time.

From an atmospheric dispersion perspective, it is probable that the worst case for offsite odor impacts will occur during nighttime situations when the trade winds are weak or absent and dispersion conditions are poor. Occasional light winds from the south or southwest, which occur less than about 1 percent of the time, will tend to carry airflow over the wastewater treatment facility and toward the proposed project.

On October 26, 2016, representative of B. D. Neal & Associates made a site visit to the Lāna'i City Wastewater Treatment Plant, and the entire perimeters of both the main plant and the auxiliary facility were surveyed using a Jerome Model 631-X portable hydrogen sulfide analyzer. The Jerome Model 631-X is a is very sensitive instrument and capable of measuring ambient concentrations of hydrogen sulfide as low as 0.003 ppm. (Hydrogen sulfide smells like rotten eggs at low concentration levels in the air and at high concentration levels, it has a sickening sweet odor.)

Wind conditions during the survey were typical moderate trade winds from the northeast at about 10 to 15 mph. Hydrogen sulfide measurements were collected during mid-morning all along the plant perimeters, which included both upwind and downwind locations.

## b. <u>Potential Impacts and Mitigation Measures</u>

In summary, the Air Quality Study found that there were no measurable hydrogen sulfide concentrations at any location along the wastewater treatment plant perimeters, i.e., the Jerome analyzer continuously displayed less than 0.003 ppm. Further, there was no noticeable odor present at any location along the plant perimeters.

The B. D. Neal & Associates Air Quailty Study suggested, "While existing conditions suggest that offsite odor nuisance is not an issue, it may be prudent for the proposed project to maintain a buffer distance of at least 300 to 600 feet from the wastewater treatment plant boundary."

In response to this suggestion, the Hōkūao project was purposefully placed 600 feet from the wastewater treatment facility. The project is not anticipated to have a significant adverse impact on air quality or climate.

Best management practices that include performing construction-related activities in strict compliance with all applicable air regulations will mitigate any temporary impacts. Contractors will be required to comply with Hawai'i Administrative Rules, Chapter 11-60.1, "Air Pollution Control."

It should be noted that at the time the Air Quality Study was written, the Hōkūao project was intended to be a 200-unit housing development. Since then, the unit count has decreased to a 150-unit 201H housing development, nonetheless the footprint of the development has remained the same. The estimated long term air pollution should be lower, and the recommendations proposed remain valid.

## 11. Greenhouse Gas Considerations

#### a. **Existing Conditions**

Hawai'i Greenhouse Gas Emissions Report for 2016 was prepared for the State Department of Health in December 2019. The report noted the State's information analysis and efforts to reduce greenhouse gas emissions. Greenhouse gases (GHG) (carbon dioxide, methane, nitrous oxide, and fluorinated gases) trap heat in the earth's atmosphere. In the context of climate and ocean warming, increases in levels of atmospheric GHG have been attributed to human activity (IPCC, 2017). Within the State of Hawai'i, the energy sector (including fossil fuel burning to produce electricity, transportation, waste incineration, and natural gas systems) is identified as the source of 89.7 percent of GHG emissions (Hawai'i Department of Health, 2019). Other sources of GHG emissions include

industrial facilities, agriculture and forestry, and waste treatment, such as landfills, composting, and wastewater treatment.

The Federal Greenhouse Gas Reporting Program (40 CFR Part 98) requires mandatory reporting of GHG emissions from sources that emit 25,000 metric tons or more of carbon dioxide equivalent (CO2 EQ) per year in the United States. Categories of use which are generally associated with this level of reporting include power plants, petroleum and natural gas systems, refineries and other heavy manufacturing processes. On Lāna'i, there are no facilities operating at or above the 25,000 metric ton level (U.S. EPA, 2019)

#### b. Potential Impacts and Proposed Mitigation Measures

The introduction and 50-year period of protecting non-native grazing herbivores, such as cattle and sheep, on Lāna'i between 1780 and 1830 had denuded much of the native forest on Lāna'i, thereby reducing the island's ability to absorb carbon dioxide. As part of the effort to redefine Lāna'i as a sustainable community, Pūlama Lāna'i itself, and in partnership with other organizations, is managing and protecting Lāna'i's natural resources with projects such as, but not limited to, native reforestation.

Additionally, in keeping with its vision of sustainability, Pūlama Lāna'i has incorporated energy efficiency and energy conservation in its numerous renovations and redevelopments on the island. They have also been a leader in recycling.

Pūlama Lāna'i sponsors rural recycling collection events for hard to recycle items, including appliances, small scrap metal, vehicles, and vehicle batteries and tires. The County has recycling programs for computers/electronics and household batteries. DOH, in conjunction with Maui Disposal, provides refundable glass and can recycling. Pūlama Lāna'i provides green waste recycling with subsequent compost available to residents. It also compresses cardboard for shipment to the H-Power plant on Oʻahu.

The carbon footprint of the proposed project will be typically less than other sustainably sensible 201H developments. Pūlama Lāna'i will ensure that the development incorporates, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, environmental stewardship, and protection of the area's natural and cultural resources.

Moreover, Pūlama Lāna'i, as landowner of 97 percent of the island and the island's foremost employer, will encourage and promote the use of products that minimize or reduce carbon emissions such as electric vehicles by installing electric vehicle (EV) charging infrastructure and EV charging stations at the parking lot near the community center for use by Hōkūao residents.

Pūlama Lāna'i has demonstrated its commitment to be responsible. It currently has 70 electric vehicles in its light fleet of 350 vehicles. As electric pickup trucks and freight tractor trucks become available, these will replace the existing gasoline power vehicles in the light car fleet.

Although the development of the proposed project will add to the island's carbon footprint, the scale of the impact is insignificant. Pūlama Lāna'i has made, and will continue to make, strides in minimizing and mitigating the island's overall carbon footprint.

Residential development of Hōkūao 201H Housing at Lāna'i City will require minor commitments of both renewable and nonrenewable energy and material resources. Nonrenewable resources that will be used during the project include fuel, water and other resources necessary for the proposed activities.

Pūlama Lāna'i is also evaluating the option to install photovoltaic and battery solutions for each residential unit that will be designed to provide most of the energy demand for each residential unit. This will significantly reduce the nonrenewable fuel resources for the project (e.g., oil for HECO's power plant), therefore decreasing the total carbon footprint for the project.

Resources that are irreversibly or irretrievably committed to a project are those that are typically used on a long-term or permanent basis; however, those used on a short-term basis that cannot be recovered (e.g., non-renewable resources) also are irretrievable.

All uses in the proposed project will conform to applicable County, State and Federal laws, codes, ordinances, rules and regulations.

Implementation of the proposed action will not result in significant impacts that will not be able to be mitigated, to any environmental resource area. Therefore, the proposed action, in conjunction with other actions on and in the vicinity of residential development of Hōkūao 201H Housing at Lāna'i City, is not anticipated to result in significant impacts relative to GHG emissions.

## 12. Noise

## a. <u>Existing Conditions</u>

Noise within Hōkūao 201H Housing at Lāna'i City's regional vicinity is primarily derived from:

- 1. The natural environment (wind, rain, etc.)
- 2. Traffic from neighboring roadways
- 3. Community sounds related to people, animals/pets, etc.
- 4. Nearby aircraft in flight to/from the Lāna'i Airport.

## b. <u>Potential Impacts and Mitigation Measures</u>

During construction, there will likely be unavoidable noise impacts associated with operation of heavy construction machinery, paving equipment and material transport vehicles. Proper mitigating measures will be employed to minimize construction-related noise impacts and comply with all Federal and State noise control regulations.

Increased noise activity due to construction will be limited to daytime hours and persist only during the construction period. Noise from construction activities will be short-term and will comply with DOH noise regulations HAR, Chapter 11-46, Community Noise Control). When construction noise exceeds, or is expected to exceed the DOH's allowable limits, a permit must be obtained from the DOH. Specific permit restrictions for construction activities are:

- No permit shall allow any construction activities that emit noise in excess of the maximum permissible sound levels before 7:00 a.m. and after 6:00 p.m. of the same day, Monday through Friday.
- No permit shall allow any construction activities that emit noise in excess of the maximum permissible sound levels before 9:00 a.m. and after 6:00 p.m. on Saturday.
- No permit shall allow any construction activities that would emit noise in excess of the maximum permissible sound levels on Sundays and holidays.

Hōkūao is not expected to cause a significant noise impact following completion of construction, and no mitigation measures beyond

compliance with applicable regulations, requirements, and standards, are required.

It is expected that residential development of Hōkūao 201H Housing at Lāna'i City will result in a negligible increase in noise that will result in a less than significant impact.

## 13. Hazardous Materials

#### a. **Existing Conditions**

A Phase I Environmental Site Assessment (ESA) and subsequent testing were conducted on the site and nearby property by TRC Environmental Corporation. See **Appendix "G"**. It has been determined that in 1948, a portion of a nearby property was developed with a power plant building that was operated by the Dole Company for pineapple plantation activities until 1988. Further discussion of historical uses on the project site are included in **Appendix "E"**.

Pineapple fields, operated by the Dole Company, appear to have encompassed the remaining portions of the Site until approximately 1991. In 1992, the Lāna'i City Nursery and community gardens were developed in the central portion of the Site, adjacent to overgrown vegetation adjoining the Wastewater Treatment Plant.

The ESA identified four (4) recognized environmental conditions (RECs) where additional investigation was recommended. These RECs included the following:

- Former pesticide storage shed;
- 55-gallon diesel fuel drum;
- Former emulsion plant; and
- Former Maui Electric Co. (MECO) power plant.

In addition to these four (4) RECs, it was decided to also assess former agricultural areas of the Site where historic pineapple growing operations occurred and a concrete pad was used to wash down agricultural equipment.

As a result of the Phase I ESA, including but not limited to visual observation of the Site; review of historical information, environmental databases, and information provided by the User; interviews with current Site representative(s); and the professional judgment of the preparer,

several RECs and controlled recognized environmental conditions (CRECs) associated with the Site, as defined by the ASTM E 1527-13 standard were identified.

The Final Site Characterization Report & Environmental Hazard Evaluation (SCR/EHE) was submitted to State of Hawai'i, Department of Health (HDOH) on February 10, 2021. The conclusions of the Final SCR and EHE provide final results for all areas of concern (AOCs), with the exception of the former Maui Electric Co. (MECO) Power Plant AOC.

HDOH completed its review of the SCR/EHE and notified Pūlama Lānaʿi and TRC via a letter dated March 23, 2021. The letter stated that "HDOH HEER has reviewed the subject report and has no additional comments at this point" and looks forward to receiving the Removal Action Completion Report (RACR) once all removal has been completed. See **Appendix "G-1"**.

The following section includes information from executive summary of the *Final Site Characterization Report & Environmental Hazard Evaluation* that was submitted to HDOH on February 10, 2021:

Background: The site characterization and environmental hazard evaluation was conducted by Pūlama Lāna'i with the objective to characterize surface soils within the defined project boundary to determine if the Site is suitable for residential use. In advance of planned construction activities at the Site, surface soil samples were collected according to guidance provided in the State of Hawai'i Department of Health (HDOH) Hazard Evaluation and Emergency Response (HEER) Office Technical Guidance Manual (TGM [HDOH, 2017]) to evaluate the nature and extent of potential contamination due to historical operations, including the use of a large portion of the Site as pineapple growing fields. This Site Characterization Report and Environmental Hazard Evaluation documents all sampling activities. data validation, additional laboratory analysis, stockpile characterization, and soil removal actions performed to achieve the overall objective that concentrations of chemicals of potential concern (COPCs) in surface soils are below screening levels. Screening levels used for the Site Characterization are the HDOH HEER Tier 1 Environmental Action Levels (EALs) for unrestricted/residential (unrestricted) land use for a site where groundwater is a potential drinking water resource and surface water is greater than 150 meters (approximately 500 feet) from the site boundary (Tier 1 EAL) (HDOH,

2017); or if there is no Tier 1 EAL, the Region 9, United States Environmental Protection Agency Regional Screening Levels for residential soil (EPA RSLs) (EPA, 2019).

**Summary of Work:** The site characterization was performed by TRC on behalf of Pūlama Lāna'i and the documented work scope was proposed in the Final Sampling and Analysis Plan (FSAP), Lanai City Expansion, Lanai City, Hawaii (TRC, 2017). The HDOH is providing regulatory oversight for this project and approved FSAP in correspondence dated December 20, 2017.

The site characterization was conducted according to guidance provided in the HDOH Hazard HEER Office TGM. Each area of concern (AOC) was subdivided into several decision units (DUs) and sampled using multi-increment (MI) methodology. Soil samples were analyzed for specific COPCs based on the AOC being characterized.

**Summary of Results: Soil Sampling:** With the exception of the former MECO Power Plant and the former Pesticide Shed, the results of the MI sampling indicate residual levels of COPCs are not present in surface soil at concentrations above screening levels and the Site is suitable for unrestricted/residential use.

One (1) of three (3) DUs from the pesticide shed (PS-DU2) and seven (7) of eleven DUs from the former MECO Power Plant, resulted in concentrations above the Tier 1 EALs. The remainder of the Site soils have no other exceedances of screening levels for the COPCs analyzed.

#### **Additional Investigations and Removal Action:**

#### Site-wide stockpile investigation

Over the course of the site characterization, multiple stockpiles were discovered throughout the Site. Some of these stockpiles restricted access to DUs within the former agricultural area. These site-wide stockpiles were comprised of raw construction materials (gypsum, cinder, or mulch) and some were a combination of soil, construction debris, and refuse. No laboratory data was available for the stockpiles containing soil; therefore, sampling and laboratory analysis was performed to properly characterize prior to relocation or disposal.

Results of laboratory analysis were compared to the Tier 1 EALs and EPA RSLs for unrestricted/residential use. Concentrations of COPCs

from the site-wide stockpiles were below screening levels for the COPCs analyzed.

## Former MECO Power Plant - Demolition and Soil Sampling

Demolition activities associated with the decommissioning of the former MECO Power Plant resulted in the discovery and subsequent excavation of concrete footings beneath the plant structure. Previous investigations in this area indicated the presence of hydrocarbon-impacted soil beneath the building which may have been removed during these excavation activities.

TRC collected MI samples from the base and sidewalls of the excavation. Laboratory analysis resulted in concentrations exceeding the Tier 1 EAL for total petroleum hydrocarbons as diesel (TPH-D) and TPH as motor oil (TPH-O) in the MI sample collected from the base of the excavation DU. No other exceedances were observed as concentrations were below screening levels for other samples collected from the former MECO Power Plant excavation.

The final excavation was measured at approximately 4,122 square feet (ft²) to 10 feet below ground surface (bgs). A total of approximately 500 CY of excavated soil was placed into seven stockpiles ranging from approximately 36 CY to 128 CY.

Soil stockpile samples collected resulted in concentrations exceeding the Tier 1 EAL for TPH-D and TPH-O in two (2) stockpiles sampled. The remaining stockpile samples were below the screening levels.

Following the discussions with HDOH personnel, excavation backfill initially consisted of the stockpiled soil from the former MECO Power Plant that exceeded Tier 1 EALs. Soil from the site-wide stockpiles located north of the commercial nursery was used to complete the backfill. Backfilled soil was placed to a depth of 10 feet bgs.

#### Pesticide Shed Removal Action

Based on laboratory results of the MI sampling at the Pesticide Shed AOC, a removal action was implemented to address impacted soil in one (1) DU. Prior to the removal action, discrete-depth soil samples were collected at 1-foot intervals to a depth of five (5) feet bgs to precharacterize the depth of the excavation.

Based on the results of the subsurface soil samples, the impacted DU was excavated to a depth of approximately 2.5 feet bgs and

approximately 25 cubic yards (CY) of soil was loaded directly into an onsite container for off-island disposal. Following completion of the excavation, confirmation soil sampling was performed on the base and the sidewalls of the excavation. Laboratory analysis of all confirmation soil samples resulted in concentrations below Tier 1 EALs.

## Environmental Hazard Evaluation (EHE)

An EHE was performed to identify potential environmental hazards associated with contaminant concentrations in soils through comparisons with established Tier 1 EALs for specific hazards and transport mechanisms. The evaluation of the MI soil data resulted in seven (7) surface DUs at the former MECO Power Plant being flagged as potential hazards due to concentrations exceeding COPC Tier 1 EALs for either gross contamination, potential for leaching to soil or groundwater, or human direct exposure. Additionally, three (3) MI soil samples collected from the base of the MECO excavation and MECO stockpiles also exceeded COPC Tier 1 EALs.

# Construction Specific Environmental Hazard Management Plan (C-EHMP)

Potentially unacceptable risks and hazards identified in the EHE must undergo removal action or be managed with a site-specific C-EHMP. While most of the Site poses no environmental hazards for a proposed residential scenario, potential gross contamination, direct exposure, and leaching hazards are present at the former MECO Power Plant AOC. Hazards previously identified in the former Pesticide Shed area were subsequently addressed with the removal action and require no C-EHMP.

Based on planned future use, these hazards require either corrective action, or land use controls and long-term management of contaminated soil. During construction or site activities which pose a potential risk of exposure for workers to contaminated soil, work must be supervised and performed by properly trained and certified personnel. Those working in areas with a potential for contact and exposure shall have current Hazardous Waste Operations and Emergency Response training. Potentially impacted soil handling during future construction activities within the former MECO Power Plant AOC, will need to be managed with a C-EHMP, as necessary. Soil to be removed should be evaluated for reuse, recycling, or disposal options.

Conclusions and Recommendations: Except for the former MECO Power Plant AOC, the remainder of the 85-acre site has been fully assessed for the purposes of residential redevelopment based on the results of this investigation. Concentrations of potential COPCs identified in the FSAP for each AOC are either below Tier 1 EALs, EPA RSLs, or below laboratory detection limits and should have no restrictions for future use.

It is recommended that impacted DUs within the former MECO Power Plant AOC undergo additional assessment and a removal action be conducted to adequately address hazards identified during this investigation. Additionally, hydrocarbon-affected soil at 9 to 10 feet bgs within the former MECO Power Plant excavation should be assessed for possible vapor migration to the surface and risks to human health.

## b. <u>Potential Impacts and Mitigation Measures</u>

Pūlama Lāna'i will continue to work with TRC to complete the recommendations from the Final Site Characterization Report & Environmental Hazard Evaluation (SCR/EHE) stated above.

Further, while the Final SCR/EHE was being prepared, TRC continued to work with HDOH to address the conclusions and recommendations for the MECO Power Plant moving forward. Following COVID delays in 2020, the confirmation sampling began in August 2020 and continued through February 2021. Preliminary results have indicated that samples collected along the southern fence line of the former MECO Power Plant are below Tier 1 EAL for Diesel.

TRC will submit a draft Removal Action Completion Report (RACR) to HDOH summarizing the removal action activities at the former MECO plant, results of the confirmation sampling, and documentation of soil disposal. Once the RACR is finalized, that will complete the initial recommendation for removal action of the surface hazards outlined in the SCR/EHE.

Pūlama Lāna'i is working with TRC (in consultation with and guidance from HDOH) to commence a soil vapor survey to assess risk for this area. A report will be incorporated in a final Environmental Hazard Managment Plan for submission and project closure to HDOH. HDOH is expecting no issues, the homes incorporate a pier and beam construction, no exposure to the ground soils.

Construction activities on the Hōkūao 201H Housing Project will not commence until the Removal Action Completion Report is accepted and/or approved by the HDOH or other applicable regulatory authority has issued a No Further Action (NFA) letter or other similar closure document.

Therefore, the level of the impact due to findings of the Environmental Site Assessment with the incorporation of HDOH approved mitigation measures, is anticipated to be not significant.

## 14. <u>Scenic and Open Space Resources</u>

## a. **Existing Conditions**

The irregularly shaped project area is located immediately west of and downslope from Lāna'i City. The project site is bounded on the east by Fraser Avenue and two (2) church parcels; on the north by Ninth Street and a dirt road following TMK boundaries. Most of the western boundary is marked by the chain-link fence boundary of the wastewater treatment plant, while the southern boundary follows Twelfth Street and Awalua Avenue.

Most of the project area topography consists of flat to gently sloping open, patchy forest and scrub lands. An existing drainage swale on the western boundary of the site carries storm water away from the existing town and community center. On the western flank, the project sets back from the existing wastewater treatment plant with a 600-foot buffer between the closest lot and the WWTP edge.

Adjoining is Lāna'i City and the variety of residential, commercial, industrial and public uses.

#### b. <u>Potential Impacts and Mitigation Measures</u>

The project site is not part of a scenic corridor and the project will not affect scenic vistas and view planes. The proposed project will not involve significant alteration of the existing topographic character of the site.

The character of the homes will reflect the existing design vernacular of Lāna'i City; the houses will have hipped roofs, gracious lanais, board and batten siding, large trim profiles, and other design details matching Lāna'i City building characteristics.

Hōkūao is designed to perpetuate the site-planning and architectural character already present throughout Lāna'i City. As an intact plantation town, and with a unique town center seen nowhere else in the islands, this

strong and attractive vernacular serves as the design basis for Hōkūao. And in its expansion westward of Fraser Avenue, this development will also serve as a model for future private and public housing projects proposed in the immediate vicinity.

With most of the plantation structures laid out and built within a short time frame as part of a company housing provision, a discernable character for Lāna'i City was established. These include: rectilinear street patterns; small lot size, lots enlarging as one moves away from Dole Park; and small/uniform residential homes scale.

A similarly concentrated commercial core replicates the scale and character of nearby residences. This gives the city a cohesive, balanced appearance throughout the community. Hōkūao will reiterate these in the new development and are in keeping with proposed design guidelines.

The mitigation for the impacts to visual and aesthetic resources is incorporated into the project's design are designed to have the additional housing blend in with the existing housing.

Therefore, the level of the visual impact after mitigation is anticipated to be less than significant.

## 15. <u>Beach and Mountain Access</u>

#### a. **Existing Conditions**

The project is located approximately 8.5 miles from the nearest beach and approximately 3.5 miles from the peak of Lāna'ihale – the highest point on the island. The CIA conducted for the proposed project concluded that there are no activities related to gathering, access, or other customary activities occurring in the project vicinity. Refer to **Appendix "E"**.

#### b. Potential Impacts and Mitigation Measures

There are no traditional access trails identified in close proximity to the proposed project area. Accordingly, there are no anticipated adverse impacts to beach and mountain access from the proposed project.

# B. SOCIO-ECONOMIC ENVIRONMENT

#### 1. <u>Population and Demography</u>

## a. <u>Existing Conditions</u>

The proposed project is located in Lāna'i City, Lāna'i, within the Lāna'i Community Plan region.

Maui County's population in 2019 was approximately 167,500, an increase of approximately eight (8) percent since 2010, when the population stood at 154,930 (U.S. Census Bureau, 2019). The population on Lāna'i was 3,135 people in 2010 – a decrease of 91 people from 2000 (U.S. Census Bureau, 2000 and 2010). In 2020, CBRE prepared a Market Study Economic Impact Analysis & Public Cost Benefit Assessment for the proposed Hōkūao 201H Housing at Lāna'i City. See **Appendix "H"**. The study provided an estimate of 3,000 residents currently living on Lāna'i due to out-migration tied to the onset of COVID and associated loss of employment. The population is projected to reach between 3,433 and 3,486 persons by 2035.

## b. Potential Impacts and Mitigation Measures

The proposed project is not anticipated to have significant adverse impact on population or demographic trends of Lāna'i. It is anticipated that the inhabitants of the proposed project currently reside on Lāna'i and in Maui County and will be relocating over-crowded residences and/or older units.

## 2. Economy

## a. <u>Existing Conditions</u>

According to the data from the State Department of Labor and Industrial Relations, there were 1,600 (annual average) non-agricultural jobs on Lāna'i in 2019 (Department of Labor and Industrial Relations, 2019). Jobs in the retail trade industry accounted for less than 50 (annual average) of the total jobs on the island, and jobs in the leisure and hospitality industry accounted for 700 (annual average) jobs, or 43.8 percent (Department of Labor and Industrial Relations, 2019).

Hawai'i's economy through 2019 was strong, with record-setting visitor arrivals and low unemployment. However, the COVID-19 pandemic will have far reaching impacts on the economy on Maui, in Hawai'i, and across the nation and world. Stay-at-home regulations and travel quarantines

aimed to curb the spread of COVID-19 virus in Hawai'i have caused many businesses to shut down or drastically reduce operations. Unemployment in Maui County and the State reached record levels. In March 2021, statewide unemployment was 8.6 percent, compared to just 2.1 percent in March 2020 (prior to the COVID-19 pandemic). Unemployment in Maui County was the second highest county in the State. In March 2021, unemployment in Maui County stood at 12.2 percent. In March 2021, unemployment on Lāna'i was 4.9 percent (Department of Labor and Industrial Relations, 2021).

## b. <u>Potential Impacts and Mitigation Measures</u>

On a short-term basis, the project will support construction and construction-related employment. Over the long term, the proposed rental housing community provides an affordable alternative to residents who qualify for affordable rentals and homes. The project is not anticipated to have significant adverse impacts on labor conditions due to the nature of the proposed improvements.

## Market Study, Economic Impact Analysis & Public Cost Benefit

In 2020, CBRE prepared a Market Study Economic Impact Analysis & Public Cost Benefit Assessment for the proposed Hōkūao 201H Housing at Lāna'i City. Refer to **Appendix "H"**.

It should be noted that at the time the Market Study, Economic Impact Analysis & Public Cost Benefit Assessment was written, the Hōkūao project was intended to include 135 2-bedroom units (76 affordable units and 59 market rate units) and 15 4-bedroom market rate units. Since then, the project has been updated to include only 2-bedroom units, nonetheless, the number of affordable (76 units) and market rate (74 units) homes remain the same.

#### Market Study

#### **Existing Conditions**

- Prior to the onset of the COVID-19 Pandemic, the State of Hawai'i
  had steadily rebounded from the 2008-09 recession and associated
  down-cycle in the real estate market with an extended-term
  favorable economic period featuring gradually and consistently
  strengthening property sectors.
- Sales activity, volume, and prices all showed meaningful postrecession recovery/stabilization on Lāna'i; in many cases reaching

near to full recovery to the levels achieved during the 2004-07 peak market years. The state economy had one of its best years ever in 2019 and the first three months of 2020 were showing signs of an even stronger year. However, the global pandemic has erased any economic gains of 2020 and has pushed the state into a recession due to a state mandated 14-day quarantine.

- The July unemployment rate on Lana'i was at 4.8 percent (near peak recession levels), and some 752 employees of the Four Season Resorts were issued furlough and lay-off notices in August after the second shutdown of interisland travel by the Governor, which could increase unemployment several fold; although concurrent with the report date plans were announced to re-open the resort in October and begin ramp-up and re-staffing. Prior to COVID, and indicative of long-term job market potentials, the unemployment rate had dropped to about 0.5 percent (effective full employment). Per capita income in Maui County grew at 3.9 percent compounded annually over the past decade and Lana'i was experiencing generally positive economic activity and stable tourism until March 2020. There was some \$124.5 million in visitor spending last year on the island, with a statewide-leading Per Person Per Day Spending of \$457, more than double any other island. Total Visitor Arrivals and Total Visitor Days also reached new all-time highs in 2019.
- As with most in Hawai'i, the Lāna'i residential real estate market has generally weathered the COVID Pandemic well, a function of generationally-low mortgage interest rates, chronic housing shortages, and limited inventory. 2020 is on pace to have the highest single family "Sales volume" (total dollars spent) since record-setting 2014; the "number of sales" for the year will be wellabove annual averages for the past decade; and stable; and, relatively high median prices are being maintained.
- Though difficult to accurately estimate, the population of the island has declined in recent years and is now likely below the 3,335 persons counted in the 2010 census. The most recent (2018) Census estimate was at 2,802 persons, down from the 3,356 average count since 2010. Further with the onset of COVID and associated loss of employment there has been some out-migration. CBRE used a conservative estimate of 3,000 residents on Lāna'i as of mid-2020, reaching between 3,433 and 3,486 persons by the end of their projection modeling period, as shown below.

• There are an estimated 1,463 "housing units" on Lāna'i; there have been no major additions over the past two years but some individual homes have been built. CBRE estimated the 2020 housing unit count is about 1,480, of which 13 are identified as vacation rentals, resulting in 1,467 available housing units. Table 1 notes the quantification of housing unit demand for Lāna'i for 2020 to 2035.

**Table 1.** Quantification of Housing Unit Demand for Lāna'i for 2020 to 2035.

		Projected Lanai Resident Population		
Scenario	Current 2020	2025	2030	2035
One: Based on Historic Growth Trend 1980 to 2020				
Resident Population	3,000	3,138	3,282	3,433
Two: Maximum Based on Extrapolated/Adjusted County Planning Department Technical Forecasts				
Resident Population	3,000	3,154	3,316	3,486

Source: CBRE, 2020

- The current average Lāna'i resident household size is about 2.48 persons and is forecast to decline in coming decades as a result of evolving family/household trends and an increasingly diverse mix of unit types of new development. By 2035, the average household size in the study area is anticipated to lower to 2.30 to 2.34 persons.
- In 2018 (most recent data), some 43.6% of the occupied housing units on the island were "Renter-Occupied"; which is generally consistent with statewide (41.7% of total units) and Maui County (39.8%). The percent of rented units on Lāna'i has decreased in recent years, averaging 46.6% annually from 2010 through 2018. However, the efficacy of this metric is limited by the small size of the Lāna'i City market and concentrated land use/ownership, as the "market" does not provide the opportunity for supply to accurately reflect demand desires.
- There is a scarcity of homes on the island available for long-term residential rental. As of the publication date, there were a cumulative total of four such units listed on rent.com, Zillow.com, apartment.com, craigslist, and lanai96793.com, as shown below.
- This is insufficient to provide for general market demands, meeting a diversity of specific tenant needs, and a vacancy allowance capable of servicing the community.
- Maui County/HUD 2020 "affordable" housing pricing guidelines set rents for two-bedroom units at from \$603 monthly (households at

50% of the Lāna'i Median Household Income - MHI) to \$1,688 monthly (140% of Lāna'i MHI). Affordable rents for four-bedroom units ranges from \$777 (50% of MHI) to \$2,176 (140% of MHI). The average monthly rent in Maui County for long-term residential tenancy was \$1,406 in 2018.

• There have been numerous long-term proposed developments on Lāna'i over the past decade, most by Pūlama Lāna'i. The projects controlled by Pūlama Lāna'i are generally on-hold and subject to unit count change. Further, the County Lāna'i City Housing Project (with up to 400+ units) is onhold pending selection of a new developer and 105 units will be in a restricted Department of Hawaiian Home Lands (DHHL) subdivision. CBRE considers it unlikely that all of the proposed units will be manifest for many decades and have estimated only some 113 non-subject units will likely be built before 2035.

## **Economic Impact Analysis**

CBRE constructed a model depicting the economic impact of the Hōkūao projects on the Lāna'i and Statewide community during the course of its "lifespan" from anticipated groundbreaking in 2021, through absorption (2029), to build-out 2030, and stabilized "operations thereafter.

The development of Hōkūao will bring in an estimated \$115.2 million of new, direct capital investment with significant unquantified indirect expenditures into the island's real estate market and generate: \$166.3 million in total new economic activity island-wide during its build-out over a 10-year period (forecast from 2021 through 2030). It will contribute some \$8.3 million in annual economic activity on a stabilized basis thereafter. Included in the economic impact analysis was the number of full-time equivalent employment positions directly and indirectly created by the project, as well as the economic impact of supplies purchased for the project and the tax impacts related to the proposed project. Refer to **Appendix "H"**.

#### **Potential Impacts and Mitigation Measures**

The Market Study, Economic Impact Analysis and Public Cost Benefit Assessment report concluded that the Hōkūao Project will have positive economic impacts on jobs, earnings, and tax revenues for Lāna'i and Maui County. These impacts include direct, indirect, and induced economic outputs. Overall there will be 687 person-years of employment produced

over the course of the project. It will produce an estimated \$52 million in earnings, \$19.5 million in state taxes, and nearly \$7 million in county taxes.

Based on the market analysis, CBRE concluded that new housing units in Lāna'i should be generally priced/rented within the following ranges:

- 21.6 percent affordable price or rent, according to affordability guidelines for a household earning 80 percent of the County median household income ("Low Income");
- 37.4 percent affordable for households earning 80 percent to 120 percent of the County median household income ("Below Moderate" to "Gap Income" categories);
- 41 percent at market prices/rents with household earning above
   120 percent of the County median household income.

The 76 two-bedroom workforce/affordable homes at Hōkūao will have rents set according to prevailing HUD/County formula at the time of construction, with rents ranging from \$603 to \$1,688 per month in 2020 dollars based on the 2020 HUD guidelines as adjusted for Lāna'i.

It is anticipated the 74 market homes at Hōkūao will likely be rented at over \$1,800 monthly (based on 2020 dollars, subject to change based on market conditions).

Based on absorption analysis, CBRE estimates the full-absorption of the subject residential component will require about 8 years to be fully absorbed following commencement of pre-leasing (tentatively anticipated for 2021), with the final homes being spoken for by 2029 and built-out by 2030.

No socio-economic or public service/facilities will be negatively impacted through the proposed use.

# C. PUBLIC SERVICES

#### 1. Police and Fire Protection

#### a. Existing Conditions

The project site is within the service area of the Maui Police Department's District II Lāna'i patrol district which services the island of Lāna'i. The Lāna'i Police Station is located at 855 Fraser Avenue, Lāna'i City which borders the project site to the northeast. The district includes two (2)

motorized beats, each patrolled by one officer. There are 11-full time officers on Lāna'i including one Lieutenant and two Sergeants and a School Resource Officer. They work out of an 8,000-square-foot facility that includes three jail cells, a juvenile cell, and office space.

Fire prevention, suppression, and protection services for the island of Lāna'i are provided by the County Department of Fire and Public Safety's Lāna'i Fire Station. The Lāna'i Station neighbors the project site to the south and is located at 1345 Fraser Avenue, Lāna'i City. The station includes a total staffing of 18 personnel. Three captains, six Firefighter III, and nine Firefighter I. Lāna'i Station houses one Engine Company and one Tanker. There are six personnel on duty daily (Fire's latest posted Annual Report 2014-2015).

#### b. <u>Potential Impacts and Mitigation Measures</u>

Construction activities are not anticipated to adversely impact police or fire prevention and safety services. At the request of the Fire Department, Pūlama Lāna'i will incorporate a fire break of approximately 30-feet around the subdivision.

From a long-term perspective, the proposed project is not anticipated to affect the capabilities of police and fire services. The existing operational limits of police and fire services will not be extended or affected by implementation of the proposed project.

#### 2. Medical Services

## a. <u>Existing Conditions</u>

On July 1, 2017, Maui Memorial Medical Center, Maui Memorial Medical Center Outpatient Clinic, Kula Hospital, Kula Clinic, and Lāna'i Community Hospital became part of Maui Health System, which is affiliated with Kaiser Permanente. These facilities will continue to operate as vital community hospitals, open to everyone regardless of health coverage.

Lāna'i Community Hospital is the only hospital on the island of Lāna'i. It is the sister hospital to Kula Hospital and Maui Memorial Medical Center. It has limited 24-hour emergency care, acute care and diagnostic imaging. It also provides long-term care (including skilled and intermediate nursing care).

## b. <u>Potential Impacts and Mitigation Measures</u>

The proposed project will not adversely affect medical services in the area. During project construction, detour routes will not be necessary. As such, medical responders and services will continue to have access to the areas surrounding the project site.

## 3. Solid Waste

#### a. **Existing Conditions**

The Lāna'i Landfill on Kaumālapa'u Highway accepts municipal solid waste and construction debris dropped-off from commercial and residential customers. In addition, personal delivery to the landfill of municipal solid waste, green waste, and trash is available.

Pūlama Lāna'i also sponsors rural recycling collection events for hard to recycle items including: appliances, small scrap metal and vehicle batteries & tires. The County has recycling programs for computers/electronics and household batteries.

Pūlama Lāna'i also provides green waste recycling with subsequent compost available to residents.

HDOH, in conjunction with Maui Disposal, provides refundable glass and can recycling.

The County, through the Department of Environmental Management, provides residential application- based refuse pick up and disposal services on Lāna'i. Fees for Residential Solid Waste Services are \$192 for Lāna'i per year and are billed semi-annually in June and December.

#### b. Potential Impacts and Mitigation Measures

During the initial short-term construction phase of the project, the contractor will develop and implement a construction-generated waste disposal plan. Appropriate construction debris will be taken to the landfill.

Pūlama Lāna'i will contract with a private entity (e.g., Maui Disposal) for solid waste residential pick up for residents in the project.

The handling of solid waste, as proposed, will ensure that the project will have a less than significant impact in regards to solid waste management.

## 4. Education Facilities

## a. Existing Conditions

Lāna'i High and Elementary School consists of seventeen permanent structures, nine portable classrooms, two parking areas, and faculty housing spread over the 10.39 acre campus. Capacity is indicated as 700-students. Present and recent enrollment has been relatively steady with at around 550 to 575 students.

It is the largest of six (6) kindergarten through grade 12 public schools in the Hawai'i Department of Education (DOE) system. It is the only school that serves educational needs on the island of Lāna'i. One of the unique features of the school is the availability of faculty housing on-campus consisting of eight buildings with a capacity of 26 units.

The DOE has prepared a Lāna'i High and Elementary School Master Plan to guide the physical expansion and development of the school over the next 25+ years. The Master Plan encompasses the existing school facilities and grounds and approximately 50.017 acres makai or to the west of the school. The 50+ acres, while being listed in the master plan, are still owned by the County of Maui and consideration for future uses will need to be a cooperative effort. That master plan incorporates Pre- school, Elementary School, Middle School, High School, and Community College components on one campus.

The Master Plan is predicated on a design enrollment of 700-students. The design enrollment by schools is 320-students for high school (Grades 9-12), 170-students for middle school (Grades 6-8), and 210- students for elementary school (Grades K-5). (Information is from a Final EA for the school master plan (2011) and School Status and Improvement Report (2017)).

#### b. Potential Impacts and Proposed Mitigation Measures

The proposed project and associated improvements are not anticipated to generate population growth since most of the future residents of the affordable housing project are anticipated to already be residing on Lāna'i in Maui County, but may redistribute population from one area within Lāna'i City to the project site. As such, adverse impacts on educational facilities are not anticipated.

### 5. <u>Recreational Resources</u>

### a. Existing Conditions

Public parks and recreational facilities are administered and maintained by the Maui County Department of Parks and Recreation, as well as associated with the Lāna'i public school. County parks and facilities in Lāna'i City include: the Lāna'i Community Center, the Lāna'i Gym and Tennis Courts, the Lāna'i Little League Field, Fraser Avenue Park, and Kaumālapa'u Highway/Fraser Avenue Park.

The use of the schools' athletic ball fields by entities other than the DOE is determined by the Principal through Use of Facility requests. The Lāna'i High and Elementary School Master Plan Environmental assessment notes plans for replacement/additional recreational facilities.

There are also a number of Pūlama Lāna'i-owned and maintained recreational facilities that are available for public use. Situated in Lāna'i City, Dole Park is a Pūlama Lāna'i-owned park utilized by the public. Additional Pūlama Lāna'i-owned parks utilized by the public include Olopua Woods Park and Waialua Park in Lāna'i City and Hulopoe Beach Park near Mānele Small Boat Harbor.

The Lāna'i Recreation Center is a Pūlama Lāna'i-owned and maintained recreational complex which is utilized by the public. The Center encompasses a heated swimming pool, basketball court, exercise track, fitness course, softball fields, football field, recreational building, and playground.

Other Pūlama Lāna'i-owned recreational facilities on Lāna'i include the 18-hole championship golf course at Mānele Resort. Pūlama Lāna'i also owns the 9-hole Cavendish Golf Course, which provides recreational opportunities for Lāna'i residents at no cost.

Hōkūao 201H Housing Project proposes to add a 1-acre park, a 1,500-square foot community center for use by the Lāna'i community, and 60 parking stalls for intermittent parking (e.g., community events at the community center, guests visiting residents of the Hōkūao residential units, etc.).

### b. <u>Potential Impacts and Mitigation Measures</u>

The proposed project is not expected to have significant adverse impact to public recreational opportunities. As noted above, most of the future

residents of the affordable housing project are anticipated to already be residing on Lāna'i. As such, the proposed project may redistribute population from one area within Lāna'i City to the project site, rather than an increase of the overall population. As such, no significant adverse impacts to recreational opportunities are anticipated.

### D. INFRASTRUCTURE

### 1. Roadways

### a. Existing Conditions

This section discusses the traffic in the region and the specific project area, the potential impacts of the project on traffic, and the mitigation measures to mitigate potential impacts.

It should be noted that at the time the Traffic Impact Analysis Report (TIAR) was written, the Hōkūao project was intended to be a 200-unit 201H housing development. Since then, the unit count has decreased to a 150-unit 201H housing development, nonetheless, the footprint of the development has remained the same. The estimated traffic should be lower, and the analyses and conclusions remain valid. The TIAR was included within the Preliminary Engineering Report. See **Appendix "I"**.

The traffic analysis, conducted by Austin Tsutsumi & Associates, considered the proposed Hōkūao 201H Housing at Lāna'i City. The following are brief descriptions of the existing roadways studied within the vicinity of the Project:

Kaumālapa'u Highway is an east-west, two-way, two-lane roadway that runs perpendicular to Fraser Avenue. This roadway begins to the west at the Fuel Depot and terminates to the east at its intersection with Lāna'i Avenue/Queens Street. The speed limit along Kaumālapa'u Highway is 45 mph near Lāna'i City and changes to 30 mph to the east, after the Lāna'i Airport.

Fraser Avenue is a north-south, two-way, two-lane roadway in the vicinity of the study intersections and provides access through Lāna'i City. This roadway begins to the south at a T-intersection with Kaumālapa'u Highway and terminates to the north as an outlet. The posted speed limit along this roadway in the vicinity of the Project is 20 miles per hour (mph). This roadway serves as one of the main roadways through the city and provides access to Lāna'i Elementary and High School, churches, park, and other smaller

streets that have access to restaurants and retail.

Ninth Street is an east-west, two-way, two-lane roadway that runs perpendicular to Fraser Avenue. This roadway begins to the west at a T-intersection with Awalua Avenue and terminates to the east at a T- intersection with Kauna Oa Drive. The posted speed limit was not observed along the roadway.

Tenth Street is an east-west, two-way, two-lane roadway that runs perpendicular to Fraser Avenue. This roadway begins to the west at a T-intersection with Fraser Avenue and terminates to the east at a T- intersection with Queens Street. The posted speed limit was not observed along the roadway.

Twelfth Street is an east-west, two-way, two-lane roadway that runs perpendicular to Fraser Avenue. This roadway begins to the west at a T-intersection with Fraser Avenue and terminates to the east at a T- intersection with Ilima Ave. The street continues to the east as a T-intersection with Lāna'i Avenue and terminates to the east as a T-intersection with Queens Street. The posted speed limit was not observed along the roadway.

Thirteenth Street is an east-west, two-way, two-lane roadway that runs perpendicular to Fraser Avenue. This roadway begins to the west at a T-intersection with Fraser Avenue and terminates to the east at a T- intersection with Lāna'i Avenue. The posted speed limit was not observed along the roadway.

Manele Road is a north-south, two-way, two lane roadway. This roadway begins at its intersection with Kaumālapa'u Highway and terminates to the south at the Manele Small Boat Harbor. The posted speed limit on Manele Road is 35 mph.

Analyses for the study intersections were performed using the traffic analysis software Synchro, which is able to prepare reports based on the methodologies described in the Highway Capacity Manual. These reports contain control delay results as based on intersection lane geometry, signal timing, and hourly traffic volumes. Based on the vehicular delay at each intersection, a Level of Service (LOS) is assigned to each approach and intersection movement as a qualitative measure of performance.

These results, as confirmed or refined by field observations, constitute the technical analysis that will form the basis of the recommendations

LOS is a qualitative measure used to describe the conditions of traffic flow at intersections, with values ranging from free-flow conditions at LOS A to congested conditions at LOS F.

### b. <u>Potential Impacts and Mitigation Measures</u>

The Institute of Transportation Engineers (ITE) publishes a book based on empirical data compiled from a body of more than 4,250 trip generation studies submitted by public agencies, developers, consulting firms, and associations. This publication, titled Trip Generation Manual, 10th Edition, provides trip rates and/or formulae based on graphs that correlate vehicular trips with independent variables.

The Project is forecast to generate approximately 147(221) trips during the AM(PM) peak hours of traffic.

Under existing conditions, all intersections currently operate at LOS B or better during the AM and PM Peak hour of traffic. No significant delays or queuing were observed at any of the intersections during the peak hours of traffic.

Traffic projections were formulated by applying a defacto growth rate to the existing 2016 traffic count volumes as well as trips generated by known future developments in the vicinity of the Project.

The traffic analysis was performed using standard traffic analysis techniques. Based on the vehicular delay at each intersection, a LOS is assigned to each approach and intersection movement as a qualitative measure of performance. These results, as confirmed or refined by field observations, constitute the technical analysis that will form the basis of the recommendations outlined in the traffic report.

All study intersections are forecast to operate at conditions similar to Base Year 2024 traffic conditions, with all manual turning movements operating at LOS C or better during the AM and PM peak hours of traffic.

No significant delays or queuing were observed at any of the intersections during the peak hours of traffic.

The traffic analysis noted, "No intersection improvements are recommended as a result of the Project." Refer to **Appendix** "I".

### 2. Water

### a. Existing Conditions

R. M. Towill Corporation prepared a Preliminary Engineering Report (PER) for the Hōkūao 201H Housing Project. Refer to **Appendix** "I". The following water section is from this report, as well as the Draft Environmental Assessment for the project, which was prepared by Hoʻokuleana LLC. See **Appendix** "I-1". It should be noted that at the time the PER was written, the Hōkūao project was intended to be a 200-unit 201H housing development. Since then, the unit count has decreased to a 150-unit 201H housing development, nonetheless, the footprint of the development has remained the same. The estimated water amounts should be lower, and the recommendations proposed remain valid.

### **Water Sources**

The following is from the Lāna'i Water Use and Development Plan (2011). Lāna'i lies in the rain-shadow of Maui and Moloka'i. The island has no major surface water sources. The sustainable yield (SY) of Lāna'i is estimated at 6 million gallons per day (MGD). Virtually all of this is located in the Central aquifer sector which is divided into two (2) aquifer systems with 3 MGD each. Withdrawals come primarily from eight (8) wells, with the exception of about 2,000 gallons per day (GPD). The Commission on Water Resource Management (CWRM) in 2019, reviewed all the Hawai'i Counties' SY and increased/decreased/no change as a result of further water analysis entitled Robust Analytical Modeling (RAM). On Lāna'i, they allowed for the possibility that there are seven (7) additional aquifers that could provide water to Lāna'i with up to a SY of 36 MGD. Further research is needed and then accepted by CWRM to change the SY from 6 MGD.

The Lāna'i Water Company privately owns the domestic water system on Lāna'i. The water for this system is provided by existing groundwater sources and the water quality has met all State of Hawai'i regulations for drinking water.

The water system for Lāna'i is divided into nine (9) aquifer systems for the island. The Project falls within the Leeward Aquifer; however, water to support the project is intended to come from the Leeward and Windward aquifers.

Lāna'i has five (5) water supply systems, including two (2) public drinking water systems, two (2) reclaimed water systems, and a brackish water

system. All are owned and operated by wholly owned subsidiaries of Pūlama Lāna'i. See **Figure 8**.

Collectively, these systems include about 79 miles of active pipe, 35 MG of storage, of which about 4.8 MG is potable, and about 6.394 MGD installed well capacity of which 5.04 MGD is potable.

No surface water sources remain on Lāna'i.

**Table 2** notes the monthly pumpage and 12-month moving average for Lāna'i wells from 1926 through early 2020. The table also notes the trigger (red line) set by the Lanai Water Commission is lower than the SY for the island.

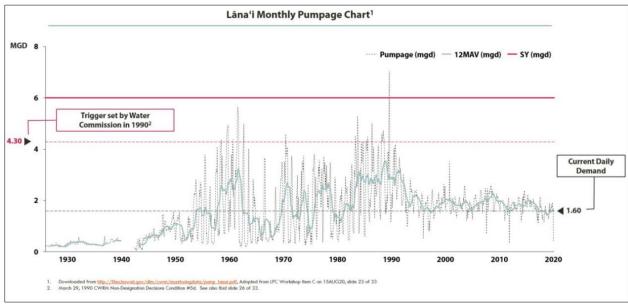


Table 2. Lāna'i Monthly Pumping Chart

Monthly Pumpage (blue) – 12-month moving average (green) and Sustainable Yield (red) for Lāna'i wells (CWRM)

(Note peak withdrawal years in the 1950s to early 1990s were during the pineapple cultivation on the island.)

(Source: Commission on Water Resource Management)

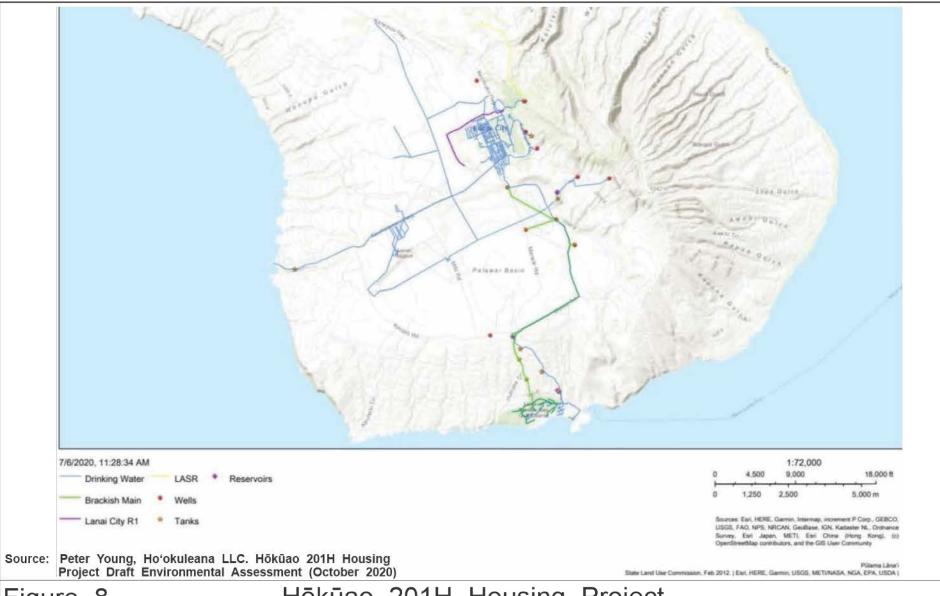


Figure 8

Hōkūao 201H Housing Project Existing Water Service Map

NOT TO SCALE



Prepared for: Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i

### Hōkūao Water Demand Estimated below 121,700 GPD

The R. M. Towill Corporation Preliminary Engineering Report for the Hōkūao 201H Housing Project included information related to the water demands and supply for the project.

The "Water System Standards" for the four (4) respective counties in Hawai'i estimates that the Average Daily Demand for water per residential unit (whether single-family or multi-family) in Hawai'i County is 400 gallons

per unit; Kauai – 500 gallons/unit; Maui – 600 gallons/unit and Oahu – 500 gallons/unit.

Conformance with the County standards provides accepted criteria for water system planning and design, although the water system, inclusive of water source, storage, and piping, will remain privately-owned and will not be subject to all County requirements.

Using the County of Maui Department of Water Supply Standards of 600 gallons per day per single-family unit and 1,700 gallons per acre for a park as guides, the proposed average daily domestic water demand for the 200 single-family units and the 1-acre park with future 1,500 square foot pavilion with comfort stations and parking is estimated to be 121,700 GPD. As previously mentioned, the project has been adjusted to 150 homes versus the 200 homes that the calculations were based on, as such, the estimated water demand is expected to be lower than the calculated 121,700 GPD.

The Lana'i Water Company has indicated that:

...the project will have a long-term, reliable supply of water in accordance with Chapter 14.12, Water Availability, Maui Code, upon completion of new source development.

The Lāna'i Company is in the process of permitting the development of Well #7 which is anticipated to be the source of water for the project.

This estimated demand of 121,700 GPD plus recent 12-month moving average for the entire island of 1.60 MGD (Mar 2020) results in total estimated overall usage of approximately 1.721 MGD.

### Water Supply for Hōkūao 201H Housing Project

Well 7 was drilled in 1987, and will be the water source for the Hōkūao project. Well 7 is at ground level of 2,100 feet; the well depth is 1,650 feet.

The well is expected to average sustainable pumping of 300,000 GPD; as noted in the following, the estimated water demand is lower than 121,700 GPD. The project fits within the Lāna'i WUDP.

Well 7 has never been in regular use. Activating and using Well 7 has been identified as the planned source for domestic water needs at Hōkūao 201H Housing Project.

This is consistent with the Lāna'i WUDP that included in its examination of new supply resource options the recommissioning of Well 7 in the Leeward Aquifer.

As noted in the Lāna'i WUDP, "Well 7 could provide both reliability and improved distribution of withdrawals on the north end of the Leeward aquifer. Well 7 has the advantage of being situated such that, with transmission improvements, it could serve either Lāna'i City or the Irrigation Grid." See **Figure 9**.

### **Proposed Water Supply and Distribution System**

The Lāna'i Water Company privately owns the domestic water system servicing the proposed project. The existing regional schematic water system consists of a 12-inch waterline on Fraser Avenue.

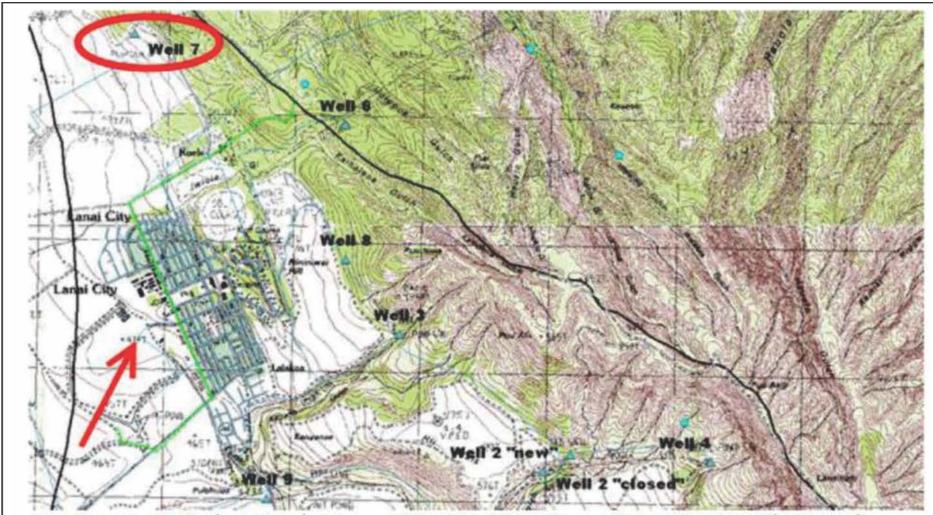
The existing domestic water system will provide water service to the project through a new connection to the 12-inch water main on Fraser Avenue.

Proposed water distribution mains along the new roads will be 8-inch to 12-inch in diameter to ensure adequate fire protection flows can be provided. Water pressure exceeds 80 psi in some areas of this system and individual pressure reducing valves are required. Refer to **Appendix "I"**.

### Addressing Water Demands for Other Proposed Developments

The Lāna'i Community Plan, approved in 2016, identifies a number of additional proposed projects across the Island.

The Draft Environmental Assessment for the Hōkūao 201H Housing Project provides further discussion about near-term anticipated water demands. This includes projects in the process of land entitlements or have been discussed at monthly community information meetings hosted by Pūlama Lāna'i and have not been submitted to agencies for permitting and entitlement. Refer to **Appendix "I-1"**.



Mapping noting Well 7 (red ellipse) and general location of the Hōkūao 201H Housing Project (red arrow)

Source: Peter Young, Ho'okuleana LLC. Hōkūao 201H Housing Project Draft Environmental Assessment (October 2020)

Figure 9

Hōkūao 201H Housing Project
Well 7 Location Map

**NOT TO SCALE** 



Prepared for: Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i

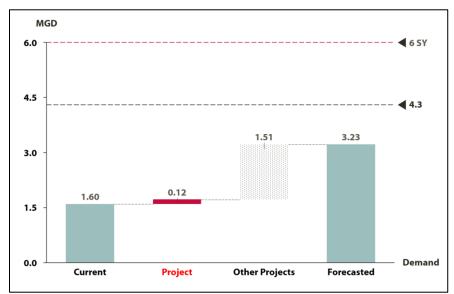


Table 3. Forecasted Daily Demand

Graphical representation of the current, estimated project, estimated other projects, and forecasted daily water demand in comparison to the 4.3 MGD trigger set by the Water Commission and the island's SY of 6 MGD. Source: Pūlama Lāna'l, 2020.

### b. Potential Impacts and Mitigation Measures

Pūlama Lāna'i has made significant progress in reduction of leaks, conservation efforts, and changes to existing projects resulting in reduced water demands and usage.

Amendments have also been recently proposed to the Kō'ele Project District to reduce its scale, densities, and number of units. A reduction in the number of hotel units at Mānele Hotel was completed as part of the recent refresh of the resort.

Likewise, at Mānele, Pūlama Lāna'i reduced the irrigation and pool water usage for the pool area changes. They changed types of plantings and left large areas to be in a natural state, rather than grass; so there is no irrigation needed. The pool area uses artificial turf rather than grass and Mānele has two (2) pools, rather than the proposed three (3).

With the activation of Well 7 by Lanai Water Company, the proposed project will have access to a reliable long-term supply of water for the project. Additionally, as previously noted, with the anticipated water demand for the Hokuao 201H Housing project, the island of Lāna'i will still be well below the 4.3 MGD limit set by the CWRM.

### 3. Wastewater

### a. Existing Conditions

Lāna'i's municipal wastewater collection system is situated in and around Lāna'i City. See **Figure 10**.

Based on as-built plans of the Lāna'i Sewerage System and Waialua Annex Subdivision, sewer mains are located in Fraser Avenue, as well as the County's major sewer collector lines which are located through the proposed project. Existing 10-inch and 12-inch sewerlines route sewage from the existing residential subdivision along Fifth Street to the 15-inch interceptor sewer which discharges to the wastewater reclamation facility west of the project site. Refer to **Appendix "I"**.

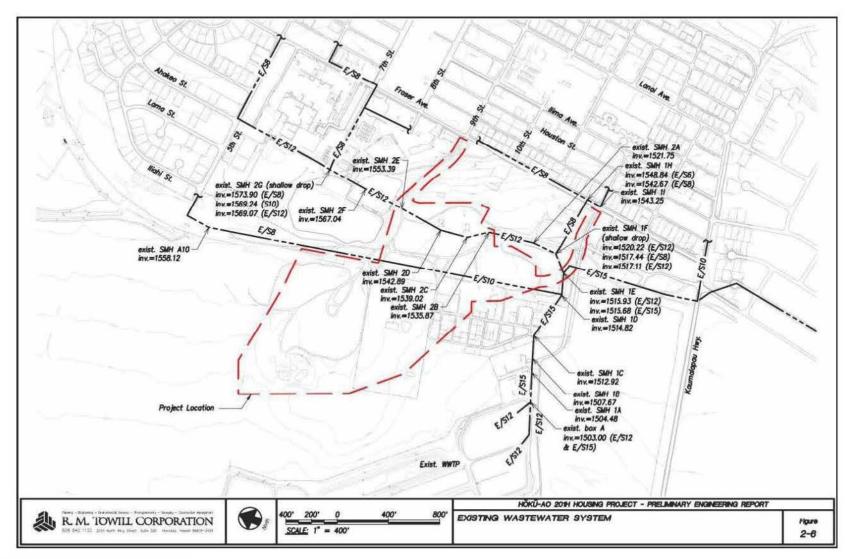
The existing main along Fraser Avenue consists of an 8-inch pipe of unidentified material, and the collector lines are a 10-inch vitrified clay pipe, and a 12-inch pipe of unidentified material. The 8-inch main serves the portion of Lāna'i City below Ilima Avenue, between Eighth and Twelfth Streets. The 10-inch collector line serves the entire half of Lāna'i City to the north of Seventh Street. The 12-inch collector line serves the western portion of Lāna'i City, below Fraser Avenue. The collector lines merge and flow to the Lāna'i Wastewater Reclamation Facility (WWRF).

The existing 10-inch and 12-inch collector lines will need to be relocated within proposed street right-of-ways and connected back to the 15-inch interceptor sewer going to the WWRF. Easements within privately owned residential lots will not be accepted by the County.

Per the County's Department of Environmental Management, Wastewater Reclamation Division, the capacity of the Lāna'i WWRF is 0.50 million gallons per day (MGD). The actual average daily flow is approximately 0.315 MGD, and additional allocations totaling .080 MGD have been granted to existing development, for a total allocation of 0.395 MGD. The project is located just north of the boundary of the WWRF.

Pūlama Lāna'i will conform with the requirements of Department of Health and County of Maui as they relate to installation, inspection and maintenance of individual wastewater systems in handling wastewater on the site.

On the western flank, the project sets back from the existing wastewater treatment plant with a 600 foot buffer between the closest lot and the WWTP edge.



Source: Peter Young, Ho'okuleana LLC. Hōkūao 201H Housing Project Draft Environmental Assessment (October 2020)

Figure 10

Hōkūao 201H Housing Project Existing Wastewater System

**NOT TO SCALE** 

Prepared for: Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i

The proposed wastewater demand estimates and wastewater system design were derived from the County of Maui's Wastewater Reclamation Division WWRD Flow Standards (Reference 6), or WWRD approved Sewer Studies for similar facilities where practicable.

Per capita usage set at 80 GPD for single-family or duplex based on County of Maui Standards of the Water Reclamation Division (Standards use 4 capita per single-family or duplex unit which equates to 320 gallons per day per unit). Per capita usage set at 5 for park and capita per car set at 4 based on the approved Central Maui Regional Park Sewer Study (the park study used 4 capita per vehicle which equated to 20 gallons per day per parking stall and 50 percent usage at any given time).

Based on the proposed 200 single-family unit and a 1-acre park with the future 1,500 square foot pavilion with comfort stations and 60 parking stalls, using the design standard of 4 persons per single-family unit at 80 gallons per capita per day and 20 gallons per parking stall, the proposed average wastewater demand generated by the project is estimated at 0.064 MGD for the single-family units and 0.02 MGD for the park or 0.066 MGD. This estimate is used for the hydraulic calculations.

As previously mentioned, the project has been adjusted to 150 homes versus the 200 homes that the calculations were based on, as such, the estimated wastewater usage per day is expected to be lower than the calculated 0.064 MGD.

The 20 gallons per parking stall used to estimate the wastewater demand was approved by the County of Maui for the Central Maui Regional Park (CMRP) and is based on 4 persons per vehicle and 5 gallons per capita. The CMRP also estimated that no more than 50 percent of the parking would be in use at any time so a 50 percent reduction in wastewater demand was allowed. As most of the parking is for non-park use, a conservative average wastewater demand for the park is 0.001 MGD at the treatment plant is estimated at 0.065 MGD.

The new onsite wastewater system will collect wastewater generated by the new homes and convey the wastewater to the existing Lāna'i Wastewater Reclamation Facility. The new wastewater collection system will be designed for the residential units and the future park, pavilion and parking stalls and constructed within the new roads.

The wastewater demand of the project is estimated to be lower than 0.065 MGD of which 0.064 MGD is for the proposed housing demand and 0.001 MGD is for the 1-acre park demand. The Preliminary Engineering Report

Lāna'i City Auxiliary Wastewater Treatment Facility report done in 1993 by Belt Collins & Associates states that the Lāna'i City Wastewater Treatment Plant was designed to treat wastewater generated by Lāna'i City and the Koele Project District.

The Lāna'i Wastewater Reclamation Facility is currently servicing an average daily flow of approximately 0.315 MGD. Additional development allocations totaling 0.080 MGD have been granted.

The proposed development will yield an average daily flow of less than .070 MGD, for a total average daily flow of 0.465 MGD, therefore there is currently sufficient capacity at the WWRF to serve the project.

### b. <u>Potential Impacts and Mitigation Measures</u>

The new onsite wastewater system will collect wastewater generated by the new homes and convey the wastewater to the existing Lāna'i WWRF. The new wastewater collection system will be designed for the residential units and the future park, community center and parking stalls. Improvements will be constructed within the new roads. Refer to **Appendix** "I".

The Lāna'i Wastewater Reclamation Facility is currently servicing an average daily flow of approximately 0.315 MGD. Additional development allocations totaling 0.080 MGD have been granted.

The proposed development will yield an average daily flow of less than 0.070 MGD, for a total average daily flow of 0.465 MGD, therefore, there is currently sufficient capacity at the WWRF to serve the project.

The project's civil engineering consultant will coordinate with the Department of Environmental Management (DEM) in regards to the relocation of the previously noted major sewer collector lines which are within the project area. The sewerlines will allow for continued wastewater service to the WWRF.

Pūlama Lāna'i will conform with the requirements of the County of Maui Department of Environmental Management and other regulatory entities as it relates to installation, inspection and maintenance of wastewater systems associated with the project.

The impact of the proposed project on wastewater infrastructure is anticipated to have a less than significant impact.

### 4. <u>Drainage</u>

### a. Existing Conditions

Most of the project area's topography consists of flat to gently sloping open, patchy forest and scrub lands. An existing drainage swale on the western boundary of the site carries storm water away from the existing town and community center. On the western flank, the project sets back from the existing wastewater treatment plant with a 600-foot buffer between the closest lot and the wastewater facility boundary. Refer to **Appendix "I"**.

The proposed improvements will terrace the land to maintain characteristics which are very similar to the existing conditions. The general terrain of the developed condition will generally conform to the existing terrain, which slopes toward the south, and the tributary drainage area will remain the same as the existing.

Runoff from the land mauka of the project is conveyed by drain pipes and along Fraser Avenue, and streets parallel to Fraser Avenue, to the ditch along Kaumālapa'u Road that turns south, mauka of Manele Road, and which flows to Kapano Gulch. Kapano Gulch runs along the south side of Lāna'i City and drains into two dry, abandoned reservoirs before entering Palawai Basin through a series of abandoned irrigation ditches.

The Palawai Basin is a large plateau area, approximately 4.5 miles in diameter, which floods for prolonged periods of time during the rainy season.

Runoff from the site generally sheet flows to the south-southwest, following the existing ground slope towards the wastewater treatment facility and then towards Kaumālapa'u Highway. The northern areas flow towards Fifth Street.

### b. Potential Impacts and Mitigation Measures

The project's Preliminary Engineering Report noted that the 50-year, 1-hour storm, the calculated increase in peak flow is 32.38 cubic feet per second (cfs) to the north towards the extension of Fifth Street and Iwiole Gulch, 25.52 cfs mauka of the WWRF and 39.87 cfs towards Kaumālapa'u Highway due to the proposed improvements.

Three (3) retention basins will mitigate the increase in runoff and flow and will have no impact on existing regional drainage infrastructure. Other than the wastewater treatment facility, there are no downstream properties that

would be adversely impacted by the resulting increases in runoff. A new swale will direct runoff away from the wastewater treatment facility.

During grading and construction measures will be taken to prevent erosion and soil from the leaving the site. Special precaution will be taken to protect the downstream lands from the project sites as well as the existing wastewater facility to the west.

All exposed and graded areas within the project site will be covered with pavements and grass to prevent soil erosion. To provide storm water quality treatment, runoff will continue to be directed into grassed swales or 2 large detention basins prior to discharge off the property.

Applicable law will be followed to minimize soil movement, erosion, compaction and drainage during all project actions.

Surface drainage improvements will consist of shallow cutoff swales between the new residential units and Fraser Avenue to capture as much runoff as possible and direct the flow around the project or into new project drainage systems.

Roadway drains will be provided along the new roadways towards the proposed retention basins. Residential roads will consist of grassed shoulder swales without curb and gutter that route runoff to the underground drainage system. The collector roads along Ninth and Twelfth Streets will consist of curb and gutter and/or grassed swales to route runoff to the underground drainage system.

Both short-term construction and long-term maintenance BMPs will be included in any permit conditions. Implementation of Best Management Practices (BMPs) will ensure that the alterations to the terrain minimize erosion, water quality degradation and other environmental impacts.

With the implementation of the outlined drainage improvements, the proposed 201H housing development will mitigate impacts for project improvements.

### 5. <u>Electricity, Telephone Systems, and Cable Television Services</u>

### a. **Existing Conditions**

The sole electric utility serving the island of Lāna'i is Hawaiian Electric Company, Limited (HECO) which operates and is regulated under a tariff approved by the State Public Utilities Commission (PUC). HECO's existing

generation system, on the Island of Lāna'i, is currently capable of providing approximately 9.4 Megawatts of power (based on HECO's 30 January 2018 Availability of Supply letter). In 2017, peak demand on the Island of Lāna'i was 5.4 Megawatts.

Hawaiian Telcom (HTCO) operates and is regulated under a tariff approved by the PUC and was the sole provider of telecommunications services until the advent of cable television. Subsequently, Spectrum (fka Oceanic Time Warner Cable), which is not regulated by the State PUC but is a franchisee of the Department of Commerce and Consumer Affairs, has become a competitor to HTCO and, similar to HTCO, can offer broadband, cable television and telephone signals.

It should be noted that at the time the PER was written, the Hōkūao project was intended to be a 200-unit 201H housing development. Refer to **Appendix "I"**. Since then, the unit count has decreased to a 150-unit housing development, nonetheless, the footprint of the development has remained the same. The estimated power and communication requirements should be lower, and the recommendations proposed remain valid.

### b. <u>Potential Impacts and Mitigation Measures</u>

The total anticipated electrical demand load for the proposed Lāna'i 200 Subdivision Development is approximately 1,000 kilo-Volt Amperes (kVA) or 1.0 MVA and is based on a diversified peak demand load of 5 kVA per residential unit.

Hawaiian Electric Co.'s (HECO) on-island distribution system consists of both 2.4 kV and 12.47 kV primary overhead and underground lines. The proposed subdivision would be connected to HECO's 12.47 kV distribution system. Although HECO's Lāna'i generating facilities have sufficient capacity to support the development, the existing 12.47 kV overhead lines may require upgrades.

A HECO 12.47-2.4 kV substation and incoming and outgoing overhead lines are currently situated within the proposed subdivision footprint. This substation and the 2.4 kV overhead lines currently provide service to the existing Lāna'i City residences and must be relocated outside of the proposed subdivision prior to development occurring.

HECO has indicated that should this project trigger the required upgrades, some or all of the cost for the upgrades may need be allocated to this

development. HECO cannot indicate what the budget costs might be without further design on their part.

A proposed site for the relocated substation has been submitted to HECO and a budget cost for the relocation is being prepared by HECO to Pūlama Lāna'i. The overhead poles and lines, for the most part, are covered by a "one-time relocation" clause included in the original Lāna'i Company grant of easement to HECO.

Proposed alignments for the 12.47 kV lines and a temporary alignment for the 2.4 kV line is proposed to facilitate subdivision roadway construction. Eventually, the 2.4 kV lines are intended to be placed underground within the proposed subdivision.

HECO will require a new grant of easement for the relocated 12.47 kV lines. As a possible alternative, HECO is evaluating whether to up-convert the existing Lāna'i City distribution system to 12.47 kV which would eliminate the need for the substation relocation and temporary overhead 2.4 kV relocation.

Based on preliminary information received from Pūlama Lānaʻi underground utility infrastructure is proposed for service to the single-family lots and ancillary buildings. It should be noted HECO would require that pad-mounted transformers be installed and may require the installation of one or more pad- mounted switchgears to provide sectionalizing of their underground circuits.

HECO's underground infrastructure would consist of a combination of 2-inch, 3-inch, 4-inch and 5-inch PVC conduits, encased in concrete jackets and concrete handholes in sizes varying from 2 feet x 4 feet to 6 feet x 11 feet which act as cable pulling and splicing points and transformer and lot service vaults.

Because HECO owns and maintains the street lights on public rights-of-ways within Maui County, it will need to be determined whether HECO would also provide the street lights for this project or whether the project contractor would provide these street lights. Refer to **Appendix "I"**.

If provided under the construction contracts, luminaires selected will be specified with conformance with Act 287 and be designed to minimize glare and provide illumination levels in conformance with requirements imposed by the environmental permitting documents.

Both HTCO's and Charter's on-island distribution system consists of cables attached to the joint utility pole lines or, if underground, cables routed through duct systems for owned and maintained by the respective utility company. The cable types consist of copper, twisted pair, coaxial, and fiber optic cables.

Based on their current practice, both HTCO and Charter will likely extend fiber optic cable infrastructure to provide service to this development. Due to the anticipated revenue anticipated and based on their respective tariff and franchise rules, it is not anticipated that this development would bear any cost for off-site improvements of either HTCO or Charter facilities.

HTCO's and Spectrum's underground infrastructure would consist of a combination of 2-inch and 4-inch conduits with handholes varying in size from 2 feet x 4 feet to 5 feet x 10.5 feet which act as cable pulling and splicing points and lot service vaults.

If necessary HTCO and/or Spectrum may request a hub equipment site which is approximately 8 feet x 8 feet in size. Refer to **Appendix "I"**.

The project is not anticipated to have a significant impact on the electrical, telephone, and cable television infrastructure.

### E. CUMULATIVE AND SECONDARY IMPACTS

Cumulative impacts are defined by Title 11, Chapter 200.1, Hawai'i Administrative Rules (HAR), Environmental Impact Statement Rules as:

...the impact on the environment which results from the incremental impact of an action when added to other past, present, and reasonably foreseeable future actions regardless of what agency or person undertakes such other actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time.

A "secondary impact" or "indirect effect" is defined by Title 11, Chapter 200.1, HAR as:

...effects which are caused by the action and later in time or farther removed in distance, but is still reasonably foreseeable.

Another context for analyzing secondary and cumulative impacts is defined by the time horizon within which "reasonably foreseeable" conditions may occur. From a local planning standpoint, the future context for development is established by the Maui County General Plan (General Plan). The General Plan defines parameters for growth. The document plans for the horizon year 2030 and "reasonably foreseeable" conditions may be considered within this future context.

The Maui County General Plan, as set forth in Chapter 2.80.B of the Maui County Code, provides for the update of the County General Plan. The General Plan is a long-term, comprehensive blueprint for the physical, economic, environmental development, and cultural identity of the County through 2030. The components of the General Plan include the following:

- The Countywide Policy Plan provides broad policies and objectives which portrays
  the desired direction of the County's future. It includes a countywide vision,
  statement of core principles, and objectives and policies for population, land use,
  the environment, the economy, and housing.
- The Lāna'i Community Plan (LCP) identifies fostering a robust and diversified economy as a critical component to establishing a sustainable and resilient future for Lāna'i. The LCP explains:

This requires diversifying the tourism industry, supporting agriculture, encouraging new industries, expanding education and support services for small businesses, and providing necessary infrastructure, land, and affordable sea and air transportation options. Lowering energy costs by reducing dependence on fossil fuels and increasing renewable energy is also key to providing stronger economic opportunities and becoming more sustainable.

This will be achieved by increasing the generation and use of renewable energy sources, promoting the use of electric vehicles, and exploring options for biofuels, biodiesel, and waste-to-energy technology. Water resources will be used in a sustainable and economic manner by recycling one hundred percent of wastewater for irrigation and exploring options for reuse of household graywater for lawn and garden irrigation. (LCP, p. 2 12)

• The nine (9) Community Plans provide implementing actions based on consistency with the Countywide Policy Plan and MIP's vision, goals, objectives, and policies.

A discussion of how the proposed project is consistent with specific goals, objectives, and policies of the Countywide Policy Plan, Hawai'i State Plan, and Lāna'i Community Plan (LCP) is presented in Chapter III of this EA document.

Whereas the Countywide Policy Plan covers planning goals and objectives at the broadest levels, the regional Community Plans consider specific regional needs and opportunities:

Communities typically have a range of residential uses, single-family, multi-family in individual and low and even high-rise buildings. Lāna'i City is generally made up of individual homes, with limited multi-family, and no high rises.

In 2012, 97 percent of the land area of Lāna'i was purchased by Larry Ellison, and Pūlama Lāna'i was created to manage, preserve and protect Lāna'i's precious land and natural resources, and to redefine Lāna'i as a sustainable community.

In Hawaiian, pūlama means to cherish or treasure; Pūlama Lāna`i seeks to cherish the unique beauty and deep spirit of aloha on Lāna`i by creating sustainable practices, cultural connections, and economic opportunities that support the island and community.

In keeping with this vision of sustainability, Pūlama Lāna'i will ensure that implementation of the proposed project will incorporate, to the extent feasible and practicable, measures to promote energy conservation, sustainable design, environmental stewardship, and protection of the area's natural and cultural resources. The nine (9) Community Plans provide implementing actions based on consistency with the Countywide Policy Plan and MIP's vision, goals, objectives, and policies.

The assessment of cumulative and secondary impacts is undertaken in the context of planned growth recommended by the General Plan. As such, the proposed project is located in an area identified to be suitable for urban uses, including multi-family residential development. The assessment of the environmental, historic, cultural, and socioeconomic parameters included investigation of background and cumulative conditions pertaining to cultural, traffic and drainage impacts, and mitigative measures to minimize or avoid adverse long-term impacts. The proposed project will provide affordable and market rate homes for rental on Lāna'i. It is anticipated that a large portion of the future tenants would be existing Lāna'i residents. The proposed project would provide an opportunity for the existing residents to move to a larger space for their family or to mitigate their multi-generational living situation, if desired.

In summary, the proposed project is not anticipated to have a significant adverse impact on the physical environment and is not anticipated to result in significant adverse secondary or cumulative impacts.

RELATIONSHIP TO GOVERNMENTAL PLANS, POLICIES, AND CONTROLS



# III. RELATIONSHIP TO GOVERNMENTAL PLANS, POLICIES, AND CONTROLS

### A. STATE LAND USE DISTRICTS

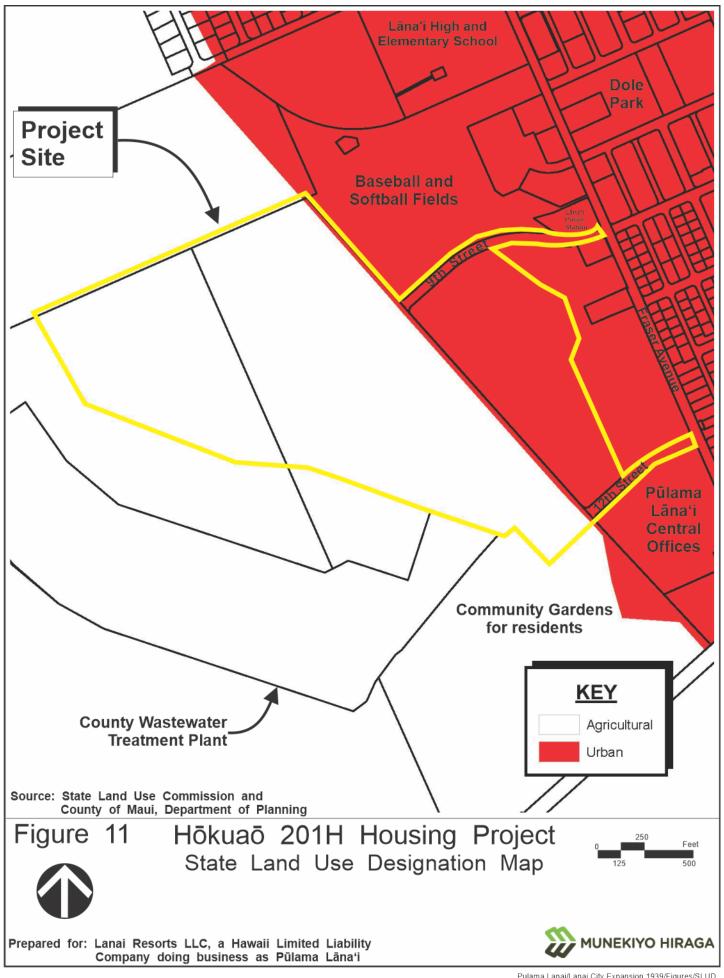
Pursuant to Chapter 205, Hawai'i Revised Statutes (HRS), all lands in the State have been placed into one (1) of four (4) major land use districts by the State Land Use Commission. These land use districts are designated "Urban", "Rural", "Agricultural", and "Conservation". The project site is designated "Urban" and "Agricultural" by the State Land Use Commission. See **Figure 11**. The Applicant proposes to seek approval from the State Land Use Commission through a Section 201H-38, Hawai'i Revised Statutes (HRS), District Boundary Amendment application. Section 201H-38, HRS, promotes the delivery of affordable housing by exempting endorsed projects from "all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of units thereon." Pursuant to Chapter 205, HRS, the "Urban" districts shall include uses or activities provided by ordinances or regulations of the County in which the "Urban" district is located. Section E below, outlines the County of Maui's zoning regulations that are applicable to the proposed project.

### B. HAWAI'I STATE PLAN

Chapter 226, HRS, also known as the Hawai'i State Plan, is a long-range comprehensive plan which serves as a guide for the future long-term development of the State by identifying goals, objectives, policies, and priorities, as well as implementation mechanisms. The Plan consists of three (3) parts. Part I includes the Overall Theme, Goals, Objectives, and Policies; Part II includes Planning, Coordination, and Implementation; and Part III establishes Priority Guidelines. Part II of the State Plan covers its administrative structure and implementation process. An analysis of the project's applicability to Part I and Part III of the Hawai'i State Plan is provided in **Appendix** "J-1".

The overall theme of the Hawai'i State Plan is governed by the following general principles.

- 1. Individual and family self-sufficiency
- 2. Social and economic mobility
- 3. Community or social well-being



In consonance with the foregoing principles, the Hawai'i State Plan identifies three (3) clarifying goals:

- A strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawai'i's present and future generations.
- 2. A desired physical environment, characterized by beauty, cleanliness, quiet, stable natural systems, and uniqueness, that enhances the mental and physical well-being of the people.
- 3. Physical, social, and economic well-being, for individuals and families in Hawai'i, that nourishes a sense of community responsibility, of caring, and of participation in community life.

This section of the environmental assessment examines the applicability of the proposed action as it relates to the objectives, policies, and priority guidelines of the Hawai'i State Plan, as set forth in HRS Sections 226-5 through 226-27.

A summary of the project's relationship to the Hawai'i State Plan, as detailed in **Appendix** "**J-1**" is provided below. The methodology for the analysis involves examining the project's applicability to the Hawai'i State Plan's goals, objectives, and policies. "Applicability" refers to a project's need, purpose and effects, and how these advance or promote a particular set of goals, objectives and priority guidelines. In assessing the relationship between a proposed action and the Hawai'i State Plan, an action may be categorized in one of the following groups:

1. <u>Directly applicable</u>: the action and its potential effects directly advances or promotes the objective, policy or priority guideline.

**Example:** A county project to develop a new water source and related transmission facilities would be directly applicable to the objectives and policies for Facility Systems-Water (HRS 226-16) which states "(5) Support water supply services to areas experiencing critical water problems".

2. <u>Indirectly applicable</u>: the action and its potential effects indirectly supports or advances the objective, policy or priority guideline.

**Example:** The county water source project cited above supports other related objectives and policies for the economy (HRS 226-6, General), which, by example, states: "(9) Strive to achieve a level of construction activity responsive to, and consistent with, state growth objectives". In this case, the principle purpose of the project was not to create new construction activities, but nonetheless, supports this policy by creating temporary construction activity during the implementation of the

project. In this instance, the proposed action may be deemed to be indirectly applicable to the objective and policy of the Hawai'i State Plan.

3. **Not applicable**: the action and its potential effects have no direct or indirect relationship to the objectives and policies of the Hawai'i State Plan.

**Example:** That same county water source improvement project referenced above, may not have direct or indirect linkage to objectives and policies for the economy-Federal Expenditures (HRS 226-9) which states: (1) Encourage the sustained flow of federal expenditures in Hawaii that generates long-term government civilian employment. From the standpoint of the agency proposing the water system improvement, and assuming no Federal Funding for the project, there is an unlikely intent that the proposed water source project would be connected to or reliant upon the foregoing policy. Hence, from the standpoint judiciously applied policy analysis, the proposed action would be considered not applicable to the policy.

In general, a proposed action's applicability to the objectives, policies and priority guidelines of the Hawai'i State Plan is judged on the basis of the action's direct or indirect relationship to the respective objectives, policies and priority directions. It is recognized that the categorization of "applicability" is subject to interpretation and should be appropriately considered in the context of local and regional conditions.

The assessment presented below summarizes the objective(s) for each policy/planning category of the Hawai'i State Plan, followed by a response which consolidates the assessments provided in **Appendix "J-1"**. The responses examines whether the proposed action is directly applicable, indirectly applicable or not applicable to the respective Hawai'i State Plan objectives, policies and priority guidelines.

### **HRS 226-4 State Goals**

In order to guarantee, for the present and future generations, those elements of choice and mobility that insure that individuals and groups may approach their desired levels of self-reliance and self determination, it shall be the goal of the State to achieve:

- 1. A strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawaii's present and future generations.
- 2. A desired physical environment, characterized by beauty, cleanliness, quiet, stable natural systems, and uniqueness, that enhances the mental and physical well-being of the people.
- 3. Physical, social, and economic well-being, for individuals and families in Hawaii, that nourishes a sense of community responsibility, of caring, and of participation in community life.

### Response:

Residential development of Hōkūao 201H Housing at Lāna'i City will support the State economy, provide housing opportunities and enhance the social stability and well-being for the people of Lāna'i.

### HRS 226-5 Objective and policies for population

The Hawaii State Plan's objective for population is to guide population growth to be consistent with the achievement of physical, economic, and social objectives of HRS 226.

### Response:

Residential development of Hōkūao 201H Housing at Lāna'i City will support the State economy, provide housing opportunities and enhance the social stability and well-being for the people of Lāna'i.

### HRS 226-6 Objectives and policies for the economy--in general

In summary, planning for the State's economy in general shall be directed to increased and diversified employment, income and job choice opportunities, and a growing and diversified economic base.

### Response:

Residential development of Hōkūao 201H Housing at Lāna'i City will support the State economy, provide housing opportunities and enhance the social stability and well-being for the people of Lāna'i.

### HRS 226-7 Objectives and Policies for the economy—agriculture

The objectives for agriculture seek to sustain the viability of sugar and pineapple industries, ensure growth and development of diversified agriculture, and ensure that the agriculture industry continues as an essential component of the State's well-being.

### Response:

Residential development of Hōkūao 201H Housing at Lāna'i City will support the State economy, provide housing opportunities and enhance the social stability and well-being for the people of Lāna'i.

The proposed project will utilize agricultural lands for residential development, however, there are large acreages of land available for agricultural purposes on Lāna'i.

### HRS 226-8 Objective and policies for the economy—visitor industry

The visitor industry objective recognizes that the visitor industry constitutes a major component of Hawai'i's steady economic growth.

### Response:

Residential development of Hōkūao 201H Housing at Lāna'i City will support the State economy, by providing housing opportunities and enhance the social stability and well-being for the people of Lāna'i.

However, the objective and policies for the visitor industry are not directly or indirectly applicable to the project.

### HRS 226-9 Objective and policies for the economy—federal expenditures

This objective seeks a stable federal investment base as an integral component of Hawai'i's economy.

**Response:** Residential development of Hōkūao 201H Housing at Lāna'i City will not involve the expenditure of Federal funds.

## HRS 226-10 Objective and policies for the economy—potential growth and innovative activities

The objective for potential growth and innovative activities is directed towards the development and expansion of the economy to increase and diversify Hawai'i's economic base.

Residential development of Hōkūao 201H Housing at Lāna'i City is not directly or indirectly applicable to the objective and policies for potential growth and innovative activities.

### HRS 226-10.5 Objectives and policies for the economy—information industry

The objective for the information industry recognizes that broadband and wireless communication capability and infrastructure are foundations for an innovative economy which will position Hawai'i as a leader in this field in the Pacific region.

**Response:** Residential development of Hōkūao 201H Housing at Lāna'i City will have no negative effect on the information industry.

### HRS 226-11 Objectives and policies for the physical environment--land-based, shoreline, and marine resources

The objectives for land-based, shoreline, and marine resources seeks the prudent use of land-based, shoreline, and marine resources, and the effective protection of Hawai'i's unique and fragile environmental resources.

Response: The proposed use is similar to surrounding uses. Residential development of Hōkūao 201H Housing at Lāna'i City will provide housing opportunities, as well as recreational opportunities with a 1-acre park, a 1,500-square foot community center for use by the Lāna'i community, and 60 parking stalls for intermittent parking (e.g., community events at the community center, guests visiting residents of the Hōkūao residential units, etc.).

## HRS 226-12 Objective and policies for the physical environment- scenic, natural beauty, and historic resources

With regard to scenic, natural beauty and historic resources, it is the State's objective to enhance scenic assets, natural beauty and multi-cultural/historical resources.

### Response:

Residential development of Hōkūao 201H Housing at Lāna'i City will not adversely affect cultural or historic resources. The character of the homes will reflect the existing design vernacular of Lāna'i City. Houses will have hipped roofs, spacious lanais, board and batten siding, large trim profiles, and other design details matching historic Lāna'i City building characteristics. Should any archaeologically significant artifacts, bones, or other indicators be uncovered, Pūlama Lāna'i is committed to strict compliance with State laws and rules. The project site is not part of a scenic corridor and the project will not affect scenic vistas and view planes. The proposed project will not involve significant alteration of the existing topographic character of the site and will not affect public views.

## HRS 226-13 Objectives and policies for the physical environment--land, air, and water quality

The objectives for land, air, and water quality is directed at the maintenance and pursuit of improved quality of Hawai'i's land, air and water resources, and greater public awareness and appreciation of Hawai'i's environmental resources.

#### Response:

The proposed use is similar to the surrounding uses and the character of the homes will reflect the existing design vernacular of Lāna'i City. It is anticipated that water will be serviced by connection with the Lāna'i Water Company's water systems.

### HRS 226-14 Objective and policies for facility systems—in general

Having water, transportation, waste disposal, and energy and telecommunications systems that support Statewide social, economic, and physical objectives is the focus of this planning category.

### Response:

The proposed use is similar to the surrounding uses. It is anticipated that water will be serviced through connection with the Lana'i Water Company's water system, wastewater disposal will be treated at the County's Lana'i Wastewater Reclamation Facility, and solid waste disposal will be collected by a private contract service and disposed at the Lana'i Landfill.

### HRS 226-15 Objectives and policies for facility systems--solid and liquid wastes

The objectives for solid and liquid waste addresses the maintenance of basic public health and sanitation standards relating to the treatment and disposal of solid and liquid wastes, and the provision of adequate sewerage facilities in keeping with housing, employment, mobility and related needs.

### Response:

The proposed use is similar to the surrounding uses. The proposed development includes construction of a new onsite wastewater system that will collect wastewater generated by the new homes and convey the wastewater to the existing Lana'i Wastewater Reclamation Facility. The new wastewater collection system will be designed for the residential units and the future park, pavilion and parking stalls, and constructed within the new roads. The applicant will conform with the requirements of the Commission on Water Resource Management, Department of Health, County of Maui and other regulatory entities as it relates to installation, inspection and maintenance of water and wastewater systems associated with the project.

### HRS 226-16 Objective and policies for facility systems—water

The objective for water is to adequately accommodate domestic, agricultural, commercial, industrial, recreational and related needs within resource capabilities.

### Response:

The proposed use is similar to the surrounding uses. It is anticipated that water will be serviced through connection with the Lana'i Water Company's water system.

### HRS 226-17 Objectives and policies for facility systems—transportation

An integrated multi-modal transportation system that meets statewide needs and promotes the efficient, economic, safe and convenient movement of people and goods, and which will accommodate planned growth is the objective for facility systems—transportation.

**Responses:** Hōkūao 201H Housing at Lāna'i City will provide much needed affordable housing, as well as market housing. It is situated adjoining the existing Lāna'i City.

### HRS 226-18 Objectives and policies for facility systems—energy

The objective for energy is multi-pronged, seeking dependable, efficient, and economic statewide energy systems; increased energy security and self-sufficiency; greater diversification of energy generation; reduction, avoidance or sequestration of greenhouse gas emissions, and prioritizing utility customers from a social and financial interest standpoint.

### Response:

Hōkūao 201H Housing at Lāna'i City will provide much needed affordable housing, as well as market housing. It is situated adjoining the existing Lāna'i City. The use of renewable energy and battery storage systems will not only assist in resource protection, but also serve as a demonstration for others.

### HRS 226-18.5 Objectives and policies for facility systems—telecommunications

A dependable, efficient and economical statewide telecommunications system along with adequate, reasonably priced, and dependable telecommunications services to accommodate demand are the objectives for telecommunications.

#### Response:

The project site is not served by telecommunication systems, and thus, will not have a negative effect of the State's telecommunication systems.

### HRS 226-19 Objectives and policies for socio-cultural advancement--housing

The objectives for housing encompass greater opportunities for Hawai'i's people to secure reasonably priced, safe, sanitary and livable homes; the orderly development of residential areas sensitive to community needs and other land uses; and the development and provision of affordable rental housing.

### Response:

Hōkūao 201H Housing at Lāna'i City will provide much needed affordable housing, as well as market housing. It is situated adjoining the existing Lāna'i City. The project has been designed to reflect the existing architecture and sense of place of Lāna'i City.

### HRS 226-20 Objectives and policies for socio-cultural advancement—health

Fulfillment of basic individual health needs, maintenance of sanitary and environmentally healthful community conditions; and elimination of health disparities by identifying and addressing the social determinants of health are the objectives for health.

#### Response:

Hōkūao 201H Housing at Lāna'i City will provide much needed affordable housing, as well as market housing. It is situated adjoining the existing Lāna'i City. The project will conform to all State and County sanitation standards.

### HRS 226-21 Objective and policies for socio-cultural advancement—education

The provision of a variety of educational opportunities that enable individuals to fulfill their needs, responsibilities and aspirations is the objective for education.

Response: Hōkūao 201H Housing at Lāna'i City will provide much needed affordable

housing, as well as market housing. The proposed project is not directly or

indirectly applicable to the objective and policies for education.

### HRS 226-22 Objective and policies for socio-cultural advancement--social services

The objective for social services is improved public and private social services and activities that enables individuals, families and groups to become more self-reliant and confident to improve their well-being.

**Response:** Hōkūao 201H Housing at Lāna'i City will provide much needed affordable

housing, as well as market housing. The proposed project is not directly or

indirectly applicable to the objective and policies for social services.

### HRS 226-23 Objective and policies for socio-cultural advancement—leisure

The objective for leisure is the adequate provision of resources to accommodate diverse cultural, artistic, and recreational needs for present and future generations.

**Response:** Hōkūao 201H Housing at Lāna'i City will provide much needed affordable

housing, as well as market housing. The proposed project is not directly or

indirectly applicable to the objective and policies for leisure.

## HRS 226-24 Objective and policies for socio-cultural advancement--individual rights and personal well-being

The individual rights and personal well-being objective seeks to increase opportunities and protection of individual rights to enable achievement of socio-economic needs and aspirations.

Response: Hōkūao 201H Housing at Lāna'i City will provide much needed affordable

housing, as well as market housing. The proposed project is not directly or indirectly applicable to the objective and policies for individual rights and

personal well-being.

### HRS 226-25 Objective and policies for socio-cultural advancement--culture

Enhancement of cultural identities, traditions, values, customs, and arts of Hawai'i's people reflects the objective for culture.

Response: Hōkūao 201H Housing at Lāna'i City will provide much needed affordable

housing, as well as market housing. The EA document includes a CIA

report which documented the history and culture of the area.

### HRS 226-26 Objectives and policies for socio-cultural advancement--public safety

The objectives for public safety seek to provide assurance of public safety and adequate protection of life and property for all people; optimum organizational readiness and capability in emergency management during civil disruptions, wars, natural disasters, and other major disturbance; and promotion of a sense of community responsibility for the welfare and safety of Hawai'i's people.

Response:

Hōkūao 201H Housing at Lāna'i City will provide much needed affordable housing, as well as market housing. The proposed project is not directly or indirectly applicable to the objective and policies for public safety.

### HRS 226-27 Objectives and policies for socio-cultural advancement--government

The objective for government encompasses efficient, effective and responsive government services and fiscal integrity, and responsibility, and efficiency in state and county governments.

Response:

Hōkūao 201H Housing at Lāna'i City will provide much needed affordable housing, as well as market housing. The proposed project will undergo governmental reviews at various stages of the project.

### **Priority Guidelines**

"Priority guidelines" means those guidelines which shall take precedence when addressing areas of statewide concern. This section addresses applicability criteria to the priority guidelines set forth in HRS 226-103.

Priority guidelines of the Hawai'i State Plan covers the economy, population growth and land resources, crime and criminal justice, affordable housing, quality education, sustainability, and climate change adaptation. Applicability assessment for each of the foregoing issue areas are presented below:

### 1. <u>Economic Priority Guidelines</u>

Response:

Overall there will be 687 person-years of employment produced over the course of the project. It will produce an estimated \$52 million in earnings, \$19.5 million in state taxes, and nearly \$7 million in county taxes.

### 2. Population Growth and Land Resources Priority Guidelines

Response:

Residential development of Hōkūao 201H Housing at Lāna'i City conforms with the State Land Use classification of Urban. As

previously noted, a DBA via the HRS 201H-38 process will be sought from the State Land Use Commission.

### 3. Crime and Criminal Justice Priority Guidelines

Response: Hōkūao 201H Housing at Lāna'i City will provide much needed

affordable housing, as well as market housing. It is situated

adjoining the existing Lana'i City.

### 4. <u>Affordable Housing Priority Guidelines</u>

Response: Hōkūao 201H Housing at Lāna'i City will provide much needed

affordable housing, as well as market housing. It is situated

adjoining the existing Lāna'i City.

### 5. **Quality Education Priority Guidelines**

### Response:

Hōkūao 201H Housing Project at Lāna'i City is essentially an extension of similar kinds of uses and activities of the adjoining Lāna'i City. Residential development of Hōkūao 201H Housing at Lāna'i City will have no negative effect of the educational programs of the State. It is anticipated that many of the future residents at Hōkūao are existing Lāna'i residents and, as such, the project will not increase the number of students on Lāna'i. Pūlama Lāna'i recognizes the importance of education on Lāna'i and is a strong supporter. Since 2013, Pūlama Lāna'i has funded various initiatives at Lāna'i High and Elementary School (LHES), including but not limited to, the very successful dual-credit program with UH Maui College.

### 6. Sustainability Priority Guidelines

### Response:

Pūlama Lāna'i will ensure that the residential development of Hōkūao 201H Housing at Lāna'i City, incorporate, to the extent feasible and practicable, measures to promote renewable energy generation, electrification of transportation, energy conservation, sustainable design, environmental stewardship, and protection of the area's natural and cultural resources.

### 7. <u>Climate Change Adaptation Priority Guidelines</u>

### Response:

The proposed Project indirectly supports the climate change priority guidelines as it will be implemented in an area that is outside of natural landscape features such as flood zones as well as the 3.2-

foot projected sea level rise exposure area in order to avoid impacts related to climate change. In part, the proposed project will help demonstrate appropriate land use and development that supports the State economy and enhances the social stability and well-being for the people of Lāna'i.

### C. STATE FUNCTIONAL PLANS

A key element of the Statewide Planning System is the Functional Plans which set forth the policies, statewide guidelines, and priorities within a specific field of activity. There are 13 Functional Plans which have been developed by the state agency primarily responsible for a given functional area. Together with the County General Plans, the State Functional Plans establish more specific strategies for implementation. In particular, State Functional Plans provide for the following:

- Identify major Statewide priority concerns
- Define current strategies for each functional area
- Identify major relationships among functional areas
- Provide direction and strategies for departmental policies, programs, and priorities
- Provide a guide for the allocation of resources
- Coordinate State and County roles and responsibilities in the implementation of the Hawai'i State Plan

**Table 4** provides an assessment of the relationship between the proposed action and each of the 13 Functional Plans.

**Table 4.** Relation Between the Hōkūao 201H Housing Project and the State Functional Plans

No.	State Functional Plan	State Coordinating Agency	Purpose	Analysis
1	Agriculture Functional Plan (1991)	Department of Agriculture	Continued viability of agriculture throughout the State	The proposed project will be developed on mostly abandoned pineapple fields and vacant lands. Currently on the island of Lāna'i, there are over 13,000 acres of available agricultural lands. As such, the use of 76 acres, or approximately 0.38 percent, of the available agricultural lands on Lāna'i, and an even lesser fraction of approximately 0.25 percent of up to 20,000 potentially cultivatable acres for much needed affordable rental housing will not contravene the objectives and policies of this functional plan.
2	Conservation Lands State Functional Plan (1991)	Department of Land and Natural Resources	Addresses issues of population and economic growth and its strain on current natural resources; broadening public use of natural resources while protecting lands and shorelines from overuse; additionally, promotes the aquaculture industry	The proposed project will not utilize any State Conservation lands. Similarly, the project is located inland, and not near the coastline. The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
3	Education State Functional Plan (1989)	Department of Education	Improvements to Hawai'i's educational curriculum, quality of educational staff, and access to adequate facilities	Lāna'i is not identified as part of a school impact district, however, Pūlama Lāna'i has completed a demand analysis and the current demand for the project can be met by existing residents of Lāna'i. Therefore, it is not anticipated that there will be an additional strain on public school facilities from the project. Pūlama Lāna'i has also been a strong supporter of improving public education on the island. Since 2013, Pūlama Lāna'i has funded various initiatives at LHES, including but not limited to, the very successful dual-credit program with UH Maui College. These cumulative annual education contributions to LHES are well in excess of a one-time student impact fee per household for the project and exceeds any assessment for school impact fee for Maui County identified school impact districts (e.g., Wailuku, Makawao, or Lahaina \$/unit). The proposed action is not anticipated to contravene the objectives and policies of this functional plan.

**Table 4.** Relation Between the Hōkūao 201H Housing Project and the State Functional Plans

No.	State Functional Plan	State Coordinating Agency	Purpose	Analysis
4	Employment State Functional Plan (1990)	Department of Labor and Industrial Relations	Improve the qualifications, productivity, and effectiveness of the State's workforce through better education and training of workers as well as efficient planning of economic development, employment opportunities, and training activities	The proposed action will result in the creation of construction jobs throughout the development period. This will provide local residents with opportunities to successfully compete in the workforce. The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
5	Energy State Functional Plan (1991)	Department of Business, Economic Development and Tourism	Lessen the reliance on petroleum and other fossil fuels in favor of alternative sources of energy so as to keep up with the State's increasing energy demands while also becoming a more sustainable island state; achieving dependable, efficient, and economical statewide energy systems	The proposed project will include site lighting that is low- energy consumptive. Homes will be designed to maximize natural air flow. Homes will incorporate Energy Star fixtures, LED lighting, interior fans and on-demand hot water heaters. Homes will be constructed to include R-19 insulation, solar roof ventilators, and reflective roof heat barriers. Homes may also include solar photovoltaic on-site generation with individual home battery storage systems. The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
6	Health State Functional Plan (1989)	Department of Health	Improve health care system by providing for those who don't have access to private health care providers; increasing preventative health measures; addressing 'quality of care' elements in private and public sectors to cut increasing costs	The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
7	Higher Education Functional Plan (1984)	University of Hawaiʻi	Prepare Hawai'i's citizens for the demands of an increasingly complex world through providing technical and intellectual tools	The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
8	Historic Preservation State Functional Plan (1991)	Department of Land and Natural Resources	Preservation of historic properties, records, artifacts and oral histories; provide public with information/education on the ethnic and cultural heritages and history of Hawai'i	A previous archaeological inventory survey (AIS) was done on the 76-acre site. Archaeological monitoring is proposed for project-related ground disturbing activities. Consultation with the State Historic Preservation Division has been initiated pursuant to Chapter 6E, HRS. A Cultural Impact Assessment (CIA) was prepared for the proposed project and concluded that adverse impacts to cultural resources are not anticipated. The proposed action is in consonance with this functional plan.

**Table 4.** Relation Between the Hōkūao 201H Housing Project and the State Functional Plans

No.	State Functional Plan	State Coordinating Agency	Purpose	Analysis
9	Housing State Functional Plan (2017)	Hawai'i Housing Finance and Development Corporation	Based largely on joint public/private efforts to finance, build, and maintain an adequate supply of affordable housing. It will be a working tool to guide the State, the counties, as well as the private sector in meeting the overall goal that every Hawai'i resident will have the opportunity to live in a safe, decent and affordable home.	The proposed project provides additional affordable rental housing to households earning up to 140 percent of AMI in close proximity to transit and various public, recreational, and commercial services. In addition, the project will be implemented into a developed area with existing infrastructure and services in Lāna'i City. The proposed action is in consonance with this functional plan.
10	Human Services State Functional Plan (1989)	Department of Human Services	Refining support systems for families and individuals by improving elderly care, increasing preventative measures to combat child/spousal abuse and neglect; providing means for 'self-sufficiency'	The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
11	Recreation State Functional Plan (1991)	Department of Land and Natural Resources	Manage the use of recreational resources via addressing issues: (1) ocean and shoreline recreation, (2) mauka, urban, and other recreation opportunities, (3) public access to shoreline and upland recreation areas, (4) resource conservation and management, (5) management of recreation programs/facilities/areas, and (6) wetlands protection and management	The proposed action is not anticipated to contravene the objectives and policies of this functional plan. The proposed project includes a 1-acre park as well as a community center for use by Lana'i residents.
12	Tourism State Functional Plan (1991)	Department of Business, Economic Development and Tourism	Balance tourism/economic growth with environmental and community concerns; development that is cognizant of the limited land and water resources of the islands; maintaining friendly relations between tourists and community members; development of a productive workforce and enhancement of career and employment opportunities in the visitor industry	The proposed action is not anticipated to contravene the objectives and policies of this functional plan.
13	Transportation State Functional Plan (1991)	Department of Transportation	Development of a safer, more efficient transportation system that also is consistent with planned physical and	The proposed project will be implemented in proximity to existing State and County roadway facilities. A Traffic Impact Analysis Report (TIAR) has been prepared to assess the projected increase in traffic on these roadways.

**Table 4.** Relation Between the Hōkūao 201H Housing Project and the State Functional Plans

No.	State Functional Plan	State Coordinating Agency	Purpose	Analysis
			economic growth of the state; construction of facility and infrastructure improvements; develop a transportation system balanced with new alternatives; pursue land use initiatives which help reduce travel demand	The TIAR that was prepared determined that the project will have minimal impact on area roadways. No significant delays or queuing were observed at any of the intersections near the project area during the peak hours of traffic. The traffic analysis also noted that intersection improvements are not recommended as a result of the project.

## D. GENERAL PLAN OF THE COUNTY OF MAUI

As indicated by the Maui County Charter, the purpose of the general plan shall be to:

... indicate desired population and physical development patterns for each island and region within the county; shall address the unique problems and needs of each island and region; shall explain opportunities and the social, economic, and environmental consequences related to potential developments; and shall set forth the desired sequence, patterns and characteristics of future developments. The general plan shall identify objectives to be achieved, and priorities, policies, and implementing actions to be pursued with respect to population density, land use maps, land use regulations, transportation systems, public and community facility locations, water and sewage systems, visitor destinations, urban design, and other matters related to development.

Chapter 2.80B of the Maui County Code, relating to the General Plan and Community Plans, implements the foregoing Charter provision through enabling legislation which calls for a Countywide Policy Plan and a Maui Island Plan.

### 1. Countywide Policy Plan

The Countywide Policy Plan was adopted in March 2010 and is a comprehensive policy document for the islands of Maui County to the year 2030. The plan replaces the General Plan of the County of Maui 1990 Update and provides the policy framework for the development of the Maui Island Plan as well as for updating the nine (9) detailed Community Plans. The Countywide Policy Plan provides broad goals, objectives, policies and implementing actions that portray the desired direction of the County's future. Goals are intended to describe a desirable condition of the County by the year 2030 and are intentionally general. Objectives tend to be more specific and may be regarded as milestones to achieve the larger goals. Policies are not intended as regulations, but instead provide a general guideline for County decision makers, departments, and collaborating organizations toward the attainment of goals and objectives. Implementing actions are specific tasks, procedures, programs, or techniques that carry out policy. Discussion of the proposed project's applicability to the relevant goals, objectives, policies, and implementing actions of the Countywide Policy Plan is provided in Appendix "J-2".

As with the Hawai'i State Plan, the methodology for assessing a project's relationship to the Countywide Policy Plan involves examining the project's applicability to the Plan's goals, objectives, and policies. "Applicability" refers to a project's need, purpose and effects, and how they advance or promote a particular set of goals, objectives and policies. In assessing the relationship between a

proposed action and the Countywide Policy Plan, an action may be categorized in one of the following groups:

1. <u>Directly applicable</u>: the action and its potential effects directly advances, promotes or affects the relevant goal, objective, or policy.

**Example:** Using the same example as that provided for the Hawai'i State Plan, that of a County project to develop a new water source and related transmission facilities, such an action would be directly applicable to improving physical infrastructure. The relevant objective states: "Improve water systems to assure access to sustainable, clean, reliable, and affordable sources of water" (Objective I.1). A policy within this objective category states: "Ensure that adequate supplies of water are available prior to approval of subdivision or construction documents" (Policy I.1.a).

In this instance, the proposed action is considered to be directly applicable to the cited objective and policy.

2. <u>Indirectly applicable</u>: the action and its potential effects indirectly supports, advances or affects the objective, policy or priority guideline.

**Example:** The county water source project cited above supports the objective to: *Improve land use management and implement a directed-growth strategy* (Objective J.1). A related policy encompassed by this objective states: "Direct new development in and around communities with existing infrastructure and service capacity, and protect natural, scenic, shoreline, and cultural resources" (Policy J.1.h). In this case, the principle purpose of the project is not to create source specifically intended to improve land use management. Nonetheless, the proposed action indirectly supports the Countywide Policy Plan's directives relating to appropriate locations for new development.

3. **Not applicable:** the action and its potential effects have no direct or indirect relationship to the objectives and policies of the Countywide Policy Plan.

**Example:** The county water source improvement project referenced above, may not have direct or indirect linkage to Objective D.1, which states: "In cooperation with the Federal and State governments and nonprofit agencies, broaden access to social and healthcare services and expand options to improve the overall wellness of the people of Maui County". Hence, from a policy analysis and linkage standpoint, the proposed action would be considered not applicable to this set of objectives and policies.

It is recognized that policy analysis is subject to interpretation and is best considered in the context of the proposed action's local and regional conditions.

The assessment presented below restates the goal for each policy/planning category followed by a response which consolidates and summarizes the assessments provided in **Appendix "J-2"**. The responses examine whether the proposed action is directly applicable, indirectly applicable or not applicable to the respective Countywide Policy Plan objectives, policies and implementing actions.

### (A) PROTECT THE NATURAL ENVIRONMENT

### Goal:

Maui County's natural environment and distinctive open spaces will be preserved, managed, and cared for in perpetuity.

#### Response:

The proposed project indirectly improves the opportunity for Lāna'i families to experience, live, and thrive in the natural beauty of our island home. This land will be managed and maintained for years to come while also providing much needed affordable housing. The project has been carefully designed taking into consideration building profiles and massing so as to not adversely impact scenic views and vistas. The proposed buildings will blend into the surrounding urban landscape.

The proposed project will utilize BMPs to ensure that natural resources such as the coastal environment is not impacted by construction activities. The use of BMPs also ensures compatibility between land-based and water-based functions, resources, and ecological systems. The biological resources study conducted as part of the environmental review process represents an effort to protect any rare and endangered plant and animal species, and their habitats that may be present in the vicinity of the proposed action.

### (B) PRESERVE LOCAL CULTURES AND TRADITIONS

### Goal:

Maui County will foster a spirit of pono and protect, perpetuate, and reinvigorate its residents' multi-cultural values and traditions to ensure that current and future generations will enjoy the benefits of their rich island heritage.

This development is an appropriate development in an area away from culturally sensitive areas. A CIA was prepared for the proposed project as part of the environmental review process. The CIA fosters increased knowledge of native Hawaiian cultural practices, as well as the history of the project area. In this context, the proposed action advances the objective and policies related to preserving local cultures and traditions.

Archaeological investigations were conducted and archaeological monitoring will be carried out during ground altering activities to ensure no historic or cultural properties are adversely impacted. Consultation is ongoing with the State Historic Preservation Division pursuant to Chapter 6E, HRS.

### (C) <u>IMPROVE EDUCATION</u>

### Goal:

Residents will have access to lifelong formal and informal educational options enabling them to realize their ambitions.

### Response:

Lāna'i is not identified as part of a school impact district, however, Pūlama Lāna'i has completed a demand analysis and the current demand for the project can be met by existing residents of Lāna'i. Therefore, it is not anticipated that there will be an additional strain on public school facilities from the project. Pūlama Lāna'i has also been a strong supporter of improving public education on the island. Since 2013, Pūlama Lāna'i has funded various initiatives at LHES, including but not limited to, the very successful dual-credit program with UH Maui College. These cumulative annual education contributions to LHES are well in excess of a one-time student impact fee per household for the project and exceeds any assessment for school impact fee for Maui County identified school impact districts (e.g., Wailuku, Makawao, or Lahaina \$/unit). The proposed project will afford many families the opportunity to be closer in proximity to schools and services that can support their educational experience.

### (D) STRENGTHEN SOCIAL AND HEALTHCARE SERVICES

### Goal:

Health and social services in Maui County will fully and comprehensively serve all segments of the population.

Response:

Indirectly, this proposed project will support access to services. By providing affordable housing to families in a centrally located area, they will have easier access to utilize social and healthcare services, if needed.

### (E) EXPAND HOUSING OPPORTUNITIES FOR RESIDENTS

### Goal:

Quality, island-appropriate housing will be available to all residents.

Response:

The proposed project provides additional affordable rental housing opportunities for Lāna'i families in an area that is close to businesses, school, and government services. In addition, the project will be implemented in proximity to a developed area with existing infrastructure and services on Lāna'i.

### (F) STRENGTHEN THE LOCAL ECONOMY

### Goal:

Maui County's economy will be diverse, sustainable, and supportive of community values.

Response:

During construction, the proposed project will provide job opportunities. After completion, families residing in the project will support the businesses surrounding them, thus indirectly impacting the economy in a positive way.

### (G) IMPROVE PARKS AND PUBLIC FACILITIES

### Goal:

A full range of island-appropriate public facilities and recreational opportunities will be provided to improve the quality of life for residents and visitors.

The proposed residential project will indirectly support the goal, objective, and policies of expanding access to recreational opportunities and community facilities to meet the needs of residents. The central location of the site of this project will provide easy access to existing recreational activities and community facilities. The project will also incorporate an onsite 1-acre park and multi-purpose building for residents.

### (H) <u>DIVERSIFY TRANSPORTATION OPTIONS</u>

### Goal:

Maui County will have an efficient, economical, and environmentally sensitive means of moving people and goods.

### Response:

The TIAR prepared for this project determined that the impact of this project on existing and projected traffic is minimal. No significant delays or queuing were observed at any of the intersections near the project area during the peak hours of traffic. The traffic analysis noted that intersection improvements are not recommended as a result of the project.

### (I) <u>IMPROVE PHYSICAL INFRASTRUCTURE</u>

### Goal:

Maui County's physical infrastructure will be maintained in optimum condition and will provide for and effectively serve the needs of the County through clean and sustainable technologies.

### Response:

The proposed project indirectly supports the physical infrastructure objective and related policies as it is located in an area that is serviced by existing private (Lana'i Water Company) water and County wastewater infrastructure. Coordination will be undertaken with the DEM regarding wastewater connection. Construction waste will be disposed at the Lāna'i Landfill or appropriate construction recycling centers located off-island. The proposed project will include site lighting that is low-energy consumptive. Homes may also include solar photovoltaic on-site generation with individual home battery storage systems.

### (J) PROMOTE SUSTAINABLE LAND USE AND GROWTH MANAGEMENT

### Goal:

Community character, lifestyles, economies, and natural assets will be preserved by managing growth and using land in a sustainable manner.

### Response:

The proposed project will be developed on vacant land on Lāna'i, within the "Park", "Open Space", "Road", "Mixed-Use Residential", and "Public/Quasi-Public" as designated by the Lāna'i Community Plan. The project is located in a developed area in Lāna'i City, in proximity to existing infrastructure and services. The project will be developed in an area outside of the projected 3.2-foot sea level rise exposure area.

The proposed project was designed to reflect the character of Lāna'i City including street scape and architecture of the homes. Additionally, sustainable design features are included in the proposed home design including use of natural elements (ventilation, shading, etc.) and use of ENERGY STAR appliances and energy efficient features.

### (K) STRIVE FOR GOOD GOVERNANCE

### Goal:

Government services will be transparent, effective, efficient, and responsive to the needs of residents.

### Response:

The permitting and environmental review processes involves opportunities for the public to provide input throughout the environmental review process and the Section 201H-38, HRS, affordable housing approval process. Public meetings and requests for comments were included, pursuant to the environmental assessment review process, which provided the opportunity for public for engagement and feedback opportunities. The Lāna'i Planning Commission provided comments on the Draft EA for the project at its January 20, 2021 meeting and the most recent community meeting on the project was held virtually on February 22, 2021. See **Appendix "K"**.

### 2. <u>Lāna'i Community Plan</u>

The project site is located in the Lāna'i Community Plan region which is one (1) of nine (9) Community Plan regions established in the County of Maui. Planning for each region is guided by the respective Community Plans, which are designed to implement the Maui County General Plan. Each Community Plan contains recommendations and standards which guide the sequencing, patterns, and characteristics of future development in the region.

The Lāna'i Community Plan was adopted by the County of Maui through Ordinance No. 4343 which took effect on July 26, 2016.

Land use guidelines are set forth by the Lāna'i Community Plan Land Use Map. See **Figure 12**. The project site is designated as "Park", "Open Space" and a small portion of "Public/Quasi-Public", and "Mixed-Use Residential" by the Community Plan. The project is consistent with the following objectives and policies of the Lāna'i Community Plan:

### **CULTURAL, HISTORIC, AND SCENIC RESOURCES**

**Goal:** Lāna'i's diverse cultural, archaeological, and historic resources and practices, and scenic resources will be protected for future generations.

### Policy:

9. Require developments to mitigate their impacts on historic, cultural, natural, and scenic resources.

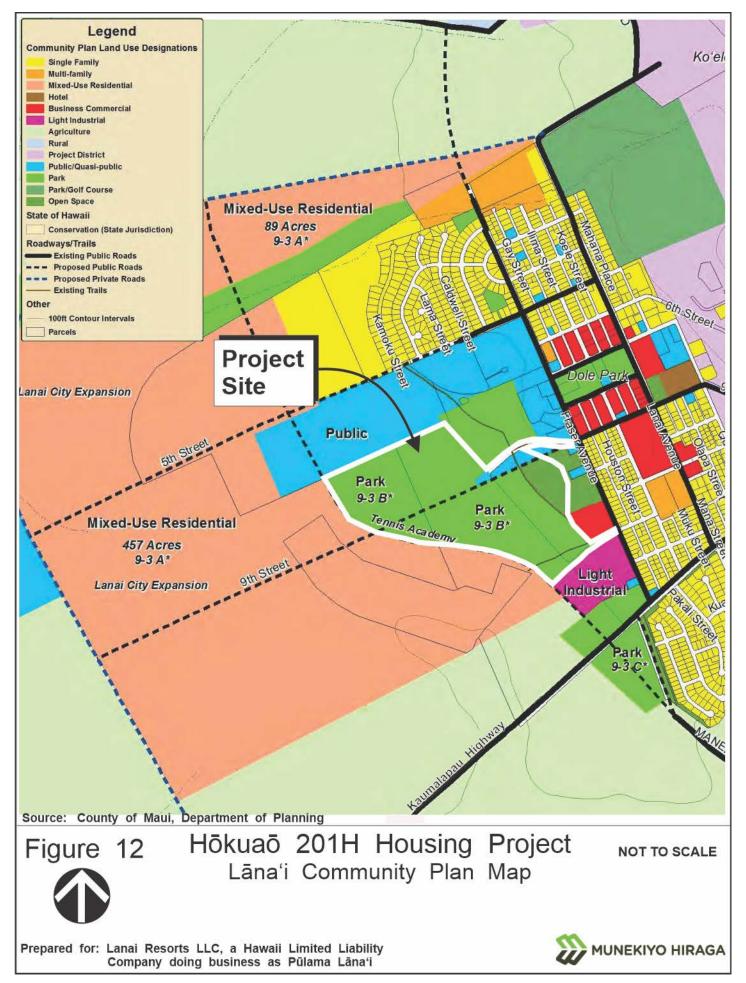
<u>Analysis:</u> The proposed project has been designed so as to not impede scenic views from upland areas. Furthermore, a Chapter 6E, HRS submittal has been prepared and submitted to the State Historic Preservation Division (SHPD) with a recommendation that archaeological monitoring occur during ground altering activities. The Applicant will abide by the recommendations and requirements from the SHPD.

### INFRASTRUCTURE AND UTILITIES (ENERGY)

**Goal:** Lāna'i will have a sufficient supply of potable and non potable water provided in an environmentally sustainable and cost effective manner.

### Policy:

1. Improve the long term efficiency reliability and capacity of the island's water infrastructure.



Analysis: As previously noted in Chapter 2 of this EA document, there are a variety of water sources that Lanai Water Company can utilize for the proposed project, including recommissioning Well #7. Additionally, water conservation efforts are being applied island-wide for the Applicant's projects. To the extent feasible, water efficient fixtures will also be utilized for the proposed project.

**Goal:** An efficient effective and environmentally sound wastewater system that meets the population's needs.

### Policy:

1. Provide a sustainable and sufficient level of wastewater service that complies with environmental regulations.

Analysis: The proposed development includes construction of a new onsite wastewater system that will collect wastewater generated by the new homes and convey the wastewater to the existing Lāna'i Wastewater Reclamation Facility. The new wastewater collection system will be designed for the residential units and the future park, community center, and parking stalls and constructed within the new roads. The applicant will conform with the requirements of the Commission on Water Resource Management, Department of Health, County of Maui and other regulatory entities as it relates to installation, inspection and maintenance of water and wastewater systems associated with the project.

**Goal:** Efficient environmentally sound and comprehensive solid waste management that aids residents and businesses on Lāna'i to effectively reduce reuse and recycle as much as possible.

### Policy:

1. Reduce the amount of solid waste that is sent to the landfill through effective waste reduction and recycling programs.

<u>Analysis:</u> During the initial short-term construction phase of the proposed development, the contractor will develop and implement a construction-generated waste disposal plan. Pūlama Lāna'i will contract with a private entity (e.g., Maui Disposal) for solid waste residential pick up for residents in the project. The Applicant sponsors rural recycling collection events for hard to recycle items including: appliances, small scrap metal, vehicle batteries and tires, and provides green waste recycling with subsequent compost available to residents. The Applicant also partners with the County on recycling programs for computers/electronics and household batteries.

**Goal:** Increase the proportion of electricity that is generated from renewable sources to reduce electricity costs and Lāna'i's dependence on fossil fuels.

### Policy:

1. Support the increased use of renewable energy sources.

Analysis: The proposed development features homes constructed to include R-19 insulation, solar roof ventilators, and reflective roof heat barriers. Homes may also include solar photovoltaic on-site generation with individual home battery storage systems. Where appropriate and to the extent feasible and practicable, the project will utilize EPA ENERGY STAR Program concepts in the master planning and development of the project.

### **LAND USE**

**Goal:** Lāna'i will have an efficient and sustainable land use pattern that protects agricultural lands, open space, natural systems, and rural and urban character.

### Policy:

2. Limit new residential, commercial, or industrial development to existing communities and proposed expansion areas as shown on the Lāna'i Community Plan land use maps.

<u>Analysis:</u> The proposed development will seek an exemption from the CPA and CIZ requirements in order to provide much needed residential housing for the island of Lāna'i. The 201H application process provides for an opportunity to expedite the provision of housing through the exemption of State and County regulations that do not compromise public health and safety.

**Goal:** A diverse supply of housing that meets the needs of all Lāna'i residents.

### Policy:

1. Support regulations to keep all affordable housing affordable in perpetuity.

<u>Analysis:</u> The development's 76 affordable rental units are proposed to remain affordable in perpetuity.

### Policy:

2. Expedite the permit process for housing projects that are safe, affordable, environmentally sustainable and community oriented.

Analysis: The proposed project is sited close to Dole Park to take advantage of its walkable proximity to shops, groceries, educational, and entertainment venues. Hōkūao is designed to perpetuate the site-planning and architectural character already present throughout Lāna'i City. This plantation town, and with a unique town center seen nowhere else in the islands, has strong and attractive vernacular and serves as the design basis for Hōkūao. The location was ideal because it provided accessibility to the school and center of town. The incorporation of walking and bike paths, a community pavilion and comfort stations, park, and extra parking areas were positive amenities of the project design.

### Policy:

5. Encourage development of a mix of quality multifamily and single-family housing units to expand housing choices and price points.

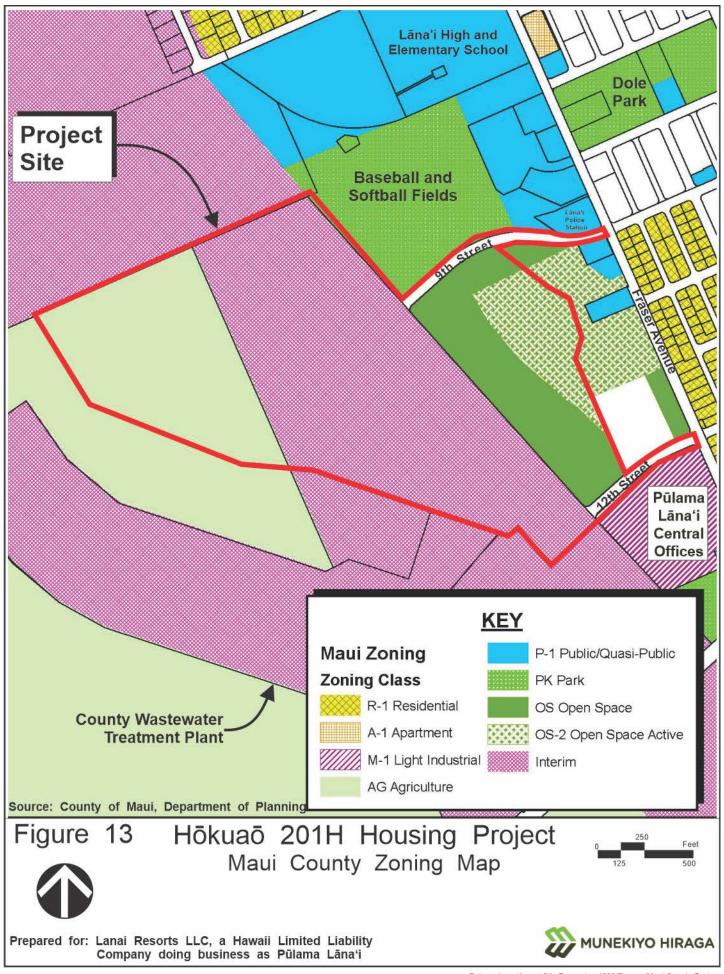
<u>Analysis:</u> The proposed action includes 76 2-bedroom affordable rental housing units to households with incomes at or below 140 percent of the area median income (AMI). The proposed action also includes 74 market rate lease units.

## E. **COUNTY ZONING**

The land underlying the proposed project site are zoned "Interim", "Open Space", "Active Open Space", "Road" and "Agricultural" by the Maui County Zoning. See **Figure 13**. As noted previously, the Section 201H-38, HRS, approval will allow the Applicant to amend or waive certain conditions relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of the units thereon. Among exemptions, the Applicant will be seeking exemptions from the Change of Zoning (CIZ) approval processes, as well as County requirements, including public infrastructure and design standard elements. The exemption will allow the project to proceed with the "Single Family" and "Park" uses as proposed. Discussion of the Section 201H-38, HRS, exemptions from the Maui County Code (MCC) is provided in Section H of this Chapter.

# F. PROPOSED SECTION 201H-38, HRS, EXEMPTIONS FROM THE MAUI COUNTY CODE (MCC)

The Applicant will be seeking an affordable housing approval from the Maui County Council pursuant to Section 201H-38 of the Hawai'l Revised Statutes (HRS). The Section 201H application process will allow exemptions relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon to support the development of affordable housing. The proposed



exemptions that will be requested as part of the Section 201H approval are presented below.

### Proposed Section 201H-38, HRS, Exemptions from the MCC

### 1. <u>Exemptions from Title 2, MCC, Administration And Personnel</u>

a. An exemption from Chapter 2.80B, MCC, General Plan and Community Plans, shall be granted to permit the project to proceed without obtaining a community plan amendment. The project site is designated as "Park", "Open Space" and/or OS-1 and/or OS-2, "Mixed-Use Residential", and "Public/ Quasi-public" in the Lāna'i Community Plan Map. The exemption will allow the project to proceed with the "Single Family" and "Park" uses as proposed.

### 2. Exemption from Title 12. Streets. Sidewalks And Public Places

a. Exemption from Section 12.24A.070D MCC, <u>Planting of Street Trees</u>, shall be granted to allow flexibility in the number, species, and location of street trees in the Hōkūao Housing project. The Conceptual Landscape Plan prepared by a licensed architect, attached here as **Exhibit "A"**, shall be reviewed by the Department of Public Works prior to approval.

### 3. Exemptions from Title 16. MCC. Buildings And Construction

- a. An exemption from Chapters 16.04C, MCC, Fire Code, 16.18B, Electrical Code, 16.20B, Plumbing Code, and 16.26B, Building Code, shall be granted to exempt the 76 affordable housing units from fire, electrical, plumbing, and building permit fees, as well as plan review and inspection fees. This exemption shall not apply to the market-rate units in the project.
- b. The project shall conform to Chapters 16.04C, MCC, Fire Code, 16.08A, Residential Code, and 16.26B, Building Code, as stated at the time of the filing of the 201H-38 application, despite any subsequent amendments to Chapters 16.04C, 16.08A, or 16.26B, MCC, or any updates to the Fire Code, Residential Code, or Building Code adopted prior to the issuance of the last building permit for the project.

### 4. Exemptions from Title 18. MCC. Subdivisions

a. An exemption from Section 18.04.030, MCC, <u>Administration</u>, and related land use consistency and conformity requirements of Title 18, shall be granted to exempt the project from obtaining a change in zoning and/or





# **Hokuao Homes 201H Housing**

Landscape Amenities Plan 02/16/2021



- community plan amendment to enable subdivision approval and for the project to be developed to the standards outlined in this exemption list.
- b. An exemption from Section 18.16.050, MCC, Minimum Right of Way and Pavement Widths, shall be granted to allow the following roadway standards within the project:
  - 41 ft. right of way with 20 ft. of pavement at Ninth Street and Fraser Avenue, and for approximately 250 ft. along the Ninth Street Extension, then 50 ft. right of way with 20 ft. of pavement for the balance of Ninth Street Extension. 20 ft. of pavement and 10 ft. of paved parallel parking spaces for all interior roadways. 50 ft. right of way with 20 ft. of pavement for the Twelfth Street Extension from Fraser Avenue.

The proposed exemption will allow the roads within the residential development to mirror the existing roadways within Lāna'i City. Further, the proposed roadway standards meet the Complete Streets format for "Country Road" as well as meet the policies of the Lāna'i Community Plan to provide complete and safe streets and maintain and enhance Lāna'i City's rural character.

- c. An exemption from Section 18.16.320, MCC, <u>Parks and Playgrounds</u>, shall be granted. The project shall contain a 1-acre park in addition to the community center and comfort stations, totaling 2.10 acres. The park shall be open to the public and privately owned and maintained.
- d. An exemption from Section 18.16.320 (3), MCC, <u>Parks and Playgrounds</u>, shall be granted to exempt the project from the requirement to enter into a park assessment agreement.
- e. An exemption from Section 18.20.070, MCC, <u>Sidewalks</u>, shall be granted to allow the following sidewalk standards within the project:
  - 5.5 feet sidewalk starting from Ninth Street and Fraser Avenue for approximately 250 feet, then to a 7.5 ft. wide sidewalk for the balance of the Ninth Street Extension. 8 feet wide sidewalk for the Twelfth Street Extension from Fraser Avenue to the project roadways.
- f. An exemption from Section 18.20.080, MCC, <u>Curbs and Gutters</u>, shall be granted to allow grass swales within the Project.

### 5. Exemptions from Title 19. MCC. Zoning

a. An exemption from Chapter 19.02A, MCC, <u>Interim Zoning</u>; Chapter 19.07 <u>Open Space Districts</u>; and Chapter 19.30A, <u>Agriculture District</u>; shall be granted to permit the development and use of the parcel for single-family and park purposes, including supporting infrastructure requirements. Further, this exemption shall allow the subdivision of the property in the conceptual plat configuration shown in **Exhibit** "B", which may be amended by the Director of Public Works. The following zoning standards shall apply to the proposed development.

It is further noted that the proposed uses described below will be limited to the Residential and Park areas indicated in **Exhibit** "B".

### **Residential Use:**

Minimum lot area 8,000 square feet

Height: No building shall exceed two-stories or 30 feet in height,

measured from finished grade

Setback: Five (5) feet front yard

Six (6) feet side and rear yard; except one zero lot line may

be permitted on an adjacent property boundary.

Reduction of front yard setback will allow greater separation

between opposing houses, increasing the back yard space

for enhanced usability.

### Park Use:

Minimum lot area: One (1) acre

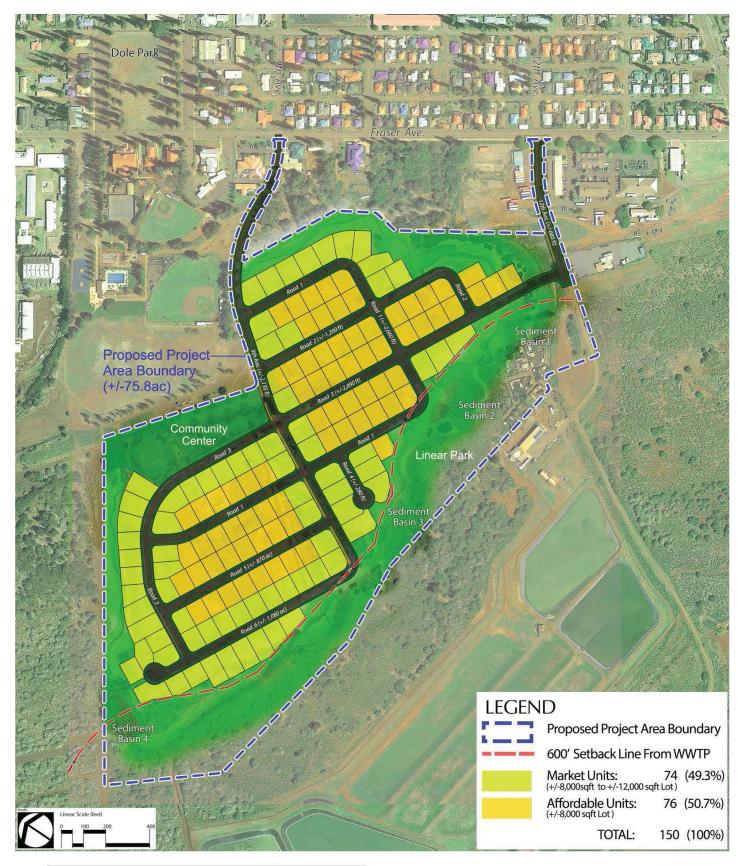
Height: No building shall exceed two-stories or forty-five (45) feet

in height, measured from finished grade

Setback: Ten (10) feet front yard

Ten (10) feet side and rear yard

An exemption from Sections 19.02A.030 <u>Interim District</u>, 19.07.030 <u>Open Space District</u>, and 19.30A, <u>Agriculture District</u>, MCC, Permitted Uses, shall be granted to allow the following principal uses: 1) single-family units; and 2) accessory structures such as carports and private garages; parking areas; energy systems, small-scale; fences and walls; storage sheds; and



# Hokuao Homes 201H Housing Conceptual Lot Plan

10/16/2020



park recreational buildings and structures, including, but not limited to gazebo, pavilions, courts, and pools.

- c. Uses permitted in Chapter 19.08 <u>Residential District</u>, 19.09 <u>R-0 Zero Lot Line Residential District</u>, and 19.12 <u>Apartment District</u> would be permitted in the areas noted for residential use in **Exhibit** "B" and 19.27A.030 <u>Park Districts</u>, except GC Golf Course District, shall be permitted for the portion of the project area noted for Park use in **Exhibit** "B"; including the following additional uses:
  - Utility facilities, minor; and
  - Utility services
- d. An exemption from Section 19.30A.040, MCC, <u>Limitations on Resubdivision</u>, shall be granted to allow for the residential, infrastructure, and public facility use on lots to be created relative to lands included in County of Maui Subdivision File No. 6.180.

### G. HAWAI'I COASTAL ZONE MANAGEMENT PROGRAM

The Coastal Zone Management Area as defined in Chapter 205A, HRS, includes all the lands of the State. As such, the proposed activities lie within the Coastal Zone Management Area.

The relevant objectives and policies of the Hawai'i Coastal Zone Management (CZM) Program along with a detailed discussion of how the proposed actions do not conflict with these objectives and policies, is discussed below.

Land uses are required to comply with the provisions and guidelines contained in Chapter 205A, Hawai'i Revised Statues (HRS), entitled "Coastal Zone Management," as described below:

- 1) Recreational resources: Provide coastal recreational opportunities accessible to the public.
  - A) Improve coordination and funding of coastal recreational planning and management; and
  - B) Provide adequate, accessible, and diverse recreational opportunities in the coastal zone management area by:
    - i) Protecting coastal resources uniquely suited for recreational activities that cannot be provided in other areas;
    - ii) Requiring restoration of coastal resources that have significant recreational and ecosystem value, including but not limited to

- coral reefs, surfing sites, fishponds, sand beaches, and coastal dunes, when these resources will be unavoidably damaged by development; or requiring monetary compensation to the State for recreation when restoration is not feasible or desirable;
- iii) Providing and managing adequate public access, consistent with conservation of natural resources, to and along shorelines with recreational value;
- iv) Providing an adequate supply of shoreline parks and other recreational facilities suitable for public recreation;
- v) Ensuring public recreational uses of county, state, and federally owned or controlled shoreline lands and waters having recreational value consistent with public safety standards and conservation of natural resources;
- vi) Adopting water quality standards and regulating point and nonpoint sources of pollution to protect, and where feasible, restore the recreational value of coastal waters;
- vii) Developing new shoreline recreational opportunities, where appropriate, such as artificial lagoons, artificial beaches, and artificial reefs for surfing and fishing; and
- viii) Encouraging reasonable dedication of shoreline areas with recreational value for public use as part of discretionary approvals or permits by the land use commission, board of land and natural resources, and county authorities; and crediting that dedication against the requirements of section 46-6;

Pūlama Lāna'i is proposing an approximate 150-unit residential development of Hōkūao at Lāna'i City. Most of the project area topography consists of flat to gently sloping open, patchy forest and scrub lands.

The project also includes a one-acre park, a 1,500-square foot community center, comfort stations, and 60-parking stalls. Ninth and Twelfth Streets, both of which are currently dirt roads, will be improved as part of this project.

The proposed project will not impact coastal recreational resources, nor will it affect public shoreline access and activities.

### 2) Historic resources:

- A) Identify and analyze significant archaeological resources;
- B) Maximize information retention through preservation of remains and artifacts or salvage operations; and
- C) Support state goals for protection, restoration, interpretation, and display of historic resources;

### Response:

Archaeological investigations were conducted and an Archaeological Monitoring Plan (AMP) was submitted to the State Historic Preservation Division (SHPD) for review and approval in November 2020, however, due to the new SHPD Hawai'i Cultural Resource Information System (HICRIS) intake system, the AMP was not uploaded into the online system until March 2021. Refer to **Appendix "D-2"**. The Applicant will comply with the approved monitoring plan. In conjunction with any ground-altering work, a qualified monitor will be present to monitor all subsurface construction activities.

### 3) Scenic and Open space resources:

- A) Identify valued scenic resources in the coastal zone management area;
- B) Ensure that new developments are compatible with their visual environment by designing and llocating those developments to minimize the alteration of natural landforms and existing public views to and along the shoreline;
- C) Preserve, maintain, and, where desirable, improve and restore shoreline open space and scenic resources; and
- D) Encourage those developments that are not coastal dependent to locate in inland areas;

### Response:

The project site is not part of a scenic corridor and the project will not affect scenic vistas and view planes. The proposed project will not involve significant alteration of the existing topographic character of the site and will not affect public views to and along the shoreline.

Most of the project area topography consists of flat to gently sloping open, weedy and scrub lands.

Hōkūao 201H Housing Project at Lāna'i City is essentially an extension of similar kinds of uses and activities of the adjoining Lāna'i City.

With most of the plantation structures laid out and built within a short time frame as part of a company housing provision, a discernable character for Lāna'i City was established. These include: rectilinear street patterns; small lot size, lots enlarging as one moves away from Dole Park; and small/uniform residential homes scale. A similarly concentrated commercial core replicates the scale and character of nearby residences.

This gives the city a cohesive, balanced appearance throughout the community. Hōkūao will reiterate these in the new development and are in keeping with the proposed Lāna'i City Country Town Business District Design guidelines approved in 2020.

While the visual character of the project area will be modified by the proposed project, it will not have an adverse effect upon scenic resources or view corridors.

### 4) Coastal ecosystems:

- A) Exercise an overall conservation ethic, and practice stewardship in the protection, use, and development of marine and coastal resources;
- B) Improve the technical basis for natural resource management;
- C) Preserve valuable coastal ecosystems of significant biological or economic importance, including reefs, beaches, and dunes;
- D) Minimize disruption or degradation of coastal water ecosystems by effective regulation of stream diversions, channelization, and similar land and water uses, recognizing competing water needs; and
- E) Promote water quantity and quality planning and management practices that reflect the tolerance of fresh water and marine ecosystems and maintain and enhance water quality through the development and implementation of point and nonpoint source water pollution control measures;

### Response:

There are no rare, threatened or endangered plants or animal species on the project site nor is there critical habitat. As such, no adverse impacts are anticipated on significant habitats.

The proposed project is not expected to have an adverse effect upon the region's coastal ecosystem. Appropriate Best Management Practices (BMPs) and erosion control measures will be implemented to minimize the effects of stormwater runoff during implementation of the project and to ensure that coastal ecosystems are not adversely impacted by construction activities.

### 5) Economic uses:

- A) Concentrate coastal dependent development in appropriate areas;
- B) Ensure that coastal dependent development and coastal related development are located, designed, and constructed to minimize exposure to coastal hazards and adverse social, visual, and environmental impacts in the coastal zone management area; and
- C) Direct the location and expansion of coastal development to areas designated and used for that development and permit reasonable long-term growth at those areas, and permit coastal development outside of designated areas when:
  - Use of designated locations is not feasible;
  - ii) Adverse environmental effects and risks from coastal hazards are minimized; and
  - iii) The development is important to the State's economy;

### Response:

The project site and the lands in the vicinity of the project site are either existing or planned for future urban related development.

Hōkūao 201H Housing Project at Lāna'i City is essentially an extension of similar kinds of uses and activities of the adjoining Lāna'i City.

With most of the plantation structures laid out and built within a short time frame as part of a company housing provision, a discernable character for Lāna'i City was established. These include: rectilinear street patterns; small lot size, lots enlarging as one moves away from Dole Park; and small/uniform residential homes scale. A similarly concentrated commercial core replicates the scale and character of nearby residences.

This gives the city a cohesive, balanced appearance throughout the community. Hōkūao will reiterate these in the new development and are in keeping with the proposed Lāna'i City Country Town Business District Design guidelines approved in 2018.

While the visual character of the project area will be modified by the proposed project, it will not have an adverse effect upon scenic resources or view corridors.

The intent is to develop affordable housing within walking distance to the core services and facilities of Lāna'i City.

The County establishes its affordability threshold for projects as those projects that primarily are affordable to households with incomes at or below 140% of area median income.

Section 201H-38, HRS, provides a process whereby an affordable housing project may be granted exemptions from any statutes, ordinances and rules of any governmental agency relating to planning, zoning and construction standards that do not negatively affect the health and safety of the general public.

Particular exemptions requested through the 201H process are generally processed through the appropriate county agencies.

Affordable housing projects are eligible if at least fifty-one percent (51%) of the units are made affordable to income target groups established by City rules, based on guidelines provided by the U.S. Department of Housing and Urban Development (HUD).

The target groups are defined as a percentage (usually 60-140 percent) of the median income as determined by HUD. Projects must contain at least 50 dwelling units. Projects which are developed only for persons with special living needs are not subject to this requirement.

### 6) Coastal hazards:

- A) Develop and communicate adequate information about the risks of coastal hazards;
- B) Control development, including planning and zoning control, in areas subject to coastal hazards;
- C) Ensure that developments comply with requirements of the National Flood Insurance Program; and
- D) Prevent coastal flooding from inland projects;

#### Response:

The project site is located in Zone "X", an area of minimal flooding and does not lie in an area which is subject to tsunami evacuation.

### 7) Managing development:

- A) Use, implement, and enforce existing law effectively to the maximum extent possible in managing present and future coastal zone development;
- B) Facilitate timely processing of applications for development permits and resolve overlapping or conflicting permit requirements; and
- C) Communicate the potential short and long-term impacts of proposed significant coastal developments early in their life cycle and in terms understandable to the public to facilitate public participation in the planning and review process;

The proposed use is similar to the surrounding uses and the broader Lāna'i City community.

Pūlama Lāna'i is committed to strict compliance with State laws and rules. The subject property and the lands in the vicinity of the project site are either planned or designated for urban and related development.

The intent is to develop affordable housing within walking distance to the core services and facilities of Lāna'i City.

The County establishes its affordability threshold for projects as those projects that primarily are affordable to households with incomes at or below 140% of area median income.

Section 201H-38, HRS, provides a process whereby an affordable housing project may be granted exemptions from any statutes, ordinances and rules of any governmental agency relating to planning, zoning and construction standards that do not negatively affect the health and safety of the general public.

Particular exemptions requested through the 201H process are generally processed through the appropriate county agencies.

Affordable housing projects are eligible if at least fifty-one percent (51%) of the units are made affordable to income target groups established by City rules, based on guidelines provided by the U.S. Department of Housing and Urban Development (HUD).

The target groups are defined as a percentage (usually 60-140 percent) of the median income for Maui County as determined by HUD. Projects which are developed only for persons with special living needs are not subject to this requirement.

### 8) Public participation:

- A) Promote public involvement in coastal zone management processes;
- B) Disseminate information on coastal management issues by means of educational materials, published reports, staff contact, and public workshops for persons and organizations concerned with coastal issues, developments, and government activities; and
- C) Organize workshops, policy dialogues, and sitespecific mediations to respond to coastal issues and conflicts;

As part of the early consultation process for the preparation of the Draft EA, letters describing the proposed project and requesting comments on the project were sent to various government agencies and others.

Public community meetings were held on Lāna'i on August 8, 2016 (approximately 102 participants) November 12, 2018 (approximately 65-people attended) and most recently on February 22, 2021. Additionally, the Lāna'i Planning Commission reviewed and commented on the Draft EA for the project at its regular meeting on January 20, 2021, which was open to the public. The project was explained, and questions were asked and answered. Refer to **Appendix "K"**.

Opportunities for public awareness, education, and participation in coastal management are provided through these entitlement processes, as well as through the environmental assessment process.

This environmental assessment and the subsequent permitting processes are part of the opportunity for ongoing public participation.

### 9) Beach protection:

- A) Locate new structures inland from the shoreline setback to conserve open space, minimize interference with natural shoreline processes, and minimize loss of improvements due to erosion;
- B) Prohibit construction of private shoreline hardening structures, including seawalls and revetments, at sites having sand beaches and at sites where shoreline hardening structures interfere with existing recreational and waterline activities;
- C) Minimize the construction of public shoreline hardening structures, including seawalls and revetments, at sites having sand beaches and at sites where shoreline hardening structures interfere with existing recreational and waterline activities;
- D) Minimize grading of and damage to coastal dunes;
- E) Prohibit private property owners from creating a public nuisance by inducing or cultivating the private property owner's vegetation in a beach transit corridor; and
- F) Prohibit private property owners from creating a public nuisance by allowing the private property owner's unmaintained vegetation to interfere or encroach upon a beach transit corridor; and

Hōkūao 201H Housing Project area lies between 1,500 and 1,600 ft. above sea level at Lāna'i City, miles from any shoreline. As such, no adverse impacts to public beach use and recreation are expected to occur.

### 10) Marine and coastal resources:

- G) Ensure that the use and development of marine and coastal resources are ecologically and environmentally sound and economically beneficial;
- H) Coordinate the management of marine and coastal resources and activities to improve effectiveness and efficiency;
- Assert and articulate the interests of the State as a partner with federal agencies in the sound management of ocean resources within the United States exclusive economic zone;
- J) Promote research, study, and understanding of ocean and coastal processes, impacts of climate change and sea level rise, marine life, and other ocean resources to acquire and inventory information necessary to understand how coastal development activities relate to and impact ocean and coastal resources; and
- K) Encourage research and development of new, innovative technologies for exploring, using, or protecting marine and coastal resources.

### Response:

The proposed project does not involve the direct use or development of marine resources. By incorporating site-specific erosion and sedimentation control measures during and after construction, adverse impacts to near shore waters from runoff and pollution are not expected.

From this perspective, the proposed project is not expected to have a significant impact on coastal or marine resources.

UNAVOIDABLE ADVERSE
ENVIRONMENTAL EFFECTS
AND IRREVERSIBLE AND
IRRETRIEVABLE
COMMITMENTS OF
RESOURCES



# IV. UNAVOIDABLE ADVERSE ENVIRONMENTAL EFFECTS AND IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES

In the short term, the proposed project will result in unavoidable construction-related impacts, including air quality impacts during construction and noise impacts generated by construction equipment and activities. Air quality impacts will be mitigated by following Best Management Practices (BMPs) during construction to minimize air quality impacts to surrounding properties such as dust screens around active construction areas, and regular sprinkling of water to reduce dust. In addition, there may be temporary noise impacts associated with construction equipment and vehicles. These noise and air quality impacts will be temporary in nature, occurring only during the construction period, and will be mitigated to the extent practicable through implementation of BMPs.

Residential development of Hōkūao 201H Housing at Lāna'i City will require minor commitments of both renewable and nonrenewable energy and material resources. Nonrenewable resources that will be used during the project include fuel, water, and other resources necessary for the proposed activities.

Resources that are irreversibly or irretrievably committed to a project are those that are typically used on a long-term or permanent basis; however, those used on a short-term basis that cannot be recovered (e.g., non-renewable resources) also are irretrievable. All uses in the proposed project will conform to applicable County, State and Federal laws, codes, ordinances, rules, and regulations.

The proposed project is intended to have a positive effect on the delivery of 76 perpetually affordable workforce housing rental units in Maui County to those residents earning 140 percent or less of the Area Median Income.

# ALTERNATIVES TO THE PROPOSED ACTION



# V. ALTERNATIVES TO THE PROPOSED ACTION

Alternatives to the "preferred alternative", which is the proposed action, include the "no action alternative", "existing zoning alternative", and "design alternatives". These alternatives are discussed below.

### A. PREFERRED ALTERNATIVE

The preferred alternative, is to proceed with the proposed project with exemptions as allowed under the 201H program. Generally described, the project would include:

- 150-single-family homes
  - o 76-affordable homes for rent (rates according to 201H guidelines)
  - o 74-market-rate homes for rent
- Lot sizes will generally be approximately 8,000-square feet (s.f.)
- House sizes are anticipated to be:
  - 2-bedroom (150 homes) units will be approximately 1,150-1,175 s.f. interior, 370-375 s.f. lanai and may include a carpark pad or carport (subject to change based on final construction design)
- All homes (affordable and market) will:
  - o Reflect the existing design vernacular of Lāna'i City
  - Hipped roofs, gracious lanais, board and batten siding, large trim profiles, and other design details matching Lāna'i City building characteristics

Along the east edge bordering the school fields, the project provides a 1-acre park, a 1,500-square foot community center for use by the Lāna'i community, and 60 parking stalls for intermittent parking (e.g., community events at the community center, guests visiting residents of the Hōkūao residential units, etc.).

### B. NO ACTION ALTERNATIVE

Under the "no action" alternative, the project site would remain "as is". The "no action" alternative is not considered to be in the best interest of Lāna'i residents as the "no action" alternative would not provide new workforce housing opportunities. In this context, the proposed project is considered the most appropriate alternative.

### C. **EXISTING ZONING ALTERNATIVE**

Under the existing zoning alternative, only uses permitted under the County's "Open Space", "Active Open Space", "Agriculture", "Road", and "Interim" zoning are considered.

In addition to "Open Space", "Active Open Space", and "Agriculture", permitted uses under existing zoning allow uses on a portion of the project site that include:

One single-family dwelling per six thousand square feet of land; Duplex dwellings (with minimum land areas of 12,000 square feet;) Hospitals and/or sanitariums, and/or convalescent homes, day care facilities, museums, churches, libraries, kindergartens, elementary schools, intermediate schools, high schools, universities, publicly owned buildings, public utility uses, and tower structures in support of a utility;

The construction of new, or the expansion of existing parks, playgrounds, community centers or public/quasi-public facilities, owned or operated by private or governmental agencies, and tower structures in support of a utility; provided that the utility services the new or expanded park, playground, community center or public/quasi-public facility; Agricultural uses; and Bed and breakfast homes and Short-term rental homes (subject to additional provisions.)

While the 'Interim' designation allows for the development of homes, the Open Space and Agriculture uses do not. Further, it is noted that only a portion of the project site is zoned "Interim" and, as such, the number of homes that could be constructed would be less than what is proposed. The intent is to develop workforce housing within walking distance to the core services and facilities of Lāna'i City.

Because the existing zoning alternative does not meet Pūlama Lāna'i's objectives, this alternative has been rejected.

## D. DESIGN ALTERNATIVES

The project's Draft EA contemplated a project layout which included a development program consisting of 135 2-bedroom homes and 15 4-bedroom homes. All of the 76 affordable units were proposed as 2-bedroom homes. The 4-bedroom homes were proposed as part of the 74 market rate unit count. As previously noted, due to increasing construction costs, the Applicant is not considering any 4-bedroom homes at this time and has instead proposed that all 150 units for the Hokuao project will be 2-bedroom units. The 76 affordable homes will be rented, in perpetuity, to households with incomes at or below 140 percent of the AMI (as adjusted for Lāna'i). There are additional permits and approvals that the project will need to receive in order to proceed.

Adjustment of the unit size mix does not represent a material change in the proposed action. The analysis of impacts and mitigation measures associated with a development consisting of 150 2-bedroom units and a development consisting of 135 2-bedroom and 15 4-bedroom units is substantially the same, though it is recognized that a unit mix consisting entirely of 2-bedroom homes may have associated water and wastewater usage that is slightly lower than a unit mix that includes 15 4-bedroom units. Any difference in impacts and mitigation measures, however, would be negligible.

It is noted that the project's technical studies considered the impacts for a limited amoun of the larger 4-bedroom homes, as well as a greater number of total units (200 homes) than planned (150 homes).	

# SIGNIFICANCE CRITERIA ASSESSMENT

#### VI. SIGNIFICANCE CRITERIA ASSESSMENT

The proposed project involves the development of 150 single-family homes, with 76 homes exclusively for rent to households falling within the HUD low-income guidelines, adjusted for Lāna'i by the County of Maui Department of Housing and Human Concerns, and 74 homes to be rented at market rates. The project also includes a 1-acre park, a 1,500 square foot community center for use by the Lāna'i community, and 60 parking stalls for intermittent parking (e.g., community events at the community center, guests visiting residents of the Hōkūao residential units, etc.).

Pursuant to Chapter 343, Hawai'i Revised Statutes (HRS), and Chapter 200.1 (Title 11), Environmental Impact Statement Rules, Hawai'i Administrative Rules (HAR), the proposed action, its expected primary and secondary consequences, and the cumulative as well as the short-term and long-term effects of the action have been evaluated in accordance with the Significance Criteria of Section 11-200.1-13 of the Administrative Rules. Discussion of project conformance to the Significance Criteria is as follows:

#### 1. <u>Irrevocably commit a natural, cultural, or historic resource.</u>

There are no known rare, threatened, or endangered species of flora, fauna, avifauna, or important habitats located within the project site. As noted earlier, an Archaeological Inventory Survey (AIS) and Terrestrial Vegetation and Wildlife Surveys have been carried out on the project site.

An Archaeological Monitoring Plan associated with ground disturbing subsurface activities for the proposed project has been prepared in accordance with the rules of the State Historic Preservation Division (SHPD) to ensure that if human skeletal remains are identified during subsurface work, that the protocol concerning the inadvertent discovery of human remains pursuant to the HAR is followed. The Archaeological Monitoring Plan will be reviewed and accepted by the SHPD and will be implemented during construction to identify, document, and record any historic properties inadvertently identified, and to provide appropriate mitigation methods, as necessary. Refer to **Appendix "D-2"**.

The proposed project is not anticipated to involve an irrevocable commitment to loss or destruction of any natural or cultural resource.

#### 2. Curtail the range of beneficial uses of the environment

The vegetation within the project area is dominated by non-native weedy species, including sourgrass and golden crown-beard, as well as non-native trees such as Christmas berry, Formosa koa, and koa haole.

There are no significant adverse impacts to climate, topography, or soils anticipated to result from the proposed project. There are also no known rare, threatened, or endangered species of flora, fauna, or avifauna located within the project site. Refer to **Appendix "C"**.

The proposed project will be implemented adjacent to existing residential developments, and the commitment of land resources for the proposed action will not curtail the range of beneficial uses of the environment. On the island of Lāna'i, there are over 13,000 acres of available agricultural lands. The proposed project includes the use of 76 acres, or approximately 0.38 percent of the available agricultural lands on Lāna'i, and an even lesser fraction of approximately 0.25 percent, or up to 20,000 potentially cultivatable acres of land. The proposed use of the site for development of affordable housing is compatible with adjacent residential uses and will not curtail the beneficial use of the project area.

## 3. <u>Conflict with the State's environmental policies or long-term environmental goals established by law.</u>

The proposed project involves the development of 150 single-family homes and related improvements. An Environmental Assessment was prepared for the project to ensure the proposed action does not have adverse environmental impacts. As such, the proposed project does not conflict with the State's Environmental Policy and Guidelines as set forth in Chapter 344, HRS.

Section 344-3. Environmental Policy

It shall be the policy of the State, through its programs, authorities, and resources to:

(1) Conserve the natural resources, so that land, water, mineral, visual, air and other natural resources are protected by controlling pollution, by preserving or augmenting natural resources, and by safeguarding the State's unique natural environmental characteristics in a manner which will foster and promote the general welfare, create and maintain conditions under which humanity and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of the people of Hawai'i.

## 4. <u>Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community or State.</u>

The proposed project will directly benefit low income families that are earning 140 percent or less of the AMI by providing affordable housing for this target group. In addition, the proposed project will have a positive impact on the local economy by providing construction and construction-related employment. Therefore, the proposed project will have a positive short-term effect on economic and social welfare. From a long-term perspective, the proposed project will ensure affordable housing and will be available for residents earning 140 percent or less of the AMI in perpetuity.

The cultural impact assessment did not identify any ongoing traditional or cultural practices occurring within the project site.

No substantial adverse long-term economic or social welfare impacts to the community, County or State are anticipated.

#### 5. Have a substantial adverse effect on public health.

The project is not anticipated to result in long-term air or noise impacts. Furthermore, the proposed action is not anticipated to create significant direct or indirect foreseeable greenhouse gas (GHG) emissions, and does not fall within the threshold of mandatory GHG reporting. As such, no adverse impact to public health or welfare is anticipated as a result of the proposed action.

During the construction period, appropriate BMPs will be implemented to mitigate potential air quality and noise impacts. Following construction, long-term adverse public health impacts resulting from the proposed project are not anticipated.

## 6. <u>Involve adverse secondary impacts, such as population changes or effects on public facilities.</u>

The proposed project will provide needed additional affordable housing units for Lāna'i residents. It is anticipated that many of the future residents of Hōkūao will be existing Lāna'i residents who will move to the Hōkūao project as an opportunity to provide a larger living area for their families. As such, the project is not anticipated to involve substantial secondary impacts due to population change. Secondary impacts on public facilities are not anticipated. The Applicant will provide the necessary onsite and offsite infrastructure to support the proposed project. No substantial changes or effects on public facilities are expected with project implementation.

As such, the project is not anticipated to result in significant adverse secondary impacts. The proposed infrastructure improvements are not anticipated to significantly adversely impact public facilities or services.

#### 7. Involve a substantial degradation of environmental quality.

No substantial degradation of environmental quality resulting from the action is anticipated. Best Management Practices (BMPs) and appropriate erosion control measures will be utilized during the construction period. Drainage system improvements will be constructed in accordance with applicable regulatory design standards to ensure that surface runoff will not have an adverse effect on adjacent or downstream properties. Any potential short-term impacts to air and noise quality during the construction phase of the project will be mitigated through employing BMPs. In the long term, the project will not adversely impact air quality and ambient noise.

As previously discussed in Chapter II of this EA document, significant adverse impacts to natural resources, cultural resources, and the natural environment are not anticipated.

### 8. <u>Be individually limited but cumulatively has substantial adverse effect upon the environment or involves a commitment for larger actions.</u>

The proposed Hōkūao 201H Housing Project and related improvements are not anticipated to cumulatively have a significant negative impact on the physical environment and does not represent a commitment for larger action. See **Chapter II**, **Section E**.

## 9. <u>Have a substantial adverse effect on a rare, threatened, or endangered species, or its habitat.</u>

Rare, threatened or endangered species of flora, fauna, avifauna or their habitats are not expected to be adversely affected by the proposed project as none were identified in the biological resources survey conducted for the project. Refer to **Appendix "C"**.

#### 10. Have a substantial adverse effect on air or water quality or ambient noise levels.

Construction activities will result in short-term air quality and noise impacts. BMPs for dust control measures, such as temporary diversion channels and retention basin, regular watering and sprinkling, and erection of dust screens will be implemented to minimize construction-related air quality impacts, as warranted. Equipment mufflers or other noise attenuating equipment, as well as proper equipment and vehicle maintenance and other BMPs are anticipated to mitigate noise from construction activities. Erosion control measures implemented during construction will reduce the amount of silt and stormwater runoff flowing downstream. Refer to **Appendix "I"**.

Based on the discussion provided above, the proposed project is not anticipated to significantly detrimentally affect air or water quality or ambient noise levels.

## 11. Have a substantial adverse effect on or is likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.

The project site is situated inland and is not anticipated to have any adverse impact upon coastal waters or resources, beaches, estuaries, or other fresh water bodies.

According to the Federal Emergency Management Agency's Flood Insurance Rate Maps currently in effect, the project site falls within Zone X (unshaded), an area of minimal flooding. The project site is located outside of the tsunami inundation zone. In addition, the project site is located outside of the 3.2-foot projected sea level rise exposure area.

## 12. <u>Have a substantial adverse effect on scenic vistas and viewplanes, during day or night, identified in county or state plans or studies.</u>

The proposed project is low-profile, with a maximum building height of one story and is not located within a scenic view corridor. As such, the proposed project is not anticipated to adversely affect scenic view corridors.

#### 13. Require substantial energy consumption or emit substantial greenhouse gases.

The proposed action will involve the short-term commitment of fuel for equipment, vehicles, and machinery during construction activities. However, this use is not anticipated to result in a substantial consumption of energy resources or substantial emission of greenhouse gases. In the long term, the project will create an additional demand for electricity. However, Pūlama Lāna'i is also evaluating the option to install photovoltaic and battery solutions for each residential unit that will be designed to provide most of the energy demand for each residential unit. This will significantly reduce the nonrenewable fuel resources for the project (e.g., oil for HECO's power plant), therefore decreasing the total carbon footprint for the project and overall greenhouse gas emissions.

Based on the aforementioned findings, the Department of Housing and Human Concerns has determined that the proposed project will result in Finding of No Significant Impact (FONSI).

# LIST OF PERMITS AND APPROVALS

#### VII. LIST OF PERMITS AND APPROVALS

The following permits and approvals will be required prior to the implementation of the project:

#### State of Hawai'i

- 1. Chapter 343 Hawai'i Revised Statutes, Environmental Assessment
- 2. National Pollutant Discharge Elimination System (NPDES), as applicable
- 3. Community Noise Permit, as applicable
- 4. Hawai'i Revised Statutes, Section 201H-38 State Land Use District Boundary Amendment Approval (Land Use Commission)

#### **County of Maui**

- 1. Hawai'i Revised Statutes, Section 201H-38 Affordable Housing Approval
- 2. Construction Permits (Grading, Building, Electrical, and Plumbing)
- 3. Subdivision process

PARTIES CONSULTED
DURING THE
PREPARATION OF THE
DRAFT ENVIRONMENTAL
ASSESSMENT; LETTERS
RECEIVED AND
RESPONSES TO
SUBSTANTIVE
COMMENTS



## VIII. PARTIES CONSULTED DURING THE PREPARATION OF THE DRAFT ENVIRONMENTAL ASSESSMENT; LETTERS RECEIVED AND RESPONSES TO SUBSTANTIVE COMMENTS

The following agencies were consulted during the early consultation in preparation of the Draft Environmental Assessment (EA). Agency comments and responses to substantive comments are included herein.

#### Federal Agencies

 U. S. Fish and Wildlife Service 300 Ala Moana Blvd., Rm. 3-122 Honolulu, HI 96850

#### **State Agencies**

- State of Hawai'i
   Department of Health
   Office of Environmental Quality Control
   235 S. Beretania Street, Suite 702
   Honolulu, HI 96813
- State of Hawai'i
   Department of Transportation

   869 Punchbowl Street
   Honolulu, HI 96813
- State of Hawaii
   Office of Hawaiian Affairs
   560 N. Nimitz Highway, Suite 200
   Honolulu, HI 96817
- State of Hawai'i
   Department of Health
   Environmental Health Administration
   P.O. Box 3378
   Honolulu, HI 96801
- State of Hawai'i
   Department of Business, Economic Development & Tourism
   Office of Planning
   235 S. Beretania Street, 6th Floor Honolulu, HI 96813
- State of Hawai'i
   Department of Land and Natural Resources
   P. O. Box 621
   Honolulu, HI 96809

- Legislative Reference Bureau Library State Land Use Commission P.O. Box 2359 Honolulu, HI 96804
- State Library Office
   415 S. Beretania Street, Room 005 Honolulu, HI 96813

#### **Maui County Agencies**

- County of Maui Department of Environmental Management 2050 Main Street, Suite 2B Wailuku, HI 96793
- County of Maui
   Department of Fire and Public Safety
   200 Dairy Road
   Kahului, HI 96732
- County of Maui Department of Housing and Human Concerns
   Main Street, Suite 546
   Wailuku, HI 96793
- County of Maui Department of Parks and Recreation 700 Halia Nakoa Street, Unit 2F Wailuku, HI 96793
- County of Maui Maui Police Department
   Mahalani Street Wailuku, HI 96793

- 15. County of Maui Department of Planning 2200 Main Street, Suite 315 Wailuku, HI 96793
- County of Maui Department of Public Works 200 South High Street Wailuku, HI 96793
- 17. County of Maui Department of Transportation David Trask Building, Suite 102 2145 Kaohu Street Wailuku, HI 96793
- County of Maui Department of Water Supply 200 South High Street, 5th Floor Wailuku, HI 96793



ALAN M. ARAKAWA

WILLIAM R. SPENCE Director

> JAN SHISHIDO Deputy Director

200 SOUTH HIGH STREET • WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX 270-7165 • EMAIL director.hhc@mauicounty.gov

December 28, 2018

Mr. Peter T. Young President Ho'okuleana LLC 1539 Kanapun'u Drive Kailua, Hawaii 96734

Dear Mr. Young:

SUBJECT: PRE-ASSESSMENT CONSULTATION AND SCOPING FOR DRAFT ENVIRONMENTAL ASSESSMENT FOR THE PROPOSED HOKU-AO 201H HOUSING PROJECT AT TMK: (2) 4-9-002:061 POR., TMK: (2) 4-9-014:001 POR., TMK: (2) 4-9-014:009 POR., AND 4-9-014:011 POR. LANAI CITY, LANAI, HAWAII

The Department has reviewed the proposed Draft Environmental Request for the above subject project. Based on our review, we have determined that the project is subject to Chapter 2.96, Maui County Code, and must comply with all applicable regulations.

Please contact Mr. Buddy Almeida, Housing Administrator, at (808) 270-7355 if you have any questions

WILLIAM R. SPENCE

Director of Housing and Human Concerns

Buddy Almeida, Housing Administrator

TO SUPPORT AND EMPOWER OUR COMMUNITY TO REACH ITS FULLEST POTENTIAL FOR PERSONAL WELL-BEING AND SELF-RELIANCE

#### Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734 (808) 226-3567 (Cell Phone) PeterYoung@Hookuleana.com

www.Hookuleana.com

April 15, 2019

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Department of Housing and Human Concerns County of Maui 200 South High Street Wailuku, Hawaii 06793

Sent only via e-mail to director.hhc@mauicounty.gov

Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above reference project.

We acknowledge your comment that the project is determined to be subject to Chapter 2.96, Maui County

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

HO'OKULEANA LLC

Peter T Young

President

Do well by doing good.

19315

DAVID Y, IGE





#### STATE OF HAWAII

DEPARTMENT OF LAND AND NATURAL RESOURCES DIVISION OF FORESTRY AND WILDLIFE 1151 PUNCHBOWL STREET, ROOM 325 HONOLULU, HAWAII 96813

JAN 2 9 2019

SUZANNE D. CASE
CILAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMEN

ROBERT K. MASUDA

JEFFREY T. PEARSON, P.E.

AGUATIC RESOURCES
BOATISMO AND CREAM RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
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Peter T. Young 1539 Kanapu'u Drive Kailua, HI 96734

Dear Mr. Young:

The Department of Land and Natural Resources Division of Forestry and Wildlife (DOFAW) has received your inquiry regarding the Draft Environmental Assessment for the proposed Hōkū-ao 201H Housing Project in Lāṇa'i City, Lāṇa'i, TMKs: (2) 4-9-002:061 por., (2) 4-9-014:001 por., (2) 4-9-014:009 por., and (2) 4-9-014:011 por. The proposed project would include construction of 200 single-family homes, a one-acre park, a 1,500 square foot community center, comfort stations, and 100 parking stalls over approximately 50 acres of flat and gently sloping open scrub lands.

The State and Federal listed Hawaiian Hoary Bat (*Lasiurus cinereus semotus*) has the potential to occur in the vicinity of the project area and may roost in trees. To avoid the potential for impacts to this tree-roosting species, site clearing should be timed to avoid disturbance during the bat birthing and pup rearing season (June 1 through September 15). If this cannot be avoided woody plants greater than 15 feet (4.6 meters) tall should not be disturbed, removed, or trimmed without consulting DOFAW. Barbed wire should be avoided for any construction because bat mortalities have been documented as a result of becoming ensnared by barbed wire during flight.

We note that artificial lighting can adversely impact seabirds that may pass through the area at night causing disorientation that could result in collision with mammade artifacts or grounding of birds. For nighttime lighting that might be required at the facility, DOFAW recommends that any lights be fully shielded to minimize impacts. Nighttime work that requires outdoor lighting should be avoided during the seabird fledging season from September 15 through December 15. This is the period when young seabirds take their maiden voyage to the open sea.

The State and Federal listed Blackburn's Sphinx Moth (BSM; Manduca blackburni) has a historic range that encompasses the project area. Larvae of BSM feed on many nonnative hostplants that include tree tobacco (Nicotiana glauca) which grows in disturbed soil. We recommend contacting our Maui DOFAW office at (808) 984-8100 for further information about where BSM may be present and whether a vegetation survey should be conducted to determine the presence of plants preferred by BSM.

DOFAW recommends surveying for rare and endangered plants that historically occur in the area. If any of these species are found, please notify our Maui DOFAW office at (808) 984-8100.

We recommend using native plant species for landscaping that are appropriate for the area (i.e. climate conditions are suitable for the plants to thrive, historically occurred there, etc.). Please do not plant invasive species. DOFAW recommends consulting the Hawai'i-Pacific Weed Risk Assessment website to determine the potential invasiveness of plants proposed for use in the project (https://sites.google.com/site/weedriskassessment/home).

You should avoid moving soil or other plant material within the island due to the potential presence of pathogens. We recommend consulting the Hawai'i Interagency Biosecurity Plan at <a href="http://dlnr.hawaii.gov/hisc/plans/hibp/">http://dlnr.hawaii.gov/hisc/plans/hibp/</a> in planning, design, and construction of the project.

DOFAW is concerned about attracting vulnerable birds to areas that may host non-native predators such as cats, rodents, and mongoose. Additionally, the construction of a community park and an associated increase in park users may generate more trash. We recommend taking action to minimize predator presence; remove cats, place bait stations for rodents and mongoose, and provide covered trash receptacles.

We appreciate your efforts to work with our office for the conservation of our native species. Should the scope of the project change significantly, or should it become apparent that threatened or endangered species may be impacted, please contact our staff as soon as possible. If you have any questions, please contact Jim Cogswell, Wildlife Program Manager at (808) 587-4187 or James.M.Cogswell@hawaii.gov.

SIII CONCE

DAVID G. SMITH Administrator

#### Ho'okuleana LLC

... to take responsibility ...

Peter T. Young
1539 Kanapu'u Drive
Kailua, Hawai'i 96734
(808) 226-3567 (Cell Phone)
Peter Young@ Hookuleana.com
www. Hookuleana.com

April 15, 2019

Department of Land and Natural Resources Division of Forestry and Wildlife 1151 Punchbowl Street, Room 325 Honolulu, Hawaii 96813

Sent only via e-mail to <u>James.M.Cogswell@hawaii.gov</u>

Hökūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above reference project.

We acknowledge your comments that the Hawaiian Hoary Bat has the potential to occur in the vicinity of the project area and may roost in trees, your concern for artificial lighting, Blackburn's Sphinx Moth range and your recommendation to survey for rare and endangered plants that historically occur in the area.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks, HO'OKULEANA LLC

Peter T Young President

Do well by doing good.

DAVID Y. IGE





SUZANNE D. CASE
CHAIRFERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES LAND DIVISION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

December 14, 2018

Ho'okuleana LLC Attention: Mr. Peter Young 1539 Kanapu'u Drive Kailua, Hawaii 96734

,,,,

via email: PeterYoung@Hookuleana.com

Dear Mr. Young:

SUBJECT:

Pre-Assessment Consultation and Scoping for Draft Environmental Assessment for the Proposed **Hoku-ao 201H Housing Project** located on the Island of Lanai; TMK: (2) 4-9-002:061 and (2) 4-9-014:001, 009, and 011 on behalf of Lanai Resorts, LLC

Thank you for the opportunity to review and comment on the subject matter. The Land Division of the Department of Land and Natural Resources (DLNR) distributed or made available a copy of your request pertaining to the subject matter to DLNR's Divisions for their review and comments.

At this time, enclosed are comments from the (a) Engineering Division, (b) Commission on Water Resource Management, (c) Office of Conservation & Coastal Lands, and (d) Land Division – Maui District on the subject matter. Should you have any questions, please feel free to call Darlene Nakamura at (808) 587-0417. Thank you.

Sincerely,

Russell Y. Tsuji Land Administrator

Enclosures cc: Central Files

#### DEPARTMENT OF LAND AND NATURAL RESOURCES ENGINEERING DIVISION

LD/Russell Y. Tsuji

Ref: Pre-Assessment Consultation and Scoping for Draft Environmental Assessment for the Proposed Hoku-ao 201H Housing Project, Island of Lanai; TMK: (2) 4-9-002:061 and (2) 4-9-014:001, 009, and 011

#### COMMENTS

The rules and regulations of the National Flood Insurance Program (NFIP), Title 44 of the Code of Federal Regulations (44CFR), are in effect when development falls within a Special Flood Hazard Area (high risk areas). State projects are required to comply with 44CFR regulations as stipulated in Section 60.12. Be advised that 44CFR reflects the minimum standards as set forth by the NFIP. Local community flood ordinances may stipulate higher standards that can be more restrictive and would take precedence over the minimum NFIP standards.

The owner of the project property and/or their representative is responsible to research the Flood Hazard Zone designation for the project. Flood Hazard Zones are designated on FEMA's Flood Insurance Rate Maps (FIRM), which can be viewed on our Flood Hazard Assessment Tool (FHAT) (http://gis.hawaiinfip.org/FHAT).

If there are questions regarding the local flood ordinances, please contact the applicable County NFIP coordinating agency below:

- Oahu: City and County of Honolulu, Department of Planning and Permitting (808) 768-8098.
- o Hawaii Island: County of Hawaii, Department of Public Works (808) 961-8327.
- o Maui/Molokai/Lanai County of Maui, Department of Planning (808) 270-7253.
- o Kauai: County of Kauai, Department of Public Works (808) 241-4846.

Signed:

ARTYS CHANG CHIEF ENGINEE

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Ho'okuleana LLC

Peter T. Young 1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone) PeterYoung@Hookuleana.com

April 15, 2019

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www.Hookuleana.com

Hawaii Department of Land and Natural Resources Engineering Division

P. O. BOX 621

Honolulu, HI 96809

Sent only via e-mail to carty.s.chang@hawaii.gov

e: Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments concerning the National Flood Insurance Program. Issues related to flood zones will be incorporated in to the EA.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks,

HO'OKULEANA LLC

Peter T Young President

Do well by doing good.

DAVID Y. IGE GOVERNOR OF HAWAS



SUZANNE D. CASE

Mr. Russell Tsuji

BRUCE S. ANDERSON, PH.D. WILLIAM D. BALFOUR, JR. KAMANA BEAMER, PH.D. MICHAEL G. BUCK NEIL J. HANNAHS PAUL J. MEYER

JEFFREY T. PEARSON, P.E.

## STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT P.O. BOX 821 HONOLULU, HAWAII 98809

December 3 2018

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		REF: RFD.498	85.
T	O:	Mr. Russell Tsuji, Administrator Land Division	
F	ROM:	Jeffrey T. Pearson, P.E., Deputy Director PMT. Commission on Water Resource Management	
S	UBJECT	Pre-Assessment Consultation and Scoping for Draft Environmental Assessment for the Propose Hoku-ao 201H Housing Project	d
	ILE NO.: MK NO.:	RFD.4985.5 (2) 4-9-002:061 and (2) 4-9-014:001, 009, and 011	
le cx V	lanagem vaters of egally pro onservat Vater Coo	hank you for the opportunity to review the subject document. The Commission on Water Resource ent (CWRM) is the agency responsible for administering the State Water Code (Code). Under the Code he State are held in trust for the benefit of the citizens of the State, therefore all water use is subject to tected water rights. CWRM strongly promotes the efficient use of Hawaii's water resources through on measures and appropriate resource management. For more information, please refer to the State le, Chapter 174C, Hawaii Revised Statutes, and Hawaii Administrative Rules, Chapters 13-167 to 13-17 uments are available via the Internet at <a href="http://dlnr.hawaii.gov/cwrm">http://dlnr.hawaii.gov/cwrm</a> .	
0	ur comm	ents related to water resources are checked off below.	
	1.	We recommend coordination with the county to incorporate this project into the county's Water Use an Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.	d
	2.	We recommend coordination with the Engineering Division of the State Department of Land and Natural Resources to incorporate this project into the State Water Projects Plan.	al
	3.	We recommend coordination with the Hawaii Department of Agriculture (HDOA) to incorporate the reclassification of agricultural zoned land and the redistribution of agricultural resources into the State's Agricultural Water Use and Development Plan (AWUDP). Please contact the HDOA for more information.	s
	4.	We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at http://www.usgbc.org/leed. A listing of fixtures certified by the EAP as having high water efficiency can found at http://www.epa.gov/watersense.	ı be
	5.	We recommend the use of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMPs may earn credit toward LEED certification. More information on stormwater BMPs can be found at http://planning.hawaii.gov/czm/initiatives/low-impact-development/	
	6.	We recommend the use of alternative water sources, wherever practicable.	
	7.	We recommend participating in the Hawaii Green Business Program, that assists and recognizes businesses that strive to operate in an environmentally and socially responsible manner. The program description can be found online at http://energy.hawaii.gov/green-business-program.	
	8.	We recommend adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii. These practices can be found online at	he

Page		3, 2018	
		http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH_Irrigation_Conservation_BMPs.pdf.	
	9.	There may be the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.	
	10	The proposed water supply source for the project is located in a designated water management area, and a Water Use Permit is required prior to use of water. The Water Use Permit may be conditioned on the requirement to use dual line water supply systems for new industrial and commercial developments.	
	11	A Well Construction Permit(s) is (are) are required before the commencement of any well construction work.	
	12	A Pump Installation Permit(s) is (are) required before ground water is developed as a source of supply for the project.	
	13	There is (are) well(s) located on or adjacent to this project. If wells are not planned to be used and will be affected by any new construction, they must be properly abandoned and sealed. A permit for well abandonment must be obtained.	
	14	Ground-water withdrawals from this project may affect streamflows, which may require an instream flow standard amendment.	
	15	A Stream Channel Alteration Permit(s) is (are) required before any alteration can be made to the bed and/or banks of a steam channel.	
	16 A Stream Diversion Works Permit(s) is (are) required before any stream diversion works is constructe altered.		
	17	A Petition to Amend the Interim Instream Flow Standard is required for any new or expanded diversion(s) of surface water.	
	18	The planned source of water for this project has not been identified in this report. Therefore, we cannot determine what permits or petitions are required from our office, or whether there are potential impacts to water resources.	
X	OTH	IER: The Draft Environmental Assessment should discuss the projectd water demands for the project, both potable and non-potable, and provide the calculations used to estimate demands. The Draft Environmental Assessment should identify the proposed water source(s) to support the project, and include a discussion of the potential impacts on water resources and other public trust uses of water, and describe any proposed mitigation measures. Water conservation and efficiency measures to be implemented should be discussed. The consistency of this project with the Lanai Water Use and Development Plan (2011) should also be discussed.	

If you have any questions, please contact Lenore Ohye of the Commission staff at 587-0216.

#### Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

Peter Young@ Hookuleana.com

www.Hookuleana.com

April 15, 2019

Hawaii Department of Land and Natural Resources Commission on Water Resource Management P. O. BOX 621 Honolulu, HI 96809

Sent only via e-mail to Lenore.N.Ohye@hawaii.gov

Re: Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments concerning the projected water demands for the project. These will be incorporated into the EA.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks, HO'OKULEANA LLC

Peter T Youn President

Do well by doing good.



Doc Reviews (5) RFD.4981.8
Pacific Spaceport; RFD.4983.3
Ala Wai Canal Bridge
Alternatives Analysis;
RFD.4984.5 Pulama Lanai Miki
Basin 200-Acre Industrial Area;
RFD.4211.8 Six-Lot Residential
Agricultural Subdivision;
RFD.4985.5 Hoku-ao 201H
Housing Proj

Adobe Sign Document History

12/03/2018

Created: 12/03/2018

By: Kathy Yoda (kathy.s.yoda@hawaii.gov)

Status: Signe

Transaction ID: CBJCHBCAABAAwX4bNg3niLiGD4my2xLdYY6POjjpDd7d

"Doc Reviews (5) RFD.4981.8 Pacific Spaceport; RFD.4983.3 Al a Wai Canal Bridge Alternatives Analysis; RFD.4984.5 Pulama L anai Miki Basin 200-Acre Industrial Area; RFD.4211.8 Six-Lot R esidential Agricultural Subdivision; RFD.4985.5 Hoku-ao 201H H ousing Proj" History

- Document created by Kathy Yoda (kathy.s.yoda@hawaii.gov) 12/03/2018 - 10:29:31 AM HST- IP address: 132.160.239.30
- Document emailed to Jeffrey Pearson (jeff.pearson@hawaii.gov) for signature 12/03/2018 10:39:30 AM HST
- Document viewed by Jeffrey Pearson (jeff.pearson@hawaii.gov) 12/03/2018 - 8:23:12 PM HST- IP address: 174.239.9.207



DAVID Y. IGE





#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES LAND DIVISION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

November 23, 2018

#### MEMORANDUM

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TO:	DLNR Agencies:	. 2	2018	200
	Div. of Aquatic Resources	500		和报
	Div. of Boating & Ocean Recreation	100	VOV	Committee of
	X Engineering Division	gp #	2	500
	X Div. of Forestry & Wildlife	The	w	ZHZ
y.	Div. of State Parks	at 255	D	- mr
	X Commission on Water Resource Management	±6.00	=	2000
	X Office of Conservation & Coastal Lands	Gi.		50
	X Land Division – Maui District		S	2
	X Historic Preservation			
	162			

FROM: SUBJECT: Russell Y. Tsuji, Land Administrator

Pre-Assessment Consultation and Scoping for Draft Environmental Assessment for the Proposed Hoku-ao 201H Housing Project

LOCATION: APPLICANT: Island of Lanai; TMK: (2) 4-9-002:061 and (2) 4-9-014:001, 009, and 011

Ho'okuleana LLC on behalf of Lanai Resorts, LLC

Transmitted for your review and comment is information on the above-referenced subject matter. We would appreciate your comments by December 13, 2018.

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417. Thank you.

Attachments

We have no comments. Comments are attached Print Name:

We have no objections.

Central Files

DAVID Y. IGE



TO



SUZANNE D. CASE CHÄRRERSOR

BOARD OF LAND AND NATURAL RESOURCES

COMMISSION ON WATER RESOURCE

MANAGEMENT

#### STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES LAND DIVISION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

November 23, 2018

/IORA	

MEMORANDOM	2	77
DLNR Agencies:	e0 Z	PAR
Div. of Aquatic Resources	2	〇二四
Div. of Boating & Ocean Recreation	12	DOM
X Engineering Division	0	FOZ
X Div. of Forestry & Wildlife	곶	50-11
Div. of State Parks	13	00
X Commission on Water Resource Management	-	ZH
X Office of Conservation & Coastal Lands	50	
X Land Division – Maui District		
X Historic Preservation		

FROM: Russell Y. Tsuji, Land Administrator SUBJECT:

Pre-Assessment Consultation and Scoping for Draft Environmental Assessment for the Proposed Hoku-ao 201H Housing Project

Island of Lanai; TMK: (2) 4-9-002:061 and (2) 4-9-014:001, 009, and 011 APPLICANT: Ho'okuleana LLC on behalf of Lanai Resorts, LLC

Transmitted for your review and comment is information on the above-referenced subject matter. We would appreciate your comments by December 13, 2018.

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417. Thank you.

Attachments

LOCATION:

() We ha	ve no comments.
	ents are attached.
Signed:	DOM
Print Name:	Danie Ornellos
Date:	11/28/18

( ) We have no objections

Central Files

Sh 12/18

DAVID Y. IGE



BRUCE S. ANDERSON, Ph.D.

STATE OF HAWAII DEPARTMENT OF HEALTH P. O. BOX 3378 HONOLULU, HI 96801-3378

In reply, please refer to: File: 2018-353 IV

November 20, 2018

Sent Via e-mail

Peter T. Young 1539 Kanapu'u Drive Kailua, Hawai'i, 96734

Subject:

Comments Regarding Hökū-ao 201H Housing Project

Dear Mr. Young:

The Hawaii Department of Health (HDOH), Hazard Evaluation and Emergency Response (HEER) Office provides the following comments regarding the planned Hōkū-ao 201H Housing Project.

- The HEER Office has two open environmental investigations in the project area under the following site names:
  - a. Former Emulsion Plant- Fraser Development Site
  - b. Lanai City Expansion 200 Housing Units

Site Assessment is currently ongoing, and remediation and site close-out activities are pending. 1,2- Dichloropropane (DCP), pesticide, and dioxin contamination associated with the Former Emulsion Plant operations have been detected in the eastern/south-eastern portion of the "Open Space" area (depicted on the Conceptual Lot Plan) west of 12<sup>th</sup> Street. This area should not be included in any residential development or used for other sensitive use such as a daycare center, playground, school, hospital etc.

PCB and petroleum contamination are suspected to be encountered on the western side of the Open Space area because this was the location of a former power plant. Between the former power plant and the Former Pesticide Emulsion plant is a suspected dumping area.

The area outlined in blue in the Conceptual Lot Plan is currently being investigated by this office under the site name Lanai City Expansion 200 Housing Units. The area is in the Site Assessment stage and results are pending, but pesticide and other contamination (e.g., metals such as arsenic) are suspected in the area due to previous historical use for pineapple and other commercial operations. Should the results show concentrations of contaminants of concern exceeding unrestricted (residential) Environmental Action Levels (EALs), further assessment of subsurface soil and remediation to unrestricted EALs may need to be conducted.

Mr. Young November 20, 2018 Page 2 of 2

For further detailed information on the type of contamination residing or potentially residing at the property, please submit a request for the full records for these two sites.

Unless all contamination is removed prior to construction, an Environmental Hazard Management Plan (EHMP) will be required for the site(s). The EHMP must be followed during construction to avoid exposure of construction workers and nearby populations to contaminants, and to properly manage the contaminated soil. A Post-Construction update of the EHMP may also be necessary. Adherence to the EHMP and proper disposal of waste according to HDOH Solid and Hazardous Waste Branch (SHWB) rules will be required for any redevelopment of the site. Any potential soil movement and encountered solid waste in this area should be reported to the HDOH HEER Office and SHWB.

- 2) If this project will require Federal funding through the U.S. Department of Housing and Urban Development (HUD), then please be aware that HUD's regulations under the National Environmental Policy Act (NEPA) require that "all property proposed for use in HUD programs be free of hazardous materials, contamination, toxic chemicals and gasses, and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property." [24 CFR 50.3(i) and 24 CFR 58.5(i)(2)]. Please contact HUD directly concerning any restrictions they may have for this project.
- Please contact the HEER Office at least 90 days prior to the start of construction to review the required environmental plans and documents.

If you have any questions regarding these comments, feel free to contact me at 808-586-4653 or iris.vanderzander@doh.hawaii.gov.

Sincerely

Iris van der Zander, Ph.D. Remedial Project Manager

Hazard Evaluation and Emergency Response Office

Hawaii Department of Health

#### Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive Kailua, Hawai'i 96734 f

(808) 226-3567 (Cell Phone) PeterYoung@Hookuleana.com www.Hookuleana.com

April 15, 2019

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Hawaii Department of Health (HDOH) Hazard Evaluation and Emergency Response (HEER) Office P. O. BOX 3378 Honolulu, HI 96801-3378

Sent only via e-mail to <a href="mailto:iris.vanderzander@doh.hawaii.gov">iris.vanderzander@doh.hawaii.gov</a>

Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments that the HEER Office has two open environmental investigations at the Former Emulsion Plan and the subject project (formerly referred to as Lanai City Expansion 200 Housing Units). No federal funds are anticipated.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks, HO'OKULEANA LLC

President

Do well by doing good.

DAVID Y. IGE



BRUCE S. ANDERSON, Ph.D.

STATE OF HAWAII DEPARTMENT OF HEALTH SAFE DRINKING WATER BRANCH

ULUAKUPU BLDG. 4 2385 WAIMANO HOME ROAD, SUITE 110 PEARL CITY, HAWAII 96782-1400

December 11, 2018

Mr. Peter T. Young 1539 Kanapuu Drive Kailua, Hawaii 96734

[via PeterYoung@Hookuleana.com only]

Dear Mr. Young:

SUBJECT: Pre-Assessment consultation and Scoping for Draft Environmental

Hoku'ao 201H Housing Project - 200-Housing Units (51% Affordable)

TMK: Portions of (2) 4-9-002:061, 4-9-014:001, 009, and 011 Lanai City, Lanai, Hawaii

The Department of Health (DOH), Safe Drinking Water Branch (SDWB) has reviewed the subject document received via email from Dr. Bruce S. Anderson, Director of Health (Director) on November 14, 2018, and has the following comments:

- It is unclear what the drinking water source will be for the proposed development. Will it be connected to the existing Public Water System (PWS) 237 Lanai City System or will a new source be proposed? Please provide more information on this so the SDWB may review and comment.
- Depending on the drinking water source, this project may qualify as a new public water system. Federal and state regulations define a public water system as a system that serves 25 or more individuals at least 60 days per year or has at least 15 service connections. All public water system owners and operators are required to comply with Hawaii Administrative Rules (HAR), Chapter 11-20, "Rules Relating to Public Water Systems."
- All new public water systems are required to demonstrate and meet minimum capacity requirements prior to their establishment. This requirement involves demonstration that the system will have satisfactory technical, managerial and financial capacity to enable the system to comply with safe drinking water standards and requirements in accordance with HAR Section 11-20-29.5. "Capacity demonstration and evaluation."

Mr. Peter T. Young December 11, 2018 Page 2

- 4. Projects that propose development of new sources of drinking water serving or proposed to serve a public water system must comply with the terms of HAR Section 11-20-29, "Use of new sources of raw water for public water systems." This section requires that all new public water system sources be approved by the Director prior to its use. Such approval is based primarily upon the submission of a satisfactory engineering report which addresses the requirements set in HAR Section 11-20-29.
- 5. The engineering report must identify all potential sources of contamination and evaluate alternative control measures which could be implemented to reduce or eliminate the potential for contamination, including treatment of the water source. In addition, water quality analyses for all regulated contaminants, performed by a laboratory certified by the State Laboratories Division of the State of Hawaii, must be submitted as part of the report to demonstrate compliance with all drinking water standards. Additional parameters may be required by the Director for this submittal or additional tests required upon his or her review of the information submitted.
- 6. All sources of public water systems must undergo a source water assessment which will delineate a source water protection area. This process is preliminary to the creation of a source water protection plan for that source and activities which will take place to protect the source of drinking water.
- 7. Projects proposing to develop new public water systems or proposing substantial modifications to existing public water systems must receive approval by the Director prior to construction of the proposed system or modification in accordance with HAR Section 11-20-30, "New and modified public water systems." These projects include treatment, storage and distribution systems of public water systems. The approval authority for projects owned and operated by a County Board or Department of Water or Water Supply has been delegated to them.
- All public water systems must be operated by certified distribution system and water treatment plant operators as defined by HAR Chapter 11-25, "Rules Relating to Certification of Public Water System Operators."
- 9. All projects which propose the use of dual water systems or the use of a non-potable water system in proximity to an existing drinking water system to meet irrigation or other needs must be carefully designed and operated to prevent the cross-connection of these systems and prevent the possibility of backflow of water from the non-potable system to the drinking water system.

Mr. Peter T. Young December 11, 2018 Page 3

The two (2) systems must be clearly labeled and physically separated by air gaps or reduced pressure principle backflow prevention devices to avoid contaminating the drinking water supply. In addition, backflow devices must be tested periodically to assure their proper operation. Further, all non-potable spigots and irrigated areas should be clearly labeled with warning signs to prevent the inadvertent consumption on non-potable water. Compliance with HAR Chapter 11-21, "Cross-Connection and Backflow Control" is also required.

- 10. All projects which propose the establishment of a potentially contaminating activity (as identified in the Hawai'i Source Water Assessment Plan) within the source water protection area of an existing source of water for a public water supply should address this potential and activities that will be implemented to prevent or reduce the potential for contamination of the drinking water source.
- For further information concerning the application of capacity, new source approval, operator certification, source water assessment, backflow/crossconnection prevention or other public water system programs, please contact the SDWB at 586-4258.

The SDWB Underground Injection Control (UIC) Program has the following comments:

- 12. The project is located mauka of the UIC line. Areas mauka of the UIC line are considered to overlie underground sources of drinking water. Therefore, no new subclass A injection wells, such as sewage injection wells that receive greater than 1000 gallons per day, will be allowed to be constructed.
- 13. If your project involves the construction of a drainage injection well (subclass C injection well), you must first obtain the DOH written approval to construct the drainage injection well before any construction commences. HAR Chapter 11-23, UIC's primary purpose is to protect underground sources of drinking water from injection well contamination. Written approval is obtained by filing an application for a UIC permit. You may submit your permit application via electronic filing through the DOH website at <a href="http://eha-cloud.hawaii.gov/epermit">http://eha-cloud.hawaii.gov/epermit</a> or submit a hard copy permit application to this address: Safe Drinking Water Branch, Uluakupu Bldg. 4, 2385 Waimano Home Road, Suite 110, Pearl City, Hawaii 96782-1400.
- 14. New drainage injection well construction must be sited beyond one-quarter mile of a drinking water well. If you intend to construct a drinking water well, be careful to site all drainage injection wells at least one-quarter mile away from the drinking water source well.

Mr. Peter T. Young December 11, 2018 Page 4

 If you have any questions regarding the UIC rules or the UIC permitting process, please contact the SDWB UIC Program at (808) 586-4258. Additional UIC Program information can be found at <a href="http://health.hawaii.gov/sdwb/underground-injection-control-program/">http://health.hawaii.gov/sdwb/underground-injection-control-program/</a>.

If there are any questions, please call Ms. Joan S. Corrigan of the SDWB Engineering Section at 586-4258.

Sincerely,

Grand X seto

JOANNA L. SETO, P.E., CHIEF Safe Drinking Water Branch

JC:cw

c: Mr. Keith Kawaoka [via keith.kawaoka@doh.hawaii.gov only]

#### Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734 (808) 226-3567 (Cell Phone) PeterYoung@Hookuleana.com

April 15, 2019

www.Hookuleana.com

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Hawaii Department of Health (HDOH) Safe Drinking Water Branch Uluakupu Bldg. 4 2385 Waimano Home Road, Suite 110 Pearl City, Hawaii 96782-1400

Sent only via e-mail to <a href="mailto:Joan.Corrigan@DOH.Hawaii.Gov">Joan.Corrigan@DOH.Hawaii.Gov</a>

Re: Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments addressing safe drinking water issues. Of note, in response, the project will be connecting to PWS 237. PWS 237 will be seeking approval of a new source water well. Pūlama Lāna'i will complete a source water assessment, as well as address issues you raised in the letter. Likewise, the project will be connecting with the nearby wastewater facility.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks, HO'OKULEANA LLC

Peter T Young President

Do well by doing good.

DAVID Y. IGE



BRUCE S. ANDERSON, Ph.D.

STATE OF HAWAII DEPARTMENT OF HEALTH P. O. BOX 3378 HONOLULU, HI 96801-3378

in reply, please refer to:

LUD - 2 4 9 002 061 etc Hokuao 201H Housing Project PreAsmot-ID4419

December 24, 2018

Mr. Peter T. Young, President Ho'okuleana LLC 1539 Kanapu'u Drive Kailua, Oahu, Hawaii 96734

Email: PeterYoung@Hookuleana.com

Dear Mr. Young:

Subject:

Pre-Assessment Consultation and Scoping for Draft Environmental Assessment

Hoku'ao 201H Housing Project - 200 Housing Units (51% Affordable) TMK: Portions(2) 4-9-002: 061, 4-9-014: 001, 4-9-014: 009 and 4-9-014: 011

Lanai City, Lanai, Hawaii

Thank you for allowing us the opportunity to provide comments for the subject project. The project consists of 200 single family homes. Connection to a wastewater treatment plant will be required for the subject project. The construction of new wastewater treatment plants shall comply with applicable provisions of Hawaii Administrative Rules, Chapter 11-62, Wastewater Systems.

Please be informed that the proposed wastewater systems for the subdivision/development may have to include design considerations to address any effects associated with the construction of and/or discharges from the wastewater systems to any public trust, Native Hawaiian resources or the exercise of traditional cultural practices.

Should you have any questions, please call Mr. Mark Tomomitsu of my staff at 586-4294.

Sincerely,

SINA PRUDER, P.E., CHIEF Wastewater Branch

LM/MST:Imj

Mr. Roland Tejano, DOH-WWB's Maui Staff, via email

Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734 (808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com

April 15, 2019

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Hawaii Department of Health (HDOH) Wastewater Branch P. O. BOX 3378 Honolulu, HI 96801-3378

Sent only via e-mail to <a href="mailto:mark.tomomitsu@doh.hawaii.gov">mark.tomomitsu@doh.hawaii.gov</a>

Re: Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments that connection to a wastewater treatment plant will be required. It is intended that the project will connect with the nearby wastewater facility.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks,

HO'OKULEANA LLC

Peter T Young President

Do well by doing good.

### Standard Comments for Land Use Reviews Clean Air Branch Hawaii State Department of Health

If your proposed project:

#### Requires an Air Pollution Control Permit

You must obtain an air pollution control permit from the Clean Air Branch and comply with all applicable conditions and requirements. If you do not know if you need an air pollution control permit, please contact the Permitting Section of the Clean Air Branch.

#### Includes construction or demolition activities that involve asbestos

You must contact the Asbestos Abatement Office in the Indoor and Radiological Health Branch.

#### Has the potential to generate fugitive dust

You must control all fugitive dust. Note that construction activities that occur near to existing residences, business, public areas and major thoroughfares exacerbate potential dust problems. It is recommended that a dust control management plan be developed which identifies and addresses all activities that may generate fugitive dust. The plan, which does *not* require Department of Health approval, should help you recognize and minimize potential dust problems.

Construction activities must comply with the provisions of Hawaii Administrative Rules, §11-60.1-33 on Fugitive Dust. In addition, for cases involving mixed land use, we strongly recommend that buffer zones be established, wherever possible, in order to alleviate potential nuisance problems.

You should provide adequate measures to control dust from the road areas and during the various phases of construction. These measures include, but are not limited to, the following:

- Planning the different phases of construction, focusing on minimizing the amount of dust-generating materials and activities, centralizing on-site vehicular traffic routes, and locating potential dust-generating equipment in areas of the least impact;
- b) Providing an adequate water source at the site prior to start-up of construction activities;
- Landscaping and providing rapid covering of bare areas, including slopes, starting from the initial grading phase;
- d) Minimizing dust from shoulders and access roads;
- e) Providing adequate dust control measures during weekends, after hours, and prior to daily start-up of construction activities; and
- f) Controlling dust from debris being hauled away from the project site.

If you have questions about fugitive dust, please contact the Enforcement Section of the Clean Air Branch

	Indoor Radiological Health Branch (808) 586-4700
cab@doh.hawaii.gov	

#### Ho'okuleana LLC

... to take responsibility ...

Peter T. Young 1539 Kanapu'u Drive

Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)
PeterYoung@Hookuleana.com
www.Hookuleana.com

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Hawaii Department of Health (HDOH) Clean Air Branch April 15, 2019

Sent only via e-mail to cab@doh.hawaii.gov

Re: Hōkūao 201H Housing Project - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments addressing best management practices and other clean air matters. BMPs will be incorporated during construction.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks, HO'OKULEANA LLC

Peter T Young President

Do well by doing good.

#### Peter T Young

From: Peter T Young <peteryoung@hookuleana.com>

Tuesday, November 20, 2018 1:08 PM Sent:

'Kurt Wollenhaupt' To:

Cc: 'Ann Cua'; 'Clayton Yoshida'

RE: Lanai Hoku-ao 201 H Housing Project, Carbon Copy Sent Subject:

Thank you for your response. We will extend your scoping and pre-assessment consultation response into January.

In addition, in early-January, we would like to meet with you and others at the Planning Department to discuss this project.

May we schedule a time now for early-January? Do you have any preferred dates and times?

Thanks,

Peter.

Peter T. Young, President

Ho'okuleana LLC

1539 Kanapu'u Drive Kailua, Hawai'i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com www.Hookuleana.com

Do well by doing good.











Save paper, save money - you may not need to print this e-mail.

From: Kurt Wollenhaupt < Kurt. Wollenhaupt@co.maui.hi.us>

Sent: Saturday, November 17, 2018 1:23 PM

To: peterYoung@hookuleana.com

Cc: Ann Cua < Ann. Cua@co.maui.hi.us>; Clayton Yoshida < Clayton. Yoshida@co.maui.hi.us>

Subject: Re: Lanai Hoku-ao 201 H Housing Project, Carbon Copy Sent

Dear Peter

I see Ho'okuleana LLC is preparing the environmental documents for the 200 housing unit 201H project on Lanai and I am in receipt of your request for comment.

Thank you for requesting EA preparation comments on this large and complex project.

Divisions and due to my leave from the office for most of December, comments will be forthcoming most likely in early January.

As I need to coordinate with Long Range Planning, Plan Implementation Development and Zoning and Enforcement

I believe that having a meeting with you or one of your staff to acquaint the Department with this project would be useful and of course assist in our comment preparation. Of course the detailed comments will come in the EA review process; however, the coordination of such a large project with all Divisions of the Planning Department is very important.

Coordination of large issues at the outset is important and I need to become more familiar with the project than can be done in just a couple of pages from the request for comment so look forward to a meeting with your staff.

Thank you.

Kurt Wollenhaupt Planning Department County of Maui

PARTIES CONSULTED DURING
THE 30-DAY COMMENT
PERIOD FOR THE DRAFT
ENVIRONMENTAL
ASSESSMENT; LETTERS
RECEIVED; AND RESPONSES
TO SUBSTANTIVE COMMENTS



# IX. PARTIES CONSULTED DURING THE 30-DAY COMMENT PERIOD FOR THE DRAFT ENVIRONMENTAL ASSESSMENT; LETTERS RECEIVED; AND RESPONSES TO SUBSTANTIVE COMMENTS

The Draft EA was published in the Office of Environmental Quality Control's The Environmental Notice on December 23, 2020. The following agencies, organizations and individuals received a copy of the Draft EA for review and comment during the 30-day comment period. Comment letters received and responses to substantive comments are included in this Chapter.

#### Federal Agencies

 U. S. Fish and Wildlife Service 300 Ala Moana Blvd., Rm. 3-122 Honolulu, HI 96850

#### State Agencies

- State of Hawai'i
   Department of Health
   Office of Environmental Quality Control 235 S. Beretania Street, Suite 702
   Honolulu, HI 96813
- 3. State of Hawai'i
  Department of Transportation
  869 Punchbowl Street
  Honolulu, HI 96813
- State of Hawaiii
   Office of Hawaiian Affairs
   560 N. Nimitz Highway, Suite 200
   Honolulu, HI 96817
- State of Hawai'i
   Department of Health
   Environmental Health Administration
   P.O. Box 3378
   Honolulu, HI 96801
- State of Hawai'i
   Department of Business, Economic Development & Tourism
   Office of Planning
   235 S. Beretania Street, 6th Floor Honolulu, HI 96813

- 7. State of Hawai'i
  Department of Education
  P.O. Box 2360
  Honolulu, HI 96804
- State of Hawai'i
   Department of Agriculture
   1428 South King Street
   Honolulu, HI 96814-2512
- State of Hawai'i
   Department of Land and Natural Resources
   P. O. Box 621
   Honolulu, HI 96809
- State Land Use Commission P.O. Box 2359 Honolulu, HI 96804

#### Maui County Agencies

- County of Maui Department of Environmental Management 2050 Main Street, Suite 2B Wailuku, HI 96793
- County of Maui Department of Fire and Public Safety 200 Dairy Road Kahului, HI 96732
- County of Maui Department of Housing and Human Concerns 2200 Main Street, Suite 546 Wailuku, HI 96793

- 14. County of Maui Department of Parks and Recreation 700 Halia Nakoa Street, Unit 2F Wailuku, HI 96793
- County of Maui
   Maui Police Department
   Mahalani Street
   Wailuku, HI 96793
- County of Maui Department of Planning 2200 Main Street, Suite 315 Wailuku, HI 96793
- County of Maui Department of Public Works 200 South High Street Wailuku, HI 96793
- County of Maui Department of Transportation David Trask Building, Suite 102 2145 Kaohu Street Wailuku, HI 96793
- County of Maui Department of Water Supply 200 South High Street, 5th Floor Wailuku, HI 96793
- Maui County Council Honorable Riki Hokama
   South High Street Wailuku, HI 96793
- 21. Maui County Council Honorable Tasha Kama 200 South High Street Wailuku, HI 96793
- Maui County Council
   Honorable Alice Lee, Council Chair
   200 South High Street
   Wailuku, HI 96793
- 23. Maui County Council Honorable Gabe Johnson 200 South High Street Wailuku, HI 96793



## STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

January 20, 2021

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

IN REPLY REFER TO: DIR 1123 STP 8.3103

Ms. Lori Tsuhako Director Department of Housing and Human Concerns County of Maui 2200 Main Street, Suite 546 Wailuku, Hawaii 96793

Attention: Mr. Buddy Almeida, Housing Administrator

Dear Ms. Tsuhako:

Subject: Draft Environmental Assessment (EA)

Proposed Hokuao 201H Housing Project

Lanai City, Hawaii

Tax Map Key: (2) 4-9-002:061 (Por.); 4-9-014:001 (Por.) and 009 (Por.)

The State of Hawaii, Department of Transportation (HDOT) has reviewed the subject Draft EA and understands Pulama Lanai is proposing to develop a 150-unit single family residential development on approximately 76 acres of land in Lanai City, Lanai. The project is proposed to consist of 76 affordable homes for lease, and 74 market-rate homes for lease, a community center, park, and other improvements.

HDOT has the following comments:

#### Airports Division (HDOT-A)

1. The proposed housing project is located approximately 8,030 feet from the property boundary of Lanai Airport (LNY). All projects within 5 miles from Hawaii State airports are advised to read the Technical Assistance Memorandum (TAM) for guidance with development and activities that may require further review and permits. The TAM can be viewed at the following link:

http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOT-Airports\_08-01-2016.pdf

2. Prior to construction, Federal Aviation Administration (FAA) regulation requires the submittal of FAA Form 7460-1 Notice of Proposed Construction or alteration pursuant to the <u>Code of Federal Regulations</u>, <u>Title 14</u>, <u>Part 77.9</u>, if the construction or alteration is within 20,000 feet of a public use or military airport which exceeds a 100:1 surface from any point on the runway of each airport with its longest runway more than 3,200 feet.

Construction equipment and staging area heights, including heights of temporary construction cranes, shall be included in the submittal. The form and criteria for submittal can be found at the following website:

https://oeaaa.faa.gov/oeaaa/external/portal.jsp.

- 3. Due to the proximity to the airport, the developer and future residents should be aware of potential single event noise from aircraft operations. There is also a potential for fumes, smoke, vibrations, odors, etc., resulting from occasional aircraft flight operations over or near the project location.
- 4. The HDOT-A recommends that the landscaping plan take into consideration the maturity heights of trees and ensure they do not become obstructions to aircraft approach and departure operations at LNY or create a hazardous wildlife attractant. If the tree(s) become an obstruction or a hazardous wildlife attractant to aircraft operations, the landowner shall be prepared to immediately mitigate the obstruction or hazard upon notification by the HDOT-A and/or FAA.
- 5. The HDOT-A is concerned about the potential of wildlife attracted to the four proposed detention basins due to standing water and its close proximity to the wastewater treatment plant. We recommend that the developer incorporates appropriate measures to minimize hazardous wildlife attractants.

Stormwater detention ponds should be designed, engineered, constructed, and maintained for a maximum 48-hour detention period after the design storm and to remain completely dry between storms. Please review the <u>FAA Advisory Circular 150/5200-33C</u>, <u>Hazardous Wildlife Attractants On Or Near Airports</u> for guidance.

If the project results in a wildlife attractant, these effects shall be immediately mitigated by the developer upon notification by the HDOT-A and/or FAA.

6. Although the use of solar panels is not mentioned as part of the proposed building architecture, be aware that photovoltaic (PV) systems located in or near the approach path of aircrafts, can create a hazardous condition for pilots because of possible glint and glare reflected from the PV array. If glint or glare from the PV array creates a hazardous condition for pilots, the owner of the PV system shall be prepared to immediately mitigate the hazard upon notification by the HDOT-A and/or FAA.

PV systems have also been known to emit radio frequency interference (RFI to aviation-dedicated radio signals, thereby disrupting the reliability of air-to-ground communications. Again, the owner of the PV system shall be prepared to immediately mitigate the RFI hazard upon notification by the HDOT-A and/or FAA.

#### Highways Division (HDOT-HWY)

The HDOT-HWY has reviewed the Draft EA and Traffic Impact Analysis Report (TIAR) dated November 2, 2018 and have the following comments:

- 1. Based on the trip generation and conclusion of the TIAR, HDOT-HWY find that the project will not have any significant traffic impacts to Kaumalapau Highway State route 440).
- 2. The TIAR and the Draft EA should correct the discrepancy in the total number of proposed housing units with the Draft EA indicating 150 units, whereby the TIAR was based on 200 units.
- 3. If there are any unexpected traffic issues attributed to the project, the applicant shall mitigate them to the satisfaction of the HDOT-HWY, Maui District Engineer at no cost to the State.
- 4. The applicant shall coordinate with the HDOT-HWY, Maui District Engineer on any further State roadway related requirements or permits.

If there are any questions, please contact Mr. Blayne Nikaido of the HDOT Statewide Transportation Planning Office at (808) 831-7979 or via email at blayne.h.nikaido@hawaii.gov.

Sincerely

JADE T. BUTAY Director of Transportation

c: Peter Young, Hookuleana LLC Karlynn Fukuda, Munekiyo Hiraga



Michael T. Munekiyo

Karlynn K. Fukuda PRESIDENT

Mark Alexander Roy VICE PRESIDENT

Tessa Munekiyo Ng

May 17, 2021

Jade T. Butay, Director State of Hawai'i Department of Transportation 869 Punchbowl Street Honolulu, Hawai'i 96813-5097

SUBJECT:

Draft Environmental Assessment for proposed Hōkūao 201H Housing Project at TMKs (2)4-9-002:061 (POR.), (2)4-9-014:001 (POR.) and 009 (POR.), Lāna'i City,

Hawai'i, DIR 1123, STP 8.3103

Dear Mr. Butay:

Thank for your letter dated January 20, 2021, on the subject project. On behalf of Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we are providing responses in the attached **Exhibit "A"**. The responses follow in the order of the comments in your letter.\*

We appreciate your input and will include a copy of your comment letter and this response in the Final Environmental Assessment (FEA). Should you have any questions or require further information regarding the proposed action, please contact me at (808) 244-2015, extension 221.

Very truly yours,

Chris Sugidono Senior Associate

CEJS:ab Attachment

Cc:

Buddy Almeida, County of Maui, Department of Housing and Human Concerns (w/attachment)

Keiki-Pua Dancil, Pūlama Lāna'i (w/attachment) Olivia Simpson, Pūlama Lāna'i (w/attachment) Calvert Chipchase, Cades Schutte (w/attachment) Molly Olds, Cades Schutte (w/attachment)

Kevin Mendes, RM Towill (w/attachment) Michael Garris, Belt Collins Hawai'i (w/attachment)

Tyler Fuiwara, ATA (w/attachment)

K:\DATA\Pulama Lanai\Lanai City Expansion 1939\Applications\Draft EA\DEA response letters\DEA Responses\EXT responses\State of Hawaii Dept of Transportation.docx

<sup>\*</sup> In accordance with Hawai'i Administrative Rules Chapter 11 section 200.1-20 subsections (c) and (d), 2, the rules require our responses to be provided in the Final EA. Further, per subsection (d), subpart (2), we are providing a separate and distinct response to your comment letter herein as Exhibit A. Of note, per subsection (c) we endeavored to respond to "substantive" comments, giving careful "...consideration to the validity, significance, and relevance of the comment to the scope, analysis, or process of the EA, bearing in mind the purpose of this chapter and chapter 343, HRS."

#### **Airports Division**

<u>Comment 01:</u> The proposed housing project is located approximately 8,030 feet from the property boundary of Lanai Airport (LNY). All projects within 5 miles from Hawaii State airports are advised to read the Technical Assistance Memorandum (TAM) for guidance with development and activities that may require further review and permits. The TAM can be viewed at the following link: http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOT-Airports 08-01-2016.pdf

#### Response 01:

The applicant recognizes the comment and will review the TAM and obtain the necessary permits and/or approvals for the Hōkūao 201H Housing Project.

<u>Comment 02:</u> Prior to construction, Federal Aviation Administration (FAA) regulation requires the submittal of FAA Form 7460-1 Notice of Proposed Construction or alteration pursuant to the Code of Federal Regulations, Title 14, Part 77.9, if the construction or alteration is within 20,000 feet of a public use or military airport which exceeds a 100:1 surface from any point on the runway of each airport with its longest runway more than 3,200 feet.

Construction equipment and staging area heights, including heights of temporary construction cranes, shall be included in the submittal. The form and criteria for submittal can be found at the following website: <a href="https://oeaaa.faa.gov/oeaaa/external/portal.jsp">https://oeaaa.faa.gov/oeaaa/external/portal.jsp</a>

#### Response 02:

The applicant recognizes the comment and will review the FAA requirements and obtain the necessary approvals for the Hōkūao 201H Housing Project.

<u>Comment 03:</u> Due to the proximity to the airport, the developer and future residents should be aware of potential single event noise from aircraft operations. There is also a potential for fumes, smoke, vibrations, odors, etc., resulting from occasional aircraft flight operations over or near the project location

#### Response 03:

The applicant recognizes the comment and will inform residents of the Hōkūao 201H Housing Project of this potential impact, likely through the rental agreement.

Page 1 of 4 Hōkūao 201H Housing Project <u>Comment 04:</u> The HDOT-A recommends that the landscaping plan take into consideration the maturity heights of trees and ensure they do not become obstructions to aircraft approach and departure operations at LNY or create a hazardous wildlife attractant. If the tree(s) become an obstruction or a hazardous wildlife attractant to aircraft operations, the landowner shall be prepared to immediately mitigate the obstruction or hazard upon notification by the HDOT-A and/or FAA.

#### Response 04:

The applicant recognizes the comment and will ensure that the landscaping plan proposed for the Hōkūao 201H Housing Project does not become an obstruction to aircraft approaches and departures from LNY.

Further, the applicant recognizes the comment and will ensure that the landscaping plan proposed for the Hōkūao 201H Housing Project does not create a hazardous wildlife attractant.

Comment 05: The HDOT-A is concerned about the potential of wildlife attracted to the four proposed detention basins due to standing water and its close proximity to the wastewater treatment plant. We recommend that the developer incorporates appropriate measures to minimize hazardous wildlife attractants. Storm water detention ponds should be designed, engineered, constructed, and maintained for a maximum 48-hour detention period after the design storm and to remain completely dry between storms. Please review the FAA Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants On Or Near Airports for guidance. If the project results in a wildlife attractant, these effects shall be immediately mitigated by the developer upon notification by the HDOT-A and/or FAA.

#### Response 05:

The applicant recognizes the comment and will review the FAA Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants On Or Near Airports with its civil engineering consultant, for guidance. If the project results in a wildlife attractant, these effects shall be immediately mitigated by the applicant upon notification by the HDOT-A and/or FAA.

<u>Comment 06:</u> Although the use of solar panels is not mentioned as part of the proposed building architecture, be aware that photovoltaic (PV) systems located in or near the approach path of aircrafts, can create a hazardous condition for pilots because of possible glint and glare reflected from the PV array. If glint or glare from the PV array creates a hazardous condition for pilots, the owner of the PV system shall be prepared to immediately mitigate the hazard upon notification by the HDOT-A and/or FAA. PV systems have also been known to emit radio frequency interference (RFI) to aviation dedicated radio signals, thereby disrupting the reliability of air-to-ground communications. Again, the owner of the PV system shall be prepared to immediately mitigate the RFI hazard upon notification by the HDOT-A and/or FAA.

#### Response 05:

Should the applicant move forward with on-site renewable energy generation as contemplated in multiple sections of the DEA, the applicant will ensure applicable permits and or approvals are obtained for PV systems, including potential RFI systems, within the Hōkūao 201H Housing Project.

Page 2 of 4 Hōkūao 201H Housing Project

#### **Highways Division**

<u>Comment 01:</u> Based on the trip generation and conclusion of the TIAR, HDOT-HWY find that the project will not have any significant traffic impacts to Kaumalapau Highway (State route 440).

#### Response 01:

The applicant recognizes the confirmation from the Highways Division that the traffic associated with the Hōkūao 201H Housing Project will not have any significant impacts to Kaumālapa'u Highway (State route 440).

<u>Comment 02:</u> The TIAR and the Draft EA should correct the discrepancy in the total number of proposed housing units with the Draft EA indicating 150 units, whereby the TIAR was based on 200 units.

#### Response 02:

At the time the TIAR (Exhibit G in DEA), the Hōkūao 201H Housing Project was intended to include 200 single family homes.

Several community meetings¹ and smaller focus group meetings, facilitated by the applicant, have occurred regarding the Hōkūao 201H Housing Project over the last five years. The applicant evaluated many factors, including but not limited to comments and feedback, completed studies, laws, and current market conditions² in the design and offering for the Hōkūao 201H Housing Project. The applicant's proposed project is the collective outcome of these considerations.

Due to the aforementioned reasons, the number of homes was decreased to 150. Nonetheless the footprint of the development has remained the same and the estimated traffic should be lower (e.g., reduced number of homes should result in lower number of trips associated with the project). The applicant and traffic consultant believe the original TIAR analyses and conclusions remain valid.

The applicant has reflected these changes in the Draft EA, however the studies were completed using 200 homes.

<u>Comment 03:</u> If there are any unexpected traffic issues attributed to the project, the applicant shall mitigate them to the satisfaction of the HDOT-HWY, Maui District Engineer at no cost to the State.

#### Response 03:

The applicant recognizes and confirms that should any unexpected traffic issues arise from the Hōkūao 201H Housing Project, the applicant will mitigate the issues to the satisfaction of the HDOT-HWY, Maui District Engineer at no cost to the State.

Page 3 of 4 Hökūao 201H Housing Project

<sup>&</sup>lt;sup>1</sup> Pūlama Lāna'i Community Information Meetings 01AUG16 (Former DHHC Director Carol Reinmann was an invited guest presenter), 12NOV18, and 22FEB21.

<sup>&</sup>lt;sup>2</sup> Global pandemic, the impact of the Coronavirus has affected the world, including Lāna'i.

**Comment 04:** The applicant shall coordinate with the HDOT-HWY, Maui District Engineer on any further State roadway related requirements or permits.

# Response 04:

The applicant recognizes and confirms that they will coordinate with the HDOT-HWY Maui District Engineer on any further State roadway related requirements or permits.

# **Chris Sugidono**

From: Keiki-Pua Dancil <kdancil@pulamalanai.com>
Sent: Wednesday, January 13, 2021 10:36 AM

**To:** Karlynn Fukuda; Chris Sugidono

Cc: Olivia Simpson

**Subject:** FW: DOH Clean Air Branch on EA for Hokuauo 201H Residential Project

From: Cab General [mailto:Cab.General@doh.hawaii.gov]

Sent: Wednesday, January 13, 2021 9:35 AM

**To:** Keiki-Pua Dancil <kdancil@pulamalanai.com>; peteryoung@hookuleana.com **Subject:** DOH Clean Air Branch on EA for Hokuauo 201H Residential Project

Aloha,

Thank you for the opportunity to provide comments on the subject project. Please see our standard comments at:

https://health.hawaii.gov/cab/files/2019/08/Standard-Comments-Clean-Air-Branch-2019.pdf

Please let me know if you have any Questions.

Lisa M.M. Wallace EHS QA Officer Clean Air Branch Environmental Health Office Hilo, Hawaii 96720

# Standard Comments for Land Use Reviews Clean Air Branch Hawaii State Department of Health

If your proposed project:

## Requires an Air Pollution Control Permit

You must obtain an air pollution control permit from the Clean Air Branch and comply with all applicable conditions and requirements. If you do not know if you need an air pollution control permit, please contact the Permitting Section of the Clean Air Branch.

### Includes construction or demolition activities that involve asbestos

You must contact the Asbestos Abatement Office in the Indoor and Radiological Health Branch.

# Has the potential to generate fugitive dust

You must control the generation of all airborne, visible fugitive dust. Note that construction activities that occur near to existing residences, business, public areas and major thoroughfares exacerbate potential dust concerns. It is recommended that a dust control management plan be developed which identifies and mitigates all activities that may generate airborne, visible fugitive dust. The plan, which does *not* require Department of Health approval, should help you recognize and minimize potential airborne, visible fugitive dust problems.

Construction activities must comply with the provisions of Hawaii Administrative Rules, §11-60.1-33 on Fugitive Dust. In addition, for cases involving mixed land use, we strongly recommend that buffer zones be established, wherever possible, in order to alleviate potential nuisance complaints.

You should provide reasonable measures to control airborne, visible fugitive dust from the road areas and during the various phases of construction. These measures include, but are not limited to, the following:

- Planning the different phases of construction, focusing on minimizing the amount of airborne, visible fugitive dust-generating materials and activities, centralizing on-site vehicular traffic routes, and locating potential dust-generating equipment in areas of the least impact;
- b) Providing an adequate water source at the site prior to start-up of construction activities;
- c) Landscaping and providing rapid covering of bare areas, including slopes, starting from the initial grading phase;
- d) Minimizing airborne, visible fugitive dust from shoulders and access roads;
- e) Providing reasonable dust control measures during weekends, after hours, and prior to daily start-up of construction activities; and
- f Controlling airborne, visible fugitive dust from debris being hauled away from the project site.

If you have questions about fugitive dust, please contact the Enforcement Section of the Clean Air Branch

Clean Air Branch	Indoor Radiological Health Branch
808) 586-4200	808) 586-4700
cab@doh.hawaii.gov	, and the second



Michael T. Munekiyo

Karlynn K. Fukuda PRESIDENT

Mark Alexander Roy VICE PRESIDENT

Tessa Munekiyo Ng VICE PRESIDENT

May 17, 2021

# Via Email: cab@doh.hawaii.com

Clean Air Branch State of Hawai'i Department of Health

SUBJECT:

Draft Environmental Assessment for proposed Hökūao 201H Housing Project at

TMKs (2)4-9-002:061 (POR.), (2)4-9-014:001 (POR.) and 009 (POR.), Lāna'i City,

Hawai'i.

Dear Reviewing Agency:

Thank for your letter dated January 13, 2021, on the subject project. On behalf of Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we are providing responses in the attached **Exhibit "A"**. The responses follow in the order of the comments in your letter.\*

We appreciate your input and will include a copy of your comment letter and this response in the Final Environmental Assessment (FEA). Should you have any questions or require further information regarding the proposed action, please contact me at (808) 244-2015, extension 221.

Very truly yours,

Chris Sugidono Senior Associate

CEJS:ab Attachment

Cc:

Buddy Almeida, County of Maui, Department of Housing and Human Concerns (w/attachment)

Keiki-Pua Dancil, Pūlama Lāna'i (w/attachment) Olivia Simpson, Pūlama Lāna'i (w/attachment) Calvert Chipchase, Cades Schutte (w/attachment)

Molly Olds, Cades Schutte (w/attachment)

K:\DATA\Pulama Lanal\Lanal City Expansion 1939\Applications\Draft EA\DEA response letters\DEA Responses\EXT responses\Clean Air Branch.docx

<sup>\*</sup> In accordance with Hawai'i Administrative Rules Chapter 11 section 200.1-20 subsections (c) and (d), 2, the rules require our responses to be provided in the Final EA. Further, per subsection (d), subpart (2), we are providing a separate and distinct response to your comment letter herein as Exhibit A. Of note, per subsection (c) we endeavored to respond to "substantive" comments, giving careful "... consideration to the validity, significance, and relevance of the comment to the scope, analysis, or process of the EA, bearing in mind the purpose of this chapter and chapter 343, HRS."

<u>Comment 01:</u> If your proposed project: <u>Requires an Air Pollution Control Permit</u>, you must obtain an air pollution control permit from the Clean Air Branch and comply with all applicable conditions and requirements. If you do not know if you need an air pollution control permit, please contact the Permitting Section of the Clean Air Branch.

#### Response 01:

The applicant will comply with all applicable conditions and requirements as related to Air Pollution Control Permits.

<u>Comment 02:</u> If your proposed project: <u>Includes construction or demolition activities that involve asbestos</u>, you must contact the Asbestos Abatement Office in the Indoor and Radiological Health Branch.

#### Response 02:

The applicant will comply with all applicable conditions and requirements as related to construction or demolition activities that involve asbestos.

<u>Comment 03:</u> If your proposed project: <u>Has the potential to generate fugitive dust</u>, you must control the generation of all airborne, visible fugitive dust. Note that construction activities that occur near to existing residences, business, public areas and major thoroughfares exacerbate potential dust concerns. It is recommended that a dust control management plan be developed which identifies and mitigates all activities that may generate airborne, visible fugitive dust. The plan, which does not require Department of Health approval, should help you recognize and minimize potential airborne, visible fugitive dust problems.

Construction activities must comply with the provisions of Hawaii Administrative Rules, §11-60.1-33 on Fugitive Dust. In addition, for cases involving mixed land use, we strongly recommend that buffer zones be established, wherever possible, in order to alleviate potential nuisance complaints.

You should provide reasonable measures to control airborne, visible fugitive dust from the road areas and during the various phases of construction. These measures include, but are not limited to, the following:

- Planning the different phases of construction, focusing on minimizing the amount of airborne, visible fugitive dust-generating materials and activities, centralizing on-site vehicular traffic routes, and locating potential dust-generating equipment in areas of the least impact;
- b) Providing an adequate water source at the site prior to start-up of construction activities;
- Landscaping and providing rapid covering of bare areas, including slopes, starting from the initial grading phase;
- d) Minimizing airborne, visible fugitive dust from shoulders and access roads;
- e) Providing reasonable dust control measures during weekends, after hours, and prior to daily start-up of construction activities; and
- f) Controlling airborne, visible fugitive dust from debris being hauled away from the project site.

### Clean Air Branch

# Response 03:

In Section 4.13 of the DEA (starting on page 152), and in the Air Quality Study, by B.D. Neal & Associates, included as Exhibit D, there is a discussion of short-term impacts from fugitive dust and the corresponding mitigation measures.

The applicant will implement best management practices and comply with all applicable conditions and requirements as related to fugitive dust.

DAVID Y. IGE GOVERNOR OF HAWAII





SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

via email: buddy.almeida@co.maui.hi.us

# STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES LAND DIVISION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

February 3, 2

County of Maui Department of Housing and Human Concerns Attn: Mr. Buddy Almeida 65 Main Street, Suite 8 Wailuku, Hawaii 9679

Dear Mr. Almeida:

SUBJECT: Draft Environmental Assessment for the Proposed **okuao 201H esidential Project** located at Lanai City, Island of Lanai; TMKs: ( ) 4-9-2:061 (por.), ( ) 4-9-4:0 1 (por.) and 9 (por.) on behalf of Lanai

Resorts, dba Pulama Lanai

Thank you for the opportunity to review and comment on the subject matter. In addition to our previous comments dated January 0, 21, enclosed are comments from the Commission on Water Resource Management on the subject matter. Should you have any questions, please feel free to contact Darlene Nakamura at (808) 587- 17 or email: <a href="mailto:darlene.k.nakamura@hawaii.gov">darlene.k.nakamura@hawaii.gov</a>. Thank you.

Sincerely,

Russell Tsuji

Russell Y. Tsuji Land Administrator

Enclosures

cc: Ho'okuleana LLC w/copies

Attn: Mr. Peter Young (via email: <a href="mailto:peteryoung@hookuleana.com">peteryoung@hookuleana.com</a>)

Munekiyo Hiraga w/copies

Attn: Ms. arlynn Fukuda (via email: planning@munekiyohiraga.com)

Central Files

DAVID Y. IGE

TO:



SUZANNE D. CASE

KAMANA BEAMER, PH.D. MICHAEL G. BUCK ELIZABETH A. CHAR, M.D. NEIL J. HANNAHS WAYNE K. KATAYAMA PAUL J. MEYER

M. KALEO MANUEL

REF: RFD.5561.5

# STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

P.O. BOX 621 HONOLULU, HAWAII 96809

February 2, 2021

Mr. Russell Tsuji, Administrator

Land Division

FROM: M. Kaleo Manuel, Deputy Director

Commission on Water Resource Management

SUBJECT: Draft Environmental Assessment for the Proposed Hokuao 201H Residential Project

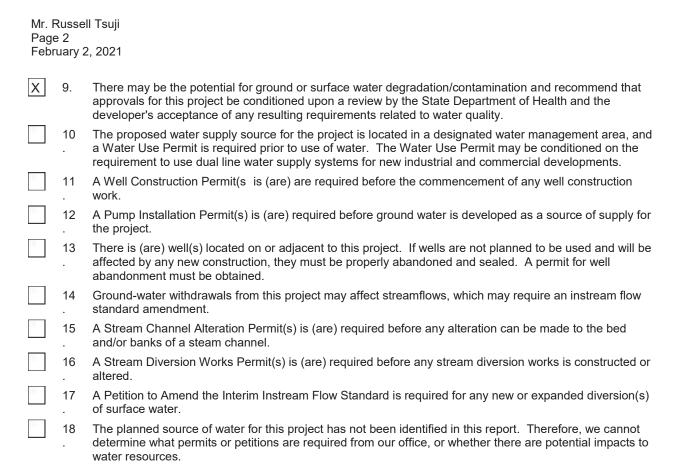
FILE NO.: RFD.5561.5

TMK NO.: (2) 4-9-002:061, (2) 4-9-014:001, (2) 4-9-014:009

Thank you for the opportunity to review the subject document. The Commission on Water Resource Management (CWRM) is the agency responsible for administering the State Water Code (Code). Under the Code, all waters of the State are held in trust for the benefit of the citizens of the State, therefore all water use is subject to legally protected water rights. CWRM strongly promotes the efficient use of Hawaii's water resources through conservation measures and appropriate resource management. For more information, please refer to the State Water Code, Chapter 174C, Hawaii Revised Statutes, and Hawaii Administrative Rules, Chapters 13-167 to 13-171. These documents are available via the Internet at http://dlnr.hawaii.gov/cwrm.

Our comments related to water resources are checked off below.

Χ	1.	We recommend coordination with the county to incorporate this project into the county's Water Use and Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.
39-	2.	We recommend coordination with the Engineering Division of the State Department of Land and Natural Resources to incorporate this project into the State Water Projects Plan.
3-	3.	We recommend coordination with the Hawaii Department of Agriculture (HDOA) to incorporate the reclassification of agricultural zoned land and the redistribution of agricultural resources into the State's Agricultural Water Use and Development Plan (AWUDP). Please contact the HDOA for more information.
X	4.	We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at http://www.usgbc.org/leed. A listing of fixtures certified by the EAP as having high water efficiency can be found at http://www.epa.gov/watersense.
X	5.	We recommend the use of best management practices (BMP for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMPs may earn credit toward LEED certification. More information on stormwater BMPs can be found at http://planning.hawaii.gov/czm/initiatives/low-impact-development/
Χ	6.	We recommend the use of alternative water sources, wherever practicable.
3-	7.	We recommend participating in the Hawaii Green Business Program, that assists and recognizes businesses that strive to operate in an environmentally and socially responsible manner. The program description can be found online at http://energy.hawaii.gov/green-business-program.
X	8.	We recommend adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii. These practices can be found online at <a href="http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH_Irrigation_Conservation_BMPs.pdf">http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH_Irrigation_Conservation_BMPs.pdf</a> .



Planning: Please coordinate with the respective Planning Department and/or Department of Water Supply to incorporate this project into the county water use and development plan. The final EIS should acknowledge that the Lanai Water Company conducts annual water audits to assess their

If you have any questions, please contact Lenore Ohye of the Commission staff at 587-0216.

Lanai City system water losses.

OTHER:



Michael T. Munekiyo

Karlynn K. Fukuda PRESIDENT

Mark Alexander Roy

Tessa Munekiyo Ng

May 17, 2021

M. Kaleo Manuel, Deputy Director State of Hawai'i Department of Land and Natural Resources Commission on Water Resource Management P. O. Box 621 Honolulu, Hawai'i 96809

SUBJECT:

Draft Environmental Assessment for proposed Hōkūao 201H Housing Project at TMKs (2)4-9-002:061 (POR.), (2)4-9-014:001 (POR.) and 009 (POR.), Lāna'i City,

Hawai'i.

Dear Mr. Manuel:

Thank for your letter dated February 03, 2021, on the subject project. On behalf of Lanai Resorts, LLC, a Hawai'i limited liability company doing business as Pūlama Lāna'i, we are providing responses in the attached **Exhibit "A"**. The responses follow in the order of the comments in your letter.\*

We appreciate your input and will include a copy of your comment letter and this response in the Final Environmental Assessment (FEA). Should you have any questions or require further information regarding the proposed action, please contact me at (808) 244-2015, extension 221.

Very truly yours,

Chris Sugidono Senior Associate

CEJS:ab Attachment

Cc: Buddy Almeida, County of Maui, Department of Housing and Human Concerns (w/attachment)

Keiki-Pua Dancil, Pūlama Lāna'i (w/attachment) Olivia Simpson, Pūlama Lāna'i (w/attachment) Calvert Chipchase, Cades Schutte (w/attachment)

Molly Olds, Cades Schutte (w/attachment) Kevin Mendes, RM Towill (w/attachment)

Michael Garris, Belt Collins Hawai'i (w/attachment)

K:\DATA\Pulama Lanai\Lanai City Expansion 1939\Applications\Draft EA\DEA response letters\DEA Responses\EXT responses\CWRM.docx

<sup>\*</sup> In accordance with Hawai'i Administrative Rules Chapter 11 section 200.1-20 subsections (c) and (d), 2, the rules require our responses to be provided in the Final EA. Further, per subsection (d), subpart (2), we are providing a separate and distinct response to your comment letter herein as Exhibit A. Of note, per subsection (c) we endeavored to respond to "substantive" comments, giving careful "...consideration to the validity, significance, and relevance of the comment to the scope, analysis, or process of the EA, bearing in mind the purpose of this chapter and chapter 343, HRS."

<u>Comment 01:</u> We recommend coordination with the county to incorporate this project into the county's Water Use and Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.

#### Response 01:

The Applicant will coordinate with the County Department of Water Supply (DWS) to incorporate this project into the Lāna'i Water Use and Development Plan ("LWUDP"). We note that the DWS was consulted as part of the Draft Environmental Assessment ("DEA") review and provided comments on the project.

<u>Comment 02:</u> We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at http://www.usgbc.org/leed. A listing of fixtures certified by the EAP as having high water efficiency can be found at <a href="http://www.epa.gov/watersense">http://www.epa.gov/watersense</a>

#### Response 02:

On pages 125 to 127 of the Draft Environmental Assessment ("DEA"), there is a discussion on various water conservation measures that will be incorporated in the project.

To the extent possible, the Applicant will incorporate water efficient fixtures and water efficient practices throughout the development. Lāna'i Water Company was the first water utility in the state to deploy 100% smart meters to its customers. All meters in the Hōkūao 201H Housing Project will have a smart water meter.

<u>Comment 03:</u> We recommend the use of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMPs may earn credit toward LEED certification. More information on stormwater BMPs can be found at <a href="http://planning.hawaii.gov/czm/initiatives/low-impact-development/">http://planning.hawaii.gov/czm/initiatives/low-impact-development/</a>

#### Response 03:

The project will incorporate storm water BMPs and low impact development practices where possible. The project will comply with all County of Maui rules for storm water management and environmental protection. The construction drawings and drainage report(s) will illustrate such compliance and would be submitted as part of the building permit review process.

Comment 04: We recommend the use of alternative water sources, wherever practicable.

#### Response 04:

To the extent possible, the Applicant will evaluate alternative water sources (e.g., rainwater harvesting, surface water reuse, etc.) where possible.

The Applicant is in the process of permitting the development of Well 7 (an existing source), which will be connected to the Lāna'i City distribution system along with Wells 6, 8 and 3. Well 7 will provide additional source capacity and reliability. This is consistent with the LWUDP, and there is significant discussion in the DEA on pages 102-103 regarding Well 7.

<u>Comment 05:</u> We recommend adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii. These practices can be found online at <a href="http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH Irrigation Conservation BMPs.pdf">http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH Irrigation Conservation BMPs.pdf</a>.

#### Response 05:

To the extent possible, the Applicant will incorporate irrigation conservation best management practices throughout the development.

<u>Comment 06:</u> There may be the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.

#### Response 06:

The project will comply with all State Department of Health recommendations relating to water quality.

DAVID Y. IGE GOVERNOR OF HAWAII





SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

# STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES LAND DIVISION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

January, 2

County of Maui Department of Housing and Human Concerns Attn: Mr. Buddy Almeida

65 Main Street, Suite 8 Wailuku. Hawaii 9679

Dear Mr. Almeida:

SUBJECT: Draft Environmental Assessment for the Proposed okuao 201H

esidential Project located at Lanai City, Island of Lanai; TMKs: ( ) 4-9-2:061 (por.), ( ) 4-9-4:0 1 (por.) and 9 (por.) on behalf of Lanai

via email: buddy.almeida@co.maui.hi.us

Resorts, dba Pulama Lanai

Thank you for the opportunity to review and comment on the subject matter. The Land Division of the Department of Land and Natural Resources (DLNR) distributed or made available a copy of your request pertaining to the subject matter to DLNR's Divisions for their review and comments.

At this time, enclosed are comments from the (a) Engineering Division and (b) Land Division – Maui District on the subject matter. Should you have any questions, please feel free to contact Darlene Nakamura at (808) 587- 7 or email: <a href="mailto:darlene.k.nakamura@hawaii.gov">darlene.k.nakamura@hawaii.gov</a>. Thank you.

Sincerely,

Russell Tsuji

Russell Y. Tsuji Land Administrator

Enclosures

cc: Ho'okuleana LLC w/copies

Attn: Mr. Peter Young (via email: peteryoung@hookuleana.com)

Munekiyo Hiraga w/copies

Attn: Ms. arlynn Fukuda (via email: planning@munekiyohiraga.com)

Central Files