

Draft Environmental Impact Statement

Volume I of II

PROPOSED OHANA KAI VILLAGE AFFORDABLE HOUSING PROJECT AND RELATED IMPROVEMENTS AT TMK (2) 3-6-001:018, TMK (2) 3-6-004:003(por.), and 008(por.), MAALAEA, MAUI, HAWAII

Prepared for:

MVI, LLC

Accepting Authority:

**County of Maui,
Department of Housing and Human Concerns**

This document was prepared under my supervision and the information submitted, to the best of my knowledge, fully addresses document content requirements as set forth in sections 11-200-17 and 11-200-18 of the Hawaii Administrative Rules, as appropriate.



Michael T. Munekiyo, AICP
President

December 2009

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Executive Summary

Project Name: Proposed Ohana Kai Village Affordable Housing Project and Related Improvements

Type of Document: Draft Environmental Impact Statement

Legal Authority: Chapter 343, Hawaii Revised Statutes

Applicable Environmental Assessment Review “Trigger”: Use of State Lands (work within Honoapiilani Highway right-of-way); Construction of Wastewater Treatment Plant

Location: TMK: 3-6-001:018, 3-6-004:003 (por.), and 008 (por.)
Maalaea, Wailuku
Maui Island

Landowner: MVI, LLC

Applicant: MVI, LLC
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Contact: Jesse Spencer
Phone: (808) 298-7708

Accepting Authority: Department of Housing and Human Concerns
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Contact: Jo-Ann Ridao, Deputy Director
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Contact: Mark Alexander Roy, AICP, Project Manager
Phone: (808) 244-2015

Project Summary: The applicant (MVI, LLC) proposes the development of a residential subdivision on approximately 257 acres of land. The subdivision would contain approximately 1,100 affordably-priced single-family dwellings. Sixty (60) percent of these units will be made available to qualified individuals in Below Moderate to Above Moderate (81 percent to 140 percent) median income groups at sales prices set forth by the County of Maui, Department of Housing and Human

Concerns' Affordable Sales Price Guidelines. The remaining forty (40) percent will be offered for sale in accordance with market demand at prices at or below the upper threshold of pricing for the Gap Income (141 to 160 percent) median income group as defined in the DHHC Affordable Sales Price Guidelines. The project will also include a neighborhood-oriented village town center, parks, open space, as well as lands for public/quasi-public use. Onsite infrastructure improvements include water conveyance, drainage, and wastewater systems, including the development of a new onsite wastewater treatment plant. A private drinking water system is also being developed in conjunction with the project on an adjacent parcel of land consisting of groundwater wells, two (2) storage tanks, and related infrastructure.

Project Summary

PROJECT DESCRIPTION:

MVI, LLC proposes the development of the Ohana Kai Village Affordable Housing Project and various related improvements on approximately 257 acres of land at TMK (2) 3-6-001:018. The site is designated for residential development as Project District 12 in the 1998 Kihei-Makena Community Plan. The proposed project has been designed to contain approximately 1,100 affordably-priced single-family residential units. The subdivision will also include a neighborhood-oriented village town center, community support facilities (i.e., parks, lands for public/quasi-public use, and open space), and supporting infrastructure, including an onsite Wastewater Treatment Plant (WTP). Through completion of a number of engineering studies, the applicant has identified a range of infrastructure solutions to serve the proposed project. Sewage treatment capacity will be provided through the proposed construction of a new, privately-developed, onsite WTP. Furthermore, a private drinking water system (consisting of three (3) production wells and two (2) storage tanks) is also in the process of being developed by the applicant on a portion of a neighboring property, identified as TMK (2) 3-6-004:003 (por.) and 008 (por.). Upon completion, the water system will provide enough capacity to meet the full potable and non-potable water needs of the project. A master drainage system will also be engineered as part of the project to retain all increases in post-development runoff associated with the project such that there will be no impact on downstream properties or to water quality within Maalaea Bay.

SIGNIFICANT BENEFICIAL AND ADVERSE IMPACTS:

This Environmental Impact Statement (EIS) has been prepared in coordination with the Department of Housing and Human Concerns (DHHC) to fully document and evaluate the technical characteristics, environmental impacts and alternatives associated with the proposed project. The project site is situated in an attractive and central location along Honoapiilani Highway in Maalaea and is within easy reach of employment centers in West, South and Central Maui. As reflected by the existing project district designation (Project District 12) in the Kihei-Makena Community Plan, the project site is considered to be a suitable location for the development of much needed affordable housing for Maui's working families. The proposed action is not anticipated to result in significant adverse cumulative or secondary impacts.

Necessary engineering infrastructure systems and services to serve the project will be provided by the applicant. In addition, the project is anticipated to have a beneficial impact on the local economy both during construction and in the long term. Real property taxes generated by the project residents

will contribute to the County's revenue tax base to support increases in regional public service demands over time.

From an infrastructure use perspective, project implementation will result in impacts to existing hydrology (drainage) characteristics, largely due to the increase in impervious surface area, and other impacts related to park, school, and roadway usage.

PROPOSED MITIGATION MEASURES:

Impacts resulting from infrastructure use will be mitigated through the provision of additional onsite resources (master drainage system, Wastewater Treatment Plant, drinking water system, and donation of lands for public/quasi-public facilities). Additionally, in the long-term, real property taxes generated by project residents will help to offset costs of increased regional public service demands.

ALTERNATIVES CONSIDERED:

The applicant has evaluated the no action alternative, alternative uses of the site, and infrastructure development alternatives. However, these options will not address the critical need for the timely provision of affordable housing in the Kihei-Makena region. Further, alternative site layouts were considered, though the proposed master plan was selected based on the need for affordable housing in Maui County and compatibility with the spatial land use recommendations of the Kihei-Makena Community Plan.

UNRESOLVED ISSUES:

Implementation of the project will address the shortage of affordable housing currently being experienced on Maui and will be processed in accordance with Section 201H-38 of the Hawaii Revised Statutes (HRS). The applicant will be working alongside the County of Maui, Department of Housing and Human Concerns (DHHC) as the project proceeds to formulate a unilateral agreement and marketing program for the project's affordable units. The applicant will formulate and execute the affordable housing agreement with the DHHC prior to project implementation.

Through the 201H process, the applicant will be seeking exemptions from certain regulatory and statutory requirements relating to land use, construction, subdivision, public services and infrastructure and administrative procedures. Approval of these exemptions will address impact fee requirements for the project and will enable the units to be constructed and made available to qualified buyers in accordance with the project schedule.

While an exemption from Chapter 2.80B of the Maui County Code, relating to the General Plan and Community Plans, will be included in the Section 201H-38 exemption list for the project (due to the inclusion of a commercial component in the development plans), the applicant is currently actively participating in the County of Maui’s 2030 General Plan Update process, a comprehensive planning process that has been ongoing for a number of years now. As part of its involvement in the 2030 General Plan Update process, MVI, LLC has submitted a formal request to the Department of Planning asking that the subject property (designated as Project District 12 in the 1998 Kihei-Makena Community Plan) continue to be reflected as a future urban growth area for the Maalaea community. Development plans for the property have also been discussed with both the General Plan Advisory Committee and the Maui Planning Commission during landowner presentations held as part of the General Plan process in September 2007 and July 2009. MVI, LLC will continue to work alongside the Department of Planning and the County Council as work on the draft Maui Island Plan continues.

PERMIT REQUIREMENTS AND DEVELOPMENT SCHEDULE

The proposed project will require several land use entitlement approvals to proceed. A summary of the current land use parameters is presented below:

Land Use Parameter	Existing Designation
State Land Use District	Agricultural
Kihei-Makena Community Plan	Project District 12
County Zoning	Agricultural

The proposed project has been developed to meet the criteria for a Section 201H-38, Hawaii Revised Statutes (HRS) project in coordination with the County of Maui’s DHHC.

Concurrent with the County’s 201H-38, HRS processing, a petition for a State Land Use Commission (SLUC) District Boundary Amendment (DBA) from the “Agricultural” to the “Urban” District will be submitted for processing. The SLUC petition will encompass the entire 257-acre project site and will follow the provisions of Section 15-15-97 of the Land Use Commission Rules, pertaining to Section 201H-38, HRS processing.

Construction of the project will commence upon receipt of all applicable regulatory permits and approvals. Upon initiation, the project will be developed over a multi-phase time horizon anticipated to be eight (8) years in duration.

LIST OF DOCUMENT AUTHORS

<u>Document Name</u>	<u>Author</u>
Agricultural Impact Assessment Report:	Dr. Bruce Plasch, Decision Analysts Hawaii, Inc.
Archaeological Inventory Survey Reports, Archaeological Monitoring Plans and Cultural Impact Assessment Report:	Scientific Consultant Services, Inc.
Biological Resources Surveys:	Robert W. Hobby
Environmental Impact Statement:	Munekiyo & Hiraga, Inc.
Market Study Report and Fiscal/Economic Impact Assessment Report:	ACM Consultants, Inc.
Phase I and Phase II Environmental Site Assessment Reports:	Element Environmental LLC
Subdivision Preliminary Engineering Report and Subdivision Preliminary Drainage Report:	Otomo Engineering, Inc.
Traffic Impact Analysis Report:	AECOM, Inc.
Water Quality and Marine Biological Resources Survey:	AECOS, Inc.
Wastewater Treatment Plant Preliminary Engineering Assessment Report:	Engineering Dynamics Corp.

List of Acronyms

ADF – Average Daily Flow
AIS – Archaeological Inventory Survey
ALISH – Agricultural Lands of Importance to the State of Hawaii
AMSL – Above Mean Sea Level
BMP - Best Management Practices
CML - Central Maui Landfill
DBA – District Boundary Amendment
DEM – County Department of Environmental Management
DLNR – State Department of Land and Natural Resources
DOE – State Department of Education
DOH – State Department of Health
DP – County Department of Planning
DPR –County Department of Parks and Recreation
DPW – County Department of Public Works
EA – Environmental Assessment
EIS – Environmental Impact Statement
EISPN – Environmental Impact Statement Preparation Notice
EPA – Environmental Protection Agency
ESA – Environmental Site Assessment
EsB – Ewa Silty Clay
EtB – Ewa Cobbly Silty Clay
FEMA – Federal Emergency Management Agency
HAR – Hawaii Administrative Rules
HC&S – Hawaiian Commercial & Sugar Company
HCZMP – Hawaii Coastal Zone Management Program
HDPE – High Density Polyethylene
HRS – Hawaii Revised Statutes
LOS – Level of Service
LSB – Land Study Bureau
MCC- Maui County Code
MECO – Maui Electric Company
MPC - Maui Planning Commission
MPD – Maui Police Department
MPH – Miles Per Hour
NPDES – National Pollutant Discharge Elimination System
OEQC – State Office of Environmental Quality

PD – Project District
PDR – Preliminary Drainage Report
PER – Preliminary Engineering Report
PtB – Pulehu Cobbly Clay Loam
rSM – Stony Alluvial Land
SCS – Scientific Consulting Services
SFHAD – Special Flood Hazard Area Development
SHPD – State Historic Preservation Division
SLUC – State Land Use Commission
SMA – Special Management Area
TIAR – Traffic Impact Analysis Report
TMK – Tax Map Key
UIC – Underground Injection Control
WRF – Wastewater Reclamation Facility
WTP – Wastewater Treatment Plant

I. PROJECT OVERVIEW

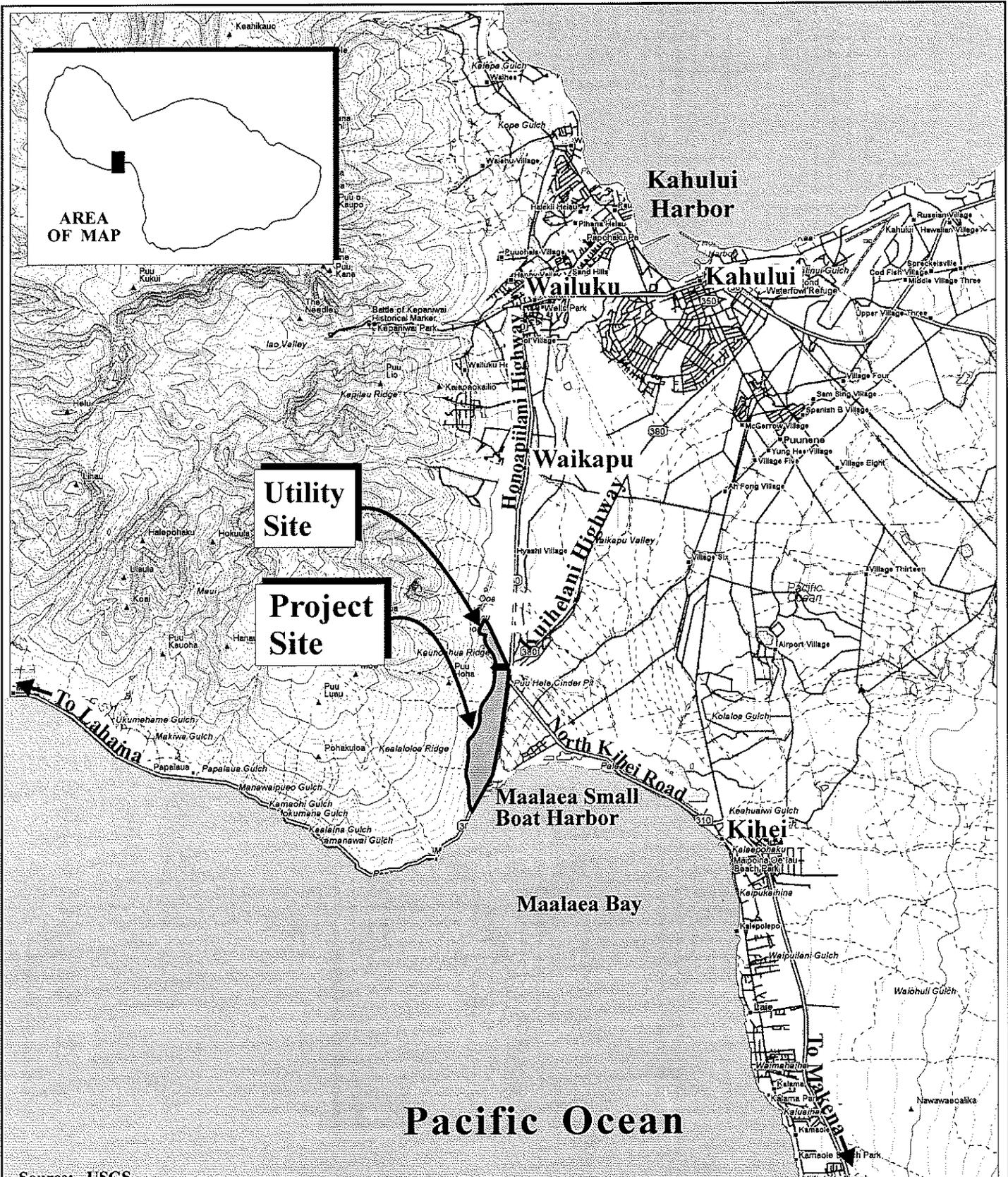
I. PROJECT OVERVIEW

A. PROJECT LOCATION, OWNERSHIP, AND CURRENT LAND USE

The proposed project involves the use of three (3) parcels of land (hereafter referred to individually as the “project site” (Parcel 18) and the “utility site” (Parcels 3 and 8) or collectively as the “project area”) located in Maalaea, Maui, Hawaii. The project area is bordered on the east side by the State of Hawaii's Honoapiilani Highway, beyond which lies the Maalaea Triangle commercial complex. To the south of the project area is the Maalaea Small Boat Harbor, while agricultural lands are located to the north. State Conservation District lands border the project area to the west. See **Figure 1**. The project site is identified by Tax Map Key (TMK) (2) 3-6-001:018 and the utility site by TMK (2) 3-6-004:003 (por.) and 008(por). The project site is designated as Project District 12 in the Kihei-Makena Community Plan and is the location for the proposed Ohana Kai Village Affordable Housing Project. See **Figure 2** and **Figure 3**.

The project site is approximately 257 acres in area and is owned by MVI, LLC. The property was acquired by MVI, LLC on October 21, 2008 from former owner Maalaea Properties, LLC. Prior to the sale of the property, the previous owner (Maalaea Properties, LLC) had been involved in the processing of land use entitlement applications for development of a proposed residential subdivision on the property, referred to at the time as the ‘Maalaea Mauka’ project. The Maalaea Mauka proposal is no longer being pursued by Maalaea Properties, LLC. Since purchasing the property, MVI, LLC (hereafter referred to as the “Applicant”) has been working to develop a master plan and associated land use components for the current proposal at hand, which is the Ohana Kai Village Affordable Housing Project.

Portions of the project site are presently being utilized to support agricultural functions, such as cattle grazing. Areas not being utilized for agricultural activities currently lie vacant and underutilized.



Source: USGS

Figure 1

Proposed Ohana Kai Village
Affordable Housing Project
and Related Improvements
Regional Location Map

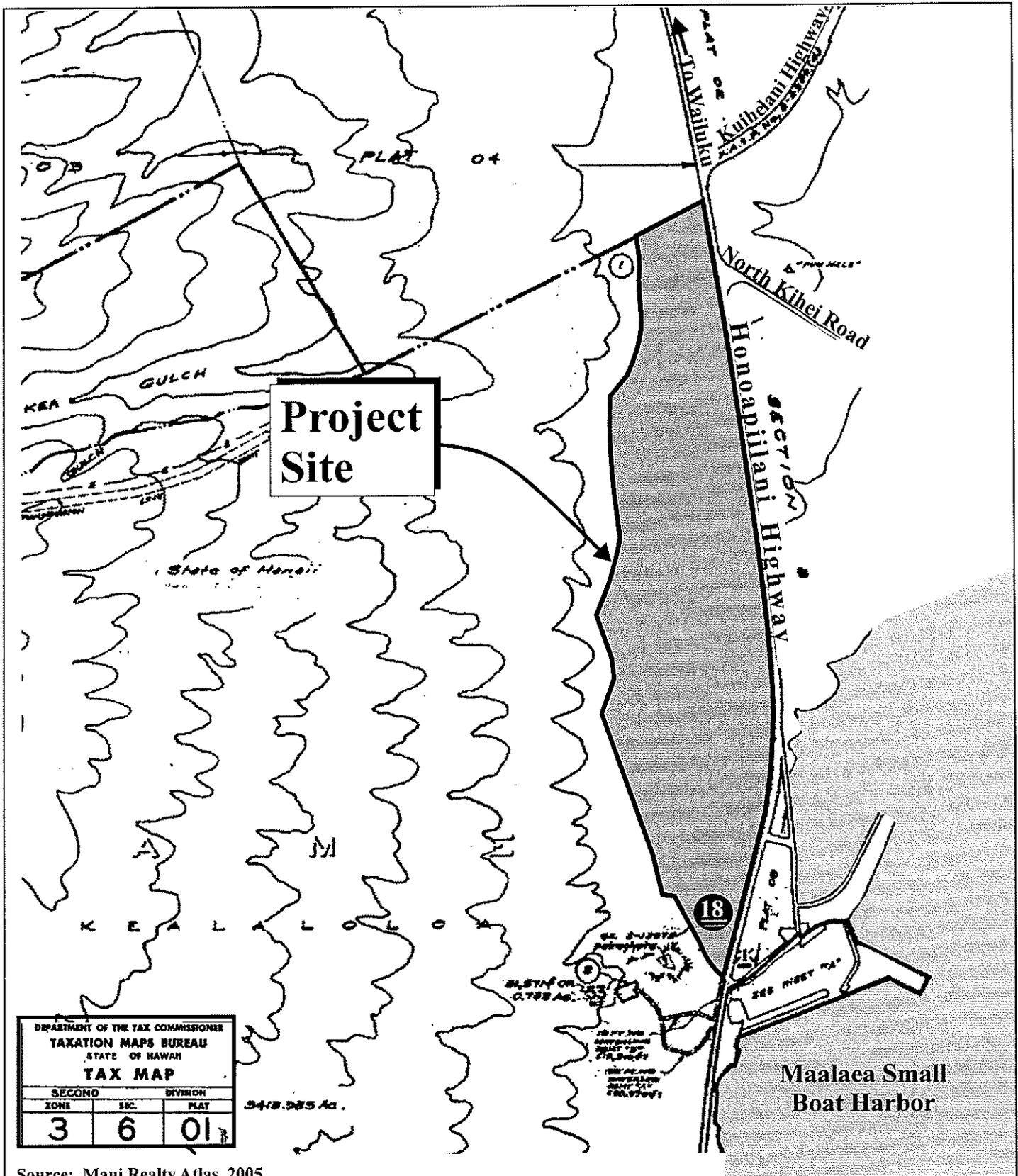
NOT TO SCALE



Prepared for: MVI, LLC

MUNEKIYO & HIRAGA, INC.

SpnHome/MaalaeaAH/EISPN/regional



Source: Maui Realty Atlas, 2005

Figure 2

Proposed Ohana Kai Village
Affordable Housing Project
and Related Improvements
Property Location Map
(Project Site)

NOT TO SCALE



Prepared for: MVI, LLC

MUNEKIYO & HIRAGA, INC.

SpnHome/MaalaeaAH/EISPN/projectsite

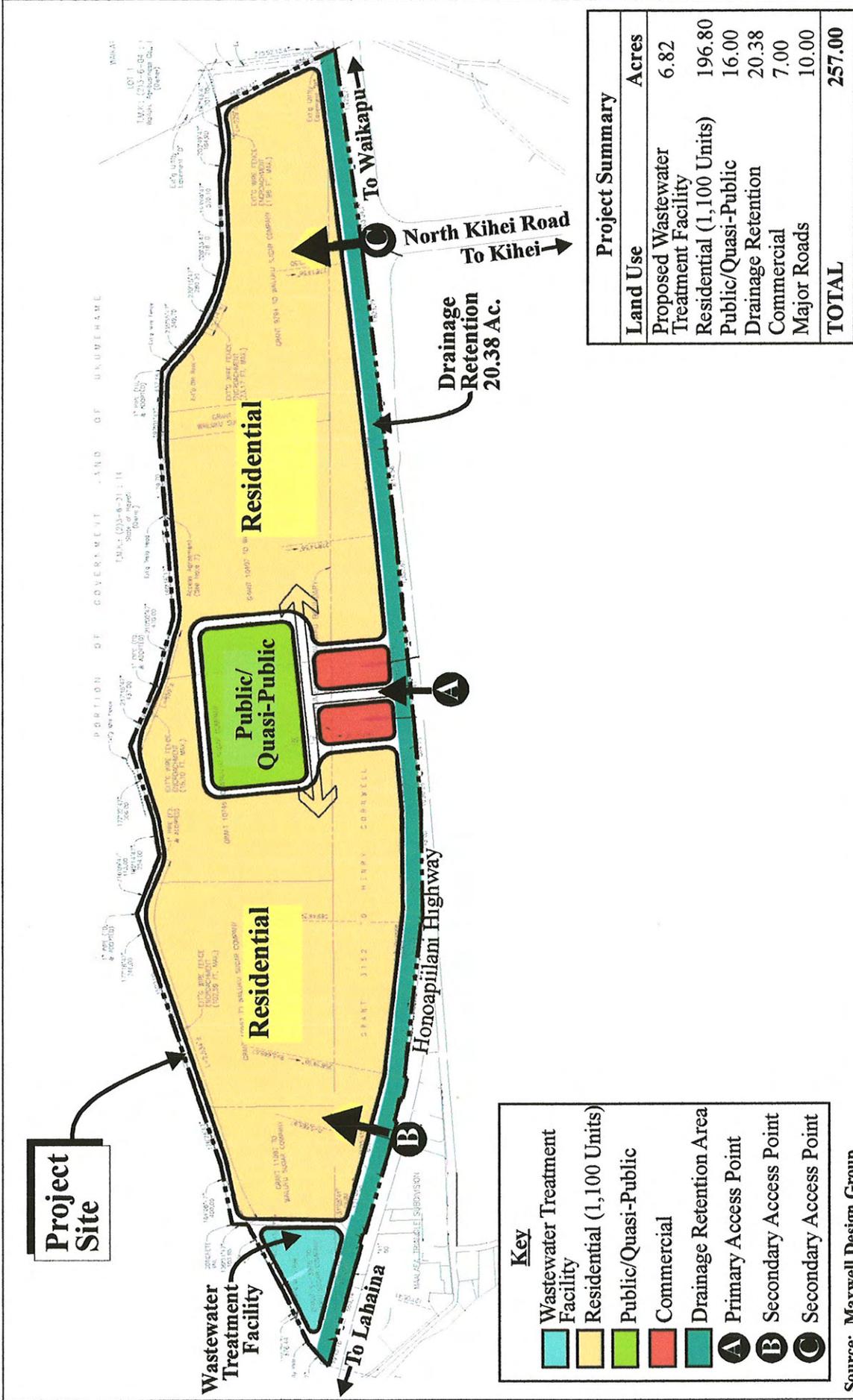
B. PROPOSED ACTION

The applicant proposes the development of a 257-acre master-planned residential community on the project site (TMK (2) 3-6-001:018). See **Figure 4**. Referred to as “Ohana Kai Village”, the proposed project involves the master-planned development of 1,100 affordably-priced single-family residential units, a neighborhood-oriented village town center, community support facilities (i.e. parks, lands for public/quasi-public use, and open space), and supporting infrastructure, including a Wastewater Treatment Plant (WTP). According to preliminary plans, the 1,100 residential units will be developed on approximately 197 of the 257 total acres in the project site, while the remainder of the parcel will be used for development of the WTP, as well as lands for public/quasi-public use, parks, open space, buffer zones, and collector roadways. **Table 1** below provides a breakdown of the proposed land uses and allocated areas.

Table 1. Project Site Land Use Allocations

Land Use Component	Acreage Allotment
Single-Family Homes (1,100 units)	197
Village Town Center (Commercial)	7.0
Wastewater Treatment Plant	7.0
Drainage Retention/Open Space Areas	20.0
Public/Quasi-Public Uses	16.0
Major Roads	10.0
TOTAL	257 Acres

Additionally, the applicant is in the process of developing a privately owned and maintained offsite drinking water system to service the proposed community on the utility site (TMK (2) 3-6-004:003 (por.) and 008 (por.)). Easements are in the process of being acquired from neighboring landowners for the utility site, which includes an existing agricultural reservoir and MECO electrical transmission lines. Improvements associated with the proposed Ohana Kai Village project at the utility site include two (2) water tanks, three (3) groundwater wells (within an approximately five (5) acre area) and a water transmission line. See **Figure 5**. The remaining portions of TMK (2) 3-6-004:003 and 008 will not be affected by the proposed action.



Source: Maxwell Design Group

Figure 4

Proposed Ohana Kai Village Affordable Housing Project and Related Improvements Conceptual Subdivision Plan

NOT TO SCALE



Prepared for: MVI, LLC



SpentHome/MauiRes/AH/EISP/ConceptualPlan

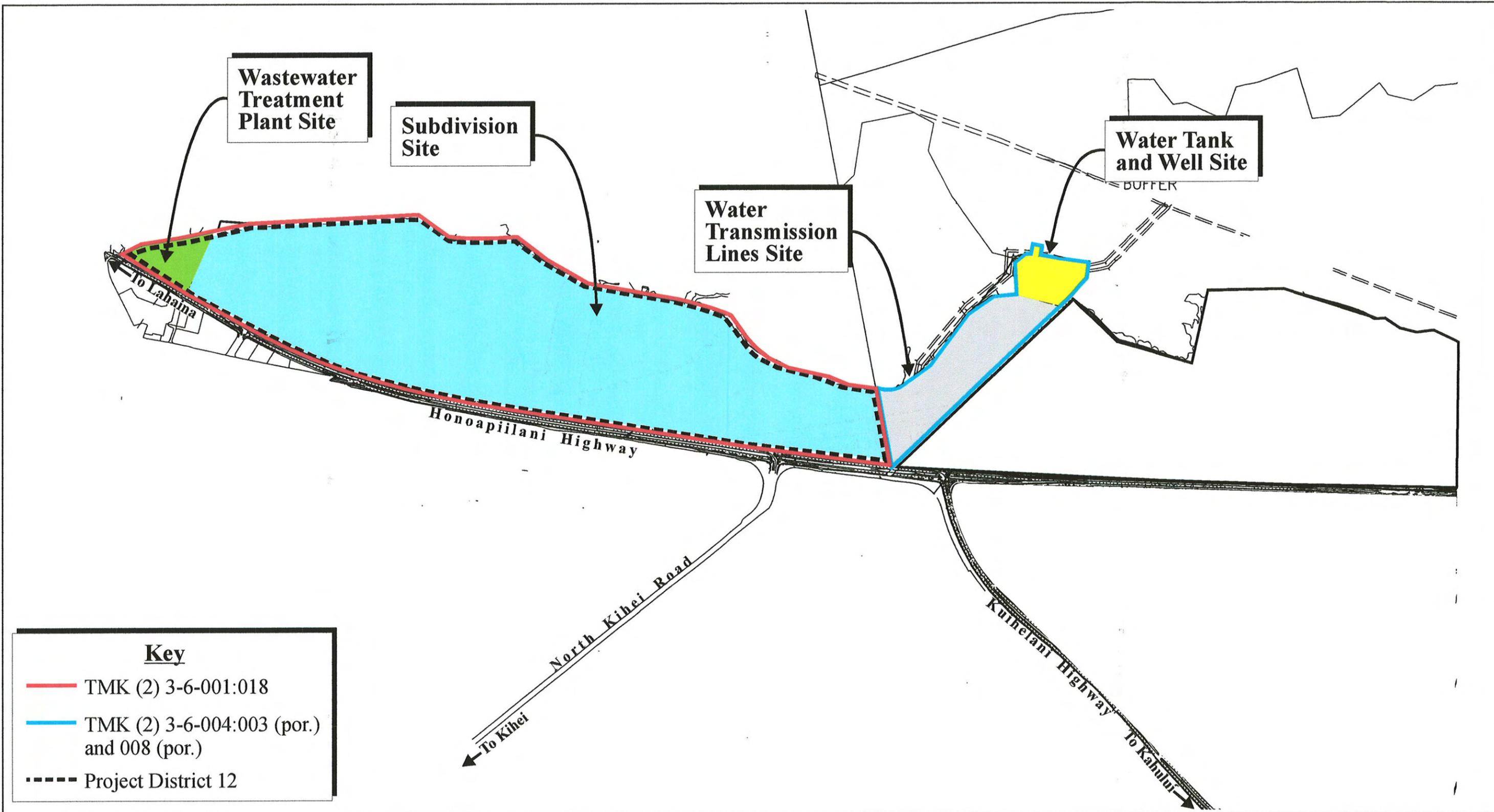


Figure 5 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements
Project Area Components

NOT TO SCALE



C. PROJECT NEED

The proposed Ohana Kai Village project is seeking to increase the supply of affordable housing for local residents at a time when housing is both expensive and in short supply on Maui. Over recent years, both resident and non-resident (offshore) demand for housing on Maui has intensified due to increased population growth and historically low interest rates. This strong demand, coupled with limited supply, has led to rising housing prices. With the median sales price of a single-family house and lot on Maui over \$500,000.00, many residents have been unable to purchase their own homes. The County of Maui, Socio-Economic Forecast (2006) estimates that total housing demand in Maui County will increase from 53,793 units in 2005 to 89,890 units in 2030, an increase of approximately 67 percent over 25 years. The Hawaii Housing Policy Study Update 2003, estimates that an additional 4,072 resident housing units will be needed by 2010 to meet projected demand. According to the 2003 study, this number is anticipated to further increase to a 4,225-unit deficit in the supply of housing units on Maui by the Year 2020, based on production and population forecasts (SMS, 2003). A Market Study has been prepared for the proposed project, the findings of which indicate that there is a short-term supply of approximately 1,893 units currently available on Maui. This limited supply is forecasted to last approximately three (3) years when using a historic average annual absorption rate of 604 units/year. See **Appendix "A"**.

The proposed Ohana Kai Village project responds to the need to provide affordable housing to Maui residents in both the near and long term. The project will serve to meet the housing needs of the island at an attractive and central location in Maalaea. In light of current and projected housing market conditions and prices, the proposed Ohana Kai Village project is considered to provide a significant community benefit by offering Maui's working families new opportunities to purchase affordably-priced homes.

D. AFFORDABLE HOUSING PROGRAM

To increase the supply of affordable housing within Maui County, the following program has been developed in conjunction with the land use plan for the proposed Ohana Kai Village Project. This program, formulated in coordination with the Department of Housing and Human Concerns (DHHC), consists of the following elements:

- Sixty (60) percent of the proposed 1,100 single-family units will be made available for purchase by qualified individuals in Below Moderate to Above Moderate (81 percent to 140 percent) median income groups at sales prices set forth by the

DHHC’s Affordable Sales Price Guidelines. The applicant will work alongside the County of Maui during the course of the EIS process to develop a formal selection program for the sale of these 660 units. The applicant will ensure that 80 percent of the first 200 units constructed for the project are sold pursuant to the requirements of this selection program.

- The remaining forty (40) percent (440 units) of the 1,100 single-family units will be offered for sale in accordance with market demand. To maintain the affordability of these units, the applicant will set prices for these homes at or below the upper threshold of pricing for the Gap Income (141 to 160 percent) median income group, as defined in the DHHC Affordable Sales Price Guidelines.

The proposed affordable housing allocations are presented in **Table 2** below.

Table 2. Affordable Housing Price Ranges (For-Sale Units)

<i>Income Group</i>	<i>Income Range</i>	<i>Affordable Unit Allocation</i>		<i>Estimated Fee Simple Price Range*</i>	
	<i>(% of Median Income)</i>	<i>%</i>	<i>Unit Count</i>		
Below Moderate Income	81-100%	20%	220	\$264,801.00	\$330,900.00
Moderate Income	101-120%	20%	220	\$330,901.00	\$397,100.00
Above Moderate Income	121-140%	20%	220	\$397,101.00	\$463,300.00
Gap Income Group	141-160%	40%	440	\$463,301.00	\$529,500.00
TOTAL			1,100 Units		
<i>* Based on 2009 DHHC Affordable Sales Price Guidelines (Using 6.0% Prevailing Interest Rate for a 3-Bedroom Unit)</i>					

With implementation of the foregoing program, the proposed Ohana Kai Village project will meet both current and future demand for affordable housing in the Maui residential market, a trend which is set to continue given projected population growth rates, continued in-migration trends and the increase in non-resident investment within Maui County.

E. ENTITLEMENTS REQUIRED

The proposed project will require a number of land use entitlement approvals to proceed. The current State Land Use designation for the project site and the utility site is “Agricultural”. Both sites are zoned by the County of Maui as “Agricultural”.

In regards to community plan designation, the project site is designated "Project District 12" by the 1998 Kihei-Makena Community Plan. The utility site falls within both the Kihei-Makena and Wailuku-Kahului Community Plans and is designated “Agricultural”. A summary of entitlements being sought for the project, is provided below:

1. County 201H Application

The proposed Ohana Kai Village project has been developed to meet the criteria for a Section 201H-38, Hawaii Revised Statutes (HRS) project in coordination with the County of Maui’s DHHC. Section 201H-38, HRS promotes the delivery of affordable housing by allowing the exemption of 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.”

As such, a Section 201H-38, HRS application will be filed with the Maui County Council to seek exemptions from the Community Plan Amendment, Change in Zoning, and Project District processes, as well as other County requirements to support the timely implementation of the project, without compromising public health, safety or welfare considerations.

2. State 201H District Boundary Amendment Petition

The current State Land Use designation for the project site is “Agricultural”. Concurrent with the County’s 201H-38, HRS processing, a petition for a State Land Use Commission (SLUC) District Boundary Amendment (DBA) from the “Agricultural” to the “Urban” District will be submitted for processing. The SLUC petition will encompass the entire 257-acre project site and will follow the provisions of Section 15-15-97 of the Land Use Commission Rules, pertaining to Section 201H-38, HRS processing.

F. CHAPTER 343, HAWAII REVISED STATUTES REQUIREMENT

In addition to the proposed WTP, the proposed Ohana Kai Village project will involve the construction of project access-related intersection improvements affecting Honoapiilani Highway, a State highway facility. The use of State lands and the construction of wastewater treatment facilities are both triggers for the preparation of an Environmental Assessment (EA) pursuant to Chapter 343, Hawaii Revised Statutes (HRS). As the sponsoring agency for the project's Section 201H application, the County of Maui, DHHC will act as Accepting Authority for the Chapter 343 process. Due to the scope of the project, the DHHC has determined that an Environmental Impact Statement (EIS) be prepared to fully document and evaluate the technical characteristics, environmental impacts and alternatives associated with the project. The EIS, prepared in accordance with Chapter 200 of Title 11, Department of Health Administrative Rules, Environmental Impact Statement Rules, will advance findings and conclusions relative to the significance of the proposed action. The EIS will act as the primary technical supporting document for the 201H application.

G. ANTICIPATED DEVELOPMENT SCHEDULE

Construction of the project will commence upon receipt of all applicable regulatory permits and approvals.

The project will be developed over a multi-phase time horizon anticipated to be approximately eight (8) years in duration. It is anticipated that the first phase for construction of the project will commence within six (6) months from the date of the 201H approval from the State Land Use Commission. Completion of the project is anticipated to occur within eight (8) years of start of construction.

The total estimated cost of the proposed project is approximately \$400 million, which includes both site work and vertical construction costs.

**II. DESCRIPTION OF
EXISTING CONDITIONS,
POTENTIAL IMPACTS
AND PROPOSED
MITIGATION MEASURES**

II. DESCRIPTION OF EXISTING CONDITIONS, POTENTIAL IMPACTS AND PROPOSED MITIGATION MEASURES

A. PHYSICAL ENVIRONMENT

1. Surrounding Land Uses

a. Existing Conditions

The project area is situated on the southwest coast of the island of Maui, about eight (8) miles from the commercial and business center of Kahului. It lies to the northwest of the Maalaea Small Boat Harbor, a harbor facility for commercial uses with a total berthing capacity of 96 vessels, as well as the commercial uses of Maalaea Triangle. The Maalaea residential community, encompassing several condominium complexes, is located along the shoreline to the east of the harbor. The harbor is accessed directly from Honoapiilani Highway (harbor access road) and by the Old Wailuku Lahaina Road which connects with Maalaea Road. The nearby Maalaea Triangle accommodates a variety of uses catering predominantly to tourism, including restaurants, an ocean center, a miniature golf course, souvenir shops and parking. The project site lies on the west side of the Honoapiilani Highway, which is the principal access-way to areas on the west coast of the island, including Lahaina, Kaanapali and Kapalua. The project site is located approximately sixteen (16) miles southeast of Lahaina and nine (9) miles southwest of Maui's main airport in Kahului.

A large area of agricultural land, predominantly used for sugarcane cultivation, is located to the northeast of the project site. Other uses in the vicinity include the Pohakulepo quarry and concrete recycling site to the north, with the King Kamehameha Golf Courses beyond. The town of Waikapu is located approximately three (3) miles to the north, with the town of Wailuku, the County of Maui's governmental center, located a further one (1) mile to the north of Waikapu.

The project site was formerly used for sugarcane cultivation and more

recently for small scale agricultural pursuits, including the cultivation of truck crops. Portions of the project site are currently being used for cattle grazing under a lease that can be terminated upon 30 days' notice should development occur in the future.

b. Potential Impacts and Proposed Mitigation Measures

The project site is intended to be developed as a master-planned, residential community with ancillary commercial, and public/quasi-public land uses. The proposed project is in keeping with the intended use of the property as reflected by the designation as Project District 12 in the Kihei-Makena Community Plan. Though not identified in the recommended land use allocations of the community plan, an exemption from community plan amendment requirements for the village town center (commercial) will be requested through the Hawaii Revised Statutes (HRS) 201H application process.

The proposed project will be complementary to the adjacent urban developments in Maalaea. Additionally, the project's central location makes it accessible to the major residential and commercial centers in Central Maui, South Maui, and West Maui.

2. Climate

a. Existing Conditions

Maui is characterized by a semi-tropical climate containing a multitude of individual microclimates. The mean annual temperature of the island is about 75 degrees Fahrenheit at all locations near sea level. The coolest months on Maui are December and January, with August and September representing the hottest months in the calendar year. A high proportion of the rainfall that Maui receives each year falls on the northeast facing shores leaving the south and southwest coastal areas relatively dry. Annual rainfall in the area averages 14 to 16 inches, with the bulk occurring between the months of November and April (Armstrong, 1983). Maalaea is located within one of these drier areas of the southwest coast, one that is also often affected by strong winds and high waves.

Northeast tradewinds prevail approximately 80 to 85 percent of the time.

Tradewinds originating from the northeast average 10 to 15 miles per hour during afternoons, with slightly lighter winds during mornings and nights. Between October and April, the southerly winds of Kona storms may be experienced.

b. Potential Impacts and Proposed Mitigation Measures

According to the United States Environmental Protection Agency (EPA), the development of cities and suburban areas has a tendency to increase temperatures slightly (up to 10 degrees Fahrenheit, in dense cities) as compared to surrounding natural land cover. This “heat island” effect, as it is often denoted, refers to urban air and surface temperatures that may be higher than nearby rural or undeveloped areas.

In order to minimize the potential of an elevated heat island profile, the applicant will implement a number of landscaping measures. For example, the applicant will provide shade trees and landscape vegetation throughout the subdivision to take advantage of the natural cooling effects of shading.

Further, the buildings will be architecturally designed and built with a low profile to minimize trapped heat and to maximize natural air flow. It is anticipated that these mitigation measures will serve to offset the potential heat island effect of the residences and pavement in the subdivision. As a result, the proposed action is not anticipated to significantly alter local micro-climates.

3. Topography and Soils

a. Existing Conditions

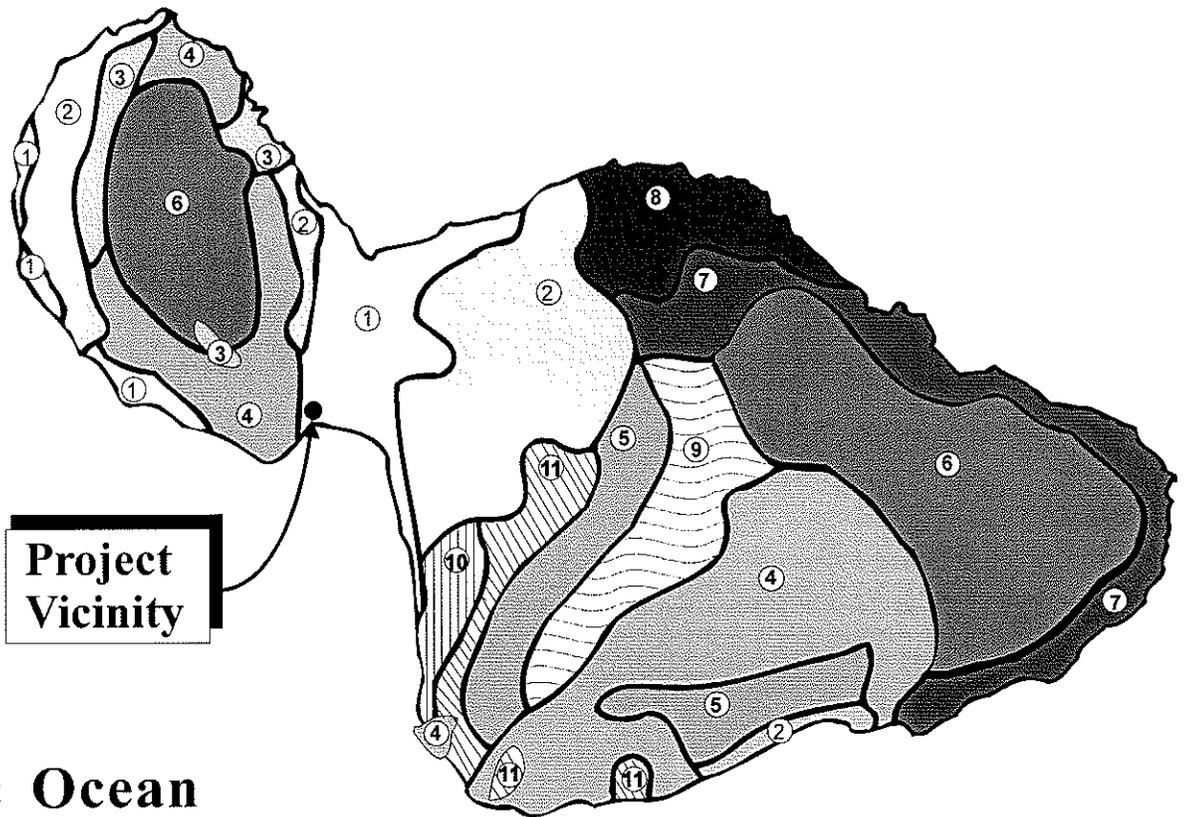
Underlying the property are soils belonging to the Pulehu-Ewa-Jaucus association. See **Figure 6**. The Soil Survey of the islands of Kauai, Oahu,

Maui, Molokai, and Lanai, State of Hawaii characterizes the soils of this association as deep and well drained and located on alluvial fans and in basins.

The project site is characterized by the following soil types: Ewa Silty Clay

LEGEND

- | | |
|--|-------------------------------------|
| ① Pulehu-Ewa-Jaucas association | ⑦ Hana-Makaalae-Kailua association |
| ② Waiakoa-Keahua-Molokai association | ⑧ Pauwela-Haiku association |
| ③ Honolua-Olelo association | ⑨ Laumaia-Kaipoi-Olinda association |
| ④ Rock land-Rough mountainous land association | ⑩ Keawakapu-Makena association |
| ⑤ Puu Pa-Kula-Pane association | ⑪ Kamaole-Oanapuka association |
| ⑥ Hydrandepts-Tropaquods association | |



Source: USDA Soil Conservation Service

Figure 6

Proposed Ohana Kai Village
Affordable Housing Project
and Related Improvements
Soil Association Map

NOT TO SCALE



(EsB), Ewa Cobbly Silty Clay (EtB), Pulehu Cobbly Clay Loam (PtB) and Stony Alluvial Land (rSM). The utility site is characterized by EsB, PtB, and rSM. See **Figure 7**.

EsB occurs around alluvial fans and terraces and is generally characterized by a 3 to 7 percent slope, moderate permeability, a slight erosion capacity and slow run-off. This soil classification is predominantly used for sugarcane or pineapple crop cultivation in the Hawaiian Islands.

EtB is similar to EsB, but cobblestones in the surface layer interfere with surface tillage. However, intertilled crops, including sugarcane, are a viable option for this soil type.

PtB is characterized by a 3 to 7 percent slope, slight erosion hazard and slow runoff. Similar to the aforementioned soil types, it is frequently used for sugarcane cultivation, although small acreages are also used as pasture.

rSM consists of stones, boulders and soil deposited by streams along the bottoms of gulches and on alluvial fans. This soil classification can be found at elevations ranging from sea level up to around 1,000 feet and is generally characterized by a 3 to 15 percent slope. Improvement of the land in such areas is difficult due to the presence of stones and boulders.

Vegetation normally associated with these soil classifications includes kiawe, ilima, guava, kukui, hilograss and christmas berry.

b. Potential Impacts and Proposed Mitigation Measures

The proposed Ohana Kai Village Project is compatible with the property's underlying soil characteristics. There are no geologic or soil hazard limitations associated with the land.

As the project is located on a east to west incline, implementation of mass-grading activities will be necessary. Copies of the conceptual mass grading plan and construction phasing plan for the project are presented in **Appendix "B"**. Mass grading activities for the project will be phased over several years and will seek to balance excavation and embankment earthwork quantities with the objective in mind of minimizing, to the extent practicable, the

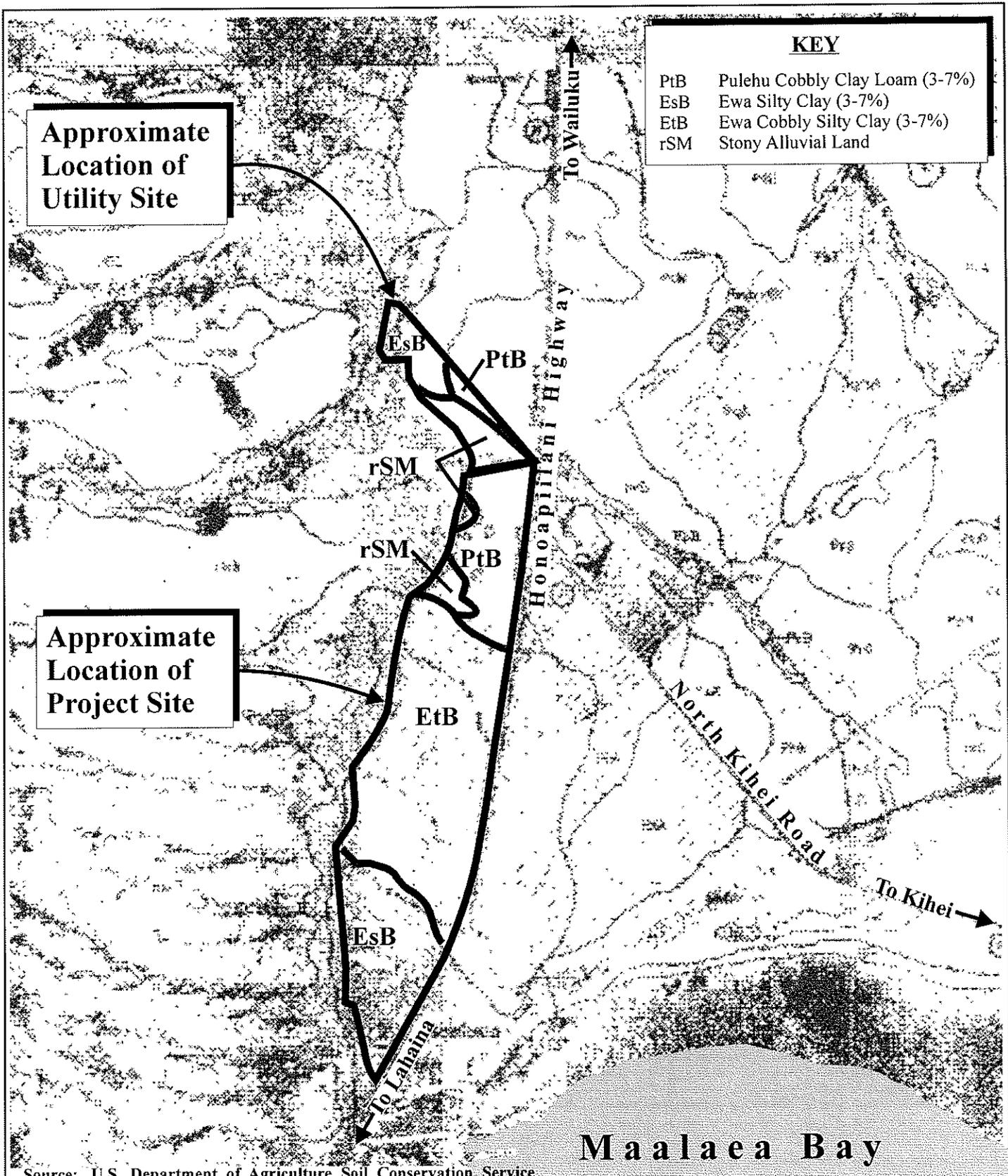


Figure 7 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements Soil Classification Map

NOT TO SCALE



amount of fill material being imported/exported from the site during the development process. Given the planned phased construction and the size of the property in question, it is, however, reasonable to assume for planning purposes that a 500,000 cubic yard surplus or deficit in excavated material may be created during completion of grading activities for the project. To ensure operation within this threshold, grading schemes will be adjusted through an iterative process as each phase is completed to rebalance excavated and earthwork volumes for the remaining phases.

Both temporary and permanent Best Management Practices (BMPs) will be utilized to minimize runoff and soil erosion associated with project implementation. These BMPs will include constructing detention basins to capture sedimentation and minimize the quantity of sediment leaving the site, protecting natural vegetation, using wind erosion control measures, intercepting runoff above disturbed slopes, and using seeding and fertilizing or other soil erosion control techniques. Any areas within the property that are disturbed, even though not part of the construction phase, will adhere to temporary and permanent BMPs.

4. Agriculture

a. Existing Conditions

The project area is designated for agricultural use by both the State Land Use Commission and County of Maui zoning.

The project site was formerly used to support the growing of sugarcane (late 1800s to 1988), pineapple (1992 to 1995) and other diversified crops (1988 to 2004). Beginning in about 1998, about 24 farmers were licensed (on a month-to-month basis) to cultivate a little less than half the acreage of the project site. Most of the tenants farmed the land for lifestyle (that is they were “hobby farmers”) with only a small portion deriving most of their income from farming. Their crops included asparagus, bananas, cucumbers, papaya, squash, string beans, and tomatoes. The licenses for these farmers were discontinued in 2004 when the land was sold to the former owner, Maalaea Properties, LLC.

Following the sale, the land lay fallow for about two (2) years, whereupon it was leased on a temporary basis for small-scale grazing operations. Portions

of the project site are currently being utilized by Maui Cattle Co., under a lease agreement (subject to cancellation upon 30 days notice), to graze cattle. The utility site is not being utilized for grazing or crop cultivation and currently lies vacant and underutilized.

Of the four (4) major agricultural land classification systems generally used in Hawaii, current soil conditions within the project area were assessed utilizing the two (2) more pervasively used systems: the Agricultural Lands of Importance to the State of Hawaii (ALISH) and the Land Study Bureau (LSB) productivity classification systems.

The ALISH system is based on a United States Department of Agriculture (USDA) standard which determines agricultural policy nationwide for a wide variety of crops. The State Department of Agriculture developed the ALISH classification system in 1977. The ALISH classification system is based primarily, though not exclusively, upon the soil characteristics of the lands. The three (3) classes of ALISH lands are: "Prime", "Unique", and "Other", with all remaining lands termed "Unclassified". When utilized with modern farming methods, "Prime" agricultural lands are designated as having soil quality, growing season, and moisture supply necessary to produce sustained crop yields economically. "Unique" agricultural lands are designated as possessing a combination of soil quality, growing season, and moisture supply to produce sustained high yields of a specific crop. "Other" agricultural lands include those that have not been rated as "Prime" or "Unique".

As reflected by the ALISH map for the project region, the majority of the project site and utility site are comprised of lands that have been defined as "Prime" agricultural lands although small portions of the properties fall into the "Other" and "Unclassified" categories. See **Figure 8**.

The LSB classification utilizes clear, quantifiable criteria based on underlying soil characteristics, specifically for predominant crops in Hawaii. The University of Hawaii, LSB developed the Overall Productivity Rating, in association with the Detailed Land Classification for the island of Maui, which classifies soils according to five (5) levels, with "A" representing the class of highest productivity soils and "E" representing the lowest. These letters are followed by numbers which further classify the soil types by

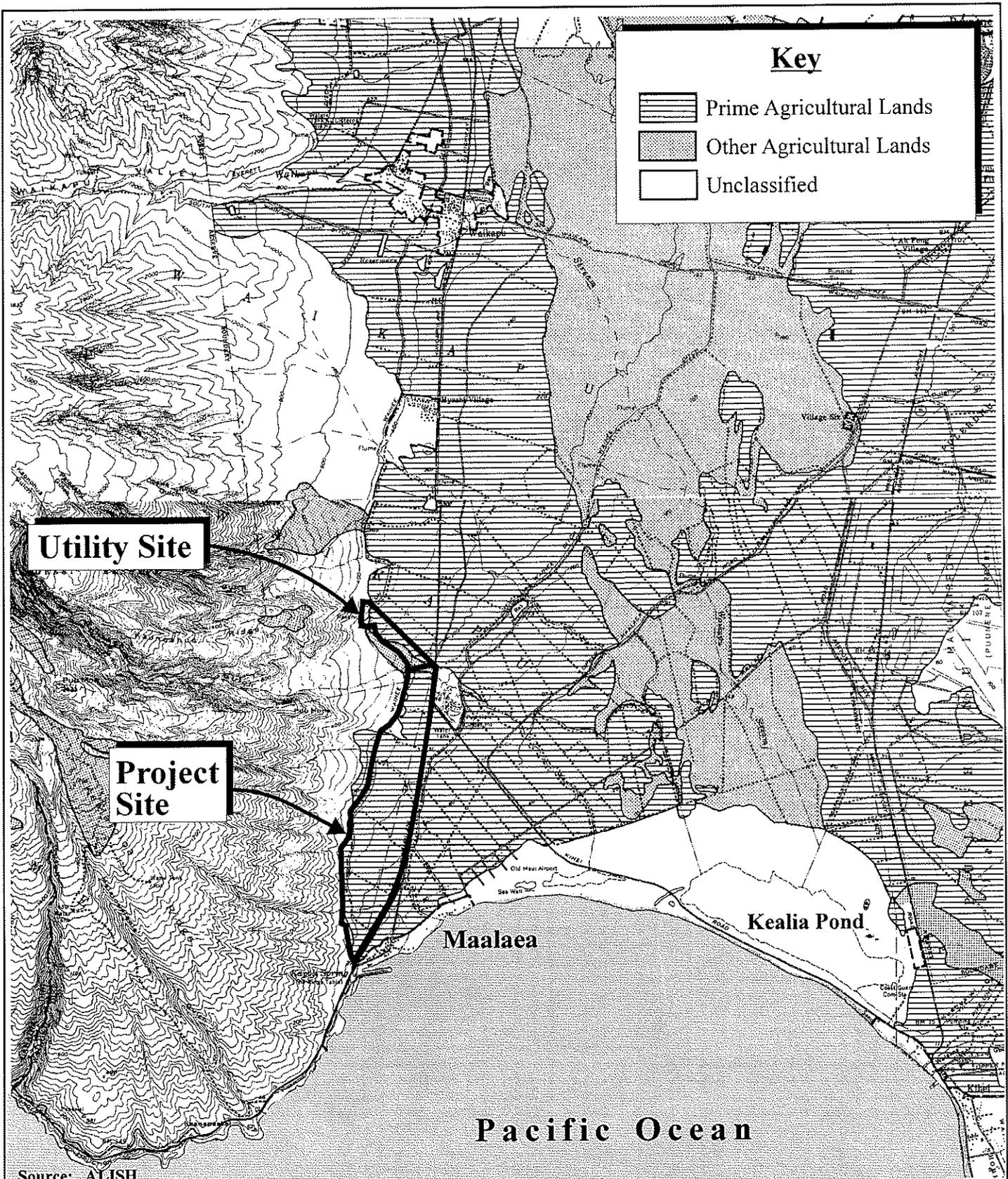


Figure 8

Proposed Ohana Kai Village
Affordable Housing Project
and Related Improvements
ALISH Classifications Map

NOT TO SCALE



conveying such information as texture, drainage, and stoniness.

The project site is located on lands designated as "B72i" by the LSB. See **Figure 9**. B72i designated lands are characterized as stony, well-drained lands moderately suited for machine tillability. They are most frequently used for sugarcane production and grazing.

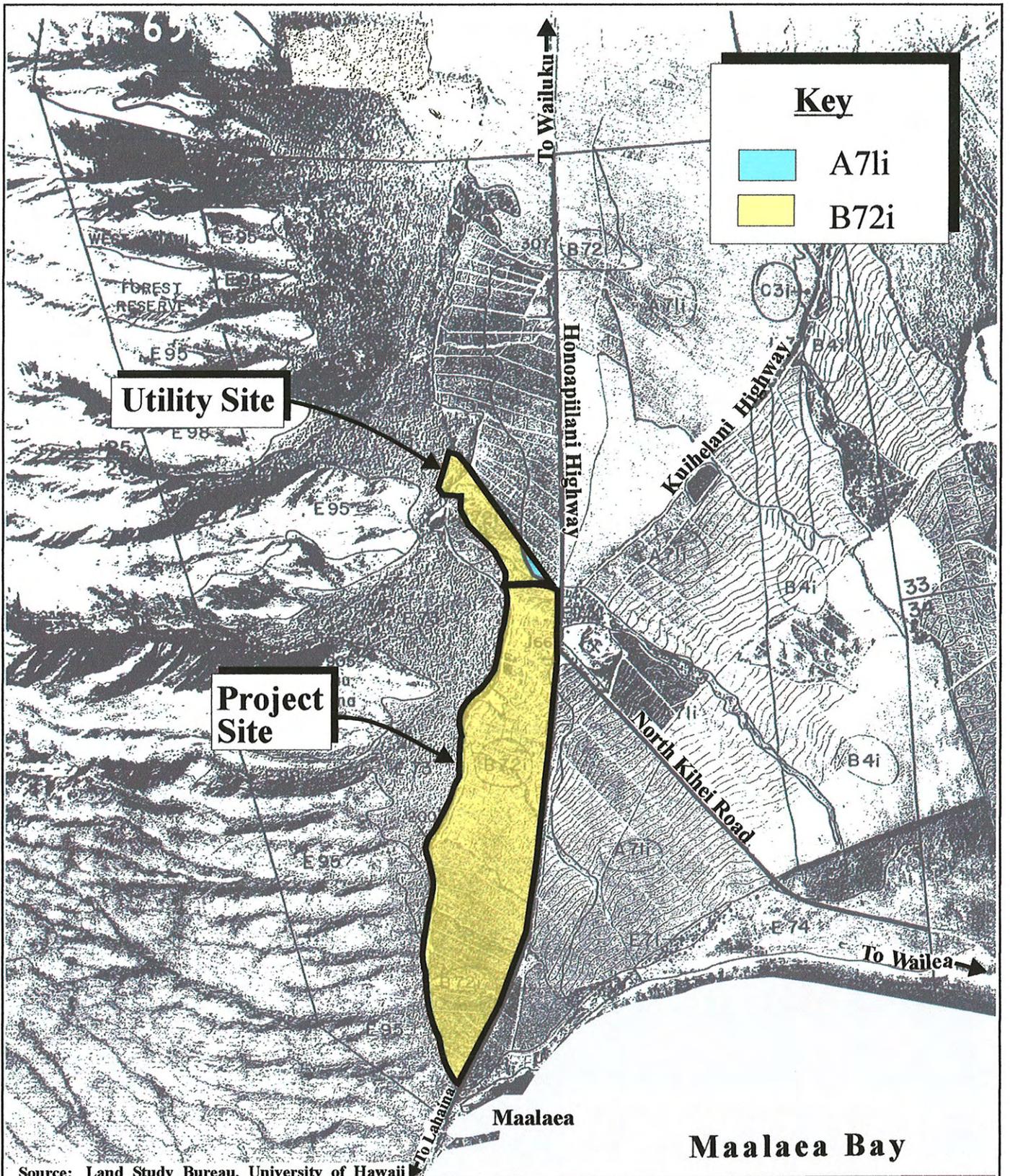
The utility site consists of mainly B72i with small areas of A7li designations. A7li designated lands are characterized as non-stony, well-drained lands that are well-suited for machine tillability. Similar to B72i, lands designated A7li are suitable for sugarcane production and grazing. (University of Hawaii, 1967).

b. Potential Impacts and Proposed Mitigation Measures

The subject property lies within the State Agricultural district and is designated for agricultural use by Maui County Zoning. It is, however, designated as a residential Project District (Project District 12) by the Kihei-Makena Community Plan.

The proposed project will involve the construction of a residential subdivision on the 257-acre project site. The agricultural impact of this project is not considered adverse when taken in the context of the recent trends occurring on Maui. In the last 30 years, the closures of Wailuku Sugar and Pioneer Mill on Maui have taken significant acreages out of active sugar cane cultivation. These actions have greatly increased the supply of non-sugar based agricultural lands. In fact, much of the lands of these former plantations are still fallow. The project site represents approximately 0.1 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui.

A study has been completed by Decision Analysts Hawaii, Inc. to assess the impact of development at this location on Maui's agricultural operations. See **Appendix "C"**. The Agricultural Impact Assessment Report concludes that there will be a minimal impact from the proposed project on the growth of diversified agriculture in Maui County. From a productivity standpoint, the proposed project is not anticipated to have a significant adverse effect on the inventory of lands available for agricultural cultivation, nor is it expected to affect the inventory of land for diversified agricultural use. Refer to



Source: Land Study Bureau, University of Hawaii

Figure 9

Proposed Ohana Kai Village
Affordable Housing Project
and Related Improvements
Detailed Land Classification Map

NOT TO SCALE



Prepared for: MVI, LLC

MUNEKIYO & HIRAGA, INC.

SpenHome/MaalaeaAH/EISP/DetailLandClass

Appendix “C”.

When evaluated based on the shortage of affordable housing that exists on Maui, coupled with the scarcity of entitled, undeveloped residential lands in South Maui, the conversion of the project’s agriculture lands into residential development presents a beneficial opportunity. The proposed expansion of the urban district at Maalaea is reasonable and will allow residential use up to a natural buffer at the foothills of the West Maui Mountains.

5. Natural Hazards

a. Existing Conditions

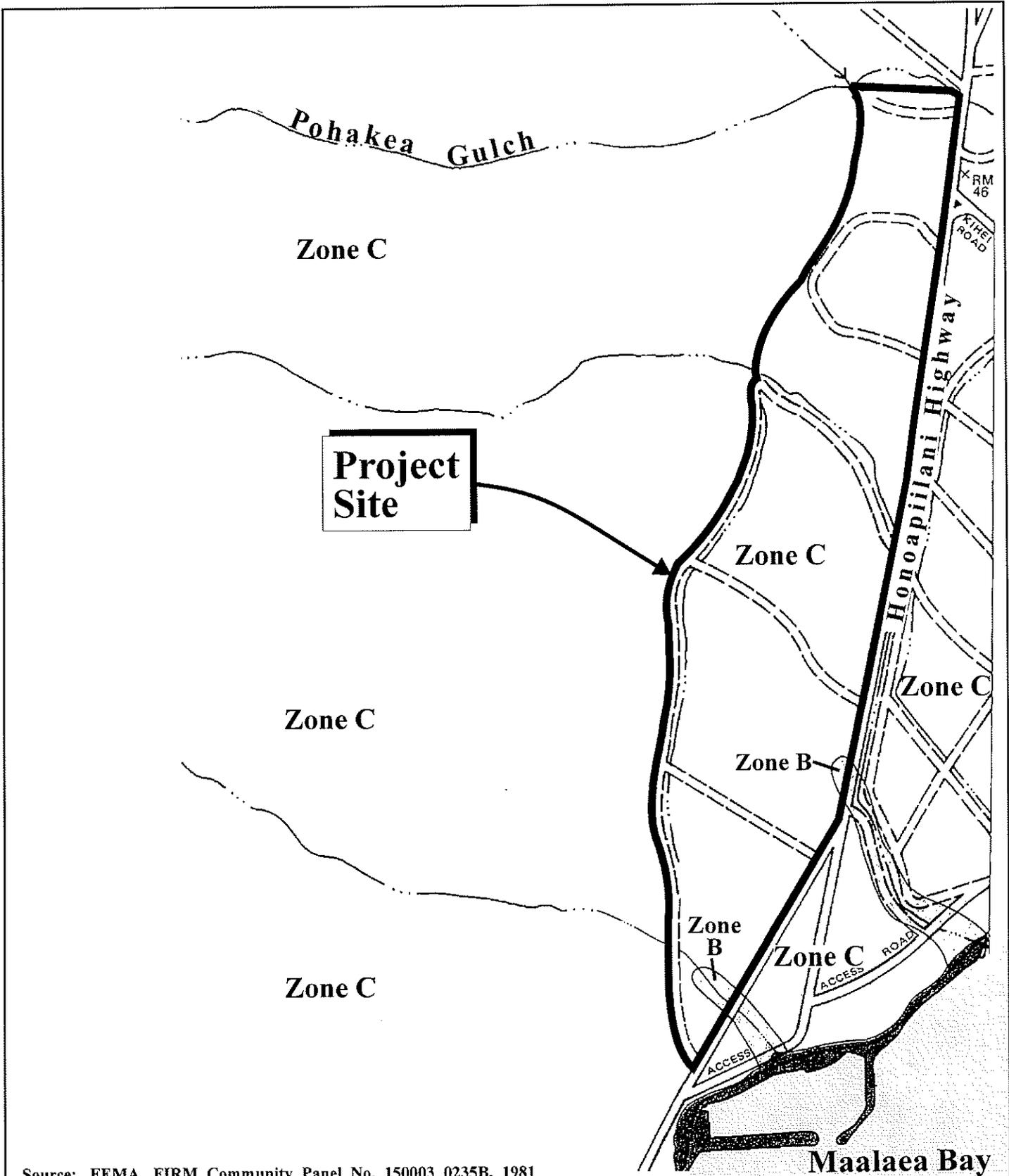
The Flood Insurance Rate Map (FIRM) for this area of Maui indicates that the majority of the project site falls within Zone C, an area of minimal flooding, although small portions of the site occupy Zone B, or areas between the 100-year and 500-year flood. See **Figure 10**. The entire utility site falls within Flood Zone C, see **Figure 11**.

In regards to other natural hazards, it is noted that wildfires have occurred in recent years in the State-owned and managed Conservation district lands that lie to the west of the subject property.

b. Potential Impacts and Proposed Mitigation Measures

The proposed project is not expected to be impacted by flood and tsunami hazards. Special Flood Hazard Area Development (SFHAD) Permits for improvements within the portion of the property designated as Flood Zone B will be obtained for the project, as applicable.

In recognition of past wildfires in the State-owned and managed Conservation district lands that lie adjacent (west) of the property, the following mitigation measures are being considered for implementation as part of the proposed project. These measures would reduce the exposure of the subdivision to any future unmanaged wildfire events in the neighboring State Conservation lands:



Source: FEMA, FIRM Community Panel No. 150003 0235B, 1981

Figure 10

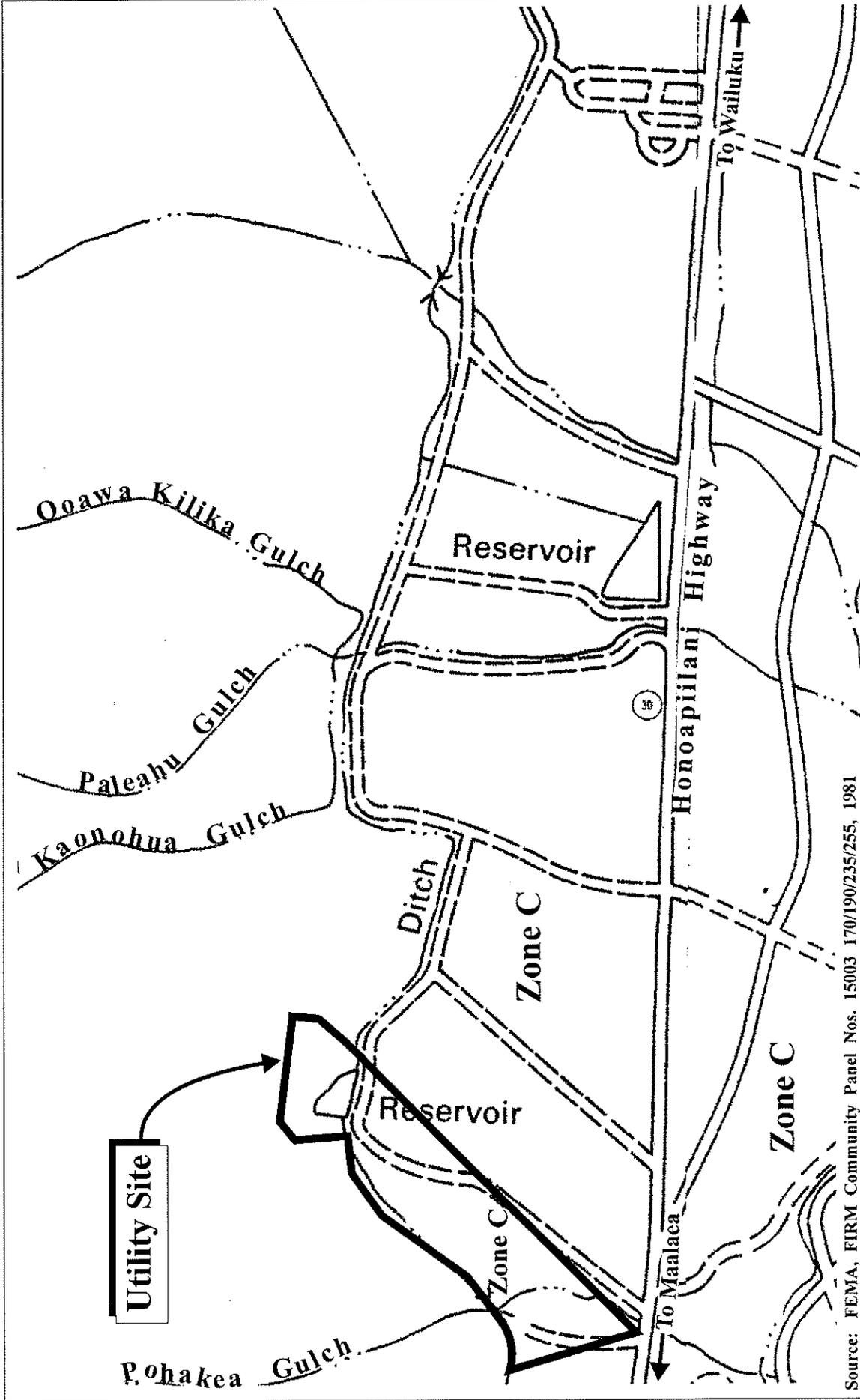
Proposed Ohana Kai Village
Affordable Housing Project
and Related Improvements
Flood Insurance Rate Map
(Project Site)

NOT TO SCALE



Prepared for: MVI, LLC

MUNEKIYO & HIRAGA, INC.



Source: FEMA, FIRM Community Panel Nos. 15003 170/190/235/255, 1981

Figure 11

Proposed Ohana Kai Village Affordable
 Housing Project and Related Improvements
 Flood Insurance Rate Map (Utility Site)

NOT TO SCALE



MUNEKIYO & HIRAGA, INC.

Prepared for: MVI, LLC

SpentHome/Maalaea/H/EIS/PN/Floodhazard

- Reuse of reclaimed water from the project’s proposed Wastewater Treatment Plant (WTP) for irrigation of common landscaped and open space areas within and around the subdivision, particularly along the mauka boundary of the subject property. See Chapter II, Section D.3. (Wastewater System) and WTP Preliminary Engineering Report (**Appendix “C”**) for more information on the WTP and the proposed use of reclaimed water within the subdivision.
- Coordination with the State of Hawaii, Department of Land and Natural Resources (DLNR) to identify opportunities and permit requirements for the routine maintenance of an additional fire mitigation corridor along the outer edge of the mauka (west) boundary of the subject property. Reclaimed water from the WTP could also be utilized in conjunction with the removal of dead vegetation from this corridor to promote the effectiveness of this strip of land in inhibiting the spread of a possible wildfire event in the future.

Additional coordination, as necessary, will be undertaken with the Maui County Department of Fire and Public Safety, the Maui Wildland Fire Coordinating Group and other applicable agencies during the subdivision and engineering plans preparation phase to identify additional wildfire mitigation opportunities for the proposed Ohana Kai Village Affordable Housing Project.

6. Pesticides and Fertilizer Use

a. Existing Conditions

Phase I Environmental Site Assessments (ESA) for the project site (TMK (2) 3-6-001:018) and the utility site (TMK (2) 3-6-004:003) were completed by Element Environmental LLC in November 2006 and December 2006, respectively, to assess existing environmental conditions within the project area. The ESA reports were prepared in accordance with the ASTM “Standard Practice for Environmental Site Assessments”. The ASTM standard defines good commercial and customary practice in the United States of America for conducting an Environmental Site Assessment of a parcel of real estate with respect to the range of contaminants within the scope of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). Copies of the Phase I ESA reports are presented in **Appendix “D”**.

(1) Project Site

As noted previously, the project site is the 257-acre parcel of land (identified by TMK (2) 3-6-001:018) that will be utilized for the construction of the proposed Ohana Kai Village Project. The assessment of the project site identified one (1) environmental condition within the property; fourteen (14) unmarked 55-gallon high density polyethylene (HDPE) drums located along a dirt road which borders the southwestern end of the parcel. The Phase I ESA for the project site recommended the following mitigative actions for the identified environmental condition:

- The proper removal of these unidentified drums and the testing of the soil around the storage area for residual contamination.
- Completion of limited composite soil sampling to determine if residual levels of pesticides and herbicides are present in the soils. This recommendation is based on the former use of the project area for sugarcane and pineapple cultivation activities.

(2) Utility Site

As noted previously, the three (3) groundwater production wells, two (2) water storage tanks, and transmission line improvements are to be constructed within the utility site. The assessment of the entire parcel of TMK (2) 3-6-004:003 identified several environmental conditions within the larger property, including the presence of chlorine and fertilizer storage and mixing tanks, pole-mounted transformers and illicit solid waste dumping areas consisting of abandoned vehicles, disposed tires, refrigerators and other appliances. Both the storage/mixing tanks and the illicit solid waste dumping areas were identified to be located outside of the limits of the utility site. The pole-mounted transformers were, however, identified to fall within the utility site for the proposed project.

The Phase I ESA recommended the following in regards to the above-noted items:

- The disposal/recycling of chlorine and fertilizer storage and mixing tanks in accordance with all Federal, State and local regulations. In addition, the soil and vegetation beneath the tanks should be inspected for indications of a release. If a significant release is suspected, appropriate sampling and clean-up should be conducted.

- The testing of the pole-mounted transformers for potential presence of polychlorinated biphenyls (PCBs). If a significant release is suspected, appropriate sampling and clean-up should be conducted.
- The clearing and disposal of illicitly dumped solid waste should be cleared in accordance with all Federal, State and local regulations. In addition, the soil and vegetation beneath the solid waste should be inspected for indications of a release. If a significant release is suspected, appropriate sampling and clean-up should be conducted.
- Limited composite soil sampling to determine the presence of residual levels of pesticides and/or herbicide should be conducted for portions of the property where the intended land use is expected to change from agricultural to residential.

b. Potential Impacts and Proposed Mitigation Measures

The following actions have since been undertaken to address the recommendations from the Phase I ESA reports:

(1) Project Site

The fourteen (14) HDPE drums noted above have been removed from the property and disposed of in accordance with Federal, State and County regulations. No evidence of stressed vegetation or straining was observed in the underlying areas following removal of the drums. With removal of the drums, there are no existing recognized environmental conditions within the project site.

Due to the project site's former use for commercial crop cultivation activities (sugarcane and pineapple) and the intended use as a residential subdivision in the future, a Phase II ESA Report was also completed for the 257-acre property by Element Environmental LLC in August, 2007. See **Appendix "D-1"**. As part of the Phase II ESA work, two (2) surface soil samples were collected from the area of the removed drums. The only analyte in the samples exceeding set guidelines was Chromium, which was detected at a concentration of 240 mg/kg in one of the samples. This is slightly higher than the Department of Health's (DOH) Environmental Action Level (EAL) and the Environmental Protection Agency's (EPA) Region 9 Preliminary Remediation Goal (PRG) of 210 mg/kg. At this level of concentration, Chromium is deemed to fall within the acceptable human health cancer risk range as defined by the EPA. Based on this

information, the Phase II ESA concluded that no further remediation is necessary for the drum area.

Multi-increment composite soils testing (based on samples collected from eight (8) neighborhood size decision units) was also completed for the entire 257-acre project site as part of the Phase II ESA. In addition to a range of other pesticide and fertilizer analytes, discrete sampling for the presence of the Volatile Organic Compounds (VOC) was also included in the testing program. VOC, Semi-Volatile Organic Compounds (SVOC), chlorinated herbicides, organochlorine pesticides, carbamates, and polychlorinated biphenyls (PCBs) were not detected in any of the samples. Lead and Arsenic were the only two (2) analytes detected in the samples. Concentrations of Lead in the samples were much lower than the EAL and the EPA Region 9 PRG. Concentrations of Arsenic, while exceeding the EPA Region 9 PRG, were deemed (according to DOH standards) to fall within acceptable background levels for soils within Hawaii. As levels of lead and arsenic were identified to fall within acceptable levels, the Phase II ESA concluded that no remediation action was required for the project site.

In response to guidance received from the State of Hawaii, Department of Health (DOH), Hazard Evaluation and Emergency Response (HEER) Office, a Phase II ESA Screening Letter Report was prepared in April 2007 to supplement the Phase II ESA report. The purpose of the report was to conduct a dioxins/furans analysis for the 257-acre project site using multi-increment test samples. See **Appendix “D-2”**. Surface soil testing was completed to evaluate if residual levels of pesticides and herbicides resulting from historic agricultural uses are present within the soils of the property. Samples taken during testing were found to contain low concentrations of dioxins/furans which were below the “low-risk” HEER residential action level. Based on this finding, the Phase II ESA report concluded that no further action or restrictions on land use are necessary for the project site. Refer to **Appendix “D-2”**.

With completion of the foregoing actions, it is anticipated that all recognized environmental conditions (identified in the Phase I and Phase II ESA Reports) within the project site have been addressed. Refer to **Appendix “D-1”**. The use of the project site for a residential subdivision, therefore, is not anticipated to present any impacts to public health and safety.

(2) **Utility Site**

As noted previously, the chlorine and fertilizer mixing tanks and the

solid waste dumping areas were identified to fall outside of the limits of the utility site. These areas are currently utilized for agricultural cultivation purposes and with expectation of continued usage following completion of the proposed Ohana Kai Village Project. As part of ongoing operations in these areas, it is anticipated that the landowner of this parcel will coordinate with DOH to address future remediation requirements for these offsite recognized environmental conditions.

In regards to the utility site (i.e., area affected by the proposed water system for the project), the pole-mounted transformers were the only item identified by the Phase I ESA as having a potential for categorization as a recognized environmental condition due to the possible use of PCBs. During site inspections undertaken during the Phase I ESA, no staining was observed on the ground surface below the pole-mounted transformers indicating an absence of previous leakage incidents from these transformers. Refer to **Appendix "D"**. These transformers are owned and maintained by MECO. Any future PCB leaks from these transformers would, therefore, be remediated by MECO in accordance with applicable EPA and DOH guidelines.

The utility site will accommodate infrastructure functions necessary for the neighboring residential subdivision and will not be used for residential purposes. As such, composite soils testing will not be required by DOH for this particular area.

There are no existing recognized environmental conditions (falling within the control of the applicant) within the utility site for the proposed Ohana Kai Village Project. It is, therefore, anticipated that no remediation actions will be required for the project to proceed.

Following development and occupancy of the proposed project, use of fertilizers within residential lots and within common areas will be in a manner consistent with best landscape practices to avoid over use of soil amendments and nutrients. With such practices, there are no anticipated adverse effects on groundwater resources attributed to homeowner-based fertilizer use within the project.

7. **Flora and Fauna**

a. **Existing Conditions**

A Biological Resources Survey of flora and fauna within the project site was conducted in January 2005. Similarly, a supplemental biological resources

survey of the utility site was completed in September 2006. See **Appendix "E"**.

(1) **Project Site**

The vegetation throughout the project site is open grassland consisting primarily of Guinea grass, buffelgrass and a variety of other grass and weed species.

A total of 95 species of flora were identified, of which six (6) were native species: wiliwili (*erythrina Sandwicensis Degener*), nehe (*Melanthera Lavarum*), aalii (*Dodonaea Viscosa Jacq*), ilima (*Sida Fallax Walp*), uhaloa (*Waltheria Indica L.*), and iliee (*Plumbago Zeylanica L.*). The domination of the area by non-native species of plant life can be attributed to the fact that the properties were under agricultural cultivation for over a century. No officially listed threatened or endangered plants are located on the project site, nor do any plants proposed as candidates for such status exist within the property. Further, no wetland areas were identified within the project site.

No species of fauna were directly observed, although tracks of feral cats were seen, and other common species such as mongoose, rats, and mice would be expected given the dense vegetation. Moderate levels of avifauna diversity were identified within the project site. Of note, was the identification of three (3) endangered Nene (*Branta Sandwicensis*) geese observed to be feeding within the project site. A further Nene was observed flying over the project site during an evening visit, most likely in transit between the attractive vegetation of the neighboring golf course and the West Maui mountains. Refer to **Appendix "E"**.

(2) **Utility Site**

The vegetation throughout the utility site is dominated by a mixture of both agricultural and non-native field weeds. Prior to being utilized for agricultural cultivation, the utility site would have been characterized by dry native scrubland with scattered trees, such as wiliwili (*erythrina Sandwicensis Degener*) and ohe (*Reynoldsia Sandwicensis*). Intensive sugarcane and pineapple cultivation activities over the last century or so, have eliminated all signs of native vegetation. Species of weeds identified to be present within the utility site today include bitter melon (*Momordica Charantia*), little bell (*Ipomoea Triloba*) and swollen fingergrass (*Chloris Barbata*). Species of kiawe (*Leucaena Leucocephala*), koa haole

(*Prosopis Pallida*) and buffleggrass (*Cenchrus Ciliaris*) were also identified to exist within the area of the utility site to be utilized as the water tanks for the project. No officially listed threatened or endangered plant species were found on the property, nor were any plants proposed for such status found. Further, no wetland areas were identified within the utility site.

In regards to fauna species, only one (1) mammal species, a feral cat (*Felis Catus*), was observed during visits to the property conducted both during the day and night. Other common species, such as mongoose, rats and mice would, however, be expected given the dense vegetation within the property.

Moderate levels of avifauna diversity were observed within the utility site. In total, eleven (11) species of birds were identified; nine (9) non-native species, one (1) indigenous waterbird and one (1) endemic goose. While the lands within the property were identified to be unsuitable for the endemic Nene (*Branta Sandwicensis*), a flock of this endangered species of birds was observed in transit between the attractive vegetation of the neighboring golf course and the higher elevations of the West Maui Mountain range. No other threatened or endangered fauna species were observed either within or in the immediate vicinity of the utility site. Refer to **Appendix “E”**.

b. Potential Impacts and Proposed Mitigation Measures

Given the fact that flora and fauna is generally limited to non-native abundant species, the proposed project is not anticipated to have a significant negative impact on biological resources in the area. Although one (1) endangered species, the Nene goose, was noted within the project area, its activities were limited to incidental feeding rather than nesting, and the site was noted to be no different than thousands of acres of fields in the surrounding region in its ability to serve as a feeding ground. Moreover, irrigated parks and other open spaces associated with the proposed development would continue to provide a suitable area for the incidental feeding activities of Nene geese. Recommendations resulting from the biological surveys include the following:

- That a small stand of wiliwili trees growing in one of the gullies within the project site be preserved, due to its strong association with Hawaiian dryland forests.
- That all significant outdoor lighting in the proposed project be

shielded and directed downward to minimize impacts of lights in local populations of seabirds in the area.

These two (2) above-noted recommendations will be integrated during the design phase of the proposed project to ensure potential impacts on flora and fauna within the project area are minimized.

To mitigate potential impacts to seabirds during construction, a program of Best Management Practices (BMPs) will be implemented during construction. For instance, lights will be shielded so that bulbs are not visible at or above bulb height, information will be disseminated regarding seabird fallout, and provisions for handling a downed seabird will be implemented during construction activities. The program of BMPs will be implemented during the construction phase of development to prevent erosion, sedimentation, and other potential adverse impacts to aquatic fish and wildlife resources in the vicinity of the project site.

8. Streams and Wetlands

a. Existing Conditions

Ephemeral or intermittent streams are located within the project area, which can be identified by gullies or gulches during dry conditions. Two (2) unnamed gulches run through the project site. Refer to **Figure 10**. One (1) named gulch (Pohakea Gulch) traverses the utility site. Refer to **Figure 11**. The gulches flow only during periods of heavy rainfall, when they drain upland slopes. The Department of Army has confirmed that Pohakea Gulch is an erosional feature that carries flow only during high rainfall events and, as such, is not considered a water of the United States. As outlined previously, no special aquatic sites (anchialine, ponds, wetlands, etc.) are located within or in the immediate vicinity of the project area.

b. Potential Impacts and Proposed Mitigation Measures

During construction of the proposed subdivision, a program of Best Management Practices (BMPs) will be implemented by the project contractors for erosion and sediment control to maintain the natural and functional integrity of gulches in the area, examples of which are below:

- Construction of detention basins to capture sedimentation to

minimize the quantity of sediment leaving the site.

- Implementing a phased construction schedule.
- Protecting of natural vegetation.
- Stockpiling topsoil, and covering or stabilizing of the soil stockpiles.
- Using wind erosion control.
- Intercepting runoff above disturbed slopes.
- Constructing of benches, terraces, or ditches at regular intervals to intercept runoff on long or man-made slopes.
- Providing linings or other method to prevent erosion of storm channels.
- Using seeding and fertilizing or other soil erosion control techniques.
- Providing vehicle wheel wash-down facilities.
- Using stabilized construction entrances.
- Using vegetated filter strips.

Greater detail of the design information for the proposed drainage and erosion control plan will be submitted as the project progresses through the engineering and subdivision design phases of development.

Existing drainageways traversing the 257-acre project site will remain in their existing condition, except at road crossings where appropriate sized drainage culverts will be installed to allow runoff to continue downstream. MVI, LLC is currently in the process of undertaking coordination with applicable agencies to identify regulatory requirements for drainageway improvements related to the implementation of the Ohana Kai Village project.

With implementation of the above-noted mitigation measures, the proposed project is not anticipated to negatively impact the existing hydrological features present within the project site. Further, no impacts on wetland areas are anticipated given the absence of wetlands within or in the vicinity of the project site.

9. **Nearshore Marine Environment**

a. **Existing Conditions**

Maalaea Bay is home to a variety of marine biota, including rice and lace coral, opihi, aama (thin-shelled rock crab), and butterfly fish. The Bay was once an area of special interest for nature study, research and photography due to its high diversity of sponges, mollusks, and other marine life, but much of the shell life in the outer bay sand bottom has declined in recent decades.

It is further noted that Maalaea Bay is part of the Hawaiian Islands Humpback Whale National Marine Sanctuary, which was established in 1992 to protect endangered humpback whales and their habitat.

A Water Quality and Marine Biology Survey was completed by AECOS, Inc. in September 2006 to assess baseline conditions in the nearshore and offshore waters in the vicinity of the project area. See **Exhibit "F"**. The report found that near shore waters were generally murky with re-suspended sediment. These waters, containing high levels of nutrients, were found to be supporting almost no live coral with most hard surfaces being covered in seaweed. Offshore waters (greater than 6 feet in depth), however, were found to be generally clear with lower levels of nutrients. Seaweed cover in these areas was found to be less with live coral coverage ranging from 5 percent to over 50 percent of available hard bottom.

Water quality of northwest Maalaea Bay was found to be degraded and samples taken did not meet the Water Quality standards as established by the State of Hawaii, Department of Health for most nutrients, chlorophyll and turbidity. Chlorophyll is an indicator of phytoplankton growth, whereas turbidity is generally taken as an indicator of suspended sediment. Groundwater inputs (rather than surface water inputs) were identified to be the main source affecting the quality of these waters. It is noted, however, that during infrequent storm events, surface water run-off becomes more of a significant factor and is the primary contributor of particulates to nearshore waters.

Nearshore marine communities within the northwest section of Maalaea Bay were noted to be quite variable, ranging from sand and mud bottom within Maalaea Small Boat Harbor to reefs supporting in excess of 50 percent coral

cover. Species within the nearshore marine communities were noted for their ability to adapt to elevated levels of silt and sediment which are experienced during times of high rainfall.

b. Potential Impacts and Proposed Mitigation Measures

As discussed previously, appropriate Best Management Practices (BMPs) will be implemented during the construction of each phase of the proposed residential subdivision. Detention basins will be installed in the early stages of each construction phase to further minimize the potential for construction-related drainage impacts.

As part of project implementation, MVI, LLC is proposing a number of permanent engineering measures to prevent unintended secondary impacts on marine mammals (and other biological resources) within Maalaea Bay, such as the Humpback Whale and Hawaiian Green Sea Turtle. In an effort to be part of the movement to improve existing wastewater treatment practices (i.e. use of cesspools, septic and Individual Wastewater Treatment systems) within the Maalaea community, a Wastewater Treatment Plant (WTP) is being proposed as part of the project to ensure that all wastewater from the subdivision is collected and effectively treated prior to disposal. The facility will be designed to minimize odor and will utilize the latest technology to produce the highest level of treated effluent, referred to as R-1 and R-2 water. Acceptable uses of R-1 and R-2 water are prescribed by State DOH standards and include irrigation of landscaping and crops. As such, the applicant intends to recycle the R-1 and R-2 water from the WTP for irrigation purposes within and around the subdivision. The applicant has also engineered a comprehensive drainage system for the proposed project that will retain all increases in post-development runoff associated with the project, such that there will be no net increase in drainage flows throughout the Maalaea Community. Project-related drainage system improvements will be designed in accordance with applicable regulatory standards and the recommendations contained within the Water Quality and Marine Biological Assessment to mitigate potential adverse impacts on downstream properties and coastal resources in the area.

With implementation of BMPs during construction and development of the WTP and the proposed comprehensive drainage system, the proposed project is not anticipated to have significant adverse impacts on nearby coastal

ecosystems in the Maalaea area. Refer to **Appendix “F”**.

10. Archaeological, Historical, and Cultural Resources

a. Existing Conditions

(1) Archaeological Resources

An Archeological Inventory Survey (AIS) was completed for the project site in April 2005 by Scientific Consulting Services (SCS), Inc. Similarly, a supplemental AIS was also completed for the utility site (TMK (2) 3-6-004:003 (por.)) in March 2007. See **Appendix “G”**. The AIS reports for the project site and the utility site were approved by the Department of Land and Natural Resources (DLNR) State Historic Preservation Division (SHPD) on January 29, 2005 and January 31, 2008, respectively. Copies of the SHPD approval letters are presented in **Appendix “G-1”**.

• **Project Site**

The 2005 AIS for the 257-acre subdivision area used a 100 percent pedestrian survey as well as backhoe trenching at twenty (20) separate locations within the project site. For the pedestrian survey, researchers divided the site into hundreds of transects and systematically combed each for surface and exposed subsurface features. The survey was conducted in consultation with the Maui SHPD Archaeologist. No historic or prehistoric cultural material was identified during the subsurface testing component of the survey. During surface inspections, however, three (3) historic sites related to the former use of the property for sugarcane cultivation were identified. It is noted that no burial features or human remains were identified during subsurface testing or pedestrian surveys at either site.

As mentioned previously, three (3) historically significant sites, all related to former sugarcane operations, were identified within the project site. The first (State Site No. 50-50-09-5657) consists of 13 clearing mounds spread out within the northern 20 percent of the site. Although the exterior of

the mounds was likely deposited via modern machinery, the interior is likely more historic, dating back to initial clearing of the land for sugarcane cultivation. The second site (State Site No. 50-50-09-5658) comprises dozens of irrigation modifications to two (2) drainage gulches that run through the project site. These modifications are also associated with the beginning of sugarcane cultivation on the subject property in the early 20th century. The third and final site (State Site No. 50-50-09-5659) consists of a dirt road, approximately 4.0 meters wide, that follows the mauka perimeter of the subject property. The road is probably an original route that allowed cane hauling and cultivation activities within the internal portions of the property.

- **Utility Site**

Similar to the initial 2005 survey, the 2007 supplemental AIS for the utility site (TMK (2) 3-6-004:003 (por.)) utilized historic background research and settlement pattern analysis, a systematic pedestrian survey, mapping and recording of identified features and subsurface testing through the mechanical excavation of 26 stratigraphic trenches.

No historic or prehistoric cultural material was identified during the subsurface component of the survey. Site inspections, however, identified a total of seven (7) sites related to the property's former use to support commercial agriculture. It is noted that no burial features or human remains were identified during subsurface testing or pedestrian surveys at the utility site.

The seven (7) sites identified during pedestrian surveys consisted of three (3) Historic Ditches (Sites 50-50-09-6251, 50-50-09-6254 and 50-50-09-6257), three (3) Clearing Mounds (Sites 50-50-09-6252, 50-50-09-6253, 50-50-09-6256) and one (1) Modified Stream Drainage (Site 50-50-09-6255). Refer to **Appendix "G"**.

(2) **Cultural and Historical Resources**

The project area is located in the Ukumehame and Waikapu Ahupuaa on the island of Maui. As is true with most ahupuaa in this region, the lands can generally be divided into three zones: (1) coastal; (2) barren or transitional; and (3) inland.

The coastal area was and is rich in marine resources, based on Hawaiian traditions and the presence of fishponds in the area. A quarter mile band running along and starting from the shoreline by and large formed the coastal region. Research suggests temporary habitations in the coastal areas for marine exploitation.

Transitional lands characterized the region located mauka of the coastal areas, up to approximately five (5) to seven (7) miles inland of the coastline. These transitional lands were, on the whole, quite barren and contained bush/scrub vegetation and low annual rainfall accumulation. The dry lands suggest the inability to sustain agriculture year-round.

In the inland areas located mauka of the transitional lands, there was significantly more rainfall accumulation. Because of this, there was lush, sustainable vegetation. Research on pre-contact occupation suggests that most of the permanent habitations were in this inland area with a smaller permanent population located along the coastline.

Maalaea was once a traditional landing site for Hawaiian outrigger canoes, and is a popular reference in the history books as providing a landing point for armies coming to fight Kahekili and their chiefs on their way to Wailuku. It became a commercial landing in the 19th and early 20th century and also holds a place in Hawaiian history as representing the place where the first Westerner to Maui, sea captain George Vancouver (1757-98), landed his ship. A totem pole now stands across from the Maui Lu Hotel to commemorate this historic event. The middle of the 20th century witnessed the coastline along Maalaea being used for amphibious landing exercises during World War II. The modern small boat harbor, located south of the project site, however, was not constructed until 1952.

Although historically a landing place for Hawaii's war fleets, the name Maalaea has more peaceful origins and seems to have originated from the fact that "alaea", commonly known as red dirt iron oxide, was found along the coast. There are two (2) different kinds of alaea: kane and wahine. The first of which, kane, is found in the ocean, while the second, wahine is found on land. Maalaea Bay is a source for both of these types of alaea.

Although once the site of an old Hawaiian village, there is no visible surface presence of cultural resources in the vicinity of the project site today apart from the "Piko" stone and the large sharpening stone known as the "King's Table" or "Adze" that sits in front of Buzz's Wharf restaurant. These monuments proudly commemorate the historic roots of Maalaea Small Boat Harbor.

Immediately adjacent to the aforementioned small boat harbor is a historic Japanese shrine. This shrine, called the Maalaea Ebisu Jinsha, is believed to have been constructed in the early twentieth century.

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

(1) **Archaeological Impacts and Mitigation**

• **Project Site**

As noted above, three (3) sites of historic significance to sugarcane activities were documented during the archeological inventory survey for the project site.

The following significance evaluations are broad criteria established for the State and National Register of Historic Places. These criteria are as follows:

Criterion A: Site is associated with events that have made a significant contribution to the broad patterns of our history.

Criterion B: Site is associated with the lives of persons significant to our past.

Criterion C: Site embodies the distinctive characteristics of a type, period, or method of construction; or represents the work of a master; or possesses high artistic value; or represents a significant and distinguishable entity whose components may lack individual construction.

Criterion D: Site has yielded or has potential to yield information important in prehistory or history.

Criterion E: Site has an important traditional cultural value to the native Hawaiian people or to another ethnic group of the state due to associations with traditional cultural practices once carried out, or still carried out, at the property or due to associations with traditional beliefs, events, or oral accounts (State of Hawaii criterion only).

All three (3) sites identified during the archaeological inventory survey are considered significant under Criterion D. It was determined from the findings of the significance assessment that only one (1) of the three (3) sites, the clearing mounds (State Site No. 50-50-09-5657), warrants implementation of archaeological mitigation measures. As recommended by the AIS, an archaeologist will be on site during leveling of a minimum of four (4) representative samples of the thirteen (13) clearing mounds that comprise State Site No. 50-50-09-5657, in order to assess whether or not historic and/or prehistoric features or artifacts are present within or under the mounds.

An Archaeological Monitoring Plan (AMP) has been prepared for the project site in accordance with the recommendations of the SHPD-approved AIS. See **Appendix “G-2”**. The AMP for the project site was approved by SHPD on May 22, 2008. A copy of the SHPD approval letter is presented in **Appendix “G-3”**. The AMP will be implemented during applicable ground-altering activities for the project.

In accordance with Section 6E-43.6, Hawaii Revised Statutes and Chapter 13-300, Hawaii Administrative Rules, should any

significant cultural deposits or human skeletal remains be uncovered during construction work, work will stop in the immediate vicinity of the find and the SHPD will be contacted immediately to establish the most appropriate level of mitigation. All applicable inadvertent discovery procedures will be followed.

- **Utility Site**

The seven (7) sites, identified during the pedestrian survey on the utility site (TMK (2) 3-6-004:003 (por.)), were also deemed significant under Criterion D of the site significance criteria for the Hawaii State Register of Historic Places due to the relationship with the area's former use for sugarcane cultivation.

As recommended by the 2007 supplemental AIS, a program of limited archaeological monitoring will be implemented as a precautionary measure during grading and grubbing activities for those areas of the utility site currently heavily vegetated.

An AMP for the utility site has been prepared in accordance with the recommendation of the SHPD-approved AIS. Refer to **Appendix "G-2"**. The AMP for the utility site was approved by SHPD on April 25, 2008. A copy of the SHPD approval letter is presented in **Appendix "G-3"**. The AMP will be implemented by MVI, LLC during applicable ground-altering activities for the proposed water system improvements.

As noted previously, should any significant resources be identified during construction of the improvements proposed for the utility site, work will cease within the immediate vicinity of the find and the SHPD will be contacted to establish the most appropriate level of mitigation.

(2) Cultural Impacts and Mitigation

Act 50 of the Hawaii State Legislature (2000) requires that Environmental Assessment (EA) and Environmental Impact Statement (EIS) documents include an assessment of cultural practices, and further mandates that the planning process takes said practices into account. Consequently, a Cultural Impact Assessment (CIA) report was also prepared by Scientific Consulting Services, Inc. for the project in June 2005. See **Appendix “H”**. The CIA report was based on consultation sought from various agencies and civic groups such as the Maui and Honolulu Offices of Hawaiian Affairs, the Maui Planning Department's Cultural Resource Planner, and the Central Maui Civic Club. Archival research was also conducted and historical source materials were consulted.

Based on these consultations and research, the report found no evidence that the project area had been used for traditional cultural practices in recent times, and concluded that Hawaiian rights related to gathering, access and other customary activities would not be affected by development on the project site. However, it was noted that analyzing the visual impact of development on traditional practices is difficult, given that some customs such as fishing that are located far off-site may utilize the project area as a visual landmark to locate culturally significant resources (a family fishing koa, for example). As appropriate, coordination with a cultural advisor will be undertaken during the plans preparation phase of work for the proposed project.

11. Air and Noise Quality

a. Existing Conditions

The Maalaea Bay area in general does not experience adverse air quality conditions. There is one notable point source of air contaminants in the local area, which is the power generation site owned and operated by Maui Electric Company. This industrial site is located more than 1,200 yards to the east of the project area. This source, however, is not considered a major source of pollution due to the regular occurrence of prevailing trade winds along the south coast. Other airborne pollutants that do exist can largely be attributed

to ship exhaust from harbor traffic, vehicle exhaust from Honoapiilani Highway, quarrying operations of the nearby Pohakulepo quarry site and the occasional burning of sugarcane by Hawaii Commercial & Sugar Company. All of the above sources are relatively intermittent, however, and the prevailing tradewinds generally disperse suspended particulates to maintain a relatively high level of air quality in and around the project area.

Existing background noise in the project area is principally attributed to vehicle traffic on the surrounding roadways. The noise from inter-island flight paths of arriving and departing aircraft at Kahului Airport, located approximately nine (9) miles to the northeast of the project area, represents another occasional source of noise to the surrounding area. It should also be noted that intermittent noise from wind adds to the overall ambient noise level from all of the aforementioned human sources.

b. Potential Impacts and Proposed Mitigation Measures

Air quality impacts attributable to the proposed project will include dust generated by short-term construction-related activities. Site work such as clearing, grubbing and grading, and roadwork and construction will generate airborne particulates. In addition to regular watering and sprinkling, the following measures will be implemented by the applicant's contractor during construction activities to minimize the proliferation of fugitive dust, in accordance with Hawaii Administrative Rules, Chapter 11-60.1, Air Pollution Control.

Use of wind screens and/or limiting the area that is disturbed at any given time will help to contain fugitive dust emissions. Wind erosion of inactive areas of the site that have been disturbed will be controlled by mulching, as appropriate. Trucks hauling soil material will be covered to mitigate wind-blown dust impacts. A routine road cleaning and tire washing program will help reduce fugitive dust emissions from trucks/vehicles tracking dirt onto nearby paved roadways. Installation of landscaping early in the construction schedule will also help to control dust.

During the construction phase, emissions from engine exhaust will occur from onsite construction equipment and other construction related vehicles. Increased vehicular emissions due to traffic disruptions by construction equipment or vehicles entering/exiting the site will be mitigated by moving

equipment during off-peak hours. Construction related emissions will be limited to the development period of the project.

As noted previously, existing quarrying and crop cultivation activities are located on agricultural lands located to the north and east (beyond the Honoapiilani Highway) of the proposed project site. As is the case with many other residential areas around Maui, dust impacts produced as a result of these activities are temporary or intermittent in nature and are usually quickly dispersed by the strong winds that frequent Maui's central valley. The Maalaea area is recognized as being a particularly windy region, a fact reflected by the siting of the Kaheawa wind farm above McGregor Point to the southwest of the project area. Based on the foregoing considerations, the nearby quarrying and agricultural operations are not anticipated to present significant adverse impacts on the proposed subdivision. Current plans to expand the quarry site are not expected to present significant impacts as the size of the area to be utilized for "active" quarrying operations is anticipated to remain the same.

In regards to noise considerations, ambient noise conditions will be temporarily impacted by construction activities. Heavy construction equipment, such as bulldozers, front-end loaders, and material-transport vehicles, will likely be the dominant source of noise during the construction period. Potential for short-term noise impacts from construction activities will be minimized through the use of sound attenuating devices and equipment mufflers. Should noise during the construction phase of the project exceed the maximum allowable levels, a noise permit may be required.

After the completion of construction, noise generated by stationary mechanical equipment (e.g. compressors and HVAC equipment) at the site will meet applicable noise standards. The planning and design of the project will take into account means to attenuate noise from such facilities through proper placement and design. Landscaped buffer areas will be integrated within the project to mitigate potential noise impacts from the ancillary village town center and public/quasi-public land uses, as well as from the neighboring Honoapiilani Highway.

In regards to noise impacts from Honoapiilani Highway and existing

industrial and agricultural uses to the north of the project site, a review of relevant noise studies revealed that, for residential exterior environmental noise, a day-night average sound level should not exceed 65 dBA, according to the U.S. Department of Housing and Urban Development (HUD) and the U.S. Environmental Protection Agency (EPA). Intermittent noise produced by nearby quarrying and crop cultivation activities and vehicle usage along Honoapiilani Highway, is not anticipated to raise ambient noise levels above this threshold. A minimum 100-foot wide open space buffer will be provided along the eastern perimeter of the site to reduce noise impacts from vehicles traveling along the Honoapiilani Highway. It is anticipated, therefore, that noise attributed to existing neighboring land uses will not adversely impact the proposed project.

The overall long-term impact of the proposed project on ambient air and noise levels is not anticipated to be significant given the predominantly residential character of the proposed master-planned community.

12. Scenic and Open Space Resources

a. Existing Conditions

The project area is located along the slopes of the southwest coastline of Maui, an area, like many other areas on the island, that offers beautiful scenic views. Scenic resources in the vicinity of the property include the Pacific Ocean, the West Maui Mountains to the west and Haleakala to the east. Open space resources around the property are characterized by the vast expanse of agricultural land in the Central Valley that lies to the north of Maalaea and Kihei.

b. Potential Impacts and Proposed Mitigation Measures

The elevations of the project site extend from approximately 40 feet above median sea level (amsl) on the southern extent to approximately 210 feet amsl on the northern, mauka boundary of the property. The proposed residential community will be developed as an architecturally integrated master planned area with low-rise residential structures. Mass grading of the site will be undertaken in phases in accordance with applicable legislation. Landscaping will be installed as part of the development improvements to ensure visual buffering and softening of the built landscape. Significant

adverse impacts to scenic or open space resources are not anticipated to result from the project. Design standards will establish landscaping details within open space, roadways, public and quasi-public facilities, and buffer zones. The project will also incorporate parks and open space to provide local view corridors through the subdivision. No significant view corridors will be impacted by the proposed project.

B. SOCIO-ECONOMIC ENVIRONMENT

1. Regional Setting

a. Existing Conditions

From a regional standpoint, the project site is located within the Kihei-Makena Community Plan region, which stretches from Maalaea in the north down to La Perouse Bay in the south. The region contains a diverse range of physical and socio-economic environments. With its dry and mild climate and proximity to recreation-oriented shoreline resources, the visitor-based economy has grown steadily over the years. The town of Kihei serves as the commercial and residential center of the region with the master-planned communities of Wailea and Makena serving as the focal point for the majority of visitor activities. A number of internationally recognized luxury hotels and golf courses are located along the coastline at Wailea and Makena. The community of Maalaea is located on the coast on the western side of Kihei near McGregor Point.

Existing and proposed land uses surrounding the project site are indicative of growth trends anticipated for the Maalaea area. The Maalaea Triangle, a commercial center with shops, restaurants, an aquarium and commercial recreational uses, lies to the immediate east of the project area. Project District 11, a 650-acre future growth area (as designated in the Kihei-Makena Community Plan), lies to the northeast of the project site. Lands underlying the Project District 11 area are currently being utilized for sugarcane cultivation activities. There are a number of condominiums in Maalaea along the coastline further to the east of the project site, which are both owner occupied and operated as transient vacation rentals. The land bordering the shoreline to the south of the property is currently characterized by single-family residences.

b. Potential Impacts and Proposed Mitigation Measures

The full-time residential nature of the proposed project is anticipated to balance surrounding land uses, as Maalaea, until recently, has been primarily associated with commercial and recreational activities surrounding the harbor as well as a higher than average short-term and part-time residential use. In total, Maalaea currently possesses approximately 560 residential apartment/condominium units, a large portion of which are rented on a short-term basis to visitors, while the number of existing single-family homes is significantly lower. The project site constitutes Project District 12 of the Kihei-Makena Community Plan, and as such has been earmarked for development as a residential area.

The intent of MVI, LLC is to provide a new source of affordable housing for Maui's local families in the context of a master planned community. Towards this end, aesthetic elements have been considered and incorporated in the planning process, to include a minimum 100-foot open space buffer along Honoapiilani Highway. Landscape planting and maintenance requirements (through CC&Rs) within the subdivision will also advance MVI, LLC's desire to encourage aesthetic pride by homeowners. While the provision of new housing supply for Maui residents at this locale will replace fallow agricultural lands, the proposed project will maintain a low rise architectural theme, open space, and park areas for visual relief, and landscaping which complements the surrounding natural and man-made environs.

The proposed project will add diversity to the local housing market and increase the percentage of single-family units and permanent residents in the Maalaea area. Additionally, the development will complement the existing commercial centers of Maalaea Triangle and Maalaea Small Boat Harbor located adjacent to the project site.

The proposed project is, therefore, considered to be compatible with the other urban land uses in the surrounding Maalaea area.

2. Population and Demography

a. Existing Conditions

The Kihei-Makena Community Plan region has experienced a significant population growth over the last three (3) decades. In the year 2000, the population of Maui was 117,644, with 22,870 people (19.4 percent) of the island's population residing in the Kihei-Makena Community Plan region (SMS, June 2002). The growth in the population of the Kihei-Makena Community Plan region since 1970 has been considerable, with population increasing from 1,636 in 1970, to approximately 7,263 in 1980, and to 15,365 in 1990. Over the past 30 years, the Kihei-Makena Community Plan region has experienced a fourteen-fold (14) increase in resident population, which is expected to rise further over the coming years. The resident population of Maui is projected to increase to 151,300 by the year 2010, with a projected 28,114 people (18.6 percent) residing in the Kihei-Makena area (SMS, June 2006).

b. Potential Impacts and Proposed Mitigation Measures

The proposed project is intended to meet a portion of resident demand for affordable housing, which will result in a slight increase in the population of the region. Based on the 2006 County average of three (3) persons per household (Maui County Data Book, 2006), approximately 3,300 persons are calculated to occupy the 1,100 proposed units at full project build out. Given the relatively low level of permanent residential occupancy in Maalaea compared to other urban areas in Maui, the project would be anticipated to shift population and the demographic characteristics of this subregion of Maui. According to the 2000 U.S. Census, there were a total of 599 housing units in Maalaea, thirteen (13) of which were single-family owner-occupied units. The majority of housing in Maalaea are multi-family units with 20 or more units per structure (U.S. Census Bureau, 2000). Information regarding owner occupancy and demographics was also obtained from the 2000 U.S. Census. According to this data, 44.8 percent of units within the Maalaea community are owner-occupied, whereas 55.2 percent are operated as either short-term or long-term rentals. The proposed project would alter the housing mix of the subregion with the addition of 1,100 single-family units. These additional residential units will increase the percentage of permanent residents living in the Maalaea region.

3. **Economy and Labor Force**

a. **Existing Conditions**

The economy of Maui is heavily dependent upon the visitor industry, and the Kihei-Makena area provides a fine illustration of this characteristic. The presence of a high number of vacation condominiums along South Kihei Road, including Kihei Akahi, Kihei Kai Nani, Maui Banyan and Maui Kamaole to name but a few, reflects the fact that Maui's south coast has grown to be one of the most popular tourist destinations in the State. The Wailea Resort and Makena Resort, further reaffirm the island's economic dependence on tourism, with the presence of a number of major luxury hotels, such as the Fairmont Kea Lani, Grand Wailea, and Four Seasons Resort, all of which are located amongst internationally renowned golf courses.

The neighboring Maalaea Small Boat Harbor is an important source of Maui's economic sustenance as it represents one of the focal points for tourism on the island. Many of the commercial boat operators conduct Molokini snorkeling trips, whale-watching tours, deep sea fishing expeditions or sunset cruises on a regular basis. The popularity of the harbor as a tourist gateway can be attributed to its proximity to the airport in Kahului, the hotels in Kihei and Wailea, and Molokini crater, one of the top three (3) sightseeing destinations in Maui County.

As of August 2009, the unemployment rates for the State of Hawaii, Maui County and the island of Maui were 7.2 percent, 9.3 percent and 9.1 percent, respectively. This is considerably higher than the July 2008 figures, which had unemployment rates at 4.3 percent, 4.5 percent, and 4.2 percent, respectively (State of Hawaii, Department of Labor and Industrial Relations).

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

On a short-term basis, the project will support construction and construction-related employment. Accordingly, the project will have a beneficial impact on the local economy during the period of construction, which is estimated at eight (8) years.

From a long-term perspective, project residents will require services related

to family maintenance, goods, and services which are expected to further support local business owners. Real property taxes generated by the project residents will contribute to the County's revenue tax base to support any increase in regional public service demands over time.

A Fiscal and Economic Impact Report was completed for the proposed Ohana Kai Village Project in July 2009 by ACM Consultants, Inc. See **Appendix "I"**.

The report provides an assessment of the economic and fiscal benefits and impacts expected to be generated by the proposed residential subdivision project across both construction/development (assumed to be 8 years in duration) and operational time horizons.

Assessment of economic impacts takes into account various parameters, including sales revenues, expenditures, profits, employment and payroll. Assessment of fiscal impacts, on the other hand, addresses the impact of the proposed project on County and State revenue and expenditure streams.

Below is a summary of the main economic and fiscal impact considerations associated with the proposed Ohana Kai Village project:

- **Employment**

The project is anticipated to result in the generation of an average of approximately 335 construction-related employment positions during the 8-year construction period. The majority of construction positions related to the project are expected to be filled by the workforce currently residing in Maui County. Indirect employment generated by the proposed project is anticipated to average roughly 337 jobs on Maui and 166 on Oahu. Total employment associated with the project is, therefore, expected to be about 838 jobs during the development phase, of which 672 will be based on Maui island. Refer to **Appendix "I"**.

- **County Revenue/Expenditure**

- (1) **Development Phase**

County revenues during the project development are usually derived from fees that will offset County expenditures on infrastructure and facilities. The project will, however, provide a number of privately funded facility improvements as part of project implementation, including interior roadways, parks, water source development, interior water distribution, drainage systems, sewer connections, collector sewers and trunks and a Wastewater Treatment Plant (WTP). As such, County expenditures during project development are expected to be negligible.

- (2) **Operational Phase**

At full development, the County will receive revenues in the form of real property tax payments from project residents. Other revenue sources would likely include taxes such as fuel taxes, motor vehicle weight tax, water fees, solid waste disposal fees, etc. On the other hand, County expenditures required to support the project in the operational phase are expected to be minimal given that all required infrastructure for the project will be privately developed, operated, and maintained.

Net revenues to the County generated by the project during the operational phase have been estimated to average approximately \$407,000.00 per year. This is considered higher than average for a typical residential community characterized by both a large component of affordable housing and a high owner-occupancy rate allowing qualification for the County's homeowner exemption rate. Refer to **Appendix "I"**.

- **State Revenue/Expenditure**

- (1) **Development Phase**

The proposed project is expected to generate revenues to the State derived from a combination of tax streams, such as

conveyance taxes, excise taxes and corporate and personal income taxes.

Assessment of fiscal impacts associated with the development phase of the proposed project, therefore, suggests that the State will receive net revenues of approximately \$47.9 million from project development activities. This net revenue equates to an annual average of about \$5.9 million over the 8-year development phase. Refer to **Appendix “I”**.

(2) **Operational Phase**

At full development, the project will generate revenues to the State through excise taxes, corporate and personal income taxes and other revenue streams, such as fuel tax, other sales taxes, etc. On the other hand, State expenditures required to support the project will include those related to education, general government, health, highway maintenance, parks and recreation, etc.

Annual net expenditures by the State of Hawaii to support the operation of the project are expected to average about \$5.8 million per year. Net expenditures in this range are considered normal for a typical residential community with an affordable housing component and a high proportion of children of school age. Expenditures by the State for this project are expected to be offset by tax revenues derived from property development, visitors, higher-income families and commercial activities. Refer to **Appendix “I”**.

4. **Housing**

a. **Existing Conditions**

A Market Study Report was prepared for the proposed Ohana Kai Village Project by ACM Consultants, Inc. in July 2009. Refer to **Exhibit “A”**.

The proposed Ohana Kai Village project is seeking to increase the supply of affordable housing for Maui’s working families, at a time when housing is both expensive and in short supply on Maui. Over recent years, both resident and non-resident (offshore) demand for housing on Maui has intensified due

to increased population growth and historically low interest rates. This strong demand, coupled with limited supply, has led to high housing prices. With the median sales price of a single-family house and lot on Maui over \$500,000.00, many residents have been unable to purchase their own homes. The County of Maui, Socio-Economic Forecast (2006) estimates that total housing demand in Maui County will increase from 53,793 units in 2005 to 89,890 units in 2030, an increase of approximately 67 percent over 25 years. The Hawaii Housing Policy Study Update 2003, estimates that an additional 4,072 resident housing units will be needed by 2010 to meet projected demand. According to the 2003 study, this number is anticipated to further increase to a 4,225-unit deficit in the supply of housing units on Maui by the Year 2020, based on production and population forecasts (SMS, 2003).

The project site is located in Maalaea, which occupies a relatively central position between Wailuku, Kahului, South Maui, and West Maui. A range of housing types and conditions exists within these areas, from owner-occupied homes to luxury condominiums for part-time residents. While owner-occupied housing constitutes approximately 57.6 percent of all occupied housing units on Maui, the percentage varies from region to region. As noted earlier, Maalaea itself lacks a significant stock of permanent housing units and is characterized primarily by transitional rentals, which indicates a significantly lower rate of owner occupation than the County average.

According to the findings of the Market Study Report for the proposed project, the current short-term supply in Maui is approximately 1,893 units, of which 538 units are located in the South Maui region. This limited supply of housing units is forecasted to last approximately three (3) years when using an average annual absorption rate of 604 units/year. Refer to **Appendix "A"**. A significant increase in housing supply will, therefore, be needed to accommodate the region's anticipated population growth in the future.

b. Potential Impacts and Proposed Mitigation Measures

The proposed project would add a total of approximately 1,100 residential units to the existing housing supply on Maui and will respond to the need to provide affordable housing opportunities to residents in both the near and long term. The housing products being proposed will provide healthy competition and allow for a more balanced housing market. In light of

current and projected housing market conditions and prices, the proposed Ohana Kai Village project is considered to provide a significant community benefit by offering Maui residents new opportunities to secure affordable housing products. Moreover, the project site's attractive and central location relative to Maui's major residential and commercial centers suggests that its positive impact could be felt in several of Maui's localized housing markets. No significant negative impacts on housing conditions are anticipated with implementation of the proposed action.

To increase the supply of affordable housing within Maui County, the following program has been developed in conjunction with the land use plan for the proposed Ohana Kai Village Project. This program consists of the following elements:

- Sixty (60) percent (660 units) of the proposed 1,100 single-family units will be made available for purchase by qualified individuals in Below Moderate to Above Moderate (81 percent to 140 percent) median income groups at sales prices set forth by the Department of Housing and Human Concerns' (DHHC) Affordable Sales Price Guidelines. The applicant will work alongside the County of Maui during the course of the EIS process to develop a formal selection program for the sale of these 660 units. The applicant will ensure that 80 percent of the first 200 units constructed for the project are sold pursuant to the requirements of this selection program.
- The remaining forty (40) percent (440 units) of the 1,100 single-family units will be offered for sale in accordance with market demand. To maintain the affordability of these units, the applicant will set prices for these homes at or below the upper threshold of pricing for the Gap Income (141 to 160 percent) median income group, as defined in the DHHC Affordable Sales Price Guidelines.

The proposed affordable housing allocations are presented in **Table 3** below.

Table 3. Affordable Housing Program

Income Group	Income Range	Affordable Unit Allocation		Estimated Fee Simple Price Range*	
	(% of Median Income)	%	Unit Count		
Below Moderate Income	81-100%	20%	220	\$264,801.00	\$330,900.00
Moderate Income	101-120%	20%	220	\$330,901.00	\$397,100.00
Above Moderate Income	121-140%	20%	220	\$397,101.00	\$463,300.00
Gap Income Group	141-160%	40%	440	\$463,301.00	\$529,500.00
TOTAL			1,100 Units		

** Based on 2009 DHHC Affordable Sales Price Guidelines (Using 6.0% Prevailing Interest Rate for a 3-Bedroom Unit)*

With implementation of the foregoing program, the proposed Ohana Kai Village project will help to meet both current and future demand for affordable housing in the Maui residential market.

C. PUBLIC SERVICES

1. Police and Fire Protection

a. Existing Conditions

The project area is within the Maui Police Department’s (MPD) service area, the headquarters for which are located in Wailuku. The MPD consists of several patrol, investigative and administrative divisions. The project area falls within the Kihei Patrol District, the MPD service that covers the Kihei-Makena Community Plan region. The Kihei substation is located at the Kihei Town Center near Foodland about five (5) miles from Maalaea.

The Maui County Department of Fire and Public Safety provides fire prevention, suppression, protection and emergency services to the islands of Maui, Lanai, and Molokai from 14 fire stations and a fire prevention office. The department's Kihei station, which services the Maalaea and Kihei areas, is situated on South Kihei Road in central Kihei. The Makena-Wailea area is covered by a separate Wailea Fire Station located on Kilohana Drive. Other Central Maui stations are located in Wailuku Town and in Kahului, on Dairy Road.

b. Potential Impacts and Proposed Mitigation Measures

The proposed project will create a need for additional services for fire and police protection. However, the project is located adjacent to existing residential and commercial areas which are currently afforded similar services. As the project is developed over the build-out period, real property tax revenues generated from the project would be allocated for these public services in the form of additional personnel and support services.

2. Medical Facilities

a. Existing Conditions

The only major medical facility on the island is Maui Memorial Medical Center, which is located in Wailuku about eight (8) miles in distance away from the project area. The 231-bed facility provides general, acute, and emergency care services.

Clinics and offices throughout both the Kihei/Wailea and Wailuku/Kahului areas, however, offer medical services on a lesser scale. Such clinics include Kihei Clinic and Wailea Medical Services, Kihei Pediatric Clinic, Kihei Physicians and the Kihei-Wailea Medical Center, Maui Medical Group and Kaiser Permanente.

b. Potential Impacts and Proposed Mitigation Measures

As previously noted, State revenues generated in the form of excise, income and related taxes, would be used to fund State government services, including health care provided by the Maui Memorial Medical Center. As private sector demand for services increases over time, it is anticipated that such

demand will be met through private sector initiatives. An example of such an initiative includes Kaiser Permanente's recent completion of its Maui Lani Clinic.

3. Educational Facilities

a. Existing Conditions

The project site is located between the communities of Wailuku/Kahului and Kihei/Wailea. These regions are served by the Department of Education's (DOE) public school system, as well as several privately operated schools accommodating elementary, intermediate, and high school students. The State DOE operates three (3) schools in the Kihei area. Kihei Elementary School and Kamalii Elementary School covers grades K to 5, each with enrollments of approximately 800 students. Lokelani Intermediate School includes grades 6 to 8, with similar approximate enrollment. The Kihei Charter High School is also located in the region with an approximate enrollment of 150 students (Department of Education). The majority of public school students in grades 9 through 12 attend Maui High School located in Kahului. The DOT is currently in the planning and design phase to develop a high school in Kihei.

DOE facilities in the Kahului area include Lihikai, Kahului, and Pomaikai Schools (Grades K-5), Maui Waena Intermediate School (Grades 6-8) and Maui High School (Grades 9-12). Existing facilities in the Wailuku area include Waihee Elementary School (Grades K-5), Wailuku Elementary School (Grades K-5), Iao Intermediate School (Grades 6-8) and Baldwin High School (Grades 9-12). Maui Community College, a branch of the University of Hawaii system, is the primary higher education institution serving the County.

b. Potential Impacts and Proposed Mitigation Measures

The project involves the construction of 1,100 single-family units in a residential subdivision with ancillary, commercial, and public/quasi-public land uses. According to input received from DOE, the proposed subdivision would be located within the Baldwin High complex area. The schools in the complex area most likely to serve the proposed project include Wailuku Elementary School, Iao Intermediate School, and Baldwin High School.

Table 4 below summarizes the facility capacity and 2008 enrollment figures for these schools.

Table 4. Schools Serving Waikapu/Maalaea: Facility Capacity and Actual Enrollment

School Facility	Capacity	2008 Enrollment (% of Capacity)
Wailuku Elementary School (K-5)	1,110	79%
Iao Intermediate School (6-8)	883	112%
Baldwin High School (9-12)	1,542	91%

As shown in **Table 4**, enrollment at Wailuku Elementary School and Baldwin High School was under capacity during the 2008 school year. Enrollment, however, for Iao Intermediate School exceeded capacity during the same school year.

Early consultation with DOE has indicated that the proposed project will be subject to fair share contribution requirements. MVI, LLC is currently proposing to include lands for a school facility in the 16-acre public/quasi-public site that is part of the Ohana Kai Village subdivision. Refer to **Figure 4**. The construction of a facility at this location would provide educational services to residents within the subdivision and to the outlying communities of North Kihei and Waikapu. The applicant will coordinate with the DOE to discuss the land area set aside for educational purposes.

4. Recreational Facilities

a. Existing Conditions

Diverse recreational opportunities are available in both the Kihei-Makena and Wailuku-Kahului Community Plan regions. Shoreline activities, such as fishing, surfing, jogging, camping, picnicking, snorkeling, swimming, and windsurfing, are by far the predominant form of recreation in the area. In addition, residents and visitors are drawn to Maalaea by the small boat harbor, which provides diverse ocean-related recreational opportunities. The County's Haycraft Park is located to the south of the project area at the terminus of Hauoli Street, and provides access to a sandy beach with paved parking, a portable restroom, and shower facilities. Other public park

facilities within a relatively short driving distance of the project site include Memorial (Ma Poina), Waipuilani, Kalepolepo, Kalama and Kamaole I/II/III Beach Parks, located to the southeast about between three (3) and seven (7) miles away along the Kihei coastline. Additionally, recreational resources available in Kihei and Wailea, include the Kihei Community Center as well as resort-affiliated, world-class golf courses and tennis centers.

The Lahaina Pali Trail provides land-based recreational activities mauka of the project site. The trail offers hikers scenic views of the island of Kahoolawe and Lanai.

b. Potential Impacts and Proposed Mitigation Measures

According to the Kihei-Makena Community Plan, Project District 12 should include approximately 27 acres for parks, open space, and buffer zones. These guidelines were taken into consideration as the preliminary layout for the Ohana Kai Village Project was prepared.

The proposed project will provide 16 acres for Public/Quasi-Public uses, including parks, and 20 acres of open space. The recreational facilities proposed within Ohana Kai Village will complement the existing public recreational opportunities within the Kihei-Makena region.

With regards to the Lahaina Pali Trail, the applicant is committed toward ensuring the preservation and enhancement of access opportunities to this important cultural and recreational resource. As such, coordination will be undertaken with the Department of Land and Natural Resources (DLNR) to ensure that design considerations (such as parking facilities), appropriate with regards to current and projected use patterns, are incorporated into the proposed project.

5. Solid Waste Disposal

a. Existing Conditions

The County of Maui currently owns and operates two (2) landfills and one (1) waste transfer station on the island of Maui. Single-family residential solid waste collection service is provided by the County of Maui on a once-a-week basis to communities around the island. Residential solid waste collected by

County crews is disposed of at the County's Central Maui Landfill (CML) facility, located 4.0 miles southeast of the Kahului Airport. The CML consists of six (6) design phases and accepts all types of municipal waste with the exclusion of regulated hazardous wastes, commercial construction, and demolition debris. Phase 1 and Phase 2 of the CML are full and have been closed by the County. The capacity of the remaining phases (not including Phase 3 which is used for continuous composting operations) is estimated at approximately 11,253,000 cubic yards. Based on data from the 2007 Public Facilities Update Report prepared by R.M. Towill Corporation for the County of Maui, the CML is currently operating at a steady fill rate of 425 tons per day.

Privately owned facilities, such as the Maui Demolition and Construction Landfill and the Pohakulepo Concrete Recycling Facility, accept solid waste and concrete from demolition and construction activities. These facilities are located at Maalaea, near Honoapiilani Highway's junctions with North Kihei Road and the Kuihelani Highway. A privately operated green waste recycling facility is located at the Central Maui Landfill.

b. Potential Impacts and Proposed Mitigation Measures

Solid waste generated within the proposed subdivision will be served by private waste collection services. To obtain an estimate for planning purposes, an average residential waste generation rate of 2.3 tons/household/year (taken from the County of Maui's Integrated Solid Waste Management Plan) was applied to the number of residential units within the proposed subdivision (County of Maui, 2009). For the proposed project, it is estimated that approximately 7 tons of residential solid waste will be generated each day.

The 2007 Public Facilities Update Report uses population growth estimates to forecast cumulative waste volumes for the CML up to the year 2030. Based on this data, the CML has been determined to have adequate capacity to accommodate projected increases in solid waste generation rates for the CML service area through the year 2025.

The proposed project is, therefore, not anticipated to affect the service capabilities of the County's residential waste operations.

D. INFRASTRUCTURE

1. Roadways

a. Existing Conditions

The project site is served by the adjacent Honoapiilani Highway, the single route of access for vehicles traveling between West Maui and Central Maui. Honoapiilani Highway is a two-lane highway for the majority of its length; however, it widens into a four-lane highway in the immediate vicinity of the project site. The highway also widens from two (2) to four (4) lanes north of Kuihelani Highway.

There are two (2) intersections located to the east of the project site, which lead onto Kuihelani Highway and North Kihei Road. See **Figure 12**. The Kuihelani Highway provides a direct route to Kahului, including the Kahului Airport. North Kihei Road transitions into South Kihei Road and Piilani Highway which provides access to the residential, commercial and resort areas located further along the south coast of Maui, such as Kihei, Wailea and Makena. Other local roads in the vicinity of the project area include Maalaea Road and Kapoli Street.

Honoapiilani Highway, Kuihelani Highway, and North Kihei Road are all under the jurisdiction of the State of Hawaii, Department of Transportation. Honoapiilani Highway is designated as Route 30 and has a posted speed limit of 45 miles per hour (mph) in the vicinity of the project site. Kapoli Street provides access to the Maalaea Triangle. The four-lane roadway approaches Honoapiilani Highway at a signalized intersection.

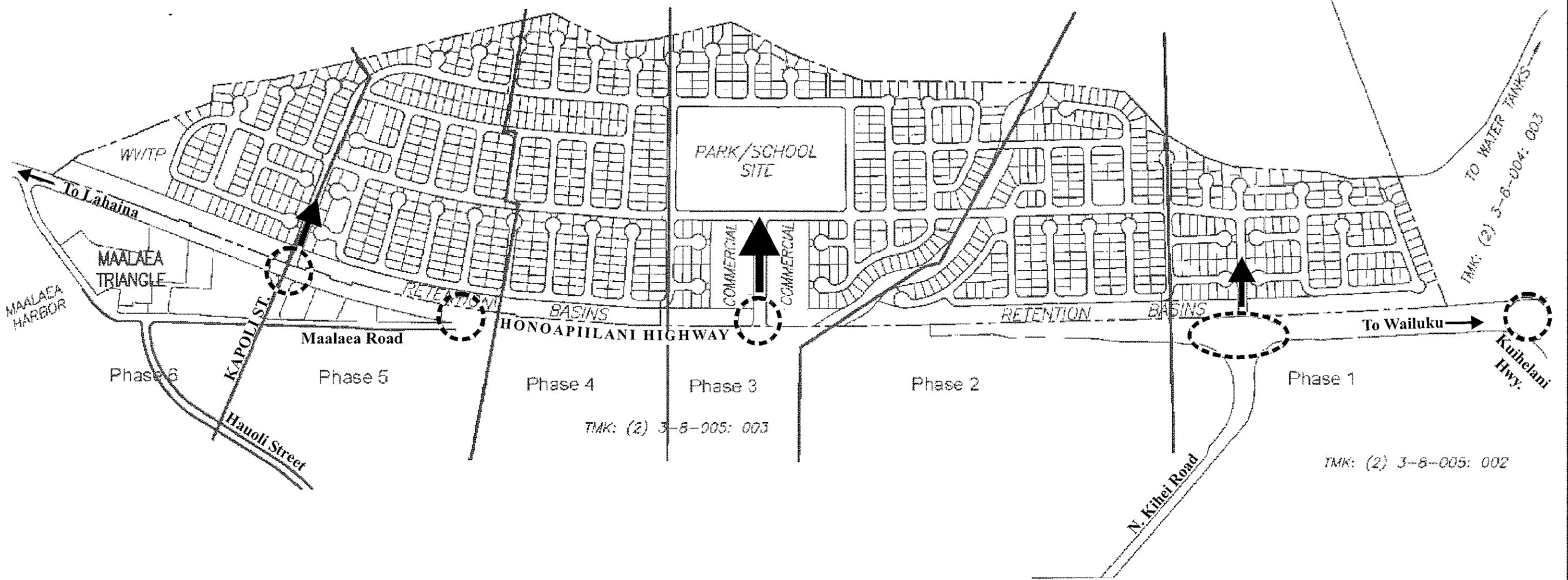
Maalaea Road is a two-lane County-owned roadway that serves the Maalaea Small Boat Harbor, Maalaea Triangle and adjoining land uses. Maalaea Road meets Honoapiilani Highway at two (2) points, north and south of the Maalaea Triangle, both unsignalized intersections. Refer to **Figure 12**.

b. Potential Impacts and Proposed Mitigation Measures

An internal road network will serve the proposed subdivision while three (3) access roads will connect onto Honoapiilani Highway. Two (2) access roads will connect with Honoapiilani Highway at the existing signalized

Key

-  Study Intersection
-  Project Access Driveway



Source: AECOM Pacific, Inc.

Figure 12 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements

NOT TO SCALE

Traffic Study Intersections



Prepared for: MVI, LLC

MUNEKIYO & HIRAGA, INC.

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intersections of North Kihei Road and Kapoli Street. A third new signalized intersection will be installed along the highway midway between the above noted access roads. Refer to **Figure 12**.

A Traffic Impact Analysis Report (TIAR) was prepared for the purposes of assessing traffic impacts attributed to the proposed project and to identify appropriate measures to mitigate these impacts. See **Appendix “J”**. In the period before the expected opening of a project, ambient traffic on area roadways is expected to increase due to regional growth and new projects in the area. In preparing estimates of future traffic volume conditions, ambient traffic increases are added to the anticipated project generated traffic. The TIAR examined existing and future traffic conditions with and without the project utilizing accepted methodological protocols for trip generation, traffic assignment and level of service (LOS) analysis. LOS is a qualitative measure used to describe the conditions of traffic flow, with values ranging from free flow conditions at LOS A to congested conditions at LOS F.

A summary of the anticipated Levels of Service (LOS) at major intersections in the vicinity of the project site (refer to **Figure 12**) without any mitigation is presented in **Table 5** below:

Table 5. Level of Service (LOS) Analysis for Existing Signalized Intersections Along Honoapiilani Highway

Intersection Approach Movement	AM Peak Hour			PM Peak Hour		
	2009	2019		2009	2019	
	Existing	Without Project	With Project (No Mitigation)	Existing	Without Project	With Project (No Mitigation)
	LOS	LOS	LOS	LOS	LOS	LOS
KUIHELANI HIGHWAY INTERSECTION	C	C	C	C	C	C
Kuihelani Highway Ext EB	D	D	D	D	D	D
Kuihelani Highway WB	C	C	C	C	C	C
Honoapiilani Highway Hwy NB	B	B	C	B	B	C
Left Turn Lane	D	D	D	D	D	D
Through Lanes	C	C	D	C	C	D
Honoapiilani Highway SB	C	C	C	B	C	C
Left Turn Lane	D	D	D	D	D	D
Through Lanes	B	C	C	B	B	C
NORTH KIHEI ROAD INTERSECTION	C	C	D	C	C	D
N. Kihei Rd Ext EB	---	---	E	---	---	E
N. Kihei Rd WB	C	C	E	C	C	D
Honoapiilani Hwy NB	C	C	D	C	D	F
Left Turn Lane	---	---	E	---	---	F
Through Lanes	C	B	E	D	D	F
Honoapiilani Highway SB	C	C	D	B	C	D
Left Turn Lane	D	D	F	D	E	F
Through Lanes	A	A	C	A	A	C
KAPOLI STREET INTERSECTION	B	B	D	B	B	D
Kapoli Street Ext EB	---	---	D	---	---	D
Kapoli St. WB	D	D	D	C	D	D
Honoapiilani Highway NB	B	B	B	B	B	C
Left Turn Lane	---	---	E	---	---	D
Through Lanes	B	B	B	B	C	C
Honoapiilani Highway SB	A	A	E	A	A	E
Left Turn Lane	A	A	E	A	A	D
Through Lane	A	A	E	A	A	E

Table 5 (Cont.). Level of Service (LOS) Analysis on Honoapiilani Highway

Intersection Approach Movement	AM Peak Hour			PM Peak Hour		
	2009	2019		2009	2019	
	Existing	Without Project	With Project	Existing	Without Project	With Project
	LOS	LOS	LOS	LOS	LOS	LOS
HIGHWAY AT MAALAEA ROAD¹						
Maalaea Road WB RT	B	B	B	C	D	E
Honoapiilani Highway SB LT	A	A	B	B	C	C
¹ Unsignalized Intersections						

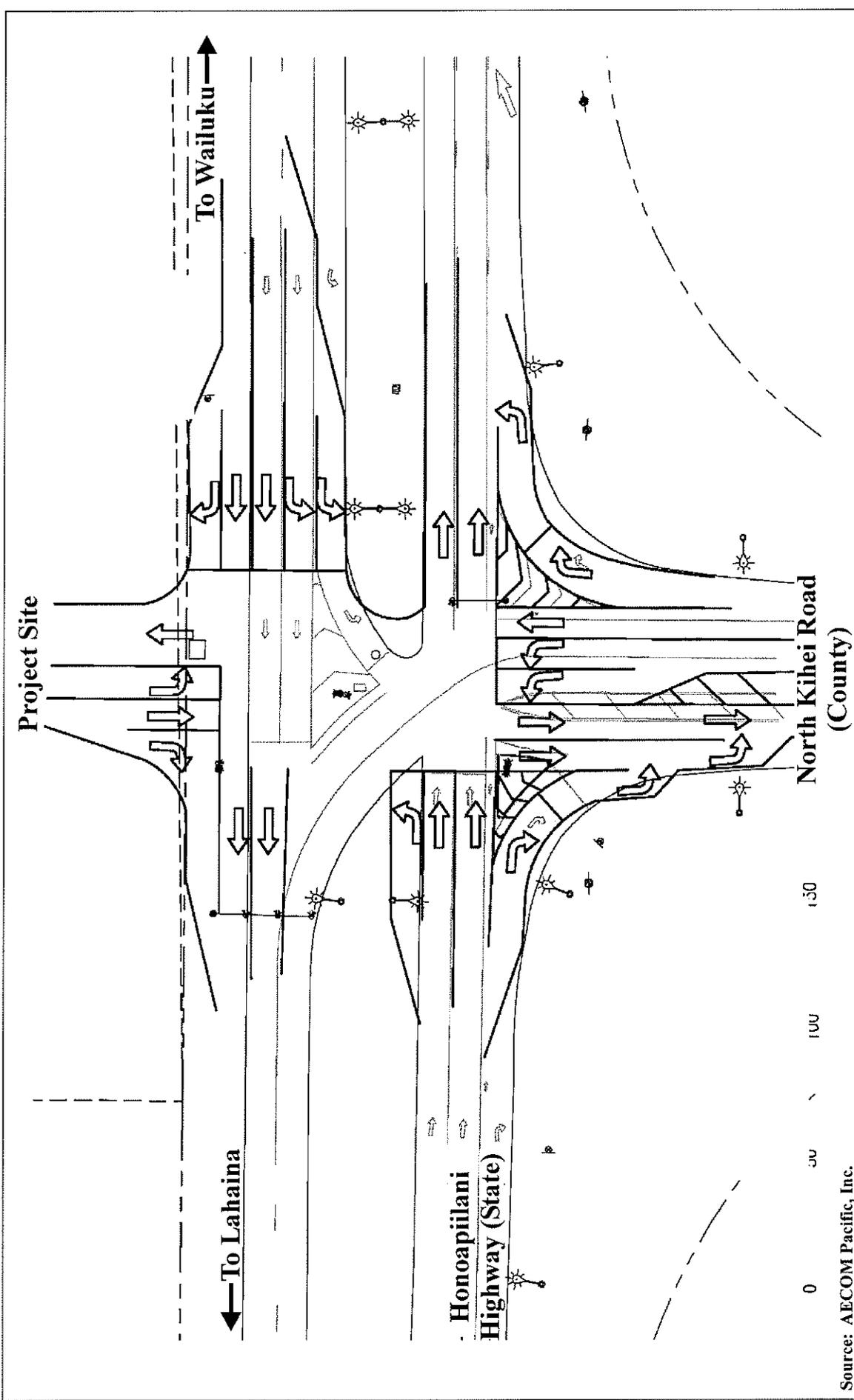
The TIAR concludes that the proposed project is not anticipated to have adverse traffic impacts on Honoapiilani Highway in the vicinity of the project site when adequate project-related mitigation measures are implemented. Predicted increases in ambient traffic combined with the additional traffic that would be generated by the proposed project could be accommodated by the following roadway and intersection improvements:

Kuihelani Highway Intersection

- The current configuration of the intersection is expected to be sufficient in accommodating the additional project-generated traffic. To increase efficiencies at this intersection, consider interconnection and synchronization with adjacent traffic signals in the area.

North Kihei Road Intersection

- Widen and restripe existing mauka (west) bound approach of North Kihei Road to provide two (2) separate left-turn lanes and a through lane. See **Figure 13**.
- Add a second left-turn lane on the south bound approach of Honoapiilani Highway. Refer to **Figure 13**.



Source: AECOM Pacific, Inc.

Figure 13 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements
 Proposed Intersection Improvements
 (Honoapiilani Highway/North Kihei Road)

NOT TO SCALE



Prepared for: MVI, LLC



- Implement an eight (8) phase traffic signal timing plan.

Kapoli Street Intersection

- Add a second southbound through lane on Honoapiilani Highway to mitigate projected increases in ambient and with-project traffic growth. See **Figure 14** and **Figure 15**.
- Add separate left-turn lanes at all approaches of this intersection. Refer to **Figure 14**.

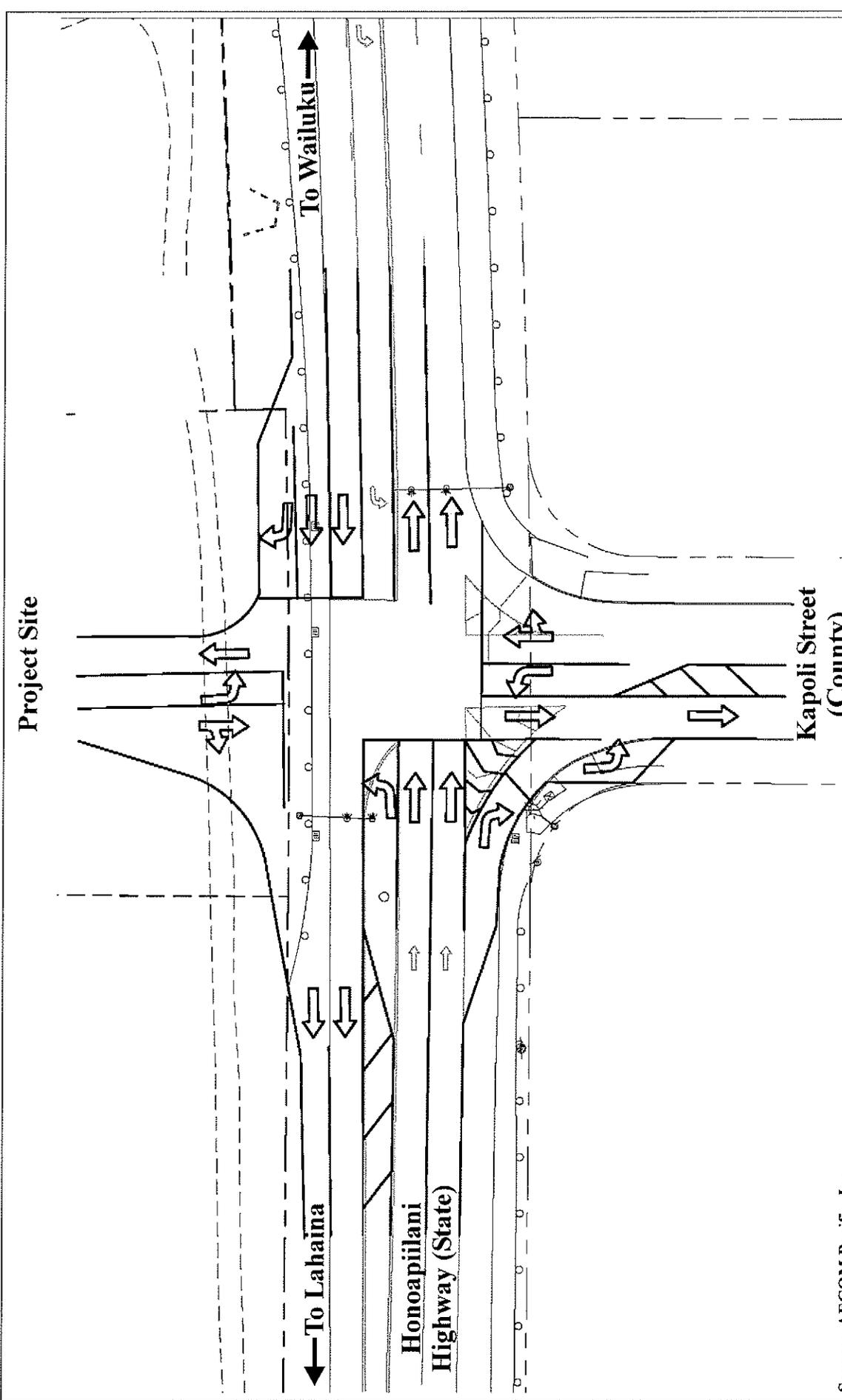
Maalaea Road Intersection

- Signalize the Maalaea Road (north) intersection, when warranted, or prohibit left-turns from Honoapiilani Highway on Maalaea Road to eliminate traffic safety problems associated with projected ambient traffic conditions.

All Study Intersections

- Interconnect and synchronize traffic signals from Kuihelani Highway to Kapoli Street.

Implementation of the foregoing mitigation measures will be undertaken by the applicant concurrently with the phased development of the proposed project. It is anticipated that with completion of these traffic mitigation measures, the LOS at the study intersections will be improved to acceptable levels (see **Table 6** below). Refer to **Appendix “J”**.



Source: AECOM Pacific, Inc.

Figure 14 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements
 Proposed Intersection Improvements (Honoapiilani Highway/Kapoli Street)



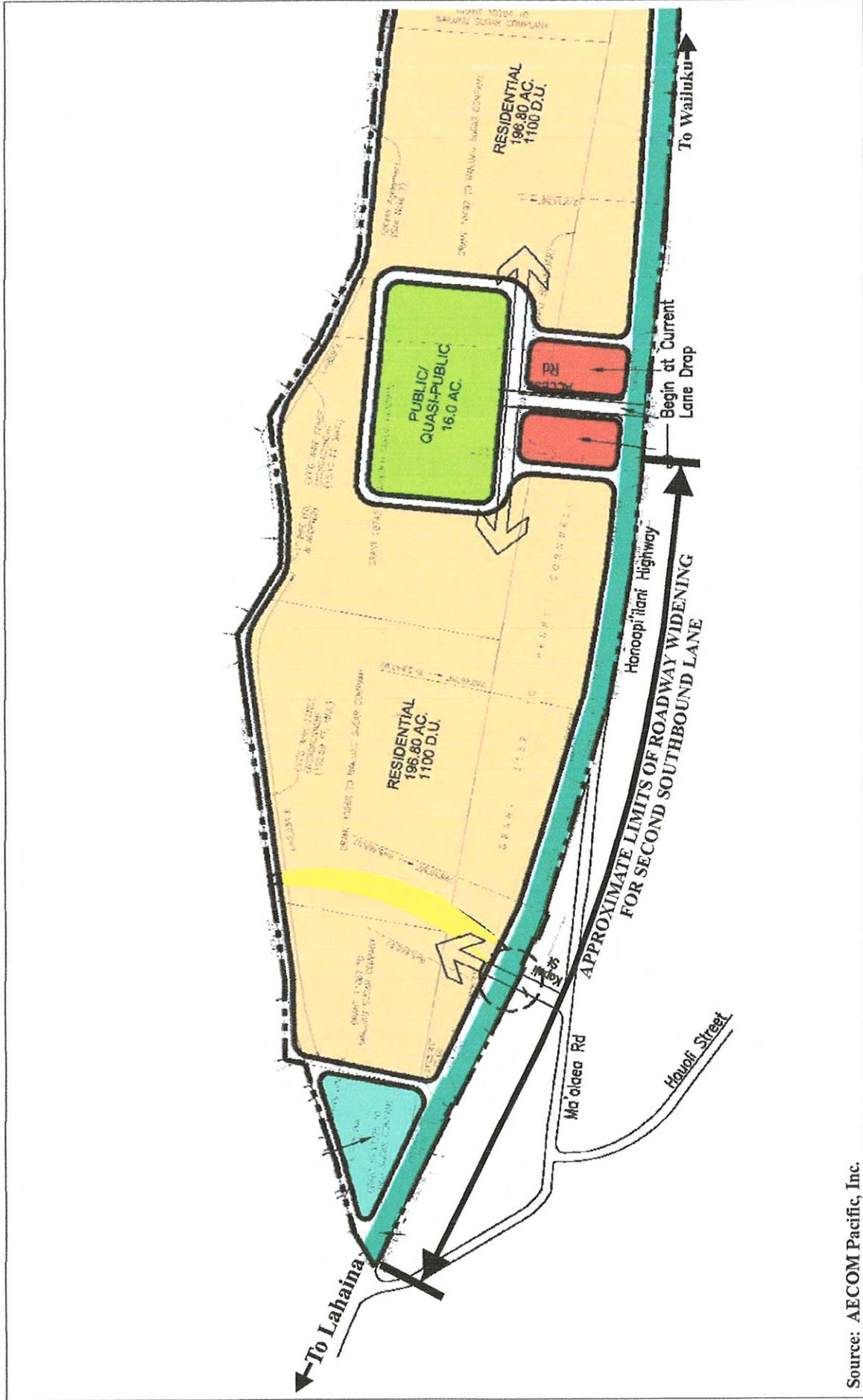
Prepared for: MVL, LLC



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MUNEKIYO & HIRAGA, INC.

NOT TO SCALE



Source: AECOM Pacific, Inc.

Figure 15

Proposed Ohana Kai Village Affordable Housing Project and Related Improvements
 Proposed Honoapilani Highway Widening Improvements

NOT TO SCALE



Prepared for: MVI, LLC

Table 6. Level of Service (LOS) Analysis for Mitigation Improvements at Existing Signalized Intersections Along Honoapiilani Highway

Intersection Approach Movement	AM Peak Hour			PM Peak Hour		
	2009	2019		2009	2019	
	Existing	With Project		Existing	With Project	
		w/o Mitigation	w/Mitigation		w/o Mitigation	w/Mitigation
	LOS	LOS	LOS	LOS	LOS	LOS
NORTH KIHEI ROAD INTERSECTION	C	D	C	C	D	C
N. Kihei Rd Ext EB	---	E	D	---	E	D
N. Kihei Rd WB	C	E	D	C	D	D
Honoapiilani Hwy NB	C	D	C	C	F	C
Left Turn Lane	---	E	D	---	F	D
Through Lanes	C	E	D	D	F	D
Honoapiilani Highway SB	C	D	C	B	D	C
Left Turn Lane	D	F	D	D	F	D
Through Lanes	A	C	C	A	C	B
KAPOLI STREET INTERSECTION	B	D	C	B	D	C
Kapoli Street Ext EB	---	D	D	---	D	D
Kapoli St. WB	D	D	D	C	D	D
Honoapiilani Highway NB	B	B	B	B	C	C
Left Turn Lane	---	E	D	---	D	D
Through Lanes	B	B	B	B	C	C
Honoapiilani Highway SB	A	E	C	A	E	C
Left Turn Lane	A	E	D	A	D	D
Through Lane	A	E	C	A	E	C

An agreement on the mitigation measures and improvements to be implemented by the applicant will be determined with the DOT Highways Division. DOT approval will be required prior to finalizing plans and undertaking these roadway and intersection improvements.

The applicant will ensure that all proposed roadway development and improvements are in accordance with the Hawaii Revised Statutes, Maui

County Code, and other applicable rules and regulations. This includes the Hawaii Standard Specifications for Road and Bridge Construction dated 2005, the Standard Details for Public Works Construction, 1984, as amended, and the Manual on Uniform Traffic Control Devices for Streets and Highways, 2003. The Department of Public Works and the DOT Highways Division will be given the opportunity to review and approve roadway construction plans to ensure that applicable regulations are satisfied.

Lastly, the project presents an opportunity to promote non-automobile travel for recreational and household pursuits. Accommodations to support public bus transportation services will be provided within the subdivision to facilitate alternative modes of travel. Coordination will be undertaken with the County of Maui, Department of Transportation during the subdivision plans preparation phase of work to identify suitable locations for bus stops within the project. Also, recreational needs will be served by the active park within the subdivision and educational services will be offered at the onsite school site, thus reducing the number of trips to and from the subdivision. A network of bicycle paths and walking trails will connect these areas and promote recreational activity and also serve to promote a pedestrian friendly environment and reduce residents' reliance on automobiles.

2. Water System

a. Existing Conditions

The County of Maui, Department of Water Supply serves five (5) main regions within the County: Central Maui, Upcountry Maui, West Maui, East Maui, and Molokai. No potable water system infrastructure currently exists on the proposed project site. A nearby County system feeds a storage tank servicing the existing Maalaea community through a waterline line from Central Maui. Capacity in the nearby system is not adequate to support the proposed project. There are no existing fire hydrants within or along the project site. As such, new infrastructure, to be developed by MVI, LLC, will be required to service the proposed project.

A nearby existing well, identified as Pohakea #1 (State ID 4930-01), has recently been completed on the utility site. This well is capable of producing 300 gpm (432,000 gpd). Two (2) additional wells, identified as Pohakea #2 (State ID 4930-02) and #3 (State ID 4930-03), have also been installed in the

same area of the utility site and are estimated to be capable of producing 350 gpm (504,000 gpd) each. These wells will draw water from the Waikapu Aquifer. No storage tank currently exists in the vicinity of the project site.

b. Potential Impacts and Proposed Mitigation Measures

The applicant is committed to developing source, storage, and transmission facilities to serve this project. A Preliminary Engineering Report (PER) has been prepared by Otomo Engineering, Inc., which describes the proposed project’s water system. See **Appendix “K”**. According to the report, the estimated average daily water demand for the 1,100 single family units, village town center, wastewater facility, and parks are as follows in **Table 7**:

Table 7. Estimated Project Water Demand

Description	Flows
Average Daily Demand	729,200 gallons per day (gpd)
Maximum Daily Demand	1,093,800 gpd (1.5 x average daily demand)
Maximum Fire Flow	2,000 gallons per minute (gpm) for a 2 hour duration

The projected demand will require a water infrastructure system consisting of wells and pumping facilities, storage capacity, and a distribution network.

To meet the demands of the proposed Ohana Kai Village Project, a private water system consisting of three (3) wells, two (2) storage tanks, and associated transmission infrastructure is in the process of being developed to the north of the project site by MVI, LLC. A copy of the preliminary site plans for the offsite water system is presented in **Appendix “K-1”**. Easements have been acquired for use of these lands (utility site) from the neighboring landowners. See **Appendix “K-2”**. As a result, the two (2) recently constructed wells, in addition to the existing Pohakea #1 well will be utilized to service the drinking water requirements of the proposed subdivision. The combined use of these three (3) wells is expected to be able to service 100 percent of the potable and non-potable water requirements of the subdivision. Preliminary testing results for these wells indicate that the source is sustainable and will produce the level of water quality necessary for

drinking water supplies. See **Appendix “K-3”**. The proposed water system will be developed, operated and maintained by MVI, LLC (or its assign) in accordance with applicable State and County requirements.

As noted previously, two (2) 750,000 gallon storage tanks will also be developed at the location of the three (3) existing wells (located at the mauka extent of the utility site) to provide gravity flow to the proposed project. Refer to **Appendix “K-1”**. Finally, a water distribution system capable of handling 3,470 gpm of flow will be constructed to convey the water to the uses within the proposed subdivision. The distribution system will be designed to meet peak hourly demand, as well as maximum daily demand (including fire flow requirements).

Further, to facilitate a reduction in drinking water consumption, the applicant intends to utilize R-1 and R-2 water produced from the project’s Wastewater Treatment Plant (WTP) for the irrigation of landscaped common areas within and around the subdivision. The information on “Maui County Planting Plan” from the Department of Water Supply, will also be utilized, as applicable, to place plants in landscaping, which will help to conserve water and protect the watershed from degradation. Rain sensors will be provided on all automated irrigation controllers in common landscaping areas. The applicant will initiate a regular maintenance program to check and reset the automated irrigation controllers.

Plumbing fixtures will be installed in accordance with Maui County Code Section 16.20A.680, which requires the utilization of low-flow fixtures and devices in an effort to conserve water.

With incorporation of the foregoing measures into the project’s design, the proposed water system for the project is not anticipated to have a significant adverse impact on groundwater resources in the area.

3. **Wastewater System**

a. **Existing Conditions**

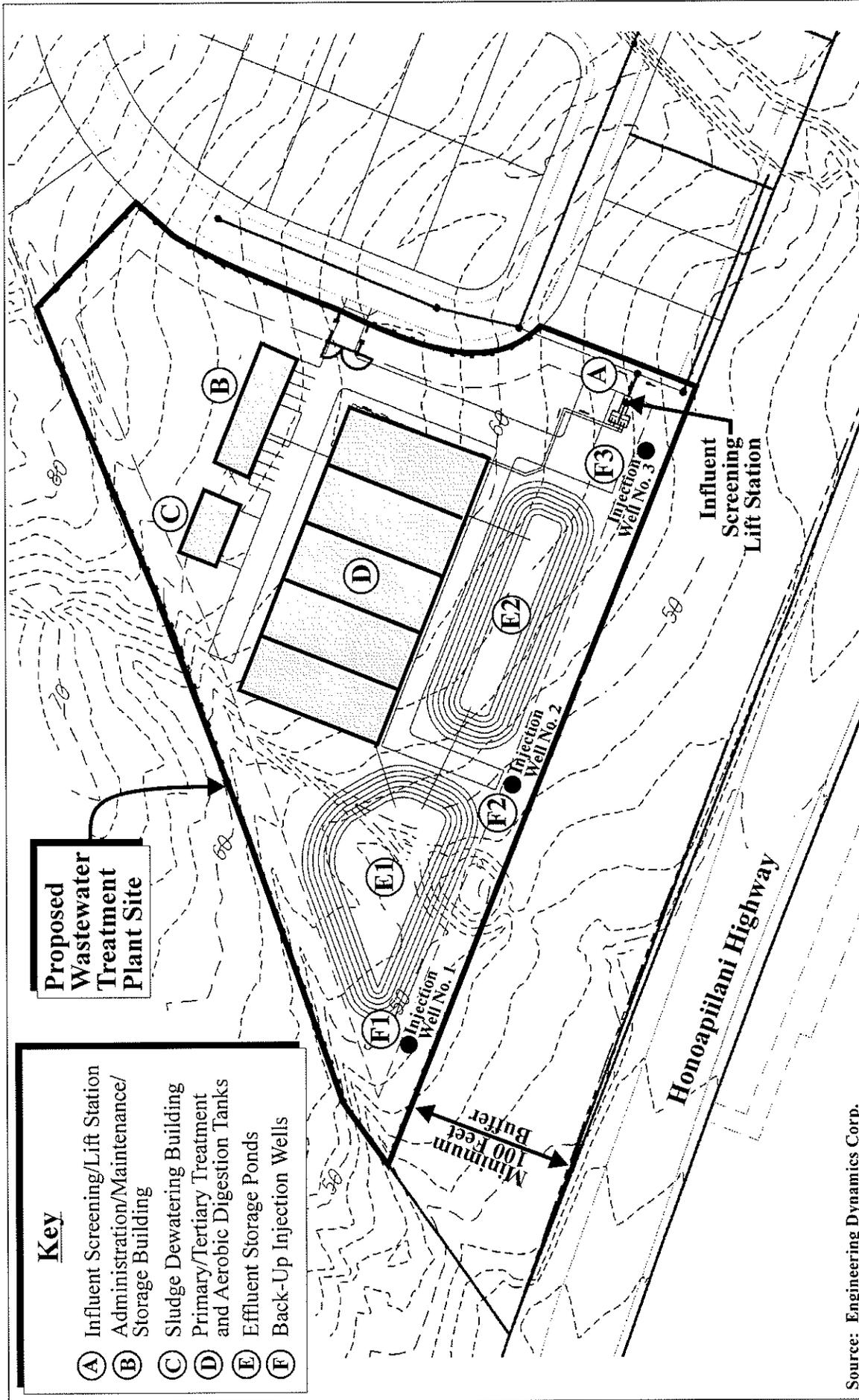
There is currently no sewage collection infrastructure serving the Maalaea community. The existing Maalaea community includes condominiums, apartments, single-family residences and a power generation (industrial) site.

These existing uses utilize on-site wastewater treatment facilities such as cesspools, septic tanks or more advanced individual treatment systems. The project site for the proposed residential subdivision does not have any existing sewer collection infrastructure or a wastewater treatment facility. As such, new sewer infrastructure will be required to service the wastewater requirements of the proposed project.

b. Potential Impacts and Proposed Mitigation Measures

The proposed Ohana Kai Village Project will include the development of a new privately operated and maintained Wastewater Treatment Plant (WTP) that will be constructed prior to the occupancy of the first phase of residential units. The WTP will be designed to meet the wastewater collection and treatment requirements of the proposed subdivision. The proposed WTP will be located in the southern portion of the 257-acre project site in the southern portion. See **Figure 16**. A gravity collection system will be used to collect and transport wastewater from within the project site to the WTP. A Preliminary Engineering Report for the proposed WTP has been prepared by Engineering Dynamics Corp. See **Appendix “L”**.

The WTP will be designed to handle the average daily flow from the project, which is estimated at 471,000 gpd. Wastewater will be treated at the WTP to produce both R-1 and R-2 recycled water. R-1 is the highest form of treated effluent, which is characterized by a significant reduction in viral and bacterial pathogens. Effluent reuse will be the primary means of disposing of the generated flows from the proposed subdivision. R-1 and R-2 recycled water from the WTP will be recycled for irrigation of common landscaped areas within and around the subdivision. Other County-owned facilities on Maui designed to utilize effluent reuse/recycle techniques include the Kihei Wastewater Reclamation Facility (WRF) and the Kahului WRF. The effluent for Kihei WRF is currently recycled for agricultural, commercial, and park irrigation purposes. There is one commercial facility that recycles the effluent for toilet flush water. The effluent from Kahului WRF is only recycled for in-plant reuse. Both facilities are advanced activated sludge plants with effluent sand filters that are designed to satisfy the DOH effluent recycle standards. These facilities are also designed to biologically remove nitrogen and phosphorus through a similar activated sludge process as will be used in the proposed WTP.



Source: Engineering Dynamics Corp.

NOT TO SCALE

Figure 16 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements Wastewater Treatment Plant Site Plan



Prepared for: MVI, LLC



MUNEKIYO & HIRAGA, INC.

The proposed WTP site is located below the Underground Injection Control (UIC) line. The applicant is required by State Department of Health (DOH) standards to install and operate standby injection wells for use during wet conditions (anticipated to be during the rainy months from December through April) when R-1 and R-2 water cannot be used for irrigation.

Noise and odor controls will be incorporated into the design of the proposed WTP to comply with DOH standards. Loud equipment such as blowers, pumps, fans and emergency diesel engine generators will be housed in a sound attenuated equipment enclosure to minimize ambient noise levels generated from the plant. The proposed WTP facility will be designed to comply with applicable DOH property line standards for odor control. Landscaping, as appropriate, will be installed to shield the WTP from Honoapiilani Highway.

Further details on the proposed Wastewater Treatment System are provided in the Preliminary Engineering Report (refer to **Appendix “L”**).

4. Drainage

a. Existing Conditions

A Preliminary Drainage Report (PDR) for the proposed project has been prepared by Otomo Engineering, Inc. See **Appendix “M”**.

Maui receives varying levels of rainfall in a given year depending on location. The average annual rainfall (2000-2006) for the Kihei area, which is also part of the drier southern coast of Maui, was 12.59 inches (Maui County Data Book, 2007). Annual rainfall in the vicinity of the Maalaea Small Boat Harbor is relatively low. There are no drainage improvements within the project site, however, there are several unnamed drainageways that traverse the site in a west to east direction which direct both onsite and offsite surface runoff towards Honoapiilani Highway. When the runoff reaches the Honoapiilani Highway along the makai or eastern boundary, it enters the State Department of Transportation drainage system. The DOT drainage system consists of grated inlet catch basins and inlet headwall structures which intercept surface runoff and conveys it under the highway via six (6) larger concrete box culverts and several smaller drainage culverts. From the makai side of the highway, runoff continues downstream through various

drainage systems and ultimately discharges into Maalaea Harbor. It is estimated that the existing onsite runoff for a 100-year, 24-hour storm from the project site is 790 cubic feet per second (cfs) or 138 acre-feet.

b. Potential Impacts and Proposed Mitigation Measures

The proposed project will increase hardscape (i.e. road pavements, sidewalks, housing) and reduce rainfall infiltration into the ground. Following project completion, it is estimated that the 100-year storm runoff from the property will be 1,228 cubic feet per second (166 acre-feet) which is an increase of 438 cfs (28 acre-feet) from existing conditions. The drainage improvements for the project will be designed to retain 100 percent of project-generated increases in stormwater runoff onsite for the 100-year, 24-hour storm. This will be achieved through the development of a master drainage system within the project, which will consist of curb inlet catch basins and a series of linear retention basins along the Honoapiilani Highway boundary of the project site. Refer to **Figure 4**. The installation of this drainage system will ensure that no downstream properties are impacted by the proposed Ohana Kai Village Project. Refer to **Appendix “M”**. The onsite drainage basins will also act to reduce the amount of suspended sediment present within the runoff flowing across the project site.

Opportunities to further reduce post-development flows will be evaluated during the design phase for the proposed project. Strategies to be reviewed in this context include:

- Use of perforated subdrains and underground french drains or dry wells to drain roof and parking areas.
- Direction of runoff from parking lots and driveways to nearby landscaped areas and detention basins to minimize drainage-related impacts resulting from project implementation.

Strategies to decrease the amount of impervious surfaces within the proposed project will also be evaluated and considered during the subdivision design phase, including but not limited to:

- Redirection of rooftop runoff to pervious areas around individual homes/buildings.

- Provision of landscaped areas adjacent to existing stream/gulch channels.
- Minimization and balance of clearing and grading activities during construction.
- Implementation of landscaped islands in instances where large cul-de-sacs are utilized.
- Incorporation of increased use of a vegetated buffers, filter strips and bioretention in the roadway design.
- The inclusion of rain gardens and increased use of trees in the landscape plan for the project.

Further, appropriate mitigation measures will be developed in consultation with the applicable governmental agencies during the design process. During construction, the contractor will implement a program of Best Management Practices (BMPs) for erosion and sediment control, examples of which are presented in the list below:

- Constructing of detention basins to capture sedimentation to minimize the quantity of sediment leaving the site.
- Staging construction
- Protecting of natural vegetation
- Stockpiling topsoil, and covering or stabilizing of the soil stockpiles
- Using wind erosion control
- Intercepting runoff above disturbed slopes
- Constructing of benches, terraces, or ditches at regular intervals to intercept runoff on long or man-made slopes
- Providing linings or other method to prevent erosion of storm channels
- Providing vehicle wheel wash-down facilities
- Using stabilized construction entrances
- Using vegetated filter strips

Greater detail of the design information for the proposed drainage and erosion control plan will be provided during the engineering design phase of development.

In summary, the PDR concludes that the development of the proposed project and its proposed drainage improvements will not impact properties located downstream of Honoapiilani Highway, including the Maalaea Small Boat Harbor and environmentally sensitive areas, such as Maalaea Bay. Refer to **Appendix “M”**.

5. **Electrical, Telephone, and Cable Television Services**

a. **Existing Conditions**

Electrical power, telephone, and CATV services to the area are provided by Maui Electric Company, Hawaiian Telcom, and Oceanic Time Warner Cable of Hawaii, respectively. Existing overhead power, telephone, and CATV transmission lines are located across the Honoapiilani Highway from the project area.

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

Electrical, telephone and cable service providers will likely need to implement system enhancements to accommodate the proposed project. The required system upgrades may involve electrical line extensions, accesses, and easements to provide service to the project.

Energy conservation measures will be considered as part of the project design phase of development and coordination with MECO will occur as early as possible. As a result, the applicant will consider implementation of the following demand side management measures to conserve natural resources and to promote energy efficiency within the proposed project.

- Installation of solar hot-water heating and Photo-Voltaic (PV) systems on all new homes.
- Siting buildings to take advantage of natural features and maximize their beneficial effects by providing for solar access, daylighting, and natural cooling.

- Designing south, east, and west shading devices to minimize solar heat gain.
- Locating land uses (residential, commercial, public/quasi-public) to encourage bicycle and pedestrian access and reduce dependency on automobile use.
- Consolidating utility and infrastructure in common corridors to minimize site degradation and cost, improve efficiency, and reduce impermeable surfaces.
- Design space for recycling and waste diversion opportunities.

Coordination with MECO, Hawaiian Telcom, and Oceanic Time Warner Cable of Hawaii will continue to ensure that systems planning and design can be programmed in accordance with the project's development schedule.

E. CUMULATIVE AND SECONDARY IMPACTS

1. Cumulative Impacts Analysis

Cumulative impacts are defined 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.

The proposed project is not part of a larger action, nor would it occur within the context of such actions. There are no direct community growth impacts resulting from or occurring with the project. There are no other public works projects anticipated within the project context.

The project site, which is classified as Project District 12 in the Kihei-Makena Community Plan, is located adjacent to the existing Maalaea community and Project District 11. The development of the subject property will proceed on an independent timeframe from that of Project District 11. There currently is no development timeframe available for Project District 11. In this regard, it is noted that the context for considering cumulative impacts is established by the Kihei-Makena Community Plan. Project District 11 is the only major land use development element reflected in the community plan for this sub-region.

The Traffic Impact Analysis Report (TIAR) prepared for the Ohana Kai Village

Project has examined and evaluated traffic impacts of the project, in the context of projected regional growth. Based on the analysis, the TIAR has recommended the implementation of applicable traffic mitigation measures and improvements. While other projects have been assumed to contribute to this projected future growth in regional traffic, some are still in the planning and entitlement stage and for various reasons may be subject to delay or may not materialize at all within the time horizon of this project.

With regard to the availability of drinking water for the project, the applicant is in the process of developing a private well water system to serve the proposed project. Maui County Ordinance No. 3502 requires that a long-term reliable supply of water be verified at the time of subdivision approval. The ordinance requires each applicant to provide a long-term reliable supply of water, which is defined as *“the total water supplies from a private, non-County source that will meet the projected demand associated with a proposed development, in addition to existing and planned future demand”*. In light of this requirement, cumulative impacts will be addressed as new water sources are brought online as a condition of development. Other proposed projects will be required to similarly meet the requirements of this ordinance as their projects progress through the development process. Additionally, specific improvements to the water transmission and storage systems will be determined with the County for each project.

Sewage generated by the project will be treated at the proposed onsite Wastewater Treatment Plant (WTP) which will be developed as part of the project. Reclaimed water from the WTP will be reused for irrigation of common landscaped areas within and around the subdivision. Recycling of the reclaimed water will reduce the need for injection wells and will lessen potable water consumption for irrigation purposes.

In regards to agriculture, the impact of this project is not considered significant when taken in the context of the recent trends occurring on Maui. In the last 30 years, the closures of Wailuku Sugar and Pioneer Mill on Maui have taken significant acreages out of active sugar cane cultivation. These actions have greatly increased the supply of non-sugar based agricultural lands. In fact, much of the lands of these former plantations are still fallow. The proposed project will ultimately involve the use of approximately 257 acres of land, which represents 0.1 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui. Further, rather than the available land supply, more salient factors facing the agricultural industry include the market demand for products (access to markets and local purchasing patterns) and

the overall profitability of crops grown in Hawaii.

The mitigation of other potential adverse cumulative impacts resulting from infrastructure use will be resolved during the course of development either through the provision of additional facilities onsite and offsite (drainage, park facilities, roadway improvements) and through land contributions. Other planned projects will similarly be required to mitigate the impacts of their respective projects as they progress through the development process.

In general, processes and mechanisms for coordinating mitigation measures attributable to cumulative impacts are in place. An example of a process which addresses cumulative impacts is the scoping of infrastructure studies (including traffic impact, as discussed above) to include those projects which are anticipated to be implemented within a timeframe similar to that of the proposed action.

It is important to note, however, that the implementation timeframes for these future development projects are dependent on their respective regulatory and market parameters which are not linked to the proposed project. Some of these projects are in the planning and entitlement phase, and as such, may not necessarily be constructed. The proposed Ohana Kai Village Project is being planned and is intended to be implemented within this timeframe set forth in Chapter I of this document.

Additionally, the County of Maui is currently undertaking its General Plan Update. A specific component of the General Plan Update is the preparation of a Maui Island Plan. The plan is required as part of a Managed and Directed Growth Plan. As provided by Chapter 2.80B of the Maui County Code:

The managed and directed growth plan shall describe existing and future land use patterns and planned growth for the twenty-year planning period and include a discussion on how these patterns are consistent with and support the vision, principles, goals, and policies of the County and the island of Maui. The managed and directed growth plan shall include a map that delineates urban and rural growth areas, consistent with, and illustrative of, the Maui island plan's vision, principles, goals, and policies.

The Maui Island Plan is designed to be comprehensive in nature, considering existing

community plan-designated land uses, as well as proposals for future uses to the planning horizon year of 2030. Thus, the Maui Island Plan establishes a context for structured land use planning to ensure that long range planning and development are properly sequenced. Towards this end, additional components of the Maui Island Plan include the following:

- **Water Element.** The water element shall assess and discuss water supply, demand, and quality.
- **Nearshore Ecosystem Element.** The nearshore ecosystem element shall assess the ecosystem in the nearshore waters of the County, and will discuss preservation and restoration of these waters.
- **Implementation Program.** The implementation program shall include a capital improvement element, a financial element, and an implementation schedule.
 - **Capital Improvement Element.** The capital improvement element shall describe regional infrastructure systems and regional public facilities and services that will be needed over the twenty-year planning period.
 - **Financial Element.** The financial element shall describe a fiscally sound financial program for identified actions and capital improvements. Preparation of the County's annual operating budget and capital program, respectively developed pursuant to Sections 3.04.030 and 3.04.040 of this code, shall implement the general plan to the extent practicable.
 - **Implementation Schedule.** The implementation schedule shall identify and numerically prioritize specific actions, the implementation actions' commencement and completion dates, the lead implementation agency or person, the estimated implementation cost, and the anticipated funding source or sources.

The review of the draft Maui Island Plan has recently been completed by the General Plan Advisory Committee (GPAC) and the Maui Planning Commission. Existing and future developments in the Kihei-Makena region are being reviewed as part of

this ongoing comprehensive planning process to evaluate both the current housing supply on Maui island and the potential cumulative impact of proposed development projects up to the Year 2030. Presentations on the proposed project were delivered to the GPAC in September 2007 and to the Maui Planning Commission in July 2009, formally requesting that Project District 12 continue to be reflected as a future urban growth area for Maui island. The draft Maui Island Plan is currently pending review by the Maui County Council. Adoption of the plan will be via ordinance by the County Council.

The applicant will continue to work alongside both the County Department of Planning and the Maui County Council as work proceeds on the final process of review and adoption of the Maui Island Plan.

2. **Secondary Impacts Analysis**

Secondary impacts are those which have the potential to occur later in time or farther in distance, but are still reasonably foreseeable. They can be viewed as actions of others that are taken because of the presence of the project. Secondary impacts from highway projects, for example, can occur because they can induce development by removing transportation access-related impediments to growth.

Aside from the direct development impacts discussed in the previous sections of this chapter, other secondary impacts may be attributed to project effects on the island's overall housing situation. That is, the provision of affordable housing in Maalaea may affect demand and pricing in other areas of the island, depending on market conditions at the time of project development. As noted previously, a significant increase in resident housing supply will be needed to accommodate the region's anticipated growth. In comparison to many of the planned projects throughout the island which are geared toward the resort market, the proposed Ohana Kai Village Project will provide affordable housing opportunities for Maui's working families in both the near and long term. This in turn is anticipated to result in a more balanced housing market. The project is anticipated to increase the proportion of permanent residents in Maalaea and will add population to this sub-region of Kihei-Makena. In terms of population impacts to the island of Maui, it is expected that the proposed action will serve to accommodate growth in keeping with population parameters advanced by the County General Plan.

As noted previously, the project will result in construction-term expenditures, wages and taxes. Real property taxes will contribute to the County's revenue tax base to

support the increase in public services. The project is not anticipated to have a significant adverse impact on the physical environment. As noted in previous sections, no adverse impacts to historic properties, cultural practices, or rare, threatened or endangered species are anticipated. Necessary engineering infrastructure systems and services will be provided to serve the project.

The proposed Ohana Kai Affordable Housing Project is, therefore, not anticipated to result in significant adverse secondary impacts.

III. RELATIONSHIP TO LAND USE PLANS, POLICIES, AND CONTROLS

III. RELATIONSHIP TO LAND USE PLANS, POLICIES, AND CONTROLS

A. STATE LAND USE DISTRICT

Chapter 205, Hawaii Revised Statutes, relating to the Land Use Commission, establishes four (4) major land use districts in which all lands in the state are placed. These districts are designated as "Urban", "Rural", "Agricultural", and "Conservation". Both the project site and utility site are located within the "Agricultural" district. See **Figure 17**.

A State Land Use District Boundary Amendment (DBA) for the 257-acre project site for reclassification from "Agricultural" district to the "Urban" district will be requested as part of the Hawaii Revised Statutes (HRS) Section 201H application process to enable implementation of the Ohana Kai Village Affordable Housing Project. Criteria considered in the reclassification of lands are set forth in the State Land Use Commission Rules (Chapter 15-15-18, Hawaii Administrative Rules).

The proposed reclassification of the approximately 257 acres within the project site from Agricultural to Urban has been analyzed with respect to the criteria, as discussed below:

It shall include lands characterized by "city-like" concentrations of people, structures, streets, urban level of services and other related land uses.

Comment:

The area proposed for reclassification is adjacent to the existing development of Maalaea Commercial Triangle and the Maalaea Small Boat Harbor, which are located on lands classified as "Urban." Maalaea Village also encompasses condominium projects along Hauoli Street, providing an urban setting. Infrastructure systems implemented in conjunction with the proposed project will serve all areas within the limits of the project site. The proposed development will include city-like concentrations of people in a community which will include 1,100 single-family homes.

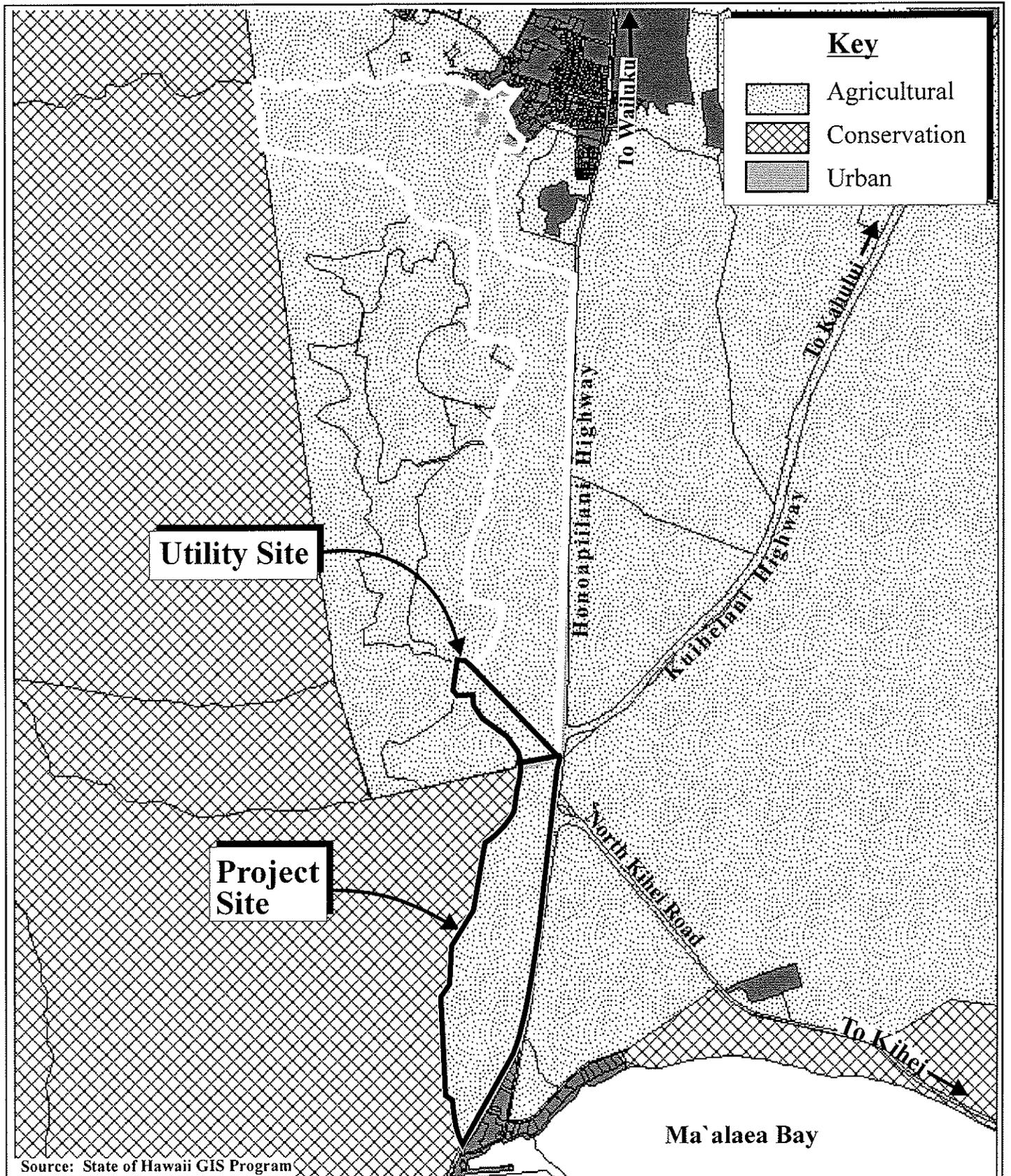


Figure 17 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements State Land Use Classifications

NOT TO SCALE



An internal road network, village town center, park, and public/quasi-public uses will serve the needs of the community.

It shall take into consideration the following specific factors:

- 1. Proximity to centers of trading and employment except where the development would generate new centers of trading and employment.**

Comment:

The proposed Ohana Kai Village project will expand the existing Maalaea community and will generate a new center of trading and employment through the development of a village town center and school facility within the core of the proposed residential subdivision. The area proposed for reclassification is also located adjacent to the Maalaea Commercial Triangle and Maalaea Small Boat Harbor. In addition to the employment opportunities presented in these commercial areas and the onsite village town center within the subdivision, the proposed project is located approximately six (6) miles from the commercial/employment centers of Kihei and Wailea and six (6) and eight (8) miles from the commercial/employment centers of Wailuku and Kahului, respectively. Numerous employment opportunities exist in the retail, resort, and service industries in the Kihei/Wailea area while Wailuku and Kahului serve as the central business districts of the island. Additionally, Federal, State, and County government offices and courts are located in Wailuku.

- 2. Availability of basic services such as schools, parks, wastewater systems, solid waste disposal, drainage, water, transportation systems, public utilities, and police and fire protection.**

Comment:

The area proposed for reclassification will be serviced by a new onsite Wastewater Treatment Plant (WTP) which will be developed in conjunction with the project. Additionally, domestic water supply will be provided by privately developed wells within the utility site and will not rely on County sources. The area is located in close proximity to major roadways such as, Honoapiilani Highway, Kuihelani Highway, and North Kihei Road, which provide access to other communities on Maui. The proposed subdivision falls within the Baldwin complex of the State Department of Education (DOE), which is currently served by Wailuku Elementary (K-5), Pomaikai Elementary (K-5), Iao Intermediate (6-8), and Baldwin High School (9-12). To enhance educational opportunities within the region, MVI, LLC has allocated public/quasi-public lands within the subdivision, which would allow the

construction of a charter school at this location. This facility is anticipated to provide some level of relief to other schools within the Wailuku/Kahului and Kihei areas. Health care facilities, as well as police and fire protection services, are available in Wailuku and Kahului, as well as in Kihei. Coordination with the Department of Fire and Public Safety will be undertaken to determine the suitability of providing a fire substation site within the public/quasi-public component of the subdivision.

3. Sufficient reserve areas for foreseeable urban growth.

Comment:

As noted previously, a significant increase in housing supply will be needed to accommodate the region's anticipated growth. The project will provide affordable resident housing opportunities in both the short and long term, which in turn is anticipated to result in a more balanced housing market. The proposed project involves the development of a master-planned community involving residential, commercial, and public/quasi-public land uses. The project will be constructed in phases over a period of approximately eight (8) years. Project completion is expected to partially address the shortage of affordable housing currently being experienced in Maui County. In addition, Project District 11, located across Honoapiilani Highway from the project site, currently remains undeveloped and would be available to accommodate demands for urban growth beyond completion of Ohana Kai Village.

4. It shall include lands with satisfactory topography, drainage, and reasonably free from the danger of any flood, tsunami, unstable soil conditions, and other adverse environmental effects.

Comment:

The project site, containing slopes averaging 5.5 percent, is suitable for the planned uses. The majority of land proposed for reclassification is located within Flood Zone C (an area of minimal flooding) on the Federal Emergency Management Agency (FEMA), Flood Insurance Rate Maps. A portion of the land (gulches) to be reclassified is located in Flood Zone B, which identifies areas between the 100-year and 500-year flood. Special Flood Hazard Area Development (SFHAD) requirements will be addressed for the project, as applicable. The project area is not subject to tsunami inundation or unstable soil conditions. Drainage improvements for the proposed subdivision will be designed in consultation with applicable governmental agencies to mitigate potential runoff and adverse drainage impacts on environmental resources.

Phase I Environmental Site Assessment (ESA) reports have been completed for both the project site and the utility site. Refer to **Appendix “D”**. A Phase II ESA was completed to address a recommendation in the Phase I ESA report that soils within the project site be tested. An addendum Phase II ESA report was also prepared to address the potential presence of dioxins/furans from former agricultural operations within the project site. Refer to **Appendix “D-1”** and **“D-2”**. Based on the results of the soil testing, the Phase II ESA confirms that residual levels of pesticides, fertilizers, and dioxins/furans are within safe levels. All issues identified in the ESA reports have since been addressed such that there are no outstanding environmental conditions currently present within the limits of the project and utility sites. The use of the project site for a residential subdivision is not anticipated to present any impacts to public health and safety.

No foreseeable adverse environmental effects are anticipated in conjunction with the proposed project.

- 5. Land contiguous with existing urban areas shall be given more consideration than non-contiguous land, and particularly when indicated for future urban use on state or county general plans.**

Comment:

A portion of the area proposed for reclassification is contiguous with existing State Land Use designated Urban lands to the southeast which include the Maalaea Commercial Triangle, the Maalaea Small Boat Harbor, and the condominium-based residential/visitor component of Maalaea Village. Additionally, as designated in the Kihei-Makena Community Plan, Business/Commercial lands and Project District 11 are adjacent to the project site. Commercial uses, including the Maalaea Commercial Triangle, occupy the Business designated lands while Project District 11 is identified as a future residential growth area in the Kihei-Makena Community Plan. See **Figure 18**. The subject property is designated for urban residential use (Project District 12) by the Kihei-Makena Community Plan.

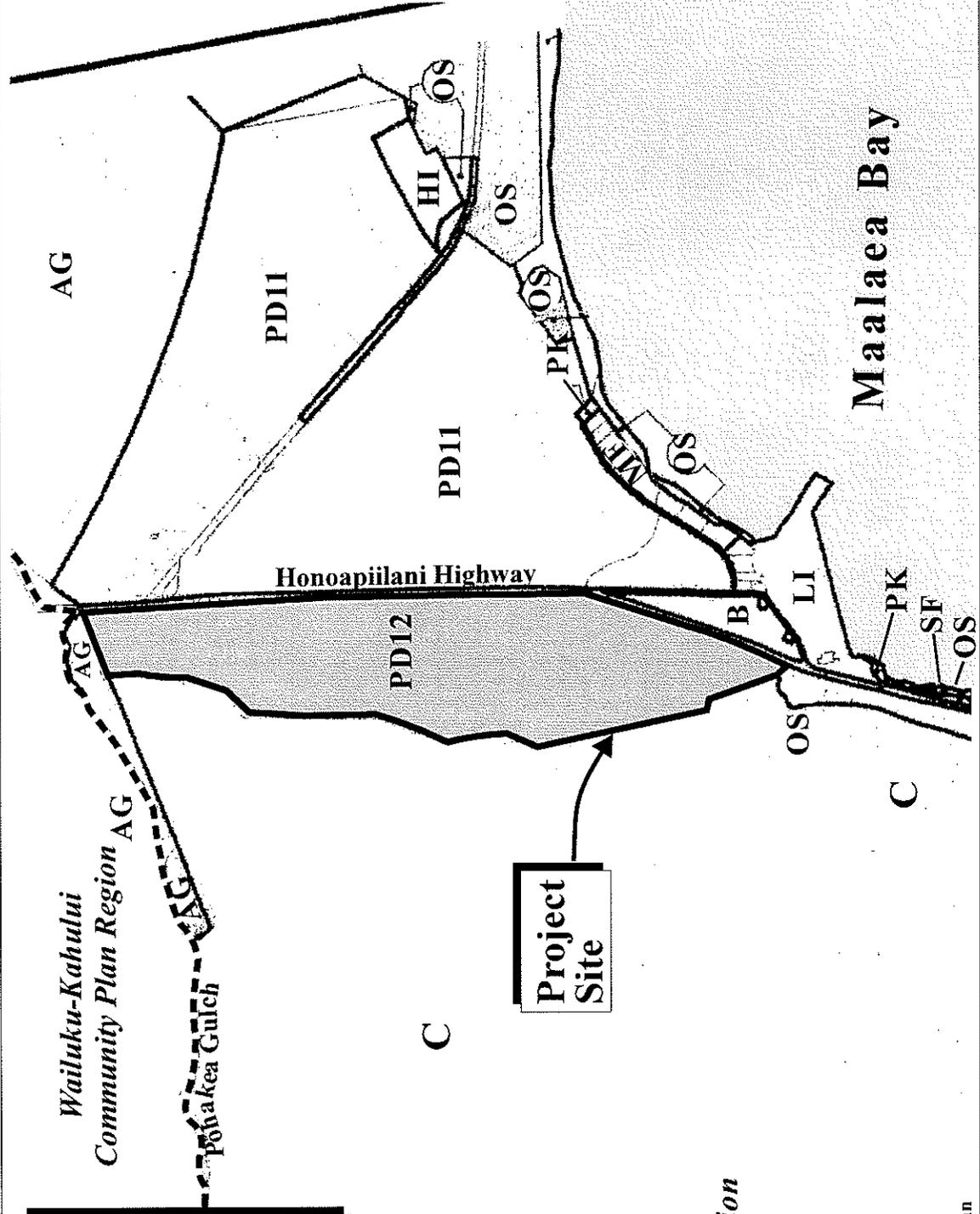
- 6. It shall include lands in appropriate locations for new urban concentrations and shall give consideration to areas of urban growth as shown on the State and County plans.**

Comment:

The project site is designated Project District 12 by the Kihei-Makena Community Plan. The project area is in the vicinity of the commercial land uses of Maalaea Boat Harbor and Maalaea Commercial Triangle. As noted previously, the Kihei-Makena Community Plan

KEY

- AG Agricultural
- B Business/Commercial
- HI Heavy Industrial
- LI Light Industrial
- MF Multi-Family Residential
- OS Open Space
- PD11 Project District 11
- PD12 Project District 12
- PK Park
- SF Single-Family Residential

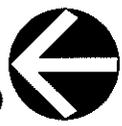


*Kihei-Makana
Community Plan Region*

Source: Kihei-Makana Community Plan

Figure 18 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements
 Kihei-Makana and Wailuku-Kahului Community Plan Land Use Designations

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also designates lands adjacent to the project site for business and commercial uses and for future residential development within Project District 11. The lands proposed for reclassification are located within an area suitable for new urban growth.

It may include lands which do not conform to paragraphs (1) to (5):

When surrounded by or adjacent to existing urban development; and only when those lands represent a minor portion of this district.

It shall not include lands, the urbanization of which will contribute toward scattered spot urban development, necessitating unreasonable investment in public infrastructure or support services.

It may include lands with a general slope of twenty percent (20%) or more if the commission finds that those lands are desirable and suitable for urban purposes and that the design and construction controls, as adopted by any Federal, State, or County agency, are adequate to protect the public health, welfare and safety, and the public's interest in the aesthetic quality of the landscape.

Comment:

As mentioned previously, the project site is located adjacent to areas of existing urban development. Existing State Land Use designated urban lands lie to the southeast, which include the Maalaea Commercial Triangle, the Maalaea Small Boat Harbor, and various condominiums and single-family residences along the Maalaea Bay coastline. The development of Ohana Kai Village will not necessitate unreasonable investment in public infrastructure or support systems. All engineering infrastructure systems for Ohana Kai Village will be provided and installed by MVI, LLC. The project site, containing slopes averaging 5.5 percent, possesses suitable topographic characteristics for the proposed residential use. Applicable County grading regulations will be followed to ensure the protection of public health, safety, and welfare. Refer to **Appendix "B"**.

B. HAWAII STATE PLAN

Chapter 226, HRS, also known as the Hawaii 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. Examples of State objectives and policies relevant to the proposed project are as follows:

1. **Section 226-05, Objectives and policies for population. To achieve this objective, it shall be the State policy to:**
 - a. Promote increased opportunities for Hawaii's people to pursue their socio-economic aspirations throughout the islands.
 - b. Plan the development and availability of land and water resources in a coordinated manner so as to provide for the desired levels of growth in each geographic area.

2. **Section 226-13, Objectives and policies for physical environment-land, air, and water quality. To achieve this objective, it shall be the State policy to:**
 - a. Promote effective measures to achieve desired quality in Hawaii's surface, ground, and coastal waters.
 - b. Reduce the threat to life and property from erosion, flooding, tsunamis, hurricanes, earthquakes, volcanic eruptions, and other natural or man-induced hazards and disasters.
 - c. Encourage design and construction practices that enhance the physical qualities of Hawaii's communities.
 - d. Encourage urban developments in close proximity to existing service and facilities.

3. **Section 226-14, Objectives and policies for facility systems-in general. To achieve the general facility systems objective, it shall be the policy of the State to:**
 - a. Accommodate the needs of Hawaii's people through coordination of facility systems and capital improvements in consonance with State and County plans.
 - b. Encourage flexibility in the design and development of facility systems to promote prudent use of resources and accommodate changing public demands and priorities.
 - c. Ensure that required facility systems can be supported within resource capacities and at reasonable cost to the user.

4. **Section 226-15, Objectives and policies for facility systems-solid and liquid wastes. To achieve the solid and liquid waste objectives, it shall be the policy of the State to:**
 - a. Encourage the adequate development of sewage facilities that complement planned growth.
 - b. Promote re-use and recycling to reduce solid and liquid wastes and employ a conservation ethic.

5. **Section 226-16, Objectives and policies for facility systems-water. To achieve the facilities systems water objectives, it shall be the policy of the State to:**
 - a. Coordinate development of land use activities with existing and potential water supply.
 - b. Support research and develop alternative methods to meet future water requirements well in advance of anticipated needs.
 - c. Reclaim and encourage the productive use of runoff water and wastewater discharges.
 - d. Assist in improving the quality, efficiency, service, and storage capabilities of water systems for domestic and agricultural use.
 - e. Promote water conservation programs and practices in government, private industry, and the general public to help ensure adequate water to meet long-term needs.

6. **Section 226-17, Objectives and policies for facility systems-transportation. To achieve the facilities systems transportation objective, it shall be the policy of the State to:**
 - a. Encourage a reasonable distribution of financial responsibilities for transportation among participating government and private parties.
 - b. Encourage transportation systems that serve to accommodate present and future development needs of communities.

7. **Section 226-19, Objectives and policies for socio-cultural advancement – housing. To achieve the housing objectives, it shall be the policy of the State to:**
 - a. Effectively accommodate the housing needs of Hawaii's people.
 - b. Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households.

- c. Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.

The proposed Ohana Kai Village Affordable Housing Project will serve to meet the residential workforce housing needs of the region at an attractive and central location in Maalaea. Additional housing choices in Maui County will provide healthy competition and allow for a more balanced housing market. The applicant will provide all required engineering infrastructure as part of project implementation. In addition, MVI, LLC will participate in nexus-based transportation network improvements to alleviate the incremental increase in demand on roadways resulting from the proposed project. To this end, the proposed project is in conformance with the above-noted objectives and policies of the Hawaii State Plan.

The State Functional Plans define actions for implementation of the Hawaii State Plan through the identification of needs, problems and issues, and recommendations on policies and priority actions which address the identified areas of concern. The proposed project is consistent with the following State Functional Plans:

1. **State Agricultural Functional Plan**

The proposed project will reclassify approximately 257 acres of land from the State “Agricultural” district to the State “Urban” district. While the project site for the proposed Ohana Kai Village was formerly used for sugarcane cultivation, it is now fallow with a portion currently being utilized to support short-term cattle operations. The proximity of the project site to existing and planned urban land uses (both residential and commercial) provides a reasonable nexus and an appropriate foundation for the proposed reclassification request, particularly in the context of meeting affordable housing needs of the community and the critical shortage in housing currently being experienced in Maui County.

2. **State Housing Functional Plan**

As noted above, recent policy discussions and the growing public demand for affordable housing indicate a current shortage of affordable housing in the Central Maui area. The proposed 1,100 single-family residential units within the proposed subdivision will help address this critical community need.

3. **State Recreational Functional Plan**

Outdoor recreation is recognized by the Hawaii State Plan as an important part of life for Hawaii's residents. As the population rises and residential land uses increase, creating areas dedicated to outdoor recreation becomes increasingly vital. The State Functional Plan for Recreation urges the improvement and expansion of recreational facilities in urban areas and local communities. The proposed subdivision is designed to provide approximately 16 acres of land for public/quasi-public use (including parks) and 20 acres for retention/open space. Recreational resources would be available for use by both residents of the proposed subdivision and members of the general public living elsewhere on Maui. The incorporation of an active park facility in the design of the proposed subdivision is anticipated to address the objectives of the State Recreational Functional Plan.

4. **State Transportation Functional Plan**

The Hawaii State Plan addresses the vital role of transportation, particularly in light of population increases and community growth. The State Functional Plan for transportation calls for a Statewide transportation system consistent with planned growth objectives throughout the State. The proposed project's roadway system will be developed in consultation with the State Department of Transportation and the County Department of Public Works to ensure consistency with the objectives of the State Transportation Functional Plan. Internal subdivision roads will be constructed to County of Maui design standards.

5. **State Historic Preservation Functional Plan**

The State Historic Preservation Functional Plan deals with the preservation of historic properties, the collection and preservation of historic records, artifacts and oral histories, and the provision of public information and education on the ethnic and cultural heritages and history of Hawaii. Archaeological inventory surveys have been completed for the project area by Scientific Consulting Services, Inc. in compliance with applicable historic preservation requirements. Refer to **Appendix "G"**. The AIS reports have been reviewed and approved by the State Historic Preservation Division (SHPD). Refer to **Appendix "G-1"**. SHPD-approved archaeological monitoring plans will be implemented during construction activities for the project in accordance with applicable inadvertent discovery requirements. Refer to **Appendix "G-2" and Appendix "G-3"**. The proposed project is consistent

with the objectives outlined under the State Historic Preservation Functional Plan.

C. MAUI COUNTY GENERAL PLAN

The Maui County General Plan (1990 Update) sets forth broad objectives and policies to help guide the long-range development of the County. As stated in the Maui County Charter, the General Plan shall:

"...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 the 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."

The proposed action is in keeping with the following General Plan objectives and policies:

POPULATION

Objective:

To plan the growth of resident and visitor population through a directed and managed growth plan so as to avoid social, economic and environmental disruptions.

Policy:

Balance population growth by achieving concurrency between the resident employee work force, the job inventory created by new industries, affordable resident/employee housing, constraints on the environment and its natural resources, public and private infrastructure, and essential social services such as schools, hospitals, etc.

LAND USE

Objectives:

1. To preserve for present and future generations existing geographic, cultural and traditional community lifestyles by limiting and managing growth through environmentally sensitive and effective use of land in accordance

with the individual character of the various communities and regions of the County.

2. To use the land within the County for the social and economic benefit of all the County's residents.

Policies:

1. Provide and maintain a range of land use districts sufficient to meet the social, physical, environmental and economic needs of the community.
2. Encourage land use methods that will provide a continuous balanced inventory of housing types in all price ranges.
3. Encourage programs to stabilize affordable land and housing prices.

HOUSING

Objective:

To provide a choice of attractive, sanitary and affordable homes for all our residents.

Policies:

1. Encourage the construction of housing in a variety of price ranges and geographic locations.
2. Ensure that each community plan region contains its fair share of affordable housing.

URBAN DESIGN

Objective:

To encourage developments which reflect the character and the culture of Maui County's people.

Policy:

Encourage community design which establishes a cohesive identity.

RECREATION AND OPEN SPACE

Objective:

To provide high-quality recreational facilities to meet the present and future needs of our residents of all ages and physical ability.

Policy:

Develop facilities that will meet the different recreational needs of the various communities.

D. COUNTY OF MAUI COMMUNITY PLANS

Within Maui County, there are nine (9) community plan regions. From a General Plan implementation standpoint, each region is governed by a community plan which sets forth desired land use patterns, as well as goals, objectives, policies, and implementing actions for a number of functional areas including infrastructure-related parameters.

The proposed Ohana Kai Village project will provide affordable housing opportunities for working families within Maui County and will be processed in accordance with Section 201H-38 of the Hawaii Revised Statutes (HRS). The applicant will be seeking exemptions from certain regulatory and statutory requirements relating to land use, construction, subdivision, public services and infrastructure, and administrative procedures. An exemption from Chapter 2.80B of the Maui County Code, relating to the General Plan and Community Plans, will be included in the Section 201H-38 exemption list. An analysis of the proposed project in relation to the goals, objectives, and policies of the respective community plans is, however, presented below:

- **Kihei-Makena Community Plan**

The project site for the Ohana Kai Village Affordable Housing Project is located within the Kihei-Makena Community Plan region. The existing land use designations for the project area under the Community Plan are set forth in the 1998 Kihei-Makena Community Plan Land Use Map. Refer to **Figure 18**. The lands underlying the project site are designated as Project District 12 by the Kihei-Makena Community Plan.

As described in the Kihei-Makena Community Plan, project districts provide a "flexible and creative planning approach rather than specific land use designations", establishing "continuity in land uses and designs while providing for orderly growth

of the community as well as comprehensive and concurrent provision of infrastructural facilities and systems". According to the "recommended spatial allocations" for Project District 12, 218 acres should be allocated for residential use, 5 acres for a community center, 27 acres for park, open space, and buffer zones, and 10 acres for collector roadways. The Community Plan guidelines also suggest a total of 1,150 residential units be developed in Project District 12.

The proposed project, involving the development of a total of 1,100 single-family residential units, meets the intent of the Project District-specific goals and objectives of the 1998 Kihei-Makena Community Plan.

The proposed project is also in conformance with the following, more general, goals, objectives, and policies of the Kihei-Makena Community Plan:

LAND USE

Goal:

A well-planned community with land use and development patterns designed to achieve the efficient and timely provision of infrastructural and community needs while preserving and enhancing the unique character of Maalaea, Kihei, Wailea and Makena as well as the region's natural environment, marine resources and traditional shoreline uses.

Objectives and Policies:

1. Identify priority growth areas to focus public and private efforts on the provision of infrastructure and amenities to serve existing residents and to accommodate new growth.
2. Provide for limited residential expansion in Maalaea which complements the existing natural and built environment.

HOUSING AND URBAN DESIGN

Goal:

A variety of attractive, sanitary, safe and affordable homes for Kihei's residents, especially for families earning less than the median income for families within the County. Also, a built environment which provides complementary and aesthetically pleasing physical and visual linkages with the natural environment.

Objectives and Policies:

1. Provide an adequate variety of housing choices and range of prices for the needs of Kihei's residents, especially for families earning less than the median income for families within the County, through the project district approach and other related programs. Choices can be increased through public/private sector cooperation and coordinated development of necessary support facilities and services.
2. Require a mix of affordable and market-priced housing in all major residential projects, unless the project is to be developed exclusively as an affordable housing project.

PHYSICAL AND SOCIAL INFRASTRUCTURE

Goal:

Provision of facility systems, public services and capital improvement projects in an efficient, reliable, cost effective, and environmentally sensitive manner which accommodate the needs of the Kihei-Makena community, and fully support present and planned land uses, especially in the case of project district implementation. Allow no development for which infrastructure may not be available concurrent with the development's impacts.

Objective and Policy (Transportation):

1. Strengthen the coordination of land use planning and transportation planning to promote sustainable development and to reduce dependence on automobiles. New residential communities should provide convenient pedestrian and bicycle access between residences and neighborhood commercial areas, parks and public facilities.

Objective and Policy (Water Distribution):

1. Provide for appropriate water source and transmission improvements concurrent with planned growth of the Kihei-Makena region.
2. Encourage the use of non-potable water for irrigation purposes and water features.
3. Encourage the use of plants which have a relatively low need for water.

Objective and Policy (Liquid and Solid Waste):

1. Provide efficient, safe and environmentally sound systems for the reuse, recycling, and disposal of liquid and solid wastes.
2. Reduce the reliance on injection wells for wastewater disposal. Require the use of reclaimed effluent--a procedure which is safe, economical and environmentally sound--for irrigation of golf courses, parks and landscaped areas.

Objective and Policy (Drainage):

1. Design drainage systems that protect coastal water quality by incorporating best management practices to remove pollutants from runoff. Construct and maintain, as needed, sediment retention basins and other best management practices to remove sediments and other pollutants from runoff.
2. Minimize the increase in discharge of storm water runoff to coastal waters by preserving flood storage capacity in low-lying areas, and encouraging infiltration of runoff.

Objective and Policy (Energy and Public Utilities):

1. Promote energy efficiency as the energy resource of first choice, and increase energy efficiency in all sectors of the community.
2. Promote environmentally and culturally sensitive use of renewable energy resources like biomass, solar, wind, and hydroelectric energy in all sectors of the community.

Objective and Policy (Recreation):

1. Provide high-quality recreational facilities to meet the present and future needs of residents of all ages and physical ability.
2. Provide for a range of park sizes and types at neighborhood, community and regional scales. New residential developments shall provide recreational facilities on-site to meet the immediate needs of project residents.

Objective and Policy (Education):

1. Require the delivery of quality educational facilities at the time such facilities are needed. Emphasize advanced planning so that school facilities such as classrooms, playgrounds, libraries, cafeterias and

other appurtenant structures are delivered in a timely manner so as to eliminate the use of portable facilities.

- **Wailuku-Kahului Community Plan**

The utility site is located within the Wailuku-Kahului Community Plan region. The land use map for the Wailuku-Kahului Community Plan region designates the utility site as “Agricultural”. Improvements to occur within this area include three (3) wells, two (2) 750,000 gallon water storage tanks, and related transmission line infrastructure improvements pursuant to State Department of Health and County of Maui requirements. Refer to **Figure 4**.

The above-noted utility improvements are in conformance with the following goals, objectives, and policies of the Wailuku-Kahului Community Plan:

ENVIRONMENT

Goal:

A clean and attractive physical and natural environment in which man-made developments or alterations to the natural environment relate to sound environmental and ecological practices, and important scenic and open space resources are maintained for public use and enjoyment.

Objectives and Policies:

1. Preserve agricultural lands as a major element of the open space setting that borders the various communities within the planning region. The close relationship between open space and developed areas is an important characteristic of community form.

HOUSING

Goal:

A sufficient supply and choice of attractive, sanitary and affordable housing accommodations for the broad cross section of residents, including the elderly.

Objectives and Policies

1. Coordinate the planning, design and construction of public infrastructure improvements with major residential projects that have

an affordable housing component.

2. Plan, design and construct off-site public infrastructure improvements (i.e. water, roads, sewer, drainage, police and fire protection, and solid waste) in anticipation of residential, commercial and industrial developments defined in the Community Plan.

INFRASTRUCTURE

Goal:

Timely and environmentally sound planning, development and maintenance of infrastructure systems which serve to protect and preserve the safety and health of the region's residents, commuters and visitors through the provision of clean water, effective waste disposal and drainage systems, and efficient transportation systems which meet the needs of the community.

WATER AND UTILITIES

Objectives and Policies:

1. Coordinate expansion of and improvements to the water system to coincide with the development of residential expansion areas.

Implementing Actions:

1. Plan and construct water system improvements, including additional source, transmission, and storage capabilities.

The proposed project consists of development of residential master-planned residential community with ancillary commercial and public/quasi-public land uses at a site identified by the Kihei-Makena Community Plan as an appropriate location for urban growth. The project site is located in an area characterized by adjacent urban land uses, both residential and commercial in nature. Necessary engineering infrastructure systems and services to serve the project will be developed by the applicant as part of project implementation. The proposed Wastewater Treatment Plant (WTP) and comprehensive drainage system will present an opportunity to improve existing environmental conditions within the Maalaea community. Recreational needs of the proposed project are anticipated to be addressed through the provision of parks, open space, and access to nearby walking trails. The proposed project is, therefore, in conformance with the above-noted goals, objectives, and policies of both the Kihei-Makena and Wailuku-Kahului community plans.

E. COUNTY ZONING

The project site is currently zoned "Agricultural" by the County of Maui. While the current zoning does not allow for the proposed residential subdivision, the Section 201H-38 HRS application, which will be filed with the Maui County Council, will include an exemption from the County's Title 19 zoning and project district processing provisions which would allow for the proposed project.

In regards to the proposed residential use of the project site, an assessment of Section 19.30A.20 of the Maui County Code has been completed as part of this document. Section 19.30A.20 states that County agricultural lands that meet at least two (2) of the following criteria should be given the highest priority for retention in the agricultural district:

1. **Agricultural Lands of Importance to the State of Hawai'i (ALISH)**

Response: The majority of the approximately 257-acre project site is classified by the ALISH map as "Prime" agricultural lands. The project site, however, has remained out of use for commercial sugarcane production for over ten (10) years now. Agricultural uses on the project site are presently limited to portions of the site being utilized for small-scale cattle-grazing activities. The project site, therefore, meets this first criterion.

2. **Lands not classified by the ALISH system whose agricultural land suitability, based on soil, topographic, and climatic conditions, supports the production of agricultural commodities, including but not limited to coffee, taro, watercress, ginger, orchard and flower crops and non-irrigated pineapple. In addition, these lands shall include lands used for intensive animal husbandry, and lands in agricultural cultivation in five of the ten years immediately preceding the date of approval of this chapter; and**

Response: As noted above, the project site for the proposed residential subdivision is classified by the ALISH system as "Prime" agricultural lands. The project site, therefore, does not meet this second criterion. Refer to **Figure 8**.

3. **Lands which have seventy-five percent or more of their boundaries contiguous to lands within the agricultural district.**

Response: The project site for the proposed residential subdivision is located in an

area of the Maalaea community which is characterized by a mixture of residential, commercial, agricultural and conservation uses. Maalaea Small Boat Harbor and Maalaea Commercial Triangle are situated along the south eastern boundary of the project site. The Honoapiilani Highway runs along the remaining eastern perimeter of the project site separating lands currently utilized by HC&S for the commercial cultivation of sugarcane. Lands falling within the State conservation district lie along the western perimeter of the project site. The parcel of land which lies to the north of the project site (a portion of which is referred to in this document as the utility site) is currently zoned by the County of Maui for agricultural use. Based on the preceding description of surrounding land uses in the Maalaea area, less than 75 percent of the boundaries of the project site are contiguous to lands within the County of Maui's agricultural district. The project site, therefore, does not meet this third criterion.

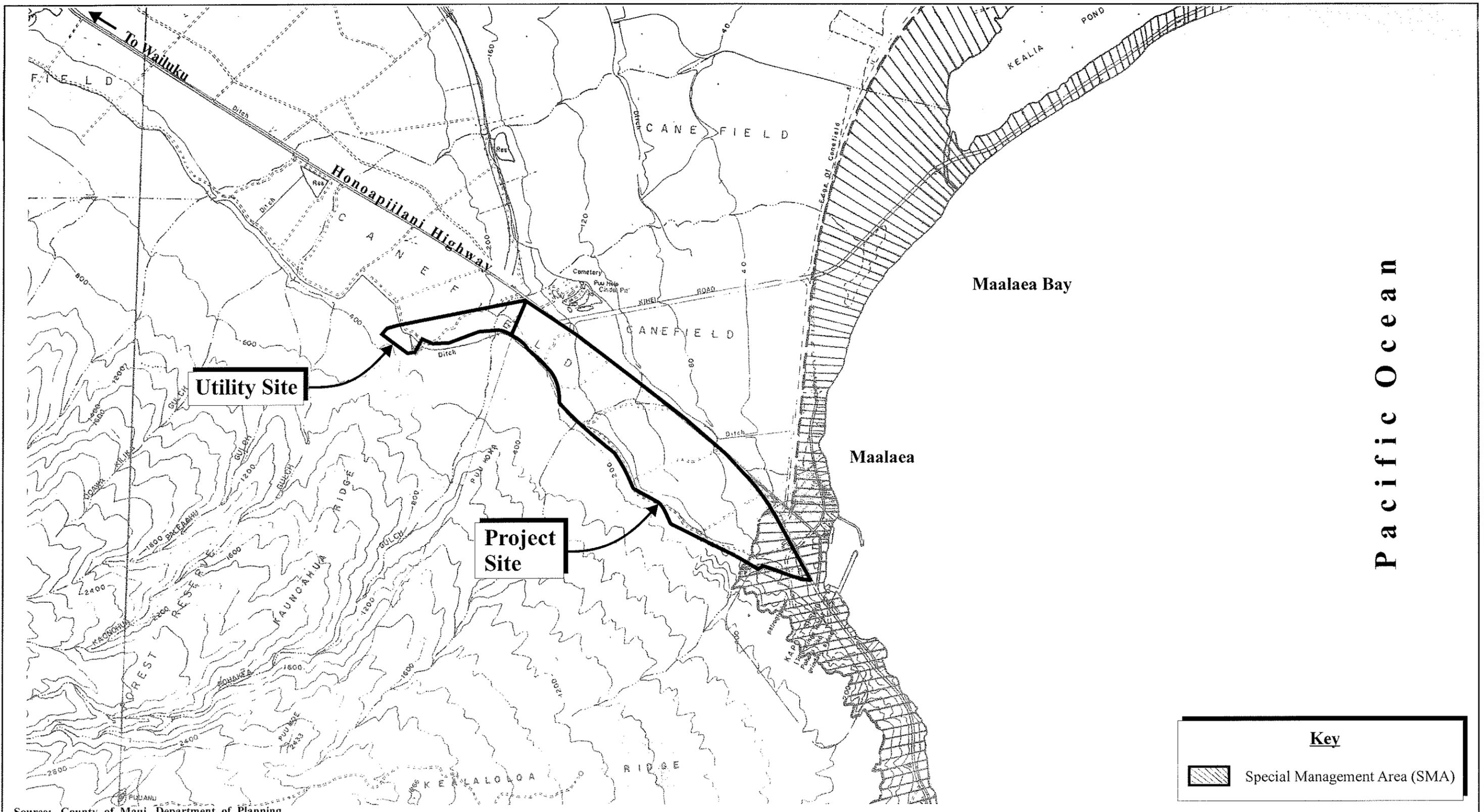
The foregoing assessment indicates that the project site for proposed residential subdivision meets only one (1) out of the three (3) criteria of MCC Section 19.30A.20. As such, the project site should not merit being given the highest priority for retention in the agricultural district during the 201H application process.

The agricultural impact of this project is near negligible when taken in the context of the recent trends occurring on Maui. In the last 30 years, the closures of Wailuku Sugar and Pioneer Mill on Maui have taken significant acreages out of active sugar cane cultivation. These actions have greatly increased the supply of non-sugar based agricultural lands. Much of the lands of these former plantations are still fallow. The proposed project will ultimately involve the use of approximately 257 acres of land, which represents 0.1 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui.

When evaluated based on the housing shortage that exists on Maui, coupled with the scarcity of entitled, undeveloped residential lands in Central Maui, the conversion of the project's agricultural lands into residential development presents a beneficial opportunity. This project will supply additional affordable housing units for Maui's working families at a site deemed less than optimal for sustained long-term agricultural use.

F. COASTAL ZONE MANAGEMENT/SPECIAL MANAGEMENT AREA

A small portion of land on the southern tip of the project site is located within the County of Maui's Special Management Area (SMA). See **Figure 19**. Review of the preliminary



Source: County of Maui, Department of Planning

Figure 19 Proposed Ohana Kai Village Affordable Housing Project and Related Improvements
Special Management Area (SMA) Boundary Map

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MUNEKIYO & HIRAGA, INC.

development plans for the project indicates that the Wastewater Treatment Plan (WTP) and a portion of the southernmost component of single-family homes are located within the SMA zone. The applicant will address SMA requirements for applicable components of the proposed project following receipt of State and County Section 201H approvals.

The Hawaii Coastal Zone Management Program (HCZMP), as formalized in Chapter 205A, Hawaii Revised Statutes, (HRS), establishes objectives and policies for the preservation, protection, and restoration of natural resources of Hawaii's coastal zone. As set forth in Chapter 205A, HRS, this section addresses the project's relationship to applicable coastal zone management considerations.

1. **Recreational Resources**

Objective: Provide coastal recreational opportunities accessible to the public.

Policies:

- 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 replacement of coastal resources having significant recreational value including, but not limited to, surfing sites, fishponds, and sand beaches, when such resources will be unavoidably damaged by development; or requiring reasonable monetary compensation to the State for recreation when replacement 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 such dedication against the requirements of section 46-6.

Response: The project site is not a shoreline abutting property. Recreational needs of the proposed project are anticipated to be addressed through the allocation of lands for park and open space uses within the master-planned community. The active park within the subdivision will be privately operated and maintained, but will be available for use by both subdivision residents and members of the general public living elsewhere on Maui. Additionally, the master-planned community will maintain public access opportunities to mauka trails above the project site. Coordination with the State Department of Land and Natural Resources (DLNR) will be undertaken to identify operational requirements (i.e., parking) for continued access to the Lahaina Pali trail.

2. **Historic Resources**

Objective: Protect, preserve, and, where desirable, restore those natural and manmade historic and prehistoric resources in the coastal zone management area that are significant in Hawaiian and American history and culture.

Policies:

- 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: As stated previously, archeological inventory surveys (AIS) and a Cultural Impact Assessment (CIA) report were completed for the project area (in accordance with State Historic Preservation requirements) to identify and issue recommendations regarding historic, cultural and archeological resources. Refer to **Appendix "G"** and **Appendix "H"**. As reflected in the AIS and CIA documentation, no significant impacts to cultural or historic resources are anticipated from development within the project area. Archaeological monitoring plans for both the project site and utility site have been reviewed and approved by the State Historic Preservation Division (SHPD) and will be implemented prior to initiation of any ground altering activities for the project. In accordance with Section 6E-43.6, Hawaii Revised Statutes and Chapter 13-300, Hawaii Administrative Rules, should any significant cultural deposits or human skeletal remains be encountered during ground altering activities, work will stop in the immediate vicinity and the applicant will contact the State Historic Preservation Division of the Department of Land and Natural Resources (SHPD/DLNR).

3. **Scenic and Open Space Resources**

Objective: Protect, preserve, and, where desirable, restore or improve the quality of coastal scenic and open space resources.

Policies:

- 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 locating such 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 for the proposed Ohana Kai Village project is located along the lower slopes of the West Maui Mountains above Honoapiilani Highway and Maalaea on elevations ranging from 40 feet above mean sea level (amsl) at the south portion of the property to approximately 210 feet (amsl) at the north western corner of the property. The average slope across the property is approximately 5.5 percent. Refer to **Appendix "K"**. The urban forms established

by the proposed project plan will conform to height restrictions under Title 19 of the Maui County Code and will be buffered with landscaping and open space areas to mitigate the impact on visual resources. View corridors will not be adversely affected by the proposed subdivision project.

4. Coastal Ecosystems

Objective: Protect valuable coastal ecosystems, including reefs, from disruption and minimize adverse impacts on all coastal ecosystems.

Policies:

- 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, including reefs, of significant biological or economic importance;
- 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: A Water Quality and Marine Biology Survey was completed in September 2006 by AECOS, Inc. for development within the project area. Refer to **Appendix “F”**. The survey concluded that, with implementation of Best Management Practices (BMPs), the proposed project should have minimal long-term adverse effects on the nearby coastal ecosystems. As such, appropriate BMPs and erosion-control measures will be implemented to ensure that coastal ecosystems are not adversely impacted by construction activities.

The proposed drainage system for the project has been designed in accordance with applicable regulatory standards and will retain all increases in post-development runoff associated with the project such that there will be no impacts on downstream properties or to water quality within Maalaea Bay. The onsite drainage basins will also act to reduce the amount of suspended sediment present within the runoff

flowing across the project site.

5. **Economic Uses**

Objective: Provide public or private facilities and improvements important to the State's economy in suitable locations.

Policies:

- a. Concentrate coastal dependent development in appropriate areas;
- b. Ensure that coastal dependent development such as harbors and ports, and coastal related development such as visitor industry facilities and energy generating facilities, are located, designed, and constructed to minimize adverse social, visual, and environmental impacts in the coastal zone management area; and
- c. Direct the location and expansion of coastal dependent developments to areas presently designated and used for such developments and permit reasonable long-term growth at such areas, and permit coastal dependent development outside of presently designated areas when:
 - i. Use of presently designated locations is not feasible;
 - ii. Adverse environmental effects are minimized; and
 - iii. The development is important to the State's economy.

Response: The project site is identified as a suitable residential growth area in both the 1970 Kihei Civic Development Plan and the 1998 Kihei-Makena Community Plan. In fulfilling an important community need for affordable housing, the proposed project has been designed to meet the intent of the recommended spatial allocations of the property's Project District 12 designation in the Kihei-Makena Community Plan. A Fiscal and Economic Impact Assessment Report has been completed for the proposed project by ACM Consultants, Inc. Refer to **Appendix "I"**. The proposed residential subdivision will provide a number of economic benefits through the provision of 1,100 affordably-priced housing units, approximately 838 direct and indirect construction-related employment positions, State/County tax revenues, a privately developed and operated Wastewater Treatment Plant and drinking water supply system, water/sewage collection systems, interior roadways, and parks. The annual net revenue/expenditure for the State of Hawaii to support the project is \$5.9 million (revenue) in the development phase and \$5.8

million (expenditure) in the operational phase. The project is expected to generate \$407,000.00 in annual revenue for the County of Maui during the operational phase. In considering the need for new affordable housing supply, and that appropriate measures for mitigating adverse environmental effects can be implemented, the proposed action, while not coastal dependent, will positively contribute to the long-term economic and social welfare of both the State of Hawaii and the County of Maui.

6. **Coastal Hazards**

Objective: Reduce hazard to life and property from tsunami, storm waves, stream flooding, erosion, subsidence, and pollution.

Policies:

- a. Develop and communicate adequate information about storm wave, tsunami, flood, erosion, subsidence, and point and nonpoint source pollution hazards;
- b. Control development in areas subject to storm wave, tsunami, flood, erosion, hurricane, wind, subsidence, and point and nonpoint source pollution hazards;
- c. Ensure that developments comply with requirements of the Federal Flood Insurance Program; and
- d. Prevent coastal flooding from inland projects.

Response: The majority of the project site falls within Flood Zone C, with small portions (gulches) located within Flood Zone B. Flood Zone B designates areas between the 100-year and 500-year flood, or areas that experience less than 12 inches of flooding. Special Flood Hazard Area Development (SFHAD) Permits will be obtained for the project, as applicable. The entire area of the utility site is located in Flood Zone C, an area of minimal flooding. The proposed project-related drainage system will be designed in accordance with the Drainage Standards of the County of Maui, as applicable, to ensure that the project will not adversely affect downstream and adjoining properties or coastal water quality within Maalaea Bay.

7. **Managing Development**

Objective: Improve the development review process, communication, and public participation in the management of coastal resources and hazards.

Policies:

- a. Use, implement, and enforce existing laws 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.

Response: Public input will be solicited in coordination with the processing of the Draft EIS, pursuant to the Chapter 343, Hawaii Revised Statutes (HRS) environmental assessment review process. All aspects of development will be conducted in accordance with applicable Federal, State, and County standards. Opportunities for review of the proposed project will also be made available through the regulatory review process for the State and County Section 201H and Special Management Area (SMA) Permit applications.

8. Public Participation

Objective: Stimulate public awareness, education, and participation in coastal management.

Policies:

- 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 site-specific mediations to respond to coastal issues and conflicts.

Response: The EIS document will be processed in accordance with Chapter 343, HRS, and opportunity for comment by agencies and the public will be provided. It is noted that a series of design workshops was conducted with the Maalaea Community Association on October 15, October 29 and November 12, 2005 by the previous landowner, Maalaea Properties, LLC, during the formulation of preliminary

plans for a former project on the site - known at the time as the “Maalaea Mauka” project. Input received at these community meetings have been reviewed by MVI, LLC as part of the master plan development process for the Ohana Kai Village Affordable Housing Project. Additionally, project development parameters have been presented to and discussed with the Wailuku Main Street Association at meetings held on March 20, 2007, September 25, 2007, and February 17, 2009.

As previously mentioned, public input opportunities will also be provided through the State/County Section 201H, and SMA Permit processes.

9. **Beach Protection**

Objective: Protect beaches for public use and recreation.

Policies:

- 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 erosion-protection structures seaward of the shoreline, except when they result in improved aesthetic and engineering solutions to erosion at the sites and do not interfere with existing recreational and waterline activities; and
- c. Minimize the construction of public erosion-protection structures seaward of the shoreline.

Response: The proposed project is situated inland on the mauka side of Honoapiilani Highway and is not a shoreline abutting property. Appropriate Best Management Practices (BMPs) will be implemented to manage drainage during all construction phases for the project. In the long term, the permanent drainage system for the Ohana Kai Village will be designed to retain all project-related increases in run-off in accordance with applicable County drainage rules and regulations. The onsite drainage basins will also act to reduce the amount of suspended sediment present within the runoff flowing across the project site. As such, the proposed project is not anticipated to present any significant adverse impacts on beach processes.

10. Marine Resources

Objective: Promote the protection, use, and development of marine and coastal resources to assure their sustainability.

Policies:

- a. Ensure that the use and development of marine and coastal resources are ecologically and environmentally sound and economically beneficial;
- b. Coordinate the management of marine and coastal resources and activities to improve effectiveness and efficiency;
- c. 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;
- d. Promote research, study, and understanding of ocean processes, marine life, and other ocean resources in order to acquire and inventory information necessary to understand how ocean development activities relate to and impact upon ocean and coastal resources; and
- e. Encourage research and development of new, innovative technologies for exploring, using, or protecting marine and coastal resources.

Response: As mentioned previously, the proposed project is situated inland (mauka) of the Honoapiilani Highway and is not a shoreline abutting property. To evaluate potential impacts on coastal resources, a Water Quality and Marine Biology Survey was completed for development within the project area by AECOS, Inc. on September 2006. Refer to **Appendix "F"**. With implementation of appropriate BMPs and erosion control measures during construction, as well as the construction of a permanent drainage system, no significant short-term or long-term adverse effects on marine or coastal resources are anticipated to result from development of the proposed project.

In addition to the foregoing objectives and policies, SMA permit review criteria pursuant to Act 224 (2005) provides that:

No special management area use permit or special management area minor permit shall be granted for structures that allow artificial light from floodlights, uplights, or spotlights used for decorative or aesthetic purposes when the light:

- (1) Directly illuminates the shoreline and ocean waters; or
- (2) Is directed to travel across property boundaries toward the shoreline and ocean waters.

Response: As noted previously, the project site is not a shoreline abutting property. The preliminary lighting plan for the project will, however, be designed to both comply with all applicable code requirements pertaining to lighting and ensure that no lighting is directed across property boundaries towards the shoreline.

G. SECTION 201H-38, HAWAII REVISED STATUTES

Section 201H-38 of the Hawaii Revised Statutes (HRS) allows eligible developers/housing projects to be exempt from “all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, development improvement to land, and the construction of units thereon...”, in order to facilitate the timely and cost effective implementation of proposed affordable housing projects. The Ohana Kai Village Affordable Housing Project has been determined to be an eligible 201H project by the County of Maui’s Department of Housing and Human Concerns (DHHC). Accordingly, a Section 201H-38, HRS application has been prepared and will be submitted to DHHC for review and transmittal to the Maui County Council. Upon receipt of the 201H-38, HRS request, the County Council shall have 45 days to render its decision on the request for exemptions.

The list of exemptions sought for the project is listed in **Appendix "N"** of this document. The proposed exemptions are intended to support the timely implementation of the project without compromising public health, safety, or welfare considerations.

H. OTHER REGULATORY APPROVALS

Coordination with the Department of Army, State Department of Health, State Office of Planning and other relevant agencies is being conducted by the MVI, LLC to determine applicable Federal permit requirements, the applicability of Section 401 Water Quality Certification and Coastal Zone Management Consistency approval requirements, respectively in relation to the proposed Ohana Kai Village Affordable Housing Project and related improvements.

IV. ALTERNATIVES TO THE PROPOSED ACTION

IV. ALTERNATIVES TO THE PROPOSED ACTION

The following section is a discussion of the various alternatives that have been considered by MVI, LLC as part of the planning process for the proposed Ohana Kai Village Affordable Housing Project:

A. PREFERRED ALTERNATIVE

The proposed development plan (as reflected in **Figure 4**) represents the preferred alternative for the project. This alternative, covering 257 acres, provides 1,100 affordable housing units within a master-planned community that includes ancillary commercial, parks, and public/quasi-public land uses. Landscaping and open space will be used to provide a common unity to the project and interconnectivity between the residential, commercial, and public/quasi-public land uses within the subdivision. Refer to **Figure 4**.

The preferred alternative seeks to address the following smart growth principles:

1. *Create walkable neighborhoods:* MVI, LLC recognizes the importance of promoting alternative forms of transportation within communities. As such, Ohana Kai Village will be designed to incorporate safe and inviting pedestrian corridors, where possible, to encourage walkable neighborhoods within the context of the overall subdivision.
2. *Encourage community and stakeholder collaboration:* Opportunities for public review and input have been provided through the EIS process, and will continue to be provided through the State and County 201H and SMA application processes.
3. *Foster distinctive, attractive communities with a strong sense of place:* MVI, LLC recognizes the importance of creating a strong sense of place by designing communities which reflect the core values of the people who reside there.
4. *Make development decisions predictable, fair and cost effective:* The proposed land use plan has been developed in accordance with the Project District 12 designation of the property. The recommended spatial allocations for Project District 12 are laid out in the 1998 Kihei-Makena Community Plan. This EIS document is intended to document the project's technical characteristics, evaluate the full range of potential

impacts and identify appropriate mitigation options. The EIS will help facilitate a fair and informed decision making process for the Section 201H applications.

5. *Provide a mix of land uses:* The Ohana Kai Village project has been master planned to provide affordable housing opportunities to Maui's working families at a desirable location that is currently designated as a future urban growth area for Maui County. The residential, commercial, and public/quasi-public land uses within the project will ensure that residents have easy access to basic shops and services, as well as recreational opportunities. Furthermore, future implementation of Project District 11, located across the Honoapiilani Highway from the project site, combined with the commercial uses located within the Maalaea Commercial Triangle, would enable the Maalaea area to make the transition toward becoming a more self-sufficient residential community.
6. *Provide a variety of transportation choices:* Opportunities to link existing mass transit services to Ohana Kai Village through the incorporation of bus stops will be explored with the County of Maui, Department of Transportation. The subdivision will be designed to encourage walking, the use of bicycles and other alternative transportation methods by residents.
7. *Strengthen and direct development towards existing communities:* As noted previously, the project site is identified as Project District 12 in the Kihei-Makena Community Plan. The proposed plan has been developed to conform to the community plan's vision for the Maalaea community and to provide much needed affordable housing for Maui's working families.

B. PREVIOUS DEVELOPMENT PLAN ALTERNATIVES

The project site was acquired by MVI, LLC on October 21, 2008 from former owner Maalaea Properties, LLC. Prior to the sale of the property, the previous owner (Maalaea Properties, LLC) had been involved in the processing of land use entitlement applications for development of a proposed residential subdivision on the property, referred to at the time as the "Maalaea Mauka" project. The Maalaea Mauka proposal is no longer being pursued by Maalaea Properties, LLC. Prior to the sale of the property, Maalaea Properties, LLC conducted a series of design workshops in the Maalaea community on October 15, October 29, and November 12, 2005 as part of the plan development process for Maalaea Mauka. The workshops were attended by property owners and the Board of Directors for the Maalaea Community Association, which represents residential property owners in Maalaea.

Participants evaluated several alternative land use layouts and were given the opportunity to have input into the planning of a residential community at Project District 12. Three (3) conceptual plans were derived as a result of the community input received at these meetings, which are being referred to for the purposes of this analysis as Conceptual Plan A, Conceptual Plan B, and Conceptual Plan C:

1. Conceptual Plan A

Conceptual Plan A was developed based on the principle of establishing a transition of density and housing types from higher density adjacent to open space and along the highway to lower density, single-family dwellings higher on the subdivision site to maximize views and distance from the highway. Plan A would have incorporated a total of 936 units (383 single-family units, 408 multi-family units, and 145 apartment units) over approximately 170 acres. See **Figure 20**.

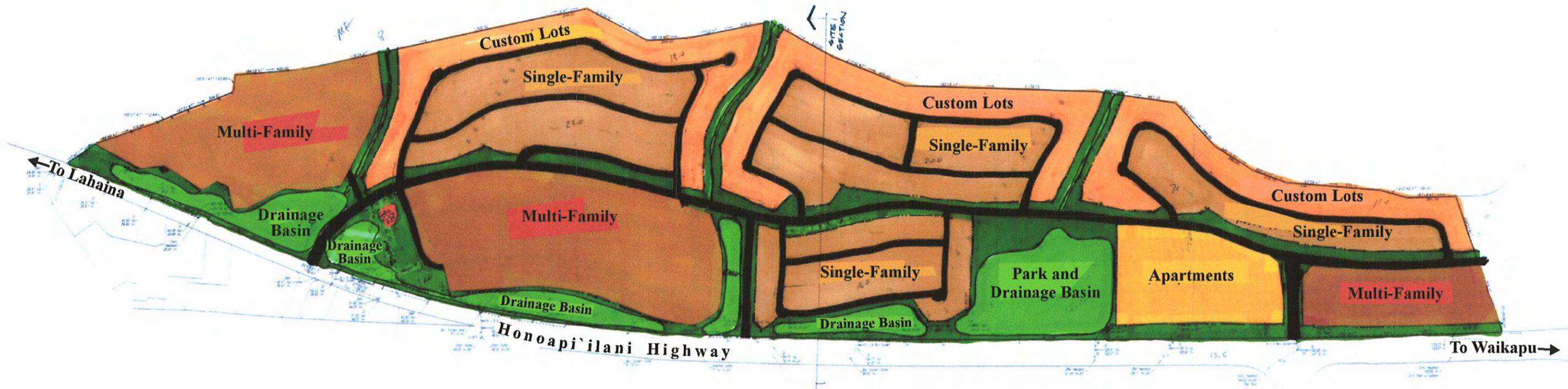
2. Conceptual Plan B

Conceptual Plan B was developed based on the principle of integrating all housing types and densities throughout the property to create a more diverse community. The plan involved the development of 903 units (518 single-family units, 240 multi-family units, and 145 apartment units) on 184 acres of land. See **Figure 21**.

3. Conceptual Plan C

Conceptual Plan C represented a modified version of Conceptual Plan B in which senior housing, town homes, and single-family patio homes were also included in the housing mix. Conceptual Plan C was the plan that was put forth by Maalaea Properties, LLC as the preferred alternative for the Maalaea Mauka project. This plan contained a total of 949 housing units on 166 acres of land that were to be provided through a combination of single-family custom lots (144 units), single-family homes (355 units), single-family patio homes (164 units), apartments (126 units), town homes (100 units), and senior care housing units (60 units). See **Figure 22**.

KEY			
	Custom Lots		Parks and Open Space
	Single-Family Production		Drainage Basins
	Community Center		Multi-Family Patio Homes
	Apartments		



Source: Maalaea Properties LLC

Figure 20

Proposed Ohana Kai Village Affordable Housing Project and Related Improvements

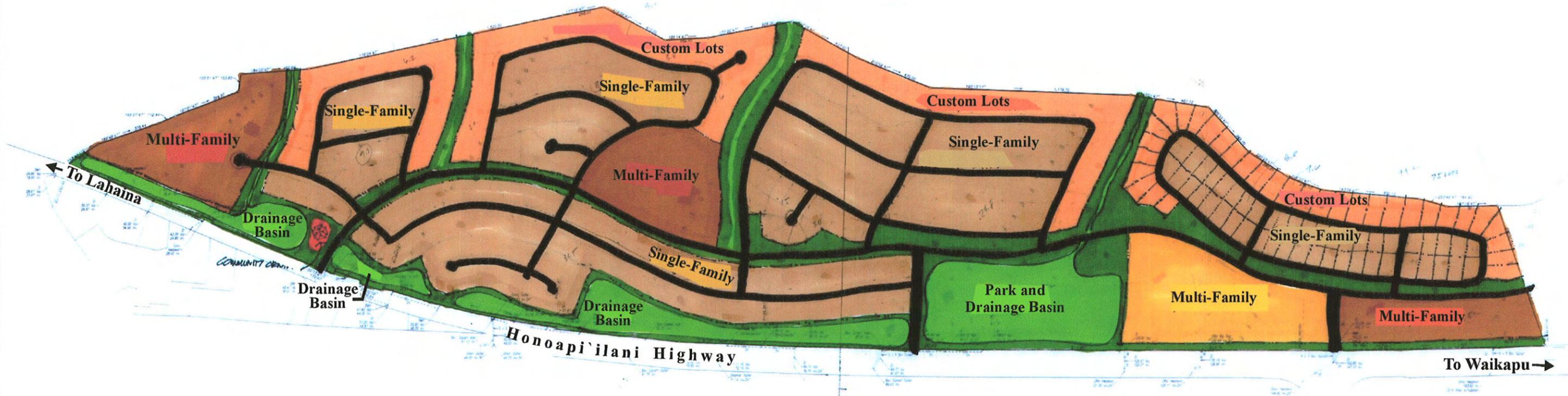
NOT TO SCALE

Conceptual Plan A Prepared by Maalaea Properties, LLC



Prepared for: MVI, LLC

KEY			
	Custom Lots		Parks and Open Space
	Single-Family Production		Drainage Basins
	Community Center		Multi-Family Patio Homes
	Apartments		



Source: Maalaea Properties LLC

Figure 21

Proposed Ohana Kai Affordable Housing Project and Related Improvements

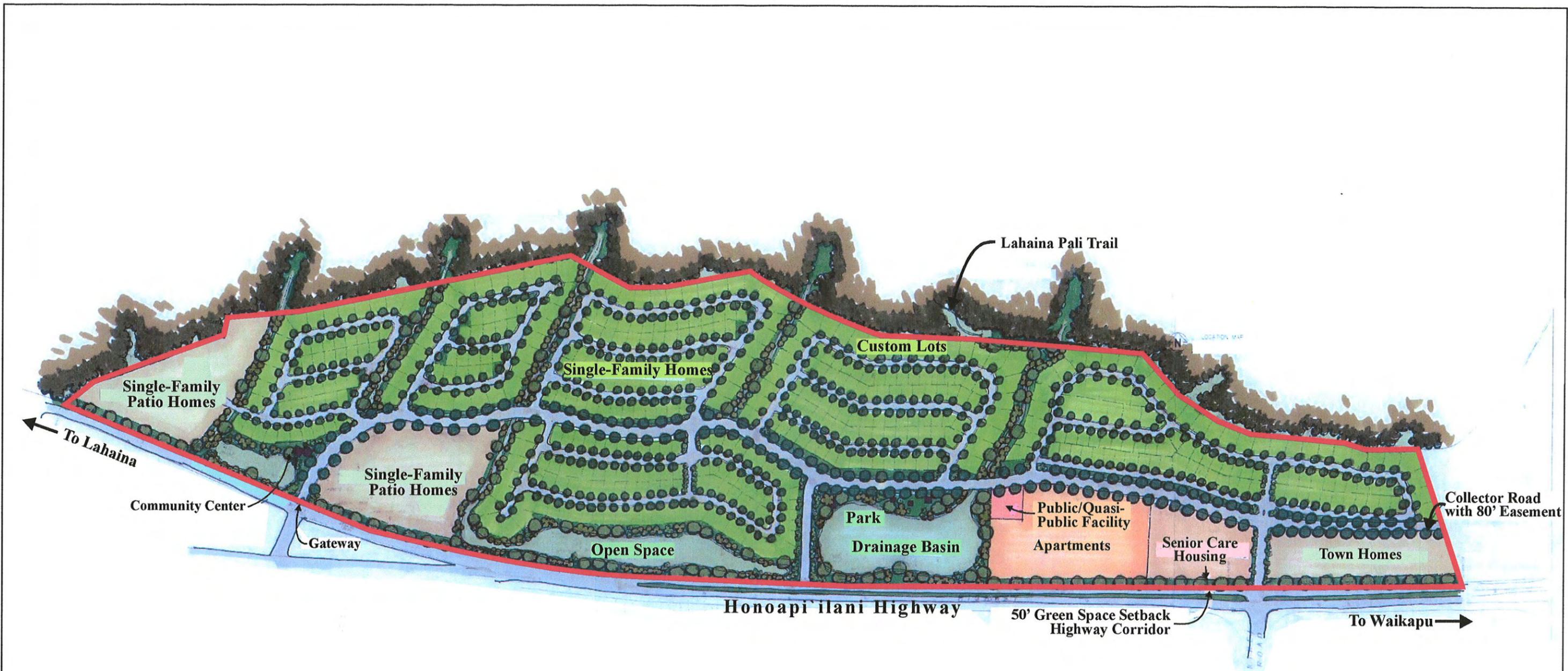
NOT TO SCALE

Conceptual Plan B Prepared by Maalaea Properties, LLC



Prepared for: MVI, LLC





Source: Maalaea Properties, LLC

Figure 22

Proposed Ohana Kai Village Affordable Housing Project and Related Improvements

NOT TO SCALE

Conceptual Plan C Prepared by Maalaea Properties, LLC



Prepared for: MVI, LLC

Since acquiring the site, MVI, LLC has reviewed the above-noted conceptual plans developed by the former landowner, as well as comments received during design review presentations to the Wailuku Main Street Association during which it was emphasized that a commercial component would be particularly valuable to residents living at this locale. This information has allowed MVI, LLC to move forward with the formulation of a revised master plan (presented as the preferred alternative in this document) that focuses on the goal of providing 100 percent of units within the subdivision at affordable prices while also incorporating lands for parks, open space, and public/quasi-public facilities, as well as a village town center component that would offer basic commercial services to residents thus reducing the necessity to travel.

C. NO-ACTION ALTERNATIVE

Under the “no action” alternative, the site would not be developed for residential use and the no-action alternative would involve the continued under utilization of the 257-acre property. The “no action” alternative would involve neither a commitment of resources nor short- and long-term adverse environmental effects related to residential and commercial development. Under this alternative, there would be no additional demands on infrastructure (e.g. sewer, water, roadways, and educational facilities and resources) or public services (e.g. police and fire protection) associated with project implementation. The no action alternative, however, is not deemed appropriate given both the community plan designation of the property as Project District 12 and the current shortage of affordable housing on the island. Over recent years, both resident and non-resident (offshore) demand for housing on Maui has intensified due to increased population growth and historically low interest rates. This strong demand, coupled with limited supply, has led to rising housing prices. With the median sales price of a single-family house and lot on Maui over \$500,000.00, many residents have been unable to purchase their own homes. The County of Maui, Socio-Economic Forecast (2006) estimates that total housing demand in Maui County will increase from 53,793 units in 2005 to 89,890 units in 2030, an increase of approximately 67 percent over 25 years. The Hawaii Housing Policy Study Update 2003, estimates that an additional 4,072 resident housing units will be needed by 2010 to meet projected demand. According to the 2003 study, this number is anticipated to further increase to a 4,225-unit deficit in the supply of housing units on Maui by the Year 2020, based on production and population forecasts (SMS, 2003).

The proposed Ohana Kai Village project responds to the need to address the shortage of affordable housing available for Maui’s working families in both the near and long term and does so at an attractive and central location in Maalaea. In light of current and projected housing market conditions and prices, the proposed Ohana Kai Village project is considered

to provide a significant community benefit by offering Maui residents new opportunities to secure affordable housing products. The “no action” alternative, therefore, would not address the urgent need for additional affordable housing units for Maui’s working families.

D. DEFERRED ACTION ALTERNATIVE

Similar to the no action alternative, the deferred action alternative is not deemed reasonable as it would not address the current shortage of affordable housing that is currently being experienced in Maui County.

E. OTHER USES ALTERNATIVE

Similar to the “no action” alternative, agricultural use of the property would involve neither a commitment of resources nor short- and long-term adverse environmental effects related to residential and commercial development. As a result, aside from potential water use impacts, the agricultural use alternative would not involve an increase of infrastructure or public service demands associated with project implementation. Agricultural use at the project site would increase the potential for locally grown food crops.

The agricultural impact of the proposed Ohana Kai Village project is near negligible when viewed in the context of the recent trends occurring on Maui. In the last 30 years, the closures of Wailuku Sugar and Pioneer Mill on Maui have taken significant acreages out of active sugar cane cultivation. These actions have greatly increased the supply of non-sugar based agricultural lands and much of these former plantations lands remain fallow. The proposed project will ultimately involve the use of approximately 257 acres of land, which represents approximately 0.1 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui. Further, rather than the available land supply, more salient factors facing the agricultural industry include the market demand for products (access to markets and local purchasing patterns) and the overall profitability of crops grown in Hawaii.

Use of the site for entirely commercial/industrial purposes was also examined, which would result in economic benefit to the community in terms of the creation of jobs and increased commerce. Commercial and industrial uses of the site would likely result in similar short and long-term environmental effects as the proposed action. These alternatives were not deemed to be viable from a market and goods distribution standpoint. Further, the property’s Project District 12 designation in the Kihei-Makena Community Plan does not allow for development of large-scale commercial/industrial uses at this location.

Potential use of the site exclusively for government services and/or office buildings would not be appropriate given the need to respect Wailuku Town's role as County of Maui's government and business center. There has been no interest expressed by the Federal, State, or County governments concerning any lease or purchase of the property.

F. INFRASTRUCTURE DEVELOPMENT ALTERNATIVES

Water and wastewater infrastructure limitations were carefully considered during the planning of the proposed project. Due to the location of the property and water source limitations facing the County of Maui, the applicant has determined that the private development of new source and related water delivery infrastructure would be an appropriate solution to this infrastructural component. Similarly, as there is no County wastewater collection and transmission system in the vicinity of the project, the proposed construction of an onsite Wastewater Treatment Plant (WTP) offers a viable alternative for the treatment and disposal of project generated wastewater. Development of the WTP will also facilitate the recycling of R-1 and R-2 water for irrigation of common landscaped areas within and around the subdivision. Use of R-1 and R-2 water to meet irrigation requirements is anticipated to yield annual significant savings in the use of drinking water from the privately developed water supply system.

Coordination will be undertaken with applicable governmental agencies during the engineering design phase of work to identify and incorporate, where necessary, any operational requirements into the water system and WTP plans.

G. SITE LOCATION ALTERNATIVE

Alternative locations were also evaluated during the process of selecting the preferred alternative for the proposed Ohana Kai Village project. However, market availability of lands suitable for housing development is limited. MVI, LLC explored other acquisition opportunities, but determined that the subject property was best suited to meet their affordable housing objectives in terms of land area, infrastructure solutions, and construction feasibility.

MVI, LLC's goal of providing affordable housing at this site is based on their commitment to address the demand for housing on Maui which has intensified due to steady population growth and historically low interest rates. This strong demand has led to high housing prices and a projected shortage in housing over the next ten (10) to fifteen (15) years.

In this context, MVI, LLC has pursued and completed the acquisition of the project site, having considered factors important to affordable housing delivery, some of which are presented below:

- The site has been ear-marked as a suitable location for residential housing for over thirty (30) years, since the adoption of the 1970 Kihei Civic Development Plan.
- There are no topographic or geographic constraints to develop present on the property.
- The site is designated for residential development of 1,150 units by the 1998 Kihei-Makena Community Plan.
- The site is a suitable urban growth area which is located adjacent to existing residential and commercial areas. The property is positioned in an attractive and central location in Maalaea, in close proximity to the Maalaea Small Boat Harbor, Maalaea Commercial Triangle, and employment centers in South and Central Maui.
- Necessary engineering infrastructure systems and services will be provided by the applicant to serve the project.
- Development of a residential community at the site is not anticipated to have a significant adverse impact on the physical environment.
- Meteorological conditions at the property are conducive to the implementation of an environmental design program for the project, which includes installation of solar hot water systems and optional photo-voltaic panels on residential structures within the subdivision. Integration of such green design solutions is being pursued for this project by MVI, LLC in an effort to promote long-term affordability in home ownership and assist buyers with reducing housing utility costs.

**V. SUMMARY OF
UNAVOIDABLE IMPACTS
AND COMMITMENTS OF
RESOURCES**

V. SUMMARY OF UNAVOIDABLE IMPACTS AND COMMITMENTS OF RESOURCES

A. UNAVOIDABLE IMPACTS

The proposed development of the Ohana Kai Village Affordable Housing Project will result in certain unavoidable construction-related environmental impacts as outlined in Chapter II.

In the short-term, construction associated with the proposed development will generate noise impacts. These impacts will be limited to the immediate vicinity of the project construction areas. Sound attenuating construction equipment will be used, where practicable, to mitigate noise impacts caused by construction.

Unavoidable air quality impacts will also arise as a result of construction activities, such as the generation of dust and other airborne pollutants. Appropriate Best Management Practices (BMPs) will be incorporated to mitigate adverse impacts such as watering of exposed surfaces and regular maintenance of construction equipment to minimize construction-related impacts.

B. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

The project will commit approximately 257 acres of agricultural land formerly used for sugar cane cultivation to an urban use for affordable housing. The production of sugar cane at this location ceased over ten (10) years ago and a portion of the parcel is now being utilized for cattle grazing under a lease that can be terminated upon 30 days' notice. The loss of cattle grazing land is not anticipated to adversely impact ranching productivity on Maui due to the fact that the subject parcel represents only a small fraction of available grazing lands on the island.

The visual landscape of the project site will be changed from an agricultural landscape to one which reflects a master planned residential community. Development of the project will, therefore, alter the existing landscape, but is not anticipated to have a significant adverse impact upon scenic or open space resources. The proposed residential community will be

developed as an architecturally integrated master planned area with low-rise residential structures. Landscaping will be installed as part of the development improvements to ensure visual buffering and softening of the built landscape. The project will incorporate a park and open space areas that will contribute to view corridors both within and through the project. Design standards will establish landscaping details with open space, roadways, public and quasi-public facilities and buffer zones to create a smooth transition to surrounding lands.

From an infrastructure use perspective, project implementation will result in alteration of existing hydrology (drainage), largely due to the increase in impervious surface area, and other impacts related to wastewater, water, park, school, and roadway usage. However, these impacts will be mitigated through the provision of additional resources including a master drainage system, private drinking water system, private wastewater treatment plant, a park, and a site for public/quasi-public facilities.

The drainage system for the proposed project will be designed to retain all increases in post-development peak runoff such that downstream properties and water quality within Maalaea Bay will not be impacted by the project. Opportunities to further increase the amount of runoff retained onsite and improve existing downstream drainage conditions will be evaluated during the design phase of the proposed development. Opportunities to direct runoff from parking lots and driveways to nearby landscaped areas and detention basins will also be considered during the design phase for the project. Also, native plants which require less water will be sought for the landscaped areas within the project.

The applicant is currently in the process of developing a privately operated and maintained water supply system to meet the drinking water requirements of the proposed subdivision. This system will consist of three (3) wells which will draw drinking water from the Waikapu Aquifer beneath the site. Preliminary water quality testing of these wells indicates that the source is sustainable and that the water supply is able to produce the quality of water necessary for drinking water purposes.

Additional traffic congestion is anticipated with the completion of this development due to project generated traffic flows and increased ambient traffic associated with regional population growth. Implementation of the traffic improvements outlined in the recommendations section of the TIAR (Refer to **Appendix “J”**) is anticipated to mitigate these anticipated traffic problems.

To minimize potential adverse impacts to natural resources in building design, the Office of Environmental Quality Control’s publication entitled “Guidelines for Sustainable Building

Design in Hawaii” has been reviewed, as well as the U.S. Green Building Council’s Leadership in Environmental and Energy Design green building rating system. As a result, the following measures to conserve natural resources and to promote energy efficiency will be considered in the planning, design, construction, and operation of the project:

- Site buildings to take advantage of natural features and maximize their beneficial effects by providing for solar access, daylighting, and natural cooling.
- Design south, east, and west shading devices to minimize solar heat gain.
- Locate buildings to encourage bicycle and pedestrian access and pedestrian oriented uses.
- Installation of solar hot water heating and Photo-Voltaic (PV) systems on all residences.
- Consolidate utility and infrastructure in common corridors to minimize site degradation and cost, improve efficiency, and reduce impermeable surfaces.
- Incorporate locations for recycling and waste diversion opportunities.

**VI. RELATIONSHIP
BETWEEN THE SHORT-
TERM USES OF THE
ENVIRONMENT AND THE
MAINTENANCE AND
ENHANCEMENT OF
LONG-TERM
PRODUCTIVITY**

VI. RELATIONSHIP BETWEEN THE SHORT-TERM USES OF THE ENVIRONMENT AND THE MAINTENANCE AND ENHANCEMENT OF LONG-TERM PRODUCTIVITY

Though utilized to support commercial sugarcane production in the past, the project site has remained out of use for large-scale crop cultivation for over ten (10) years now. In light of the shortage of affordable housing units that currently exists on Maui, coupled with the scarcity of entitled, undeveloped residential lands in the Central Maui region, the conversion of the project's agricultural lands for use as housing presents a beneficial opportunity. It is noted that the project's 257 acres of land represents approximately 0.1 percent of the roughly 246,000 acres of State Agricultural lands on the island of Maui.

The project's anticipated short- and long-term housing and economic benefits are expected to outweigh that from the current short-term uses at the site. The total construction cost of the project is estimated at approximately \$400 million, which includes both site utility improvements and vertical construction costs. As a result, the development of the project is anticipated to result in a considerable injection of funds into the local economy. More specifically, the Fiscal and Economic Impact Assessment Report (May 2009), prepared by ACM Consultants, Inc. concludes that the project will result in economic benefits including, but not limited to, the provision of 1,100 affordable housing units, the generation of approximately 838 direct and indirect construction-related employment positions, and payment of State/County tax revenues, as well as development of a Wastewater Treatment Plant, a privately developed water supply system, water/sewage collection systems, interior roadways, and neighborhood parks. The annual net revenue/expenditure for the State of Hawaii to support the project is \$5.9 million (revenue) in the development phase and \$5.8 million (expenditure) in the operational phase. The project is expected to generate \$407,000.00 in annual revenue for the County of Maui during the operational phase.

It is unlikely that short-term uses of the project site will yield more than limited agricultural cultivation, considering the current market-based conditions for productive long-term agricultural use. In evaluating the conversion of underutilized agricultural lands against the prospect of providing affordable housing for Maui's working families who will sustain the local economy, the latter is anticipated to result in greater long-term productivity for the region.

VII. UNRESOLVED ISSUES

VII. UNRESOLVED ISSUES

The proposed Ohana Kai Village Affordable Housing Project will involve the development of a 1,100 unit master-planned residential community, a village town center, and a public/quasi-public component (including a school site and park). Infrastructure solutions for the project have been identified by MVI, LLC and will be developed concurrently with construction of the project. These engineering solutions have been evaluated as part of the analysis provided in this document and include a private drinking water system, a Wastewater Treatment Plant, roadway improvements along Honoapiilani Highway, and a comprehensive drainage system. All infrastructural systems for the project will be designed and constructed in consultation with the relevant governmental agencies and in accordance with applicable legislative requirements.

Implementation of the project will address the shortage of affordable housing currently being experienced on Maui and will be processed in accordance with Section 201H-38 of the Hawaii Revised Statutes (HRS). The applicant will be working alongside the County of Maui, Department of Housing and Human Concerns (DHHC) as the project proceeds to formulate a unilateral agreement and marketing program for the project's affordable units. The sales prices for affordable units will be established at the time of development and will be based on Maui's median family income at that time. The applicant will formulate and execute the affordable housing agreement with the DHHC prior to project implementation.

Through the 201H process, the applicant will be seeking exemptions from certain regulatory and statutory requirements relating to land use, construction, subdivision, public services and infrastructure and administrative procedures. The list of exemptions being requested for this project is presented in **Appendix "N"**. Approval of these exemptions will address impact fee requirements for the project and will enable the units to be constructed and made available to qualified buyers within the timeframe reflected in Chapter I of this report.

While an exemption from Chapter 2.80B of the Maui County Code, relating to the General Plan and Community Plans, will be included in the Section 201H-38 exemption list for the project, the applicant is currently actively participating in the County of Maui's 2030 General Plan Update process, a comprehensively planning process that has been ongoing for a number of years now. As part of it's involvement in the 2030 General Plan Update process, MVI, LLC has submitted a formal request to the Department of Planning asking that the subject property (designated as Project District 12 in the 1998 Kihei-Makena Community Plan) continue to be reflected as a future urban growth area for the Maalaea community. Development plans for the property have also been discussed with

both the General Plan Advisory Committee and the Maui Planning Commission during landowner presentations held as part of the General Plan process on September 20, 2007 and July 21, 2009. MVI, LLC will continue to work alongside the Department of Planning and the Maui County Council as work on the draft Maui Island Plan continues.

VIII. COMMUNITY MEETINGS

VIII. COMMUNITY MEETINGS

The project site (Project District 12) was acquired by MVI, LLC on October 21, 2008 from former owner Maalaea Properties, LLC. Prior to the sale of the property, the previous owner (Maalaea Properties, LLC) had been involved in the processing of land use entitlement applications for development of a proposed residential subdivision on the property, referred to at the time as the “Maalaea Mauka” project. The Maalaea Mauka proposal is no longer being pursued by Maalaea Properties, LLC. Prior to the sale of the property, Maalaea Properties, LLC conducted a series of design workshops in the Maalaea community on October 15, October 29, and November 12, 2005 as part of the plan development process for Maalaea Mauka. The workshops were attended by property owners and the Board of Directors for the Maalaea Community Association (MCA), which represents residential property owners in Maalaea. Participants at the workshops evaluated several alternative land use layouts and were given the opportunity to have input into the planning of a residential community at Project District 12. Three (3) conceptual plans were derived as a result of the community input received at these meetings as discussed in the Alternatives Analysis section of this document. Since acquiring the site, MVI, LLC has reviewed the conceptual plans that were defined as a result of this dialogue with the community and has participated in follow-up meetings with the MCA Board of Directors to discuss the current land use plan for the Ohana Village Project. Comments received during design review presentations to the Wailuku Main Street Association have also been reviewed, during which it was emphasized that a commercial component would be particularly valuable to residents living at this locale. This information has allowed MVI, LLC to move forward with the formulation of a revised master plan for the Ohana Kai Village Affordable Housing Project that focuses on the goal of providing 100 percent of units within the subdivision as affordable whilst also incorporating lands for parks, open space, and public/quasi-public facilities as well as a village town center component that would offer basic commercial services to residents, thus reducing the necessity to travel.

IX. LIST OF PERMITS AND APPROVALS

IX. LIST OF PERMITS AND APPROVALS

The following list of permits and approvals are anticipated to be needed for project implementation:

1. **Federal**

Section 404, Department of Army Permit, as applicable

2. **State of Hawaii**

- A. Section 201H, Hawaii Revised Statutes (HRS), District Boundary Amendment
- B. National Pollutant Discharge Elimination System (NPDES) Permits, as applicable
- C. State Department of Health Underground Injection Control Permit, as applicable (Wastewater Treatment Plant only)
- D. Section 401, Water Quality Certification, as applicable
- E. Coastal Zone Management (CZM) Consistency Determination, as applicable
- F. Stream Channel Alteration Permit, as applicable
- G. Permit to Work Within State Right-of-Way, State Department of Transportation

3. **County of Maui**

- A. County Section 201H, HRS Approval
- B. Subdivision Approval
- C. Special Management Area (SMA) Use Permit, as applicable
- D. Construction Permits (Grading, Grubbing, Building, Stockpiling, Driveway)
- E. Special Flood Hazard Area Development (SFHAD) Permits, as applicable

**X. PARTIES CONSULTED
DURING THE
PREPARATION OF DRAFT
ENVIRONMENTAL
IMPACT STATEMENT;
LETTERS RECEIVED AND
RESPONSES TO
SUBSTANTIVE
COMMENTS**

X. PARTIES CONSULTED DURING THE PREPARATION OF DRAFT ENVIRONMENTAL IMPACT STATEMENT; LETTERS RECEIVED AND RESPONSES TO SUBSTANTIVE COMMENTS

The EIS Preparation Notice (EISPN) for the Ohana Kai Village Affordable Housing Project was published in the Office of Environmental Quality Control's (OEQC) Environmental Notice bulletin by the County of Maui, Department of Housing and Human Concerns (DHHC) on June 23, 2009. The deadline for receipt of comments from the following list of consulted parties was July 23, 2009.

Consulted Party	Comment Letter Received
FEDERAL AGENCIES	
1. Ranae Ganske-Cerizo, Soil Conservationist Natural Resources Conservation Service U.S. Department of Agriculture 77 Hookele Street, Suite 202 Kahului, Hawaii 96732	7/17/09
2. Commanding Officer U. S. Coast Guard Station Maui 233 Maalaea Road Wailuku, Hawaii 96793	---
3. George Young Chief, Regulatory Branch U.S. Department of the Army U.S. Army Engineer District, Honolulu Regulatory Branch Building 230 Fort Shafter, Hawaii 96858-5440	7/13/09

Consulted Party	Comment Letter Received
4. Gordan Furutani, Field Office Director U. S. Department of Housing and Urban Development 500 Ala Moana Boulevard, Suite 3A Honolulu, Hawaii 96813-4918	---
5. Patrick Leonard Field Supervisor U. S. Fish and Wildlife Service 300 Ala Moana Blvd., Rm. 3-122 Box 50088 Honolulu, Hawaii 96813	7/23/09
STATE AGENCIES	
6. Russ K. Saito, State Comptroller Department of Accounting and General Services 1151 Punchbowl Street, #426 Honolulu, Hawaii 96813	7/2/09
7. Sandra Lee Kunimoto, Chair Department of Agriculture 1428 South King Street Honolulu, Hawaii 96814-2512	---

	Comment Letter Received
8. Karen Seddon Executive Director Hawaii Housing Finance and Development Corporation 677 Queen Street Honolulu, Hawaii 96813	7/22/09
9. Theodore E. Liu, Director State of Hawaii Department of Business, Economic Development & Tourism P.O. Box 2359 Honolulu, Hawaii 96804	---
10. Patricia Hamamoto, Superintendent State of Hawaii Department of Education P.O. Box 2360 Honolulu, Hawaii 96804	7/1/09
11. Heidi Meeker Planning Division Office of Business Services Department of Education c/o Kalani High School 4680 Kalaniana'ole Highway, #T-B1A Honolulu, Hawaii 96821 cc: Bruce Anderson, Complex Area Superintendent (Central/Upcountry Maui)	---
12. Micah Kane, Chairman Department of Hawaiian Home Lands P. O. Box 1879 Honolulu, Hawaii 96805	7/6/09
13. Chiyome Fukino, M.D., Director State of Hawaii Department of Health 919 Ala Moana Blvd., Room 300 Honolulu, Hawaii 96814	---

	Comment Letter Received
14. Alec Wong, P.E., Chief Clean Water Branch State of Hawaii Department of Health 919 Ala Moana Blvd., Room 300 Honolulu, Hawaii 96814	---
15. Patti Kittowski Acting District Environmental Health Program Chief State of Hawaii Department of Health 54 High Street Wailuku, Hawaii 96793	7/13/09
16. Wilfred K. Nagamine, Manager Clean Air Branch State of Hawaii Department of Health P.O. Box 3378 Honolulu, Hawaii 96801-3378	8/5/09
17. Stuart Yamada, P.E., Chief Safe Drinking Water Branch Environmental Management Division State of Hawaii Department of Health P.O. Box 3378 Honolulu, Hawaii 96801-3378	7/15/09
18. Steven Y.K. Chang, P.E., Chief Solid and Hazardous Waste Branch State of Hawaii Department of Health P.O. Box 3378 Honolulu, Hawaii 96801-3378	7/28/09
19. Laura Thielen, Chairperson State of Hawaii Department of Land and Natural Resources P. O. Box 621 Honolulu, Hawaii 96809	7/22/09 and 8/3/09

Consulted Party	Comment Letter Received
20. Dr. Puaalaokalani Aiu, Administrator State of Hawaii Department of Land and Natural Resources State Historic Preservation Division 601 Kamokila Blvd., Room 555 Kapolei, Hawaii 96707	8/19/09
21. Brennon Morioka, Director State of Hawaii Department of Transportation 869 Punchbowl Street Honolulu, Hawaii 96813 cc: Fred Cajigal	7/22/09
22. Major General Robert G.S. Lee, Director Hawaii State Civil Defense 3949 Diamond Head Road Honolulu, Hawaii 96816-4495	7/20/09
23. Katherine Kealoha, Director Office Of Environmental Quality Control 235 S. Beretania Street, Suite 702 Honolulu, Hawaii 96813	---
24. Clyde Nāmuo, Administrator Office of Hawaiian Affairs 711 Kapiolani Boulevard, Suite 500 Honolulu, Hawaii 96813	7/14/09
25. Abbey Seth Mayer, Director State of Hawaii Office of Planning P.O. Box 2359 Honolulu, Hawaii 96804	7/23/09
26. Dan Davidson, Executive Officer State of Hawaii State Land Use Commission P.O. Box 2359 Honolulu, Hawaii 96804	---

Consulted Party	Comment Letter Received
COUNTY AGENCIES	
27. Charmaine Tavares, Mayor County of Maui 200 South High Street Wailuku, Hawaii 96793	7/14/09
28. Deidre Tegarden, Director County of Maui Office of Economic Development 2200 Main Street, Suite 305 Wailuku, Hawaii 96793	---
29. Gen Iinuma, Administrator Maui Civil Defense Agency 200 South High Street Wailuku, Hawaii 96793	---
30. Jeffrey A. Murray, Fire Chief County of Maui Department of Fire and Public Safety 200 Dairy Road Kahului, Hawaii 96732	7/24/09
31. Lori Tshako, Director County of Maui Department of Housing and Human Concerns One Main Plaza 2200 Main Street, Suite 546 Wailuku, Hawaii 96793	6/29/09 and 7/20/09
32. Tamara Horcajo, Director County of Maui Department of Parks and Recreation 700 Halia Nako Street, Unit 2 Wailuku, Hawaii 96793	7/13/09
33. Jeffrey Hunt, Director County of Maui Department of Planning 250 South High Street Wailuku, Hawaii 96793	7/21/09
34. Maui Planning Commission c/o Department of Planning 250 South High Street Wailuku, Hawaii 96793	---

Consulted Party	Comment Letter Received
35. Thomas Phillips, Chief County of Maui Police Department 55 Mahalani Street Wailuku, Hawaii 96793	7/21/09
36. Milton Arakawa, Director County of Maui Department of Public Works 200 South High Street Wailuku, Hawaii 96793	7/14/09
37. Cheryl Okuma, Director County of Maui Department of Environmental Management One Main Plaza 2200 Main Street, Suite 100 Wailuku, Hawaii 96793	8/19/09
38. Donald Medeiros, Director County of Maui Department of Transportation 200 South High Street Wailuku, Hawaii 96793	7/13/09
39. Jeffrey Eng, Director County of Maui Department of Water Supply 200 South High Street Wailuku, Hawaii 96793	7/27/09
40. Danny Mateo, Council Chair Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
41. Michael Molina, Council Vice Chair Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
42. Councilmember Wayne Nishiki Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
43. Councilmember Gladys Baisa Maui County Council 200 South High Street Wailuku, Hawaii 96793	---

Consulted Party	Comment Letter Received
44. Councilmember Jo Anne Johnson Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
45. Councilmember Bill Medeiros Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
46. Councilmember Sol Kahoohalahala Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
47. Councilmember Joseph Pontanilla Maui County Council 200 South High Street Wailuku, Hawaii 96793	7/17/09
48. Councilmember Mike Victorino Maui County Council 200 South High Street Wailuku, Hawaii 96793	---
OTHER AGENCIES	
49. Hawaiian Telecom 60 South Church Street Wailuku, Hawaii 96793	6/25/09
50. Greg Kauhi, Manager, Customer Operations Maui Electric Company, Ltd. P.O. Box 398 Kahului, Hawaii 96733	6/25/09
51. Kihei Community Association P. O. Box 662 Kihei, Hawaii 96753	7/1/09
52. Waikapu Community Association P.O. Box 1380 Wailuku, Hawaii 96793	---

Consulted Party	Comment Letter Received
53. Wailuku Main Street Association 1942 West Main Street Wailuku, Hawaii 96793	7/29/09
54. Maalaea Community Association 50 Hauoli Street Maalaea, Hawaii 96793	7/20/09
55. Maui Memorial Medical Center 221 Mahalani Street Wailuku, Hawaii 96793	---



Natural Resources Conservation Service
77 Ho'okele Street, Suite 202
Kahului, HI 96732
Phone 808-871-5500
Fax 808-873-6184

July 17, 2009

Mr. Mark Alexander Roy
Munekiyo & Hiraga, Inc.
305 High St., Suite 104
Wailuku, HI 96793

Subject: EIS Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project
TMK: 3-6-001: 015 and 3-6-004: 003 (por.)

Dear Mr. Roy:

In order to provide comments concerning the comprehensive drainage system we need to review the findings of the Preliminary Drainage Report.

We highly recommend an irrigated green belt which acts as erosion control and a fuel/fire break. The green belt should be designed for the mauka side of the entire proposed subdivision for erosion control and fire mitigation. The green belt should be maintained by mowing 4 inches or less to prevent erosion. By mowing, the green belt will maintain a drop flame height to couple of feet in case of a fire.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Ranae Ganske-Cerizo".

Ranae Ganske-Cerizo
District Conservationist





MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Ranae Ganske-Cerizo, District Conservationist
U.S. Department of Agriculture
Natural Resources Conservation Service
210 Imi Kala Street, Suite 209
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Ganske-Cerizo:

Thank you for your letter dated July 17, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. The applicant, MVI, LLC, is currently in coordination with the Department of Land and Natural Resources regarding the permits/approvals necessary to create and maintain an irrigated green belt/fire break zone in the Conservation District lands that border the mauka boundary of the subject property.

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided to you for review and comment.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

F:\DATA\SpencerHome\Maalaea\AH\DraftEIS\NRCsresponse.ltr.doc

JUL 15 2009



REPLY TO
ATTENTION OF:

DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS, HONOLULU DISTRICT
FORT SHAFTER, HAWAII 96858-5440

July 13, 2009

Regulatory Branch

File Number: POH-2009-00218

JoAnn Riado, Deputy Director
Department of Housing and Human Concerns
2200 Main Street
One Main Plaza Building, Suite 546
Wailuku, Hawai'i 96793

Dear Ms. Riado:

This letter is in response to your request, dated June 15, 2009, for our review and comment of the Draft Environmental Impact Statement Preparation Notice (DEISPN) for the proposed Ohana Kai Village Affordable Housing Project in Maalaea, Maui, Hawai'i (TMKs: 236001018 and 236004003 por.).

Section 10 of the Rivers and Harbors Act (Section 10) of 1899 requires that a Department of the Army (DA) permit be obtained from the U.S. Army Corps of Engineers (Corps) prior to undertaking any construction, dredging, and other activities occurring in, over, or under navigable waters of the United States (U.S.) (e.g., the Pacific Ocean). Section 404 of the Clean Water Act (Section 404) of 1972 (33 U.S.C. 1344) requires that a DA permit be obtained for the discharge (placement) of dredge and/ or fill material into waters of the U.S. Waters of the U.S. include both navigable waters of the U.S., referred to also as the traditional navigable waters (TNW), wetlands adjacent to TNWs, non-navigable tributaries that have perennial flow or continuous seasonal flow, and wetlands directly abutting such tributaries. For other types of waters, including those that do not have relatively permanent flows, as well as any wetlands adjacent to such tributaries, jurisdiction is determined on a case-by-case basis using a fact-specific analysis to assess the flow characteristics and functions of the tributary and its adjacent wetlands to determine if in combination they significantly affect the chemical, physical, and biological integrity of downstream navigable waters, particular emphasis being given to hydrological and ecological factors.

Based on the information furnished to our office it appears there are no tidally influenced waters at the project site, however there appear to be four gullies that run through the proposed project location. We recommend your DEISPN provide a detailed description of all ground-disturbing activities associated with the project construction occurring on and in the immediate vicinity of the project site; identify all streams (perennial, intermittent, or ephemeral) and wetlands on and in the immediate vicinity of the proposed project site; characterize the hydrology and ecology of those features; and provide a cross-section of the proposed work and the existing conditions at the proposed project location.

Please note that the Corps of Engineers recognizes the ordinary high water mark as the limit of regulatory jurisdiction for waters of the U.S., as described in 33 C.F.R. 328.4 and defined in 33 C.F.R. 328.3 (e). Please provide photos with lines clearly demarcating the ordinary high water mark for non-tidal waters on the project site. Finally, please provide a delineation of the boundaries of wetlands that may exist on-site or adjacent to the project site based on the procedures set forth in the Army Corps of Engineers' 1987 *Wetland Delineation Manual*.

Thank you for the opportunity to comment. If you have any questions, please contact Ms. Meris Bantilan-Smith at 808-438-7023 (FAX: 808-438-4060) or by electronic mail at Meris.Bantilan-Smith@usace.army.mil. Please include file number POH-2009-218 in any future correspondence regarding this project. Please be advised you can provide comments on your experience with the Corps' Honolulu District Regulatory Branch by accessing our web-based customer survey form at <http://per2.nwp.usace.army.mil/survey.html>.

Sincerely,



George P. Young, P.E.
Chief, Regulatory Branch

Copy Furnished:

Mark Alexander Roy, Project Manager, Munekiyo & Hiraga, Inc., 305 High Street, Suite 104,
Wailuku, Hawai'i 96793

MVI, LLC
P.O. Box 97
Kihei, HI 96753

October 29, 2009

Mr. George P. Young, P.E.
Chief, Regulatory Branch
Attention: Meris Bantilan-Smith
Department of the Army
U.S. Army Engineer District, Honolulu
Fort Shafter, Hawaii 96858-5440

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Young:

Thank you for your letter dated July 13, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We would like to offer the following responses to your comments:

1. We note the confirmation from your office that there are no tidally influenced waters within the subject property. We also note the prior determination (File Number POH 2006-339) that there are no navigable waters or other special aquatic sites (anchialine, ponds, wetlands, etc.) within the property.
2. A description of the proposed action and existing site conditions, including gulches/gullies within the project site will be included in the Draft Environmental Impact Statement (EIS). Reference will also be made in the Draft EIS to the determination, issued by your office on October 13, 2009, that Pohakea Gulch does not fall under the jurisdiction of the Department of Army. See **Exhibit "A"**.
3. We look forward to receiving any additional comments the department may have during review of the Draft EIS on the applicability of the Clean Water Act (Section 404) and the Department of Army (DA) Permit requirements for the proposed Ohana Kai Village Project.

Mr. George P. Young, P.E.
Page 2
October 28, 2009

We appreciate the input from your office. A copy of the Draft EIS will be provided for your review and comment.

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Jesse Spencer
MVI, LLC

JS

Attachment

cc: Mark Alexander Roy, AICP, Munekiyo & Hiraga, Inc.

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JSEC9:MB9 Honolulu District: POH - CEPOH
orm_regulator Role Preferences [ORM Reports] Logout

ORM2
/ Home / Search / POH-2009-00218-MB9 / Help

Folder Location Aquatic Resources Jurisdiction Impacts/Mitigation Map Indicators Letters Documents Contacts Regulators Comments Feedback

DA Number: POH-2009-00218-MB9 (Ohana Kai Village Maalaea Maui Affordable Housing TMK (2) 3-6-01:18)
Applicant: No Applicant Found

Jurisdictional Determination

- X Pohakea Gulch
- 1. Begin Date 13-Oct-2009
- 2. Does Corps Have Jurisdictional Authority NO
- 2.1. Authority None
- 3. Closure Method Preliminary JD That Did Not Require A Field/Site Visit
- 4. End Date 13-Oct-2009
- 5. Comments Pohakea Gulch is an erosional feature that is wholly in and only drains uplands. The gulch likely carries flow only during high rainfall events. There is no evidence as seen in the aerial photos that the gulch flows directly or indirectly into the ocean.
- 6. Carabell-Rapanos

Fund Tracking

- 7. ARRA, Regulator Funded (Corps) NO
- 8. ARRA, Project Funded (Others) NO
- 9. WRDA 214, Regulator Funded (Corps) NO

Optional Items

Reopen Options

Reopen as New Version - Please Select -

Commands

Reopen Return to List

EXHIBIT A

JUL 27 2009



United States Department of the Interior



FISH AND WILDLIFE SERVICE
Pacific Islands Fish and Wildlife Office
300 Ala Moana Boulevard, Room 3-122, Box 50088
Honolulu, Hawaii 96850

In Reply Refer To:
2009-TA-0290

Ms. JoAnn Ridao
Deputy Director
Department of Housing and Human Concerns
2200 Main Street, Suite 546
Wailuku, Hawaii 96793

JUL 23 2009

Subject: Technical Assistance for Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village, Maalaea, Maui

Dear Ms. Ridao:

This letter acknowledges the U.S. Fish and Wildlife Service's June 22, 2009, receipt of your request for comments on the proposed Ohana Kai Village development of approximately 1,100 single-family residential units, a town center, and infrastructure within approximately 257 acres in Maalaea, Maui. Based on the information you provided and pertinent information in our files, the following listed species have been observed in the vicinity of the proposed project: (1) the threatened Newell's Townsend's shearwater (*Puffinus auricularis newelli*, ao) and the endangered Hawaiian petrel (*Pterodroma phaeopygia sandwichensis*, uau) (collectively referred to as seabirds) are known to traverse the project area; (2) the endangered Hawaiian goose (*Branta (=Nesochen) sandvicensis*, nene); (3) the endangered Blackburn's sphinx moth (*Manduca blackburni*) and the endangered Hawaiian hoary bat (*Lasiurus cinereus semotus*, opeapea) may also occur within the project site. In addition, the proposed project is located in a dry area of Maui where wildland fires interdependent with the development may impact other listed species protected under the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*) (ESA). We recommend the following measures be incorporated into the project to minimize potential project impacts of development to listed species:

- Seabirds may traverse the project area at night during the breeding season (February 1 through December 15). Any outdoor lighting, particularly when used during each year's peak fledging period (September 15 through December 15), could result in seabird disorientation, fallout, and injury or mortality. Potential impacts to seabirds can be minimized by shielding outdoor lights associated with the project (as is noted in the Survey), avoiding night-time construction, and providing all project staff and residents with information regarding seabird fallout. All project lights should be shielded so the bulb can be seen only from below.

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IN AMERICA 

- The Hawaiian goose is known to occur in the vicinity of the proposed project. To avoid project impacts to these birds, we recommend the free movement of pets be prohibited, that feral animals not be fed, and that sturdy animal-proof garbage containers be provided to minimize predator population growth. The Hawaiian goose may be attracted to open water and mowed grass areas within the project area where they may be exposed to impacts from predators and vehicles.
- Blackburn's sphinx moth may occur in the project area. The adult moth feeds on nectar from native plants including beach morning glory (*Ipomoea pes-caprae*), iliee (*Plumbago zeylanica*), maiapilo (*Capparis sandwichiana*), and the larvae feed upon non-native tree tobacco (*Nicotiana glauca*) and the native 'aiea (*Nothoecstrum latifolium*). All of these species may occur on the project site. We recommend you survey the site for the presence of Blackburn's sphinx moth host plants and if host plants are found, contact our office for further assistance.
- To minimize impacts to the endangered Hawaiian hoary bat, woody plants greater than 15 feet (4.6 meters) tall should not be removed or trimmed during the bat birthing and pup rearing season (May 15 through August 15). If this avoidance measure cannot be implemented, bat surveys should be conducted and, if this species is found, our office should be contacted for additional assistance. Retention and use of substantial numbers of trees and shrubs in landscape planning, as noted in the Survey, will also benefit this species.
- The proposed project is located in a dry area of Maui that can be exposed to high fire threat. Wildland fires interdependent with the proposed project may impact resources protected under the ESA. Development may result in an increased fire risk. A number of recent human-caused fires have escaped containment by the available interagency initial attack fire suppression forces, resulting in significant impacts to listed species and critical habitat in the dry areas of Maui. The Maui Wildland Fire Coordinating Group is partnering with our office to coordinate the development of fuelbreaks, water sources for firefighting, fire prevention projects, and an increased fire suppression response to minimize the impact of human-caused wildfires to listed plants, animals, and critical habitat on Maui. Agricultural practices implemented by private landowners in the project vicinity could be coordinated to minimize fuel load and fire threat. We recommend you coordinate with Maui County Department of Fire and Public Safety, Hawaii Department of Land and Natural Resources, USDA Farm Service Agency, USDA Natural Resource Conservation Service, adjacent landowners, and our office to ensure any wildland fire risk to listed resources, interdependent with the proposed development, is minimized.
- We recommend the use of native plants for landscaping purposes in order to reduce the spread of non-native invasive species. If native plants do not meet your landscaping objectives, we recommend that you choose species that are thought to have a low risk of becoming invasive. The following websites are good resources to use when choosing landscaping plants: Pacific Island Ecosystems at Risk (<http://www.hear.org/Pier/>), Hawaii-Pacific Weed Risk Assessment (http://www.botany.hawaii.edu/faculty/daehler/wra/full_table.asp) and Global Compendium of Weeds (www.hear.org/gcw).

Implementation of these recommendations does not alleviate your responsibilities pursuant to the ESA if a listed species may be affected by the proposed action. If the proposed project may affect a listed species and the project is funded, authorized, or carried about by a Federal agency, you should request that the Federal agency consult with us under section 7(a)(2) of the ESA. If there is no Federal nexus for the proposed action you should obtain an incidental take permit pursuant to section 10(a)(2)(B) of the ESA if incidental take of a listed species cannot be avoided. Thank you for your ongoing efforts to conserve listed species. If you have questions or would like additional information, please contact Consultation and Technical Assistance Program Fish and Wildlife Biologist, Dawn Greenlee (phone: 808-792-9400; fax: 808-792-9581).

Sincerely,



JOV Gina Shultz
Acting Field Supervisor

cc: Mr. Mark Alexander Roy, Munekiyo & Hiraga, Inc.



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Gina Shultz, Acting Field Supervisor
Attn: Dawn Greenlee, Program Fish and Wildlife Specialist
Fish and Wildlife Service
Pacific Islands Fish and Wildlife Office
United States Department of the Interior
300 Ala Moana Boulevard, Room 3-122, Box 50088
Honolulu, Hawaii 96850

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Schultz:

Thank you for your letter of July 23, 2009 providing comments on the Draft Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

On behalf of the applicant (MVI, LLC), we offer the following responses to the comments noted, which have been organized in the order of the subject matter presented in your letter:

FEDERALLY LISTED SPECIES

We note the information from your office that two (2) species of seabird (Newell's Townsend Shearwater and the Hawaiian Petrel) are known to traverse the Maalaea area. We also note the comment that the Hawaiian Goose, Blackburn's Sphinx Moth and Hawaiian Hoary Bat may possibly exist in the vicinity of the project site. A Biological Resources Survey has been completed for the property by Environmental Consultant, Robert Hobdy. A copy of this survey report will be included in the Draft Environmental Impact Statement (EIS) along with a discussion of its findings and recommendations.

SEABIRDS

We note the information provided that outdoor lighting has been found to affect the flight activities of the Newell's Townsend Shearwater and the Hawaiian Petrel. The following mitigation measures will be incorporated into the project to reduce the potential for seabird fall-out within the project area:

- Construction activities will be limited to daylight hours.
- All lighting fixtures installed during the construction of the project will be shielded.

HAWAIIAN GOOSE

We note that the Hawaiian Goose is often attracted to open water and mowed grass areas. Owners of units will be required to comply with applicable laws pertaining to pet leashing and movement control. Waste collection services for the project will be provided by a private waste collection service. Enclosed trash containers are typically provided to residents as part of this service.

BLACKBURN SPHINX MOTH

The Draft EIS will include a summary of all flora, fauna and avi-fauna species that were identified during completion of the Biological Survey of the property. Neither the Blackburn Sphinx Moth nor any of its host plants were identified during field observations conducted as part of the survey.

HAWAIIAN HOARY BAT

The Hawaiian Hoary Bat was also not identified during the field observations that were completed during the preparation of the Biological Resources Survey for the project area. Based on the previous agricultural use of the property, there is minimal occurrence of woody plants on the project site. MVI, LLC will, however, strive to schedule land clearance activities for each phase of the project so that woody plants greater than 15 feet in height, which may be encountered, are removed or trimmed during the non-rearing season for the Hawaiian Hoary Bat.

WILDLAND FIRES

The applicant is aware that wildfires have occurred in the State-owned and managed Conservation district lands that lie to the west of the subject property. The following mitigation measures are being considered for implementation as part of the proposed project, which would reduce the exposure of the subdivision to any future unmanaged

wildfire events in the neighboring State conservation lands:

- Reuse of reclaimed water from the project's proposed Wastewater Treatment Plant (WTP) for irrigation of common landscaped and open space areas within and around the subdivision, particularly along the mauka boundary of the subject property.
- Coordination with the State of Hawaii, Department of Land and Natural Resources (DLNR) to identify opportunities and permit requirements for the routine maintenance of an additional fire mitigation corridor along the outer edge of the mauka (west) boundary of the subject property. Reclaimed water from the WTP could also be utilized in conjunction with the removal of dead vegetation from this corridor to promote the effectiveness of this strip of land in inhibiting the spread of a possible wildfire event in the future.

Additional coordination, as necessary, will be undertaken with the Maui County Department of Fire and Public Safety, the Maui Wildland Fire Coordinating Group and other applicable agencies during the subdivision and engineering plans preparation phase to identify additional wildfire mitigation opportunities for the proposed Ohana Kai Village Affordable Housing Project.

A discussion relating to wildland fires and mitigation measures will be included in the Draft EIS.

NATIVE PLANTS

MVI, LLC recognizes the benefits of using native landscaping and is keenly aware of the need to promote water conservation initiatives both during project implementation and across the operational phase of the project. As such, the project landscape architect will seek to identify locally available native plant species that would be suitable for soil/climatic conditions of Maalaea.

ENDANGERED SPECIES ACT

The proposed project is not being funded, authorized or carried out by any federal agency. As such, incidental take permit requirements will be coordinated with Fish and Wildlife Service prior to the onset of project construction, as applicable.

We appreciate the input provided by your office. MVI, LLC is committed to ensuring that all aspects of the project are fully disclosed in accordance with the requirements of Chapter 343 of the Hawaii Revised Statutes (HRS) and Chapter 200 of the Hawaii Administrative Rules (HAR). A copy of the Draft EIS will be provided to your office for review and comment.

Gina Shultz, Acting Field Supervisor
Page 4
October 29, 2009

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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JUL 0 6 2009

LINDA LINGLE
GOVERNOR



RUSS K. SAITO
COMPTROLLER

BARBARA A. ANNIS
DEPUTY COMPTROLLER

(P)1188.9

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810

JUL - 2 2009

Mr. Mark Roy Alexander, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Alexander,

Subject: Environmental Impact Statement Preparation Notice for the Proposed Ohana Village Affordable Housing Project at TMK (2)3-6-001:018 and (2)3-6-004:003(por.), Maalaea, Maui, Hawaii

Thank you for the opportunity to provide comments on the Environmental Impact Statement Preparation Notice for the Proposed Ohana Kai Village Affordable Housing Project.

This proposed project does not impact any of the Department of Accounting and General Services' projects or existing facilities, and we have no comments to offer.

If you have any questions, please call me at 586-0400 or have your staff call Mr. Clarence Kubo of the Public Works Division at 586-0488.

Sincerely,


RUSS K. SAITO
State Comptroller

cc: Ms. JoAnn Ridao, Deputy Director, Department of Housing and Human Concerns, Maui County



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Russ K. Saito, State Comptroller
Attn: Clarence Kubo
State of Hawaii
Department of Accounting and General Services
P. O. Box 119
Honolulu, HI 96810

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Saito:

Thank you for your letter, dated July 2, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We note the determination made by your office that the proposed project does not impact any of the Department of Accounting and General Services' projects or existing facilities.

We appreciate the input provided by your office. Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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JUL 23 2009

LINDA LINGLE
GOVERNOR



KAREN SEDDON
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

09:PEO/90

July 22, 2009

Ms. JoAnn Ridao, Deputy Director
Department of Housing and Human Concerns
2200 Main Street
One Main Plaza Building, Suite 546
Wailuku, Hawaii 96793

Dear Ms. Ridao:

Re: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village
Affordable Housing Project, TMK: (2) 3-6-001:018 and (2) 3-6-004:003 (por.),
Maalaea, Maui

The proposed Ohana Kai Village will provide approximately 1,100 single-family dwellings of which 60 percent will be provided as affordable units for qualified households with incomes ranging from 81 percent to 140 percent of the area median income. The remaining 40 percent will be market units with prices affordable to those with incomes ranging from 141 percent to 160 percent of the area median. The proposed project would be in compliance with the Chapter 201H, HRS affordable housing requirements.

The project is consistent with the affordable housing policy set forth in the Hawaii State Plan of increasing homeownership opportunities and choices in terms of quality, location, cost densities, style and size of housing.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script that reads "Karen Seddon".

Karen Seddon
Executive Director

c: ✓ Mark Alexander Roy, Munekiya & Hiraga, Inc.



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Karen Seddon, Executive Director
Hawaii Housing Finance and Development Corporation
State of Hawaii
Department of Business, Economic Development and Tourism
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Seddon:

Thank you for your letter dated July 22, 2009 providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We note the determination from your office that the proposed Ohana Kai Village project complies with the Chapter 201H, Hawaii Revised Statutes (HRS) affordable housing requirements and that it is consistent with the affordable housing policy set forth in the Hawaii State Plan.

We appreciate the input provided by your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Karen Seddon, Executive Director
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Blaine Kobayashi, Carlsmith Ball LLP

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STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

July 1, 2009

Mr. Mark Alexander Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Roy:

Subject: Environmental Impact Statement Preparation Notice for
Proposed Ohana Kai Village Affordable Housing Project
TMK (2)3-6-001:018 and (2)3-6-004:003

The Department of Education (DOE) has reviewed the Environmental Impact Statement Preparation Notice (EISPN) for the Proposed Ohana Kai Village Affordable Housing Project.

The DOE notes that instead of the schools stated in the EISPN in section II-C-3, the schools that would be impacted by this project are Wailuku Elementary, Iao Middle, and Baldwin High. These impacted schools currently have high enrollment relative to their capacity:

- Wailuku Elementary 2008 enrollment was 79 percent of 2008 capacity,
- Iao Intermediate 2008 enrollment was 112 percent of 2008 capacity, and
- Baldwin High 2008 enrollment was 91 percent of 2008 capacity.

The DOE believes it is highly likely that Central Maui will be identified as being in a future Impact Fee District, as required by the impact fee law. Accommodations will have to be made for students who will reside in the project, and the cost of the accommodations will be offset by payment of impact fees. MVI, LLC should contact the DOE to discuss an educational contribution agreement.

If you have any questions, please contact Jeremy Kwock of the Facilities Development Branch at (808) 377-8301.

Very truly yours,

A handwritten signature in black ink, appearing to read "Patricia Hamamoto".

Patricia Hamamoto
Superintendent

PH:jmb

c: Randolph Moore, Assistant Superintendent, OSFSS
Bruce Anderson, CAS, Baldwin/Kekaulike/Maui Complex Areas
JoAnn Ridao, Deputy Director, Department of Housing and Human Concerns



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Patricia Hamamoto, Superintendent
Attn: Jeremy Kwock
Facilities Development Branch
Department of Education
State of Hawaii
P. O. Box 2360
Honolulu, HI 96804

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Hamamoto:

Thank you for your letter dated July 1, 2009 providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

On behalf of the applicant, MVI, LLC, we would like to offer the following responses to the comments noted in your letter:

1. We note the 2008 enrollment information provided in your letter for the schools (Wailuku Elementary, Iao Intermediate and Baldwin High) within the Baldwin Complex area. This information will be included in the Draft EIS.
2. The developer recognizes that implementation of the project will have an incremental impact on enrollment rates at schools in Central and South Maui. To enhance educational opportunities in the area, MVI, LLC has incorporated a 16-acre public/quasi-public land use component within the plans for the Ohana Kai Village Affordable Housing Project. MVI, LLC seeks to use these lands for a school site, which would serve both residents living within the proposed subdivision, as well as the needs of outlying communities, such as Kihei, Waikapu and Wailuku. The applicant will coordinate with the DOE as plans become more defined to discuss satisfaction of fair-share requirements for the project.

Patricia Hamamoto, Superintendent
Page 2
October 29, 2009

We appreciate the input provided by your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Blaine Kobayashi, Carlsmith Ball LLP

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JUL 07 2009

LINDA LINGLE
GOVERNOR
STATE OF HAWAII



MICAH A. KANE
CHAIRMAN
HAWAIIAN HOMES COMMISSION

KAULANA H. PARK
DEPUTY TO THE CHAIRMAN

ROBERT J. HALL
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P.O. BOX 1879
HONOLULU, HAWAII 96805

July 6 2009

Munekiyo & Hiraga
Mr. Mark Alexander Roy
Project Manager
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Roy:

Subject: Environmental Impact Statement Preparation
Notice for Proposed Ohana Kai Village Affordable
Housing Project at TMK (2)3-6-001:018 and
(2)3-6-004:003 (por.) Ma'alaea, Maui, Hawai'i

Thank you for the opportunity to review the subject proposal.
The Department of Hawaiian Home Lands has no comment to offer at
this time. If you have any questions, please contact our
Planning Office at (808) 620-9480.

Aloha and mahalo,


Micah A. Kane, Chairman
Hawaiian Homes Commission



LINDA LINGLE
GOVERNOR OF HAWAII



CHIYOME L. FUKINO, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

August 5, 2009

09-663A CAB

Mr. Mark Alexander Roy
Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Roy:

**SUBJECT: Ohana Kai Village Affordable Housing Project
Environmental Impact Statement Preparation Notice**

A significant potential for fugitive dust emissions exists during all phases of construction. The proposed construction activities would occur in proximity to existing public areas or thoroughfares, and exacerbate potential dust problems. It is recommended that a dust control management plan be developed which identifies and addresses all activities that have a potential to generate fugitive dust. The plan, which does *not* require Department of Health approval, would help with recognizing and minimizing the dust problems from the proposed project.

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.

The contractor should provide adequate measures to control the fugitive dust from the road areas and during the various phases of construction. Examples of measures that can be implemented to control dust include, but are not limited to, the following:

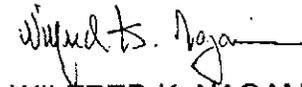
- a) Planning the different phases of construction, focusing on minimizing the amount of dust-generating materials and activities, centralizing on-site vehicular traffic routes, and locating potential dust-generating equipment in areas of the least impact;
- b) Providing an adequate water source at the site prior to start-up of construction activities;

Mr. Mark Alexander Roy
August 5, 2009
Page 2

- c) 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 any questions, please contact Mr. Barry Ching of my staff at 586-4200.

Sincerely,



WILFRED K. NAGAMINE
Manager, Clean Air Branch

BC:ta

- c: JoAnn Ridao, Deputy Director, Department of Housing and Human Concerns
Environmental Planning Office, DOH



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Wilfred Nagamine, Manager
Attention: Barry Ching
Clean Air Branch
Department of Health
State of Hawaii
P.O. Box 3378
Honolulu, Hawaii 96801-3378

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Nagamine:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated August 5, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

MVI, LLC notes the information provided on dust mitigation measures for projects involving construction activities. The applicant also acknowledges that compliance with applicable requirements of Title 11, Chapter 60, Section 1-33 of the Hawaii Administrative Rules will be necessary for the project.

A Best Management Practices (BMP) plan will be developed for the proposed Ohana Kai Affordable Housing Project which will include measures designed to reduce the potential for dust impacts from construction activities. A copy of your comment letter has been forwarded to the project civil engineer for use in the development of this BMP plan for the project.

A copy of the Draft Environmental Impact Statement (EIS) will be provided to your office for review and comment.

Wilfred Nagamine, Manager
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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MVI, LLC
P.O. Box 97
Kihei, HI 96753

October 29, 2009

Stuart Yamada, P.E., Chief
Attention: Craig Watanabe
Safe Drinking Water Branch
Department of Health
State of Hawaii
P.O. Box 3378
Honolulu, Hawaii 96801-3378

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Yamada:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated July 15, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. A copy of your comment letter has been forwarded to the project civil engineer for use in the design of the water system for the proposed Ohana Kai Village Affordable Housing Project.

We offer the following information in response to the comments noted, which have been arranged in the same order as they appear in your letter:

1. MVI, LLC acknowledges that the water system for the project will be regulated as a public water system and that minimum capacity requirements will need to be satisfied prior to the establishment of the infrastructure.
2. The water system will be developed in conjunction with the proposed project and will comply with applicable requirements of Title 11, Chapter 20, Hawaii Administrative Rules (HAR).
3. The three (3) new wells for the water system will comply with applicable requirements of 11-20-29, HAR.
4. The applicant understands the content requirements of the engineering report that is required in compliance with 11-20-29, HAR.
5. A source water protection plan will be developed for the proposed water system, as applicable.

Stuart Yamada, P.E., Chief
Page 2
October 28, 2009

6. MVI, LLC acknowledges that approval by the Director of Health is required prior to the construction of the proposed water system, including treatment, storage and distribution infrastructure as may be required.
7. The water system for the project will be operated by certified operators in accordance with applicable requirements of 11-20-25, HAR.
8. The applicant acknowledges the design considerations for dual water systems as noted in your letter. The project will comply with applicable requirements of Title 11, Chapter 21, HAR.
9. The proposed development of a residential community on the subject property is not considered to be a potentially contaminating activity. There are no industrial uses being proposed for the project. Furthermore, the three (3) wells that will serve the Ohana Kai Village community will be situated at an offsite location approximately 2,300 feet to the north of the subdivision. The lands immediately surrounding the well site are characterized by a mixture of Conservation and Agricultural lands. As noted above, a source water protection plan will be prepared for the proposed water system, as applicable.

A copy of the Draft Environmental Impact Statement (EIS) will be provided to your office for review and comment.

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Jesse Spencer
MVI, LLC

JS

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Mark Matsuda, Otomo Engineering, Inc.
Mark Alexander Roy, Munekiyo & Hiraga, Inc.

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JUL 30 2009

LINDA LINGLE
GOVERNOR OF HAWAII



CHIYOME L. FUKINO, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. BOX 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
EMD/SHWB

July 28, 2009

S0749JV

Ms. Kimberly Skog, Planner
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Ms. Skog:

SUBJECT: Proposed Ohana Kai Village Affordable Housing Project and Related Improvements, EIS Preparation Notice (EISPN)
(TMK No.: 2nd, 3-6-001:018 and 3-6-004:003 (por))

The Department of Health (DOH), Office of Solid Waste Management has reviewed the EISPN for the subject project, which involves the development of a residential subdivision consisting of approximately 1,100 single-family dwellings, 60 percent of which will be provided as affordable units on 257 acres of land. Upon review of the EISPN, we have the following comments related to the proposed new construction activities, and are based on the assumption that no demolition of any existing structures is involved:

1. Please make arrangements with DOH-permitted facilities like Pohakulepo Recycling, LLC for the potential disposition of unpainted, uncontaminated concrete (please note that no asbestos, lead-based paint or other types of contamination will be accepted) from new construction.
2. If on-site reuse of concrete is intended, then the uncontaminated concrete must also meet the State's definition of "inert fill material" defined as:

Section 342H-1, HRS Definition

"Inert fill material" means earth, soil, rocks, rock-like material such as cured asphalt, brick, and clean concrete less than eight inches in diameter, except as specified by a licensed soils engineer with no exposed steel reinforcing rod. The fill material shall not contain vegetation or organic material, or other solid waste.

Ms. Kimberly Skog
July 28, 2009
Page 2

3. Dispose of new construction gypsum and plaster. Currently, no recycling facility in Hawaii is permitted to accept gypsum board from demolition projects.
4. We assume that any wood waste from new construction stages is of the treated variety. Such wood waste must be disposed of at DOH-permitted disposal facilities, not recycled.
5. Dispose of non-reusable glass at DOH-permitted disposal facilities. We encourage the reuse of glass, if in a reusable form. Permitted glass recyclers on Maui presently only accept glass bottles for recycling.
6. Please send any greenwaste to permitted composting facilities such as Maui EKO Systems. Whenever feasible, we also encourage on-site reuse of any trees planned for removal.

Please be reminded that the applicant's submittal was reviewed with respect to solid waste management and disposal issues only. We do recommend that the applicant obtain approval from other agencies (such as OSHA) that may be involved in the oversight and implementation of various aspects of their proposed action.

If you have any questions or comments, please contact Mr. John Valera of our Office of Solid Waste Management at (808) 586-4226.

Sincerely,


STEVEN Y.K. CHANG, P.E., CHIEF
Solid and Hazardous Waste Branch

October 29, 2009

Steven Chang, P.E., Chief
Solid and Hazardous Waste Branch
Department of Health
State of Hawaii
P.O. Box 3378
Honolulu, Hawaii 96801-3378

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Chang:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated July 28, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We offer the following information in response to the comments noted, which have been arranged in the same order as they appear in your letter:

1. MVI, LLC will direct qualifying waste streams from the project to DOH-permitted recycling facilities on Maui Island, where available.
2. The applicant acknowledges that any concrete intended to be reused within the project must qualify as an 'inert fill material' as defined in Section 342H-1, Hawaii Revised Statutes (HRS).
3. All gypsum and plaster waste generated by construction activities for the project will be disposed of at a DOH-permitted facility. We note the information from your office that there are currently no DOH-permitted recycling facilities in the State of Hawaii for this type of waste.
4. Treated wood waste resulting from construction activities within the project will be disposed of at a DOH-permitted facility.
5. Non-reusable glass generated by project construction will be directed to a DOH-permitted facility for disposal. Should a DOH-permitted recycler that accepts construction-related glass materials become available on Maui during project construction, MVI, LLC will endeavor to redirect applicable glass waste to that particular facility.

6. Green waste resulting from project construction activities will be directed to DOH-permitted composting facilities on Maui, where available.

Copies of the Draft Environmental Impact Statement (EIS) will be provided to the Solid and Hazardous Waste Branch, the Clean Air Branch, the Safe Drinking Water Branch and the Maui District Office for review and comment. An additional copy will also be provided to the Department's main office on Oahu for circulation to any other agency that may wish to provide comment on the proposed action.

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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JUL 14 2009

LINDA LINGLE
GOVERNOR OF HAWAII



CHIYOME L. FUKINO, M. D.
DIRECTOR OF HEALTH

LORRIN W. PANG, M. D., M. P. H.
DISTRICT HEALTH OFFICER

STATE OF HAWAII
DEPARTMENT OF HEALTH
MAUI DISTRICT HEALTH OFFICE
54 HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2102

July 13, 2009

Mr. Mark Alexander Roy
Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawai'i 96793

Dear Mr. Roy:

**Subject: Environmental Impact Statement Preparation Notice (EISPIN)
for Proposed Ohana Kai Village Affordable Housing Project,
Ma'alaea, Maui, Hawai'i
TMK (2) 3-6-001:018 and (2) 3-6-004:003 (por.)**

Thank you for giving us the opportunity to review and comment on this project. The following comments are offered:

1. The noise created during the construction phase of the project may exceed the maximum allowable levels as set forth in Hawaii Administrative Rules, Chapter 11-46 "Community Noise Control". A noise permit may be required and should be obtained before the commencement of this project.
2. Since this project will have a private water system, it will require the review and approval of the Safe Drinking Water Branch (SDWB). We will forward a copy of the EISPIN to the SDWB for review. Should you have any questions, please contact Stuart Yamada at 808 586-4258.

It is strongly recommended that the Standard Comments found at the Department's website: <http://hawaii.gov/health/environmental/env-planning/landuse/landuse.html> be reviewed, and any comments specifically applicable to this project should be adhered to.

Mr. Mark Alexander Roy
July 13, 2009
Page 2

Should you have any questions, please call me at 808 984-8230 or e-mail me at patricia.kitkowski@doh.hawaii.gov.

Sincerely,

A handwritten signature in black ink that reads "Patti Kitkowski". The signature is written in a cursive, flowing style.

Patti Kitkowski
Acting District Environmental Health Chief

c JoAnn Ridao, Dept. of Housing & Human Concerns
SDWB



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Patti Kitkowski, Acting Chief
District Environmental Health Program
State of Hawaii
Department of Health
54 High Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Kitkowski:

Thank you for your letter dated July 13, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. On behalf of the applicant MVI, LLC, we would like to offer the following responses to your comments:

1. Pursuant to Hawai'i Administrative Rules (HAR), Chapter 11-46, "*Community Noise Control*", a noise permit will be secured prior to commencement of construction, as applicable.
2. The planning, design and construction of the project will be undertaken in accordance with the maximum allowable sound levels as set forth by HAR, Chapter 11-46.
3. Thank you for forwarding a copy of the EISPN to the department's Safe Drinking Water Branch (SDWB). We look forward to receiving SDWB's comments on the project.

Patti Kitkowski, Acting Chief
Page 2
October 30, 2009

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

F:\DATA\SpencerHome\Maalaea\H1\DraftEIS\DOH\Mauiresponse.ltr.doc

AUG 05 2009

LINDA LINGLE
GOVERNOR OF HAWAII



LAURA H. THIELEN
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

August 3, 2009

Munekiyo & Hiraga, Inc.
305 High Street Suite 104
Wailuku, Hawaii 96793

Attention: Mr. Mark Alexander Roy

Ladies and Gentlemen:

Subject: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project

Thank you for the opportunity to review and comment on the subject matter. The Department of Land and Natural Resources' (DLNR), Land Division distributed or made available a copy of your report pertaining to the subject matter to Division of Aquatic Resources for their review and comment.

The Department of Land and Natural Resources has no other comments to offer on the subject matter. Should you have any questions, please feel free to call our office at 587-0433. Thank you.

Sincerely,

Handwritten signature of Morris M. Atta in cursive script.
Morris M. Atta
Administrator

LINDA LINGLE
GOVERNOR OF HAWAII



LAURA H. THIELEN
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

June 22, 2009

MEMORANDUM

TO:

DLNR Agencies:

- Div. of Aquatic Resources
- Div. of Boating & Ocean Recreation
- Engineering Division
- Div. of Forestry & Wildlife
- Div. of State Parks
- Commission on Water Resource Management
- Office of Conservation & Coastal Lands
- Land Division -



AQUATIC RESOURCES: 2442

DIRECTOR	
COMM. FISH.	
AQ RES/ENV	
AQ REC	
PLANNER	
STAFF SVCS	
RCUH/UH	
STATISTICS	
AERC/FED AID	
EDUCATION	
SECRETARY	
OFFICE SVCS	
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Due Date:	

SH

FROM:

M. M. Atta
Morris M. Atta

SUBJECT:

Environmental Impact Statement Preparation Notice for Proposed Qhana Kai Village Affordable Housing Project

LOCATION: Maalaea, Maui

APPLICANT: Department of Housing & Human Concerns

Transmitted for your review and comment on the above referenced document. We would appreciate your comments on this document. Please submit any comments by July 20, 2009.

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 my office at 587-0433. Thank you.

Attachments

- We have no objections.
- We have no comments.
- Comments are attached.

Signed: *J. R.*

Date: 1 Aug 09

RECEIVED
LAND DIVISION
2009 AUG -3 P 3:20
STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

LINDA LINGLE
GOVERNOR OF HAWAII



LAURA H. THIELEN
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

June 22, 2009

MEMORANDUM

TO: DLNR Agencies:
 Div. of Aquatic Resources
 Div. of Boating & Ocean Recreation
 Engineering Division
 Div. of Forestry & Wildlife
 Div. of State Parks
 Commission on Water Resource Management
 Office of Conservation & Coastal Lands
 Land Division -

AQUATIC RESOURCES: 2442

DIRECTOR	
COMM. FISH.	
AQ RES/ENV	
AQ REC	
PLANNER	
STAFF SVCS	
RCUH/UH	
STATISTICS	
AFRC/FED AID	
EDUCATION	
SECRETARY	
OFFICE SVCS	
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Due Date:	

SH



FROM: *Morris M. Atta*
SUBJECT: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project
LOCATION: Maalaea, Maui
APPLICANT: Department of Housing & Human Concerns

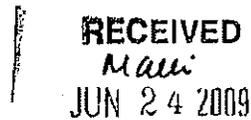
Transmitted for your review and comment on the above referenced document. We would appreciate your comments on this document. Please submit any comments by July 20, 2009.

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 my office at 587-0433. Thank you.

Attachments

- () We have no objections.
- () We have no comments.
- (X) Comments are attached.

Signed: *Skippy Han*
Date: 7/31/09



Div. of Aquatic Resources

DIVISION OF AQUATIC RESOURCES - MAUI
DEPARTMENT OF LAND & NATURAL RESOURCES
130 Mahalani Street
Wailuku, Hawai'i 96793
July 31, 2009

To: Alton Miyasaka, Aquatic Biologist
From:  Skippy Hau, Aquatic Biologist
Subject: EIS Preparation Notice for Ohana Kai Village Project
(DAR 2442)
(Comments to Morris Atta (Land) by July 20, 2009)

Sixty percent or 660 of the proposed 1,100 single-family units have been identified as affordable.

(P.37) Water System. Please identify where new sources of water will be provided for this development.

Wastewater System. There should be no further cesspools or injection wells for disposal of treated effluent from developments. Continued injection of effluent has significantly impacted the ecological balance in near shore waters around Maui. Frequent algae blooms and the establishment of introduced algae are being fed by these nutrients. Unless nutrients are significantly reduced, algae will continue to dominate the coral reefs.

(P.57) A comprehensive drainage plan is planned in the Draft EIS. Drainage runoff should not be allowed to significantly impact downstream properties or allowed to overflow by a storm drain system into the ocean.

How will this project fit with neighboring developments? What will this project provide, share or improve for general public access, cultural/historic sites, and activities?

JUL 23 2009

LINDA LINGLE
GOVERNOR OF HAWAII



LAURA H. THIELEN
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

July 22, 2009

Munekiyo & Hiraga, Inc.
305 High Street Suite 104
Wailuku, Hawaii 96793

Attention: Mr. Mark Alexander Roy

Ladies and Gentlemen:

Subject: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project

Thank you for the opportunity to review and comment on the subject matter. The Department of Land and Natural Resources' (DLNR), Land Division distributed or made available a copy of your report pertaining to the subject matter to DLNR Divisions for their review and comment.

Other than the comments from Engineering Division, Land Division, the Department of Land and Natural Resources has no other comments to offer on the subject matter. Should you have any questions, please feel free to call our office at 587-0433. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Morris M. Atta".

Morris M. Atta
Administrator

DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

MEMORANDUM

To: Morris Atta
Administrator

From: Charlene Unoki *Charlene Unoki*
Assistant Administrator

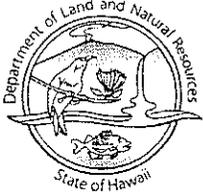
Date: July 22, 2009

Re: Environmental Impact Statement Preparation Notice for Proposed Ohana
Kai Village Affordable Housing Project, Ma'alaea, Maui, Tax Map Key:
(2) 3-6-1:18 and 3-6-4:portion 3

The following recommendations should be included in any comments regarding the above-referenced project:

1. Require a slope study to determine the risks of rockfalls or landslides if any portion of the subdivision or development project includes hillsides or cliffs with a slope grade of 20% or greater;
2. If any adjacent property includes hillsides or cliffs with a slope grade of 20% or greater, require a risk assessment to determine whether and to what extent the conditions on the adjacent property poses a risk of harm to the proposed subdivision, development, future homeowners, or occupants thereof; and
3. If a rockfall or landslide risk is determined or is suspected to exist, create a hazard buffer zone or implement other appropriate mitigation measures in areas susceptible to such hazards that is of sufficient width to protect the health and safety of future homeowners and occupants of the property in the vicinity of those risks and provide a written disclosure of those risks to all potential homeowners.
4. Given the past reported flooding problems due to the existence of a reservoir above the proposed subdivision, appropriate measures should be taken to minimize future flooding of the area and a disclosure of the risks posed by the existence of the reservoir should be provided to all potential homeowners.

Should you have any questions, please call me at 587-0426.



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

June 22, 2009

MEMORANDUM

TO: **DLNR Agencies:**
 Div. of Aquatic Resources
 Div. of Boating & Ocean Recreation
 Engineering Division
 Div. of Forestry & Wildlife
 Div. of State Parks
 Commission on Water Resource Management
 Office of Conservation & Coastal Lands
 Land Division -

RECEIVED
LAND DIVISION
JUL 16 A 10:51
MAIL ROOM

FROM: *MM* Morris M. Atta *Atta*
SUBJECT: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project
LOCATION: Maalaea, Maui
APPLICANT: Department of Housing & Human Concerns

Transmitted for your review and comment on the above referenced document. We would appreciate your comments on this document. Please submit any comments by July 20, 2009.

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 my office at 587-0433. Thank you.

Attachments

- We have no objections.
- We have no comments.
- Comments are attached.

Signed: *Cait Speiser*
Date: 7/14/09

09 JUN 23 AM 09:29 ENGINEERING

DEPARTMENT OF LAND AND NATURAL RESOURCES
ENGINEERING DIVISION

LD/MorrisAtta
REF.: EISPNOhanaKaiVillageHousing
Maui.467

COMMENTS

- (X) We confirm that the project site, according to the revised Flood Insurance Rate Map (FIRM), is located in Zones B and C. The Flood Insurance Program does not have any regulations for developments within Zones B and C.
- () Please take note that the project site, according to the Flood Insurance Rate Map (FIRM), is located in Zone.
- () Please note that the correct Flood Zone Designation for the project site according to the Flood Insurance Rate Map (FIRM) is ____.
- () Please note that the project must comply with the rules and regulations of the National Flood Insurance Program (NFIP) presented in Title 44 of the Code of Federal Regulations (44CFR), whenever development within a Special Flood Hazard Area is undertaken. If there are any questions, please contact the State NFIP Coordinator, Ms. Carol Tyau-Beam, of the Department of Land and Natural Resources, Engineering Division at (808) 587-0267.

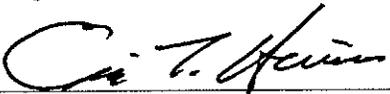
Please be advised that 44CFR indicates the minimum standards set forth by the NFIP. Your Community's local flood ordinance may prove to be more restrictive and thus take precedence over the minimum NFIP standards. If there are questions regarding the local flood ordinances, please contact the applicable County NFIP Coordinators below:

- () Mr. Robert Sumimoto at (808) 768-8097 or Mr. Mario Siu Li at (808) 768-8098 of the City and County of Honolulu, Department of Planning and Permitting.
 - () Mr. Kelly Gomes at (808) 961-8327 (Hilo) or Mr. Kiran Emler at (808) 327-3530 (Kona) of the County of Hawaii, Department of Public Works.
 - () Mr. Francis Cerizo at (808) 270-7771 of the County of Maui, Department of Planning.
 - () Mr. Mario Antonio at (808) 241-6620 of the County of Kauai, Department of Public Works.
- () The applicant should include water demands and infrastructure required to meet project needs. Please note that projects within State lands requiring water service from the Honolulu Board of Water Supply system will be required to pay a resource development charge, in addition to Water Facilities Charges for transmission and daily storage.
 - () The applicant should provide the water demands and calculations to the Engineering Division so it can be included in the State Water Projects Plan Update.

- () Additional Comments: _____

- () Other: _____

Should you have any questions, please call Ms. Suzie Agraan of the Planning Branch at 587-0258.

Signed: 
ERIC T. HIRANO, CHIEF ENGINEER

Date: 2/14/09



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Morris Atta, Administrator
Land Division
Department of Land and Natural Resources
State of Hawai'i
P.O. Box 621
Honolulu, Hawaii 96809

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Atta:

Thank you for your letters of July 22, 2009 and August 3, 2009, providing comments from the Engineering Division, Division of Aquatic Resources, and Land Division on the Draft Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

On behalf of MVI, LLC, we would like to offer the following in response to the comments noted in your letters:

ENGINEERING DIVISION

We appreciate the information provided regarding the flood zone designation of the property. This information will be included in the Draft Environmental Impact Statement (EIS).

DIVISION OF AQUATIC RESOURCES

The following responses have been arranged in order of the subject matter of the comments presented by the Division of Aquatic Resources:

- **Water System**

Comment: *Please identify where new sources of water will be provided for this development.*

Response: The Ohana Kai Village Affordable Housing Project will include a new private water supply system to meet the peak water service requirements of the proposed subdivision. The system proposes the use of the Waikapu Aquifer as a source and will consist of three (3) groundwater wells (Pohakea Wells 4930-01, 4930-02 and 4930-03), two (2) 750,000 gallon water storage tanks and associated infrastructure. A Preliminary Engineering Report has been completed for the subject project by Otomo Engineering, Inc. A copy of the PER will be included in the Draft EIS along with water use estimations for the subdivision.

- **Wastewater System**

Comment: *There should be no further cesspools or injection wells for disposal of treated effluent from developments. Continued injection of effluent has significantly impacted the ecological balance in near shore waters around Maui. Frequent algae blooms and the establishment of introduced algae are being fed by these nutrients. Unless nutrients are significantly reduced, algae will continue to dominate the coral reefs.*

Response: The applicant is proposing to construct a privately owned and operated Wastewater Treatment Plant (WTP) as part of the proposed project. This WTP will service 100 percent of the wastewater treatment needs of the subdivision's residents and will produce R-1 (highest quality of treated effluent) and R-2 water using advanced treatment technologies. MVI, LLC recognizes the importance of preserving Maui's precious water supplies and as such, is proposing to reuse the R-1 water from the WTP for irrigation of common landscaped and open space areas within and around the development (primary disposal method).

The injection wells for the proposed WTP are required by State Department of Health (DOH) standards and will provide a back-up method of dispersal during times of high rainfall (anticipated during the rainy months of December through April) when effluent reuse opportunities are limited. Given the limited use for backup purposes, these wells are not anticipated to present significant impacts to groundwater and ocean resources.

- **Drainage System**

Comment: *(P. 57) A comprehensive drainage plan is planned in the Draft EIS. Drainage runoff should not be allowed to significantly impact downstream properties or allowed to overflow by a storm drain system into the ocean.*

Response: A comprehensive drainage system has been designed for the proposed project to retain all project generated increases in storm runoff and ensure that there are no impacts on downstream properties or to coastal water quality within Maalaea Bay. A

Preliminary Drainage Report (PDR) has been prepared for the project by Otomo Engineering, Inc. A copy of the PDR, as well as a description of the drainage system will be included in the Draft EIS document.

- **Project Fit with Neighboring Properties**

Comment: *How will this project fit with neighboring developments? What will this project provide, share or improve for general public access, cultural/historic sites, and activities?*

Response: The proposed project consists of development of a master-planned residential community with ancillary commercial and public/quasi-public land uses at a site (Project District 12) identified by the Kihei-Makena Community Plan as an appropriate location for urban growth. The project site is located in an area characterized by adjacent urban land uses, both residential and commercial in nature, including Maalaea Commercial Triangle, Maalaea Small Boat Harbor, and the condominiums and single-family residences along Hauoli Street. Necessary engineering infrastructure systems and services to serve the project will be developed by the applicant as part of project implementation. The proposed Wastewater Treatment Plant (WTP) and comprehensive drainage system will present an opportunity to improve existing environmental conditions within the Maalaea community.

With respect to recreational facilities, the proposed Ohana Kai Village project has been master-planned to meet the intent of the recommended spatial allocations for Project District 12 (as contained within the 1998 Kihei-Makena Community Plan). The current site plan for the project provides a 16-acre public/quasi-public site, which will include a park that will be open to and available for use by both subdivision residents and the general public, including the larger Maalaea community. MVI, LLC is also committed toward ensuring the preservation and enhancement of access opportunities to the Lahaina Pali Trail, an important cultural and recreational resource that is located along the western perimeter of the property. As such, coordination will be undertaken with the Department of Land and Natural Resources to ensure that appropriate design considerations, such as parking facilities, are incorporated into the proposed project.

Archaeological Inventory Survey and Cultural Assessment reports have been completed by SCS Consulting, Inc. to assess potential impacts from development on historic, cultural and archaeological resources within the project site. During completion of the archaeological inventory survey, three (3) historically significant sites were identified within the property. The first (State Site No. 50-50-09-5657) consists of 13 clearing mounds spread out within the northern 20 percent of the site. Although the exterior of the mounds was likely deposited via modern machinery, the interior is possibly more historic, dating back to initial clearing of the land for sugarcane cultivation. The second site (State Site No. 50-50-09-5658) comprises dozens of irrigation modifications to two

(2) of the four (4) drainage gulches that run through the project site. These modifications are also associated with the beginning of sugarcane cultivation on the property in the early 20th century. The third and final site (State Site No. 50-50-09-5659) consists of a dirt road, approximately 4.0 meters wide, that follows the mauka perimeter of the subject property. The road is probably an original route that allowed cane hauling and cultivation activities within the internal portions of the property.

All three (3) of the aforementioned sites located in the survey were determined, according to the criteria for the State and National Register of Historic Places, to be significant under Criterion "D" as sites that have yielded or have the potential to yield information important in prehistory or history. As recommended by the State Historic Preservation Division, an archeologist will be on site during leveling of a minimum of four (4) of the thirteen (13) clearing mounds located within State Site No. 50-50-09-5657, in order to assess whether or not historic and/or prehistoric features or artifacts are present within or under the mounds. No further archaeological work is required for the remaining two (2) sites (State Site No. 50-50-09-5658 and State Site No. 50-50-09-5659). The Archaeological Inventory Survey was accepted by the State Historic Preservation Division on June 29, 2005. An archaeological monitoring plan has also been approved by SHPD for the project. With implementation of the monitoring program, there are no significant impacts to cultural or historic resources anticipated with implementation of the proposed project.

The foregoing information will be included in the Draft EIS.

LAND DIVISION

Comment: *Require a slope study to determine the risks of rockfalls or landslides if any portion of the subdivision or development project includes hillsides or cliffs with a slope grade of 20% or greater.*

Response: Review of topographic conditions within the subject property confirms that the average slope across the site is approximately 5.5 percent. Upon completion of mass grading activities for the project, the profile of the property will be such that, there will be no slopes exceeding 20 percent at any location within the project. It is, therefore, anticipated that completion of a slope study will not be necessary for the project to proceed.

Comment: *If any adjacent property includes hillsides or cliffs with a slope grade of 20% or greater, require a risk assessment to determine whether and to what extent the conditions on the adjacent property poses a risk of harm to the proposed subdivision, development, future homeowners, or occupants thereof; and*

If a rockfall or landslide risk is determined or is suspected to exist, create a hazard

buffer zone or implement other appropriate mitigation measures in areas susceptible to such hazards that is of sufficient width to protect the health and safety of future homeowners and occupants of the property in the vicinity of those risks and provide a written disclosure of those risks to all potential homeowners.

Response: The subject property is bordered to the west by large acreages of State Conservation District lands which are the beginning of the foothills of the West Maui mountain range. These Conservation lands gradually increase in slope and elevation from the property boundary towards the west. Based on preliminary review of the topographic conditions, it is estimated that the slope of these lands within the immediate vicinity of the boundary of the subject property ranges from 10 to 15 percent. Given the relatively low slope profile along the boundary of the property, the relatively low average annual rainfall in the Ma'alaea area and the absence of evidence of substantial landslides or rockfalls in the area, it is anticipated that a risk assessment will not be required for the proposed development.

Comment: *Given the past reported flooding problems due to the existence of a reservoir above the proposed subdivision, appropriate measures should be taken to minimize future flooding of the area and a disclosure of the risks posed by the existence of the reservoir should be provided to all potential homeowners.*

Response: The Ohana Kai Village subdivision will be designed with a comprehensive drainage system to retain all project generated increases in run-off such to ensure that there are no impacts on downstream properties or to water quality within Maalaea Bay. The reservoir noted in your comment is adjacent to the well and water tank site for the proposed project, which is situated at an offsite location approximately 2,300 feet to the north of the project site. In the event of a substantial release from this reservoir, the water would be expected to follow the natural contours and gulches of the agricultural land which sits directly beneath or downstream of this facility and would not be anticipated to impact the proposed subdivision.

We appreciate the input from your office. A copy of the Draft EIS will be provided to you for review and comment.

Morris Atta
Page 6
October 29, 2009

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

STATE HISTORIC PRESERVATION DIVISION
601 KAMOKILA BOULEVARD, ROOM 555
KAPOLEI, HAWAII 96707

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

August 19, 2009

Mr. Mark Alexander Roy
Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawai'i 96793
mark@mhplanning.com

LOG NO: 2009.2058
DOC NO: 0908PC57
Archaeology

SUBJECT: Chapter 6E-8 Historic Preservation Review – Environmental Impact Statement Preparation Notice for the Proposed Ohana Kai Village Affordable Housing Project Ukumehame/Waikapu Ahupua'a, Wailuku District, Island of Maui
TMK: (2) 3-6-001:018 and (2) 3-6-004:003 por.

Thank you for the opportunity to comment on the aforementioned project, correspondence for which we received on June 22, 2009. Please accept our apologies for the delay in responding.

Based on the submitted documents, the application is for the development of a 1,100 unit single family residential subdivision and related infrastructure on approximately 257 acres of land, which will include a neighborhood village-oriented town center, parks, open space and land for public/quasi-public use.

A search of our records indicates that the 257.784 acre subject parcel currently on record as TMK (2) 3-6-001:018 has been subject to an archaeological inventory survey conducted by Scientific Consultant Services, Inc. (SCS), for which a report was accepted in June of 2005 (SHPD LOG NO: 2005.1191/DOC NO: 0506MK18). Additionally, an associated monitoring plan for the same project area, also prepared by SCS, has been reviewed and accepted (SHPD LOG NO: 2008.1558; DOC NO: 0805PC40). However, this work did not include TMK (2) 3-6-004:003, a portion of which is to be used for project related infrastructure.

While it is possible that culturally or historically significant properties from the pre- and/or post-Contact periods may be present in subsurface deposits which may be exposed during the proposed work, we believe that the current project will have *no effect on historic resources* within the c. 258 acre parcel situated at TMK (2) 3-6-001:018 because it has undergone the historic preservation review process and appropriate mitigation in the form of precautionary archaeological monitoring during associated ground altering disturbance has been put in place. Please note, this statement is based on the expectation that the specified conventions of the accepted monitoring plan will be followed by the landowner/developer, respective agents and the archeological consulting firm selected to perform the monitoring and prepare the follow-up report.

However, we cannot yet state the same for proposed work within the specified portion of TMK (2) 3-6-004:003 until an archaeological inventory survey of the area of potential effect (APE) has been conducted. Therefore, upon review of any permit application forwarded to us by the County of Maui for the portion of subdivision work to be undertaken within this TMK, we will likely recommend the following:

An archaeological inventory survey shall be conducted by a qualified archaeological consultant with a report of the findings, significance assessments and recommended mitigation submitted to this office for review and acceptance prior to authorizing ground altering disturbance.

A list of those meeting the requirements to perform such work can be obtained on the SHPD's website at <http://hawaii.gov/dlnr/hpd/pdfs/2009-Permittee.pdf> or by contacting our main office at (808) 692-8015.

If you have any questions or comments regarding this letter, please contact the SHPD's Lead Maui Archaeologist, Ms. Patty Conte (Patty.J.Conte@hawaii.gov).

Aloha,



Nancy McMahon, Deputy SHPO/State Archaeologist
State Historic Preservation Division

c: Joann Ridao: joann.ridao@mauicounty.gov
Jeff Hunt, Director, Dept. of Planning, FAX (808) 270-7634

MVI, LLC
P.O. Box 97
Kihei, HI 96753

October 29, 2009

Nancy McMahon, Deputy SHPO/State Archaeologist
State Historic Preservation Division
Department of Land and Natural Resources
State of Hawaii
601 Kamokila Boulevard, Room 555
Kapolei, Hawaii 96707

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. McMahon:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated August 19, 2009, responding to our request for comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

There are three (3) parcels of land being affected by the proposed Ohana Kai Village Affordable Housing Project – TMK: (2)3-6-001:018 and TMK: (2)3-6-004:003(por) and 008 (por.). TMK: (2)3-6-001:018 is the 257-acre site of the proposed affordable housing subdivision and is referred to as the “project site” in the EISPN. The portions of TMK: (2)3-6-004:003 and 008 that will be used for the private water system for the project is, however, referred to as the utility site. The utility site will accommodate the offsite water system improvements that will provide service to the subdivision’s residences. These private water system improvements include two (2) water tanks, wells, and a transmission line (connecting the wells to the subdivision).

Archaeological Inventory Survey (AIS) reports were completed (by Scientific Consulting Services), Inc. for both TMK: (2) 3-6-001:018 (the project site) and the portion of TMK: (2) 3-6-004:003 (the utility site) being affected by the water system improvements. No new significant ground-altering improvements are proposed for the TMK (2) 3-6-004:008 (por.), which is a 10,000 square foot easement currently occupied by the existing Water Well No. 1 for the project. The following section summarizes the State Historic Preservation Division (SHPD) approval dates and associated document numbers for each of these reports:

PROJECT SITE

Nancy McMahon, Deputy SHPO/State Archaeologist
Page 2
October 28, 2009

The AIS for TMK: (2) 3-6-001:018 was approved by SHPD on June 29, 2005 (SHPD LOG NO: 2005.1191/DOC NO: 0506MK18). A monitoring plan for this property was also reviewed and approved by your office on May 22, 2008 (SHPD LOG NO:2008.1558; DOC NO: 0805PC40).

UTILITY SITE

The AIS for TMK: (2) 3-6-004:003(por.) was approved by SHPD on January 31, 2008 (SHPD LOG NO: 2007.1066/DOC NO: 08ITD20). A monitoring plan for the affected portion of the property has also been reviewed by your office and approved on April 25, 2008 (SHPD LOG NO: 2008.0423/DOC NO: 0804PC24).

Copies of the AIS reports and monitoring plans will be included in the Draft Environmental Impact Statement (EIS) along with copies of the above-noted approval letters from SHPD. A copy of the Draft EIS will be provided to your office for review and comment.

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Jesse Spencer
MVI, LLC

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Mark Alexander Roy, AICP, Munekiyo & Hiraga, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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JUL 28 2009

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

July 22, 2009

BRENNON T. MORIOKA
DIRECTOR

Deputy Directors
MICHAEL D. FORMBY
FRANCIS PAUL KEENO
BRIAN H. SEKIGUCHI
JIRO A. SUMADA

IN REPLY REFER TO:

STP 8.3345

Ms. JoAnn Ridao
Deputy Director
Department of Housing and Human Concerns
2200 Main Street
One Main Plaza Building, Suite 546
Wailuku, Hawaii 96793

Dear Ms. Ridao:

Subject: Proposed Ohana Kai Village Affordable Housing Project
Environmental Impact Statement Preparation Notice (EISPN)
TMK: 3-6-001: 018 and 3-6-004: 003 (por.)

Thank you for requesting the Department of Transportation's (DOT) review of the subject project.

The subject project will significantly impact DOT's transportation facilities (Honoapiilani Highway, Kuiheilani Highway and North Kihei Road).

The EISPN states that a Traffic Impact Analysis Report (TIAR) will be prepared and included in the forthcoming Draft Environmental Impact Statement (DEIS). The full occupancy and build-out of the project should be reflected in the project's description, as well as in the evaluation and analysis work done in the TIAR. The project's contribution to the cumulative impacts of other developments in the area should also be evaluated and included in the TIAR.

The following comments and concerns provided by the DOT Highways Division should be addressed in the TIAR and DEIS.

1. The TIAR should be prepared in conjunction with the proposed action that evaluates and assesses the potential project-generated impacts on the surrounding roadway system. The TIAR must also identify appropriate measures to mitigate the project-generated impacts. The TIAR must be submitted to and accepted by DOT as well as appropriately discussed in the DEIS.
2. The proposed development must be appropriately coordinated with DOT's Honoapiilani Highway Realignment/Widening, Launiupoko to Maalaea project. This roadway project will extend the Lahaina Bypass Road along the "pali" to connect with the existing four-lane section of Honoapiilani Highway, around the 6.03 mile point, just north of Maalaea

Road. Additional road right-of-way (ROW) will be needed for this new facility, which may require setbacks and dedication for the future highway alignment from the proposed development along the mauka side of Honoapiilani Highway. The integration of this proposed development with the planned new highway facility should be appropriately discussed in the DEIS.

3. Honoapiilani Highway is functionally classified as a principal arterial with a 45 mph speed limit in the vicinity of the proposed project. It is intended to provide efficient, fast and safe transportation between regions. Access must be managed and the number of access points must be minimized to preserve capacity and maintain safety. As such, the six proposed accesses to Honoapiilani Highway shown in Figure 4 on page 5 will not be permitted. The desired spacing between major street intersections in rural areas is 2,500 feet, resulting in a maximum of three permitted accesses to Honoapiilani Highway along the proposed development frontage. Three separate access connections to the commercial center will not be permitted. The southernmost access on Figure 4 should be off of an internal road and not from the State highway. A written request for access must be submitted to the Highways Right-of-Way Branch. Vehicular access restrictions must be placed across the remaining property frontage, except at the access permitted openings.
4. The DEIS should appropriately address transit, pedestrian and bicycle transportation activities.
5. The Highways Division occasionally treats aggressive weeds with herbicides. Although there are procedures in use for safe handling of herbicides, discussion of the effect of pesticide drift into the proposed subdivision should be included in the DEIS. Additional setbacks should be provided as a buffer to mitigate the effects or minimize the potential for pesticide or herbicide drift reaching any future homes.
6. To mitigate project-generated traffic impacts, the existing four-lane section of Honoapiilani Highway may need to be extended from its current southern terminus to south of the Maalaea Harbor entrance. Such four-lane widening may also require the dedication of additional ROWs from the development as the existing 70-foot ROW width will not accommodate the required improvements.
7. The drainage report should evaluate the capacity of all culverts crossing Honoapiilani Highway and manage and mitigate all added flows on site. No additional storm water runoff is permitted in the State highway ROW. The Highways Division Maui District Office has had complaints about flooding problems downstream of the highway in the Maalaea area.
8. Improvements within the State highway ROW must be planned, designed and constructed to meet current State requirements. A permit is required for work within the State highway ROW and construction plans must be submitted to the Highways Division Maui District Office for review and approval. A permit to work in the State ROW and

Ms. Joann Ridao
Page 3
July 22, 2009

STP 8.3345

approval of an access request should be added to Section VII, List of Permits and Approvals, under State of Hawaii.

9. All required improvements shall be provided at no cost to the State.
10. Except for the Maalaea Triangle, the development is geographically isolated, tending to generate more traffic than similar development within more urbanized locations. Schools are located three to five miles away, which may result in the development generating more trips to Waikapu, Wailuku, Kahului and Kihei that will add to congestion along adjacent arterial highways. Without an appropriate supporting hierarchy of roadways and lateral connectivity between adjoining land areas, project-generated traffic will use State arterial highways for circulation and access reducing overall regional mobility.

DOT appreciates the opportunity to provide comments and requests at least five (5) copies of the DEIS for review and further comments. If there are any questions, please contact Mr. David Shimokawa of the DOT Statewide Transportation Planning Office at telephone number (808) 587-2356.

Very truly yours,

Francis Paul Keene

for BRENNON T. MORIOKA, Ph.D., P.E.
Director of Transportation

c: Jeffrey Hunt, Maui Planning Department
Mark Alexander Roy, Munekiyo & Hiraga, Inc.



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Brennon Morioka, Ph.D., P.E., Director
Department of Transportation
State of Hawaii
869 Punchbowl Street
Honolulu, Hawaii 96813-5097

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Morioka:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated July 22, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We offer the following in response to the comments noted, which have been organized in the order that they appear in your letter:

1. A Traffic Impact Assessment Report (TIAR) has been prepared for the project by Warren Yamamoto of AECOM, Inc. The TIAR evaluated the incremental traffic impact of the proposed action on the surrounding roadway system and advances findings and recommendations regarding applicable mitigation measures that will be required to accommodate the project. The TIAR will be included in the Draft Environmental Impact Statement (EIS) and will be submitted for approval by the Department of Transportation (DOT).
2. The TIAR recommends adding a second southbound lane to Honoapiilani Highway from approximately Maalaea Road to the southern boundary of this project as a mitigating measure. This measure would create a four lane highway over the length of the project site and should complement the DOT's Honoapiilani Highway Realignment/Widening, Launiupoko to Maalaea project. The right-of-way requirements for both projects should be similar and have been accommodated in the project design. Coordination with DOT's design engineers will be undertaken as project planning proceeds to ensure that the two (2) projects are integrated. The TIAR will be included in the Draft EIS along with a discussion of the report's findings and recommendations.
3. The proposed Ohana Kai Village project is being designed to include three (3) access points onto Honoapiilani Highway, as opposed to the six (6) noted in your letter. We

apologize for the confusion that may have arisen from the interpretation of Figure 4 on Page 5 of the EISPN and will ensure that the notations on this graphic are revised prior to the publication of the Draft EIS. A written request for each of these three (3) access points will be submitted to the DOT Highways Right-of-Way Branch. Further vehicular access restrictions will be placed along the remaining property frontage as part of project development so that the ingress/egress into the subdivision is only possible through the permitted driveway openings.

4. The relationship between the proposed action and the availability and encouragement of alternative forms of transportation will be discussed in the Draft EIS.
5. We note the information that DOT occasionally utilizes pesticides and herbicides in the maintenance of highway corridors. A buffer area will be incorporated along the highway boundary of the proposed project which will also provide drainage retention function for the proposed development. The use of this linear buffer area will ensure that homes are setback at least 100 feet from the right-of-way along the highway. This separation of residences from the highway will not only minimize ambient noise impacts from vehicles using the highway but will also act to minimize the possibility of pesticide or herbicide drift into residences during times of DOT maintenance activities.
6. This issue is related to your comment No. 2. The Ohana Kai Village project intends to extend the southbound lane of Honoapiilani Highway from the current southern terminus of the four (4) lane road to the southern boundary of this project in the vicinity of the Maalaea Harbor entrance. The project will provide sufficient right-of-way for the roadway. As mentioned above, coordination with DOT's design engineers will be undertaken as project planning proceeds to ensure integration of the proposed southbound lane extension and the Honoapiilani Highway Realignment/Widening, Launiupoko to Maalaea project.
7. A Preliminary Drainage Report has been prepared for the project by Otomo Engineering, Inc., a copy of which will be included in the Draft EIS along with a discussion of pre-development and post-development storm run-off rates. A comprehensive drainage system will be designed for the project to ensure that all project-related increases in storm runoff are retained within boundaries of the subject property. Implementation of this drainage system will ensure that there are no drainage impacts on downstream properties or to water quality within Maalaea Bay.
8. The TIAR for the project includes recommendations which include project-related roadway/intersection improvements along the property's boundary with Honoapiilani Highway. MVI, LLC understands that these improvements must be planned, designed and constructed in accordance with applicable State requirements. The applicant will coordinate with DOT to ensure that the necessary permits are obtained from DOT prior to work on these improvements being initiated within the highway right-of-way.
9. MVI, LLC acknowledges that project-related roadway improvements will be provided at no cost to the State.

10. The proposed Ohana Kai Village Affordable Housing Project is being designed as a mixed use project in an effort to reduce reliance on vehicular forms of transportation and to address mobility issues that seem to be commonplace with many residential subdivisions around the State today. In addition to the proposed residential units, the land use plan for the project will also include a 7-acre village town center (commercial) component and a 16-acre public/quasi-public site, which will be used to facilitate the provision of a school facility and park within the subdivision. The school facility will provide subdivision residents with convenient access to educational opportunities whereas the park will reduce the need for residents to travel in order to engage in recreational activities such as walking or jogging. The village town center will act as an accessory component to the residential subdivision and will offer basic shops and services to families living in the area. The residential, commercial and public/quasi-public land use components will be interconnected through the installation of pedestrian pathways and bike paths throughout the development, which will further reduce the number of vehicles using the interior roadways for short trips. The foregoing design considerations are anticipated to reduce the overall number of vehicular trips coming in and out of the proposed subdivision such that there will be no significant impact on overall regional mobility.

Five (5) copies of the Draft EIS will be provided to your office for review and comment as requested. Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.
Warren Yamamoto, AECOM, Inc.

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JUL 22 2009

LINDA LINGLE
GOVERNOR

MAJOR GENERAL ROBERT G. F. LEE
DIRECTOR OF CIVIL DEFENSE

EDWARD T. TEIXEIRA
VICE DIRECTOR OF CIVIL DEFENSE



PHONE (808) 733-4300
FAX (808) 733-4287

STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE DIRECTOR OF CIVIL DEFENSE
3949 DIAMOND HEAD ROAD
HONOLULU, HAWAII 96816-4495

July 20, 2009

Ms. Lori Tsuhako, Director
Department of Housing and Human Concerns
2200 Main Street
One Main Plaza Building, Suite 546
Wailuku, Hawaii 96793

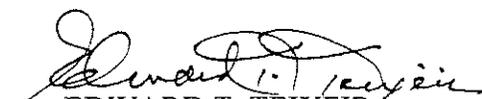
Dear Ms. Tsuhako:

Environmental Impact Statement Preparation Notice for
Proposed Ohana Kai Village Affordable Housing Project, Ma'alaea, Maui, Hawai'i

Thank you for the opportunity to comment on this development. After review of the documents you have sent for this development, we request that a five foot by five foot area be set aside in the Water Tank and Well Site for the installation of a stand-alone solar powered outdoor warning siren. We request that this siren be equipped with three directional speaker arrays rated at 121 db(c) facing north, south, and east directions. We will look forward to reading the Draft Environmental Impact Statement.

If you have any questions please call Havinne Okamura, Hazard Mitigation Planner, at (808)733-4300, extension 556.

Sincerely,


EDWARD T. TEIXEIRA
Vice Director of Civil Defense

c: Mr. Mark Alexander Roy, Munekiyo & Hiraga, Inc. ✓



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Edward Teixeira, Vice Director of Civil Defense
Attn: Havinne Okamura, Hazard Mitigation Planner
Office of the Director of Civil Defense
Department of Defense
State of Hawaii
3949 Diamond Head Road
Honolulu, Hawaii 96816-4495

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Teixeira:

Thank you for your letter, dated July 20, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We note your comment regarding the need for a stand-alone solar powered outdoor warning siren in the vicinity of the proposed Ohana Kai Affordable Housing Project. MVI, LLC will coordinate with your office as plans become more defined for the project to determine appropriate equipment specifications and location for the easement for this State-owned and operated facility.

We appreciate the input provided by your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Edward Teixeira, Vice Director of Civil Defense
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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JUL 20 2009

PHONE (808) 594-1888

FAX (808) 594-1865



STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
711 KAPI'OLANI BOULEVARD, SUITE 500
HONOLULU, HAWAII 96813

HRD09/1709D

July 14, 2009

Mark Roy
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

RE: Request for comments on the environmental impact statement preparation notice (EISPN), proposed Ohana Kai Village, Ma'alaea, Maui, TMKs 3-6-001:18, and 3-6-004:003.

Aloha e Mark Roy,

The Office of Hawaiian Affairs (OHA) is in receipt of the above-mentioned letter dated June 17, 2009. OHA has reviewed the project and offers the following comments.

While OHA is pleased to see that the affordability component of this proposal has increased, we do point out that it is essentially still the same project that generates similar concerns for us as the ones we expressed in our January 23, 2008 comment letter. (See attachment)

As such, we look forward to a treatment in the EIS of these now well-disclosed interests previously and again expressed to you as well as the opportunity to assess this proposal once more in the EIS for probable impacts to our beneficiaries. Thank you for the opportunity to comment. If you have further questions, please contact Grant Arnold by phone at (808) 594-0263 or e-mail him at granta@oha.org.

'O wau iho nō me ka 'oia'i'o,

A handwritten signature in black ink, appearing to read "Clyde W. Nāmu'o".

Clyde W. Nāmu'o
Administrator

C: OHA Maui CRC



STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
711 KAPI'OLANI BOULEVARD, SUITE 500
HONOLULU, HAWAII 96813

HRD07/1709C

January 23, 2008

Mark Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

RE: Draft Environmental Impact Statement (DEIS), Ma'alaea Mauka Residential Subdivision and Related Improvements, Ma'alaea, Maui, TMKs 3-6-001:18, and 3-6-004:003.

Dear Mr. Roy,

The Office of Hawaiian Affairs (OHA) is in receipt of your request for written comments seeking consultation for the proposed Ma'alaea Mauka Residential Subdivision and Related Improvements in Ma'alaea on Maui. After review OHA has the following comments:

OHA is unconvinced of the need for this project. A January 14, 2006 article in the Maui News reports that then Mayor Arakawa stated that his administration has estimated the need for all types of housing at 2,640 units with a long-range projection of 7,700. At that time there were approximately 38,000 units that had been proposed or approved and said that Maui could double in the next 10 years.¹ The County of Maui Department of Planning also has similar figures in 2007 showing a range of up to 54,981 units that have come to the attention of the Planning Department.²

Therefore, OHA questions the project need and statements made on page seven of the DEIS. For example,

¹ Maui News, *Maalaea Mauka Plans Unveiled*, January 14, 2006.

² See *Maui Island Development Projects Residential Developments Projects Unit Summary by Community Plan*, prepared by the Long Range Division, Department of Planning, County of Maui, 07-01-07.

Mark Roy, Project Manager
Munekiyo & Hiraga, Inc.
January 23, 2008
Page 2

The proposed action would increase the supply of available housing, including the supply of affordable housing units, at a time when housing is expensive and in short supply on Maui.

Further, DEIS on pages seven and eight states that there will be “a 4,183-unit deficit in the supply of housing units on Maui by the year 2010”. Also on page 44 the DEIS states that the “current short-term supply in Maui is approximately 2,073 units” and that the “limited supply of housing is forecasted to last approximately 2.6 years”.

The figures in the DEIS do not match the mayor’s or the Department of Planning’s figures. Of course anyone can find a statistic to support the claim that they are making, however, OHA does not wish to engage in a statistical debate. We ask for a reasonable approach towards our valued environment and how this project is suited for it and our beneficiaries needs.

OHA also notes that the applicant often states that the proposed project will provide residents new opportunities to purchase a home; however, we could not find a list of the sales prices for the units to be offered in this project.³ Nor could OHA find information about the high-end units. On page 44 of the DEIS, the applicant touts the low national interest rates and affordable “new financing options (such as interest-only loans)” that would enable first time buyers on Maui to purchase one of the applicant’s products. We all know that the economic landscape does change (and has changed) with recessions and foreclosures not allowing mortgage companies the same amount of creative “financing options” as once before and as such should not be included in the analysis for an environmental review.

OHA is doubtful of the claims that this project is for local families (our beneficiaries among them). As the applicant has touted this project as such, we had hoped to find discussions about covenants restricting vacation home buyers and short time rentals; all of which would ensure that these units are indeed for local buyers.

³ OHA did find the statement on page 41 of the DEIS that 380 units would be affordable and that 569 would be at market price, but no prices were listed for either of these.

This is important because, as the applicant notes on page 40 of the DEIS, "The presence of a high number of vacation condominiums along South Kihei Road...reflects the fact that Maui's south coast has grown to be one of the most popular tourist destinations on the State." In fact, the DEIS even points out on page 43 of the DEIS that "While owner-occupied housing constitutes approximately 57.6 percent of all occupied housing units on Maui, the percentage varies from region to region."

As such, OHA can reasonably surmise (as the applicant does) that a region that is one of the most popular tourist destinations in the State will have a less than average owner occupied housing rate. Therefore, OHA notes that the applicant cannot both propose that these units are for residents which offers a local benefit for the (affordable) housing market, and then claim that the area is mostly for tourists. In fact, the DEIS on page 43 states that, "Ma'alaea itself lacks a significant stock of permanent housing units and is characterized primarily by transitional rentals, which indicates a significantly lower rate of owner occupation than the County average."

Further, OHA fundamentally wonders at the foundational reasoning for creating a "257-acre master-planned residential community" (DEIS, page 1) with 949 units on an island in an area designated for another use, with poor drainage which is prone to flooding, already impaired nearby water bodies, and inherently limited water resources. As such, we ask that the applicant demonstrate to a high degree that this proposed project is not only needed, but also the highest and best use of these valued and limited resources.

ZONING

OHA struggles to see how the applicant can describe the project as "in keeping with the intended use of the property" (DEIS page 12) and that "will provide balance to an area currently dominated by commercial and condominium uses" (DEIS page 12). OHA struggles to see this point of view because the project area is zoned agriculture and not only has been continuously used as such, but is being used as such today.⁴ In fact, this area has a long history of such use, which the DEIS refers to on page 16, "The project area was formerly used to support the growing of sugarcane (late

⁴ The land is former sugarcane and pineapple land, has been used "for small-scale farming activities" (Appendix N, page 4), and is now being leased for cattle grazing.

1800s to 1988), pineapple (1992 to 1995) and other diversified crops (1988 to 2004).”

Indeed, not only has this project area had a functional use attesting to the high value of the agricultural lands, but large portions of it has also been defined as “Prime” agricultural lands. In fact, the majority of the project site is designated as such (see DEIS page 17). Not only that, but the applicant’s own DEIS states that, “the growth of diversified agriculture in Central Maui might be limited due to the tighter agricultural land market there.”⁵ This means that agriculture lands are especially valuable in the project area, however, OHA points out that agriculture lands are given a special status and are particularly protected, no matter where they are in this state.

Hawaii Revised Statutes section 205-2 states that, “In the establishment of agricultural districts the greatest possible protection shall be given to those lands with a high capacity for intensive cultivation”. That is exactly the kind of land that this project proposes to use and as such, OHA cannot reasonably see how this project does not run afoul of state and county land use plans, controls and policies.

OHA further understands from the DEIS that the soils under the project area are “deep and well drained and located on alluvial fans and in basins.”⁶ OHA assumes that because these lands have been so heavily used for agriculture and because the state has designated them as Prime that some of or all of the soil in the project area is classified as A or B under Hawaii Revised Statutes section 205-4.5. OHA would have hoped to find this information in the DEIS, and we seek verification on this specific point.

This is significant because A and B soil classified agriculture lands have additional layers of protection given to them in Hawaii Revised Statutes section 205-4.5 (16)(b) which does not allow a county to approve a subdivision of these lands unless subdivision is made subject to restrictions that keep them in agricultural use. Therefore, and once again, OHA asks whether or not these lands have a soil designation of A or B.

Irregardless of the soil designation, the fact that the lands that this project proposes to impact are designated agriculture and are also prime agricultural

⁵ DEIS, Appendix C, page xii.

⁶ DEIS, page 13.

lands puts them in an exceptionally protected class. Hawaii Revised Statutes section 205-41 states;

It is declared that the people of Hawaii have a substantial interest in the health and sustainability of agriculture as an industry in the State. There is a compelling state interest in conserving the State's agricultural land resource base and assuring the long-term availability of agricultural lands for agricultural use to achieve the purposes of:

- (1) Conserving and protecting agricultural lands;
- (2) Promoting diversified agriculture;
- (3) Increasing agricultural self-sufficiency; and
- (4) Assuring the availability of agriculturally suitable lands pursuant to article XI, section 3, of the Hawaii state constitution.

The lands of Ma'alaea are just the sort of lands that were intended to be protected and kept as agricultural lands. In 1961, the Committee on Lands and Natural Resources remarked that its goal in creating the State Land Use Commission was primarily to "protect productive agricultural lands...through state zoning."⁷ The high value assigned to agriculture lands was emphasized again by the 1976 legislature when they assigned Class A and B agricultural lands "additional protection...[against county approval of] agricultural subdivisions."⁸

Further, and as mentioned in Hawaii Revised Statutes section 205-41, even our state constitution emphasizes that:

The State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally

⁷ S. Stand. Comm. Rep. 850, 1st Leg., Gen. Sess. (1961), reprinted in 1961 Haw. Sen. J. 883, 883. From *Avoiding the Next Hokuli'a*, Adrienne Suarez, 27 UH L. Rev. 441.

⁸ S. Conf. Comm. Rep. 2-76, 8th Leg., Reg. Sess. (1976), reprinted in 1976 Haw. Sen. J. 836, 836. From *Avoiding the Next Hokuli'a*, Adrienne Suarez, 27 UH L. Rev. 441.

suitable lands. The legislature shall provide standards and criteria to accomplish the foregoing.

Lands identified by the State as important agricultural lands needed to fulfill the purposes above shall not be reclassified by the State or rezoned by its political subdivisions without meeting the standards and criteria established by the legislature and approved by a two-thirds vote of the body responsible for the reclassification or rezoning action.

Therefore, OHA finds that these multi-layered levels of protection afforded to these lands places upon them a very high bar for the applicant to meet in order to have them taken out of their protected status. OHA reminds the Land Use Commission to be mindful of the protected status of these lands as they debate whether or not to re-designate these prime agricultural lands to an urban status for a project that may not even be needed.

Further, OHA finds that this project is discordant with the land use plans, policies and controls designed for our state's agricultural lands.

IMPAIRED WATER QUALITY

The DIES on page 29 states that "much of the shell life in the outer bay sand bottom has declined in recent decades." Further, "[W]ater quality of northwest Ma'alaea Bay was found to be degraded and samples taken did not meet the Water Quality standards as established by the State of Hawai'i, department of health, for most nutrients, chlorophyll and turbidity." The applicant's own water quality survey reports similar findings with the addition that the waters "support almost no live coral."⁹ OHA is saddened by this.

OHA realizes that the applicant is not to blame for these poor water quality conditions; however, we do understand that the applicant proposes to dramatically impact these sensitive waters further. As such, we are surprised to read that:

⁹ DEIS, Appendix F, Executive Summary.

Overall, if BMPs (Best Management Practices) are followed and if special care is given to reduce silt-laden runoff the Maalaea Mauka development project has the potential to improve rather than degrade the nearby marine environment compared with existing land use practices at the project site.¹⁰

OHA finds this shocking for many reasons. One is because the DEIS on page 58 (as quoted on the next page) states that discharge not only runs directly into the sea from the project area, it also directly contributes to the pollution of a navigable water body. The applicant also proposes to increase the run off and sheetflow by increasing the hardscape, and to inject large amounts of water into the ground that will eventually make its way to the shoreline, thereby increasing the groundwater discharges and pollution into the water.

OHA also finds this surprising because the applicant states that existing uses at the project site consist of "portions of the project site (currently) being used for cattle grazing."¹¹ Surely a few cows cannot be the cause of the nearshore pollution. The applicant proposes that it is the underground water sources causing the pollution. Appendix F, the Water Quality and Marine Biological Resources Survey, states on the first page that the poor conditions of Ma'alaea Bay, "appear to be largely affected by groundwater inputs and not surface water run-off." If this is the case, then the applicant should not receive approval from the State Department of Health to inject 2.5 gpd (1,759 gallons per minute) at least once a month for an undetermined amount of time as mentioned in the DEIS on page 57. OHA suggests that the cause of the degraded water quality is runoff, not cows or groundwater inputs.

DRAINAGE ISSUES

OHA notes that the DEIS on page 58 states that:

Stormwater runoff from the upland drainage area also sheetflows in a southerly direction and is collected in three (3) ditches which drain into the ocean. During times of unusually high rainfall, the sediment load entering the near shore waters of Ma'alaea Bay increases substantially as a result of drainage from erosion prone upland areas.

¹⁰ Ibid., page 36.

¹¹ DEIS, page 12.

OHA was again disheartened to read on page 59 of the DEIS that, "The proposed project will increase hardscape (i.e. road pavements, sidewalks, housing) and reduce rainfall infiltration into the ground."¹² This will obviously increase the runoff into the nearshore environment, something that most applicant's are trying to avoid. This is also something that the applicants own DEIS refers to as a negative effect in the Water Quality and Marine Biological Resources Survey on page 36:

During rain events, water collects from impervious surfaces (roads, roofs, side-walks, etc.) and follows a downhill path of least resistance. Unimpeded, this run-off continues on its course to the nearshore environment where it introduces an array of land-based pollutants.

Usually OHA would offer a host of suggestions as to how an applicant can mitigate the effects of runoff, but since this applicant proposes to increase the paved surfaces (the exact opposite of our recommendations) and runoff, we are at a loss.

OHA further wonders at this logic as the applicant acknowledges not only the degraded water quality below this project area and its cause, but also the surrounding property's propensity for flooding, "Also, the Maalaea Waterfront Plaza which lies downstream from the project site has experienced flooding during large storms under existing drainage conditions."¹³

The applicant intends to reduce post-development peak flows in the Ma'alaea area by 24 percent by dumping the runoff directly into the ocean through the downstream properties.¹⁴

Essentially the applicant offers no mitigation for these effects other than BMPs and a possible drainage basin along the highway that cannot accommodate storm events. Instead, the applicant proposes to inject water

¹² This is in opposition to the Wailuku-Kahului Community Plan which strives to promote planting of trees and landscaping (DEIS, page 82) and to ensure that stormwater runoff and siltation from this project will not adversely affect the marine environment (DEIS, page 84).

¹³ DEIS, Appendix F, page 36. Appendix N, the drainage report itself also notes this effect. "The runoff from a portion of the project parcel is conveyed through this development (Maalaea Waterfront Plaza)." Page 8. Also the DEIS itself on page 58 notes this effect.

¹⁴ See, DEIS, page 109.

during peak flow events and increase the runoff from their property to the hazard of downstream residents and the environment. The proposed drainage system woefully falls short of the allowable capacities needed for this project and this area.

As such, OHA feels that this proposal will have a significant environmental effect and as proposed should not be accepted. The analysis and information provided are inadequate. OHA directs the applicant to note that any project and its potential impacts to State waters must meet the following criteria:

- Anti-degradation policy (Hawai'i Administrative Rules (HAR), Section 11-54-1.1), which requires that the existing uses and the level of water quality necessary to protect the existing uses of the receiving State water be maintained and protected.
- Designated uses (HAR, Section 11-54-3), as determined by the classification of the receiving State waters.
- Water quality criteria (HAR, Sections 11-54-4 through 11-54-8).

OHA was also disappointed by the lack of information provided about other possible Clean Water Act permits besides the National Pollution Discharge Elimination System (Section 402) and federal regimes that we see this project as possibly triggering. (See DEIS, page 97).

LIMITED WATER RESOURCES

OHA is concerned that there is not enough water in the area to sustain this project nor is there a way to transmit water to the area. OHA realizes that infrastructure capacity in the county system is not large enough to accommodate this project. Therefore, the applicant must look elsewhere to satisfy their needs.

OHA expects to find the kind of analysis that presents gallons per day (gpd) use for specified purposes in the environmental review document for projects of this type. Without it, we are not able to assess current use juxtaposed to projected uses. The applicant does give the sustainable yield of some nearby

water sources; however OHA remains unconvinced of the sustainability of these sources from the (lack of) information provided in the DEIS.

For example, what is the average use for residents in the area for potable water in gpd? Also, OHA notes that the wastewater treatment plant will produce R-1 water, but what are the projected demands for water of this type for 949 owner-occupied homes?¹⁵ There is absolutely no information provided for projected uses for such basic things as landscaping, irrigation services and fire protection services. Without this type of data, the environmental review process is inadequate, especially for a project of this size and nature, and especially in Maui County with the "Show Me the Water" bill.

The applicant needs to present analysis for their proposed infrastructure in terms of installation and construction as well as impacts on surrounding users. OHA notes that there is a nearby well in use (Pohakea #1), yet we have no understanding from the DEIS as to the source of this well and the wells that the applicant intends to use. OHA would like to know if the wells are from the same aquifer, what kind of aquifer it is and what the designation of the aquifer is (sole source, basal, etc.). There is also no water quality analysis presented. Such basic information as the number of wells needed to meet the need for the proposed project is not presented.¹⁶

OHA argues that information provided does not allow us (or other reviewers) to perform our statutory and constitutional mandates. Further, the information that is provided shows that the proposed use of water cannot be accommodated with the available water source, is not a reasonable-beneficial use, is inconsistent with the public interest, and is inconsistent with state and county general plans and land use designations (especially for prime agricultural lands).

ARCHAEOLOGY

¹⁵ OHA also notes that page 55 of the DEIS states that the wastewater treatment plant will be designed for future expansion, and OHA asks why this is so, bearing in mind that segmented projects are not favored in the environmental review process. Also, if the applicant intends to expand in the area, this should be included in the DEIS under a cumulative impacts review. OHA holds the applicant to the statement made on page 62 of the DEIS: "The proposed project is not part of a larger action, nor would it occur within the context of such actions."

¹⁶ See DEIS, page 106.

OHA is skeptical of the Archaeology, Historical, and Cultural Resources section of the DEIS. It states that sites related to the property's former use supporting agriculture were found. The reason why we are skeptical is because this area was once a landing spot for Native Hawaiian war fleets and other outrigger canoes as well as the site of an old Hawaiian village.

This area has a long history of use and habitation and, therefore, must have burials and other cultural deposits. The project area is also quite large (257 acres), so the probability of finding something further increases. The idea that no burials exist on the property is not supported by the conclusion that no burials were found during surveys. Quite often new burials are found in the most urbanized settings that have been developed several times over. Therefore OHA asks that the applicant bear this in mind when redrafting the DEIS, as we recommend that the Land Use Commission (LUC) requires them to do.

OHA respectfully points out that, "[T]he LUC is required under the Hawaii Constitution to preserve and protect customary and traditional practices of Native Hawaiians."¹⁷ To carry out this affirmative duty, the LUC was directed in Ka Pa'akai to determine:

(1) the identity and scope of 'valued cultural, historical, or natural resources' in the petition area, including the extent to which traditional and customary native Hawaiian rights are exercised in the petition area;

(2) the extent to which those resources -- including traditional and customary native Hawaiian rights -- will be affected or impaired by the proposed action; and

(3) the feasible action, if any, to be taken by the LUC to reasonably protect native Hawaiian rights if they are found to exist.¹⁸

As such, OHA points out that from this document the LUC cannot determine the identity and scope of valued cultural, historical, or natural resources in the project area, including the extent to which traditional and customary

¹⁷ Ka Pa'akai O Ka 'Aina v. Land Use Comm'n, 94 Haw. 31, 45 (2000) (Ka Pa'akai).

¹⁸ Ibid. at 94 Haw. at 47

Mark Roy, Project Manager
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January 23, 2008
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Native Hawaiian rights are exercised in the petition area. Further, the extent to which those resources will be affected or impaired by the proposed action cannot be assessed nor can the feasible action to be taken to reasonably protect Native Hawaiian rights if they are found to exist be assessed from this document.

SUMMARY

OHA finds it unfathomable that the applicant states that the only two unavoidable impacts from this proposal are from noise generated during construction and air quality impacts.¹⁹ The applicant also alleges that the only irreversible and irretrievable commitment of resources includes a "small fraction" of cattle grazing land, visual impacts and traffic.²⁰ This summary in the DEIS truly sum up the applicant's lack of respect for the environmental review process. It is more than cows and traffic.

OHA recommends that the Land Use Commission (LUC) not accept this document. This project involves an irrevocable commitment to loss or destruction of important agricultural natural resources, curtails the range of beneficial uses of the environment by further and recklessly polluting our state waters, totally conflicts with state and federal long-term environmental policies or goals and guidelines, truly presents a substantial degradation of environmental quality to our nearshore waters and loss of open-space, prime agricultural lands and detrimentally affects water quality.

Thank you for the opportunity to comment. If you have any further questions or concerns please contact Grant Arnold at (808) 594-0263 or granta@oha.org.

Sincerely,



Clyde W. Nāmu'o
Administrator

¹⁹ See DEIS, page 103.

²⁰ Ibid.

Mark Roy, Project Manager
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C: Thelma Shimaoka, Community Resource Coordinator
Office of Hawaiian Affairs, Maui Office
140 Ho'ohana St., Ste. 206
Kahului, Hawai'i 96732

C: Land Use Commission
P.O. Box 2359
Honolulu HI 96804-2359

C: Clean Water Branch
Environmental Management Division
State Department of Health
P.O. Box 3378
Honolulu, HI 96801-3378

C: Office of Environmental Quality Control
235 S. Beretania St., Suite 702
Honolulu, Hawai'i 96813



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Clyde Nāmu`o, Administrator
Attention: Grant Arnold
Office of Hawaiian Affairs
State of Hawaii
711 Kapiolani Boulevard, Suite 500
Honolulu, Hawaii 96813

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Nāmu`o:

Thank you for your letter of July 14, 2009 providing comments on the Draft Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

On behalf of the applicant (MVI, LLC), we offer the following responses to the comments noted, which have been organized according to the subject matter of the applicable issues raised in your January 28, 2008 letter on the former Maalaea Mauka project:

PROJECT NEED

The proposed Ohana Kai Village Affordable Housing Project has been developed in coordination with the County of Maui, Department of Housing and Human Concerns (DHHC) and is intended to address the current shortage in affordable housing on Maui at a logical location for future residential growth. The site plan for the project has been designed to meet the intent of the recommended spatial allocations of the Project District 12 designation as reflected in the current Kihei-Makena Community Plan. As the concerns in your letter regarding the need for the project, primarily relate to population and housing growth considerations, we note that the Maui County Council is currently reviewing draft Urban Growth Boundaries (UGB) for the updated Maui County General Plan. The criteria for defining Urban Growth Boundaries will address in part, population projections, land use compatibility, housing needs by region, and relationship to surrounding natural resources. As part of its involvement in the 2030 General Plan Update process, MVI, LLC has submitted a formal request to the Department of

Planning asking that the subject property (designated as Project District 12 in the 1998 Kihei-Makena Community Plan) continue to be reflected as a future urban growth area for the Maalaea community. Development plans for the property have also been discussed with both the General Plan Advisory Committee and the Maui Planning Commission during landowner presentations held as part of the General Plan process on September 20, 2007 and July 21, 2009. MVI, LLC will continue to work alongside the Department of Planning, and the County Council as work on the draft Maui Island Plan proceeds.

A Market Study has been prepared for the proposed Ohana Kai Village Project by ACM Consultants, Inc. This study analyzed trends in the supply and demand for housing units and advances findings relative to the projected absorption rates for the affordable housing inventory that will be brought to market through implementation of the subject project. A copy of this Market Study and a discussion of its findings will be included in the Draft Environmental Impact Statement (EIS).

AFFORDABLE HOUSING PROGRAM

As noted above, the proposed project is intended to serve the affordable housing needs of Maui's working families. A description of the affordable housing program (including projected sales prices) will be included in the Draft EIS. MVI, LLC will continue to work alongside the DHHC to formulate an affordable housing agreement and marketing program for the project.

TRANSIENT VACATION RENTALS

Given that the proposed project has been designed to provide affordable housing opportunities for Maui County residents, transient vacation rentals will not be permitted within the proposed subdivision.

ENTITLEMENT REQUIREMENTS

The subject property is designated in the current Kihei-Makena Community Plan as Project District 12, an area which has been designated by the community as an appropriate area for future residential growth. The property is, however, designated "Agricultural" by both the State Land Use Commission and Maui County Zoning and will require the processing of the following land use entitlement approvals for the affordable housing project to proceed:

- **County 201H Application**

The proposed Ohana Kai Village project has been developed to meet the criteria for a Section 201H-38, Hawai'i Revised Statutes (HRS) project in coordination

with the County of Maui's DHHC. Section 201H-38, HRS promotes the delivery of affordable housing by allowing the exemption of 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."

As such, a Section 201H-38, HRS application will be filed with the Maui County Council to seek exemptions from the Community Plan Amendment, Change in Zoning, and Project District processes, as well as other County requirements to support the timely implementation of the project, without compromising public health, safety or welfare considerations.

- **State 201H District Boundary Amendment Petition**

The current State Land Use designation for the project site is "Agricultural". Concurrent with the County's 201H-38, HRS processing, a petition for a State Land Use Commission (SLUC) District Boundary Amendment (DBA) from the "Agricultural" to the "Urban" District will be submitted for processing. The SLUC petition will encompass the entire 257-acre project site and will follow the provisions of Section 15-15-97 of the Land Use Commission Rules, pertaining to Section 201H-38, HRS processing.

COMMENTS RELATING TO AGRICULTURAL LANDS

We note your office's concerns regarding the loss of agricultural lands that will result from implementation of the proposed project. The findings of the Agricultural Impact Assessment, prepared by Dr. Bruce Plasch of Decision Analysts Hawaii, Inc., indicate that development on the property would not significantly impact the availability of agricultural lands on Maui Island. In the last 30 years, the closures of Wailuku Sugar and Pioneer Mill have taken significant acreages of land out of commercial sugarcane cultivation. These actions have greatly increased the supply of non-sugar based agricultural lands and much of these former plantation lands remain fallow. In this regard, salient factors facing the agricultural industry today include the market demand for products (access to markets and local purchasing patterns) and the overall profitability of crops grown in Hawaii. In evaluating the conversion of underutilized agricultural lands against the prospect of providing affordable housing for Maui's working families who will play an integral role in sustaining the local economy, the latter is anticipated to result in greater long-term productivity for the region. A copy of the Agricultural Impact Assessment report for the property will be included in the Draft EIS along with a discussion of its findings in relation to applicable State and County policies.

As discussed previously in this letter, MVI, LLC will be submitting an application to the Land Use Commission (LUC) (in accordance with Section 15-15-97 of the Land Use Commission Rules pertaining to Section 201H-38, HRS processing) requesting that the subject property be reclassified to the Urban District. An analysis of the LUC criteria for requesting reclassification of State designated lands, as well as responses to each criterion, will be included in the Draft EIS.

Finally, information regarding soil quality (including associations, types, and productivity ratings) for the subject property will be included in the Draft EIS as requested.

DRAINAGE AND COASTAL WATER QUALITY

We note your office's comments pertaining to existing drainage and water quality issues within the Maalaea area. A Preliminary Drainage Report (PDR) has been prepared for the proposed project which compares existing drainage conditions with the proposed finished drainage conditions for the subdivision. A copy of the PDR will be included in the Draft EIS along with a discussion of pre-development and post-development run-off rates and a conceptual description of the proposed master drainage system for the project. The drainage system will contain a series of retention basins in the 100 ft. buffer area along Honoapiilani Highway that will be sized to retain all project-generated increase in run-off on the property such that there will be no adverse impacts on downstream properties or to water quality within Maalaea Bay. The onsite drainage basins will also act to reduce the amount of suspended sediment present within the runoff flowing across the project site.

In regards to wastewater infrastructure, the applicant is proposing to construct a privately owned and operated Wastewater Treatment Plant (WTP) as part of the proposed project. A Preliminary Engineering Report (PER) has been prepared for the WTP, a copy of which will be included in the Draft EIS along with a description of the proposed facility. The WTP will be designed to service 100 percent of the wastewater treatment needs of the subdivision's residents and will produce both R-1 and R-2 water using advanced treatment technologies. MVI, LLC recognizes the importance of preserving Maui's precious water resources and as such, is proposing to reuse the R-1 and R-2 water from the WTP for irrigation of common landscaped and open space areas within and around the development. Injection wells will also be required in the design of the WTP in accordance with DOH requirements. These wells are required to be utilized by DOH during times of high rainfall (anticipated to be during the rainy months of December through April) when R-1 and R-2 reuse opportunities are limited.

WATER SUPPLY CONSIDERATIONS

The applicant understands the importance of planning for the long-term water needs of both the current and future generations of Maui County residents. MVI, LLC is currently

in the process of developing a private well system to service the drinking water needs of the proposed Ohana Kai Village project. This system will consist of three (3) existing wells to allow for the use of groundwater from the Waikapu Aquifer. The applicant will coordinate the planning, design, and implementation of this system in coordination with applicable agencies (including the State Department of Health and the County Department of Water Supply) to ensure that peak pumping rates are within the sustainable threshold for the aquifer. A Preliminary Engineering Report (PER) is currently being prepared for the project, which will include information on projected water demand for the subdivision. A copy of the PER will be included in the Draft EIS along with a conceptual description of the proposed water system.

ARCHAEOLOGICAL AND CULTURAL RESOURCES

We note your office's comments regarding Native Hawaiian archaeological resources and cultural practices. In regards to archaeological resources, Archaeological Inventory Surveys (AIS) for the project area have been prepared by Scientific Consulting Services, Inc. (SCS) in accordance with applicable State requirements. These AIS reports have been reviewed and approved by the Department of Land and Natural Resources (DLNR), State Historic Preservation Division (SHPD). Archaeological monitoring plans have also been prepared and approved by SHPD. These monitoring plans will be implemented prior to the initiation of ground-altering work for the project. In accordance with Section 6E-43.6, Hawai'i Revised Statutes and Chapter 13-300, Hawai'i Administrative Rules, should any significant cultural deposits or human skeletal remains be encountered during ground altering activities, work will stop in the immediate vicinity of the find and the SHPD will be contacted to establish the appropriate level of mitigation. Copies of the AIS reports, monitoring plans, and applicable SHPD approval letters, will be included in the Draft EIS for the project along with a discussion of the findings and recommendations of the reports.

Recognizing the potential for cultural practices within the vicinity of the subject property, a Cultural Impact Assessment (CIA) report has also been prepared by SCS. The findings of the CIA indicate that there is no evidence of existing cultural practices within the project area. This is mainly due to the former use of the property for commercial agricultural uses. Project implementation is, therefore, not anticipated to impact any existing cultural practices. The consultant from SCS involved in the preparation of the CIA report has prepared a letter offering additional information in response to the concerns raised in your letter. See **Exhibit "A"**. A copy of the CIA report will be included in the Draft EIS.

We appreciate the input provided by your office. MVI, LLC is committed to ensuring that all aspects of the project are fully disclosed in accordance with the requirements of Chapter 343 of the Hawaii Revised Statutes (HRS) and Chapter 200 of the Hawai'i Administrative Rules (HAR). A copy of the Draft EIS will be provided to your office for

Clyde Namu'o, Administrator
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October 29, 2009

review and comment.

Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



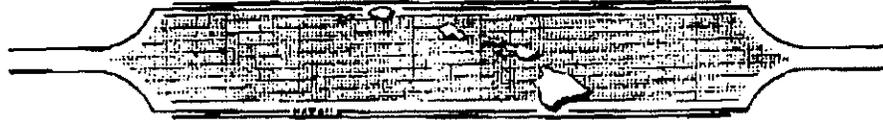
Mark Alexander Roy, AICP
Project Manager

MAR:tn
Attachment

cc: Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.
Leann McGerty, Scientific Consultant Services, Inc.

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SCIENTIFIC CONSULTANT SERVICES, Inc.



711 Kapiolani Blvd., Suite 975 Honolulu, Hawaii 96813

Mark Alexander Roy
c/o Munekiyo & Hiraga, Inc.
305 High St., Suite 104
Waikuku, Hawaii 96793

April 15, 2008

Dear Mr. Roy:

Thank you for passing on comments on our CIA, which were included in your email of April 15, 2008 regarding the statement by OHA. As you know, letters inviting consultation and suggestions for additional contacts were sent to both the Office of Hawaiian Affairs on O'ahu, and The Community Resource Coordinator for OHA on Maui, as well as the Maui Planning Department and the Central Maui Civic Club. None of the native Hawaiian organizations or governmental agencies responded to our request for additional sources of information concerning cultural activities within the project area.

In addition, archival research revealed ranching and agricultural pursuits were present in the project area, and vicinity, for the past 100 years, suggesting traditional cultural practices were not conducted in the midst of cane fields. A section of a Historical trail was noted, but had been destroyed by previous sugar cane cultivation.

If we do not receive information from the agencies and individuals we contact, the CIA will reflect that. Based on the lack of response from the native Hawaiian organizations, and governmental agencies, it was reasonable to conclude that, pursuant to Act 50, there are no native Hawaiian rights to be protected within the project area and the exercise of native Hawaiian rights, or any ethnic group would not be impacted by development. However, an indirect visual impact was mentioned as the loss of land and open spaces for the people of Hawaii continues to accelerate.

Sincerely yours,

Leann McGerty
Senior Archaeologist, SCS

Pb: 808-597-1182 SCS... SERVING ALL YOUR ARCHAEOLOGICAL NEEDS Fax: 808-597-1193

Neighbor Island Offices • Hawaii Island • Maui • Kauai

EXHIBIT A

JUL 27 2009



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Ref. No. P-12676

July 23, 2009

Mr. Mark Alexander Roy
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Roy:

Subject: Environmental Impact Statement Preparation Notice
Ohana Kai Village Affordable Housing
(formerly LUC Docket No. A06-765)
TMK(s): (2) 3-6-001:018 and 3-6-004:003 por. (257 acres)
Maalaea, Maui, Hawaii

Thank you for sending the Office of Planning (OP) the Environmental Impact Statement Preparation Notice (EISPN) for the above referenced proposal which would require the reclassification of approximately 257 acres of land from the State Agricultural District to the State Urban District. The current proposal is to develop a master planned neighborhood with 1,100 single-family residential units which would include 60 percent in the affordable range.

It is our understanding that the property was acquired by MVI, LLC on October 21, 2008, from Maalaea Properties, LLC. The original proposal submitted as State Land Use Commission Docket No. A06-765 consisted of 949 single-family and multi-family units.

The Office of Planning will be coordinating the State's position on areas of State concern. I am writing to request that the Draft Environmental Impact Statement (DEIS) consider the impacts of the proposed project on the following issues:

1. **Water Resources** – Water resource protection and water quality are critical State issues. Please discuss the water requirements of the proposed project, the proposed potable and non-potable water sources to be used for the project, and what measures are proposed to reduce water demand and promote water reuse in the project. Please identify whether the proposed project is within a designated Water Management Area, the impact of the project on the sustainable yield of affected aquifers, and the impact of the project on projected water use and system improvements contained in the County's water use and development plan.

2. **Agricultural Lands** – Preservation of important agricultural lands is a priority for the State and Counties. The EISPN states that the subject project is classified as Prime Agricultural lands according to the Agricultural Lands of Importance to the State of Hawaii (ALISH) classification system. Please discuss how the loss of these lands can be justified or how other lands of equal importance can be protected.
3. **Public Health** – Please quantify the volume of solid waste likely to be generated by the project, and describe the impact the project will have on the County’s existing and planned capacity for managing solid waste as represented in the County’s solid waste management plan. The DEIS should discuss any mitigation measures to be incorporated in the project to reduce solid waste generation. If the project will have a potential to generate hazardous materials or result in the possible contamination of the air, soil, or water, please discuss how public health and safety will be protected. Please identify and discuss any potential health and environmental threats that may be present due to contamination from past or current use of the site, including findings from Phase I or Phase II environmental site assessments conducted at the site.
4. **Cultural, Archaeological, and Historic Resources** – Please include an inventory of archaeological and historic sites on the subject property. Please also identify the status of any monitoring and preservation plans being prepared for or approved by the State Historic Preservation Division. Please identify and describe any cultural resources and cultural practices, including visual landmarks, if applicable, on the subject property and within the ahupua`a in which the property is situated. Please discuss the impact of the proposed project on identified cultural resources and practices, alternatives considered, and proposed mitigation measures.
5. **Environmental, Recreational, and Scenic Resources** – Please include an inventory of flora and fauna, including invertebrates, found on or in proximity to the project site and in any lava tubes and caves on the property. Flora and fauna of concern should not be limited to listed threatened or endangered species or those under consideration for listing, and should include those species and ecosystems identified as “rare” by The Nature Conservancy of Hawai`i. The DEIS should discuss measures to be taken to protect rare, threatened or endangered species or ecosystems of concern. You should consider in the design of your field observations including both wet and dry season surveys to capture the fullest range of flora and fauna. Please include a description of recreational uses on or near the project site. A description of scenic resources should also be included.

6. **Coastal Zone Management (CZM)** – The State oversees protection of natural, cultural, and economic resources within the coastal zone, which is defined as all lands of the State and the area extending seaward from the shoreline to the limit of the State’s police power and management authority, including the United States territorial sea (§205A-1, Hawaii Revised Statutes). Please discuss how the proposed project will balance the competing values of economic development and preservation of coastal resources, including the following CZM objective areas.

a. **Coastal and Ocean Resources** – The State has an affirmative duty to protect Hawaii’s nearshore waters. Please discuss important coastal and marine resources and ecosystems that may be impacted by the proposed project. Maalaea Bay is part of the Hawaiian Islands Humpback Whale National Marine Sanctuary to protect endangered Humpback Whales. Maalaea Small Boat Harbor is an important part of Maui’s tourism industry by promoting such activities as snorkeling, whale watching, deep sea fishing, and sunset cruises.

The subject property is located on an incline and it is likely that some degree of mass grading will be necessary. Please discuss how stormwater and wastewater generated by the project will be prevented from reducing the quality of nearshore waters.

The DEIS should discuss the impact of the project on existing site and offsite hydrology and how the project will manage stormwater and runoff. OP recommends the use of best management practices (BMP) that promote onsite infiltration and minimize runoff from storm events. More information on stormwater BMPs can be found at <http://hawaii.gov/dbedt/czm/initiative/lid.php>.

b. **Coastal and Other Hazards** – Please describe any hazard conditions that are relevant to the site, such as potential risk or harm from tsunami, hurricane, wind, storm wave, sea level rise, flood, erosion, volcanic activity, earthquake, landslide, subsidence, and point and nonpoint source pollution. Please describe the measures that are proposed to mitigate any hazard impacts.

7. **Energy Use and Impacts** – The DEIS should quantify the projected energy requirements of the project by type of use, and discuss measures to be taken to reduce energy demand, promote energy efficiency, and to promote use of alternative, renewable energy sources. OP recommends the project’s projected

energy use and performance be discussed in relation to the U.S. Green Building Council's LEED rating systems for new construction and neighborhood development, the Hawaii Built Green, and Zero-Net Energy Green Homes programs for energy efficiency. Please identify any generating or transmission capacity constraints that may arise as a result of the proposed project and other projects planned for the region. The DEIS should also discuss the degree to which the project promotes transportation energy savings for project residents and users.

8. **Impact on State Facilities** – The DEIS should include a discussion on the impacts on State-funded facilities, including schools, highways, harbors, and airports. The DEIS should cite the mitigation measures proposed to be used in the development of the project.
9. **Conformance with County Plan Designations and Urban Growth or Rural Community Boundaries** – Act 26, Session Laws of Hawaii 2008, reaffirmed the Land Use Commission's duty to consider any proposed reclassification with respect to the Counties' adopted general, community, or development plans. Thus, the DEIS should discuss the proposed project's consistency with the County land use plans. If the proposed project is not consistent with the County plans, would require a County plan amendment, or lies outside a County urban growth or rural community boundary, then the DEIS should provide an analysis and discussion of the following:
 - a. **Alternative Sites Considered** – The DEIS should describe and discuss alternative sites that were considered for the project, and discuss why the project could not be accommodated on lands within the urban growth or rural community boundary, if the County plan delineates such boundaries, or on land already designated by the County for similar uses.
 - b. **Impact on Surrounding Lands** – The DEIS should discuss what the impacts of changing the County plan designation or extending the urban growth or rural community boundary would have on the surrounding lands.
 - c. **Significant Public Benefit** – The DEIS should discuss what, if any, public benefits are provided by the proposed project above that already required under existing approval and permitting requirements.
10. **Development Timetable** – The State Land Use Commission (LUC) requires that projects seeking reclassification be substantially completed within ten years or

Mr. Mark Alexander Roy
July 23, 2009
Page 5

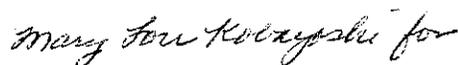
seek incremental approvals. Development of the proposed project is anticipated to take 6 years. The DEIS should reference LUC rules (Section 15-15-50, *Hawaii Administrative Rules*), and provide a schedule of development for each phase of the total project and a map showing the location and timing of each increment of development.

The Office recommends that the EA/EIS process be used as a means to identify and incorporate sustainable design and development practices, including green building practices, in the proposed project. The adoption of sustainable building and development practices has long-term environmental, social, and economic benefits to Hawaii's residents and communities. The Office of Environmental Quality Control's *Guidelines for Sustainable Building Design in Hawai'i* and the U.S. Green Building Council's (U.S. GBC) Leadership in Energy and Environmental Design (LEED) programs for new construction and its pilot program for neighborhood development (LEED-ND) offer guidelines and checklists for this purpose.

The LEED-ND rating system is especially useful in profiling how a project protects and enhances the overall health, natural environment, and quality of life of communities. The rating system provides a range of development features and strategies that promote efficient water, energy, and resource use, including waste reduction, as well as location and design elements to reduce transportation impacts. OP recommends that the DEIS include a preliminary overview of LEED features that could be incorporated into the project, based on the U.S. GBC LEED checklists available. This information would greatly aid agencies, decision makers, and the public in reviewing the project application.

The Office of Planning looks forward to receiving the DEIS with the potential impacts and mitigation measures for the above issues addressed. If you have any questions, please call Debra Mendes in the Land Use Division at 587-2840

Sincerely,



Abbey Seth Mayer
Director

c: Orlando Davidson, LUC
JoAnn Ridao, Dept. of Housing and Human Concerns



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Abbey Seth Mayer, Director
Attention: Debra Mendes
Office of Planning
Department of Business, Economic Development & Tourism
P.O. Box 2359
Honolulu, Hawaii 96804

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Mayer:

Thank you for your letter of July 23, 2009, providing comments on the Draft Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

On behalf of the applicant, MVI, LLC, we offer the following responses, which have been organized in the same order as they appear in your letter:

1. Water Resources

A private water system and Wastewater Treatment Plant (WTP) will be developed to service the drinking water and sewer requirements of land uses within the proposed subdivision. The water system proposes the use of the Waikapu Aquifer as a drinking water source from three (3) existing wells through the development of two (2) water storage tanks and associated transmission infrastructure. A Preliminary Engineering Report (PER) has been prepared for the proposed project, which includes calculations relating to water demands and sewage generation rates for the project. A conceptual description of the proposed infrastructure improvements will be included in the Draft Environmental Impact Statement (EIS) along with a copy of the PER.

MVI, LLC is currently in coordination with the State Department of Health to address applicable permitting requirements for both the drinking water system and the WTP. The applicant acknowledges the importance of planning long-term sustainable water resources for the Maui County residents and will coordinate with the County of Maui, Department of Water Supply to ensure that the proposed project be included in the Water Use and Development Plan.

2. Agricultural Lands

An Agricultural Impact Assessment report has been prepared assessing the impact of development within the subject property on the overall availability of agricultural lands in Maui County. A copy of the assessment report will be included in the Draft EIS along with a discussion of the findings.

3. Public Health

An estimate of the amount of residential solid waste attributable to the project at full build-out will be included in the Solid Waste Disposal section of the Draft EIS. The document will also include a discussion of anticipated disposal locations for waste streams generated by the project, as well as a capacity assessment using information available in the County of Maui's Solid Waste Management Plan.

Phase I and Phase II Environmental Site Assessment (ESA) reports have been completed for the project area to assess existing environmental conditions on the land. Findings of the ESA reports will be included in the Draft EIS. The potential for contamination impacts resulting from project implementation will also be assessed in this section of the Draft EIS.

4. Archaeological, Historic, and Cultural Resources

Archaeological Inventory Survey (AIS) reports have been prepared (by Scientific Consultant Services, Inc.) for the areas of land affected by the proposed Ohana Kai Village Project. These AIS reports have been submitted to and approved by the Department of Land and Natural Resources, State Historic Preservation Division (SHPD). A discussion of the findings of these surveys will be included in the Archaeological, Historical, and Cultural Resources section of the Draft EIS. Archaeological Monitoring Plans (AMP) for the project area have also been reviewed and approved by SHPD. These monitoring plans will be implemented in connection with the initiation of ground-altering activities for the project. Should an inadvertent find be encountered during project construction, work will cease in the immediate vicinity of the find and the SHPD will be contacted to establish the appropriate level of mitigation for the site.

A Cultural Impact Assessment (CIA) has also been completed to assess existing cultural practices within and in the vicinity of the project area. A discussion of the findings of this report will be included in the Archaeological, Historical, and Cultural Resources Section of the Draft EIS.

Copies of the AIS, AMP, and CIA reports will be included in the Draft EIS, along with the relevant approval letters from SHPD.

5. **Environmental, Recreational, and Scenic Resources**

A Biological Resources Survey has been completed by a qualified Environmental Consultant (Robert Hobdy) for the areas of land affected by the Ohana Kai Village Project. A copy of this survey report will be included in the Draft EIS along with a discussion of the flora, fauna and avi-fauna species identified during the field observations that were conducted, and a summary of the recommendations that were formulated on a basis of these observations.

The Draft EIS will also include a description of regional recreational and scenic resources as they pertain to the proposed development.

6. **Coastal Zone Management Objectives**

The Draft EIS will provide a full assessment of the proposed project as it relates to the CZM criteria set forth in Chapter 205, Hawaii Revised Statutes (HRS). The following information is offered in response to the specific objectives noted in your letter:

a. **Coastal Ocean Resources**

The Surrounding Land Uses section of the Draft EIS will include a reference to both the designation of Maalaea Bay as a part of the Hawaiian Islands Humpback Whale National Marine Sanctuary and the proximity of the Maalaea Small Boat Harbor to the project area. A Marine Water Quality Survey has been prepared as part of planning efforts for the subject property to assess coastal water quality inputs and current status marine resources in the Maalaea area. A copy of this report will be included in the Draft EIS, along with a summary of the findings and recommendations.

A comprehensive drainage system will be developed in conjunction with the construction of the Ohana Kai Village project. This system, consisting of a series of linear retention basins, will retain all increases in drainage run-off generated by the project, such that there will be no impacts on downstream properties or to water quality within Maalaea Bay. A program of Best

Management Practices will be prepared and approved as part of the National Pollutant Discharge Elimination System (NPDES) permit process for the project to ensure the containment of stormwater discharges onsite during the construction period. A preliminary list of BMPs applicable to the proposed project will be included in the Draft EIS.

b. Coastal and Other Hazards

An assessment of potential natural hazards affecting the project area will be included in the Draft EIS, as well as applicable mitigation measures.

7. Energy Use

MVI, LLC recognizes the importance of energy conservation initiatives, particularly in projects involving construction of affordable homes. Work is currently underway to formulate an environmental design program for the project that includes elements such as, the installation of energy star-rated appliances, solar hot-water systems and Photo-Voltaic (PV) systems. Design considerations in support of transportation energy conservation represent an integral element of this program and include the provision of onsite facilities such as, a village town center, a school and a park – all of which will be interconnected with a series of pedestrian and bicycle paths. These elements will be discussed in the Draft EIS. A review of available energy conservation resources (such as the Leadership in Energy and Environmental Design (LEED) Green Building Rating System, the OEQC Guidelines for Sustainable Building Design, and the Hawaii Built Green and Zero-Net Energy Green Homes programs) will be undertaken as project planning proceeds to identify additional sustainable design strategies that can lower the cost of home-ownership and increase the long-term affordability of units within the development.

In regards to generating and transmission capacity for the project, the Draft EIS will provide a discussion on anticipated electrical service improvements, which will include comments received from Maui Electric Company (MECO).

8. State Facilities

Impacts on State facilities affected by the proposed project will be addressed through the EIS and 201H application process. For example, a Traffic Impact Analysis Report (TIAR) has been prepared for the project to calculate traffic forecasts and assess the incremental impact of the proposed project on the State facilities in the area, including Honoapiilani Highway and Kuihelani Highway. Various improvements to roadways surrounding the project site will be necessary in order to accommodate the proposed subdivision. The TIAR and a discussion of

its findings will be presented in the Draft EIS, which will include a description of project-related roadway improvements that will be completed as part of project implementation.

In regards to impacts on State school facilities, MVI, LLV has incorporated a 16-acre public/quasi-public land use component within the master plan for Ohana Kai Village, which will include a site for a school. The provision of a school site within the boundaries of the project will alleviate the pressures on State schools in the surrounding communities and will also lessen the need to for parent's to travel in order to take their children to school. Coordination will be undertaken with the Department of Education as planning for the project proceeds to address educational impact fee requirements for the project.

This information, along with a discussion pertaining to impacts on surrounding land uses (such as the Maalaea Small Boat Harbor), will be included in the Draft EIS.

9. Community Plans

The project site for the proposed project is designated as Project District 12 in the 1998 Kihei-Makena Community Plan. The land use plan for the Ohana Kai Village has been developed to meet the intent of the recommended land use allocations set forth by the Community Plan. Although the village town center component and school site of the master plan is not included in Project District 12's land use allocation, the Section 201H application will request an exemption from the community plan amendment application and processing requirements. An analysis of the project in relation to the objectives and policies of the general plan and community plan will be presented in the Draft EIS.

The County of Maui is currently in the process of preparing an update to the General Plan. MVI, LLC is currently involved in this process and has submitted a formal request to the Department of Planning, General Plan Advisory Committee and Maui Planning Commission requesting that the project site (Project District 12) continue to be designated as a future urban growth area in the draft Maui Island Plan. A discussion of the applicant's involvement in the current 2030 General Plan Update process will be included in the Draft EIS, as will an analysis of alternatives that were considered during the formulation of the site plan for the project.

10. Development Timetable

Your comment regarding the applicable Land Use Commission rule (Section 15-15-50, Hawaii Administrative Rules) pertaining to development timeframes is noted. An anticipated development schedule and construction phasing plan will be presented in the Draft EIS document.

11. Sustainable Design Opportunities

As noted previously, MVI, LLC is in the process of developing an environmental design program for the project to enhance long-term affordability of the units within the subdivision. This program is based on review of available resources and guidance such as, the OEQC Guidelines for Sustainable Building Design in Hawai'i and the U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) programs. Resource conservation and energy efficiency measures currently being considered for the program include:

- Installation of solar hot-water heating and Photo-Voltaic (PV) systems on all new homes.
- Siting buildings to take advantage of natural features and maximize their beneficial effects by providing for solar access, daylighting, and natural cooling.
- Designing south, east, and west shading devices to minimize solar heat gain.
- Locating land uses (residential, commercial, public/quasi-public) to encourage bicycle and pedestrian access and reduce dependency on automobile use.
- Consolidating utility and infrastructure in common corridors to minimize site degradation and cost, improve efficiency, and reduce impermeable surfaces.
- Design space for recycling and waste diversion opportunities.

A summary of sustainable design strategies being considered for incorporation into the Ohana Kai Village Affordable Housing Project will be included in the Draft EIS.

Abbey Seth Mayer, Director
Page 7
October 29, 2009

We appreciate the input provided by your office. A copy of the Draft EIS will be provided to you for review and comment. Should you have any questions, please do not hesitate to contact me at (808) 244-2015.

Very truly yours,



Mark Alexander Roy, AICP, LEED AP
Project Manager

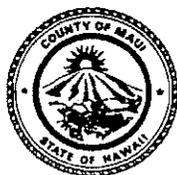
MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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JUL 17 2009

CHARMAINE TAVARES
MAYOR



200 South High Street
Wailuku, Hawaii 96793-2155
Telephone (808) 270-7855
Fax (808) 270-7870
e-mail: mayors.office@mauicounty.gov

OFFICE OF THE MAYOR
County of Maui

July 14, 2009

Mark Alexander Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawai'i 96793

**SUBJECT: ENVIRONMENTAL IMPACT STATEMENT PREPARATION
NOTICE FOR PROPOSED OHANA KAI VILLAGE AFFORDABLE
HOUSING PROJECT AT TMK (2)3-6-001:018 AND (2) 3-6-
004:003(por.), MAALAEA, MAUI, HAWAI'I**

Dear Mr. Roy:

Thank you for the opportunity to comment on the Ohana Kai Village Affordable Housing Project Environmental Impact Statement Preparation Notice. This project as with all other projects constructed in Maui County is required to comply with all State of Hawaii and County of Maui zoning ordinances including the Maui Island Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Charmaine Tavares", written in a cursive style.

CHARMAINE TAVARES
Mayor, County of Maui

CT:ry/ec

cc: JoAnn Ridao, Deputy Director, Department of Housing and Human
Concerns, County of Maui

MVI, LLC
P.O. Box 97
Kihei, HI 96753

October 29, 2009

Honorable Charmaine Tavares
Office of the Mayor
County of Maui
200 South High Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mayor Tavares:

Thank you for your letter of July 14, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

MVI, LLC acknowledges that, with the exception of specific exemptions issued through the 201H application process, the Ohana Kai Village Affordable Housing Project will be required to comply with all applicable State of Hawaii and County of Maui zoning ordinances.

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided to you for your review and comment.

Honorable Charmaine Tavares
Page 2
October 28, 2009

Should you have any questions, please do not hesitate to contact me at 249-8822.

Very truly yours,



Jesse Spencer
MVI, LLC

JS

cc: Mark Alexander Roy, Munekiyo & Hiraga, Inc.

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JUL 28 2009

CHARMAINE TAVARES
MAYOR



JEFFREY A. MURRAY
CHIEF

ROBERT M. SHIMADA
DEPUTY CHIEF

COUNTY OF MAUI
DEPARTMENT OF FIRE AND PUBLIC SAFETY
FIRE PREVENTION BUREAU

780 ALUA STREET
WAILUKU, HAWAII 96793
(808) 244-9161
FAX (808) 244-1363

July 24, 2009

Mark Alexander Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawai'i, 96793

Subject: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project at TMK: (2)3-6-001:018 and (2) 3-6-004:003(por.), Maalaea, Maui, Hawai'i

Dear Mr. Roy,

The Department of Fire and Public Safety has reviewed the information that was provided in regards to the Environmental Impact Statement Preparation Notice for the Ohana Kai Village Affordable Housing Project. At this time, we have no concerns to address, but we appreciate the opportunity to review the project. A detailed review will be conducted by our office during the subdivision application process.

Please feel free to contact Lt. Paul Haake of our Fire Prevention Bureau at 244-9161 if there are any questions or concerns regarding this subject.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Brandon", with a long horizontal flourish extending to the right.

Valerie Brandon
Firefighter I
Fire Prevention Bureau

For
Paul Haake
Lieutenant
Fire Prevention Bureau



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Paul Haake, Lieutenant
Fire Prevention Bureau
Department of Fire and Public Safety
County of Maui
780 Alua Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Haake:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated July 24, 2009, responding to our request for comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We acknowledge that a detailed review of the project will be conducted by your office during the subdivision application process.

A copy of the Draft Environmental Impact Statement (EIS) will be will be provided to your office for review and comment.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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DEPARTMENT OF
HOUSING AND HUMAN CONCERNS
COUNTY OF MAUI

JUL 01 2009

CHARMAINE TAVARES
Mayor

LORI TSUHAKO
Director

JO-ANN T. RIDAO
Deputy Director

2200 MAIN STREET • SUITE 546 • WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX (808) 270-7165
MAILING ADDRESS: 200 SOUTH HIGH STREET • WAILUKU, HAWAII 96793 • EMAIL director.hhc@mauicounty.gov

June 29, 2009

Mr. Mark Alexander Roy
Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Roy:

**SUBJECT: PROPOSED OHANA KAI VILLAGES AFFORDABLE HOUSING
PROJECT AT PROJECT DISTRICT 12 MAALAEA, MAUI**

Thank you for the opportunity to review the Draft Environmental Impact Statement Preparation Notice for the above subject project

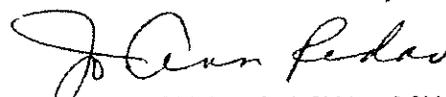
The Department of Housing and Human Concerns has conducted a review of the EISPN. A consideration in the review of the EISPN is a goal of the Department "to facilitate the development of affordable housing projects". The minimum criteria that the DHHC utilizes to determine an affordable housing project is that at least 51% of the proposed units qualify as affordable housing units.

As stated in the EISPN, the Ohana Kai Villages project intends to provide 100% of the 1,100 units to residents earning 160% and less of the Maui County median income. This project also proposes to provide 660 units to Maui County residents in the 81% to 140% median income group, with a guarantee that 80% of the first 200 units of the project be for this income group.

While this project exceeds our Department's minimum criteria for affordable housing, the current administration supports the Planning Department's policy that no projects outside of the proposed Maui Island Plan urban growth boundaries be approved.

Please do not hesitate to contact Deputy Director Jo-Ann Ridao at 270-7805 should you require further comments.

Sincerely,



LORI TSUHAKO, LSW, ACSW
Director of Housing and Human Concerns

xc: Mayor Charmaine Tavares
Housing Division



DEPARTMENT OF
HOUSING AND HUMAN CONCERNS
COUNTY OF MAUI

CHARMAINE EWARES
Mayor

LORI TSUHAKO
Director

JO-ANN I. RIDAO
Deputy Director

2200 MAIN STREET • SUITE 546 • WAILUKU, HAWAII 96793 • PHONE (808) 270-7805 • FAX (808) 270-7165
MAILING ADDRESS: 200 SOUTH HIGH STREET • WAILUKU, HAWAII 96793 • EMAIL director.hhc@mauicounty.gov

July 20, 2009

Mr. Jesse Spencer
President
Spencer Homes, Inc.
P. O. Box 97
Kihei, Hawaii 96753

Dear Mr. Spencer:

**SUBJECT: PROPOSED OHANA KAI VILLAGE AFFORDABLE HOUSING
PROJECT AT PROJECT DISTRICT 12 MAALAEA, MAUI**

Thank you for your letter dated July 7, 2009 requesting clarification of the Department of Housing and Human Concerns' position regarding the above subject project.

It is the Department's understanding that Spencer Homes proposes to develop the Ohana Kai Village project utilizing the Hawaii Revised Statutes 201-H application process.

The Department of Housing and Human Concerns' guidelines for sponsorship of 201-H applications (and forwarding to the County Council for review) requires that at least 51% of the proposed units must qualify as affordable housing units. In addition, these units must be affordable to persons/families whose income is 120% or less of Maui County's median annual income.

Based on the information provided by Spencer Homes, Inc. regarding the Ohana Kai Village affordable housing project at Maalaea, Maui, this project meets the above criteria. For this reason, the Department of Housing and Human concerns is in support of the Ohana Kai project as fulfilling part of the affordable housing needs of Maui residents.

Please do not hesitate to contact Ms. Jo-Ann Ridao, Deputy Director at 270-7805 should you have additional questions.

Sincerely,

LORI TSUHAKO, LSW, ACSW
Director of Housing and Human Concerns

TO SUPPORT AND EMPOWER OUR COMMUNITY TO REACH ITS FULLEST POTENTIAL
FOR PERSONAL WELL-BEING AND SELF-RELIANCE.



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Lori Tsuhako, Director
Attn: Jo-Ann Ridao, Deputy Director
Department of Housing and Human Concerns
County of Maui
2200 Main Street, Suite 546
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Tsuhako:

Thank you for your letters dated June 29, 2009 and July 20, 2009 providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We note the determination from your office that the proposed plans meet the minimum criteria for sponsorship of a 201-H application and that the department is in support of the Ohana Kai Village project as fulfilling part of the affordable housing needs of Maui residents.

As part of its involvement in the 2030 General Plan Update process, MVI, LLC has submitted a formal request to the Department of Planning asking that the subject property (designated as Project District 12 in the 1998 Kihei-Makena Community Plan) continue to be reflected as a future urban growth area for the Maalaea community. Development plans for the property have also been discussed with both the General Plan Advisory Committee and the Maui Planning Commission during landowner presentations held as part of the General Plan process on September 20, 2007 and July 21, 2009. MVI, LLC will continue to work alongside the Department of Planning and the County Council during the review of the draft Maui Island Plan.

We appreciate the input provided by your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Lori Tsuhako, Director
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

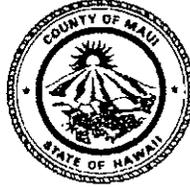
MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Blaine Kobayashi, Carlsmith Ball LLP

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JUL 20 2009

CHARMAINE TAVARES
Mayor



TAMARA HORCAJO
Director

ZACHARY Z. HELM
Deputy Director

(808) 270-7230
Fax (808) 270-7934

DEPARTMENT OF PARKS & RECREATION
700 Hali'a Nakoa Street, Unit 2, Wailuku, Hawaii 96793

July 13, 2009

Mr. Mark Alexander Roy
Munekiyo & Hiraga, Inc.
305 High St., Suite 104
Wailuku, HI 96793

SUBJECT: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project at TMK: (2) 3-6-001:018 and (2) 3-6-004:003 (por.), Maalaea, Maui, Hawaii

Dear Mr. Roy,

Thank you for the opportunity to review and comment on the subject project. Based on the County Ordinance regarding Residential Workforce Housing, for a project consisting of 1,100 units with 60% workforce housing, the required dedication of park land would be 8.83 Acres. We would recommend meeting with Patrick Matsui, Chief of Parks Planning and Development, to discuss the specific size and location of the Park, as it would be required to include restrooms, parking, grassing and irrigation within the design of the Park.

We look forward to reviewing the forthcoming EIS report and discussing with you the implementation of the Park within your project.

Please feel free to contact me or Patrick Matsui, Chief of Parks Planning and Development, at 270-7931 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Tamara Horcajo".

TAMARA HORCAJO
Director of Parks & Recreation

cc: JoAnn Ridao, County of Maui, Department of Housing and Human Concerns
Patrick Matsui, Chief of Planning and Development

TH:PM:ca
S:\PLANNING\CSA\County Reviews\EA Reviews\Ohana Kai EIS Prep.doc



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Tamara Horcajo, Director
Department of Parks and Recreation
County of Maui
700 Halia Nakoia Street, Unit 2
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Horcajo:

Thank you for your letter of July 13, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We note your comment that the proposed Ohana Kai Village is subject to a parks and playgrounds assessment requirement of 8.83 acres.

MVI, LLC will continue to work with department staff during the subdivision and engineering plans preparation phase of work to discuss design requirements for the park that will be located within the proposed project.

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided to you for review and comment.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

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CHARMAINE TAVARES
Mayor

JEFFREY S. HUNT
Director

KATHLEEN ROSS AOKI
Deputy Director



JUL 28 2009

COUNTY OF MAUI
DEPARTMENT OF PLANNING

July 21, 2009

Ms. JoAnn Ridao, Deputy Director
Department of Housing and Human Concerns
One Main Plaza Building
2200 Main Street, Suite 546
Wailuku, Hawaii 96793

Mr. Mark Alexander Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Ms. Ridao and Mr. Roy:

**SUBJECT: ENVIRONMENTAL IMPACT STATEMENT (EIS) PREPARATION
NOTICE COMMENTS IN PREPARATION OF A DRAFT EIS FOR
THE PROPOSED OHANA KAI VILLAGE AFFORDABLE
HOUSING PROJECT, LOCATED AT ISLAND OF MAUI,
HAWAII, TMK: (2) 3-6-001:018 AND (2) 3-6-004:003 (POR.)
(EAC 2009/0026)**

The Department of Planning (Department) is in receipt of the above-referenced document for the proposed Ohana Kai Village Affordable Housing Project. The Department understands the proposed action includes the following:

- The Applicant is MVI, LLC;
- The Applicant is requesting to develop a Single-Family residential subdivision comprised of approximately 1,100 Single-Family dwellings and associated improvements on approximately 257 acres of land;
- Of the approximate 1,100 Single-Family dwellings, 60 percent will be affordable units for Below Moderate to Above Moderate median income group (81 percent to 140 percent) as set forth by the Department of Housing and Human Concerns;
- The proposed subdivision will also include a neighborhood oriented village town center, parks, open space, and lands for other public/quasi-public uses;

Ms. JoAnn Ridao, Deputy Director
Mr. Mark Alexander Roy, Project Manager
July 21, 2009
Page 2

- A private wastewater treatment facility and a private drinking water system will be developed to support the proposed project;
- The proposed project will be processed as a County 201H-38, Hawaii Revised Statutes (HRS); and
- The proposed project will require a Land Use District Boundary Amendment (DBA) from Agricultural to Urban from the State Land Use Commission. This DBA will be processed, pursuant to Section 15-15-97 of the State Land Use Commission Rules relating to Section 201H-38, HRS.

Based on the foregoing, the Department provides the following comments in preparation of the Draft EIS:

1. The land use designations for the project area are as follows:
 - a. State Land Use – Agricultural
 - b. Kihei-Makena Community Plan – Project District 12
 - c. County Zoning – Agricultural
 - d. Other – Portions of project located with the Special Management Area
2. It appears that no county lands or funding is involved with the proposed project. Please clarify why the County Department of Housing and Human Concerns is the accepting authority for the EIS and not the State Department of Transportation, State Department of Health, or the State Land Use Commission;
3. Applicant intends to set aside 60 percent of the Single-Family houses to qualified individuals in the Below Moderate to Above Moderate (81 percent to 140 percent) median income group. Please clarify how the remaining 40 percent of the Single-Family houses will be sold utilizing market demand while still providing affordability for and gap group;
4. Clarify whether ohana units will be part of the proposed project. If so, then analysis in the Draft EIS should reflect the inclusion of ohana units;
5. The Draft EIS should include a thorough discussion of the current Maui County General Plan Update;

Ms. JoAnn Ridao, Deputy Director
Mr. Mark Alexander Roy, Project Manager
July 21, 2009
Page 3

6. The proposed project is located outside of the proposed urban growth boundaries as identified in the Draft Maui Island Plan currently being reviewed by the Maui Planning Commission; and
7. In the Alternative Analysis, include going forward with the proposed project following the adoption of the Draft Maui Island Plan.

Thank you for the opportunity to comment. Please include the Department on the distribution list of the Draft EIS. Should you require further clarification, please contact Staff Planner Robyn Loudermilk by email at robyn.loudermilk@mauicounty.gov or at 270-7180.

Sincerely,

Kathleen Ross Aoki for

JEFFREY S. HUNT, AICP
Planning Director

xc: Clayton I. Yoshida, AICP, Planning Program Administrator
Robyn L. Loudermilk, Staff Planner
Long Range Division
TMK File
Project File
General File

JSH:RLL:sg

K:\WP_DOCS\PLANNING\EAC\2009\0026_OhanaKaiVillageAffordableHousing\EISPNComments.DOC



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Jeffrey Hunt, AICP, Director
Department of Planning
County of Maui
250 South High Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Hunt:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated July 21, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We offer the following in response to the comments noted, which have been organized according to the subject matter presented in your letter:

LAND USE DESIGNATIONS

We note the information provided regarding the land use designations for the property. This information will be included in the Draft Environmental Impact Statement (EIS) for the project.

ACCEPTING AUTHORITY

The proposed Ohana Kai Village project will be processed by the Department of Housing and Human Concerns (DHHC) as a qualifying affordable housing project in accordance with Section 201H-38, Hawaii Revised Statutes (HRS). As sponsoring agency for the 201H application and the first permitting agency for the project, the DHHC has determined that they will act as the Accepting Authority for the EIS.

AFFORDABLE HOUSING PROGRAM

A description of the affordable housing program will be included in the Draft EIS. MVI, LLC will continue to work alongside the DHHC to formulate an affordable housing agreement and formal selection program for the project.

ACCESSORY DWELLINGS

Accessory residential ('ohana') units will not be permitted within the proposed residential subdivision. The proposed residential subdivision will contain a total build-out of 1,100 single-family residential units.

GENERAL PLAN UPDATE 2030

As part of its involvement in the 2030 General Plan Update process, MVI, LLC has submitted a formal request to the Department of Planning asking that the subject property (designated as Project District 12 in the 1998 Kihei-Makena Community Plan) continue to be reflected as a future urban growth area for the Ma'alaea community. Development plans for the property have also been discussed with both the General Plan Advisory Committee and the Maui Planning Commission during landowner presentations held as part of the General Plan process on September 20, 2007 and July 21, 2009. MVI, LLC will continue to work alongside the Department of Planning and the County Council as work on the draft Maui Island Plan proceeds. A discussion of the 'No-Action' and "Deferred Action' alternatives will be presented in the Draft EIS which would reflect the request noted in Comment No. 7 of your letter.

MVI, LLC is committed to ensuring that all aspects of the proposed Ohana Kai Affordable Housing Project are fully disclosed in accordance with the requirements of Chapter 343, Hawaii Revised Statutes and Chapter 200, Hawaii Administrative Rules (Environmental Impact Statement Rules). A copy of the Draft EIS will be provided to your office for review and comment.

Jeffrey Hunt, AICP, Director
Page 3
October 29, 2009

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



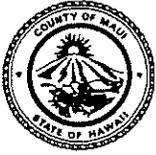
Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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JUL 27 2009



CHARMAINE TAVARES
MAYOR

OUR REFERENCE
YOUR REFERENCE

POLICE DEPARTMENT
COUNTY OF MAUI

55 MAHALANI STREET
WAILUKU, HAWAII 96793
(808) 244-6400
FAX (808) 244-6411



GARY A. YABUTA
CHIEF OF POLICE

CLAYTON N.Y.W. TOM
DEPUTY CHIEF OF POLICE

July 21, 2009

Mr. Mark Alexander Roy
Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, HI 96793

Dear Mr. Roy:

SUBJECT: EIS Preparation Notice for Proposed Ohana Kai Village Affordable Housing Project at TMK (2) 3-6-001:018 and (2) 3-6-004:003 (por.)

Thank you for your letter of June 17, 2009, requesting comments on the above subject.

We have reviewed the information submitted for this project and have enclosed a copy of our comments. Thank you for giving us the opportunity to comment on this project.

Very truly yours,

Assistant Chief Wayne T. Ribao
for: Gary A. Yabuta
Chief of Police

c: Jeffrey Hunt, Planning Department

COPY

AC 10. ~~11/11/09~~ I AGREE WITH
7/21/09 OFC BROWN. WILL
AWAIT MORE INFO.
7/20/09

TO : GARY YABUTA, CHIEF OF POLICE, COUNTY OF MAUI
VIA : CHANNELS
FROM : ALAN BROWN, POLICE OFFICER III, DISTRICT VI KIHAI
SUBJECT : PROPOSED OHANA KAI VILLAGE AFFORDABLE HOUSING
PROJECT AT TAX MAP KEY (2)3-6-001:018 AND (2)3-6-
004:003(POR), MAALAEA.

This To-From is in response to a request for pre-assessment consultation request for a proposed affordable housing project in Maalaea. This project is being proposed by MVI, LLC and will consist of approximately 1100 single family residential units on about 257 acres.

IMPACT ON POLICE:

The size of this project with 1100 units will have a definite impact on police services for the Kihei Community. According to 2000 Census Bureau data there is 6170 residential units in Kihei with a population of 16,749. This project would cause an increase in units by about 17.8% and using Census data that the average family size is 3.3 this would be a 21.6% increase to the Kihei population. Further when combined this project with other developments in the Kihei District, for instance the 600 unit A&B project in north Kihei, a definite impact will be placed upon police services.

TRAFFIC IMPACT:

At this time no traffic study has been done or submitted yet. It can only be obvious that this project will contribute heavily to traffic on Honoa Piilani Hwy.

COMMENT:

Any further comment will be held pending further information about the project.

FURTHER COMMENTS WILL BE MADE
UPON RECEIPT OF A TRAFFIC IMPACT
ANALYSIS REPORT.

Alf. A. [Signature] 07-20-09 2:09:40 hrs.

Respectfully Submitted
[Signature]
Officer Alan Brown E1505
071509 @ 1330 hrs

Note: census data came from below location
<http://censtats.census.gov/data/HI/1601536500.pdf>



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Gary Yabuta, Chief of Police
Attention: Wayne Ribao, Assistant Chief
Police Department
County of Maui
55 Mahalani Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Chief Yabuta:

Thank you for your letter of July 21, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. On behalf of the applicant, MVI, LLC, we would like to offer the following in response to the comments noted.

We note the comments made by Officer Alan Brown regarding the resource allocation challenges faced by the department in meeting the service requirements of new residential developments.

The applicant recognizes the important role played by the Maui Police Department in creating and preserving safe residential communities for island residents. As such, every effort has been and will continue to be made during project planning to incorporate elements which will reduce opportunities for criminal activities within the proposed subdivision. Particular attention will be given to the principles of Crime Prevention Through Environmental Design (CPTED) to create a community that places emphasis on a safe and crime-free atmosphere for residents and visitors alike.

A Traffic Impact Analysis Report (TIAR) has been prepared to evaluate the projected traffic contributions and advance applicable mitigation measures for the project. A copy of the TIAR will be included and discussed in the Draft Environmental Impact Statement (EIS).

Gary Yabuta, Chief of Police
Page 2
October 29, 2009

We appreciate the input from your office. A copy of the Draft EIS will be provided to you for review and comment.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

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JUL 17 2009

CHARMAINE TAVARES
Mayor

MILTON M. ARAKAWA, A.I.C.P.
Director

MICHAEL M. MIYAMOTO
Deputy Director

Telephone: (808) 270-7845
Fax: (808) 270-7955



RALPH NAGAMINE, L.S., P.E.
Development Services Administration

CARY YAMASHITA, P.E.
Engineering Division

BRIAN HASHIRO, P.E.
Highways Division

COUNTY OF MAUI
DEPARTMENT OF PUBLIC WORKS
200 SOUTH HIGH STREET, ROOM NO. 434
WAILUKU, MAUI, HAWAII 96793

July 14, 2009

Mr. Mark Alexander Roy
MUNEKIYO & HIRAGA, INC.
305 High Street, Suite 104
Wailuku, Maui, Hawaii 96793

Dear Mr. Roy:

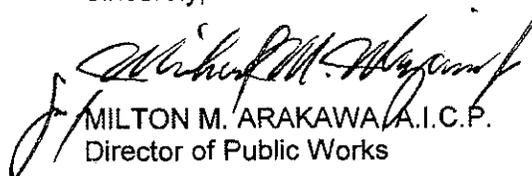
**SUBJECT: ENVIRONMENTAL IMPACT STATEMENT PREPARATION
NOTICE FOR PROPOSED OHANA KAI VILLAGE
AFFORDABLE HOUSING PROJECT; TMK (2) 3-6-001:018 AND
(2) 3-6-004:003 (POR.)**

We reviewed the subject application and have the following comments:

1. The applicant shall be responsible for all required improvements as required by Hawaii Revised Statutes, Maui County Code and rules and regulations.
2. The applicable construction plans shall be designed in conformance with Hawaii Standard Specifications for Road and Bridge Construction dated 2005 and Standard Details for Public Works Construction, 1984, as amended.
3. As applicable, worksite traffic-control plans/devices shall conform to Manual on Uniform Traffic Control Devices for Streets and Highways, 2003.

Please call Michael Miyamoto at 270-7845 if you have any questions regarding this letter.

Sincerely,


MILTON M. ARAKAWA, A.I.C.P.
Director of Public Works

MMA:MMM:ls

xc: Highways Division
Engineering Division

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MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Milton M. Arakawa, Director
Attn: Michael Miyamoto, Deputy Director
Department of Public Works
County of Maui
200 South High Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Arakawa:

Thank you for your letter of July 14, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. On behalf of MVI, LLC, we would like to offer the following responses to the comments noted:

1. Except where specifically exempted through the 201H application process, MVI, LLC will be responsible for all improvements as required by the Hawaii Revised Statutes, Maui County Code and applicable rules and regulations.
2. Construction plans for the project will be prepared in conformance with the "Hawai'i Standard Specifications for Road and Bridge Construction" (2005) and the "Standard Details for Public Works Construction" (1998 as amended).
3. Work site traffic-control plans/devices will comply with the "Manual on Uniform Traffic Control Devices for Streets and Highways" (2003).

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided to you for your review and comment.

Milton M. Arakawa, Director
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

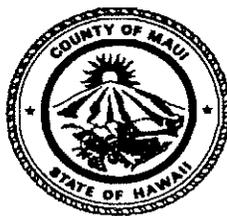
MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

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AUG 21 2009

CHARMAINE TAVARES
Mayor
CHERYL K. OKUMA, Esq.
Director
GREGG KRESGE
Deputy Director



TRACY TAKAMINE, P.E.
Solid Waste Division
DAVID TAYLOR, P.E.
Wastewater Reclamation
Division

**COUNTY OF MAUI
DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT**
2200 MAIN STREET, SUITE 100
WAILUKU, MAUI, HAWAII 96793

August 19, 2009

Mr. Mark Alexander Roy
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

**SUBJECT: OHANA KAI VILLAGE AFFORDABLE HOUSING PROJECT
EIS PREPARATION NOTICE
TMK (2) 3-6-004:003 (POR.), MAALAEA**

We reviewed the subject application and have the following comments:

1. Solid Waste Division comments:
 - a. Include a plan for construction waste recycling, reuse, disposal.
2. Wastewater Reclamation Division (WWRD) comments:
 - a. The project is outside of the County Sewer Service Area.
 - b. The Wastewater Reclamation Division will not have any responsibility for the collection, treatment or disposal of sewage, sludge, final effluent or reclaimed water from this project. The developer should work with the Department of Health for the approval of its collection system and treatment facility.
 - c. The developer should consider coordinating with the Maalaea Community and Harbor for a combined treatment facility that can accommodate the developed properties in an effort to eliminate the individual treatment systems and cesspools in the area.

If you have any questions regarding this memorandum, please contact Gregg Kresge at 270-8230.

Sincerely,

Handwritten signature of Cheryl K. Okuma in black ink.
Cheryl K. Okuma, Director



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Cheryl K. Okuma, Director
Attn: Gregg Kresge
Department of Environmental Management
County of Maui
2200 Main Street, Suite 100
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Okuma:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated August 19, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We offer the following information in response to the comments noted, which have been organized in the same order that they appear in your letter:

SOLID WASTE DIVISION COMMENTS

1. The applicant is currently in coordination with the State Department of Health (DOH) regarding disposal requirements for construction waste generated by the proposed Ohana Kai Village project. MVI, LLC recognizes the benefits of an efficient waste management program and will conduct an assessment of materials reuse and recycling opportunities prior to the initiation of construction activities for the project.

WASTEWATER RECLAMATION DIVISION COMMENTS

1. We note your comment that the subject property is located outside of the County Sewer Service Area. A private Wastewater Treatment Plant (WTP) will be developed in conjunction with the proposed Ohana Kai Village Project. The onsite WTP will meet 100% of the wastewater treatment needs of the proposed subdivision and will be privately owned, operated and maintained. A Preliminary Engineering Report has been prepared for the WTP, a copy of which will be included in the Draft Environmental Impact Statement (EIS).

Cheryl K. Okuma, Director
Page 2
October 29, 2009

2. MVI, LLC will coordinate with the DOH to address applicable permitting requirements for the development and ongoing operations of the proposed WTP.
3. A Wastewater Treatment Plant (WTP) will be developed as part of the Ohana Kai Village Project. This facility will be designed to service 100 percent of the wastewater requirements of the proposed subdivision. The WTP will produce a high quality R-1 and R-2 treated effluent and will reuse this reclaimed water for irrigation of common landscaped areas within and around the subdivision. Implementation of the WTP is intended to promote a gradual movement towards more environmentally responsible wastewater treatment practices in the Maalaea community.

A copy of the Draft EIS will be provided to your office for review and comment. Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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JUL 15 2009

JUL 15 2009

CHARMAINE TAVARES
MAYOR



DON A. MEDEIROS
Director
WAYNE A. BOTEILHO
Deputy Director
Telephone (808) 270-7511
Facsimile (808) 270-7505

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI
200 South High Street
Wailuku, Hawaii, USA 96793-2155

July 13, 2009

Mr. Mark Alexander Roy
Munekiyo & Hiraga Inc.
305 High Street, Suite 104
Wailuku, Maui, Hawaii 96793

Subject: Environmental Impact Statement Preparation Notice for Proposed
Ohana Kai Affordable Housing Project

Dear Mr. Roy,

Thank you for the opportunity to comment on this project. We have no
comments to make at this time.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Medeiros", is written over a horizontal line.

Don Medeiros
Director

CHARMAINE TAVARES
Mayor



JUL 27 2009

JEFFREY K. ENG
Director

ERIC H. YAMASHIGE, P.E., L.S.
Deputy Director

DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2155
www.mauewater.org

July 27, 2009

Mr. Mark Alexander Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, Hawaii 96793

Dear Mr. Roy:

RE: Project Name: Proposed Ohana Kai Village Affordable Housing Project
Permit I.D.: Environmental Impact Statement Preparation Notice
TMKs: (2) 3-6-001:018 and (2) 3-6-004:003 (por.)

Thank you for the opportunity to comment on this Environmental Impact Statement Preparation Notice (EISPN).

Source Availability and Consumption

The project area is served by the Central Maui system. There is currently no additional source available in the Central Maui system based on system standards.

The Draft Environmental Impact Statement should specify what sources of potable and non-potable water, if any, are anticipated to serve the project, including locations and pump capacities. We understand that the applicant intends to use Pohakea Wells 1 through 3 (4930-01, 02 and 03), to serve the project. We note that the Department of Water Supply (DWS) also has plans to utilize the Waikapu aquifer.

The applicants EISPN indicates that anticipated consumption for the project could be as much as 736,200 gallons per day (GPD). The project is located between the Ma'alaea and Waikapu areas, but closer to Ma'alaea. We estimate that consumption for the area tends to be about 800 GPD per single family unit.

Per Ordinance No. 3502, Bill No. 68, A BILL FOR AN ORDINANCE AMENDING ARTICLE 1 OF TITLE 14, MAUI COUNTY CODE, AND TITLE 18, MAUI COUNTY CODE, RELATING TO WATER AVAILABILITY, **14.12.040 Written verification of long-term, reliable supply of water** will be required before subdivision approval. In addition, **14.12.050 Director's comments on engineering reports** states that the

"By Water All Things Find Life"

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-5964 (voice and TDD)



Mr. Mark Alexander Roy
Page 2
July 27, 2009

(DWS) director shall review and comment on engineering reports during the department of health's inter-agency review period. Some of the factors to be considered include:

- The cumulative impacts;
- The general plan and relevant community plans;
- The adverse impacts on surrounding aquifers and stream systems;
- Adverse impacts on other existing, future, or planned wells
- The adverse impacts on the water needs of residents currently being served and projected to be served by the department;
- The adverse impacts on environmental resources that are rare or unique to the region and the project site.

System Infrastructure

There is a 12-inch waterline on the southernmost area of the project site.

Conservation

The Department of Water Supply (DWS) encourages the applicant to consider the following conservation measures in the project design, as well as during construction:

- Utilize reclaimed or non-potable water for dust control, irrigation and other non-potable uses.
- Water after 7:00 p.m. at night and before 10:00 a.m. in the morning.
- Utilize low-flow fixtures and devices - Maui County Code Subsection 16.20A.680 requires the use of low-flow fixtures and devices in faucets, showerheads, urinals, water closets and hose bibs. Even more efficient and consumer tested models are available. Check WaterSense listings at <http://www.epa.gov/watersense/pp/index.htm> for efficient fixture listings when buying or replacing fixtures.
- Prevent over-Watering by automated systems - Provide rain-sensors on all automated irrigation controllers. Check and reset controllers at least once a month to reflect the monthly changes in evaporation rates at the site. As an alternative, provide more automated, soil-moisture sensors on controllers.
- Maintain fixtures to prevent leaks - A simple, regular program of repair and maintenance can prevent the loss of hundreds or even thousands of gallons per day.
- Limit irrigated turf - Low-water use shrubs and ground cover can be equally attractive and require substantially less water than turf.
- Select climate adapted native plant species for landscaping - Native plants adapted to the area conserve water and protect the watershed from degradation due to invasive alien species.
- Look for opportunities to conserve water - Here are a few samples: 1) When clearing debris, use a broom instead of a hose and water; 2) Check for leaks in pipes, faucets and toilets.

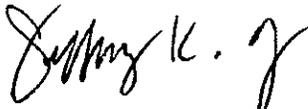
Mr. Mark Alexander Roy
Page 3
July 27, 2009

Pollution Prevention

- The southern end of the project, at its closest point, is within 830 feet of the ocean. Wastewater treatment and drainage should be carefully designed as to minimize adverse impacts to nearshore waters. The Draft EIS should address such concerns.
- The Draft EIS should note appropriate pollution prevention measures for groundwater and affected surface water bodies including those nearshore. These should include best management practices (BMPs) for construction. Please refer to the enclosed BMP "Source Water Protection Practices Bulletin - Managing Storm Water Runoff to Prevent Contamination of Drinking Water".

Should you have any questions, please contact our Water Resources & Planning Division at 244-8550.

Sincerely,



JEFFREY K. ENG, DIRECTOR

ayi

Enclosures: Maui County Planting Plan - Saving Water in the Yard - What and How to Plant in your Area
Source Water Protection Practices Bulletin - Managing Storm Water Runoff to Prevent Contamination of Drinking Water
The Costly Drip
Ordinance No. 2108 - A Bill for an Ordinance Amending Chapter 16.20 of the Maui County Code, Pertaining to the Plumbing Code

c: Engineering Division (w/out enclosures)
Ms. JoAnn Ridao, Deputy Director, Department of Housing and Human Concerns (w/out enclosures)



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Jeffrey Eng, Director
County of Maui
Department of Water Supply
200 South High Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Eng:

Thank you for your letter dated July 27, 2009 providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. On behalf of the applicant, MVI, LLC, we would like to offer the following responses to your comments, which are outlined in the same order as they appear in your letter:

Source Availability and Consumption

The Ohana Kai Village Affordable Housing project will include the development of a new privately owned and operated drinking water supply system that will meet the peak water service requirements of the proposed subdivision. The system's preliminary design proposes the use of the Waikapu aquifer as a source and will consist of three (3) wells (Pohakea Wells 4930-01, 4930-02 and 4930-03), two (2) 750,000 gallon water storage tanks and associated water transmission infrastructure. A Preliminary Engineering Report has been completed for the subject project by Otomo Engineering, Inc. As requested, a conceptual description of the proposed private water system, including estimations of potable and non-potable water use for the subject project will be included in the Draft Environmental Impact Statement (EIS).

Water Availability Review Requirements

The applicant understands the applicable requirements of Chapter 14.12 of the Maui County Code.

System Infrastructure

We acknowledge the department's determination that there is a 12-inch waterline on the southernmost side of the project site. As noted above, the proposed project will involve the development of a private water supply system to serve the drinking water requirements of residents living within the subdivision. As such, the proposed project will not require connection to the County's 12-inch waterline.

Conservation and Pollution Prevention

We acknowledge the department's comments regarding opportunities for water conservation. Opportunities for water conservation will be evaluated and integrated into project plans, where feasible, during both the planning/design and construction/engineering plans phases of work.

Appropriate Best Management Practices (BMPs) will be utilized prior to and during construction of each phase of the proposed project to prevent the potential for pollution.

A copy of the Draft EIS will be provided to your office for your review and comment. Should you have any questions or require additional information in the meantime, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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JUL 22 2009

Council Chair
G. Riki Hokama

Vice-Chair
Danny A. Mateo

Council Members
Michelle Anderson
Gladys C. Baisa
Jo Anne Johnson
Bill Kauakea Medeiros
Michael J. Molina
Joseph Pontanilla
Michael P. Victorino



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maui-county.gov/council

July 17, 2009

Department of Housing and Human Concerns
JoAnn Ridao, Deputy Director
2200 Main Street
One Main Plaza, Suite 546
Wailuku, HI 96793

Munekiyo and Hiraga, Inc.
Attention: Mark Alexander Roy, Project Manager
305 High Street, Suite 104
Wailuku, HI 96793

SUBJECT: Environmental Impact Statement Preparation Notice For Proposed Ohana Kai Village Affordable Housing Project At TMK (2)3-6-001:018 and (2)3-6-004:003(por.), Ma'alaea, Maui, Hawaii

Dear Ms. Ridao and Mr. Roy:

Thank you for the opportunity to provide early review and comments for the Environmental Impact Statement Preparation Notice for the Proposed Ohana Kai Village Affordable Housing Project At TMK (2)3-6-001:018 and (2)3-6-004:003(por.), Ma'alaea, Maui, Hawaii.

After review of the information presented, I have no specific comments at this time. I await review of the Draft EIS to identifying potential impacts and proposed mitigating measures to address development concerns (e.g.- water source for project, wastewater management, storm/construction run-off, etc.).

Sincerely,

A handwritten signature in cursive script that reads "Joseph Pontanilla".

JOSEPH PONTANILLA,
COUNCIL MEMBER



MICHAEL T. MUNEKIYD
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Councilmember Joseph Pontanilla
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Councilmember Pontanilla:

We are writing to you today, on behalf of our client, MVI, LLC, to thank you for your letter dated July 17, 2009 on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Should you have any questions or require additional information, please do not hesitate to contact me at 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

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JUN 2 9 2009

Network Engineering and Planning
OSP Engineering - Maui

Hawaiian Telcom

60 South Church St.
Wailuku, HI 96793
Phone 808 242-5102
Fax 808 242-8899

June 25, 2009

Munekiyo & Hiraga, Inc.
305 High St., Suite 104
Wailuku, HI 96793

ATTN: Mark Alexander Roy, Project Manager

SUBJECT: Proposed Ohana Kai Village Affordable Housing Project
TMK: (2) 3-6-001:018 and (2)3-6-004:003 (por.), Ma'alaea

Dear Mark,

Thank you for allowing us to review and comment on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project. Your plans have been received and put on file.

Hawaiian Telcom, Inc. has no comment, nor do we require any additional information at this time.

We look forward to receiving the EIS documents. Should you require further assistance, please call Tom Hutchison at 242-5107.

Sincerely,



Lynette Yoshida
Network Engineering Senior Manager

LY/TH/sbv

cc: JoAnn Ridao, COM Deputy Director
Engineer (BICS No. (3080) 0906-049)



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Thomas Hutchison, Engineer
Network Engineering & Planning
Hawaiian Telcom
60 South Church Street
Wailuku, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Hutchinson:

We are writing to you on behalf of the applicant, MVI, LLC, to thank you for your letter dated June 25, 2009 on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

The applicant's design team will coordinate with Hawaiian Telcom during the engineering plans preparation phase of work to ensure that all telecommunication requirements for the project are addressed.

We appreciate the input from your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided for your review and comment.

Should you have any questions, or require additional information, please do not hesitate to contact me at 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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June 25, 2009

Mr. Mark Alexander Roy, Project Manager
Munekiyo & Hiraga, Inc.
305 South High Street, Suite 104
Wailuku, Maui, Hawaii, 96793

Subject: Environmental Impact Statement Preparation Notice for Proposed Ohana Kai
Village Affordable Housing Project
TMK: (2) 3-6-001:018 and (2) 3-6-004:003(por.)
Honoapi'ilani Highway
Ma'alaea, Maui, Hawaii

Dear Mr. Roy,

Thank you for allowing us to comment on the Environmental Impact Statement Preparation Notice for the subject project.

In reviewing our records and the information received, Maui Electric Company (MECO) will be requiring access and electrical easements for our facilities to serve the subject project site. Also, State of Hawaii and County of Maui permits for work within right-of-ways may be required prior to installation of MECO's facilities. Since this project's anticipated electrical demand will have a substantial impact to our system, we highly encourage the customer's electrical consultant to submit the electrical demand requirements, project time schedule, and schedule a meeting with us as soon as practical so that service can be provided on a timely basis. MECO may need to complete system upgrades along with securing a new substation site to accommodate the anticipated electrical load.

Should you have any questions or concerns, please call me at 871-2340.

Sincerely,

A handwritten signature in black ink that reads "Ray Okazaki". The signature is fluid and cursive.

Ray Okazaki
Staff Engineer

c: Department of Housing and Human Concerns – Ms. JoAnn Ridao



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Ray Okazaki, Staff Engineer
Maui Electric Company, Ltd.
P.O. Box 398
Kahului, Hawaii 96733

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. Okazaki:

Thank you for your letter dated June 25, 2009, providing comments on the EISPN for the subject project. On behalf of the applicant, MVI, LLC, we offer the following information in response to your comments:

1. We acknowledge that Maui Electric Company, Ltd. (MECO) will require access and easements in order to provide service to the proposed project and that State of Hawai'i and County of Maui permits may be necessary for work within right-of-ways.
2. The project electrical consultant will submit electrical drawings and a project time schedule, as early as is practicable to facilitate the provision of service.
3. The applicant will coordinate with MECO to address the need for system upgrades which may be necessary to accommodate the anticipated load demand from the proposed project.

We appreciate the input provided by your office. A copy of the Draft Environmental Impact Statement (EIS) will be provided to you for review and comment.

Ray Okazaki, Staff Engineer
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Mark Alexander Roy', written over a horizontal line.

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jesse Spencer, Spencer Homes, Inc.

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JUL 02 2009



KCA

Kihei Community Association

"Working together to shape our Community's future."

July 1, 2009

Munekiyo & Hiraga, Inc.
305 High St. Ste 104
Wailuku, HI. 96793
Attn: Mr. Mark Alexander Roy, Project Mgr.

Re: EA Preparation Notice for Ohana Kai Village

Dear Mark,

We at the Kihei Community Association appreciate you keeping us abreast of this action.

As an EA is consistent with all major development in the County of Maui, we are pleased to have the opportunity to be included at the onset with respect to this proposed affordable housing project.

This developer's reputation precedes him as a pioneer in this arena.

We at the KCA look forward to meeting with you and your client in the future to discuss this project in depth. We are confident that the developer will take every precaution in this preparation process to provide the proposed affordable housing project to the community.

Please feel free to contact this office with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael C. DiBella', written over a horizontal line.

Michael C. DiBella, Planning Committee Chairman

cc: JoAnn Ridao



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Michael C. DiBella, Planning Committee Chairman
Kihei Community Association
P.O. Box 662
Kihei, Hawaii 96753

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Mr. DiBella:

I am writing today, on behalf of MVI, LLC, to thank you for your letter, dated July 1, 2009, providing comments on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

MVI, LLC is committed to ensuring that all aspects of the proposed Ohana Kai Affordable Housing Project are fully disclosed in accordance with the requirements of Chapter 343, Hawaii Revised Statutes and Chapter 200, Hawaii Administrative Rules (Environmental Impact Statement Rules).

A copy of the Draft Environmental Impact Statement (EIS) will be provided to the Kihei Community Association (KCA) for review and comment. We look forward to meeting with the KCA during the review of this document to discuss the proposed project in more detail.

Michael C. DiBella, Planning Committee Chairman
Page 2
October 29, 2009

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



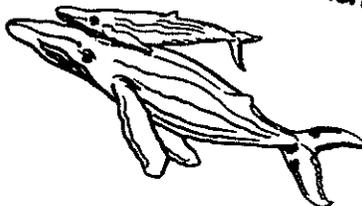
Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, County of Maui, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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Ma'alaea Community Association



50 Hau'oli Street
Ma'alaea, Maui 96793

July 20, 2009

Munekiyo & Hiraga, Inc.
Attn: Mark Alexander Roy, Project Manager
305 High Street, Suite 104
Wailuku, HI 96793

JoAnn Ridao, Deputy Director
Department of Housing and Human Concerns
2200 Main Street
One Main Plaza Building, Suite 546
Wailuku, HI 96793

SUBJECT: Environmental Impact Statement Preparation Notice, Proposed Ohana Kai Village Affordable Housing Project and Related Improvements

Dear Mr. Roy and Ms. Ridao:

The Board of Directors of the Ma'alaea Community Association has reviewed the above document and finds that it contains very little substantive information on how problems associated with other proposed projects for this location, e.g. Ma'alaea Mauka, will be mitigated. The major difference between the two projects appears to be in density. This one involves 1100 units while Ma'alaea Mauka involved "only" 950.

On virtually every issue of concern, the notice for this project states that impacts will be dealt with in the final EIS. We do not find them to be dealt with at all in the preparation notice, even though Mr. Roy is/was the consultant for both projects.

Our objections to this project remain the same as they did for Ma'alaea Mauka. I am therefore enclosing a copy of MCA's response to the EIS for Ma'alaea Mauka, along with the comments of former Councilwoman Michelle Anderson who noted serious problems with water, drainage, traffic and other issues that will result from **any** project built in this location. Please also find a copy of my testimony and that of long-time Lahaina resident, Gordon Cockett, to the Planning Commission on development projects in this area. Mr Cockett has requested that we include his objections in our response to you from MCA since they so closely parallel our own.

The Ohana Kai project will cause even more traffic problems in this already severely congested pali bottleneck that is the gateway to all of West Maui. During peak travel times, back ups are already problematical. When an accident or fire occurs on the pali, Ma'alaea residents and others sit for hours in traffic and are often unable to get home. Traffic is always closed at the North Kihei intersection. The addition of thousands of vehicles to this bottleneck—with no relief in sight—would cause extreme hazard and inconvenience to everyone who has to traverse the area or get to and from West Maui.

It should also be noted that in the case of fire, Ma'alaea residents often are placed on evacuation alert. No firebreak is identified in the pre-EIS, but even if there were a firebreak, it could never ensure that burning debris will not rain down on houses located at the base of this windy, dry, fire-prone mountain.

The Ohana Kai project will draw even more water from the unproven Waikapu aquifer and add more stress to the adjacent I'ao aquifer. No mention is made in the pre-EIS of already approved projects that will be drawing on the same water resources or how this will affect the sustainability of the mere three wells currently existing on the project land. What studies will be provided to show that the resource is sustainable in light of previously approved projects that will also be drawing from the I'ao aquifer? (Please see attachments for more info on this subject.)

The Ohana Kai project will convert prime agricultural lands into an urban center in a region of the island where there is **no** supporting infrastructure. Schools, libraries, jobs, police and fire stations, park improvements and maintenance all will have to be supplied by other entities at a time when most are being forced to close and/or cut back operations. A school site is identified in the pre-EIS but none for a police or fire station. Nor has the developer offered to provide these necessities.

It should be noted that the Kihei-Community Plan is outdated and was controversial even when adopted by a split vote of 5-4. At the time, Mayor Linda Lingle vetoed it because of the inclusion of Project Districts 11 and 12 (proposed Ohana Kai) as unsuitable sites for future development. The present and former Planning Directors as well as the General Plan Advisory Committee all have gone on record as **not** supporting urban growth in Ma'alaea. This is the wrong location for urbanization whether it involves market price or affordable housing. These lands should be kept in agriculture/open space, preserving them for future agricultural purposes as recommended by planning officials.

These lands also serve scenic purposes. If this project succeeds and opens the door to more development in this area, Maui will soon appear very urbanized to the countless tourists who come here to escape mass urbanism and experience beautiful open spaces and scenic views. This is a key corridor traversed by almost every visitor to the island. Filling it with houses backed by 6' foot tall privacy fences, as promised by the developer, will hardly serve as a scenic entrance to West Maui, a premier resort destination. These visual impacts may well cause economic impacts to our tourism industry.

The provision of 150-250 jobs over the next few years, as the developer claims, is not a fair trade off for the potential loss of millions/billions of tourist dollars. If Maui's main gateway becomes nothing but urban sprawl, these losses will likely become a certainty.

In the past, needed affordable housing on Maui has been in short supply. However, current economic conditions have changed and the pre-EIS fails to address this. It relies on 2003 data for its estimates and fails to take into account the vastly increased number of affordable units available on Maui today and anticipated to come online as already approved projects are built. The Realtors Association of Maui currently lists 1114 homes for sale at prices below \$500,000. Of these, 377 are below \$300,000. (These figures do not even include housing in foreclosure but only those listed at current market price.)

Buyers now have an unprecedented opportunity to purchase a home at an affordable price, **if financing is available**. If it is **not** available for housing already on the market, how will it be available for these 1100 **new** units?

Roughly 40,000 units of housing will be coming online as projects already approved/proposed within the recommended urban growth boundaries are built. Some of these may not be built until the economy improves, but many will meet affordable criteria. Wailea 670 or Honua'ula is one such project. Yet, the pre-EIS takes none of this into consideration.

When the developer purchased the land for this project, he was well aware that the site was outside the proposed urban growth boundaries. He knew that the project would have no support from planning officials due to its damaging impacts. He chose to pursue it in disregard for these impacts. This is evident in the pre-EIS that completely fails to address any of them.

Thank you for this opportunity to express our concerns.



Pam Daoust
Secretary
Ma'alaea Community Association Board of Directors

Copy to: Executive Officer
State of Hawaii
Land Use Commission
P.O. Box 2359, Honolulu, HI 96804

Office of Environmental Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813

To: Maui Planning Commission, July 7th, 2009 Testimony
From: Pam Daoust, on behalf of Ma'alea Community Association

Aloha. I am speaking on behalf the Ma'alea Community Association regarding the draft Maui Island Plan's Land Use and Directed Growth elements and proposed growth boundaries for the Kihei-Makena Community Plan. MCA recommended many times during the GPAC process that Ma'alea should be excluded as a major growth area and our agricultural lands preserved in agriculture. Both the Planning Department and GPAC concur.

We oppose the newly proposed Ohana Kai affordable housing project for the exact same reasons that we opposed Ma'alea Mauka. We have identified eight major areas of concern. Due to time constraints, I will only discuss one: the lack of sustainable water sources for this project. The rest will be supplied in written testimony.

Lack of sustainable water. Two wells drawing from the Waikapu aquifer appear to be designated to serve the Ohana Kai project—each producing a half million gallons per day (gpd) according to a Water Commission bulletin dated July, 2006. Households in Central Maui typically use 800 gpd. At a similar rate of usage, eleven hundred new homes could consume 880,000 gpd. The proposed commercial center and school, if built, will draw even more—easily exceeding the long-term capacity of these two wells. The Waikapu aquifer itself is unproven. It has never supplied continuous water to a subdivision, and there's very little rainfall in Ma'alea. So what will recharge the Waikapu aquifer? What is the aquifer's sustainable yield?

Will this project be a raid on the I'a'o aquifer that abuts it? There's no barrier between the two, so this is a distinct possibility. We all know that the I'a'o aquifer is severely strained. Where will projects already approved but not yet built in South Maui get their water? From the same overworked aquifers? Just because a developer owns a system that taps into an underground resource doesn't mean that he owns the resource itself and can demand first right of use, depriving others of water. We understand that a third well exists on the property but can find no record of whether or not it is functional, has good water or taps into the same depleted aquifers. These water questions must all be answered before *any* project is allowed to proceed in this exceptionally dry, windy location.

Planning must ensure sensitivity to the needs of communities already in place—or approved to be built. Ag lands and open space must be protected for the future. Traffic problems must be solved, not worsened. Affordable housing—and indeed all development—should be built **near** existing infrastructure so that it can help preserve ag lands and open space, while at the same time sparing taxpayers and the County from additional burden at a time when they can ill afford it. We are asking you to adopt strict urban growth boundaries and keep Ma'alea rural and open. Mahalo.

Additional Reasons Why Ma'alaea Is a Bad Location for Development

1. **Lack of necessary infrastructure such as police, fire protection, elementary and secondary schools, adequate parklands, beach access, and so on.** Providing a site for a fire station or school doesn't ensure that the actual structure and services can or will be provided, especially in these bad economic times. The nearest park and beach access, tiny Haycraft Park, has only one porta-potty, one outdoor shower and nine parking spaces, yet it is always cited in plans for development as being a wonderful amenity for future residents.
2. **The dumping of even more traffic into what is already a severe bottleneck at the pali.** Residents will have to drive to work, shopping, medical care, schools, churches, libraries, entertainment, etc. Nothing is walk-able here, ensuring reliance on automobiles and more gridlock. This project will worsen traffic problems currently affecting everyone needing to get to and from West Maui. (Frequent brush fires on the tinder-dry mountains behind the proposed project also pose a threat. No firebreak will prevent wind-swept burning ash and debris from dropping onto homes at the mountain's base. When fire breaks out, these homes will have to be evacuated.)
3. **Damaging impacts from supplementary injection wells necessary to augment the proposed wastewater treatment plant.** More injection wells in Ma'alaea likely will mean more algae deposited on the beaches of North Kihei. Algae deposits could spread along the coastline, devaluing real estate there and requiring costly removal. (Current costs are \$100,000 per year.)
4. **Urbanization of irreplaceable open space in this highly visible gateway to West Maui.** This is a key open space area that needs to be protected if the semi-rural character of the entire island is to be preserved for tourist/resident enjoyment.
5. **Drainage concerns.** Due to past flooding problems, culvert improvements are needed on Hauoli Street. MCA has been told that these improvements are sufficient only for present—not future—development. More hardscape in the area will result in more flooding problems for us and more discharge of sedimentation into the ocean.
6. **Loss of mass transit corridor.** Those who buy here probably will not want mass transit such as a light rail system running through their front or back yards even if a narrow strip of land is earmarked for it. Livestock won't mind—humans will.
7. **Additional reef damage caused by mass grading needed to level the land for this project.** In this—the windiest corridor on the island—tons of dirt will be blown into the ocean to cause further smothering of an already dying reef system. MCA has been actively seeking solutions to mitigate reef damage. More development here will only worsen the problem.

Submitted by: Pam Daoust, 190 Hauoli Street, Apt 305, Maalaea, HI 96793
daoust@hawaii.rr.com, 808-249-2393

7/16/09

Dear Planning Commission Members

My name is Gordon C. Cockett and, although I have now lived in Lahaina for the past 25 years, I come from Waikapu and have much aloha for that side of the island.

I would like to thank the members of GPAC for their dedicated services that they have provided us these past many months. What an outstanding job they have done.

My concern here is for Ma'alaea. The announced plan for development of some 1,100 homes mauka of the highway is not pono. First of all, there are no employment opportunities anywhere nearby. There are no schools in the area. It is in the middle of nowhere, bordering two traffic-lighted major intersections which are heavily used now. There is a potential for at least 2,200 cars from this proposed development to be added to the already busy highways. What's next, plan for a six lane highway like Honolulu had to do? I say no. This developer did a huge amount of good in Wailuku and may have made millions in the process. Why does he want to ruin this quiet place? Is it the greed he feels for the color of money now? Build these homes first then make us widen the pali road? Not pono, ladies and gentlemen.

I realize that at least one of your members works for a labor union and is interested in jobs for his members at all costs. It appears that he feels no concern for the effects this project will have on the people who already live here.

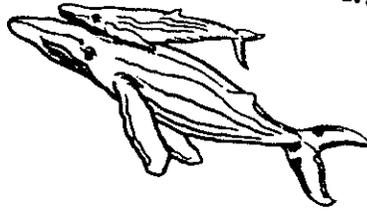
I understand that the developer plans a private water system for this. Has his source been studied for its effect on the Iao aquifer? I also understand that he plans a private wastewater treatment system. Just what we need on this island, i.e., another private wastewater system. These are necessary thoughts for our future, ladies and gentlemen. Remember what Molokai Ranch did.

Remember, too, that the proposed area is outside of the recommended growth area.

Mahalo for your attention to this matter.

Gordon C. Cockett
PO Box 385
Lahaina, HI 96767

Ma'alaea Community Association



50 Hau'oli Street
Ma'alaea, Maui 96793

January 21, 2008

Munekiyo & Hiraga, Inc.
Attn: Mark Alexander Roy, Project Manager
305 High Street, Suite 104
Wailuku, HI 96793

SUBJECT: Draft EIS, Proposed Ma'alaea Mauka Residential Subdivision

Dear Mr. Roy:

Thank you for the opportunity to review the subject draft EIS. The officers and directors of the Ma'alaea Community Association are pleased to submit the following comments.

General – We find that many of the assertions and assumptions in the draft EIS are premature and unsubstantiated, and will remain so until the contents of the Maui Island Plan are known and the subsequent GPAC and CPAC deliberations are complete. The draft EIS makes repeated reference to, and draws justification from, the obsolete and outdated Kihei-Makena Community Plan of 1998, which was actually approved by the Community Plan Advisory Committee in 1992 with a narrow margin of 5:4, against the recommendations of the previous two county planning directors.

The Maui Island Plan will establish sensible urban growth boundaries. It may result in the complete abrogation or significant amendment of Project District 12 to provide for, among other things, the reservation of transportation corridors to preserve rights of way for future transportation systems or preservation of prime agricultural lands. We are dismayed that developers are hastening to obtain their entitlements prior to the resolution of broad-based county and community planning efforts still in progress. Designation in an existing, but again—outdated—Community Plan is insufficient justification for entitling Ma'alaea Mauka. There is a distinct possibility that this and other project districts may not even survive the ongoing GPAC and CPAC planning processes, so their existence should not be assumed for planning purposes.

The village of Ma'alaea is situated along Maui's southern coastline. Central to the neighborhood is the small boat harbor, which is home to fishing and sightseeing charter boats and the U.S. Coast Guard. Included within this community are a small number of older oceanfront residences, and 10 oceanfront condominiums, all of them built in the 1970s and mid-1980s. The area does not have any schools, banks, post office, public recreational facilities or residential subdivisions. The nearest employment centers, shopping centers and schools are located in the distant towns of Kihei, Kahului and Wailuku. Access to Ma'alaea is provided by one major thoroughfare, Honoapi'ilani Highway, which also provides the only access to West Maui, the island's premier visitor destination.

Ma'alaea Mauka will not be located close to where most of its residents will work or shop, resulting in substantial additional traffic on Honoapi'ilani Highway 30 as they drive to work, schools, parks, banks, post office, health facilities, grocery stores, large retail centers, and other destinations.

Both the State Land use Commission and County of Maui designate the project area as agriculture. It has an ALISH "prime" designation (the highest quality for agriculture) and soils rate as mostly "B" and some "A". The area has been in agriculture for over 150 years and has been used for growing sugar cane, pineapple, and diversified crops from 1988 until 2004, when the current owner purchased the property. It has been used for cattle grazing since 2006. Now is not the time to lose prime agricultural lands that could—in the future—allow Maui to become more self-sustaining.

It should also be noted that impacts on the island, in general, will be significant and have not been addressed. Although token gestures have been made in some instances, such as provision of land for construction of new public service facilities, the facilities themselves will not be provided. Many impacts logically foreseen from this project clearly will become the responsibility of county and state taxpayers to mitigate, at a time when the needs and demands of previously entitled projects have already exceeded the capacity of Maui's existing infrastructure. These include but are not limited to: additional stress on the educational system, additional waste being produced to take up landfills, additional stress on Kahului Harbor, the main port for bringing in food and goods to island residents, and additional overcrowding and degradation of existing parks, beaches, camping sites, and popular snorkeling and diving locations. The Kihei-Makena Community Plan explicitly states that any developments should not be approved *unless* adequate infrastructure is in place prior to development. It also calls for several implementing actions such as creating beach parks and cam-grounds and coastline amenities that have that have yet to be provided by the County.

In addition to the above general comments, we also offer the following specific comments keyed to the several page and paragraph citations noted:

- **Executive Summary, p. ii:** *"...the project area is considered to be a suitable location for the development of residential housing."* – Separated from the towns of Wailuku, Kahului, Kihei, and Lahaina, most residents will still have to drive to work, school, or shopping. This will add up to 3,000 vehicles to Honoapi'ilani Highway at the choke point where the highway narrows from four lanes to two at the pali, a treacherous, winding mountain road. Increased signalization will also add to the gridlock problems already experienced, for which no solution is available in the foreseeable future. Kuihelani highway, the connecting point to Kahului and Upcountry, will be impacted, as well as North Kihei Road. The traffic load statistics used are hugely underestimated and should be reviewed based on the fact that studies were conducted during September, one of the slowest visitor months of the year.
- **Fig. 4: Proposed subdivision site and proposed effluent reuse area** – These sites lie directly in the path of Transportation Corridor 2, Central Hub to Lahaina, endorsed by the Transit Investigating Committee of the Maui County GPAC. If transit corridors are built on, eminent domain issues will emerge in the future, and acquisition costs will soar.
- **Fig. 5 and Table 1** – These represent the development as planned several years ago, with less than 40% dedicated to affordable housing. Compliance with the requirements of Maui County Ordinance 3438, signed into law on March 2, 2007, is claimed, but not substantiated.

- **Page 8, Paragraph D:** “...*the project site is designated ‘Project District 12’ by the Kihei-Makena Community Plan.*” – The old Kihei-Makena Community Plan is subject to review and revision by the upcoming South Maui Community Plan Advisory Committee (CPAC), which will commence deliberations after the GPAC’s Maui Island Plan is accepted by the County Council. The new CPAC may radically alter the designation of “Project District 12,” and entitlements should wait until the results of this community planning process are known. Recent action taken by the GPAC and County Planning Director could put off consideration of the proposed project for the foreseeable future:

On the recommendation of Maui GPAC Chairman Tom Cannon, and Vice Chairman, Dick Mayer, the Maui GPAC voted 14-7 to recommend that until the work of the Maui GPAC is completed with the adoption of the Maui Island Plan, new (not entitled) projects and subdivisions in all categories (residential, commercial, industrial, hotel, agricultural, etc.) shall not be approved, except for:

- a) family housing subdivisions (3 lots or less), if and only if, enforceable provisions against the subsequent sale of those units to non-family members are included;
- b) residential projects of 100% affordable homes or rentals as defined by the Residential Workforce Housing Policy Ordinance; and/or
- c) public facilities projects (schools, roads, parks, etc.).

County Planning Director Jeff Hunt promulgated a new policy on January 10th that said that during the General Plan Update and until the Maui Island Plan is completed, the Planning Department will respect existing community plan boundaries. The department will not support any development that involves a community plan amendment. He explained that it could be “counter to public policy for developments to be approved now in an area where the updated plan may not provide that type of development.”

Director Hunt’s policy allows for certain exemptions but Ma`alaea Mauka certainly does not meet these exemptions which allow for public benefit and if the project’s impacts would not be significant. The proposed project certainly does not provide an important public benefit, and its impacts are extremely significant – among them, more than tripling the resident population of Ma`alaea - the only access to West Maui, the island’s main visitor destination.

At the time of the 1992 Kihei-Makena Community Plan review, there was a severe shortage in affordable housing. According to information contained in Appendix A, Volume II of the draft EIS, 17,356 single and multi-family units are committed or proposed for West Maui, 14,526 are committed or proposed for Central Maui, and 6,003 are committed or proposed for South Maui for a total of 37,885 units. This does NOT include the project districts 11 and 12 “designated” for Ma`alaea. This figure also does not include what is planned for Upcountry and North and East Maui. Neither the County nor the State has plans and funding in place to provide infrastructure to deal with such explosive growth.

- **Page 12:** “*The proposed project will be complementary to the adjacent urban developments in Ma`alaea.*” Ma`alaea as it exists today is a tranquil, fragile, seaside, predominantly residential community, not an urban center, or resort. The only “urban” designation in Ma`alaea is for the Maui Ocean Center and a handful of cafés and souvenir stores at the Ma`alaea Triangle. Ma`alaea residents have traditionally shared the coastal resources with the Maui community. Maui fishermen and divers have free access to the coastline in front of any condominium property. Ma`alaea is physically unable to handle huge influxes of people.

The land-locked park proposed won't satisfy the new residents' desire to access the nearby Ma'alaea shoreline. Except for the woefully undersized Access Point No. 124 and Haycraft Park, which has only nine parking spaces and one porta-potty, that means increased traffic on Hauoli Street, a substandard county road. Haycraft Park, a small neighborhood park created by residents for residents next to Makani-A-Kai condominium, has recently experienced problems with illegal drug use and sales and thefts from people outside of Ma'alaea, especially on weekends and holidays. Absent major infrastructure augmentation, called for in the community plan and inadequately provided for in the draft EIS, Ma'alaea and residents island-wide would experience significant adverse impacts from the surge of new inhabitants.

It is clear that Ma'alaea Mauka will not be self-sufficient. It cannot provide sufficient employment opportunities, much less shopping, recreational and medical facilities, schools or other combined services. The project and its potential impacts provide an almost perfect example of Suburban Sprawl, as typified by the following characteristics:

General Characteristics:

- Segregated land uses
- Congested Roadways
- Continuous outward growth of communities
- Inefficient use of resources

Traffic & Roadways

- Designed for cars and unsafe for pedestrians
- Congested connector roads
- High-speed streets, wide and open
- Dead end, cul-de-sacs

Community

- Sprawling suburban developments
- Require car to get to services and schools
- Social and civic facilities an afterthought

Land Use

- Sprawling suburbs and isolated land use
- No sense of community
- Reduced open space and uncontrollable growth

Infrastructure

- Large, expensive infrastructure systems
- Extensive transmission lines

Environmental Resources

- Low-density developments pave over open space
- Large development footprint
- Many car trips required per day

Concern over the loss of ag. land and the impacts of development on Honoapi'ilani Highway has motivated West Maui Councilmember Joanne Johnson to propose a moratorium on further development for West Maui. Development in Ma'alaea, the only access to West Maui, will surely cause additional stresses on this already over-burdened road.

- **Page 38, Paragraphs B.1.b. and 2b.** - *“...Ma’alaea currently possesses approximately 560 residential apartment/condominium units, the majority of which are rented on a short-term basis to visitors, while the number of single-family units is significantly lower.”* – *There is a “...low level of permanent residential occupancy.”* No reliable statistics or studies are provided to back up the draft EIS assertions regarding current occupancy usage or income levels. The draft EIS further implies that Ma’alaea is a community of “luxury condominiums” comparable to Wailea. On the contrary, the vast majority of present-day residents, owners and even visitors to Ma’alaea would be considered middle-class, by any standard. Many owners are retirees, having purchased their units long before recent inflated prices. A majority of these owners live here permanently, enjoy their units as second homes, or lease them out, often to local families. I, the president of Ma’alaea Community Association, have lived in my Ma’alaea condominium for over 22 years and many of the residents and part-time owners that were here when I moved in are still here 22 years later.
- **Page 45, Paragraph C.1.b.** – *“Required additional police and fire facilities do not exist and are ‘being considered’ at an off-site location.”* The information provided in the draft EIS is misleading. Although it mentions the need for additional services for police to support the proposed development, it does not mention the severe manpower shortage the Maui Police Department in general and South Maui in particular are already experiencing.

The MPD is currently woefully understaffed. In 2005, recommendations were for 88 officers to be assigned to the South Maui region, which includes Ma’alaea. In 2008, despite an increase in population, only 45 positions are currently funded for the entire area from La Perouse to Ma’alaea. Of these, less than 30 positions are actually filled. This issue must be addressed.

According to the draft EIS, in the operational phase, the project will result in a drain on Maui County’s and the State’s ability to meet the needs of its community. In the developer’s own words, at full development the project will generate total revenues to the County of approximately \$2.4 million per year ...county support is estimated at \$2.8 million per year. On the State level, the project is expected to generate \$14 million per year in revenues, however it will cost \$15.3 million per year. Our economy is slowing and government monies to support the needed infrastructure may be less available in the future.

Maui’s economy is still tourism-based. The more we eliminate open space and vistas and take away from the “rural” feel of the island, the more we lose the “Magic” that has made Maui the success story that it has become over the last 30+ years. In the old days, Mauians would say they didn’t want to be like Oahu; now Kauai prides itself on not being like Maui!

- **Page 46, Paragraph C.2.b.** – *“Need for medical facilities will be met by private sector initiatives”* – This also represents wishful thinking, and there is *no* guarantee it will ever happen. Medical facilities to serve current residents, let alone future ones, are inadequate.
- **Page 53, Paragraph D.2.a** - *“No water system infrastructure currently exists on the proposed project site” and “...new infrastructure...will be required to service the proposed project.”* The draft EIS was prepared prior to the recent passage and signing into law of Maui County Ordinance (Bill 68). It is not clear from the draft EIS whether the proposed development will be in compliance with this law, or whether wells tapping the Waikapu Aquifer system will truly be adequate to supply the requisite quantity and quality of sustainable water for the development, as claimed. Nor have any studies been provided to

offer assurances that the proposed development will have no adverse impacts on other potential users tapping into this same water source.

- **Page 57, Paragraph 3:** *“The injection wells will be designed so that injected R-1 effluent will not affect groundwater sources within the Waikapu Aquifer and will dissipate far enough offshore as to have little or no impact to near shore waters.”* The draft EIS provides no details as to the potential harmful effects of the nutrient-rich R-1 effluent proposed to be discharged into the marine whale sanctuary that extends far beyond “near shore waters.” This potential for harm has not been adequately explored, nor has anything been proposed to mitigate such harm.
- **Page 113, Section XI – “Parties Consulted During the Preparation of Draft Environmental Impact Statement; Letters Received...”** The letter from the County of Maui Department of Fire and Public Safety notes that the “designated site in the draft (for a fire station) would not be ideal as the proximity to the residences are a concern. “Additional fire protection is needed with the inclusion of this project.” While the provision of a site for a fire station is commendable, nowhere in the draft EIS is it mentioned how the facility will be funded and staffed. Assuming that this vital infrastructure need can be provided by the appropriate government agency is unrealistic and presumptuous, given that the Department of Fire and Public Safety must first provide for already entitled new units of development elsewhere, in Haiku, Pukalani and Kihei.

Considering all of the above, the officers and directors of the Ma’alaea Community Association have concluded that the proposed Ma’alaea Mauka project does not further the best interests of the Ma’alaea community, Maui County, or the State of Hawaii as a whole, and should not be granted approval.

Sincerely,

B. Lynn Britton,
President

Copy to: Executive Officer
State of Hawaii
Land Use Commission
P.O. Box 2359, Honolulu, HI 96804

Office of Environmental Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813

Also: Mayor Charmaine Tavares
Planning Director Jeff Hunt
Planning Commission Chairman Wayne Hedani
Maui County Council Chairman Riki Hokama
County Council Planning Committee Chair Mike Molina
South Maui County Councilmember Michelle Anderson
West Maui County Councilmember Joanne Johnson
Chairman Tom Cannon, Vice Chairman Dick Mayer and Members, GPAC

Council Chair
G. Riki Hokama

Vice-Chair
Danny A. Mateo

Council Members
Michelle Anderson
Gladys C. Baisa
Jo Anne Johnson
Bill Kauakea Medeiros
Michael J. Molina
Joseph Pontanilla
Michael P. Victorino



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

January 22, 2008

Menekiyo & Hiraga, Inc.
Attention: Mark Alexander Roy, Project Manager
305 High Street, Suite 104
Wailuku, Hawaii 96793

For Ma'alaea Properties LLC

RE: COMMENTS & QUESTIONS ON THE DRAFT ENVIRONMENTAL
IMPACT STATEMENT (DRAFT EIS) FOR THE PROPOSED MA'ALAEA
MAUKA RESIDENTIAL SUBDIVISION AND RELATED
IMPROVEMENTS.

Dear Mr. Roy:

After reviewing the Draft EIS (Volumes I & II) dated November 2007, relevant laws of the State of Hawaii and County of Maui, and pertinent reports, I would like to submit the following comments for review and response. In short, I believe the Draft EIS falls short in meeting the legal standards of disclosure and review required of a Draft EIS.

Specifically, the following comments and questions will focus on: (1) Lack of disclosure of potential environmental impacts of the proposed action; (2) Lack of full disclosure of all relevant and feasible consequences of the action; and, (3) Failure to provide the relevant data, necessary studies, and other information necessary "in order that the public can be fully informed and the agency can make a sound decision based upon the full range of responsible opinion on environmental effects." (See, HAR, Title 11, Chapter 200, § 11-200-16)

A. **LACK OF PERTINENT INFORMATION REGARDING LOSS OF PRIME AGRICULTURE LANDS.**

HAR, Title 11, Chapter 200, § 11-200-17, states, in relevant part, that:

The draft EIS shall include in a separate and distinct section a description of all irreversible and irretrievable commitments of resources that would be involved in the proposed action should it be implemented. . . . Agencies shall avoid

construing the term 'resources' to mean only the labor and materials devoted to an action. 'Resources' also means the natural and cultural resources committed to loss or destruction by the action. (Emphasis added)

The Draft EIS fails to provide sufficient information to assess the impacts of the proposed conversion of "prime" agricultural land for use as a residential subdivision, and minimizes the "irreversible and irretrievable" loss and destruction of this open space natural resource by not evaluating the proposal in relationship to state and county policies supporting the preservation of prime agricultural lands.

1. Significant Negative Impacts Contrary to the State's Environmental Policies and Long-term Environmental Goals.

HAR, Title 11, Chapter 200, § 11-200-17, states, in relevant part, that:

B. The draft EIS shall contain a summary sheet which concisely discusses the following:

* * * *

2. Significant beneficial and adverse impacts (including cumulative impacts and secondary impacts);

HAR, Title 11, Chapter 200, § 11-200-2, defines "significant impact" as:

"Significant effect" or "significant impact" means the sum of effects on the quality of the environment, including actions that irrevocably commit a natural resource, curtail the range of beneficial uses of the environment, are contrary to the state's environmental policies or long-term environmental goals and guidelines as established by law, or adversely affect the economic or social welfare, or are otherwise set forth in section 11-200-12 of this chapter.

The Draft EIS does not provide adequate information to evaluate the proposed project's significant adverse impacts that are contrary to "the state's environmental policies" and "long-term environmental goals" of preserving prime agricultural lands, nor does it discuss to what extent it can reconcile this conflict. (See HAR 11-200-17H)

STATE AND COUNTY POLICIES PROTECTING PRIME AGRICULTURAL LANDS

In 1978, the state adopted a constitutional amendment (Article XI, Section 3) to protect agricultural lands and promote diversified agriculture. It states, in relevant part:

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The State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands. [Add Const Con 1978 and election Nov 7, 1978]

In 2005, the legislature of the State of Hawaii enacted Act 183 to further implement Article XI, Section 3 by amending state statute HRS §205-41 with specific criteria for the protection of important agricultural lands . It states, part:

It is declared that the people of Hawaii have a substantial interest in the health and sustainability of agriculture as an industry in the State. **There is a compelling state interest in conserving the State's agricultural land resource base and assuring the long-term availability of agricultural lands for agricultural use to achieve the purposes of:**

- (1) **Conserving and protecting agricultural lands;**
- (2) **Promoting diversified agriculture;**
- (3) **Increasing agricultural self-sufficiency;** and
- (4) **Assuring the availability of agriculturally suitable lands, pursuant to article XI, section 3, of the Hawaii State constitution.**
(emphasis added)

HRS §205-43, further states:

State and **county agricultural policies**, tax policies, **land use plans, ordinances**, and rules **shall promote the long-term viability of agricultural use of important agricultural lands** and shall be consistent with and implement the following policies:

- (1) **Promote the retention of important agricultural lands in blocks of contiguous, intact, and functional land units large enough to allow flexibility in agricultural production and management;**
- (2) **Discourage the fragmentation of important agricultural lands and the conversion of these lands to nonagricultural uses;**
- (3) **Direct nonagricultural uses and activities from important agricultural lands to other areas and ensure that uses on important agricultural lands are actually agricultural uses;**
- (4) **Limit physical improvements on important agricultural lands to maintain affordability of these lands for agricultural purposes;**
- (5) Provide a basic level of infrastructure and services on important agricultural lands limited to the minimum necessary to support agricultural uses and activities;

(6) Facilitate the long-term dedication of important agricultural lands for future agricultural use through the use of incentives;

(7) Facilitate the access of farmers to important agricultural lands for long-term viable agricultural use; and

(8) Promote the maintenance of essential agricultural infrastructure systems, including irrigation systems. (emphasis added)

Act 183 further declared that;

Lands identified by the State as important agricultural lands needed to fulfill the purposes above shall not be reclassified by the State or rezoned by its political subdivisions without meeting the standards and criteria established by the legislature and approved by a two-thirds vote of the body responsible for the reclassification or rezoning action. (emphasis added)

To further this legislation, the legislature also required the Office of the Auditor to create the Hawai'i 2050 Sustainability Plan to deal with the long-term sustainability of the state, of which agriculture is considered a major component. The draft Hawaii 2050 Sustainability Plan was presented at the Hawaii 2050 Summit on September 22, 2007.

The Hawaii 2050 Issue Hand Book¹, commissioned by the Hawaii 2050 Sustainability Task Force, provides fact-based research on key sustainability issues including - the importance of agriculture in Hawaii. The Issue Hand Book contains the research and conclusions of a group of scholars at the University of Hawaii Center for Sustainability. On the importance of agriculture, the Issue Hand Book states, in relevant part:

The story of wheat mirrors the story of commercial agriculture in Hawaii – its existence driven by profit-maximization and outside market forces. Sustainable agriculture demands a reassessment of approach; one that is more in line with definitions of sustainability as 'living in ways that meet our present needs without limiting the potential of future generations to meet their needs.'

As it turns out, the reassessment could not come at a more opportune moment: The decline of the sugar and pineapple industries has – for the first time – opened-up vast tracts of prime agricultural land to a variety of potential crops. We now have a chance to fulfill in a meaningful way a 1978 state constitutional mandate to promote

¹ The Hawaii 2050 Issue Hand Book can be downloaded at www.hawaii2050.org.

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diversified agriculture, increase self-sufficiency and conserve agricultural lands (Hawaii State Constitution, 1978). We can supply more food to residents and have more flexibility in providing for their changing needs. But land speculation, urbanization, and a lack of bold leadership work against this.² (emphasis added)

On the richness of Hawaii's farming environment and the types of crops successfully grown here, the Issue Hand Book states:

Hawaii is a rich mini-lab of farming environments. Its islands have eleven of the 12 soil types (based on factors like moisture and temperature) in the world – quite remarkable given its limited land area (Hue, et al., 2006). It also has 10 of the 14 climactic zones, with the Big Island alone displaying the entire local range (Juvik, et al., 1978). Simply put, the state is structured for diversified agriculture as seen in the extraordinary range of crops successfully grown here over the years: peaches and apples, coffee and tea, strawberries and rambutan, asparagus and green onions. As one of the world's most geographically isolated sites with a significant population, Hawaii is clearly in an advantages position for diversified agriculture.³ (emphasis added)

On trends and the unprecedented opportunity for diversified agriculture in Hawaii:

Sugar has so dominated Hawaii agriculture for the past century that its decline represents a break with history. Consider this: Sugar and pineapple – which also has retreated from our shores – constituted 76 percent of all agricultural lands planted in 1994. Combine them with the third major crop, macadamia nuts, and the figure rises to 87 percent. It is evident a sea of change is taking place. In 1994, there were 121,100 acres planted in sugar. Just 10 years later, the acreage had plummeted to 43,000 and the value of unprocessed cane fell from \$160 million to \$61.5 million. This has created an opening for diversified agriculture that is unprecedented and likely will never arise again.⁴ (emphasis added)

On how the erosion of agricultural land must be reassessed:

² The Hawaii 2050 Issue Hand Book, "Agriculture", by scholars C.N. Lee and H.C. "Skip" Bittenbender, at pg. 83.

³ The Hawaii 2050 Issue Hand Book, "Agriculture", by scholars C.N. Lee and H.C. "Skip" Bittenbender, at pg. 84.

⁴ The Hawaii 2050 Issue Hand Book, "Agriculture", by scholars C.N. Lee and H.C. "Skip" Bittenbender, at pg. 85.

As Hawaii looks at sustainability and, in effect, accepts future generations as equal partners in planning, the erosion of agricultural land must be reassessed immediately. Many reasoned arguments can be made about competing uses so perhaps we need to be reminded of a basic fact: Food is fundamental to life, and the bulk of what we eat – from the fast-food hamburger to the latest culinary concoction – are derived from a farm. There are no realistic alternatives. In this context, we might ask: Would citizens in 2050, looking back, wish we had urbanized a piece of farmland? Or, might they wish we had kept it available to agriculture, both to cultivate fresh food, and as a buffer to the unpredictable vagaries of shipping food from suppliers at least half an ocean away? What would they consider the highest and best use of land? And what might they want to pass along to their descendants?

The County of Maui also has a declared policy to preserve the importance of agricultural land. **The number one theme in the General Plan of the County of Maui, states:**

Theme No. 1: PROTECT MAUI COUNTY'S AGRICULTURAL LAND AND RURAL IDENTITY. Amendments to the General Plan will preserve agricultural lands for the continuing pursuits of both land intensive and labor intensive agricultural pursuits. This action will also achieve preservation of an open space resource

The following objectives and policy statements support the preservation of prime agricultural lands;

LAND USE:

Objective: 3. To preserve lands that are well suited for agricultural pursuits.

Policies:

a. Protect prime agricultural lands from competing nonagricultural land uses.

b. Promote the use of agricultural lands for diversified agricultural pursuits by providing public incentives and encouraging private initiative.

c. Support the right to farm consistent with the identification of productive agricultural lands.

d. Discourage the conversion, through zoning or other means, of productive or potentially productive agricultural lands to nonagricultural uses, including but not limited to golf courses and residential subdivisions.

- e. Provide adequate irrigation water and access to agricultural lands.
(pages 2-3) (emphasis added)

* * * *

AGRICULTURE: Objectives;

1. To foster growth and diversification of agriculture and aquaculture throughout Maui County.

* * * *

2. To maximize the use and yield of productive agricultural land throughout the County.

Policies;

a. Ensure the availability of land that is well suited for agricultural production.

b. Encourage the development of agricultural parks throughout Maui County.

c. Ensure the availability of adequate irrigation water or agricultural purposes during periods of limited rainfall.

d. Provide incentives to help the small farmer maintain a viable farm operation.

e. Continue to support tax incentives for on-going agriculture activities.

f. Support "right-to-farm" provisions in the event potential conflicts arise from adjacent residential uses.

g. Discourage establishment of pseudo-agricultural subdivisions.

(pages 7-8) (emphasis added)

Additionally, the Kihei-Makena Community Plan, in relevant part, states:

Land Use. Objectives and Policies

(p) **Prevent urbanization of important agricultural lands.** (page 18)
(emphasis added)

* * * *

Economic Activity. Objectives and Policies

(e) **Provide for the preservation and enhancement of important agricultural lands for a variety of agricultural activities, including sugar cane, diversified agriculture and aquaculture.** (page 27)

(emphasis added)

The DEIS should have provided a statement of the relationship of the proposed action to the above state and county plans and policies and a

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discussion on how the proposed project conflicts with these objectives. It should also discuss the criteria for evaluation of Important Agricultural Lands and how the subject property meets these criteria. (See HAR 11-22-17 H)

The applicant acknowledges that "as reflected by the ALISH map for the project region, the majority of the project site and wastewater treatment site are comprised of lands that have been defined as "Prime" agricultural lands." (See, Draft EIS, at pg. 17) However, the draft EIS states that "the project site represents approximately 0.1 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui. (See, Draft EIS, at pg. 17) It does NOT state what percent the 257-acre project site would use of "Prime" agricultural lands on Maui.

The Draft EIS also fails to point out that the "Prime" Ag land that it proposes to convert for non-Ag uses is considered some of the best "Prime" Ag land on Maui. As this area is located on the slopes of Central Maui's steep mountainous region, it contains highly fertile alluvial soil. While most of the "Prime" Ag land in the Central Maui plain has been devastated by decades of sugar cane production, the land that the applicant wants to convert for development is one of the few truly "Prime" Ag land areas remaining on Maui.

The Draft EIS states:

The majority of the approximately 257-acre project site which will be the subject of the CIZ request is classified by the ALISH map as "Prime" agricultural lands. The project site, however, has remained out of use for commercial sugarcane production for over ten (10) years now. Agricultural uses on the project site are presently limited to portions of the site being utilized for small-scale cattle-grazing activities. (See, Draft EIS, at pg. 85) (emphasis added)

What the Draft EIS fails to state is that in July of 2004, twenty-four farmers were evicted from the subject property upon purchase of the land by the new owner. A *Star-Bulletin* article (July 24, 2004) reported as follows:

Approximately two dozen farmers in Maalaea have been given eviction notices by Wailuku Agribusiness Co. effective Aug. 31.

The evictions will affect the supply of vegetables – including tomatoes, cucumbers, squash and string beans – on the Valley Isle, especially at the Ohana Farmers and Crafters Market on Wednesdays at the Kahului Shopping Center, said Ohana President Pepito Valdez. Valdez, also a farmer in Maalaea, said the eviction will cut his income in half, and he knows of three other full-time farmers who face a substantial loss of income

Please provide data specific enough to evaluate the loss of these prime agricultural lands. This should include a cumulative analysis of all prime agricultural lands in the Maalaea-Waikapu area. Of the total prime agricultural lands on Maui, how much is currently available for diversified agriculture, excluding those lands in sugarcane? How much diversified agriculture could be produced if farmers were allowed to farm this land?

This proposed project presents an irreversible and irretrievable loss of prime agricultural land that should be fully evaluated in light of the stated government policies.

B. **LACK OF PERTINENT INFORMATION REGARDING THE WASTEWATER TREATMENT FACILITY AND INJECTION WELLS.**

HAR, Title 11, Chapter 200, § 11-200-17(I), states, in relevant part, that:

The draft EIS shall include a statement of the probable impact of the proposed action on the environment, and impacts of the natural or human environment on the project, **which shall include consideration of all phases of the action and consideration of all consequences on the environment; direct and indirect effects shall be included.** *The interrelationships and cumulative environmental impacts of the proposed action and other related projects shall be discussed in the draft EIS.* It should be realized that several actions, in particular those that involve the construction of public facilities or structures (e.g., highways, airports, sewer systems, water resource projects, etc.) may well stimulate or induce secondary effects. **These secondary effects may be equally important as, or more important than, primary effects, and shall be thoroughly discussed to fully describe the probable impact of the proposed action on the environment.**
(emphasis added)

The Draft EIS (Vol. 1) (pg. 57) states, in relevant part:

The proposed WTP (Wastewater Treatment Plant) site **is above the Underground Injection Control (UIC) line** and, therefore, injection wells are generally **not permitted**. However, the applicant is seeking State Department of Health (DOH) approval to install and operate standby injection wells for use during wet conditions when effluent irrigation cannot be used. (emphasis added)

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Attached to the Draft EIS (Vol. II) is the "Wastewater System Preliminary Engineering Report" (Appendix "M"). This report states, in relevant part:

The proposed WWTP site **is above the Underground Injection Control (UIC) line** and therefore injection wells are theoretically not allowed. However, this project is seeking DOH approval **to install and operate standby injection wells** which are **above the UIC boundary line** (See Figure 3-1. The standby injection wells are proposed to be located within 150 feet mauka of the UIC boundary line, which is the Honoapiilani Highway. M&E sent a letter (footnote deleted) to the DOH Safe Drinking Water Branch requesting comments on the location of the standby injection wells relative to the UIC boundary. A reply letter (footnote deleted) was received from the DOH Safe Drinking Water Branch. This letter states that "Assuming that the proposed injection wells are in the area where the UIC line is defined by Honoapiilani Highway, the 150 feet setback described in Hawaii Administrative Rules, Title 11, Chapter 23, Section 05(c) may be applicable for the proposed injection wells. See Appendix A. (emphasis added)

It is concerning that the proposed WTP, effluent reuse area, and injection wells would all be located mauka, or above, the UIC line, and directly over the Waikapu aquifer.

According to information provided by the State of Hawaii Department of Health, Safe Drinking Water Branch, whether injection wells are located "mauka" or "makai" of the UIC line is significant as:

The boundary between non-drinking water aquifers and underground sources of drinking water is generally referred to as the "UIC Line". Restrictions on injection wells differ, depending on whether the area is inland (mauka) or seaward (makai) of the UIC line. (emphasis added)

Underground Injection Wells are wells used for injecting water or other fluids into a groundwater aquifer. The UIC program serves to protect the quality of Hawaii's underground sources of drinking water from chemical, physical, radioactive, and biological contamination that could originate from injection well activity.

Please provide data and information, including a map, of how far above the UIC line the proposed WTP, effluent reuse area, and injection wells would be located. Also provide a map that clearly shows the location of the proposed WTP, effluent area, and injection wells in relation to the specifications of the Waikapu aquifer, including:

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- **Location and boundaries of “dike-impounded ground water”, “unconfined fresh ground water”, and “confined fresh ground water”;**
- **Location of the transition zone;**
- **Location of the water table;**
- **Generalized direction of the ground water flow;**
- **Aquifer response to pumpage, rainfall, and land-use change;**
- **Approximate seaward extent of freshwater in predevelopment conditions;**
- **Effects of land-use change on ground-water recharge.**

As the applicant acknowledges that the WTP site is above the UIC line, please provide citation of all law, rules, regulations or other authority that would be relied upon that might allow the WTP site to be located above the UIC line.

As the “Wastewater System Preliminary Engineering Report” (Appendix “M”) acknowledges that “this project is seeking DOH approval to install and operate standby injection wells which are above the UIC boundary line, please provide citation of all law, rules, regulations or other authority that would be relied upon that might allow the injection wells to be installed and operated above the UIC boundary line.

Certain impacts of the proposed injection wells to the groundwater resources are discussed in the Mink and Yuen, Inc., report titled *Impact of Proposed Injection Wells on Water Resources in the Waikapu Aquifer System, Maalaea, Maui*.

The proposed WTP and three injection wells for this development will be located over the Waikapu Aquifer System. According to the Mink and Yuen, Inc. report:

The plan calls for injecting a wet weather peak flow of 2.5 million gallons per day (mgd), or a flow rate of 1,750 gallons per minute (gpm). The estimated injection usage is at least once per month during the wet season (November through April) and once every three months for the dry season (May through October). The Injection period could be only a few hours to more than a day. Average injection rate will be 800,000 gallons per day (gpd). However, injection will occur occasionally over the life of the treatment facility.

The Mink & Yuen Inc. report briefly mentions potential impacts to the Pohakea well field, and the Maalaea Triangle Park Well. **However, it does not discuss potential impacts to the Waikapu Aquifer.**

The Draft EIS (Vol. II) contains a “Water System Preliminary Engineering Report (August 2006)” prepared by M&E Pacific, Inc. (Appendix “L”). This engineering report

states that the Waikapu Aquifer "is defined as a replaceable source **that is moderately vulnerable to contamination**." (emphasis added)

The "Water System Preliminary Engineering Report (August 2006)" prepared by M&E Pacific, Inc. (See, Draft EIS (Vol. II)) also states that:

No data exists to alleviate concerns regarding aquifer contamination. It is recommended that Maalaea Properties, LLC require all future wells to include a full range of water quality sampling and testing during their construction. Contaminants are to be tested in accordance with Hawaii Administrative Rules § 11-20 and requirements area shown in Appendix A – Required Water Quality Analysis. (emphasis added)

As the WTP site and injection wells would be located above the UIC line, please provide all relevant data, studies, and other information that the applicant relied upon to address and account for the impacts – including potential contamination - that proposed WTP and injection wells might have on the Waikapu Aquifer system.

The Draft EIS (Vol. 1) (pg. 57) states, in relevant part:

The injection wells will be designed so that injected R-1 effluent will not affect groundwater sources within the Waikapu Aquifer and **will dissipate far enough offshore as to have little or not impact to near shore waters**. (emphasis added)

Please provide all relevant data, studies, and other information that the applicant relied upon to address and account for the impacts that any injected effluent from the injection wells might have on the near shore waters and Kealia Pond, including, but not limited to:

- i. **Potential impacts to fishing, diving, and gathering land and marine flora and fauna that Maui County residents use to provide food for their families;**
- ii. **Potential impacts to the reefs and coral.**

Please provide a detailed plan of alternatives, and proposed measures to be taken to avoid, minimize, rectify, or reduce these adverse impacts on the near shore waters.

As the WTP site and injection wells would be located above the UIC line, and because no data exists to alleviate concerns regarding aquifer contamination, the proposed wastewater treatment plant should be designed with nutrient removal capability that will result in a significant removal of nitrogen from the facility's effluent. If an activated sludge system is utilized, anoxic zones should be incorporated into the facility's aeration basins to achieve the required nitrogen reduction. Regardless of the type of nutrient removal system that is chosen, the final effluent should contain no more than 10 mg/L of total nitrogen.

Please affirm or deny: (i) whether the proposed wastewater treatment plant will be designed with nutrient removal capability that will result in a significant removal of nitrogen from the facility's effluent; (ii) whether an activated sludge system will be utilized; (iii) if an activated sludge system will be utilized, whether anoxic zones will be incorporated into the facility's aeration basins to achieve the required nitrogen reduction; and, (iv) whether, regardless of the type of nutrient removal system that is chosen, the final effluent will contain no more than 10 mg/L of total nitrogen.

Attached to the Draft EIS (Vol. II) is the "Wastewater System Preliminary Engineering Report" (Appendix "M"). This report states, in relevant part:

It is expected that the standby injection well capacity may deteriorates (sic) over time. Standby injection wells will be periodically purge (sic) by compressed air and also **chemically cleaned with liquid bleach.** The proposed standby injection wells will be **monitored for water depth, flow rate and amount entering wells, and chemical usage during cleaning operations.** The impacts of the proposed standby injection wells to the groundwater resources are discussed in detail in the Mink and Yuen, Inc., report titled *Impact of Proposed Injection Wells on Water Resources in the Waikapu Aquifer System, Maalaea, Maui.* (emphasis added) (footnote deleted).

If it is expected that the standby injection well capacity may deteriorate over time, what will be the mitigation measures used.

Please provide a detailed plan of alternatives, and proposed measures to be taken to avoid, minimize, rectify, or reduce any adverse impacts should the injection well capacity deteriorate over time.

Please provide all studies and information regarding the practice of chemically cleaning the injection wells with liquid bleach, including any potential impacts to the nearby groundwater sources and near shore waters, including the expected disbursement of the injection plumes.

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The DEIS should provide a plan for how the effluent will be used. Are there plans for a dual water system to utilize the R-1 effluent? Should the WTP be expanded as proposed, what is the possibility of the injection wells being utilized on a regular basis? Will additional injection wells be required? How much total prime agricultural land will ultimately be dedicated to the use of the WTP? What is the expected cost to the homeowners for the use of the WTP?

The DEIS states that the proposed project will produce 329,000 gpd ADWF and that the WTP is designed for 600,000 gpd with the ultimate design flow capacity for 1.2 mgd ADWF. Why? Is this WTP expected at build out to have a flow capacity for 1.2 mgd? If so, all phases must be fully discussed and evaluated.

C. **LACK OF PERTINENT INFORMATION REGARDING POTENTIAL RUN-OFF.**

HAR, Title 11, Chapter 200, § 11-200-16, states, in relevant part, that:

The environmental impact statement shall contain an explanation of the environmental consequences of the proposed action. The contents shall fully declare the environmental implications of the proposed action and shall discuss all relevant and feasible consequences of the action.
(emphasis added)

HAR, Title 11, Chapter 200, § 11-200-17(l), states, in relevant part, that:

The draft EIS shall include a statement of the probable impact of the proposed action on the environment, and impacts of the natural or human environment on the project, which shall include consideration of all phases of the action and consideration of all consequences on the environment; direct and indirect effects shall be included.
(emphasis added)

1. **The Draft EIS fails to provide sufficient information explaining all potential environmental consequences of the proposed project due to run-off, and what mitigation measures will be taken.**

In regards to the Nearshore Marine Environment, the Draft EIS states, in relevant part, "that during infrequent storm events, surface water run-off becomes more of a significant factor and is the primary contributor of particulates to nearshore waters." (Draft EIS, at pg. 29).

For its "Potential Impacts and Proposed Mitigation Measures", the Draft EIS states:

Appropriate Best Management Practices (BMPs) will be implemented during the construction of each phase of the proposed residential subdivision. Detention basins will be installed in the early stages of each construction phase to further minimize the potential for construction-related drainage impacts. With the inclusion of the above-noted mitigation techniques, the proposed project is anticipated to have minimal long-term adverse effects on nearby marine resources. Refer to Exhibit 'F.'" (Draft EIS, at pg. 30)

However, attached as "Exhibit F" to the Draft EIS (Vol. II) is a "Water Quality and Marine Biological Resources Survey" dated September 5, 2006. In relevant part, this survey states:

New buildings, roads, and sidewalks to be built as part of this project will increase the amount of impervious surfaces in the watershed, leading to a **reduction in rainfall infiltration into the ground and an increase in peak runoff.** **The runoff from the development project may reach the nearshore community via existing drainage systems and affect Kapoli Beach Park, Ma'alaea Small Boat Harbor, and Kanaio Beach.** (emphasis added)

* * * *

During rain events, water collects from impervious surfaces (roads, roofs, sidewalks, etc.) and follows a downhill path of least resistance. Unimpeded, this run-off continues on its course to the nearshore environment where it introduces an array of land-based pollutants. Drainage pathways for run-off should be directed into percolation areas rather than directly into existing drainage ways which lead to the ocean. In order to reduce the amount of polluted run-off it is recommended to use a) unlined ditches leading to unlined percolation basins and b) to establish planted percolation areas to act as a natural buffer surrounding the planned flood basins along their drainage pathways to the ocean. (emphasis added)

Attached as "Exhibit N" to the Draft EIS (Vol. II) is a "Subdivision Preliminary Drainage Report" (August 2006). In relevant part, this report states:

The Maalaea Waterfront Plaza (MWP), an existing commercial development on the triangular shaped parcel just downstream and across the highway has experienced flooding during large storms. The runoff from a portion of the project parcel is conveyed through this development. The existing drainage system within this development must be evaluated to determine the allowable capacity of the drainage structures which receive storm runoff from the project site. (page 8) (emphasis added)

* * * *

The existing drainage system at MWP has two drainline systems receiving runoff from the project site. One is drainline DL-M which receives runoff from two headwells and inlets along Honoapiilani Highway and from MWP. The main trunk of DL-M runs along Maalaea Road and **discharges into Maalaea Bay.**

The second is drainline DL-H which receives runoff from two headwalls and inlets along Honoapiilani Highway and discharges into Maalaea Bay. The hydraulic analysis of DL-M and DL-H are contained in Appendix A. (page 15) (emphasis added)

The proposed improvements will change the land use from previous agricultural use to residential development which by nature will increase hardscape (i.e. road pavements, sidewalks, housing) and reduce rainfall infiltration into the ground. (page 17) (emphasis added)

Furthermore, the Maui County Planning Department, in a correspondence dated June 21, 2006, expressed concern that "the property is located on an incline and mass-grading will be necessary." (See, Draft EIS, Vol. I, Part XI "Parties Consulted During the Preparation of Draft Environmental Impact Statement; Letters Received and Responses to Substantive Comments.")

Based on the findings of the "Water Quality and Marine Biological Resources Survey," as well as previous damage to the nearshore waters caused by run-off due to mass grading mauka of Maalaea Bay, please provide:

(1) a detailed map specifying the pathways that storm run-off from the mountainous-area located above the proposed project site will take as it makes its way across the proposed project site, over the existing Maalaea Waterfront Plaza, and into Maalaea Bay.

(2) a detailed explanation of whether drainage pathways for run-off will be directed into percolation areas rather than directly into existing drainage ways which lead to the ocean;

(3) a detailed explanation of whether "unlined" ditches leading to "unlined" percolation basins will be used;

(4) a detailed explanation of whether "planted percolation areas" will be established to act as a natural buffer surrounding the planned flood basins along their drainage pathways to the ocean;

(5) a detailed plan for developing a water quality monitoring program to ensure the long-term effectiveness of the BMPs;

(6) a detailed plan for monitoring the water quality of intermittent storm run-off; and,

(7) a detailed explanation of whether “early site grading work” will be limited to “the dry season on Maui to reduce runoff impacts at the time when storm runoff would have the potential to carry the most particulates to coastal waters.”

D. **LACK OF INFORMATION REGARDING REEF DEGRADATION AT MAALAEA BAY.**

HAR, Title 11, Chapter 200, § 11-200-16, states, in relevant part, that:

The environmental impact statement shall contain an explanation of the environmental consequences of the proposed action. The contents shall fully declare the environmental implications of the proposed action and shall discuss all relevant and feasible consequences of the action.
(emphasis added)

HAR, Title 11, Chapter 200, § 11-200-17(I), states, in relevant part, that:

The draft EIS shall include a statement of the probable impact of the proposed action on the environment, and impacts of the natural or human environment on the project, which shall include consideration of all phases of the action and consideration of all consequences on the environment; direct and indirect effects shall be included.
(emphasis added)

At a July 30, 2007, meeting of the Water Resources Committee, Maui County Councilmembers heard presentations by the State Department of Land and Natural Resources, Division of Aquatic Resources, and the County Department of Environmental Management, Wastewater Division, regarding the decline of Maui’s coral reefs, invasive algae, and the need to reduce land-based nutrients.

In 1999 the Hawaii Division of Aquatic Resources (DAR) in partnership with the Coral Reef Assessment and Monitoring Program began annual surveys of coral condition at 9 reef areas in Maui County, including Ma’alaea Bay. In “Status and Trends of Maui’s Coral Reefs”, by the Hawaii DAR and Hawaii Coral Reef Initiative Research Program, the growing problem of “invasive algae” was discussed:

The Growing Problem of Invasive Algae. A significant and growing concern is the increasing overgrowth of reefs by invasive seaweeds, particularly *Acanthophora spicifera*, *Hypnea musciformis* and *Ulva spp.* **Shallow reefs n Kihei and Maalaea are now almost totally overgrown by those species** and *A. spicifera* has become much more abundant in recent years at other locations including Honokowai/Kahekili and Papaula Point. Algal blooms are indicative of a

loss of balance between factors which promote algal growth (e.g. nutrient availability) and those which control algal abundance (e.g. grazing). It is likely that both high nutrients & low grazing have been important:

- Studies by researchers from University of Hawaii (UH next page), together with the evident correspondence between reefs with severe algal blooms and coastal areas with high human population density, **strongly suggest that elevated nutrients from wastewater or fertilizers are fueling accelerated algal growth.**
- Reefs with abundant herbivorous fishes, such as those in the Honolua and Molokini MLCs, have little or no invasive algae present, **whereas reefs with depleted herbivore populations (e.g. Maalaea) are severely overgrown by algae.** (emphasis added)

In "Status and Trends of Maui's Coral Reefs", the "total system collapse at Maalaea" was discussed:

Case Study: Total System Collapse at Maalaea.

The end result of reef degradation is evident at Maalaea Bay. In 1972, Maalaea coral reefs were described as being 'striking in their diversity and in the presence of rare corals species'. As late as 1993, estimated coral cover was 50-75% close to the site where cover is now 8%. Therefore, in just a few decades, the Maalaea reef has transformed from a healthy and diverse ecosystem into a badly degraded habitat overgrown by algae and with little surviving coral. One consequence of severe loss of living coral is that degrading reefs change from being actively-growing and structurally-complex habitats, into eroding and relatively flat areas which do not support abundant marine life. That process is well advanced at Maalaea, where fish stocks are now in very poor condition, being dominated by small wrasse, triggerfish and puffers. Given that the Maalaea reef is now a poor habitat for most grazing fishes, and that existing blooms of algae will continue to inhibit new coral growth, even in the best of circumstances (without water quality or fishing impacts), recovery of Maalaea would likely take many years. (emphasis added)

A power-point presentation, with accompanying handouts and maps, included a discussion on the negative impacts that the sewage injection wells located onshore in Maalaea had on Maalaea Bay's coral reefs. In "Ground-water Nutrient Load to Coastal Water at Kihei, Maui" (by USGS), it was stated, in relevant part, that:

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- **“Injected wastewater floats on the top of the surrounding brackish water,”** and the **“injection plume is about 3 years old by the time it reaches the shoreline;”** and,
- **“Over the 8 mile study area (Kihei, Wastewater Treatment & Injection), about 40% of all the total nitrogen load at the shoreline is the result of the injection plume.”** (emphasis added)

In “Assessments of Algae and Water Quality in the Coastal Waters at Kihei, Maui” (by University of Hawaii, Botany Department), it was stated, in relevant part, that:

- **“Over 20,000 lbs of algae wash up on Kihei’s beaches/week;”**
- **“Economic study-algae in north Kihei cost the state more than \$20 million/yr;”**
- **The “State spends greater than \$100,000/yr cleaning beaches;”** and,
- **“Algae is growing extremely fast, with Hypnea able to double in size in two days. (These are among the highest growth rates ever recorded in any ecosystem on the planet);”** and,
- **“Algae within the projected injection plume was found with about 15N values similar to algae grown directly in wastewater.”** (emphasis added)

Section “B” (“Lack of Pertinent Information Regarding the Wastewater Treatment Facility and Injection Wells”), herein-above, points out the serious concerns regarding the proposed wastewater treatment plant, effluent area, and injection wells, being located above the UIC line. Section “C” (“Lack of Pertinent Information Regarding Potential Run-Off”), herein-above, points out that the Draft EIS fails to provide sufficient information explaining all potential environmental consequences of the proposed project due to run-off. Furthermore, historically, run-off due to mass grading for development mauka of the Ma’alaea Bay caused serious damage to the near-shore ocean waters, boats, and other facilities. Specifically, from December 1996 through September 1997, state harbor officials charged that more than an estimated 500 cubic yards of runoff and debris built up as a result of grading to build the Maui Ocean and Commercial Centers at Maalaea (Maalaea Triangle Partnership).

Accordingly, based on the studies on reef degradation in Maalaea Bay, Kihei, by DAR in partnership with the Coral Reef Assessment and Monitoring Program:

Please discuss the existing condition of the reef system in Ma’alaea Bay and how injection wells will impact this area.

Please provide all relevant data, studies, and other information relied upon by the applicant to assure that the proposed Wastewater Treatment Plant, re-use area, injection wells, and storm run-off will not further the degradation of Maalaea Bay's reefs. Any data, studies, and other information should include:

- **Current nutrient levels in Maalaea Bay and projected increases in nutrient levels in Maalaea Bay due to run-off from the proposed development, and the WTP, effluent area, and injection wells.**
- **Status, trends, and future reef degradation at Maalaea Bay.**
- **A detailed map specifying the direction, time-frame, and pathways that storm run-off from the mountainous-area located above the proposed project site will take as it makes its way across the proposed project site, over the existing Maalaea Waterfront Plaza, and into Maalaea Bay.**
- **A detailed map specifying the direction, time-frame, and pathways that effluent from the proposed WTP, reuse area, and injection wells will take as it makes its way into Maalaea Bay.**
- **The current amount (percentage) of nitrogen levels in Maalaea Bay, and the projected amount (percentage) of nitrogen levels in Maalaea Bay resulting from run-off and the injection plume.**
- **The current amount (lbs) of algae that washes up in Maalaea Bay, and the projected amount (lbs) of algae that will wash up at Maalaea Bay resulting from run-off and the injection plume.**
- **An economic study of the current and projected impacts that algae-growth has, and will have, on the state and county for beach clean-up, impacts on tourism, and home-depreciation.**
- **A study that compares the amount of nitrogen (^{15}N values) contained in the existing Kihei Wastewater facility and the injection plume.**

E. LACK OF PERTNENT INFORMATION REGARDING RELATED PROJECTS PLANNED IN THE REGION.

HAR, Title 11, Chapter 200, § 11-200-17(G) states, in relevant part, that:

The draft EIS shall include a description of the environmental setting, including a description of the environment in the vicinity of the action, as it exists before commencement of the action, from both a local and regional perspective. Special emphasis shall be placed on environmental resources that are rare or unique to the region and the project site (including natural or human-made resources of historic, archaeological, or aesthetic significance); specific reference to related projects, public and private, existent or planned in the region shall also be included for purposes of examining the possible overall cumulative impacts of such actions. Proposing

agencies and applicants shall also identify, where appropriate, population and growth characteristics of the affected area and any population and growth assumptions used to justify the action and determine secondary population and growth impacts resulting from the proposed action and its alternatives. In any event, it is essential that the sources of data used to identify, qualify, or evaluate any and all environmental consequences be expressly noted. (emphasis added)

The Draft EIS fails to provide information or “make specific reference to related projects, public and private, existent or planned in the region.”

The Draft EIS (Vol. II) contains a “Wastewater System Preliminary Engineering Report (August 2006)” prepared by M&E Pacific, Inc. (Appendix “M”). This report states, in relevant part:

Future Expansion. The proposed design flows in Table 2-2 represent the short-term design flow capacity of the Ma’alaea Mauka Subdivision (MMS) WWTP. **Alexander & Baldwin (A&B) plans to develop their east of the Honoapiilani Highway and the proposed subdivision land. If A&B proposed subdivision development gains the necessary approvals, they may elect to connect to the MMS WWTP. There are also two possible developments north of the WWTP site that may elect to connect to the WWTP. The development are proposed Waikapu development (20 homes) and the proposed OHA development (400 homes).** The proposed MMS WWTP design will consider these future developments, and will allow for future expansion of the proposed facility. (emphasis added)

The Draft EIS notes “that the WTP will be designed to allow future expansion capacity.” See, Draft EIS, at pg. 55. **However**, the “Wastewater System Preliminary Engineering Report (August 2006)” (Appendix “M”) specifically mentions the “future expansion” of **A&B, Waikapu development (20 homes), and the proposed OHA development (400 homes).** It is troubling that the Draft EIS fails to clearly point out the future expansion plans of A&B, Waikapu development, and a proposed OHA development.

Please provide specific reference to all related projects, public and private, existent or planned in the region (both the Kihei-Makena Community Plan region and the Wailuku-Kahului Community Plan region), including the “future expansion” of A&B, Waikapu development (20 homes), and the proposed OHA development (400 homes). Provide specific data and information of the “possible overall cumulative impacts of the related projects, population and growth assumptions used to justify the action and determine secondary population and

growth impacts resulting from the proposed action and its alternatives.” Also provide “sources of data used to identify, qualify, or evaluate any and all environmental consequences.”

Please provide detailed information as to the names and contact information of all projects, public and private, existent or planned in the regions (both the Kihei-Makena Community Plan region and the Wailuku-Kahului Community Plan region).

Please also provide detailed information as to whether the County of Maui, Department of Water Supply, has any existent or planned projects in the region, especially involving the Waikapu Aquifer.

F. LACK OF PERTINENT INFORMATION REGARDING WATER, MAINTENANCE, AND OPERATION.

HAR, Title 11, Chapter 200, § 11-200-17(l), states, in relevant part, that:

The draft EIS shall include a statement of the probable impact of the proposed action on the environment, and impacts of the natural or human environment on the project, **which shall include consideration of all phases of the action and consideration of all consequences on the environment; direct and indirect effects shall be included.**

The interrelationships and cumulative environmental impacts of the proposed action and other related projects shall be discussed in the draft EIS. It should be realized that several actions, in particular those that involve the construction of public facilities or structures (e.g., highways, airports, sewer systems, water resource projects, etc.) may well stimulate or induce secondary effects. **These secondary effects may be equally important as, or more important than, primary effects, and shall be thoroughly discussed to fully describe the probable impact of the proposed action on the environment.** (emphasis added)

HAR, Title 11, Chapter 200, § 11-200-2, defines “effects” or “impacts” as:

“Effects” or “impacts” as used in this chapter are synonymous. Effects may include ecological effects (such as the effects on natural resources and on the components, structures, and functioning of affected ecosystems), aesthetic effects, historic effects, cultural effects, economic effects, social effects, or health effects, whether primary, secondary, or cumulative. (emphasis added)

HAR, Title 11, Chapter 200, § 11-200-2, defines “effects” or “impacts” as:

"Secondary impact" or "secondary effect" or "indirect impact" or "indirect effect" means effects which are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. Indirect effects may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water and other natural systems, including ecosystems. (emphasis added)

The Draft EIS fails to provide information as to who or what entity will be responsible for operating, managing, and maintaining the private water system for this proposed project. As stated in the Draft EIS, at page 53, "the average daily demand for the 949 single- and multi-family units, community center, wastewater facility, and parks is 619,000 gpd." It also states that "the demand will require an infrastructure system consisting of wells and pumping facilities, storage capacity, and a distribution system."

This information is essential as the County of Maui and potential residents of the proposed sub-division should be assured that the person or entity operating and managing the private water system understands the national and state drinking water regulations; is able to technically and financially manage a water system of this size.

This concern is justified as the County of Maui has had to provide assistance (or, "bail out") a private water system serving a sub-division in Kahakaloa, Maui, on more than one occasion.

Please provide detailed information as to the name(s) and contact information of person(s) or entity that will be operating, managing, and maintaining the private water system for the proposed project. This should include the name of the private water system operations company that will operate, manage, and maintain the private water system, as well as the name of the private financial management company that will be responsible for billing customers, collecting money owed, paying the water system's bills, and providing financial records of the water system.

Moreover, the Draft EIS, at pg. 54, states that "to meet the demands of the proposed residential subdivision project, **a total of three (3) wells will be required** – two (2) production wells and one (1) backup well." (emphasis added). However, the "Water System Preliminary Engineering Report (August 2006)" prepared by M&E Pacific, Inc., and attached to the Draft EIS (Vol. II) as Appendix "L" states, in relevant part:

EXECUTIVE SUMMARY. Findings:

- Maui County requires at least one well to act as standby or backup to production wells. This backup well must be equal to or greater in capacity than the producing wells. This planning document assumes that the existing 432,000 gpd well will be greater in capacity than any new wells and therefore will be designed as the backup well.
- **To meet the demands of the development a total of six wells are required. This includes five production wells and one backup well.** This results in a requirement for three additional wells to be sited and installed in addition to the one existing well and the two wells under construction. (page ES-1) (emphasis added)

* * * *

GROUNDWATER WELLS. **A total of six wells are required to support the proposed development.** New wells are assumed capable of producing 300,000-gpd each. **Five of six wells will be production wells** while the remaining well will remain out of service and serve as the back-up well. Maui Department of Water Supply will determine if additional back-up wells will be required beyond the one required by the Water System Standards. **As three wells exist (or will exist in the near future), an additional three new wells are required to support the planned community.** (page 7-1) (emphasis added)

Please clarify whether the proposed development will require a total of three (3) wells (as asserted in the Draft EIS, at pg. 54), or six (6) wells (as stated in the "Water System Preliminary Engineering Report", attached to the Draft EIS (Vol. II) as Appendix "L").

Please provide specific information and all "sources of data used to identify, qualify, or evaluate whether the proposed development will require a total of three (3) or six (6) wells.

Additionally, the Draft EIS, at pg. 53, states that:

A nearby existing well, identified as **Pohakea #1 (State ID 4930-01), was recently completed by the applicant on an adjacent parcel (TMK (2) 3-6-04:03). This well is capable of producing 432,000 gpd. Two (2) wells are currently being installed in the project area and are estimated to be capable of producing 300,000 gpd each.** No storage tank currently exists in the vicinity of the project site. (emphasis added)

Accordingly, assuming the Pohakea well (No. 4930-01), which is capable of producing 432,000 gpd, will be used as a “backup” well, and the average daily demand for the proposed development is 619,000 gpd:

- If only two additional wells will be constructed (producing 300,000 gpd each), please provide a detailed explanation for not complying with the Engineering Report that states that a total of six wells are required to support the proposed development?
- If only two additional wells will be constructed (producing 300,000 gpd each), please provide a detailed explanation as to where the 19,000 gpd needed to meet the average daily demand will come from?
- If five additional wells will be constructed (producing 300,000 gpd each), please provide a detailed explanation of what the “extra” 881,000 gpd of water will be used for (1.5 mgd (five wells producing 300,000 gpd) less 619,000 gpd (average daily demand)?

The Hawaii State Water Code requires any person making a use of water in any area of the State shall file a declaration of the person’s use with the commission. (*See*, HRS §174C-26). The declarations are required to include the quantity of water used, the purpose or manner of the use, the time of taking the water, and the point of withdrawal or diversion of the water.

Each declaration is also required to contain a statement, signed and sworn to by the person required to file the declaration, or by some other person duly authorized in the person's behalf, to the effect that the contents thereof are true to the best of the person's knowledge and belief. HRS §174C-26 (c)

Similarly, the Maui County Code, § 2.90A.050 requires private water users to report their use of water to the director of the Department of Water Supply. Specifically, this section provides:

- A. Whenever a report of water use in the County of Maui is required to be submitted to the commission pursuant to section 13-168-7, Hawaii Administrative Rules, the same report shall be simultaneously submitted to the department. The director shall transmit received reports on a monthly basis to the council and the mayor.

Please provide detailed information as to the name(s) and contact information of person(s) or entity that will be responsible for assuring that the water system is in full compliance with the State Water Code and Maui County’s water reporting laws, including seeing to it that all reports will be complete and submitted to the State Water Commission as required by HRS §174C and the DWS as required by Maui County Code, § 2.90A.050.

G. FAILURE TO TAKE INTO ACCOUNT THAT THE COUNTY OF MAUI WATER USE AND DEVELOPMENT PLAN IS CURRENTLY BEING UPDATED AND NEAR COMPLETION.

The laws of the State of Hawaii and the County of Maui are clear regarding the adoption and updates to the Water Use and Development Plan (WUDP). The Hawaii State Water Code requires each county to adopt a WUDP, and then update and modify its plan "as necessary to maintain consistency with its zoning and land use policies." (Hawaii Revised Statutes, § 174C-31(q)).

The Charter of the County of Maui mandates that the department of water supply shall prepare and annually update the county WUDP. Chapter 11, § 8-11.2(3) of the Charter provides, in relevant part, that "the department of water supply shall prepare and annually update a long-range capital improvement plan and an updated water use and development plan, which shall be subject to the approval of the council, as provided by law." (Amended 2002) (emphasis added)

The Charter also mandates that the "up-to-date" WUDP be reviewed by the board of water supply and enacted by the council by ordinance. It provides, in relevant part:

Section 8-11.6 (2)(3) The director of the department of water supply shall:

2. Prepare long-range capital improvement plans and up-to-date water use and development plans for review by the board of water supply and enactment by the council by ordinance.
3. Implement enacted long-range capital improvement plans and water use and development plans. (emphasis added)

The Maui County Code, § 2.88A.040, provides:

The plan shall serve as a guideline to the council, the board and all other agencies or departments of the County (a) in approving or recommending to other agencies the use or commitment of the water resources in the county and (b) in using public funds to develop water resources to meet existing or projected future demands on the public water system as set forth in the plan. (Ord. 1948 § 2, 1990)

Based on the pertinent provisions of the State Water Code, the County of Maui Charter, and the Maui County Code, the Draft EIS should not be accepted until the 1990 Maui County WUDP has been updated. For nearly fifteen years, the county has

expended thousands of tax-payer dollars to update the WUDP and is finally nearing completion. Therefore, it would be irresponsible to commit such a large amount of public water resources to a project of this size (approximately 949 single and multi-family dwelling, parks, a community center, and a quasi-public facility on 257 acres) before the WUDP can be updated.

Furthermore, the "Preliminary Draft Water Use and Development Plan," ("Candidate Strategies Chapter") dated September 12, 2006, posted on the County of Maui, Department of Water Supply website, sets-forth a section on "Short Term Resource Options". This section states, in relevant part:

Option (Short Term): Waikapu South Wells

Two wells are being planned for the Waikapu aquifer above Waikapu town at an elevation of about 750 feet. Development of these wells would include well drilling and development and minor transmission improvements.

Negotiations are underway for easements and rights of way. These wells would draw from the Waikapu basal groundwater aquifer. The earliest these wells could provide water to the DWS system is 2008

The sustainable contribution of these wells as a new source of water is limited to the 2 MGD sustainable yield of the Waikapu aquifer. **These wells would provide needed reserve capacity to meet the engineering reliability criteria for the DWS Central system.** (emphasis added)

The applicant's plans for its three wells in the Waikapu aquifer is concerning as it clearly conflicts with the County of Maui's "short term resource option" of the Draft Water Use and Development Plan. According to the Draft WUDP,

Short term resource options are projects that could **serve to meet immediate capacity reserve shortfalls.** These options are characterized by the ability to meet water demands or system capacity requirements **in the next two to three years.** (emphasis added)

Moreover, the "Preliminary Draft WUDP" contains only five "Short Term Resource Options". Aside from the option of using the Waikapu aquifer, the only other options are: Hamakuapoko Wells; Hamakuapoko Wells Water Trading Agreement; Kamole Emergency Capacity Agreement; and, Emergency Night-Only Landscape Irrigation Restriction. (See, "Preliminary Draft Water Use and Development Plan, Candidate Strategies Chapter", dated September 12, 2006, at pages 12-16).

These remaining options are either unfeasible or impractical. On September 15, 2006, the Maui County Council passed Bill No. 51 prohibiting the use of water from Hamakuapoko Wells 1 and 2 for human consumption. The two remaining options are the Kamole Emergency Capacity Agreement and the "Emergency Night-Only Landscape Irrigation Restriction".

Accordingly, only one real short-term resource option remains: Waikapu South Wells.

Please provide citation of all law, rules, regulations or other authority relied upon that would allow the acceptance of the Draft EIS without taking into account an Updated County of Maui Water Use and Development Plan that would provide a comprehensive analysis of all current and future water needs for Central Maui.

Please provide information as to whether there are any agreements, or negotiations, with the County of Maui for future use of the water from the applicants three wells located above the Waikapu Aquifer system.

Please provide information as to whether the applicant has any private agreements with any other entity or persons for use of water from the applicant's three wells located above the Waikapu Aquifer system.

Please provide information as to whether there currently are, or have been, any negotiations with the County of Maui for easements or rights of way onto applicant's property.

H. WHETHER SUFFICIENT WATER SHALL BE AVAILABLE FOR DHHL AND OHA PROJECTS.

A "Wastewater System Preliminary Engineering Report (August 2006)", attached to the Draft EIS (Vol. II) as Appendix "M", in relevant part, states:

Future Expansion. The proposed design flows in Table 2-2 represent the short-term design flow capacity of the Ma'alaea Mauka Subdivision (MMS) WWTP. Alexander & Baldwin (A&B) plans to develop their east of the Honoapiilani Highway and the proposed subdivision land. If A&B proposed subdivision development gains the necessary approvals, they may elect to connect to the MMS WWTP. **There are also two possible developments north of the WWTP site that may elect to connect to the WWTP.** The development are proposed Waikapu development (20 homes) and **the proposed OHA development (400 homes).** (emphasis added)

Please affirm or negate the accuracy of the statement made in the “Wastewater System Preliminary Engineering Report (August 2006)”, attached to the Draft EIS (Vol. II) as Appendix “M” that there is a “proposed OHA development (400 homes).”

Please provide information as to any proposed DHHL development, existent or planned in the region (both the Kihei-Makena Community Plan region and the Wailuku-Kahului Community Plan region).

If there are any OHA or DHHL development, existent or planned, please provide all relevant data, studies, and other information showing that applicant’s proposed potable and non-potable use plans will not negatively impact water for OHA or DHHL.

I. FAILURE TO ADDRESS AND ACCOUNT FOR THE CUMULATIVE IMPACTS OF THE PROPOSED PROJECT ON THE MA’ALAEA AND SURROUNDING COMMUNITIES.

1. Cumulative Impacts

It is well-established that an EIS should address, and the LUC should consider, the potential cumulative impacts of a proposal prior to agency approval. A “cumulative impact” has been defined as “the impact on the environment which results from the incremental impact of the 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.” (See, HAR §11-200-2). Moreover, HAR 11-200-17 requires that an EIS discuss “significant beneficial and adverse impacts (including cumulative impacts and secondary impacts).”

2. Increased Build-out and Impacts to Police and Haycraft County Park

The proposed project has been strongly opposed by the Ma’alaea Community Association. One concern has been the potential negative impacts to Haycraft Park. A letter dated August 21, 2006, from the Ma’alaea Community Association, states, in relevant part:

Small, primitive Haycraft county Park is situated at the end of the street and abuts a residential apartment building. This park has one portable toilet and a parking lot inadequate for current usage. It is already a notorious hotbed of the homeless, unpermitted camping, crime, noise, drug dealing and usage and numerous other public nuisances. The proximity of Ma’alaea to the so-called ‘Freight Train’ surfing spot results in seasonal surfer takeover invasions with attendant trespassing on private property, including criminal activity, leash law violations, public

drunkenness, urination and nudity, drug usage and the denial of peace and quiet, private parking and use of facilities to legitimate residents. There is only one public Shoreline Access Point, No. 124, serviced only by on-street parking on Hau'oli Street. Ma'alaea is physically unable to handle huge influxes of people. The surge of new inhabitants from Ma'alaea Mauka is likely to exacerbate these problems and must be addressed.

The current Ma'alaea community consists of approximately 560 condominium units, and a few single family residences along Highway 30. The proposed development would consist of approximately 949 single and multi-family dwellings, which could nearly double the current community population. According to the "Socio-Economic Forecast Report", of the County of Maui, Planning Department, Long Range Division, the average household size for the Kihei-Makena region is 2.51 (2005). Accordingly, the proposed development could add approximately 2,382 new residents to the Ma'alaea community.

The "Socio-Economic Forecast Report" also projects that the population of the Kihei-Makena region is to grow to 28,114 by 2010, and 30,597 by 2015. These figures do not include the number of visitors to the Kihei-Makena region which the report projects at 21,621 (2010) and 24,805 (2015).

Concerning is that according to the County of Maui, Police Department, there are (as of January 17, 2008) only twenty-three patrol officers covering the entire Kihei-Makena community plan region.

While a letter dated July 26, 2007, from Mark Alexander Roy, of Munekiyo & Hiraga, Inc., assures the Ma'alaea Community Association that their concerns regarding "police protection impacts" were noted, and would be addressed in the Draft EIS, the Draft EIS fails to adequately discuss and address "police protection impacts".

Please provide all relevant data, updated statistics, studies, and other information that the applicant relied upon to address and account for:

- i. **Potential impacts to Haycraft Park, including impacts to parking, public restroom facilities, showers, ocean and public safety;**
- ii. **Potential "police protection impacts" including, the current population of the Kihei-Makena community plan region; projected populations for the Kihei-Makena community plan region; current number of patrol officers covering the Kihei-Makena community plan region; projected demand for patrol officers covering the Kihei-Makena community plan region.**

Please provide a detailed plan of alternatives, and proposed measures to be taken to avoid, minimize, rectify, or reduce these adverse impacts.

II. CONCLUSION:

HAR, Title 11, Chapter 200, § 11-200-14, provides, in relevant part:

“Consequently, the EIS process shall involve at a minimum: identifying environmental concerns, obtaining various, relevant data, conducting necessary studies, receiving public and agency input, evaluating alternatives, and proposing measures for avoiding, minimizing, rectifying or reducing adverse impacts. An EIS is meaningless without the conscientious application of the EIS process as a whole, and shall not be merely a self-serving recitation of benefits and a rationalization of the proposed action.” (emphasis added)

The EIS document is a valuable tool for decision makers and should disclose all aspects of a proposal, its cumulative impacts and environmental consequences, in order to assist in making an informed decision. Thank you for your consideration of my comments.

Sincerely,

MICHELLE ANDERSON
Councilmember

cc:

Anthony Ching
State Land Use Commission
P.O. Box 2359
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MARK ALEXANDER ROY

October 29, 2009

Pamela Daoust, Secretary
Ma`alaea Community Association
50 Hau'oli Street
Ma`alaea, Hawaii 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Daoust:

Thank you for your letter dated July 20, 2009, providing comments from the Ma`alaea Community Association (MCA) on the Environmental Impact Statement Preparation Notice (EISPN) for the Ohana Kai Village Affordable Housing Project. We have reviewed the comments set forth in your letter, as well as those presented in the documents that were attached to your submittal, including comment letters on the former Maalaea Mauka project from both the MCA and former Councilmember Michelle Anderson, and, copies of public testimony submitted as part of the 2030 General Plan Update process. We are writing to you today to offer the responses to the comments raised in your letter and the related documentation. To facilitate your review of our responses, we have organized the responses into the following thematic areas:

- General Comments
- Roadway Infrastructure
- Wildland Fire Hazards
- Drinking Water System
- Loss of Agricultural Lands
- Public Services and Facilities
- County General and Community Plans
- Scenic Considerations
- Economic Impacts
- Project Need
- Cumulative Impact Considerations
- Wastewater Treatment Plant
- Drainage and Coastal Water Quality

- Mass Transit Corridor
- Site Appropriateness

1. **GENERAL COMMENTS**

First of all, we appreciate the MCA's input into the Chapter 343, Hawaii Revised Statutes (HRS), Environmental Impact Statement (EIS) process. MVI, LLC believes it is important to understand the issues and concerns of neighboring residents. In this regard, we note your comment regarding the need for more information as to how impacts will be dealt with in the EISPN. The EISPN will serve as a basis for developing the Draft EIS. Further environmental impact analysis will be conducted and presented for your review and comment during the Draft EIS phase of the process.

The Ohana Kai Village Project is being proposed to address the current shortage in existing and projected supply of affordable housing on Maui, a trend which is set to continue given projected population growth rates and increased levels of in-migration and offshore investment.

MVI, LLC is currently proceeding with the preparation of an EIS and Section 201H applications for the project on a basis of the current land use designation (Project District 12) set forth in the 1998 Kihei-Makena Community Plan. Just as we believe that the current 2030 General Plan Update process is valid, we also recognize the need to respect the current community plan for the Kihei-Makena region, which continues to be applicable.

With respect to the relationship of the EIS process for the project and the 2030 General Plan Update process, we believe it appropriate that both processes proceed simultaneously. The EIS and County/State 201H application processes can take two (2) years or more to complete. The General Plan Update and subsequent Community Plan Update processes will take several years as well. In the best interest of addressing affordable housing issues here on the island, we believe that a concurrent approach, rather than a sequential approach, to environmental review and land use entitlements (as it relates to the General Plan and Community Plan updates) is essential. The alternative sequential approach would mean that fully entitled lands to provide housing would be deferred.

Notwithstanding the foregoing, we are respectful of the review of the Draft Maui Island Plan that is currently being conducted by the County of Maui. In fact, development plans for the property were presented to the General Plan Advisory Committee (GPAC) on September 20, 2008 and to the Maui Planning Commission on July 21, 2009. Completion of the EIS will provide the community

and the decision makers with a comprehensive assessment of the proposed project and will facilitate an informed decision making process in regards to both the ongoing General Plan update process and the County/State 201H applications for the project. We will continue to work alongside the Maui Planning Department and the Maui County Council as review of the draft Maui Island Plan continues.

We agree that infrastructure concurrency is an important operating principle in the implementation of the Kihei-Makena Community Plan. Toward this end, MVI, LLC is committed to developing water source, storage, and transmission facilities to serve this project. Specifically, MVI, LLC is currently in the process of developing three (3) existing wells as a private water system consisting of a total of two (2) water tanks and related water transmission line infrastructure. The three (3) wells will be utilized to provide water supply for the proposed Ohana Kai Village subdivision. The water system will have the capability to serve 100 percent of both the potable and non-potable water needs of the proposed project.

The project will also include a privately developed, operated and maintained Wastewater Treatment Plant (WTP), which will be designed to meet 100 percent of the sewer requirements of the proposed subdivision. To reduce water usage and promote water conservation within the subdivision, MVI, LLC intends to utilize the reclaimed water from the WTP for landscape irrigation purposes within and around the subdivision.

To assist with the improvement of both education and emergency support facilities within the central valley, MVI, LLC will work with the State Department of Education, County Fire Department and Police Department to identify future service expansion requirements. In regards to community planning considerations, emphasis will be placed, during the subdivision and construction plans preparation phase of work, on the incorporation of design elements that would reduce opportunities for crime within neighborhoods. As such, the Crime Prevention Through Environmental Design (CPTED) guidelines will be reviewed to identify options conducive toward creating a safe and crime-free neighborhood.

With respect to recreational facilities, the proposed subdivision has been master-planned to meet the intent of the recommended spatial allocations for Project District 12 (as contained within the Kihei-Makena Community Plan). The current site plan for the project provides a 16-acre public/quasi-public site, which will include a park that will be open to and available for use by both subdivision residents and the general public, including the larger Maalaea community. MVI, LLC is also committed toward ensuring the preservation and enhancement of access opportunities to the Lahaina Pali Trail, an important cultural and

recreational resource that is located along the western perimeter of the property. As such, coordination will be undertaken with the Department of Land and Natural Resources (DLNR) to ensure that appropriate design considerations, such as parking facilities, are incorporated into the proposed project.

2. ROADWAY INFRASTRUCTURE

Your comments regarding the adequacy of existing roadway infrastructure in the area have been noted. An updated Traffic Impact Analysis Report (TIAR) has been prepared for the proposed project since acquisition of Project District 12 by MVI, LLC. The updated TIAR assesses both existing traffic conditions around the property and projected conditions (under "with" project and "without" project scenarios) at each of the key intersections within an expanded study area. This study area includes both the Kuihelani Highway and North Kihei Road intersections. To mitigate this projected increase in trips and allow for acceptable levels of service at study intersections, a number of roadway and intersection improvements will be completed by MVI, LLC as part of project implementation, including improvements to both the Kuihelani Highway and North Kihei Road intersections. A discussion of the findings and recommendations of the TIAR will be included in the Draft EIS, as well as a list of these project-related roadway and intersection improvements.

Further, MVI, LLC recognizes the high potential at this location for mass transit options. As such, coordination with the Maui County Department of Transportation will be undertaken to identify appropriate locations for bus stops within Ohana Kai Village and opportunities for expansion of the current Maui Bus service network.

3. WILDLAND FIRE HAZARDS

MVI, LLC is aware that wildfires have occurred in the State-owned and managed Conservation District lands that lie to the west of Project District 12. The following mitigation measures are being considered for implementation as part of the proposed project, which would reduce the exposure of the subdivision and neighboring Ma`alaea residents to any future unmanaged wildfire events in the neighboring State conservation lands:

- Reuse of reclaimed water from the project's proposed Wastewater Treatment Plant (WTP) for irrigation of common landscaped and open space areas within and around the subdivision, particularly along the mauka (west) boundary of the subject property.
- Coordination with the DLNR to identify opportunities and permit

requirements for the routine maintenance of an additional fire mitigation corridor along the outer edge of the mauka (west) boundary of the subject property. Reclaimed water from the WTP would also be utilized in conjunction with the removal of dead vegetation from this corridor to promote effectiveness of this strip in inhibiting the spread of a possible wildfire event in the future.

Additional coordination, as necessary, will be undertaken with the Department of Fire and Public Safety, the Maui Wildland Fire Coordinating Group and other applicable agencies during the subdivision and engineering plans preparation phase to identify additional wildfire mitigation opportunities for the proposed Ohana Kai Village Affordable Housing Project.

A discussion relating to wildland fires and mitigation measures will be included in the Draft EIS.

4. DRINKING WATER SYSTEM

As mentioned under General Comments, a private water system is in the process of being developed to service 100 percent of the potable and non-potable requirements of the proposed subdivision. The water system proposes the use of the Waikapu Aquifer as a drinking water source through the development of three (3) existing wells consisting of two (2) water storage tanks and associated transmission infrastructure. A Preliminary Engineering Report (PER) has been prepared for the proposed project, which includes calculations relating to projected potable and non-potable water demands. A conceptual description of the proposed infrastructure improvements will be included in the Draft EIS along with a copy of the PER. MVI, LLC is currently in coordination with the State Department of Health (DOH) to address applicable permitting requirements for the drinking water system.

The applicant acknowledges the importance of planning long-term sustainable water resources for the Maui County residents and will work with the County of Maui, Department of Water Supply to ensure that the proposed project be included in the Water Use and Development Plan. Furthermore, the water system will be designed to satisfy applicable requirements of Ordinance 3052, relating to water availability.

5. LOSS OF AGRICULTURAL LANDS

We note your comments regarding the loss of agricultural lands that will result from implementation of the proposed project. An Agricultural Impact Assessment report

has been prepared assessing the impact of development within the subject property on the overall availability of agricultural lands in Maui County. The findings of the report, prepared by Dr. Bruce Plasch of Decision Analysts Hawaii, Inc., indicate that development on the property will not significantly impact the availability of agricultural lands on Maui Island. In the last 30 years, the closures of Wailuku Sugar and Pioneer Mill have taken significant acreages of land out of commercial sugarcane cultivation. These actions have greatly increased the supply of non-sugar based agricultural lands and much of these former plantation lands remain fallow. In this regard, salient factors facing the agricultural industry today include the market demand for products (access to markets and local purchasing patterns) and the overall profitability of crops grown in Hawaii. In evaluating the conversion of underutilized agricultural lands against the prospect of providing affordable housing for Maui's working families who will play an integral role in sustaining the local economy, the latter is anticipated to result in greater long-term productivity for the region. A copy of the Agricultural Impact Assessment Report will be included in the Draft EIS along with a discussion of the findings in relation to applicable State and County policies.

6. PUBLIC SERVICES AND FACILITIES

As noted in your comments, MVI, LLC also recognizes the complexity associated with providing new affordably-priced resident housing, as new housing inventory leads to the equal challenge of providing supporting services for residents. In this context, coordination with the State of Hawaii and the County of Maui is currently being undertaken to address school, fire, police and parks requirements for the proposed subdivision. MVI, LLC will also continue to seek collaborative solutions with governmental agencies, including the Hawai'i Health Systems Corporation to ensure that medical services and facilities planning are implemented in a manner which meets resident needs over the project's 8-year build out period.

A discussion of potential impacts from the proposed subdivision on these public services and facilities will be included in the Draft EIS, as well as any applicable mitigation measures.

7. COUNTY GENERAL AND COMMUNITY PLANS

As noted earlier, the project site for the proposed project is designated as Project District 12 in the 1998 Kihei-Makena Community Plan. The land use plan for the Ohana Kai Village has been developed to meet the intent of the recommended land use allocations set forth by the Community Plan and is consistent with the intended use of the property. Though a village town center and school site are not included in the recommended land use allocations of Project District 12, an

exemption from the community plan amendment requirements will be requested as part of the Section 201H application. An analysis of the project in relation to the objectives and policies of the general plan and community plan will be presented in the Draft EIS.

As noted in your letter, the County of Maui is currently in the process of preparing an update to the General Plan. MVI, LLC is currently involved in this process and has submitted a formal request to the Department of Planning, General Plan Advisory Committee, and Maui Planning Commission, requesting that the project site (Project District 12) continue to be designated as a future urban growth area in the draft Maui Island Plan. A discussion of the applicant's involvement in the current 2030 General Plan Update process will be included in the Draft EIS, as well as an analysis of alternatives that were considered during the formulation of the site plan for the project.

8. SCENIC CONSIDERATIONS

The intent of MVI, LLC is to provide a new source of affordable housing for Maui residents. At the same time, they recognize the importance of establishing a sense of community, where residents will be engaged in community well-being and presentation. Towards this end, aesthetic elements have been considered and incorporated in the planning process, to include a minimum 100-foot buffer along Honoapiilani Highway. Landscape planting and maintenance requirements (through CC&Rs) within the subdivision will also advance MVI, LLC's desire to encourage aesthetic pride by homeowners. While the provision of new housing supply for Maui residents at this locale will replace fallow agricultural lands, the proposed project will maintain a low rise architectural theme, open space and park areas for visual relief, and landscaping which complements the surrounding natural and man-made environs.

9. ECONOMIC IMPACTS

We note your comments regarding the potential economic impacts generated by the Ohana Kai Village Project. A Fiscal/Economic Impact Assessment Report study has been prepared by ACM Consultants, Inc. to assess the economic implications of the proposed project on both the State of Hawaii and the County of Maui revenue/expenditure streams. A copy of the Fiscal/Economic Impact Assessment Report will be included and discussed in the Draft EIS.

10. PROJECT NEED

The proposed Ohana Kai Village Affordable Housing Project has been developed in coordination with the County of Maui, Department of Housing and Human

Concerns (DHHC) and is intended to address the current shortage of affordable housing on Maui at a logical location for future residential growth. As discussed earlier in this letter, the site plan for the project has been designed to meet the intent of the recommended spatial allocations of the Project District 12 designation as reflected in the current Kihei-Makena Community Plan.

An updated market study has been prepared for the project which will analyze current and projected trends in both housing supply and demand and identify estimated absorption rates for the affordable housing that will be brought to market by the proposed project. A copy of this updated Market Study will be included in the Draft EIS along with a discussion of the findings.

11. CUMULATIVE IMPACT CONSIDERATIONS

The uniqueness of the project's location in Maalaea places it outside of the contiguous Kihei-Makena urban corridor, while in proximity to the urbanized areas of Waikapu and Wailuku. Specific assumptions have been used in the technical reports to ensure that the assessment of the project is taken in consideration of other proposed developments within the same geographical area. For example, proposed projects in the area was considered in the Traffic Impact Analysis Report (TIAR) to allow the formulation of an accurate ambient traffic growth rate for the region. The context for urban expansion, as set forth by the Kihei-Makena Community Plan, will be addressed in the Draft EIS to provide a broader context for cumulative impact analysis.

12. WASTEWATER TREATMENT PLANT

Your comments regarding the use of injection wells have been noted. A private Wastewater Treatment Plant (WTP) has been incorporated within the plans for the proposed project. The proposed facility will provide the highest level of treatment producing both R-1 and R-2 quality reclaimed water, which is classified as suitable for irrigation purposes. The applicant intends to maximize the reuse/recycling of reclaimed water to facilitate the irrigation of common and open space areas within and around the proposed subdivision. As stipulated by State Department of Health regulations, however, reuse of reclaimed water for irrigation will not be allowed during wet/rainy conditions (anticipated to occur during the rainy months of December through April) and the water will need to be redirected to onsite injection wells for disposal in accordance with applicable Federal, State and County regulations. The siting and design of the standby injection wells will be coordinated with the Department of Health to ensure that applicable Underground Injection Control regulatory requirements are addressed. A description of the proposed WTP will be included in the Draft EIS, as well as a discussion of potential impacts and proposed mitigation measures, as applicable.

13. DRAINAGE AND COASTAL WATER QUALITY

A comprehensive drainage system will be developed in conjunction with the construction of the Ohana Kai Village project. This system, consisting of a series of linear retention basins within the 100 ft. buffer area along Honoapiilani Highway, will be designed to retain all increases in drainage run-off generated by the project, such that there will be no impacts on downstream properties or to water quality within Maalaea Bay. A program of Best Management Practices will be prepared and approved as part of the National Pollutant Discharge Elimination System (NPDES) permit process for the project to ensure the containment of stormwater discharges onsite during the construction period. A preliminary list of BMPs applicable to the proposed project will be included in the Draft EIS.

A Marine Water Quality Survey has also been prepared as part of planning efforts for the subject property to assess coastal water quality inputs and current status marine resources in the Maalaea area. A copy of this report will be included in the Draft EIS along with a summary of the findings and recommendations.

14. MASS TRANSIT CORRIDOR

The proposed project has been master-planned to include a 100-foot buffer which runs the entire length of the eastern boundary of the property along the Honoapi'ilani Highway. Should the County of Maui decide to proceed with the implementation of a mass-transit light rail system at some point in the future, this land would be available for use as a transportation corridor.

15. SITE APPROPRIATENESS

The proposed project consists of development of a master-planned residential community with ancillary commercial and public/quasi-public land uses at a site (Project District 12) identified by the Kihei-Makena Community Plan as an appropriate location for urban growth. The property is located in an area characterized by adjacent urban land uses, both residential and commercial in nature, including the Maalaea Commercial Triangle, Maalaea Small Boat Harbor and the various condominiums and single-family residences along Hauoli Street. In addition, Project District 11, located on the makai side of the Honoapiilani Highway, is designated in the Kihei-Makena Community Plan to also include residential, commercial and public land uses. It is anticipated that with development of Project District 11, that combined services available in the direct vicinity of the proposed subdivision will further enable the Maalaea area to make the transition toward being a more self-sufficient community.

Pamela Daoust, Secretary
Page 10
October 29, 2009

We appreciate the input provided by MCA and look forward to meeting with the Board of Directors as plans for the project become more defined. A copy of the Draft EIS will be provided for your review and comment.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,



Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.
Mark Matsuda, Otomo Engineering, Inc.

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Wailuku Main Street Association, Inc.
Tri-Isle Main Street Resource Center
A Non-Profit Organization
1942 Main Street, Unit 101 • Wailuku, Maui, HI 96793
Tel (808) 244-3888 • Fax (808) 242-2710

To: Mark Roy
Munekiyo & Hiraga, Inc.
305 High Street, Suite 104
Wailuku, HI 96793

Project Review
Ohana Kai Village Affordable Housing Project
TMK: (2) 3-6-001:018 & (2) 3-6-004:003
Structure & Design Committee
July 29, 2009

The Structure and Design Committee has reviewed this project in the past and made some substantive comments, which the developer took to heart. He came back to show us he had incorporated the professional recommendations in his design concept.

He was one of the most responsive developers we have had the pleasure of working with.

Subsequently, we support the project.

Sincerely,
WAILUKU MAIN STREET ASSOCIATION, INC. /
– TRI-ISLE MAIN STREET RESOURCE CENTER –

Eric Taniguchi, Chair
Structure & Design Committee

Jocelyn A. Perreira, Executive Director
Tri-Isle Main Street Program Coordinator



MICHAEL T. MUNEKIYO
GWEN OHASHI HIRAGA
MITSURU "MICH" HIRANO
KARLYNN FUKUDA

MARK ALEXANDER ROY

October 29, 2009

Jocelyn A. Perreira, Executive Director
Attn: Eric Taniguchi, Structures & Design Committee Chair
Wailuku Main Street Association
1942 Main Street, Unit 101
Wailuku, Hawai'i 96793

SUBJECT: Preparation of Draft Environmental Impact Statement for Proposed Ohana Kai Village Affordable Housing Project and Related Improvements at TMK (2)3-6-001:018, TMK (2)3-6-004:003(por.), and 008 (por.), Maalaea, Maui, Hawaii

Dear Ms. Perreira:

Thank you for your letter, dated July 29, 2009, providing comments from the Structures and Design Committee of the Wailuku Main Street Association on the Environmental Impact Statement Preparation Notice (EISPN) for the subject project.

MVI, LLC appreciates your organization's support for the proposed Ohana Kai Village Affordable Housing Project. A copy of the Draft Environmental Impact Statement (EIS) will be provided to your office for review and comment.

MVI, LLC is committed to ensuring that all aspects of the project are fully disclosed in accordance with the requirements of Chapter 343 of the Hawaii Revised Statutes (HRS) and Chapter 200 of the Hawaii Administrative Rules.

Should you have any questions, please do not hesitate to contact me at 244-2015.

Very truly yours,

Mark Alexander Roy, AICP
Project Manager

MAR:tn

cc: Jo-Ann Ridao, Department of Housing and Human Concerns
Jesse Spencer, Spencer Homes, Inc.

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XI. REFERENCES

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