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INCREMENT 3

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DEVELOPMENT PLAN LAND USE
AMENDMENT APPLICATION
AND
FINAL ENVIRONMENTAL ASSESSMENT
FOR
ROYAL KUNIA, PHASE II
INCREMENT 3

Hoaeae and Waikele, Oahu

MAY 1996

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AMENDMENT APPLICATION
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FINAL ENVIRONMENTAL ASSESSMENT
FOR
ROYAL KUNIA, PHASE II
INCREMENT 3**

Hoaeae and Waikele, Oahu

May 1996

Prepared For: Halekua Development Corporation
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Honolulu, Hawaii 96819

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SECTION 1.0 INTRODUCTION

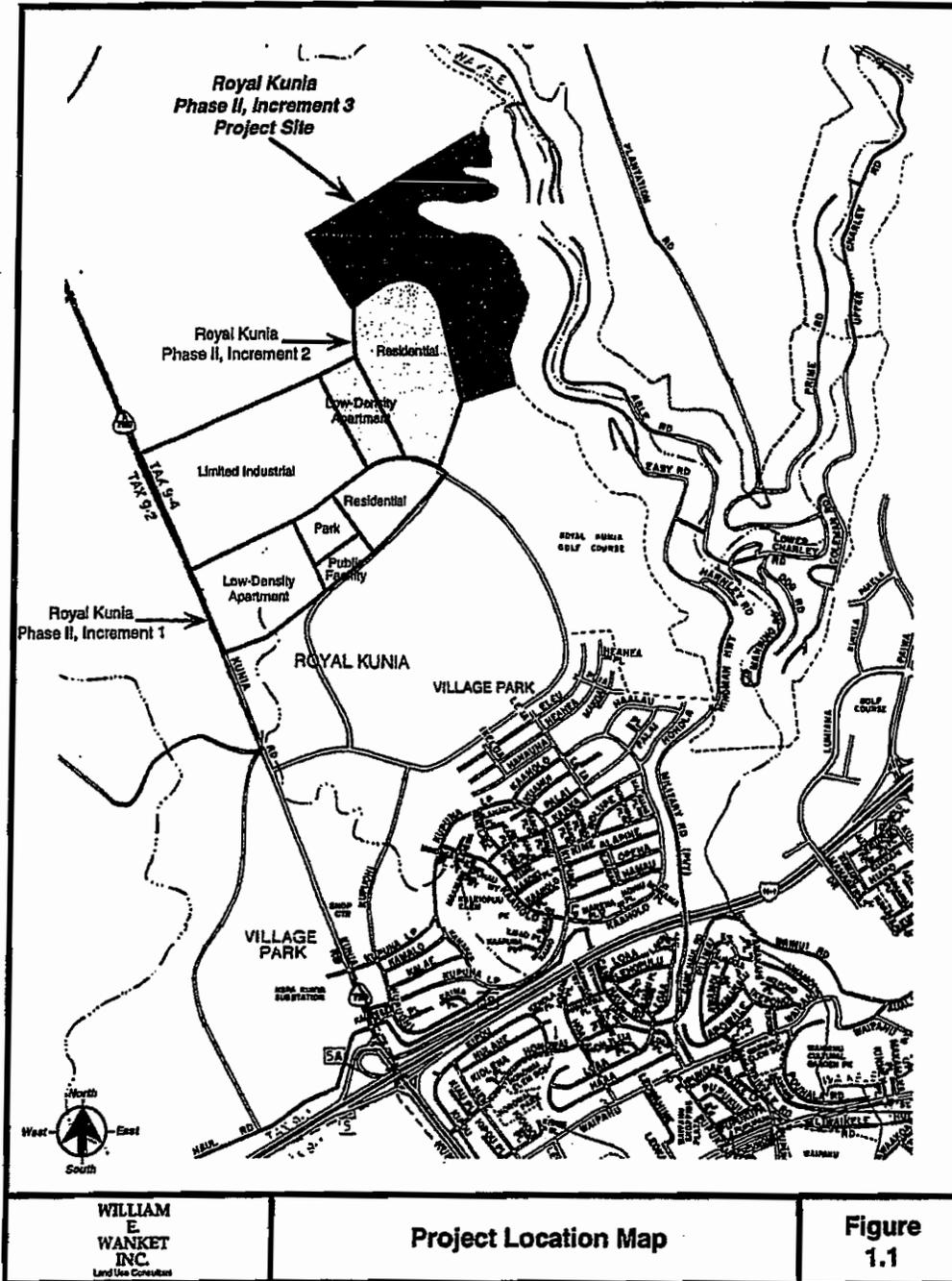
1.1 PURPOSE FOR AMENDMENT APPLICATION AND REPORT

This document was prepared for the Halekua Development Corporation (applicant) to serve as the Development Plan Land Use Amendment (DP Amendment) application and Final Environmental Assessment (Final EA) for the proposed Royal Kunia, Phase II, Increment 3 residential development in Hoaeae and Waikele, Oahu. The applicant is seeking a DP Amendment from Preservation to Residential for the Increment 3 project site. As a result, this application is being filed with the City and County of Honolulu (City) Planning Department for processing to implement the continuing development of Royal Kunia.

This Final EA was prepared under Chapter 343 of the Hawaii Revised Statutes, and in accordance with the content requirements of the State Department of Health's (DOH) Administrative Rules, Title 11, Chapter 200 Environmental Impact Statement Rules (referred to as EIS Rules). This document was also intended to satisfy the informational requirements for the City Planning Department's DP Amendment application. A Draft EA, dated January 1996, was previously prepared and first published in the February 23, 1996 issue of the Office of Environmental Quality Control's *Environmental Notice*. The 30-day comment period on this Draft EA ended March 26, 1996.

The proposed Royal Kunia, Phase II, Increment 3 residential project would involve about 156.8± acres of land situated in Hoaeae and Waikele of Central Oahu. Figure 1.1 shows the project's location and surrounding vicinity. The purpose of this project and DP Amendment request is to allow the applicant to refine the residential portion of the Phase II master plan. Under this refinement, the unit mix associated with the 2,000 residential units already approved for the entire Phase II area will be changed to better meet changing market demands. As a result, a greater percentage of the 2,000 units would consist of single-family homes compared to multi-family townhomes previously planned, and would be spread over a larger area which includes the Increment 3 site.

Under this refinement to the Phase II master plan, about 1,250 single-family homes and 750 multi-family homes would be developed. The increased area provided for residential development by the Increment 3 site will allow for larger single-family lots (up to 6,000 square feet) to better meet consumer needs and create a unique and less dense residential community. This Increment 3 site is currently designated Preservation on the Central Oahu DP Land Use Map and was planned for a third golf course within the entire Royal Kunia development.



Of the total 2,000 units approved under earlier DP Amendments for Phase II, only about 1,420 units would be constructed within the Increments 1 and 2 sites under the proposed project after completion of further detailed site planning and engineering. Consequently, the remaining approximately 580 units permitted under Phase II are proposed to be developed as single-family residential homes on the Increment 3 project site. Hence, this project entails spreading out already approved residential units over a larger area within Royal Kunia which would allow the applicant to better meet the changing market conditions and buyer preferences. Table 1.1 provides a summary of pertinent information associated with this project site.

1.2 BACKGROUND

This DP Amendment request for the proposed Royal Kunia Phase II, Increment 3 project represents the continuing phased development of Royal Kunia by the applicant. This section briefly discusses prior land use approvals which have been received.

1.2.1 Royal Kunia Phase I Development

The Phase I development of Royal Kunia received a Development Plan amendment in 1989 under Ordinance 89-18, and rezoning approval in 1991 under Ordinance 91-11 from the City Council. These approvals allowed for the development of various uses which include parks, golf course, commercial space, low-density apartments, and single-family residences.

Approvals for Phase I allowed for the development of a total of 2,000 residential units. Thus far, the Halekua Gardens I (152 units) and Halekua Gardens II (100 units) developments have been completed and occupied along with the 15.7-acre commercial area. Another 482 units consisting of both townhomes and single-family homes have also been completed and occupied as of May 1996 with a few remaining units projected to be closed by the end of this year.

Of the remaining 1,264 units, about 592 are scheduled to be completed between now and before the year 2000 while the remaining 672 units projected to be completed between the years 2000 and 2002. Required affordable housing units would be developed concurrently with this schedule. Infrastructure improvements for the area is about 90 percent complete. A 10.3-acre park site is projected to be completed sometime in 1997 and the 12.1-acre recreation center/park site completed in the year 2000.

Table 1.1 Summary Information

Project Name:	Royal Kunia Phase II, Increment 3
Applicant:	Halekua Development Corporation 2024 North King Street Honolulu, Hawaii 96819
Agent:	William E. Wanket, Inc. Kapolei Building, Suite 320 1001 Kamokila Boulevard Kapolei, Hawaii 96707
Accepting Agency:	Planning Department, City and County of Honolulu
Existing DP Land Use:	Preservation
Proposed DP Land Use:	To obtain an amendment to the City's Central Oahu Development Plan Land Use Map from Preservation to Residential.
Project Description:	The land use amendment is to permit the development of about 580 single-family residential units on the Royal Kunia, Phase II, Increment 3 project site. These units are part of the total 2,000 units previously approved for entire Phase II development. The remaining 1,420 units would be built on the Increments 1 and 2 sites after further detailed planning and engineering with the project. These 580 single-family units are proposed to be developed on the Increment 3 site which was previously planned for a golf course.
Land Area:	156.8± acres
Tax Map Key:	9-4-02: Portion of 1
Land Ownership:	Halekua Development Corporation
State Land Use:	Urban
City Zoning:	AG-1, Restricted Agricultural District
SMA District:	Not Within District
Existing Use:	Fallow agricultural land (sugar cane)
Neighborhood Board:	Waipahu Neighborhood Board, No. 22

As shown on Figure 2.1, the 10-acre park would actually involve portions of both Increment 3 and the Increment 2 single-family residential site. A retention basin of approximately 15 acres would be situated near the southeastern (makai) end of the Increment 3 site to address surface runoff and serve as open space. A buffer between the agricultural park and northwestern border of the Increment 3 site would be provided consisting of appropriate vegetative landscaping. In addition, a vegetative buffer from the Hawaiian Electric Company, Inc.'s transmission line easement would also be located along the northern boundary of this Increment 3 site.

2.2.1 Description Of Residential Units

Under this revised master plan for Phase II residential units, Increment 1 would develop about 849 units, Increment 2 would develop 570 units, and Increment 3 would develop 581 units. A more detailed breakdown of these units within each increment is provided below.

Increment 1 Development	849 units
1. Single-Family (Market)	219 units
2. Multi-Family	
a. Affordable	480 units
b. Market	150 units
Increment 2 Development	570 units
1. Single-Family (Market)	450 units
2. Multi-Family (Affordable)	120 units
Increment 3 Development	
1. Single-Family (Market)	581 units

Affordable housing requirements associated with the 2,000 unit Phase II development would be met as shown above in accordance with the City's affordable housing requirements. A total of 600 multi-family affordable housing units would be provided within the Increments 1 and 2 portions of the Phase II development. Of these affordable units, 200 would be provided for households earning 80 percent or less of the median income with the remaining 400 units available for households earning 81 to 120 percent of the median income. Estimated sales prices for these affordable units would range from \$95,000 to \$134,000 for households earning 80 percent or less of the median income, and \$100,000 to \$196,000 for the other category.

The additional acreage provided by Increment 3 would allow the single-family homes built within Phase II to be spread over a larger area creating an unique community. These single-family homes developed will thus have larger lot sizes to meet the growing market demand, and be sold as market-priced units. These residences would have minimum lot sizes of about 5,000 square feet to meet the

Setbacks and open space buffers between the development's higher and lower intensity land uses are afforded by the golf courses existing and planned within Phase I. Other open space buffers are established in Phase II between the agricultural park, and the Waikele Gulch forms a natural buffer northeast of the development. This relationship will minimize the visual impacts across Waikele Gulch and potential conflicts between residential and agricultural uses. The use of landscaped setbacks will also be implemented to serve as a buffer between different uses, and serve as an edge defining the boundaries of the project.

With Increment 3, the project provides for a minimum 30-foot setback along the western portion of the property bordering the planned agricultural park. Similarly, a minimum 90-foot setback is provided along the northern boundary of the site bordering the Hawaiian Electric Company, Inc.'s transmission line easement. The topography, vegetation, and distance afforded by Waikele Gulch serves as a natural buffer between the Increment 3 residential project and the Waikele Branch Naval Magazine Lualualei property.

2.2.3 Internal Roadway Plan

Improvements to the project's internal roadways and intersections would be constructed to provide adequate capacity to handle traffic resulting from the project. All improvements would be designed in accordance with City standards along with necessary coordination with both City and State agencies.

Access to the Phase II development from Kunia Road would be from the Phase II Collector Road which generally runs in an east/west direction. As shown on the Figure 2.1, vehicular access into the project site would essentially be from a major collector road which extends from the Increment 2 development site. This primary collector road would have a right-of-way of about 90 feet. A series of collector streets with 80-foot right-of-way would then provide access to residential areas from this primary collector road.

2.3 PROJECT NEED AND OBJECTIVES

The proposed Increment 3 residential project is needed to allow the applicant to better meet the changing market conditions and buyer preferences. Due to changing market conditions, the residential portion of the Phase II master plan needs to be refined. The spreading out of already approved residential units over this larger area within the Royal Kunia, Phase II area would also allow single-family units to have larger lot areas than the minimum 5,000 square feet required under the expected R-5 zoning.