To: Daniel E. Orodenker, Executive Director  
Land Use Commission

From: Jesse K. Souki, Director

Subject: A07-778 Kaloko Makai, Second Draft Environmental Impact Statement  
Kaloko and Kohanaiki, North Kona, Island of Hawaii  
Tax Map Key: 7-3-09: 17, 25, 26, 28 and 63

Thank you for the opportunity to review and comment on the Second Draft Environmental Impact Statement (DEIS). On August 8, 2011, notice for a previous DEIS was published in the OEQC Bulletin. After this document was published for comments, the project was substantially revised, and additional studies were prepared to address those changes which are reflected in this Second DEIS.

The project site is approximately 1,139 acres, mauka of Queen Kaahumanu Highway. The project site is bounded by the existing Kohanaiki Business Park, and vacant land to the north, Kaloko Heights project to the east, Kona View Estates project and Kaloko Industrial Park to the south, and Queen Kaahumanu Highway to the west. The project is designated within the State Conservation, Agricultural, and Urban Districts. Approximately 190 acres of land that is currently Urban was planned for golf course use but is now proposed for other urban uses. The Petitioner will be requesting a Motion to Amend for these Urban lands.

The Petitioner, SCD-TSA Kaloko Makai, LLC, proposes to reclassify approximately 224 acres from Conservation to Urban, and 574 acres from Agricultural to Urban, for a total Petition area of about 799 acres. The proposed development is a "compact, mixed-use, master planned community offering a wide range of housing types and affordability, and a variety of businesses and employment opportunities, focused around an initial urgent care medical facility." The Kona regional hospital may also be located here. At build-out, the proposal calls for about 5,000 housing units, including affordable housing, a central commercial and a Neighborhood Transit Oriented Development (TOD), hospital, lodge and business center, three (3) school sites, a Dryland Forest Preserve, light industrial, and infrastructure. The table below presents the project in more detail:
We appreciate the EIS consultant’s detailed response to our comment letter of October 7, 2011, and the incorporation of revisions in this Second DEIS, especially with respect to sustainability, pollution prevention, and archaeological resources. We have the following additional comments, based on the Second DEIS.

1. Page 2-17 History. Additional information should be included in the Second DEIS on the previous LUC docket in a separate section. The document indicates that a Motion to Amend will be included in the Petition. Additional maps delineating the area for the Motion to Amend, and other supporting information on the Petition Area and Motion to Amend should be included.

2. Page 2-64 Sustainability Issues. Appendix Q Sustainability study is included as per OP’s comments on the DEIS.

3. Page 3-31 Pollution Prevention Plan. Discussion on the Pollution Prevention Plan (PPP) indicates that the project shall develop a PPP for non point source pollution, and that the PPP will be similar to the “Declaration Regarding Pollution Prevention Plan for West Hawaii Business Park.” We could not locate this document within the Second DEIS.

4. Page 3-62, Terrestrial Fauna. This section indicates that the Hawaiian Hoary Bat was not detected, however Appendix F, page 11 indicates that one Hawaiian Hoary Bat was observed.

5. Appendix S, DEIS Comments and Responses. We note that the State Historic Preservation Division has not submitted comments on the DEIS. Also, no other
approval letters for the adequacy of the Archaeological Inventory Survey for Kaloko Makai dated May 2008, have been included in the Second DEIS.

Please note that the comments indicated here regarding the Second DEIS do not preclude OP from raising other issues during subsequent Land Use Commission proceedings related to HRS Chapter 205 requirements.

Thank you for the opportunity to review this document. If you have any questions, please contact Lorene Maki of our Land Use Division at 587-2888.

c: SCD-TSA Kaloko Makai, LLC
Wilson Okamoto Corporation