



STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879  
HONOLULU, HAWAII 96805

February 21, 2014

Mr. Dan Orodener  
Executive Director  
State Land Use Commission  
P. O. Box 2359  
Honolulu, Hawaii 96804

Dear Mr. Orodener:

Subject: Environmental Impact Statement Preparation Notice (EISPN) for the  
Pu'unani Subdivision Project (208 acres) at TMK (2) 3-5-002:002 and  
003 (Por), Wailuku, Maui

Thank you for extending the comment period for the Pu'unani Subdivision EIS Preparation Notice (EISPN). The Department of Hawaiian Home Lands (DHHL) reviewed the EISPN and submits the following comments at this early stage of the assessment so they can be adequately addressed in the EIS drafting process.

- (1) Impacts to the Scenic and Cultural Landscape: Honoapiilani Highway, between Wailuku and Waikapu, was constructed at an elevation and orientation that gives the traveler an excellent visual "frame" that captures, on one side, the entire majestic extent of Haleakala, and, on the other side, a close-up view of the West Maui Mountains that allows a deeper appreciation of its special valley floors and walls. With the expansion of Wailuku Heights and the development of Kehalani and Maui Lani subdivisions, these picture-perfect views have been compromised. The Pu'unani Subdivision will compound the impact on views afforded to the traveler going in either direction along Honoapiilani Highway. The EISPN discusses impacts on surrounding land uses, scenic and open space resources, and archaeological and cultural resources, but there is no discussion of the impacts along this scenic corridor, which has long been a recognized, significant attribute of the area. The Draft EIS should provide renderings of the proposed project from

various vantage points looking mauka along Honoapiilani Highway and from Kuihelani Highway in order to identify the scenic and cultural landscape impacts.

- (2) Impact on Affordable Housing: Development of Pu'unani Subdivision will give market participants additional choices in multi-family, single-family, and large agricultural estate housing units. The increased supply will give the consumer a broader variety of choices and should lead to more affordable housing for Maui's residents. The market and economic impact assessment that is developed for the Draft EIS should identify the impact of these high-end to luxury, for sale, housing units on the property tax rates, especially neighboring kuleana lands in Waikapu. The assessment should identify how this influx of high-end to luxury, for sale, housing units will lead to more affordable housing for Maui's (full-time) residents. The assessment should be clear about the characteristics of the population that will be interested in and would qualify to purchase the proposed housing units. In addition, it is important to identify the extent to which the housing units are anticipated to be populated by full-time residents, part-time residents, and short-term visitors.
- (3) Impact on Cultural Resources: The EISPN recognizes that there are seven (7) historical sites related to sugar cane cultivation, including portions of the Waihee Ditch and the Waikapu Ditch systems. The project area encompasses a 3.4-acre reservoir and a network of irrigation systems that once had, or currently has, a role in facilitating mauka-makai and north-south drainage and irrigation through the entire parcel and beyond. The Draft EIS should consider design alternatives that maintain the major mauka-makai and north-south waterways in order to facilitate agricultural and other surface water-dependent land uses downstream, beyond the parcel boundaries. The Draft EIS should explore if drainage impacts would be lessened if waterways were maintained on-site. If not, the Draft EIS should identify the impacts of cutting off important sections of the area's ditch and stream network, including drainage impacts and impacts on water rights for downstream users.

The Draft EIS should resolve conflicting statements in the "Archaeological and Cultural Resources" section and the "Streams and Reservoirs" section. The Archaeological and Cultural Resources section states that the development of the project site should not have an adverse impact on any Hawaiian cultural practices in the area. The Streams and Reservoirs section states that the Waikapu Stream was historically vital to taro cultivation and that Waikapu Valley may contain

valuable cultural and historic sites. Even if these sites are not located within the project area, if they have any relationship to surface water, they could be adversely impacted by the proposed development, if, for instance, the project would cut off traditional mauka-makai and north-south waterways.

The EISPN identifies several unnamed water features on the parcel. Our GIS research revealed two names that can be verified and included in the Draft EIS. The National Hydrography Dataset for Hawaii indicates that the ditch that runs parallel to the western border and drains into the reservoir is named, Palolo Ditch. The unnamed (non-perennial) stream that runs mauka to makai through the project area is identified in the State Streams layer as the Kaiapaokailio Stream.

- (4) Impact on native Hawaiian Kuleana and DHHL Interests in Ground and Surface Water: The State and its subdivisions have a duty to protect the rights of the Hawaiian Home Lands Trust to water, as enumerated in the Hawaiian Homes Commission Act, 1920, as amended, §§ 101(4), 220, 221; the Hawaii Constitution, Article XI, §§ 1 and 7, and Article XII, § 7; and the State Water Code, Chapter 174C, Hawaii Revised Statutes (HRS). In addition, our environmental review law (Chapter 343, HRS) also contains clear language that requires an EIS to look at the impact on Hawaiian interests, including those of DHHL. The State Land Use Commission should be mindful of Hawaiian kuleana and DHHL interests to water that may be impacted by this project.

Specific to this area, DHHL has already developed 536 residential homesteads (Paukukalo and Waiehu) that would benefit from sustainable use of the Iao Aquifer. The Hawaiian Home Lands Trust also includes approximately 831 acres of land in the Pulehunui area, which are designated for agricultural, industrial, and commercial uses. These land uses do not currently have allocations or reservations for water. Although these lands overlie the Kahului Aquifer, DHHL's right to water is not limited to this aquifer. In order to service our Pulehunui lands, DHHL must investigate development of many possible sources of water, including the Iao Aquifer System.

DHHL has a pending reservation request that was filed with the CWRM in 2004 for 600,000 gallons per day of water for 100 acres of industrial use in Pulehunui (Puunene). Since that time, DHHL acquired additional lands in the area and designated additional land uses that result in an increase in projected water demand. DHHL interests in the Iao Aquifer System should be addressed before

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any water is allocated to the Pu'unani Subdivision. Our water demand projections will ultimately be used to secure water reservations for DHHL lands, including lands at Pulehunui.

The Draft EIS should address the project's impact on DHHL's pending and future water reservations in the region. It should discuss the impacts on DHHL land and water rights, it should acknowledge that all Water Use Permits within the Water Management Area are subject to the rights of DHHL, and that DHHL has a pending reservation request for water from the Iao Aquifer.

Mahalo for the opportunity to provide comment on the proposed Pu'unani Subdivision Project. Should you require more information, or clarification of any of the points raised in this letter, please contact Julie-Ann Cachola, Planner in our Planning Office via email at: [Julie-ann.cachola@hawaii.gov](mailto:Julie-ann.cachola@hawaii.gov)

Aloha,



Jobie M. K. Masagatani, Chairman  
Hawaiian Homes Commission

c: Colleen Suyama, Senior Associate, Munekiyo & Hiraga, Inc.