



MUNEKIYO HIRAGA

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LAND USE COMMISSION
STATE OF HAWAII

2017 FEB 13 P 3:45

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VICE PRESIDENT

February 7, 2017

Daniel E. Orodenker
State of Hawai'i
Land Use Commission
Department of Business, Economic
Development & Tourism
235 South Beretania Street, Suite 406
Honolulu, Hawai'i 96813

SUBJECT: Early Consultation for Proposed Makalapua Project District,
Keahuolū, Hawai'i, TMK Nos. (3) 7-4-008:002 (por.), (3) 7-4-
025:001, 002, 003, 005, 012, 015, 017, 021, 022, and (3) 7-4-
010:009, 010

Dear Mr. Orodenker:

Thank you for your letter dated April 22, 2016, providing early consultation comments on the proposed Makalapua Project District and related improvements. On behalf of the Lili'uokalani Trust (LT), we offer the following responses in the order of your comments:

1. The modified Decision and Order from the Land Use Commission (LUC) dated April 21, 2016 will be referenced in the Draft Environmental Assessment (EA) for the Makalapua Project District.
2. It is noted that the Order requires compliance with certain State Department of Transportation recommendations and acceptance of a Traffic Impact Analysis Report (TIAR). A TIAR is being prepared for the proposed project and will be included in the Draft EA.

We appreciate your input and will include a copy of your comment letter along with this response letter in the Draft EA for the proposed project.

Daniel E. Orodener, Executive Officer
February 7, 2017
Page 2

Should you have any questions, please feel free to contact me at 983-1233.

Very truly yours,



Tessa Munekiyo Ng, AICP
Vice President

TMN:me

cc: LeeAnn Crabbe, Lili'uokalani Trust
Ben Kudo, Ashford & Wriston, LLP
Matt Nakamoto, P.E., Austin, Tsutsumi & Associates, Inc.

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RILEY K. HAKODA
Chief Clerk/Planner



LAND USE COMMISSION

Department of Business, Economic Development & Tourism
State of Hawai'i

April 22, 2016

Tessa Munekiyo Ng, AICP
Munekiyo Hiraga
305 High Street, Suite 104
Wailuku, Hawai'i 96793

SUBJECT: Early Consultation Request for Proposed Makalapua Project
District, Keahuolū, Hawai'i, TMK Nos. (3) 7-4-008:002 (por.); (3)
7-4-025:001, 002, 003, 005, 012, 015, 017, 021, 022; and, (3) 7-4-
010:009 and 010

Aloha Ms. Ng:

We appreciate the opportunity for early consultation on the above-named project. A portion of the proposed project was recently the subject of a Land Use Commission (LUC) proceeding to modify Docket No. A89-646 Lili'uokalani Trust. The LUC adopted a modified decision and order ("Order") on April 20, 2016. We recommend that you take notice of this action during your early consultation and within the Environmental Assessment (EA).

The Order requires compliance with certain State Department of Transportation (DOT) recommendations with respect to traffic mitigation measures and the preparation, review, and acceptance of a Traffic Impact Analysis Report (TIAR).

Thank you again for the opportunity to comment. Should you have any questions please contact Scott A.K. Derrickson, AICP at 587-3921.

Sincerely,

Daniel E. Orodener
Executive Officer

Encl (1)

cc: Leo Asuncion, State Office of Planning



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LAND USE COMMISSION
STATE OF HAWAII

2016 APR 11 A 7:51

Michael T. Munekiyo
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VICE PRESIDENT

Tessa Munekiyo Ng
VICE PRESIDENT

April 7, 2016

Dan Orodenker, Executive Officer
State of Hawaii
State Land Use Commission
P.O. Box 2359
Honolulu, Hawaii 96804

SUBJECT: Early Consultation Request for Proposed Makalapua Project District, Keahuolū, Hawai'i, TMK Nos. (3) 7-4-008:002 (por.), (3) 7-4-025:001, 002, 003, 005, 012, 015, 017, 021, 022, and (3) 7-4-010:009, 010

Dear Mr. Orodenker:

The Queen Lili'uokalani Trust (QLT) proposes the development, enhancement and refinement of approximately 69.1 acres, along with potential offsite improvements on 9.23 acres, in Kailua-Kona on the island of Hawai'i. The project is referred to as the Makalapua Project District. QLT is a nonprofit public benefit organization dedicated to improving the welfare of orphan and other destitute children in Hawai'i. The Trust manages its landholdings to provide a financial foundation for the perpetual benefit of its beneficiaries.

Project Location

The proposed Makalapua Project District (hereafter referred to as "project site") is located north of Kailua village and makai (west) of the existing Kona Commons Shopping Center in the Keahuolū ahupua'a on land owned by QLT, identified as Tax Map Key (TMK) Nos. (3) 7-4-008:002 (por.), (3) 7-4-025:001, 002, 003, 005, 012, 015, 017, 021, 022, and (3) 7-4-010:009, 010. See **Figure 1**. The project site is bordered by the Kona Commons Shopping Center to the northeast, vacant lands to the north, the existing Kona Industrial Subdivision (KIS) to the east, and the County's Kailua Park (also known as Old Airport Park) to the south and west. The project site is currently vacant and undeveloped with the exception of 1) a former recreational sports facility on Makala Boulevard, 2) a BMW car dealership on Loloku Street, 3) temporary storage and staging areas on Loloku Street, and 4) light industrial warehouses on Kaiwi Street.

Proposed Action

The Makalapua Project District will include residential, hotel, retail, commercial, office, and civic/community uses. The Project District will be organized around an interconnected, pedestrian oriented street network where homes, businesses, and entertainment are intermingled to provide a diverse experience for residents and visitors. See **Figure 2**. The proposed mixed-use project will include approximately 180 residential units; a 180-room hotel; 50,000 square feet of community facilities/civic offerings; 470,000 square feet of commercial use (retail, employment); and a variety of open space features.

The Makalapua Project District's street network will include the realignment of Kuakini Highway and alignment of three (3) access routes to Kailua Park, as identified in the Kailua Park Master Plan. A new dedicated road along the Project District's northern boundary will connect to Kailua Park's main access. In addition, Kailua Park will also be accessed by two (2) entries from Pawai Drive. Two (2) north-south extensions (Pawai Drive and Ma'a Way) are planned within the Project District's interconnected street network. Potential offsite improvements on approximately 9.23 acres of land, including Kuakini Highway and Kaiwi Street, are also being considered in conjunction with the Makalapua Project District and will be included in the Environmental Assessment (EA) for the project. Refer to **Figure 2**.

The proposed Makalapua Project District responds to the need for housing and economic growth opportunities for the County of Hawai'i's growing population. The project will provide varied housing and commercial opportunities adjacent to the existing Kailua-Kona town in an area identified by the Kona Community Development Plan as a Regional Commercial Center ("Makao Village").

Project Background

The majority of the project site for the proposed Makalapua Project District is designated "Urban" by the State Land Use Commission (LUC), with the remaining 14.96 acres designated as "Agricultural". The Hawai'i County General Plan's Land Use Pattern Allocation Guide (LUPAG) designates the Project District area as "Industrial" and "Urban Expansion". The lands are classified as "General Industrial" (MG), "Industrial-Commercial Mixed" (MCX), and "Agricultural District" (A-5a) by Hawai'i County Zoning.

QLT will be seeking a District Boundary Amendment for the 14.96-acre area from the "Agricultural" District to the "Urban" District, a Change of Zone application to Project District, and a Special Management Area Use Permit, which will be processed through the County of Hawai'i.

Chapter 343, Hawai'i Revised Statutes Requirements

The proposed Makalapua Project District involves improvements and connections to State and County roadways. The use of State and County lands is a trigger for the preparation of an EA pursuant to Chapter 343, Hawai'i Revised Statutes (HRS) and Section 11-200-6, Hawai'i Administrative Rules (HAR). The EA will act as the primary technical supporting document for the permit and entitlement process for the proposed project. The County of Hawai'i, Planning Department will serve as the approving agency for the EA.

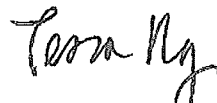
On behalf of QLT, we kindly request early review and comment on the proposed project in accordance with the requirements of Chapter 11-200, HAR. We appreciate receiving any comments you may have at the address listed below by April 28, 2016.

Please address your comments to the following:

Munekiyo Hiraga
Attention: Tessa Munekiyo Ng
305 High Street, Suite 104
Wailuku, Hawai'i 96793

Should you have any questions or require further information regarding the proposed project, please feel free to contact me at (808) 983-1233.

Very truly yours,



Tessa Munekiyo Ng, AICP
Vice President

TMN:tn

Attachments

Copy to: LeeAnn Crabbe, Queen Lili'uokalani Trust (w/attachments)
Ben Kudo, Ashford & Wriston, LLP (w/attachments)

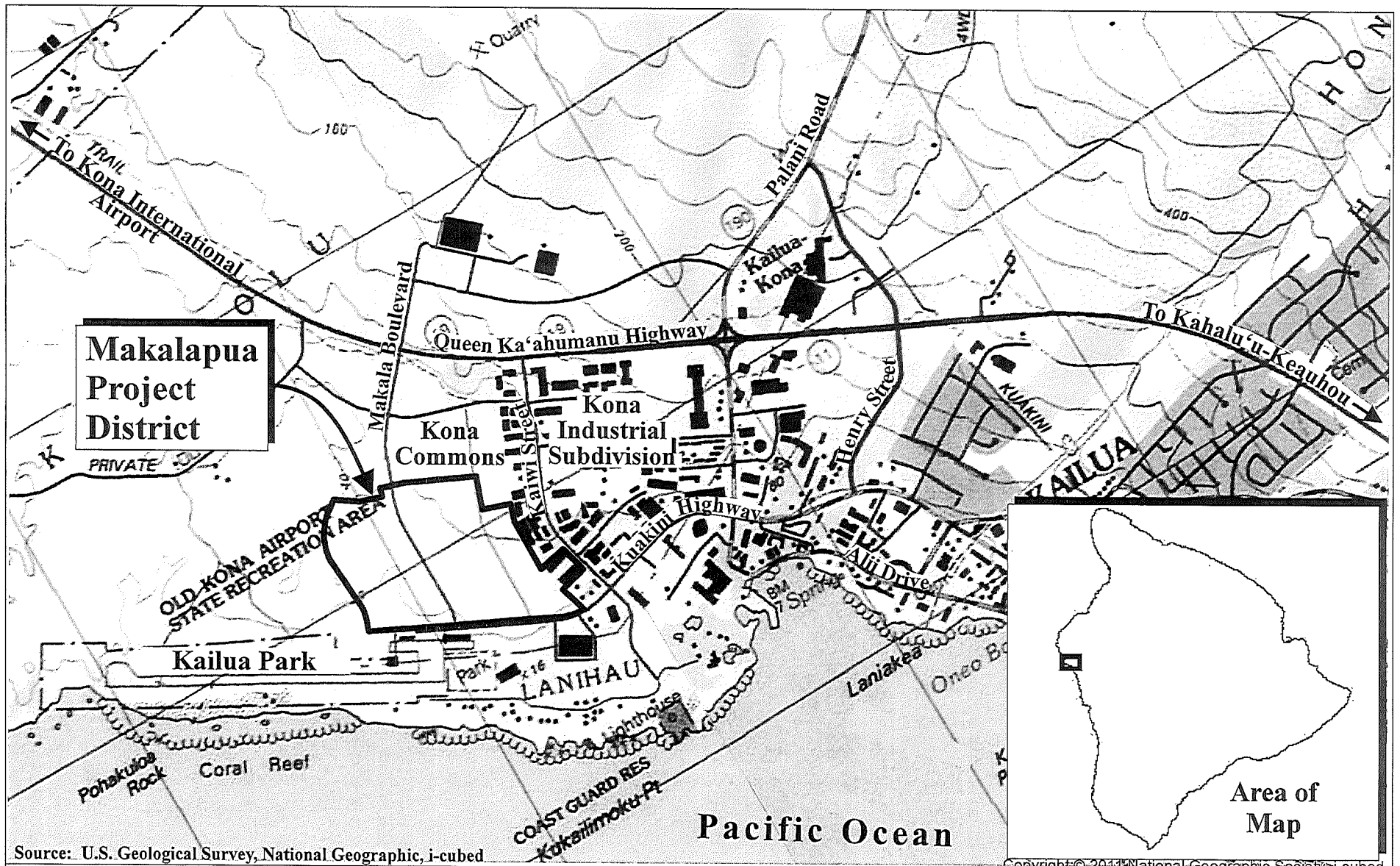


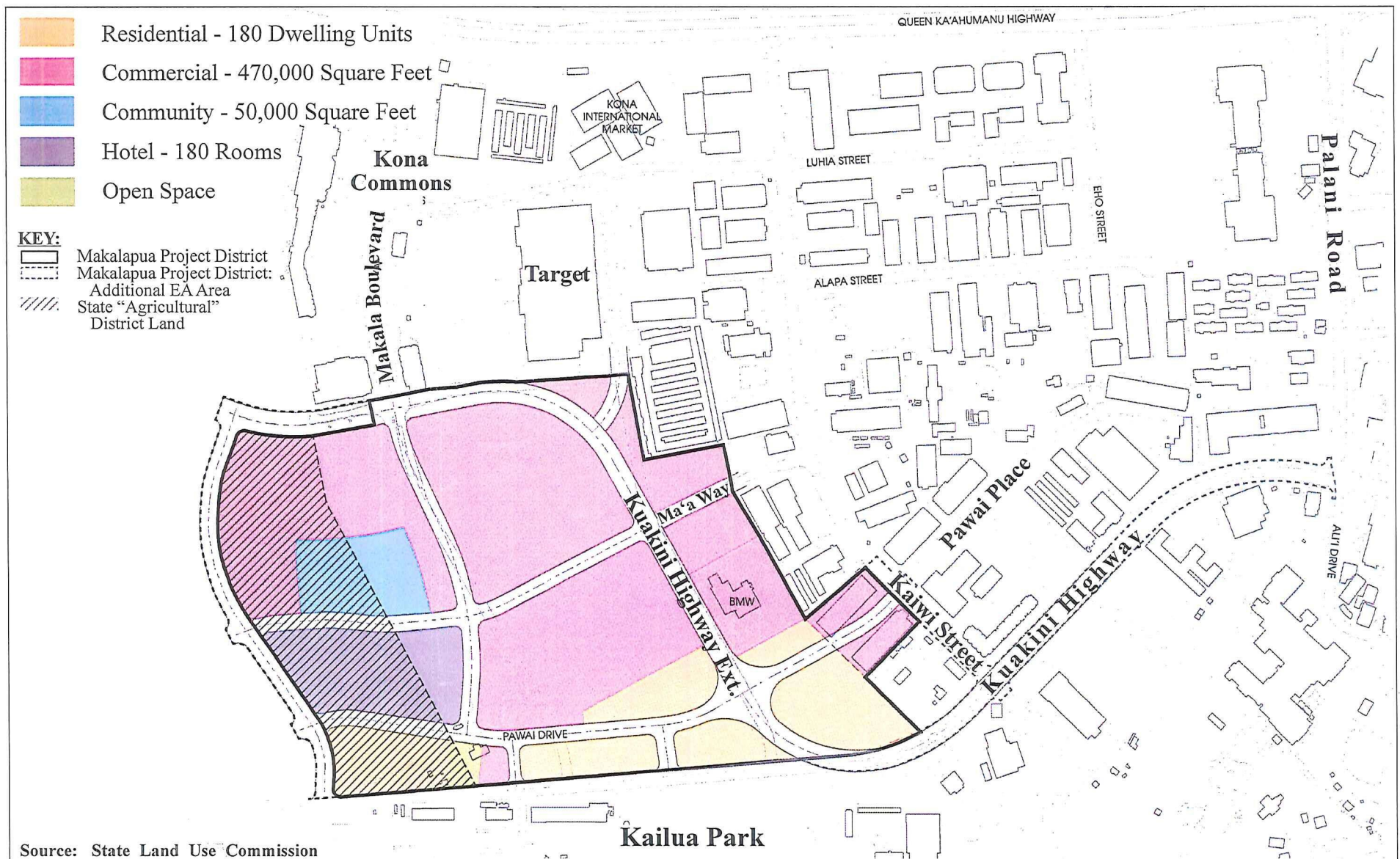
Figure 1

Proposed Makalapua Project District Regional Location Map



 MUNEKIYO HIRAGA

Prepared for: Queen Lili'uokalani Trust



Source: State Land Use Commission

Figure 2

Proposed Makalapua Project District State Land Use District Map

0 125 250 500 Feet



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Prepared for: Queen Lili'uokalani Trust