



December 24, 2018

[By Email: daniel.e.ordenker@hawaii.gov]

Daniel E. Ordenker, Executive Director  
State Land Use Commission  
235 South Beretania St., Room 406  
Honolulu, HI 96813

RE: 2nd Draft Environmental Impact Statement for Kapa'a Highlands Phase II (HoKua Place) to Amend the Land Use District Boundary from Agriculture District to Urban District for 97-acres, TMK (4)4-3-03:001

Aloha Mr. Ordenker:

The Sierra Club Kaua'i Group of the Hawai'i Chapter opposes this Land Use Boundary Amendment. There are many unresolved issues in the DEIS and the project will have significant impacts (in spite of the need for affordable housing and the value of siting urban expansion adjacent to the Kapaa town core).

General Plan "Neighborhood General" Designation.

- 1) DEIS Vol I, page 3 mistakenly lists the General Plan designation as "Urban Center". The correct designation in the 2018 General Plan is "Neighborhood General" as described in Chapter 2.2 LAND USE DESIGNATIONS:

"The **Neighborhood General Designation** applies to the watershed surrounding Neighborhood Centers. This designation is intended for medium intensity mixed-use environments that support the town core with housing, services, parks, civic/institutional, home occupation, and commercial uses. (General Plan, page 56)

"Previously, the Urban Center designation was applied to "centers of government, commerce and transportation that serve the entire County or a large region... The policy addressing Wailua-Kapa'a Traffic and managing growth north of the Wailua Bridge influenced the decision to remove the swath of Urban Center from the area adjacent to Kapa'a Middle School." (General Plan, page 57)

- 2) The DEIS fails to identify the number of stories for the proposed multi-family units. Building height is limited to 1-2 stories for the "Neighborhood General Designation" and it is unclear whether the project conforms with this definition:

“Buildings in this designation are mostly detached, with some attached, 1-2 stories in height that can accommodate a range of multi-family housing types.” (General Plan, page 56)

- 3) The DEIS Conceptual Plan map (March 2015) cites 683 Multi-family units (with R14 County zoning) in the legend. However, Figure 2-Proposed Site Plan in the DEIS, a color illustration layered onto an aerial map with red and yellow blocks representing units, provides a conflicting information.
- 4) Regarding the proposed 86-single family units, what is the proposed county residential zoning? Is it R6/R8 zoning? This information was difficult to find.
- 5) In addition to Alternative 3 (300 single family units) which is not a helpful scenario if targeting affordable housing, the DEIS should provide reduced density alternatives with combined multi- and single-family units, such as 300 to 400 units, and 400 to 500 units. The proposed 769 housing units on 97-acres is high density for a rural island and other alternatives/scenarios should be presented.
- 6) The conceptual plan fails to include the number of units in the multi-family buildings, the number of stories, and the quantity of multi-family buildings.
- 7) During the County General Plan Update, the designation for this controversial Hokua Place project went back and forth multiple times. In the Department Draft January 2017 version describing Kapaa Town it states:

#### 4-40 | Urban Areas

The area around Kapa'a Middle School proposed for the Hokua Place Development has been changed from General Plan Urban Center Designation to Agriculture.

#### 4-39 | Future Land Use | Kaua'i County General Plan

Kapa'a Town's future growth pattern depends largely upon the intensity of implementation related to a key community policy related to traffic north of the Wailua bridge. The 2000 General Plan does earmark large residential growth at the Hokua Place property near Kapa'a Middle School. The area is designated as Urban Center. However, community opinion remains divided, with strong concerns about the perceived impacts of the proposed development on traffic. Supporters cite the great need for housing and the consistency of the Hokua Place proposal with smart growth principles. Others feel that the proposed traffic mitigation measures won't be enough to counteract negative impacts, that sewer infrastructure is constrained, and that because of the East Kaua'i congestion, affordable housing development should be concentrated in Lihu'e.

In the public consultation process, two map alternatives were developed for Kapa'a Town's future that reflected this dual input. In the first alternative, Kapa'a transforms from a Small Town to a Large Town place type. The existing Town Center boundary is extended mauka along Olohena road with the idea that the Main Street environment at Olohena and Kūhiō could extend mauka to the roundabout and the northeast corner of the Hokua property. Hokua Place would organize medium-intensity residential neighborhoods on the Makai side of the property and lower-intensity neighborhoods to the west. In this alternative, residential growth would be absorbed on the Hokua site as well as on opportunity sites in and around central Kapa'a. In particular, sites around the Baptiste sports complex may need infrastructure investment (such as flood control) to make medium-intensity development feasible.

In the second alternative, Kapa'a would maintain as a Small Town place type, concentrating growth in and around 3 nodes of existing development along the Kūhiō Highway rather than at Hokua Place. In this alternative residential growth would be absorbed on opportunity sites in and around central Kapa'a. This alternative would require more intense development patterns in order to accommodate a similar amount of growth as the first alternative. Given the community sentiment after these map alternatives were presented publically, the land use maps have been adjusted to reflect the second alternative, in which the Hokua Place site is assigned an Agriculture land use designation rather than Urban Center. The community comments received on the General Plan Discussion Draft support this direction.

However, the Final General Plan revision replaced just the last paragraph quoted above, with the following:

The Future Land Use Map moves forward the 2000 General Plan's higher-intensity designation for the area, but also updates and refines the designation based on the first alternative map scenario and new population projections. The previous Urban Center designation is changed to Neighborhood General, which will require a mix of residential building types and a walkable, compact form where connectivity to the school and Kapa'a Town is emphasized. The size of the future Urban District boundary amendment should consider watershed boundaries and accommodate future housing projections.

- 8) Please keep in mind that East Kaua'i is one four planning districts that does not have recently-adopted community plans. Community testimony strongly recommended that the General Plan explicitly state that no land use designations related to "neighborhood center/neighborhood general/neighborhood edge," and none of the proposed actions should be considered to be anything more than un-vetted preliminary proposals, unless and until they have been endorsed by the community associations in the affected planning districts.

“Henceforth when Community Plans are developed and adopted, each Community Plan shall establish an Urban Edge Boundary to delineate the extent of future town expansion. In the process of identifying a boundary, the Planning Department shall conduct a buildout analysis of the existing urban footprint and use the principles of smart growth to ensure that there is enough room within the boundary for growth desired by the community in a pattern that will make efficient use of scarce resources.” (General Plan, page 61)

- 9) Regarding General Plan guidelines for new communities and/or infill, this project does not align with the description that follows:

“Missing middle” housing is characterized by small-scale, multi-unit housing types such as duplexes, fourplexes, bungalow courts, and mansion apartments, and can be integrated into communities with single-family homes.” (General Plan, page 119).

- 10) Housing should be the product of carefully laid plans to direct smart growth for the families today and for their children. The preferred planning model is to put homes where jobs are located. The General Plan, Section 2.1 Future Land Use, Objective #7 states: "To encourage the development of Lihu'e as Kaua'i's primary urban center." (General Plan, page 51) And, "Lihu'e is widely seen as the appropriate urban center for the island." (General Plan, page 53)

#### Affordable Housing Needs.

- 1) The proposed project claims it will provide much needed affordable housing in the East Kaua'i region. However, of the proposed 683-multi-family units and 86-single family lots and homes offered at “market and affordable prices” the DEIS fails to provide the number of “affordable” units. What is that number?
- 2) In the DEIS Vol. I, page 13, the actual number of “affordable homes” is deceptively omitted. All that is stated is that: “Affordable multi-family units would be sold in compliance with the Kaua'i County Housing Code.”
- 3) The affordable housing element of the Project will conform to Kaua'i County Ordinance No. 860, Kaua'i's new housing policy. This ordinance requires developers to sell or rent up to thirty percent (30%) of the total residential units for affordable housing. However, the Kaua'i housing policy provides incentives to developers who provide the required affordable units on-site. HoKua Place will be providing all of its affordable units on site. Does this mean fewer affordable units?
- 4) Since the project “seeks to fill the housing needs of Kapa'a” and the DEIS claims that housing will “conform to Kaua'i County Ordinance No. 860” the DEIS should include the calculations to substantiate this.

- 5) Again, the DEIS, Vol I, page 14 reiterates that: "Affordable multi-family units on site (The number & pricing will be in compliance with Kaua'i Housing Code)." but no data is given.
- 6) There are undocumented claims in the DEIS that the County requested this extremely high density of 700-800 units. Please provide documentation from the County Planning Dept. and/or the County Housing Agencies to substantiate the claim.
- 7) It appears that the "Product Sales Price Projection" was not updated in the DEIS Vol. I, page 12.
- 8) The evidence is lacking that this project is a solution to Kaua'i's low income housing deficit. The island needs affordable housing for moderate and low income people who are current residents, rather than attracting off-island buyers and increasing the island's population density.

#### Inadequate Roadway Infrastructure & Unresolved Traffic Congestion.

- 1) The timing of the Hokua Place is not in sync with projected short-term roadway improvements. The 2018 General Plan states in the section called Guidance for Community Planning for East Kaua'i that:  
  
"The build-out phasing of new communities should be coordinated with the implementation of priority projects in the Kapa'a Transportation Solutions Plan."  
(General Plan, page 85)
- 2) Having served on the State Department of Transportation's Citizen Advisory Committee for the Kapa'a Transportation Solutions report (August 2015) it is clear that the solutions will not be implemented any time soon. Therefore, the additional vehicles from this high density project will increase the existing congestion.
- 3) Development and population growth has been outpacing transportation infrastructure improvements since 2005. Hokua Place will intensify this problem. Allowing such a burden to continue would be a grievous error. (See Hawaii Business Magazine Cover Story: "Kauai in Crisis-Mayor Bryan Baptiste deals with a garden of gridlock" by Jacy L. Youn, September, 2005. <http://www.hawaiibusiness.com/kauai-in-crisis/>)
- 4) The 1997 Kaua'i Long-Range Land Transportation Implementation Plan has not met its 2000 and 2006 deadlines for Kapa'a roadway widening in areas affected by the proposed boundary change. And, recommendations in the 2035 Transportation Plan for the Kaua'i District (July 2014) have not been implemented.

- 5) Traffic congestion in Kapa'a is near gridlock during daytime hours and to travel a short 3-mile stretch along Kuhio Highway between Kuamo'o Rd and Lehua Street can take 25-minutes or more. Adding a high density development in Kapa'a when existing roadway capacity is inadequate, will intensify the detrimental impacts to our quality of life.
- 6) It is not sufficiently proven in the DEIS that the burden of additional density will be alleviated by the addition of Road A.
- 7) The DEIS claims that the project is "substantially within a 10-minute walk to Kapa'a Town". However, this is misleading considering the lack of information about how Hokua Place pedestrians or cyclists will reach Kapa'a Town when there are two daunting obstacles to cross -- the Kapa'a Bypass Road and the Kapa'a Roundabout, and there is no overpass. Please explain.
- 8) This high density project within a congested high traffic corridor will have adverse impacts on the availability of first-responders such as firemen, police and paramedics to reach their destinations. Ambulance transport of critically ill patients can also be impacted by gridlock conditions.

TIAR Update.

- 1) The "Peak Hour Traffic Volumes" analyzed in the TIAR encompassed only brief one-hour span during the "commute" hours of the day (7-8am and 4:15-5:15 pm). Yet, the data shows for example, that 3:45 p.m. is just as busy at 5:15 p.m. The TIAR conclusions are not representative of the dreadful congestion that occurs regularly during mid-day.
- 2) Why doesn't proposed Road A join the 4-way intersection of Olohena, Ka'apuni, and Keahulua Roads instead of intersecting just Olohena Road?

"Based upon the TIAR Update, the intersection of Olohena Road and Road A is not expected to warrant all-way stop controls or traffic signals. Therefore, a roundabout intersection was not considered. However, a reassessment of the traffic operations at the Road A intersection at Olohena Road may be considered after the project is fully built out and occupied. A roundabout intersection was considered at the intersection of Olohena Road, Ka'apuni Road, and Kaehulua Road."

- 3) Please include more discussion/documentation to substantiate the following statement in the TIAR: "Preliminary assessment of the horizontal and vertical alignments of the intersecting roadways, it was determined that a roundabout intersection would not be feasible." Did the assessment include Road A joining that intersection?

- 4) The junction of Olohena, Ka'apuni and Keahulua Roads consists of roadbed curves and changes in grade that obscure the line of sight for drivers. As vehicle, bike and pedestrian traffic increase, it has become more unsafe.
- 5) There will also be traffic impacts at: a) the Kuhio Highway and Kukui Street intersection - it is already difficult to turn left on to the Highway; and b) the Lehua Street merge heading north.
- 6) A retail center is described in the DEIS as a neighborhood-oriented commercial center. However, we raise the same question as the DOT: is it reasonable or not to assume that a significant portion of the retail trips will be generated from within the proposed project, which can be defined as "internal capture" or "diverted trips".
- 7) The LOS (Level of Service) ranking is still dire even with proposed Road A (LOS is used to analyze roadways and intersections by categorizing traffic flow and assigning quality levels of traffic based on performance measure like vehicle speed, density, congestion)

#### Wastewater/Sewage.

- 1) How will sewage be managed? How will any sewage line link up with the existing system?
- 2) Due to the coastal location of the Lydgate Sewage Treatment facility, the county is discussing options for relocation. Although Hokua Place will make "contributions to repairs of Kapa'a Sewer Treatment Plant" it is an ill-timed project.
- 3) If septic tanks are proposed, what will be the impact on water quality?
- 4) In DEIS Vol II-A, Exhibit G: Preliminary Engineering Report Wastewater Improvements Kapa'a Highlands Phase II by Honua Engineering (July 11, 2011 Project No: 1892) page 113 notes this report was based on significantly outdated materials: "The Sewer Design Standards, 1973 by the County of Kaua'i, Department of Public Works, together with the Wailua Facility Plan, September 2008 by Fukunaga and Associates were the primary references for this report." Please describe in what ways the project will integrate current/updated best practices.

#### Water Resources & Water Infrastructure Improvements.

- 1) Was the project's Water Master Plan approved by County Water Department and is it included in the DEIS?

- 2) DEIS Vol II-A Exhibit D - Department of Water - Manager's Report is dated 201. Please explain how this outdated information is still relevant.
- 3) Please provide more information about whether the proposed well on site will be dedicated to County Water Department or remain private.
- 4) The DEIS Vol I, page 80 states: "HoKua Place is committed to keeping the flow of the stream consistent..." What is the name of this stream? What are the base streamflow measurements?
- 5) Because the proposed water well is located downslope from the cul-de-sac of multi-family units, and is approx. 175 feet from the stream, and the stream is within the adjacent Hokua Farm Lots, the DEIS should provide more analysis on storm water runoff and drainage flows from this hillside than the cursory information in the Preliminary Engineering Report on drainage.
- 6) The DEIS states that "the adjoining HoKua Farm Lots that are to remain an Agricultural District will share some of the Project infrastructure." Therefore, please address the following issues as they relate to project infrastructure:
  - Disruption of natural water balance
  - Decreased water quality
  - Increased flood peaks
  - Increased stormwater runoff and soil erosion
  - Increased bankfull stream flows
  - Lower dry weather stream flows
  - Stream widening and erosion
  - Decline in habitat value of streams
  - Increased pollutants in the stream

### Cumulative Impacts.

Cumulative impacts are two or more individual effect's which, when considered together, compound or increase the overall impact.

- 1) The DEIS Vol I, page 3 summary states: "The direct, indirect, secondary and cumulative impacts associated with the project would be localized or short term, occurring during the construction phase." We strongly disagree.
- 2) The combined impact of traffic along Kuhio Highway within the Wailua-Waipouli-Kapa'a corridor will be significant in the near future when other large developments (already with



entitlements) build out, such as Coconut Beach Resort, Coconut Plantation Resort and Coco Palms Resort.

- 3) Increased housing density should be in areas of employment, rather than populating the existing Kapa'a commuter suburb which is already experiencing challenges from over-capacity roadways.

#### Historic and Cultural Resources.

- 1) DEIS Vol II-B Exhibit L - An Archaeological Assessment with Subsurface Testing for the Proposed Kapa'a Highlands Phase II Project (Revised September 2013) offers little in the way of new information purportedly because "the project area was assessed as having been extensively subjected to sugar cane plantation agriculture." Since there were few data investigations previously, please explain why only 3 exploratory trenches were dug within the 97 acres.
- 2) DEIS Vol I, page 52 notes: "It is not known if an archeological inventory study was done for the [Kapa'a Middle School] site." Therefore, this lack of information should have triggered a more intensive survey for the project.
- 3) DEIS Vol I, page 52 also notes that in 2004 the State Dept. of Transportation "Kūhiō Highway Improvements, Extension of Temporary By-Pass Road," project assessed properties adjacent to Hokua Place and that SHPD did not issue a determination regarding the proposed project and no state of "no effect" was presented. However, the DEIS omitted the fact that there was a Federal Section 106 Native Hawaiian consultation process for this DOT project which did result with an outcome of significant impacts and required mitigation measures in 2012.

#### Visual/Aesthetic and Park Resources.

- 1) The development will be significantly visible from all adjacent roadways. The high density project will impact view planes and have significant impact on the overall visual appearance of this rural agricultural area.
- 2) The breathtaking views of Lihu'e and the coastline from Olohena Road are mostly obscured by vegetation now, but vehicle pull-outs should be created to enhance opportunities for overlooks. Scenic vistas are valuable assets for communities.
- 3) The DEIS Conceptual Plan map (March 2015) shows "Greenbelts" whereas in Figure 2-Proposed Site Plan in the DEIS the same area is denoted as "Park". These designations seem deceptive because this area is mostly rough, sloped, and eroding terrain.

Furthermore, some portions of the DEIS identify this acreage as drainage basins. Please provide descriptions for the areas denoted "park", "greenbelt" and "drainage basins" to accurately characterize each of these environmental features.

- 4) Based on the General Plan definition of "Neighborhood General" this mixed use environment should offer a larger proportion of acreage for parks (both passive and active) than what the DEIS proposes:

"...a 3.1-acre park adjacent to the existing Kapa'a Middle School with an area for the county's proposed relocation of the Kapa'a county swimming pool; and 1.4-acres for commercial use."

- 5) DEIS Vol I, page 3 states: "The project includes open space encompassing 14.3-acres." However, what percent or how many acres are unbuildable land or predominantly sloped topography?
- 6) DEIS Vol I, page 14 states: "Approximately 14.3-acres are proposed for open greenway areas," but a thorough description is missing. Only by cross-referencing the site plan (Vol IIA, pages 15 and 23) and the USDA maps, it becomes apparent that the "Greenbelt" comprises the "eroded" areas identified with 20 to 30 percent slopes.
- 7) The proposed location of a walking/bike path along the makai side of the property is also problematic. Will it be located alongside the Kapa'a Bypass Road or at a higher elevation adjacent to the Bypass Road? More information is needed about the proposed path location due to the significant sloped topography along the property borders.

#### Commercial Center.

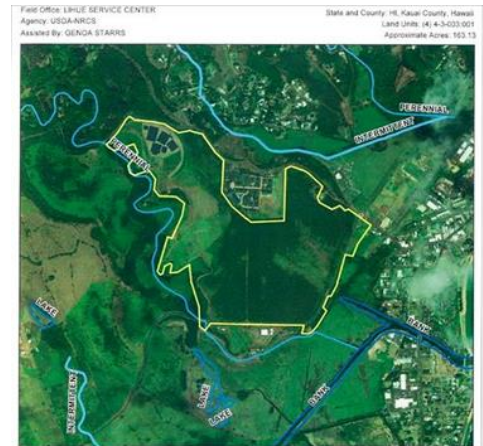
- 1) DEIS Vol I, page 13: A 1.4-acre parcel is proposed for commercial use. A country type store and small personal service types of use are anticipated. A remnant parcel of 1-acre on the Makai side of the Kapa'a By-Pass road is also proposed as commercial use or for sub-stations for the police and fire departments. Please provide more information about the 1-acre remnant parcel since it was not identified on the Site Plan map. Is it owned by HG Kauai Joint Venture, LLC?

#### Errors, Omissions & Discrepancies.

- 1) DEIS Vol 1, page 21 states "the County Planning Department is in the process of updating the Kapa'a-Wailua Development Plan." This is not correct -- the County is currently updating the Westside Community Plan. I served on the East Kaua'i Development Plan Update Citizen's Advisory Committee from its inception in 2006 until January 2015 when

the process concluded with an outdated draft. Thus, there is only a 1973 Kapaa-Wailua Development Plan (adopted by ordinance on June 1975). Although the proposed State land use redistricting may seem consistent with the recent General Plan, there are multiple inconsistencies that factor in for Hokua Place.

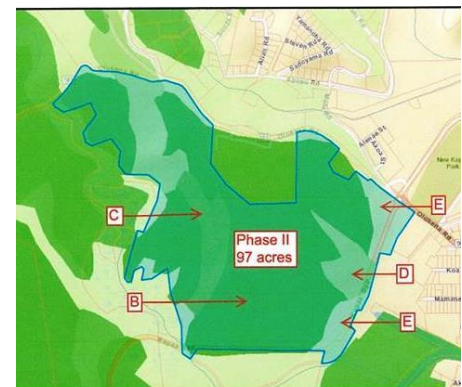
2) DEIS Vol I, pages 1 and 6 state “the reclassification of 97 acres of agricultural land that is surrounded by urban development...” However, we think this is a misrepresentation. Apart from the small footprint of the neighboring Crossroads Christian Fellowship Church and Kapaa Intermediate School, the subject property appears primarily surrounded by other Agricultural parcels (see photo).



- 3) Overall, the DEIS oftentimes withholds relevant descriptions of project. For example, in Vol I, page 23: “The site plan provided is conceptual in nature so the proposed 769 units can be planned in concert with planning department during the county entitlement process.” Although this is true in part, the “conceptual” pretext also undermines the validity of the DEIS.
- 4) Another inconsistency is whether or not the development will include a church as noted in the statement: “plus a neighborhood commercial site, parks, and a church site as shown on Exhibit 1.”
- 5) Also inaccurate is the DEIS Vol I-A, page 2 statement: “From June to November hurricanes can occur although they are infrequent.” This statement disregards scientific reports on climate change and evidence of the increasing frequency and intensity of hurricanes. The multiple hurricanes which came very close to Kaua'i in 2015 and 2016 exemplify this.
- 6) DEIS Vol II-A, the Traffic Impact Analysis Report Update (May 22, 2017) includes Figure 2 - Proposed Site Plan, which is substantially different from the Conceptual Plan in the DEIS, Vol I, pages 15 and 23, dated March 2015.

7) The documentation is illegible for Exhibit O - Kaua'i County Planning Commission Tentative Subdivision Approval for HoKua Farm Lots June 19, 2014 (Vol II-B, pages 460-464). Please provide a legible copy.

8) DEIS Vol II-A, Exhibit C.1 - Agricultural Suitability (June 2018). The page 1 summary states: “The climate and soils at Phase II are not ideal for the growing of



most commercially viable crops due to the strong trade winds and the salt spray from the ocean.” However, this statement seemingly contradicts the LBS rating of B, C, D, and E, particularly since the majority of acreage is rated PRIME. Therefore, it is misleading to state that “this rating indicates that the agricultural potential is mediocre.” Please explain this apparent contradiction.

Topography.

- 1) As we noted in our June 2015 DEIS comments, a full page topographic map of the 97 acre project is missing from the DEIS. Elevation lines, streams, ditches, diversions, wells and other pertinent notations including boundaries of adjacent landowners with TMK numbers should be provided.
- 2) Since the topography of the site is a hillside, please include discussion about how the project design conforms to the existing contours of the project site, or to what degree the existing topography will be altered.
- 3) The DEIS has identified areas with erosion. This issue is not inconsequential and we would appreciate additional narrative that addresses this concern.

Conclusion.

In its evolution as Kapa'a Highlands in 2011 and now as Hokua Place, there is ample evidence that this project is in the wrong place. The suitability of urban development in this location at this time will have serious impacts. The DEIS analysis minimizes the impacts, avoids controversial elements, and appears to omit relevant information.

Finally, it is unfortunate that the applicant choose to publish in the November 8, 2018 issue of OEQC's Environmental Notice, consequently making the deadline for public testimony on December 24 interfere with both Thanksgiving and Christmas holidays.

Thank you for the opportunity to comment. We look forward to a detailed written response from the applicant.

Sincerely,



Rayne Regush, Co-Chair  
On behalf of the Executive Committee

cc: Applicant HG Kaua'i Joint Venture LLC (jake@hgoffice.com)  
Consultant Agor Jehn Architects LLC (ron@agorjehnarch.com)  
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