

APPENDICES

A. Letter from County of Kaua'i Planning Department, September 27, 2018, RE: Comments on Chapter 343 Disclosure Process, Departmental Determination DD-2016-70

County of Kaua'i Planning Department, Departmental Determination DD-2016-70, Boundary Interpretation for General Plan, July 5, 2016

B. Botanical Resources Assessment, April 2017 and Botanical Resources Assessment for the Proposed Keālia Road Widening, Roundabout, and Sewer Improvement Project, December 2018, LeGrand Biological Surveys, Inc.

C. Faunal Surveys, April, 2017 and Faunal Surveys Conducted for the Sewage Line, Keālia Properties Project, December 2018, Rana Biological Consulting

D1. Draft Archaeological Literature Review and Field Inspection Report, Prepared by Kamai and Hammatt, April 2018, Cultural Surveys Hawai'i

D2. Draft Archaeological Inventory Survey (AIS) Report for the Proposed Keālia Mauka Homesites and Associated Sewer Line Project, Prepared by Kamai, Folk and Hammatt, June 2019, Cultural Surveys Hawai'i

D3. Chapter 6E-8 Historic Preservation Review Correspondence:

Correspondence Related to LRFI

1. LUC Letter to SHPD, February 27, 2018
2. SHPD Letter to LUC, May 29, 2018, Log No. 2018.00602, Doc No. 1805GC09
3. LUC Letter to SHPD, September 21, 2018
4. SHPD Letter to LUC, October 3, 2018, Log No. 2018.00602, Doc No. 1810DB01

Correspondence Related to AIS Report

5. LUC Letter to SHPD, April 17, 2019 transmitting AIS Report
6. SHPD Letter to LUC, May 29, 2019, Log No. 2018.00602, Doc No. 1805GC09
7. SHPD Letter to LUC, June 10, 2019, Log No. 2019.00892, Doc No. 1906DB01
8. LUC Letter to LUC, June 25, 2019, transmitting revised Draft AIS Report
9. Cultural Surveys Hawai'i letter to LUC, June 25, 2019, with Comment Table

E. Draft Cultural Impact Assessment for the Proposed Keālia Subdivision and Associated Sewer Line Project, Prepared by Hammatt, March 2019, Cultural Surveys Hawai'i

Letter to Aha Moku Advisory Committee dated June 19, 2019 requesting review of CIA

APPENDICES (*continued*)

- F.** CBRE Letter Response to DEIS Comments, April 9, 2019
Market and Econometric Studies, September 2017, CBRE
- G.** Preliminary Engineering Report, 2017, Kodani & Associates Engineers
- H.** Draft Final Traffic Impact Analysis Report, May 10, 2019, Austin, Tsutsumi & Associates, Inc.
- I.** Hydrogeological Memorandum, Subject: Potential Impact of Additional Use of the Two Keālia Water System Wells to Supply the Keālia Mauka Homesites Project, Revised September 19, 2018, TNWRE
- J.** Draft Noise Measurement and Evaluation Report, October 19, 2018, CENSEO AV+Acoustics
- K.** Phase I Environmental Site Assessment, September 2018, EnviroServices & Training Center, LLC
- L.** Letter from State of Hawai'i Department of Transportation, Highways Division dated February 25, 2019, Confirming Kapa'a Stream bridge will be able to accommodate eight-inch sewer force main.
- M.** Email from State of Hawai'i Department of Education, Office of School Facilities and Support Services dated August 1, 2018. Confirming DOE will not request fair share contribution.

Appendix A

Letter from Michael Dahilig, County of Kaua'i Planning Department, Regarding Comments on Chapter 343 HRS Disclosure Process, Departmental Determination DD-2016-70, September 27, 2018

Kaua'i County Planning Department Departmental Determination DD-2016-70, July 5, 2016

Bernard P. Carvalho, Jr.
Mayor



Michael A. Dahilig
Director of Planning

Wallace G. Rezentes, Jr.
Managing Director

Ka'āina S. Hull
Deputy Director of Planning

PLANNING DEPARTMENT

County of Kaua'i, State of Hawai'i

4444 Rice Street, Suite A-473, Līhu'e, Hawai'i 96766
TEL. (808) 241-4050 FAX (808) 241-6699

SEP 27 2018

Mr. Scott Ezer
Principal
HHF Planners
733 Bishop Street, Suite 2590
Honolulu, Hawaii 96813

RE: Comments on Chapter 343, Hawaii Revised Statutes Disclosure Process
Kealia Mauka Homesites
Departmental Determination DD-2016-70

Dear Mr. Ezer,

Mahalo for remaining in contact with our office regarding the above referenced process concerning entitlements for Kealia Mauka Homesites project. Since the last Departmental Determination issued by our office in 2016, our County has adopted an update to the 2000 General Plan. Notwithstanding the overall amendments and adoption of the new plan in 2018, the determination issued by our Department still remains consistent with the spatial and textual policies set forth in that new document.

Kealia was earmarked for greater residential community development going back to the 1984 General Plan Update. It remained in the 2000 update and was carried through to the most current version of the plan. Any assertions the 2018 General Plan update required earmarking this area as a change from previous drafts are unfounded, as the potential for development was confirmed as county spatial policy for close to 35 years.

We do note the area considered for development is entirely mauka of Kuhio Highway, yet the comparable massing in the General Plan is mauka to makai in situation. Assertions by critics of the development who characterize the proposal, due to its spatial character, as inconsistent with development policy, do not give our Department cause for concern and, we unequivocally contradict their interpretation for the following reasons:

First, as mentioned in our determination, General Plan land use maps are not regulatory in nature, rather they spatially guide areas for further entitlement via zoning boundary amendments at the state and county level. Pursuant to Section 7-1.7, Kauai County Code, the Director of Planning is given the authority to interpret consistency of a proposed development with the General Plan. The general spatial mass of the residential community area identified in the 2018 General Plan, although it straddles Kuhio Highway, is largely in alignment with the proposed size of the development set forth in the HRS 343 documents.

Further, spatial policy is also an inventory and allotment implementing findings from land use build out analyses meant to meet critical demands in our community, including attainable housing stock for our residents. According to our current projections, our County requires approximately 9,000 residential units to keep pace with population growth of our local residents (see 2018 General Plan pages 26-29). The Kealia area is considered a build out area to meet this critical need. We are aware the makai area is already entitled with agricultural gentleman estates, and the likelihood of desired density to meet the housing demand is far from being realized. The comparable area earmarked for entitlement in the HRS 343 documents would help to meet this target rather than creating a deficiency in the county's critical planned housing build out.

Also, the expansion of the residential community mauka is spatially consistent with similar existing product immediately adjacent to the proposed project, and consistent with Planning Policy #14 in our 2018 General Plan emphasizing preparations for climate change. Retreat from coastal areas is an implementing tenet drawing from this broad county policy, and situating development more mauka is consistent with this aim.

Our Department believes this project proposal, in concept, is wholly consistent with the 2018 General Plan update. We believe the State Land Use Commission, and County regulatory processes provide the structure and opportunity to confirm, refute, and/or mitigate any specific concerns members of the public may raise regarding impacts.

To be clear, we support efforts to pursue entitlement for this future development within the 2035 planning horizon.

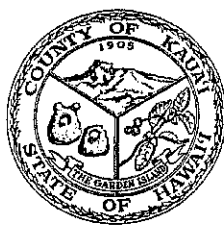
Should you have any questions regarding this process, please contact me at 808-241-4050

Me Ke Aloha Pumehana,

A handwritten signature in blue ink, appearing to read 'Michael A. Dahilig', with a stylized flourish at the end.

MICHAEL A. DAHILIG
Director of Planning

Bernard P. Carvalho, Jr.
Mayor



Michael A. Dahilig
Director of Planning

Nadine K. Nakamura
Managing Director

Ka'āina S. Hull
Deputy Director of Planning

PLANNING DEPARTMENT

County of Kaua'i, State of Hawai'i

4444 Rice Street, Suite A-473, Lihue, Hawai'i 96766
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JUL 05 2016

Management Services – Kauai
Managing Agents
P.O. Box 1630
Koloa, Hawaii 96756

RE: Departmental Determination DD-2016-70
Boundary Interpretation for General Plan Designation
TMK: (4) 4-7-004:001
Kealia, Kaua'i

Dear Ms. Palama:

The Department has received and reviewed your request for a determination regarding the subject parcel, as reflected in your email correspondence on June 29, 2016.

As I understand, you are inquiring whether moving forward with entitling a conceptual residential subdivision, as described in the transmittal documents, are consistent with the 2000 General Plan Land Use Map.

Given the review conducted by our Department, there is clear intent in the 2000 General Plan, along with previous iterations of the plan, that the area generally is earmarked for "Residential Community" growth adjacent to the existing subdivision in Kealia above the Kealia General Store.

General Plan land use maps are not regulatory in nature; rather, they spatially guide areas for further entitlement via zoning boundary amendments at the state and county level. The proposed Conceptual Kealia Subdivision would generally be in alignment with the General Plan's land use maps and texts.

An Equal Opportunity Employer

Should you have further questions regarding this matter, please do not hesitate to contact me at the information above.

A handwritten signature in black ink, appearing to read 'Michael A. Dahilig', with a stylized flourish at the end.

MICHAEL A. DAHILIG
Director of Planning



DEPARTMENT OF PLANNING | COUNTY OF KAUAI

DEPARTMENTAL DETERMINATION REQUEST FORM

Fill out and e-mail this form plus supporting documentation in Adobe PDF format to:
planningdeterminations@kauai.gov

FOR DEPARTMENTAL USE ONLY

DD# 2016-70INTAKE BY 3 DATE 7/1/16

PAU _____ BY _____

| | |
|-------------------------------|------------------------|
| TMK NUMBER: | (4) 4-7-004:001 |
| NAME OF OWNER*: | Kealia Properties, LLC |
| PHYSICAL ADDRESS OF PROPERTY: | Kealia, Kauai, Hawaii |
| CONTACT PHONE: | (808) 742-9784 |
| CONTACT E-MAIL: | moana@mskauai.com |

TYPE OF DETERMINATION REQUESTED (Please Check Applicable):

- ☐ A. Clarification or interpretation of enforcement relating existing permitting conditions imposed either by the Planning Director or Planning Commission
- ☐ B. Confirmation of Additional Dwelling Unit availability on a parcel
- ☐ C. Voluntary Cancellation or Withdrawal of Permits and Permit Applications
- ☐ D. Confirmation of Non-conformities or Pre-CZO status for a parcel
- ☐ E. Confirmation or Clarification of previous Director or Departmental Determinations
- ☒ F. Boundary interpretation for General Plan Designation
- ☐ G. Confirmation of any open violations on the property
- ☐ H. Applicability of Special Management Area "Development" definition to a proposed use

* I am the legal title holder to the property and have 75% or more legal or equitable interest in the parcel of record, have written authorization to act as an agent for the property owner with 75% or more legal or equitable interest in the parcel of record or am leasing the property (please attach proper authorization documents). By signing below I understand a determination is only a regulatory interpretation by a government official which could be subject to appeal or challenge. I further understand a determination does not necessarily bind the County to specifically perform in such a manner if relied upon by the applicant in the course of its development or construction activities. I further understand that reliance on a determination is at my own risk and recognize I must rely on my own due diligence.

MOANA KINIMAKA PALAMA

[Signature]
Print Name and Signature

06/29/16

DATE

**Management Services- Kaua'i
Managing Agents**

TO: Michael Dahillig
Planning Director
County Of Kauai
4444 Rice St.
Lihue, HI 96766

June 28, 2016

RE: Agency Authorization: Kealia Properties, LLC dba Kealanani

Dear Mr. Dahillig,

The authorization and signature below shall serve to provide approval of agency for:

Authorized Agent:

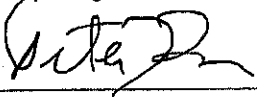
Moana L.K. Palama, Principal Agent
Management Services – Kauai
PO Box 1630
Koloa, HI 96756

FOR THE PURPOSE OF APPLYING FOR, COMMUNICATING, PROCESSING AND SECURING INFORMATION AND PERMITS RELATED TO DEVELOPMENT AND REGULATORY INTERESTS OF THE OWNER IN THE COUNTY OF KAUAI.

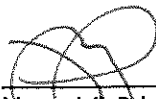
Property Owner:

Peter Nolan, Manager
Kealia Properties, LLC dba Kealanani
58 11th Street,
Hermosa Beach, CA 90254

Agency Designated:


Peter Nolan, Manager

Agency Accepted:


Moana L.K. Palama, Agent

Date: 6/28/2016

Date: 6/28/2016

Kealia Properties, LLC ("KP") is the owner of certain land at Kumukumu, Kaua'i identified by Tax Map Key 4-7-004:001 ("Parcel 1"), encompassing 1,072.619 acres. This request for a Department Determination asks whether the 2000 General Plan Land Use Map for the Kawaihau Planning District can be interpreted to be consistent with an approximate 50-acre Conceptual Residential Subdivision proposed for the Kumukumu parcel.

The proposed subdivision is part of the larger Parcel 1 owned by KP on the mauka side of Kūhiō Highway, north of Keālia Road (see Figure 1, Location Map). The area proposed for residential subdivision is immediately north of Ka'ao Road. Ka'ao Road currently provides access to an existing 36-lot subdivision with parcels ranging in size from about 7,500 square feet to about 20,000 square feet.

The Land Use Map for the Kawaihau Planning District shows a large yellow area that straddles both sides of Kūhiō Highway (see Figure 2). The yellow area is designated as "Residential Community" by the legend for the map. Because the Land Use Map does not show parcels lines, the specific area that could be considered to be consistent with this designation is open to interpretation.

Consistent with its title, the "2000 Kaua'i General Plan" is intended to be a general policy document that guides development within the County. The following excerpts from the General Plan emphasize this point:

1.2.2 Setting a Direction

*The General Plan states the County's 20-year vision for Kaua'i and sets policies for achieving that vision. The General Plan is a direction-setting, **policy** document. It is not intended to be regulatory in the sense of a zoning code or other land use regulation.*

1.4.1 Policy

The planning system of the County of Kaua'i is composed of the following elements and functions:

(a) The General Plan is the primary policy directing long-range development, conservation, and the use and allocation of land and water resources in the County of Kaua'i.

(1) The General Plan establishes through maps and text geographic areas of the County which are intended to be used for various general purposes such as agriculture, resorts, urban communities, and preservation of natural, cultural and scenic resources.

Clearly, the policy for the land identified in yellow on the Kawaihau Planning District Land Use Map in the vicinity of Ka'ao Road is intended as a general guideline to establish a larger pattern of residential development than currently exists. We believe the proposed subdivision on about 50 acres (see Figure 3), which includes about 230 lots that average about 6,000 square feet in size, is consistent with the intent of the General Plan, due to its location in relation to the Residential Community designation on the Land Use Map.

It is worthy to note, that as far back as the 1930s, the area was used at a higher residential density during the operation of the Makee Sugar Plantation (later absorbed by Lihue Sugar Company). The attached aerial photo from 1950 (Figure 4) shows the area around Kaao Road with a residential development pattern and additional residential development to the northwest.

The 2000 *Kaua'i General Plan* also provides guidance on appropriate locations for future growth and Residential Communities. The proposed subdivision is consistent with the following General Plan language:

5.1.2 Policy for Future Growth

Following are policies to provide for growth and development while preserving rural character.

(e) Expansion contiguous to an existing town or residential community is preferred over a new residential community.

5.4.3 Residential Community

5.4.3.1 Policy

(a) Lands included within the Residential Community designation shall be used predominantly for low- to high-density housing in towns and other residential areas. Density shall be one to 20 units per acre. Residential Community areas may also be used for commercial and industrial businesses, government facilities, and institutions.

The General Plan also includes language which provides guidance on target markets for new housing and the importance of increasing the number of housing units that are affordable to Kaua'i residents, in order to meet the projected demand of new housing units. According to the General Plan, the projected demand was based on a potential resident population between 65,300 and 74,300 in 2020, which will translate into a need for up to 23,000 individual housing units. According to recent U.S Census Bureau data, the population Kaua'i reached 71,000 residents in 2015, well on its way to achieve the higher end of the 2000 General Plan projections.

Because the average lot size of the subdivision is approximately 6,000 square feet, sales prices can (and will) be geared to meet the needs of Kaua'i residents, and as such, will be consistent with the following language from the 2000 *Kaua'i General Plan*.

8.1.1.1 In reviewing the supply of units and land for resident housing, it is important to consider the price profile of each location. Communities with lots and homes in the upper price categories will serve a relatively limited segment of the local market and have a proportionately larger share of off-island buyers.

8.1.2 Affordability

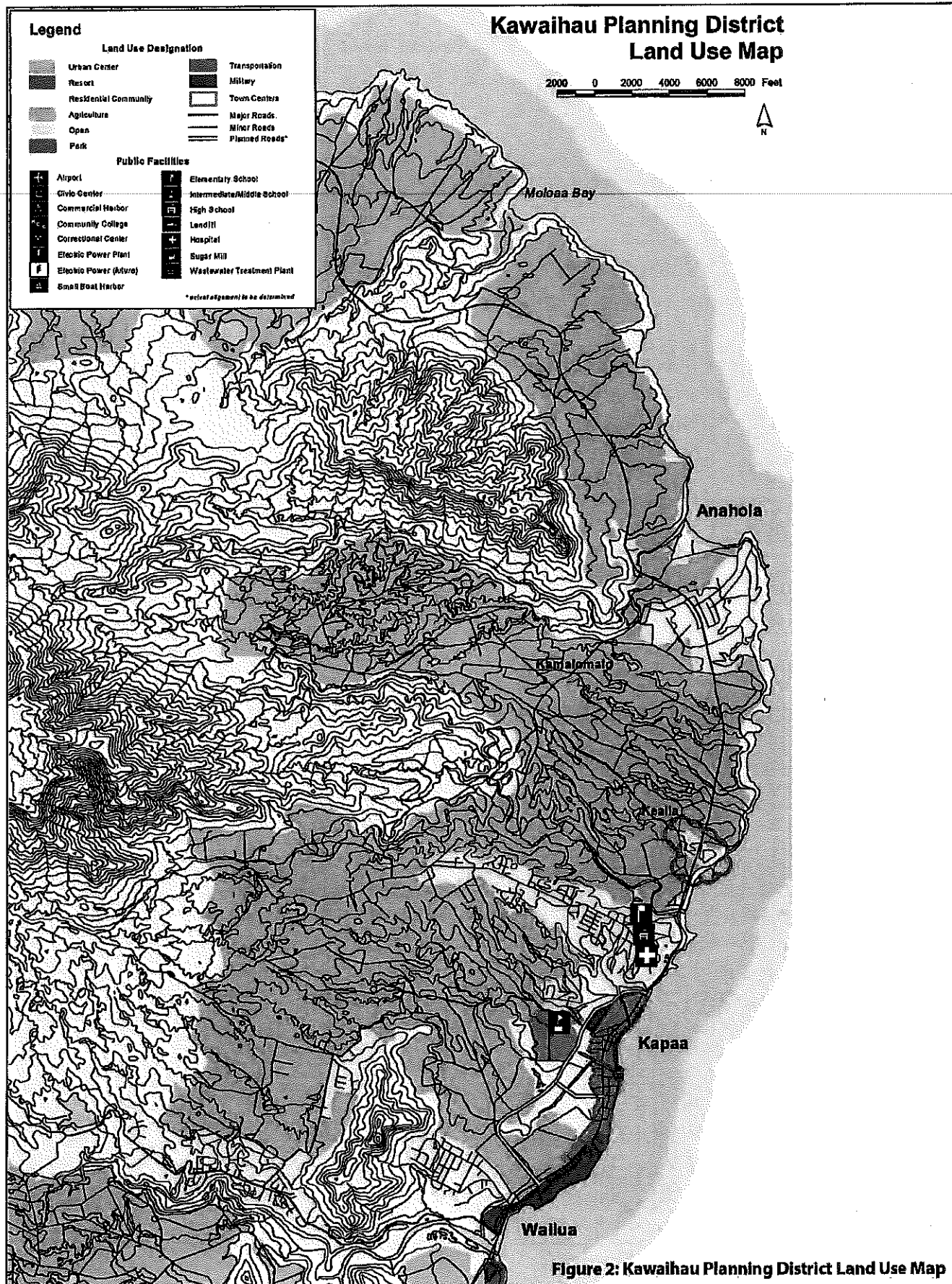
The cost of housing, including both owner-occupied and rental units, continues to be one of the biggest economic obstacles facing most Kaua'i residents.

8.1.4 Projected Housing Demand to 2020

According to the Planning Department's Economic and Population Projections, Kaua'i is projected to have a resident population of between 65,300 and 74,300 in 2020. In order to support the 2020 resident population, Kaua'i is projected to need a total of 20,400 to 23,300 additional housing units

In summary, we believe this request is appropriate for the following reasons:

- The proposed subdivision is consistent with the location of a "Residential Community" designation on the Kawaihau Planning District Land Use Map
- The proposed subdivision is located adjacent to an existing residential subdivision
- The vicinity was used for expanded residential purposes to support the Makee Sugar Plantation (later absorbed by the Lihue Sugar Plantation) through the 1960s
- The average lot size of the proposed subdivision is targeted for local residents, addressing a need identified in the General Plan to provide a mix of housing opportunities on Kaua'i
- The additional housing inventory partially satisfies a shortfall in needed housing units recognized by the General Plan.



Source: 2000 Kauai General Plan

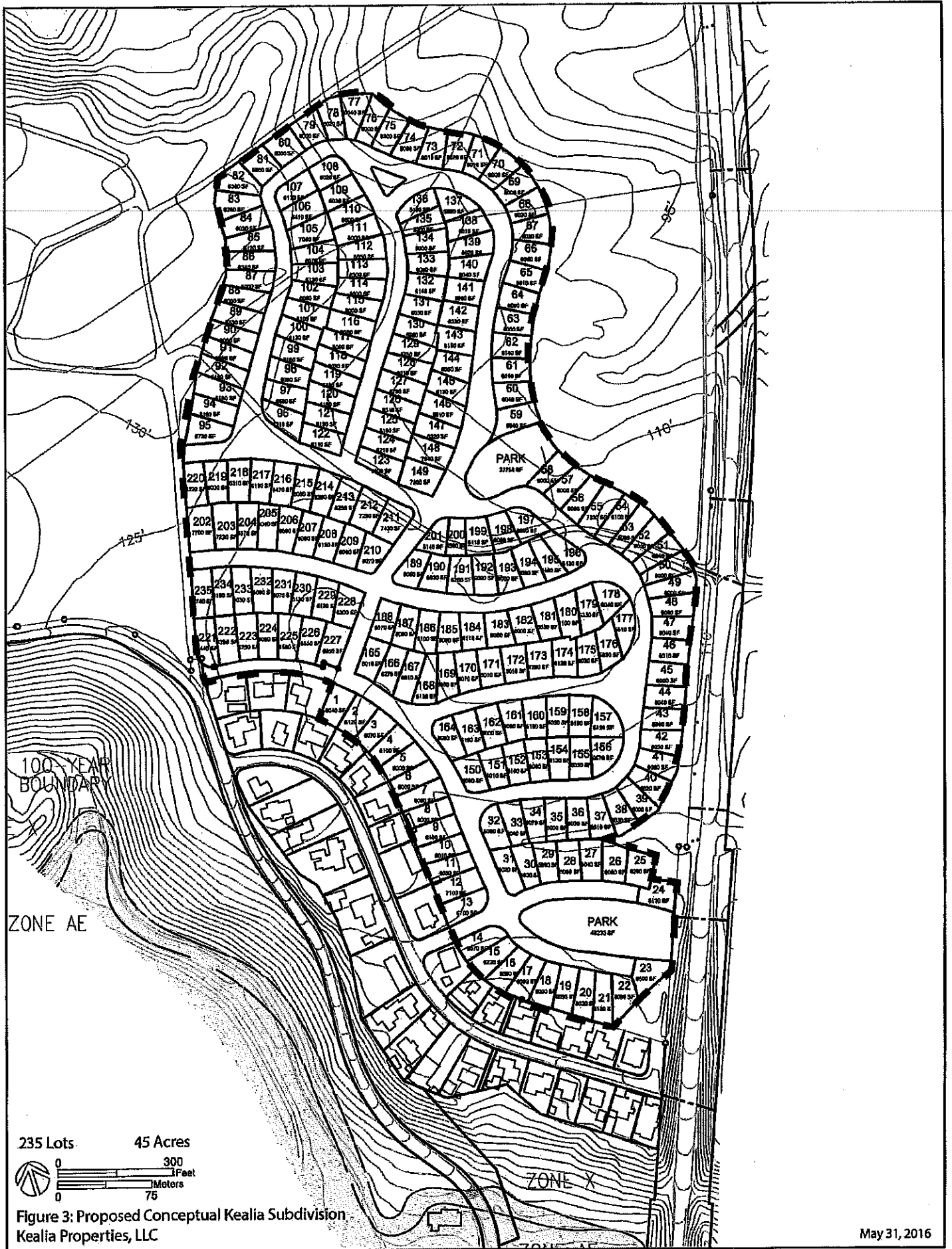




Figure 4: Portion of Former Makee Sugar Plantation circa 1950

Source: U.S. Geological Survey

Shanlee Jimenez

From: Julie Mararagan <JGM@Kauai-law.com>
Sent: Wednesday, June 29, 2016 2:54 PM
To: Planning Determinations
Cc: Scott Ezer (sezer@hhf.com); Moana Palama (moana@mskauai.com); Michael Belles
Subject: Kealia Properties, LLC ***Departmental Determination Request***
Attachments: Departmental Determination Request Form.pdf

Importance: High

To whom it may concern:

Attached please find the Departmental Determination Request Form dated June 29, 2016, together with its supporting documentation, for the above-mentioned project.

Please contact Mr. Michael Belles at 246-6961 if you have any questions.

Thank you,
Julie

Julietta Ganotisi Mararagan
Belles Graham Proudfoot Wilson & Chun, LLP
4334 Rice Street, Suite 202
Lihue, Kauai, Hawaii 96766
Phone: (808) 246-6962
Fax: (808) 245-3277
Email: jgm@kauai-law.com