



University of the Nations Kona, Inc.

November 2, 2022 Status Report

Docket No. A02-737



Status Report Overview

- Presentation by David Hamilton
 - President & CEO of University of the Nations Kona, Inc.
- Presentation by Jeffrey H. Overton,
 - Principal Planner at Group 70 International, Inc.
- Questions from the Commission





Timeline Since July 2020

- July 2020
 - UNK presents Status Report and LUC dismisses Order to Show Cause
 - UNK Commits to Chapter 343 environmental review
 - UNK meets with Office of Planning, LUC Staff, County to discuss EIS
- October 2020
 - UNK coordinates with LUC staff to file Motion to proceed with EIS
- January 21, 2021
 - UNK files Motion asking LUC to be accepting authority and to proceed with EIS
- February 2021
 - LUC holds hearing and grants UNK's EIS Motion
 - LUC issues order authorizing publication of EIS Preparation Notice
- March 2021
 - EIS Preparation Notice published in The Environmental Notice
 - EIS Scoping meeting held
- UNK is here today to talk about what has happened since





David Hamilton

President & CEO of University of the Nations Kona, Inc.



My Background and Role at UNK

- Educational Background
- Professional Background
- Current role at UNK



Organizational Overview

- Youth With A Mission (YWAM)
 - What YWAM does
 - Global missionary organization founded in 1960
 - 4,000,000+ have gone through program
- University of the Nations
 - Network of mission-based educational institutions
 - 161 countries
 - 800+ campuses
- University of the Nations Kona Campus
 - Established at current campus in 1978
 - 55,000 students since 1978



History of Service to Kona Community

- Aloha Kona Urgent Care
- Hawai'i Department of Human Services
- Kama'aina Hale affordable housing project
- Kona clean-up crews
- Foster care program
- Family Friday's childcare program
- Support for homeless community
- Kona Kids Outreach
- Kealakehe Intermediate School tutoring services
- Support for Kona high schools
- Holoholo sports and activities programs
- Tree planting at Pu'u Wa'awa'a Wildlife Sanctuary



COVID-19 Pandemic

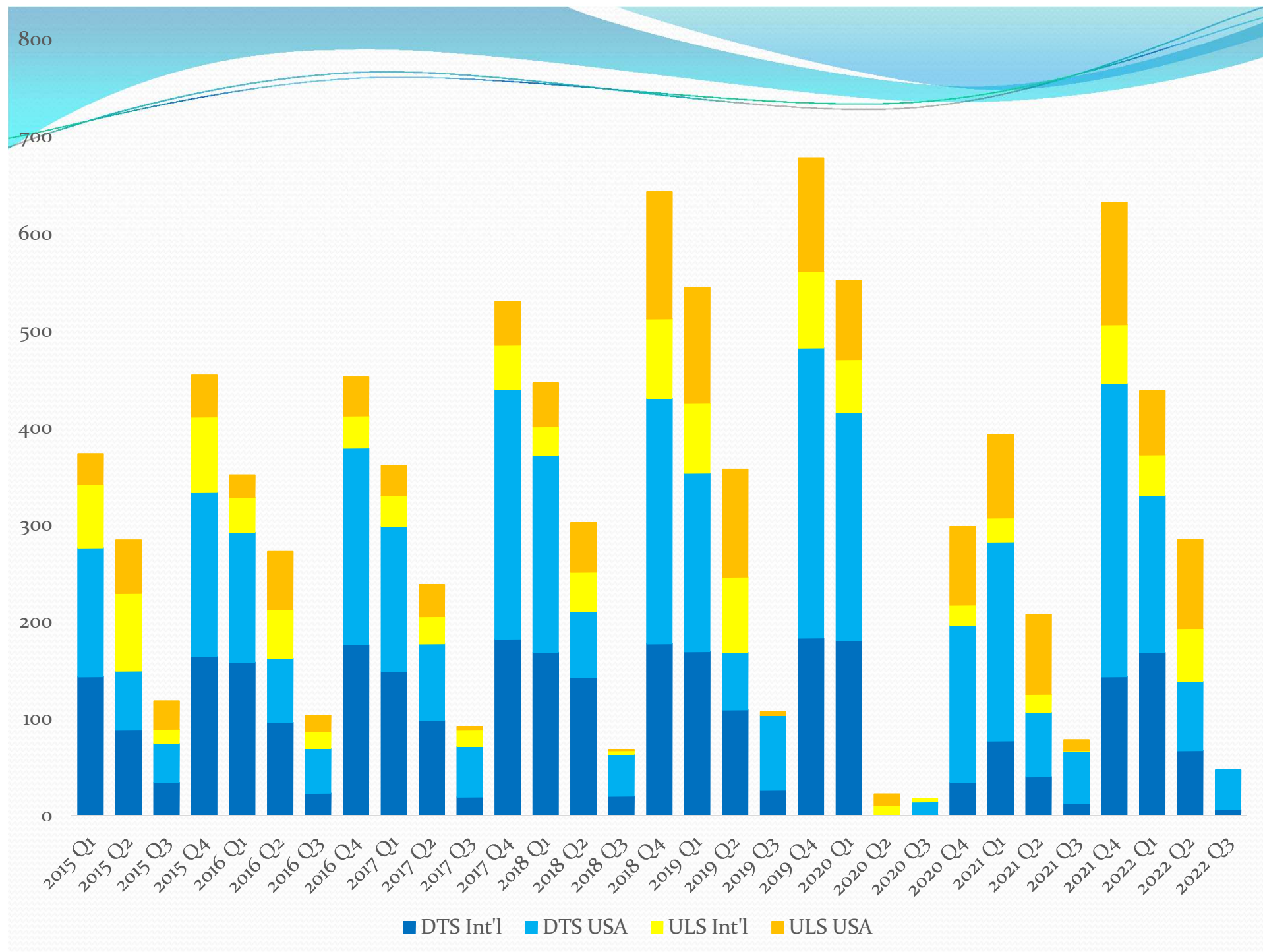
COVID-19 Pandemic in Hawai'i

- **March 2020:** COVID-19 declared pandemic
- **March 16, 2020:** public school spring break extended; schools later closed for remainder of school year
- **March 17, 2020:** 14-day quarantine for air travel
- **June 16, 2020:** pre-flight testing for inter-island travel
- **August 1, 2020:** pre-testing for out of state travel
- **January 2021:** CDC requires negative test or proof of prior infection for foreign travel into U.S.
- **May 2021:** proof of vaccination for inter-island travel
- **June 2021:** proof of vaccination in Hawai'i for re-entry
- **July 2021:** fully vaccinated U.S. travelers allowed
- **June 2022:** testing and vaccination requirements finally lifted for international travelers into U.S.



How did COVID impact UNK?

- Campus closed; students and staff forced to leave
- Loss of revenue from tuition; fixed costs remained
- Strict U.S. and international travel rules
- Shifting of resources to comply with COVID rules
- Duration and changing rules – travel, campus, housing
- Reduced enrollment when campus first re-opened





UNK Continued Serving Kona Throughout COVID

- Aloha Kona Urgent Care
- Support services for homeless community
- High school sports combine
- Boys & Girls Club



Has UNK Recovered from COVID?

- Enrollment and staff back to near pre-COVID levels
- Enrollment trending towards positive growth
- Resources returned to projects, including Master Plan
- UNK avoided "going into the red" financially



UNK's Financial Health

- Strong and stable finances post-COVID; no lingering impacts
- 2021-2022 UNK's strongest fiscal year yet
- Existing campus buildings replacement value of \$109 million
 - Exclusive of land value, fixtures, furnishing, equipment
- Capital campaign started in May 2021
 - Paid off entire mortgage for campus
 - Raised \$4,500,000 over and above operating costs for capital improvements to existing campus
- New capital campaign to begin soon



UNK's Non-Profit/NGO Financing Model

- Could have been better explained to LUC in the past
- Model used by countless non-profits and NGOs
 - Red Cross, Habitat for Humanity, World Vision, etc.
- Not unique to UNK
- Draws from millions of people across the globe
- UNK has strong history of success with this model
- Fully capable of financing Master Plan





Affordable Housing

- February 19, 2020: OHCD confirms Master Plan does NOT trigger affordable housing requirement under County Code based on uses and zoning
- No agreement with OHCD regarding affordable housing credits for the Petition Area
- UNK has still provided affordable housing opportunities

Harry Kim
Mayor

Roy Takemoto
Managing Director

Barbara J. Kossow
Deputy Managing Director



Duane Hosaka
Housing Administrator

Alisa A. Hanselman
Assistant Housing Administrator

**County of Hawai'i
Office of Housing and Community Development**

1990 Kino'ole Street, Suite 102 • Hilo, Hawai'i 96720 • (808) 961-8379 • Fax (808) 961-8685
Existing Housing: (808) 959-4642 • Fax (808) 959-9308
Kona: (808) 323-4300 • Fax (808) 323-4301

February 19, 2020

Via Electronic and U.S. Mail

Katherine A. Garson
Carlsmith Ball LLP
121 Waianuenue Avenue
Hilo, Hawai'i 96720
e-mail: kgarson@carlsmith.com

Dear Ms. Garson:

Re: University of Nations, Kona, Inc. ("UNK")
TMK Nos: (3) 7-5-010:085 and (3) 7-5-17:006 ("Property")

This letter is to confirm the discussion at the meeting with you, Julie and Allen Anjo General Counsels for the UNK, Deputy Corporation Counsels Malia Hall and Ronald Kim, and myself on February 7, 2020.

The County of Hawai'i Office of Housing and Community Development reviewed the enclosed "Concept Master Plan" dated February 2020 ("Master Plan") and there are no residential or industrial use proposed in the Master Plan. Dorms are not "residential uses" under the Hawai'i County Code, Chapter 11 ("Housing Code").

Therefore, if the UNK does not establish residential uses on the Property and the Property is zoned or rezoned to the RS, RD, RM, RCX, RA, FA, APD, CG, CV, CN or PD districts, then it would not be subject to an affordable housing requirement under the Housing Code.

However, because the Housing Code and plans for rezoning may change, we will respectfully request that the Land Use Commission maintain Condition 1 in the August 8, 2003 Findings of Fact, Conclusions of Law, and Decision and Order for State Land Use District Boundary Amendment in Docket No. A02-737, which reads:

1. Affordable Housing. Petitioner shall provide affordable housing opportunities for residents of the State of Hawaii in accordance with applicable housing requirements for the Project of the County of Hawaii. The location and distribution of the affordable housing or other provisions for affordable housing





Affordable Housing

- Hualalai Village Project
 - Mauka of Petition Area
 - 62 units provide affordable housing for faculty and staff of UNK
 - 10 units owned by UNK and rented to faculty and staff at affordable rates





Affordable Housing

- Kama'aina Hale Project
 - Adjacent to existing campus
 - Affordable housing rental project
 - Available to general public; no preference given
 - UNK formed Kama'aina Hale Apartments, a non-profit
 - UNK renovated 126 units
 - 42 rented to applicants who make 50% below AMI
 - 84 rented to applicants who make 80% AMI





Refinements to Master Plan

- Enrollment count error discovered
- UNK's enrollment is on a quarterly, modular basis
 - A student enrolling in 3 quarters is counted as 3 enrollments, not 1
 - Error inflated enrollment count and some project elements
- Requires minor refinements to Master Plan
 - Few less dorms and classrooms
 - Reduction in size of some common spaces
 - More open space
- Project elements that will benefit community are unchanged
- Refinements are good for UNK and the Master Plan



Statements in Annual Report

- New President & CEO
- Not intended to cause alarm or concern
- Wanted to express that COVID impacted UNK, like all other educational institutions
- UNK is in good, stable financial/economic condition
- UNK has financial ability to see Master Plan to completion



Commitments to LUC

- UNK is not an absent landowner; it operates next door
- No land speculation
- No changes to nature of master plan; still a campus expansion
- UNK will proceed diligently to complete EIS process
- Once EIS complete, UNK will promptly file Motion to Amend
- UNK will initiate capital campaign at appropriate time
- UNK will keep the LUC better informed on its progress





Jeffrey H. Overton

AICP, LEED AP

Principal Planner, Group 70 International, Inc.



G70's Work on Master Plan

- Master planning
- Environmental planning
- Civil engineering
- Architecture and design
- Support for consultants



Studies Prepared for Master Plan

- Environmental Planning Report, G7o
- Preliminary Infrastructure Assessment, G7o
- Infrastructure Conceptual Master Plan, G7o
- Natural Resources Surveys, AECOS, Inc.
- Mobility Analysis Report, Fehr & Peers, Inc.
- Water Supply Study, Tom Nance Water Resource Engineering
- Dismantling/Restoration Plan, ASM Affiliates
- Cultural Impact Assessment, ASM Affiliates
- Ka Pa'akai O Ka 'Aina Analysis, ASM Affiliates



Archaeological Studies for Petition Area

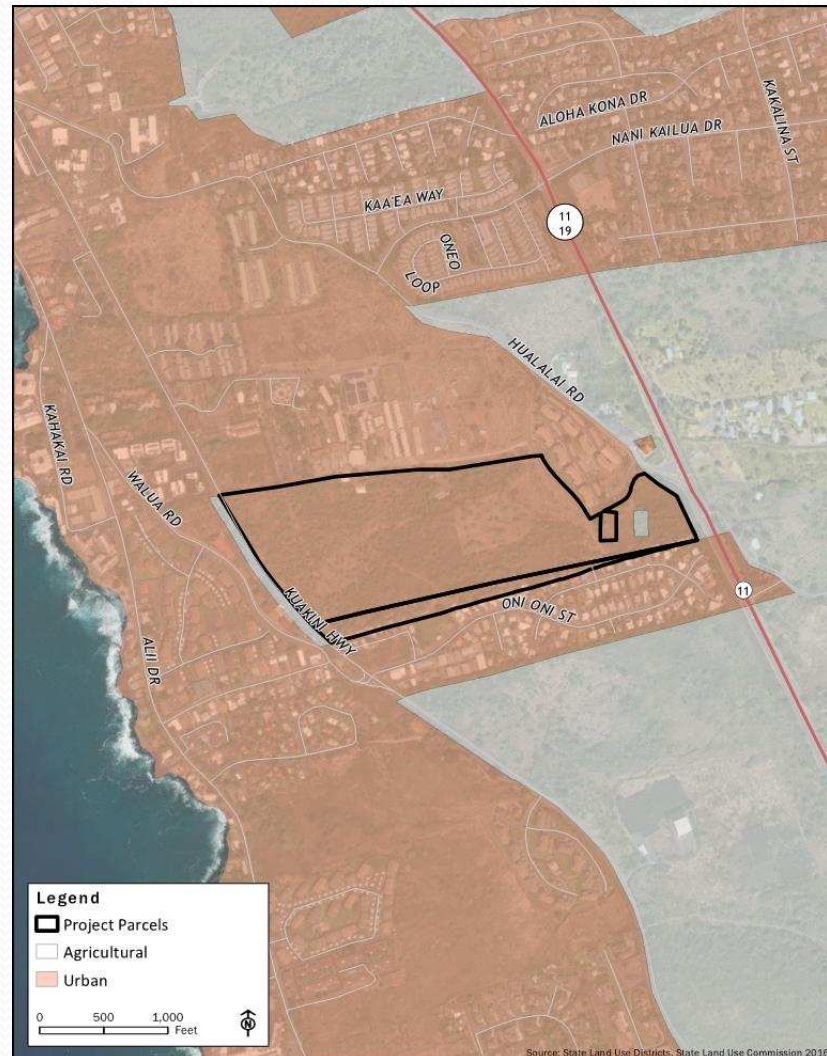
- Archaeological Inventory Study, Rechtman Consulting (*SHPD approved)
- Archaeological Data Recovery Plan, Rechtman Consulting (*SHPD approved)
- Preservation Plan, Rechtman Consulting (*SHPD approved)
- Burial Treatment Plan, Rechtman Consulting (*Burial Council and SHPD approved)
- Dismantling/Restoration Plan for Kuakini Wall, ASM Affiliates



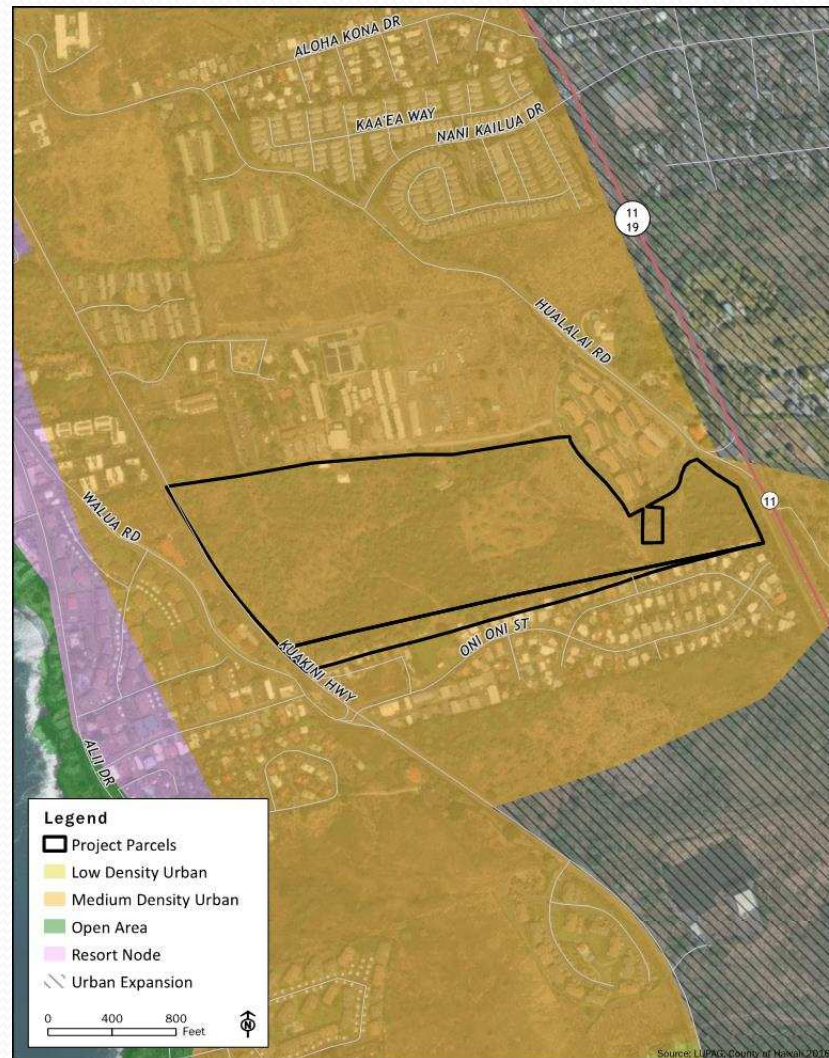
Land Use Planning Overview

- **State Land Use District**
 - Urban
- **County General Plan Land Use Planning Allocation Guide (LUPAG)**
 - Medium Density Urban
- **County Kona Community Development Plan**
 - Kona Urban Area

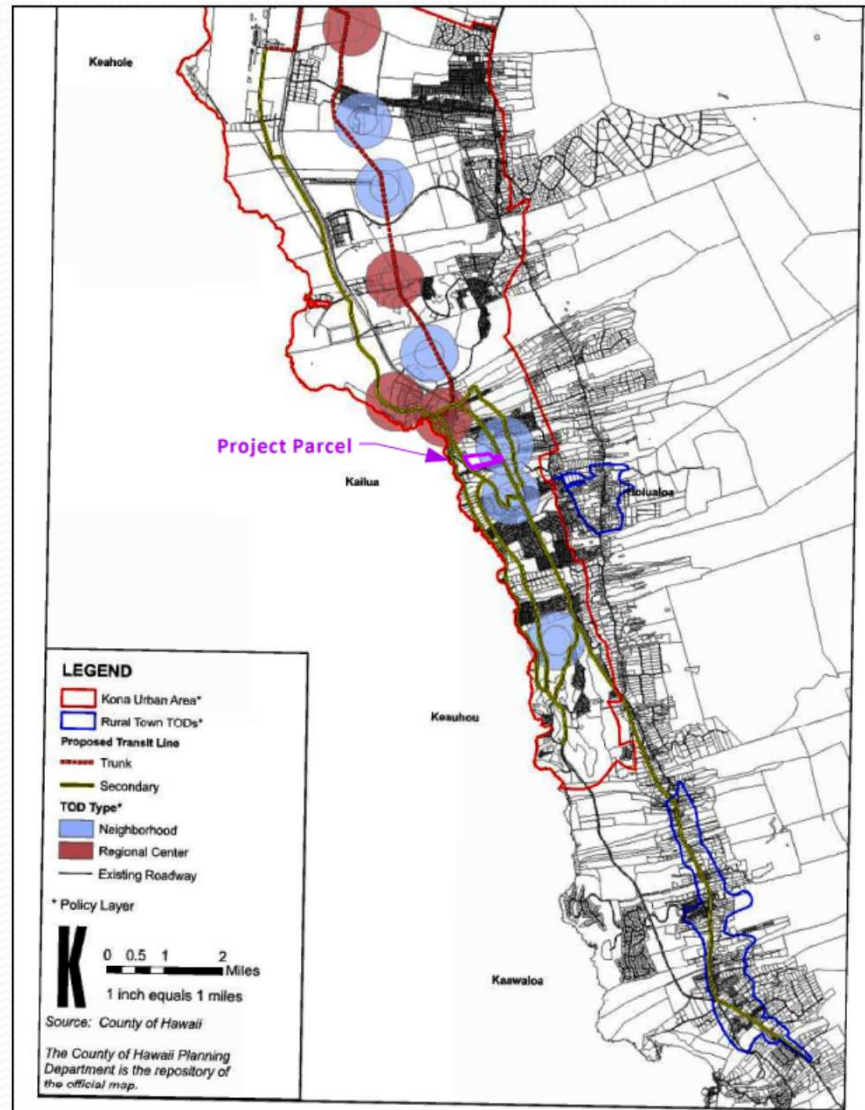
State Land Use District



County General Plan LUPAG



Kona Community Development Plan





Petition Area's Agricultural Potential

- Soils
 - Land Study Bureau – E "very poor"
 - Ag. Lands of Importance to State of Hawaii – "Unclassified"
- Rainfall
- Topography
- Adjacent to existing urban uses



Urban District and Master Plan

- Petition Area is appropriate for Urban District classification
- Petition Area is appropriate for Master Plan campus expansion



Environmental Impact Statements and Processing Time

EIS Processing Time

Agency / Applicant (Proposed Action)		Document Publication Dates	Overall Timeline
1	Olowalu Town, LLC and Olowalu Ekolū, LLC (Olowalu Town Master Plan)	EISPN - 7/8/2010 EIS Non-Acceptance - 12/23/2015	Approx. 5 years, 5 months
2	Turtle Bay Resort, LLC (Turtle Bay Resort Expansion)	EISPN - 8/23/2011 FEIS Acceptance - 10/23/2013	Approx. 2 years, 2 months
3	Pi'ilani Promenade North, LLC (Pi'ilani Promenade)	EISPN - 9/23/2013 EIS Non-Acceptance - 8/8/2017	Approx. 4 years
4	HG Kaua'i Joint Venture LLC (Hokua Place)	EISPN - 12/23/2014 FEIS Acceptance - 1/8/2020	Approx. 5 years, 2 weeks
5	Alexander & Baldwin and East Maui Irrigation Co., Ltd. (East Maui water lease)	EISPN - 2/8/2017 FEIS Acceptance - 10/23/2021	Approx. 4 years, 8 months
6	City & County of Honolulu (Ha'ikū Stairs Study)	EISPN - 4/23/2017 FEIS Acceptance - 2/8/2020	Approx. 2 years, 9 months

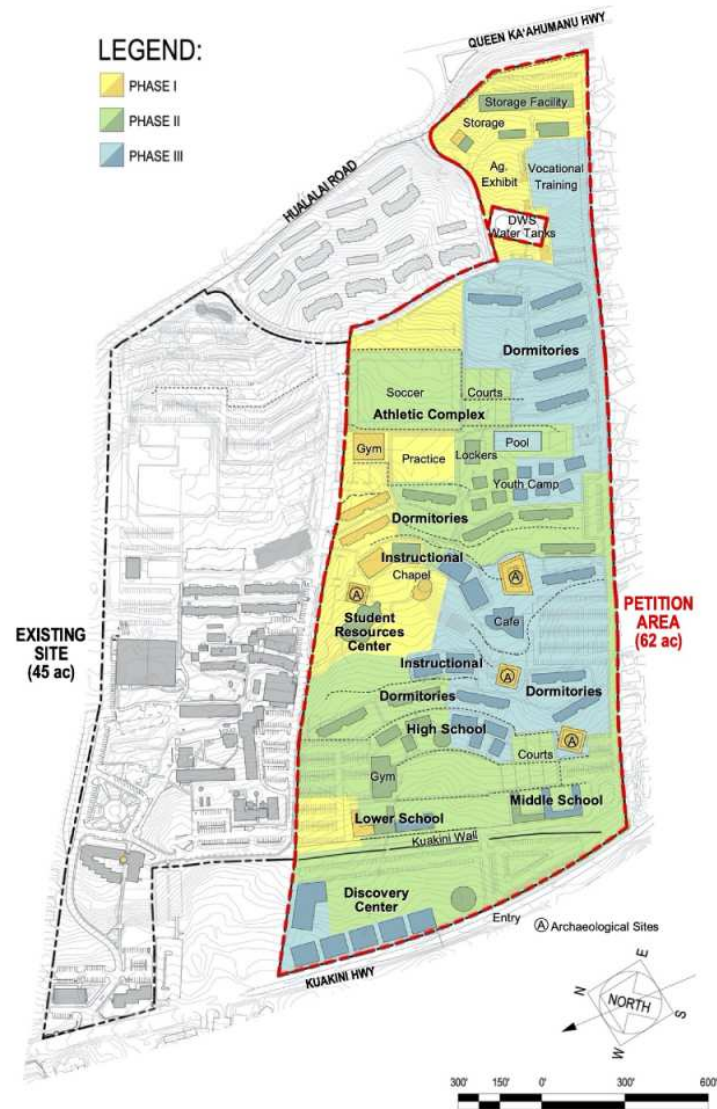
EIS Processing Time

	Agency / Applicant (Proposed Action)	Document Publication Dates	Overall Timeline
7	Pet Industry Joint Advisory Council (O'ahu commercial aquarium permits)	Draft EA – 4/8/2018 FEA/EISPN – 8/8/2018 FEIS Nonacceptance - 10/23/2021	Approx. 3 years, 6 months
8	Pet Industry Joint Advisory Council (Hawai'i Island commercial aquarium permits)	Draft EA - 4/8/2018 FEA/EISPN - 8/8/2018	Approx. 3 years, 2 months
9	Department of Accounting and General Services (Aloha Stadium entertainment district)	EISPN - 9/8/2019 FEIS - 9/22/2022	Approx. 3 years
10	Kauai Island Utility Cooperative (Waiahi Hydropower Long-Term Water Lease)	Draft EA – 10/8/2019 FEA – not yet published	Ongoing Approx. 3 years, 1 months have elapsed to date
11	R.D. Olson Development (Kanhā Hotel)	EISPN - 6/23/2020 FEIS - not yet published	Ongoing Approx. 2 years have elapsed to date

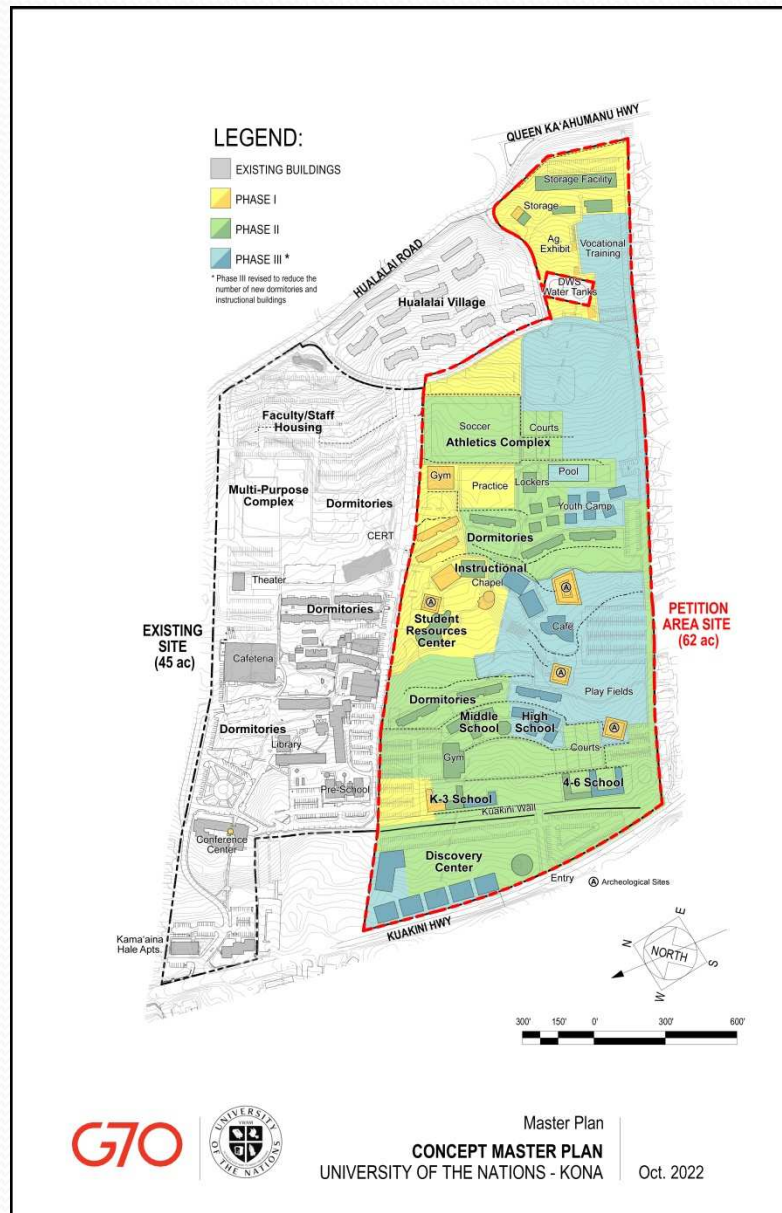


Master Plan for Campus Expansion

July 2020 Status Report Master Plan



October 2022 Status Report Master Plan



- Three phases
- Backbone infrastructure for Petition Area in Phase I
- Academic buildings and support facilities in Phase I





Master Plan for Campus Expansion

- Refinements made
 - 10 less dorms
 - 2 less instructional buildings
- Refinements a good thing from planning viewpoint
 - More open space
 - Less potential for impacts
 - Reduced infrastructure requirements
 - More in harmony with community



Next Steps and Timeframe

- Draft EIS in Q1 or Q2 2023
 - LUC will review before publication
- Final EIS
 - Q4 2023
 - After comments responded to
 - After comments addressed in studies, if necessary
 - LUC will review and approve before publication
- Motion to Amend
 - Upon completion of EIS process
 - Currently pending Motion to Amend will be updated



Thank you!



Questions?