



Kamehameha Schools®



February 10, 2025

Daniel Orodener
Executive Officer
Land Use Commission
235 S. Beretania Street, Room 406
Honolulu, HI 96813

Subject: Docket A87-610 Transmittal of Revised Waiawa Master Plan and Schedule

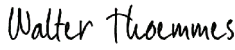
Aloha Executive Officer Orodener:

The Trustees of the Estate of Bernice Pauahi Bishop dba Kamehameha Schools is pleased to submit an updated Waiawa master plan and schedule in compliance with Condition #1 of the Land Use Commission's June 30, 2022 Order in this Docket, stating:

Petitioner shall submit to the Commission a revised master plan and schedule for development for the approximately 1,395-acre Petition Area by February 11, 2025; provided, however, that this condition may be satisfied by publication of a Draft Environmental Impact Statement that addresses the Petition Area prior to February 11, 2025.

Mahalo in advance for your review. We look forward to continuing our efforts to bring much-needed homes to Hawai'i, in alignment with KS' vision for its Waiawa lands.

Me ka 'oia'i'o,

Signed by:

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Walter Thoemmes
Managing Director, Planning, Industry and Development
Kamehameha Schools

**LUC DOCKET A87-610, KAMEHAMEHA SCHOOLS’
REVISED MASTER PLAN AND SCHEDULE FOR DEVELOPMENT**

This revised master plan (the “Waiawa Master Plan”) and development schedule is submitted by ELLIOT K. MILLS, CRYSTAL KAUILANI ROSE, JENNIFER NOELANI GOODYEAR-KA‘ŌPUA, MICHELLE KA‘UHANĒ, and ROBERT K.W.H. NOBRIGA, as Trustees of the Estate of Bernice Pauahi Bishop, dba Kamehameha Schools (“Kamehameha Schools” or “KS”), and covers the 1,395 acres of land that the State of Hawai‘i Land Use Commission (“LUC”) originally reclassified into the Urban District (the “Petition Area”),¹ located at Waiawa and Waipi‘o, ‘Ewa, O‘ahu, Hawai‘i, together with additional KS lands in the Waiawa ahupua‘a (collectively the “KS Waiawa Lands”). This Waiawa Master Plan is being submitted pursuant to Condition No. 1 of the LUC’s Order Granting With Modification Motion for Modification, Time Extension, and Release and Modification of Conditions of Order Dated November 26, 2014, filed June 30, 2022 (the “2022 Order”), which requires KS to “submit to the Commission a revised master plan and schedule for development for the approximately 1,395-acre Petition Area by February 11, 2025....”

EXECUTIVE SUMMARY

KS’ last formal submittal to the LUC of a conceptual master plan and development schedule was made in October of 2019. There, KS explained that it is a charitable testamentary trust and not a land developer or land speculator, and therefore faces different challenges than

¹ The Petition Area is currently designated by Tax Map Keys (1) 9-6-004: 031 (por.); 9-6-005:013 (por.), and was formerly identified as Tax Map Keys (1) 9-4-006: 034 , 035 (por.), 036 (por.), 037 (por.); 9-6-004: 024 (por.), 025, 026; 9-6-005: 003 (por.). The current listing of Petition Area TMK parcel numbers has been updated from the parcel numbers recited in the LUC’s 2022 Order to reflect the consolidation and revised bulk lot subdivision of the lands within the Petition Area.

those faced by traditional real estate developers. The KS trust was established by Princess Bernice Pauahi Bishop, the last direct descendent of King Kamehameha I, who left her property in trust for a school dedicated to the education and upbringing of Native Hawaiians. As a private, non-profit K-12 educational institution, committed to improving the capability and well-being of Native Hawaiians through education, KS' ability to pursue the development of the Waiawa Master Plan is always tied to its ability to find a suitable development partner with direct experience in getting new communities built (this is the strategy that KS has used in developing Kaka'ako).

At the time of KS' last formal master plan submittal to the LUC in October of 2019, KS was actively working to identify the right development partner for Waiawa. However, just a few months later the world was upended by a once-in-a-century pandemic that tragically claimed millions of lives and caused unprecedented disruption in all facets of life, including here in Hawai'i. As the world slowly began to regain some semblance of normalcy, in the spring of 2022, KS was able to return its focus to identifying an appropriate development partner for Waiawa.

Unfortunately, in June 2022, the U.S. economy took a dramatic and alarming turn. Governmental efforts to combat a potential runaway increase in U.S. inflation prompted the Federal Reserve to raise the Federal Funds Rate from effectively zero percent (0%) to five and one-third percent (5.33%)—a level the U.S. economy had not experienced since the Dot Com Recession in March 2001. This caused a sharp rise in interest rates that more than doubled construction financing borrowing costs and significantly reduced the valuation of real estate, as real estate values can be closely tied to commercial borrowing rates. The resulting economic

shift sent ripples through the U.S. commercial real estate market, pausing or indefinitely stalling once-viable development projects across asset classes.

It was within this post-COVID, post-interest rate hike environment that KS continued its efforts to identify a willing and capable development partner for the KS Waiawa Lands. KS and its future development partner would need to consider that the cost of development had dramatically increased and a few key off-site infrastructure improvements that had long been expected to be completed by government had not yet materialized (making it necessary to investigate alternative and interim off-site infrastructure connection solutions). Moreover, the development plan that the LUC had originally approved for the 1,395-acre Petition Area is inconsistent with KS' current land management values and its vision of Waiawa as a place where ahupua'a planning principles could be incorporated to address regional issues of education, housing, infrastructure, business, health, and 'āina. Thus, the development partner effort was further complicated by the need for KS to prepare an entirely new plan that would then have to be studied, vetted for feasibility, and informed by community input. In addition, KS' development partner would have to respect KS' commitment to allow approximately 587 acres of the Petition Area, located in three different areas, to be used for utility scale solar farm development for the next few decades.

During its search for the right development partner, KS continued to seek out additional development analyses to supplement the earlier due diligence work it had undertaken to analyze development approaches for the Waiawa lands (e.g., land use planning, grading, wastewater, traffic, and water availability, all as previously reported to the LUC). For that reason, KS retained Castle & Cooke Homes Hawaii, Inc. ("CCHH"), a master-plan community developer with extensive experience in Central O'ahu, to further explore and refine the preliminary

Waiawa Master Plan. KS is pleased to report that this collaboration has resulted in KS and CCHH entering into an agreement to move forward together in updating studies, refining the Waiawa Master Plan, and developing the KS Waiawa Lands.

The Waiawa Master Plan is a kama‘āina-focused master-planned community, meaning it will provide homes for local working families at a wide range of income levels. This new community could include up to 12,400 homes spread across the Petition Area and adjacent KS lands, which is consistent with the City & County of Honolulu’s Community Growth Boundary established under the Central O‘ahu Sustainable Communities Plan and enacted into law by the Honolulu City Council. However, much work must be done before these homes can be built.

KS, in collaboration with CCHH, and based on very preliminary assessments and subject to numerous contingencies and assumptions, anticipates that the first residential unit could be delivered to market in Q1 2036. While KS is keenly aware of the LUC’s backbone infrastructure conditions,² it is not feasible to meet those deadlines. However, this updated Waiawa Master Plan and development schedule is intended to provide the LUC with insight into what has been proposed and developed on the land, the known challenges to this development, and KS’ plan of action to provide kama‘āina housing at Waiawa.

This Waiawa Master Plan submittal is presented in four parts. Section I provides a summary of the original development plan for the Petition Area (a plan that the LUC approved but that KS now believes is not the best use of the land or aligned with KS’ mission). Section I also provides a summary of the interim uses of portions of the Petition Area for utility scale solar

² Condition No. 11 of the LUC’s 2022 Order provides as follows:

Petitioner shall complete construction of the backbone infrastructure for the proposed Waiawa Master Plan Phase A, consisting of the primary roadways and access points, internal roadways, on-and offsite water and electrical system improvements, and storm water/drainage and other utility system improvements, by December 31, 2030. In addition, Petitioner shall complete construction of similar backbone infrastructure for the proposed Waiawa Master Plan Phase B by December 31, 2038.

energy generation (approximately 66 MW, powering over 32,000 homes). Section II discusses the framework by which KS approaches land development and the considerations undertaken when planning a development to be in alignment with KS' values and mission.

Section III presents some of the significant infrastructure issues that KS has identified thus far as challenges for developing the Waiawa Master Plan. It also presents KS' current vision for the Waiawa Master Plan and how the Plan supports KS' mission-driven development framework. Section III, together with the development schedule provided in Appendix A, presents KS' current and very preliminary estimation on a timeframe for development of the Waiawa Master Plan. These estimations are necessarily contingent upon the resolution of several outstanding issues, including but not limited to the aforementioned infrastructure challenges, an updated development phasing plan, and additional feasibility analysis, as well as the future Environmental Impact Statement process and subsequent land use entitlements. Taking those considerations into account, Section IV provides a high-level summary of KS' next steps toward execution of the Waiawa Master Plan.

I. ORIGINAL DEVELOPMENT PLAN & CURRENT USES OF PETITION AREA

A. Gentry Plan

When the LUC reclassified the Petition Area in 1988, KS was the landowner, but the "Petitioner" that came before the LUC was Gentry Pacific, Ltd. ("Gentry"), who was pursuing the development of the property pursuant to a development agreement with KS.³ Gentry's Waiawa Ridge development project (the "Gentry Plan") included up to 7,906 residential dwellings. However, half of those units were retirement/leisure housing units for those 55 and

³ See the LUC's Findings of Fact, Conclusions of Law and Decision and Order filed May 17, 1988 in Docket No. A87-619 (In re the Petition of Tom Gentry and Gentry-Pacific, Ltd.).

older. The Gentry Plan featured two golf courses, one of which would be located in the retirement community portion of the project. The plan also included parks, open space, school sites, and areas for commercial and light industrial uses. Figure 1 depicts the Gentry Plan.

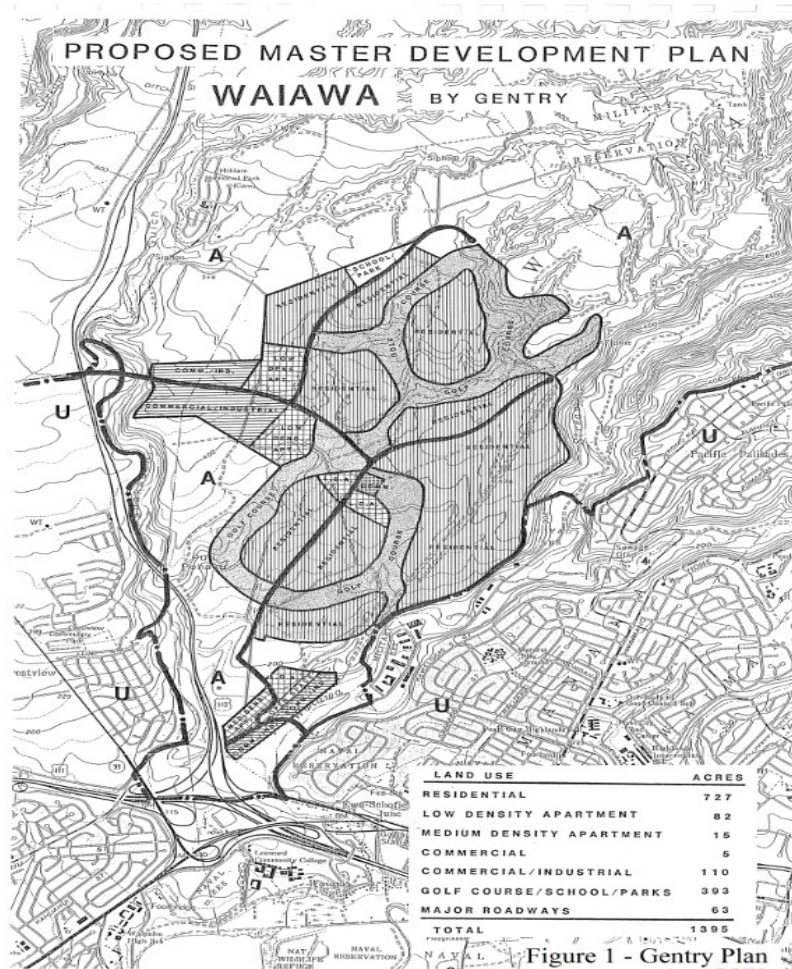


Figure 1 - Gentry Plan

The entire Waiawa Master Plan project area has been woven into the City & County of Honolulu’s long-range planning vision for years, where it is identified primarily for residential and apartment use with complimentary commercial uses. Thus, Gentry was able to obtain several crucial land use entitlements for the Petition Area. Then, in 2006, Gentry and A&B Waiawa, LLC formed Waiawa Ridge Development LLC to undertake project development and secure financing. The project’s enormous upfront infrastructure costs and related requirements meant

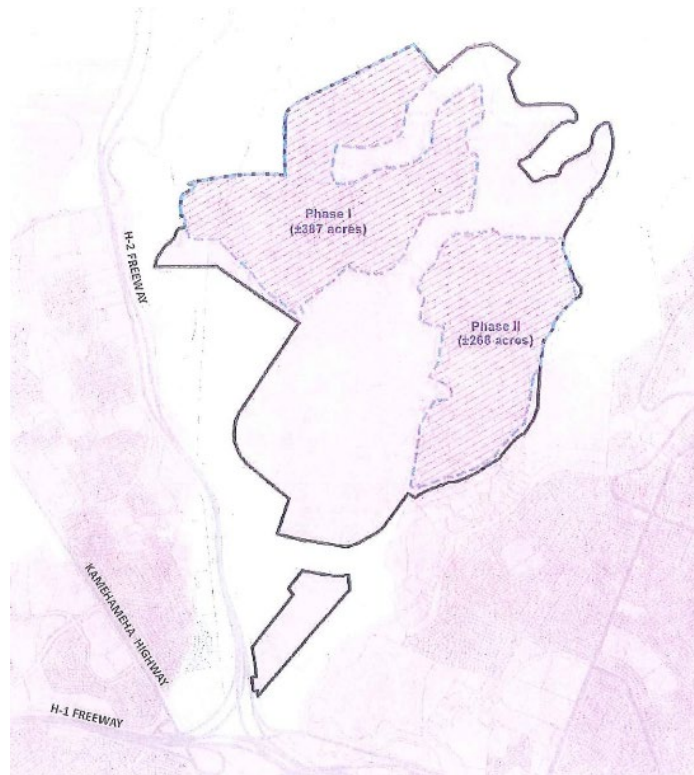
that development of the Petition Area would be very challenging under the best of circumstances. These significant difficulties were exacerbated by the 2008 worldwide financial crisis. Ultimately, Gentry could not proceed and returned the Petition Area land to KS in late 2012.

B. 2014: Initial Interim Solar Farm Uses of the Petition Area

Shortly after regaining control of the Petition Area, KS determined that until it was able to fully execute a permanent development plan for the Petition Area, the most prudent use of the land on an interim basis would include utility scale renewable solar energy development. On November 26, 2014, the LUC issued an order approving the use of approximately 655 acres of the Petition Area for two solar projects for a term of 35 years (one solar farm was planned within approximately 387 acres in the northwest of the Petition Area, and the other within approximately 268 acres in the northeast of the Petition Area).⁴ See Figure 2 for the LUC's 2014 approved solar sites.

⁴ Condition No. 8 of the LUC's 2014 Order Granting Motion for Order Amending Findings of Fact, Conclusions of Law and Decision and Order Dated May 17, 1988, provides: "The interim use of the Petition Area for the proposed solar farm, including any and all permitting, construction, operation, and decommissioning activities associated with the solar farm, shall not exceed a period of 35 years from the date of this Decision and Order without the prior written approval of the Commission."

FIGURE 2: LUC 2014 APPROVED SOLAR SITES



Unfortunately, the Public Utilities Commission did not approve the power purchase agreement between the utility company (Hawaiian Electric Company), and the originally proposed solar farm developer (SunEdison), thereby stalling the development of those solar farms. Nonetheless, consistent with KS' previous commitments to use the Petition Area for utility scale solar energy development on an interim basis, KS sought alternative renewable energy developers and secured additional approvals from the LUC for modifications to the previously approved solar developments.

1. 2020: New Phase II Solar Development.

In February of 2020, pursuant to a motion filed by KS in July of 2019, the LUC granted approval for modifications to the previously approved Phase II solar site.⁵ That project, developed by a subsidiary of Clearway Energy Group LLC, is a 36 MW solar farm with a 144 megawatt-hour battery energy storage system, located within an approximately 200-acre portion of the previously approved Phase II solar site (see Figure 3). It is estimated to generate sufficient power to supply approximately 14,655 homes each year. The commercial operation commencement date for this renewable energy project was in Q1, 2023.

The LUC approved this project to remain in place at least until November 26, 2049, and potentially until December 31, 2059. This solar farm is located in the far eastern portion of the Petition Area (see Figure 3), which is an area the LUC reclassified into the Urban District but for which no City-level zoning entitlements have been obtained. This area is understood to be a hydrological zone of contribution. As such, it is not currently slated for residential or commercial development under the current iteration of the Waiawa Master Plan.

2. 2022: New Phase I Solar Development.

Under the LUC's 2022 Order, the LUC granted approval for modifications to the previously approved Phase I solar site.⁶ This project, developed by a subsidiary of The AES Corporation, is a 30 MW solar photovoltaic system, coupled with a 240 MW-hour battery energy storage system. It is estimated to generate over 107,000 MW hours of energy per year.

⁵ See Findings of Fact, Conclusions of Law, and Decision and Order Granting With Modification Motion for Modification And Time Extension, filed February 11, 2020.

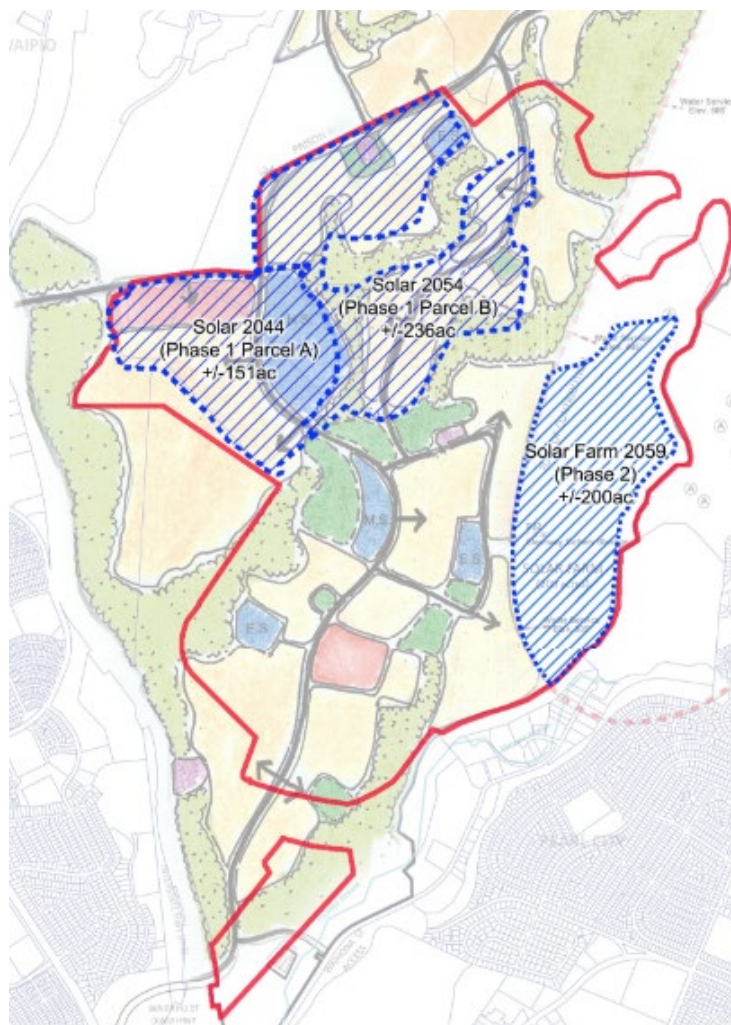
⁶ See Order Granting With Modification Motion for Modification, Time Extension, and Release and Modification of Conditions of Order Dated November 26, 2014, filed June 30, 2022.

According to the utility company, this is enough energy to power the equivalent of approximately 18,000 homes each year that the project is in place. As of the date of this submission, project construction is nearing completion. All site work is done, much of the construction is done, and commissioning and testing is underway. The utility company is in the process of approving the Generation Interconnect (Gen-Tie) Line that transmits the power generation to the grid and construction of the Gen-Tie Line will commence shortly thereafter. Commercial operations are expected to start before the end of 2025.⁷

KS had requested that the LUC split the former Phase I solar site into two separate areas to avoid any conflict with KS' ability to pursue development of the Waiawa Master Plan. The LUC agreed. Under the 2022 Order, the former Phase I solar site is now designated as Parcel A (151 acres), and Parcel B (236 acres) (see Figure 3), with the requirement that the solar farm located on Parcel A be removed by December 31, 2044 to make way for the Master Plan development, and the solar farm located on Parcel B be removed no later than December 31, 2054, to make way for the Master Plan development.

⁷ Under the LUC's 2022 Order, Condition 7, both areas of this solar farm (Parcel A and Parcel B) must be "substantially completed within five (5) years from the date of the Commission's issuance of this Decision and Order." The LUC's 2022 Order was issued June 20, 2022, thus the development of this solar farm project is clearly in compliance with the LUC's 2022 Order.

FIGURE 3: LOCATIONS OF APPROVED INTERIM SOLAR FARM USE



II. KAMEHAMEHA SCHOOLS' MISSION, VALUES, AND STRATEGY

Founded in 1887 by the legacy of Princess Bernice Pauahi Bishop, Kamehameha Schools is a private, educational, charitable trust committed to improving the capability and well-being of Native Hawaiians through education. As the largest private landowner in the State of Hawai'i, Princess Pauahi endowed her trust with land assets that today total approximately 370,000 acres, of which approximately 14,708 acres (or 4%), together with other financial investments, generate more than 97% of the revenue needed to fund KS' mission of providing educational opportunities to Native Hawaiians.

In accordance with its core educational mission, in 2024 alone KS spent \$523 million toward education, serving a total of 54,808 learners, including:

- 5,454 students on three campuses.
 - Funding for the three campuses amounted to \$247 million.
- 1,777 preschool students at 30 preschools.
 - Funding for the 30 preschools amounted to \$45 million.
- 4,033 non-KS-campus students who received scholarships.
 - Scholarship funding was \$30.5 million. Scholarships funded include the Pauahi Keiki scholarships for preschool age Native Hawaiian keiki attending other private schools, the Kipona scholarships for K-12 Native Hawaiian keiki attending other private schools, and post-high scholarships.
- 35,685 students through community investing.
 - Supported by community investment of \$25.7 million disbursed to 122 organizations.
- 7,859 students through community engagements.
 - Supported by internships, college and career counseling, leadership and other programming.

KS also (i) invested \$60 million (net of agricultural rents) to steward agricultural and conservation ‘āina across Hawai‘i, and (ii) supported and contributed, along with many others, to healing, recovery, resolution, and restoration efforts following the Lahaina wildfires.

Recognizing that KS can broaden its educational impact through partnerships, KS maintains relationships with the State of Hawai‘i Department of Education, the University of Hawai‘i, and private schools throughout the State. KS’ partnerships reach beyond traditional education and include collaborations with Hawai‘i Pacific Health to improve education, health, and economic stability of students and families through internships and occupational training, with MA‘O Organic Farms and Central Pacific Bank to expand MA‘O’s farm operation in

Lualualei, and with the Ko‘olau Mountains Watershed Partnership to help protect the vital Waiawa watershed.

A. Kamehameha Schools Strategic Vision 2040 & Strategic Map 2025

KS’ Strategic Vision 2040 sets a long-term goal for a thriving Native Hawaiian community (lāhui), where learners achieve educational success, leading to strong career choices and contributions to society. It envisions graduates who are deeply rooted in Hawaiian and Christian values, prepared to lead locally and globally.

The Strategic Map 2025 serves as a roadmap toward this vision, guiding decision-making and resource allocation. It focuses on three key goals:

- **World-Class Schools** – Ensuring students receive a top-tier, Hawaiian culture-based education that prepares them for success.
- **Resilient Communities** – Engaging with communities to develop ‘ōiwi leaders who strengthen local economies and social structures.
- **Globally Competitive Performance** – Operating Kamehameha Schools as a high-performing, market-leading organization across education, real estate, and financial management.

Decisions at Kamehameha Schools are made through this strategic framework, prioritizing student success, economic resilience, and operational excellence to uplift Native Hawaiians and fulfill the mission set by Ke Ali‘i Bernice Pauahi Bishop.

B. Vibrant Communities Support KS’ Educational Mission

The success of KS’ educational mission is intimately connected to the health and well-being of the surrounding communities. KS considers six regional measures when assessing community vibrancy: (1) education; (2) housing; (3) infrastructure; (4) business; (5) health; and (6) ‘āina.

- **Education.** Access to quality education opportunities is key for thriving communities. In many of Hawai‘i’s communities there is a lack of early education

options. There is also an increasing but unmet demand for Hawaiian culture-based education within the K-12 school system.

- **Housing.** Housing in Hawai‘i is expensive. Low inventory, high costs of construction, a highly regulated land use environment, and competition from non-resident buyers, have all led to higher housing costs. In Honolulu County, the demand for new housing units is expected to be 13,476 housing units by 2035.⁸ As Governor Green mentioned in his 2025 State of the State Address, the high cost of housing is a primary contributor to Hawai‘i residents leaving the State and a low net population growth.
- **Infrastructure.** Hawai‘i faces unique challenges in meeting its energy needs due to its isolated location and lack of locally available fossil fuel resources. Hawai‘i’s heavy reliance on imported petroleum has resulted in high electricity prices and a significant carbon footprint. However, Hawai‘i is demonstrating leadership in transitioning to a clean energy future. The State has set ambitious goals for 100% renewable electricity and carbon neutrality by 2045. KS’ Waiawa Lands are an interim step to achieving these goals. Use of renewable energy is also an important consideration for community vibrancy.
 - Infrastructure also means working with State and County agencies to provide regional or island-wide utility access, an example of which is KS’ current efforts to secure the Honolulu Board of Water Supply a site within the KS Waiawa Lands (but outside of the Petition Area) to locate a significant water storage facility that will serve the greater south-central and west O‘ahu areas.
 - Other important infrastructure considerations include regional roadway/highway connections, sewer improvements, and water sourcing, storage, and transmission, all of which are critical for any new residential development. Additionally, strategically located mixed use communities that offer residents multiple public transportation options, including mass transit, rail, and buses can support Hawai‘i residents by reducing traffic and energy consumption.
- **Business.** A thriving business community requires an educated workforce. KS’ mission is to improve the capability and well-being of Native Hawaiians through education. Earnings have a close positive relationship with education level. In Hawai‘i, the average annual salary for workers with high school diplomas (including GEDs) is \$38,000 - \$42,000, versus the average of \$70,000 - \$75,000 for workers with bachelor’s degrees or higher.⁹ A supportive environment for entrepreneurship and innovation will help a community thrive.
- **Health.** Sustainability and improved access to healthy foods and lifestyles, including walkable/bikeable mixed-use communities, is important for the

⁸ Department of Business, Economic Development & Tourism, March 2024, Hawai‘i Housing Demand: 2025-2035.

⁹ Department of Business, Economic Development & Tourism, Hawaii’s 2023 State of Hawai‘i Data Book

revitalization of communities. Local food sustainability is another way to enhance the well-being of our communities.

- **‘Āina.** Thriving communities include opportunities to support natural ecosystems and protect and preserve conservation lands that support those ecosystems, as well as opportunities to share the mo‘olelo of various places and access to the ‘āina to help connect communities to ‘āina resources.

KS has utilized the foregoing factors and strategies in determining how best to steward and develop its land base across various regions, including in its planning for Waiawa.

C. Urban Core Strategy

In addition to the six regional factors described above, it is essential that KS’ land assets that are urban/commercial zoned lands, including those in Waiawa, and that are located in close proximity to rail transit, are included in its Urban Core Strategy to provide housing, lifestyle, and economic return opportunities. The Waiawa Master Plan is supportive of KS’ Urban Core Strategy.

KS’ Urban Core Strategy focuses on:

- **Redefining Urban Living** – Developing higher density, mixed-use residential and commercial communities with communal open spaces and place-based programming. This approach preserves the character of surrounding neighborhoods while addressing market and socio-economic needs.
- **Transit-Oriented Development (TOD) Alignment** – Supporting the City and County of Honolulu’s TOD plans by concentrating growth along the rail corridor to reduce development pressure on rural and agricultural lands. Rail-adjacent communities foster vibrant, mixed-use neighborhoods, improving housing options, reducing commute times, and enhancing quality of life.

While TOD neighborhoods vary in density based on their surrounding context and proximity to rail stations—ranging from high-density 400-foot towers in Kaka‘ako to more moderate densities in Ho‘opili—the Waiawa Master Plan is designed to reflect a moderate-density approach. This is influenced by the surrounding area’s existing density and the location of the

KS Waiawa Lands, which, while near the Waiawa (Pearl Highlands) rail station, is not directly adjacent to it. Because the Waiawa Master Plan is not directly adjacent to the Waiawa rail station, KS intends to evaluate connectivity options and emerging technologies to provide a last-mile solution that enhances access between the development and the rail station.

D. Waiawa Vision

KS has been working to create a sustainable and thoughtful long-term vision for its lands at Waiawa in a way that is consistent with its mission, considerations for community vibrancy, Urban Core Strategy, and opportunities to serve the larger surrounding region. Waiawa is envisioned as a place where ahupua‘a planning principles can be incorporated to address regional issues of education, housing, infrastructure, business, health, and ‘āina.

Taking all the foregoing into account, KS formulated its objectives for the Waiawa Master Plan as follows:

- To use ahupua‘a concepts to sustain the needs of the new community. Incorporating ahupua‘a concepts starts with a Hawaiian cultural mindset honoring ‘ohana, multiple generations, community, kuleana, and laulima. There is also a need for access to diverse resources (multi modal transportation, open space, homes that allow for multi-generational living, and local businesses that are part of the community). Finally, the notion of how to be ecologically aligned so that new land uses complement existing natural resources and are developed with a deep respect for, and close observation of, the environment.
- To foster a community that aligns with KS’ Strategic Vision 2040/Strategic Map 2025 Goals, KS’s land management values, and the regional needs. KS Strategic Map 2025 aligned goals include: (1) engage with communities to educate and empower ‘ōiwi leaders to build resilient economies; and (2) deliver as an integrated enterprise that is globally competitive in each of its lines of business, including being a market-leading land steward. At a minimum, KS will incorporate the use of traditional names, mo‘olelo and wahi pana of Waiawa, and interactive programming to create a Hawaiian sense of place in the Waiawa Master Plan development. KS plans to engage in aligned partnerships within the surrounding region to achieve similar educational, career, health, economic and ‘āina stewardship outcomes.

- To identify strategic partnerships and resources for delivery of infrastructure and pursue investment spending in alignment with regional priorities.

All of the foregoing served as a basis for the Waiawa Master Plan that is outlined in the following section.

III. WAIAWA MASTER PLAN

Since its last master plan submittal to the LUC, KS has continued working to establish a thoughtful long-term vision for its Waiawa lands. The Waiawa Master Plan envisions a community where ahupua‘a planning principles for a variety of uses can be incorporated to address regional solutions for education, housing, infrastructure, business, health, and āina.

In addition to the early diligence work undertaken by KS to analyze development approaches for the land; e.g., land use planning, grading, wastewater, traffic, and water availability (all as previously reported to the LUC), KS retained CCHH, a highly experienced Hawai‘i-based land development company, to undertake a preliminary analysis of development of the KS Waiawa Lands based on past studies and plans. These efforts were completed in May 2024. In addition to providing valuable insight to infrastructure challenges at Waiawa, another result of this work is that KS and CCHH entered into a memorandum of agreement to move forward together in updating studies, refining the Waiawa Master Plan, and developing the KS Waiawa Lands.

KS has retained PBR HAWAII & Associates, Inc. (“PBR HAWAII”) as its planning consultant for the future Waiawa Master Plan Environmental Impact Statement. Additionally, KS, in consultation with CCHH, is in the process of engaging a land planner to play a critical role in refining the Master Plan. The land planner will design and propose land uses and associated product types that are in alignment with KS’ vision and goals of the project, and

ensure that appropriate community and stakeholder input is incorporated into the project. In addition, the land planner will coordinate project phasing to assure adequate infrastructure is available so that each phase of the project can move forward in an economically feasible and timely manner. Once that work is sufficiently progressed, KS, through PBR HAWAII, will formally initiate the Environmental Impact Statement process for the project. While certain specifics of the plan may change, the core elements of the plan will remain true to the KS vision: that the KS Waiawa Lands are developed as a thriving community that incorporates elements supportive of education, housing, infrastructure, business, health, and ‘āina.

A. Infrastructure Challenges

At present, KS is actively engaged with consultants to identify impediments, requirements, and creative solutions to address the project’s numerous infrastructure challenges. These challenges implicate both large-scale regional projects that are proposed to be undertaken by government, and more project-specific infrastructure challenges. Importantly, completion by State and County agencies of certain governmental infrastructure projects will unlock additional utility capacity necessary for the development of the KS Waiawa Lands. While KS’ work with its consultants to identify infrastructure needs and proposed solutions is still underway, on a preliminary basis the following elements have been identified.

1. Regional Transportation

Based on past studies, the current Master Plan and phasing plan provide for initial access to the project at 1) the southern boundary of the project with connections to Waihona Street and Kamehameha Highway, and 2) a connection at the intersection of Kamehameha Highway and Waipahu Street for the first phase of home deliveries. However, both intersections are currently deficient, operating at Level of Service (LOS) “F” in the PM peak period, and planned improvements will not accommodate the projected traffic volumes.

Key assumptions of past studies were related to rail, including HART's planned flyover ramp from H-2 Southbound directly into a 1,600-stall parking structure at the Waiawa Station and completed service to Ala Moana Center by the year 2031. However, none of these assumptions have come to fruition, and it is uncertain whether these improvements will be built.

Based on the above, other improvements and alternative phasing, including early development of the Waipio Interchange on the H-2 freeway, will be evaluated.

2. Regional Wastewater Improvements

The Sewer Master Plan for Waiawa, prepared by Gentry, was approved in 2006. Included in the plan was a connection to, and upgrade of, the Pearl City Wastewater Pump Station that would accommodate the entirety of the Waiawa development. However, the City's plans have changed. As a result, the expectation is that the Waiawa development will need to connect to a proposed regional sewer tunnel to be built by the City & County, and the City & County is not projected to start this sewer tunnel project until 2035. Therefore, interim and alternative improvements to accommodate Waiawa must be identified and evaluated. Interim improvements, if necessary, will inform the development of an updated phasing plan for the Waiawa Master Plan.

3. Potable and Non-potable Water

New water sources (wells), storage, and transmission facilities will be developed within the Waiawa Master Plan in coordination with the Honolulu Board of Water Supply (BWS). Additionally, new water sources will require approval of the State Commission on Water Resource Management. New reservoirs will be integrated with BWS' existing regional facilities. Development and placement of such facilities will also inform the planning and phasing of the Waiawa Master Plan development.

4. Mass Grading

The Waiawa lands are characterized by a sloping topography with interior and surrounding gulches and ravines. The topography provides for desirable views and visual relief as compared to relatively flat developments. At the same time, the topography presents challenges in terms of mass grading volumes and costs, utilities, and density of the varying housing types being considered. Such densities will have a direct bearing on utility and roadway sizes and economics of the project. This will be a key part of the refinement of the Waiawa Master Plan and its phasing.

Studies pertaining to each of the points above are materially complex in nature, and the results of a study for any one of the above items impact the feasible solutions of another item. For example, if sewer access is available from a certain location but the mass grading work required deems the access infeasible, then an alternate solution is required; if existing roadway/traffic deficiencies are not timely addressed, the order and phasing of KS' development may change. These infrastructure upgrades are vital for accommodating a master-planned community on the KS Waiawa Lands. KS continues to monitor regional plans and align its own infrastructure goals with the broader efforts to improve utility capacity and resiliency in the area.

B. Waiawa Master Plan

While the infrastructure challenges discussed above and future community and stakeholder input on the proposed Waiawa Master Plan will influence KS' final development proposal, kama'āina housing is and will remain a fundamental attribute of the Waiawa Master Plan.

As proposed, the Waiawa Master Plan primarily differs from the previously approved Gentry Plan in: (1) removal of the two golf courses; (2) refocus from leisure/retirement (55 years old and over) housing to kama'āina housing; (3) increase in the number of homes, from 7,906 under the Gentry Plan to potentially up to 12,400 homes, as described in the Central O'ahu Sustainable Communities Plan; and (4) the inclusion of potentially some 530 acres of additional land that would require reclassification into the Urban District, which is also consistent with the Central O'ahu Sustainable Communities Plan. Development of the Waiawa Master Plan will also entail exploration of the potential to incorporate opportunities for agricultural uses within the project area where appropriate and feasible.

Exhibit 1 depicts the updated Waiawa Master Plan concept; **Exhibit 2** depicts the updated Waiawa Master Plan and identifies those areas that are likely to be pursued for additional Urban District reclassification; **Exhibit 3** depicts the Updated Waiawa Master Plan and the Central O‘ahu Sustainable Communities Plan, demonstrating that the Waiawa Master Plan is within the designated Community Growth Boundary.

The proposed urbanization of additional land within the Waiawa Master Plan is driven by several critical factors. First, incorporating the smaller, disconnected makai portion of Urban District land within the Petition Area ensures continuity and cohesion within the master-planned community. Second, rising infrastructure costs necessitate a more efficient approach to development, making it essential to plan for sufficient housing density to justify investment in roads, utilities, and other essential services. Lastly, increasing the number of homes allows for economies of scale, helping to amortize the significant infrastructure costs over a greater number of homes; the increased number of homes also aligns with the City’s long-term planning vision. The 2003 and 2021 Central O‘ahu Sustainable Communities Plans, both of which underwent extensive public scrutiny and were enacted into law by the Honolulu City Council, support this vision, ensuring that the Waiawa Master Plan is consistent with broader regional growth objectives and community input.

While the Waiawa Master Plan is necessarily conceptual at this point and will be refined through additional planning, further evaluation of infrastructure constraints, significant community outreach, a future Environmental Impact Statement, and the land use entitlements processes, there are certain core components that are foundational to the proposed plan. The Waiawa Master Plan anticipates a diverse range of housing options, including single family, multi-family, for sale/rental, and mixed-use, to be provided over the next 40+ years together with

K-12 school facilities, hundreds of acres of open space, public and HOA-controlled parks, and complementary neighborhood retail/commercial uses. As a kama‘āina-focused master-planned community, meaning homes for local working families, the updated Waiawa Master Plan intends to provide a multitude of home types to serve families within a wide range of income levels. Throughout the Waiawa Master Plan there are large areas of open space that act as a buffer between areas of residential development. Portions of these areas are intended to provide numerous opportunities for residents to explore the outdoors through walking trails, natural park areas, and other active and passive amenities.

KS, along with its team of advisors and consultants, is in the process of updating utility and site studies to better understand the opportunities and constraints that will significantly shape the phasing and development plan for the Waiawa Master Plan. While KS aims to eventually present a refined Waiawa Master Plan to the LUC—including a phasing plan, the number of homes per phase, and projected timelines for the start and completion of backbone infrastructure—there remains insufficient information regarding current site conditions and regional infrastructure improvements to present an updated plan with a high level of confidence at this time. The rollout of the development phases will largely be driven by the resolution of the numerous infrastructure challenges described in Section III.A. above. Nevertheless, to provide the LUC with a frame of reference based on projections KS previously presented, **Exhibit 4** depicts KS’ previously presented phasing plan overlaid onto the current Waiawa Master Plan.

Table 1 provides the projected phasing plan, area count, and unit count presented to the LUC in 2019/2020, as refined through the 2022 proceedings on the AES solar farm. This information is provided solely to give the LUC context for phasing areas as related to the LUC conditions referencing specific phases of the Waiawa Master Plan. However, the preliminary site

studies initiated more recently demonstrate that changes to these prior assumptions are needed to accommodate existing access and utility constraints.

TABLE 1		
2022 Phase Area	Approximate Acres	Approximate Homes
A	410	2,024
B	617	2,338
C	316	2,636
D	268	1,436
E	399	2,675
Total	2,010	11,109

What is clear, however, from the preliminary work that has been done in conjunction with CCHH, as well as the massive disruptions due to COVID-19 and the Federal Reserve interest rate hikes, is that the previously hoped for development schedule is not feasible. KS will not be able to satisfy Condition No.11 of the LUC’s 2022 Order, which requires:

Petitioner shall complete construction of the backbone infrastructure for the proposed Waiawa Master Plan Phase A, consisting of the primary roadways and access points, internal roadways, on-and offsite water and electrical systems improvements, and storm water/drainage and other utility system improvements, by December 31, 2030. In addition, Petitioner shall complete construction of similar backbone infrastructure for Phase B by December 31, 2038.

However, in collaboration with CCHH, based upon their intimate knowledge of undertaking large scale construction in Central O‘ahu, KS provides as **Appendix A**¹⁰ its current best estimate of a development schedule for the Waiawa Master Plan. A summary of noteworthy milestones is below:

¹⁰ The development schedule provided as Appendix A is preliminary for informational purposes only and subject to change.

- Q2 2025: Select and Engage a Land Planner to Update the Waiawa Master Plan
- Q2 2026: Hold Community Meetings to Update and Refine the Waiawa Master Plan
- Q3 2026: Submit EIS Preparation Notice
- Q4 2027: Complete Final EIS
- Q1 2028: File LUC Motion to Amend and District Boundary Amendment
- Q1 2029: File County Re-zoning Application
- Q2 2029: Start Offsite Infrastructure Permit Drawings
- Q4 2031: Start Offsite Infrastructure Construction
- Q1 2036: Deliver First Residential Unit

We stress that while the development schedule presented in Appendix A is based upon best available information, KS anticipates that this development schedule will be further revised as discussed above.

Additionally, KS remains committed to fulfilling Condition No. 10 of the LUC’s 2022 Order, which requires: “Petitioner shall file a motion to amend the Waiawa Order by December 31, 2030.” KS intends to complete the Environmental Impact Statement ahead of this deadline. This ensures that the Waiawa Master Plan, including the projected development timeframes for the plan, that is presented to the LUC in that Motion to Amend is thoroughly studied, vetted, and shaped by community input.

KS also emphasizes its desire to deliver homes on the KS Waiawa Lands as soon as feasible. KS and CCHH identified a potential alternate Phase A that is within the currently urbanized and residentially zoned areas within the KS Waiawa Lands. If this alternate Phase A can be pursued, it could result in an acceleration of the completion of backbone infrastructure and delivery of the first homes to the community by approximately three years. However, this alternate Phase A approach requires substantial additional diligence and research by the development team so a commitment to this schedule cannot be made now. However, KS’ intention is to pursue an accelerated approach if it proves to be a viable option.

The Waiawa Master Plan is still in development. KS, together with CCHH, is nearing the conclusion of an RFP process to select a land planner who will help refine the master plan, including navigating the infrastructure challenges outlined in Section III.A. KS, CCHH, and its team of consultants remain committed and optimistic that the necessary planning, infrastructure solutions, and community engagement efforts will come together to shape a master-planned community that fulfills its vision for kama‘āina housing while aligning with the region’s long-term growth strategy.

C. The Waiawa Master Plan: A Thriving KS Community

The Waiawa Master Plan supports the six regional factors that KS has identified for thriving communities.

- **Education.** Aside from the educational contributions to the DOE as required by the City/State, KS sees an opportunity for connectivity between ‘āina based educational programs and the new Waiawa community. There is an increasing demand for ‘āina based education which connects people to a place, increases awareness of environmental issues and nurtures a sense of kuleana. Within the Waiawa ahupua‘a but outside of the Waiawa Master Plan boundaries, KS owns 68 acres known as KS’ Waiawa Kai Kipuka adjacent to Pearl Harbor and Leeward Community College. There, KS partnered with Kuhiawaho, Hanakehau, Camp Agape, and Leeward Community College to provide focused ‘āina based learning at Waiawa Kai. The entire Waiawa ahupua‘a, including the Conservation District lands above the KS Waiawa Lands, is used as a learning tool.
- **Housing.** A significant element of the Waiawa Master Plan is housing, where KS proposes up to 12,400± residential homes in alignment with the Central O‘ahu Sustainable Communities Plan. These units are envisioned to be a diverse mix of housing types, with higher density and mixed-use homes together with lower density and single-family homes. The plan aims to accommodate various income levels, ensuring affordability and accessibility for a broad spectrum of local families. It also prioritizes connectivity to rail transit to serve its residents and provide diverse transportation options.
- **Infrastructure.**
 - **Renewable Energy** is a significant interim component of the Waiawa Master Plan. The Waiawa Master Plan integrates three areas for solar farm developments, with the first solar farm alone generating 36 megawatts of power with a 144-

megawatt hour battery energy storage system. The renewable energy components within the Waiawa Master Plan will be a significant interim contributor toward meeting the State's goal of 100% renewable energy by 2045.

- **Rail** is a significant consideration in the formulation of the Waiawa Master Plan. The new mass transit system is less than one mile of the southern residential portion of the KS Waiawa Lands. The proximity of the rail line and the stations for Pearl Highlands and Leeward Community College provide an opportunity to reexamine how the KS Waiawa Lands can be developed to embrace TOD. Proximity to rail, an emphasis on walkable communities, and multi modal transportation options are other important features of the Waiawa Master Plan.
- **Sewer and Water Infrastructure** needs of the proposed Waiawa Master Plan are being evaluated. There are existing wells originally approved by the State to serve the former Gentry Plan and could provide water capacity for the Waiawa Master Plan. A sewer connection application is being prepared to be filed with the City Department of Planning & Permitting to assess existing available sewer capacities. KS has invested significant time and resources into evaluating 1) sewer treatment designs for water conservation, and 2) transportation solutions to address traffic concerns.
- **Business.** The business element of KS's vision for Waiawa includes interwoven commercial and mixed-use space to be developed throughout the phases of the Waiawa Master Plan. These spaces will create new opportunities for local business to take root in an area centrally located and close to UH West O'ahu. Proximity to rich educational resources, in conjunction with KS' continuing mission to expand and increase high-quality educational opportunities for Native Hawaiians, means that the commercial and mixed-use areas within the Waiawa Master Plan could become an incubator for innovative new local businesses. The emphasis on renewable energy, respect for 'āina, and proximity to the KS' watershed management units in the Ko'olau mountains, creates opportunities for businesses involved in environmental science and management.
- **Health.** The potential integration of agriculture, and the planned network of recreational trails within the Waiawa Master Plan opens opportunities for healthy lifestyles within the community. KS hopes to incorporate options for residents to grow their own food in community gardens and participate in nutritional educational programs. Creating meaningful mauka to makai connections will help residents get from one location to another, making the community more walkable and creating enhanced healthy transportation options for Waiawa community members.
- **'Āina.** As a partner of Hawai'i Green Growth and its Aloha+ Challenge, KS is committed to smart sustainable communities, green workforce and education, clean energy, local food, natural resource management, and waste management. The forests in the mauka regions of Waiawa in the central Ko'olau mountains comprise some of the most important watersheds on the island of O'ahu. The Waiawa watershed is the principal recharge area for the Pearl Harbor aquifer, which supplies the majority of

the drinking water for communities across O‘ahu - more than 364 million gallons each day. KS’ partnership with the Ko‘olau Watershed Alliance, the Honolulu Board of Water Supply, and Coca-Cola has ensured legislative support to protect this watershed. Educating members of the Waiawa Master Plan community about these large ‘āina conservation initiatives connects a community to the importance of stewardship and the relationship between the land and its community members. In addition to protecting the mauka Conservation District lands above the Waiawa Master Plan area, the use of low impact development techniques and green building measures within the Master Plan would be considered, such as native landscaping, permeable surfaces, use of rain barrels/cisterns, bioretention, and bicycle parking and shelters.

IV. NEXT STEPS

KS is in the process of engaging the previously mentioned land planner to refine the Waiawa Master Plan. In tandem, KS and CCHH are working with their consultants to identify what current utility constraints exist and solutions to address these constraints to allow for the implementation of the Waiawa Master Plan.

An additional and essential part of the Waiawa Master Plan refinement process includes multiple community meetings with community stakeholders to gain necessary insights into what the community needs and wants for Waiawa. In due course, KS will continue the outreach efforts it started prior to COVID-19. That outreach will include State and County lawmakers of the area, State and County planning agencies, neighborhood boards of the area, and community members who have previously engaged in dialogue with KS on the Waiawa Master Plan. These outreach efforts will intensify leading up to the publication of a Draft Environmental Impact Statement and prior to KS returning to the LUC with requests for approvals necessary for the development of the Waiawa Master Plan.

In addition, this mid-term series of actions will include completing studies and an Environmental Impact Statement, seeking a district boundary amendment from the LUC for the

inclusion of the additional areas into the Waiawa Master Plan area, seeking updated zoning from the Honolulu City Council (current City zoning was tailored to the Gentry Plan and may not be appropriate for the Waiawa Master Plan), completing Waiawa Master Plan governance documents, processing subdivision applications, and finally obtaining construction permits. The projected timeframe for these pre-development tasks, together with the preliminary development schedule for the Waiawa Master Plan, is provided in **Appendix A**.¹¹

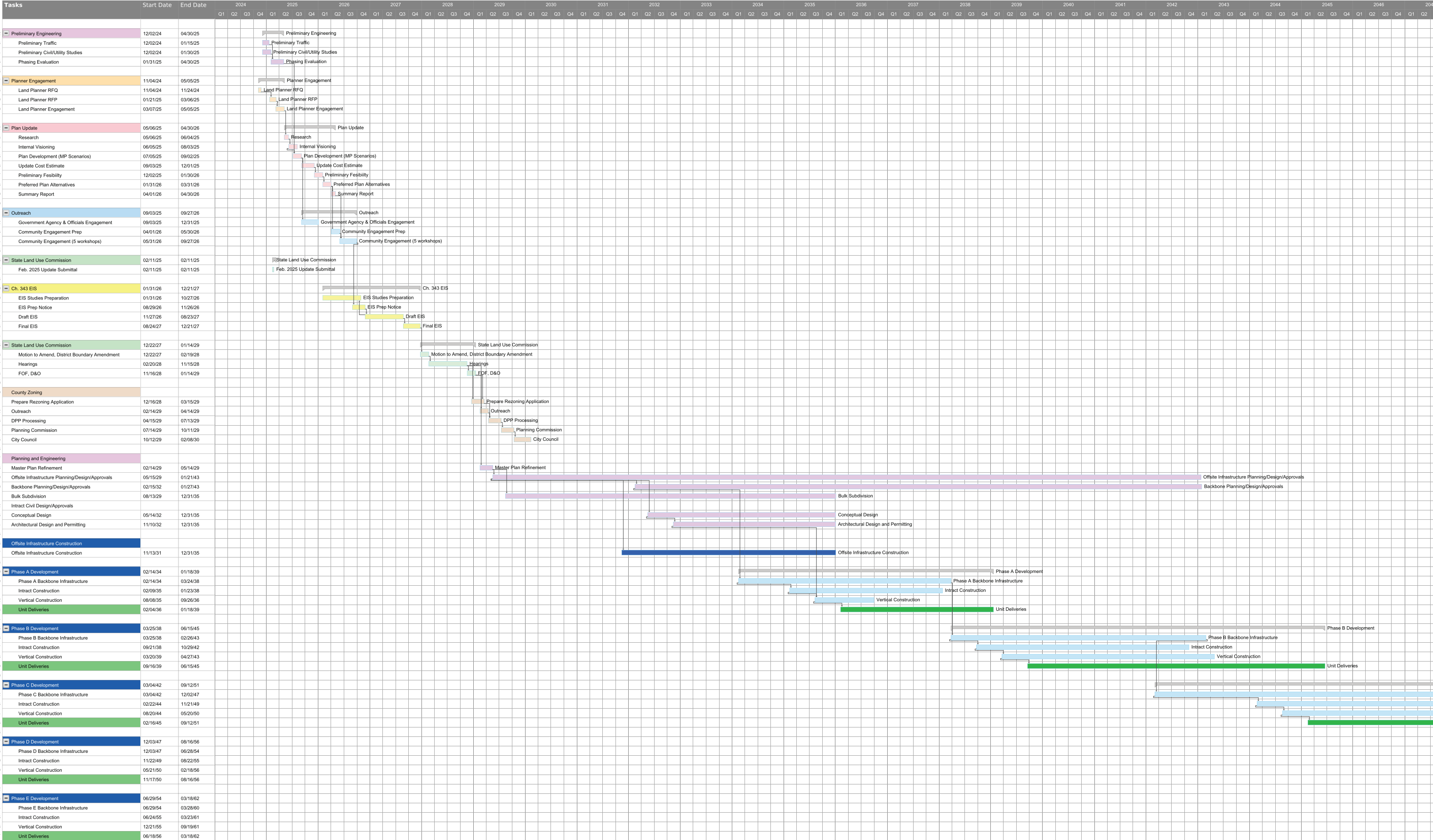
The creation and completion of a master-planned community of the size and scale contemplated in the Waiawa Master Plan will be impactful and help shape Hawai‘i’s future. KS remains dedicated to realizing this shared vision to deliver a new, vibrant, and centrally located mixed-use neighborhood that will serve the people of O‘ahu for generations.

¹¹ As previously noted, the development schedule provided as Appendix A is preliminary for informational purposes only and subject to change.

APPENDIX A

WAIAWA MASTER PLAN UPDATED SCHEDULE

WAIAWA PLAN UPDATE



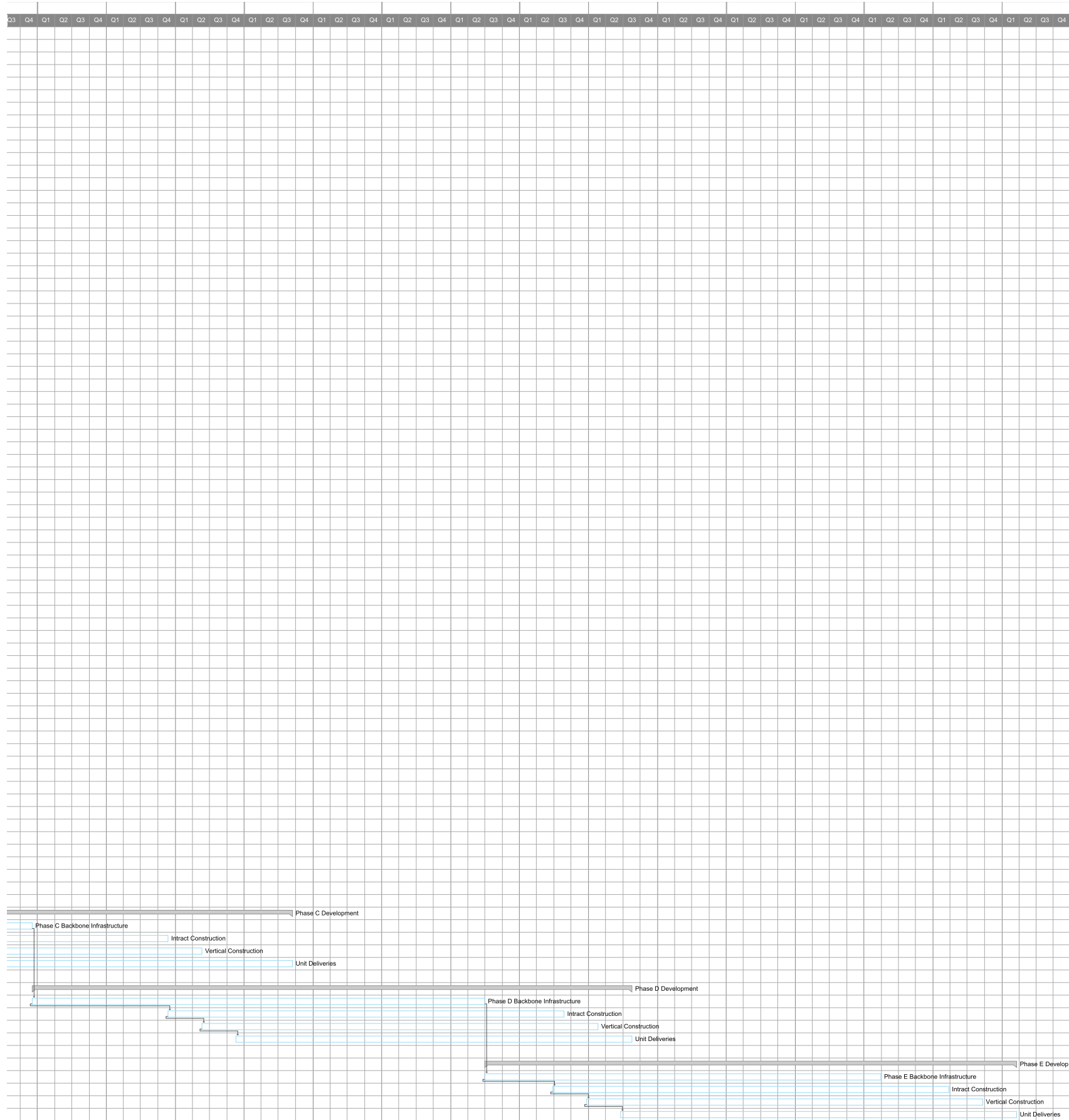
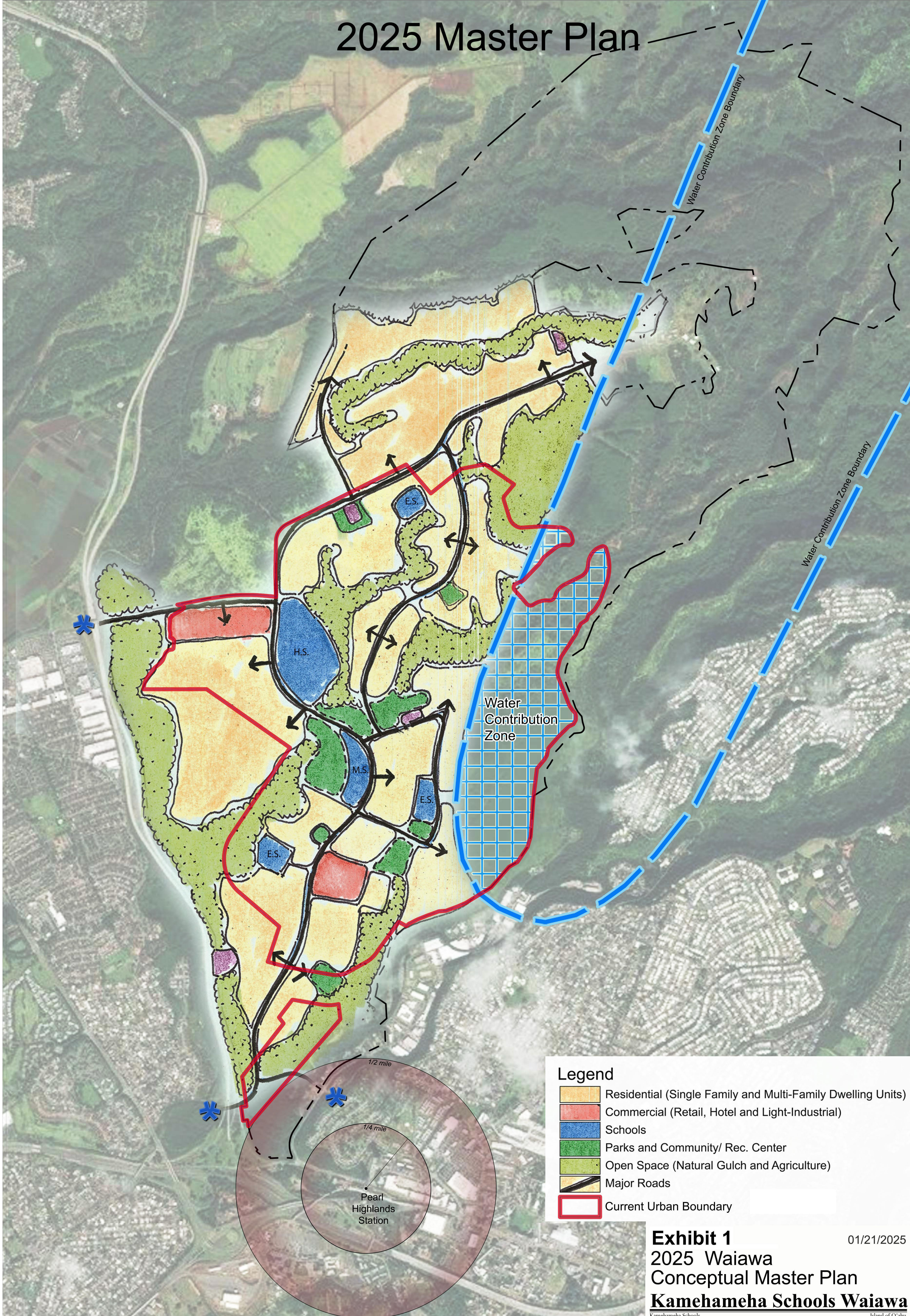


EXHIBIT 1

UPDATED WAIAWA MASTER PLAN

2025 Master Plan



Legend

- Residential (Single Family and Multi-Family Dwelling Units)
- Commercial (Retail, Hotel and Light-Industrial)
- Schools
- Parks and Community/ Rec. Center
- Open Space (Natural Gulch and Agriculture)
- Major Roads
- Current Urban Boundary

Exhibit 1 01/21/2025
2025 Waiawa
Conceptual Master Plan
Kamehameha Schools Waiawa

Kamehameha Schools North Island of O'ahu

Linear Scale (in feet)

400' 0 800' 2400'

CONCEPTUAL DRAFT - SUBJECT TO CHANGE

Q:\Oahu\KS Waiawa Conceptual Land Use Plan\PSD\2019-07-10\Exh 2 KS overall plan with SLUD and amendment.psd

EXHIBIT 2

**UPDATED WAIAWA MASTER PLAN – PROPOSED STATE LAND USE
RECLASSIFICATION (HATCHED AREA)**

Legend

- Residential (Single Family and Multi-Family Dwelling Units)
- Commercial (Retail, Hotel and Light-Industrial)
- Schools
- Parks and Community/ Rec. Center
- Open Space (Natural Gulch and Agriculture)
- Major Roads

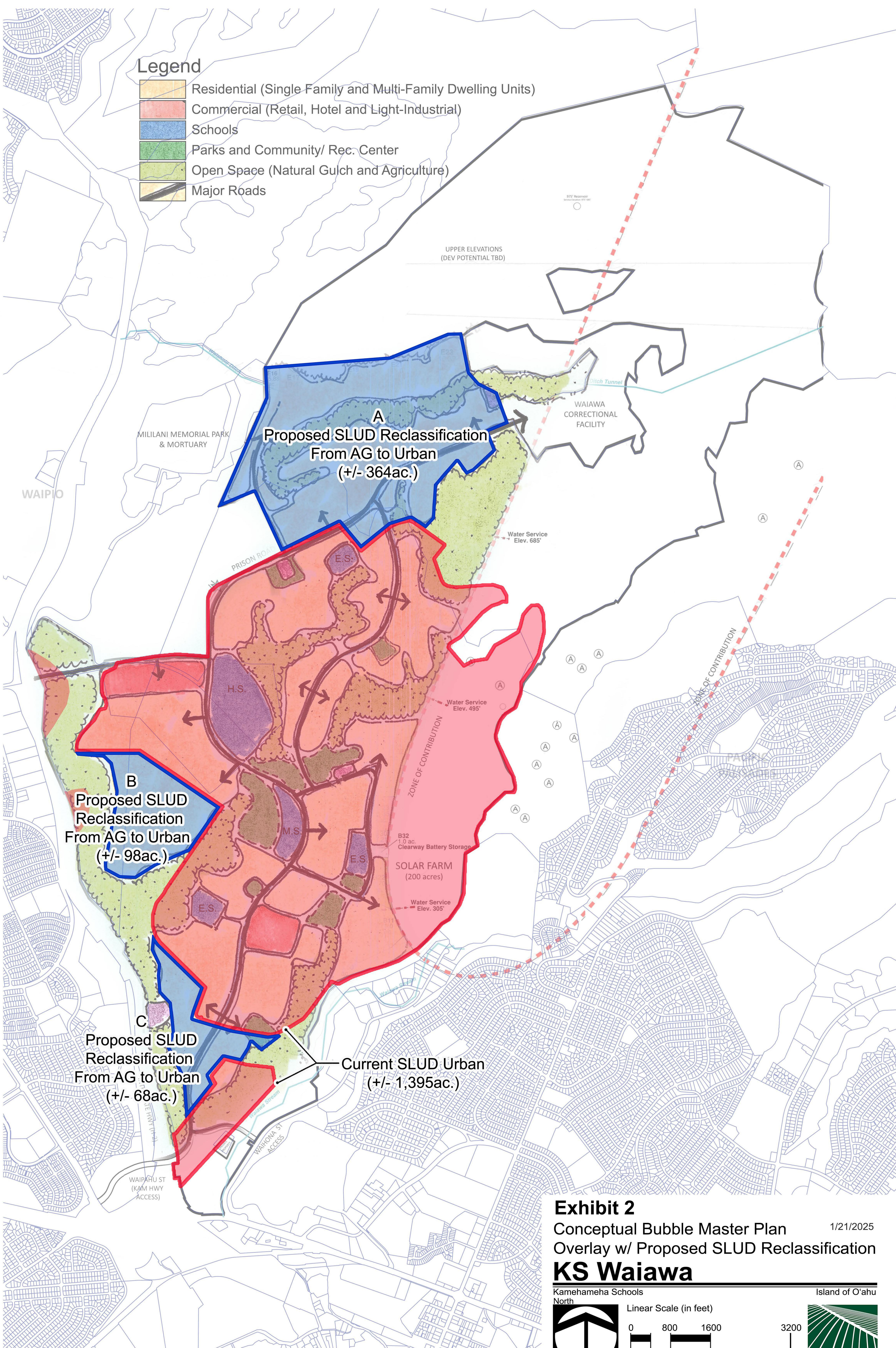


Exhibit 2
Conceptual Bubble Master Plan
Overlay w/ Proposed SLUD Reclassification
KS Waiawa

1/21/2025

Kamehameha Schools North
 Island of O'ahu

Linear Scale (in feet)
 0 800 1600 3200

PBR HAWAII & ASSOCIATES, INC.

CONCEPTUAL DRAFT – SUBJECT TO CHANGE