Information and Discussion: Environmental Impact Statement Update and Timeline.

Staff Report

November 4, 2015

Background: At its July 1, 2009 meeting, the Authority authorized the Executive Director to enter into a long-term lease with Kāko'o 'Ōiwi, a community-based non-profit corporation. Kāko'o 'Ōiwi's primary mission is to restore the Heeia Community Development District ("HCDD") into a working agricultural, educational and cultural district ("Project"). The Hawaii Community Development Authority ("HCDA") and Kāko'o 'Ōiwi subsequently entered into a 38-year lease, effective January 1, 2010.

In August 2010, Kākoʻo ʻŌiwi adopted a strategic implementation plan entitled Māhuahua 'Ai o Hoi, Heeia Wetland Restoration. The Project proposes to restore 305 acres of fallow land into organic agriculture, including kalo, dryland food crops, freshwater fishponds, and other culturally-significant plants within the HCDD. In addition, the Project proposes to establish educational and cultural learning facilities within the District.

Staff anticipates preparing a master plan and administrative rules for HCDD in-house. Staff has already initiated the planning process for preparing the HCDD Master Plan and Rules, pursuant to §206E-5 *Designation of community development districts; community development plans*. A stakeholder meeting is expected to be convened before the end of the year. Staff has prepared a draft outline of the HCDD Master Plan to facilitate stakeholder and community discussion. A copy of the draft HCDD Master Plan outline is provided as Exhibit A. The Authority should establish a committee consisting of Authority Members to provide guidance to staff in preparing the HCDD Master Plan and Rules. Staff anticipates the planning process to take approximately 6 months, to be followed by the assessment of the Draft HCDD Master Plan and Rules pursuant to Chapter 343, Hawaii Revised Statutes ("HRS").

Once the Draft HCDD Master Plan and Rules are completed, an Environmental Impact Statement ("EIS") would be required to assess the impacts of the Project on State lands and potential use of State funds. The proposed EIS scope of work will include: (1) the preparation of an EIS that will assess the proposed HCDD Plan and Rules in accordance with Chapter 343, HRS, and Chapter 200 of Title 11, Department of Health Administrative Rules; (2) a transportation impact analysis of the Project; (3) an infrastructure master plan to ensure infrastructure capacity to support agricultural and cultural facilities;(4) cultural impact assessment, and other technical studies necessary for environmental impact disclosure. The preliminary budget for the entire EIS project is estimated at \$1,000,000.00. A Capital Improvement Projects ("CIP") funding request to the 2016 Legislature is included in the FY 2017 budget request. If the CIP funding is received, preparation of the EIS can be started once the CIP fund is released by the Governor. Staff anticipated that it will take approximately eighteen months to complete the EIS.

Recommendation: The Chair to appropriately establish a committee comprised of no more than 4 Heeia members charging them with overseeing staff/consultant efforts to develop a community-based HCDD Master Plan and Rules. The HCDD Master Plan and Rules committee is to periodically provide reports to all of the members. The committee should also conduct stakeholder meetings in the area to solicit community input and participation in the planning and rulemaking process.

Attachment: Exhibit A – Draft HCDD Master Plan Outline