

agriculture could continue in these areas, and the land would still be assessed at a low agricultural value. Land that is not assessed at a low agricultural value is assessed based on its future development potential. However, a loss in development potential for land in the critical habitat designation could result in an increase in the development potential of land outside of the critical habitat designation. This would result in little or no net change in the total property values on the island of Hawaii. As such, while there may be a positive or negative effect on county tax revenues associated with redistricting, this analysis assumes that the net effect will be small.

(82) *Comment:* One commenter disagreed with the finding that any redistricting of private lands would likely be limited for the following reasons: (1) The DLNR mandate to initiate down-zone; (2) the extensive amount of critical habitat proposed for designation; and (3) the Service's efforts to document and justify critical habitat boundaries.

*Our Response:* As mentioned in the Indirect Costs section of the Addendum, even if DLNR initiates amendments to the Conservation District boundaries based on critical habitat, or is forced to do so by a third-party lawsuit, the LUC makes the final decision to redistrict a parcel. State law requires the LUC to consider a variety of factors when making this decision, including the "maintenance of other resources relevant to Hawaii's economy, including, but not limited to, agricultural resources;" "provision for employment opportunities and economic development;" "commitment of State funds and resources;" "provision for housing opportunities for all income groups, particularly the low, low-moderate, and gap groups;" and "the preservation of important natural systems or habitats" when considering a petition for redistricting (HRS 205-17). Portions of Hawaii Units 12 and 13 are planned for economic and community development. Based on the LUC's criteria, this analysis assumes that there is a low probability that the LUC will redistrict (either on its own accord or as a result of a third-party lawsuit) these portions of Hawaii Units 12 and 13 to the Conservation District.

Most of the land (approximately 104,288 ha (257,700 ac), or 95 percent) in the critical habitat designation is (1) already in the Conservation District, or (2) owned by the State or Federal Government. Much of the remaining land either (1) is planned for

development and thus not likely to be redistricted for the reasons mentioned above, or (2) has little economic value because it is a cinder cone (puu), gulch, or established endangered plant preserve. The remaining 3,806 ha (9,404 ac) of land are in the Agricultural District and are not currently planned for economic or community development. It is reasonably foreseeable that this land will be redistricted to the Conservation District because of its importance to the conservation of the plant species. The economic costs associated with redistricting this land are presented in the State Redistricting of Land section of the Addendum. Specifically, these costs and other costs associated with redistricting are estimated to be \$22.3 million to \$27.9 million.

(83) *Comment:* One commenter commented that the figures for indirect costs should be totaled in Table VI-3, as the commenter did not agree with the Service's finding that these costs were "speculative."

*Our Response:* A total indirect costs figure is not presented in Table VI-3 or in Table Add-3 because the probability that some of the indirect costs will occur is undetermined and the magnitude of other indirect costs is undetermined. Instead, the probabilities and magnitudes of certain categories of indirect costs are presented in the tables, with further discussion presented in the Indirect Costs sections of the DEA and Addendum.

The probability that certain indirect costs will occur depends on the interaction of Federal, State, and county officials; landowners; and other interested parties. The outcome of these interactions will depend on a variety of factors that are not subject to accurate quantification or prediction. Furthermore, the probability that third parties will file lawsuits and the probability that these lawsuits will be successful is not known. Thus, the probability that certain indirect costs will occur is undetermined.

(84) *Comment:* A reference to the Kaloko Town Center and Kaloko Properties Development needs to be added to Table ES-1 under "residential development."

*Our Response:* The Kaloko Town Center and Kaloko Properties development are referenced in Section 3.c. of the Addendum and are included in the heading "Other Residential Development" in Table Add-3.

(85) *Comment:* Text on page VI-9, Section 3.b (residential development), needs to add a discussion regarding the proposed residential development that would be part of the Kaloko Town

Center and Kaloko Properties Development.

*Our Response:* The Kaloko Town Center and Kaloko Properties development are referenced in Section 3.c. of the Addendum; however, there is no change in the DEA cost estimate.

(86) *Comment:* Text on page VI-16, Section 3.c (industrial, commercial and other urban development), should include a discussion regarding the proposed Kaloko Town Center office, commercial, retail, school, and park uses.

*Our Response:* The Kaloko Town Center office, commercial, retail, school, and park uses are referenced in Section 3.f. of the Addendum; however, there is no change in the DEA cost estimate.

(87) *Comment:* Text on page VI-17, second paragraph under 3.c, should be revised to reflect that the developer is TSA Corporation and that a county zone change allowing for commercial industrial mixed use development was granted.

*Our Response:* This information is included in Section 3.e. of the Addendum; however, there is no change in the DEA cost estimate.

(88) *Comment:* Text on page VI-41, last paragraph, should be revised to reflect the proposed Kaloko Town Center development and proposed residential uses that would be affected. In addition, reference to the donation of land to the National Park Service should be deleted.

*Our Response:* As discussed in Section 3.k. of the Addendum, since the land is planned for development, this analysis estimates that the conservation set-aside scenario for construction of the Main Street Road project is no longer feasible. As such, the \$10.7 million to \$15.7 million total project modification cost for the K-to-K road projects mentioned in the DEA is adjusted to \$10.5 million to \$15.3 million.

(89) *Comment:* Text on page VI-69 should add Kaloko Town Center and Kaloko Properties development to the cost of development loss due to redistricting.

*Our Response:* The economic cost of the loss of development potential of the Kaloko Town Center is not discussed in the redistricting section of the Addendum because the land is currently in the Conservation District. Instead, the cost of development loss for the Kaloko Town Center is included in the State and County Development Approvals section of the Addendum.

As discussed in the State Redistricting of Land section in the Addendum, the planned development in the portions of the Kaloko Properties development that are included in critical habitat include