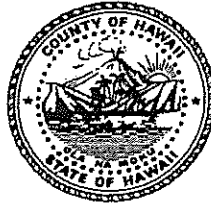


Harry Kim
Mayor



Christopher J. Yuen
Director

Brad Kurokawa, ASLA, LEED™ AP
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

Aupuni Center • 101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720
Phone (808) 961-8288 • Fax (808) 961-8742

August 4, 2008

Dana Kaimalino Craig
75-196 Ala Onaona Street
Kailua-Kona, HI 96740

Dear Mr. Craig:

Additional Farm Dwelling Agreement Application (FDA-08-000218)
Applicant: Dana Kaimalino Craig
Owners: Dana Kaimalino Craig
Glen Kamehameha Craig
State Land Use: Agricultural
County Zoning: Agricultural (A-1a)
Land Area: 43,085 square feet
TMK: (3) 7-3-046:130

Pursuant to authority conferred to the Planning Director by Chapter 25, Article 5, Division 7, Section 25-5-77 of the Zoning Code and Planning Department Rule 13, Farm Dwellings, we have reviewed your request for an additional farm dwelling on the subject property. Your submittals included the following information:

1. A notarized affidavit that the additional dwelling shall be used for farm-related purposes in the form of the enclosed Additional Farm Dwelling Agreement to be submitted for recordation with the Bureau of Conveyances.
2. Name and address of the landowner(s) or lessee(s), if the latter has a lease on the building site with a term exceeding one year from the date of the farm dwelling agreement.
3. Written authorization of the landowner(s) if the lessee filed the request.
4. A farm plan or evidence of the applicant's continual agricultural productivity or farming operation within the County, including an explanation of why this additional farm dwelling is needed in connection with the agricultural productivity or farming operation. Your farm plan included the following ongoing and proposed income producing agricultural activities:
 - a. Ongoing agricultural activities include the following:

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- a. Ongoing agricultural activities include the following:
 - i. Maintenance and harvesting of 1 Macadamia Nut tree.
 - ii. Maintenance and harvesting of 1 Lilikoi Fruit (3' x 60' fence).
 - iii. Maintenance and harvesting of 1 Key Lime tree.
 - iv. Maintenance and harvesting of 6 Coco Nut trees.
 - v. Maintenance and harvesting of 1 Mango Tree.
 - vi. Maintenance and harvesting of 1 Lychee Tree.
 - vii. Maintenance and harvesting of 1 Avocado Tree.
 - viii. Maintenance and harvesting of 1 Lemon Tree.
 - ix. Maintenance and harvesting of 1 Vivi Guava Tree.
 - x. Maintenance and harvesting of 6 Banana Trees.
 - xi. Maintenance and harvesting of 5 Papaya Trees.
 - xii. Maintenance and harvesting of 3 Plumeria Trees.
 - xiii. Maintenance and harvesting of 1 Crownflower Tree.
 - xiv. Maintenance and harvesting of 300 sq.ft. of Ginger.
 - xv. Maintenance and harvesting of 140 sq.ft. of Halekonia.
 - xvi. Maintenance and harvesting of a 30 ft. hedge of Hibiscus.
 - xvii. Maintenance and harvesting of a 20 ft. hedge of Bird of Paradise.

- b. Proposed agricultural activities include the following:
 - i. Maintenance and harvesting of 2-4 Macadamia Nut trees.
 - ii. Maintenance and harvesting of 1-2 Lilikoi Fruit (20' x 40' elevated trellis).
 - iii. Maintenance and harvesting of 2-4 Key Lime trees.
 - iv. Maintenance and harvesting of 4-6 Coco Nut trees.
 - v. Maintenance and harvesting of 1-2 Mango Trees.
 - vi. Maintenance and harvesting of 1-3 Lychee Trees.
 - vii. Maintenance and harvesting of 1-2 Avocado Trees.
 - viii. Maintenance and harvesting of 1-2 Lemon Trees.

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- ix. Maintenance and harvesting of 1-4 Guava Trees.
 - x. Maintenance and harvesting of 1 Vivi Guava Tree.
 - xi. Maintenance and harvesting of 10-12 Banana Trees.
 - xii. Maintenance and harvesting of 10 Papaya Trees.
 - xiii. Maintenance and harvesting of 5 Plumeria Trees.
 - xiv. Maintenance and harvesting of 0-1 Crownflower Tree.
 - xv. Maintenance and harvesting of 100 sq.ft. of Ginger.
 - xvi. Maintenance and harvesting of 140 sq.ft. of Halekonia.
 - xvii. Maintenance and harvesting of a 30 ft. hedge of Hibiscus.
 - xviii. Maintenance and harvesting of a 20 ft. hedge of Bird of Paradise
- c. The present labor man-hours are approximately 17 hours per week to maintain, harvest and distribute. The additional labor man-hours would be 43 hours per week for a total of 60 hours per week to maintain, harvest and distribute.
5. In additional support, a State of Hawaii Department of Taxation's General Excise (GE) Tax License has also been presented.

Findings:

1. In Chapter 205, Hawaii Revised Statutes (HRS), the State Land Use Law does not authorize residential dwellings as a permitted use in the State Land Use Agricultural district unless the dwelling is related to an agricultural activity or is a farm dwelling. A **farm dwelling** as defined in Section 205-4.5, Chapter 205, HRS, **means a single family dwelling located on and used in connection with a farm, including clusters of single family farm dwellings permitted within agricultural parks developed by the State, or where agricultural activity provides income to the family occupying the dwelling.** (emphasis added)
2. The subject lot was created by subdivision (SUB 4040) approved on January 10, 1978. The subject lot was created after June 4, 1976, which, pursuant to HRS §205-4.5(b), requires the first dwelling on the lot to be a farm dwelling.
3. The Farm Plan, GE Tax License (ID number W03466398-01), and the agreement to use the dwelling for agricultural or farm-related activity on the building site demonstrate that there will be income producing agricultural activity and the income will be taxed.
4. In addition, the following agencies have submitted their comments as stated below:

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- a. Department of Water Supply (DWS) (Letter dated June 18, 2008):

“We have reviewed the subject application and have the following comments and conditions.

Please be informed that the subject parcel is currently served by a 5/8-inch meter, which is adequate for only one dwelling at an average daily usage of 400 gallons. Inasmuch as this application is proposing an additional dwelling, the installation of a separate 5/8-inch meter will be required. Water can be made available from the Department’s existing 6-inch waterline within Paiaha Street, fronting the subject parcel.

Therefore, the Department has no objections to the proposed application, subject to the applicant understanding and accepting the following conditions:

1. Installation, by the Department of Water Supply, of a 1-inch service lateral to service a 5/8-inch meter, which shall be restricted to a maximum daily flow of 600 gallons.
2. Remittance of the following charges, which are subject to change, to our Customer Service Section:

FACILITIES CHARGE: (FC)
(2nd service to the parcel) \$5,500.00

SERVICE LATERAL INSTALLATION CHARGE
(Install one meter on Paiaha Street, a County road) 2,600.00
Total (Subject to Change) \$8,100.00

Installation of a backflow preventer assembly (reduced pressure type) by a licensed contractor on the applicant’s property within five (5) feet of the meter. If the existing meter does not have an approved backflow prevention assembly and this application is approved, the installation of one will also be required as there will be agricultural activity on the property. The installation of the backflow prevention assemblies must be inspected and approved by the Department before the water service can be granted. A copy of our backflow prevention handout is being forwarded to the applicant to help them understand this requirement.

Should there be any questions, please contact Mr. Ryan Quitarano of our Water Resources and Planning Branch at 961-8070, extension 256.”

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- b. Real Property Tax Office (RPT)
There were no comments received.

- c. Department of Health (DOH):
There were no comments received.

Decision:

In view of the above, your request to construct a **second farm dwelling** is subject to the following conditions:

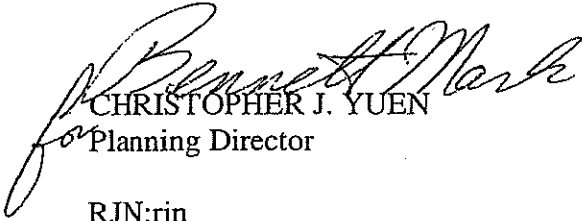
1. The additional farm dwelling shall only be used to provide shelter for persons involved in the agricultural or farm-related activity on the building site. Family members who are not engaged in agricultural or farm-related activities are allowed to reside in the farm dwelling.
2. The agreement shall run with the land and apply to all persons who may, now or in the future, use or occupy the additional farm dwelling. The enclosed Additional Farm Dwelling Agreement must be returned to the Planning Department with the appropriate notarized signatures along with a check made out to the Bureau of Conveyances in the amount of \$25.00 in accordance with the enclosed Additional Farm Dwelling Agreement Instructions. The Planning Department will not approve a building permit application for the additional dwelling until the AFDA document and all required attachments have been accepted for recordation.
3. The First Party shall adhere to all other applicable rules, regulations, and requirements of the Planning Department (including but not limited to the Zoning Code, Chapter 25), Department of Public Works, Department of Water Supply, Fire Department and State Department of Health and other reviewing agencies/divisions listed on the Building Permit Application.
4. Your Additional Farm Dwelling Agreement has been approved based primarily on proposed agricultural activity as summarized previously in this letter. It is required that the First Party (owners and lessees) to the Agreement shall have implemented at least 75% of the proposed farm plan within three (3) years of approval of the building permit for the additional farm dwelling. The Second Party (County of Hawaii Planning Department) of the Agreement may allow time extensions and modifications for good cause shown by First Party.
5. The First Party shall allow the Second Party or its representative to inspect the farm upon reasonable prior notice.

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6. This Additional Farm Dwelling Agreement shall be valid for a period of two (2) years from the date of this approval letter to secure a building permit for the additional farm dwelling. Failure to secure a building permit for this additional farm dwelling on or before August 5, 2010 may cause the Director to initiate proceedings to invalidate the AFDA.

If you have any questions please call Rosalind Newlon of our West Hawaii Office at 327-3510.

Sincerely,

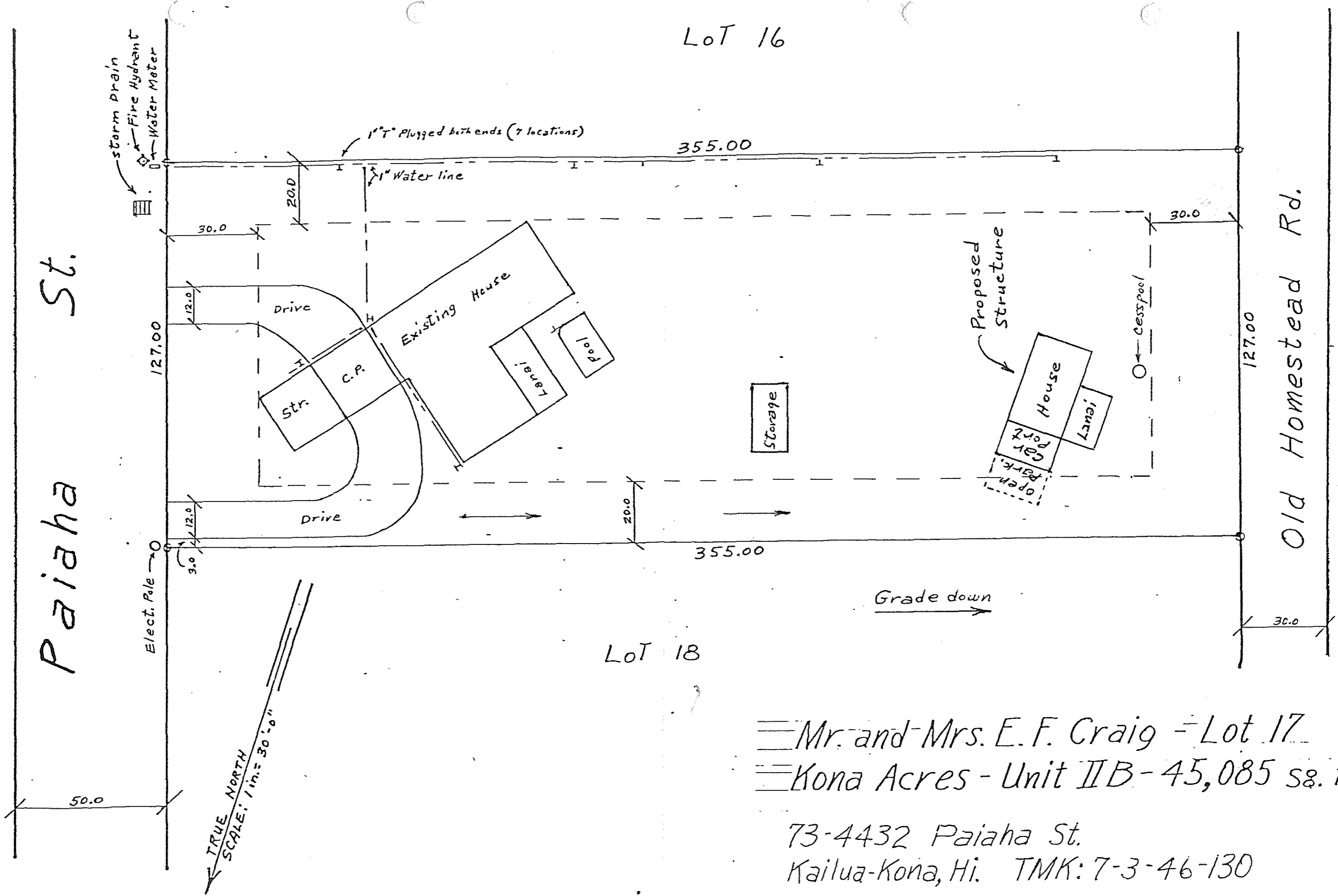


CHRISTOPHER J. YUEN
Planning Director

RJN:rjn
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Enclosure: AFDA document
AFDA document instruction sheet

xc: Mr. Milton Pavao, DWS
Glen Kamehameha Craig, 73-4187 Holu Street, Kailua-Kona, HI 96740
Planning Department - Kona



Lot 16

Lot 18

Paiaha St.

Old Homestead Rd.

Mr. and Mrs. E. F. Craig - Lot 17
 Kona Acres - Unit IIB - 45,085 sq. ft.

73-4432 Paiaha St.
 Kailua-Kona, Hi. TMK: 7-3-46-130