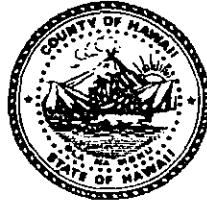


William P. Kenoi
Mayor



BJ Leithead Todd
Director

Margaret K. Masunaga
Deputy

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County of Hawai'i
PLANNING DEPARTMENT

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May 23, 2013

Steven S.C. Lim
Carlsmith Ball LLP
121 Waianuenue Avenue
Hilo, Hawaii 96720

SUBJECT: Non-Significant Zoning Change Application (NZC 13 000019)
Applicant: Kona Village Investors, LLC
Land Owner: Kamehameha Schools
TMK: 7-2-010:Portion of 10, Kaupulehu, North Kona

Dear Mr. Lim:

This is to acknowledge receipt on May 21, 2013 of the Non-Significant Zoning Change Application, the affidavit of posting of the public notification sign on May 23, 2013 and the affidavit of mailing on May 23, 2013.

The applicant proposes a non-significant zoning change to adjust the zoning boundary for an undeveloped Open (O) zoned area of approximately 36,819 sq. ft. to Resort-Hotel (V-7) zoning. The subject parcel consists of approximately 81.395 acres.

According to Section 25-2-45 of the Zoning Code regarding Non-Significant Zoning Changes, the Planning Director may administratively grant non-significant zoning changes that must comply with the designation for the property set forth in the general plan and any development plan adopted by ordinance, and must not result in an increase or decrease in any zoning designation affecting more than five percent of the area, or one acre, of any lot, whichever is less.

Upon review of the request, we have determined that it complies with the criteria set forth in Section 25-2-45(2) of Chapter 25, Hawaii County Code, for determining non-significant zoning changes:

1. The area under review is in compliance with the General Plan. The County of Hawaii General Plan (2005) became effective on February 9, 2005. The Property is designated as "Resort Node" and "Open" on the Land Use Pattern Allocation Guide (LUPAG) Map. On May 17, 2013, the Planning Director confirmed that the specific Project Area is designated "Resort Node".
2. The Kona Community Development Plan (CDP) was adopted by Ordinance No.08-131 with an effective date of September 25, 2008. The comprehensive post-tsunami rebuild of

Steven S.C. Lim

May 23, 2013

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the Project to create an enhanced resort complex to meet changing market demands and guest expectations is consistent with the guiding principles of the Kona CDP. The Economic Development section of the Kona CDP recognizes that tourism (and visitor-related activities) is a major industry on the island of Hawaii that supports and maintains a vibrant economy in Kona which is essential for achieving the vision of the Kona CDP.

3. The adjustment of the zoning boundary will result in a small increase in the Resort-Hotel zoning district however, the adjustment does not result in an increase or decrease in any zoning designation affecting more than five percent of the area, or one acre, of any lot.

Based on the above, we hereby administratively grant the requested non-significant zoning change.

Should you have any questions, please feel free to contact Larry Nakayama of this office at 961-8288, extension 8149.

Sincerely,



BJ LEITHEAD TODD
Planning Director

cc: w/app Hawaii County Council
Real Property Tax Division
Planning -West Hawai'i Office
Planning-Long Range Section

cc: ltr only: Planning-GIS Section (Gilbert Bailado)