July 12, 1986

Mr. Naim Perry 9460 Wilshire Blvd., Suite 706 Beverly Hills, CA 90212

Dear Mr. Perry:

Planned Unit Development Application (PUD 85-4) Tax Map Key 7-5-09:30, 31 and 59

After reviewing your application and the information submitted in behalf of it, the Planning Director by this letter hereby certifies the approval of your Planned Unit Development request to allow the construction of a resort mall which will consist of approximately 29,500 square feet of resort shops and restaurants and 14,00 square feet of Resort/Commercial offices on approximately 2.3 acres of land at Hienaloli 6th, Puaa 2nd, Kailua, North Kona, Hawaii.

The approval is based on the following:

The construction of this development will begin as soon as the construction drawings are finalized. This would be approximately three months after the approval of the PUD permit. Conditions relative to this timetable are also to be included in the conditions of approval.

The subject development will conform substantially to the County General Plan as it will provide for resort development that maximizes conveniences to its users; promote and encourage the rehabilitation and utilization of resort areas which are serviced by basic facilities and utilities; provide resort facilities which provide an educational experience of Hawaii as well as recreational facilities and discourage strip development along Alii Drive. These actions would be implementive of goals, policies and courses of action stipulated in the General Plan for Resort developments.

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The resort-commercial development will constitute an environment of sustained desirability and stability, will be in keeping with the character of the surrounding neighborhood, and will result in an intensity of land utilization no higher than, and standards of open space at least as high as permitted or otherwise specified for the district in which the development occurs.

The subject development will create no traffic congestion, will not interfere with any projected improvements, will provide for proper entrances and exits along with proper provisions for internal traffic and parking, and will be an attractive center with no adverse effect upon the surrounding existing or prospective development. Improvement requirements to minimize the above concerns were imposed as a condition of approval of the Special Management Area (SMA) Use Permit (SMA No. 222).

The development of a harmonious, integrated whole justifies exceptions, if required, to the normal requirements of this chapter, and that the contemplated arrangements or use make it desirable to apply regulations and requirements differing from those ordinarily applicable under district regulations. The circumstances of the proposed unified and planned development concept for the two fee and I leasehold parcel; the approval of the sideyard setback variance by the Board of Appeals from the Building Code and the inability of the developer to consolidate the leasehold with the fee simple parcels justify an exception for this development. However, only the approval of the variance from the minimum sideyard setback requirement is considered and determined to be justified in this particular situation. The planned concept of the development make it desirable to apply this requirement differently than those ordinarily applicable under the district regulations.

The PUD request is approved, subject to the following conditions:

- The petitioner, its assigns or its successors shall be responsible for complying with all stated conditions of approval.
- All conditions as stipulated in the approval of the amended Special Management Area (SMA) Use Permit (SMA No. 222) and the Shoreline Setback Variance (Var. No. 627) shall be complied with.
- 3. A parking agreement for the parking stalls to be developed on parcel 30 for the structural development on parcels 31 and 59 shall be executed and approved prior to the granting of final plan approval for the first phase development.

Mr. Naim Perry Page 3 July 12, 1986 The building development on parcel 30 shall not be granted any final plan approval until the minimum parking 4. requirements can be complied with. The Planning Director may administratively grant extensions to the foregoing conditions. Further, should the Director determine that any of the conditions have not been met or substantially complied with in a timely fashion, the PUD application shall be void. If you have any questions on this matter, please feel free to contact us. Sincerely, ALBERT LONG LYMAN Planning Director RHY: WK cc: Sidney Puke