

Harry Kim
Mayor



Christopher J. Yuen
Director

Roy R. Takemoto
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

Aupuni Center • 101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720
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September 3, 2004

Mr. Calvin Mann, Senior Project Coordinator
Castle & Cooke Waikoloa, LLC
100 Kahelu Avenue, 2nd Floor
Mililani, HI 96789

Dear Mr. Mann:

PLANNED UNIT DEVELOPMENT PERMIT NO. 72 (PUD 04-02)

Applicant: Castle & Cooke Waikoloa, LLC
Landowner: Castle & Cooke Waikoloa, LLC
Location: Waikoloa, South Kohala, TMK (3) 6-8-002: 027

After reviewing the information submitted with the Planned Unit Development Application, the Planning Director hereby approves Planned Unit Development (PUD) No. 72 to allow the development of a master planned community consisting of approximately 700 to 800 single- and multi-family residential units with variances and conditions set forth in this letter.

BACKGROUND

Project Location

The subject property, consisting of approximately 255.82 acres, is located in the southwestern portion of the Waikoloa Village community, Waikoloa, South Kohala, Hawaii (TMK: 6-8-02: 27). The property is located at the entry to Waikoloa Village, just below the Waikoloa Village Golf course and is bounded by Waikoloa Road to the south, Waikoloa Village Golf Course to the east, the Sunset Ridge Subdivision to the north, and open lands to the west. Auwaiakeakua Gulch is a major drainage feature traversing the makai portion of the site and separates the parcel into two distinct development areas. Access to the property will be directly off Waikoloa Road at two separate locations to service the two development areas. Future access will also be provided with a bridge connection to the adjacent Sunset Ridge Subdivision to the north.

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Zoning

The property is zoned for Single-family (RS-10) and Multi-family (RM-1.5 and RM-3.0) residential uses. It is in the State Land Use Urban District and designated for Low and Medium Density Urban Uses on the County General Plan, Land Use Pattern Allocation Guide (LUPAG) Map. In accordance with Sections 25-5-3(5) and 25-5-32(10) of the Zoning Code, the proposed single-family residential lots and multi-family units are permitted uses in the respective RS and RM districts. The proposed density of approximately 700 units is roughly half of the permitted density of the zoning districts calculated as follows:

Zoning District	Acres	Permitted Units*	Proposed Units	% of Permitted
RS-10	225.39	785	473	60%
RM-3.0	11.79	137	127	93%
RM-1.5	18.64	433	156	36%
Total	255.82	1,355	756	56%

*Calculation of permitted density based on 80% of total area, assuming 20% for roadways.

Related Applications and Approvals

The Planning Department issued PUD No. 41 for this same property in June 1991 for a similar scale 700± residential project referred to as Na Puu Nani at Waikoloa. Although the Applicant may keep the same project name, this PUD No. 72 supersedes the prior PUD in all other respects.

The Applicant has submitted two subdivision applications for the subject property. SUB 2004-0001 is for Phase I of this PUD. SUB 2004-0093 subdivides the RM-1.5 portion of the PUD (15.7 acres) as a bulk lot from the remainder of the property. Neither subdivision application has received tentative approval. Any conditions of this PUD pertinent to these pending subdivisions will be included as conditions to the tentative approvals.

Project Objectives and Description

Project objectives include:

- Fit with the rolling terrain to limit land disturbance;
- Avoid the natural drainage ways;
- Create a sense of place through integration of house architecture, building materials, color palettes, and landscaping;
- Create a safe and quiet environment with landscaped streets, sidewalks, cul de sacs, and open space buffers;
- Target a wide market range from entry level to mid-market, for singles and couples to young families and mature households.

The development plan consists of two distinct planning areas on either side of Auwaiakeakua Gulch with separate entrances to each from Waikoloa Road. Town homes are proposed on the makai side of the gulch. On the mauka side of the gulch, the proposed mix consists of single-family lots at 7,500 s.f. targeted to the entry level market, 10,000 s.f. lots targeted to the mid-market, 20,000 s.f. lots targeted to the upper market, and additional town homes. The drainage way along Auwaiakeakua Gulch, which will be kept in open space, comprises approximately 50 acres or 20% of the property.

The overall development is planned to be built out in phases over a 7-10 year period, depending on market conditions, as detailed in the following table.

Product Type	Lot Size (sf)	Total Units	Phase 1 2004-05	Phase 2 2004-05	Phase 3 2006	Phase 4 2007	Phase 5 2008	Phase 6 2009-10	Total
House/Lot Packages									
Mid-Market	10,000	309	54		54	53		129	290
Entry Market	7,500	151			26	107		18	151
Town Homes									
1-2 stories w/ enclosed garges/tandem pkg		127			127				127
1-2 stories w/ detached pkg		156		156					156
Estate Lots/Custom Homes									0
Estate Lots	87,000	4			4				4
Upper Market	20,000	28					28		28
Total		775	54	156	211	160	28	147	756

According to a traffic analysis submitted with the application, the bridge over Auwaiakeakua Gulch to extend the North-South Spine Collector Road northward would be required at the time of the buildout of roughly 400 units.

Requested Variances

To implement the proposed development plan, the applicant requested the following variances:

Variances to the Zoning Code

- **In the RS-10 district, a minimum lot size of 7,500 s.f..** The smaller lot sizes are sought to compensate for the approximately 20 percent of the project site impacted by drainage ways that would be left as open space and will help provide a broader range of residential product, including homes aimed at those individuals or young families just entering the housing market. Overall density would be less than permitted by zoning.
- **Setback requirements:**
 - Corner lots in the RS-10 district—front yard on access frontage only;

- 7,500 s.f. lots—same as RS-7.5 district (15' front and rear in lieu of 20', 8' side in lieu of 10').

Because corner lots are subject to two front yards that significantly reduce the buildable area, Applicant requests a variance from the setback requirements for corner lots in the RS-10 zoning district to allow for a front yard setback on the access frontage only, with the remaining setback lines being side lot lines. Additionally, Applicant requests that the minimum yard requirements for those lots with minimum lot size of 7,500 square feet be the same as those specified within section 25-5-7 (a)(1) for a building site with a required area of 7,500 square feet.

Variances to the Subdivision Code

- **Cul de sacs greater than 600' in length and serving more than 18 lots.** In the area of Auwaiakeakua Gulch, the size and configuration of the developable area restricts the circulation alternatives for this area, and the width of the drainage way makes the alternative of a culvert or bridge crossing economically unfeasible, given the number and types of units that could be developed in this area. Therefore, the only practical access alternative for this area would be a single dead-end road that would exceed the County standard in terms of length.
- **Alternative street standards:**
 - North-South Spine Road Entry. Proposed divided roadway within an 80-foot right-of-way with a 13-foot landscaped median, 24-foot travelways, and landscaped shoulders that include ample six and a half-foot walkways and decorative pedestrian lighting on either side. This entry roadway section would extend approximately 250 feet and shift to an undivided 40-foot roadway within a 60-foot right-of-way for the remainder of the main spine road. The intent of this more formal entry section is to provide a greater sense of arrival and project identity at the entrance to the master planned community.
 - North-South Spine Road. Proposed undivided roadway within a 60-foot right-of-way, with a 40-foot pavement (curb to curb), curbs and gutters, and landscaped shoulders with a six-foot meandering walkway. This roadway pavement is not excessively wide and therefore provides some traffic calming effect; however, it is wide enough to accommodate a future bike lane, if required as part of a broader regional bikeway plan. The roadway is also sized appropriately to eventually connect, through a future bridge connection, to Hulu Street within the adjoining Sunset Ridge Subdivision to the north. In that there are no lots directly accessing the north-south spine road, a wider 6-foot walkway on only one side is proposed to provide an effective pedestrian connection within the community. Additionally, the roadway pavement is shifted within the right-of-way so that a meandering walkway can be fully accommodated within the mauka shoulder.
 - Mauka Collector Road. In the area mauka of the main north-south spine road, local streets will be serviced from a collector loop-road. The proposed design

includes a 28-foot pavement, curbs and gutters, and landscaped shoulders with four-foot walkways on either side within a 60-foot right-of-way. Walkways are provided on both sides of the streets and separated from the roadway edge with a landscaped strip for safety and aesthetic reasons. Applicant has utilized a similar collector roadway design in its Mililani Town development and has found it successfully accommodates traffic circulation with on-street parking being limited to one side of the street.

- Local/Cul-de-sac Streets. The concept for the local cul-de-sac streets is to provide a more informal and relaxing street frontage through the use of tree-lined streets with a 20-foot pavement, grassed drainage swales, and a four-foot walkway on one side that is separated from the roadway by the grassed swale.
- **Street Lights.** Typically, in order to meet the County lighting standards, street lights are spaced roughly 200 feet apart and two lights are placed at or near street intersections. In order to impart a quieter, country feel to the neighborhood streets, Applicant seeks to place street lights along cul-de-sac streets solely at the intersections and ends of the cul-de-sac, with a single light at the street intersection. Lighting along all other roads would be located and spaced according to County lighting standards.

FINDINGS

The following findings are made in accordance with Section 25-6-10 (Criteria for granting a PUD):

- 1) **The construction of the project shall begin within a reasonable period of time from the date of full approval and shall be completed within a reasonable period of time.**

The Applicant is ready to start development as soon as approvals are issued. The proposed phased build out over 7 to 10 years subject to market conditions is reasonable.

- 2) **The proposed development substantially conforms to the General Plan.**

The proposed single- and multi-family residential uses are consistent with the General Plan LUPAG Map designations of Low Density Urban and Medium Density Urban. In addition, the proposed development is consistent with the General Plan Land Use and Housing goals and policies by providing a diversity of housing choices to meet a range of housing needs, designing in accordance with the environment, and fostering a pedestrian-friendly community.

- 3) **The proposed development shall constitute an environment of sustained desirability and stability, shall be in harmony with the character of the surrounding neighborhood and shall result in an intensity of land utilization no higher than, and standards of open space at least as high as permitted or as otherwise specified for the district in which this development occurs.**

The proposed density is roughly half of the density permitted by zoning. The open space consists of the drainage way, which comprises over 20% of the project site. The drainage way may also function as a passive recreational area.

The following comments received from Waikoloa residents pertain to the relationship of the proposed development to the character of the surrounding Waikoloa area:

- *Entry to the project.* Volunteers of the Waikoloa community worked with the Outdoor Circle to landscape the median on Waikoloa Road. Because the original planned access for the proposed North-South Spine Road heads into the drainage way, the relocated entry location requires the median to be removed. Acknowledging Applicant's ongoing consultations with the community, a condition of this PUD requires the Applicant to continue consultations with the Waikoloa Village Association and Outdoor Circle to develop proposed mitigation measures that would be implemented through the Phase 1 tentative subdivision approval process.
- *Lots less than 10,000 s.f.* Existing lots in Waikoloa Village are not less than 10,000 s.f., except for the County's affordable Paniolo Estates project (7,500 s.f.). Certain members of the Waikoloa community feel that lots less than 10,000 s.f. degrade the character of the surrounding community. This PUD approves the 7,500 s.f. lot size for the following reasons: 1) the smaller lots enable a developer to avoid drainage ways while maintaining allowable density where the alternative would be to channelize the drainage way; 2) the smaller lots enable lower sales prices to reach the entry level market; 3) the smaller lots are not adjacent to existing lots in Waikoloa Village and therefore do not change the expected development immediately surrounding these areas; and 4) the PUD limits the number of 7,500 s.f. lots.
- *Front yard setback.* Covenants of the Waikoloa Village Association, which encumber the proposed development, require a 25' front yard setback. Although enforcement of the covenants is a private matter, this PUD approves a lesser front yard setback for the 7,500 s.f. lots with the understanding that the Applicant has acknowledged that it must still obtain the approval of the Waikoloa Village Association for an exception or waiver of the 25' front yard setback, and that this PUD approval does not preempt the covenants.

Other concerns include:

- *Pathway to school and community park.* Until the collector road through the proposed development connecting to the north is completed and the adjoining developments to the north continue the road, the only route to the Waikoloa Elementary School and the community park is to go out to Waikoloa Road and turn onto Paniolo Drive. To provide a timely alternate path to the school and park, a condition of the PUD requires the Applicant to complete the construction of the collector road to its northern boundary during the phase that includes the 400th unit, or the 250th unit in the area mauka of the drainageway, or subdivision of the area shown as "Phase 6" on Fig. 5. The County will

work with the landowners north of this project to coordinate the timely completion of the road or to reach the school and park. The conditions of a prior subdivision, as contained in a deed covenant, require the private landowners to bridge the gulch at the northern property boundary upon request of the Department of Public Works.

- *Unexploded ordnances.* Due to past use of the Waikoloa area for military training, the Army Corps of Engineers has a program to cooperatively work with developers and contractors for precautionary measures relating to potential unexploded ordnances. A condition of this PUD requires the Applicant to consult with the Army Corps of Engineers to address not only the area within the limits of construction, but also the passive recreational areas where people may walk or bike.
- *Wildfire.* Given the climate, winds, terrain, and the invasive plant species, there have been very large wildland fires in the South Kohala district and especially the Waikoloa area. With the recent increased rainfall in the area, there has been a dramatic increase in the vegetation fuel loads. To mitigate this concern, a condition of this PUD is for the Applicant to consider fire resistive construction materials and design—i.e., no wood shingle or shake roofs, preferably metal or asphalt shingle, sealed soffets, and louvered screened vents. Also, a perimeter fire break would also be desirable that would be maintained by the community association. A problem associated with a fire break is residents sometimes use it as a green waste disposal area, making the problem worse. Ideally, the fire break would be designed and used as a community walking path or pet trail that would encourage maintenance. The PUD condition suggests the Applicant consult with the Fire Department to determine the appropriate width of this path based on the location and the types and sizes of fuels in the area.

4) The development of a harmonious, integrated whole justifies exceptions, if required, to the normal requirements of the Zoning and Subdivision Codes, and that the contemplated arrangements or use make it desirable to apply regulations and requirements differing from those ordinarily applicable under the district regulations.

The lot size and associated setback variances for the 7,500 s.f. lots are justified by floodplain avoidance and affordable housing policy objectives. For corner lots, requiring a front yard setback along only one street frontage fulfills the primary objective of a front yard which is to provide adequate offstreet parking on the driveway without intruding into the right-of-way. The street design variances result in a more pedestrian-friendly and aesthetic streetscape than the County's dedicable standards. However, the County's standards emphasize ease of maintenance. Therefore, as a condition for the County accepting dedication, a condition of this PUD is that the proposed development's community association assume maintenance responsibility of the landscaped areas within the right-of-way. Alternatively, the entire street right-of-way may be privately owned and maintained by the community association, except for the North-South Spine Road which shall be dedicated subject to conditions of the Department of Public Works.

DECISION

Approved Variances

Based on the findings above, the following list of variances are approved for this Planned Unit Development:

Zoning Code Variances

- *Minimum lot size of 7,500 s.f. in lieu of 10,000 s.f. in the RS-10 district (Hawaii County Code §25-5-2).* The number of 7,500 s.f. lots shall not exceed 165 lots within the RS-10 district.
- *Corner lot setbacks for the 10,000 s.f. lots within the RS-10 district based on one street frontage, in lieu of all street frontages (Hawaii County Code §25-4-40(c)).* The street upon which the driveway intersects shall determine the street frontage where the front yard setback of 20' applies. The side yard setback of 10' shall apply to the other street frontage(s). For the interior lot lines, side yards apply (no rear yards for corner lots) pursuant to §25-4-42(a). For sight distance purposes, "within the area of a triangle formed by the street lines of such building site (ignoring any corner radius), and a line drawn between points on such street lines twenty-five feet from the intersection thereof, no fence, wall, hedge, or building shall be higher than three feet nor shall there be any obstruction to vision other than a post, column, tree trunk clear of branches or foliage, between the height of three feet and eight feet above the level of the street or the level of the point of intersection if the streets are sloping." (§25-4-42(b))
- *Setbacks for the 7,500 s.f. lots as required in the RS-7.5 district in lieu of the RS-10 district (Hawaii County Code §25-5-7) and corner lot setbacks on only one street frontage (Hawaii County Code §25-4-40(c)).* Except for corner lots, the setbacks for the 7,500 s.f. lots shall be 15' front and rear, and 8' side yard. For the 7,500 s.f. corner lots, the front yard setback shall be 15', and all other lot lines shall be side yards of 8'. The determination of the street frontage and sight distance clearance requirements shall be the same as the 10,000 s.f. lots as set forth in the preceding bullet paragraph.

Subdivision Code Variances

- *Cul de Sac length exceeding 600' (§23-48(a)).* This variance shall apply only to the cul de sac serving the four estate lots located makai of the drainageway. Although this road also serves the multi-family units in Phase 2, the multi-family units will be counted as one lot.
- *Modified requirements for a dedicable street* as required in Hawaii County Code §23-86(b) and -89 and set forth in Standard Detail R-32 (sidewalk) or R-33 (swale) as follows:

- *Divided roadway entry.* The divided roadway with a median shall consist of minimum 24'-wide travelways and extend no more than 300', at which point it will transition to an undivided roadway within a minimum 60' right-of-way, designed substantially in conformance with Exhibit A.
- *Collector road design for North-South Spine Road.* The 40' pavement width (curb to curb) meets the R-32 standard. The variance is for the following features designed substantially in conformance with Exhibit B:
 - Sidewalk on one side only (since no lots directly access this road), minimum 6' wide, meandering, mauka side of the street;
 - Offset of pavement within the right-of-way to allow landscaped meandering sidewalk on mauka side.
- *Collector Loop Road.* The variance from R-32 includes a 28' pavement width (curb to curb) in lieu of 40' within a 60' right-of-way with landscaping and 4' sidewalk on both sides of the street, designed substantially in conformance with Exhibit C. Onstreet parking restricted to one-side.
- *Local Access and Cul-de-Sac Roads.* The design as shown in Exhibit D meets the 20' pavement width required in R-33, exceeds the standard by putting a sidewalk on one side, with the only variances being the landscaping within the right-of-way and the offset of the pavement within the right-of-way to allow more space on the side of the sidewalk. The design shown in Exhibit D or alternate design that meets the minimum pavement width requirements shall be acceptable.
- *Modified street light requirements* as required by §23-93 to allow placement of street lights for cul de sac streets only at the intersections and turnarounds. Lighting along all other street types shall be located and spaced according to County standards.

Conditions of Approval

The Planning Director approves the Planned Unit Development subject to the following conditions:

1. *Permit Runs with the Land.* The applicant, its successors or assigns shall be responsible for complying with all of the stated conditions of approval.
2. *Indemnification.* The applicant shall indemnify and hold the County of Hawaii harmless from and against any loss, liability, claim or demand for the property damage, personal injury or death arising out of any act or omission of the applicant, its successors or assigns, officers, employees, contractors and agents under this permit or relating to or connected with the granting of this permit.
3. *Master Plan.* The proposed approximately 700-lot Planned Unit Development shall be developed in a manner as substantially represented within the Planned Unit Development application dated May 2004, as shown on Exhibit E, provided that the number of units for the affordable components of the project may be increased—i.e., the Phase 2 townhouse units may be increased up to 45% of the allowable density (i.e., 194 units) and the 7,500 s.f. lots

may be increased to a limit of 165 lots. It is acknowledged that the number of units within each phase, the number of phases, and the timing of the phases may vary depending on market conditions. Of significance is the total number and type of units for purposes of regional infrastructure planning and establishing the character of the area, which shall be substantially as represented with the exceptions set forth herein for the affordable components.

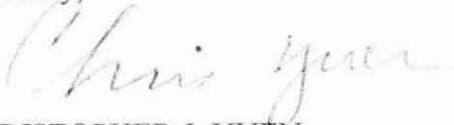
4. *No Ohana.* Restrictive covenants in the deeds of all the proposed single-family lots within the Planned Unit Development shall give notice that the terms of this Planned Unit Development Permit shall prohibit the construction of a second dwelling unit on each lot. A copy of the proposed covenants to be recorded with the Bureau of Conveyances shall be submitted to the Planning Director for review and approval prior to the issuance of Final Subdivision Approval for Phase I. A copy of the recorded document shall be filed with the Planning Department upon its receipt from the Bureau of Conveyances.
5. *ADA Compliance.* Applicant shall be responsible for ADA compliance for the sidewalks.
6. *Street Dedication.* The acceptability for dedication of the streets is subject to a maintenance plan for the landscaped portions of the right-of-way approved by the Planning Director and engineer's certification of the safety of the street lighting. Applicant shall declare its intent to dedicate and meet the aforementioned conditions prior to construction plans approval for Phase I.
7. *North-South Spine Collector Road Intersection with Waikoloa Road.* Applicant shall continue ongoing consultations with the Waikoloa community and develop proposed measures to mitigate the removal of the existing landscaped median on Waikoloa Road. Appropriate mitigation measures shall be incorporated as conditions of tentative approval for the Phase 1 subdivision application. Applicant shall signalize this intersection when warranted as determined by the Department of Public Works.
8. *No vehicular access restriction on North-South Spine Road.* The final plat maps shall include a no vehicular access restriction along the lots fronting the North-South Spine Collector Road, with any exceptions to be approved by the Department of Public Works.
9. *Route to Elementary School and Park.* The tentative subdivision approval or final plan approval for the phase that includes the 400th unit, or the 250th unit in the area mauka of the drainageway dividing the property, or of the area shown as "Phase 6" in Fig. 5 of the PUD application, whichever comes first, shall include a condition for the Applicant to construct the North-South Spine Road to the northern property boundary during that phase.
10. *Unexploded ordnances.* Applicant shall consult with the U.S. Army Corps of Engineers and incorporate appropriate mitigation measures relating to potential unexploded ordnances in construction contracts. Applicant shall also take appropriate measures for areas beyond the limits of construction where people may walk or bike within the property.
11. *Wildfire.* Applicant shall consider fire resistive construction materials and designs and fire breaks to mitigate damage from wildfires. Applicant shall report on actions it plans to take prior to final subdivision approval for Phase I.
12. *Compliance with other rules.* The applicant shall comply with all other applicable rules, regulations and requirements.

Mr. Calvin Mann
Castle & Cooke Waikoloa, LLC
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13. *Annual Report.* An annual progress report shall be submitted to the Planning Director prior to the anniversary date of the Planned Unit Development (PUD) permit. The report shall include, but not be limited to, the status of the development and to what extent the conditions of approval are being complied with. This condition shall remain in effect until all of the conditions of approval have been complied with and/or the Planning Director acknowledges that further reports are not required.
14. *Time Extension.* If the applicant should require an extension of time, the applicant may request for time extension pursuant to Section 25-6-14 (Time extensions and amendments).

Should any of the conditions not be met or substantially complied with in a timely fashion, the Director shall initiate the nullification of the Planned Unit Development Permit.

Sincerely,



CHRISTOPHER J. YUEN
Planning Director

RT:pak/cd/mad

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xc: Department of Public Works, Building Division
Department of Public Works, Engineering (Hilo and Kona)
Department of Water Supply
Fire Department
Subdivision Section – Subdivision No. 2003-026
West Hawaii Planning Office
Waikoloa Village Community Association

Exhibit A. North-South Spine Collector Road Entry

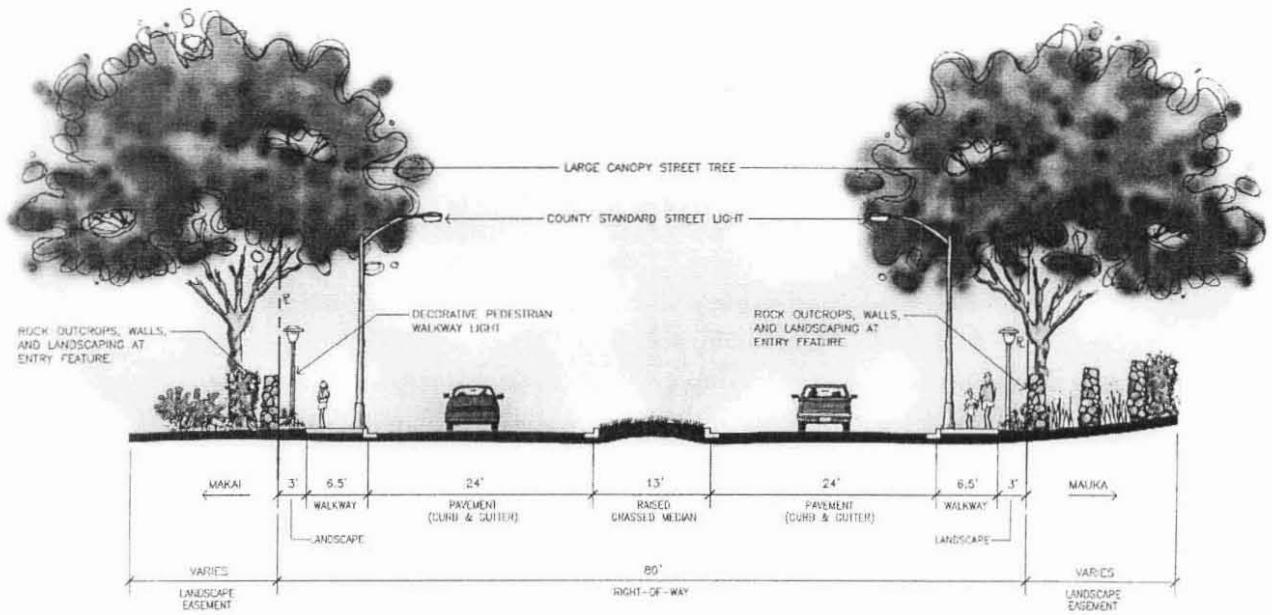


Exhibit B. North-South Spine Collector Road

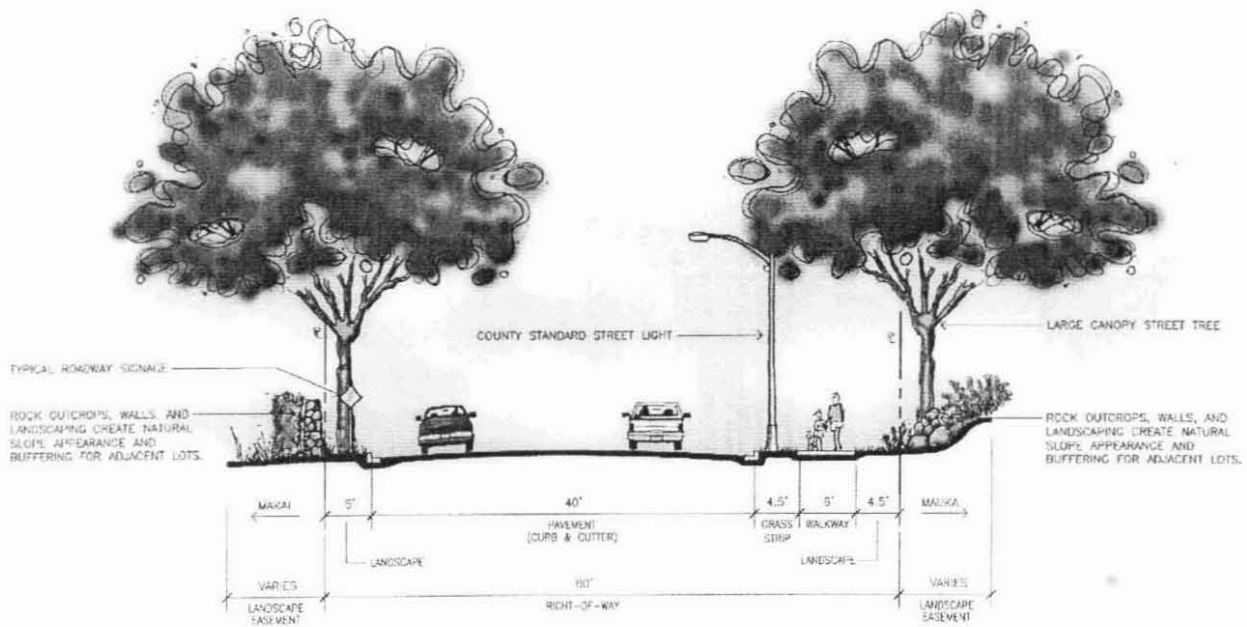


Exhibit C. Collector Loop Road

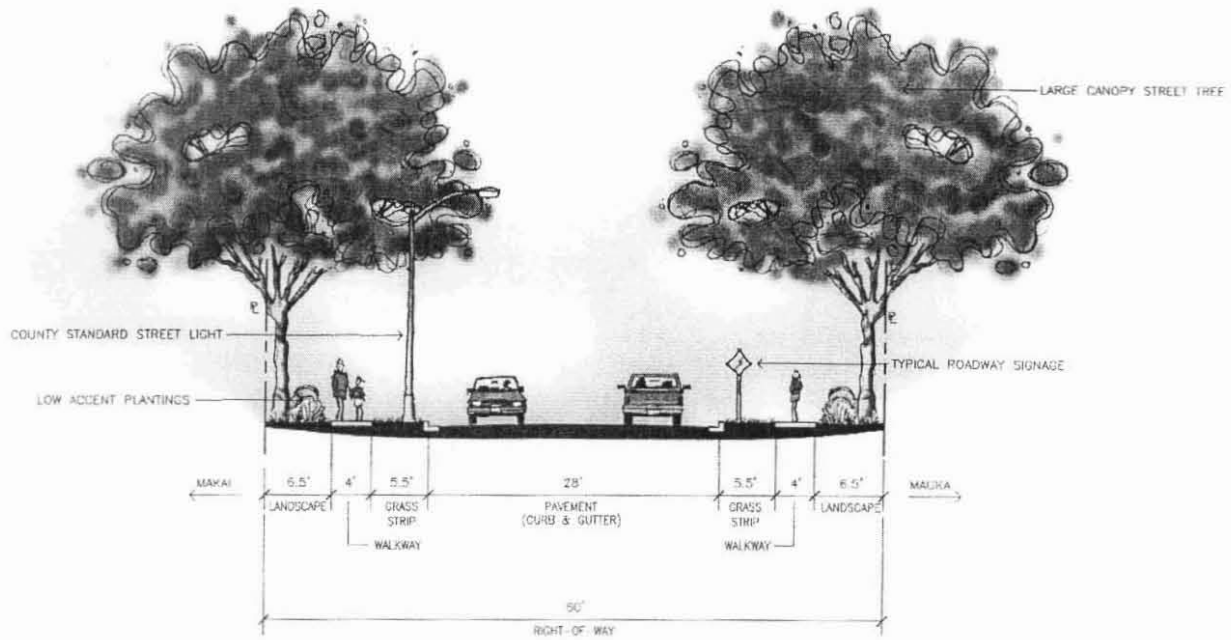


Exhibit D. Local Access/Cul de Sac Roads

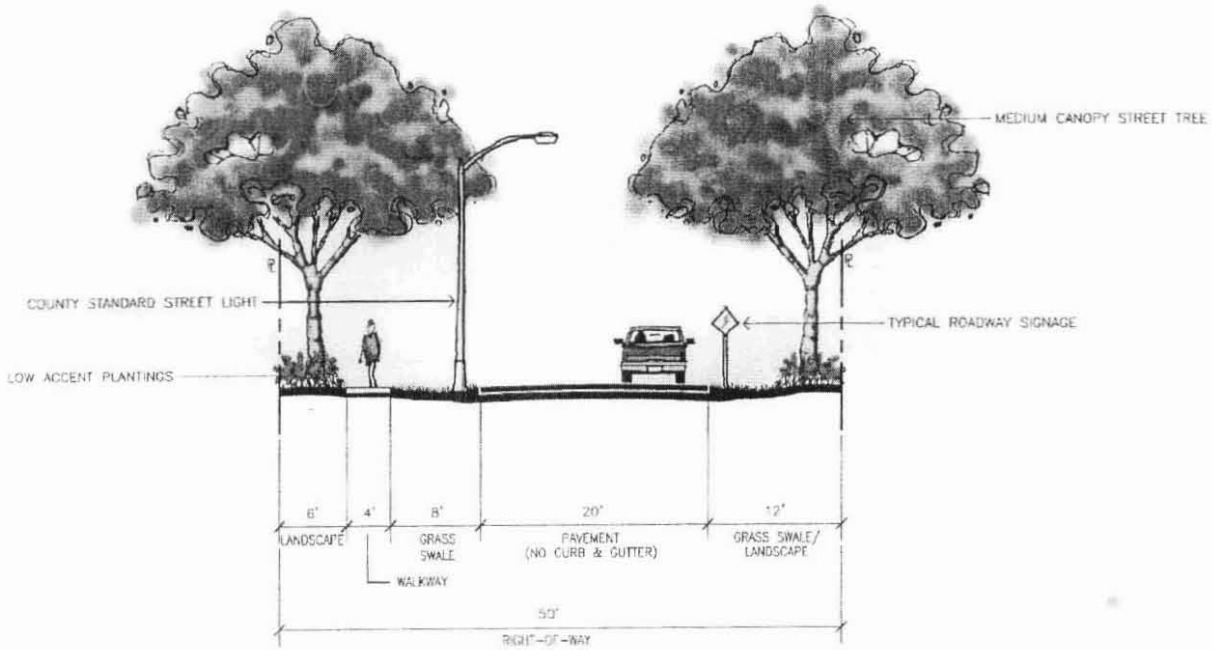


Exhibit E. Site Plan

