June 21, 1984

Mr. William Rierson JRM Associates P.O. Box 2429 Kailua-Kona, HI 96745

Dear Mr. Rierson:

SMA Use Permit No. 195 8-unit Condominium Project Tax Map Key 7-6-17:19 & 79

We regret to inform you that the above-described permit has been declared void. This action became effective on April 27, 1984, due to non-compliance with condition B of Change of Zone Ordinance No. 874 which states:

"plans for the project shall be submitted for Plan Approval within one year from the effective date of the change of zone ordinance;"

The effective date of Change of Zone Ordinance No. 874 was April 26, 1983.

SMA Use Permit No. 195 is declared void because it was issued subject to the condition, "That all conditions of Change of Zone Ordinance No. 874 shall be complied with." Further, "Should any of the conditions not be met, the Special Management Area (SMA) Use Permit shall be automatically void."

It should be noted, however, that Change of Zone Ordinance No. 874 still remains in effect.

...Sincerely, e Tambal

JSIDNEY FUKE Director

BN:lgv cc: Chief Engineer, DPW Building Division, DPW County Kona Office Manager-DWS

bcc: PA Section

JUN 2 2 1984

CERTIFIED MAIL

Mr. William Rierson JRM Associates P. O. Box 2429 Kailua-Kona, Hawaii 96740

Dear Mr. Rierson:

SMA Use Permit and PDP Applications TMK: 7-6-17:19 & 79

July 19, 1983

The Planning Commission at its meeting on July 14, 1983, voted to approve your application, Special Management Area Use Permit No. 195, at Holualoa, North Kona, Hawaii.

Approval of this request is based on the following:

That the proposed development is consistent with the General Plan Land Use Pattern Allocation Guide (LUPAG) Map and the zoning of the property. The LUPAG map is a graphic representation of the Goals, Policies, and Standards of the General Plan document. In reviewing development requests equal consideration must be given to the policy aspects of the General Plan as well as the LUPAG maps. In this case the LUPAG map designation is for Medium Density Urban Development, and the present zoning designation, which is Multiple Residential-2,500 square foot (RM-2.5), would allow the condominium development.

From a policy analysis standpoint, the requests are also consistent with the General Plan in particular reference to the Housing Element. The petitioner is proposing to develop housing units affordable to moderate income households. To this end, the petitioner has proposed certain housing sales conditions which would limit the initial offering of the units to households meeting the HULA MAE income guidelines. Subsequently, should inadequate sales result the offerings would be opened up to the general public, but still in compliance with Mr. William Rierson Page 2 July 19, 1983

> the HULA MAE price guidelines. This marketing approach would require the petitioner to provide reasonably priced housing for the Kona market. By taking this approach the petitioner would be furthering the General Plan Housing policies which state, "It shall be the policy of the County of Hawaii to assure that safe, sanitary, and livable housing is available to persons of all ages, income and ethnic groups and to provide a variety of choice as to location and types" and that "Public and private programs intended to increase the supply of housing and to create a variety of choice shall be encouraged."

> In addition to these basic policy considerations, the lack of affordable housing has been expressed as one of the major problems facing Kona in a survey conducted for the Planning Department. While this particular survey is no longer current, it does reflect the problems that can arise in a rapidly growing community. While the current recession has reduced the pressures on the market there still is a need to take actions which would address this outstanding problem with the possibility to reducing further pressures should the economy reverse itself in the future.

The proposed development is small in scale, consisting of only eight units. This type of development without government financing aids, except for the possibility of HULA MAE mortgage monies, has not been widely attempted at this scale. Should it prove successful, it will open up many more opportunities for developers of all sizes to participate in this needed form of development.

The proposed development should be compatible with the surrounding area's growth patterns. In this area the development forms include single and multiple family residential uses along with vacant lands. The proposed development would be within the height limit applicable to the requested RM-2.5 zoning and with the similar height restrictions applying to properties across Alii Drive. Further, the small scale of the development should keep its impacts on surrounding properties relatively small.

Water is available to the proposed development through a prior water commitment by the Department of Water Supply. Sewage disposal will be in compliance with the requirements of the State Department of Health.

The proposed development will take access off of Alii Drive. This road has carried increasing traffic loads and poses potential daily traffic congestion and emergency evacuation Mr. William Rierson Page 3 July 19, 1983

> problems. While the development proposal would reduce the number of potential access points onto Alii Drive from two to one, these benefits would be off-set by the increase in density permitted from four units to eight units.

While the continuing problem of Alii Drive is recognized, in this particular case, staff feels that the potential benefits of providing affordable housing at a relatively small scale outweigh the additional problems and burdens created by increasing the density by four units. This type of policy balancing must accompany each analysis. In this case, given the petitioner's housing proposal, it is determined that the overall evaluation is in favor of the requests.

The proposed development is not expected to generate any significant adverse impacts that are not clearly outweighed by public benefits. The water and sewage infrastructure will be developed in accordance with the applicable rules, regulations, and requirements, and it is expected that the construction phase will similarly occur in compliance with all requirements. The access problems have been addressed above and it is the Department's evaluation that these concerns are outweighed by the public benefits resulting from the successful implementation of the petitioner's proposal.

The property does not possess any significant recreational resources as it is presently a partially developed housing site. Further, its location on the mauka side of Alii Drive eliminates the possibility of its development interfering with access to coastal recreational resources or lines of sight from Alii Drive to the shoreline.

According to the archaeological survey submitted, there are no known historic sites on the property; and thus its development will not result in the loss of any valuable historic resources.

Finally, the subject property is not subject to tsunami inundation nor overland flooding according to the Federal Flood Insurance Rate Maps. Thus the development will not increase exposure to coastal hazards.

Based on the above findings, it is felt that the proposed development is consistent with the goals, objectives, and intent of Chapter 205-A of the Hawaii Revised Statutes, Rule 9 of the Planning Commission. Mr. William Rierson Page 4 July 19, 1983

It is further recommended that the Special Management Area (SMA) Use Permit be approved subject to the following condition:

That all conditions of Change of Zone Ordinance No. 874 shall be complied with.

Should any of the conditions not be met, the Special Management Area (SMA) Use Permit shall be automatically void.

For your information, a Planned Development Permit is no longer required for a hotel or condominium project. As such, the Planned Development Permit application is not required.

Please feel free to contact the Planning Department if there are any questions on this matter.

Sincerel

Which Clyde Imada Chairman, Planning Commission

cc: Chief Engineer, Public Works Building, Public Works County Kona Office Water Supply

bcc: Plan Approval Section