

CERTIFIED MAIL

April 18, 1985

Mr. Larry J. Hansen
Senior Vice President
Transcontinental Development Co.
1001 Bishop Street, Suite 2610
Honolulu, HI 96813

Dear Mr. Hansen:

Transcontinental Development Co.
Change of Zone (R 84-39)
Special Management Area Use Permit (SMA 84-17)
Shoreline Setback Variance (SSV 84-8)
Use Permit (UP 84-7)
Amendment to Change of Zone Ordinance No. 265
Amendment to SMA Use Permit No. 25

The Planning Commission at its duly held public hearing on April 9, 1985, voted to recommend approval to the County Council on the Change of Zone application and amendment to certain conditions of Ordinance No. 265. The Planning Commission also voted to approve the various other permits mentioned above.

The approval recommendation for change of zone application is subject to the following conditions:

- A. The petitioner, successors or its assigns shall comply with the stated conditions of approval.
- B. All applicable conditions of Change of Zone Ordinance No. 265, as amended, shall be complied with.
- C. The consolidation/resubdivision plan for the affected area shall be submitted for tentative approval within one (1) year from the effective date of the accompanying Special Management Area (SMA) Use Permit.
- D. Plans for plan approval shall be submitted for the proposed development within one year from the effective date of the accompanying Special Management Area (SMA) Use Permit.

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- E. Construction shall commence within one year from the date of receipt of Final Plan Approval and be completed within three years thereafter, subject to time extension for force majeure conditions.
- F. The requirements of the Department of Water Supply shall be complied with.
- G. The method of sewage disposal shall meet with the approval of the appropriate governmental agencies.
- H. Drainage system(s) shall be installed in accordance with the requirements of the Department of Public Works.
- I. The petitioner, successors or assigns shall be responsible for satisfying a basic housing requirement by providing or causing the provision of affordable housing units to meet the direct and indirect resort hotel employee housing demands generated by the resort development or by undertaking other related mitigation measures. An affordable housing need study shall be prepared and submitted to the Planning Director and the Hawaii County Housing Agency estimating the resort hotel employee housing demand to be generated by the proposed hotel development. The Planning Director and the Hawaii County Housing Agency may adjust the resort hotel employee housing requirement based on the findings contained in the report and other applicable information. The manner in which the required affordable employee housing units or other related mitigation measures are to be provided shall meet with the approval of the Planning Director and the concurrence of the Hawaii County Housing Agency. Furthermore, the requirements of this condition including the provision of the required employee housing units or other related mitigation measures, shall be complied with prior to the hotel commencing operation.
- J. All other applicable rules, regulations and requirements shall be complied with.

Should any of the foregoing conditions not be met, rezoning of the area to its original or more appropriate designation may be initiated.

With regards to Change of Zone Ordinance No. 265, the Commission voted to recommend that Conditions A and B be amended to read as follows:

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- A. The overall development shall conform substantially to the plans submitted and the representations made by the petitioner, as described in the Waikoloa Beach Resort environmental impact statement [hereinafter] identified as "File Exhibit 1" on file in the Planning Department[.], except as further amended by subsequent ordinances.
- B. Development shall occur in two [(2)] increments as spelled out in "File Exhibit 1" on file in the Planning Department[.], except as further amended by subsequent ordinance. The effective date of zoning for the second increment shall be after development has occurred in the first increment. Development is defined as building permits issued, ground broken and construction commenced on permanent structures on twenty-five [(25)] percent of the zoned area for hotel development and fifteen [(15)] percent of the zoned area multiple family residential development, in addition to the required amenities.

The various other permits were approved by the Commission subject to the following conditions:

A. SMA Use Permit

1. The petitioner, successors or its assigns shall be responsible for complying with all of the stated conditions of approval, including those attached to the accompanying change of zone.
2. The permit shall not become effective until the accompanying change of zone application is adopted.
3. A minimum 15-foot wide mauka-makai public pedestrian easement and a lateral coastal access to and along the shoreline shall be provided. The width and type of improvements within the public pedestrian easement and coastal access, their specific location, and signage related to public access shall be reviewed and approved by the Planning Director. Further, public parking stalls to serve the public access shall be provided and clearly identified. The minimum number of parking stalls and their location shall be reviewed and approved by the Planning Director. Construction of the access and parking stalls shall be completed prior to completion of the proposed development.
4. The coastal trail along the north shore of Waiulua Bay shall be reconstructed in an approximate alignment as the

existing trail and in the manner similar to the steppingstone type of Hawaiian trail, meeting with the approval of the Planning Department.

5. Should any unanticipated archaeological or historic features be uncovered during land preparation activities, work at that particular area shall cease immediately and the Planning Department immediately notified. Work shall not resume until clearance has been obtained for the Planning Department.
6. The proposed buildings shall observe a minimum setback of 100 feet from the edge of the fairways of the abutting golf course. If deemed necessary, additional setbacks or other mitigating measures, such as additional landscaping along certain portions of the golf course boundaries, may be imposed at the time of Plan Approval review.
7. In conjunction with the requirements of the U. S. Army, Corps of Engineers, the petitioner shall submit to the Planning Director for review and approval plans for the preservation and management of an anchialine pond preserve area. If approved, this plan shall satisfy all obligations to preserve ponds at the Waikoloa Beach Resort. In this regard, the petitioner's proposed 12-acre pond preservation area more than satisfies the preservation aspect of this condition.
8. Petitioner shall submit to the Planning Director for review and approval any landscaping plans related to development of a lot within the Special Management Area prior to commencing said landscaping work.
9. All other applicable rules, regulations and requirements shall be complied with.
10. Should any of the foregoing conditions not be met or substantially complied with in a timely fashion, this permit shall be void.

B. Shoreline Setback Variance

1. The petitioner, successors or its assigns shall be responsible for complying with all of the stated conditions of approval, including those applicable conditions spelled out in the accompanying change of zone and Special Management Area (SMA) Use Permit.

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2. The permit shall not become effective until the accompanying change of zone application is adopted.
3. Comply with any requirements of the Department of Public Works relative to Flood Ordinance No. 778.
4. All other applicable rules, regulations and requirements shall be complied with.
5. Should any of the foregoing conditions not be met or substantially complied with in a timely fashion, this permit shall be void.

C. Use Permit

1. The petitioner, successors or its assigns shall be responsible for complying with all of the stated conditions of approval, including those applicable conditions spelled out in the accompanying change of zone.
2. The permit shall not become effective until the accompanying change of zone application is adopted.
3. The exact siting of the helipad and related improvements shall take into consideration the safety of the visitors and employees of the proposed hotel, the general public utilizing Ala Ihi Road, and to the golfers.
4. All other applicable rules, regulations and requirements be complied with.
5. Should any of the foregoing conditions not be met or substantially complied with in a timely fashion, this permit shall be void.

The Commission also voted to amend Condition No. 1 of SMA Use Permit No. 25 to read as follows:

- "1. That the overall development shall conform substantially to the plans submitted and the representations made by the petitioner and as described in the environmental impact statement, hereinafter identified as 'File Exhibit 1' on file in the Planning Department, except as further amended by subsequent ordinances and permits."

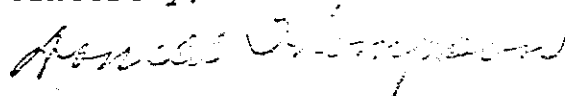
A requirement for a change of zone, as part of our recommendation to the County Council, is the inclusion of a legal description of the subject area in map and written form by metes and

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bounds. Please submit such a description to us as soon as possible so that the application can be forwarded to the Council with a minimum of delay.

Should you have any questions regarding the above, please feel free to contact the Planning Department at 961-8288.

Sincerely,



Donald Thompson
Chairman, Planning Commission

cc: DPED, CZM Program w/background
Department of Public Works
Department of Water Supply
County Real Property Tax Division
County of Hawaii, Kona Office

bcc: Plan Approval Section