

CERTIFIED MAIL

December 17, 1986

Mr. James Kanai  
Hawaiian Kona Coast Associates  
2360 Torrance Boulevard  
Torrance, CA. 90501

Dear Mr. Kanai:

Amendment to Conditions J, L and M of Change of Zone Ord. No. 869  
and Special Management Area (SMA) Use Permit Application  
Tax Map Key 7-5-19:1, 44 and 45

The Planning Commission at its duly held public hearing on December 10, 1986 voted to recommend approval to the County Council on amendment to conditions J, L and M of Change of Zone Ord. No. 869. The Planning Commission also voted to approve your application, Special Management Area Use Permit No. 252, to allow the development of a 73-lot residential subdivision and related improvements at Kahului 2nd, North Kona, Hawaii.

The recommendation for amendment to conditions J, L and M are as follows:

- (J) that the petitioner alone or in cooperation with other property owners, subject to review by the Chief Engineer and Planning Director, shall either construct and complete the portion of the Alii Highway from the Kuakini Highway to the southern end of the subject property, or pay a pro rata fee of Eleven thousand eight hundred dollars (\$11,800) per acre, [meeting with the approval of the Chief Engineer,] prior to the issuance of any occupancy permits or subdivision approvals on the subject property. The pro rata fee shall be subject to review and revision on an annual basis commencing from the effective date of the ordinance amending the conditions of the change of zone. The purpose of the review is to determine whether reasonable adjustments to the fees to be paid are required as a result of cost changes, or other adjustments related to the Alii Highway project. The decision of the Chief Engineer shall be final in this regard.
- (L) that temporary [no direct] access off the Kuakini Highway shall be permitted until such time that Alii Highway is constructed. Upon completion of the Alii Highway project the temporary access shall be terminated.

- (M) that the petitioner, alone, or in conjunction with other affected property owners and the county, shall construct and complete drainage improvements within the Waiaha flood plain including the replacement of the Kahului Bridge on Alii Drive prior to the issuance of any occupancy permits on the subject property. Alternatively, prior to the issuance of any occupancy permits or subdivision approvals the petitioner could pay a fee of Twenty-nine thousand dollars (\$29,000) per acre provided that no units or lots are developed within any designated 100-year flood plain area and provided further that the design and permitting activities for the Waiaha flood control are funded and in progress. The fee shall be subject to review and revision on an annual basis commencing from the effective date of the ordinance amending the conditions of the change of zone. The purpose of the review is to determine whether reasonable adjustments to the fees to be paid are required as a result of cost changes, or other adjustments related to the Alii Highway project. The decision of the Chief Engineer shall be final in this regard. Under either alternative, the petitioner shall comply with the Department of Public Works flood control related requirements during the grubbing and/or grading of the property. Further, the petitioner shall build a CRM retaining wall along the boundary of TMK: 7-5-19:8 & 9 and an overflow culvert, as depicted in Exhibit B, prior to any grading and/or grubbing activities on the subject property.
- N) that all other applicable rules, regulations and requirements [of the Department of Water Supply] including those of the Departments of Water Supply and Health shall be complied with. [Should any of the foregoing conditions not be met the rezoning of the property to its original or more appropriate zoning designation may be initiated.] The Planning Director may administratively grant extensions to the foregoing time conditions. Further, should any of the foregoing conditions not be met or substantially complied with in a timely fashion, the Planning Director may initiate rezoning of the property to its original or more appropriate designation.

(Material to be deleted is bracketed. New material is underscored.)

Approval of the SMA Use Permit is subject to the following conditions:

- A. The petitioner, its successors or assigns shall be responsible for complying with all of the stated conditions of approval.
- B. The petitioner shall submit an amendment to Planned Unit Development Permit No. 23 to reflect the proposed

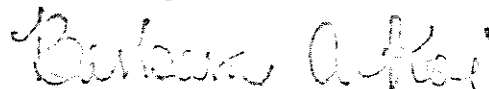
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development within one year from the effective date of the Special Management Area (SMA) Use Permit.

- C. No development shall occur in any area designated as a flood plain by the Soil Conservation Service's North Kona Flood Hazard Management Study or the Federal Flood Insurance Rate Maps.
- D. All roadway and drainage improvements shall meet with the approval of the Chief Engineer.
- E. The method of sewage disposal shall meet with the approval of the appropriate governmental agencies.
- F. Proposed breaching of the Kuakini Wall and the method of restoring the appropriate surfaces shall be submitted for review and approval by the Planning Director as part of the preliminary subdivision submittal. No work on the Kuakini Wall shall commence until the method of handling the wall surfaces is approved by the Planning Director.
- G. Should any unanticipated archaeological site, features, or artifacts be discovered during site excavation or grading, work in the area shall immediately cease and the Planning Department notified at once by telephone. Work shall not resume until clearance is given by the Planning Department.
- H. All other applicable rules, regulations and requirements be complied with.
- I. 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 Director shall initiate procedures to nullify the permit.

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

Sincerely,



Barbara A. Koi  
Chairperson, Planning Commission

cc: DLNR  
EPED, CZM Program w/background  
Department of Public Works  
Department of Water Supply  
County Real Property Tax Division  
Hawaii County Services, Deputy Managing Director's Office

bcc: Plan Approval Section