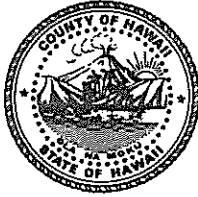


Stephen K. Yamashiro
Mayor



County of Hawaii

PLANNING COMMISSION

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-9615

CERTIFIED MAIL
7099 3220 0000 4869 6186

MAY 23 2000

Mr. James Leonard, AICP
Managing Director
PBR Hawaii – Hilo Office
101 Aupuni Street, Suite 310
Hilo, HI 96720-4276

Dear Mr. Leonard:

Special Management Area Use Permit Application (SMA 00-003)
Applicant: 1250 Oceanside Partners (dba Oceanside 1250)
Request: Development of Shoreline Park and Related Uses
Tax Map Key: 7-9-12:Portion of 3; 8-1-4:Portion of 3

The Planning Commission at its duly held public hearing on May 5, 2000, voted to approve the above-referenced application. Special Management Area (SMA) Use Permit No. 401 is hereby issued for the development of a shoreline park and related uses and improvements. The project area is within the Hokuli'a development approximately 2 miles west (makai) from Kealakekua Village and 1.5 miles from Kona Scenic Subdivision within the land sections from Hokukano to Onouli, North and South Kona, Hawaii.

Approval of this request is based on the following:

The purpose of Chapter 205A, Hawaii Revised Statutes, and Rule 9, Special Management Area Rules and Regulations of the County of Hawaii is to preserve, protect, and, where possible, to restore the natural resources of the coastal zone areas. Therefore, special controls on development within an area along the shoreline are necessary to avoid permanent loss of valuable resources and the foreclosure of management options.

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The development will not have any significant adverse environmental or ecological effect, except as such adverse effect is minimized to the extent practicable and clearly outweighed by public health, safety, or compelling public interest. Such adverse effect shall include, but not be limited to, the potential cumulative impact of individual developments, each one of which taken in itself might not have a substantial adverse effect and elimination of planning options.

This application was submitted and reviewed by the Office of State Planning and MACZMAG. No comments or objections were received.

The proposed shoreline park encompasses approximately 140 acres and comprises TMK: 7-9-12:03 and a makai portion of TMK: 8-1-4:03. These parcels are owned in fee simple by the applicant except for 16.7 acres within TMK: 7-9-12:03 which is owned by the State of Hawaii. This area owned by the State of Hawaii is referred to as Hokukano Village. The shoreline park is topographically divided into two distinct areas. In the area south of Pu'u Ohau, the shoreline consists of cliffs that range from 25 to 80 feet high that are undercut by erosion in several areas. The area extending north of Pu'u Ohau has a flatter lower terrain, allowing greater access to the shoreline and open areas for passive recreational uses. Throughout the proposed shoreline park are archaeological sites, including house sites, heiau, agricultural features, salt bowls, game boards, and petroglyphs. In the northern portion of the park, just north of Keikiwaha Point, are the remains of a historical village site comprising approximately 16.7 acres and is owned by the State of Hawaii. The applicant is seeking to include the State property as part of the park management program through a lease agreement. A request for a lease agreement would be submitted to the Department of Land and Natural Resources concurrently with a Conservation District Use Permit application for the proposed uses within the State Conservation District.

Phase I of the Shoreline Park would occur between Keikiwaha Point and the park's northern boundary. The plan would include improvements on the Hokukano Village parcel under joint sponsorship with the State of Hawaii. Vehicle access to the park will be provided by a proposed mauka-makai road extending from the mauka Hokuli'a property boundary and the Mamalahoa Bypass Road. The access road will extend to the parking area near the inland boundary of the shoreline park, near Keikiwaha Point and the southern boundary of the Hokukano Village. The parking area would provide twenty-five public parking stalls, with additional parking for Park employees. The parking lot would be paved and furnished with trash receptacles and appropriate signage indicating pedestrian access routes to the shoreline. A separate

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parking area will be provided for Hokuli'a residents to avoid private use of the public parking area. The Special Management Area Use application includes the following:

- 1) construction of an access road and parking area providing a minimum of 25 spaces for public parking and separate parking for residents and employees;
- 2) improvements to existing trails and creation of new trails, trail connections, and extensions;
- 3) structural and park improvements, including restrooms, an information kiosk, pavilions, Civil Defense warning system, signage, park furniture (benches, tables, waste receptacles and fire pits) protection and stabilization of archaeological areas for picnicking and camping;
- 4) landscape removal, remediation, and planting;
- 5) cleaning and identification with appropriate signage of some historic sites in the area as part of the overall archaeological interpretive program; and
- 6) other related infrastructural improvements.

The proposed Shoreline Park will be completed in five phases. Phase I will be completed incrementally over a five year period. The improvements will be completed and the area opened to the public within 30 days of the opening of the golf course.

Phase II of the Shoreline Park would occur in the area between Nenu Point and Pu'u Ohau. Any improvements in this Phase will require an additional approval from the Department of Land and Natural Resources. The improvements will be similar to those implemented in Phase I.

Phase III improvements would occur in the area between Pu'u Ohau and Nawawa Bay. Additional landscape maintenance activities will be as part of Phase I. The public access road to the shoreline access parking area at Keikiwaha Point will be paved. The pedestrian access trail will be extended from Keikiwaha Point south to Pu'u Ohau, where the trail will follow an alignment along the State Land Use Conservation District Boundary that runs mauka of Pu'u Ohau. In the interest of safety and the protection of sensitive archaeological sites, trail access onto the makai side of Pu'u Ohau will be carefully restricted. The public access trail along the kuleana parcels around Nawawa Bay will be limited to an extension of a footpath to provide for privacy. A connector trail will be provided to link the mauka side of Pu'u Ohau with the "old government trail" and the historic park which is centered around the heiau on the hillside, about 700 feet mauka of the park. Phase III will also include additional restroom facilities in the area south of Nenu Point, as well as passive recreational uses, such as small grassed areas for picnicking and seating. Additional signage, site stabilization and/or partial site restoration, will be implemented in accordance with the approved archaeological mitigation plan.

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Phase IV improvements will occur in the area between Nawawa Bay and Kalukalu Bluffs. Access at or near to the shoreline in these steep areas will be set back from the cliff edge, and the trail through this area will be a continuation of the footpath from the north of Pu'u Ohau. There will also be a short scenic footpath down a grassy overlook and seating area within an area near Wool's Landing. Two or three small rest areas will be maintained for bench seating along the trail.

Phase V would occur between Kalukalu Bluffs and Keawekaheka Bay at the property's southern boundary. There are limited portions of this area within which trail access along the cliffs are neither safe nor suitable. Thus, the extension of the lateral footpath in this area will be set back from the cliff edge. Additional three or four small rest areas will be provided in this portion of the park with bench seating for trail users. Also, a small restroom facility with toilets, washbasins and drinking water will be located at the junction of the trail and the "Old Kalukalu Road."

<u>Timing of Improvements</u>	<u>General Location</u>	<u>Timing</u>
Phase 1 – Park improvements	Nenu to Kainaliu	5 years
Phase 2 – Park improvements	Nenu to Pu'u Ohau	3 years
Phase 3 – Park improvements	Pu'u Ohau to Nawawa	3 years
Phase 4 – Park improvements	Nawawa to Kalukalu	2 years
Phase 5 – Park improvements	Kalukalu to Keawekaheka	2 years

The managing and maintenance will be funded by property owners of the project by association dues. To provide for ongoing management of the coastal area and the shoreline marine resources, the Management Association would establish a Shoreline Resource Advisory Committee (SRAC). The purpose of this committee would be to review monitoring reports, to establish policies and guidelines for protection of marine resources, to review the effectiveness of these policies, to coordinate with DLNR's Aquatic Division rules and regulations. The committee would consist of representatives of community resource groups, such as fishing, hiking, trails, ocean recreation, ocean resource management and Hawaiian organizations, as well as concerned individuals and park owner and park management representatives.

The proposed development is not anticipated to have any substantial adverse environmental or ecological effects. Surveys conducted for biological resources, historic and cultural resources, visual impacts, recreation aspects and socio-economic impacts support this conclusion. The goals and objectives of the SMA with respect to coastal, recreational, scenic and historical can be met with an approval with conditions.

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The proposed development is consistent with the objectives and policies as provided by Chapter 205A, HRS, and Special Management Area guidelines contained in Rule No. 9 of the Planning Commission Rules of Practice and Procedure. Any potential runoff or discharge which could reach ocean waters can be handled by on-site improvements. Any impacts from soil erosion and runoff during site preparation and construction phases can be adequately mitigated through compliance with existing regulations. With these precautionary measures in place, the proposed development is not anticipated to have any substantial adverse effects on the coastal resources or environment.

The proposed development is consistent with the General Plan and Zoning Code. The General Plan Land Use Pattern Allocation Guide (LUPAG) Map designates the 157 ± acre park site as Open Area. The site is also zoned Agricultural – 5 acre (A-5a). The shoreline park is located within the State Conservation District. The applicant will be filing for a Conservation District Use Permit for these improvements. The area surrounding this site is designated Agricultural-1 acre (A-1a). The following sections of the General Plan describe the consistency of the proposed development to the General Plan to the pertinent goals, policies and courses of action.

RECREATION

GOALS

- o Provide a wide variety of recreational opportunities for the residents and visitors of the County.
- o Maintain the natural beauty of recreation areas.
- o Provide a diversity of environments for active and passive pursuits.

POLICIES

- o Recreational facilities in the County shall reflect the natural, historic, and cultural character of the area.
- o The use of land adjoining recreation areas shall be compatible with community values, physical resources and recreation potential.

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- o Public access to the shoreline shall be provided in accordance with an adopted program of the County of Hawaii.

The proposed development conforms to the following applicable goals, policies, standards and courses of action of the General Plan:

- o Maintain and, if feasible, improve the existing environmental quality of the island.
- o Protect and conserve the natural resources of the County of Hawaii from undue exploitation, encroachment and damage.
- o Protect and promote the prudent use of Hawaii's unique, fragile, and significant environmental and natural resources.
- o Ensure that alterations to existing land forms and vegetation, expect crops, and construction of structures cause minimum adverse effect to water resources, and scenic and recreational amenities and minimum danger of floods, landslides, erosion, siltation, or failure in the event of earthquake.

The proposed project will not have any adverse impact to cultural or historical resources within the project area. An "Archaeological Inventory Survey and Limited Subsurface Testing" of the entire 1,550-acre Hokuli'a site was conducted by Cultural Surveys Hawaii from August 20, 1991 to January 17, 1992, with a survey report completed in July 1992. Within the affected properties, 807 structural and non-structural features were identified and subsequently organized into 408 sites and site complexes. Of this total, 161 sites are recommended for preservation of which 17 sites are recommended for selective preservation, and 228 sites are recommended for data recovery. Limited subsurface testing was conducted at 13 possible burial sites within two of the lava tube systems and at an agricultural mound complex.

Archaeological features within the area of the Shoreline Park identified 94 sites. The area contains habitation, burial and religious sites. This area was a locus of traditional Hawaiian and historic period habitation until the mid to late 1800s when most of the settlement had become focused along the mauka roadway corridor. Unlike those in Kailua-Kona, the habitation settlements in the proposed shoreline park did not develop into a royal center, and they are not influenced as heavily by post contact Euro-American trade and commerce as were other nearby settlements. There are also examples of adaptation to historic-era influences on habitation such as walled house lots

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and mortared tombs to crypts. The influences of the newer market based economies of commerce and ranching are exemplified in part by cattle walls, corrals, and even a retail store. Located on the lava bench along the coastline between Keikiwaha Point and Nenu Point are Sites 16747, 16755, 16756, and 16758, which are good examples of prehistoric permanent habitation sites that are in good condition within what is thought to have been the locus of activity in the Village cluster. Located near these habitation sites are two coastal heiau, Sites 16757 and 16762, that are in good condition and may have functioned in conjunction with each other to locate offshore fishing spot or to denote the distribution and/or procurement of marine resources. To the south of Pu'u Ohau and above Nawawa Bay, is a small cluster of sites that includes two prehistoric permanent habitation sites, a heiau, and on the south side of the bay at Wool's Landing, the foundation site of the old Greenwell store. This cluster includes several habitation sites.

An interim preservation and monitoring plan was approved by the Planning Department prior to Final Subdivision Approval. By letter dated April 13, 2000, the Department of Land and Natural Resources-Historic Preservation Division is requiring submission of the final preservation and monitoring plan. The implementation of a preservation and monitoring plan will satisfy the SMA objective to "Protect, preserve and where desirable restore significant historic and cultural resources."

While no endemic species of fauna was found, introduced species consisted of mongoose, cardinal, barred dove, mynah bird, golden plover, feral dogs, cats and pigs, and rodents. Endemic birds, such as the short-eared owl or Pueo and the Hawaiian Hawk or I'o may forage within this region. The applicant acknowledges that development of the project site will disrupt wildlife use of the site. The applicant anticipates that completion of the proposed development will "contribute to increased habitat diversity necessary for the fauna which are present or frequent the area" due to the availability of formal open landscaping associated with the lodge. Efforts will be made to avoid disturbing active nests of 'Io, should any be encountered during the project construction. 'Io are known to aggressively defend their nests by calling and flying at intruders. Any hawk acting in this manner would be an indication of a nest nearby.

Potential negative impacts on coastal waters during site preparation and construction can be mitigated through compliance with existing ordinances and regulations. Runoff or discharge generated by the proposed development which could reach ocean waters can be handled by on-site drainage improvements meeting with the approval of the Department of Public Works. Wastewater generated by the project will

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be disposed of within a wastewater treatment system meeting with the approval of the Department of Health. To further ensure that no significant adverse impacts to coastal systems are generated, a groundwater and coastal water monitoring plan(s) will be required.

The project conforms to the Land Use and Open Space requirements of the General Plan.

LAND USE AND OPEN SPACE

OPEN SPACE

The following goals, policies, and standards are set forth to insure the protection and wise use of open space in the County of Hawaii.

GOALS

- o Provide and protect open space for the social, environmental, and economic well-being of the County of Hawaii and its residents.
- o Protect designated natural areas.

POLICIES

- o Open space in the County of Hawaii shall reflect and be in keeping with the goals, policies, and standards set forth in the other elements of the General Plan.

The shoreline park area (State Conservation District) is planned to remain primarily as a natural open space with minimal improvements to support park activities. To further ensure that view planes will not be adversely impacted, all electrical and communication systems will be placed underground.

A Quantitative Assessment of the Marine Communities and Water Quality was completed in 1993 (Villages of Hokukano Final EIS). The Study concluded that "In general the marine communities resident to the waters fronting the Hokukano project site are diverse and the fish communities do not show the declines in abundance that have been encountered in many other Hawaiian coastal settings in recent years. No unusual marine species or communities were noted in the study area." "No threatened

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or endangered species were encountered within the study area, however, several humpback whales were noted well offshore of the project site during a March 1992 field effort. Despite not seeing green turtles (a threatened species), it is expected that turtles must, at a minimum, pass through the waters fronting the project site."

Coastal water quality characteristics were examined at 24 sites. Only one of these sampled a brackish water pool, the remaining stations sampled marine waters. Based on this analysis, "the waters fronting the project site are typical of well-flushed, undeveloped West Hawaii coastal settings."

Vehicle access to the shoreline would be provided by a mauka-makai road extending from the eastern (mauka) end of Hokuli'a property boundary and the Mamahaloa Bypass Road. The access road will extend to the parking area near the inland boundary of the shoreline park, near Keikiwaha Point and the southern boundary of Hokukano Village. The parking area would provide twenty five public parking stalls, with additional parking for park employees. A separate parking area will be provided for Hokuli'a residents to avoid private use of public parking area.

A trail network to facilitate pedestrian access through the park to view points, picnic and camping areas, sites of historic and cultural interest, and the shore are planned as part of the shoreline park improvements. The trail improvements will consist of footpaths, four to six feet wide, with a variety of surfaces, including concrete or grass pavers, paving stones, crushed rock or coral and a variety of grasses. All materials will be chosen to complement the passive nature and existing character of the area within the proposed shoreline park. Sections of the trail will meet appropriate Americans With Disabilities Act (ADA) specifications to allow barrier free access to portions of the park. The trail, pathways and trail connections are intended to meet the objectives of the park area regarding recreational access, enjoyment, safety, maintenance, viewshed protection, landscape, and management while preserving the unobtrusive and natural feel of the shoreline park.

Based on the above, the proposed shoreline park and other related improvements will not have a substantial adverse impact on the surrounding area, nor will its approval be contrary to the objectives and policies of Chapter 205A, HRS, relating to Coastal Zone Management and Rule 9 of the Planning Commission relating to the Special Management Area.

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Approval of this request is subject to the following conditions. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director shall initiate procedures to revoke this permit.

1. The applicant, successors, or assigns shall be responsible for complying with all of the stated conditions of approval.
2. A conservation district use permit shall be secured by the applicant from the Department of Land and Natural Resources.
3. The Shoreline Park and related improvements shall comply with the Final Comprehensive Public Access Plan approved by the Planning Director in consultation with the Department of Land and Natural Resources (DLNR). The plan includes measures for mauka-makai and lateral shoreline accesses, parking area(s), signage, emergency response considerations, restrictions on use, provision of recreational and restroom facilities and related improvements. The plan also integrates public accessways to the trail system and to appropriate historical and archaeological sites.
4. An area comprising twenty-five percent (25%) of the total park area shall be developed and improved by the applicant in phases within five (5) years from the date of final subdivision approval, September 18, 1999. The first phase shall be completed and open to the public within thirty (30) days following the opening of the golf course.
5. Upon opening the first phase of the park area, a minimum of twenty-five (25) public parking stalls shall be provided in addition to parking stalls for residents, guests, and employees within the subject property and the applicant's adjacent lands at the principal shoreline access parking area(s). Signage relating to provisions for public access for night fishing and marine food gathering purposes over designated vehicular and pedestrian access routes subject to restrictions which limit said uses to recreation uses only, and other restrictions which provide for health and safety of the general public and residents alike shall also be posted upon opening. Additional parking stalls may be required with subsequent park development phases.
6. To provide for ongoing management of the coastal area and the shoreline marine resources, a program for the long-term management of the coastal area and shoreline marine resources shall be implemented with the participation of an

advisory committee consisting of representatives of community groups, the park owner, the park management entity, and other interested individuals.

7. A solid waste management plan shall be prepared meeting with the approval of the Department of Public Works prior to submitting plans for Final Plan Approval. The plan shall include, but not be limited to, the management of construction solid waste as well as operating and domestic solid waste generated by the proposed development. Approval recommendations and mitigation measures shall be implemented meeting with the approval of the Department of Public Works.
8. During construction, measures shall be taken to minimize the potential of both fugitive dust and runoff sedimentation. Such measures shall be in compliance with construction industry standards and practices utilized during construction projects of the State of Hawaii.
9. All electrical and communication utilities and systems within the project site shall be placed underground.
10. A wastewater disposal system shall be constructed in a manner meeting with the approval of the State Department of Health and/or the Department of Public Works, whichever is applicable.
11. Construction of improvements within the shoreline park shall be subject to the requirements of Chapter 27 – Flood Control, of the Hawaii County Code. Campsites should not be located within the flood zones.
12. An interpretation plan shall be prepared and submitted for approval by the Planning Director, in consultation with the Department of Land and Natural Resources-Historic Preservation Division and Hawaiian community organizations. Approved mitigation measures shall be implemented prior to or in conjunction with any land alteration activity within the project area. The Plan shall also include a map of known lava tube/cave systems located within the shoreline park site.
13. Proposed mitigation treatment (preservation in place or disinternment/reinternment) for burial sites must be approved by the Historic Preservation Division's Hawaii Island Burial Council before detailed mitigation plans are finalized for these sites. A copy of the approved Final Data Recovery

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Plan and Preservation Plan shall be submitted to the Planning Director for its files prior to submitting plans for any land alteration permits.

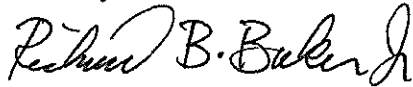
14. Should any unrecorded remains of historic sites, such as lava tubes, walls, terraces, platforms, artifacts, marine shell concentrations, or human burials be encountered, work in the affected area shall cease and the Department of Land and Natural Resources-Historic Preservation Division (DLNR-HPD) shall be immediately notified. Subsequent work shall proceed upon an archaeological clearance from the DLNR-HPD when it finds that sufficient mitigative measures have been taken.
15. The applicant shall comply with all applicable laws, rules, regulations, and requirements.
16. An annual progress report shall be submitted to the Planning Director prior to each anniversary date of the approval of this 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 the Planning Director acknowledges that further reports are not required.
17. An initial extension of time for the performance of conditions within this permit may be granted by the Planning Director upon the following circumstances:
 - A. The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns, and that are not the result of their fault or negligence.
 - B. Granting of the time extension would not be contrary to the General Plan or Zoning Code.
 - C. Granting of the time extension would not be contrary to the original reasons for the granting of this permit.
 - D. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year).

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This approval does not, however, sanction the specific plans submitted with the application as they may be subject to change given specific code and regulatory requirements of the affected agencies.

Should you have any questions, please contact Eleanor Mirikitani of the Planning Department Kona Office at 327-3510 or Alice Kawaha of the Planning Department Hilo Office at 961-8288.

Sincerely,



Richard B. Baker, Jr., Chairman
Planning Commission

Loceansidesma00-003PC

cc: Department of Public Works
Department of Water Supply
County Real Property Tax Division
West Hawaii Office
Office of Planning, CZM Program (w/Background)
Department of Land and Natural Resources
Kazu Hayashida, Director/DOT-Highways, Honolulu
Mr. Norman Hayashi
Mr. Jeffrey Darrow
Plan Approval Section
Mr. Richard Humphreys