

## County of Hawai'i

### PLANNING COMMISSION

Aupuni Center • 101 Pauahi Street, Suite 3 • Hilo, Hawai'i 96720  
Phone (808) 961-8288 • Fax (808) 961-8742

September 7, 2006

Mr. Lloyd Sueda  
Sueda & Associates, Inc.  
905 Makahiki Way  
Honolulu, HI 96826

Dear Mr. Sueda:

Special Management Area Use Permit Application (SMA 06-000013)  
Request: New Addition & Renovation to Existing Big Island Honda &  
Open Auto Display and Parking  
Applicant: JR Acquisitions, LLC  
Tax Map Key: 7-5-5:87 and 88

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The Planning Commission at its duly held public hearing on August 25, 2006, voted to approve the above-referenced application to allow a new addition and renovation to the existing Big Island Honda facility, open auto display, and employee parking. The properties involved are located on the makai side of Kuakini Highway, approximately 600 feet west of the intersection of Palani Road and Kuakini Highway, Kailua-Kona, North Kona, Hawaii.

Approval of this request is based on the following:

The purpose of Chapter 205A, Hawaii Revised Statutes (HRS), and 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.

The proposed 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. The applicant requests a Special Management Area Use Permit to allow a new addition and renovation to the existing Big Island Honda facility, open auto display and employee parking on two parcels.

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The proposed improvements on Parcel 87 include:

- Addition of a showroom display area
- New service receiving area
- Additional service bays and general interior renovation
- Exterior renovation fronting Kuakini Highway.

The existing dealership, currently 10,628 square feet in size, is proposed to be increased by 12,614 square feet for a total area of 23,242 square feet. The height of the structure will remain at approximately 25 feet.

The proposed improvements on Parcel 88 include:

- Grade, fill, pave and landscape the vacant site for an auto display and parking area.

The applicant states that "The Honda Business has continued to grow and in order to keep up with the demand and service of these automobiles, Honda finds it necessary to expand and renovate the existing facility to meet the needs of the existing and new customers." The cost of the improvements is approximately \$1,800,000.00 for Parcel 87 and \$500,000.00 for Parcel 88.

The proposed action will not create significant adverse impacts upon nearby and immediately adjacent properties. The project site is located makai of the Kuakini Highway between Kaiwi Street to the west and Palani Road to the east. Parcel 87, approximately 1.013 acres in size, is fully developed with the existing Big Island Honda building, paved open auto display and parking area. The project site includes open showrooms, sales area, administration office and a parts and service building. Parcel 88 is a vacant approximately 2.322-acre parcel adjacent to Parcel 87. This parcel is currently used for employee parking and proposed for the new auto display area. The project site has an average grade of approximately 3.7%.

Lands to the east and west are zoned CV-10 and are part of the Lanihau commercial lots which are vacant with the exception of the Kamehameha Square Shopping Center and the West Hawaii Today facility. Properties to the north are zoned MG-1a, site of the Kailua Industrial Subdivision, and includes various commercial and industrial uses. The parcel to the south is zoned V-.75, site of the King Kamehameha's Kona Beach Hotel.

While the proposed development will not have a direct impact upon coastal recreational resources, review of developments within the Special Management Area

must also consider the cumulative impacts of such developments upon these resources. With the proposed conditions, the development will not substantially affect scenic vistas or viewplanes of nearby residents nor have a significant adverse impact on coastal recreational or visual resources to the shoreline and coastal ecosystems. The property is located on Kuakini Highway approximately 1,000 feet mauka of the shoreline and will not restrict access to coastal recreational resources along the shoreline nor will it restrict existing visual viewplanes. The surrounding area has been improved with hotels and commercial uses and the existing developments makai of the project site obstructs the views of the coastline in the general area. Likewise, the viewplane from the shoreline towards the project site will not be impacted as surrounding properties to the south and west are developed. The project site is designated Zone "X", an area located outside of the 500-year flood plain.

Air quality in the area is predominantly affected by emissions from natural and vehicular sources. Both short-term air and noise quality impacts associated with the construction of the proposed improvements are expected during construction, especially during grubbing and grading activities. These impacts can be mitigated through the utilization of best management practices. Given the limited nature of the improvements, no significant long-term air and noise quality impacts are anticipated.

The proposed project 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. County water is available to the project site, and the automobile dealership will continue to use the existing sewerline along Kuakini Highway. Any potential runoff or discharge that could reach ocean waters can be handled by on-site improvements consistent with the requirements of the Department of Public Works. Any impacts from soil erosion and runoff during site preparation and construction phases can be adequately mitigated through compliance with existing regulations and proper construction practices. Air emissions generated during the construction phase for the proposed project can be mitigated by existing construction regulations. With these precautionary measures in place, the proposed development is not anticipated to have any substantial adverse effects upon nearby coastal resources or the surrounding environment. Conditions of approval will be included relating to wastewater, solid waste and public safety to ensure that impacts on coastal resources are minimized.

As the project site has been fully improved, no commissioned archaeological inventory survey and cultural assessment study was conducted for the area. However, the applicant has stated that should any unanticipated archaeological features or sites be uncovered during construction on either parcel, work in the affected area will cease and the Planning Department will be notified. Parcel 87 has been significantly altered and improved with an auto dealership. Parcel 88 has very little or no vegetation. As such, no

commissioned flora or faunal studies were conducted. The project site is improved with an auto dealership, and no traditional and customary native Hawaiian rights are exercised on the site.

The proposed development is consistent with the County General Plan and the Zoning Code. The General Plan Land Use Pattern Allocation Guide (LUPAG) Map establishes the basic urban and non-urban form for areas within the County. The subject area is designated Medium Density Urban. This designation includes village and neighborhood commercial and single family and multiple family residential and related functions. Thus, the proposed development is consistent with the LUPAG Map designation. The property is zoned Village Commercial 10,000 square feet (CV-10). Automobile sales are a permitted use in the CV-zoned district.

The existing access to the project site is from Kuakini Highway, and will continue to serve as the access to the facility. Although issues such as traffic are valid and important concerns, in *Topliss vs. Planning Commission*, the Third Circuit Court concluded that if the proposed development does not result in substantial adverse environmental or ecological effect, or is not inconsistent with the objectives, policies, and guidelines of the Coastal Zone Management Act, the Planning Commission's finding that the development would have significant adverse effects and impact on the existing roadway system in the area of the development is not a sufficient basis for denying the application. Traffic concerns can be a basis for denying an application, or for conditions that mitigate a traffic problem, if traffic from the proposed project would be inconsistent with the goals and policies of the Coastal Zone Management Act, for example, if the traffic would hamper the ability to evacuate a tsunami hazard or interfere with the public's ability to use the road for convenient access to coastal recreational areas.

Based on the above findings, it is determined that the proposed development and related improvements will not have any substantial adverse impacts 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 No. 9 of the Planning Commission relating to the Special Management Area.

Approval of this request is subject to the following conditions:

1. The applicant, its successor or assigns shall be responsible for complying with all stated conditions of approval of this permit.
2. The proposed improvements shall be completed within five (5) years from the effective date of this permit. Prior to construction, the applicant, successors or assigns shall secure Final Plan Approval for the proposed improvements from the Planning Director in accordance with Section 25-2-70, Chapter 25 (Zoning Code),

Hawaii County Code. Plans shall identify all existing and/or proposed structures, paved driveway access and parking stalls associated with the proposed development. Landscaping shall also be indicated on the plans for the purpose of mitigating any adverse noise or visual impacts to adjacent properties in accordance with the requirements of Planning Department's Rule No. 17 (Landscaping Requirements).

3. Parcels 86 and 87 shall be consolidated and resubdivided within one year from the effective date of this permit.
4. To mitigate potential interference with viewplanes from the Kuakini Highway, structures shall be limited to a maximum height of twenty-five (25) feet, measured according to Chapter 25, Hawaii County Code.
5. Comply with all recommended conditions of the Kailua Village Design Commission's letter dated November 21, 2005.
6. All development-generated runoff shall be disposed of on-site and shall not be directed toward any adjacent properties.
7. If required by the Department of Public Works, a drainage study shall be prepared by a licensed civil engineer and submitted to the Department of Public Works prior to the issuance of a construction permit. If required, the drainage improvements shall be constructed, meeting with the approval of the Department of Public Works, prior to the receipt of a Certificate of Occupancy.
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 earthwork and grading shall conform to Chapter 10, Erosion and Sediment Control of the Hawaii County Code.
10. A Solid Waste Management Plan shall be submitted to the Department of Environmental Management for review and approval prior to the issuance of a Certificate of Occupancy.
11. An Emergency Response Plan shall be submitted to the Hawaii County Civil Defense Agency for review and approval prior to the issuance of a Certificate of Occupancy.

12. Should any undiscovered remains of historic sites, such as rock walls, terraces, platforms, marine shell concentrations or human burials be encountered, work in the immediate 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 mitigation measures have been taken.
13. The applicant shall comply with all applicable County, State and Federal laws, rules, regulations and requirements.
14. An annual progress report shall be submitted to the Planning Director prior to the anniversary date of this permit. The report shall include, but not be limited to, the status of the development and extent to which the conditions of approval are being satisfied. This condition shall remain in effect until all of the conditions of approval have been satisfied and the Planning Director acknowledges that further reports are not required.
15. 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).
  - E. If the applicant should require an additional extension of time, the Planning Department shall submit the applicant's request to the Planning Commission for appropriate action.

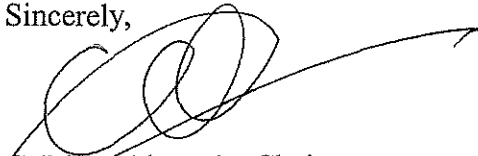
Should any of the conditions not be met or substantially complied with in a timely fashion, the Planning Director may initiate procedures to revoke the permit.

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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 Norman Hayashi of the Planning Department at 961-8288.

Sincerely,



C. Kim Alameda, Chairman  
Planning Commission

Ljrkonaacquisitions01PC

cc: Department of Public Works  
Department of Water Supply  
County Real Property Tax Division  
Planning Department - Kona  
Department of Land and Natural Resources/HPD-Kona  
Rodney Haraga, Director/DOT-Highways, Honolulu  
Ms. Alice Kawaha  
Zoning Inspector – Kona  
Plan Approval Section  
JR Kona Acquisitions, LLC