

## 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 22, 2009

Mr. Glen Koyama  
Belt Collins Hawai'i, Ltd.  
2153 North King Street, Suite 200  
Honolulu, HI 96819

Dear Mr. Koyama:

#### **Special Management Area Use Permit (SMA 09-000034)**

Applicant: Kona Country Club, Inc.

Request: 60 Multi-Family Residential Units

Tax Map Key: 7-8-10:101

The Leeward Planning Commission at its duly held public hearing on August 28, 2009, voted to approve the above-referenced request for a Special Management Area Use Permit to allow the development of 60 residential units, which may include a mix of multiple family and single family residential units and related improvements. The area involved is located mauka of the Māmalahoa Bypass Highway, between the highway and the Kona Country Club mauka golf course, Keauhou Resort, Keauhou, North Kona, Hawai'i.

Approval of this request is based on the following:

The applicant requests a Special Management Area Use Permit to allow the development of 60 residential units, which may include a mix of multiple-family and single-family residential units, and related improvements. Preliminary plans include attached homes clustered in groups of 6 to 14 dwellings and surrounded by landscaped common areas or open space. According to the applicant, the final concept may consist of a mix of multi-family residential and single-family residential lots depending on the market at the time of construction. The mix of units may vary, but the ultimate density will be the same. The project includes:

- A maximum of 60 residential units
- Recreation center, to possibly include a pavilion or lanai, swimming pool, and barbeque area

- Private access road, entry way, and common internal driveway to individual units

The applicant has requested a concurrent Change of Zone from Agricultural (A-5a) to Multiple-Family Residential (RM-30) to allow the proposed development.

The purpose of Chapter 205A, Hawaii Revised Statutes (HRS), and Special Management Area Rules and Regulations of the County of Hawai'i, is to preserve, protect, and where possible, restore the natural resources of the coastal zone areas. Therefore, special controls on development within the SMA are necessary to avoid permanent loss of valuable resources and the foreclosure of management options, and to insure that adequate public access is provided to public-owned or used beaches, recreation areas, and natural reserves, by dedication or other means. The grounds for approving an SMA permit are based upon the following criteria:

**The proposed development will not have any substantial 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.

The project site is located mauka of Ali'i Drive and the Māmalahoa Highway Bypass. The distance of the project site from the shoreline would preclude any substantial adverse impacts the proposed development may have upon coastal recreational and visual resources, public access to and along the shoreline, or upon the coastal ecosystem. Wastewater will be collected in sewer lines located in Alii Drive. The sewer lines are part of the Keauhou Resort's sewer system owned and maintained by the Keauhou Community Services Inc. The applicant will construct a sewerline along its golf course boundary from the proposed development to the existing sewer line in Alii Drive. Any potential runoff or discharge which could reach ocean waters can be handled by on-site improvements provided in accordance with existing County regulations. Likewise, any impacts from soil erosion and runoff during site preparation and construction phases can be adequately mitigated through compliance with existing County erosion and sedimentation control regulations as well as standard construction practices.

**The proposed development will not create significant adverse impacts upon nearby and adjacent properties.** Surrounding parcels include the Kona Country Club mauka golf course to the north and east (zoned Open), open space zoned A-5a west and south of the site, and a future access road on the south. Short-term air quality impacts area also expected, however these impacts will be mitigated through the utilization of best management practices as outlined in a dust control plan. All development-generated

runoff will be disposed of on-site and will not be directed toward any adjacent properties. The project site is located within an area adequately served with essential services and facilities such as water, sewer, transportation systems and other utilities.

**The proposed project is consistent with the objectives and policies provided by Chapter 205A, HRS, and Special Management Area guidelines contained in Rule No. 9 of the Planning Commission Rules of Practice and Procedure. An**

Archaeological Inventory Survey was conducted by Cultural Surveys Hawai'i in December, 1992 and revised in September 1994. During the survey, twenty sites were located within the project site. These sites included a temporary and permanent habitation, agricultural features, trails and burials. The State Department of Land and Natural Resources - Historic Preservation Division (DLNR-HPD) issued a letter dated November 7, 1994 accepting the report's findings and recommendations, which included the preservation of four possible significant sites: a burial site (Site No. 7610), a platform with a possible burial (Site No. 7671), a permanent habitation site (Site No. 7803), and a temporary habitation site (Site No. 7682). These sites will be preserved in the buffered landscaped areas of the proposed development.

Cultural Surveys Hawai'i is currently conducting a cultural impact assessment report of the project site. Several individuals, community organizations, and the Office of Hawaiian Affairs were contacted regarding information about the area. None of the interviewees identified accesses or trails through the project site that are or have been used for cultural practices. There are no air quality monitoring stations in the West Hawaii Region. The existing noise generated in the area is coming from the noise from Ali'i Drive and surrounding areas. The principal source of short-term air quality impacts will be associated with the development of the project. Given the limited nature of the improvements, no long term air and noise quality impacts are anticipated. The project will not impact views of the Kona coastline for motorists traveling on Alii Drive and Māmalahoa Highway Bypass, as the property is located mauka of the roadways. The location of the project site and the slope of the land would combine to mitigate any substantial adverse impact to the coastal viewplane. The project is not noted as an area of natural beauty in the General Plan. Therefore, the proposed development will not adversely impact any coastal scenic or open space resources.

Due to its distance from the shoreline, the project site is not situated within an area that may be impacted by coastal flooding hazards. The project site is located in Zone "X", areas outside of the 500-year flood plain. The Department of Public Works recommends that a drainage study be prepared and a recommended drainage system installed meeting with their approval. The preparation of such a study will be included as a condition of this approval.

**The proposed development is consistent with the General Plan, Kona Community Development Plan (CDP), Zoning Code and other applicable ordinances.** The proposed project conforms to the General Plan Land Use Pattern Allocation Guide (LUPAG) Map, which designates this area for Urban Expansion. Urban Expansion allows for a mix of high density, medium density, low density, industrial and/or open designations in areas where new settlements may be desirable, but where the specific settlement pattern and mix of uses have not yet been determined. The proposed development also complements the goals, policies and standards of the Land Use and Economic elements of the General Plan. The applicant has submitted a concurrent change of zone from A-5a to RM-30 to allow the development of the project.

In view of the Hawai'i State Supreme Court's "PASH" and "*Ka Pa'akai O Ka'Aina*" decisions, the issue relative to native Hawaiian rights, such as gathering and fishing rights, must be addressed. These rights must be addressed in terms of the cultural, historical, and natural resources and the associated traditional and customary practices of the site:

Investigation of valued resources:

- An Archaeological Inventory Survey was conducted by Cultural Surveys Hawai'i in December, 1992 and revised in September 1994.
- Cultural Surveys Hawai'i is currently conducting a cultural impact assessment report of the project site.

The valuable cultural, historical, and natural resources found in the area: The Archaeological Inventory Survey revealed twenty sites located within the project site. These sites included a temporary and permanent habitation, agricultural features, trails and burials. The State Department of Land and Natural Resources - Historic Preservation Division (DLNR-HPD) issued a letter dated November 7, 1994 accepting the report's findings and recommendations, which included the preservation of four possible significant sites. These sites will be preserved in the buffered landscaped areas of the proposed development.

Possible adverse effects or impairment of valued resources: The project will require site grading and grubbing, and construction of various improvements such as roadways. These activities will cause changes to the vegetation types which presently

exist on the project site. Native vegetation may be destroyed by ground alteration. Changes in species composition will be introduced through landscaping and natural processes, perhaps resulting in a loss of some native plants. However, these plants are found in similar habitats throughout the general area and continue to grow within the natural lava. There is no evidence that the flora in the area are particularly desired or used for cultural practices.

The project will also alter the existing fauna on the site. The clearing and landscaping of large areas will create non-native habitat areas. Existing on-site species may be dislocated as part of the project development. No rare or endangered plant or avian species were identified within or near the project site.

Feasible actions to protect native Hawaiian rights: The project site is located mauka of Alii Drive and the Māmalahoa Highway Bypass and will not be impacted by coastal hazard and beach erosion. There are no identified recreational resources or public access to the shoreline or mountain areas, scenic and open space preserves, coastal ecosystems, marine resources or other natural and environmental resources in the project area. According to the applicant, no gathering is taking place in the project area. Thus, to the extent to which traditional and customary native Hawaiian rights are exercised, the proposed action will not affect traditional Hawaiian rights; therefore, no action is necessary to protect these rights.

Based on the above findings, the proposed project will not have 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:

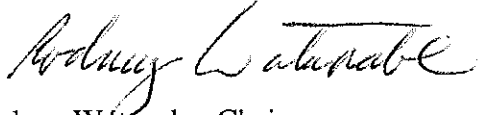
1. The applicant(s), successor or assigns shall be responsible for complying with all stated conditions of approval.
2. The effective date of the SMA Use Permit shall be the effective date of the accompanying Change of Zone (REZ 09-000098) for this project.
3. The applicant(s), successors or assigns shall comply with all the conditions in the accompanying change of zone ordinance.

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.

Mr. Glen Koyama  
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Should you have any questions, please contact Norman Hayashi of the Planning Department at 961-8288.

Sincerely,



Rodney Watanabe, Chairman  
Leeward Planning Commission

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cc: Mr. Sidney Fuke  
Department of Public Works  
Department of Water Supply  
County Real Property Tax Division  
Planning Department - Kona  
Department of Land and Natural Resources/HPD  
DOT-Highways, Honolulu  
Ms. Alice Kawaha  
Zoning Inspector-Kona  
Subdivision Section  
Mr. Gilbert Bailado ✓