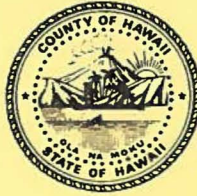


Harry Kim
Mayor



Christopher J. Yuen
Director

Roy R. Takemoto
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-8742

November 7, 2002

Mr. Steven H. Shropshire, Manager
Shropshire Group, LLC
P.O. Box 1146
Hilo, Hawaii 96721

Dear Mr. Shropshire:

**SUBJECT: Special Management Area (SMA) Use Permit Assessment Application
(SMAA No. 02-40) & SMA Minor Permit No. 124
Applicant: Steven H. Shropshire
Request: To Implement a Federal NRCS Soil Erosion Conservation Plan
& Bulk Export Commercial Nursery Operation
TMK: 2-7-004: 025, Papaikou, South Hilo, Hawaii**

This is to acknowledge receipt of the above SMA assessment application. SMA Minor Permit No. 124 has been approved for the proposed conservation plan and nursery operation. Enclosed with this letter is SMA Minor Permit No. 124, subject to conditions.

This project involves the implementation of a soil erosion conservation plan prepared in cooperation with the federal Natural Resources Conservation Service (NRCS) - USDA (United States Department of Agriculture). The second aspect of the proposal is the use of the property for the commercial nursery operation of Aloha Green Plants. No construction is planned or proposed for this project.

In addition to the SMA minor permit and pursuant to SMA Rule 9-4(10)C, the two proposals are exempt from the SMA definition of "development" as both uses are consistent with the exemption criteria of Rule 9-4(10)B(viii). The nursery operation is an activity consistent with the use of parcel 25 for an agricultural purpose. The rule specifically exempts the cultivating, planting, growing, and harvesting of plants or crops. The proposed conservation measures are exempt under the other agricultural purpose classification of the exemption rule. Therefore, pursuant to Rule 9-10G, the soil conservation plan and the commercial nursery business is exempt from the SMA rules.

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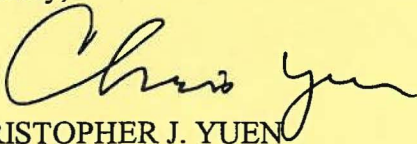
Mr. Steven H. Shropshire, Manager
Shropshire Group, LLC
Page 2
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The property's state land use designation and County zoning is Agricultural, but a corridor along the coastline is in the state land use Conservation district. The General Plan's LUPAG map designation is Open along the coastline and Low Density for the inland remainder of the lot. The use of the property for agricultural development is consistent with the agricultural zoning and the Open designation. No conservation work is planned in the state Conservation district coastline corridor until a state permit is obtained. In addition, according to the General Plan, parcel 25 is not listed as a site example of natural beauty or a viewpoint or view-plane.

Haw. Rev. Stat. sec. 205A-26(3)(D) is the SMA guideline that requires, where reasonable, to minimize any development which would substantially interfere with or detract from the line of sight toward the sea from the state highway nearest the coast. Hawaii State Route 19 is the nearest coastal state highway to parcel 25, mauka of and at an elevation above the project site. From the highway, the line of sight toward the sea overlooks parcel 25. Therefore, since no new construction is required of this project and the only development is for open dracaena stock fields, the proposed use should not substantially interfere with or detract from the line of sight guideline.

Although an SMA minor permit has been granted and the proposal is exempt from further SMA review, it is still subject to all other applicable state and County regulations. If you have any questions, please call Earl Lucero of my staff at 961-8288.

Sincerely,



CHRISTOPHER J. YUEN
Planning Director

EML:mad

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cc: Long Range Planning
Ms. Kori D. Hisashima, Soil Conservationist – USDA-NRCS

SPECIAL MANAGEMENT AREA MINOR USE PERMIT NO. 124

Approved Development:

To implement preventive soil erosion practices and measures of the U.S. Department of Agriculture Natural Resources Conservation Service (NRCS) conservation plan (September 17, 2002) on approximately 108 acres. This project includes the use of Parcel 25 for the commercial nursery operation of Aloha Green Nursery, to expand the stock fields for Dracaena, the primary crop. Nursery operations will propagate, cut, process, and finish the crop for out-of-state bulk export. Agricultural activity will also include some fruit and vegetable production.

Applicant's Name: Steven H. Shropshire

TMK: 2-7-004: 025

Land Area: 112.7 acres

Compliance with Objectives and Policies of Chapter 205-A, Hawaii Revised Statutes regarding the Special Management Area

Check all objectives and policies found to be consistent with proposed development.
Issuance of SMA Minor Use Permit requires that activity be consistent with all objectives & policies.

- ☒ 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 the elimination of planning options.
- ☒ The proposed development is consistent with the Hawaii County General Plan and Zoning Code.

**Compliance with Objectives and Policies of Chapter 205-A, Hawaii Revised Statutes
regarding the Special Management Area**

Check all objectives and policies found to be consistent with proposed development.

Issuance of SMA Minor Use Permit requires that activity be consistent with all objectives & policies.

- ☒ The proposed development does not conflict with the following objectives of Chapter 205A, Hawaii Revised Statutes to:
 - ☒ Provide coastal recreational opportunities accessible to the public.
 - ☒ Protect, preserve, and where desirable, restore those natural and man-made historic and pre-historic resources in the coastal zone management area that are significant in Hawaiian and American history and culture.
 - ☒ Protect, preserve, and where desirable, restore or improve the quality of coastal scenic and open space resources.
 - ☒ Protect valuable coastal ecosystems from disruption and minimize adverse impacts on **all** coastal ecosystems.
 - ☒ Provide public or private facilities and improvements important to the State's economy **in** suitable locations.
 - ☒ Reduce hazard to life and property from tsunامي, storm waves, stream flooding, erosion, subsidence and pollution.
 - ☒ Improve the development review process, communication, and public participation in **the** management of coastal resources and hazards.
 - ☒ Stimulate public awareness, education, and participation in coastal management.
 - ☒ Protect beaches for public use and recreation.
- ☒ The proposed development is consistent with the following policies of Chapter 205A, Hawaii Revised Statutes relating to:
 - ☒ Recreational resources
 - ☒ Historic resources
 - ☒ Scenic and Open Space resources
 - ☒ Coastal Ecosystems
 - ☒ Economic Uses
 - ☒ Coastal Hazards
 - ☒ Managing Development
 - ☒ Public Participation
- ☒ Beach Protection
- ☒ The proposed development conforms with the requirements of Hawaii Revised Statutes Chapter 343, Environmental Impact

Conditions of Approval

1. The applicant(s), its successors or assigns shall be responsible for complying with all stated conditions of approval.
2. SMA Minor Permit No. 124 is valid for a period of not more than five (5) years from the Planning Director's date of approval, indicated below.
3. The applicant(s), its successors or assigns shall comply with all other laws, rules, regulations and requirements, including the Department of Public Works.
4. Consult with the State Department of Land and Natural Resources to determine whether a Conservation District Use Permit will be required to implement the proposed soil conservation plan. No work shall be allowed in the area of Parcel 25 in the State Land Use Conservation District.
5. The shoreline setback on Parcel 25 is 40-feet, measured inland from the pali cliff line. No work is allowed within the 40-foot shoreline setback area.
6. Request(s) for an extension of time shall be submitted to the Planning Director. Pursuant to SMA Rule 9-11E, written requests shall be filed sixty (60) days before the expiration of this permit. The request shall state the length of time requested and the reasons for the time extension.
7. The Planning Director may grant an extension of time upon the following circumstances:
 - a) non-performance is a result of unforeseen conditions or conditions beyond the control of the applicant, successors, assigns, and are not a result of their fault or negligence;
 - b) granting of the time extension would not be contrary to the original reasons for the granting of the permit; and
 - c) 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).
7. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director may initiate procedures to revoke the permit.

APPROVED:

Chris Yuen

CHRISTOPHER J. YUEN
Planning Director

NOV 8 2002

Date