

CERTIFIED MAIL

September 6, 1988

Mr. Telford Lewis III
Superior Coffee and Foods-Hawaii
99-910 Iwaena Street
Aiea, Oahu, HI 96701

Dear Mr. Lewis:

Special Permit Application (88-21)
Tax Map Key: 7-9-10:6 (portion)

The Planning Commission at its duly held public hearing on August 30, 1988, voted to approve your application, Special Permit No. 680, to allow the establishment of a coffee mill, warehousing, museum, retail outlet and related improvements on approximately 5.7+ acres of land at Hokukano 2nd, North Kona, Hawaii.

Approval of this request is based on the following:

The proposed use will not be contrary to the objectives sought to be accomplished by the Land Use Law and Regulations. The intent of these statutory provisions is to preserve, protect and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people in Hawaii. The purpose of the request is to allow the establishment of the Royal Kona Coffee Mill and Visitor Center at this location. Presently, the applicant has a warehouse for servicing of retail and institutional products at Kailua-Kona and its mill and museum along the Napoopoo Road. The intent is to consolidate these two activities situated in different locations to the subject property. The State Land Use law allows the establishment of agriculturally-related milling operations within the Agricultural district provided that the product is also raised or grown on the property. While no coffee will be grown on the premise, a number of coffee farms are situated in close proximity to the property. The relocation of the existing dry coffee milling operation to this property will directly benefit coffee growers in the area and the industry as a whole. Therefore, the mill and visitor

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center operation, which will also include warehousing, museum, and a retail outlet for coffee and related agricultural products, will continue to assist in the promotion of the coffee and other agricultural industries on the island. In light of the foregoing, it is determined that the use of the Special Permit procedure is appropriate in view of the direct relationship between the requested uses and the uses permitted within the Agricultural district. It is apparent that the request will complement and not be detrimental to the underlying district designation, and that it is not such a large scale intrusion that would make it inappropriate for placement within the State Land Use Agriculture district.

The request also conforms to the General Plan Land Use Pattern Allocation Guide (LUPAG) Map which designates the property for Medium Density Urban Development. Such a designation may allow commercial uses. Approval of the subject request would also complement the General Plan Economic goal which states, "The County of Hawaii shall strive for diversification of its economy by strengthening existing industries and attracting new endeavors."

The approval of the subject request is not expected to adversely affect surrounding properties. The proposed facility will be located in close proximity to other non-noxious limited industrial and commercial uses in the area. These uses include the Kona Rancho Produce warehousing and storage facility and other retail commercial uses. Furthermore, the applicant will be required as a condition of approval of this permit to provide for structural and landscape buffers for any potential impacts of noise, dust or possible odor. These concerns can be further addressed through the Plan Approval process established in the Zoning Code. Under these circumstances, it is felt that the operation of this particular facility should not have any substantial adverse effects on the surrounding land uses.

The approval of the request should not unreasonably burden public agencies to provide roads and streets, sewers, water, drainage, and police and fire protection. The property is in close proximity to urbanized areas which have long had these essential services. Water can be made available from an 8-inch water line along Mamalahoa Highway. All other essential utilities and services, including fire and police protection, are readily available to the property.

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Unusual conditions, trends, needs have arisen in relation to the subject request since the establishment of the district boundaries and regulations. After the enactment of the State Land Use Law in 1961, the coffee industry in Kona had been initially going into a general decline. However, since 1981, this downward trend has reversed. Along with the increase in production, there has been the introduction of additional outlets, such as proposed, for coffee farmers, providing them with new marketing options. These options have spurred renewed interest among the coffee growers.

While the property is considered to be good agricultural land, because of its relative location to the existing commercial areas, the property was designated for Medium Density Urban uses on the General Plan. Although the property will not be in actual agricultural use, the uses proposed or considered directly relates to the agricultural industry. Therefore, the establishment of the proposed uses would still benefit the coffee and other related agricultural industries in the area.

Based on the foregoing, we have determined that the proposed uses are unusual and reasonable uses of the land within the State Land Use Agricultural District and that the approval of the request would promote the effectiveness and objectives of Chapter 205, HRS, as amended.

Approval of this request is subject to the following conditions:

1. The applicant, its assigns or successors, shall be responsible for complying with all conditions of approval.
2. The applicant shall submit the required water commitment payment to the Department of Water Supply in accordance with its "Water Commitment Policy" within ninety days from the date of approval of the Special Permit. The Special Permit shall become effective after the water commitment payment has been accepted by the Department of Water Supply.
3. Plans for the mill and visitor center, including parking and a detailed landscaping plan, shall be submitted for plan approval review within one year from the effective date of the Special Permit. Parking shall comply with the requirements of Chapter 25 (Zoning Code), Hawaii County Code, as amended. No parking variance from the Code shall be applied for or granted. Landscaping along the adjoining property lines shall be provided for adequate noise and visual buffers. 12/6/88

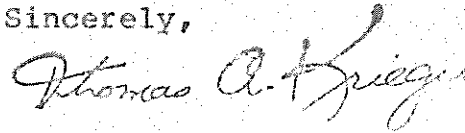
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4. Construction of the proposed facility shall commence within one year from the date of receipt of Final Plan Approval and be completed within two years thereafter.
5. Only one driveway access shall be allowed from Mamalahoa Highway. The location of the access shall meet with the approval of the Department of Public Works.
6. A list of items (general categories) to be sold within the retail outlet shall be submitted to and approved by the Planning Department prior to the issuance of the occupancy permit.
7. The daily hours of operation of the visitor center (retail outlet and museum) shall be from 8:00 a.m. to 5:00 p.m.
8. All other laws, rules, regulations, and requirements, including those of the State Department of Health, shall be complied with.
9. An annual progress report shall be submitted to the Planning Director prior to the anniversary date of the approval of the 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 and the Planning Director acknowledges that further reports are not required.
10. An extension of time for the performance of conditions within the 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 the permit; and 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). Further, should any of the conditions not be met or substantially complied with in a timely fashion, the Director may initiate procedures to nullify the permit.

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Please feel free to contact the Planning Department if there are any questions on this matter.

Sincerely,



Thomas A. Krieger
Chairman, Planning Commission

xc: Mr. Jeff Morrison
Department of Public Works
Department of Water Supply
County Real Property Tax Division
Planning Office - Kona
State Land Use Commission
bcc: Plan Approval Section