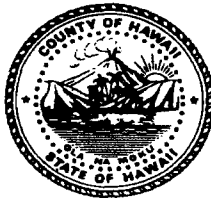


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County of Hawai'i

LEEWARD PLANNING COMMISSION

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

APR 26 2019

Mr. Sidney Fuke
Planning Consultant
100 Pauahi Street, Suite 212
Hilo, HI 96720

Dear Mr. Fuke

SUBJECT; Special Permit No. SPP 19-000205
Applicant: Kona Distilling Company, LLC
Permitted Use: Allows the Establishment of a Micro-Distillery with a
Supportive Visitor Center Component and Related
Improvements
Tax Map Key: 7-5-017:002 (por.)

The Leeward Planning Commission, at its duly held public hearing on April 18, 2019, considered the above-referenced request to allow the establishment of a micro-distillery, visitor's center (including a tasting component) and related facilities on approximately 7.5 acre portion of 70.977 acres of land in the State Land Use Agricultural District. The property is located at 75-6099 Kuakini Highway, along the northeast side of Kuakini Highway, directly mauka (east) of Kona Sea Villas, Kahului 1st, North Kona, Hawai'i.

Approval of this permit is subject to the following conditions:

1. The applicant, its successor or assigns shall be responsible for complying with all stated conditions of approval.
2. The proposed micro-distillery, visitor center with a tasting room, and related accessory improvements shall be conducted in a manner that is substantially representative of plans and details contained within the Special Permit Application dated January 14, 2019, any

supplemental material, and the representations made before the Leeward Planning Commission. Any substantial expansion of the facility or uses beyond what is represented in this document shall require an amendment to this permit.

3. Weddings, concerts, conventions, and other types of special events and activities shall be prohibited.
4. As represented by the applicant, all visitor activities to the site shall occur daily between 9:00 a.m. and 6:00 p.m. or sunset, whichever occurs later.
5. Prior to issuance of Final Plan Approval, the applicant shall provide to the Planning Department a metes and bounds survey of the approximately 7.5-acre permit area in map and written form, on the subject property. At no time shall the activities permitted under this Special Permit take place outside of the permit area.
6. Construction of the proposed development shall be completed within five (5) years from the effective date of this permit. Prior to construction, the applicant shall secure Final Plan Approval for the proposed development from the Planning Director in accordance with Section 25-2-70, Chapter 25 (Zoning Code), Hawai'i County Code. Plans shall identify all existing and proposed structures, fences, signage, water sources (potable and non-potable), wastewater systems, fire protection measures, paved driveway access and parking stalls, outdoor lighting (if any, lighting must be shielded with light directed downwards), landscaping and other improvements associated with the proposed development.
7. As represented by the applicant, any new structures within the Special Permit Area shall be limited to a height of twenty-five (25) feet.
8. All existing and new driveway connections to Kuakini Highway and work within the County Right-of-Way shall conform to Chapter 22 – County Streets – of the Hawai'i County Code. Access to Kuakini Highway, including the provision of adequate sight distances, shall meet with the approval of the Department of Public Works, Engineering Division. Prior to the issuance of Final Plan Approval, the applicant shall submit a sight distance analysis for review and approval by the Department of Public Works. Any related improvements required by the Department of Public Works shall be implemented prior to Certificate of Occupancy.
9. Prior to issuance of a Certificate of Occupancy, the applicant shall provide fire protection measures appropriate for the proposed use meeting with the approval of the Fire Department, including but not limited to water storage for firefighting purposes, water supply with sufficient fire flow rate, and providing fire department access roads with adequate turning radiuses to support the proposed development.

10. Prior to issuance of Final Plan Approval, the applicant shall submit a drainage study prepared by a licensed engineer to the Department of Public Works prior to the issuance of a construction permit. Any recommended drainage improvements, if required, shall be constructed meeting with the approval of the Department of Public Works prior to receipt of a Certificate of Occupancy.
11. All existing and proposed structures shall connect to the public sewer in accordance with Section 21-5 of the Hawai'i County Code. Prior to connection, the applicant shall conduct a sewer study in accordance with the applicable wastewater system design standards prior to approval to connect to the County Sewer system. The applicant shall provide such sewer line or other facility improvements as the Director of DEM may reasonable require, or as indicated by the sewer studies proposed mitigation of impacts for the proposed project.
12. Prior to the issuance of Plan Approval, the applicant shall submit for all uses on the property, estimated maximum daily water usage calculations, prepared by a professional engineer licensed in the State of Hawai'i, for review and approval. The water usage calculations shall include the estimated peak flow in gallons per minute (GPM) and the total estimated maximum water usage in GPD. The calculations should also include information pertaining to how the non-potable water use will be addressed for the agricultural activities. If required, a water commitment deposit shall be paid to the DWS prior to issuance of Final Plan Approval in accordance with Rule 5 of the Department of Water Supply's Rules and Regulations. The applicant shall construct necessary water system improvements as required by the DWS.
13. The applicant shall install a reduced pressure type backflow prevention assembly within five (5) feet of any additional water meters on private property, which must be inspected and approved by the Department of Water Supply. The proposed food service operation shall meet the requirements of Chapter 50, Food Safety Code. The applicant shall secure a food establishment permit from the State Department of Health, prior to commencement of any food service to visitors. A copy of the permit shall be provided to the Planning Department prior to issuance of a Certificate of Occupancy.
14. In the unlikely event that surface or subsurface historic resources, including human skeletal remains, structural remains (e.g. rock walls, terraces, platforms, etc.), cultural deposits, marine shell concentrations, sand deposits, or sink holes are identified during the demolition and/or construction work, cease work in the immediate vicinity of the find, protect the find from additional disturbance and contact the State Historic Preservation Division at (808) 933-7651. Subsequent work shall proceed upon an archaeological clearance from DLNR-SHPD when it finds that sufficient mitigation measures have been taken.

15. To protect any Hawaiian hoary bats in the vicinity of the property, barbed wire fencing shall not be used in the permit area and woody vegetation over 15 feet in height shall not be disturbed, trimmed or removed during bat birthing and pup rearing season of June 1st to September 15th without first conducting surveys for bat nests and coordinating with US Fish and Wildlife Service (USFWS) if nests are found. Surveys shall be conducted by a qualified biologist.
16. To protect the Blackburn's sphinx moth, the applicant shall follow the recommendations of the State Department of Land and Natural Resources – Department of Forestry and Wildlife in their memo dated March 12, 2019.
17. To protect any Hawaiian hawks in the vicinity of the property, ground clearing, grubbing activities and construction shall not occur in the permit area during hawk breeding season of March 1st to September 30th without first conducting surveys for hawk nests and coordinating with USFWS if nests are found. Surveys shall be conducted by a qualified ornithologist and are only valid for 14 days. Ground clearing or construction shall not occur within 1,600 feet of any active Hawaiian hawk nest during the breeding season. Regardless of the time of year, trimming or cutting trees containing a hawk nest is prohibited.
18. To protect any seabirds (Hawaiian petrels, Newell's shearwaters and band-rumped storm petrel) in the vicinity of the property, any lighting shall be fully shielded so that the bulb can only be seen from below bulb height. The lights shall be turned off when human activity is not occurring in the lighted area.
19. The applicant shall comply with all applicable County, State and Federal laws, rules, regulations and requirements.
20. An initial 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.

Mr. Sidney Fuke
Planning Consultant
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- 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).

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.

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.

Approval of this permit is based on the reasons given in the attached Findings Report.

Should you have any questions, please contact Jeff Darrow of the Planning Department at 961-8158.

Sincerely,

Keith F.
Unger

Digitally signed by Keith
F. Unger
Date: 2019.04.26
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Keith F. Unger, Chairman
Leeward Planning Commission

LKonadistillingSPP19-205|pc
Enclosure: PC Findings

cc: Kona Distilling Company, LLC
Department of Public Works
Department of Water Supply
County Real Property Tax Division
State Land Use Commission
Department of Environmental Management
State DLNR-HPD
US Fish and Wildlife Service
Plan Approval Section
Mr. Gilbert Bailado

COUNTY OF HAWAI‘I
PLANNING COMMISSION FINDINGS

KONA DISTILLING COMPANY, LLC
SPECIAL PERMIT APPLICATION NO. 19-000205 (SPP 19-205)

Based on the following findings, Special Permit No. 19-000205 is hereby issued to allow the establishment of a micro-distillery, visitor’s center (including a tasting component) and related facilities on an approximately 7.5-acre portion of 70.977 acres of land in the State Land Use Agricultural District. The subject property is located at 75-6099 Kuakini Highway, along the northeast side of Kuakini Highway, directly mauka (east) of Kona Sea Villas, Kahului 1st, North Kona, Hawai‘i TMK: (3) 7-5-017: 002 (por.).

The applicant is requesting a Special Permit to convert an existing warehouse and associated development into a micro-distillery, visitor center, retail area, and agricultural production on and approximately 7.5-acre portion of 70.977 acres of land situated within the SLU Agricultural District. According to the applicant, the proposed development will consist of the following improvements:

- Conversion of the existing 10,000 square-foot warehouse structure for the proposed distilling operation, which will include: a 1,000 square-foot area to store and process *ti* root and other agricultural products; a 2,200 square-foot area for distilling of agricultural products; a 1,300 square-foot area for barrel storage and aging of the distilled spirits; an 800 square-foot area for bottling beverages; a 920 square-foot storage area for bottled beverages; and a 1,000 square-foot office area and 256 square-foot restroom area.
- In addition, the applicant proposes a 2,200 square-foot visitor center/tasting room that would accommodate product tasting, a small retail area and a small certified kitchen within the existing 10,000 square-foot warehouse structure. The visitor center would allow visitors to taste the distilled spirit products and have light snacks/pupus. The retail area would be for the sale of the applicant’s products, as well as other value-added Hawaiian-produced agricultural products such as sugar cane candy, honey, macadamia nuts, coffee, chocolate and merchandise (shirts, caps, glassware) related to the distillery. The visitor center area will be capable of accommodating 25-30 people.
- Construction of fourteen (14) paved parking stalls that includes two (2) ADA accessible parking spots, as well as the creation of two (2) loading zones to support facility operations.
- Conversion of an existing dwelling on the property for employee and/or caretaker housing.

Cultivation of *ti* root, sugar cane, coffee, avocado, citrus, breadfruit and agricultural products for the distillery on a portion of the Special Permit area and within existing shade houses outside of the Special Permit area. Initially, the coffee, sugar cane, and *ti*-root will come from off-property. While sugar cane is proposed to be planted on the property, if it cannot be sustained, the finished juice will be brought in from other local sources. The *ti* root or any of the other agricultural products would be crushed in an electric powered mill to extract the juice. The juice or fermented liquid would then be distilled in a 240-gallon still. As the vapor is the final product, the system is closed and virtually all of it is captured as *‘ōkolehao* or other alcoholic spirits in sealed containers. It would then be stored in barrels and then bottled.

At full capacity, the applicant expects the proposed micro-distillery to produce about 11,000 nine (9)-liter cases per year to be distributed to various markets both locally and abroad. In addition, the applicant feels that the visitor's center use would be consistent with the principles of agri-tourism and have become popular throughout the state, providing a business venture that is linked to agricultural crops grown on or off the subject parcel. Like sugar and its rum production, fermented *ti*-root also has a historical and agri-tourism value as fermented *ti*-root was historically used by Hawaiians as an alcoholic, beer-like spirit called *'ōkolehao*. It is the applicant's objective to promote the "farm to bottle" concept, while promoting local agricultural crops, education related to production of the distilled spirits, and providing a retail area for local products.

The applicant initially plans to utilize and convert an existing 10,000 square-foot warehouse structure within the 7.5-acre Special Permit area for its entire distillery/visitor's operation. However, in the future some of the structures and functions may be relocated to other parts of the Special Permit area to facilitate the operations of the distillery or provide some general upgrades. In that case, the applicant intends to generally stay within 10,000 square feet of operating area, all of which will be located within the Special Permit Area. If distillery/visitor uses are relocated outside of existing sting warehouse, the uses in that structure would be limited to those consistent with the Agricultural zoning. Finally, according to the applicant, any new structure shall not exceed the 25-foot height of the existing warehouse structure.

The grounds for approving a Special Permit are based on Rule 6-7 in the Planning Commission Rules. It states that the Planning Commission shall not approve a Special Permit unless it is found that the proposed use (a) is an unusual and reasonable use of land situated within the Agricultural or Rural District, whichever the case may be; and (b) the proposed use would promote the effectiveness and objectives of Chapter 205, Hawai'i Revised Statutes, as amended.

The proposed use is an unusual and reasonable use of land situated within the State Land Use Agricultural District and would promote the effectiveness and objectives of the State Land Use Law and Regulations and Chapter 205, HRS, as amended. The State Land Use Law and Regulations are intended to preserve, protect and encourage the development of lands for those uses to which they are best suited in the interest of the public welfare of the people of the State of Hawai'i. In the case of the Agricultural District, the intent is to preserve or keep lands of high agricultural potential in agricultural use.

The proposed distillery/visitor's center operation on 7.5 acres of a larger 70.977-acre parcel is unusual in that it is not a direct agricultural use of that portion of the property. The use is reasonable in that the proposed operations will largely occur within existing structures and improvements (existing warehouse, driveway and parking area, and a single-family dwelling), thus not removing the existing agricultural potential from the property.

The property is not considered to have high agricultural potential from a resource perspective due to poor soil quality and is currently fallow. However, the applicant plans to cultivate *ti* root, sugar cane, coffee, avocado, citrus, breadfruit and other agricultural products for the distillery on a portion of the Special Permit area and within existing shade houses outside of the Special Permit area. The resulting increase in intensive agricultural

use of the property will support the objectives of Chapter 205, HRS. Based on the preceding, the proposed use is an unusual and reasonable use of land situated in the State Land Use Agricultural District.

In addition, Special Permit No. 08-72 was granted in 2009 to allow the development of an office to operate a distance learning center for American Pacific University on approximately 2.1 acres of the subject property. The current Special Permit request encompasses that 2.1-acre Special Permit area. As the use permitted under the existing Special Permit has never been developed, the applicant is also requesting that SPP 08-72 be revoked. The Planning Director will grant revocation of this permit as requested.

In addition to the above listed criteria, the Planning Commission shall also consider the criteria listed under Section 6-3(b)(5) (A) through (G). In considering the criteria, the Planning Director recommends the following:

(A) The granting of this request would promote the effectiveness and objectives of Chapter 205, Hawai'i Revised Statutes, as amended. As evaluated above, the applicant's request is considered an unusual and reasonable use of agricultural land that will not adversely affect the preservation of lands with high agricultural potential in the County of Hawai'i.

(B) The desired use would not adversely affect surrounding properties. The Kona Hillcrest Subdivision, a 101-lot residential subdivision is situated to the north of the project site on lands zoned RS-7.5. To the east across Queen Ka'ahumanu Highway are several parcels zoned A-5 and the Pualani Estates Subdivision with lots zoned RS-7.5. To the south of the project site on the adjoining parcels are lots zoned A-1a, A-5a, RM-2.5 and CN-20. The closest residences are located in the Kona Sea Villas Condominiums approximately 680 feet the west of the existing warehouse where the proposed distilling operation will occur. Given that the proposed distilling operation will occur near the center of the subject property, visual and noise impacts will be minimized to the surrounding residential areas. There will remain ample vacant lands between the proposed distillery and the residences located nearby.

According to the applicant, the distillery will operate Monday through Friday from 9:00 a.m. to approximately 6:00 p.m. The visitor center will be open seven (7) days a week by appointment from 9:00 a.m. until sunset.

Aside from the anticipated ten (10) full-time and five (5) part-time employees, the applicant anticipates no more than five (5) vehicular movements during the day for receiving and shipping of goods. Because of the "shift" nature of the proposed operation, employee traffic would average about five (5) to six (6) trips during the peak hour movements, whereas deliveries would occur during non-peak hours. The applicant anticipates that traffic to be no more than ten (10) trips per peak hours (9:00 a.m.-6:00 p.m.). At the high end, the applicant anticipates non-group visitor traffic at approximately 56 vehicle movements throughout the day, however those trips can be limited to non-peak hours by appointment. Other visitor traffic will be limited to four larger tours a day with groups arriving by small van.

There could potentially be short-term noise impacts during the limited construction phase, however, to mitigate this impact, the development of this proposed project will be

limited to daylight hours and weekends. Given the existing ambient noise from the nearby highways, the noise and construction impacts from the proposed distillery development should not be significant.

(C) Such use shall not unreasonably burden public agencies to provide roads and streets, sewers, water, drainage, school improvements, and police and fire protection. Access to the property is from Kuakini Highway, which is a County owned, County maintained roadway with a 22-foot wide pavement within an approximate 80-foot right-of-way (ROW). There is an existing, gated, paved driveway/access road to the dwelling, warehouse, agricultural fields and shade structures. According to DPW, all driveway connections to Kuakini Highway and work within the County ROW shall conform to HCC Chapter 22-County Streets. Access to Kuakini Highway, including the provision of adequate sight distances, shall meet with the approval of the Department of Public Works, Engineering Division. The preceding will be added as conditions of approval.

According to the Department of Water Supply (DWS), the subject parcel is currently assigned two (2) existing 5/8-inch meters, which are each limited to an average daily usage of 400 gallons or a total of 800 Gallons Per Day (GPD). DWS requests that the applicant submit estimated maximum daily water usage calculations, prepared by a professional engineer licensed in the State of Hawai'i, for review and approval. The water usage calculations should include the estimated peak flow in gallons per minute (GPM) and the total estimated maximum water usage in GPD. Also, provide information pertaining to how the non-potable water use will be addressed for the agricultural activities. Based on the water usage calculations provided, DWS will determine if a larger or additional meter will be required, including payment of any applicable water commitment deposit amount due, prevailing facilities charge to be paid and the appropriate meter-size to serve the parcel. If a larger or additional meter is installed, a reduced pressure type backflow prevention assembly must be installed for that meter. Furthermore, subject to other agencies' requirements to construct improvements within the road right-of-way fronting the property affected by the proposed development, the applicant shall be responsible for the relocation and adjustment of the affected DWS water system facilities, should they be necessary. The preceding will be added as conditions of approval.

The subject parcel is currently serviced by primary wastewater needs will be for the restrooms and proposed certified kitchen. The applicant intends to connect the project's wastewater system to the County Sewer line located along Kuakini Highway. According to the Department of Environmental Management (DEM), the applicant shall be required to connect all existing and proposed structures to the public sewer in accordance with Section 21-5 of the Hawai'i County Code. Additionally, the applicant shall conduct a sewer study in accordance with the then applicable wastewater system design standards prior to approval to connect to the County sewer system. The applicant shall provide such sewer line or other facility improvements as the Director of DEM may reasonably require, which the sewer study may indicate are advisable for mitigation of impacts of the proposed project. The preceding will be added as conditions of approval.

According to the Federal Insurance Rate Map (FIRM), the Wai'aha Drainageway floodway is situated near the northern portion of the parcel, and the Wai'aha Drainageway split flow No. 2 floodway is located near the southeastern corner of the 70.977-acre parcel.

The proposed 7.5-acre Special Permit Area will be situated outside of these floodways and entirely within the area designated as Zone "X". The 7.5-acre Special Permit area will be situated within the area designated Zone "X". According to the Department of Public Works (DPW), any improvements to the floodplain shall be subject to HCC Chapter 27, Floodplain Management. In addition, all earthwork and grading shall conform to HCC Chapter 10-Erosion and Sedimentation Control. Also, DPW required a drainage study be prepared and submitted prior to the issuance of a construction permit. Any recommended drainage improvements shall be constructed prior to receipt of a Certificate of Occupancy. Finally, DPW requires that all development-generated runoff shall be disposed of on-site and shall not be directed toward any adjacent properties. The preceding will be added as conditions of approval.

There should not be any other public service type of impacts due to the proposed project. The site is currently serviced by police and fire facilities that are located less than three (3) miles from the subject parcel. The projects location should not require any extension or expansion of these public services.

(D) Unusual conditions, trends, and needs have arisen since district boundaries and regulations were established. In the 1960's and 1970's, the State's agricultural district boundaries and regulations were established and subsequently amended pursuant to HRS Chapter 205. Since then, new industries have emerged, such as the proposed micro-distillery, that were not anticipated when the district boundaries were created. Micro-breweries and micro-distilleries are becoming more common throughout the islands as a method of reusing lands that were agricultural lands, or in this case, used for the cultivation of orchids. The applicants overall program, which includes a tour of the distillery and its agricultural products, reflects an effort to promote two of the States "niche" tourism models; agri-tourism and edu-tourism. The applicant believes this will be an attraction that will serve both locals and visitors who want to learn and experience the island's agricultural industry within an operating farm. This increased demand for the product (i.e., distilled spirits) may translate into a greater economic return for an important agricultural activity.

(E) The land upon which the proposed use is sought is unsuited for the uses permitted within the district. Soils on this site are classified as within the Punalu'u series (rPD), this soil series consists of well drained, thin, organic soils over pāhoehoe lava bedrock. The entire property is classified as "E" of "Very Poor" for agricultural productivity by the Land Study Bureau's Detailed Land Classification System. The property is also considered "unclassified" Agricultural Land by the Department of Agriculture's ALISH Map. A micro-distillery is similar to other agricultural processing facilities, which are typically situated in the Agricultural District; however, it is slightly different in that the final product is an alcoholic beverage. The micro-distillery and visitor center will be situated on about 7.5 acres of a 70.977-acre property with portions of the property to be cultivated with *ti*, coffee and sugarcane as well as other crops that will be used in the distilling process or for visitors to the distillery. The project should result in a more intensive agricultural use of the subject site, while fostering agricultural development of lands currently not being utilized for any current agricultural production.

(F) The use will not substantially alter or change the essential character of the land and the present use. The site was previously used as an orchid farm that grew flowers on-site and processed agricultural goods for sale. As most of the proposed distillery/visitor's center use will take place within existing improvements on the property, the basic agricultural character will be retained. Some of the underutilized portion of the 70.977-acre parcel will be converted for additional agricultural uses and the parcel will be transformed from its fallow, vegetated state to a functioning agricultural operation. Additionally, to minimize any visual impacts, any new or proposed structures will be restricted to not exceed the 25-foot height of the existing warehouse. This will be added as a condition of approval. Based on the preceding, the use is not anticipated to alter or change the essential character of the land and the present use.

(G) The request will not be contrary to the General Plan and official Community Development Plan and other documents such as Design Plans. The County of Hawai'i's General Plan is the policy document for the long range comprehensive development of the island of Hawai'i. One of the purposes of the General Plan is to guide the pattern of future development in this County based on long-term goals. The General Plan Land Use Pattern Allocation Guide (LUPAG) Map designates the majority of the property, including the proposed Special Permit area as Urban Expansion, which allows for a mix of high density, medium density, low density, industrial, industrial-commercial 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, thus the distillery operation would be consistent with this designation. In addition, the project will include the use of agricultural products grown on-site for the distillery operation. As such, the proposed use will support many of the agricultural land use policies of the General Plan and Kona CDP including the following policies:

General Plan – Agricultural Goals and Policies

- Preserve the agricultural character of the island;
- Preserve and enhance opportunities for the expansion of Hawai'i's agricultural industry.
- Assist in the development of agriculture;
- Encourage other compatible economic uses that complement existing agricultural and pastoral activities; and
- Encourage, where appropriate, the establishment of visitor-related uses and facilities that directly promote the agriculture industry.

Kona CDP Guiding Principles

- Encourage a diverse and vibrant economy emphasizing agriculture and sustainable economies.
- Agricultural lands should be preserved in a manner that supports family farms, ecotourism, and a self-sufficient agricultural economy that encourages the local use of Hawai'i products.

Based on the preceding, request will not be contrary to the General Plan and Kona Community Development Plan.

The proposed use is not contrary to the objectives sought to be accomplished by Chapter 205A, Hawai'i Revised Statutes, relating to coastal zone management program. The SMA is part of the Coastal Zone Management Program regulated by the County. The subject property is located approximately 1,600 feet from the nearest coastline and is not situated within the Special Management Area. There is no known public access to the shoreline or mountains through the subject property.

Existing and proposed structures on the property will connect to the County sewer system and all project related drainage shall be handled on-site. Furthermore, the applicant shall comply with Chapter 10, Erosion and Sedimentation Control, Hawai'i County Code, and State Department of Health (DOH) water pollution control regulations therefore, the project is not anticipated to have any negative impact on coastal ecosystems, marine resources. Additionally, the applicant proposes to limit the height of the structures to no more than 25 feet in order to minimize impacts to open and scenic resources

A previous Special Permit application from 2005 for this site included a brief archeological overview of the parcel. A map was created, which identified existing ground conditions of the undeveloped and developed portions of the parcel; it notes that a large portion of the proposed 7.5-acre project area has already been graded and grubbed, and/or improved. In preparation for the existing Special Permit for this parcel that was approved in 2008, an archeological inventory survey (AIS) was conducted to cover an approximately 8.75-acre portion of the subject parcel. While the survey area generally included most of the agricultural portions of the parcel, it did not include the existing warehouse or single-family dwelling as those areas had been previously disturbed and graded. The survey notes two (2) sites, a historic boundary wall (Site 5136), which is situated outside the project area, and the historic Kailua-Keauhou Middle Road (Site 14087); both were considered significant for their information content. The AIS did not recommend these sites for preservation, however the applicant plans to leave each site "as-is". The 2008 AIS was accepted by the State Historic Preservation Division (SHPD) per letter dated December 22, 2008 with a determination that "no historic properties will be affected" due to the intense land alteration from cultivation and grading. Neither the applicant nor the former landowner has observed native Hawaiians or others using the site for the purpose of gathering of plants and exercising their religious or cultural beliefs. Additionally, no such requests of the applicant or former landowner have been made to date. A request for Chapter 6E review for the subject Special Permit application was sent to SHPD on February 5, 2019. Neither the Planning Department nor the applicant has received any comments on the subject request from SHPD as of the date of this writing. Thus, it is not anticipated that the proposed request will have any adverse impact on cultural or historical resources in the area.

As the entire site has been previously graded in the past to support an orchid farm that once occupied this parcel, there were no professional surveys conducted. According to the applicant, the property is almost entirely dominated by a low forest of scattered kiawe, along with koa haole and guinea grass. In addition, minor landscaping using common plants (i.e., coconut palm and lantana) are present adjacent to the existing structures and driveway. According to the State Department of Land and Natural Resources – Division of Forestry and Wildlife (DOFAW), the State listed Hawaiian Hoary Bat has the potential to occur in the vicinity of the project area and may roost in nearby trees.

Additionally, the State listed Blackburn' s Sphinx Moth (BSM) has a historic range that encompasses the project area. The State listed Hawaiian Hawk and other seabirds may occur in the project vicinity. DOFAW recommended mitigation measures to protect these listed species. These will be added as conditions of approval.

Lastly, this approval is made with the understanding that the applicant remains responsible for complying with all other applicable governmental requirements in connection with the approved use, prior to its commencement or establishment upon the subject property. Additional governmental requirements may include the issuance of a liquor license, issuance of building permits, compliance with the Fire Code, installation of improvements required by the American with Disabilities Act (ADA), among many others. Compliance with all applicable governmental requirements is a condition of this approval; failure to comply with such requirements will be considered a violation that may result in enforcement action by the Planning Department and/or affected agencies.

Lastly, at the April 18, 2019 hearing, the Commission voted to approve a revision to Condition No. 8 requiring that the applicant submit a site distance analysis for review and approval of DPW prior to issuance of Final Plan Approval and to construct/implement any roadway improvements as may be required by DPW to mitigate sight distance issues prior to issuance of Certificate of Occupancy.