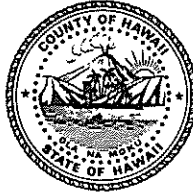


Stephen K. Yamashiro  
Mayor



## County of Hawaii

### PLANNING COMMISSION

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252  
(808) 961-8288 Fax (808) 961-9615

CERTIFIED MAIL  
Z 416 228 833

August 23, 1995

Mr. Glen T. Koyama  
Belt Collins Hawaii, Ltd.  
680 Ala Moana Boulevard, First Floor  
Honolulu, HI 96813-5406

Dear Mr. Koyama:

Special Management Area Use Permit No. 256  
Use Permit No. 48 ✓

Applicant: First Healthcare Corporation (formerly Hillhaven Corporation)

Request: Amend Scope of Permits to Allow Construction of a 30-Bed Addition  
to Approved 60-Bed Skilled Nursing and Intermediate Care Facility

Tax Map Key: 7-8-10:91 (formerly Portion of 78)

The Planning Commission at its duly held public hearing on August 9, 1995, voted to approve the above-referenced request. Special Management Area Use Permit No. 256 and Use Permit No. 48 allowed the development of a 60-bed skilled nursing and intermediate care facility and related improvements. The approved amendment request allows construction of a 30-bed addition, additional parking area and landscaping at the existing 60-bed Hillhaven Kona Healthcare Center. The project site is located along Kamehameha III Road, approximately 1,700 feet northeast of the Kamehameha III Road-Ali'i Highway intersection, Kahaluu, North Kona, Hawaii.

Approval of the amendment to SMA Use Permit No. 256 is based on the following findings:

The purpose of Chapter 205-A, Hawaii Revised Statutes, and Rule 9, 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, 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 proposed development will not have any significant adverse environmental or ecological effect. The proposed project consists of the development of an additional 30 beds to the existing healthcare facility and related parking expansion and landscaping improvements. Endangered species of flora or fauna or their special habitats were not located or identified within the project site. Only indigenous plants and animals were observed. Wastewater generated by the development will be accommodated within the

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wastewater treatment facilities in the existing Kona Country Club golf course. Air emissions generated during the construction phase can be mitigated by existing construction regulations. Therefore, impacts to the physical environment within the immediate area which may be generated by the proposed development will be minimal.

The proposed project is consistent with the objectives, policies and guidelines of the Special Management Area. These were established to provide guidance for the preservation, protection and development of coastal resources of the State and County. They identify several areas of management concerns including historic, recreational, scenic resources, coastal ecosystems, economic use and coastal hazards. Site 4624 (possible heiau or high status residence) is located directly makai of the existing facility approximately 50 feet from Kamehameha III Road. The proposed expansion site will not impact this preserved feature. The property is located approximately 2,800 feet from the shoreline and mauka of the Ali'i Highway. It does not abut the shoreline. Therefore, the project will not interfere with any recreational resources, with the natural shoreline processes nor impact viewplanes to the coastal area. Further, the construction of the new one-story building addition is not expected to interfere with existing viewplanes due to the moderately steep slope of the land and its topographical features.

Runoff or discharge generated by the proposed development will be handled by on-site drainage improvements meeting with the approval of the Department of Public Works. Potential adverse impacts to coastal waters from soil erosion and runoff during site preparation and construction can be adequately mitigated through compliance with existing construction regulations. The location of the project site far from coastal areas coupled with the provision of on-site drainage improvements and compliance with existing governmental regulations to control runoff, drainage, erosion and wastewater disposal would mitigate any adverse impact to the region's environment or the ecology of the area's coastal waters.

The proposed project within the Special Management Area is consistent with the General Plan and Zoning Code. Approval of the amendment request would conform to the General Plan's Land Use Pattern Allocation Guide (LUPAG) Map which designates the affected area for Medium Density Urban Development uses. The General Plan also recognizes the Keauhou-Kahaluu area as a Major Resort Area, which is a resort area where basic and support facilities are provided to support an entire resort development. SMA Use Permit No. 256 and Use Permit No. 48 were approved in 1987 which allowed the construction of the existing 60-bed Hillhaven Kona Healthcare Center. Approval of this amendment request will not be inconsistent with the general purpose of the General Plan and the Zoning Code.

Based on the above, the proposed development of a building addition to the existing Hillhaven Kona Healthcare Center will not have any substantial adverse impacts to the subject or surrounding area and, therefore, will not be contrary to the purpose and intent of Chapter 205-A, HRS, relating to Coastal Zone Management, Rule 9 of the Planning Commission relating to the Special Management Area and the General Plan and Zoning Code of the County of Hawaii.

Approval of the amendment to Use Permit No. 48 is based on the following:

The granting of the proposed addition to the existing healthcare facility will be consistent with the general purpose of the zoned district, the intent and purpose of the

General Plan and the Zoning Code. The establishment of the existing healthcare facility situated in the Multiple-Family Residential zoned district was permitted through the granting of a Use Permit by the Planning Commission in March 1987. The location of the facility has not significantly altered the surrounding residential/commercial environment of the Keauhou area.

The granting of the request will fulfill the land use policy of the General Plan which seeks to promote and encourage the utilization of urban areas which are serviced by basic community facilities and utilities. Existing infrastructures to the project site is adequate to meet the demands of the proposed facility expansion. Roadway improvements, including access and channelization, have been installed in conjunction with the existing facility.

The proposed use will not be materially detrimental to the public welfare nor cause substantial adverse impact to the community's character or to surrounding properties. The existing building and proposed one-story addition will provide a minimum 20-foot setback from Kamehameha III Road, and 120- and 50-foot setbacks from the east and northeast property lines (adjacent to the golf course), respectively. These proposed setbacks are adequate buffers coupled with the stipulation for perimeter landscaping.

The granting of the proposed use will not unreasonably burden public agencies to provide roads and streets, sewer, water, drainage, schools, police and fire protection and other related infrastructure. As stated previously, the property is serviced with all essential utilities and services. The Hillhaven access/Keauhou Shopping Center intersection within Kamehameha III Road has been channelized with turning lanes and a traffic light. Therefore, this should be more than adequate to accommodate anticipated traffic increase generated by the proposed expansion of the Hillhaven facility.

Approval of this request is subject to the following conditions:

1. The petitioner, its successors, or assigns shall be responsible for complying with all of the stated conditions of approval.
2. Plans for plan approval review, including landscaping and parking, shall be submitted [within one year from the effective date of approval of the SMA Use Permit and the Use Permit] to the Planning Department in accordance with Section 25-243 of the Zoning Code. The landscaping plan shall provide heavy landscaping around the perimeter of the project site including a 10-foot wide landscaping easement within the project site along the frontage of Kamehameha III Road. The parking plan shall comply with the requirements of the Zoning Code. Plans shall reflect the design principles for building and landscaping set forth in the "Comprehensive Design Principles for Keauhou-Kona."
3. Construction shall [commence within one year from the date of receipt of final plan approval and] be completed within [two] five years [thereafter] from the effective date of this amendment.
4. Physical preservation of Archaeological Site No. 4624 shall be approved by the Planning Director prior to any land alterations. In lieu of physical preservation, adequate data recovery shall be conducted on Site No. 4624 and a report filed with

the Planning Department and the Department of Land and Natural Resources-Historic Sites Section prior to any land alterations relating to the project.

5. Should any unidentified sites or remains such as artifacts, shell, bone or charcoal deposits, human burials, rock or coral alignments, pavings or walls be encountered, work in the affected area shall cease and the Planning Department immediately notified. Subsequent work shall proceed upon an archaeological clearance from the Planning Department when it finds that sufficient mitigative measures have been taken.
6. Provide on-site fire hydrants and mains capable of supplying the required fire flow as required by the Fire Department and/or the Department of Water Supply.
7. Access to the project from Kamehameha III Road shall be located opposite to the existing Keauhou Kona Shopping Center access and shall meet with the approval of the Department of Public Works and the Planning Director. Further, channelized intersection improvements at Kamehameha III Road access shall include but not be limited to a left-turn storage lane and acceleration and deceleration lanes. The improvements and the timing of their implementation shall meet with the approval of the Department of Public Works and the Planning Director.
8. Comply with all other applicable rules, regulations and requirements, including those of the Department of Water Supply and the Department of Health.
9. The applicant, its successors or assigns shall indemnify and hold the County of Hawaii harmless from and against any loss, liability, claim or demand for the property damage, personal injury or death arising out of any act or omission of the applicant, its successors or assigns, officers, employees, contractors and agents under this permit or relating to or connected with the granting of the permit.
10. [The Planning Director may administratively grant a single two-year extension to the foregoing conditions.] 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 granting of the 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).

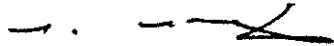
Mr. Glen T. Koyama  
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11. [Further, s] Should the Director determine that any of the conditions have not been met or substantially complied with in a timely fashion, the Director shall initiate procedures to nullify these permits.

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 feel free to contact Alice Kawaha or Susan Gagorik of the Planning Department at 961-8288.

Sincerely,



Wilton K. Wong, Chairman  
Planning Commission

AK:syw  
LFirst01.PC

cc: Honorable Stephen K. Yamashiro, Mayor  
Planning Director  
Department of Public Works  
Department of Water Supply  
County Real Property Tax Division  
West Hawaii Office  
Office of State Planning, CZM Program w/background  
Department of Land and Natural Resources - Historic Preservation  
Plan Approval Section  
First Healthcare Corporation

CERTIFIED MAIL

March 31, 1987

Mr. Sidney Fuke  
100 Pauahi Street, Suite 212  
Hilo, Hawaii 96720

Dear Mr. Fuke:

Special Management Area Use Permit and Use Permit Applications  
Applicant: Hillhaven Corporation  
                  dba Hillhaven Kona Healthcare Center  
Tax Map Key 7-8-10:Portion of 78

The Planning Commission at its duly held public hearing on March 24, 1987, voted to approve your applications, Special Management Area Use Permit No. 256 and Use Permit No. 48 to allow the construction of a 60-bed skilled nursing and intermediate care facility and related improvements at Keauhou-Kona, North Kona, Hawaii.

Approval of the special management area request is based on the following:

The proposed project consists of the development of a 60-bed skilled nursing facility and intermediate care facility and related parking and landscaping improvements. The proposal is not anticipated to have any substantial adverse environmental or ecological effects.

The project site is not known to contain any unique ecological systems nor provide habitats for any endangered plant or animal species.

The area has been the subject of several reconnaissance surveys. These surveys have located four archaeological sites, of which one (Site 4624) could be directly affected by the nursing facility construction. After comparing past survey reports with the more recent report, it is concluded that Site 4624 has been partially destroyed by land clearing activities. Thus, physical preservation or restoration of the site is not

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Mr. Sidney Fuke  
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critical. The approval of these permits is conditioned upon adequate data recovery in lieu of preservation. In this manner, the county's historic resources within the Kahalu'u Historic District will be properly documented.

The proposed project is consistent with the objectives, policies and guidelines of the Special Management Area. These were established to provide guidance for the preservation, protection and development of coastal resources of the State and County. They identify several areas of management concerns including historic, recreational, scenic resources, coastal ecosystems, economic use and coastal hazards. The establishment of a 60-bed SN/IC facility in a rapidly growing area will offer support to the economic base of the community and the region. The applicant was awarded a certificate of need from the State Health Planning and Development Agency, which found that there was a need in the Kona area for a care home, Alzheimers service, elderly day care service, and SN/IC bed facility. In addition, the applicant was able to demonstrate a prudent cost/benefit balance relating to public need and the impact on health care costs. Thus, the economic spin-offs derived from the project would also enhance the social well-being of the island population.

The subject property is situated approximately 3,000 feet from the shoreline and will not interfere with the natural shoreline processes nor with any recreational resources along the coastal area. Since the project will be required to hook-up to existing sewer lines, impacts to coastal ecosystems will be negligible.

Viewplanes to the ocean will be minimally affected by the 25-foot high one-story structure due to the moderately steep slope of the land and its inherent topographical features. To protect scenic and open space resources, the project must comply with the "Comprehensive Design Principles for Keauhou-Kona," December 1980. Moreover, building bulk and vertical intrusion will be relieved through the provision of perimeter landscaping, especially along Kamehameha III Road.

Temporary disruption to noise and air quality will be short-term since construction is expected to be completed by December 1987.

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The proposed project would be consistent with the Zoning Code provided the use permit application is approved by the Planning Commission. The nursing facility fully supports an economic standard of the General Plan which reads, "New industries which provide favorable benefit-cost relationships to the people of the County should be encouraged. Benefit-cost relationships as used here include more than fiscal considerations." (GP at 10)

Based on the foregoing, it is determined that the proposed development will not have any substantial adverse impacts to the subject or surrounding area; and, therefore, will not be contrary to the purpose and intent of Chapter 205-A, HRS, relating to Coastal Zone Management; Rule 9 of the Planning Commission relating to the Special Management Area; the General Plan and the Zoning Code of the County of Hawaii.

Approval of the use permit request is based on the following:

The granting of the proposed nursing facility will be consistent with the general purpose of the zoned district, the intent and purpose of the Zoning Code, and the County General Plan. The establishment of a SN/IC facility situated in the County's Multiple-Family Residential zone district is permitted through the granting of a Use Permit by the Planning Commission. It should be further noted that the goals of the Land Use element of the General Plan states to "Designate and allocate land uses in appropriate proportions and in keeping with the social, cultural, and physical environments of the County." The location of this request does not significantly alter the surrounding commercial/residential environment of the Keauhou area. The Keauhou Shopping Village is situated to the west; while a portion of the Keauhou Golf Course lies to the east-northeast. At present, the remaining 31 acres of the subject parcel are proposed for multiple-family residential development by the Keauhou Resort Master Plan. These existing and future land uses should complement the proposed nursing facility by their general nature and convenient location.

The granting of this request will also fulfill the land use policy of the General Plan which seeks to promote and encourage the utilization of urban areas which are serviced by basic community facilities and utilities. Infrastructure to the project site is adequate or capable of being upgraded to meet immediate demands of this project. The applicant has received water commitments for the facility and will be utilizing the



Mr. Sidney Fuke  
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existing sewage treatment plant. Roadway improvements, including access and channelization to the newly created lot, must meet with the approval of the Department of Public Works and the Planning Director. As such, the introduction of a SN/IC facility will not have a major physical, cultural or social impact on the Keauhou or Kona area.

The proposed use will not be materially detrimental to the public welfare nor cause substantial adverse impact to the community's character or to surrounding properties. The one-story building will provide a minimum 20-foot setback from Kamehameha III Road; and 120- and 50-foot setbacks from the east and northeast property lines (adjacent to the golf course), respectively. These proposed setbacks are adequate buffers coupled with the stipulation for perimeter landscaping.

The granting of the proposed use will not unreasonably burden public agencies to provide roads and streets, sewer, water, drainage, schools, police and fire protection and other related infrastructure. As stated previously, the property is serviced with all essential utilities and services. Kamehameha III Road, which serves as access to the project, has a right-of-way width of 100 feet. With the provision of off-site roadway improvements to Kamehameha III Road as required by the Department of Public Works, this approval contains assurances that the expected increase in traffic will be addressed.

The SMA Use Permit and Use Permit requests are approved subject to the following conditions:

1. The petitioner, its successors, or assigns shall be responsible for complying with all of the stated conditions of approval.
2. Plans for plan approval review, including landscaping and parking, shall be submitted within one year from the effective date of approval of the SMA Use Permit and the Use Permit. The landscaping plan shall provide heavy landscaping around the perimeter of the project site including a 10-foot wide landscaping easement within the project site along the frontage of Kamehameha III Road. The parking plan shall comply with the requirements of the Zoning Code. Plans shall reflect the design principles for building and landscaping set forth in the "Comprehensive Design Principles for Keauhou-Kona."

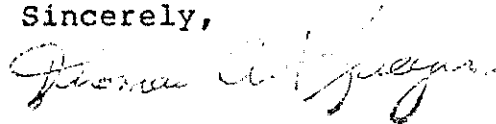
Mr. Sidney Fuke  
March 31, 1987  
Page 5

3. Construction shall commence within one year from the date of receipt of final plan approval and be completed within two years thereafter.
4. Physical preservation of Archaeological Site No. 4624 shall be approved by the Planning Director prior to any land alterations. In lieu of physical preservation, adequate data recovery shall be conducted on Site No. 4624 and a report filed with the Planning Department and the Department of Land and Natural Resources-Historic Sites Section prior to any land alterations relating to the project.
5. Should any unidentified sites or remains such as artifacts, shell, bone or charcoal deposits, human burials, rock or coral alignments, pavings or walls be encountered, work in the affected area shall cease and the Planning Department immediately notified. Subsequent work shall proceed upon an archaeological clearance from the Planning Department when it finds that sufficient mitigative measures have been taken.
6. Provide on-site fire hydrants and mains capable of supplying the required fire flow as required by the Fire Department and/or the Department of Water Supply.
7. Access to the project from Kamehameha III Road shall be located opposite to the existing Keauhou Kona Shopping Center access and shall meet with the approval of the Department of Public Works and the Planning Director. Further, channelized intersection improvements at Kamehameha III Road access shall include but not be limited to a left-turn storage lane and acceleration and deceleration lanes. The improvements and the timing of their implementation shall meet with the approval of the Department of Public Works and the Planning Director.
8. Comply with all other applicable rules, regulations and requirements, including those of the Department of Water Supply and the Department of Health.
9. The Planning Director may administratively grant a single two-year extension to the foregoing conditions. Further, should the Director determine that any of the conditions have not been met or substantially complied with in a timely fashion, the Director shall initiate procedures to nullify these permits.

Mr. Sidney Fuke  
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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

cc: Mr. Patrick Evans  
Department of Public Works  
Department of Water Supply  
County Real Property Tax Division  
Hawaii County Services, Deputy Managing Director's Office  
DPED-CZM Program (with background)  
DLNR

bcc: Plan Approval Section