RECOMMENDATION: RED HILL JOINT VENTURE

Upon careful review of the request against the guidelines for considering a Special Management Area (SMA) Use Permit, the Planning Department is recommending that it be approved. However, the Department reserves the right to modify and/or alter its position based upon additional information presented during the public hearing. The approval recommendation is based on the following findings:

Although the applicant proposes a ninety-eight (98) lot subdivision with required improvements, only 2 lots proposed within the SMA are covered under this approval recommendation. The proposed development will not create any significant adverse impact on the environment or ecological resource of the Special Management Area (SMA).

The property is not known to contain any unique ecological systems nor provide unique habitats for any endangered plants or animal species.

The entire proposed subdivision does, however, contain some significant archaeological sites as well as sites with potentially significant archaeological value. As such, this approval recommendation will require specific additional archaeological work prior to the commencement of any activity on the project site including, where appropriate, the preservation of significant archaeological sites in their original condition for the purpose of public education and cultural preservation.

Further, although we are not considering approval of the entire 98-lot subdivision and related improvements under this SMA Use Permit, adjustments may need to be made to the proposed subdivision layout so as to accommodate those archaeological sites for preservation and, as such, may affect both the configuration as well as the number of lots in the subdivision.

The proposed project is consistent with the objectives, policies and Special Management Area guidelines as established pursuant to Chapter 205-A, HRS. These objectives and policies provide guidance for the preservation, protection and development of coastal resources of the State and County. They identify several areas of management concern including historic, recreational, scenic resources, coastal ecosystems, economic use and coastal hazards.

Since the subdivision proposes two lots along the shoreline which will remain in their natural condition serving as open space, natural shoreline processes as well as recreational resources along the coastal area will not be impeded by the subject proposal. The subject property is traversed by a jeep trail (old government road) which will provide portion of the mauka/makai pedestrian access to the shoreline when the proposed subdivision roadway system is completed and dedicated to the County.

There presently is no such legally established lateral and mauka/makai public accesses available along and to the shoreline. Therefore, proposed conditions of approval will require a public shoreline access plan delineating mauka/makai public accesses and an 8-foot wide lateral public pedestrian access path along the shoreline. Such a proposal will be an improvement from the existing

situation as it will increase the legal accessibility to the shoreline.

Impacts from the proposed subdivision will be short-term. There may be some insignificant adverse impacts with respect to noise, dust and erosion problems associated with the proposed subdivision improvements. However, these impacts will be temporary and can be mitigated by limiting the operation of the construction equipment to normal working hours and employing muffler devices on all gasoline and diesel-power equipment. Dust could be controlled by sprinkling of water, erecting dust control screens along the downwind property line or any other mitigating measure.

The proposed subdivision is consistent with the General Plan
"Extensive Agricultural" and "Orchards" designations as well as the
Unplanned and Agricultural-5 acre zoning district designations.

Based on the foregoing, it is therefore determined that those lots of proposed subdivision within the SMA will not have any substantial adverse impacts on the property or surrounding areas. Furthermore, this approval will be consistent with the objectives and policies of Chapter 205-A, HRS, relating to Coastal Zone Management, Rule No. 9 of the Planning Commission relating to the Special Management Area, the General Plan of the County of Hawaii and the Zoning Code.

It is further recommended that the request be approved subject to the following conditions:

 The petitioner, its assigns or successors, shall be responsible for complying with the stated conditions of approval.

- 2. The maximum number of lots which may be created within the SMA shall be limited to 29 lots.
- 3. The petitioner, its successors or its assigns, shall execute a water source agreement for the proposed development with the Department of Water Supply similar to the Kona Water Source Agreement or secure a water commitment for the proposed development from the Department of Water Supply or develop a private water system meeting with the standards and approval of the Department of Water Supply within one year from the effective date of the SMA Use Permit.
- 4. An intensive archaeological survey within the SMA area as recommended by the archaeological report shall be conducted and two copies of the final archaeological report submitted to the Planning Department and to the State Historic Preservation Office for review and comments prior to obtaining tentative subdivision approval for any lots within the SMA.
- 5. Should any salvage archaeological work be necessary as a result of the intensive archaeological survey, work shall be completed prior to commencement of any subdivision improvements.
- 6. Should any unanticipated archaeological or historical sites be discovered during subdivision improvements, work shall immediately cease and the Planning Department shall be notified as well as the State Historic Preservation Office.
- 7. A public shoreline access plan shall be submitted to the Hawaii County Planning Department within one year from the

- 2. The maximum number of lots which may be created within the SMA shall be limited to 27 lots.
- An intensive archaeological survey within the SMA area as recommended by the archaeological report shall be conducted and two copies of the final archaeological report submitted to the Planning Department and to the State Historic Preservation Office for review and comments prior to obtaining tentative subdivision approval for any lots within the SMA.
- 5A. Should any salvage archaeological work be necessary as a result of the intensive archaeological survey, work shall be completed prior to commencement of any subdivision improvements.
- be discovered during subdivision improvements, work shall immediately cease and the Planning Department shall be notified as well as the State Historic Preservation Office.
- A public shoreline access plan shall be submitted to the Hawaii County Planning Department within one year from the effective date of the SMA use permit. Said shoreline access plan shall include, but not necessarily be limited to:
 - a) Location and description of a mauka/makai accesses with parking and an 8-foot wide lateral public pedestrian access path, providing continuous access from the northern boundary of the property to the southern boundary of the property.

effective date of the SMA use permit. Said shoreline access plan shall include, but not necessarily be limited to:

- a) Location and description of a mauka/makai accesses with parking and an 8-foot wide lateral public pedestrian access path, providing continuous access from the northern boundary of the property to the southern boundary of the property.
- b) Plans for any proposed improvements for the access path including, but not limited to, the proposed method of signage to identify the location of the public shoreline access path.
- The petitioner shall, in consultation with an archaeologist, route the specific path so as to provide minimum impacts to the archaeological resources in and along the public access; further, the petitioner shall provide other mitigating measures as may be recommended by the archaeologist which would reduce indirect impacts to adjacent sites.

Upon approval of the public shoreline access plan, a Conservation District Use Application (CDUA) and/or a Shoreline Setback Variance application shall be submitted for construction or establishment of the shoreline access improvements required through this SMA Use Permit.

8. The public access path shall be described by metes and bounds and recorded with the State Bureau of Conveyances so as to provide a perpetual right of pedestrian access for

- b) Plans for any proposed improvements for the access path including, but not limited to, the proposed method of signage to identify the location of the public shoreline access path.
- The petitioner shall, in consultation with an archaeologist, route the specific path so as to provide minimum impacts to the archaeological resources in and along the public access; further, the petitioner shall provide other mitigating measures as may be recommended by the archaeologist which would reduce indirect impacts to adjacent sites.

Upon approval of the public shoreline access plan, a Conservation District Use Application (CDUA) and/or a Shoreline Setback Variance application shall be submitted for construction or establishment of the shoreline access improvements required through this SMA Use Permit.

- The public access path shall be described by metes and bounds and recorded with the State Bureau of Conveyances so as to provide a perpetual right of pedestrian access for the general public. A copy of the recorded document shall be filed with the Planning Department prior to obtaining final subdivision approval.
- 98. The petitioner, its successors or assigns, shall be responsible for the maintenance of all shoreline access paths.
- The petitioner shall comply with all requirements of the Subdivision Control Code, including water, roadway, and

the general public. A copy of the recorded document shall be filed with the Planning Department prior to obtaining final subdivision approval.

- 9. The petitioner, its successors or assigns, shall be responsible for the maintenance of all shoreline access paths.
- 10. All lots zoned Unplanned or proposed for any development requiring wastewater system and within the SMA area shall be serviced by a septic tank wastewater system meeting with the approval of the appropriate state or county agency.
- 11. The petitioner shall comply with all requirements of the Subdivision Control Code, including water, roadway, and access requirements as determined by the Department of Water Supply, Department of Public Works, and State Department of Transportation, Highways Division.
- 12. Comply with all other applicable rules, regulations, and requirements.
- 13. Should the Planning Department determine that any of the foregoing conditions have not been met or substantially complied with in a timely fashion, the Special Management Area Use Permit shall be void.

access requirements as determined by the Department of Water Supply, Department of Public Works, and State Department of Transportation, Highways Division.

- 12 10. Comply with all other applicable rules, regulations, and requirements.
- foregoing conditions have not been met or substantially complied within a timely fashion, the Special Management Area Use Permit shall be void.

SMA USE PERMIT: RED HILL JOINT VENTURE

1. Red Hill Joint Venture is requesting a Special Management Area (SMA) Use Permit to allow a ninety-eight (98)-lot subdivision with required improvements. The subject property is located on the north side of the North Kona/South Kona District boundary, makai of the Kona Scenic Subdivision and mauka of Kealakekua Bay, Keekee-Honuaino, North Kona, Hawaii, Tax Map Key 7-9-12:3.

PROPOSED DEVELOPMENT

- 2. Specifically, the petitioner proposes the subdivision of 711.00+ acres of land into eighty-four (84)-5 acre parcels, twelve (12)-10 acre parcels and the remaining two (2) parcels consisting of 8 acres and 62 acres in size. Of the 98 parcels proposed, 2% parcels (including said remaining two parcels) are situated within the Special Management Area. These two parcels, located along the shoreline and within the State Land Use Conservation District, will be maintained in their natural condition and serve as open space.
- 3. The proposed subdivision will have 80-foot and 60-foot wide collector streets and 50-foot wide cul-de-sacs. Within the proposed right-of-way will be 20-foot wide roadway pavements and graded shoulders and swales on either side. All roads within the subdivision when completed are planned to be dedicated to the County.
- 4. Utilities for the proposed subdivision will include underground water, electricity, and telephone. Sewage disposal will be accommodated by cesspools or septic tanks to be installed by the prospective lot owners.

- 5. The proposed project is expected to be constructed in one phase and be completed within 18 months from commencement.

 Estimated construction cost for the on-site infrastructure is \$4,120,000.
- 6. In support of the request, the applicant stated, in part, the following:

"The project is intended to be a quality development that would meet all County standards for infrastructure improvements. The petitioner will undertake all procedures necessary to carry the project from the design stage to construction and finally to sales.

"It is anticipated that purchasers of the parcels will engage in ranching, equestrian or various forms of agricultural activities ranging from crop production to limited agricultural activities to backyard farming."

COUNTY AND STATE PLANS

- 7. The portion of the project site within approximately
 300 feet of the shoreline is within the State Land Use Conservation
 District. It encompasses about 70 acres. This area will be
 maintained in its natural condition and serve as open space. The
 mauka portion of the property is situated within the State Land Use
 Agriculture District.
- 8. The County zoning designation is Unplanned and Agriculture with a minimum lot size of 5 acres (A-5a).
- 9. According to the General Plan Land Use Pattern Allocation Guide (LUPAG) Map, the area is designated for Extensive Agriculture and Orchards use and Open along the shoreline.

- 10. As such, these designations may allow the proposed subdivision.
- 11. Approximately 210 acres of the subject property are situated within the Special Management Area (SMA) of the County of Hawaii. Therefore, any proposed development within this area is subject to review under Rule No. 9, relating to the Special Management Area or Chapter 205-A, HRS, relating to Coastal Zone Management.

DESCRIPTION OF THE PROPERTY AND SURROUNDING AREAS

- 12. The subject property, consisting of approximately
 711 acres, is situated on the North Kona and South Kona District
 boundary line and approximately 2,800 feet makai of the Mamalahoa
 Highway. Access to the property is via Haleki'i Street, an 80-foot
 wide right-of-way that serves as a collector street for the Kona
 Scenic Subdivision. Kona Scenic Subdivision is a residential
 development consisting of one-hundred twenty-six (126) lots ranging
 in size size from 7,500 square feet to 11,000 square feet. At the
 intersection of Haleki'i Street and Mamalahoa Highway are several
 commercial facilities including Foodland, Macadamia Nut Factory, and
 the Kealakekua Post Office.
- 13. Immediate surrounding lands are undeveloped. Only the Kona Scenic Subdivision on the property's mauka boundary is developed. Adjacent, along the shoreline and makai of the project site, are two parcels owned by the Greenwell family. These parcels are encompassed in a historic area known as Hokukano Village. Access to this area is via the shoreline. The proposed subdivision will allow

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for access to Hokukano Village through the proposed open space parcel located in the north side of the project site. 14. The subject area stretches over 10,600 feet from the coastline to approximately the 1,200-foot elevation. Its width ranges from 1,700 feet at the property's upper section to approximately 5,800 feet at the makai boundary. Average slopes vary from less than 5 percent in the low coastal area to 12-16 percent throughout the remainder of the site's middle and upper sections. There are no discernible drainageways on the subject site. 15. The property has approximately 5,000 feet of ocean frontage, exclusive of Hokukano Village. The coastal area is characterized by low rocky shoreline. 16. A distinct natural feature on the site is Puu Ohau or commonly known as Red Hill, a cinder cone near the ocean which rises about 230 feet above the surrounding land. This predominant feature will be preserved in the open space parcel along the shoreline. The heavy vegetation covering the site consists predominantly of koa haole, kiawe, Christmas berry, natal redtop and various ground covers including guinea grass, bermuda grass, sand bur, and lantana. None of these plants are considered rare or endangered. Except in the low coastal area where sedimentation has occurred, the project site is characterized as rocky lands with soil cover of various depths. 19. Lava flows comprise the largest portion of the project site. Through time, the lava has weathered and decomposed and soils from mauka and adjacent areas have settled over the rock field. The -4permeability of the soils is rapid, runoff is slow, and the erosion hazard is slight.

20. The Land Study Bureau's overall master productivity ratings for the soils of the project site are C, D, and E (on a scale of A to E) which indicate fair to very poor. By and large, the site consists of D and E rating areas; less than 5 percent of the site is within the C rating area.

21. There are no known rare or endangered flora or fauna within the subject area.

22. Two archaeological reconnaissance surveys were conducted on the subject property. In July of 1984, Dr. Paul Rosendahl's archaeological crew conducted a 100% coverage of the SMA (though not

22. Two archaeological reconnaissance surveys were conducted on the subject property. In July of 1984, Dr. Paul Rosendahl's archaeological crew conducted a 100% coverage of the SMA (though not all of the Conservation District portion) area, and did four mauka/makai transects in the area above the Special Management Area. In August, 1984, an additional survey was conducted along the

proposed subdivision road rights-of-way.

- 23. The initial reconnaissance verified the existance of sites or site complexes (7) previously registered by the Statewide Inventory of sites through the Department of Land and Natural Resources. These sites are mainly located within the Conservation District portion of the Special Management Area. In addition, 27 new sites or site complexes were located through both reconnaissance surveys.
- 24. The newly found sites include wall segments, habitation sites and complexes, agricultural complexes, platforms, refuge, petroglyph, and habitation caves, terraces, and small shelter caves. The sites listed through the Statewide inventory include,

habitation complexes, heiau, burials, village site and cave shelters. Some of these habitation complexes and village site have been utilized into the historic period. Other historic period sites include the southern extension of the Kuakini wall, a railroad right-of-way, bed, and causeway and the old government road.

25. Dr. Rosendahl's report assessed the sites in the areas as:

"The findings of the completed reconnaissance survey work are somewhat surprising. The archaeological remains identified within the project area are considerably more substantial—in terms of nature, variety, distribution, and density, as well as apparent scientific research, interpretive, and cultural significance—than had been anticipated prior to the field work. The relatively unaltered prehistoric landscape of the project area most likely accounts for this situation. The area apparently was never extensively modified during the historic—period for cattle ranching (or possibly for earlier sugarcane cultivation), as were the immediately adjacent lands to the north and south, probably because of the presence of the more recent exposed pahoehoe lava flow covering most of the central portion of the project area.

"An overall evaluation of the presently identified sites and site complexes finds them in general to be moderately to highly significant in terms of potential scientific research, interpretive, and cultural values. Relatively few of the remains would appear to have low values in terms of these three significance evaluation categories. In many cases, specific evaluations made on the basis of reconnaissance survey level

work alone must be considered tentative until substantiated by more intensive level work; however, in some cases, the significance of certain sites is already obvious (e.g., the Great Wall [K-4], the habitation case with petroglyphs [K-5], the large refuge cave with petroglyphs [W-13], and the second refuge cave with the apparently unique crawlway entrance [W-16]). All four of these obviously important sites should be protected and preserved within the context of the proposed subdivision development."

26. Recommendations for further archaeological work as included within the survey report are as follows:

"Two general recommendations can be made. First, it is recommended that reconnaissance survey coverage of the inland portion of the project area be completed. The sample coverage to date is estimated to have inspected only 20-25% (maximum) of the inland portion (inland of the old Government Road), and already three important sites worthy of preservation have been identified.

"Secondly, it is recommended that appropriate intensive survey work be carried out for all formally designated sites identified during the recent reconnaissance work. Intensive survey coverage of the three cave sites to be preserved (K-5, W-13, W-16) is recommended, in order to insure the continued preservation of the significant archaeological data present in the event any of these sites might be unintentionally damaged or destroyed.

"Three specific recommendations can be considered for implementation as soon as possible. First, it is recommended that the exact location of the State Conservation District boundary be surveyed accurately and staked on the ground by professional surveyors, and a subsequent field inspection be made by archaeologists to determine which H.R.H.P. sites or portions of sites are (a) within the Conservation District and therefore are to be preserved with no further archaeological work being done, or (b) within the S.M.A. area and for which appropriate intensive survey level archaeological work must be done.

"Secondly, it is recommended that the subterranean extents of each of the three cave sites to be preserved (K-5, W-13, W-16) be determined accurately in order to realign the proposed roadway easements in such manner as to permit continued preservation of the three sites. The accurate locational plotting of the caves will also permit revision of the proposed subdivision parcel boundaries so as to include at least the cave entrances within individual subdivision parcels.

"Thirdly, it is recommended that the several suspected burial sites and features be tested, possibly within the context of intensive survey work, to determine the presence or absence of human skeletal remains. Confirmed burial sites and features can be either preserved in place, or disinterred according to State health Department regulations and accepted archaeological procedures. In the event that the presence or absence of human skeletal remains is not previously confirmed, suspected burial

sites and features can be handled in one of two alternative ways: (1) such work can be undertaken by the developer, prior to the sale of individual subdivision parcels; or (2) appropriate work could be done later by individual subdivision parcel purchasers. In the later instance, potential purchasers of specific parcels would have to be advised about any suspected burial sites or features that might be present.

27. The Flood Insurance Rate Map (FIRM), prepared by the U.S.

- 27. The Flood Insurance Rate Map (FIRM), prepared by the U.S. Army Corps of Engineers, depicts the area to be within the minimal flood hazard area except for the shoreline portion which is within the coastal high hazard area with a minimum elevation of 14 feet.
- 28. Traversing the property approximately 400 to 2,000 feet from the shoreline is a jeep trail that is shown on the Tax Map as a remnant of the old government road between Kealakekua pali and Kainaliu. Near Red Hill, the trail branches makai and continues toward the coast. This trail is excluded from the subdivision lot configurations to be used as public access.
- 29. An old abandoned railroad right-of-way traverses the project site at the 700-foot elevation approximately 3,600 feet below the Kona Scenic subdivision and approximately 7,000 feet above the shoreline. This is also to be separate from the subdivision in that the 150-foot wide right-of-way is planned as a major arterial across the petitioner's property in accordance with the Kona Regional Plan.
- 30. It is anticipated that 96 of the 98 lots would ultimately contain a dwelling. As such, it is anticipated that 672 trips per day based on a trip factor of 7 trips per day per dwelling would be

generated. Translated into peak hour traffic, which is a better indicator of traffic load on a particular roadway, the volume would amount to 63 vehicles per hour or 9.5 percent of the 24-hour traffic volume.

- 31. By 1986 when construction of the subdivision is proposed to be completed, Mamalahoa Highway is expected to have a 24-hour traffic volume of 13,260 vehicles and a peak hour traffic of 1,233 vehicles. This based on a 24-hour traffic count taken by the State Department of Transportation on the even years from 1972 to 1982. The calculated annual increase for these years averaged 4.75 percent. This annual gain was applied as a growth rate for the 1986 traffic projection.
- 32. Adding the project peak traffic generated by the proposed development to the projected peak traffic on the Mamalahoa Highway, there would be a total of 1,264 vehicles during peak hour. This represents an increase of 2.5 percent in traffic generated by the proposed development. The project's projected increase in the volume of traffic is expected to be mitigated by the construction of the planned highway which traverses the project site. Thus far, no timetable has been set for the highway construction.

PUBLIC SERVICES AND FACILITIES

33. At present, the subject property is not serviced by any public services. Although the adjacent Kona Scenic Subdivision is serviced by all necessary public utilities and facilities, water is not immediately available for the project. To obtain the necessary water, the petitioner will work with the Department of Water Supply

and obtain its approval to assure the provision of a feasible and adequate source and transmission system for the proposed subdivision.

AGENCIES' COMMENTS

34. Real Property Tax Division:

"Presently 634,600 [sic] acres of the subject property are zoned agricultural by the Land use Commission and are being assessed as pasture lands. Under Chapter 19 of the County Code, Section 19-53(F)(3), 'A deferred or rollback tax shall be imposed on the owner of agricultural lands assessed according to its agricultural use as provided in subsection (a) of this section...upon the subdivision of the land into parcels of five acres or less....' We suggest that the petitioners familiarize themselves with this section of the County Code as it may affect some of their proposed lots. Questions concerning rollback taxes may be addressed to this office."

35. State Department of Land and Natural Resources:

"Thank you for the opportunity to review the subject permit application which occurs in the Kona Field System (Site No. 6601), a site determined eligible for placement on the National Register of Historic Places.

"We concur with the applicant's action of conducting a reconnaissance survey of the parcel. We further recommend that two copies of the final report be submitted to our office for review and comment prior to the start of any construction activity. At this time, we may make further recommendations toward the mitigation of any existing cultural resources located within the project area. These further recommendations shall

also be completed prior to that start of any construction activity.

"There are no known public recreational concerns, however, we note the subject proposal provides public shoreline access, but there is no public right-of-way shown from within the project subdivision to the 1.5+ mile shoreline frontage.

"We have compared the Conservation District boundary certified by Mr. Furutani on March 23, 1984, with that shown on the preliminary map. The district boundary shown on the preliminary map appears to be both accurate and fair.

Accordingly, subdivision mauka of the boundary line as far as the Belt Road would fall outside of the Conservation District.

So long as no work is required in the Conservation District, nor any use made, no permit should be necessary."

36. State of Hawaii, Department of Transportation:

"The approved corridor for the Hawaii Belt Road, Holualoa to Papa, Project No. F-011-1(8) will effect the proposed subdivision. The corridor alignment is defined, but no survey data is available to physically locate it."

37. Department of Public Works:

"We have reviewed the subject application and our comments are as follows:

"1. Attached proposal indicates all roads are planned to be dedicated to the County. That being the case, it is recommended that the developer make every effort to minimize steepness of road grades."

Comments for the subdivision application are as follows:

"1. Provide agricultural standard pavement within all 50',
60' and 80' wide roadways. Where grades are 8% or
greater, roadways shall be built to paved standards of
the subdivision code.

- "2. Provide cross roads to the northern and southern boundaries of the subdivision.
- "3. Submit construction plans for review and comment.
- "4. Submit master drainage study, which considers on-site and off-site perimeters, to DPW for review and approval."

38. Department of Agriculture:

"The references to the Soil Conservation Service Soil Survey, the Agricultural Land of Importance to the State of Hawaii system and the Land Study Bureau Detailed Land Classification are correct. By these methods of land classifications, grazing appears to be the most favorable agricultural use for most of the parcel.

"According to our information, there are a number of macadamia nut and coffee farms in the vicinity of the mauka end of the subject parcel. There are no large orchard areas below the 1,000-foot elevation. Median rainfall ranges between 55 inches at the mauka end and less than 31 inches at the makai end of the parcel. The application states in very general terms that various forms of agricultural activities are anticipated to be undertaken by lot purchasers. There are no specific crop

recommendations nor any evidence that agricultural use of the lots will be implemented and continued.

"Upon cursory analysis, there are indications that coffee and macadamia nuts may be cultivated in the mauka end of the property. The remaining property would appear to need considerable land preparation of orchard uses are to be established. Nurseries and other agricultural uses that are not dependent upon good soil provide other possibilities.

Cultivation of row crops appears to be impractical due to the stoniness of the soil.

"Notable lacking is information on the adequacy of a water supply and storage system to meet agricultural irrigation demand, especially in the makai portion of the parcel. Water requirements for orchard (i.e., macadamia nut) and nursery operations require over 5,000 gallons per acre per day or about 67 inches of rain per year. Drip irrigation would reduce the amount of water required.

"We believe that the mauka portion of the parcel has potential for intensive orchard use. The lower portions are suitable for low intensity uses such as grazing, unless considerable land preparation is undertaken or soil-independent agricultural uses are planned. These higher intensity uses are possible only if sufficient irrigation water is made available. Pursuant to Section 205-2, HRS, any dwellings must be accessory to an agricultural use."

39. Department of Water Supply:

"Based on the prevailing water situation in the area, water availability is contingent on construction of additional sources and transmission facilities.

"A program similar to the Kona Source Agreement is preliminarily being discussed. However, definite information is not available at this time."

- 40. None of the other cooperating agencies had any comments on or objections to the subject request.
- 41. It should be pointed out at this time that because the subject property contains significant archaeological sites, adjustments may need to be made to the proposed subdivision layout, which may affect both the configuration as well as the number of lots in the subdivision.

RECOMMENDATION: RED HILL JOINT VENTURE

Upon careful review of the request against the guidelines for considering a Special Management Area (SMA) Use Permit, the Planning Department is recommending that it be approved. However, the Department reserves the right to modify and/or alter its position based upon additional information presented during the public hearing. The approval recommendation is based on the following findings:

Although the applicant proposes a ninety-eight (98) lot subdivision with required improvements, only 29 lots proposed within the SMA are covered under this approval recommendation. The proposed development will not create any significant adverse impact on the environment or ecological resource of the Special Management Area (SMA).

The property is not known to contain any unique ecological systems nor provide unique habitats for any endangered plants or animal species.

The entire proposed subdivision does, however, contain some significant archaeological sites as well as sites with potentially significant archaeological value. As such, this approval recommendation will require specific additional archaeological work prior to the commencement of any activity on the project site including, where appropriate, the preservation of significant archaeological sites in their original condition for the purpose of public education and cultural preservation.