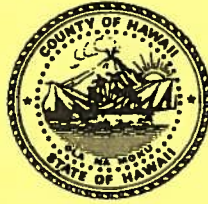


Harry Kim
Mayor



Christopher J. Yuen
Director

Roy R. Takemoto
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

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

March 5, 2004

Mr. Stephen Arnett, Ph.D.
P.O. Box 839
Kealahou, HI 96750

Re: TMK 8-7-13:6, Opihihali, South Kona, HI

In a letter dated January 28, 2004, you inquired whether the subject property can be further subdivided. This approximately 153.6-acre property is zoned Agricultural-5a. A portion of the property is in the State Land Use Conservation District and the balance in the Agricultural District. The Conservation portion is also in the Special Management Area (SMA).

Based on a recent decision by Judge Ibarra regarding the Kiilae project, even if the portion in the SMA would be subdivided along the SMA boundary so that no action is actually occurring within the SMA, the subdivision application will trigger a SMA permit requirement. If lots are created within the Conservation District, a Conservation District Use Application will be required from the State Department of Land and Natural Resources.

The subject property was one of eight lots created by SUB 7235. A water variance (VAR 417) allowed that subdivision without a County water system with a condition that no further subdivision would be allowed without County water. It is highly unlikely that we would overturn that condition should a subdivision application be submitted for the subject property.

Please call me if you have any questions.

Yours truly,

Roy Takemoto
Deputy Director

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MAR 5 2004