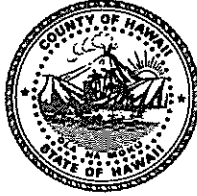


Stephen K. Yamashiro
Mayor



County of Hawaii

PLANNING COMMISSION

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7099 3220 0000 4869 7732

APR 20 2000

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

Dear Mr. Koyama:

Use Permit Application (USE 00-002)
Applicant: PIA-Kona Limited Partnership
Request: Allow for an 18-Hole Golf Course and Accessory Uses
Tax Map Key: 7-2-3:Portion of 3

The Planning Commission at its duly held public hearing on April 7, 2000, voted to approve the above-referenced application. Use Permit No. 182 is hereby issued for the development of an 18-hole golf course, driving range, a clubhouse, support facilities (golf cart barn and golf bag storage and handling area), maintenance building and related improvements on approximately 300 acres of land situated in the State Land Use Agricultural District. The property is located midway between Queen Kaahumanu Highway and Mamalahoa Highway, southeast of the Kaupulehu and Hualalai Resorts, Kaupulehu, North Kona, Hawaii.

Approval of this request is based on the following:

Rule 7 (Use Permits) of the Planning Commission's Rules of Practice and Procedure states that the Planning Commission may approve a use permit based on the certain criteria. Section 7-6, Criteria for Granting a Use Permit, states:

"The Commission may approve a use permit upon finding that:

- "(a) The granting of the proposed use shall be consistent with the general purpose of the zoning district, the intent and purpose of the Zoning Code, and the County General Plan;

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- "(b) The granting of the proposed use shall not be materially detrimental to the public welfare nor cause substantial, adverse impact to the community's character or to surrounding properties; and
- "(c) The granting of the proposed use shall not unreasonably burden public agencies to provide roads and streets, sewer, water, drainage, schools, police and fire protection and other related infrastructure."

The granting of this request 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 golf course, driving range, clubhouse, support facilities (golf cart barn and golf bag storage and handling area), maintenance building and related improvements, on a parcel located within the State Land Use Agricultural District and under the County's Agricultural-5 acre (A-5a) zoned district is a permitted use through the Use Permit review process, provided that the Land Study Bureau's Detailed Classification System classifies the site as having a master productivity rating of C, D or E. The Use Permit process provides an avenue to review and analyze a proposed project on a case-by-case basis relative to infrastructure and impacts on surrounding properties and existing uses as well as the General Plan goals and policies. The intent and purpose of the Zoning Code is to promote health, safety, morals or the general welfare of the community through regulations and restrictions relative to the location and use of buildings, off-street parking, the percentage of lots that may be occupied, the density of population and land for trade, industry, residence or other purposes.

The General Plan Land Use Pattern Allocation Guide (LUPAG) Map designates the subject area as Extensive Agricultural. This category generally designates uses such as pasturage and range lands. The Land Study Bureau's Detailed Land Classification System classifies soils within the project area having an overall master productivity rating for agricultural use of "E" or "Very Poor."

Mindful of the type of service the applicant will provide to the residents of West Hawaii, the proposed use will compliment the following goals, policies and standards of the Land Use Elements of the General Plan.

Land Use

- Designate and allocate land areas in appropriate proportions and mix and in keeping with the social, cultural, and physical environments of the County.

- The county shall encourage the development and maintenance of communities meeting the needs of its residents in balance with the physical and social environment.

The proposed request would also complement the following goals and policies of the Recreational, Environmental Quality, Natural Resources and Shorelines, and Natural Beauty Elements of the General Plan.

Recreational

- Provide a wide variety of recreational opportunities for the residents and visitors of the County.
- Maintain the natural beauty of recreation areas.
- Provide a diversity of environments for active and passive pursuits.

Environmental Quality

- Maintain, and if feasible, improve the existing environmental quality of the island.
- Encourage the concept of recycling agricultural and municipal waste material.

The proposed use would also conform to the following:

Natural Resources and Shorelines

- Protect and conserve the natural resources of the County of Hawaii from undue exploitation, encroachment and damage.
- Provide opportunities for the public to fulfill recreational, economic, and educational needs without despoiling or endangering natural resources.
- Protect and promote the prudent use of Hawaii's unique, fragile and significant environmental and natural resources.
- Protect rare or endangered species and habitants native to Hawaii.

- Protect and effectively manage Hawaii's open space, watersheds, and natural areas.
- Ensure that alterations to existing land forms and vegetation , except crops, and construction of structures cause minimum adverse effect to water resources, and scenic and recreational amenities and minimum danger of floods, landslides, erosion, siltation, or failure in the event of earthquake.
- The County of Hawaii should require users of natural resources to conduct their activities in a manner that avoids or minimizes adverse effects on the environment.
- Encourage the use of native plants for screening and landscaping.

Natural Beauty

- Protect, preserve and enhance the quality of areas endowed with natural beauty, including the quality of coastal scenic resources.
- Protect scenic vistas and view planes from becoming obstructed.
- The County shall consider structural setback from major thoroughfares and highways and shall establish development and design guidelines to protect important view planes.

The proposed use would also conform to the following goals and policies of the Economic Element goals and policies of the General Plan.

Economic

- Provide residents with opportunities to improve their quality of life.
- Economic development and improvement shall be in balance with the physical and social environments of the island of Hawaii.
- The County of Hawaii shall strive for an economic climate which provides its residents an opportunity for choice of occupation.
- The County of Hawaii shall strive for diversification of its economy by strengthening existing industries and attracting new endeavors.

The desired use will not be materially detrimental to the public welfare nor cause substantial adverse impact to the community's character or surrounding properties. The character of the subject area of the property is open and non-urban in character. The subject property is currently vacant. The proposed project will be designed and be compatible with the proposed overall character and development of the area. The project site is vacant of any structures and is part of a larger 7,837 acre parcel. The golf course site measures approximately 3,000 feet from east to west and approximately 7,000 feet from north to south. The golf course site is located the central mauka section of the entire parcel. There are four major pu'u in the area. The largest, Pu'u Nahaha, is located at the 1,300-foot elevation near the western boundary of the property. Pu'u Mau and Pu'u Kolekole are approximately 3,000 feet apart and in a straight line northeast of Pu'u Nahaha. Puhia Pele is on the western boundary of the property at the 1,500 foot elevation. Only Pu'u Kolekole is within the proposed golf course site. This feature will remain unaltered and maintained as a visual element in the golf course landscape.

The proposed project will provide an alternative to golfers who wish to belong to a membership course in the midst of the Kohala Coast and North Kona resorts without being a guest of or a homeowner within a particular hotel or resort.

The desired use will not unreasonably burden public agencies to provide roads and streets, sewers, water, drainage, school improvements, police and fire protection, and other related infrastructure. Water is and/or will be made available to the subject property. Access to the golf course site will be off Queen Ka'ahumanu Highway via an existing access road. This road currently provides access utility facilities that serve Hualalai and Kona Village Resort. This access road is located across the Hualalai/Kona Village Resort entrance. The intersection serving these accesses is unsignalized, but partially channelized. There is a northbound left-turn lane and a southbound right-turn lane into the makai resort land. On the makai side, the intersection is unchannelized. There are no turning lanes for the utility corridor access road. Queen Ka'ahumanu Highway is a two-lane State Highway with a 300-foot wide right-of-way. The applicant will make improvements to the golf course access road intersection to assure the safe movement of vehicle.

Water for the golf clubhouse, cart barn, maintenance facilities and other support facilities will be supplied by potable water wells owned by Kaupulehu Water Company. The applicant is seeking authorization for use of potable water from Kaupulehu Water Company. Irrigation water will be supplied from two new brackish wells which will be developed below the golf course site. It is anticipated that the proposed golf course

will require approximately 0.75 to 1.0 million gallons per day of water for irrigation. Approval for the new wells will be sought from the State Commission on Water Resource Management.

There is no municipal wastewater system in the project vicinity. As such, the applicant will install its own sewage disposal system meeting with the approval of the Department of Health.

Power and telephone services will be provided by Hawaii Electric Light Co., Inc., and GTE Hawaiian Telephone, respectively, from overhead electrical and telephone lines along Mamalahoa Highway.

Therefore, it is determined that the impacts from the proposed development will not be substantial nor negatively impact upon the surrounding area nor on existing infrastructural systems.

Approval of this request is subject to the following conditions. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director may initiate procedures to revoke this permit.

1. The applicant, its successor or assigns shall be responsible for complying with all stated conditions of approval.
2. The applicant shall provide assurance satisfactory to the Department of Water Supply and the Planning Director, that water sources of sufficient quality and quantity has been established and letters of authorization from the owners of the potable and irrigation wells are provided to the Planning Department. Final inspection of the golf course, clubhouse, driving range, support facilities (golf cart barn and golf bag storage and handling area) and related shall not be issued until the approved water source is obtained and for such source to the subject property has been constructed.
3. Final Subdivision Approval for any portion of the subject property shall be secured from the Planning Director.
4. Construction of the proposed development shall be completed within five (5) years from the effective date of Final Subdivision Approval.
5. Prior to construction of each element, Final Plan Approval of each element for the proposed golf course, clubhouse, driving range, clubhouse, support facilities

(golf cart barn and golf bag storage and handling area) and related improvements shall be secured from the Planning Director. Plans shall identify the proposed structures, vehicular traffic, paved driveway access and parking stalls associated with the proposed use.

6. Access(es) to the project site shall meet with the approval of the Department of Transportation-Highways Division and Department of Public Works. All roadways within the development shall be designed and constructed to meet the approval of the Department of Public Works, Engineering Division. The access to the golf course via Queen Ka'ahumanu Highway shall meet the requirements of the Department of Transportation.
7. A detailed drainage study shall be prepared by the applicant for review and approval by the Department of Public Works prior to submittal of plans for Final Plan Approval review, whichever occurs first, for the golf course and clubhouse. The study shall take into consideration the tile drainage system, retention basins and reduced turf design to be incorporated into the golf courses. A drainage system for each phase of development in the project area shall be installed meeting with the approval of the Department of Public Works, prior to issuance of a certificate of occupancy or golf course opening, whichever occurs first.
8. A Solid Waste Management Plan shall be prepared and submitted for approval to the Department of Public Works prior to submitting plans for Final Plan Approval. Approved recommendations and mitigation measures shall be implemented in a manner meeting with the approval of the Department of Public Works.
9. Wastewater generated by the proposed development shall be disposed of in a manner meeting with the approval of the Department of Health or Department of Public Works, whichever is applicable.
10. The applicant shall submit the existing biological surveys to the U.S. Fish and Wildlife Service for its review and approval prior to the issuance of any land alteration permits for the property.
11. Prior to construction, the applicant shall demonstrate to the satisfaction of the Planning Department that all proposed off-site construction material such as topsoil or sand are being supplied from an approved quarry or recourse site.

12. During construction, best effort measures shall be taken to minimize the potential of both fugitive dust and runoff sedimentation. Such best effort measures shall be in compliance with construction industry standards and practices utilized during construction projects of the State of Hawaii.
13. The use of pesticides and herbicides in conjunction with all phases of operation shall conform with the applicable regulations of appropriate governmental agencies.
14. An archaeological mitigation and interpretation plan shall be prepared and submitted for approval to the Planning Director and the Department of Land and Natural Resources-Historic Preservation Division, prior to submitting plans for Final Plan Approval. The Plan shall consist of three subplans: (1) an archaeological data recovery plan for the sites to undergo data recovery, (2) a detailed interim protection/preservation plan for the sites to undergo preservation and (3) an interpretation plan which shall include buffer zones, signage and long-range preservation concerns which may be submitted at a later date. Approved mitigation measures shall be implemented prior to the issuance of any land alteration permits for each phase of development within the project area.
15. The Kiholo-Kaupulehu Trail shall be preserved in place and a 50-foot buffer shall be established. A public access plan, which shall include the buffer zone and signage, shall be established and submitted for review and approval to the Planning Director, in consultation with the Department of Land and Natural Resources-Historic Preservation Division, prior to the issuance of any land alteration permits for each phase of development within the project area.
16. 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 immediate area shall cease and the Department of Land and Natural Resources-Historic Preservation Division (DLNR-HPD) shall be immediately notified. Subsequent work shall proceed upon an archaeological clearance from the DLNR-HPD when it finds that sufficient mitigative measures have been taken.
17. Comply with all other applicable laws, rules, regulations and requirements of affected agencies for approval of the proposed development within the subject property.

Mr. Glen T. Koyama

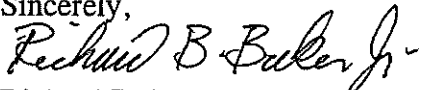
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18. An annual progress report shall be submitted to the Planning Director prior to each anniversary date of the approval of this Use Permit. This condition shall remain in effect until all of the conditions of approval have been complied with and the Director acknowledges that further reports are not required.
19. 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.
 - (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).

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 contact Eleanor Mirikitani of the Planning Department West Hawaii Office at 327-3510 or Alice Kawaha of the Planning Department Hilo Office at 961-8288.

Sincerely,



Richard B. Baker, Jr., Chairman
Planning Commission

Lpiakona01PC

cc: Department of Public Works
Department of Water Supply
County Real Property Tax Division
West Hawaii Office
Kazu Hayashida, Director/DOT-Highways, Honolulu
Mr. Roger Harris
Subdivision Section