

COUNTY OF HAWAI'I PLANNING DEPARTMENT
RECOMMENDATION REPORT

DHL MAHI SITE M LLC & DHL MAHI PROPCO LLC
SPECIAL MANAGEMENT AREA USE PERMIT APPLICATION
(PL-SMA-2026-000087)
(SMA-07-019) Amendment

Upon careful review of the applicant's request against the guidelines for granting of a Special Management Area Use Permit, the Planning Director recommends **amending Special Management Area (SMA) Use Permit No. 07-019 for a 10-year time extension to Condition No. 2 (Commence Construction); reduce the density of the Mauna Lan Site M master planned development from 1,207 Units (691 Residential & 516 Hotel) to 925 Units (551 Residential & 374 Hotel); remove the proposed golf course and conference center use; increase preserved open space; and construct an emergency evacuation road within the Special Management Area (SMA) be approved by the Planning Commission.** Since this recommendation is made without the benefit of public testimony, the Director reserves the right to modify and/or alter this recommendation based upon additional information presented at the public hearing. This approval recommendation is based on the following:

Request: DHL MAHI SITE M, LLC and DHL MAHI PROPCO LLC (collectively, the "Applicant") request an amendment to Special Management Area (SMA) Use Permit No. 07-019 to modify the previously approved development program for "Site M" within the Mauna Lani Resort, located in South Kohala on TMK's: (3) 6-8-001:054 and (3) 6-8-022:010. The applicant requests the following specific changes to SMA 07-019:

- Reduce the overall development intensity from 1,207 units to a total of 925 units, a 23.4% overall reduction.
- Amend Condition No. 2 to authorize a ten (10)-year time extension to commence construction, with the extension period to begin upon approval of the amended permit.
 - *2 Construction of the proposed development shall be completed*

within ten (10) years from the effective date of this permit. The project shall be developed substantially as represented in the application.”

- Amend the following conditions to remove the previously approved three-hole golf course from the project scope and convert those areas to landscaped open space. Accordingly, Condition Nos. 8 and 14 shall be amended, and condition No. 20 would need to be deleted.
 - *8. The applicant shall develop a three-fairway golf amenity or equivalent open landscaped area and use commercially reasonable efforts to use effluent water treated to the R-2 standard from the Mauna Lani Resort's wastewater treatment plant to irrigate the golf amenity or open landscaped area; provided, however, that the applicant's commitment to use the R-2 treated effluent shall be conditioned upon the operator of the wastewater treatment plant providing R-2 treated effluent of an acceptable quantity and quality so as to enable applicant to use such effluent within its subsurface drip irrigation system without incurring (sic) unreasonable expense or liability.*
 - *14. A non-potable water source for golf course or equivalent open landscaped area irrigation shall be utilized.*
 - *20. The applicant shall prepare an integrated golf course management plan (IGCMP) for the review and approval of the Planning Director. The IGCMP shall address the design, construction, maintenance and operation of the 3-hole golf course. The IGCMP shall contain specific best management practices for the 3-hole golf course.*
- Eliminate the previously approved 20,000-square-foot conference center on Parcel 3A from the project scope.
- Pursuant to Condition No. 6 of SMA Use Permit No. 07-019 (shown below), the Applicant proposes to establish an emergency evacuation route road corridor intended to serve the Mauna Lani Resort area and the Puakō community. The proposed corridor would traverse portions of TMKs (3) 6-8-001:050, (3) 6-8-001:052, (3) 6-8-001:055 and (3) 6-8-001:049. Three (3) potential route alignments have been identified originating from the South Kohala Fire Station located on TMK (3) 6-8-001:055.

- 6. *To the extent allowed by the applicable government agencies and Mauna Lani Service, Inc., applicant shall take commercially reasonable steps to enable its construction access road to also serve as an alternate emergency evacuation route for the Mauna Lani Resort and the Puako community; provided, however, that the applicant shall not be responsible for maintenance and/or control of the alternate emergency evacuation route.*

The proposed development consists of the following: “Site M” encompasses approximately 150 acres situated within the SMA. The proposed amendment would modify the project’s residential and hotel components while retaining the existing parcel acreages.

- For the residential component, Parcel 1 would remain 7 acres and be reduced from 76 to 56 units, representing a 26.3 percent reduction, with a mix of stacked-flat and townhome units at a density of 8 dwelling units per acre.
- Parcel 2 would remain 12.8 acres and be reduced from 138 to 102 units, a 25.8 percent reduction, also consisting of stacked-flat and townhome units at 8 dwelling units per acre.
- Parcel 4 would remain 16.6 acres and be reduced from 180 to 133 townhome units, a 26.2 percent reduction, in two-story buildings at a density of 8 dwelling units per acre.
- Parcel 5 would remain 13 acres and be reduced from 141 to 104 units, a 26.2 percent reduction, with a mix of stacked-flat and townhome units at 8 dwelling units per acre. Parcel 6 would remain 22.3 acres with no change from the 2008 SMA approval, retaining 156 villa units in two-story buildings at a density of 6.9 dwelling units per acre.
- With respect to the hotel component, Parcel 3A would remain 16.4 acres and increase slightly from 266 to 270 rooms, a 1.5 percent increase, while retaining the previously approved four-story massing and 45-foot height limit.
- The conference center previously approved for Parcel 3A would be removed, the building footprint would be reduced by approximately 54 percent, and open space would increase by approximately 9 percent. The applicant now

proposes a dual-branded hotel concept with shared amenities between Parcels 3A and 3B.

- Parcel 3B would remain 16.1 acres and be reduced from 250 to 104 rooms, representing a 58.4 percent reduction. In addition, the previously approved 100 bungalow buildings would be replaced with a single four-story hotel structure not to exceed 45 feet in height. The building footprint on Parcel 3B would be reduced by approximately 75 percent, with an approximately 10 percent increase in open space, and amenities would be shared with Parcel 3A. Further details can be found in Table 2 on page 12 of the application.

The applicant's reason for the request is an update to the 150-acre master plan and construction of an emergency evacuation route.

The grounds for approving development within the Special Management Area are based on HRS, Chapter 205A-26(2) (Special Management Area guidelines) and Rule 9-11(e) of the Planning Commission Rules of Practice and Procedure. Planning Commission Rule 9-11(e) states that the Authority (Planning Commission) may permit the proposed development only upon finding that:

1. The development will not have any substantial adverse environmental or ecological effect except as such adverse effect is minimized to the extent practicable and is clearly outweighed by public health, safety or compelling public interest;
2. The development is consistent with the objectives and policies and the Special Management Area guidelines as provided by Chapter 205A, HRS;
3. The development is consistent with the General Plan, Community Plan, Zoning Code and other applicable ordinances;
4. The development will, to the extent feasible, reasonably protect native Hawaiian rights if they are found to exist, including specific factual findings regarding:
 - a. The identity and scope of valued cultural historical or natural resources in the petition area, including the extent to which traditional and customary native Hawaiian rights are exercised in the petition area;

- b. The extent to which those resources including traditional and customary native Hawaiian rights, will be affected or impaired by the proposed action; and
- c. The feasible action, if any, to be taken by the Authority to reasonably protect any valued cultural, historical or natural resources including any existing traditional and customary native Hawaii rights.

In review of the SMA guidelines as listed under HRS 205A-26(2)(A), the proposed development will not have any substantial adverse environmental or ecological effect, except as such adverse effect is minimized to the extent practicable and clearly outweighed by public health, safety, or compelling public interest. In considering the significance of potential environmental effects, the Director shall consider the sum of those effects that adversely affect the quality of the environment and shall evaluate the overall and cumulative effects of the action on the Special Management Area. Such adverse effects shall include, but not be limited to, the potential cumulative impact of individual developments, each one of which taken in itself might not have a substantial adverse effect and eliminate planning options.

In reviewing the SMA guidelines listed under HRS 205A-26(2)(A), the proposed development is not anticipated to have any substantial adverse environmental or ecological effects. The Proposed Project reduces the total unit count from 1,207 to 925 units and lowers the average density from 8.9 to 6.2 dwelling units per acre. In addition, the elimination of the previously approved three (3) hole golf course and a 20,000-sf conference center results in an increase in open space within "Site M." These modifications lessen land disturbance, reduce resource demand, and enhance opportunities for passive recreation while maintaining visual openness within the resort environment. Environmental and ecological impacts at "Site M" are expected to be minimal and temporary, mainly confined to the construction phase, and will be mitigated through Best Management Practices (BMPs) for erosion and sedimentation control, stormwater management, and pollution prevention through the use of silt

fences and sediment basins.

The inclusion of an Emergency Evacuation Road, which was a condition of the original SMA Use Permit No. 07-019, provides significant public safety benefit by improving secondary access and reducing hazards to life and property in the event of coastal, wildfire or other emergencies, consistent with the hazard mitigation objectives of Chapter 205A.

Based on the available treatment capacity within the existing wastewater system, planned infrastructure improvements, and ongoing coordination with Hawai'i American Water Company (HAWC), adequate wastewater treatment and conveyance infrastructure is available to accommodate the proposed project. SMA Use Permit No. 07-019 identifies potable water service to "Site M" from an existing 24-inch waterline along Ho'ohana Street and a 12-inch waterline along North Kaniku Drive. The County Department of Water Supply (DWS) has indicated that potable water allocations are governed by a tri-party agreement executed on April 6, 2006, between Mauna Lani Service, Inc., Mauna Kea Properties, Inc., and the County of Hawai'i Water Board of the County of Hawai'i. This agreement established a long-term potable water source for the resort through the development of key infrastructure, including Parker Wells No. 3 and 4, which were subsequently dedicated to the DWS and now operate as part of the Lālāmilo Water System. A July 2025 Water Use Study prepared by Akinaka & Associates, Ltd. confirms that sufficient potable water capacity exists to accommodate full build-out of the Mauna Lani Resort. The system provides an average day allocation of 4.009 million gallons per day (MGD) (6.013 MGD maximum day), with current usage at approximately 2.738 MGD. The proposed project is projected to require 0.578 MGD (equivalent to a Maximum Day Use of 0.866 MGD), resulting in a remaining surplus of approximately 0.693 MGD (equivalent to a Maximum Day Use of 1.040 MGD). These figures demonstrate that adequate capacity is available to serve the proposed project without adversely affecting regional water resources. Irrigation demands for the resort, including golf course areas, are met through a separate non-potable water

system utilizing brackish water from on-site wells, consistent with the original resort development strategy which aims to reduce reliance on potable water supplies.

Based on the foregoing, the Planning Director finds that the Proposed Project is consistent with the objectives and policies of Chapter 205A-26(2)(A), HRS, and complies with the County of Hawai'i SMA guidelines as listed under 9-10(H)(1-10). The Project advances the purposes of the CZM Program by reducing development intensity, increasing open space, protecting cultural and natural resources, and providing for a balanced and compatible resort-residential community within the coastal zone.

In review of the SMA guidelines as listed under HRS 205A-26, the proposed development is consistent with the objectives and policies as provided by Chapter 205A-26, HRS, and Special Management Area guidelines contained in Rule No. 9 of the Planning Commission Rules of Practice and Procedure.

The purpose of Chapter 205A-26, Hawai'i Revised Statutes (HRS) and Rule 9 of the Planning Commission Rules of Practice and Procedure, 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. The objectives and policies of Chapter 205A-26, HRS and Rule 9-10(h) include, but are not limited to, the protection of coastal recreational resources, historic resources, scenic and open space resources, coastal ecosystems, marine resources, beaches, and controlling development in coastal hazard areas.

The proposed project is consistent with the objectives and policies of the Coastal Zone Management Program (Chapter 205A, Hawai'i Revised Statutes) including:

Recreational Resources:

The proposed project site does not abut the shoreline and is situated approximately 4,000 square feet from the shoreline. Notwithstanding, adequate public shoreline access is available in the vicinity of Mauna Lani “Site M” through existing access points within the Mauna Lani Resort area, including Pauoa Bay, Makaiwa Bay, and Holoholokai Beach Park. Public access to the shoreline is presently provided by established hotel access routes and a paved pedestrian trail system connecting inland resort areas to Holoholokai Beach Park. These accessways are designed to accommodate both residents and visitors and provide continuous connectivity to coastal resources. Makaiwa Bay, located adjacent to the Mauna Lani Beach Club and the Kalahuipua’a fishponds, includes designated public access routes through the resort property. These routes connect internal roadways and parking areas to the shoreline, thereby facilitating public use and enjoyment of coastal resources. Holoholokai Beach Park, a County-maintained public facility located approximately one-quarter mile north of Pauoa Bay, provides direct shoreline access, parking, picnic areas, and access to coastal trails. The park is accessible via Holoholokai Beach Park Road and serves as a primary public access point within the area. All identified shoreline access points are accessible from Queen Ka’ahumanu Highway via Mauna Lani Drive and are located within reasonable proximity to the Project site. Based on the foregoing, the Proposed Project will not adversely affect existing public shoreline access, nor will it diminish the public’s ability to access and utilize coastal resources.

Historic Resources:

Archaeological and cultural studies prepared by ASM Affiliates in 2025, including a Literature Review and Field Inspection (LRFI) and Archaeological Field Inspection (AFI) which evaluated potential impacts of the Proposed Project on historic properties. The LRFI confirmed that the eight previously identified archaeological sites within “Site M” remain in similar condition to earlier documentation and that no new historic properties were identified on the surface. The site is located adjacent to the Puakō Petroglyph Archaeological District, and

the Project design incorporates open space to maintain mauka-makai connectivity and provide a protective buffer. The AFI for the proposed Emergency Evacuation Road identified a historic ranching wall within the corridor and recommends selection of an alignment that avoids impacts to this feature. The Applicant has committed to utilizing an alignment that avoids the wall to achieve a “no historic properties affected” determination from the State Historic Preservation Division (SHPD). The Applicant has acknowledged these findings and has committed to incorporating the recommendations into Project design and implementation, including avoidance of known historic/cultural resources, preservation of open space, and ongoing coordination with the State Historic Preservation Division.

Scenic and Open Space Resources:

No impact on the open space resources will occur from the proposed project. The revised site plan reduces overall development intensity and consolidates building footprints, thereby increasing the amount of preserved and landscaped open space within the project area. These modifications help maintain the visual character of the Mauna Lani Resort and surrounding landscape, while minimizing potential visual impacts from public vantage points. In particular, the Project avoids obstruction of significant public view corridors and maintains a compatible relationship with the natural topography and existing development patterns. The retention and enhancement of open space areas, including the removal of previously proposed recreational facilities, further supports the preservation of scenic resources and contributes to a less intensive and more visually cohesive development.

Coastal Ecosystems and Marine Resources:

The subject property is located approximately 2,700 to 3,200 feet inland from the shoreline and does not directly interface with coastal waters or nearshore marine environment. As such, no direct impacts to coastal waters, coral reef systems, or marine habitats are anticipated. Potential indirect impacts, including those related to stormwater runoff and construction activities, will be

effectively minimized through the implementation of best management practices (BMPs), drainage control measures, and compliance with applicable County, State, and Federal regulations. These measures are designed to prevent sedimentation and pollutant discharge from entering coastal waters, thereby protecting marine water quality and ecosystem integrity. In addition, the Project reduces overall development intensity and impervious surface area compared to the previously approved plan, further limiting the potential for downstream impacts to coastal and marine resources. With the incorporation of these design features and mitigation measures, the Project is not expected to result in significant adverse impacts on coastal ecosystems or marine resources. Based on the foregoing, the Proposed Project is consistent with applicable coastal resource protection policies and recommends approval, subject to the conditions set forth herein.

Coastal Hazards:

The project area is located within Flood Zone X, outside of the 500-year flood area. However, the project area is situated roughly 60-feet above mean sea level (msl) on a lava-rock cliff, therefore, the property remains within the County of Hawai'i Civil Defense tsunami evacuation zone. Consequently, the proposed action supports and fulfills the policy goals of preserving coastal ecological integrity, managing coastal hazards responsibly, and ensuring sustainable use of the coastal zone, as outlined in both Chapter 205A-26 HRS and Rule No. 9 of the Planning Commission's Rules.

The proposed development is consistent with the County General Plan, South Kohala Community Development Plan (SKCDP), Zoning Code, and other applicable ordinances.

County General Plan

Under the 2005 General Plan, the Land Use Pattern Allocation Guide (LUPAG), "Site M" is designated Resort-Hotel (V-1.25), Multiple-Family Residential (RM-4), and Open (O). The V-1.25 designation supports resort-oriented development at a scale appropriate to the surrounding Mauna Lani

Resort, including visitor accommodations and accessory uses. The RM-4 designation permits higher-density residential development within a resort-residential context, subject to applicable zoning standards. The Open (O) designation provides for the preservation of open space and recreational uses, contributing to the visual and environmental quality of the area. The Proposed Project's mix of hotel and residential uses, coupled with the retention and expansion of open space areas, is consistent with these land use designations and the intent of the General Plan. The proposed amendment reduces the total number of units, eliminates previously approved elements such as the three-hole golf course and conference center, and increases the amount of open space within the project area. These modifications reduce the overall intensity of development, decrease land disturbance, and enhance the preservation of natural and cultural resources. As such, the project supports General Plan policies that promote balanced growth, protection of open space, and compatibility with the surrounding resort environment.

South Kohala Community Development Plan (SKCDP)

The Proposed Project is consistent with the goals and policies of the South Kohala Community Development Plan (CDP), adopted by ordinance in 2008 to implement the County of Hawai'i General Plan at the district level. The CDP emphasizes balancing economic viability with environmental stewardship, while preserving the cultural character and natural resources of the region. The Project supports the CDP's policy to preserve the culture and sense of place of South Kohala by reducing overall development intensity, decreasing unit count, and increasing open space. The elimination of the previously approved golf course and conference center, along with the consolidation of hotel development, reduces the overall footprint and helps maintain the visual and physical character of the Mauna Lani Resort area. The Project also advances CDP policies related to emergency preparedness. The construction of an Emergency Evacuation Road directly responds to community-identified needs and CDP policies calling for improved emergency access and evacuation planning. This additional route

will enhance public safety and provide a reliable means of egress for both the resort and nearby communities, including Puakō, which are vulnerable to natural hazards. In addition, the Project is consistent with the CDP's emphasis on environmental stewardship and sustainable development. The reduced density and smaller building footprint lessen demands on infrastructure and natural resources, while increased open space and the inland location of the Project minimize potential impacts to coastal and environmental resources. The revised plan reflects a more sustainable development approach compared to the previously approved project.

Zoning Code

The Proposed Project encompasses lands zoned Multiple-Family Residential (RM-4), Open (O), Resort-Hotel (V-1.25), and Agricultural (A-Sa) under the County of Hawai'i Zoning Code. Surrounding properties are similarly zoned, reflecting a consistent pattern of resort, residential, open space, and agricultural uses. The Resort-Hotel (V-1.25) district permits visitor accommodations, residential uses, and related amenities, consistent with the Project's resort-residential character. The RM-4 district supports multiple-family residential development at appropriate densities, subject to applicable development standards. Areas zoned Open (O) are intended for open space and recreational use, which are preserved and expanded under the Proposed Project.

Conclusion

The Proposed Project is consistent with the goals, policies, and land use designations of the Hawai'i County 2005 General Plan. The proposed amendment reflects a reduced development intensity and a more efficient land use pattern, demonstrating a proactive effort to align with both current policy direction and future planning objectives. Further, The Proposed Project is consistent with the goals and policies of the South Kohala Community Development Plan (CDP), adopted in 2008 to implement the County of Hawai'i General Plan at the regional level. The CDP emphasizes a balanced approach to growth that supports economic viability while protecting cultural resources, environmental quality, and the overall sense of place of South Kohala. Lastly, the Proposed Project is consistent with the County's zoning framework and supports the established land use pattern of the surrounding resort community.

The development will to the extent feasible, reasonably protect native Hawaiian rights if they are found to exist. In view of the Hawai'i State Supreme Court's "PASH" and "*Ka Pa'akai O Ka'Aina*" decisions, the issue relative to native Hawaiian rights, such as gathering and fishing rights, must be addressed in terms of the cultural, historical, and natural resources and the associated traditional and customary practices of the site.

Investigation of valued resources: The application, including project details and development plans, was submitted to the State Historic Preservation Division (SHPD) for review and concurrence pursuant to HRS Chapter 6E-42. To date, SHPD has not provided a response regarding the proposed amendment or the proposed Emergency Evacuation Route Corridor. An archaeological inventory survey entitled *An Inventory Survey for Site M in Mauna Lani: Investigation into Resource Exploitation Patterns in the Lower Elevations of the Kanikū Flow in Waikoloa*, prepared by T. Welforth and S. Huber (February 2007), identified eight (8) significant cultural resources within Site M. Subsequently, SHPD issued correspondence dated July 18, 2008, September 10, 2008, and October 5, 2015, indicating that no further archaeological work was required for the subject area.

In August 2025, an Archaeological and cultural study was prepared by ASM Affiliates, including a Literature Review and Field Inspection (LRFI), an Archaeological Field Inspection (AFI) which evaluated potential impacts of the Proposed Project on historic properties and a Ka Pa‘akai O Ka ‘Āina (KPA) analysis evaluate the potential impacts of the Proposed Project on traditional and customary Native Hawaiian rights. The KPA analysis was undertaken to assist in identifying valued cultural, historical, and natural resources; assessing potential effects of the Project; and identifying feasible measures to protect such resources. The analysis builds upon prior archaeological and cultural studies by incorporating additional historical and archival research, as well as expanded consultation with cultural practitioners and lineal descendants.

The valuable cultural, historical, and natural resources found in the area:
The KPA analysis identifies the Project area as part of a broader cultural landscape containing valuable cultural, historical, and natural resources. These resources include, but are not limited to, potential subsurface features such as lava tubes and burials, ancestral trails, wahi pana, and other features reflecting the historical, cultural, and spiritual significance of the area. The analysis further indicates that the absence of previously documented resources may have been due to limited visibility and incomplete consultation in earlier studies. Although no active traditional gathering practices were identified within “Site M,” the area retains cultural importance as part of a larger network of resources and practices extending beyond the Project boundaries.

Floral and Faunal Resources

AECOS, Inc. conducted a Natural Resources Assessment in July 2025 for “Site M,” including surveys of terrestrial flora and fauna. The site is characterized as a disturbed, dry savannah dominated by non-native vegetation. A total of 27 plant species were identified, of which three are indigenous species commonly found in similar coastal environments. No endemic or rare plant species were observed. Faunal surveys recorded primarily introduced bird species, with one incidental observation of the endemic nēnē (*Branta sandvicensis*) and one

indigenous species, the black-crowned night heron (*Nycticorax nycticorax hoactli*). No other native or listed avian species were documented. Mammalian presence is limited to feral goats, with the likely presence of other introduced species. Although the Hawaiian hoary bat (*Lasiurus semotus*) may occur in the area, no suitable roosting habitat was identified.

Possible adverse effects or impairment of valued resources: Ground alteration will remove most existing vegetation, but none of the species present is known to be culturally important. Although the likelihood of uncovering archaeological remains is low, the applicant will follow State Historic Preservation Division (SHPD) protocols for inadvertent finds. Construction activities could temporarily raise noise, dust, and sediment levels. However, as the project is 2,000 feet from the shoreline, temporary construction impacts will be reduced through the use of best management practices (BMPs) reducing impacts to near-shore water quality that supports fishing and gathering; Finally, introducing invasive landscaping species or excessive night-lighting would erode the area's natural character.

Feasible actions to protect native Hawaiian rights: the Ka Pa'akai O Ka 'Āina (KPA) analysis prepared by ASM Affiliates (August 2025) in accordance with the requirements established under Hawai'i case law to assess impacts to traditional and customary Native Hawaiian rights. The KPA analysis provides an updated and more comprehensive evaluation of the cultural significance of the "Site M" area, incorporating archival research and recent community consultation with cultural practitioners and lineal descendants. The analysis identifies the Project area as part of a broader cultural landscape containing ancestral trails, potential subsurface features such as lava tubes and burials, and wahi pana that contribute to the cultural and spiritual integrity of the region. While the KPA analysis confirms that no active traditional gathering practices are currently occurring within the Project area, it concludes that the absence of documented resources in prior studies was partially due to limited survey scope and constrained visibility, rather than a lack of cultural significance. The Proposed

Project, as conditioned, is found to be consistent with the State's obligation to protect traditional and customary Native Hawaiian rights. The proposed Project will be required, through conditions of approval, to incorporate measures that avoid, minimize, and mitigate potential impacts to cultural resources. Additionally, the Project's reduced development intensity and increased open space areas support the preservation of the cultural landscape and help maintain the physical and visual integrity of the area. The commitment to culturally appropriate stewardship practices, including the use of traditional place names and interpretive efforts, further advances the protection and perpetuation of cultural knowledge. Lastly, the Applicant will be required to adhere to any recommendations or requirements the SHPD sets once their review has been completed.

Accordingly, the Planning Director finds that the Proposed Project reasonably protects Native Hawaiian traditional and customary rights to the extent feasible, consistent with the principles set forth under Ka Pa'akai O Ka 'Āina and applicable State and County policies, provided that the recommended mitigation measures are implemented as conditions of approval. Based on the evidence provided above, finds that the Proposed Project incorporates measures to identify, preserve, and protect cultural and natural resources, preserve cultural features in place where feasible, implement best management practices, protect traditional access routes, and continue consultation with Native Hawaiian cultural practitioners and lineal descendants.

Lastly, this approval is made with the understanding that the Applicant remains responsible for complying with all other applicable government 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 building permits, compliance with 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 the affected agencies.

Based on the above findings, the proposed development will not have substantial adverse impacts on the environment, nor will its approval be contrary to the objectives and policies of Chapter 205A, HRS, relating to Coastal Zone Management and Rule No. 9 of the Planning Commission relating to the Special Management Area. Approval of this request is subject to the following conditions:

1. The applicant, its successor, or assigns ("Applicant") shall be responsible for complying with all stated conditions of approval of this permit.
2. Construction of the proposed development [~~shall be completed within ten (10) years from the effective date of this permit. The project shall be developed substantially as represented in the application.~~] shall commence within ten (10) years of the effective date of this amended permit, with "commencement" defined as the securing of building permits for vertical construction for any component of the "Site M" project. Thereafter, complete construction of the project shall be completed within twenty (20) years from the date of commencement, with "complete construction" defined as the completion of all construction, including a certificate of occupancy issued for all hotel units and final inspection for the residential units. If the Applicant should require an additional extension of time, the Planning Department shall submit the Applicant's request to the Leeward Planning Commission for appropriate action.
3. The [~~applicant~~] Applicant shall develop the property to a density not to exceed [~~694~~] 551 residential units and [~~284~~] 374 hotel [~~units~~] rooms (consisting of a maximum of [~~546~~] 374 keys) and uses accessory thereto.
4. Prior to construction, the [~~applicant, successors or assigns~~] Applicant shall secure Final Plan Approval for the proposed improvements from the Planning Director in accordance with Section 25-2-70, Chapter 25 (Zoning Code), Hawaii County Code. Plans shall identify all proposed structures, access roadways and parking stalls and other improvements associated with the proposed development. Landscaping shall also be indicated on the plans for the purpose of

mitigating any adverse noise or visual impacts to adjacent properties in accordance with the requirements of Planning Department's Rule No. 17 (Landscaping Requirements).

5. Construction of single-family homes by individuals lot owners or a master developer are covered by this approval and do not require subsequent Special Management Area Use permits.
6. To the extent allowed by the applicable government agencies and Mauna Lani Resort Association and Hawaii-American Water Company, ~~[Mauna Lani Service, Inc., applicant]~~ the Applicant shall ~~[take commercially reasonable steps to enable its construction]~~ construct an access road to ~~[also]~~ serve as an alternate emergency evacuation route for the Mauna Lani Resort and the Puako community prior to construction within the "Site M" project site.~~[-; provided, however, that the applicant]~~ The Applicant shall ~~[not]~~ be responsible for maintenance he Applicant shall ~~[not]~~ be responsible for maintenance ~~[and/or]~~ and access control of the alternate emergency evacuation route for the duration of construction and until construction is fully completed and certificates of occupancy have been issued. Thereafter, maintenance responsibilities and access control shall be formally established with a third party and/or the County of Hawai'i. The Applicant shall design and construct the emergency evacuation route in a manner that avoids any alteration, disturbance, or modification of the existing historic wall located on TMK (3) 6-8-001:052 unless authorized by the State Historic Preservation Division.
7. To mitigate potential interference with view planes from the Queen Kaahumanu Highway, the proposed hotel shall be limited to a height of 45 feet, measured according to Chapter 25, Hawaii County Code.
8. The ~~[applicant]~~ Applicant shall develop ~~[a three-fairway golf amenity or equivalent]~~ open landscaped areas and use commercially reasonable efforts to use effluent water treated to the R-2 standard from the Mauna Lani Resort's wastewater treatment plant to irrigate ~~[the golf amenity or]~~ open landscaped areas; provided, however, that the applicant's commitment to use the R-2 treated

effluent shall be conditioned upon the operator of the wastewater treatment plant providing R-2 treated effluent of an acceptable quantity and quality so as to enable ~~[applicant]~~ Applicant to use such effluent within its subsurface drip irrigation system ~~[without incurring unreasonable expense or liability]~~.

9. All development-generated runoff shall be disposed of on-site and shall not be directed toward any adjacent properties.
10. The ~~[applicant]~~ Applicant shall provide, at a minimum, the following improvements, meeting with the approval of the Department of Transportation and/or the Department of Public Works, whichever agency is applicable:
 - ~~[an exclusive left turn lane on the eastbound approach of Mauna Lani Drive at the intersection with Queen Kaahumanu Highway.]~~
 - an exclusive left-turn and right-turn lanes on the westbound approach of Hoohana Street at the intersection with North Kaniku Drive.
 - an exclusive right-turn lane on the northbound approach of North Kaniku Drive at the intersection with Hoohana Street.
 - install a traffic signal system at the intersection of North Kaniku Drive with Hoohana Street.
11. A drainage study shall be prepared by a licensed civil engineer and submitted to the Department of Public Works prior to the issuance of Final Plan Approval. If required, the drainage improvements shall be constructed, meeting with the approval of the Department of Public Works, prior to receipt of a Certificate of Occupancy.
12. Wastewater from the project shall be treated by the private plant owned by Hawaii American Water.
13. The ~~[applicant]~~ Applicant shall develop and implement a groundwater and nearshore water quality monitoring program for review and approval by the Planning Director. The location and extent of water quality monitoring shall be established by monitoring plan meeting with the approval of the Planning Director, but shall generally encompass ocean areas which may be affected by

the development, including waters fronting the northeast portion of the Mauna Lani Resort and the southern end of Puako Beach Road.

14. A non-potable water source for ~~[golf course or equivalent]~~ open landscaped area irrigation shall be utilized.
15. All earthwork and grading shall conform to Chapter 10, Erosion and Sediment Control of the Hawaii County Code.
16. A Solid Waste Management Plan shall be submitted to the Department of Environmental Management for review and approval prior to the issuance of a Certificate of Occupancy.
17. To comply with LUC Docket No. A84-583 and to ensure that the Goals and Policies of the Housing Element of the General Plan are implemented, the applicant shall comply with the requirements of the applicable zoning ordinances, Council resolutions and LUC requirements. This requirement shall be approved by the Administrator of the Office of Housing and Community Development prior to the issuance of a Certificate of Occupancy for any residential development.
18. During construction, best management practices shall be utilized to minimize the potential of both fugitive dust and runoff sedimentation. Such best management practices shall be in compliance with construction industry standards and practices utilized during construction projects in the State of Hawaii.
19. The ~~[applicant]~~ Applicant shall comply with Chapter 11-55, Water Pollution Control, Hawaii Administrative Rules, Department of Health, which requires an NPDES permit for certain construction activity.

~~[20. The applicant shall prepare an integrated golf course management plan (IGCMP) for the review and approval of the Planning Director. The IGCMP shall address the design, construction, maintenance and operation of the 3-hole golf course. The IGCMP shall contain specific best management practices for the 3-hole golf course.]~~

~~[21.]20. [Should any undiscovered remains of historic sites, such as rock walls, terraces, platforms, marine shell concentrations or human burials 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 mitigation measures have been taken.]~~ In the 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, the Applicant shall cease work in the immediate vicinity of the find, protect the find from additional disturbance and contact the Department of Land and Natural Resources-State Historic Preservation Division (SHPD) at (808) 933-7651. Subsequent work shall proceed upon archaeological clearance from SHPD when it finds that sufficient mitigation measures have been taken.

~~[22.]21.~~ ~~[The applicant shall comply with all applicable County, State and Federal laws, rules, regulations and requirements.]~~ The Applicant shall secure all necessary approvals and permits from other affected Federal, State, and County agencies as necessary to comply with all applicable laws and regulations.

~~[23.]22.~~ An annual progress report shall be submitted to the Planning Director prior to the anniversary date of this amended permit. The APR shall describe the status of the development and identify the extent to which each condition of approval has been satisfied. The report shall include, but not be limited to, the status of the development and the extent to which the conditions of approval are being satisfied. This condition shall remain in effect until all conditions of approval have been satisfied and the Planning Director acknowledges that further reports are not required.

~~[24.]~~ ~~An initial extension of time for the performance of conditions within this 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 this 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).~~

~~E. If the applicant should require an additional extension of time, the Planning Department shall submit the applicant's request to the Planning Commission for appropriate action.~~

~~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.~~

23. If construction of the proposed development commences after May 26 2029, the Applicant shall secure water service for the development by way of an amendment to the existing agreement among Mauna Lani Service, Inc. (n.k.a. DHL Propco ,LLC), Mauna Kea Properties, Inc., and the County of Hawai'i Water Board or through other means acceptable to the County of Hawaii Department of Water Supply and/or Water Board, to deliver the necessary water to support the proposed development. No private wells shall be allowed on individual residential lots within the "Site M" project.
24. The applicant shall comply with Chapter 27 - Flood Control, of the Hawai'i County Code.
25. The proposed use shall be conducted in a manner that is substantially representative of plans and details contained within the Special Management Area Use Permit Application dated January 30, 2026, any supplemental material, and the representations made before the Leeward Planning Commission. Any expansion of uses beyond what is represented in this document shall require an amendment to this permit.
26. Should any of the foregoing conditions not be met or substantially complied with

in a timely fashion, the Planning Director may initiate procedures to revoke the permit.