

From: [Renee Lahti](#)
To: [Planning LPC Testimony](#)
Cc: [Renee Lahti](#)
Subject: Written Testimony — PL-SMA-2026-000087 / SMA 07-019 — April 23, 2026 Hearing — Agenda Item No. 2
Date: Sunday, April 19, 2026 8:43:02 PM
Attachments: [SiteM_Written_Testimony_19-Apr-2026_FINAL.pdf](#)

Aloha,

Please accept the attached written testimony submitted in lieu of in-person attendance at the April 23, 2026 Leeward Planning Commission hearing for the following matter:

Application No.: PL-SMA-2026-000087

Permit: SMA Use Permit No. 07-019 (Amendment)

Agenda Item: No. 2

Applicant: DHL Mahi Site M LLC & DHL Mahi PropCo LLC

Submitted by:

Renée B. Lahti

(Full-time resident of Kamuela, Hawai'i)

66-1463 E Ko Uka Place, Kamuela, HI 96743

Owner: Unit #413, The Villages at Mauna Lani

68-1025 North Kaniku Drive, Kamuela, Hawai'i 96743

Email: Renee.Lahti@LineiKokua.com

Attachment: [SiteM_Written_Testimony_19-Apr-2026_FINAL.pdf](#)

This testimony addresses Application PL-SMA-2026-000087, the request to amend SMA Use Permit No. 07-019 for a 10-year time extension to commence construction, reduce density from 1,207 to 925 units, remove the golf course and conference center, and construct an emergency evacuation road at the Mauna Lani Resort, South Kohala, Hawai'i.

All facts cited in the attached document are drawn from public records, the Planning Department Board Packet for PL-SMA-2026-000087, agency correspondence, contested case petitions filed with the Planning Department, community discussion, and owner research.

Please confirm receipt of this email and the attached testimony at your earliest convenience. I would appreciate written confirmation that this submission has been

received and will be included in the permanent record for Application PL-SMA-2026-000087.

Mahalo for your time and for the Commission's service to the community.

Respectfully submitted,

Renée

Renée B. Lahti
Owner, Unit #413 | The Villages at Mauna Lani
Kamuela, Hawai'i
Renee.Lahti@LineiKokua.com
Date submitted: April 19, 2026

Principal, Linei Kōkua Advisory LLC
<https://linktr.ee/reneelahti>

Advisory Board Centre
Certified Executive Chair Advisor
[linkedin.com/in/reneelahti](https://www.linkedin.com/in/reneelahti)

This message contains information which may be confidential. Unless you are the addressee (or authorized to receive for the addressee), you may not use, copy or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by sending a reply e-mail and delete the message. Linei Kōkua Advisory LLC.

SITE M SMA PERMIT AMENDMENT & 10-YEAR EXTENSION

Written Testimony in Lieu of In-Person Attendance

Submitted by: Renée B. Lahti, Owner, The Villages at Mauna Lani (VML) Unit #413

Leeward Planning Commission Hearing — April 23, 2026

Application No. PL-SMA-2026-000087 | SMA Use Permit No. 07-019

The spirit of this testimony is that doing nothing is as poor an option for the island of Hawai'i as doing something the wrong way. This community deserves development that is worthy of the land it is built upon.

“He ali'i ka 'āina; he kauā ke kanaka.”

“The land is chief; man is its servant.” — Mary Kawena Pukui, 'Ōlelo No'eau No. 531

About the Author

Renée B. Lahti has owned VML Unit #413 since 2008 and has been a full-time resident of Waimea, Hawai'i since 2017. A Global Technology Executive with 25+ years of experience assessing complex systems, risk, and governance, she brings that same analytical lens to this testimony. She values cultural humility and a strong pay-it-forward mindset—that the individual, the organization, and the broader community all benefit. She is also an active CERT (Community Emergency Response Team) member in South Kohala, with firsthand experience of the district's emergency response limitations.

I. Position Statement

The 10-year extension of SMA Use Permit No. 07-019 for Site M should not be granted in its current form. The developer, DHL Mahi Site M LLC (a Special Purpose Vehicle of ProspectHill Group, San Francisco), has presented no demonstrable evidence that it can bear the fully loaded cost to implement and operate this project without negative impact on the existing communities it sits within and depends upon.

The burden of proof rests entirely with the developer. Until that burden is met with current facts, verified studies, and enforceable conditions—not promises—the Commission should deny the extension.

A note on development intent: Site M is currently a vacant dry lava field and a fire hazard. Development, done correctly, is not opposed. The position here is that correct development requires the project to be, at minimum, neutral in its impact on surrounding communities, and ideally, in the Hawaiian tradition of stewardship, to leave those communities better than it found them.

II. Threshold Conditions for Consideration

The following conditions should be satisfied, with current independently verified evidence, before any extension is considered:

1. All infrastructure studies should be refreshed to 2026 conditions. The original SMA permit was issued in 2007, nearly 20 years ago. Traffic volumes, water demand, sewer capacity, environmental conditions, wildfire risk, and emergency evacuation requirements have all materially changed. Proceeding on stale studies is not consistent with the intent of HRS §205A.
2. The developer should demonstrate full financial capacity to bear all infrastructure costs. No infrastructure improvement costs (on-site or off-site) should be passed to the MLRA or any of its sub-communities. The developer holds a \$275 million mortgage from Goldman Sachs (February 2025) encumbering approximately 750 acres, including state-leased parcels containing archaeological sites and fishpond buffers. Evidence that this debt does not constrain the developer's ability to fund required infrastructure upgrades would provide meaningful assurance to the Commission.
3. Enforceable project gates should be established as binding permit conditions. Conditions should be sequenced as construction gates, not aspirational guidelines. Precedent exists: the original SMA permit required shuttle service as a condition of occupancy (VML Agreement, Section 8). That model should be applied systematically to all material conditions, with bonding requirements prior to the first building permit.

III. Factual Context — Issue by Issue

A. Traffic & Circulation

Existing Conditions and the Site M Multiplier Effect

An administrative zoning swap redirected approximately two-thirds of Mauna Lani Resort traffic onto North Kaniku Drive. This imbalance exists today. Site M amplifies and permanently locks in this circulation pattern.

- Site M at full build-out adds an estimated 3,660 additional vehicle trips per day (360 hotel rooms x 6 trips/day + 500 residential units x 3 trips/day) directly onto North Kaniku Drive.
- The primary entrance to The Villages at Mauna Lani sits approximately 80 feet from the Foodland/shopping center entrance, already one of the most heavily used intersections in the resort. Increased queuing in this corridor raises the probability of rear-end and turning collisions.
- Emergency vehicle access to The Villages is affected when the 80-foot corridor between the shopping center entrance and the primary VML entrance is congested or blocked.
- Pedestrian, cyclist, and golf cart safety on North Kaniku Drive is already constrained. Higher traffic volumes will further limit non-vehicular use of the road.
- Living on a major arterial reduces residential property values by approximately 10%. For a typical VML unit, this represents \$200,000+ in lost value, or roughly \$25 million across the 130-unit community.

Note: The Planning Director's Recommendation acknowledges Condition 10 (turn lanes and traffic signal at North Kaniku/Ho'ohana) but imposes no timeline for completion and requires no bonding prior to permit issuance. Traffic improvements should be bonded and completed before the first certificate of occupancy.

Recommendations — Traffic

- Commission consideration of a full independent traffic circulation study reflecting 2026 conditions, rather than the 2007 baseline.
- Disclosure of all traffic studies and trip generation assumptions used to justify the original zoning swap and SMA approval.
- Evaluation of corrective measures—such as design changes that rebalance traffic distribution across the roundabout—before any extension is granted.
- Condition 10 traffic improvements should be bonded and substantially completed prior to first certificate of occupancy.

B. Water Supply

The Mauna Lani Resort area already experiences recurring mandatory and voluntary water reduction events due to well pump failures. Adding 925 units to a system already under stress will increase the frequency and severity of these reductions, with costs borne by current residents rather than the developer.

A critical water allocation timeline exists: the tri-party agreement among Mauna Lani Service, Inc. (now DHL Mahi PropCo LLC), Mauna Kea Properties, and the County Water Board provides that all unused water allocations revert to DWS on May 26, 2029. Condition 23 of the Planning Director's Recommendation acknowledges this but does not require a formal water agreement amendment to be in place before the permit is issued.

The water capacity study cited by the Planning Director (Akinaka & Associates, July 2025) was commissioned by the developer, not by an independent agency. It projects a 0.693 MGD surplus. This figure would benefit from independent verification before serving as the basis for a 10-year development commitment.

Recommendations — Water

- An independent water capacity study, modeling peak demand scenarios under full Site M build-out.
- The tri-party water agreement amendment should be in executed form, with Water Board approval, before the permit becomes effective.
- The developer should fund any required upgrades to water supply infrastructure as a bonded condition prior to first building permit.

C. Wastewater / Sewer

The Mauna Lani Resort disposes of treated wastewater via Underground Injection Control (UIC) wells near the coastline. The Planning Director's Recommendation states that wastewater infrastructure is adequate based on "planned infrastructure improvements." HAWC confirmed in its August 2025 correspondence that filtration capacity upgrades will be required before additional flows can be accommodated. These upgrades do not currently exist. The Commission should require these upgrades to be funded and bonded as a condition of permit issuance rather than deferred to an undefined future stage of development.

Recommendations — Wastewater

- A current wastewater capacity study including peak load scenarios and UIC well proximity impact assessment.
- An updated drainage study accounting for the removal of the golf course buffer, per HRS §205A-26(2).
- HAWC filtration upgrades should be funded, designed, and bonded as a condition of permit issuance.
- The developer should fund all wastewater infrastructure upgrades with no cost passed to the MLRA or sub-communities.

D. Beach Club & Shared Amenities

The Beach Club parking lot currently operates at or above capacity during peak periods. Adding approximately 374 hotel guests and 551 residential owners to the Beach Club user pool—a roughly 75% increase—without a corresponding expansion of parking, shade, and food service infrastructure warrants careful scrutiny.

The original SMA permit and the VML Agreement (Section 8) required Site M to provide shuttle service from the hotel to beaches prior to any certificate of occupancy, specifically to mitigate Beach Club traffic impacts. This condition should be explicitly confirmed, updated to reflect the revised project scope, and enforced with bonding.

The Nāpua restaurant and Shops at Mauna Lani (including Foodland) are already operating near capacity during holiday periods. These community-serving facilities were not designed to absorb a 23%+ increase in resort density.

E. Emergency Services & Regional Infrastructure

Mauna Lani Resort is not a self-contained township. It depends entirely on the broader South Kohala District for fire, police, medical response, hospital services, evacuation routes, and fuel supply.

Emergency evacuation from the resort area is already critically constrained. During a 2025 tsunami evacuation, resort residents evacuating to inland areas (e.g., Waimea, which is outside the tsunami inundation zone) experienced severe road stress on existing evacuation corridors. This was observed firsthand by the author of this testimony, who serves as a CERT member deployable in South Kohala.

That evacuation was not a high-impact event, yet it exposed serious systemic gaps. A formal post-incident debrief was conducted and the lessons learned were documented in a letter sent on August 3, 2025 to Governor Josh Green, State Senator Tim Richards, and State Representative David Tarnas. That letter described critical resource shortages, coordination failures, and infrastructure constraints that materially hampered the ability of emergency responders to support evacuees effectively. It is essential context that this letter was written and transmitted before Site M was even under consideration as a source of additional evacuees. The Commission is being asked to approve 925 new units into a system whose deficiencies were already formally documented and reported to state leadership.

The proposed emergency evacuation road is listed in the Planning Director's Recommendation as a strengthened condition. However, it is not a new benefit—it is a binding requirement of the original 2008 master plan that the developer has failed to construct in 18 years. Condition 6 of

the amended permit properly requires the road to be constructed before any Site M construction begins. This sequencing should be confirmed as enforceable and bonded.

Wildfire risk in the South Kohala District has materially increased since 2007. The Mauna Lani area is surrounded by dry lava fields, including Site M itself. No updated wildfire risk assessment has been presented.

Recommendations — Emergency & Regional Infrastructure

- Confirm that the emergency evacuation road must be bonded and completed before any Site M construction begins, as required by Condition 6.
- A current South Kohala emergency services capacity assessment, including fire, police, medical response, and evacuation route modeling under full Site M build-out.
- A current wildfire risk assessment and mitigation plan for the Site M parcel and adjacent areas.
- The developer should fund any required upgrades to regional emergency infrastructure serving the expanded resort population.

F. Archaeological & Environmental Compliance

Archaeological Inventory Surveys for the Site M area date to 2007. The State Historic Preservation Division (SHPD) has not yet responded to the current amendment application. The Planning Director's Recommendation acknowledges this openly, yet recommends approval anyway. Under HRS §205A-26(2)(4), the Commission must make specific factual findings that the development will "reasonably protect native Hawaiian rights." Those findings are not possible without SHPD's completed review.

The Ka Pa'akai O Ka 'Āina analysis prepared by ASM Affiliates (August 2025) acknowledges that the 2007 Cultural Impact Assessment was incomplete and that the area contains uncharted lava tubes, potential burials, ancestral trails, and wahi pana that were not documented in earlier surveys.

The removal of the golf course from the project eliminates a pervious buffer that protected the Mauna Lani fishponds from stormwater runoff. No updated environmental impact analysis has been provided for this change.

Recommendations — Archaeological & Environmental

- The extension should not be approved until SHPD has completed its review and provided a written response to the amendment application.
- Comprehensive supplemental AIS surveys incorporating modern subsurface detection methods should be completed before any ground disturbance.
- An updated drainage and environmental impact analysis addressing the removal of the golf course buffer and its effect on the Mauna Lani fishponds.

IV. Developer History and Project Context

DHL Mahi Site M LLC is a Special Purpose Vehicle of ProspectHill Group (San Francisco). ProspectHill acquired the Mauna Lani Resort in 2017. Its principals are the same development team responsible for Hualālai and Kūki'o. This history provides useful context:

- Makaiwa Bay Moorings (2024): ProspectHill/DHL proposed offshore yacht moorings in Makaiwa Bay. The Board of Land and Natural Resources deferred the proposal indefinitely following over 100 pieces of written public testimony. This demonstrates that public testimony directly influences this developer's project scope.
- Kūki'o Public Access: The development provides 28 public parking stalls as required under the 1995 PASH ruling, but the operational pass system has been challenged as a practical barrier to genuine public beach access.
- Hualālai Marine Stewardship: Under pressure from cultural practitioners, this developer accepted a 10-year fishing ban for local reef areas as a binding condition—establishing that firm environmental conditions are achievable when the community demands them.
- Non-performance on the original permit: The developer did not build under the original SMA permit despite having more than adequate time. Any extension granted should carry substantially stronger and more enforceable conditions than the original permit.

V. MLRA Governance Context

The MLRA (Mauna Lani Resort Association) governs all 17 residential communities within the resort. Because Auberge/DHL Mahi Opco LLC is the operational entity of the same developer family seeking the Site M extension, the MLRA may have a structural tension between representing developer interests and representing residential homeowner interests in this matter.

All affected residential sub-communities, not just The Villages, would benefit from the opportunity to be heard independently. A coordinated multi-community position would carry substantially greater weight before the Planning Commission and the County Council.

VI. Summary of Recommendations to the Commission

In the spirit of constructive engagement rather than outright opposition, the following actions are respectfully submitted for the Commission's consideration:

1. Deny the extension in its current form, or defer action pending the completion of current, independent infrastructure studies and SHPD review.
2. Require independent current studies on: traffic/circulation, water supply, wastewater capacity, emergency services capacity, wildfire risk, archaeological resources, and coastal/fishpond environmental impact.
3. Confirm that the emergency evacuation road must be bonded and completed before any Site M construction begins—it is a pre-existing obligation, not a new benefit.

4. Require financial disclosure: the developer should demonstrate that the \$275 million Goldman Sachs mortgage does not constrain its ability to fund infrastructure obligations.
5. Establish enforceable construction gates: each infrastructure condition should be satisfied and bonded before the corresponding permit milestone is reached.
6. Hold approval until SHPD review is complete, as required by HRS §205A-26(2)(4).
7. Ensure that all 17 MLRA residential communities have been properly notified and given the opportunity to be heard.

VII. Review of the Planning Director's Recommendation

Having reviewed the Planning Director's preliminary recommendation (PL-SMA-2026-000087), I appreciate the care taken to strengthen several permit conditions from the original 2008 approval. This section summarizes where my analysis is aligned with the recommendation and where I respectfully see important gaps that the Commission should address before acting.

A. Where I Agree with the Planning Director

Points of Alignment

- Condition 6 now requires the emergency evacuation road to be physically constructed before any Site M construction begins. This is meaningfully stronger than the original permit language and correctly sequences a long-deferred community safety obligation.
- Condition 10 requires turn lanes and a traffic signal at North Kaniku Drive and Ho'ohana Street. This directly addresses the most hazardous intersection in the resort corridor and reflects concerns raised by VML residents.
- Condition 23 triggers a water service amendment requirement if construction does not commence before May 26, 2029, acknowledging the DWS water allocation reversion deadline.
- The 23% overall density reduction and elimination of the golf course and conference center represent a more modest footprint than the original approval, which is a meaningful improvement.

B. Topics Requiring Further Analysis Before Approval

Critical Gap: SHPD Has Not Responded

The recommendation openly acknowledges that SHPD has not provided a response. Under HRS §205A-26(2)(4), the Commission must make specific factual findings about the protection of native Hawaiian rights. Those findings cannot be made without SHPD's completed review. Proceeding without that response exposes any approval to legal challenge.

Topic1: Water -The Developer's Own Study Is Not Independent Verification

The recommendation relies on a water study prepared by Akinaka & Associates on behalf of the developer, projecting a 0.693 MGD surplus. I respect the Planning Director's reliance on available data, but I believe the Commission should require independent verification of this figure before treating it as the basis for a decade-long development commitment. The stakes—for existing resort residents who already experience recurring water restriction events—are too high to leave to a single developer-commissioned analysis.

Topic 2: Wastewater - "Planned" Capacity Is Not Existing Capacity

The recommendation states that wastewater infrastructure is adequate based on "planned infrastructure improvements." HAWC's own August 2025 correspondence confirms that filtration upgrades will be required. These upgrades do not exist today. I respectfully suggest the Commission distinguish between capacity that exists and capacity that is planned—and require the latter to be funded and bonded before the permit is effective.

Topic 3: Traffic - Condition 10 Needs a Timeline and a Bond

I agree that Condition 10 is the right requirement. My concern is that the recommendation contains no deadline and no bonding mechanism. Without a performance bond, a condition that is not met before permitting cannot be enforced after the fact. I would ask the Commission to add a bonding requirement and a completion deadline tied to the certificate of occupancy.

Topic 4: The Thirty-Year Construction Window Deserves Explanation

The original 2008 permit required completion in 10 years. The proposed conditions allow 10 years to commence plus 20 years to complete—a potential 30-year window. I understand the rationale for flexibility on a large project, but I believe the Commission should explain on the record why this extraordinary accommodation is in the community's interest, and what happens if the developer does not commence within the 10-year window.

There is a broader principle at stake here. The original 2008 permit granted 10 years to complete construction. Nearly 18 years later, no construction has commenced. The proposed amendment responds to that non-performance by granting an additional 10 years to start, plus 20 more years to finish. If approved as written, this sets a concerning precedent: that a developer who does not act on an entitlement will be rewarded with a longer and more favorable one. The Commission should address on the record why this outcome serves the public interest, and what enforceable consequence exists if the developer again fails to commence within the new window."

Topic 5: No Fair Share Contribution for Regional Infrastructure

Comparable development approvals—including the Xie Trust rezoning on the same Commission agenda—have included explicit per-unit contributions for parks, roads, police, and fire services. Site M will add 925 units to a region that already has documented emergency service gaps. I respectfully ask the Commission to consider whether a fair share infrastructure contribution should be a condition of this permit.

Topic 6- Critical Conditions Lack Performance Bonds

Conditions 6 and 10—the two most important community safety conditions in the recommendation—contain no bonding requirements at permit issuance. I recognize the Planning Director may have intended these as standard compliance conditions, but given the developer's 18-year history of non-performance under the original permit, I believe the Commission should require performance bonds on all material pre-construction conditions as a safeguard.

C. The Role of the Contested Case Intervenor

Two parties have filed Petitions for Standing that the Commission will address on April 23. Both provide additional context that supports a thorough review:

- Pacific Resource Partnership (PRP) argues that 18 years of inaction warrants a supplemental environmental review, citing the Hawaii Supreme Court's Turtle Bay ruling. PRP specifically identifies the stale 2007 traffic analysis and the incomplete Ka Pa'akai cultural assessment as requiring updated scrutiny before any extension is granted.
- The Villages at Mauna Lani Association of Apartment Owners (VML AOA), represented by Dentons US LLP, holds contractual rights under a 2008 Settlement Agreement with the original developer that runs with the land and binds all successors including DHL Mahi. That agreement includes density limits, traffic mitigation commitments, a timeshare prohibition, and the emergency evacuation route obligation. The Commission should ensure that no amended condition inadvertently undercuts those contractual protections.

These interventions are not obstacles to progress—they are the procedural foundation for ensuring that any extension granted is durable, legally defensible, and genuinely serves the community.

This document is submitted as written testimony in lieu of in-person attendance at the April 23, 2026 public hearing before the Leeward Planning Commission for Site M application PL-SMA-2026-000087. All facts cited are drawn from public records, the Planning Department Board Packet for PL-SMA-2026-000087, agency correspondence, contested case petitions filed with the Planning Department, community discussion, and owner research.

Prepared and submitted by: Renée B. Lahti | Full-time resident of Waimea, Hawai'i and Owner, VML Unit #413, Villages at Mauna Lani | Date: April 19, 2026 | Email: Renee.Lahti@LineiKokua.com | This document was transmitted electronically to LPCtestimony@hawaiicounty.gov on April 19, 2026 as written testimony for Application PL-SMA-2026-000087, Agenda Item No. 2, Leeward Planning Commission hearing of April 23, 2026. Receipt confirmation was requested.